

COUNCIL - WEDNESDAY, 19 SEPTEMBER 2018

MINUTES OF A MEETING OF THE COUNCIL HELD IN COUNCIL CHAMBER - CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB ON WEDNESDAY, 19 SEPTEMBER 2018 AT 15:00

Present

Councillor JR McCarthy – Chairperson

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	RM Granville
CA Green	DG Howells	B Jones	MJ Kearns
DRW Lewis	DG Owen	D Patel	RL Penhale-Thomas
AA Pucella	JC Radcliffe	KL Rowlands	B Sedgebeer
RMI Shaw	JC Spanswick	RME Stirman	G Thomas
T Thomas	E Venables	SR Vidal	MC Voisey
KJ Watts	CA Webster	DBF White	A Williams
AJ Williams	HM Williams	JE Williams	RE Young

Apologies for Absence

A Hussain, RM James, JE Lewis, SG Smith, JH Tildesley MBE, LM Walters and PJ White

Officers:

Susan Cooper	Corporate Director - Social Services & Wellbeing
Mark Galvin	Senior Democratic Services Officer - Committees
Lindsay Harvey	Corporate Director Education and Family Support
Gill Lewis	Interim Head of Finance and Section 151 Officer
Darren Mepham	Chief Executive
Jonathan Parsons	Group Manager Development
Michael Pitman	Business & Administrative Apprentice
Mark Shephard	Corporate Director - Communities
Kelly Watson	Head of Legal & Regulatory Services

212. DECLARATIONS OF INTEREST

The Head of Legal and Regulatory Services and Monitoring Officer gave the following advice to Members in respect of an agenda item some may possibly have an interest in later in the meeting (ie Agenda Item 12), as follows:-

Members who are in the pension fund will have a personal interest in this item. However, under the Code of Conduct if that interest arises from their membership of the fund through their Councillor salaries they would not have a prejudicial interest. This exemption applies to them personally and would not apply to any interest they had as a result of family being part of the pension fund. It is for each Member to consider their own individual circumstances.

The following declarations of interest were made in respect of Agenda Item 12:-

Councillor DBF White prejudicial interest

Councillor DG Howells personal interest, as well as a prejudicial interest as a representative Member of WDA.

Councillor JC Spanswick prejudicial interest in that certain family members were in the Local Government Pension Scheme.

Councillor P Davies prejudicial interest.

Councillor HJ David prejudicial interest in that close family relatives are in the Local Government Pension Scheme. Councillor David also declared a prejudicial interest in Agenda Item 6 as a close family relative was employed by Rockwool.

Councillor HM Williams personal interest, and a prejudicial interest in Agenda Item 6, due to him owning a section of land within the application site.

Councillor CE Smith personal interest as well as a prejudicial interest due to a close family member being a beneficiary member of the Local Government Pension Scheme.

Councillor S Baldwin personal and prejudicial interest.

Councillor MJ Kearn prejudicial interest as a close family Member was in the Local Government Pension Scheme.

Councillor G Thomas prejudicial interest as a member of the Local Government Pension Scheme.

Councillor KJ Watts prejudicial interest.

Councillor RM Shaw personal interest.

Councillor N Clarke personal interest.

Councillor MC Voisey personal interest.

Councillor N Burnett prejudicial interest as a close family relative is a member of the Local Government Pension Scheme.

Councillor M Jones personal and prejudicial interest

Councillor T Beedle prejudicial interest as a member of the Local Government Pension Scheme.

Councillor A Williams personal interest as a member of the Local Government Pension Scheme.

Councillor D Patel personal interest as a member of the Local Government Pension Scheme.

Councillor MC Clarke personal interest.

Councillor S Aspey personal interest as he is a member of the Local Government Pension Scheme.

Councillor T Thomas personal interest as he had previously paid into the Local Government Pension Scheme.

COUNCIL - WEDNESDAY, 19 SEPTEMBER 2018

Those Members above who had declared a prejudicial interest in both the Agenda Items referred to, advised that they would leave the meeting whilst these items were being considered.

213. APPROVAL OF MINUTES

RESOLVED: That the Minutes of a meeting of Council dated 18 July 2018, be approved as a true and accurate record.

214. TO RECEIVE ANNOUNCEMENTS FROM:

The Mayor

The Mayor welcomed Members back after the August recess and hoped all had been able to get away for a few days ready for the autumn / winter season.

Since his last report to Council, both his Escort and he had carried out 34 official engagements, which had been varied and different yet very enjoyable, and it had been difficult to select a few to tell Members about.

They visited Mrs Emily McNamara on her 100th Birthday at her home in Maesteg, who enjoys good health, is still able to go shopping every week to ASDA with her granddaughter, and manages to climb the stairs every night. She told us about working in the munitions factory in Bridgend during the war and how she met her husband at a dance in 1943 and they got married 6 months later, and the rest is history with a number of grandchildren and great grandchildren. It was lovely to meet her and her family he added.

They also attended the Park Slip Disaster memorial service, a moving occasion with the great loss of life especially young men of 13 years of age, and in some cases several members of the same family lost.

The official opening of Bettws School by the First Minister was an excellent morning where we were shown around by the pupils who told us about their new school.

The Mayor/Consort had also attended the Maesteg Comprehensive School sports presentation evening, and at the Odeon Cinema Bridgend they attended the premier of Dragon Hunters, journalistic short films about the problems with dragons in the valleys, made in collaboration by all the primary schools in the Maesteg area, assisted by staff and pupils of Maesteg Comprehensive.

They also visited Trelales School Laleston to present the Platinum flag awarded to the school after 10 years having been awarded the green flag.

Further visits, included Year 6 leavers play at Tondu School, Bridgend car show, civic service of the Mayor of Porthcawl Cllr. Norah Clark, licensing of the Rev Ian Hodges as Area Dean with Bishop June. The Royal Welsh Show, visit to Tenovus mobile cancer unit at the pines, 65th Wedding Anniversary of Mr & Mrs Panter, presentation evening at HMS Cambria Barry. They had also visited the Dogs' Trust at Pen-y Fai, Bridge FM radio local hero awards evening, Presentation of a cheque to the Mayor Charities from the Members and Management of Castle bingo, and Housing matters day at Llamau's Morfa safe house.

He added that it was a sad occasion to attend the funeral of Audrey Thomas the sister of Councillor Jeff Tildesley, and who was his Consort when he was Mayor.

The Mayor had presented to him a cheque for Bridgend radio from Sainsbury's, following which he then visited the radio station in the hospital, then attended the opening of the new Gym for Warriors kick boxing club at the YMCA in Bridgend with Councillor David White and the Leader.

The Mayor/Consort had been presented with Gideon Bibles at the Civic Offices; visited St Pauls open day at Heol –y-Cyw, Glanffrwd residential home summer fete in Pencoed, LGBT Flag raising at civic offices, citizenship ceremony with 2 lovely families, ordination and induction of the new pastor for Hope Baptist Church Reverend Robert Hall QGM (Robbie to his friends). Also to Cefn-yr-Afon fete, Brackla in Bloom presentation, a concert by Porthcawl male voice choir with a talented quartet of singers ie The 4tunes. The Launch of Bridgend craft collective, Presentation and unveiling of a plaque at Porthcawl Harbour with Councillor Charles Smith to mark the double century of the birth of Robert Pearson Brereton who along with other projects in the area designed and built Porthcawl harbour, MPCT St David's day run in Coopers field Bute park.

He concluded by advising that both his Consort and he, were looking forward to a busy autumn season, if the above was anything to go by.

Deputy Leader

The Deputy Leader was sure that Members will want to let their constituents know that we are preparing to hold the annual County Borough Job's Fair.

This popular free event will take place tomorrow between 10am and 1pm at Bridgend Life Centre.

It was open to everyone, and is aimed at helping local people to find work or change career while receiving expert advice and support.

The event had been organised in partnership with Job Centre Plus, and more than 40 employers and organisations will be taking part.

There will be a wide range of temporary and permanent vacancies available to apply for on the day, and these will cover jobs in retail and sales, hospitality driving, care, manufacturing, banking, security, training providers, public services and recruitment.

The job's fair has developed a solid reputation as a place where job seekers can access information and advice, and get back into work or find an opportunity to increase their skills.

This year's event has attracted a large number of potential employers, and he was certain that it will be of great benefit to local residents.

Cabinet Member – Communities

The Cabinet Member – Communities advised that Members were no doubt used to constituents bringing potholes to their attention, so he was really pleased to see that our £1.5m highways upgrade is underway.

This is resurfacing some of the County Borough's most well-used roads as part of a rolling programme of investment.

He was aware that Members and concerned members of the public, had brought many of the roads to our attention, and Council staff had identified those which needed to be included in the programme

The roads had been selected for work following technical surveys which have made use of radar, skid-resistance equipment, condition surveys and assessments conducted by highways inspectors.

Once the work has been completed, it should ensure that the road will not require any further major repairs for between 20 to 30 years.

This makes far greater sense than patching or mending potholes as they occur, and is far cheaper in the long run.

While some inconvenience is inevitable, all efforts are being made to try and keep this to a minimum, and the work is going to make quite a difference as we move closer towards winter.

Finally, he reminded Members of the RAF Centenary event that would take place at 4.30pm (ie following Council) this afternoon.

Cabinet Member – Future Generations and Wellbeing

The Cabinet Member – Future Generations and Wellbeing, advised that as the autumn term rolls around, the Council's annual 'Empty Nest' campaign has begun to recruit new foster carers.

The campaign is aimed at households where children have grown-up and moved on. It provides a positive solution for parents and guardians who may be trying to adjust to the sudden change in their lives.

It also encourages parents and guardians to use their skills to help ensure that children can remain in the local area, and as close to their school and friends as possible.

Foster carers were also being sought, as part of the 'Bridge The Gap' scheme, which provides specialist short-term care for children who have a range of additional needs.

Ongoing training and advice is provided for all foster carers along with a competitive financial package.

She concluded by stating that anyone who would like to find out more can do so by visiting the Bridgend Foster Care website, or calling the fostering team on 642674.

Cabinet Member – Education and Regeneration

The Cabinet Member Education and Regeneration, stated that colleagues will be aware that this Council's ongoing school modernisation programme has been delivering state of the art educational facilities for some time now.

Together with the Mayor, Youth Mayor, Deputy Youth Mayor, Leader, and fellow Cabinet members together with local Councillor Martin Jones, he was delighted to attend the official opening of the all-new Betws Primary School.

First Minister Carwyn Jones was also on hand for the event, and they seen for themselves what a huge difference the school is making in the lives of over 200 local children aged between four and eleven.

As Members were aware, in 2012 Betws Primary was partially damaged after a fire broke out in the junior block. Together with the Welsh medium primary which is being constructed at the same site, Ysgol Gynradd Gymraeg Calon Y Cymoedd, both schools represent a £10.8m investment into the southern part of the Garw Valley.

With Coleg Cymunedol Y Dderwen located just a few miles down the road, he felt that this ably demonstrates the efforts being made to create a formidable lasting legacy for education in this part of the County Borough.

He both thanked and congratulated everyone who had helped to deliver this wonderful new community resource.

He was also delighted to attend a recent event organised by the Institution of Civil Engineers, or ICE for short, to mark the contribution of Robert Pearson Brereton, a 19th century engineer and colleague of Brunel, who was responsible for a number of local feats of engineering.

These included the construction of the new Porthcawl dock, which opened in 1867, and the completion of the Maesteg district to Bridgend and Porthcawl railway line.

In the past thirteen years ICE Wales Cymru has placed or supported 27 plaques and information panels throughout Wales, marking important historical engineering sites and commemorating famous engineers such as Trevithick, Brunel and Telford.

ICE had provided us with a commemorative plaque which we will place on permanent display once some of the current harbour works are completed.

It will be the 27th plaque that ICE has awarded to mark important sites and commemorate famous engineers, and he was sure that Members would wish to check this out for themselves.

Chief Executive

The Chief Executive wished to provide Members with a brief update about some staff engagement work that was currently being carried out.

Over the summer, the Leader and himself held a number of sessions with staff here in the Council Chamber, and around 150 employees attended these in total, and they gave them a real cross-cutting flavour of the sort of concerns and issues affecting staff.

The sessions also enabled them to share some of the major issues facing the Council, and to answer any questions that were raised. They also encouraged staff to view the sessions as an open forum where anyone could raise an issue, and they responded to this positively so.

Staff had expressed a lot of interest in the forthcoming health board changes and Local government reorganisation was also a hot topic. As of course was the budget and austerity.

The staff updates form part of a rolling programme of measures which are designed to help us better understand our staff, and support us in addressing their well-being needs.

This was something that the Leader and he were likely to repeat at regular intervals in the future.

Additionally, we launched a staff survey which is designed to enable staff to provide us with honest, anonymous feedback, and give us a true insight into their views and feelings. This will conclude on 10 October, after which time we will analyse it in order to identify what actions might be necessary for things like supporting staff wellbeing and morale.

He would update Members with more details once the results of this process were known the Chief Executive concluded.

Monitoring Officer

The Monitoring Officer announced of a couple of changes regarding Committee memberships.

Firstly, she advised that Councillor Radcliffe would take the place of Councillor T Thomas on the Development Control Committee.

Secondly, it had been agreed between the two following Members, that Councillor J Williams comes off SO&SC 1 and becomes a member of SO&SC 3 instead. To facilitate this, Councillor JH Tildesley would relinquish his membership on SO&SC 3 and become a member of SO&SC 1.

The Monitoring Officer added that the above changes would not affect the current political balance of Committees.

215. TO RECEIVE THE REPORT OF THE LEADER

The Leader advised that the Council were about to embark on this year's budget consultation, and will be once again encouraging local residents to take part and assist in re-shaping Bridgend's future. As part of this, we would be carrying out a full publicity and marketing campaign that will take into account community events, news releases, advertising and more.

Social media will play a major role in this process, and he hoped that all elected Members will get behind the campaign, and encourage as many people to take part as possible. We will be asking residents what services they think should be prioritised as the Authority seeks to cover a £35m shortfall in funding by 2023. It is all too easy to see only the cut and not the reasoning behind it, so we need Members to help us to communicate some very difficult issues.

As Members knew, the Council had already saved £30m by doing things like reducing our staff by more than 400, working with partners such as Halo, or reducing services such as public conveniences, street cleansing, youth clubs and adult learning. This has been undertaken while also delivering essential investment into new schools, housing for older people, vital sea defences and more. But as Members were also aware, a critical point had now been reached, and some very hard decisions still had yet to be made.

The next few years were going to be the most challenging yet as we are forced to consider important areas such as schools and nursery education, social services for children, older residents and disabled people, and more. This is why the Council needed to fully engage with local people, and he was appealing to all Councillors, including members of Town and Community Councils, to help in delivering these.

Members would soon be receiving an invitation to a special consultation event. This is being arranged so that it can take place alongside full Council on Wednesday 24

October, and will provide Members with an opportunity to give their views and find out more about what we are trying to achieve. In addition, Councillors would be sent full details of the community events that are being organised, along with information advising residents about the different ways in which they can take part.

The budget consultation will take place between the 24 September and the 18 November. There would be ample opportunity to take part, so he asked those present to help spread the word about this very important opportunity.

Finally, the Leader congratulated Mr. Lindsay Harvey who had recently been appointed to the post of Corporate Director – Education and Family Support, after occupying this role on an interim basis. This appointment had been made by the Appointments Committee, a body comprising cross-party Members.

The Leader was aware that this job was Mr. Harvey's dream post, and he knew that he would be very successful in effectively carrying out the role of the job as he had done on a temporary basis for quite a few months already.

216. DEPARTURE PLANNING APPLICATION P/18/520/FUL

The Corporate Director - Communities submitted a report, which confirmed that on 30 August, 2018, the Development Control Committee considered planning application P/18/520/FUL as a departure from the Local Development Plan. The Development Control Committee resolved not to refuse planning permission, so the application is referred to Council which is requested to approve the application subject to conditions.

A copy of the Development Control Committee report on this matter was attached at Appendix 1 to the report.

The Group Manager Development advised that Members were familiar with him attending the Development Control Committee to provide updates on the Local Development Plan (LDP) and other development planning matters, whereby the importance of compliance with and delivery of the LDP was emphasised. Occasionally however, reports relating to development that does not comply with the LDP where the above Committee have resolved to approve were required to be considered by Council, as the Committee is unable to make a determination on certain applications (that depart from the LDP).

The above application related to an extension to the existing Rockwool factory site at Wern Tarw, Bridgend, a major employer in the County Borough. The extension will involve developing land currently outside the allocated area for the factory and into the open countryside. As such the proposal does not comply with the LDP.

The extended area will provide a larger and more accessible external storage area for the finished Rockwool product immediately to the south of their existing factory, with access from a new entrance off Wern Tarw Road.

A multi-million pound investment from Rockwool Global Headquarters in Denmark had been secured to undertake this extension in order to improve the efficiency of the site in terms of deliveries, unloading and loading and to meet an increased demand for the product.

The area of new development revolves around a new concrete hardstanding area (including an asphalt entrance and access road/parking area/loading area for HGV's) of approximately 20 acres of relatively low grade agricultural land to the immediate south of the current facility. The development will also include an enclosed and insulated conveyor belt into the main factory site, driver welfare facility, forklift garage and security hut. The

new storage space facility will also allow the company to free up some space at the current site entrance opposite Wern Farm Road; maximise the capacity of the factory to produce, store and deliver their products and employ an extra 65 permanent full time workers (on top of the existing 404 employees) on the site. Production at the plant was scaled down following the economic downturn and this proposal does not involve increasing production facilities, rather the improving the efficiency of the current operation.

The proposal was subject to extensive pre-application discussion and community consultation. The application was also accompanied by the necessary detailed reports including traffic assessment, ecological assessments (including bats, dormouse, great crested newt, reptiles and breeding birds), lighting study, Design and Access Statement, Visual Impact Assessment, Noise Assessment Report Stage 1-2 Road Safety Audit, ground investigation report, flood risk assessment and construction management plan.

The proposal has been thoroughly assessed including the input from statutory consultees and the Council's own internal experts. It was not considered that the development will give rise to any overriding issues of amenity, design or safety.

A number of concerns have been raised by residents, the Town Council and local member. These concerns are highlighted and addressed in the planning report and were discussed at length during the Development Control Committee meeting.

The Group Manager Development confirmed that on balance, having regard to the above and weighing up of all material considerations relevant to this scheme, in planning terms it is considered that development is acceptable in this specific location due to the justification for the expansion of this established employment site within the County Borough and in regard to any potential impacts on surrounding residents by way of noise, air quality and lighting; any impact on the character and appearance of the site and surrounding countryside; its potential impact on biodiversity in and around the site; and its potential impact on the highway network and drainage in and around the site.

Therefore, there was a reasoned argument for the extension of the factory site into the adjacent land within the countryside.

Planning law dictates that planning applications must be determined in accordance with the LDP, unless material circumstances state otherwise. In this case the expansion of this established industrial facility and the associated economic benefits in terms of additional employment, he felt outweighed the general countryside protection policies in this case and will provide a degree of resilience to the plant.

The Group Manager Development concluded, that the Local Planning Authority can grant permission for development which does not accord with the provisions of the LDP in force in the area, subject to ratification by Council. The Development Control Committee were not minded to refuse planning consent.

The Member for the area in question, raised some concerns regarding the existing highway infrastructure in the Heol-Y-Cyw/Wern Tarw area and the detrimental effect the extension of the development may have on this, due to an increase in large vehicular traffic to/from the application site. Whilst he supported the extra employment opportunities the development would bring, he felt that the application should not be approved, unless a Condition was added to the consent that would give rise to improvements being made to the highway network at the above mentioned location. He therefore moved an amendment to the recommendation to this effect, which was duly seconded.

COUNCIL - WEDNESDAY, 19 SEPTEMBER 2018

A further Member who supported this proposal, asked if a recorded vote could be undertaken on the amendment.

An electronic vote was therefore taken on whether or not there should be a recorded vote, the result of which was as follows:-

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

The Group Manager Development advised that the proposal so made by the Member was not an amendment to the recommendation, as what was being proposed did not form part of the report's recommendation. He also pointed out that there would not be an increase of vehicles to/from the Rockwool site as a result of the application. He added also that the condition of the highway pre-existed the submission of the application, and therefore it was not incumbent upon the developer to necessarily address any pre-existing highway network issues.

With the advice of the Monitoring Officer, it was therefore agreed that the vote be 'yes' for those in favour of the recommendation, and 'no' for those who wish it to be refused.

The result of the recorded vote was as follows:-

<u>For (approval of the report)</u>	<u>Against</u>	<u>Abstentions</u>
28	14	1

Departure Planning Application Resolution (Motion)	
Councillor Sean Aspey	Against
Councillor Stuart Baldwin	For
Councillor Tom Beedle	For
Councillor Jon-Paul Blundell	For
Councillor Nicole Burnett	For
Cyngorydd Mike Clarke	Abstain
Councillor Norah Clarke	Against
Councillor Richard Collins	For
Councillor Huw David	No vote recorded
Councillor Paul Davies	For
Councillor Pam Davies	For
Councillor Sorrel Dendy	Against
Councillor Keith Edwards	For
Councillor Jane Gebbie	For
Councillor Tom Giffard	For
Councillor Richard Granville	For
Councillor Cheryl Green	Against
Councillor Gareth Howells	For
Councillor Brian Jones	Against
Councillor Martyn Jones	For
Councillor Mike Kearns	For
Councillor David Lewis	Against
Councillor John McCarthy	No vote recorded
Councillor David Owen	Against
Councillor Dhanisha Patel	For
Councillor Ross Penhale-Thomas	For
Councillor Aniel Pucella	No vote recorded

COUNCIL - WEDNESDAY, 19 SEPTEMBER 2018

Councillor James Radcliffe	Against
Councillor Kay Rowlands	For
Councillor Bridie Sedgbeer	For
Councillor Rod Shaw	For
Councillor Charles Smith	For
Councillor John Spanswick	For
Councillor Roz Stirman	For
Councillor Gary Thomas	For
Councillor Tim Thomas	Against
Councillor Elaine Venables	Against
Councillor Sadie Vidal	For
Councillor Matthew Voisey	For
Councillor Ken Watts	Against
Councillor Carolyn Webster	For
Councillor David White	For
Councillor Alex Williams	Against
Councillor Amanda Williams	Against
Councillor Hywel Williams	No vote recorded
Councillor Julia Williams	Against
Councillor Richard Young	For
Carried	

RESOLVED: That Council approved the report (and the development), and that the Corporate Director – Communities be given delegated authority to issue a decision notice in respect of the proposal, subject to the Conditions contained in the report.

217. ANNUAL TREASURY MANAGEMENT OUTTURN REPORT 2017-18

The Interim Head of Finance and S151 Officer submitted a report, the purpose of which, was to comply with the requirement of the Chartered Institute of Public Finance and Accountancy (CIPFA) 'Treasury Management in the Public Services: Code of Practice' to report an overview of treasury activities for the preceding financial year and to report on the actual Treasury Management and Prudential Indicators for 2017-18.

The report is based on the Treasury Management Strategy (TMS) for 2017-18 which was approved by Council on 1 March 2017.

CIPFA published new editions of Treasury Management in the Public Services: Code of Practice and the Prudential Code for Capital Finance in Local Authorities in late December 2017, however the TMS 2017-18 and this report were produced using the 2011 Codes. Also, in March 2018 the Welsh Government published an amendment to the Local Authorities (Capital Finance and Accounting) (Wales) Regulations, which enables the Council to invest in certain instruments from 2017-18, which were previously treated as capital expenditure, without the potential revenue cost of Minimum Revenue Provision (MRP) and without the proceeds from sale being considered a capital receipt.

She added that the Council's treasury management advisors are Arlingclose. Their contract runs from 1 September 2016 for 4 years following a tender process and the contract will be reviewed annually and either party may at any time terminate this agreement on 3 months prior written notice.

The treasury management function was reviewed by the Council's External Auditors, the Wales Audit Office during the 2017-18 annual audit and there were no adjustments for

Treasury Management. In addition to the External Audit work, Internal Audit undertook an audit of the treasury management function during 2017-18 and the audit identified that “based on an assessment of the strengths and weakness of the areas examined, and through testing it has been concluded that the effectiveness of the internal control environment is considered to be sound and therefore substantial assurance can be placed upon the management of risks”.

The Bank Rate started the financial year at 0.25% and the Bank of England’s Monetary Policy Committee (MPC) increased this by 0.25% to 0.50% in November 2017. It was significant in that it was the first rate hike in ten years, although in essence the MPC reversed its August 2016 cut following the EU referendum result. The Bank Rate remained at 0.50% for the remainder of 2017-18.

The Council’s external debt and investment position for 1 April 2017 to 31 March 2018 was shown in section 4.1 and table 1 of the report. More detail was provided in Section’s 4.4 and 4.5. The key points to note were:

- The total gross external debt outstanding at 31 March 2018 was £117.89m
 - The £96.87m long term borrowing at 31 March 2018 is made of :
 - a) £77.62m relating to Public Works Loan Board at fixed rates (average interest 4.70%)
 - b) £19.25m with a maturity date of 2054 relating to Lender’s Option Borrower’s Option loans which may be re-scheduled in advance of the maturity date. The Council approached the LOBO’s lender for potential repayment options in 2017-18,
 - c) However, the premium was deemed too excessive to action but the Council would take the option to repay these loans at no cost if it has the opportunity to do so in the future. The current average interest rate for these LOBO’s is 4.65% compared to the PWLB average interest rate of 4.70%.
 - There was no new long term borrowing taken during 2017-18 and no debt rescheduling was undertaken as there were no significant savings to be made, however, for cash-flow purposes 2 short term loans totalling £4m were taken all of which were repaid in less than a month from being taken with no balance outstanding 31 March 2018.
 - The £21.02m other long term liabilities figure at 31 March 2018 includes £17.64m for the Council’s Public Finance Initiative (PFI) arrangement for the provision of a secondary school in Maesteg with a remaining term of 16 years. Included in this figure is the short term liability of £0.64m which is included as current financial liabilities in the Council’s balance sheet in the SOA. £2.40m is also included relating to a loan from the WG Central Capital Retained Fund for regeneration works within the Llynfi Valley.
1. Favourable cash-flows provided surplus funds so the balance on investments at 31 March 2018 was £30.40m (average interest rate of 0.62%) decreasing from £33.75m at the start of the financial year but the average rate increased from 0.55%. The average rate for 2017-18 was 0.49% (same rate as 2016-17). A breakdown of this movement and interest received is shown in table 2 in section 4.5.5 by counterparty type and table 3 details the £30.40m by credit rating, maturity profile and counterparty type.

2. The Council defines high credit quality as organisations and securities having a credit rating of A- or higher. The pie chart in section 4.5.8 summarises the £30.40m investments by credit ratings and shows this by percentage outstanding. Most Local Authorities do not have credit ratings and the remainder of our investments all had a credit rating of A or above.
3. Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's to ensure that this lies within the Council's agreed minimum credit rating in the Investment Strategy in the TMS. Appendix B shows the equivalence table for these published credit ratings and explains the different investment grades.
 - Performance Indicators for comparator purposes for these rates are shown in section 4.6. The Council's 2017-18 average rate of return on investments at the end of each quarter was more favourable compared to the average of Arlingclose Welsh Local Authorities Unitaries clients as shown in 4.6.4 e.g. at 31-03-18, BCBC was 0.62% compared to 0.47%.

The Council is diversifying into more secure and/or higher yielding asset classes and any new instruments used will be in full consultation with Arlingclose. In order to be able to use the majority of these different types of instruments, the Council is required to use a nominee account(s) with a third party for safe custody of such investments (a custody account) as we are unable to deal direct. On 5 September 2017, Cabinet approved the opening of a King & Shaxson custody account. It also delegated authority to the Section 151 Officer, in consultation with the Monitoring Officer, to open additional custody accounts to support delivery of treasury management responsibilities if required. The custody account was used in October 2017 to invest in a £1 million HM Treasury bill which matured in January 2018.

The Council opened a Money Market Fund in August 2017 with the Churches, Charities and Local Authorities (CCLA) Public Sector Deposit Fund which is a pooling of public sector deposits wholly aligned with the principles and values of the public sector. It is UK domiciled, regulated by the Financial Services Authority with an advisory board representing the public sector depositors which ensures strong governance arrangements of the Fund. This is an approved financial instrument in the TMS 2017-18 and provides instant access to the funds. There was no balance outstanding at 31 March 2018.

In 2017-18, the Council operated within the treasury limits and Treasury Management and Prudential Indicators as set out in the agreed TMS 2017-18 and also complied with its Treasury Management Practices. Details of the Treasury Management and Prudential indicators are shown in 4.9 and Appendix A to the report.

The Deputy Leader thanked the Council's Finance Officers for prudently managing the Council's resources and obtaining a very good performance on its returns.

RESOLVED: That Council:

- (1) Approved the treasury management activities for 2017-18.
- (2) Approved the actual Treasury Management and Prudential Indicators 2017-18.

218. REVIEW OF THE MINIMUM REVENUE PROVISION (MRP) POLICY 2018-19

The Interim Head of Finance and S151 Officer submitted a report, the purpose of which, was to present to Council alternative methods of calculating a prudent annual revenue charge to repay capital financing costs, which is known as the Minimum Revenue

Provision, in accordance with the Local Authorities (Capital Finance and Accounting) (Wales) Regulations.

She advised that legislation does not define what constitutes as a 'prudent provision'. Welsh Government Guidance outlines various acceptable methods with the aim being to ensure that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefit or the period which is implicit in the determination of the Revenue Support Grant.

Authorities are required to produce an Annual Statement on their Policy for charging the Minimum Revenue Provision, known as MRP, and this is approved by Full Council. Therefore any changes to the Policy also need Council approval.

Appendix A to the report contained the Council approved Annual MRP Policy 2018-19. The current MRP charge 2018-19 for supported borrowing, based on a 4% reducing balance, is £4.884 million against a budget of £4.981 million. This is within Capital Financing in the Non-Directorate Revenue Budget.

The Reducing Balance approach allocates higher charges to earlier years and lower charges in later years. The 4% charge implies that the debt is paid off within 25 years. However, the reducing balance actual means that the debt is not fully extinguished until much later than this.

For example, in 45 years' time which is akin to the average life of the Council's assets, the current methodology would still leave £18.673 million of remaining debt with an annual charge of £778,000 to the revenue account. This does not seem to support the Well-being of Future Generations (Wales) Act 2015 and does not lend itself to be a prudent provision. Bridgend is one of a very small number of Authorities who still uses this method.

It was also worth noting that as well as the revenue provision for supported borrowing, the Council makes additional voluntary revenue provision. As at 31 March 2018, the cumulative figure of this is £14.743 million having been built up from 2004-05 and in 2018-19 the charge to revenue so far this year is £1.380 million which all goes towards reducing the outstanding capital financing requirement.

Appendix B of the report provided some options for changing MRP to a 3% Reducing Balance method and then on a straight line basis over 40 year, 45 years and 50 years. . It demonstrates that a more prudent methodology would be on a straight line basis which could be linked to asset lives as on a reducing balance methodology, the revenue charge still continues even at year 200. A straight line basis would result in:-

- All users benefiting equally from the use of the assets over their lives;
- Providing certainty of the annual revenue charge;
- Ensuring that the debt is fully paid off over the life of the asset.

Therefore, changing the methodology is not an attempt to identify short-term savings but a way to protect the current and future users of the assets by making the revenue charge more prudent.

The asset lives within the Council's asset register have been examined and an average asset life is 45 years. It would seem prudent to move to a straight line basis and charge the debt over 45 years. This would result in a new charge for the year of £2.713 million, £2.171 million less than the original charge of £4.884 million.

The report sought approval for the resultant under spend on the capital financing budget to be used to increase the Capital Programme Earmarked Reserve to support future capital schemes.

The Annual Minimum Revenue Provision Statement for 2018-19 was set out in Appendix C to the report.

The Interim Head of Finance and S151 Officer responded to a number of questions from Members, following which it was

RESOLVED: That Council approved

- (1) The revision of the MRP Policy 2018-19 for calculating MRP on capital expenditure funded from supported borrowing from a 4% reducing balance method to a straight-line over 45 years method, and a revised Minimum Revenue Provision Statement is approved (see Appendix C to the report)
- (2) That the resultant surplus on the capital financing budget for 2018-19 is used to increase the Capital Programme earmarked reserve, and
- (3) Further consideration be given to the treatment of the base budget for MRP 2019-20 within the Term Financial Strategy.

219. **INFORMATION REPORTS FOR NOTING**

The Head of Legal and Regulatory Services submitted a report, which informed Council of the Information Reports for noting which had been published since the last scheduled meeting.

These were outlined in paragraph 4.1 of the report.

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

220. **QUESTION TO THE CABINET MEMBER - EDUCATION AND REGENERATION FROM COUNCILLOR TIM THOMAS**

“Will the Cabinet Member make a statement on the current status of this Council's implementation of the inclusion at schools strategy”?

Response by Cabinet Education and Regeneration

The implementation of the Additional Learning Needs (ALN) Reform is the focus of Inclusion and ALN strategy in Bridgend County Borough (BCBC).

The Additional Learning Needs and Education Tribunal (Wales) Bill was passed by the National Assembly for Wales on 12 December 2017 and, after receiving Royal Assent, became an Act on 24 January 2018. The Act makes provision for a new statutory framework for supporting children and young people with ALN from the age of 0-25. This is to replace existing legislation surrounding special educational needs (SEN) and the assessment of children and young people with learning difficulties and/or disabilities in post-16 education and training.

To support implementation of the new system, including the Act, Welsh Government has funded five Additional Learning Needs Transformation Leads. Four of the

transformation leads operate regionally, on the education consortia footprint, and one of the leads works as a Further Education Transformation Lead at a national level.

Implementation of the new system should commence in September 2020 with completion expected by the end of 2023. The timeline is as follows:

- January 2018 - Additional Learning needs Tribunal (Wales) Act gains Royal assent
- March 2018 - ALN Transformation leads in post
- Autumn 2018 - consultation on the draft ALN Code and regulations
- December 2019 - final ALN Code issued
- January 2020 - implementation training on the new ALN Code rolled out
- September 2020 - implementation training on the new ALN code rolled out
- Summer 2023 - SEN and learning difficulties and/or disabilities (LDD) systems come to an end

The Regional ALN Implementation Plan (2018-2019) has been agreed by Directors of Education from Central South Consortium (CSC). The plan is awaiting final sign off from Welsh Government which expected in September 2018. There are eight priorities contained within the plan which are as follows:

- Priority 1- create a multi-agency, multi-disciplinary regional implementation plan that underpins the successful transition to the new way of working.
- Priority 2 - deliver an awareness-raising programme that ensures all professionals, school governors, parents, carers, children and young people and the third sector receive timely information about the reforms and associated timescales.
- Priority 3 - implement a comprehensive workforce development plan that is compliant with the ALNET Act and complementary to the wider national education reforms.
- Priority 4 - develop support and provision for post compulsory school-aged learners through identifying local and potential regional offers.
- Priority 5 - ensure that the new statutory expectations for early years are understood and delivered and that appropriate support is provided to increase capacity in early years' settings.
- Priority 6 - improve strategic engagement with health to support the establishment of the statutory role of the Designated Educational Clinical Lead Officer and develop shared expectations and supportive working practices.
- Priority 7 - review and improve Welsh-medium provision and specialist support to increase regional capacity.
- Priority 8 - support the rights of the child and young person with ALN through the development of user-friendly practices that clearly explain processes and what support they can expect to receive as well as promoting their rights of appeal.

In addition to the Act, there is also a wider ALN transformation programme to support ALN reform. In February 2017, the Minister for Lifelong Learning and Welsh Language published a written ministerial statement announcing £20m investment in ALN to support all partners to successfully implement and deliver the new system. £1.1m of that investment was provided via the ALN Innovation Fund, which is a pre-legislative grant to

support collaborative projects between a range of agencies involved in supporting learners with ALN. The fund's aim was to support the identification and development of innovative practice which improves systems, arrangements and relationships in readiness for roll-out of the forthcoming legislative changes.

The learning from the projects funded by the grant scheme were shared across Wales on 19 June 2018. This provided a key opportunity to develop ways of working consistently with the reforms and influence the approach to transformation and implementation. The projects are as follows:

- Project 1 - transition planning between education settings, out of education and into social care and into adult life. The capacity of local post-16 provision with LDD.
- Project 2 - the capacity of ALN Co-coordinators ALNCOs in providing support to classroom staff, including skills development.
- Project 3 - the capacity of special schools to act as specialist support to mainstream schools and the capacity of local authority-based specialist services to support learners in early years, maintained schools and further education institutions.
- Project 4 - practice and arrangements for resolving disagreements and avoiding disputes.

ALN Reform is an agenda item at the Subject Overview and Scrutiny Committee 1 meeting on 18 October 2018. The Corporate Director, Education and Family Support will arrange a report to be presented at a future Council meeting on the progression of the implementation of the Additional Learning Needs and Education Tribunal (Wales) Act in due course.

Supplementary question by Councillor T Thomas

'With special regards to the Inclusion at Schools Strategy, what specific consultation methods were used to ensure pupils are at the heart of decision making?'

Response by the Corporate Director – Education and Family Support

A pupils voice is at the heart of the Council's decision making processes, and therefore, this lends itself to a variety of consultation methods, particularly in respect of the Equalities Act 2010.

Further supplementary question by Councillor T Thomas.

By what methods?

Response by the Cabinet Member Education and Regeneration

The Corporate Director – Education and Family Support will respond to Councillor Thomas and all other Members further regarding the above, outside of the meeting.

221. NOTICE OF MOTION PROPOSED BY COUNCILLOR CAROLYN WEBSTER

The asked with the Mayor's permission, if she could withdraw her Notice of Motion as outlined at Agenda Item 11. of the report, as it was her understanding that the WLGA

COUNCIL - WEDNESDAY, 19 SEPTEMBER 2018

had proposed that this Council looks to adopt this definition, and that it is going to be placed on the agenda of the Cabinet Committee Equalities in November this year.

Depending on the outcome of that, she added that she may choose to bring this motion back before Council at a later date.

Yesterday, Jews around the world observed Yom Kippur. She therefore took the opportunity to wish our Jewish residents in Bridgend County Borough, "G'mar Chatima Tova."

222. **NOTICE OF MOTION PROPOSED BY COUNCILLOR TIM THOMAS**

RESOLVED: It was agreed initially by Councillor T Thomas and subsequently by all Members, that this item be deferred to the next scheduled meeting of Council.

223. **URGENT ITEMS**

None.

The meeting closed at 16:31