

# Public Document Pack

## 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

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#### Cyfarwyddiaeth y Prif Weithredwr / Chief Executive's Directorate

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Gofynnwch am / Ask for: Andrew Rees

Ein cyf / Our ref:

Eich cyf / Your ref:

**Dyddiad/Date:** Wednesday, 16 October 2019

Dear Councillor,

#### **CABINET**

A meeting of the Cabinet will be held in the Committee Rooms 1/2/3, Civic Offices Angel Street Bridgend CF31 4WB on **Tuesday, 22 October 2019 at 14:30.**

#### **AGENDA**

1. Apologies for Absence  
To receive apologies for absence from Members.
2. Declarations of Interest  
To receive declarations of personal and prejudicial interest (if any) from Members/Officers in accordance with the provisions of the Members' Code of Conduct adopted by Council from 1 September 2008.
3. Approval of Minutes 3 - 18  
To receive for approval the Minutes of 10/09/2019 and 17/09/2019
4. Annual Report 2018-19 19 - 90
5. Budget Monitoring 2019-20 - Quarter 2 Revenue Forecast 91 - 122
6. Capital Programme Update - Quarter 2 2019-20 123 - 144
7. Guaranteed Interview Scheme for Veterans 145 - 148
8. Capital Energy Investment Project and Corporate Landlord Energy and Carbon Strategy 149 - 168
9. Playing Fields, Outdoor Sports Facilities and Parks Pavilions 169 - 238
10. Section 123 (2A) Local Government Act 1972: Disposal of Land at Forge Industrial Estate, Maesteg 239 - 244
11. Procurement Update 245 - 330

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12. Information Report for Noting

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13. Urgent Items

To consider any items of business that by reason of special circumstances the chairperson is of the opinion should be considered at the meeting as a matter of urgency in accordance with paragraph 2.4 (e) of the Cabinet Procedure Rules within the Constitution.

Yours faithfully

**K Watson**

Head of Legal and Regulatory Services

Councillors:

HJ David

CE Smith

Councillors

PJ White

HM Williams

Councillors

D Patel

RE Young

CABINET - TUESDAY, 10 SEPTEMBER 2019

MINUTES OF A MEETING OF THE CABINET HELD IN COUNCIL CHAMBER, CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB ON TUESDAY, 10 SEPTEMBER 2019 AT 09:30

Present

Councillor HJ David – Chairperson

CE Smith

HM Williams

D Patel

RE Young

Apologies for Absence

PJ White

Officers:

Gill Lewis	Interim Head of Finance and Section 151 Officer
Kelly Watson	Head of Legal & Regulatory Services
Mark Shephard	Chief Executive
Delyth Webb	Group Manager - Strategic Regeneration
Susan Cooper	Corporate Director - Social Services & Wellbeing
Andrew Rees	Democratic Services Manager
Lindsay Harvey	Corporate Director Education and Family Support
Zak Shell	Head of Neighbourhood Services
Michael Pitman	Business & Administrative Apprentice

400. DECLARATIONS OF INTEREST

None

401. THE BRIDGEND BUSINESS IMPROVEMENT DISTRICT ALTERATION PROPOSAL

The Group Manager - Strategic Regeneration presented a report which sought cabinet approval to;

- 1) Note the contents of the report and approve the financial arrangements as detailed within it.
- 2) Delegate authority to the leader of the council to cast the Council's votes in the BID Ballot. The report recommended that the authority agreed to vote yes in favour if the alteration ballot.
- 3) Delegate authority to the relevant chief officers in the event of a successful BID alteration to the ballot to approve, finalise and execute the terms of the deed of variation to the baseline services agreement and the operating agreement with the BID Company.

The Group Manager - Strategic Regeneration reported that reports were presented to Cabinet in May and June 2016 which detailed the process of establishing the Bridgend Business Improvement District (BID) for the CF31 area. Following a 'Yes' vote, the BID and the CF31 Business Improvement District Company Ltd ("The BID Company") which manages the BID was established and has been operational since 1<sup>st</sup> October 2016.

The Group Manager - Strategic Regeneration explained that the Bid Renewal document within the report was sent to the owners of the hereditaments which detailed the proposed changes to the BID. The proposed alterations were as follows;

- Boundary - the BID Boundary be redrawn and a map of the boundary under the alteration proposals is attached at Appendix 1 to this Report. This adds another 12 hereditaments to the boundary area.
- Rateable value – the rateable value of hereditaments within the boundary is changed from £6,000 to £5,000.
- The Levy payment is increased from 1.25% to 1.5%.
- The proposed BID term will be five years in duration from 1st October 2019 to 30th September 2024.

The Group Manager - Strategic Regeneration explained the Ballot timetable which outlined the Action, Regulation Requirements and the Alteration Ballot. The Group Manager – Strategic Regeneration explained the financial implications to the Council over a 5 year period as a business rate payer in that the Council has six properties in its ownership within the proposed BID area in the event of a Yes vote.

The Cabinet Member for Education and Regeneration expressed his support for the BID alteration proposals and thanked the Group Manager – Strategic Regeneration for presenting the comprehensive report. He clarified that the BID was not a Council project but rather a town trader's initiative. He also stated that he was happy that the proposed term would be 5 years, as opposed to the current term which was 3 years, as 5 years was a standard term for a BID.

The Group Manager - Strategic Regeneration explained that the BID helped to provide non statutory services, which have not been able to be provided for many years in the town centre and added that businesses who were not part of the BID would likely benefit from it.

The Cabinet Member for Education and Regeneration was pleased with the positive engagement from businesses which showed their commitment to improving the town centre and proposed that Cabinet accept the report and endorse the recommendations.

The Cabinet Member Communities supported these comments and expressed his support for the report and commented that the 5 year proposal would allow for more time to make a larger impact.

The Cabinet Member Communities was surprised that Asda did not show any engagement or support but believed this to be a national decision as opposed to a local store decision.

The Leader expressed his pleasure that a wide variety of businesses including larger retailers such as Peacocks and Home Bargains as well as a number of local independent retailers such as Beth Daniel, Watkins Menswear and Felicity Jewellers had engaged in the process and supported the BID. He thanked business people who volunteered to sit on the Board for their leadership particularly Beth Daniel who was chair of the BID.

He explained that a 'no' vote would have a negative impact on the funding agencies that BCBC depend on for regeneration projects in the town centre.

The Cabinet Member for Wellbeing and Future Generations expressed her support for the proposals and questioned the reason for businesses in the southern part of the town not being included on the map.



The Group Manager - Strategic Regeneration explained that the map was drawn based on the initial engagement and it was observed that the businesses in excluded area were not making use of the services or be involved in any way whether they paid a levy or not. Therefore it was determined for these reasons to make the boundaries smaller.

The Deputy Leader expressed his support for the proposed BID and supported the recommendations. He noted that there was cost of £23,000 £23,000 but believed that this was a positive investment.

The Group Manager - Strategic Regeneration explained that it had been funded and would continue to be funded from existing Strategic Regeneration Budgets.

**RESOLVED:** That Cabinet:

- (i) Noted that the BID alteration proposals and supplementary documentation have been submitted to and approved on behalf of the Council, as complying with the requirements of the Regulations.
- (ii) Noted that following receipt of a notice from the BID Company that the Council should instruct the Returning Officer to hold a BID alteration ballot, the Council instructed the Returning Officer to hold a BID alteration ballot by way of delegated power.
- (iii) Approved the financial arrangements detailed in paragraphs 8.2 and 8.4 of the report.
- (iv) Agreed to vote in favour of the Bridgend Business Improvement District alteration proposals in the BID alteration ballot.
- (v) Delegated authority to the Leader of the Council to cast the Council's votes in the BID alteration ballot.
- (vi) Upon there being a successful BID alteration ballot (and the relevant certification and publication notice required by the Regulations having been undertaken), delegated authority to the Chief Executive Officer in consultation with the Head of Legal and Regulatory Services and the Section 151 Officer to approve and finalise the terms of the deed of variation to the Baseline Services Agreement with the BID Company and to arrange for the Head of Legal and Regulatory Services to execute the deed of variation to the Baseline Service Agreement.
- (vii) Upon there being a successful BID ballot (and the relevant certification and publication notice required by the Regulations having been undertaken), delegated authority to the Section 151 Officer in consultation with the Chief Executive Officer and the Head of Legal and Regulatory Services to approve and finalise the terms of the Operating Agreement with the BID Company and to arrange for the Head of Legal and Regulatory Services to execute the Operating Agreement.

The meeting closed at 10:05

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**MINUTES OF A MEETING OF THE CABINET HELD IN COMMITTEE ROOMS 1/2/3, CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB ON TUESDAY, 17 SEPTEMBER 2019 AT 14:30**

**Present**

Councillor HJ David – Chairperson

CE Smith  
RE Young

PJ White

HM Williams

D Patel

**Apologies for Absence**

Corporate Director – Social Services and Wellbeing.

**Officers:**

Gill Lewis	Interim Head of Finance and Section 151 Officer
Kelly Watson	Head of Legal & Regulatory Services
Laura Kinsey	Head of Children's Social Care
Mark Shephard	Chief Executive
Mark Galvin	Senior Democratic Services Officer - Committees
Lindsay Harvey	Corporate Director Education and Family Support
Martin Morgans	Head of Performance and Partnership Services
Zak Shell	Head of Neighbourhood Services
Helen Picton	Operational Manager Enterprise & Specialist Services

**403. DECLARATIONS OF INTEREST**

Councillor HM Williams declared a personal interest in Agenda Item 11, in that he owns livestock on Mynydd Y Gaer Common near the Rockwool site that was discussed as part of debate on this item.

**404. APPROVAL OF MINUTES**

**RESOLVED:** That the Minutes of a meeting of Cabinet dated 23 July 2019 be approved as a true and accurate record.

**405. PUPIL DEPRIVATION GRANT - ACCESS GRANT 2019-20**

The Interim Head of Finance presented a report, the purpose of which, was to provide an update to Cabinet on the PDG Access Grant which is part of the Welsh Government Local Authority Education Grant 2019-20.

By way of background information, she explained that in 2018-19, the PDG Access Grant replaced the former Welsh Government (WG) School Uniform Grant for pupils in receipt of free school meals and entering secondary school for the first time (Year 7). It was extended to include free school meals of Reception age. For 2019-20, the WG grant had further been extended to include pupils who are eligible for free school meals and entering Reception, Year 3, Year 7 and Year 10 in primary, secondary and special schools, resource bases and pupil referral units.

The Interim head of Finance went on to say, that the purpose of the PDG grant is to enable Local Authorities to provide assistance to families on low income, and in receipt of free school meals with the purchase also of equipment shown in paragraph 4.1 of the report.

The value of the grant was up to £125 for each eligible pupil with the exception of those pupils entering Year 7 who were eligible for up to £200.

To the date of the report, 512 PDG Access Grants have been awarded to eligible primary school pupils, 36 grants to eligible pupils attending special schools and 561 grants awarded to eligible pupils attending secondary schools. In addition, a small number of grants have been awarded to looked after pupils attending schools in other authorities, under Welsh Government guidance.

The Deputy Leader confirmed that he had become aware of the changes to these type of grants at a recent School Budget Forum meeting and he encouraged parents to claim for these on the basis of eligibility.

The Leader was pleased to note that the availability of such grants had been extended to other year groups of schools. He extended his thanks to Welsh Government for the grant funding, as some families struggled to provide the likes of school uniform, sports kit etc for their children, and this provided some invaluable financial assistance especially for parents who had a number of children.

He hoped Head teachers would remind parents of this grant and that details of this could also be relayed through the Communications Panel and to the Fostering team so that they could remind Foster Carers of LAC.

**RESOLVED:** That Cabinet noted the update on the PDG Access Grant from Welsh Government, including the number of applications that have been received to date and the potential number of pupils who are still eligible to claim the Grant.

**406. VALLEYS REGIONAL PARK - AWARD OF FUNDING IN RELATION TO VALLEYS REGIONAL PARK DISCOVERY GATEWAYS CAPITAL GRANT 2019- 2021**

The Head of Operations – Community Services presented a report, the purpose of which, was to update Cabinet on applications for funding to the Valleys Regional Park Discovery Gateways Capital Grant, 2019-2021, and to seek Cabinet approval to accept funding offers and enter into agreements with delivery partners Awen Cultural Trust and the Wildlife Trust, South and West Wales, to support the delivery of activities as part of the Valleys Regional Park at Bryngarw Country Park and Parc Slip.

The report outlined certain background information, following which, he advised Members that BCBC had received notification from Welsh Government, that the proposals in relation to Bryngarw Country Park and Parc Slip have been approved.

He explained that the proposal for Bryngarw Country Park has been offered £500k capital funding and Parc Slip has been offered £400k capital funding.

In terms of the funding for Bryngarw Country Park, paragraph 4.4 of the report outlined examples of what this would deliver, whilst paragraph 4.5 outlined the same for Parc Slip.

In terms of the report's financial implications, these were outlined in paragraph 8 of the report, and the Head of Operations – Community Services reiterated that Welsh Government have indicated that at this stage, any funding indicated in financial years is fixed and there is no scope to vary between years. Delivery partners therefore have to manage and spend the resources in line with this and will be liable for any costs resulting from over or under spend not in line with the profile.

The Cabinet Member – Education and Regeneration commended the report adding that he was delighted with the funding so secured for the Valleys Regional Park schemes.

The Leader added his thanks to Welsh Government, ministers of which had championed the concept of VRP and backed this up with the appropriate investment. He also added the importance of partnership working in order to deliver projects such as these.

RESOLVED: That Cabinet:

- 1) Accepted the grant offers for the delivery of activity at Bryngarw Country Park (£500,000) and Parc Slip (£400,000) through the Valleys Regional Park Discovery Sites Capital Grant, 2019-2021.
- 2) Authorised the Head of Operations – Community Services, in consultation with the Section 151 Officer and Head of Legal and Regulatory Services, to enter into agreements with Awen Cultural Trust and the Wildlife Trust, South and West Wales for the delivery of their respective aspects of the project in accordance with paragraph 4.8 of the report.

407. SUSPENSION OF COUNCIL'S CONTRACT PROCEDURE RULES AND AWARD OF CONTRACTS FOR DOMESTIC ABUSE SERVICES

The Head of Performance and Partnership Services submitted a report on behalf of the Chief Executive, the purpose of which, was to seek approval to:

- Continue service delivery of existing domestic abuse services, to allow for regional commissioning options to be fully explored.
- Suspend the relevant parts of the Council's Contract Procedure Rules (CPRs) with regards to the requirement to re-tender the contracts detailed in this report.
- Authorise the Chief Executive Officer to enter into two contracts with the existing provider, Calan DVS until 30th April 2021.

By way of background information, he advised that Bridgend County Borough Council (BCBC) currently commissions a range of domestic abuse services, in line with two separate contracts.

One of these was for Integrated Domestic Abuse Services and a second contract was for the Perpetrator Programme, as detailed in paragraphs 3.2 and 3.6 of the report.

Following a tender exercise in 2015 BCBC entered into a contract with Calan DVS. The contract was commissioned for a three year period, with the option to extend for a further period of up to 24 months. This provision includes:

- Womens' refuge
- Move on accommodation
- Drop in provision part of BCBC's 'Assia Suite'
- Floating support
- Children and Young Persons Service — this element of the service is an annual option. A decision is made by December each year as to whether provision will continue in the following financial year.

In terms of the Perpetrator Programme, on 30th January 2018 Cabinet authorised the suspension of the Council's CPRs in relation to the requirements to tender a service and

authorise to enter into a contract with Calan DVS for the provision of a Perpetrator Programme.

A progress report in November 2018 showed that 26 male perpetrators had been referred to the scheme and of these, 11 have gone on to have 14 sessions, and 11 women (survivors) have received 58 one to one sessions. 100% of males and 100% of the survivors stated that they would recommend the programme to others.

The Head of Performance and Partnership Services, proceeded by stating that The Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015, aims to improve the public sector response to abuse and violence across Wales.

Commissioning guidance published in 2019, requires Violence against Women, Domestic Abuse and Sexual Violence ("VAWDASV") regional commissioning partnerships to carry out an assessment of need to inform VAWDASV commissioning strategies. The guidance stresses the importance of needs led, strengths based and accountable VAWDASV services.

As part of Welsh Government's regional reform process, BCBC has been working in collaboration with Merthyr Tydfil County Borough Council and Rhondda Cynon Taf County Borough Council to create a Cwm Taf VAWDASV Steering Group.

In addition, following Bridgend's health care boundary change to Cwm Taf University Health Board, effective from 1st April 2019, BCBC formally joined the Cwm Taf Regional Collaborative Committee, with regards to the Supporting People Grant, allowing for increased collaboration with partners across the Cwm Taf footprint.

In 2019 BCBC commissioned an independent consultant to undertake a VAWDASV population needs assessment to inform commissioning. The report highlighted a number of gaps in provision, including services for survivors of sexual violence, gender specific provision and services for people with additional needs, including those with mental health and substance misuse issues. A population needs assessment of the Merthyr and Rhondda Cynon Taf areas highlighted some common gaps in provision.

BCBC has commissioned an independent consultant to look at the strengths and weaknesses of existing services. This work is currently ongoing. BCBC will continue to work collaboratively as part of the Cwm Taf VAWDASV Steering Group to explore options for regional commissioning activity.

Finally, the Head of Performance and Partnership Services concluded his submission, by confirming that Cabinet needed to be mindful, that in awarding these contracts to Calan DVS, the Council is exposed to the risk of potential challenge from other providers of such services. The Council's CPRs ensure that procurement exercises are lawful and carried out in compliance with the Public Contract Regulations 2015, to satisfy EU Treaty principles of transparency, non-discrimination and equal treatment.

The Cabinet Member – Future Generations and Wellbeing acknowledged the ongoing changes with regard to the crossover from ABHMU to the Cwm Taf Health Board and the importance of the more vulnerable in society accessing services. She stated that after the regional commissioning proposals had been completed these services would be clearer, and more robust and beneficial to clients such as these.

RESOLVED: That Cabinet:

- (1) Approved the continuance of service delivery of the existing Integrated Domestic Abuse Services and the Perpetrator Programme, to allow for regional commissioning options to be fully explored.
- (2) Suspended the relevant parts of the Council's CPR's in respect of the requirement as to re-tendering of the proposed contracts.
- (3) Authorised the Chief Executive to enter into two separate contracts with Calan DVS, one for the provision of Integrated Domestic Abuse Services and one for the provision of the Perpetrator Programme until 30 April 2021.

**408. SCHOOL CROSSING PATROLS**

The Head of Operations – Community Services submitted a report, the purpose of which, was to recommend amendment to the School Crossing Patrol Service with adoption of the Road Safety Great Britain [GB] School Crossing Patrol Service Guidelines 2016 (the 2016 GB Guidelines).

In a previous Cabinet Report of 3 March 2015, there were 24 identified permanent School Crossing Patrol Officers [SCP's] currently employed by Bridgend County Borough Council. As a result of fluctuations in the service and as some SCPs have left or retired, there are now 17 permanent SCPs currently employed by Bridgend County Borough Council.

There are a number of sites which are historical and need to be investigated further to determine their status. For example, some sites are located where formal crossings have been provided, therefore SCP provision is not required and the posts have not been filled.

He explained that as detailed in the Road Safety GB School Crossing Patrol Service Guidelines (2012), appraisal of a potential site should be carried out objectively and be capable of withstanding challenge or criticism. This guidance was updated in 2016. The main difference between the guidelines is that one of the 2012 criteria counts children and adults that are crossing the road, whereas the 2016 guideline criteria considers the primary user to be child pedestrians crossing the road adopted.

This approach does not mean that sites will be automatically disestablished if they do not meet the criteria, as dialogue would take place with schools and town/community councils if they expressed an interest in funding the retention of the site.

In keeping with the previous report a site would be assessed if there is a change in circumstances i.e. a school relocation, a retirement or vacancy of a school crossing patroller, or demographic changes to a school.

The Head of Operations – Community Services added, that if the site does not meet the criteria, but the community consider the provision of an SCP to be important to them, then consideration should be given to other ways of funding the post such as the Community / Town Council. The SCP would be employed by BCBC but funded by the community.

This proposal is in line with the best use of resources and focusses on those sites where there is greatest assessed risk, based on the 2016 GB Guidelines.

The Cabinet Member – Communities, advised that there were no staffing implications currently, as a result of the report's proposals which he supported.

The Cabinet Member – Social Services and Early Help advised that the safety of children in particular was paramount and School Crossing Patrols were very important to this end. In light of the difficulty of recruiting staff to patrol School Crossings, he commended the assistance from Roly Patroly, a vehicle that was used to pick up unauthorised parking of vehicles in restricted areas, including those near schools.

The Head of Operations – Community Services advised that Roly Patroly had been successful in controlling unauthorised parking, and he reminded those present that more facts and details on issues relating to this report would be shared with Subject Overview and Scrutiny 3 when the topic of Enforcement will be on the agenda at next month's meeting.

The Cabinet Member – Future Generations and Wellbeing pointed out that if there were school crossing patrols outside or in the vicinity of any school, then this would possibly encourage pupils to walk more to schools than be driven there. Also, if any school crossing did not meet the required standards or criteria at any site and therefore were not subject to being patrolled by a School Crossing Patrol Officer, then could the school in question assist here in any way.

The Corporate Director – Education and Family Support advised that some schools had site supervision of traffic management schemes in place which may be able to assist to this end. Also, there was scope for a Town/Community Council or School Group to fund any controls should they express an interest to do so. However, any School Crossing Patrol Officer so recruited to control school crossings, would require to be employed by BCBC.

**RESOLVED:** That Cabinet approved that the 2016 GB Guidelines be adopted for future assessment of vacant or proposed School Crossing patrol sites.

409. **SERVICE LEVEL AGREEMENT BETWEEN BRIDGEND COUNTY BOROUGH COUNCIL AND G4S CARE AND JUSTICE SERVICES (UK) LIMITED INVISIBLE WALLS WALES**

The Corporate Director – Education and Family Support submitted a report, in order to seek Cabinet approval for the continuation of the service level agreement between BCBC and G4S Care and Justice Services (UK) Ltd in respect of Invisible Walls Wales service.

He advised that BCBC had worked in partnership with G4S and the Invisible Walls Wales (IWW) service since 2012 via a Big Lottery Grant.

He proceeded by confirming that an evaluation of the service had been undertaken, which highlighted some positive outcomes linked to the work undertaken by IWW, examples of which were detailed in paragraph 3.3 of the report.

A social work role (as alluded to in the report), has played a critical part in the success of the project and G4S were keen to maintain this partnership arrangement. A service level agreement (SLA) was previously approved by Cabinet in April 2018.

This SLA attached at Appendix 1 to the report, set out the ongoing partnership arrangements and has been updated to reflect changes in relation to service criteria that have been recently introduced.

The Cabinet Member – Future Generations and Wellbeing, though that the report made for positive reading and hoped that Members could soon visit Parc Prison within the immediate future.



The Leader concluded debate on this item, by stating that it was vital for children of prisoners to be able to maintain contact with them and foster their relationship with their father, through visits etc. rather than this being compromised.

**RESOLVED:** That Cabinet:

- (1) Agreed the ongoing partnership
- (2) Authorised the Corporate Director – Education and Family Support, to enter into the service level agreement, as referenced at Appendix 1 to the report.

**410. APPOINTMENT OF LOCAL AUTHORITY GOVERNORS**

The Corporate Director – Education and Family Support submitted a report, the purpose of which, was to seek approval from Cabinet, for the appointment of local authority governors to the school governing bodies listed at paragraph 4.1 and 4.2 of the report.

Details of the necessary appointments were outlined in paragraph 4 of the report.

The Cabinet Member – Education and Regeneration referred to Appendix A to the report that listed the current (and forthcoming) list of Local Authority governor vacancies and he asked if this could be circulated to all Councillors; the media, staff within the Authority and the general community, in order to obtain as much interest as possible, so that hopefully these vacancies could be filled in the not too distant future.

This was echoed by the Leader.

**RESOLVED:** That Cabinet approved the appointments listed at paragraphs 4.1 and 4.2 of the report.

**411. SOCIAL SERVICES REPRESENTATIONS AND COMPLAINTS ANNUAL REPORT 2018/19**

The Corporate Director – Social Services and Wellbeing submitted a report, in order to present to Cabinet the 2018/19 Annual Report on social services representations and complaints procedures as required by Welsh Government guidance. The Annual Report was attached at Appendix 1 to the cover report.

The Head of Children's Social Care advised by way of background information, that there was a requirement upon local authorities to have in place procedures for considering any such representations or complaints made in relation to the discharge of their Social Services functions. This section of the report outlined how this information was collated and in turn, reported to Welsh Government.

In terms of the reports current situation, paragraph(s) 4 of the report reflected for some positive reading, in that all complaints received for the above period were resolved within the statutory timescales with there also being an early resolution of such complaints.

The number of complaints together with the category of these, were detailed in paragraph 4.2 of the report.

The Cabinet Member – Social Services and Early Help, commended the report adding that last year's data meant for pleasant reading, in that it was an improving picture, with the Council having responded positively to such complaints etc, and this not just related to the service area of Social Services, but was also a wider Council approach. He

encouraged all Members to also become involved in Rota Visiting of establishments, if they weren't involved in this currently.

The Leader concluded debate on this item, by advising that it was heartening to read the feedback given to the services provided to clients on pages 89 and 90 of the report in respect of Adult Social Care, as it was so very important to give support to the more vulnerable members of our community and see these individuals being very appreciative of this.

**RESOLVED:** That Cabinet approved the Annual Report on social services representations and complaints procedures for 2018/19.

**412. LOCAL AIR QUALITY MANAGEMENT - ANNUAL PROGRESS REPORT 2019**

The Operational Manager and Specialist Services Officer, from the Shared Regulatory Services jointly presented a report, the purpose of which, was to seek approval for the 2019 Bridgend County Borough Council (BCBC) Local Air Quality Management (LAQM) Annual Progress Report (APR), based upon on air quality datasets obtained in 2018. The report required Cabinet approval in order to submit a final version to Welsh Government (WG) before the 30th September 2019.

Cabinet were advised, that under Section 82 of the Environment Act 1995 every local authority has an obligation to regularly review and assess air quality in their areas, and to determine whether or not air quality objectives to protect health are likely to be achieved. Where the air quality reviews indicate that the air quality objectives are not being achieved, or are not likely to be achieved, Section 83 of the 1995 Act requires local authorities to designate an Air Quality Management Area ('AQMA'). Section 84 of the Act ensures that action must then be taken at a local level which is outlined in a specific Air Quality Action Plan (AQAP) to ensure that air quality in the identified area improves.

The Annual Progress Report provided details on the ratified data for the air quality monitoring undertaken in 2018 within Bridgend County Borough Council.

On 20th November 2018 BCBC's Cabinet approved the recommendation to implement an Air Quality Management Area (AQMA) on Park Street based on evidence provided by Shared Regulatory Services (SRS) who manage LAQM on behalf of BCBC. Cabinet also approved the detail of the proposed AQMA order.

The Park Street, Bridgend AQMA Order was officially implemented on the 1st January 2019. The area comprising the Bridgend County Borough Council Air Quality Management Area Order No. 1, Park Street was outlined by Figure 1 in the report.

The 2019 Annual Progress Report confirms that in general air quality within Bridgend County Borough continues to meet the relevant air quality objectives as prescribed in the Air Quality (Wales) Regulations 2000 and the Air Quality (Amendment) (Wales) Regulations 2002.

However, it was notable that in 2018 air quality was a prevalent concern along Park Street, which coincides with the boundary of the AQMA Order raised on 1st January 2019. It is also noted that elevated annual average NO<sub>2</sub> air quality levels exist in close proximity to Park Street along adjoining road networks, where relevant exposure is apparent.

It was noted that monitoring undertaken at the new established site for 2018 (OBC-110), located on Park Street, does not only demonstrate annual average levels in exceedance

of the annual average air quality objective set at (40µg/m<sup>3</sup>) for NO<sub>2</sub>, but levels captured are also encroaching upon the 1-hour objective; 200µg/m<sup>3</sup> not to be exceeded > 18 times per year. OBC-110 recorded an annual average figure of 58.7.µg/m<sup>3</sup>.

It was also essential that the highlighted monitoring sites are closely examined and suitable action is taken where necessary explained the Officers. Such action may involve amendments to the AQMA Order, including revisions of the geographical boundary to encapsulate a wider area and reasoning for declaration.

As part of the LAQM statutory duties, from the date of raising the AQMA Order (in this instance 1st January 2019) SRS and BCBC has 18 months in which to prepare a Draft Action Plan to improve air quality in the area, and once agreed, this plan must be formally adopted before two years has elapsed.

SRS/ BCBC are currently working in accordance with WG's Policy Guidance to produce an Air Quality Action Plan (AQAP).

In preparing such a document, SRS has established a Work Steering Group which ensures the AQAP considers all aspects, including transport, planning, strategy & policy, public health and communications. The work steering group consists of representatives from BCBC's various departments, as well as representatives from the local Public Service Board (PSB). Meetings held to date have allowed for cross department integration and the development of realistic mitigation measures to alleviate the air quality concerns.

To date SRS has developed a preliminary list of proposed mitigation measures to address and hopefully alleviate the air quality concerns within the established Park Street, Bridgend AQMA. This preliminary list of measures considers the main categories shown in paragraph 4.13 of the report.

SRS/BCBC would be engaging with members of the public via 'Drop-in' sessions to answer any questions from residents and businesses in regards to the development of the Park Street AQMA Action Plan. The drop in sessions will provide an outline understanding for Council proposed mitigation measures and will allow persons to comment or request further information on the proposal.

Following completion of the Draft Air Quality Action Plan, a public consultation will be undertaken which will allow residents and businesses to make necessary comments.

As part of the report's financial implications, Officers advised that to support the development of the Park Street AQMA Action Plan, detailed air quality and transport modelling will be required to support any decisions to implement mitigation measures to improve NO<sub>2</sub> levels along Park Street. To support the decision as to which measures will be implemented there will be further detailed modelling assessments. Firstly each measure will be assessed in terms of cost and benefit, which will allow Cabinet to make an informed decision as to which measure/ measures they wish to pursue for further scrutiny and examination.

A further report will be brought to Cabinet in order to facilitate this process.

Any further detailed assessments will require financial support which, depending on the amount required, will necessitate discussion with the Section 151 Officer as to how these can be funded.

The Cabinet Member – Future Generations and Wellbeing, acknowledged the report together with the fact that Officers from the Shared Regulatory Services (SRS) were

taking the issue regarding Park Street seriously. She was pleased to note, that there were no other real concerns with regards to the air quality depreciating significantly in other locations within the County Borough.

The Deputy Leader confirmed that BCBC provided no less than 800 different key services and that it was essential, that the air that people breathe in Bridgend and its surrounding areas is of sufficient quality so to not as be detrimental to any one individual's health. He asked Officers if the air quality within the Mynydd Y Gaer area near the Rockwool site, Wern Tarw was safe for both residents and livestock that grazed on the common land at this location.

The Specialist Services Officer advised that tests had been made at this location and overall the air quality there gave no cause for concern, though there were monitoring processes carried out there from time to time, to ensure this situation did not change.

The Leader noted that there were higher levels of air emissions in the location of Tondu Road which was relatively close to the lower air quality levels at Park Street. He asked if these could be mitigated in some way through, for example, traffic management proposals being possibly put in place within these interconnecting locations, with a view to reducing carbon monoxide levels from motor vehicles.

The Specialist Services Officer confirmed that this was something that would be examined as part of the overall dataset analysis in the 2019 study of Local Air Quality controls. If these levels proved to be high, then mitigation measures would be taken along the lines of those, amongst others, contained in paragraph 8.3 of the report.

**RESOLVED:** That Cabinet:

- (1) Noted and accepted the monitored results gathered in 2018.
- (2) Noted the progress made developing the Air Quality Action Plan to accompany the Park Street, Bridgend AQMA, and
- (3) Recommended the finalisation of the 2019 Annual Progress Report (as attached at Appendix 1 to the report) for submission as a final version to Welsh Government before 30 September 2019.

**413. INFORMATION REPORTS FOR NOTING**

The Head of Legal and Regulatory Services submitted a report, the purpose of which, was to inform Cabinet of the Information Reports for Noting which have been published since the last scheduled meeting.

Details of these items were outlined in paragraph 4.1 of the report.

In respect of the report on the Ombudsman Annual Letter 208-19, the Leader was pleased to note that there had been less complaints made to the Ombudsman this year, as well as the fact that responses to any complaints so received were responded to quickly, as well as being taken very seriously.

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

**414. URGENT ITEMS**

None.

## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO CABINET

22 OCTOBER 2019

### REPORT OF THE CHIEF EXECUTIVE

#### ANNUAL REPORT 2018-19

##### 1. Purpose of Report

- 1.1 The purpose of this report is for Cabinet to consider the Annual Report 2018-19 (**Appendix A**) and recommend it to Council for approval.

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

- 2.1 This report assists in the achievement of the following corporate priority/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, support individuals and communities to build resilience and enable them to develop solution to meet needs and enjoy independent life as much as they can.
  3. **Smarter use of resources** – ensuring that all our 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 wellbeing objectives.

##### 3. Background

- 3.1 According to the [Shared Purpose Shared Future](#) statutory guidance (SPSF: 2) for the Well-being of Future Generations (Wales) Act 2015, individual public bodies must annually review the progress of their well-being objectives and publish a report to assess the extent to which these objectives contribute to the 7 wellbeing goals in accordance with the sustainable development principal.
- 3.2 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.
- 3.3 In March 2018, the Council published its Corporate Plan 2018-22. The Plan sets out our vision to act as 'One Council working together to improve lives', and sets out our three well-being objectives.
- 3.4 The Plan defined 40 commitments to deliver the three well-being objectives and identified 58 outcome-focused indicators for the financial year 2018-19.

- 3.5 The Council's Medium Term Financial Strategy (MTFS) identified how it would best use its resources to support the achievement of the well-being objectives 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 Well-being of Future Generations (Wales) Act 2015, evaluates how well the Council did in 2018-19 in delivering its commitments and planned outcomes for the financial year, using its success measures and other evidence.
- 4.2 Overall, the Council performed well in 2018-19. Of the 40 commitments, 35 (88%) were completed successfully and the remaining 5 (12%) achieved most of their milestones.
- 4.3 The Corporate Plan identified 58 indicators to measure success. Of the 56 indicators with a target, 37 (66%) are on target, 9 (16%) are off target by less than 10% and 10 (18%) missed the target by more than 10%. Detailed information about the Council's performance against its commitments and targets is included in **Appendix A**.
- 4.4 In 2018-19, the Welsh Local Government Association defined and collected 32 Public Accountability Measures (PAMs), for local authorities' performance. At the time of writing this report, data for all indicators is not available, so a full comparison of how we did nationally cannot be made. The 'How do we compare?' section in Appendix A sets out performance on indicators that have been published to date. This is also available on the ['Mylocalcouncil'](#) website.
- 4.5 The Annual Report also provides an overview of complementary steps we have taken outside of the Corporate Plan to improve the well-being of the citizens of the County Borough. A summary of budgets, regulators' findings and themes that underpin our work are also set out in the report.
- 4.6 This is an important document as it provides citizens and stakeholders with detailed information about the Council's performance against its well-being objectives and outcomes. It also includes 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. Hard copies of the report will be produced and placed in the Council's public libraries.

#### **5. Effect upon Policy Framework& Procedure Rules**

- 5.1 The Annual Report provides an assessment of progress on the Corporate Plan 2018-22 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. Well-being Future Generations (Wales) Act 2015 Assessment**

- 7.1 The well-being goals identified in the Act were considered when writing this report. It is considered there will be no significant or unacceptable impacts upon the achievement of the well-being goals / objectives as a result of this report.

## **8. Financial Implications**

- 8.1 There are no financial implications arising from this report.

## **9. Recommendation**

- 9.1 That Cabinet considers the Annual Report 2018-19 (**Appendix A**) and recommends it to Council for approval.

**Mark Shephard**  
**Chief Executive**

**Contact Officer:** Wanda Kirby  
Corporate Performance Manager

**Telephone:** (01656) 643382

**E-mail:** [Wanda.Kirby@bridgend.gov.uk](mailto:Wanda.Kirby@bridgend.gov.uk)

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Bridgend. CF31 4AP

## **Background documents**

- Corporate Plan 2018-22.

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**Bridgend County Borough Council**

# **Annual Report 2018 to 19**

*Working together to improve lives*

Page 23

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***“One council  
working  
together to  
improve lives”***

# Introduction

Welcome to Bridgend County Borough Council's annual report. It evaluates our progress against our well-being objectives, which our Corporate Plan outlines. This report relates to our performance for the year April 2018 to March 2019.

Our vision is to act as “one council working together to improve lives”. We will do this by delivering our well-being objectives. These represent our ambitions and commitments to our citizens and our contribution to Wales’ seven well-being goals as outlined in the Well-being of Future Generations (Wales) Act 2015 (the Act).

## Our contribution to the well-being goals

This report sets out our contribution by well-being objective to the seven well-being goals. These are set out below:

Well-being goal	Well-being objective		
	Supporting a successful economy	Helping people be more self-reliant	Smarter use of resources
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	✓		



## Progress against our well-being objectives

This report looks back on the progress we made together during 2018 to 19 on the steps to meet our well-being objectives. To evaluate performance, we have 58 measures of success, which we review annually to set targets to drive improvement. Analysis of performance shows that for 56 of the measures for which we have data:

- 37 (66%) met their target
- 9 (16%) were off target by less than 10%
- 10 (18%) missed the target by more than 10%

Where available, trend data shows that 33 indicators showed an improvement in performance or maintained the maximum level of performance (3) compared to last year.

In addition to our measures of success, we also made a number of commitments to support the delivery of our well-being objectives. Analysis of the year-end data shows that we have delivered what we said we would, with 35 88% of our commitments successfully completed. The other five (12%) achieving most of their milestones.

Like many councils, we are facing a number of challenges including decreasing resources coupled with greater demand on services.

One of the most significant pieces of work during 2018 to 19 has been in response to the health board boundary change. This meant that from April 2019 the management of all health services within the Bridgend County Borough transferred from Abertawe Bro Morgannwg University Health Board to the new Cwm Taf Morgannwg University Health Board. The implementation of the SSWB Act continues to be a priority for us and has been a main driver for change and for new ways of working. The principles underpinning the SSWB Act are further strengthened by the Well-being of Future Generations (Wales) Act.

These principles are:

- thinking more about the long term
- working better with people and communities
- looking to prevent problems
- taking a more joined-up approach

We continue to work hard to change and improve services at the same time as having to make significant efficiency savings. These stand at around £32.6 million over the period 2018 to 19 and 2021 to 2022. Making smarter use of our resources will include prioritising our spend better out of necessity.

Also it will mean investing in those things that make the most difference to outcomes for local people, and particularly the political priorities around young people and the society's most vulnerable.

Similarly we need to be more adaptive to respond to these financial challenges. Thus enhanced and intelligent collaboration with the private sector, other public sector partners and the third sector are crucial. There should be enhanced engagement with the public to gain a better mutual understanding of priorities, and together create workable solutions.

This report focuses mainly on what we achieved on the three well-being objectives that you told us were the most important to you as part of the annual budget consultation process we run. There are also many other areas that we contribute towards to improve the economic, social, cultural and environmental well-being. This shows our commitment to improving well-being for all our citizens, although not a corporate priority.

Despite the financial challenges we face, we are proud of what we have achieved. We remain committed to working with our partners and local communities to achieve our ambitions for Bridgend County Borough now and over the longer term. We are putting in place solid foundations that future generations can benefit and improve on. We do this so that we can provide effective services which are important to our citizens, and that will improve people's lives now and in the future.

Please look at our annual report and let us know what you think. For those readers that would like to see more in depth information, the report includes many links to detailed reports and data. We welcome comments on how we have done and how we can further improve our services for those we serve.



**Cllr Huw David –  
Leader of the Council**



**Mark Shephard –  
Chief Executive**

# A snapshot of Bridgend County Borough

in numbers



Population  
**144,876**



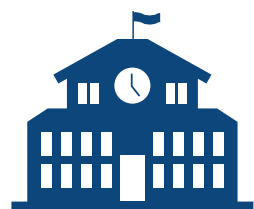
Area  
**98.5 square miles**



Households  
**64,766**



Average house price  
**£150,412**  
(UK HPI: April 2019)



Primary  
schools  
**48**



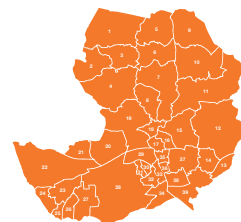
Secondary  
schools  
**9**



Special  
schools  
**3**



Faith  
schools  
**6**



Wards  
**39**



Councillors  
**54**

Regional AMs  
**4**

Constituency AMs  
**2**

MPs  
**2**



Council staff (full-time equivalent)  
**4,225**

## Our services include:

Bridgend County Borough Council delivers over 800 separate services whichs, these include:

- schools
- social care, safeguarding our most vulnerable adults and children
- planning and building control
- maintaining highways and public transport
- refuse and recycling
- street cleaning and safety
- parks and play areas
- environmental health, including food hygiene and health and safety
- collecting revenues
- and administering benefits
- elections
- leisure, arts and libraries
- supporting business and tourism
- special events and festivals

## Well-being in Bridgend County Borough

Below is a snapshot of economic, social, cultural and environmental well-being across Bridgend County Borough. These categories of well-being are prescribed in the Well-being of Future Generations (Wales) 2015 Act:

### Social well-being

- **48%** of school pupils and **22%** of adults take part in sport three times a week
- **40,825** junior swims with **42** disabled children supported
- **81,767** over 60s free swims recorded for **5,000** individual users, which is the highest participation in Wales out of 22 local authorities
- **2,013** referrals through the National Exercise Referral Scheme resulting in **29,593** visits to the 72 weekly classes
- **74%** of adults feel they have good or very good general health
- More than 7 out of every 10 children is a healthy weight (**74.4%**)

### Cultural well-being

- **74%** of adults attend or participate in arts, culture or heritage activities at least three times a year
- **65%** of people strongly agree that the 'Welsh language is something to be proud of'
- **27%** of adults volunteer
- Almost **20,000** children attended library events and activities over the summer holidays in July and August 2018 (Plan covers 2018-19)
- **2,835** children took part in the Summer Reading Challenge in 2018
- Over **50,000** children attended library events and activities throughout 2018-19
- Almost **120,000** children's books were borrowed in 2018 to 19

### Economic well-being

- **70.8%** of the working age population are in employment
- **20.6%** (provisional) of pupils achieved five GCSEs at A\*- A, compared with 20.1% last year
- **98.8%** (provisional) of pupils at A level achieved level 3 threshold, compared with 98.3% last year
- Average full-time resident salary **£28,709** (Welsh average £26,967) (2018)
- **4,160** active businesses

### Environmental well-being

- **69%** of people feel they can access information about Bridgend County Borough Council in the way they would like to
- **73%** of people are satisfied with the services and facilities available in Bridgend County Borough
- Since we introduced the new recycling scheme in 2017, we have recycled around **40,000** tonnes of waste, according to Welsh Government statistics
- Bridgend is the top plastic recycling town in Wales, and the 2nd best in the UK with **3,264** tonnes of plastic sent for recycling between 2017 to 18
- In 2018 to 19, Bridgend County Borough residents recycled enough food waste to power a typical school for over four years

# How we assess our performance

The Local Government (Wales) Measure 2009 requires us to ‘make arrangements to secure continuous improvement’. The Well-Being of Future Generations (Wales) Act 2015 requires local authorities to deliver a public service that meets the needs of the present without compromising the ability of future generations’ ability to meet their needs. Whilst the Well-Being Objectives are assessed on an annually, they cannot be completed within one year. We therefore review our well-being objectives annually, and refine our planned activities, while monitoring progress throughout the year to our improvement journey.

## Performance measures

A number of performance measures are identified within our Council’s Corporate Plan which helps show the progress made in delivering the Well-Being Objectives we have set ourselves. Where applicable, targets are set against these performance measures to show the desired level of achievement.

Performance measures are assigned a Red Amber Green (RAG) status of:

- **green** where the measure is on or above target
- **amber** where the result is within 10% of the target
- **red** where the result is greater than 10% from the target.

The trend arrow shows whether we have improved on last year’s performance and a brief explanation of where performance is below target is also given.

## Well-being objectives

Progress against our key programmes’ commitments affects how we assess progress on each well-being objective. We assign a RAG status to each commitment using a balanced appraisal of performance data along with the current progress of agreed tasks. The self-assessment categories are listed below:

A **red** status means that there are delays of more than 10% of the total length of the planned action. And/or budget and/or performance measures for the commitment are mostly red.

An **amber** status means that there are delays of less than 10% of the total length of the planned action. And/or performance measures for the commitment are a mixture of red, amber and green.

A **green** status means that the commitment is being met, and on budget. Also the performance measures are mostly green.



**Well-being objective one**

**Supporting a  
successful economy**



## Why we choose this objective?

We want to build a county borough where people have more opportunities to secure meaningful work, develop a career and improve their family income and circumstances. We know that higher levels of prosperity boost health and well-being, and create more resilient communities that need fewer services. We believe that education remains the most important lever for improving young people's life chances. We believe that a successful economy can and should be balanced against the environment's needs.

## What do we want to achieve?

### Our aims

1. To help local people develop skills and take advantage of opportunities to succeed and extend that success to every community in the county borough
2. To create conditions for growth and enterprise
3. To create successful town centres

## Our key programmes

Under this objective, there are four key programmes to help achieve our aims and deliver improvements in well-being.

### Cardiff Capital Region City Deal

This is a long term programme that will see £1.28 billion invested in the regional economy. The City Deal will help boost economic growth in 10 local authority areas including ours by improving transport links, increasing skills, and helping people into work. Also it will deliver high quality apprenticeships and give businesses the support they need to grow.

### Strategic Review of Post 16 Education and Training

This programme evaluates education provision and curriculum delivery across Bridgend County Borough. It ensures that there are clear options available to provide the best possible opportunities for learners in the county borough.

### Successful Economy Programme

This programme consists of key regeneration and development schemes, including regeneration and a flood defence scheme in Porthcawl and the redevelopment of Maesteg Town Hall. We are also developing a programme of improvement in Bridgend town centre, using Welsh Government's 'Targeted Regeneration Investment Programme'. As part of the Valleys Taskforce, we are working to maximise opportunities for regeneration in the valleys and will continue to lobby for transformative projects such as the Pencoed rail crossing.

### Tackling Poverty

To ensure a consistent and targeted approach to tackling poverty, we are streamlining the available grants to do so. Thus we can focus on alleviating child poverty and supporting vulnerable families through early intervention initiatives including Flying Start, Families First, Supporting People and Communities First Legacy Funding.

# How did we do?

## Performance measures

**Aim:** 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.

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
The percentage of working age population that is in employment.** (Higher)	71.4%	Increase on 2017 -18 actual	70.8%	▼	73.1%
The percentage of economically active 16 - 64 year olds.** (Higher)	75.4%	73.2%	74.0%	▼	76.7%
The total number of apprentices employed across the organisation. (Higher)	31	17	43	▲	
The number of apprenticeships/pre-apprenticeship work placements taken by looked after children. (Higher)	0	1	1	n/a	n/a
The percentage of children living in households where no one is working.* (Lower)	14.9%	14.89%	19%	▼	12.6%
This is outside of our control but reflects the effect of financial challenges on the local economy. We will target Welsh Government funding to address this.					
The percentage of Year 11 leavers from schools in the authority identified as not being in education, employment or training (NEETs) in the Careers Wales Annual Destination Survey Statistics. (Lower)	n/a	1.5%	0.9%	n/a	1.6%
The percentage of all care leavers who are in education, training or employment at: a) 12 months b) 24 months after leaving care (Higher)	a) 60.53%	a) 60%	a) 63.64%	▲	
	b) 46.67%	b) 55%	b) 57.89%	▲	
The percentage of 16 - 64 year olds without qualifications.** (Higher)	11.3%	Decrease on 17-18 actual	10.5%	▲	8.6%

\* Dec 2017 figure from StatsWales

\*\* Data from StatsWales

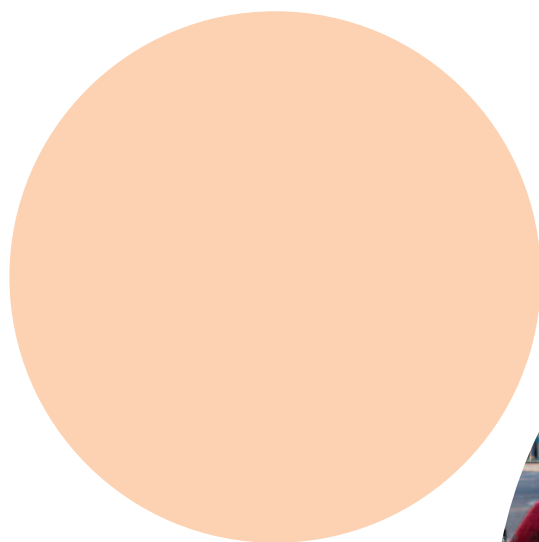
## Education measures

(Figures for educational achievement relate to the previous academic year)

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
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). <b>(Lower)</b>	29.1%	24.1%	32.9%	▼	32.2%
Performance of both eFSM and nFSM pupils in the Level 2 inclusive indicator improved in the 2017 to 2018 academic year. However, the increase in the performance of nFSM pupils was greater than the increase in the performance of the eFSM pupils and this resulted in the increased size of the gap between the two cohorts.					
The percentage of pupils year 11, 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. <b>(Higher)</b>	53%	64.4%	56.6%	▲	55.1%
Whilst we missed our ambitious target, Bridgend's performance improved from 53.0% to 56.6% in the 2017 to 2018 academic year, placing Bridgend above the all-Wales average. Bridgend's ranking in Wales increased from 13th to 9th.					
The percentage of schools meeting the Learning & Skills Measure in terms of the subject offer at Key Stage 4 & Post 16. <b>(Higher)</b>	100%	100%	100%	—	n/a
The percentage of pupils at A level achieving Level 3 threshold. <b>(Higher)</b>	98.1%	99%	98.3%	▲	97.6%
The percentage of pupils at A level achieving the Level 3 threshold rose 0.2% from 98.1% to 98.3% this year. Six of our schools achieved 100% performance and we remain above the Welsh average.					
The percentage of pupils achieving 3 A*-A grades at A level. <b>(Higher)</b>	9.4%	10%	9.2%	▼	13.4%
The percentage of pupils achieving 3 A-A* grades at A level fell from 9.4% to 9.2% for the 2017-2018 academic year, while the Welsh average rose in the same period from 10.5% to 13.4%. <ul style="list-style-type: none"> <li>The all Wales average result was possibly due to strong performance in the Advanced Skills Challenge Certificate; this is expected to be a feature in Bridgend's results in the summer of 2019.</li> </ul>					

## Aim: to create conditions for growth and enterprise

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
Total annual expenditure by tourists. (Higher)	£344.23 million	£351.11 million	£347.30 million	▲	n/a
The number of business start-ups. (Higher)	n/a	536	460	n/a	n/a
460 is a provisional result but it will not be confirmed until Nov 2019					
The number of active businesses. (Higher)	n/a	4046	4160	n/a	n/a
The percentage occupancy of council-owned starter units. (Higher)	n/a	90%	93.5%	n/a	n/a
The number of homes benefitting from the low-carbon and renewable energy heat schemes. (Higher)	n/a	n/a	n/a	n/a	n/a
This is a four year programme which is at its initial stage in 2018 and target is not applicable as schemes are not yet constructed. One hundred homes are targeted to benefit from the Caerau Heat Network by 2022.					



## Aim: to create successful town centres

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
The number of visitors to town centres - footfall for: a) Bridgend b) Porthcawl (Higher)	n/a	a) 7,307,130	a) 6,761,710	n/a	n/a
	n/a	b) 2,604,245	b) 2,160,100		
These are based on the cameras retained under the new footfall contract for each town, therefore historical data not comparable.					
The number of vacant premises in town centres a) Bridgend b) Maesteg c) Porthcawl d) Pencoed (Lower)	a) 66	Maintain the 2017 to 18 actuals in all 4 towns	a) 60	▲	n/a
	b) 9		b) 10	▼	
	c) 10		c) 11	▼	
	d) 4		d) 6	▲	
Targets have been missed in three towns, but the actual number represents only a marginal increase and is not part of a continual trend. We have recently commissioned a retail study to inform the review of its Local Development Plan. This will recommend appropriate retail policies for inclusion in the plan which will help to promote the vitality and viability of our town centres.					
The number of residential units in Bridgend town centre, that have had: a) Planning application approved b) Work completed (Higher)	a) 14	a) 20	a) 0	▼	n/a
	b) 0	b) 20	b) 24	▲	
The financial value of externally funded town centre regeneration projects underway/in development. (Higher)	£21.25 million	£15 million	£20.8 million	n/a	n/a

## Steps taken to achieve our key programmes

We made 13 commitments to support the delivery of this well-being objective, through our four key programmes. In 12 commitments, we achieved all that we had planned. Therefore we have assessed our performance as **green**. The other commitment we assessed as **amber** because we did not fully complete the action we had planned. There was a slight delay in the building works at the Rest Bay Water Sports Centre. External drainage works at the Harbourside Kiosk were outstanding but are now proceeding.

## Cardiff Capital Region City Deal

### City Deal

We are one of 10 local authorities in the programme, which aims to invest £1.2bn in the regional economy. The City Deal will help boost economic growth by improving transport links, increasing skills, helping people into work and giving businesses the support they need to grow.

During 2018 to 19, work continued on key themes. These include a regional housing investment fund, a digital strategy with a regional Wi-Fi, open data and regional skills programme. The latter includes greater access to apprenticeships, schools engagement and a skills investment fund.

In March 2019, the Cardiff Capital Region City Deal listed the first series of localised projects that focus on transport and infrastructure. Each council receiving £3 million to spend in its area. The £3 million intended for Bridgend County Borough will be spent on the 'park and ride' facility at Pyle. This is part of the development of an integrated transport hub to extend and enable improved access to new and existing work, training, education, culture, retail and leisure activities. The development will incorporate space for approximately 75 cars. Also it will have electric vehicle charging facilities, cycle parking bays, enhanced links with the growing Village Farm Industrial Estate and future active travel improvements. We will continue to work alongside the City Region and the City Deal team to ensure we can engage in and influence the programme's opportunities.

### Apprenticeships and work placements

A further development as part of the City Deal was the launch of one-year pilot of a new graduate scheme. The scheme will provide targeted support for businesses to create an initial 50 graduate internships in 2019 to 2020. It aims to retain talented graduates in the region. This will be done by highlighting the employment opportunities and investments being made in state-of-the art sectors like financial technology, cyber security and compound semiconductors.

Also apprenticeships are excellent for encouraging young generations to learn a breadth of skills in varied environments relating to their interests and career choice. Apprenticeships not only offer training but also improved job prospects. Learning a new skill and connecting with people also provides well-being benefits in terms of self-esteem, confidence and life satisfaction. In 2018 to 19, we employed 42 apprentices across our services.



Work placements are another route offering young people an opportunity to access a real-time working environment. Through them, they gain workplace experience to help them make informed choices about their future options. For example, Awen Cultural Trust collaborated with our specialist education partner to create a work placement programme for students attending Heronsbridge special school. We offered one week supported placements to four students at our Wood-B and B-Leaf programmes, in the carpentry and horticultural vocations. The placements proved to be very popular and one student expressed an interest in taking part in taster sessions.

The student has since been accepted onto the programme. He is in the process of being referred to Elite Supported Employment Agency where we will be investing in ways to maximise his potential. There were 50 individuals supported in 2018 to 19 and this is Sam's story.

## Case study: work placement

After completing an Agored Cymru accredited course on Health and Safety Awareness in the Workplace, Sam secured a work placement with Foxtroy Residential Care Home. This gave him the opportunity to apply his newly acquired skills in a real work environment.

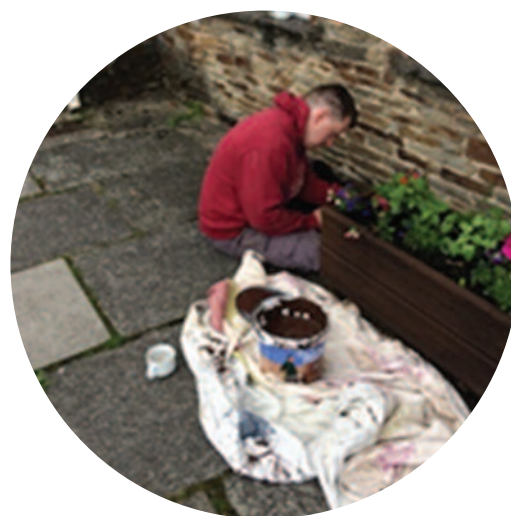
Every Wednesday he attends the care home where he has been buddied up with Paul the caretaker. Paul has proven to be a great mentor, involving Sam in a range of duties including watering plants, painting and general ground maintenance of the premises. Since taking up the work placement, Sam has been increasing his skills and gaining valuable life and work experiences.

A big thank you also must go out to Foxtroy for all the ongoing support in making Sam's work placement such a positive and rewarding experience.

“

*“I really enjoy going there and it makes a nice change in the middle of the week. It's good to be doing something different and learning new things”*

(Sam)



# Strategic review of post-16 education and training

## Education provision

In 2017, we completed the review of the curriculum and schools' estates for primary and secondary school education. In 2018 to 19, we concentrated our efforts on the future of post-16 education. We undertook a major consultation over the future of post-16 education in the county borough between December 2018 and March 2019. We wanted to review whether the current provision should be changed, and asked for views on six possible concepts for the future of post-16 education. Local residents made it clear that they opposed any options including the closure of school sixth forms and the development of a county-wide sixth form centre instead.

The two options most supported by consultation respondents were:

**Option A:** The retention of sixth forms in all secondary schools.

**Option B:** A mixed model with some school-based sixth forms and one, or more, merged sixth forms/sixth form centres.

Further analysis will be undertaken and once completed, we will be asking residents again for their views on the revised options. We intend to do this between November 2019 and the end of January 2020.

## More able and talented

Each year our schools identify the brightest students entering Year 12 and invite them to join the Seren Academy Network. The total number of students is usually around 130. These students will normally have a minimum of six or seven GCSEs at A\*/A. The Seren Academy Network is designed to encourage and to support our most able students in preparing and applying to the most prestigious universities. Students are invited to listen to speakers from prominent universities and other organisations. They are also invited to attend a national conference to hear from and meet undergraduates and staff from the UK's leading universities. Students can also attend masterclasses that give them a wider view of subjects beyond the A level curriculum. Other opportunities are promoted through the network. These include summer schools at top universities, internships, specialist support for mathematics and possible work with PhD students on an area related to their research.

Our Seren students gained eight offers for Oxbridge in 2017, six in 2018 and 10 in 2019. This is a positive success rate when compared to applications made. In 2017, 56.3% of Seren students were successful in gaining places at the Sutton Trust top 30 universities and this rose to 73.8% in 2018. When other highly selective higher education destinations are considered, the success rate was 79.3% in 2017 and 87.7% in 2018.

For the Bridgend County Borough launch in 2017, we invited the Outreach Team from Lady Margaret Hall (LMH), Oxford to talk about applying to Oxbridge and also the LMH Foundation Year. This may be due to their background, being in a first generation to attend university or their school being under-represented for Oxbridge applications. The successful students spend a year studying like undergraduates at LMH to prepare them for making a successful application to Oxbridge or the Russell group in the following year. All their costs are met and the course is highly sought after with around 17 places available each year. A Coleg Cymunedol Y Dderwen student was inspired to apply and became the only successful candidate from Wales. She started her Foundation Year in Oxford in October 2018.



# Successful Economy Programme

## Porthcawl regeneration

Town centres as lively social spaces are places that people want to visit, which in turn increases footfall and supports the sustainability of local businesses. Porthcawl has undergone significant regeneration to secure its future as a premier seaside town, creating jobs, homes and investment in the local economy for years to come.

In 2018, the £3m project to replace the 'Tarmac beach' with new sea defences was completed. This complements the revitalised Jennings Building, Harbourside Kiosk, Pilots Lookout Tower, Customs House and the marina's redevelopment. The new defences will provide effective protection for around 260 seafront properties against flooding and erosion for the next century. The construction has 185 large terraces designed to divert the force of each incoming wave to either side instead of letting it to hit the seafront head-on.

Further coastal modelling was undertaken, looking at how the existing defences are performing and what different wave climates look like both now and after a century. It focused on the Western Breakwater, Eastern Promenade and Sandy Bay areas. As a result, a series of coastal protection improvements will be carried out to mitigate the flood risk to these areas. This includes the Salt Lake site subject to grant funding availability from Welsh Government.

In November 2018, we announced key developments that will further transform the Salt Lake site. This regeneration scheme is the biggest regeneration opportunity that we will have ever undertaken and is the largest waterfront development site in Wales. The plans for the site are to be delivered in several phases, with the first being the delivery of a 20 to 25 thousand square foot food store. This will be followed by exciting new leisure attractions, housing and improvements to the town centre car park and Eastern Promenade. There will be cycle and pedestrian routes that will enhance the coastal path from Rest Bay to Newton and improve links between the seafront and town centre. A planning and design framework setting out the first phase of the Salt Lake site's redevelopment has been approved. A master planning exercise will be run for the remainder of the site. The public and interested parties will be asked for their views before these proposals are taken forward.

Further around the coast, work progressed on the iconic water sports centre in Rest Bay and this is due to open in late 2019. The new centre will provide a base for local water sports groups and clubs. Also it will offer a café/bistro upstairs, an ice cream kiosk downstairs, and toilet facilities, showers, changing cubicles, a function room and more. The building's design also incorporates solar technology, a covered area for dog walkers and glazed panels to make the most out of the stunning coastal views. The centre is being built as part of our 'Porthcawl Resort Investment Focus' project. This uses £1.6m of EU funding from the Welsh Government's new Tourism Attractor Destination programme which aims to create 13 must-see tourist attractions across 11 destinations throughout Wales.



## Bridgend town centre

In 2018, Welsh Government approved a £1m grant for property enhancement projects within Bridgend town centre to complement the Bridgend Townscape Heritage Scheme's achievements. The initiative has enabled the repair and restoration of 29 historic buildings in the town centre, and the grant will financially assist improvements to commercial and new residential properties. The aim is to make businesses and the town more attractive and accessible. It should also

sustain local shops and services, create and retain local jobs and increase footfall and activity. Part of this funding will also support Coastal Housing Group's development of a long-standing vacant site within the town centre. Collaboration with Bridgend Town Council, Bridgend Business Forum and the CF31 Business Improvement District (BID) Group, and regeneration make Bridgend an attractive and vibrant place to visit. Some of the events that took place last summer included:

- Wartime Bridgend, which was an array of activities and re-enactments to celebrate 100 years since the end of the First World War in partnership with Carnegie House
- the annual St David's Day business breakfast hosted by the Bridgend Business Forum with Wales rugby Star, Ryan Jones as special guest speaker
- the Classic Car Show featuring a mix of classic cars from the 50s, 60s and 70s
- the Roots Street Festival featuring live music, a variety of workshops, activities, circus acts and delicious international cuisine
- monthly street markets on Saturday as well as an indoor craft market in the Rhiw

Cultural events and activities within Bridgend town centre contribute to the social, economic and community regeneration of the town centre and surrounding areas.



## Pencoed

Lobbying of Central Government, Welsh Government, National Rail and Transport for Wales regarding the level crossing at Pencoed continued. The current crossing causes traffic problems, air pollution and congestion that negatively affect residents and businesses. In December 2018, Welsh Government funded a £60,000 feasibility study to draft long-term solutions to issues caused by the level crossing and the Penprysg Road bridge. The study identified a preferred option, and funding of £240,000 has been secured to turn it into a detailed design as the next stage of the proposal.

A new 'glow in the dark' path to guide walkers and cyclists during the winter months was opened in Pencoed in 2018. This route forms part of a wider £1.5m active travel network to improve Pencoed's active travel access, and the Welsh Government's Safe Routes in Communities programme funded it. The scheme was based on an idea from a young pupil at Croesty Primary School. It was developed by us in partnership with schools, the local community access group, and Sustrans, with support from Redrow and Halo Leisure. Schemes like this encourage people to leave their cars at home and choose a healthier, greener travel for shorter everyday journeys in their daily routine. It sets a trend that can be continued by future generations.

## Maesteg Town Hall

We continued to work with the Awen to secure the remaining funds required for the £6m conservation and redevelopment of Maesteg Town Hall. The National Lottery awarded the project a grant of £774,900 and Welsh Government contributed £3.5m towards the conversion. This means that the Grade II listed building will now be revitalised, benefiting local people as well as visitors to the area. It will create 18 new jobs in the process. Maesteg Town Hall will become home to the relocated town library, and many community facilities. This will include new performance spaces with improved accessibility for visitors, once again putting this historic building back at the heart of the community.

## Bridgend Enterprise Hub

Bridgend County Borough has witnessed a surge in the creation of new micro and small businesses over the past decade. However the levels and variety of business accommodation for lease have not kept pace. Having the right infrastructure to help small, local businesses thrive is a priority for us. Responding to this gap in the market, we approved a £5.5 million investment to create the Bridgend Enterprise Hub programme. The scheme will deliver against a number of key economic opportunities outlined in the Welsh Government's Economic Prioritisation Framework (EPF). This will link with the targeted investment plans of Welsh Government through priority property interventions. In turn, it will benefit the overall economy and job market across the Cardiff Capital City Region.

The programme, which is planned to complete in 2021, aims to provide high quality premises and additional workspaces for 58 micro to medium-sized enterprises. It will support around 150 jobs. The scheme builds on a pilot with Sony to create a rural enterprise centre, which is now full. The £1.75 million Innovation Centre upgrade at Bridgend Science Park, will create an 'imaginative and accessible' venue for up to 15 small firms. It will feature a foyer, meeting rooms and communal kitchen.

The second, £1.3 million, part of the project will create a series of 'enterprise centres' on two plots within the Village Farm Industrial Estate. It will feature flexible space for small businesses of between four and 10 people. We anticipate that construction of this ambitious project will begin in 2019. The Enterprise Hub Programme will take into account other strategic regional and national drivers including the City Deal and Valleys Task Force.





## Valleys Task Force

As part of 'Our Valleys Our Future' plan for action, the Valleys Task Force is working to create a Valleys Regional Park (VRP). This is in partnership with the Valleys local authorities, National Resources Wales, Visit Wales and Welsh Government (WG). The VRP aims to connect the Valleys with high-quality walking trails and cycle routes. It will support the development of a high-quality network of uplands, woodlands, nature reserves, country parks, rivers, reservoirs and canals, as well as heritage sites. It will connect them with the valleys' towns and villages.

As part of their delivery plan for 2018, WG announced a series of Discovery Gateway sites. These included Bryngarw Country Park and Parc Slip Nature Reserve. We were invited to submit proposals to WG for funding for enhancements and improvements. We supported the managers of both sites to develop full funding bids and are awaiting the outcome to determine next steps.

## Caerau Heat Scheme and Bridgend Town Heat Network Project

The Caerau Heat Scheme is an innovative project. It aims to use the water in the former Caerau Colliery's flooded workings as a sustainable, low carbon heat source for hundreds of homes in Caerau. The scheme is part of our response to the decarbonisation agenda through our Smart Energy Plan. A feasibility study was completed in 2018 which showed that water is present beneath the village at a consistent temperature of 20.5°C. The Coal Authority ran a mine water resource assessment beneath the village which will be validated through further investigations in 2019. Hitachi also completed an assessment of local energy supply options for the heat pumps. As an alternative to a grid connection, a connection to a local wind farm via a private wire is being explored.

The findings of the work to date have resulted in the need to submit revised proposals to the Welsh European Funding Office (WEFO). This is for additional funding of £330,000 on top of the £6.5m grant already secured. The scheme will proceed if mine water investigations show sufficient mine water is available, and if the business case demonstrates that the project is viable.

The Bridgend Town Heat Network Project aims to supply several public buildings and homes with heat and power. The energy will be generated from a gas combined heat and power unit in the Bridgend Life Centre. We will bid for grant funding from the Heat Network Investment Programme (UK Government) to run the project. Key activities in 2019 to 20 are to secure the funding, and, subject to success, to procure a contractor to design, build, operate and maintain the project.



## Tackling poverty

Over the last few years, Welsh Government has been working with local authorities to align various grants. This is to enable service re-design so as to provide sustainable improvements for people across Wales. Bridgend County Borough is among seven 'pathfinder' local authorities in Wales that have been testing flexible funding approaches to fulfilling these aims during 2018 to 19. An Early Intervention and Prevention Central Grants Team has been established. An initial mapping exercise of all early intervention and prevention services was run with further mapping to be done in 2019 to 20. Several initiatives which are set out below were run during the year to tackle poverty.

### Learning and Skills Partnership Board

The Anti-poverty framework highlights the importance of working with partners and communities. As a council, we play a key role in the Public Services Board learning and skills partnership. This aims to get more people into work, better paid jobs and increase their skills. This partnership has worked with schools and colleges, partner organisations and businesses to promote apprenticeships and junior apprenticeships. It has a particular emphasis on our diverse communities and under-represented groups. These include Black and Minority Ethnic (BAME) people, disabled people, looked after children and young people for whom school has been challenging. With Bridgend College, we hosted 'Have a Go' events for over 1,200 pupils aged 11 to 16 at Coleg Cymunedol Y Dderwen. These events are designed to showcase to pupils the different options available to them and promote vocational learning opportunities.

In 2018 to 19, the number of students starting has increased from 52 to 72. Available routes are construction, Public Service, and hair and beauty. Students attend for five days and also study Maths and English GCSE. Bridgend College was recently shortlisted as Apprenticeship Provider of the Year at the TES Further Education Awards 2019.

### Financial and digital inclusion

Financial and digital inclusion are important. They equip people with the knowledge and skills to manage money effectively and help them access online technologies that can improve lives. We commissioned a Financial Advice and Support Service from Citizens Advice Bureau in October 2018. The service has supported 264 people to improve their financial situation by providing financial/debt and budget management advice. It has also provided support with welfare benefits and particularly, Universal Credit.

Also, we had 282 learners engaged on Digital Inclusion Sessions and basic IT courses. These courses provide basic IT training along with using internet services, as well as advice on using PCs, tablets, laptops or other devices.

## Family support during school holidays

School holiday activities provide the opportunity for socialisation, personal development, learning new skills and the creation of a sense of community. However, for low-income families, affordable activities are limited, and the holidays can put families under financial strain.

For children entitled to free school meals during term time, there is no provision during holidays. During the summer of 2018, we utilised the Legacy Funding to add additional support to our free Active 4 Life scheme. Every Friday at Caerau Community Centre, we funded children, their parents, carers and siblings to attend activities and have a hot meal throughout the school holidays. There was also fruit provided daily for the children attending all the Active 4 Life schemes across the county borough.



## Employability and volunteering

To support a successful local economy, we are providing people with the skills to access employment and providing businesses with the right infrastructure to help them thrive. These are the key steps we are taking in collaboration with partners. We support individuals who are unemployed, economically inactive, experiencing in-work poverty, face barriers to work, or are in or at risk of poverty, to improve their job prospects. In doing so, we support their whole employability journey from economic inactivity or unemployment through to sustainable employment. Partnership work is undertaken with the Department of Work and Pensions, Careers Wales and a range of other partners. This included an annual jobs fair held in September 2018 attended by over 700 local people and 50 local employers. We also hosted a pop-up business school attended by 85 people looking to set up a new business.

We also provided a range of employment and pre-employment opportunities. These resulted in 778 people accessing employability and pre-employment provision with 225 people gaining employment with other organisations. 306 people accessed training and 81 undertook a volunteering opportunity, which supported them on their employability journey. We worked with Bridgend Association of Voluntary Organisations (BAVO) to deliver a second volunteering support programme. It was accessed by 33 people as a route to more resilient communities, and a possible route to employment. We helped 44 individuals gain seasonal, Christmas work with Amazon as part of the Transport to Work project. The project is in partnership with local employers, with the aim of getting people into work, removing the barrier of the availability of transport.



## Case study: employability

Sam Jackson first met with Bridges Into Work (BIW)2 Mentor, Bill, in March 2016 following a period of unemployment after developing epilepsy. Sam always had an interest in sports and indicated an interest in any possible employment involving sports activity and coaching.

Sam had a meeting with Bridges Into Work Skills Trainer, Adam, who discussed training options. Sam completed the FAW Football Leader's Award, the FAW First Aid in Football Awareness and the FAW Safeguarding courses, which enabled him to coach voluntarily.

Sam dedicated himself to developing his coaching skills and making contact with semi-professional and professional football clubs in Wales. In the summer of 2018, Sam's dedication paid off when he gained a place onto a football academy coach identity scheme with a professional football club. After a few months of voluntary work, Sam achieved his ambition of paid employment. However working with a professional football club so early in his coaching career, exceeded his expectations.

Sam continues to further his training and has been accepted onto a Foundation Degree in Community Football Coaching and Development. The Employability Bridgend team nominated Sam for an Inspire! Award this year in recognition of his progression and dedication to his personal development. He was shortlisted before narrowly missing out on the winning prize in the 'Life Change and Progression' category.



“

*“When I first joined the project, I didn't know what to expect. I am a dad with a young family but had to give up my job as a plumber because I developed epilepsy. I didn't think joining the project would get me anywhere.”*

*After my first meeting with Bill, I left feeling very positive and that I could still achieve something, even with the barriers I faced at the time. We had talked about doing a football coaching course because I have always played football, and I've also been involved with coaching football teams. I met with Adam, and he showed me what the pathway was for somebody who wanted to be a football coach, and he supported me through each of the courses.*

*Becoming involved with the project and doing the coaching courses has given me my confidence back. I played football since the age of five and if it wasn't for Bridges Into Work 2, I wouldn't have been able to fulfil a big ambition. It has given me something to aim for, a target to achieve, and hopefully a professional career in something I love to do.”*

(Sam)



**Well-being objective two**

**Helping people to be  
more self-reliant**



## Why we choose this objective?

Providing the right support, in the right place, at the right time can make a real difference while ensuring individuals and families can thrive. A people-centred approach with a focus on prevention and well-being helps ensure we support people to lead independent lives. It also reduces the likelihood of becoming dependent on council services.

By building on our track record of working with the third sector and private sector, we can support communities to develop their own approaches to local issues. This will also meet the needs of people within the community.

## What do we want to achieve?

### Our aims

1. To give people more choice and control over what support they receive by providing early access to advice and information.
2. To reduce demand by investing in targeted early help and intervention programmes.
3. To support carers in maintaining their roles.
4. To support the third sector, town and community councils and community groups to meet local needs.

## Our key programmes

Under this objective, there are two key programmes to help achieve our aims and deliver improvements in well-being.

### Remodelling social care

- recommissioning adult home care, developing extra care and information and advice services for people and their carers.
- implementing a Multi-Agency Safeguarding Hub (MASH) as a single point of contact for all safeguarding concerns.
- remodelling residential care for children and young people and respite care for children with disabilities in order to make them more targeted and more effective.

### Community asset transfer

This programme is about the sustainable transfer of assets to communities to preserve community assets for the long term and help build community resilience.

# How did we do?

## Performance measures

**Aim:** to give people more choice and control over what support they receive by providing early access to advice and information

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
The percentage of a) adults and b) children who received advice and assistance from the information, advice and assistance service during the year. (Higher)	a) 63.67%	a) 50%	a) 74.36%	▲	n/a
	b) 71.35%	b) 70%	b) 81.37%	▲	n/a
The percentage of people who are satisfied with the care and support they received a) Children aged 7-17 years b) Adults aged 18 years+ (Higher)	a) 84.09%	a) 80%	a) 86%	▲	n/a
	b) 85.97%	b) 80%	b) 82.87%	▼	n/a
The number of people who have been diverted from mainstream services to help them remain independent for as long as possible. (Higher)	973	1000	1284	▲	n/a
The percentage of adults who completed a period of re-ablement and six months later have: a) a reduced package of care and support or b) no package of care and support (Higher)	a) 70.64%	a) 62%	a) 67.27%	▼	n/a
	b) 58.27%	b) 60%	b) 61.31%	▲	n/a

**Aim: to reduce demand by investing in targeted early help and intervention programmes**

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
The percentage of children supported to remain living within their family. <b>(Higher)</b>	61.64%	65%	64.13%	▲	n/a
Whilst marginally below the target of 65%, there has been an improvement from last year's figure.					
The percentage of children who receive Connecting Families interventions during the year who remain out of the care system as at 31 March of that year. <b>(Higher)</b>	95%	85%	Data not yet available		n/a
The percentage of completed TAF (Team Around the Family) support plans that close with a successful outcome. <b>(Higher)</b>	74%	70%	69%	▼	n/a
Performance reduced slightly on the previous year. A small change in reported cases that do not close with a positive outcome can skew the overall percentage. In addition, we are also working with more complex families with entrenched issues – a large proportion previously open to statutory services, and this has an impact on reported performance. Given this context, a performance for the year of nearly 70% is considered to be positive.					
The percentage of looked after children on 31 March who have had three or more placements during the year. <b>(Lower)</b>	10.68%	12%	10.24%	▲	n/a
The percentage of individuals discussed at Transition Panel that have a transition plan in place by age of 16/17. <b>(Higher)</b>	100%	100%	100%	—	n/a
The percentage of people presenting as homeless or potentially homeless, for whom the local authority has a final legal duty to secure suitable accommodation. <b>(Lower)</b>	9.42%	12.85%	8.1%	▲	n/a
The percentage of care leavers who have experienced homelessness during the year. <b>(Lower)</b>	13.79%	<13%	5.88%	▲	n/a
The 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. <b>(Higher)</b>	3.48%	7.86%	8.41%	▲	4.6%

**Aim: to reduce demand by investing in targeted early help and intervention programmes (continued)**

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
The number of new homes created as a result of bringing empty properties back into use. <b>(Higher)</b>	0	5	5	▲	n/a
The percentage of people who feel they are able to live more independently as a result of receiving a Disabled Facilities Grant in their home. <b>(Higher)</b>	87.7%	75%	100%	▲	n/a
The average length of time older people (aged 65 or over) are supported in residential care homes. <b>(Lower)</b>	861.49 days	900 days	807.28 days	▲	n/a

**Aim: to support carers in maintaining their roles**

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
The percentage of carers of adults who were offered an assessment or review of their needs in their own right during the year. <b>(Higher)</b>	97.46%	97%	95.63%	▼	n/a
Performance is marginally below target. Robust monitoring is now in place.					
The percentage of identified young carers with an up-to-date care and support plan in place. <b>(Higher)</b>	94.83%	90%	92.98%	▼	n/a

**Aim: to support the third sector, town and community councils and community groups to meet local needs**

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
The number of adults who received a service provided through a social enterprise, cooperative, user-led service or third sector organisation during the year. <b>(Higher)</b>	379	370	529	▲	n/a
The number of council owned assets transferred to the community for running. <b>(Higher)</b>	0	2	4	▲	n/a

## Steps taken to achieve our key programmes

We made 13 commitments to support the delivery of this well-being objective, through our three key programmes and our early help initiatives. In 12 commitments, we achieved all that we had planned. We have therefore assessed our performance as **green**. The other commitment we assessed as **amber** because we did not fully complete the action we had planned. Indeed we had planned to finalise a transition service model to help disabled children move smoothly into adulthood. The development of this service has been slower than we wanted and therefore it continues to be a priority. The service has recently been evaluated and the recommendations from the review will be taken forward in 2019 to 20.

## Remodelling social care

Several developments came to fruition during 2018 to 19. We are confident that they will make a real difference and improve the way we deliver support and services. More importantly, they will make a difference to the outcomes people experience.

### Adult Social Care

The new assessment process gained pace and continues to focus on ‘what is important to individuals.’ In the way, attention is given to how that person can remain independent for as long as possible.

Two council-run, older people residential care homes were replaced with two new Extra Care schemes. Extra Care enables people over 65 who have additional needs to live in their own flats with the equipment they need to remain safe and independent. Each scheme contains communal facilities including a dining room, a lounge, a laundry room, salon, activity rooms and gardens. These new facilities of 45 flats and 15 residential beds are valuable assets to the local community, providing Extra Care housing, residential care, and employment opportunities. A third care home was transferred to an independent provider, and we now have only one council run care home. The longer term plan for this care home is to provide more flexible community type beds.

We have reviewed and will now be recommissioning several of our services that help support individuals to live as independently as possible. This includes:

- Shared Lives service (adult placement scheme)
- Direct Payment support service
- carer’s services, including our short break services



## Children's Social Care

The safe reduction of the number of looked after children remains a priority for us and during 2018 to 19 the numbers have continued to steadily decrease. The figure as at 31 March 2019 was 381 compared to 384 in March 2018.

### Early help

Children's Social Care has continued to focus on early help and support to prevent children coming into the care system. National grant funding has provided opportunities to improve edge of care services and two new family support services become operational in 2018-19.

- In collaboration with Rhondda Cynon Taff and Merthyr Tydfil County Borough Councils, we commissioned and implemented a 'Reflect' service to support parents who have had one or more children previously removed from their care. Reflect helps parents around issues such as contraception, housing, substance misuse and mental health.
- The new Baby in Mind service provides intensive support for pregnant mothers and their partners. It develops the necessary skills to keep their children safe, and prevent the baby from being taken into care. This new service has led to a reduction in the number of parent and baby placements from 10 in 2017 to 18 to just six in 2018 to 19.

### Residential and placement services

We remodelled our placement service for looked-after children to improve the way that we and our partners protect and help vulnerable children. This ensures they receive the right care and support. The new developments at two local care homes are helping to prevent children from having to be placed outside of the area.

1. Maple Tree House has been refurbished to provide a reassuring environment for children aged between eight and 18. The staff can get to know them within a comfortable, homely setting as they develop a better understanding of what long-term support may be required. While their needs are being assessed, trained professionals are on hand twenty-four seven to offer the children the right type of practical and therapeutic support. Also there are four short-term assessment beds as well as facilities for two emergency placements. The improvements mean that Maple Tree House will be important in helping keep children in the area instead of having to be placed further away.
2. Sunnybank residential home has also been developed. Now it offers improved levels of support for children and young people who need to be cared for in a residential setting over a longer period.

### Fostering services

This service was identified as an area for further development. It was felt it could lead to better outcomes for children and young people through increased placement choice, improved placement matching and more local placements. Throughout the year, we recruited 19 foster carers. During the same period, 16 foster carers left the service.

In 2018 to 19, we worked to improve the support we offer by setting up a cohort of transitional carers. These are specialist foster carers that provide short-term care for children and young people with a variety of complex needs and challenging behaviours. The aim is to provide a secure transition for young people to help them either move to a long-term fostering placement, return to their birth family, or live independently.

We also have five Liaison Carers, who provide advice guidance and mentoring to help us to successfully recruit and retain potential new foster carers. Liaison Carers are active foster carers with a significant amount of fostering experience. At the end of 2018, we recruited a Development Officer within the Fostering Team to enhance our ability to recruit and retain carers. This officer works with the marketing team to increase the frequency of our foster carer recruitment campaigns, research and identify best practice and innovations, and will work with the groups of foster carers to identify gaps in training.



### Support for disabled young people

We recruited five Transition Social Workers to work directly with young people and their families during their transition into adulthood. The development of this service has been slower than we wanted and therefore it continues to be a priority. The service has recently been evaluated and any recommendations from the review will be taken forward in 2019 to 20.

### Multi-Agency Safeguarding Hub (MASH)

MASH became fully operational in July 2018 and is the third such hub in South Wales. There are over 80 professionals based in Ravens Court council offices. The vision of the MASH is to improve the outcomes for children, young people, adults and their families. It does this by making sure that systems and processes enable needs to be identified as early as possible, and responded to proportionately and by the right person. MASH has helped change the way we work with the introduction of the Daily Discussion process. High risk Public Protection Referrals are assessed daily. This ensures the right resources are deployed at the earliest opportunity to protect the victim, and associated children and adults. Sharing various agencies' information provides a holistic picture of each referral and improves our understanding of the key issues so safeguarding is always prioritised. This way of working also ensures agencies are not duplicating areas of work.



From April 2018 to March 2019, there were 7945 contacts or referrals about children and 275 about adults. The case study below is an example of how MASH is working to keep children safe.

### Case study: Early Help

Child A had been attending CAMHS for 18 months and had missed a scheduled appointment. A follow up letter was sent to the family but with no response Child A was discharged from the CAMHS service. Following an escalation in her behaviour a referral was made to Early Help Screening Team, based within MASH this was then allocated to the Early Help Safeguarding Hub. As the situation deteriorated it was agreed that Child A would be referred to Helen the CAMHSs liaison worker based full time within the MASH. At this time, Child A was eating just one meal a day and it had to be a takeaway, school attendance was at 50% and when she did attend she was regularly late. Cut off from her friends, she would not go out and reported her anxiety was “through the roof”. Helen undertook an assessment of Child A and referred her to the GP. A review of CAMHS notes revealed that the psychologist felt she might be on the autistic spectrum but the family were maintaining the problems. Up until this point, the family had not found any input helpful.

Helen undertook various pieces of work with Child A including strategies for ASD/CBT therapy and relaxation techniques. Working with the family, Helen gave them strategies to help manage Child A's behaviour. This was critical in helping sustain Child A's progress, and in supporting the well-being of the family.

Child A is now back in school full time and her attendance has improved considerably. She eats healthy meals with her family and only has a takeaway meal on a Saturday. She is out with her friends and enjoying life and her anxiety is now at a minimum thanks to the strategies she learned from Helen. Child A was discharged on 22nd of July 2019.

Without MASH, Child A's case could have been escalated to the Safeguarding Team - meaning opportunities to use specialist interventions to keep the child safe at the earliest opportunity would have been missed.

## Information advice and assistance

The Common Access Point (CAP) is the first point of contact for adults and adult carers to access quality information and low-level advice. Also, we can direct people to more appropriate support. We proactively manage the number of referrals coming into the statutory service while also ensuring that people have an effective response to their query. We are also testing “Signvideo”, a platform that gives deaf people using British Sign Language access to the Common Access Point.

### Carers

During 2018 to 19, Bridgend Carers Centre provided support to 763 carers. 287 adult carers assessments were completed and 33 young carers assessments. 240 pupils were involved in personal social education days on young carers’ awareness, rights and entitlements

Action for Children continues to support young carers, providing access to relevant information advice and assistance. During 2018 to 19, 54 young carers received support. Feedback shows that:

- 65% reported improvement in emotional and mental well-being
- 55% reported improvement in family relationships
- 44% felt they could make positive changes in lifestyle and behaviour because of the support received

We have extensively consulted with carers to understand their needs and how best we can meet them. Their feedback has informed the new service model for the Carers Well-being and Short Breaks services, which commenced in April 2019 and July 2019 respectively.

### DEWIS

The Ageing Well in Bridgend web resource provides information and advice on the development of age friendly communities, dementia supportive communities, preventing falls, loneliness and isolation. There were over 4000 visits for information in 2018 to 19.

Also, we helped to arrange a number of network events to ensure community partners had good levels of awareness of each other’s services and activities. There were specific events focused on dementia and falls prevention. We plan to launch self-service accounts and supported self-assessments which will be linked to Dewis. The links should empower people to find their own solutions and improve the customer experience.

### Local Community Coordinators (LCC)

In recent years, we have supported three LCC roles in the Ogmore, Garw and Llynfi Valleys, funded by Welsh Government Legacy funding. Each LCC supports between 8,000 to 12,000 people, supporting a caseload of up to 70 vulnerable people per role at any given time. In 2018 to 19 there were 148 referrals compared with 117 the previous year. The role helps people develop their strengths, well-being and resilience, stay active and engaged, and reduce isolation by making connections with local networks and resources. This model of service delivery produces a social return of £4 for every £1 invested by preventing escalating needs. The case study below provides an insight into the impact on well-being.



## Case study: Betty Kerry

In the Ogmore Valley, there are three buildings close to each other that had little connectivity between them until recently. These are the sheltered accommodation Cwrt Gwalia, Ogmore Valley Life Centre and Ogmore Vale Primary School. Maria, the LCC, spotted an opportunity to maximise the potential of bringing together the people that use these three buildings. Here is Betty's story.

Betty lives in Cwrt Gwalia and is a regular visitor to the gym at the nearby life centre. Betty enjoys keeping busy, being active and loves meeting people. Making the most of her strengths, Maria approached Halo with the suggestion of offering Betty a volunteer position in the life centre.

As part of the Halo team, Betty has her own uniform and gives a generous amount of time helping with a variety of tasks. These include fortnightly Olympage sessions, and a Film Club which she started and provides homemade cakes for. She helps out with the My Sporting Memories project in conjunction with Awen too. In particular, Betty enjoyed participating in intergenerational Olympage games sessions attended by pupils from Ogmore Vale Primary School. Some of the pupils have continued to attend over the summer as part of the Halo Summer activity scheme.

Betty is now an established and cherished member of the Halo family and is thriving in her new role. She is someone who always goes the extra mile to help out others. In recognition of her efforts, Betty won the Good Neighbour Award at the recent Bridge FM Local Hero Awards.

When asked about her volunteering she said: "I like to be busy and help others and volunteering at the library helps with this." Betty likes the life centre as she enjoys being part of "different conversations and the fun and laughter of the team and those that pop in." She said the role helped her get to know a lot more people and feel part of the community.



## Community asset transfer

Community asset transfers (CAT) is one of the key ways in which councils can help build community resilience and safeguard services that are of value to the community. We have an active policy of CAT, and continued to prioritise working in collaboration with voluntary-sector organisations to identify viable opportunities that keep community assets for the long term.

A revised CAT policy was introduced during 2018 to 19 to include a 'Fast Track' protocol to streamline the process, and is appropriate to the scale of the asset being considered. During 2018 to 19, the following assets were transferred to the community.

### **Bryncethin RFC**

Last year, the sports club became the first to complete a 'community asset transfer' deal with us so that they could take over the ownership of their playing field and pavilion. As well as agreeing a 35-year lease, the rugby club also secured more than £500k funding. This is to completely transform the pavilion into a facility for the whole local community to enjoy. The new pavilion includes modern changing rooms, kitchens, IT suite, a meeting room, large hall area, a patio and balcony and a dedicated car park. Funding has been provided from Bridgend County Borough Council's Community Asset Transfer Fund, the Rural Communities Development Fund, the Communities Facilities Programme, Welsh Rugby Union, National Lottery Community Fund, and Section 106 monies.

### **Pencoed Town Council**

The former Coed Bach Playground was transferred to the town council on a 35-year lease. It enables the playground to be reinstated for the area's children and young people. Also, terms have also been agreed to grant a further 35-year lease of the two tennis courts at Pencoed Recreation Centre for their multi-use games area and a proposed skateboard park.

### **Laleston Community Council**

The community council has entered into a short-term tenancy agreement. This is taking place while a feasibility study is being carried out into a 35-year lease with the council to ensure that the Bryntirion and Laleston Community Centre could remain open. It follows the lease's surrender by the local community association. The community centre is presently used by a playgroup, Cylch Meithrin Gwdihw, and the community council is seeking to widen community usage. They are also developing plans to refurbish the building.

### **Playing fields and sports pavilions**

The business case for the transfer of Hermon Road/Metcalf Street playing fields by Caerau FC was approved. £50,000 awarded to refurbish the existing facility under the council's CAT Fund. Caerau FC have ambitious plans to install a 4G pitch, 250-seater stand and new changing and car park facilities.

### **Carn Rovers FC**

The business case for the transfer of Cwm Garw playing fields by the club was approved. The club is now in the process of submitting an application to the CAT Fund, and has access to permanent changing facilities. At the start of the new season, it relocated from temporary changing facilities at Pwll-Y-Garn playing fields to a pavilion in good repair which the local rugby club vacated.

## Early intervention and prevention programmes

Although not identified as a key programme, one of our aims is 'to reduce demand by investing in targeted early help and intervention programmes'. During 2018 to 19, we continued developing our approach and improved well-being by delivering community-based initiatives focusing on early intervention and prevention. Some of the key achievements are set out below.

## New generation of community health and well-being centres

We are focussed on improving residents' health and well-being by developing community health and well-being centres throughout the county borough. We secured a funding package to support Halo Leisure and Cwm Taff Health Board to develop a well-being Hub at Bridgend Life Centre. The facilities to be completed in October 2019 will support employability, community and workforce development, third sector engagement space and group activity rooms. The outcomes will focus on dementia support, falls prevention, combatting loneliness and isolation and physical and mental well-being.

This focus on co-location and accessibility of facilities and services will be expanded to other locations. Considerations would include Maesteg Town Hall, Maesteg Sports Centre, Grand Pavilion (Porthcawl) and community centres.

## Strengthening communities

We value our partnerships with community-based organisations which help us identify the best way to deliver services that meet local needs. A 'Building Resilient Communities Plan' was produced with the third sector. Also, we gave financial assistance to a variety of organisations that provide important services to help us improve well-being.

- We worked with BAVO to recruit, train and deploy an additional 14 volunteers to support third sector opportunities
- In partnership with town and community councils there were 9700 visits to summer holiday well-being programmes by children and young people
- A falls prevention network was supported with a falls awareness partner event and also a mobile falls programme developed via Halo Leisure
- As a local partnership, Bridgend County Borough achieved 'excellent' in the Quest UK quality awards for active communities
- Services were accessible for people living with sensory loss thanks to video signing and use of email, letter, fax and mobile text
- Cruse provided bereavement counselling services and social support to bereaved people. This included joint working with Local Community Coordinators on a 'comfort café' project at the ARC centre supporting 234 people
- Bridgend Community Transport provided a transport service for people who are socially excluded or isolated to help them access community-based well-being services. The majority of journeys were to attend LCC programmes, day services, shopping, socialising or health appointments. There are 1,021 registrations for the 'Town Rider' scheme and 131 registrations for the 'Community Car' scheme. 67% of people who used community transport felt community transport had reduced their social isolation and 78% felt it had improved their social networks
- New accessible 'Changing Places' facilities which include changing beds and hoist facilities were developed in partnership with Invacare UK. They are based at Bryngarw Country Park, Pencoed Library and Bridgend Life Centre
- We worked in partnership with Awen to tackle loneliness and isolation by developing initiatives including a variety of men's sheds across the county borough
- Nature can also help to reduce isolation and loneliness, as well as support mental well-being whilst providing the opportunity to improve physical activity as the 'Sunflower Community Garden Project' demonstrates.

## Case study: Cwrt Gwalia 'Sunflower Community Garden Project'

Cwrt Gwalia is a Linc Cymru managed Sheltered Accommodation Scheme for older people in Ogmere Vale. Residents can be independent or may experience a degree of difficulty. In partnership with several organisations residents formed a Garden Committee and worked together to create their Sunflower Community Garden.

The community garden project started two years ago by Maria Bennett, Local Community Coordinator (LCC) when providing well-being support to some residents.

The first stage of the project is complete. Residents are now enjoying using their new seating area surrounded by flower baskets and sunflowers, which overlook three low rise beds containing vegetables and flowers. There are further plans to build a greenhouse and extend further around the property. Some residents have formed a weekly gardening group and enjoy coming together to maintain the garden and discuss ideas to develop the project further. Members of the wider community are also able to join the weekly gardening group.

The success of the project was purely down to us effectively working with our partners:

- Halo
- Ogmere Vale Fire Service
- Valleys to2 Coast Space Saviours Scheme
- Keep Wales Tidy
- Cwrt Gwalia Residents
- Awen
- Linc Cymru
- Treorchy and Ogmere Valley/Cwm Ogwr Men's Shed

To extend the enjoyment of the garden, Maria will be supporting intergenerational gardening. She will do this by linking residents with children who attend the local primary school and the holiday activity scheme with Halo Ogmere Valley Centre. The impact of the garden is plain to see from what the residents have to say.

The sunflower garden in Cwrt Gwalia recently won first prize for best garden transformation in Linc's Gardening Competition.

“

*“We are not amateur gardeners, never grew anything, but now we are learning.”*

(Resident)

“

*“I'd like a garden in my own home, but you can't, so now we all have a garden to enjoy. My granddaughter couldn't believe the residents did all the work.”*

(Resident)



“

*“It is fab. At first, I didn't want it. But now I love it. The social side, the get-togethers, watching it grow you do feel a sense of achievement.”*

(Resident)



“

*“Every night me and Brian are out watering the garden. I enjoy it. It's made a lot of difference to me, something to do. I love it. It's relaxing.”*

(Resident)



## Dementia support

People with dementia can become lonely and isolated from the community. But with the support of dementia friendly initiatives, we can help them to feel understood, valued and included. Research shows that low impact exercise can be beneficial for physical and mental health and can improve the quality of life for people in all stages of dementia.

During 2018 to 19, we delivered a successful programme of dementia supportive activities with our partners. The Alzheimer's Society offered dementia support services, dementia cafes, 'Singing for the Brain' and a carers' support group for over a 100 people. Monthly 'Feel Good Groups' were held in Porthcawl and Ogmore with over 35 individuals and carers supported. Bridgend County Crossroads ran lunchtime café opportunities and a social club for around 47 people living with dementia.

Age Connects Morgannwg also offered engaging and meaningful activities to improve skills and independence for those with dementia. The successful dementia swimming programme run by Halo Leisure was a finalist for a national award via Community Leisure UK.

There is growing engagement with primary and secondary schools, recognising their potential to contribute to Ageing Well in Bridgend and the development of age friendly communities. This includes:

- dementia friends and champions training in secondary schools Archbishop McGrath Catholic High School and Pencoed Comprehensive School
- Inter-generational activities between primary schools and older adults such as the LCC programme Ogmore Valley, and nursery school visits to Bryn-Y-Cae

“

*“It’s not only important for the people with dementia; it’s important for the people who care for them. I’ve had such a benefit from all the people that I have met. He’s having exercise, he’s meeting people and I see a smile on his face.”*

(Carer – Dementia Friendly Swimming)

“

*“It was fun being all together playing games.”*

(Primary School child)

“

*“Fantastic event... and we’ve all really enjoyed it”*

(Older Adult)



## Housing and homelessness

Housing has a significant impact on health and well-being. We took a proactive approach to a broad range of housing issues and continued to work collaboratively with partner organisations. These included the Wallich, Pobl and South Wales Police. We worked to prevent homelessness cases, supporting people with a variety of housing support needs and took steps to increase the supply of housing in Bridgend County Borough. Some of our other projects include:

- Housing First which helps people who keep returning to live on the streets and are unable to break the cycle to get and maintain accommodation
- the floor space project, which is a safe place for people who would otherwise have to sleep on the street
- the SCART project, which provides support for people with mental well-being issues

We also continued to support Syrian refugee families to come to Bridgend County Borough to escape difficult situations

We worked to improve our online housing services. Also, we trained customer service staff to help people make better applications to the 'Common Housing Register' and prevent their issues from escalating.

We focused efforts on how best to support young people who present as homeless. We used funding to provide emergency beds for care leavers. Also, we put in place a personal adviser within the 16 plus team. Furthermore, we extended the existing young person supported accommodation by three additional units of supported accommodation for vulnerable and complex young people.

We started the process to change the way we deliver Disabled Facilities Grant services. By streamlining processes, we are aiming to provide a better quality and more timely service to residents who use the service.

We launched a new service called 'Early Doors' in partnership with Llamau to help private sector landlords and their tenants who are having difficulties in paying their rent. There are many reasons why rent arrears can occur and having the right support early can have a significant effect on a person's well-being. The service enables landlords to ask for help on their tenants behalf at an early stage to prevent the tenant ending up further in arrears. You can read more about the scheme here:

[www.bridgend.gov.uk/news/help-offered-early-doors-to-resolve-rent-arrears/](http://www.bridgend.gov.uk/news/help-offered-early-doors-to-resolve-rent-arrears/)



### Case study: Ty Ogwr

A young adult female was housed due to significant issues with complex needs including adverse childhood experiences, domestic violence, historic sexual exploitation risks, substance misuse, mental health and pregnancy. The individual struggled to engage with staff and displayed very complex behaviours. She disengaged with health professionals, social services and mental health professionals.

The individual was placed in temporary, interim accommodation where her risks were managed, and she engaged with staff. Our staff, including the housing team attended multi-agency meetings and acted on risks escalating with the individual. Due to risk concerns, the female decided to stay with family and receive floating support from staff. We located a domestic violence hostel out of the area. The female is reported to be doing well and engaging with mental health professionals and social services. She is stable and safe in her accommodation.

## Empty properties

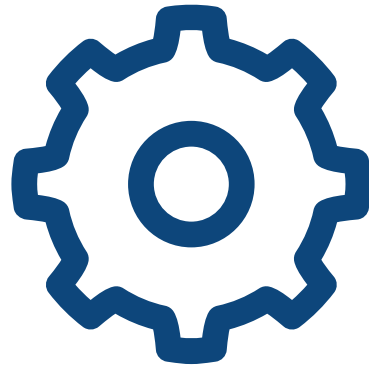
We worked actively with owners of empty properties to turn empty properties into homes by investing grant monies and loans to help ease the housing shortage. We also removed the 50% council tax reduction for properties empty for six months or longer and a 100% charge is now payable. These actions have had a direct impact and we met our target of bringing five empty properties back into use.

## Team around the family

To ensure that we identify needs and provide the right support to families who need it, we used the Joint Assessment Family Framework (JAFF) and Team Around the Family (TAF) processes. JAFF provides a simple process for a holistic assessment of a child's needs and strengths. It takes account of the roles parents, carers and environmental factors have on their development. A TAF is required when the family require support from different services to meet their identified needs.

In 2018 to 19, we received 2,094 JAFF referrals, 25% of these were from schools and 26% from health services. A total of 1,037 JAFF assessments were undertaken, which resulted in 312 TAF action plans. 69% of TAF action plans were closed with a successful outcome, meaning that there is evidence that the families' needs reduced.





**Well-being objective three**

# **Smarter use of resources**



## Why we choose this objective?

Over the period 2018 to 19 to 2021 to 22, the council is expected to make recurrent budget reductions of some £32.6 million. For 2018 to 19, our target budget reduction was £6.123 million and as in previous years, we continue to be committed to finding at least 50% of these reductions with smarter use of resources while minimising any reductions in services. Each year it becomes harder to make further budget reductions. Yet this year, we continued seeking ways of working to save us money, and primarily by making smarter use of our resources. This includes our people and our buildings, and making the most of the assets we retain.

## What do we want to achieve?

### Our aims

1. To achieve the budget reductions identified in the Medium Term Financial Strategy
2. To improve the efficiency of and access to services by redesigning our systems and processes.
3. To make the most of our physical assets, including school buildings
4. To develop the culture and skills required to meet the needs of a changing organisation
5. To make the most of our spend on goods and services

## Key programmes

Under this objective, there are three key programmes to help achieve our aims and deliver improvements in well-being:

### Digital Transformation Programme

This programme aims to change the way we operate to enable customers to access information, advice and services online.

### Rationalising the Council's Estate

This programme is about disposing of assets by transferring them to communities to manage while making the most of assets we retain.

### School Modernisation Programme

This programme invests in a sustainable education system in school buildings that reduces cost and schools' carbon footprint.

# How did we do?

The below is how we performed against the performance measures we set ourselves to meet this well-being objective and what we achieved in 2018-19 against our three key programmes.

## Performance measures

Set out below shows how we performed against the measures we set ourselves to meet this well-being objective and what we achieved in 2018 to 19 against our three key programmes.

### Aim: to achieve the budget reductions identified in the Medium Term Financial Strategy

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
The percentage of budget reductions achieved <b>(Higher)</b>	69%	100%	91.7%	n/a	n/a

### Aim: to improve the efficiency of and access to services by redesigning our systems and processes

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
The number of services that are available to the public online. <b>(Higher)</b>	(New indicator in 2018-19)	5	5	n/a	n/a

**Aim: to make the most of our physical assets, including school buildings**

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
The percentage of surplus capacity of school places in a) primary schools b) secondary schools (Lower)	a) 5.21%	a) 10%	a) 4.89%	▲	n/a
	b) 20.5%	b) 18%	b) 22.01%	▼	n/a
Overall capacity in secondary schools increased by only 4 places but as the number of secondary school pupils reduced by 34, the result was an increase of 38 surplus places compared to the previous year. Pupil numbers are projected to rise slightly again in 2018 to almost the same level as in 2016 and, therefore, the overall surplus capacity is likely to reduce to around 20.2%.					
Realisation of capital receipts target (Higher)	£452,375	£4 million	£1.821m	n/a	n/a
The actual capital receipts achieved include former Pencoed Primary School, former Heol y Cyw Primary School and land at Penyfai. Contracts were exchanged on £4.3 million worth of capital receipts, £1.821 million realised in 2018/19 with the rest to be realised in 2019/20.					
The percentage change in carbon emissions in the non-domestic public building stock on previous year (Higher)	6.46%	6.46%	4.94%	▼	n/a
We achieved 3% in line with Welsh Government's set target, but our challenging target of 6.46% was not met due to diminishing resources.					
Additional income generated from the council's non-operational property portfolio (Higher)	£25,000	£25,000	£29,028.45	▲	n/a

**Aim: to develop the culture and skills required to meet the needs of a changing organisation**

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
The number of working days/shifts per full-time equivalent (FTE) local authority employee lost due to sickness absence <b>(Lower)</b>	10.85	8.5	11.79	▼	10.5
There has been an increase in the overall absence level compared with last year. Long term absence accounted for 74.1% of all days lost, with absences classified as 'Stress/Anxiety/Depression/Mental Health' accounted for 30.83% of all days lost. During the year there has been improved compliance regarding managers undertaking return to work interviews, with 99.6% completed. Other actions taken, include a review of the training for managers which from April 2019 has become mandatory, with more detailed evaluation of the effectiveness of the training.					
The percentage of employees completing e-learning modules <b>(Higher)</b>	50.2%	45%	54.1%	▲	n/a
The number of managers receiving training to improve their people management skills (including absence management) <b>(Higher)</b>	179	150	124	▼	n/a
Course was cancelled due to trainer availability and further courses cancelled due to low numbers. A review of these training courses has been undertaken, and revised programmes and course duration has meant more targeted content for delivery in 2019/20.					
The number of interactions from citizens on the corporate social media accounts (Facebook and Twitter) <b>(Higher)</b>	69,414	39,473	48,701	▼	n/a

**Aim: to make the most of our spend on goods and services**

Measure and preferred outcome (higher or lower)	Actual 2017 to 18	Target 2018 to 19	Actual 2018 to 19 and RAG	Trend	Wales average
The percentage of tenders above EU threshold with the Public Contract Regulations 2015 that are compliant <b>(Higher)</b>	100%	100%	100%	—	n/a

## Steps taken to achieve our key programmes

We made 14 commitments to support the delivery of this well-being objective, through our three key programmes. We set out what we wanted to achieve on 11 commitments and have assessed our performance as **green**. There were three commitments that were **amber** where we did not fully set out what we had planned to do. As part of the rationalising the estate programme, there was a delay in marketing the Waterton site. This is because some advice was needed to inform on the boundary of the site to be disposed. Under the digitisation programme, planned savings were not realised as there was a slower take up of people using the online system. This resulted in interventions required from back office staff. We did not meet our planned budget reductions. However we did still realise full savings by holding vacancies and making savings elsewhere.

## Digital Transformation Programme

The Digital Transformation programme has a citizen centred focus. We listened to the feedback from the 2015 budget consultation that 87% of our citizens wanted more council services online. New, modern functionality also meets the demand of over 85% of our citizens who have internet access and prefer the convenience of online transactions (ONS). We launched our new online citizen portal 'My Account' in conjunction with our new responsive website on 24 April 2018. Citizens are now able to:

- register for an account
- view and pay their council tax
- set up direct debits
- apply for discounts and exemptions
- make a new housing benefit claim and easily notify us of any change in circumstances

During the year we also put in place the single person discount and vacant property function within 'My Account' as an online self-service function. Since April 2018 there have been 24,941 'My Account' registrations, 11,923 council tax registrations, with 8,482 registrations subscribing to e-billing. (These figures were correct as at 8 August 2019).

Parents and guardians can now apply for their child's secondary, infant, junior and primary school places plus nursery places via 'single sign on functionality' in My Account. This new functionality has seen a true channel shift with over 5,000 school applications made during the 2018 to 19 school year. The service is now in the process of developing the "in-year transfer" application form.

Work on the website content has been ongoing since launching in April 2018. We achieved accreditation with the Digital Accessibility Centre meaning that our website is recognised as accessible to all users. Also, in June 2019, SocITM (Society of Information Technology Management) rated our website as 11th out of 350 local authority websites, scoring 9/10 for accessibility. In the second quarter of 2019, the website was UK's second most improved website.

In July 2018, we launched the events portal of the website as part of the 'School's Out' summer programme. As well as being able to browse local events, it also allows users to submit requests to add community events taking place within the county borough.

We are continuing to ask the public via citizen panel surveys and social media what online options they want which fit in with their busy lives. We are also analysing statistical data in customer services to identify areas of high demand that can be improved by doing things differently. One online service that we are continuing to progress is an interactive reporting tool. This gives citizens a quick and easy way to report highways issues like potholes and street lighting. Citizens can submit the report and track through to completion, which avoids time consuming chase-ups to customer services.

Many calls taken by our customer service advisors are answered and closed at the first point of contact. They mainly concern topics covered within our webpages and are simple queries that can be quickly automated due to their repetitiveness. To enhance the current front line services, and recognise that an increasing number of customers prefer online chat, we have also launched a bilingual 'chatbot'. It is programmed to answer commonly asked questions, integrate with internal systems and perform pre-programmed tasks.

In February 2019, we launched the national online blue badge application system. Since launching, we have received 498 online applications and we have seen a decrease in the number of face-to-face interactions. This demonstrates that more people are embracing the self-serve technology.

In November 2018, the Housing team procured a bilingual portal to allow customers to register their own applications online for the first time. This will reduce the time taken to process applications and will benefit the customers by enabling them to be more proactive. The portal is due to be launched in September 2019.

Providing more online services and self-serve solutions lets us explore streamlining and automating current manual processes as well as helping save money on paper and postage. For example, to set up a direct debit for council tax costs an average of £4.32 to process if received via the post. This compares to 92p when set up by the resident themselves via My Account. It is also more environmentally friendly as it is paperless and reduces our carbon footprint.

A local resident from Pencoed created his My Account and registered his council tax. This enabled him to easily create a direct debit and subscribe to eBilling. He said:

“

*“This is a good idea. The site is excellent. Setting up an account was easy, and I can use it on my telephone. All services are in the one place. It's brilliant. It's definitely the way forward.”*

As well as automating processes for citizens, we continued to automate a number of processes across finance and HR. Our improved invoicing arrangements have helped with the efficiency of the school transport team. The online accident reporting system was completed and roll-out commenced. An alternative and more cost-effective approach for the replacement of the catering management information system has been identified. Also, work to consolidate energy payments will streamline processes as well as let us improve our energy monitoring, which will potentially save money.

## Rationalising the council's estate

As a council we have a large number of assets. We need to ensure that assets which are no longer needed are disposed of in the most effective way. Also the assets we continue to hold utilised effectively and efficiently. Our portfolio comprises of some 950 assets, with a value of circa £400 million and a budget of £15.7 million per annum.

### Corporate landlord model

During 2017 to 18, we developed the corporate landlord model which was implemented in April 2018. It was the first of its kind in Wales to support how we as a council manage and maintain our property and assets. We centralised all property related functions under a single integrated team, allowing them to be managed corporately and strategically. Importantly, it freed up time for the service areas to focus on their objectives rather than on running buildings.

The first phase of the new service involved running compliance surveys on all our buildings to provide certification and identify any necessary remedial works. These are now complete. We are now performing full property condition surveys of the entire estate to determine what assets we will need going forward and what we don't. These will be completed through 2018/19. We also opened a facilities helpdesk which initially handled emergencies before it become fully operational in May 2019. Corporate and school service level agreements were also reviewed and improved, with more than 40 schools in the county borough choosing the fully managed compliance service.

Staff relocations have enabled one wing of Raven's Court to be leased to the Multi Agency Safeguarding Hub (MASH), which is also contributes to annual savings. Consideration is also being given to the best exit strategy for the Sunnyside House offices in 2021. To meet current suppliers' commitments, demonstrations of potential products for an integrated technology system are taking place before we can start procurement.

The Corporate Landlord Service is also investigating new technological solutions that will enable staff to be fully agile and provide a better service. Also an online portal is being developed that will provide information, process customer requests and enable staff to log jobs and track progress.

### Disposal of assets

During 2018 to 19, contracts on assets worth £4.3 million were exchanged and £1.82 million of capital receipts generated. This included sale of development sites at Pen-y-Fai, the former Pencoed Primary school, former Heol-y-Cyw Primary School and Ysgol Bryn Castell schools. We are expecting to receive the residue of these sale proceeds in the 2019 to 20 financial year. This means our 5-year enhanced disposals programme will have generated £21 million and will be primarily used to support the 21st Century Schools Programme.

Funding was also granted for the new enterprise hub. This will enable us to renovate the Innovation Centre and create new starter units at Village Farm Industrial Estate in Pyle, Bridgend. The project will be progressed during 2019 to 20.

An options appraisal was also undertaken on the Parc Afon Ewenni site at Waterton, Bridgend, in the area following demolition of the county supplies depot. A planning application for a new council maintenance depot which is to be located there is being worked on and we will determine the boundary of the new site. It is intended that the surplus land will be sold and the receipts used to help fund the depot project.



## Energy

As part of our drive to make smarter use of our resources, we continued to implement energy and carbon reduction measures in our public buildings. New solar panels have been fitted to the roof of Raven's Court which will have a significant impact on the building's energy use. The panels will help to reduce energy bills and lower our carbon footprint too.

Also Oldcastle Primary School has also gone solar by installing 28 panels on the roof of their canteen building. It is hoped that the energy generated will be used to power the facility which services hot meals to over 200 children daily. The school also anticipates saving enough CO2 emissions to the equivalent of planting one tree per month. Several other schools have achieved major financial savings during the last year by making a concerted effort to reduce their energy usage. For example, Coleg Cymunedol Y Dderwen have cut their electricity usage by 10 per cent, giving the school a projected saving of £10,000.

A small change can make a difference. Thanks to staff, our core buildings used 40 per cent less energy over the last May bank holiday weekend when compared to the same period in 2017. This is because staff were encouraged to switch off energy sources where possible for the holiday. As a council, Welsh Government set us a target of achieving a 3% year on year reduction in carbon emissions in the non-domestic public buildings. We have consistently achieved above this target, and, in 2018 to 19 achieved a reduction of 4.94% on the previous year.

We are currently evaluating the different options for delivering energy efficiency improvements as part of an ambitious £1.3m investment programme. We will introduce new energy efficiency measures such as upgraded heating, lighting, insulation and more. Additional investments will be delivered over time in the form of prioritised spending and preventative works. We are engaging with the Welsh Government Energy Service and local partnerships to agree on the best way forward.

## Schools Modernisation Programme

Our flagship school modernisation programme continued to deliver new educational facilities for the county borough, which are designed to support 21st century teaching and learning.

The £10.8 million Pencoed Primary School project completed with the school opening its doors to pupils in September 2018. The replacement school caters for up to 510 pupils aged between four and eleven. It has a 70-place nursery and facilities for children with special educational needs. The school has an all-weather pitch that can be used by the wider community. Built on the old school playing fields off Penprysg Road, the design is similar to the new Betws Primary School, which opened in January 2018.

The new two-storey school at Pencoed contains facilities to meet modern educational needs. Large interactive screens can be found in classrooms located off one long circulation space or 'street' running through the school's ground and first floors. Above the 'street' are large windows that run the length of the building at the apex of the roof. As well as allowing light to flood in, the windows open automatically when the building reaches a certain temperature, and close when it gets cold. The school also has underfloor heating throughout. The building has achieved an 'excellent' rating against the British Research Establishment Environmental Assessment Method, which is a method of determining buildings' sustainability and environmental friendliness.

Significant local authority investment was made in terms of traffic calming and highways works which improved road safety in the Pencoed area. It also enabled active travel to the new school.



The scheme has used a 'sustainable urban drainage system', a pond, to deal with surface water drainage from the car park area. This has been sited next to the school's woodland area, which greatly enhances outdoor learning opportunities for pupils. The school's very active Eco Committee were heavily involved in planning the outdoor spaces.

The old Ysgol Gynradd Gymraeg Cwm Garw, has been renamed Ysgol Gynradd Gymraeg (YGG) Calon Y Cymoedd. Formerly one of Bridgend County Borough's four Welsh medium primary schools, it has relocated from Pontycymer to its new home in Bettws. It shares the site with Betws Primary School.

The number of learners with autism spectrum disorder is rising. We are committed to ensuring these learners can achieve positive outcomes with the right support, and in a mainstream school environment whenever possible.

Following a successful consultation process, plans are now underway to establish a Welsh-medium learning resource centre at YGG Calon Y Cymoedd. The provision which opens in January 2020 will enable young children with an autistic spectrum disorder (ASD) diagnosis to learn in Welsh. This provision fulfils the strategy of ensuring there is a continuum of Welsh-medium education for ASD pupils from primary to secondary. The secondary provision opened last year at Ysgol Gyfun Gymraeg Llangynwyd,

With more than £52 million of capital funding set to be committed towards the next phase of the school modernisation programme, it remains our largest investment. We plan to build four primary schools and one special school over the next five to seven years. This is part of Welsh Government's 21st Century Schools and Colleges Programme. The programme enables us to ensure that there is a sufficient supply of pupil places in both primary and secondary schools. It will help us achieve the best value for money by making schools more efficient and sustainable.

Also, it is envisaged that Welsh Government's new Mutual Investment Model (MIM) will fund two of the schemes. Under the model, gaining £31 million of funding will be generated from private funding with the remainder coming from council resources.



## Corporate change

Although this was not identified as one of our key programmes, we have three aims which focus on doing things differently corporately to meet our well-being objective of 'Making smarter use of Resources'. The three aims focus on delivering budget reductions, developing culture and skills in a changing organisation. Also, it focuses on making the most of our spend on goods and services through procurement. The steps we made are set out below.

### Budget reductions and our Medium-Term Financial Strategy (MTFS)

When developing our MTFS, we consider a number of different funding scenarios. We try to balance investment in preventative measures against the costs of reacting to unanticipated situations in statutory services. Also, we aim to ensure that the most savings are generated from making smarter use of resources with front line service reductions kept to a minimum. Each budget reduction proposal is weighed in terms of the impact on other areas of the council, the public and the well-being of future generations.

Where a budget cut in one area of non-statutory prevention would lead to increased costs in another, it is not considered good financial management. Similarly, budget reductions are achieved through remodelling existing service provision. Also they are achieved through self-sufficiency rather than removing services entirely, which makes them more sustainable going forward.

Aligned to this is a Capital Strategy coordinated with a 10-year capital programme. This demonstrates how we ensure that all of our capital, investment plans and borrowing are prudent and sustainable. It is intended to give a high-level overview of how capital expenditure, capital financing and treasury management actively contribute to providing services. Also it gives an overview of how associated risk is managed and the implications for future sustainability.

Of the £6.123 million budget reductions required for 2018 to 19, we achieved £5.615 million. The majority of these were met from making smarter use of resources rather than by cutting the quality or level of services. These included:

- developing extra care housing, leading to £300,000 of savings
- introducing the Corporate Landlord Model which generated savings of £300,000, although we had planned to save £500,000
- rationalising software and hardware budgets further, saving £210,000
- making energy savings of £110,000 which were generated through the completion of LED street lighting installations across the county borough
- reducing our annual bad debt provision for housing benefit which means a saving of £189,000
- reducing our corporate budgets by £2.610 million

The last point was mainly achieved by reducing capital financing charges, reducing and re-aligning budgets for corporate pension and national insurance costs. Also, we reduced the budget required for the council tax reduction scheme.

We did not achieve our savings in full in regarding:

- public conveniences (£100,000)
- removing subsidies for bus services (£188,000)
- implementing Learner Transport Policy (£67,000)

The public conveniences and bus subsidy savings have been met in full in 2019 to 20 following completion of formal consultations. An external review of our transport arrangements has been commissioned. It is hoped that this will support changes to the current arrangements with a view to making the identified efficiency savings for Learner Transport. We consult widely with citizens on all of budget proposals as an integral part of our MTFS, and we strive annually to increase participation and involvement. This is reflected in the increased response rate year on year.

## Developing culture and skills

We recognise the importance of having an appropriately skilled and flexible workforce in place to enable the achievement of our well-being objectives and service priorities. There are sound arrangements in place for the provision and analysis of workforce planning data. During 2018 to 2019, key workforce developments included a review of the Human Resources/Organisational Design (HR/OD) service. This was to help to plan for the future with a sustainable HR function, a renewed focus on staff engagement, skills development and growing our own.

The HR/OD review found a strong correlation between the HR/OD team's aims, as the Workforce Plan describes, and the organisation's wider objectives, as the Corporate Plan and respective Directorate business plans note. The HR/OD team and respective internal stakeholder groups were also correlated regarding priority workforce issues, as proven during engagement sessions with such groups. The review's conclusion is to implement a new operating model which focusses more on proactive HR services, longer- term workforce planning and development, and increased engagement.

New staff engagement arrangements were established in 2018 to 19 through:

- regular induction sessions for new starters with the Chief Executive
- open engagement sessions for staff with the Chief Executive and Leader
- the introduction of an annual staff survey

In many cases, the feedback from the survey has reinforced the priority workforce issues. Work is ongoing to show that staff views are valued and listened to, and the survey action plan intends to address this. Examples of progress to date include a new managers' induction programme, staff health checks, mental health awareness training, a new staff suggestion scheme and refreshed staff communications.

The provision of corporate training has been targeted in order to maximise the use of limited resources. This has included:

- providing face to face training in key areas to improve skills
- offering E-learning, a low-cost training method to provide knowledge-based training to large numbers of employees
- accessing externally funded training

54.1% of employees completed e-learning modules last year, which was an increase on the 50.2% who completed it in 2017 to 18. While identified training needs have been met, the projected target for Welsh language training exceeded actual demand. 65 staff received Welsh language skills training against a target of 75, and fewer than the 81 who received training in 2017 to 18.

Being in work has a positive effect on people's well-being. Therefore policies to support staff well-being help safeguard the protective factors associated with employment and keep people in work. All employees have access to the 'Care First' services and resources.

## Procurement

We spend around £170 million annually through procurement on bought-in goods, services and works. Influencing the ways this is done can make a key contribution to sustainability and resilience. Currently, we are developing a new procurement strategy, which focusses on the way we procure goods and services to create efficiencies, benefits and added value internally. It will nurture local supply chains, create jobs and develop new and existing business growth in the Bridgend County Borough.

We are working towards the circular economy principles. This ensures sustainable procurement, which ultimately underpins the seven well-being goals under the Well-being of Future Generations (Wales) Act 2015 (WBFGA). Procurement will consider 'whole life costing'. This is where money is spent to create wider benefits and add value, as opposed to traditional procurement routes based on the lowest price. Consideration like energy consumption and end of life decommissioning, financial and environmental factors will be considered as part of awarding contracts.

We will engage with businesses within our communities, to support new and innovative ideas. The procurement function will focus more on long-term vision to identify needs, forecast change and let us act proactively to prevent problems before they can arise.

We are considering how to integrate the five ways of working into our new procurement strategy and ensuring that the strategy enables procurement to maximise contribution to the well-being goals. Also, we are considering some specific initiatives. For instance, we are at the early stages of considering the UK Steel Charter and the foundation economy model.

As part of the new procurement strategy, we will consider co-producing services with the public, private and community sectors to develop innovative solutions. We will work with suppliers to identify the best solutions to suit our needs. Where relevant, we will work with others to replicate good practice. Our new procurement strategy will enable us to maximise our contribution to the well-being goals and encourage initiatives to help deliver sustainable procurement.

## Consultations and citizen feedback

Throughout the year we carried out a range of consultations to find out your views and inform our decisions. We undertook online surveys, roadshows throughout the county borough, ran focus groups and invited comment through social media on:

### Public consultations open to everyone about:

- dog fouling
- post 16 concepts consultation
- subsidised buses
- empty properties

### Closed group consultation/engagements which were public surveys for a specific groups in the community about:

- Llangynwyd learner travel
- Cynffig learner travel
- Archbishop learner travel
- Porthcawl learner travel

### Internal consultations about:

- Porthcawl 10k
- Bridgendenders

Further information can be found at [www.bridgend.gov.uk/my-council/equalities-and-engagement/consultations/](http://www.bridgend.gov.uk/my-council/equalities-and-engagement/consultations/).

During the latter part of 2018, we worked with community groups and conducted engagement sessions in libraries as part of the 2018 budget consultation. The consultation team attended 53 events across the county borough, carrying out 2,148 face-to-face interactions. Face-to-face engagement activities enabled people who may not have previously participated in online consultation to have their say on proposals.

We worked with People First Bridgend on our first 'easy read' budget survey and Porthcawl Comprehensive School pupils on a survey aimed at 11 to 25 year-olds. This has helped us to maximise engagement with those targeted groups.

The easy read version of the survey was extremely popular, with 267 members of the public completing it. We will aim to continue this work in collaboration with People First Bridgend. Also, we engaged with 730 secondary school pupils in structured clicker pad sessions, and engaged with 832 Year 5 and Year 6 pupils in primary schools in pupil-led interactive sessions.

Social media enabled us to increase the profile of the consultation. Social media content was seen 141,534 times and resulted in 447 social media comments. The response rate for Citizens' Panel members was 48%, with 524 Citizens' Panel survey completions. This represents a 17% increase since 2017. The Citizens' Panel was also promoted during the period October 2018 to January 2019, which resulted in an increase from 1,088 to 1,115 members.

We also engaged with community groups such as the Bridgend Coalition of Disabled people and SHOUT Bridgend on the subsidised bus and public convenience consultations.



# Improving well-being in Bridgend

In addition to our well-being objectives, we are also taking complimentary steps to improve the economic, social, cultural and environmental well-being of Bridgend County Borough. Working to improve the four pillars of well-being is one of the key aims of the Well-being of Future Generations Act. Below are some examples of the steps we are taking with partners and communities to make Bridgend County Borough a better place to live, work in and visit.

## Economic well-being

### Partnership working

We work in partnership with a number of organisations to provide services for our citizens to improve their economic well-being. Some initiatives are provided jointly, and some are delivered by our partners. All improve well-being for our citizens. Our PSB partner, Bridgend College is integral to providing educational support to our young people to improve their economic well-being. One of the innovative programmes they launched is a supported internship programme. It has enabled nine young people with additional learning needs and disabilities to secure a supported internship based at the Princess of Wales Hospital. Read more about this at: [www1.bridgend.ac.uk/internship-opportunity-for-young-people-with-additional-learning-needs/](http://www1.bridgend.ac.uk/internship-opportunity-for-young-people-with-additional-learning-needs/)

The Welsh Government Minister for Welsh Language and Lifelong Learning Eluned Morgan AM commended the project as “...outstanding and...leading in Wales.”

### Support to businesses

There are many ways in which we support businesses to improve outcomes for economic well-being. Two initiatives include the recent action we took to revive the fortunes of Bridgend Indoor Market. You can read more about this in the news article: [www.bridgend.gov.uk/news/radical-plans-to-revive-bridgend-indoor-market/](http://www.bridgend.gov.uk/news/radical-plans-to-revive-bridgend-indoor-market/)

We know how important financial assistance is to new or existing local micro-businesses. The Kick Start Grant can help. You can read more about this and about how Jollie's Hair Lounge benefitted from the grant in the news article: [www.bridgend.gov.uk/news/kick-start-grant-helps-bridgend-based-salon-thrive/](http://www.bridgend.gov.uk/news/kick-start-grant-helps-bridgend-based-salon-thrive/)

## Social well-being

### Festival of Learning

We held the inaugural Festival of Learning in June 2018, which was the first of its kind in Wales. Over the last few years there have been significant developments in technology and insights into the health and well-being of children. The festival is a unique way to showcase these developments and share knowledge on ways to support the well-being of learners.



Attended by over 800 pupils, teachers, educators, trainers and employers, the festival showcased new, innovative learning and teaching methods in schools throughout the county borough use. It was an opportunity for schools to share effective best practice with one another while establishing new training opportunities for teachers and staff.

Schools hosted up to 100 workshops demonstrating the latest modern classroom developments to benefit local children alongside traditional numeracy and literacy techniques. A symposium event at Bridgend College featured key speakers and a Q&A panel. This gave educators an opportunity to focus on how the health and well-being of pupils can be developed, maintained and improved.

The week culminated in the Learners' Day showcase event at Bridgend Life Centre. While there, pupils from local schools set up stalls and displays, and gave practical demonstrations of some of the classroom techniques in use.

One of the key learning events was to engage directly with pupils to improve our understanding of what makes children happy.

## **Case study:** **what makes children happy?**

The Youth Development Team was asked to facilitate an hour-long consultation event titled the Learner Voice Forum. The aim was to engage 100 primary and secondary school pupils in several activities promoting participation and stimulating learner-led discussions around three key questions:

1. What makes you happy in your learning?
2. What makes you happy in school outside of lesson times?
3. What makes you happy outside of school?

The consultation was also delivered through the medium of Welsh to ensure maximum participation.

Learners overwhelmingly expressed the single biggest factor which influences their happiness in school is spending time with friends. Working together with friends in their lessons was the most frequent point of positive feedback.

Sport was a reoccurring theme across each of the three questions. Learners participated in a wide variety of sporting activities, with some representing their country in their chosen discipline. Learners noted that they would like the opportunity to expand and share their sporting disciplines with pupils in both their own school, and with others in the county borough.

The evidence and feedback gathered was collated and a list of recommendations detailing the things pupils feel would make them happier was produced. This was shared with schools and many have taken these forward in their School Improvement Plans.

### **Recommendations**

1. Singing in whole-school assembly to include more popular music instead of just traditional hymns.
2. Lessons to start and finish on time.
3. More challenging work for those who need it.
4. More access to extra-curricular clubs and activities, and more awareness raising of them.
5. Teachers to be more approachable.
6. More competitive sporting fixtures against other schools (during and after school time).
7. Promotion of girls football and rugby teams.
8. More shaded areas around school like gazebos.
9. Outdoor shelter and benches for lunch and socialising.
10. Music to be played in the yard.

## Nature and well-being

Evidence abounds of how the public health can be improved by increasing access to green and blue space, and improving the quality of our natural environment. Bryngarw Country Park's accessible natural environment and the services on offer provide a range of opportunities to:

- connect with nature
- learn to enhance the quality of the environment
- engage in physical activity outdoors like
- birdsong walks
- Tai-chi
- watching wildlife
- using nature trails

The park's value as a community space has been recognized by its designation in the Valleys Regional Park, and its inclusion in £7 million of future investment.

## Libraries as places of learning and entertainment

With our partners Awen, we consider libraries to be a vital community asset to support health and well-being. We believe libraries should be welcoming places for people to have fun, be educated and entertained.

To help grow future generations of library users, we focus on building a love of reading from a young age. This has the twin benefit of improving literacy levels among children which will help them to succeed in education. Library staff are very active in engaging with local children and have held a number of activities including:

- 'Bounce and rhyme' for babies, story times and book clubs, craft sessions, and coding clubs
- the Fire Service, Coastguard, local vets, animal charities and others have all delivered community-led story times making reading fun and engaging
- libraries host themed events, based on Harry Potter, attracting over 90 children and parents including book nights, quizzes, games and reading sessions
- visits from professional schools from across the borough came to our libraries to enjoy visits from professional children's authors Shoo Rayner and Pip Jones to learn about the writing process and how to illustrate characters
- library staff engaging with over 100 foundation phase children at Pyle and Porthcawl
- new partnerships being created with local voluntary organisations such as St John's Ambulance

## Cultural well-being

### Artistic excellence available locally

Our aim is to bring world-class performances and creative experiences into the area as well as champion home grown talent. Awen venues provide a busy and successful professional programme of music, theatre and comedy as well as the annual professional pantomime. This brings high profile names and acts to local venues for local theatregoers so they don't have to travel out of the area for live entertainment. Local children are also given the opportunity to participate in workshops with professional companies, particularly in the area of dance. We actively promote and programme Welsh language work in music, spoken word and literature, and ensure that all marketing material is bilingual.

## Accessible arts

Awen support the Hynt scheme, a national access scheme working with theatres and arts centres to support visitors with impairments or specific access needs. This includes their carers or personal assistants. 506 people were supported by the Hynt scheme in 2018 to 19.

Our innovative 'Live and Loud' programme of events provides affordable access to the arts within an easily-accessible community-setting. Hosted by our Awen Libraries, events include Welsh music, theatre, children's theatre and classical music. This has provided people with opportunities to see high quality artistic work in their local library. Ticket costs are heavily subsidised which helps reduce financial barriers to participation.

Throughout the year, Awen venues host a broad range of daytime activity. This encourages participation by users who rely on public transport or who do not want to be out at night-time and particularly if alone. Activities include craft workshops, tea dances, visual arts, and singing. These workshops can teach new skills or encourage users to re-engage in a favourite activity, whilst also providing social interaction. Daytime cinema has also proved very popular, offering recently released titles at an affordable price compared to commercial cinemas.

## Ogmore Heritage Trail

Proper management of heritage resources has the potential to bring social and economic benefits to communities, while also helping preserve history for future generations to enjoy.

There are ambitious plans to open the history of Ogmore Valley through an interactive heritage trail which will combine the natural environment with technology. Starting at Bryngarw Country Park and winding up the valley along the cycling and walking route to Nantymoel, the trail will be dotted with interpretive information panels. These will document the area's past and highlight places of interest, as well as additional walking and cycling routes. A new smartphone app will be linked to the trail to help bring the valley's history into the present. Also the trail will climax with a new art feature on the site of the former Berwyn Centre.

The new trail will contribute to our goals of helping people become more physically active. Indeed the trail is being created along a cycle path with a self-service bike maintenance station. There is also potential for new bike hire facilities at Bryngarw Country Park.

The project includes the renovation of Memorial Hall in Nantymoel to become a Heritage Hub for the valley. It will showcase memorabilia and heritage information, and have a digital heritage display in the community café.

## Sport, literacy and the Welsh language

Pupils and teachers at Afon-Y-Felin Primary School in North Cornelly worked closely with the Welsh Rugby Union (WRU) to help develop an exciting new learning resources. These will use rugby to boost literacy skills, and you can read more about this in the news article: [www.bridgend.gov.uk/news/rugby-to-boost-literacy-at-afon-y-felin/](http://www.bridgend.gov.uk/news/rugby-to-boost-literacy-at-afon-y-felin/)

## Environmental well-being

### Tree management and enhancement programme

We approved a Tree Management Plan in June 2018. Also we held a workshop with the Public Service Board (PSB) partners to identify potential sites for tree planting, and a shortlist of eight sites was identified. So far, two sites, Caerau Bowls Centre and Pyle Swimming Pool, have had planting. A further planting scheme is in the design phase at Heol-y-Cyw on a rugby pitch that is no longer in use. Through a joint project with Bridgend Ford and Natural Resources Wales, over 1200 trees have been planted including heritage fruit trees and hedgerow plant. This will result in rewilding areas providing long-term environmental benefits.

### Biodiversity enhancement

Increasing the opportunities to develop biodiversity is a key driver behind the cross directorate steering group created to write the new strategy on Parks and Highways Biodiversity Enhancement. Its aim is to promote ecosystem resilience, and the project focussed on specific, well-sited road verges and parkland areas.

The seven community based and community led sites have benefited from biodiversity enhancements are:

- Badgers Brook Allotments
- the Wilderness Park and Allotments
- Maesteg Welfare Park
- Bryn y Cae Nursing Home
- Bryngarw Country Park
- Glanrhyd Hospital
- Nantymoel Boys and Girls Club

These schemes include wildflower meadow creation, a tree nursery, woodland management, wetland creation and Hügélkultur.

### Volunteering to improve the environment

Volunteering is a great way to support community resilience, develop new skills, combat social isolation and promote well-being. Volunteering also helps preserve important ecological resources for the long term. Volunteers at Kenfig National Nature Reserve (KNNR) engage in a range of practical and recording activities. These include scrub clearance, butterfly transects, and fen orchid monitoring, and they access a range of training which helps preserve and maintain the site.

As an outreach function of the KNNR, a Bridgend volunteering group has been established since 2002. This group runs a range of practical projects focussed on the local nature reserves which we manage including coppicing, dry stone walling, hedge laying and woodland management. In addition, educational events such as plant, bird and bat walks also operate through this group.

## Case study: management of coastal landscape in Bridgend County Borough

Led by us, the 'Dunes 2 Dunes' project started in August 2018. For the and was created to enjoyment of future generations, it was created to:

- sustainably manage the coastal landscape
- improve ecosystems
- increase biodiversity
- improve connectivity between the two dune systems at Kenfig and Merthyr Mawr Warren.

We collaborated with Natural Resources Wales, Kenfig and Merthyr Mawr National Nature Reserves, landowners, farmers, Kenfig Corporate Trust, Amphibian and Reptile Conservation as well and Royal Porthcawl and Pyle and Kenfig Golf Clubs. Volunteers have been trained in countryside management and surveying skills. These newly trained volunteers are now helping manage the habitats on the Bridgend coast and survey the rare species that live in those habitats.

A series of planned activities over the short and long term have been agreed by all partners to deliver the following expected outcomes by July 2020:

- habitat preserved and restored
- paths and boundaries restored
- increased visitors
- more responsible visitors
- less visitor impact
- health and well-being benefits for visitors
- economic benefits
- landscape character preserved and enhanced



## Eco Friendly Schools

Three quarters of our schools have achieved the eco-schools green flag, while more than half have attained platinum status. You can read more about this in the news article:

[www.bridgend.gov.uk/news/platinum-award-for-eco-friendly-tynyrheol-primary-school/](http://www.bridgend.gov.uk/news/platinum-award-for-eco-friendly-tynyrheol-primary-school/)

## Local parks and green spaces

The benefits of green spaces on peoples well-being is well evidenced, therefore managing these resources is essential. Nine of Bridgend County Borough's most beautiful parks and green spaces have been awarded the prestigious Green Flag award. You can read more about this in the news article:

[www.bridgend.gov.uk/news/awards-for-local-parks-and-green-spaces/](http://www.bridgend.gov.uk/news/awards-for-local-parks-and-green-spaces/)



# How do we compare?

For 2018 to 19, data has been released for 17 of the 31 Public Accountability Measures which we use to compare ourselves to the rest of the local authorities in Wales. As just under 55% of indicators have been reported on, a full picture of our performance at a national level cannot be fully compared.

Below is a summary of our performance on the data that has been released to date. Yet it should be remembered that our overall performance compared with other local authorities is likely to change as the full data is published.

## In summary:

- 59% of indicators are in the top two quartiles, compared with 53% of comparable indicators in 2017 to 18, which is an improvement in performance.
- When compared to the Wales average, we are better in nine (53%) indicators, the same in one (6%) and worse in seven (41%).
- Of the 26 indicators where we set our own performance target, 15 (58%) met the target, compared with 16 (62%) in 2017 to 18.

## We were among the best in Wales for:

- ✓ **School leavers.** We ranked third lowest in Wales for the percentage of Year 11 leavers known 'Not to be in Education, Employment or Training (NEET)' which was at 0.9%. The Wales average is 1.6%.
- ✓ **School attendance.** We ranked fourth highest for pupil attendance in primary schools (94.9%). Despite slipping to eleventh in secondary schools (93.9%), we remained on a par with the Wales average. Bridgend County Borough remains committed to secure the regular attendance of all pupils, and strives to ensure that they reach their full potential.
- ✓ **Planning.** We ranked second highest for appeals against planning application decisions dismissed, with a score of 75%. The Wales average is 67.6%.
- ✓ **Empty Homes.** We ranked fifth highest for the percentage of private sector homes brought back into use with a score of 8.4%. The Wales average is 4.6%.
- ✓ **Food Hygiene.** We ranked fifth highest for the percentage of food establishments which are broadly compliant with food hygiene standards, with a score of 97.5%. The Wales average is 95.7%.



## We did not compare so favourably for our:

- ✖ **Highway cleanliness.** The cleanliness of our highways ranked 21 out of 22 with a score of 85.7%. The inspection is a one-off annual inspection on a selection of streets and so inevitably subjective. By comparison, the Keep Wales Tidy assessment happened on a different day with a different set of streets. It gave a much better overall result on an all Wales basis. The Keep Wales Tidy inspection scored Bridgend County Borough at 96.7% in line with the majority of other Welsh authorities.
- ✖ **Disabled Facilities Grants (DFG).** At 291 days, we ranked 20 out of 22 for the average number of days taken to deliver DFG's. Work on improving the DFGs process is continuing. The whole systems review which started the previous year has produced findings which will help shape our operational practices and procedures. Investigating and implementing a cohesive and joined up process will deliver a better service that benefits applicants and has demonstrable results. In parallel to this work, focussing on the preventative and well-being agenda to support people in their own home for as long as possible has seen a significant increase in the amount of small scale discretionary work.
- ✖ **Planning.** We ranked 19 out of 22 for planning applications determined within required time periods. We have one of the smallest planning teams in Wales and deal with complex applications which can affect timescales. However, this figure needs to be looked at in the context of the whole planning performance framework. On average, we take 72.5 days to determine planning applications, while the Welsh average is 77 days so we are above average in this respect. Also, although we may rank 19 for planning applications determined within required time periods, we rank second for appeals against planning application decisions dismissed. This shows that although it takes us longer, the right decision is made and a change in the decision on appeal is very low.

Each year, the Welsh Government publishes a range of national performance indicators that enable citizens to compare how their local authority performed in comparison with the other 21 Welsh local authorities across a whole range of services.

You can see more detail about how councils across Wales compare by clicking on

**[www.mylocalcouncil.info](http://www.mylocalcouncil.info)**

# Financial performance

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 how 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 £450 million. The total amount that we had available to spend was 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 2018 to 19 was **£265.796 million**, which resulted in an underspend of £429,477 which was transferred to the Council Fund. This was calculated after allowing for appropriation to earmarked reserves, additional income from council tax and an underspend against council-wide budgets. The table below shows the expenditure the expenditure and proportion of spend per well-being objective in 2018 to 19, and spend on other core services and statutory functions:

Well-being objective for 2018-19	Revised Budget 2018-19 (£'Million)	Actual Outturn 2018-19 (£'Million)	Actual Over / (Under Spend) 2018-19 (£'Million)
1. Supporting a successful economy	47.1	47.2	0.1
2. Helping people to be more self-reliant	53.9	52.5	-1.4
3. Smarter use of resources	4.4	4.2	-0.2
4. Core services and statutory functions	160.5	161.6	1.1
<b>TOTAL</b>	<b>265.9</b>	<b>265.5</b>	<b>-0.4</b>

## 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 2018 to 19 was £27.614 million, where the main projects carried out during the year included:

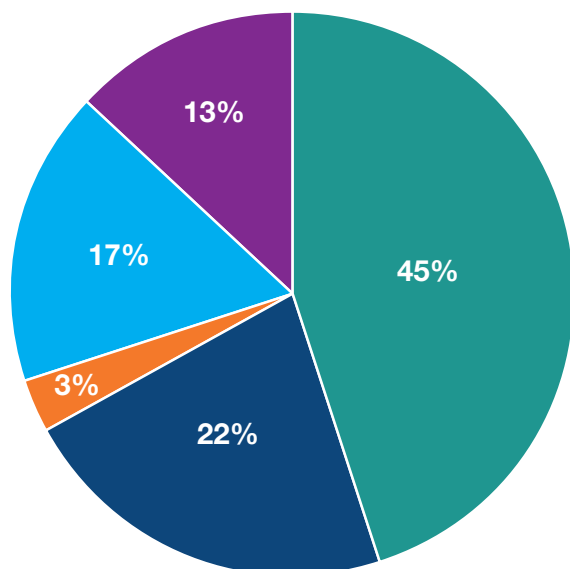
- £4,193,000 for Garw Valley South primary provision
- £4,652,000 for Pencoed Primary School
- £1,713,000 for extra care facilities
- £2,093,000 for the Town Beach Revetment Scheme in Porthcawl
- £1,162,000 for the Cardiff City Deal
- £2,594,000 for Disabled Facility Grants and private sector housing

## Grants

We also received specific government grants in addition to the core Revenue Support Grant and Non-Domestic Rate (NDR) allocations and Housing Benefit Subsidy. These totalled £44,168 million in 2018 to 19, which we are able to use in addition to our own revenue budgets. The main grants received during 2018 to 19 included:

- £6,022,468 in the post-16 grant
- £6,074,086 in the supporting people grant
- £4,921,253 in the education improvement grant
- £4,549,137 in the pupil development grant
- £3,226,944 in the flying start grant
- £1,858,469 in the families first grant

The following chart summarises where the money came from and where the money is spent:

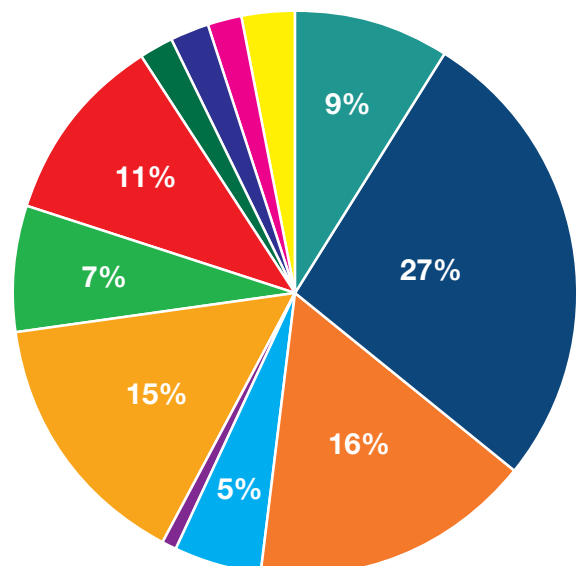


### 2018-19: Where the money comes from

- Revenue Support Grant \* Non Domestic Rates (from Welsh Government) **(45%)**
- Specific Government Grants **(22%)**
- Other Grants & Contributions **(3%)**
- Council Tax **(17%)**
- Fees, Charges & Other Income **(13%)**

### 2018-19: Where the money is spent




- Education & Family Support **(9%)**
- Schools **(27%)**
- Adult Social Care **(16%)**
- Children's Social Care **(5%)**
- Sport, Play & Active Well-being **(1%)**
- Communities **(15%)**
- Chief Executive **(7%)**
- Benefit Payments to Claimants **(11%)**
- Capital Financing **(2%)**
- Levies & Contributions **(2%)**
- Corporate Functions & Insurance Premiums **(2%)**
- Council Tax Reduction Scheme **(3%)**



# What our regulators said about us

## Wales Audit Office

The Auditor General for Wales (the Auditor General) audited the council's Improvement Plan for 2018 to 19. They certified the council had discharged its duties under section 15(6) to (9) of the Measure and had acted in accordance with Welsh Government guidance sufficiently to discharge its duties. The Auditor General certified that we are meeting our statutory requirements in relation to continuous improvement. The Wales Audit Office also undertook the following reviews of the council during 2018 to 19 which can be seen via the below reports.

Review	Link
Overview and Scrutiny - Fit for the Future?	 <a href="#">Item 230</a>
Service User Perspective of Disabled Facilities Grants	 <a href="#">Item 83</a>
Local government use of data	
Planning Services: Improving the economic well-being of Wales	
Examination under the Well-being of Future Generations Act (Wales) 2015 – Step 'Deliver the Porthcawl Resort Investment Focus Programme'	Final report yet to be published.
Social Services and Well-being (Wales) Act 2014: First point of contact assessments	Final report yet to be published.
Tackling violence against women, domestic abuse and sexual violence	Final report yet to be published.

## Estyn

In March 2019, Estyn undertook an inspection into the council's education services. The Estyn report and the post-inspection plan to address the recommendations. These can be seen at: [democratic.bridgend.gov.uk/ieListDocuments.aspx?CId=394&MId=3716&Ver=4&LLL=0](http://democratic.bridgend.gov.uk/ieListDocuments.aspx?CId=394&MId=3716&Ver=4&LLL=0)

This also includes delivering priorities identified in the Welsh Education Strategic Plan which can be seen at: [www.bridgend.gov.uk/media/4855/welsh-in-education-strategic-plan-bridgend-2017-to-2020.docx](http://www.bridgend.gov.uk/media/4855/welsh-in-education-strategic-plan-bridgend-2017-to-2020.docx)

## Care Inspectorate Wales (CIW)

Performance monitoring and evaluation of social care services is monitored throughout the year by CIW. During 2018 to 19, CIW also undertook some more focused work, which can be seen at [democratic.bridgend.gov.uk/ieListDocuments.aspx?CId=142&MId=3341&Ver=4&LLL=0](http://democratic.bridgend.gov.uk/ieListDocuments.aspx?CId=142&MId=3341&Ver=4&LLL=0)

# Important themes that underpin our work

## Well-being of Future Generations (Wales) Act

A number of key principles underpin how we work. Within these principles, we have embedded the sustainable development principal noted in the Well-being and Futures Generation Act as follows.

Sustainable Development Principles	 Long term	 Prevention	 Integration	 Collaboration	 Involvement
To support communities and people to create their own solutions and reduce dependency on the Council.					  
To focus diminishing resources on communities and individuals with the greatest need.					
To use good information from service users and communities to inform its decisions.					
To encourage and develop capacity amongst the third sector to identify and respond to local needs.					 
To not let uncertainty over the future of public services prevent meaningful and pragmatic collaboration with other public sector bodies.					
To work as one Council and discourage different parts of the organisation from developing multiple processes or unnecessarily different approaches.					
To transform the organisation and many of its services to deliver financial budget reductions as well as improvements.					

## Performance Management Framework

Performance management is about taking action in response to actual performance to make outcomes for users and the public better than they would otherwise be. You can see our Performance Management Framework here: [www.bridgend.gov.uk/media/2281/bcbc-performance-management-framework-2017-version.pdf](http://www.bridgend.gov.uk/media/2281/bcbc-performance-management-framework-2017-version.pdf)

## Scrutinising our performance

Overview and scrutiny committees are a valuable part of the transparent and democratic process. They support the work of the council as a whole in the improvement of public services. You can see more information on the role of scrutiny here: [www.bridgend.gov.uk/my-council/democracy-and-elections/overview-and-scrutiny-committees/](http://www.bridgend.gov.uk/my-council/democracy-and-elections/overview-and-scrutiny-committees/)

## Risk management

With growing demands on services at a time of increasing pressure on finances, effective risk management remains an essential part of the framework for ensuring good corporate governance. We agreed the Corporate Risk Assessment as part of the MTFS in February 2019 and you can be found at: [democratic.bridgend.gov.uk/mgAi.aspx?ID=8994#mgDocuments&LLL=0](https://democratic.bridgend.gov.uk/mgAi.aspx?ID=8994#mgDocuments&LLL=0) item 281 Appendix I

## Equality and diversity

We are committed to promoting equality and valuing diversity through all of our services. Also we are dedicated to treating our residents, customers, employees and visitors with respect, while providing services which respond to people's individual needs. More information can be found at: [www.bridgend.gov.uk/my-council/equalities-and-engagement/equality-and-diversity/](https://www.bridgend.gov.uk/my-council/equalities-and-engagement/equality-and-diversity/)

## Welsh language

We are committed to treating Welsh and English on an equal basis when carrying out our public business. Our five-year strategy and more information on how we promote the language can be seen at: [www.bridgend.gov.uk/my-council/equalities-and-engagement/welsh-language/](https://www.bridgend.gov.uk/my-council/equalities-and-engagement/welsh-language/)

## Bridgend Public Services Board

Bridgend Public Services Board (PSB) is a group of public sector and non-profit organisations who work together to create a better Bridgend County Borough. In July 2019, the PSB published its first annual report highlighting its activity during 2018 to 19. You can read the full report and see five short videos reflecting progress on each of the well-being objectives at: <https://www.bridgend.gov.uk/media/6276/public-service-board-annual-report.pdf>.

## Our well-being objectives for 2019 to 20

In our Corporate Plan 2018 to 22, we set out our well-being objectives or priorities. These are:

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

These well-being objectives were reviewed against the requirements of the Well-being of Future Generations (Wales) Act 2015. We decided that they were still pertinent and should remain our well-being objectives. Full details on the actions we have in place can be seen in our Corporate Plan here: [www.bridgend.gov.uk/media/3632/corporate-plan-2018-2022.pdf](https://www.bridgend.gov.uk/media/3632/corporate-plan-2018-2022.pdf)



# Feedback

We welcome your comments on this annual report and your suggestions for improvement. You can give your feedback through:



our website: [www.bridgend.gov.uk](http://www.bridgend.gov.uk)



on Instagram: [www.instagram.com/BridgendCBC/](https://www.instagram.com/BridgendCBC/)



via Facebook: [www.facebook.com/BridgendCBC](https://www.facebook.com/BridgendCBC)



on Twitter: [@BridgendCBC](https://twitter.com/BridgendCBC)



emailing: [talktous@bridgend.gov.uk](mailto:talktous@bridgend.gov.uk)



in writing to: **Corporate Performance Team, Bridgend County Borough Council, Raven's Court, Brewery Lane, Bridgend CF31 4WB**

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

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## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO CABINET

22 OCTOBER 2019

### REPORT OF THE INTERIM HEAD OF FINANCE

#### BUDGET MONITORING 2019-20 – QUARTER 2 REVENUE FORECAST

##### 1.0 Purpose of this report

- 1.1 The purpose of this report is to provide Cabinet with an update on the Council's revenue financial position as at 30th September 2019.

##### 2.0 Connections to Corporate Improvement Objectives / Other Corporate Priorities

- 2.1 This report assists in the achievement of 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.

- 2.2 The allocation of budget determines the extent to which the Council's corporate priorities can be delivered.

##### 3.0 Background

- 3.1 On 20th February 2019, Council approved a net revenue budget of £270.809 million for 2019-20. As part of the Performance Management Framework, budget projections are reviewed regularly and reported to Cabinet on a quarterly basis. The delivery of agreed budget reductions is also kept under review and reported to Cabinet as part of this process.

## 4.0 Current Situation / Proposal

### 4.1 Summary financial position at 30th September 2019

4.1.1 The Council's net revenue budget and projected outturn for 2019-20 is shown in Table 1 below.

**Table 1- Comparison of budget against projected outturn at 30th September 2019**

Directorate/Budget Area	Original Budget 2019-20 £'000	Revised Budget 2019-20 £'000	Projected Outturn Q2 2019-20 £'000	Projected Over / (Under) Spend 2019-20 £'000	Projected Over / (Under) Spend Qtr 1 2019-20 £'000
<b>Directorate</b>					
Education and Family Support	116,208	113,848	114,442	594	548
Social Services and Wellbeing	70,834	70,948	71,866	918	274
Communities	25,331	25,886	25,918	32	559
Chief Executive's	18,609	18,573	17,688	(885)	(618)
<b>Total Directorate Budgets</b>	<b>230,982</b>	<b>229,255</b>	<b>229,914</b>	<b>659</b>	<b>763</b>
<b>Council Wide Budgets</b>					
Capital Financing	7,430	7,329	6,759	(570)	0
Levies	7,376	7,134	7,134	0	0
Apprenticeship Levy	700	700	623	(77)	(80)
Council Tax Reduction Scheme	14,854	14,854	14,751	(103)	(162)
Insurance Premiums	1,588	1,588	1,330	(258)	(257)
Repairs & Maintenance	870	870	870	0	0
Pension Related Costs	430	430	430	0	0
Other Corporate Budgets	6,579	8,649	4,849	(3,800)	0
<b>Total Council Wide Budgets</b>	<b>39,827</b>	<b>41,554</b>	<b>36,746</b>	<b>(4,808)</b>	<b>(499)</b>
<b>Appropriations to Earmarked Reserves</b>			<b>3,574</b>	<b>3,574</b>	<b>0</b>
<b>Total</b>	<b>270,809</b>	<b>270,809</b>	<b>270,234</b>	<b>(575)</b>	<b>264</b>

4.1.2 The overall projected position at 30th September 2019 is a net under spend of £575,000, comprising £659,000 net over spend on directorates and £4.808 million net under spend on corporate budgets, offset by net appropriation to earmarked reserves of £3.574 million.

4.1.3 The main reason for the under spend of £3.8 million on 'Other Corporate Budgets' is due to Welsh Government advising local authorities of additional grant funding being made available during 2019-20 to meet the increased cost of teachers' pensions (£2,006,096), fire service pensions (£272,405), and teachers' pay increases (£343,701), all of which were originally funded in full through the MTFS. In June 2019 Council approved that an 'Investing in Communities Fund' be established with £2 million of this funding to support the capital minor works programme by enabling more capital improvement works to be undertaken on Council assets in our local communities. Other movements in earmarked reserves can be found in section 4.4.

- 4.1.4 A detailed analysis of the more significant projected under and over spends is set out in section 4.3. Whilst it appears from Table 1 that the position on directorate budgets has improved since quarter 1, with the projected over spend reducing by £104,000, this is after a contribution of £694,000 from the MTFS Budget Reduction Contingency Reserve (see section 4.2.4). Without this contribution, projections on directorate budgets would have worsened by £593,000. In addition, there is still half of the financial year remaining and there are a number of volatile budgets which could impact on this position.
- 4.1.5 There have been no budget virements but there have been a number of technical adjustments between budgets since the Quarter 1 forecast was reported to Cabinet in July 2019. This is due to the fact that inflationary uplifts that are not confirmed when the MTFS is agreed are held centrally until evidence of the uplift is provided by the service areas. Technical adjustments of £414,444 have been processed since Quarter 1.
- 4.1.6 When the budget for 2019-20 was set, directorates were provided with funding for known pay and price inflation. The remaining provision was retained centrally within Council wide budgets, to be allocated as further information was known about specific contractual price increases e.g. for energy. We are currently in the process of gathering information about increased energy prices for 2019-20, and will amend budgets accordingly during the year.
- 4.1.7 Given the large scale reductions on Council wide budgets in previous years, and the significant pay and price pressures already placed on these budgets in 2019-20, there is a risk that there may not be sufficient funding available within these budgets for any unexpected major price inflation increases. Inflation rates remain fairly steady (CPI was 1.9% in February 2019 and was 1.7% in August 2019), but, with the uncertainty around Brexit and possible financial implications arising from that, the budget will need to be monitored closely during the remainder of the year.
- 4.1.8 The net budget for the financial year has been set assuming full implementation of the current year budget reduction requirements across the Council's budget, which amount to £7.621 million. Where proposals to meet this requirement have been delayed or are not achievable directorates have been tasked with identifying alternative proposals to meet their requirements such as vacancy management, or bringing forward alternative budget reduction proposals.
- 4.1.9 In February 2019 Council approved the Medium Term Financial Strategy for 2019-20 to 2022-23. This identified the need to develop recurrent budget reduction proposals, based on the most likely scenario, amounting to around £35.2 million over the next four years. Against that background it is essential that expenditure is kept within the overall approved budget and that longer term proposals continue to be developed so that the Council has as much flexibility as possible to meet the challenges which lie ahead.
- 4.1.10 At year end consideration will be given to requests from directors to carry forward any planned directorate under spends for specific purposes into the following year, in line with the Council's Reserves and Balances Protocol, as long as these can be met from within the Council's cash limited budget for 2019-20. This is in line with the reports to Cabinet and Council on the MTFS, and the Council's Financial Procedure

Rules. Similarly, consideration will be given to any budget over spends to determine whether these should be carried forward as a first call on the directorate budget for the following year. Finally, outstanding prudential borrowing will be repaid, where possible, to reduce future capital financing charges. However, a decision will not be made until towards the end of the financial year when the overall outturn position is more definite.

## 4.2 Monitoring of Budget Reduction Proposals

### Prior Year Budget Reductions

- 4.2.1 A report was presented to Cabinet on 18th June 2019 on Financial Performance 2018-19. In the report it was highlighted that, for 2016-17 to 2018-19, there were £2.342 million of budget reduction proposals that were not met in full, with a total outstanding balance to be met of £1.519 million. Directors have been asked to identify if any of these proposals are still not likely to be achieved in full during the 2019-20 financial year, and to identify mitigating action that will be undertaken to achieve them. A summary of the latest position is attached as Appendix 1 with a summary per directorate provided in Table 2.
- 4.2.2 The Social Services and Wellbeing Directorate has developed a Future Service Delivery Plan, which was presented to Corporate Overview and Scrutiny Committee in March 2018, and which outlines the Directorate's response to the financial challenge facing them, not least setting out the planned actions to be undertaken in order to meet the shortfall. This will be monitored continuously throughout 2019-20.

**Table 2 – Outstanding Prior Year Budget Reductions**

	<b>Total Budget Reductions Required</b>	<b>Total Budget Reductions Likely to be Achieved</b>	<b>Shortfall</b>
<b>DIRECTORATE /BUDGET REDUCTION AREA</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Education and Family Support	222	20	202
Social Services and Wellbeing	918	673	245
Communities	1,202	1,102	100
<b>TOTAL</b>	<b>2,342</b>	<b>1,795</b>	<b>547</b>

- 4.2.3 Table 2 shows that of the £2.342 million outstanding reductions, £1.795 million is likely to be achieved in 2019-20 leaving a shortfall of £547,000. Proposals still not likely to be achieved include:

- Learner Transport Policy and Transport Route efficiencies (£127,000) due to delays in assessments of safe routes.
- Review of Special Schools Home to School Transport (£75,000) as currently out to mini-tender.
- Permitting Scheme for Road Works (£100,000) due to delays in approval process with Welsh Government.



The balance mainly relates to proposals set out in the Social Services and Wellbeing Service Delivery Plan that are profiled over two to three years.

- 4.2.4 As outlined in the MTFS reports to Cabinet and Council, MTFS Principle 12 states that *“Resources are allocated to deliver the Bridgend Change Programme based on clear strategic plans that are kept under review by Corporate Directors to maintain alignment with the MTFS and a MTFS Budget Reduction Contingency will be maintained”*. A Budget Reduction Contingency was established in 2016-17. This reserve has been used to meet specific budget reduction proposals in previous years on a one-off basis pending alternative measures. Following agreement with the S151 Officer, it is being used in 2019-20 to mitigate the on-going shortfall on the following budget reductions proposals:-

<b>MTFS Reference</b>	<b>Original Saving Proposal £'000</b>	<b>Funding from MTFS Budget Reduction Contingency Reserve £'000</b>
COM 52 - MREC	1,300	500
EFS 1 – Learner Transport Policy (17-18)	20	20
EFS 2 – School Transport Route Efficiencies (17-18)	40	40
EFS 1 – Learner Transport Policy (18-19)	67	67
EFS 1 – Learner Transport Policy (19-20)	67	67
<b>TOTAL</b>	<b>1,494</b>	<b>694</b>

During the financial year the S151 Officer will consider further applications from directorates to the MTFS Budget Reduction Contingency Reserve to mitigate further shortfalls.

## **Budget Reductions 2019-20**

- 4.2.5 The budget approved for 2019-20 included budget reduction proposals totalling £7.621 million, which is broken down in Appendix 2 and summarised in Table 3 below. The current position is a projected shortfall on the savings target of £1.129 million, or 15% of the overall reduction target.

**Table 3 – Monitoring of Budget Reductions 2019-20**

	<b>Total Budget Reductions Required</b>	<b>Total Budget Reductions Likely to be Achieved</b>	<b>Shortfall</b>
<b>DIRECTORATE /BUDGET REDUCTION AREA</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Education and Family Support	596	529	67
Schools	0	0	0
Social Services and Wellbeing	1,235	1,107	128
Communities	1,938	1,084	854
Chief Executive's	1,464	1,384	80
Council Wide Budgets	2,388	2,388	0
<b>TOTAL</b>	<b>7,621</b>	<b>6,492</b>	<b>1,129</b>

A comparison of the RAG status position against Quarter 1 is provided below:-

	<b>2019-20 Q 2</b>		<b>2019-20 Q 1</b>	
	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Green</b>	5,155	68%	4,935	65%
<b>Amber</b>	1,009	13%	999	13%
<b>Red</b>	1,457	19%	1,687	22%
<b>Total</b>	<b>7,621</b>	<b>100%</b>	<b>7,621</b>	<b>100%</b>

There has been a slight shift from reductions classed as red to green between Quarters 1 and 2.

- 4.2.6 The most significant budget reduction proposals unlikely to be achieved in full include:
- EFS1 - Phased Implementation of Learner Transport Policy (£67,000) – no saving likely to be achieved in 2019-20.
  - SSW22 – Further savings from library and cultural facilities (£60,000) – no saving likely to be achieved in 2019-20.
  - COM52 – Reduction to the budget for the MREC (£1,300,000) - £650,000 likely to be achieved in 2019-20.

- 4.2.7 Appendix 2 identifies the projected amount of saving against these proposals in detail and action to be taken by the directorate to mitigate the shortfall. Directors continue to work with their staff to deliver their proposals or identify alternatives and this is reflected in the forecast outturn for the year. In the longer term, these proposals must be realised or met through alternative budget reduction proposals in order to deliver a balanced budget position.

### 4.3 Commentary on the financial position as at 30th September 2019

A summary of the financial position for each main service area is attached as Appendix 3 to this report and comments on the most significant variances are provided below. Actions are being taken by those directorates currently reporting a projected over spend to try to resolve issues that led to the current position or alternatively to identify offsetting savings in other areas of the service.

#### 4.3.1 Education and Family Support Directorate

The net budget for the Directorate for 2019-20 is £113.848 million. The Directorate (excluding Schools) contains savings targets of £596,000 for 2019-20. Current projections indicate an over spend of £594,000 at year end. The main variances are:

<b>EDUCATION &amp; FAMILY SUPPORT DIRECTORATE</b>	<b>Net Budget</b>	<b>Projected Outturn</b>	<b>Projected Variance Over/(under) budget</b>	<b>% Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Inclusion	2,331	2,701	370	15.9%
Home to School Transport	5,145	5,862	717	13.9%
Strategic Management	1,494	1,435	(59)	-3.9%
Catering Services	939	865	(74)	-7.9%
Emotional Health & Behaviour	1,809	1,729	(80)	-4.4%
Integrated Working	1,486	1,368	(118)	-7.9%
Health & Safety	384	246	(138)	-35.9%

#### Schools' Delegated Budgets

The schools' delegated budget is reported as balanced as any under or over spend is automatically carried forward into the new financial year before being considered by the Director of Education and Family Support in line with the 'Guidance on Managing School Surplus Balances'. At Quarter 2 for 2019-20 there are 23 primary schools and 3 secondary schools (44% of all schools) that are projecting a deficit balance at year end. In total the Quarter 2 projections indicate an overall deficit balance for school delegated budgets of £836,000 at year end.

## **Central Education and Family Support Budgets**

### **Inclusion**

- The over spend of £370,000 primarily relates to a deficit in the recoupment budget (£252,000). This is mainly due to that fact that there are currently 19 out of county placements at Heronsbridge School and Ysgol Bryn Castell compared with 30 in the Summer Term 2018, impacting on the anticipated income levels. In addition, there is a projected over spend of £108,000 due to an increase in demand for ancillary support in schools.

### **Home to School Transport**

- There is an over spend of £717,000 on Home to School Transport. There is still significant pressure on the home-to-school transport budget. Although a significant budget reduction of £1.794m has been applied to the learner transport budget to support the MTFS since 2014-2015, the change of policy approved by Cabinet in September 2015 has not delivered significant enough savings to support this large budget reduction. As a result a contribution of £194,000 has been agreed by the S151 Officer from the MTFS Budget Contingency Reserve as outlined in paragraph 4.2.4.
- As well as an increase in eligible learners, there is also significant pressure on transport providers with many not tendering for smaller contracts as they do not consider them to be profitable. Limited competition is increasing the costs associated with some contracts, especially where specialist vehicles are required e.g. those with tail-lifts. The requirement for specialist transport provision for pupils with additional learning needs (ALN) is increasing costs in general.
- A report was approved by Cabinet on the 23rd July 2019 to commence a 12 week public consultation starting in September 2019 on proposed changes to the Local Authority Home to School/College Transport policy.
- At the start of the 2019-20 academic year a large number of contracts were handed back by transport providers after a competitive tender process. This left the local authority in a very difficult position, with the awarding of these contracts to other contractors at short notice. This increased the total value of the retendered contracts by approximately £100,000 annually.
- The Corporate Strategic Transport Review will aim to identify opportunities for efficiency savings within the school transport budget and elsewhere across the local authority's transport services.
- Several hundred pupils in both primary and secondary schools who are not eligible for free home-to-school transport have been identified as currently benefiting from it. There are significant savings possible if transport is removed from these pupils, as whole contracts can be cancelled. This can be achieved by providing one term's notice to pupils and parents.

### **Strategic Management**

- The under spend of £59,000 is as a result of a review of non-staffing budgets across the directorate, which are being held to mitigate over spends across other directorate service areas. These will be considered as part of future years' MTFS savings.

### **Catering Services**

- The under spend of £74,000 has arisen as a result of a 3.46% increase in primary school meal take up compared with when the budgets were set at the start of the financial year. Take up of school meals will require close in-year monitoring.

#### Emotional Health & Behaviour

- The under spend of £80,000 is a combination of increased use of Ty Lidiard (provision of education to children who are not able to attend school because they are in hospital) by other Local Authorities and the increased level of clawback from schools for the Education Other Than At School (EOTAS) provision, i.e. recoupment of the pupil funding from the respective schools whilst they are receiving EOTAS.

#### Integrated Working

- The under spend of £118,000 relates to current staff vacancies within the service. The vacant posts are expected to be filled during the year.

#### Health and Safety

- The under spend of £138,000 relates to current staff vacancies within the service. The service area is currently going through a recruitment process to fill these vacancies.

### 4.3.2 **Social Services and Wellbeing Directorate**

The Directorate's net budget for 2019-20 is £70.948 million. The Directorate budget contains savings targets of £1.235 million for 2019-20. Current projections indicate an over spend of £918,000 at year end. The main variances are:

<b>SOCIAL SERVICES AND WELLBEING DIRECTORATE</b>	<b>Net Budget</b>	<b>Projected Outturn</b>	<b>Projected Variance Over/(under) budget</b>	<b>% Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Older People Residential Care	8,832	9,021	189	2.1%
Care at home for Older People	8,313	8,414	101	1.2%
Care at Home for Physical Disabilities	1,613	1,460	(153)	-9.5%
Equipment and Adaptations	858	1,042	184	21.4%
Assessment and Care Management	5,022	4,694	(328)	-6.5%
Learning Disabilities Residential Care	1,930	2,042	112	5.8%
Care at Home for Learning Disabilities	9,342	9,685	343	3.7%
Learning Disabilities Day Opportunities	2,696	2,887	191	7.1%
Mental Health Residential Care	1,412	1,310	(102)	-7.2%
Mental Health Supported & Other Accommodation	202	97	(105)	-51.9%
Looked After Children	11,557	12,252	695	6.0%
Commissioning & Social Work	5,087	4,883	(204)	-4.0%

#### Older People Residential Care

- There is a projected over spend of £189,000 mainly due to a reduction in client contributions, in particular out of county contributions.

#### Care at Home for Older People

- Care at home includes domiciliary care services, local authority homecare services and the provision of direct payments. The over spend of £101,000 is a combination of an over spend on the Direct Payments budget due to an increase in the number of cases, offset by an under spend on the homecare budget primarily due to staffing vacancies due to a delay in implementing a staffing restructure.

#### Care at Home for Physical Disabilities

- There is a projected under spend of £153,000 which is made up of a combination of an over spend on direct payments (65 clients at Quarter 2 compared with 60 clients at Quarter 1) offset by a consequential under spend on external domiciliary care and care attendants. The service area has also benefited from receiving more joint health funding than originally anticipated.

#### Equipment and Adaptations

- There is a projected over spend of £184,000 as a result of increased use of aids and equipment, along with servicing costs. These costs are seen as a preventative measure to keep service users out of long term care, and therefore reduce pressure on other service area budgets.

#### Assessment and Care Management (ACMT)

- There is a projected under spend of £328,000 on all assessment and care management budgets across the directorate. The directorate manages its staff vacancies stringently in order to achieve cost savings in-year.

#### Learning Disabilities Residential Care

- There is a projected over spend of £112,000 which relates mainly to the complexity of needs and number of service users (28 current placements (including respite), up from 23 placements as at Quarter 1).

#### Care at Home for People with Learning Disabilities

- There is a projected over spend of £343,000 mainly due to the complexity of needs and number of service users receiving direct payments or receiving domiciliary care within a home setting or supported accommodation.

#### Learning Disabilities Day Opportunities

- There is a projected over spend of £191,000 mainly due to the cost of external day service provision. These costs are considerably less than 'one to one' care provision and this therefore reduces pressure on other service areas within the directorate.

#### Mental Health Residential Care

- A projected under spend of £102,000 is based on current placements. Forecasted health contributions to these placements are built in to the forecast under spend.

#### Mental Health Supported & Other Accommodation

- A projected under spend of £105,000 is due to a combination of staffing under spends (£72,000) as a result of a staff restructure and additional income (£33,000) from accommodation fees and rent within BCBC accommodation.

#### Looked After Children (LAC)

- There is a projected over spend of £695,000 on LAC. This represents 6% of the overall budget for LAC. This has increased from the Quarter 1 projected over spend (£133,000) due to an additional out of county placement and 8 additional Independent Foster placements (IFAs).
- The over spend is also partly as a result of the implementation of a new model for residential services which has required increasing staffing ratios due to the complexities/risk behaviours of the young people placed over recent months (some of which have been court directed).



- The average number of LAC this financial year is 379 compared with an average of 376 in 2018-19. This can fluctuate month to month and will require ongoing monitoring in-year.
- The average number of independent fostering placements (IFAs) this financial year is 70 compared to 61 in 2018-19. This can fluctuate month to month and again will require ongoing monitoring in-year.
- The budget is closely monitored to ensure that the current over spend is reduced and that the budget for 2019-20 is effectively managed.

#### Commissioning & Social Work

- A projected under spend of £204,000 is mainly due to staffing under spends due to difficulty in recruiting social workers.

### 4.3.3 Communities Directorate

The net budget for the Directorate for 2019-20 is £25.886 million. The Directorate budget contains savings targets of £1.938 million for 2019-20. The current projection is an anticipated over spend of £32,000. The main variances are:

<b>COMMUNITIES DIRECTORATE</b>	<b>Net Budget</b>	<b>Projected Outturn</b>	<b>Projected Variance Over/(under) budget</b>	<b>% Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Development	738	816	78	10.6%
Regeneration	2,295	2,193	(102)	-4.4%
Waste Disposal	3,325	3,460	135	4.1%
Waste Collection	5,178	5,268	90	1.7%
Highways Services	2,746	2,546	(200)	-7.3%
Policy and Development	(276)	(108)	168	-60.9%
Fleet Services	27	172	145	537.0%
Parking Services	(336)	(536)	(200)	59.5%
Corporate Director - Communities	146	49	(97)	-66.4%

#### Development

- The projected over spend in Development of £78,000 is primarily due to a forecast downturn in planning application income based on income to date and comparison with the 2018-19 outturn. Fee income is subject to considerable fluctuations between years, depending on number and type of applications and will require close monitoring in-year.

#### Regeneration

- The projected under spend of £102,000 in Regeneration has arisen mainly from staffing vacancies and changes in staffing hours. Vacancies will be closely managed through the year.

#### Waste Disposal and Collection

- There is a combined over spend on the Waste Collection and Waste Disposal budget of £225,000. There has been an ongoing procurement exercise with Neath Port Talbot County Borough Council (NPTCBC) to originally secure a new operator for the MREC facility. Total MTFs Budget Reductions against the Waste budget of £200,000 in 2017-18 and £1,300,000 in 2019-20 were predicated on achieving a price in the region of £135 per tonne from this exercise. NPTCBC will now be

running the MREC facility in-house, and whilst savings have been made in 2019-20 they are not at the level to achieve the MTFS savings and discussions are continuing with NPTCBC to continue to negotiate further improvements. The projections have improved since Quarter 1 as a contribution of £500,000 has been agreed by the S151 Officer from the MTFS Budget Reduction Contingency Reserve as outlined in paragraph 4.2.4.

#### Highways Services

- There is a projected under spend of £200,000 within Highways Services (DSO). This is primarily due to members of staff working on, and hence charging their time to, the ongoing SALIX capital scheme to enable the replacement of street lighting with new energy efficient LED units.

#### Policy and Development

- There is a projected over spend of £168,000 within the Policy and Development Section. This is due to a projected shortfall in income linked directly to the amount of Section 38 fees received – these fees are charged to developers and relate to assessments and inspection of new street works. Due to the nature of Section 38 fees, income can be subject to considerable fluctuations between years depending on number and type of applications.

#### Fleet Services

- Fleet is showing a projected over spend of £145,000. The service has undergone a review and the factors contributing to the over spend have been identified, including the charge out rate being too low to cover costs incurred. In line with a Corporate Management Board (CMB) recommendation, the service area has engaged in a review of productivity in advance of calculating the new rates. As a result of this review, at the start of 2019, technicians moved onto a differing working pattern to improve productivity. This was alongside a management restructure remodel which has seen a refocusing on workshop management and scheduling to address the over spend. Further costs saving measures have been undertaken such as improved procurement (e.g. reduced spend on tyres) and the fitting of speed limiters to vehicles to reduce fuel costs.

#### Parking Services

- Parking Services is showing a projected under spend of £200,000. This is primarily due to a better than forecast receipt in car parks. This under spend is contributing to pressures within the overall transport budget.

#### Corporate Director - Communities

- There is a projected under spend of £97,000 mainly as a result of the promotion of the former Director to the post of Chief Executive, and whilst the new senior management structure is being populated.

#### 4.3.4 **Chief Executive's**

The net budget for the Directorate for 2019-20 is £18.573 million. The Directorate budget contains savings targets of £1.464 million for 2019-20. Current projections anticipate an under spend against this budget of £885,000. The main variances are:

CHIEF EXECUTIVE'S	Net Budget £'000	Projected Outturn £'000	Projected Variance Over/(under) budget £'000	% Variance
Housing Benefits – Admin	829	646	(183)	-22.1%
HR and Organisational Development	1,622	1,470	(152)	-9.4%
Communication & Engagement	1,598	1,334	(264)	-16.5%
Legal, Democratic & Regulatory	5,103	4,914	(189)	-3.7%
Supporting People	95	0	(95)	-100.0%
Housing Options & Homelessness	721	643	(78)	-10.8%

##### Housing Benefits - Admin

- There is an under spend of £183,000 in respect of the administration of housing benefit arising mainly from staffing vacancies, but also changes in staffing hours and additional annual leave purchases. Vacancies will be closely managed through the year.

##### HR & Organisational Development

- The under spend of £152,000 mainly relates to staffing vacancies and changes in staffing hours. Vacancies will be managed throughout the year and could be subject to MTFS savings in 2020-21.

##### Communication & Engagement

- The under spend of £264,000 mainly relates to staffing vacancies, but also changes in staffing hours and additional annual leave purchases. Vacancies will be closely managed throughout the year and a recruitment exercise is due to take place shortly to fill vacant posts.

##### Legal, Democratic & Regulatory

- The under spend of £189,000 has mainly arisen from staffing vacancies. Vacancies will be managed throughout the year and could be subject to MTFS savings in 2020-21.

##### Supporting People

- The under spend of £95,000 on Supporting People has mainly arisen from staffing vacancies. Housing is currently undergoing restructures which could result in this forecast changing through the year.

##### Housing Options & Homelessness

- The under spend of £78,000 is mainly due to staffing vacancies and additional annual leave purchases. Housing is currently undergoing restructures which could result in this forecast changing through the year.

#### 4.3.5 **Council Wide budgets**

This section includes budgets, provisions and services which are council wide, and not managed by an individual directorate. The budget for 2019-20 is £41.554 million. The Directorate budget contains savings targets of £2.388 million for 2019-20. The projected outturn is £36.746 million, resulting in a projected under spend of £4.808 million. Without the additional grants of £2,622,202 as referenced in paragraph 4.1.3, the under spend would have been £2.186 million. The main variances are detailed below:

<b>COUNCIL WIDE BUDGETS</b>	<b>Net Budget</b>	<b>Projected Outturn</b>	<b>Projected Variance Over/(under) budget</b>	<b>% Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Capital Financing	7,329	6,759	(570)	-7.8%
Apprenticeship Levy	700	623	(77)	-11.0%
Council Tax Reduction Scheme	14,854	14,751	(103)	-0.7%
Insurance Premiums	1,588	1,330	(258)	-16.2%
Other Corporate Budgets	8,649	4,849	(3,800)	-43.9%

##### Capital Financing Costs

- There is a projected under spend of £570,000 on interest paid/received due to a combination of lower borrowing than anticipated as the Council uses its own internal resources to finance schemes, and additional interest from current investments.

##### Apprenticeship Levy

- The projected under spend of £77,000 is based on monthly charges to date and historic outturns.

##### Council Tax Reduction Scheme

- There is a projected under spend of £103,000 on the Council Tax Reduction Scheme based on spend to date. This is a demand led budget and take-up is difficult to predict. The Welsh Government is working with local authorities and third sector organisations to make people more aware of the range of support available to help people pay their council tax bills, and this could impact on take-up in 2019-20. This budget will therefore require close monitoring during 2019-20.

##### Insurance Premiums

- The projected under spend of £258,000 is mainly as a result of the reduction in the premium for property insurance in 2019-20 following a retendering exercise. This budget heading will be considered as part of future years' MTFS savings.

#### Other Corporate Budgets

- Other corporate budgets includes funding for pay, price and pensions increases, along with funding to deal with unexpected costs unforeseen when the budget was set. As reported to Cabinet in the Quarter 1 Budget Monitoring report in July 2019 since the Medium Term Financial Strategy (MTFS) was approved in February, Welsh Government advised Local Authorities that additional grant funding was being made available during 2019-20 to meet the increased cost of teachers' pensions and fire service pensions, both of which had been funded in full through the MTFS, along with additional grant funding of £343,701 towards teachers' pay increases. In respect of the South Wales Fire and Rescue Authority, this meant that the levy was reduced by £272,405, compared to the original budgeted provision.
- The total funding released from these allocations of £2.622 million is included in the overall pay and price budget. Council has agreed that the majority of this funding can be used to undertake capital works as part of an 'Investing in Communities Fund' and an earmarked reserve of £2 million has been created out of this reported under spend – see section 4.4.4. The balance of funding is being held for unknown pay awards later in the year, including teachers' pay from September 2019. However, at this point in the year, there is a further projected under spend on the pay and price budget, primarily due to maximising grant funding to support pay and price pressures – e.g. National Living Wage.

#### **4.4 Review of Earmarked Reserves**

- 4.4.1 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. At Quarter 2 a review of the particular pressures that were to be covered by earmarked reserves was undertaken and Directorates have drawn down funding.

4.4.2 There have been net additions of £4.182 million, the cumulative draw down by directorates is £2.355 million and £608,000 has been unwound, as shown in Table 4 below.

**Table 4 – Earmarked Reserves – Quarter 2**

Opening Balance 01-Apr-19 £'000	Reserve	Net Additions/ Reclassify £'000	Draw-down £'000	Unwound £'000	Closing Balance 30-Sep-19 £'000
	<b>Corporate Reserves:</b>				
(9,243)	Education & Family Support	-	41	-	(9,202)
(841)	Social Services & Wellbeing	-	15	-	(826)
(7,397)	Communities	(2,297)	476	313	(8,905)
(5,415)	Chief Executives	770	223	47	(4,375)
(13,833)	Non-Directorate	(2,530)	770	248	(15,345)
<b>(36,729)</b>	<b>Total Corporate Reserves</b>	<b>(4,057)</b>	<b>1,525</b>	<b>608</b>	<b>(38,653)</b>
	<b>Directorate Earmarked Reserves:</b>				
(634)	Education & Family Support		-		(634)
(1,854)	Social Services & Wellbeing		152		(1,702)
(2,539)	Communities		115		(2,424)
(2,770)	Chief Executives	(125)	111		(2,784)
<b>(7,797)</b>	<b>Total Directorate Reserves</b>	<b>(125)</b>	<b>378</b>	<b>-</b>	<b>(7,544)</b>
	<b>Equalisation &amp; Grant Earmarked Reserves:</b>				
(850)	Education & Family Support	(7)	452		(405)
(1,634)	Communities				(1,634)
(483)	Chief Executives	7			(476)
<b>(2,967)</b>	<b>Total Equalisation Reserves</b>	<b>-</b>	<b>452</b>	<b>-</b>	<b>(2,515)</b>
<b>(614)</b>	<b>School Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(614)</b>
<b>(48,107)</b>	<b>Total Usable Reserves</b>	<b>(4,182)</b>	<b>2,355</b>	<b>608</b>	<b>(49,326)</b>

4.4.3 The net appropriation to earmarked reserves during Quarter 2 is £3.574 million (£4.182 million additions offset by £608,000 that have been unwound). This net addition has been funded from the projected under spend on non-Directorate budgets at the end of Quarter 2 as shown in Table 1.

4.4.4 The main additions are the creation of a £2 million 'Investing in Communities' fund as referred to in section 4.3.5, a £2 million addition to the unallocated capital reserve to be utilised against projected capital pressures and £125,000 for the appointment of apprentices within the Chief Executive's Directorate. The main reserves that have been unwound are in relation to the Extra Care capital scheme (£308,000) and Major Claims Reserve (£248,000) following a review of likely spend in these areas.

4.4.5 A more thorough review will be undertaken at Quarter 3 when there is a clearer picture on pressures and projected year end balances.



## **5.0 Effect upon Policy Framework & Procedure Rules**

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

## **6.0 Equalities Impact Assessment**

- 6.1 There are no implications in this report.

## **7.0 Well-being of Future Generations (Wales) Act 2015 Implications**

- 7.1 The well-being goals identified in the Act were considered in the preparation of this report. As the report is for information it is considered that there will be no significant or unacceptable impacts upon the achievement of wellbeing goals/objectives as a result of this report.

## **8.0 Financial implications**

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

## **9.0 Recommendations**

- 9.1 Cabinet is requested to:
- note the projected revenue position for 2019-20

**Gill Lewis**  
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**October 2019**

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**Background documents:** Individual Directorate Monitoring Reports  
MTFS Report to Council – 20 February 2019

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PRIOR YEAR BUDGET REDUCTIONS CARRIED FORWARD INTO 2019-20

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Ref.	Budget Reduction Proposal		Original Reduction and RAG £000	Revised RAG £000	Total amount of saving likely to be achieved by 19-20 £000	Reason why not achievable	Proposed Action in 2019-20 to achieve
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**RAG STATUS KEY**

<b>RED</b>	Not likely to be achieved <b>at all</b> in this financial year or less than 25%.
<b>AMBER</b>	Reduction not likely to be achieved in full in financial year but greater than 25%
<b>GREEN</b>	Reduction likely to be achieved in full

**EDUCATION & FAMILY SUPPORT**

EFS1 (2017-18)	Phased implementation of Learner Transport Policy regarding statutory distances for free travel.		20		0	Delays to the assessments of safe routes have meant the policy can not be implemented. It will be implemented incrementally as routes are assessed. Red RAG status given overspend on HTST in 2018-19 and continuing overspend in 2019-20 projections.	Cabinet approved a report on the 23rd July 2019 to commence a 12 week public consultation on a number of policy proposals to effect additional savings.
EFS2 (2017-18)	School transport route efficiencies.		40		0	Delays to the assessments of safe routes have meant the policy can not be implemented. It will be implemented incrementally as routes are assessed. Red RAG status given overspend on HTST in 2018-19 and continuing overspend in 2019-20 projections.	An external review of BCBC's transport arrangements has been commissioned. This will report in Autumn term 2019-2020. It is hoped this review will support changes to the current transport arrangements with a view to making the identified efficiency savings.
EFS1 (2018-19)	Phased implementation of Learner Transport Policy regarding statutory distances for free travel.		67		0	Delays to the assessments of safe routes have meant the policy can not be implemented. It will be implemented incrementally as routes are assessed. Red RAG status given overspend on HTST in 2018-19 and continuing overspend in 2019-20 projections.	Cabinet approved a report on the 23rd July 2019 to commence a 12 week public consultation on a number of policy proposals to effect additional savings.
EFS14	Traded Services Schools brochure		20		20	No reason why this saving should not be achieved in full in 2019-20.	No action required. Full saving should be achieved in 2019-20
EFS27	Review arrangements for Special Schools Home to School Transport with a view to achieving efficiency savings		75		0	Retendering special school transport is unlikely to make the full saving due to additional in-year pressures on the Special School HTST budget.	Cabinet approved a report on the 23rd July 2019 to commence a 12 week public consultation on a number of policy proposals to effect additional savings.

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Ref.	Budget Reduction Proposal		Original Reduction and RAG £000	Revised RAG £000	Total amount of saving likely to be achieved by 19-20 £000	Reason why not achievable	Proposed Action in 2019-20 to achieve
	<b>Total Education &amp; Family Support Directorate</b>		<b>222</b>		<b>20</b>		
<b><u>SOCIAL SERVICES &amp; WELLBEING</u></b>							
SSW001	Management and admin review		203		203	No reason why this saving should not be achieved in full in 2019-20.	No action required. Full saving should be achieved in 2019-20
SSW004	Review of LD supported living accommodation		78		78	No reason why this saving should not be achieved in full in 2019-20.	No action required. Full saving should be achieved in 2019-20
SSW009	Remodel children's residential services		245		155	The savings proposal has been profiled over three years.	Remodelling will continue into 2019-20. £155k savings has been forecast for 2019-20
SSW010	Increase in-house fostering provision		392		237	The savings proposal has been profiled over two years.	The fostering project will continue into 2019-20 with savings of £237k forecast
	<b>Total Social Services &amp; Wellbeing Directorate</b>		<b>918</b>		<b>673</b>		
<b><u>COMMUNITIES</u></b>							
COM1	Public conveniences - Reductions to the budget for Public Toilet provision		100		100	No reason why this saving should not be achieved in full in 2019-20.	No action required. Full saving should be achieved in 2019-20
COM18 2017-18	Reductions to the budget for the Materials Recovery and Energy Centre (MREC) Introduction in 17-18 of savings achieved through the current procurement being undertaken with Neath Port Talbot CBC for the provision of new operator arrangements for the MREC facility at Crumlyn Burrows.		200		200	Savings have been made in 2019-20 - they are at the level to achieve the prior year MTFS savings but not the 2019-20 savings target.	No action required. Full saving should be achieved in 2019-20
COM19 2017-18	Permitting Scheme road works net of existing income of £95,000		100		0	Timeline not in the direct control of BCBC officers as the business case is going through multiple steps in an approval process with WG. However ultimately a positive response is expected, and this is being lead by the group manager to ensure it is followed through.	Ongoing communication with WG to progress the business case. However, the responsible highways network budget area is committed to stay within budget irrespective of the delivery of the scheme.
COM27	Review of Subsidised Bus Services		188		188	No reason why this saving should not be achieved in full in 2019-20.	No action required. Full saving should be achieved in 2020-21

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Ref.	Budget Reduction Proposal		Original Reduction and RAG £000	Revised RAG £000	Total amount of saving likely to be achieved by 19-20 £000	Reason why not achievable	Proposed Action in 2019-20 to achieve
COM31	To rationalise the core office estate - Secure tenant for Raven's Court and move staff into the Civic Offices, in order to generate a rental income and save on running costs		114		114	No reason why this saving should not be achieved in full in 2019-20.	No action required. Full saving should be achieved in 2019-20
COM40	Implementation of Corporate Landlord		500		500	No reason why this saving should not be achieved in full in 2019-20.	No action required. Full saving should be achieved in 2019-20
	<b>Total Communities Directorate</b>		<b>1,202</b>		<b>1,102</b>		
	<b>GRAND TOTAL OUTSTANDING REDUCTIONS</b>		<b>2,342</b>		<b>1,795</b>		
	<b>REDUCTIONS SHORTFALL</b>				<b>547</b>		

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# MONITORING OF 2019-20 BUDGET REDUCTIONS

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2019-20 £'000	Value Likely to be Achieved 2019-20 £'000	Reason why not likely to be achievable
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## EDUCATION & FAMILY SUPPORT

### CENTRAL EDUCATION & FAMILY SUPPORT

EFS1	Phased implementation of Learner Transport Policy regarding statutory distances for free travel	<ul style="list-style-type: none"> <li>Savings should occur naturally as a result of the policy application year on year, however dispersed learners and contractual pressure from operators as routes become more untenable may mean it becomes increasingly difficult to find the identified savings.</li> <li>Risk of price increases from Contractors.</li> </ul>	67	0	Delays to the assessments of safe routes have meant the policy can not be implemented. It will be implemented incrementally as routes are assessed.
EFS19	Restructure of YOS Service	The amalgamation of the three local authority Youth Offending teams of Neath Port Talbot, Swansea and Bridgend in 2014 has historically achieved savings for the Local Authorities whilst simultaneously managing reductions in grant funding. There may be further opportunities to make savings through the ongoing restructure of the organisation, however this needs to be seen in the light of Bridgend possibly leaving the WB collaboration and possible costs associated with this.	41	41	Full saving should be achieved in 2019-20
EFS35	Reduction to contribution to the Central South Consortium (CSC) of 5%	This would need to be agreed with other partners within the Consortium.	30	30	Full saving should be achieved in 2019-20
EFS36	Review of leadership within the Inclusion Service.	This will require a restructure of the Inclusion Service and a full consultation. Affords an opportunity for distributed leadership and succession planning. This will increase the direct reports for Group Manager Inclusion and School Improvement but will mitigate any effect on front line service delivery.	70	70	Full saving should be achieved in 2019-20
EFS37	Review of Cognition and Learning Team	This will require a restructure of the Inclusion Service and a full consultation. This is the service that provides outreach for literacy within Bridgend and the proposed new model will require some building of capacity in schools. There would be a risk with the current delivery method in that the building of capacity within schools could not be fully covered.	110	110	Full saving should be achieved in 2019-20
EFS38	Review of Autistic Spectrum Disorder (ASD) team.	Savings would occur naturally as there are posts which are currently vacant within the team. This area would be consulted upon as part of an Inclusion Service restructure. Consideration would need to be given with regards to how building capacity with schools could be achieved in conjunction with other teams who support in a similar way and potentially with the same children and young people.	77	77	Full saving should be achieved in 2019-20

# MONITORING OF 2019-20 BUDGET REDUCTIONS

APPENDIX 2

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Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2019-20 £'000	Value Likely to be Achieved 2019-20 £'000	Reason why not likely to be achievable
EFS39	Review of Education Psychology Service	This would require a review of the Education Psychology team as part of the inclusion re-structure and will require the service to work differently to mitigate any shortfall in the service (e.g. undertake less training).	65	65	Full saving should be achieved in 2019-20
EFS40	Volunteer driver service	Service has not been operational since Jan 2017. Full budget is £116k. Therefore, £16k will be retained to support Looked After Children.	100	100	Full saving should be achieved in 2019-20
EFS45	Core funding for previous 'Uniform' Grant that has been replaced by PDG Access grant from Welsh Government	No impact - grant has replaced core funding.	36	36	Full saving should be achieved in 2019-20
	<b>Total Education and Family Support</b>		<b>596</b>	<b>529</b>	

## SOCIAL SERVICES & WELLBEING

SSW17/A SC18	Development of Extra Care Housing	Project is now in its final stages. All consultation has been completed. No adverse impact identified.	330	330	Full saving should be achieved in 2019-20
SSW19	Further review of HALO partnership contract.	Previous negotiations have proved successful. No adverse impact identified.	80	80	Full saving should be achieved in 2019-20
SSW21	As part of the contract with Awen, BCBC will be renegotiating its management fee for the period 2019-2022. This will mean reviewing accessibility of services and potential closure of AWEN facilities such as community centres or libraries.	Negotiation will be required with AWEN to identify efficiencies in areas with the least impact on services.	70	70	Full saving should be achieved in 2019-20
SSW22	Identify further savings from library and cultural facilities and related services including reviewing the numbers of facilities (libraries, community centres) and also reductions in services or opening hours.	Reduced availability of services and accessibility to the public. Negative impact on healthier wales wellbeing goals.	60	0	Unable to achieve savings in 2019/20 due to consultation timetable. Anticipated savings will be delivered in 2020/21.
SSW23	Review charging for telecare services	New charges will be introduced together with an increase in other current charges.	150	150	Full saving should be achieved in 2019-20
SSW24	Staffing reconfiguration across SSWB Directorate	Reconfiguration of staff will require staff consultation.	345	277	Restructures were not completed by April 2019, therefore only part year savings achievable. Full savings will be achieved by April 2020.
SSW25	Review of complex care accommodation across learning disabilities services	Review of in-house and external provision to be undertaken identify efficiencies in areas with the least impact on service users.	150	150	Full saving should be achieved in 2019-20

# MONITORING OF 2019-20 BUDGET REDUCTIONS

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2019-20 £'000	Value Likely to be Achieved 2019-20 £'000	Reason why not likely to be achievable
SSW26	Remodelling day service provision for older people and learning disability services	Full review of services which could mean alternative service provision required to meet assessed need.	50	50	Full saving should be achieved in 2019-20
<b>Total Social Services &amp; Wellbeing Directorate</b>			<b>1,235</b>	<b>1,107</b>	

## COMMUNITIES

COM4	Review of School Crossing Patrol service in line with GB standards	This proposal builds on the 2015-16 budget reduction to cut the school crossing patrol budget and focus on those sites where there is greatest assessed risk based on the GB standard. This may impact on high risk routes to achieve the full saving, and could conflict with learner travel savings.	10	4	The level of service need is currently in excess of the available budget, hence saving will not be fully achieved in 2019-20
COM20	Highways Dept Management Structural Savings Target	Loss of experienced, competent and qualified managers to deliver statutory functions. Reduced resilience for response to highway issues.	100	55	Restructures were not completed by April 2019, therefore only part year savings achievable. Full savings will be achieved by April 2020.
COM26	Investigate the introduction of charging to users of the Shopmobility facility in Bridgend Town Centre to reduce/remove the current level of subsidy	A full Equality Impact Assessment and Future Generations assessment will need to be carried out. The implications to some current users of the facility are that some members of the community with mobility issues may struggle to pay the necessary charges to hire a mobility scooter and therefore maybe unable to gain access to the town centre. However, this must be balanced against the declining popularity of the service with significantly reduced numbers of users. The changes in technology have meant that lightweight affordable scooters now have greatly increased in private ownership, compared to when the facility was introduced. The provision is not a statutory duty and one not provided in other town centres of the borough or in many of the town centres of neighbouring authorities. On this basis it would seem reasonable to investigate whether introducing charging for use is a viable way of reducing the overall cost of the service. If however this does not prove feasible, in order to make the full saving required over the next two financial years closure of the facility would be necessary.	5	5	Full saving should be achieved in 2019-20
COM42	Review of parks and playing fields service split over two financial years:- 15% reduction to seasonal operatives budget (£75K). Corresponding reduction to large and small plant (£29k). Removal of bowls club grant (£34K).	The cut identified for 2019-20 will require the removal of approximately 6 seasonal operatives along with respective cuts to plant, equipment and materials. This will have a noticeable reduction in levels of service.	69	35	Will not be achieved in full due to timing of consultation on Parks & Playing Fields (finished 10th July 2019)

# MONITORING OF 2019-20 BUDGET REDUCTIONS

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2019-20 £'000	Value Likely to be Achieved 2019-20 £'000	Reason why not likely to be achievable
COM43	End of management of Kenfig National Nature Reserve	The agreement between BCBC and Kenfig Corporation Trust (KCT) ends in December 2019. It is currently proposed that BCBC does not enter into any new agreement. KCT are underway with a process, supported by their agent HRT, to identify a new tenant. This process is being conducted in partnership with NRW. There is a risk that the level of management may be affected, however there is also the opportunity that the new tenant may be able to draw on resources that BCBC cannot.	10	10	Full saving should be achieved in 2019-20
COM44	Bridgend Bus Station - alternative measures to explore full cost recovery and external support will be pursued but, failing this, the likely required step to deliver this saving is closure.	Impact on city region, connectivity hub, and potential impact on air quality due to relocation of buses. May have a detrimental impact on regional transport with no main bus station and impact on reputation of the Council.	45	15	Due to resources in delivering other transport projects this saving proposal has been delayed. A range of measures to meet the proposed saving are currently being considered, however the current assessment of the options identifies a high risk that they may not meet the level of saving required.
COM46	Removal of budget for Subsidised Bus Routes	Letter received from Welsh Government confirming that from April 2019, each local authority's allocation from Bus Services Support Grant (BSSG) will have to be at least match-funded by a commitment to expenditure from an authority's own budget in support of bus and community transport networks in its area. Therefore removal would have a larger impact than the £200K budget included. Also some areas may not have access to an alternative bus service or alternative form of transport. Consultation required.	148	86	Due to requirements for consultation, reporting and challenge, the 12 week notice period was not issued until the beginning of June which will mean a cessation of service at the end of August 19 (7 month saving)
COM47	Public Transport - efficiencies achieved under the Public Transportation budget	Reduced support available for wider Transportation budgets - e.g. works at Bridgend Bus Station.	24	24	Full saving should be achieved in 2019-20
COM49	Street Lighting - Reduction to energy costs budget which has been achieved due to historic replacement of LED lighting	Ability to deliver this level of saving is dependent on how successful the new SALEX replacement programme is compared with the original business case as funding will be required from this budget heading to repay the SALEX borrowing for a number of years.	30	30	Full saving should be achieved in 2019-20
COM50	Increase pre-application planning fees by 10%	This is the first increase since the introduction of the new service in 2016. Will introduce new categories of enquiry currently not covered by the scheme. Also aim to introduce a new pre-sale information pack for householders providing details of planning consents, constraints etc. There is a risk that the increase will put some potential users of the scheme off and the increase might have to be phased. Any change to the current system will also require DC Committee and Cabinet approval.	10	10	Full saving should be achieved in 2019-20

# MONITORING OF 2019-20 BUDGET REDUCTIONS

APPENDIX 2

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Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2019-20 £'000	Value Likely to be Achieved 2019-20 £'000	Reason why not likely to be achievable
COM52	Reductions to the budget for the Materials Recovery and Energy Centre (MREC) to be achieved through the current procurement being undertaken with Neath Port Talbot CBC for the provision of new operator arrangements for the MREC facility at Crumlyn Burrows	Failure to secure a new operating contractor through a compliant tender and procurement exercise for the MREC facility would result in this saving being undeliverable. Failure to reach agreement with NPT on the Councils financial contribution to the costs of supporting the MREC. Intervention by the Welsh Government and or changes in legislation in the waste management sector.	1,300	650	There has been an ongoing procurement exercise with Neath Port Talbot County Borough Council (NPTCBC) to originally secure a new operator for the facility. Total MTFS Budget Reductions against the Waste budget of £200,000 in 2017-18 and £1,300,000 in 2019-20 were predicated on achieving a price in the region of £135 per tonne from this exercise. NPTCBC will now be running the MREC facility in-house, and whilst savings have been made in 2019-20 they are not at the level to achieve the MTFS savings and discussions are continuing with NPTCBC to continue to negotiate further improvements.
COM53	Communities Management Restructure	Loss of experienced, competent and qualified managers to deliver statutory functions.	135	135	Full saving should be achieved in 2019-20
COM55	Increase charge for Green Waste Service from £28.30 per household to £38.30	The new waste contract related items would require both Contract Variation negotiations with Kier to confirm the saving levels proposed and public consultation regarding the charge changes and reduced levels of service.	25	5	Most service users pay prior to the 1st April, hence full benefit of increase in charge will not be seen until 20-21
COM56	Increase charge for collection of 3 bulky waste items from £15.50 to £20.		10	10	Full saving should be achieved in 2019-20
COM59	Reduction to the opening hours of the Community Recycling Centres by 1 hour, per day.		17	10	Change to the opening hours commenced June 2019, hence full year saving not achievable.
	<b>Total Communities Directorate</b>		<b>1,938</b>	<b>1,084</b>	

## CHIEF EXECUTIVE'S

CEX1	Efficiencies from Shared Regulatory Service	May require restructuring within service and impact on response times, but will be managed across the 3 participating Councils and will aim to minimise impact.	111	111	Full saving should be achieved in 2019-20
CEX2	Remove members' Community Action Fund	This will require approval from members following review of current scheme.	285	285	Full saving should be achieved in 2019-20
CEX3	Review of Business Support functions across the directorate	Reconfiguration of the service required, may result in slower response times and restructure.	250	200	Restructures were not completed by April 2019, therefore only part year savings achievable. Full savings will be achieved by April 2020.



# MONITORING OF 2019-20 BUDGET REDUCTIONS

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2019-20 £'000	Value Likely to be Achieved 2019-20 £'000	Reason why not likely to be achievable
CEX4	Review of homelessness prevention budgets and allocation of related grants	There will be a reliance on grant funding and limited core funding available	235	235	Full saving should be achieved in 2019-20
CEX5	Review of homelessness prevention service provision and the possibility of partnership working with an external organisation.	Full evaluation and reconfiguration of the service provision will be required	100	100	Full saving should be achieved in 2019-20
CEX6	Review of ICT capital related revenue budgets. This will require council to agree all ICT capital spend to be met from the capital programme allocation	Limits the potential for ICT to fund capital related expenditure on a ad hoc basis	200	200	Full saving should be achieved in 2019-20
CEX7	Review of non staff related ICT budgets including software	Minimal impact anticipated.	80	80	Full saving should be achieved in 2019-20
CEX8	Directorate leadership restructuring	Will reduce senior management capacity, and require some backfilling and review of functions.	100	100	Full saving should be achieved in 2019-20
CEX9	Review structures across customer contact, communications & marketing, housing and performance	Vacant posts would be frozen / deleted.	73	73	Full saving should be achieved in 2019-20
CEX10	Review CCTV function with aim to create efficiencies	Potentially could impact on community safety	30	0	The specific proposal is unlikely to be achieved in 2019-20. However, alternative savings should be possible within the service with minimal impact.
	<b>Total Chief Executive's Directorate</b>		<b>1,464</b>	<b>1,384</b>	

MONITORING OF 2019-20 BUDGET REDUCTIONS

APPENDIX 2

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CORPORATE / COUNCIL WIDE

CWD6	Reduction in funding available for meeting the costs of Capital Financing	Repayments are still considered to be prudent, but will result in longer payback periods in line with asset lives.	1,975	1,975	Full saving should be achieved in 2019-20
CWD7	Removal of Invest to Save funding agreed as part of MTFS for 2018-22	Limited impact as not committed to specific schemes or services	200	200	Full saving should be achieved in 2019-20
CWD8	Removal of budget created from raising council tax from original 4.2% to 4.5% in 2018-19 budget.	Part of funding used on one-off basis in 2018-19 but rest uncommitted. Previous year's council tax increase is built into base rate.	213	213	Full saving should be achieved in 2019-20
	<b>Total Corporate / Council Wide</b>		<b>2,388</b>	<b>2,388</b>	

	<b>GRAND TOTAL REDUCTIONS</b>		<b>7,621</b>	<b>6,492</b>
	<b>TOTAL BUDGET REDUCTION REQUIREMENT</b>		<b>7,621</b>	<b>7,621</b>
	<b>REDUCTION SHORTFALL</b>		<b>0</b>	<b>1,129</b>

<b>3,024</b>	<b>5,155</b>
<b>2,703</b>	<b>1,009</b>
<b>1,894</b>	<b>1,457</b>
<b>7,621</b>	<b>7,621</b>



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BRIDGEND COUNTY BOROUGH COUNCIL	Budget 2019-20			Projected Outturn	Projected Variance Over/(under) budget	% Variance
	Expenditure Budget	Income Budget	Net Budget			
	£000	£000	£000	£000	£000	
<b>EDUCATION AND FAMILY SUPPORT</b>						
School Delegated Budgets	114,006	(21,302)	92,704	92,704	(0)	0.0%
Learning	10,843	(4,005)	6,838	7,099	261	3.8%
Strategic Partnerships & Comm	24,844	(10,922)	13,922	14,393	471	3.4%
Health and Safety	386	(2)	384	246	(138)	-35.9%
<b>TOTAL EDUCATION AND FAMILY SUPPORT</b>	<b>150,079</b>	<b>(36,231)</b>	<b>113,848</b>	<b>114,442</b>	<b>594</b>	<b>0.5%</b>
<b>SOCIAL SERVICES AND WELLBEING DIRECTORATE</b>						
Adult Social Care	63,532	(16,592)	46,940	47,313	373	0.8%
Sport, Play and Active Wellbeing	5,926	(793)	5,133	5,153	20	0.4%
Safeguarding & Family Support	19,789	(914)	18,875	19,400	525	2.8%
<b>TOTAL SOCIAL SERVICES AND WELLBEING</b>	<b>89,247</b>	<b>(18,299)</b>	<b>70,948</b>	<b>71,866</b>	<b>918</b>	<b>1.3%</b>
<b>COMMUNITIES DIRECTORATE</b>						
Regeneration & Development	5,171	(2,113)	3,058	3,011	(47)	-1.5%
Street Scene	32,909	(13,301)	19,608	19,710	102	0.5%
Director - Communities	146	-	146	49	(97)	-66.4%
Corporate Landlord	23,586	(20,512)	3,074	3,148	74	2.4%
<b>TOTAL COMMUNITIES</b>	<b>61,812</b>	<b>(35,926)</b>	<b>25,886</b>	<b>25,918</b>	<b>32</b>	<b>0.1%</b>
<b>CHIEF EXECUTIVE'S</b>						
Chief Executive	511	-	511	526	15	2.9%
Finance	54,414	(50,716)	3,698	3,570	(128)	-3.5%
HR/OD	1,928	(306)	1,622	1,470	(152)	-9.4%
Partnerships	2,646	(622)	2,024	1,672	(352)	-17.4%
Legal, Democratic & Regulatory	6,363	(1,260)	5,103	4,914	(189)	-3.7%
Elections	150	(11)	139	113	(26)	-18.7%
ICT	4,717	(1,219)	3,498	3,451	(47)	-1.3%
Housing & Homelessness	6,825	(5,668)	1,157	1,077	(80)	-6.9%
Business Support	933	(112)	821	895	74	9.0%
<b>TOTAL CHIEF EXECUTIVE'S</b>	<b>78,487</b>	<b>(59,914)</b>	<b>18,573</b>	<b>17,688</b>	<b>(885)</b>	<b>-4.8%</b>
<b>TOTAL DIRECTORATE BUDGETS</b>						
	<b>379,625</b>	<b>(150,370)</b>	<b>229,255</b>	<b>229,914</b>	<b>659</b>	<b>0.3%</b>
Council Wide Budgets	42,501	(947)	41,554	36,746	(4,808)	-11.6%
Appropriations to Earmarked Reserves				3,574	3,574	0.0%
<b>NET BRIDGEND CBC</b>	<b>422,126</b>	<b>(151,317)</b>	<b>270,809</b>	<b>270,234</b>	<b>(575)</b>	<b>-0.2%</b>

NB: Differences due to rounding of £000's

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## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO CABINET

22 OCTOBER 2019

#### REPORT OF THE INTERIM HEAD OF FINANCE & SECTION 151 OFFICER

#### CAPITAL PROGRAMME UPDATE - QUARTER 2 2019-20

##### 1. Purpose of Report

1.1 The purpose of this report is to:-

- comply with the requirement of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Prudential Code for Capital Finance 2018
- provide an update of the Capital Programme for 2019-20 at 30 September 2019 (**Appendix A**)
- seek agreement from Cabinet to present a report to Council for approval for a revised Capital Programme for 2019-20 to 2028-29 (**Appendix B**)
- note the projected Prudential and Other Indicators for 2019-20 (**Appendix C**)

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

2.1 This report assists in the achievement of 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.

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

### **3. Background**

- 3.1 The Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 as amended, contain detailed provisions for the capital finance and accounting controls, including the rules on the use of capital receipts and what is to be treated as capital expenditure. They modify accounting practice in various ways to prevent adverse impacts on authorities' revenue resources.
- 3.2 As well as the legislation, the Council manages its Treasury Management and Capital activities in accordance with the following associated guidance:-
- CIPFA's Treasury Management in the Public Services: Code of Practice
  - CIPFA's The Prudential Code for Capital Finance in Local Authorities
  - Welsh Government (WG) revised Guidance on Local Authority Investments
- 3.3 The Prudential Code for Capital Finance in Local Authorities requires Local Authorities to have in place a Capital Strategy which demonstrates that the authority takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability. To demonstrate that the Council has fulfilled these objectives, the Prudential Code sets out a number of Indicators that must be set and monitored each year.
- 3.4 On 20<sup>th</sup> February 2019, Council approved a capital programme covering the period 2019-20 to 2028-29 as part of the Medium Term Financial Strategy (MTFS). The capital programme was last updated and approved by Council on 24 July 2019. This report provides an update on the following areas:
- Capital Programme 2019-20 Monitoring
  - Capital Programme 2019-20 Onwards
  - Prudential and Other Indicators Monitoring
  - Capital Strategy Monitoring

### **4. Current Situation / Proposal**

#### **Capital Programme 2019-20 Monitoring**

- 4.1 This section of the report provides Members with an update on the Council's capital programme for 2019-20 since the budget was last approved by Council and incorporates any new schemes and grant approvals. The revised programme for 2019-20 currently totals £38.133 million, of which £18.504 million is met from BCBC resources, including capital receipts and revenue contributions from earmarked reserves, with the remaining £19.629 million coming from external resources. Table 1 below shows the capital programme for each Directorate from the July 2019 approved Council position to quarter 2 :-

**Table 1 – Capital Programme per Directorate 2019-20**

Directorate	Approved Council 24 July 2019	New Approvals & Adjustments	Virements	Slippage to future years	Revised Budget 2019-20
	£'000	£'000	£'000	£'000	£'000
Education & Family Support	5,456	1,061	1,332	(674)	7,175
Social Services and Well-being	1,259	165	217	0	1,641
Communities	43,661	1,169	(1,549)	(18,184)	25,097
Chief Executive's	4,095	125	0	0	4,220
<b>Total</b>	<b>54,471</b>	<b>2,520</b>	<b>0</b>	<b>(18,858)</b>	<b>38,133</b>

- 4.2 Table 2 below summarises the current funding assumptions for the capital programme for 2019-20. The capital resources are managed to ensure that maximum financial benefit for the Council is achieved. This may include the realignment of funding to maximise government grants.

**Table 2 – Capital Programme 2019-20 Resources**

CAPITAL RESOURCES	BCBC £'000	External £'000	Total £'000
Capital Receipts	5,504	0	5,504
Grants	0	16,416	16,416
Earmarked Reserves	7,308	0	7,308
Unsupported Borrowing	349	0	349
Supported Borrowing	3,938	0	3,938
Other Loans	600	2,246	2,846
Revenue Contributions	805	0	805
Other Contributions	0	967	967
<b>TOTAL</b>	<b>18,504</b>	<b>19,629</b>	<b>38,133</b>

- 4.3 **Appendix A** provides details of the individual schemes within the capital programme, showing the budget available in 2019-20 compared to the projected spend. Commentary is provided detailing any issues associated with these projects.
- 4.4 A number of schemes have already been identified as requiring slippage of budget to future years (2020-21 and beyond). At quarter 2 the total requested slippage is £18.858 million, which includes the following schemes:

#### Depot Rationalisation (£7.802 million)

At present, efforts are being centred on identifying, designing & carrying out the necessary works to allow members of the Green Spaces team to occupy the refurbished facilities at the Bryncethin Depot. With regards to Waterton Depot, the project is currently at the design phase, with the anticipated works stage due to commence in 2020-21 and continuing into 2021-22. The Capital Programme has now been amended to reflect the current position (see Appendix B for full detail of movements).

#### Fleet Replacement Programme (£1.672 million)

On 18 December 2018, Council approved a budget of £1.6 million for the purchase of replacement highway maintenance vehicles. At present, specifications for a number of these vehicles are being drawn up with a view to starting the tender process late October/early November 2019. Due to estimated build times, it is envisaged that delivery of vehicles will take place in the first quarter of 2020-21.

#### 21<sup>st</sup> Century Schools Programme (£0.543 million)

Following the delivery of the Councils 21<sup>st</sup> Century Schools Band A schemes, a residual budget of £0.643 million from the Council's own resources has been identified. With the next phase (Band B) of the programme in its early stages, precise total scheme costs are unknown, therefore it is requested that this slippage is retained within the capital programme to compliment the Band B budgets already approved by Council.

#### Relocation of Household Waste Recycling Centre (£1.292 million)

The new Community Recycling Centre (CRC) scheme in Village Farm Industrial Estate was given planning consent in May 2019. The tender documents have now been finalised and documentation agreed. The project is also reliant on the completion of improvement works at the junction of A48 and Heol Mostyn. The improvement design is currently on going and it is envisioned that the road works will commence in April 2020 with completion by the end of summer 2020. The CRC construction will commence at the same time with a view to operational transfer in winter 2020.

#### Highways Bridge Strengthening/Carriageway resurfacing (£3.583 million)

As a result of the award of the recent Economic Stimulus grant from Welsh Government (see 4.5), it is proposed to fund relevant highways schemes in 2019-20 and use the released budget to be spent either in 2019-20 or rolled forward to 2020-21 to fund new schemes in line with the ethos of the grant.

#### Capital Asset Management Fund (£0.8 million)

On 20 February 2019, Council approved a new fund to meet the costs of works in order to comply with any health and safety or other legislative requirements in respect of the Council's assets. Whilst awaiting the launch of the new Welsh Purchasing Consortium (WPC) procurement framework by Swansea Council, BCBC have been organising surveys of the highest priority properties in order to mitigate risk until the receipt of the remainder of the surveys. In the interim it is expected that circa £200,000 of capital remediation works will be undertaken in this financial year with a request to carry forward £0.8 million into 2020-21.



#### Corporate Landlord Energy Savings Strategy (£0.585 million)

Council has approved £1.3 million of capital to fund energy investment projects using prudential borrowing. Work is progressing and the Council will be seeking tenders from service providers to deliver the works using a Welsh Government Refit procurement framework. Invitation to Tenders are due to be sought later in the calendar year and a tenderer appointed by the end of the financial year. Welsh Government has Salix funding available and officers are appraising using this source in addition to / instead of prudential borrowing. There is a financial advantage in using the Salix funding as it is interest free, although there will be some grant conditions to comply with. Given current tight procurement timescales, should Salix provide better value for money in terms of funding and an application to Welsh Government is successful, then the prudential borrowing will be swapped for Salix Funding in the next version of the capital programme.

#### **Capital Programme 2019-20 Onwards**

- 4.5 Since the last capital report in July 2019, there have been a number of new externally funded schemes approved, which have been incorporated into the capital programme, including:

##### Community Hub – Brynteg Comprehensive

In June 2019, the Council was awarded £1.044 million of grant funding following a successful bid to Welsh Government's 21<sup>st</sup> Century schools programme.

The grant will fund the construction of a dedicated community hub building at Brynteg School. The East Hub, which is currently located at Civic Offices, would relocate to the new building (subject to the necessary approvals). The provision follows the locality hub model and allows for close integrated working between professionals from council departments (including locality safeguarding teams, the Inclusion Service and Education Psychology Service staff) and non-local authority professionals including health visitors and police liaison officers. The work of the Hub will focus on children, young people and families, where the team around the family is key to a multi-agency approach in providing a wide range of support and services to vulnerable families in need within Bridgend. Additional agencies and professionals will provide added value. By support services working together, it aims at improving confidence and resilience in children, young people and families, whilst supporting the reduction of crisis and vulnerability.

##### Valleys Regional Park (VRP) – Bryngarw and Parc Slip

On 17 September 2019, Cabinet gave approval to accept funding of £900,000 from WG in respect of projects at Bryngarw Park (£500,000) and Parc Slip (£400,000). In addition, Cabinet also gave approval for the Council to enter into agreements with delivery partners to support the activities being delivered at Bryngarw Park (AWEN) and Parc Slip (Wildlife Trust). Details of both schemes can be found in the aforementioned Cabinet report but both will aim to maximise the social, economic and environmental potential of the valleys' natural, cultural and heritage assets. It is intended that the VRP will provide and sustain the

improvement and management of a highly visible network of uplands, woodlands, nature reserves and country parks, rivers, reservoirs and canals, heritage sites and attractions across the Valleys, linking with the towns and villages. Funding will be split over the next two financial years, £579,000 in 2019-20 and £321,000 in 2020-21.

#### Caerau Heat Network

A report was presented to Cabinet on 23 July 2019 to provide an update on the Caerau Mine Water Heat Project and delegate authority to the Section 151 Officer and Head of Legal and Regulatory Services to accept a revised funding offer from Welsh European Funding Office (WEFO) and to enter into any funding and legal agreements. The scheme is in its final stages of approval with WEFO and this is anticipated imminently, hence the scheme's inclusion in the Capital Programme.

#### Economic Stimulus Grant

On 29 August 2019, Welsh Government awarded the Council with an Economic Stimulus grant of £0.887 million. The purpose of the grant is to:

- invest in capital schemes to drive important changes in communities.
- fund a range of projects that can be delivered quickly in year, providing economic benefits which are aligned with the Welsh Government's priorities and which can stimulate wider economic demand at a time when it is needed most.
- consider any positive impacts on biodiversity and the environment that can be delivered through the investment of this funding.

As the funding is required to be applied to expenditure in 2019-20 it is proposed to utilise this against relevant planned Highways schemes (see 4.4 for details) and allow internal funding to slip in to 2020-21. This will afford officers and Members the time to consider the opportunities and options that arise from receiving the grant.

- 4.7 There are a number of other schemes within the Capital Programme that are awaiting confirmation of external funding over the autumn period. Once approval is known, it may also result in some schemes needing re-profiling. The Capital Programme has not been updated at this time for these schemes and further reports will be brought to Cabinet and Council in due course for approval.

A Revised Capital Programme is included as **Appendix B**.

#### Prudential and Other Indicators 2019-20 Monitoring

- 4.8 In February 2019, Council approved the Capital Strategy for 2019-20, which included the Prudential Indicators 2019-20 to 2021-22 together with some local indicators.
- 4.9 The Capital Strategy is intended to give an overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future sustainability. To this end, a number of prudential indicators were included, and approved by Council. In line with the requirements of the Prudential Code, the Chief Finance Officer is required to establish procedures to monitor both performance against all forward-looking prudential indicators and the requirement specified.
- 4.10 **Appendix C** details the actual indicators for 2018-19, the estimated indicators for 2019-20 set out in the Council's Capital Strategy and the projected indicators for 2019-20 based on the revised Capital Programme. These show that the Council is operating in line with the approved limits.

### **Capital Strategy Monitoring**

- 4.11 The Capital Strategy also requires the monitoring of non-treasury management investments and other long term liabilities. The Council does have an existing investment portfolio which is 100% based within the County Borough and primarily the office and industrial sectors. The income streams are generally spread between the single and multi-let office investments on Bridgend Science Park, the multi-let industrial estates and the freehold ground rent investments. The total value of Investment Properties was £4.635 million at 31 March 2019.
- 4.12 The Council previously approved £1 million within the capital programme for the purchase of investment assets and spent £520,000 on acquiring an office building, which generates a rental income of £56,000 per year or just over 9% return on the investment. There is a further £480,000 available within the capital programme but as yet no suitable options have been identified within the Bridgend area, which would produce a reasonable return and at acceptable levels of risk. The Council may in the future wish to consider expanding its property investment portfolio, in which case it would need to review the criteria and investment strategy but this would be on a risk based approach.
- 4.13 The Council has a number of Other Long Term Liabilities which are included within the Capital Strategy. These include the following:-

#### **Private Finance Initiative**

The Council has a Private Finance Initiative (PFI) arrangement for the provision of a Secondary School in Maesteg. This forms a long-term liability for the Council which is £17 million at 31 March 2019. This is a 25 year agreement which will end during the 2033-34 financial year.

#### **Llynfi Valley Loan**

The Council received a loan from the Welsh Government Central Capital Retained Fund for regeneration works within the Llynfi Valley in March 2014. Capital works have not yet commenced. Officers are currently in discussion with Welsh Government on this Loan, which is due to be repaid by the end of the financial year, about some possible options including the extension of the Loan into 2020-21.

#### Salix Loan

During the first half of 2019-20, the Council has received a £374,000 loan from Welsh Government Energy Efficiency Loans Programme. This was equivalent to the capital spend in 2018-19 for Street Lighting up to the end of February 2019. A further loan will be received in this financial year to cover the 2019-20 capital expenditure. The Loan will be repaid from revenue budget savings for energy efficiency.

### **5. Effect upon Policy Framework and Procedure Rules**

- 5.1 As required by Financial Procedure Rule 3.5.3 within the Council's Constitution, "The Chief Finance Officer shall report quarterly to Cabinet an update on the Capital Strategy and the Prudential Indicators."

### **6. Equality Impact Assessment**

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

### **7. Well-being of Future Generations (Wales) Act 2015 Implications**

- 7.1 The well-being goals identified in the Act were considered in the preparation of this report. As the report is for information it is considered that there will be no significant or unacceptable impacts upon the achievement of wellbeing goals/objectives as a result of this report. Specifically the development of a 10 year capital programme, which reflects the Council's affordability in terms of capital receipts and borrowing, supports the principle of sustainability over the long term.

### **8. Financial Implications**

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

### **9. Recommendation**

- 9.1 It is recommended that Cabinet:
- note the Council's Capital Programme for 2019-20 for the period to 30 September 2019 (**Appendix A**);
  - agrees that the revised Capital Programme (**Appendix B**) be submitted to Council for approval;
  - note the projected Prudential and Other Indicators for 2019-20 (**Appendix C**).

**Gill Lewis**  
**Interim Head of Finance and Section 151 Officer**  
**October 2019**

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CF31 4AP

**Background documents:**

Capital Strategy 2019-20– Report to Council 20 February 2019  
Capital Strategy Report Q1 2019-20 – Report to Council 24 July 2019  
Medium Term Financial Strategy 2019-20 onwards – Report to Council 20 February 2019

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EXTRA CARE FACILITIES	2,692	508	(308)	-	-	200	44	200	-
TOTAL Social Services & Wellbeing	4,866	1,259	165	217	-	1,641	448	1,641	-
Communities									
Street Scene									
PARKS PAVILIONS	1,011	1,000	-	-	-	1,000	124	1,000	-
PARKS PAVILIONS	1,011	11				11	-	11	
CITY DEAL	45,581	2,595	-	-	-	2,595	-	2,595	-
PORTHCAWL TOWN SEA DEFENCE	3,235	149	(57)	(9)	-	83	(24)	83	-
EASTERN PROMENADE PORTHCAWL	465	149	49	9	-	207	151	207	-
CORNELLY CEMETERY EXT	314	314	-	-	(314)	-	-	-	-
COYCHURCH CREM	776	1,008	-	-	(835)	173	29	173	-
PORTHCAWL CEMETERY EXT	216	216	-	-	(216)	-	-	-	-
REMEDIAL MEASURES - CAR PARKS	215	152	-	-	-	152	-	152	-
STREET LIGHTING ENERGY SALIX	2,500	917	-	-	(317)	600	121	600	-
SAFE ROUTES TO SCHOOL	243	243	-	-	-	243	72	243	-
ROAD SAFETY SCHEMES	115	55	-	60	-	115	11	115	-
ACTIVE TRAVEL- PENCOED TECHNOLOGY PARK	898	898	-	-	-	898	22	898	-
HIGHWAYS STRUCTURAL WORKS	200	187	-	-	-	187	7	187	-
CARRIAGEWAY CAPITAL WORKS	250	189	-	-	-	189	108	189	-
ACTIVE TRAVEL - BRIDGEND TO BRACKLA	717	717	-	-	-	717	6	717	-
ROAD SAFETY IMPROVEMENTS - HEOL MOSTYN	600	-	-	-	-	-	(4)	-	-
RIGHTS OF WAY MINOR WORKS	40	-	-	40	-	40	3	40	-
HIGHWAYS REFURBIHMENT GRANT	1,600	1,600	-	-	-	1,600	254	1,600	-
CARRIAGEWAY & FOOTWAYS RENEWAL	5,857	2,432	153	-	(2,035)	550	547	550	-
NATIONAL CYCLE NETWORK PHASE 2	-	-	-	-	-	-	(17)	-	-
REPLACEMENT OF STREET LIGHTING	418	444	-	(190)	(24)	230	92	230	-
BRIDGE STRENGTHENING A4061	3,184	2,034	734	-	(1,548)	1,220	326	1,220	-
COMMUNITIES MINOR WORKS	401	49	-	201	-	250	17	250	-
RIVER PROTECTION MEASURES	393	-	-	190	-	190	175	190	-
RETAINING WALL REPLCMNT BETTWS	175	11	-	-	-	11	-	11	-
LOCAL TRANSPORT FUND - BUS CORRIDORS	150	150	-	-	-	150	-	150	-
LOCAL TRANSPORT FUND - PENPRYSG ROAD BRIDGE	240	240	-	-	-	240	13	240	-
LOCAL TRANSPORT FUND - BRIDGEND TO COYCHURCH	750	750	-	-	-	750	27	750	-
SAFE ROUTES - COITY HIGHER	218	218	-	-	-	218	9	218	-
RESIDENTS PARKING BRIDGEND TC	130	128	-	-	-	128	-	128	-
FLEET VEHICLES	2,140	1,904	-	-	(1,672)	232	232	232	-
RELOCATE RECYCLING CENTRE	1,328	1,322	-	-	(1,292)	30	-	30	-
HIGHWAYS S106 MINOR SCHEMES	65	-	65	-	-	65	3	65	-
TOTAL Streetscene	75,436	20,082	944	301	(8,253)	13,074	2,304	13,074	-
Regeneration & Development									
BRDGND BUS SUP NETWORK	54	96	-	(6)	-	90	17	90	-
PCAWL RESORT INVESTMENT FOCUS	3,006	1,160	-	82	(98)	1,144	937	1,144	-
EU CONVERGANCE SRF BUDGET	463	707	-	(144)	(443)	120	-	120	-
PURCHASE OF SALT LAKE CAR PARK	-	64	-	-	-	64	7	64	-
VRP - BRYNGARW PARK	500	-	250	-	-	250	-	250	
VRP - PARC SLIP	400	-	329	-	-	329	-	329	
LLYNFI DEVELOPMENT SITE	2,400	2,246	-	-	-	2,246	-	2,246	-
P/CWL RESTBAY WATERSIDE CYCLE	-	-	-	-	-	-	-	-	-
BRIDGEND HEAT SCHEME	350	100	-	100	(100)	100	-	100	-
MAESTEG TOWN HALL CULTURAL HUB	5,168	1,497	-	-	-	1,497	77	1,497	-
TOWN & COMMUNITY COUNCIL FUND	328	328	-	-	-	328	73	328	-
BRIDGEND TOWNSCAPE HERITAGE	-	-	-	-	-	-	(15)	-	-
PORTHCAWL THI	1,122	376	-	49	-	425	20	425	-
TOTAL Regeneration & Development	13,791	6,574	579	81	(641)	6,593	1,116	6,593	-

Corporate Landlord											
CAPITAL ASSET MANAGEMENT FUND	1,000	1,500	(500)	-	(800)	200	-	200	-		
CORP LANDLORD ENERGY EFFIC SAV	1,300	635	-	-	(585)	50	-	50	-		
ENTERPRISE HUB INNOVATION CENT	3,715	886	109	(6)	-	989	392	989	-		
RAVEN'S COURT MINOR WORKS	245	-	-	245	-	245	1	245	-		
RELOCATION OF REGISTRARS	300	271	-	25	-	296	26	296	-		
BRIDGEND/MAESTEG MARKET MINOR WORKS	25	-	-	25	-	25	-	25	-		
DBA WORKS	109	-	-	109	-	109	28	109	-		
MINOR WORKS	337	2,845	37	(2,545)	(98)	239	111	239	-		
FIRE PRECAUTIONS MINOR WORKS	216	-	-	216	(5)	211	3	211	-		
BRYNCETHIN DEPOT FACILITIES	4,316	192	-	-	-	192	9	192	-		
NON OPERATIONAL ASSETS	480	480	-	-	-	480	-	480	-		
WATERTON UPGRADE	8,144	8,144	-	-	(7,802)	342	-	342	-		
CIVIC OFFICE ENVELOPE	2,545	12	-	-	-	12	(3)	12	-		
MINOR WORKS BOILERS	-						(9)	-	-		
EVERGREEN HALL - LEASE ACQUISITION	40	40	-	-	-	40	-	40	-		
INVESTING IN COMMUNITIES	2,000	2,000	-	-	-	2,000	-	2,000	-		
Total Corporate Landlord	24,772	17,005	(354)	(1,931)	(9,290)	5,430	558	5,430	-		
TOTAL Communities	113,999	43,661	1,169	-	1,549	-	18,184	25,097	3,978	25,097	-
CORPORATE CAPITAL FUND	200	200	-	-	-	200	-	200	-		
TOTAL Office of Chief Exec	200	200	-	-	-	200	-	200	-		
BRYNMENYN HOMELESSNESS UNIT	171	39	51	-	-	90	-	90	-		
MANDATORY DFG RELATED EXPEND	2,493	2,493	-	-	-	2,493	680	2,493	-		
TARGET HARDENING GRANTS	-						13	-	-		
HOUSING RENEWAL AREA	101	101	-	-	-	101	2	101	-		
COMFORT SAFE & SECURITY GRANTS	-	-	-	-	-	-	12	-	-		
EMERG REPAIR LIFETIME GRANT	-	-	-	-	-	-	53	-	-		
ENABLE SUPPORT GRANT	-	-	-	-	-	-	54	-	-		
HOMES IN TOWN GRANT	-						9	-	-		
TOTAL Housing/Homelessness	2,765	2,633	51	-	-	2,684	823	2,684	-		
ICT LAPTOP REPLACEMENT	400	13	73	-	-	86	73	86	-		
DIGITAL MEETING SPACES	130	99	1	-	-	100	14	100	-		
ICT INFRA SUPPORT	300	300	-	-	-	300	-	300	-		
DIGITAL TRANSFORMATION	1,000	520	-	-	-	520	-	520	-		
DATA CENTRE	330	330	-	-	-	330	207	330	-		
TOTAL ICT	2,160	1,262	74	-	-	1,336	294	1,336	-		
TOTAL Chief Executive	5,125	4,095	125	0	0	4,220	1,117	4,220	0		
GRAND TOTAL	276,257	54,471	2,520	-	(18,858)	38,133	5,750	38,133	-		

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	Total 2019-2029			Total Costs to 31-3-19 £'000	Council July 2019 £'000	2019-2020				FUTURE YEARS									CUMULATIVE
	Total Cost £'000	BCBC Funding £'000	External Funding £'000			New Approvals £'000	Vire £'000	Slippage £'000	Revised 2019-20 £'000	2020-2021 £'000	2021-2022 £'000	2022-2023 £'000	2023-2024 £'000	2024-2025 £'000	2025-2026 £'000	2026-2027 £'000	2027-2028 £'000	2028-2029 £'000	Total 2019 - 2029 £'000
Road Safety Improvements - Heol Mostyn	600	600	0	265	0	0	0	0	600	0	0	0	0	0	0	0	0	0	600
Active Travel- Pencoed Technology Park	898		898		898	0	0	0	898										898
Active Travel - Bridgend to Brackla	717		717		717	0	0	0	717										717
Local Transport Fund - Bus Corridors	150		150		150	0	0	0	150										150
Local Transport Fund - Penprysg Road Bridge	240		240		240	0	0	0	240										240
Local Transport Fund - Bridgend to Coychurch	750		750		750	0	0	0	750										750
Safe Routes - Coity Higher	218		218		218	0	0	0	218										218
Coychurch Crem Works	1,008	0	1,008		1,008	0	0	-835	173	835	0	0	0	0	0	0	0	0	1,008
Retaining Wall Replacement, Bettws	11	11	0	164	11	0	0	0	11	0	0	0	0	0	0	0	0	0	11
City Deal	42,134	7,880	34,254	3,447	2,595	0	0	0	2,595	2,957	4,055	4,310	6,029	6,043	7,567	7,570	762	246	42,134
Carriageway Resurfacing & Renewal of Footways	4,136	3,983	153	1,568	2,432	153	0	-2,035	550	3,586	0	0	0	0	0	0	0	0	4,136
Extension to Cornelly Cemetery	314	314	0		314	0	0	-314	0	314	0	0	0	0	0	0	0	0	314
Extension to Porthcawl Cemetery	216	216	0		216	0	0	-216	0	216	0	0	0	0	0	0	0	0	216
Street Lighting Energy Efficiency	2,017	2,017	0	483	917	0	0	-317	600	1,417	0	0	0	0	0	0	0	0	2,017
Regeneration & Development				0					0										
Porthcawl Resort Investment Focus	1,216	631	585	1,038	1,160	0	82	-98	1,144	72	0	0	0	0	0	0	0	0	1,216
Porthcawl Regeneration	2,543	2,543	0	0					0	2,543	0	0	0	0	0	0	0	0	2,543
Special Regeneration Funding	1,040	1,040	0	0	707	0	-144	-443	120	920	0	0	0	0	0	0	0	0	1,040
Porthcawl Townscape Heritage Initiative	425	235	190	489	376	0	49	0	425	0	0	0	0	0	0	0	0	0	425
Economic Stimulus Grant	887	887			0	0	0	0	0	887									887
Business Support Framework	180	180	0	27	96	0	-6	0	90	90	0	0	0	0	0	0	0	0	180
Llynfi Valley Development Programme	2,246	2,246			2,246	0	0	0	2,246	0	0	0	0	0	0	0	0	0	2,246
Purchase of Land at Salt Lake Car Park, Porthcawl	64	64	0	36	64	0	0	0	64	0	0	0	0	0	0	0	0	0	64
VRP- Bryngarw Country Park	500		500		0	250			250	250									500
VRP - Parc Slip	400		400		0	329			329	71									400
Maesteg Town Hall Cultural Hub	6,273	1,434	4,839	417	1,497	0	0	0	1,497	4,360	416	0	0	0	0	0	0	0	6,273
Smart System and Heat Programme	500	500	0		100	0	100	-100	100	350	50	0	0	0	0	0	0	0	500
Caerau Heat Network	6,293		6,293		0				0	1,939	2,434	1,531	389						6,293
Community Projects	778	778	0	0	328	0	0	0	328	50	50	50	50	50	50	50	50	50	778
Corporate Landlord				0															
Corporate Landlord - Energy Savings Strategy	1,300	1,300	0		635	0	0	-585	50	1,250	0	0	0	0	0	0	0	0	1,300
Investing in Communities	2,000	2,000			2,000				2,000										2,000
Evergreen Hall	40	40			40	0			40										40
Enterprise Hub - Innovation Centre	3,534	1,243	2,291	97	886	109	-6	0	989	2,458	42	45	0	0	0	0	0	0	3,534
Raven's Court	245	245			0	0	245	0	245										245
Minor Works	9,377	9,377	0	206	2,845	37	-2,545	-98	239	1,228	1,130	1,130	1,130	1,130	1,130	1,130	1,130	0	9,377
Fire Precautions	216	216	0		0	0	216	-5	211	5	0	0	0	0	0	0	0	0	216
DDA Works	109	109	0		0	0	109	0	109	0	0	0	0	0	0	0	0	0	109
Civic Offices External Envelope	12	12	0	2,538	12	0	0	0	12	0	0	0	0	0	0	0	0	0	12
Relocation of Depot Facilities	192	192	0	984	192	0	0	0	192	0	0	0	0	0	0	0	0	0	192
Waterton Upgrade	8,144	8,144	0		8,144	0	0	-7,802	342	2,495	5,307	0	0	0	0	0	0	0	8,144
Bridgend Market	25	25	0		0	0	25	0	25	0	0	0	0	0	0	0	0	0	25
Relocation of Registrars	296	296	0	4	271	0	25	0	296	0	0	0	0	0	0	0	0	0	296
Non-Operational Assets	480	480	0	0	480	0	0	0	480	0	0	0	0	0	0	0	0	0	480
Capital Asset Management Fund	1,000	1,000			1,500	-500	0	-800	200	800	0	0	0	0	0	0	0	0	1,000
Total Communities	121,348	65,010	56,338	18,486	43,661	1,169	-1,549	-18,184	25,097	34,345	14,334	7,916	8,448	8,073	9,597	9,600	2,792	1,146	121,348
Chief Executive's																			
Corporate Capital Fund	2,000	2,000			200	0	0	0	200	200	200	200	200	200	200	200	200	200	2,000
ICT		0		0															
Investment in ICT	300	300	0	0	300	0	0	0	300	0	0	0	0	0	0	0	0	0	300
Digital Transformation	520	520	0		520	0	0	0	520	0	0	0	0	0	0	0	0	0	520
ICT Laptop Replacement (Life Expired)	86	86	0	314	13	73	0	0	86	0	0	0	0	0	0	0	0	0	86
Data Centre	330	330	0		330				330	0	0	0	0	0	0	0	0	0	330
Digital Meeting Spaces	100	100	0	51	99	1	0	0	100	0	0	0	0	0	0	0	0	0	100
Housing / Homelessness				0													0	0	0
Housing Renewal / Empty Properties	1,001	1,001	0	99	101	0	0	0	101	100	100	100	100	100	100	100	100	100	1,001
Disabled Facilities Grants	20,043	20,043	0	1,623	2,493	0	0	0	2,493	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	20,043
Brynmenyn Homelessness Unit	90	90	0	81	39	51	0	0	90	0	0	0	0	0	0	0	0	0	90
Total Chief Executive's	24,470	24,470	0	2,168	4,095	125	0	0	4,220	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	24,470
Unallocated	7,442	7,442	0	0	0	0	0	0	0	0	0	0	0	0	477	1,725	2,055	3,185	7,442
Total Expenditure	217,034	129,459	87,575	75,133	54,471	2,520	0	-18,858	38,133	39,195	23,941	25,308	28,860	19,644	14,370	13,905	7,097	6,581	217,034
Expected Capital Resources																			
General Capital Funding																			
General Capital Funding - General Capital Grant	26,187	26,187	0		3,727				3,727	3,284	2,397	2,397	2,397	2,397	2,397	2,397	2,397	2,397	26,187
General Capital Funding - Supported Borrowing	39,380	39,380	0		3,938				3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	39,380
Capital Receipts - Schools	654	654	0		654	0	0	-166	488	166	0	0	0	0	0	0	0	0	654
Capital Receipts - General	19,773	19,773	0		16,371	100	-428	-11,027	5,016	9,450	5,307	0	0	0	0	0	0	0	19,773
Earmarked Reserves	24,207	24,207	0		7,883	-495	2,150	-2,230	7,308	4,682	2,904	2,296	3,185	1,082	1,375	1,375	0	0	24,207
Revenue Contribution	854	854	0		2,091	436	-1,722	0	805	49	0	0	0	0	0	0	0	0	854

	Total 2019-2029				2019-2020					FUTURE YEARS									CUMULATIVE	
	Total Cost £'000	BCBC Funding £'000	External Funding £'000		Total Costs to 31-3-19 £'000	Council July 2019 £'000	New Approvals £'000	Vire £'000	Slippage £'000	Revised 2019-20 £'000	2020-2021 £'000	2021-2022 £'000	2022-2023 £'000	2023-2024 £'000	2024-2025 £'000	2025-2026 £'000	2026-2027 £'000	2027-2028 £'000	2028-2029 £'000	Total 2019 - 2029 £'000
Prudential Borrowing (Directorate Funded)	3,918	3,918	0		2,709	0	0	-2,427	282	3,636	0	0	0	0	0	0	0	0	0	3,918
Prudential Borrowing (Corporately Funded)	10,223	10,223	0		2,102	0	0	-2,035	67	2,035	2,300	874	4,220	727	0	0	0	0	0	10,223
SALIX Interest Free Loan - WG	2,017	2,017			917	0	0	-317	600	1,417	0	0	0	0	0	0	0	0	0	2,017
Llynfi Development Site Loan - WG	2,246	2,246			2,246	0	0	0	2,246											2,246
Sub-Total General Capital Funding	129,459	129,459	0		42,638	41	0	-18,202	24,477	28,657	16,846	9,505	13,740	8,144	7,710	7,710	6,335	6,335		129,459
External Funding Approvals																				
WG - Highways Grant	1,600		1,600		1,600		0	0	1,600	0	0	0	0	0	0	0				1,600
WG - Other	628		628		100	17	0	0	117	430	81	0	0	0	0	0	0			628
WG - 21st Century Schools	27,518	0	27,518		0	1,044		0	1,044	0	0	9,683	9,784	6,539	468	0	0	0		27,518
WG - Safe Routes in Communities	461	0	461		461	0			461	0	0	0	0	0	0	0	0	0	0	461
WG - Porthcawl Revetment	55	0	55		112	-57			55	0	0	0	0	0	0	0	0	0	0	55
WG - Eastern Promenade	155	0	155		111	44			155	0	0	0	0	0	0	0	0	0	0	155
WG - Welsh Medium Capital Grant	2,600	0	2,600		110				110	305	1,191	994	0	0	0	0	0	0	0	2,600
WG - Infant Class Size Grant	740		740		542			179	721	19	0	0	0	0	0	0	0	0	0	740
WG - Economic Stimulus Grant	887		887		0	887			887											887
WG- VRP	900		900		0	579			579	321										900
Westminster	30,677	0	30,677		1,989	0			1,989	1,988	3,128	3,128	4,504	4,505	5,722	5,713	0	0		30,677
CSC Foundry	3,577		3,577		0				0	113	175	430	443	456	470	482	762	246		3,577
S106	346	0	346		281	65			346	0	0	0	0	0	0	0	0	0	0	346
Transport Grant	2,755	0	2,755		2,755			0	2,755	0	0	0	0	0	0	0	0	0	0	2,755
Heritage Lottery Fund (HLF)	891	0	891		541	0			541	350	0	0	0	0	0	0	0	0	0	891
EU	12,029	0	12,029		1,675	0			1,675	5,927	2,470	1,568	389	0	0	0	0	0	0	12,029
Other	1,756	0	1,756		1,556	-100	0	-835	621	1,085	50	0	0	0	0	0	0	0	0	1,756
Sub-Total External Funding Approvals	87,575	0	87,575		11,833	2,479	0	-656	13,656	10,538	7,095	15,803	15,120	11,500	6,660	6,195	762	246		87,575
Total Funding Available	217,034	129,459	87,575		54,471	2,520	0	-18,858	38,133	39,195	23,941	25,308	28,860	19,644	14,370	13,905	7,097	6,581		217,034
Funding Shortfall/Surplus	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0		

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## PRUDENTIAL INDICATORS 2019-20

The Prudential Indicators are required to be set and approved by Council in accordance with CIPFA's Prudential Code for Capital Finance in Local Authorities. Table 1 shows the 2018-19 actual capital expenditure, summarised over Council Fund services and Investment Properties, the capital programme approved by Council on 20 February 2019 and the latest projection for the current financial year which has incorporated slippage of schemes from 2018-19 together with any new grants and contributions or changes in the profile of funding.

Table 1: Prudential Indicator: Estimates of Capital Expenditure

	2018-19 Actual £m	2019-20 Estimate (Council Feb '19) £m	2019-20 Projection £m
Council Fund services	27.614	35.677	37.653
Investment Properties	-	0.480	0.480
<b>TOTAL</b>	<b>27.614</b>	<b>36.157</b>	<b>38.133</b>

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or net financing requirement (borrowing, leasing and Private Finance Initiative). The planned financing of the expenditure has been projected as per table 2 below.

Table 2: Capital financing

	2018-19 Actual £m	2019-20 Estimate (Council Feb '19) £m	2019-20 Projection £m
External sources	12.407	9.950	19.629
Own resources	9.045	14.978	13.617
Net Financing Requirement	6.162	11.229	4.887
<b>TOTAL</b>	<b>27.614</b>	<b>36.157</b>	<b>38.133</b>

The net financing requirement has fallen compared to the estimate on the Capital Strategy as a result of the reduction in anticipated level of Prudential Borrowing within 2019-20. This will reduce the revenue burden on the Council within this financial year as the net financing requirement is only a temporary source of finance, since loans and leases must be repaid. This is therefore replaced over time by other financing, usually from revenue which is known as the Minimum Revenue Provision (MRP). As well as MRP, the Council makes additional voluntary revenue contributions to pay off Prudential or Unsupported Borrowing. The total of these are shown in Table 3 below.

Table 3: Replacement of debt finance

	2018-19 Actual £m	2019-20 Estimate (Council Feb '19) £m	2019-20 Projection £m
Minimum Revenue Provision (MRP)	2.858	2.885	2.885
Additional Voluntary Revenue Provision	1.459	1.995	1.504
<b>Total MRP &amp; VRP</b>	<b>4.317</b>	<b>4.880</b>	<b>4.389</b>
<b>Other MRP on Long term Liabilities</b>	<b>0.641</b>	<b>0.690</b>	<b>0.690</b>
<b>Total Own Resources</b>	<b>4.958</b>	<b>5.570</b>	<b>5.079</b>

The Council's cumulative outstanding amount of debt finance is measured by the Capital Financing Requirement (CFR). This increases with new debt-financed capital expenditure and reduces by the MRP amount within the year. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows based on the movement on capital expenditure at quarter 1:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement

	2018-19 Actual £m	2019-20 Estimate (Council Feb '19) £m	2019-20 Projection £m
<b>Capital Financing Requirement (CFR)</b>			
Opening CFR adjusted excluding PFI & other liabilities	153.240	154.811	155.08
Opening PFI CFR	17.640	17.000	17.000
<b>Total Opening CFR</b>	<b>170.880</b>	<b>171.811</b>	<b>172.084</b>
Movement in CFR excluding PFI & other liabilities	1.845	6.349	0.498
Movement in PFI CFR	(0.641)	(0.690)	(0.690)
Movement in Innovation Centre CFR	-	-	-
Movement in Coychurch Crematorium	-	-	-
<b>Total Movement in CFR</b>	<b>1.204</b>	<b>5.659</b>	<b>(0.192)</b>
<b>Closing CFR</b>	<b>172.084</b>	<b>177.470</b>	<b>171.892</b>
<b>Movement in CFR represented by :-</b>			
Net Financing Need for Year (Table 2 Above)	6.162	11.229	4.887
Minimum and Voluntary Revenue Provisions	(4.317)	(4.880)	(4.389)
MRP on PFI and Other Long Term Leases (Table 3 above)	(0.641)	(0.690)	(0.690)
<b>Total Movement</b>	<b>1.204</b>	<b>5.659</b>	<b>(0.192)</b>

The Capital Financing Requirement has fallen since the Capital Strategy was presented to Council in February. This is as a result of the finalisation of the year end position for 2018-19 where additional grants were received to replace loan financing, together with a fall in the Net Financing Requirement for 2019-20 as set out in Table 2 above.

The capital borrowing need (Capital Financing Requirement) has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This is known as Internal Borrowing. Projected levels of the Council's total outstanding debt, which comprises borrowing, PFI and Other Long Term Liabilities, are shown in Table 5, compared with the Capital Financing Requirement.

*Table 5: Prudential Indicator: Gross Debt and the Capital Financing Requirement*

	<b>2018-19 Actual £m</b>	<b>2019-20 Estimate (Council Feb '19) £m</b>	<b>2019-20 Projection £m</b>
Debt (incl. PFI & leases)	114.750	<b>130.758</b>	<b>114.882</b>
Capital Financing Requirement	172.084	<b>177.470</b>	<b>171.892</b>

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen, the Council expects to comply with this in the medium term.

The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit. Table 6 below shows these two limits and as the current projection for debt is £114.882 million, it is below the Operational Boundary

*Table 6: Prudential Indicators: Authorised limit and operational boundary for external debt in £m*

	<b>2018-19 Actual £m</b>	<b>2019-20 Estimate (Council Feb '19) £m</b>	<b>2019-20 Projection £m</b>
Authorised limit – borrowing	145.000	<b>170.000</b>	170.000
Authorised limit – other long term liabilities	30.000	<b>30.000</b>	30.000
<b>Authorised Limit Total</b>	<b>175.000</b>	<b>200.000</b>	<b>200.000</b>
Operational boundary – borrowing	105.000	<b>115.000</b>	100.000
Operational boundary – other long term liabilities	25.000	<b>20.000</b>	20.000
<b>Operational Boundary Limit Total</b>	<b>130.000</b>	<b>135.000</b>	<b>140.000</b>
<b>Total Borrowing and Long Term Liabilities</b>	<b>114.750</b>	<b>130.758</b>	<b>114.882</b>

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

*Table 7: Prudential Indicator: Proportion of financing costs to net revenue stream*

	2018-19 Actual £m	2019-20 Estimate (Council Feb '19) £m	2019-20 Projection £m
Capital Financing Central	6.451	6.741	6.509
Other Financing costs	3.406	3.941	3.451
<b>TOTAL FINANCING COSTS</b>	<b>9.857</b>	<b>10.682</b>	<b>9.960</b>
Proportion of net revenue stream	3.71%	3.94%	3.68%

Table 7 above shows that in 2018-19, 3.71% of our net revenue income was spent paying back the costs of capital expenditure. This is less than in 2017-18 (4.72%) due to the change in the MRP policy during the financial year where the charge for Supported Borrowing is now on a straight-line basis over forty-five years rather than on a 4% reducing balance basis. The projection for 2019-20 is that the proportion of net revenue income spent paying back the cost of capital is projected to be 3.68%, which is lower than when the Capital Strategy was taken to Council due to the reduction in Prudential Borrowing for 2019-20.

## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO CABINET

22 OCTOBER 2019

### REPORT OF THE CHIEF EXECUTIVE

#### GUARANTEED INTERVIEW SCHEME FOR VETERANS

##### **1. Purpose of report**

- 1.1 The purpose of the report is to advise Cabinet of the introduction of a guaranteed interview scheme for veterans, as part of the council's recruitment and selection procedures.

##### **2. Connection to corporate improvement objectives/other corporate priorities**

- 2.1 This report assists in the achievement of the following corporate priority:
- 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 Bridgend County Borough Council recognises that it has a role to play in helping those leaving the armed forces (veterans) fulfil their potential in civilian life.
- 3.2 Veterans can find making the transition to civilian life extremely challenging, particularly in finding and securing lasting employment.
- 3.3 Veterans have valuable transferable skills including: communication; leadership and management and team working as well as other attributes such as problem solving and adaptability; and security and health and safety awareness.
- 3.4 A guaranteed interview scheme for veterans provides the guarantee of an interview to those meeting the essential criteria set out in the job pack. It does not, however, guarantee employment, as selection procedures will ensure the best candidate for the job is appointed.
- 3.5 For the council, the scheme may generate a wider selection of candidates who meet the essential criteria and contribute to the development of a suitably skilled workforce.
- 3.6 For veterans, it can assist them to overcome barriers in finding civilian employment and help reduce the risk of health and welfare problems as a result of long term unemployment.

#### **4. Current situation/proposal**

- 4.1 The introduction of a guaranteed interview scheme supports Bridgend County Borough Council's Armed Forces Community Covenant.
- 4.2 In terms of eligibility for the scheme, individuals must meet the essential criteria for the role and:
- be currently serving in the armed forces and within 12 weeks of the discharge date; or
  - the last long term substantive employer was the armed forces; and no more than 3 years has elapsed since the discharge date.
- 4.2.1 The scheme will operate for all recruitment and amendments to the recruitment process are being progressed.
- 4.2.2 Application - The on line recruitment application will be amended to include details of the guaranteed interview scheme.
- 4.2.3 Shortlisting – Managers' guidelines and shortlisting procedures will be amended to ensure that a veteran meeting the criteria will be offered an interview alongside other applicants.

#### **5. Effect upon policy framework and procedure rules**

- 5.1 None.

#### **6. Equality Impact Assessment**

- 6.1 As an equal opportunities employer the council recognises that a diverse workforce, coming from all sections of the community, can improve services by offering different skills, experiences, backgrounds and cultures.
- 6.2 An initial screening has been undertaken which identifies that a full EIA is not required.

#### **7. Well-being of Future Generations (Wales) Act 2015 implications**

- 7.1 A guaranteed interview scheme for veterans contributes to the well-being goals for a healthier Wales and a more equal Wales. The five ways of working have been considered as follows:
- Long term – this may help reduce the risk of health and welfare problems as a result of long term unemployment and provide an appropriately skilled workforce for BCBC.
  - Prevention - it may assist veterans to overcome barriers in finding civilian employment and support veterans to enjoy financial security and independence in later life.
  - Integration – the scheme will be shared with members of the Public Services Board to encourage them to implement a guaranteed interview scheme for veterans. The scheme contributes to the wellbeing goals: a prosperous Wales, a Wales of Cohesive Communities and a more equal Wales.

- Collaboration – Commitment to the guaranteed interview scheme involves collaboration across all services within the council there is also learning from the experiences of other local authorities.
- Involvement – the guaranteed interview scheme is supported by the Bridgend Armed Forces Forum. Membership of the forum includes the council, Public Sector, 3<sup>rd</sup> sector and veterans.

## **8. Financial implications**

8.1 There are no financial implications.

## **9. Recommendation**

9.1 It is recommended that Cabinet note the implementation of a guaranteed interview scheme for veterans.

Mark Shephard  
Chief Executive  
1 October 2019

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## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO CABINET

22 OCTOBER 2019

### REPORT OF THE CHIEF EXECUTIVE

#### **CAPITAL ENERGY INVESTMENT PROJECT AND CORPORATE LANDLORD ENERGY AND CARBON STRATEGY**

#### **1. Purpose of report**

- 1.1 The purpose of this report is to provide an update to Cabinet on the Capital Energy Investment Project and seek approval from Cabinet to use the Re:fit Framework and to issue an Invitation to Tender for the works; as well as seeking approval for the the Corporate Energy and Carbon Strategy 2019.

#### **2. Connection to corporate improvement objectives/other corporate priorities**

- 2.1 This report assists in the achievement of the following corporate priority/priorities:
- 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**

##### **1.1 Capital Energy Investment Project**

- In February 2018, as part of the Medium Term Financial Strategy 2018-19 to 2021-22, council approved capital funding of £1.3m to enable the delivery of the Capital Energy Investment Project. This was to be funded from prudential borrowing with repayments made from energy savings generated as a result of the investment.
- Different delivery models have been reviewed and appraised, including working with private sector consultants in a partnership arrangement to deliver energy efficiency measures to selected council owned buildings.
- The Welsh Government proposed that the council consider delivering carbon saving measures using the Re:fit programme. Re:fit is an energy performance framework produced by Local Partnerships LLP (which is a joint venture owned by HM Treasury and the Local Government Association and established in 2009) and specialises in delivering retrofit energy projects to public sector buildings. Re:fit have delivered projects across the UK but also

to many Welsh Local Authorities, such as Cardiff, Swansea, Carmarthenshire, Pembrokeshire and Merthyr Tydfil, to name a few.

- The Welsh Government offered free surveys from Carbon Trust to investigate the potential energy saving opportunities to some council owned buildings. As a result, Carbon Trust was appointed to produce a screening assessment of the energy efficiency opportunities. Carbon Trust surveyed 10 buildings and produced high level energy saving recommendations with detailed cost, energy and carbon saving figures as well as estimated payback periods. The energy saving measures could include LED lighting, pipework insulation, Building Management System (BMS) controls or solar PV systems, to name a few.
- Additionally, advice and project management support is being provided to the Council by GEP Environmental, on behalf of the Re:fit framework.

#### **4. Current situation/proposal**

##### **4.1 Capital Energy Investment Project**

- Following a review of options, officers determined that using the Re:fit framework would provide the most appropriate capital energy investment delivery model.
- An Access Agreement has been entered into with Local Partnerships and a Client Support Agreement has been entered into with the Welsh Government.
- Thirty buildings and associated energy conservation works were initially identified as delivering the most effective measures. This followed an extensive review with technical officers. Given the funding constraints, this has been shortlisted down to twenty two buildings, as shown in Appendix 1 to this report and engagement with stakeholders is currently being undertaken.
- A project plan has been developed under the Re:fit framework to identify each stage within the project. If Cabinet approval is received, the aim is to issue an Invitation To Tender under the Re:fit Framework in November 2019 and award contracts in March 2020, with works commencing in the summer of 2020 and continuing over a 12 – 18 month period.

##### **4.2 Corporate Energy and Carbon Strategy 2019**

- Officers have been working to produce an Energy and Carbon Strategy that could help to improve management of energy and carbon emissions produced by the council.

- The Energy and Carbon Strategy has been drafted and sets out the key objectives which will enable the council to deliver the degree of improvement currently required by latest carbon reductions plans.
- In order to meet those key objectives, a series of action and activities have been identified. This may be achieved through eight key areas:
  - Comply with all relevant **legal and legislative requirements** relating to energy use, consumption and efficiency
  - **Optimise energy performance** of the BCBC Building Portfolio.
  - **Support schools** to reduce energy, costs and emissions
  - Improve engagement, **communications and training** about energy throughout all departments within the council
  - **Engage with staff** to actively improve energy and costs saving
  - **Effective metering and monitoring** to effectively reduce avoidable waste
  - **Energy audits** to identify, quantify and prioritise energy saving opportunities
  - Increase participation of **renewable energy technologies** to decrease dependency on fossil fuels.
- A copy of the Energy and Carbon Strategy to be approved has been attached to this report at Appendix 2.

## **5. Effect upon policy framework and procedure rules**

5.1 There is no effect upon the Policy Framework and Procedure Rules.

## **6. Equality Impact Assessment**

6.1 An initial Equality Impact Assessment (EIA) screening has identified that there would be no negative impact on those with one or more of the protected characteristics and an EIA status of low priority is considered appropriate at this stage. It is considered that there will be no negative impacts from this report.

## **7. Well-being of Future Generations (Wales) Act 2015 implications**

7.1 The Well-being of Future Generations (Wales) Act 2015 Assessment based on the 5 ways of working has been considered and there are no significant or unacceptable impacts upon the achievement of wellbeing goals/objectives.

- Long term - The Capital Energy Investment Project will improve short-term energy needs to selected buildings and safeguard the ability to also meet long-term energy needs.
- Prevention - Problems will be prevented to occurring or getting worse by engaging with building users in advance to make sure that any risks are minimised.

- Integration – The Capital Energy Investment Project will impact positively council well-being objectives.
- Collaboration – Collaboration between the different parts involved in the Capital Energy Investment Project is key to the success of the project.
- Involvement - Involvement with building end users will be part of the Capital Energy Investment Project to achieving the well-being goals.

## **8. Financial implications**

### **8.1 Capital Energy Investment Project involve**

- Council has previously approved £1.3 million of capital funding for the Capital Energy Investment Project utilising prudential borrowing, with a payback period of 5 years.
- The Welsh Government has offered Salix funding for this project– which the Council previously used to replace its street lighting with energy efficient LED units. The advantage of this funding is that it is interest free, compared to prudential borrowing which includes a low interest rate, but there is a maximum payback period of 8 years and the cost of CO<sup>2</sup> must be less than £200 per tonne over the lifetime of the project.
- It is currently estimated that the energy saving measures to be implemented in the buildings listed in Appendix 1 will have a range of 5 to 8 years payback period.
- Officers will determine the most appropriate value for funding route and report back to council later this year.

## **9. Recommendation**

### **9.1 It is recommended that Cabinet:**

- Notes the content of this report;
- Gives approval to use the Re:fit Framework and to issue an Invitation To Tender using the Re:fit framework to select the service provider to deliver the capital energy investment project and associated saving measures;
- Delegate authority to the Deputy Leader and Cabinet Member for Resources to approve the award of the contract to the successful bidder under Scheme A of the Scheme of Delegation;
- Approve the adoption and implementation of the Corporate Energy and Carbon Strategy 2019.
- Delegate authority for any revisions required to the Corporate Energy and Carbon Strategy 2019 to be approved by the Corporate Landlord Project Board.

Zak Shell

Head of Operations – Community Services  
Communities Directorate

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**Background documents:**

None.

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## **Appendix 1: List of shortlisted buildings**

- Brackla Primary School
- Bridgend Bus Station
- Bryn Y Cae Care Home
- Brynteg Upper Comprehensive School
- Bryntirion Comprehensive School
- Bryntirion Infants School
- Caerau Primary School
- Cefn Cribbwr Primary School
- Llangynwyd Primary School
- Ogmore Vale Primary School
- Pencoed Comprehensive School
- Penybont Primary School
- Pil Primary School (Pil)
- Plasnewydd Primary School
- Porthcawl Primary School
- Raven's Court
- St Mary's & St Patrick's R.C. Primary School
- St Robert's R.C. Primary School
- Tondy Primary School - Juniors (Tondy)
- Trem Y Mor Offices
- West Park Primary School
- Ysgol Bro Ogwr

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## Corporate Landlord Energy and Carbon Strategy 2019

Distribution	
Zak Shell	Head Of Operations - Community Services
Fiona Blick	Strategic Asset Management and Investment Manager
Sally Elliott	Asset and Compliance Manager
Paul Thomas	Senior Manager - Total Facilities Management
Tim Washington	Temporary Head of Corporate Landlord

Version Control				
Version	Date	Author	Description of change	Approval
1.0	17.04.2018	Iain G	First Draft	
2.0	01.04.2019	J Porta	Comments from FB	FB
3.0	28.08.2019	J Porta		FB
4.0	16.10.2019	J Porta	Comments from KA	FB

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## 1. Why we need an Energy Strategy?

### 1.1. Introduction

Bridgend Council's Energy Strategy helps us to ensure value for money in the management of our operations and to fulfil our role as a community leader.

A low carbon and secure supply of energy is essential for our economy. We need energy to heat and light our homes, to power our businesses and to transport people and goods. At the same time, we need to design out energy waste, reduce energy consumption and minimise carbon emissions from the generation and distribution of energy to help combat climate change.

Energy is a significant spend area for Bridgend County Borough Council (BCBC), with annual expenditure exceeding £4m including gas and electricity used in buildings and street lighting.

The use of energy is vital in our operation and the provision of services to our community. It is essential that BCBC effectively manage energy consumption if we are to avoid the impact of price increases on the products and services we provide. In this context the case for investing energy efficiency has never been stronger and of course the cheapest energy is the energy we don't use.

## 2. Local Drivers

BCBC has setup an ambitious Corporate Plan that clearly sets out a small set of important and long-term priorities so that amongst all the complexity of increased demand and reduced resources BCBC can keep a clear focus on what is really important for our communities.

In relation to energy, The *Corporate Plan 2018-22* suggest the following priorities:

- **Priority One: Supporting a successful economy** - Working towards a Low Carbon economy.
- **Priority Two: Helping People to become more self-reliant** – Support to decrease energy wastage in our community buildings.
- **Priority Three: Smarter use of resources** – Improve control of resources and energy awareness

Additionally the *Asset Management Plan 2021* also supports these principles:

“To have a lean sustainable estate, that supports delivery of the best local services in Wales and enables BCBC to live within its means.”

### 3. Purpose and Vision

BCBC view to improve energy management should be focused on tackling the Energy Trilemma. Due to the increasing energy demand and the investment requirements to meet future energy scenarios, the Energy Trilemma is described by the following 3 variables:

- Energy **Security** – to guarantee a secure and constant energy supply based on growing demand
- Energy **Sustainability** – to maximise proportion of renewable energy sources and decrease carbon emissions
- Energy **Affordability** – to procure best deals on energy supply

Also the council needs to address the following needs:

- Meet its statutory responsibilities with regard to energy management and reporting.
- Respond to overall council budget pressures.
- Manage costs taking into account volatile energy markets and increases in energy prices.
- Demonstrate leadership in reducing carbon emissions.
- Reduce the impact we are having on the rate of global warming through the burning of fossil fuels.
- Reduce energy waste and costs.

As local authority funding changes and demand for services increase, continual improvement in energy and carbon management will contribute towards controlling and reducing energy, fuel and water consumption, and spend, contributing to development of the Council's financial resilience, and protection of front-line services.

### 4. Policy Aims and Objectives

BCBC should be focused on the following key objective:

- Minimise Co2 Emissions
- Reduce Energy Consumption and costs of our Estate
- Minimise Environmental Impact
- Encourage and promote energy efficiency
- Make use of Renewable/Low Carbon technologies where economically viable to reduce risk of supply, reduce costs and generate income to partially offset remaining costs.



## 5. Actions and Activities Plan

In order to meet our objectives a series of actions and activities have been identified which will enable the council to deliver the degree of improvement required. It is recognised that this may be achieved in eight key areas:

1. Comply with all relevant **legal and legislative requirements** relating to energy use, consumption and efficiency
2. **Optimise energy performance** of the BCBC Building Portfolio.
3. **Support schools** to reduce energy, costs and emissions
4. Improve engagement, **communications and training** about energy throughout all departments within the Council
5. **Engage with staff** to actively improve Energy and Costs saving
6. **Effective Metering and Monitoring** to effectively reduce avoidable waste
7. **Energy audits** to identify, quantify and prioritise energy saving opportunities
8. Increase participation of **renewable energy technologies** to decrease dependency on fossil fuels.

A co-ordinated and effective strategy and action plan will enable the development and implementation of specific defined activities and projects, delivering set reduction targets and savings.

The following paragraphs give more detail to the key areas listed above:

### 5.1. Legal and Legislative Requirements

The Energy Contracts Manager will monitor changes in legislation and national policies to ensure compliance with regulatory requirements.

### 5.2. Optimise the Asset's Energy performance

To ensure we optimise the energy performance of our building portfolio the Policy will focus on the following key areas:

- **Property Rationalisation** – The tools and processes put in place by the Asset Management Plan (AMP) 2021 facilitates a corporate approach for the release of surplus underperforming properties to achieve the aim of fewer but smarter buildings.
- **New build and Refurbishment** - New buildings will aspire to achieve high standards of energy management performance and environmental quality. In particular, new capital builds which lend themselves to innovative forms of sustainable design and demonstrate Best Practice will be actively encouraged. To this end, the Energy Unit will contribute actively to the development and delivery of major construction projects.

We will seek to minimise energy consumption associated with new buildings. This approach will include exceeding latest building regulations, specifying compliance with published good practice energy benchmarks from official sources, such as CLAW, DEFRA, CIBSE, RIBA and OGC and by making best use of low carbon design strategies and Passivehaus design strategies where appropriate.

- **Operations**-Improve energy efficiency of our procedures through efficient building operation.
- **Best Practise**-Identify best practice-operating protocols for energy efficient building use. Energy manager will focus on developing building specific energy plans and/or targets to ensure council owned buildings minimise excess energy use.
- **BEMS**-Effectively Manage BEMS (Building Energy Management Systems) in core buildings to keep running costs relating to Energy as low as possible.
- **Invest to Save**-Invest in energy efficiency/carbon reduction projects on a prioritised basis utilising internal and external financing.

### 5.3. Support Schools

Schools in BCBC account for 61% (2018) of the councils total energy consumption. Schools are therefore a key contributors to achieving our aims and objectives.

Going forward, our strategy is to help schools manage their energy and reduce the demand for energy, allowing schools more to direct spend (SLA) towards frontline services.

A new Energy Service Level Agreement has been created which aims to:

- Develop, modernise and future-proof our educational assets
- Reduce carbon emissions across the county and Country
- Make our educational assets more comfortable to work and learn in
- Reduce on-going and back-dated maintenance spend
- Reduce energy spend over the estate making significant, long-term savings for school and authority
- Provide on-going training and guidance for schools to determine how to reduce energy usage.

The Energy SLA can be split into the following parts:

- **Capital Investment Plan under SLA**

£1.3 million has been allocated for the Capital Energy Fund which will be used to invest in Energy Saving technologies and Infrastructure in Schools and Corporate Buildings.

Signing into this SLA will allow our energy partner to undertake a survey of targeted schools and identify opportunities to improve energy efficiency.

These opportunities will be prioritised and spend allocated to install energy and cost saving technologies reducing both our energy consumption and CO<sub>2</sub> emissions.

The benefit from the savings for the first five years, will be used by the council to repay the money it has borrowed to fund the scheme. Thereafter the school will receive 100% of the

savings in addition to the “free” mechanical and electrical upgrades the school will receive, such as modern lighting, more efficient boilers and improved insulation.

- **Operational Improvements under SLA**

Part of the service provided by BCBC within the Energy SLA is the analysis of electricity and gas consumption data using specialist Monitoring and Targeting Software Systemslink. This data will be used to:

- Identify the most energy efficient schools and those which need more help and encouragement.
- Investigate Increases in energy costs and data anomalies which can be caused by:
  1. Boiler Plant not programmed correctly or running continuously.
  2. Electric equipment left switched on or during periods of un-occupancy.
  3. Identify Equipment Faults

Other measures to maximise Carbon Cost saving in Schools will include:

- Targeting Schools with dissemination of Energy Wastage data and good housekeeping practises.
- Assisting schools in developing no cost /low cost Action plans by identifying key actions that can be undertaken to reduce Energy Costs.
- Develop a coordinated approach to carbon management within schools.
- Provide ongoing training and guidance for schools on how to reduce energy usage.

There is no investment cost in carrying out these actions other than staff time.

Any savings generated as a direct result of the Energy Unit intervention will be discussed and evidenced with heads, and once agreed the council will receive a one-off payment of 25-50% to cover the cost of implementing the change.

#### 5.4. Communication and Training

The behaviour of all staff and users of council buildings has impact on energy performance and utility costs. Their first main task in improving communication is creating a new communications plan. The plan will focus on utilising In house communication channels focused on the dissemination of energy good housekeeping practices in council buildings, aimed at staff and sub-contractors.

The communication plan will be achieved through a variety of activities and media, delivered through external, top-down and peer-to-peer communication. The key aims are as follows:

- Inform external stakeholders of the council’s activity in relation to carbon management
- Keep staff informed of carbon reduction aims, projects and progress
- Promote the changes staff can make to cut energy consumption via Intranet and emails
- Develop an intranet page focused on the dissemination of energy good housekeeping practises in council buildings aimed at schools
- Sharing good practise and success stories with staff
- Utilisation of energy reporting software to provide energy reports to key individuals in order to engage and drive down energy costs
- Electronic Suggestion Box where staff can:
  1. Report Signs of significant energy loss

2. To bring forward ideas regarding alterations to working practise, buildings, use of equipment that might further promote the Energy and Cost Saving
- Integrating energy efficiency into Council training and Staff induction programmes.
- Ensure building managers are trained to minimise their building's running costs and environmental impact

## 5.5. Engage with Staff

Energy Management is not the sole responsibility of the Energy Contracts Manager. **Energy Management is everyone's responsibility.**

The Energy Unit will aim to promote energy efficiency awareness and responsibilities to all staff as building users:

Each of the council services employees and contractors has a responsibility to:

- Where appropriate, consider the energy impact of their current projects/activities
- Consider how their behaviour impacts on the council's carbon footprint
- Act responsibly and use energy efficiently
- Electrical equipment – **Switch off** when not in use.
- Lighting – **Switch off** when not required.
- Heating - **Check** the room temperature first and then adjust controls, to the appropriate setting not to max. **Do not overheat rooms!**
- Cooling - **Check** is the heating on? Can you adjust controls before opening a window or switching on air conditioning?
- Communication – **Inform** facility management when you see a waste of energy or when you have an idea to reduce wasted energy. If you do not inform facility management, the issue may not be resolved.

## 5.6. Effective Metering and Monitoring

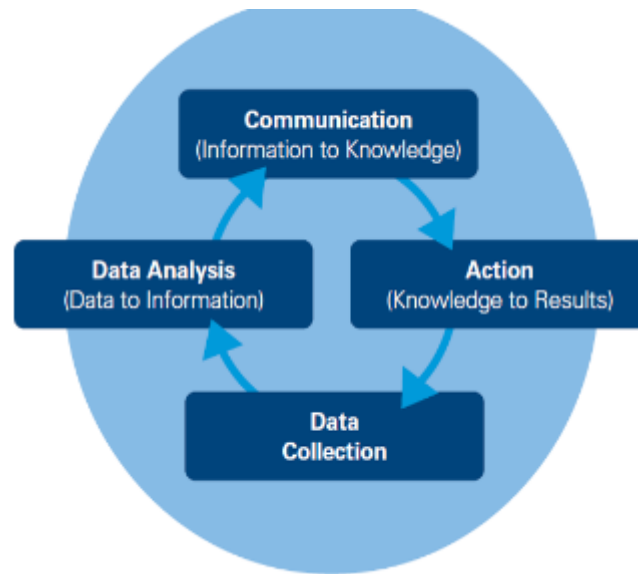
Energy metering and monitoring gives us a better understanding of the council's energy consumption and provides the opportunity to identify and tackle energy waste.

The primary function of any energy management system is to ensure that it is founded upon accurate energy consumption data. The Council has invested in Automatic Meter Reading Technology (AMR) on many of its larger energy meters. AMR allows for the consumption to be measured by the Energy Suppliers on a half hourly basis. The Council can access this data 24 hours later.

It is hoped that by monitoring and analysing this data we will be in a better position to:

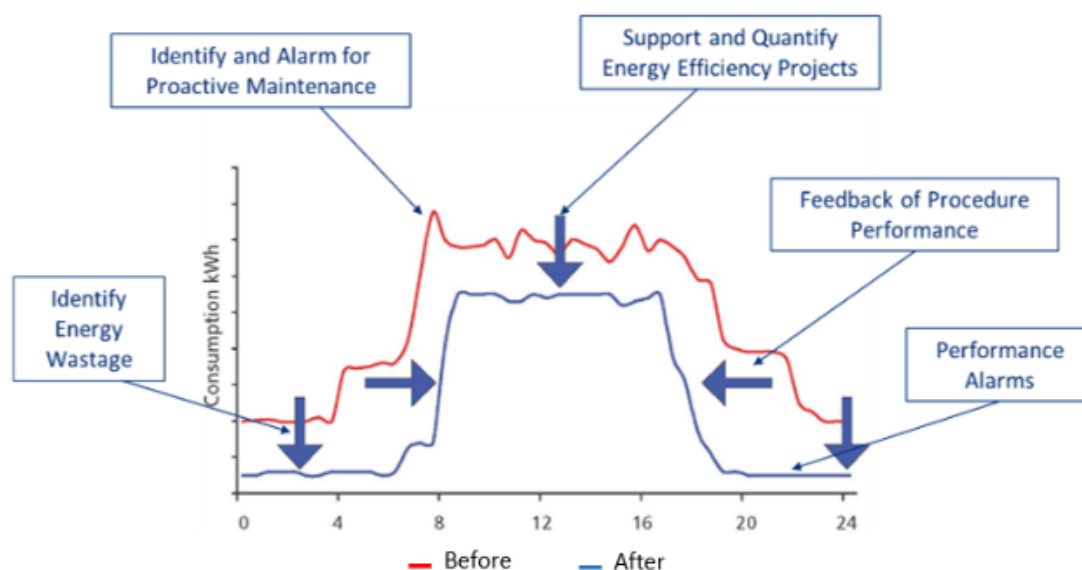
- Control energy usage and costs
- Identifying anomalies in consumption to allow any problems in a building to be corrected as soon as possible.

- Maintain occupant comfort resulting in additional benefits such as increased productivity in the workplace.



The following procedure will be implemented to reduce Avoidable Waste within BCBC:

1. **Data collection:** Collation of all metering data in Systemslink Software and Systemslink Web Portal.
2. **Data Analysis:**
  - Verify Accuracy
  - Convert raw data into usable forms (Filter/Organise)
  - Compare data with previous weeks/years
  - Identify areas of interest or concern



*You can achieve significant energy savings just by understanding your data. The red line on the graph shows the energy use over a typical day before any energy monitoring. The blue arrows highlight areas where energy savings may be achieved. The blue line demonstrates improved performance to be monitored and reported.*

### 3. Reporting:

- What are the results/key findings of the analysis?
- Summary of key findings to management with more detailed reports to key end users and responsible persons.
- Production of reports when excessive energy use is identified.

### 4. Action:

- Data reports are acted upon.
- Energy Audits carried out at problem sites.
- Energy cost saving action plan created and implemented.

### 5. Review and improve:

- Obtain feedback and Monitor Impact of energy action plan.
- Frequently refresh analysis and use the greater understanding that the data gives to support wider energy management initiatives.

The implementation of this procedure will result in identifying poorly performing buildings and energy waste, enabling resources to be targeted effectively and facilitate the development of an energy efficiency investment programme.

## 5.7. Energy Audits

The Energy Unit will aim to carry out periodic energy audits based upon energy monitoring data and poorly performing buildings.

These audits will aim to identify, quantify and prioritize tangible opportunities to reduce energy use, costs and carbon emissions in a building or on a site. The full co-operation of designated building managers and users will be required during these audits.

## 5.8. Renewable Energy Technologies

Promote the installation of renewable energy technologies across all existing buildings within BCBC portfolio to decrease dependency on fossil fuels and electricity from the grid.

BCBC should also aim to near zero emission buildings to all new buildings and therefore renewable technologies should be promoted. Most common renewable energy technologies are: solar thermal, solar photovoltaic panels, heat pumps (GSHP and ASHP) and, less likely, hydro and wind.

Also, ensure that when opportunities for the installation of renewable energy technologies are identified, business cases should reflect not only cost savings and payback periods but also lifetime saving carbon emissions and estimated annual increase on energy tariff in order to see the great potential of renewable energy technologies against the traditional fossil fuel alternative.

## 6. Conclusion

Achieving an affordable, low carbon and secure energy supply is vital for the future of the authority. As fuel costs continue to raise year on year, the importance of controlling our energy consumption and associated carbon dioxide emissions has never been so high.

The council needs to take action, to ensure we drive down our energy consumption, and look to provide local, low carbon energy sources. This strategy sets out the Corporate Landlord approach towards energy and carbon management and identifies key actions for the Council to take to deliver reductions in carbon emissions and energy costs of operating BCBC buildings.

It is hoped through this strategy Bridgend Council will see many benefits including improvements in energy efficiency, minimisation of avoidable wastage, recognition of the energy efficiency projects undertaken in different areas, and a greater understanding of how we can contribute to climate change mitigation.

This policy and strategy will be reviewed annually by the Energy Contracts Manager and revisions reported to the Corporate Landlord Project Board for approval.

## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO CABINET

22 OCTOBER 2019

### REPORT OF THE CHIEF EXECUTIVE

#### PLAYING FIELDS, OUTDOOR SPORTS FACILITIES AND PARKS PAVILIONS

##### 1. Purpose of the Report

- 1.1 The purpose of this report is to provide detailed feedback to Cabinet on the public consultation undertaken between 17 April and 10 July 2019 on proposals to make the Council's provision of playing fields, outdoor sports pitches and parks pavilions more financially sustainable moving forward.
- 1.2 In addition, this report puts forward recommendations to support a financially sustainable future provision of facilities and provides an update concerning current Community Asset Transfer (CAT) progress.

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

- 2.1 This report assists in the achievement of the following Corporate Priorities:-
  1. **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.
  2. **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 On 18<sup>th</sup> September 2018 Cabinet approved a consultation exercise on proposals to make the Council's provision of playing fields, outdoor sports facilities and parks pavilions more financially sustainable moving forward.
- 3.2 The provision of these facilities is recognised as playing an important contributory part in helping to achieve healthy lifestyles and better levels of physical and mental wellbeing for the County Borough's residents. The Council promotes and subsidises a range of measures intended to support and increase levels of participation in sport and physical activity.
- 3.3 The Council currently oversees 39 playing fields excluding areas that have already undertaken CAT and 40 pavilions, the majority of which are in a poor



state of repair. A list of pavilions and playing fields which are managed by the Parks Department has been included in **Appendix A**.

- 3.4 Historically the Council has charged a fixed hire fee for any formal hire of its outdoor sports facilities (excluding bowls facilities). However, these fees do not cover the cost associated with providing and maintaining these facilities. The level of subsidy the Council offers will vary depending on the nature of the users (senior or junior level) and the type of sport (for example, rugby, football, cricket, bowls). Additionally the quality of the facilities provided will vary to some extent based on factors such as the age of the asset, the requirements of the overseeing sports body and/or league, drainage facilities and frequency of use.
- 3.5 Many of the facilities are shared by a number of clubs and community groups as well as being accessible on an informal basis to the wider community. In contrast some facilities are used almost exclusively by a single club or community group. A number of bowls clubs already occupy their sports facilities under leases granted to them by the Council previously. These existing leases will require further review.
- 3.6 Currently there are Medium Term Financial Strategy (MTFS) proposals relating to this area of £69,000 in 2019-20 and a further indicative £369,000 in 2020-21. This is in addition to other historic financial cutbacks to the area of service over recent years that has reduced levels of service in some cases and overall resilience across the service. The level of savings required to meet the MTFS may require other measures in addition to the proposed introduction of full cost recovery, for example, rationalisation of Council funded children's play areas, and a reduced frequency or coverage of open space grass maintenance with both these elements of the service also forming part of the public consultation.
- 3.7 The Council established a £1 million Sports Pavilion Fund in February 2014 to encourage sports clubs to self-manage sports pavilions and to improve the condition of such assets by taking a lease of such facilities. Users would be able to take control of any repairs and maintenance and they would under the terms of their respective completed lease become responsible for the maintenance and repair of buildings and also for the payment of running costs, in line with their needs and expectations. This approach was approved by Council when the total legacy of repair for sports pavilions was estimated to be £3.85 million.
- 3.8 The Corporate Director Communities wrote to community groups and sports clubs on 16 October 2015 outlining the Council's Community Asset Transfer (CAT) policy, assets available for transfer, timescales and inviting expressions of interest in transferring Council assets which included sports pavilions and playing fields.

#### 4. Current situation / Proposal

##### Community Asset Transfer Update

- 4.1 Community Asset Transfer (CAT) has traditionally been undertaken in line with the Council's Asset Management Plan 2021: Community Asset Transfer Guidance Document.
- 4.2 The Council created a 3-year fixed-term CAT Officer post funded from the Change Management Fund in November 2015 to deal with enquiries, provide advice and guidance, oversee due diligence and to liaise with internal and external stakeholders. The Corporate Management Board (CMB) agreed to extend the CAT Officer post for a further 3 years from 31 October 2018, following a further bid to the Change Management Fund.
- 4.3 Since the appointment of a CAT Officer in November 2015 the following progress has been made in relation to CAT:
- 117 community organisations have contacted BCBC in respect of 98 different assets. The majority of enquiries to date have been received from sports clubs and associations in relation to the self-management of pavilions and playing fields;
  - 7 Town and Community Councils are currently progressing applications including public toilets, community centres, playing fields, and playgrounds;
  - 1 lease has been completed; 3 Licenses have been issued to two separate Town Councils to enable 3 public toilets to re-open; and 62 applications are currently "live" and subject to informal discussions.

A summary of completed transfers, and development of agreements/expressions of interest can be summarised as follows:

Progress Reached	No. as at 01/10/19	No. as at 31/12/18*
Completed CAT (Long Lease)	1	1
Licence to Occupy	3	0
Transfer Approved with Heads of Terms / Lease being Finalised	13	11
Renewable Management Agreement being Finalised	1	1
Expression of Interest Approved with Business Case being Developed	26	14
Informal Expression of Interest Received with Discussions Ongoing	25	17
Engagement on Hold at Request of Group	1	4
<b>Total</b>	<b>70</b>	<b>48</b>

(Figures reported to Overview and Scrutiny Committee 3 in January 2019)

- 4.4 The CAT Steering Group which is chaired by the Head of Operations - Community Services meets on a monthly basis and is represented by officers

from Communities Operations (Parks, Corporate Landlord and CAT Officer), the Education and Family Support Directorate, the Social Services and Wellbeing Directorate, Finance, and Legal Services. The Steering Group has responsibility for approving expressions of interests, business cases, support and funding by ensuring that any proposed CAT meets the Council's strategic priorities, operational requirements and future direction of travel. Approval to dispose of any council community asset under CAT has been delegated to the Strategic Asset Management and Investment Manager. However, more complex and contentious proposed CAT disposals are to be authorised either by the Corporate Director (Communities) or reported to Cabinet for approval.

- 4.5 The Sports Pavilion Fund outlined in paragraph 3.7 was re-designated as the CAT Fund and the scope for funding widened under the MTFS 2019-20 to 2022-23 to also include building works undertaken on other Council facilities such as community centres and public toilets, to support the CAT process. This is to ensure that as many buildings as possible can be kept open and provide long-term community benefits. To date four projects have been allocated funding from this source as follows:

Community Group	Asset	Purpose	Amount
Bryncethin RFC	Bryncethin Playing Fields	Develop a community centre	£110,000
Careau FC	Hermon Road/Metcalf Street Playing Fields	Refurbish the existing pavilion	£50,000
Pencoed Town Council	Pencoed Recreation Ground Pavilion	Repairs to enable pavilion to be re-opened	*£75,000
Carn Rovers	Cwm Garw Playing Fields	Pavilion repairs and security measures	£10,300

\* Maximum contribution agreed by Cabinet on 21 May 2019

- 4.6 Under the revised protocol approved by Cabinet on 25 July 2017, funding applications up to £50,000 from the £1 million CAT Fund can be approved by the CAT Steering Group with all sums in excess of this threshold being referred to Cabinet for approval. As identified under paragraph 3.7 in 2014 the total legacy of repair for sports pavilions was estimated at £3.85 million. At the time of drafting this report 5 pavilions are closed, the council are currently assessing if these pavilions are economically viable to repair (see **Appendix A**).
- 4.7 The Council entered into a joint contract with the Wales Co-operative Centre, Bridgend Association of Voluntary Organisations (BAVO), and the Coalfields Regeneration Trust following a full tendering exercise in December 2016 to provide business planning, legal structures, accounting for VAT and technical surveys and specialist advice to community groups to facilitate the CAT process. A total of 16 individual community organisations have benefited from this Business Support Contract with 45 assignments being undertaken at a cost

to date of £99,602 under both contracts. The CAT Business Support contract has been part funded by the LEADER Local Development Fund (Project TRC-28) for groups requiring support located in a Rural Development area. The joint contract expired on 31 March 2019 and a re-tender exercise was undertaken. The new joint business support was awarded to the Wales Co-operative Centre and Coalfields Regeneration Trust for a 2 year period with an option for an additional year's extension to the contract period.

4.8 The CAT Task & Finish Group was established by the CAT Steering Group as a direct response to the recommendations made by Members of the Overview and Scrutiny Committee 3 on 17 January 2018 relating to the CAT report presented by the Corporate Director Communities with the primary objective of providing strategic direction in respect of the Council's CAT Programme and associated policies, systems and processes.

4.9 The main recommendations arising from the CAT Task & Finish Group which concluded their review in February 2019 can be summarised as follows:

- A List of assets available for CAT should be maintained and periodically reviewed and updated;
- Asset data (compliance, condition survey and operating costs) should be issued to community groups at the earliest opportunity;
- Model Heads of Terms and template Leases for particular asset groups should be utilised wherever possible with a "take it or leave it" approach being adopted;
- The submission of income and expenditure projections for a minimum of a 5-year period should suffice for the majority of community asset transfers but detailed business plans should still be requested for complex projects;
- A risk based approach should be adopted for the Business Diagnostic Assessment undertaken upon community groups/sports clubs and the assets being subject to CAT;
- Town and Community Councils and established community groups/sports clubs should have their applications fast tracked particularly where the asset subject to CAT is in a compliant condition. The risk based approach will enable a risk matrix to be produced identifying suitability for fast tracking.

4.10 The Task & Finish Group also recommended to Cabinet in the report approved on 23 July 2019 that the priority of assets for CAT be refined so that savings under the MTFs can be prioritised accordingly:

Priority 1	<ul style="list-style-type: none"> <li>• Sports Pavilions</li> <li>• Playing Fields (excluding school playing fields) and Bowling Greens</li> <li>• Community Centres</li> </ul>
Priority 2	<ul style="list-style-type: none"> <li>• Playgrounds / Play Areas</li> <li>• Free Car Parks</li> <li>• Allotments</li> </ul>
Priority 3	<ul style="list-style-type: none"> <li>• Miscellaneous Assets</li> </ul>

- 4.11 The Council's CAT Policy document has been amended to take account of the changes recommended by the Task & Finish Group.
- 4.12 A List of CAT Priority 1 Assets available for CAT either under long-term leases or short-term management agreements has been prepared to take account of future development potential of sites (updated Local Development Plan and the Schools Development Plan), and the generation of capital receipts. This List of CAT Priority 1 Assets will be subject to regular review and updating by the Corporate Landlord in consultation with the CAT Steering Group and Cabinet. Also the CAT group are to consider management of sites that have multiusers such as Newbridge fields.
- 4.13 Recommendations made by the CAT Task & Finish Group, the revised CAT Policy and CAT Priority 1 Asset List were approved by Cabinet on 23 July 2019.
- 4.14 Resourcing shortages were noted by the Task & Finish Group as being a contributory factor in the delay in processing CAT transfers and the staff resources required to progress multiple CAT's within agreed timescales for the influx of CAT's required under the MTFS is being assessed by the Head of Operations Community Services with any proposed changes needing to be subject to the development of a business case which will be presented to the Corporate Management Board for funding approval. . The "Team" approach adopted by other local authorities to manage multiple projects whereby multi-disciplinary staff (e.g. Property, Legal, Parks and CAT Officer) work together is also favoured by the Task & Finish Group going forward and will need to be adopted.
- 4.15 In addition to the funding provided by the Council to assist sports clubs/community groups with repairs and refurbishments of buildings (outlined at paragraphs 3.7 above) it is evident from discussions with sports clubs that capital investment in plant and machinery to facilitate the self-management of playing fields and bowling greens is likely to be required.

### **Consultation on Proposals**

- 4.16 A consultation on the proposals was carried out to gather views and opinions on the potential impact of the changes in order to meet the proposed budget reduction, as part of the Council's MTFS.
- 4.17 The consultation document is appended to this report at **Appendix B**, and below are some of the salient points:
- The consultation was available to complete online and paper copies were available on request by telephone or email. The consultation ran from 17 April 2019 until 10 July 2019.
  - The consultation was communicated to Town and Community Councils, advertised on the Council's website and the Council's

corporate Twitter account 23 times throughout the period of consultation, with the information being viewed 51,950 times.

- A series of 4 Facebook postings on the Councils corporate Facebook page were placed during the period of the consultation to raise awareness and also encourage citizens to share their views on the proposals. The posts were seen 65,758 times.
- Posters promoting the consultation were sent to all sports groups and pavilion coordinators and also circulated to the library services for use in their 12 branches.
- A total of 1,830 responses were received. During the period, there were 329 social media interactions, 1 letter and 9 emails.
- There were 2,169 interactions representing 1.5 percent of the Bridgend County Borough population.

### **Responses to the consultation**

4.18 Play area provision consists of 108 play areas that have fixed play equipment. The consultation sought views on the impact in changes of such provision. Salient feedback from the consultation indicated that:

- A majority of respondents (94%) indicated that they value play equipment with 57% of respondents indicating that they would be willing to travel up to one mile to access such facilities and 28% indicating they would be willing to travel up to three miles to access facilities.
- 56% of respondents did not support concentrating on strategic play areas rather than play areas in residential areas. 64% indicated that vandalised equipment should be continually repaired.
- 71% of respondents supported local Town or Community Councils taking responsibility for operating the local play areas.

4.19 In relation to the management of grassland the consultation sought views on two proposals:

- Proposal – reduction in Road verge/Open grassland maintenance from 7 to 5 times a year.
- Proposal – reduction in parks grass cutting from 16 to 12 times per year.

Salient feedback from the consultation indicated that:

- 51% of respondents indicated that they agreed with the proposal to reduce grass cutting of open spaces and road side verges.

- 50% of respondents indicated that they did not agree with the proposal to reduce grass cutting of parks.
- 55% of respondents agreed that some grass open space should remain uncut and return to a more natural habitat.

4.20 In relation to the proposal to increase hire fees for the use of playing fields, sports facilities and sports pavilions to enable the full cost of provision to be recovered in respect of:

- 43 football pitches
- 25 rugby pitches
- 6 cricket squares
- 14 bowling greens
- 40 Pavilions

Salient feedback from the consultation indicated that:

- The most popular use for playing fields was general recreation 33%, followed by football 25%; rugby 21%; pavilion use 8%; cricket 6%; and bowls 6%.
- 47% of respondents indicated that Town and Community Councils should consider taking responsibility for running and self-management of playing fields and or sports pavilions.
- 43% indicated that sports clubs or community groups should consider taking responsibility for the self-management of playing fields and/or sport pavilions compared to 28% who did not endorse this approach.
- 50% of respondents indicated that sports clubs or community groups taking responsibility for self-management should be allowed to erect fences around the perimeter, with 24% indicating that enclosing of playing fields should not be permitted.
- Other commentary from the consultation has indicated that increase in hire fees may impact on the sustainability of sports clubs or community groups and the ability of people to pay such fees with implications to health and antisocial behaviour.

### **Consideration of Consultation Feedback**

4.21 On the 5<sup>th</sup> September 2019 a report was presented to Subject Overview and Scrutiny Committee 3 to consider the outcome of consultation proposals for the Council's provision of playing fields outdoor sports facilities and parks pavilions. In specific reference to the report, Members of the Committee raised the following points

- Implications to potential fencing off of public open space
- Implications over local council tax precept being potentially impacted if community or town council took over the running of play areas
- General support for reductions in frequency of grass cutting but leaving areas uncut also required effective management
- Implications over the standard of maintenance of playing fields once transferred to community groups
- Raised the issue of addressing subsidies applied within other areas of the authority
- Implication of reduction in green spaces and compatibility with future generations act.
- Requested further breakdown of costs / charges relating to pitch and pavilion provision

### **Proposals in regard of Play area provision**

- 4.22 It is evident from the consultation that children's play provision is valued and is felt that inclusion within the 'residential' environment is important.
- 4.23 It is suggested that with 71% of respondents supporting local Town or Community Councils taking responsibility for operating the local play areas that there would be a benefit from further dialogue where such sites maybe suited for CAT transfer to enable community ownership of its play facilities to be protected in future.
- 4.24 It is considered that where play areas are not transferred that there may be a decline in the ability to replace or enhance play equipment, and thus the play experience may be impacted.
- 4.25 It is envisaged that local ownership of play areas would encourage a better response to community needs and provide a more varied offer to that is available at present. The Council's Play Sufficiency Assessment and Action plan considers the wide remit of play and that there is a need to promote play value and to improve the understanding of this with partners and thus better use of these assets within communities.
- 4.26 In 2017 an audit of Outdoor Sport and Children's Playing Space was carried out by BCBC Planning Department for the purposes of its preparation of its Local Development Plan (LDP). It identified that whilst there was an overall surplus on playing space across the County Borough, when viewed from the perspective of individual wards there was a deficit against the standards endorsed by Fields in Trust (FIT). FIT is an independent charity that works to protect parks and green spaces.
- 4.27 Whilst the purpose of the Outdoor Sport and Children's Playing Space audit is to assist in the interpretation of LDP Policies and provide evidence and justification in seeking appropriate future planning obligations from developers,



it does provide an indication of actual provision within the County Borough against the FIT advisory standards.

- 4.28 It is considered that officers will continue to promote CAT of children's play areas to relevant Town and Community Councils.

**Proposal to maintain open grassland and highway verges reducing from 7 to 5 times a year**

- 4.29 The consultation indicated an acceptance of improvement to ecology, with 51% of respondents in support of a reduction in grass cutting in open green spaces and road verges. Concerns to the proposal included the potential for sites to look 'untidy' as well as road safety concerns.
- 4.30 In terms of highway safety it is considered that the reduction in cut frequency should not unduly impact vision splays and encroachment and in terms of visual impact there would be a marginal visual impact of arisings.
- 4.31 Accordingly it is considered that it would be appropriate to reduce grass cutting for roadside verges and open grassland from 7 to 5 times a year and where areas are identified for discontinuing of grass cutting that this is referred to the Cabinet Member for Communities for approval.

**Proposal to reduce parks grass cutting from 16 to 12 times per year**

- 4.32 The consultation indicated that 50% of respondents did not support a reduction in grass cutting of green spaces, with 39% indicating they were in agreement of such a measure. Cited amongst the responses were potential for the reduction in cuts preventing playing and use of sports facilities, safety issues, and the importance of maintained play areas as well as dog fouling within areas.
- 4.33 In consideration of the responses this measure is not specifically aimed at sports facilities (rugby football etc.) that would have to be managed according to the overseeing sports body. This is potentially further reflected in the responses in regard of sports playing fields being used for general recreation purposes.
- 4.34 This proposal in reducing parks grass to be cut by 4 times in a year is for general grassed areas and in effect means grass being cut 12 times during its growing season.
- 4.35 In terms of grass cutting visual impact there would be more cuttings present after mowing.

**Proposal to increase charges for use of Sports playing fields and sports pavilions to enable the cost of provision to be covered.**

- 4.36 The responses to the consultation indicated that there are concerns regarding the proposals to increase hire fees. The perceived impacts revolve around the level of fee charging and how this would be funded especially by smaller sports

clubs or community groups. There was a suggested implication that some sports clubs or community groups may cease to operate.

- 4.37 The implications for sport and active recreation in a changing economic environment was considered by Welsh Government and Sports Wales, and a paper with their conclusions was published in March 2016 "*Facilities For Future Generations A Blueprint For Sports And Active Recreation In Wales*". The report recognised that revenue costs for community facilities and sports clubs needed to achieve a breakeven / self-sustaining position.
- 4.38 The paper looked across a range of ways that provision could be provided and included the potential to utilise other community assets such as schools and leisure centres in the wider provision of sports and activities that could potentially link in with changes to lifestyle and community expectation.
- 4.39 Within the consultation responses received there was a strong indication that there is an acceptance that community groups should consider, self-management of playing fields and sports pavilions. The Councils CAT transfer process can assist in such ambitions by offering support to organisations contemplating such development as indicated in section 4.7 of this report.
- 4.40 It is the case that rather than increasing fees the Council are offering the option of CAT transfer, which may have the opportunity for sports clubs or community groups to organise their own pitch/facility maintenance which may deliver a more cost effective solution to individual organisations. However, this may not be to the same standard that the Council provides.
- 4.41 In the event that sports clubs or community groups are unable to undertake a CAT then the proposed increased fee levels would apply as indicated in **Appendix E**. These fee charges reflect typical annual maintenance and running costs for both playing fields and pavilions. However, these would need to be tailored by the anticipated usage of individual clubs and organisations. However, the figures and activities offer a reasonable guide to current expenditure against current levels of subsidy.
- 4.42 If this proved unsustainable for the respective sports club or community group then it may be the case that another user may wish to take advantage of the offer by providing similar or alternative usage of the facility. Failing this, in the case of a playing field the management of the area would change from that of a playing field to one of general recreational use.

## **5. Effect upon Policy Framework& Procedure**

- 5.1 The Report does not have any impacts on policy framework and procedure rules.

## **6. Equality Impact Assessment**

- 6.1 A full EIA has been completed and is attached at **Appendix C**.

6.2 In particular, the assessment suggested the following:

- Gender: It is considered that the majority of cricket, football and rugby have more male participants currently than female, so that they may be more adversely impacted if clubs are unable to CAT or fund increased fee charges.
- Disability: It may be the case that the impact may be significant dependent upon individual disabilities.
- Age: It is suggested that there may be impact on child development, health and antisocial behaviour. Although no specific age group is identified, the responses suggest that there may be a specific impact on both younger and older persons.

## **7. Wellbeing of Future Generations (Wales) Act 2015 Implications**

7.1 An assessment has been completed and appended to the report as **Appendix D**.

7.2 In particular, the assessment suggested the following:

- **Long-term**
  - The proposal seeks to remove subsidy which the Council can no longer sustain with the potential of the respective sports clubs paying an increased rate to enable the Council to recover the costs for their occupation of pavilions and playing fields to provide a sustainable basis for such provision.
  - Rationalise grass cutting to a more sustainable level
  - Play areas rationalised to a more sustainable level
- **Prevention**
  - The provision of sports facilities, play areas and parks grass cutting is generally a non-statutory function of the Council, so the proposal enables scarce resources to be directed towards those areas of service that are a statutory duty.
- **Integration**
  - The outcomes sought are to direct funding appropriately, with sports clubs/community groups more directly funding the cost of the provision themselves. This can be enabled in transferring a community asset to such groups for them to run and maintain in order for them to continue operating their sport or activity. Likewise for play areas that could be transferred to respective communities.
- **Collaboration**
  - The Parks Department works with various sections of the Council including Regeneration, Planning and Development in considering wellbeing objectives.

- Working with Sports Groups and Town and Community Councils in providing funding to source assistance for groups who are considering taking over facilities in regard of preparing business plans and/or facilities improvement grant to assist in asset transfer.
- **Involvement**
  - As part of the consideration of the proposals, a 12-week public consultation was undertaken. The consultation was made available online, as well as paper copies being available on request.
  - All Town and Community Councils were sent the on-line link for the survey to share with their communities.
  - Promotion of the consultation was available on the BCBC website and via social media networks.
  - All comprehensive schools within the County Borough were offered the opportunity for their students to engage with the consultation during the live period.
  - The responses from the consultation will be the subject of a report to Cabinet.

## **8. Financial Implications**

- 8.1 There are MTFS proposals relating to this area of Service of £69,000 in 2019-20 and a further indicative £369,000 in 2020-21. This is in addition to other historic financial cutbacks in the area of service over recent years that have reduced levels of provision in some cases and overall resilience across the service.
- 8.2 The proposals are intended to ensure that the savings included in the MTFS can be met by securing additional income from users paying the increased hire fee charges and/or more significantly by encouraging the self-management of facilities under CAT and reducing the overall maintenance and management costs to the Council. The increased fee charges users would be expected to pay compared to current fees is shown in **Appendix E**.
- 8.3 In order to achieve the full level of saving currently proposed in the MTFS it will also be necessary to review and consider a rationalisation of children's play areas throughout the County Borough and/or to transfer equipped play areas to Town and Community Councils, and with discussions already progressing at the instigation of Bridgend Town Council, Coity Higher and Laleston Community Councils.
- 8.4 The current grant arrangements paid to bowling clubs as part of their self-management arrangements would also need to be discontinued and the current

bowls green maintenance arrangements included in existing leases to be re-assessed.

## **9. Recommendations**

9.1 It is recommended that the Cabinet approve the following:

- Reduction in grass cutting for roadside verges and open grassland from 7 to 5 times a year
- Delegation to the Cabinet Member for Communities of approval of identified area where grass cutting can be discontinued.
- Discontinuing grant arrangements and regularising existing lease arrangements with Bowls Clubs to reflect the principles of full cost recovery.
- Increase fee charges from September 2020 to users of facilities to enable full cost recovery for the provision of Playing fields and Pavilions as outlined in **Appendix E** in the event where facilities do not form part of a Community Asset Transfer.(this will delay realisation of the MTFS savings proposed by six months)
- Delegation to the Cabinet Member for Communities of approval for a separate strategy for Newbridge fields.

9.2 It is recommended that Cabinet note the following:-

- That officers will continue to promote Community Asset Transfer of children's play areas to relevant Town and Community councils.

**Mark Shephard, Chief Executive**  
**October 2019**

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**Group Manager Highways and Green Spaces**  
**Telephone: 01656 642535**  
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**Background Documents:** Report to Cabinet on Playing Fields, Outdoor Sports Facilities and Parks Pavilions 18<sup>th</sup> September 2018

**Playing Fields and Pavilions managed by the Parks Department.**

<b>Name</b>	<b>Pavilions</b>
Aberfields	1
Bettws	1
<b>Blaengarw Cricket</b>	<b>1</b>
Blandy Park	1
Brackla	0
Bryntirion	1
Cae Gof	1
Caedu Park	0
Caerau A.F.C.	1
Caerau Welfare Park	1
<b>Coychurch</b>	<b>1</b>
Croft Goch	1
Cwm Garw	1
Evanstown	1
Garth Welfare Park	1
Great Western Avenue	1
Griffin Park	0
Heol-y-Cyw	1
Hermon Road / Metcalf Street	1
Lawrence Park	1
<b>Lewistown</b>	<b>1</b>
Litchard Cross	0
Llangeinor	1
Llangynwyd	1
Locks Lane	0
Maesteg Welfare Park	1
North Cornelly	1
Nantymoel RFC	1
Newbridge Playing Fields	3
Ogmore Vale RFC	1
Pandy Park	1
<b>Pencoed Recreation Ground</b>	<b>1</b>

Name	Pavilions
<b>Pwll-y-Garn</b>	<b>2</b>
Pyle Welfare Park	0
Rest Bay	1
South Parade	1
Tudor Park	0
Waunllwyd	0
Woodlands Park	1

Includes pavilions where bowls pavilions is integral with the sports pavilion.

Excludes standalone pavilions managed by clubs or third parties.

**Pavilions in bold currently closed.**

## Play area and grass cutting review and potential increased charges for the use of sports fields, and sports pavilions consultation 2019

### Consultation report

**Date of issue:** 01 August 2019



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## 1. Overview

The consultation received 2169 responses from a combination of the consultation survey (1830 responses), 329 social media interactions and one letter and nine emails. This paper details the analysis associated with the consultation.

## 2. Introduction

A public survey based on Bridgend County Borough Council's Play area, grass cutting review and potential increased charges for the use of sports fields and sports pavilions was conducted over a 12 week period between 17 April 2019 and the 10 July 2019. The survey was available to complete online on the consultation page of the council's website. The survey was available in English, Welsh and as an accessible version in both languages. Residents could also request a paper copy or another alternative format by telephone or email.

In total, there were 43 questions which required a reply from respondents. All survey responses offered the option of anonymity. The council's standard set of equalities monitoring questions were also included with the survey, this is recommended good practice for all public facing surveys carried out by the council.

The content of the consultation remains available online in closed consultations.

Comments regarding the consultation were also invited via social media, letter, email and phone call.

## 3. Promotional tools and engagement methods

This section details the specific communications and engagement methods used to reach people and encourage them to share their views during the consultation period.

### 3.1 Social media and online

Facebook, Twitter and LinkedIn have widely been used to promote the consultation.

Information was posted to the council's corporate Twitter accounts throughout the consultation period to raise awareness of the consultation and to encourage citizens to share their views on the proposals. The council currently has 11,578 followers on its corporate Twitter accounts. During the period, the authority 'tweeted' 23 times and the information was seen 51,950 times.

Information was also posted to the council's corporate Facebook page during the consultation period to raise awareness of the consultation and to encourage citizens to share their views on the proposals. The council currently has 12,503 followers. During the period, the authority posted four times on Facebook and the posts were seen 65,758 times.

Information was also posted to the council's corporate LinkedIn page throughout the consultation period to raise awareness of the consultation and to encourage citizens to share their views on the

proposals. The council currently has 3,032 followers on LinkedIn. During the consultation period, the authority posted three times on LinkedIn and the posts were seen 2,503 times.

An image was placed on the news page of the council website and the intranet homepage which linked through to the consultation webpage and survey.

### 3.2 Local press

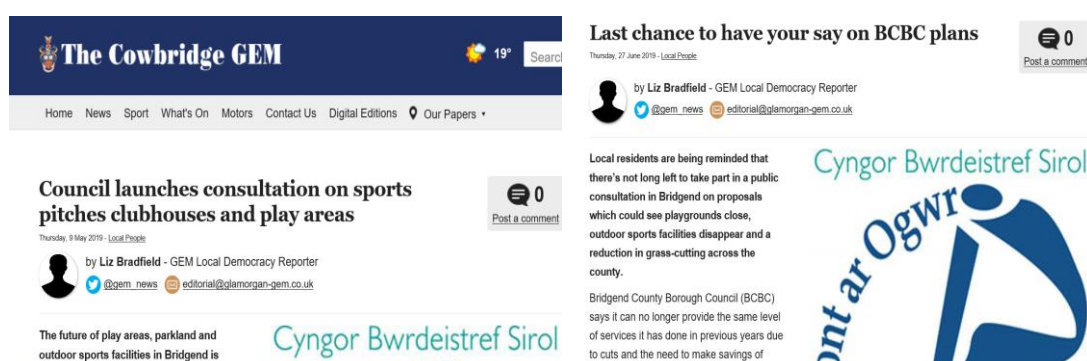
Details of the consultation were sent as part of press releases emailed to local and national press in advance of and during the live period:

Media releases:

- 25 04 19 Sports pitches and pavilions consultation begins
- 17 05 19 Don't miss your chance to have your say
- 18 06 19 Have your say on sports pitches and pavilions
- 02 07 19 Deadline approaches for pitches, pavilions and play grounds

Coverage Examples:

- 12 02 19 Wales Online [Outdoor sports facilities and libraries under threat](#)
- 01 05 19 Wales Online [Sports pitches could be closed to public due to funding cuts](#)
- 09 05 19 Bridgend Gem [Council launches consultation on sports pitches clubhouses and play areas](#)
- 27 06 19 Glamorgan Gem [Last chance to have your say on BCBC plans](#)
- 25 07 19 News Wales [Sports Pitches and Pavilions Consultation Begins](#)



### 3.3 Community engagement/meetings/events/schools

Local community, equality and diversity groups were given details of the consultation proposals and told how to share their views.

All comprehensive schools within the County Borough were offered the opportunity for their students to engage with the consultation during the live period. A group of students from Llangynwyd Comprehensive School (29) took part in a clicker pad session and their responses were analysed as part of the main findings of this report.

All other comprehensive schools were sent the link to complete the surveys online.

### **3.4 The play area and grass cutting review and potential increased charges for the use of sports fields, and sports pavilions consultation survey**

The online and paper surveys contained 43 questions which required a reply from respondents.

The survey contained three sections:

- Play area review;
- Grass cutting review;
- Potential increased charges for the use of sports fields, and sports pavilions.

Respondents were given the option of which sections they wanted to complete. Respondents could complete one, some or all of the sections.

The survey was available on the council's website and was sent to all 1124 Citizens' Panel members.

Surveys were readily available in English and Welsh and as an accessible versions in both languages. Alternative formats were available on request.

### **3.5 Posters**

Posters promoting the consultation were sent to all sports groups and pavilion coordinators. Posters were also circulated to the library service for use in their 12 branches.

## **4. Response rate**

In total, there were 2169 interactions, representing 1.5 per cent of the Bridgend County Borough population. The response rate has been divided into several areas including: consultation survey responses, emails and social media interactions:

- We received 1830 survey responses in total (1664 online submissions and 166 paper versions);
- During the consultation period, there were 329 interactions on our social media channels;
- Nine comments were received by email;
- One letter was received (appendix one).

## **5. How effective was the consultation?**

The play area and grass cutting review and potential increased charges for the use of sports fields, and sports pavilions consultation was conducted over a twelve week period in which a range of marketing methods were used to create awareness of the consultation and encourage members of the public to engage with the council.

The social demographic data reflects a good cross section of the County Borough's population, 97 percent of survey respondents lived within the County Borough.

The data collection methods, which include the online survey, a paper survey and an accessible survey, were all developed using plain English to maximise understanding. These response methods were designed to give a consistency to the survey across multiple platforms.

## 6. Headline figures

- 6.1 12% of respondents said that they used council play areas daily and a further 35% stated that they used council play areas weekly.
- 6.2 The most commonly used play areas were Newbridge Fields, Maesteg Welfare Park and Broadlands.
- 6.3 57% respondents stated that they would be prepared to travel up to one mile to use a playground. This was followed by 28% of respondents stating that they would be willing to travel between two and three miles to use a playground.
- 6.4 74% of respondents stated that play areas with fixed play equipment were very valuable, and a further 20% stated that they were valuable.
- 6.5 64% of respondents told us that they did think that the council should continually repair equipment that gets frequently damaged through vandalism or anti social behaviour.
- 6.6 56% of respondents did not support the council concentrating funding and maintaining large playgrounds or play areas strategically located across the county borough rather than play grounds and play areas in residential areas.
- 6.7 71% of respondents supported the local town or community council taking over responsibility for operating the playground or play areas in the locality.
- 6.8 51% of respondents stated that they did agree with the proposal to reduce grass cutting in open spaces from seven times per year to five times per year.
- 6.9 50% of respondents did not agree with the proposal to cut grass cutting in play areas from 16 times per year to 12 times per year. 39% of respondents did agree with this proposal.
- 6.10 55% of respondents agreed with the proposal to leave some open spaced grassed areas to remain uncut and return to a more natural habitat.
- 6.11 The most popular use for council playing fields and pavilions was general recreation (33%), followed by football (25%) and then rugby (21%).
- 6.12 The most commonly used football clubs were Llangynwyd Maesteg (55) followed by Woodlands Avenue Pencoed (38) and then Newbridge Fields Bridgend (34).
- 6.13 The most commonly used rugby clubs were Newbridge Fields Bridgend (81), followed by Cae Gof Cefn Cribwr (33), and then Pandy Park Aberkenfig (31).
- 6.14 The most commonly used cricket clubs were Garth Welfare Park Maesteg (27), and Newbridge Playing Fields Bridgend (27), and then Porthcawl Cricket Club Porthcawl (5).
- 6.15 The most frequently used bowling greens were Newbridge Fields (25), followed by Waunllwyd in Nantymoel (10) and then Maesteg Welfare Park (7).
- 6.16 When asked about the impact if fees increased the most frequent comments received were less use of facilities and potential loss of clubs (354), followed by people won't afford the costs (297) and then causes further problems elsewhere such as health problems and anti-social behaviour (167).

- 6.17 47% of respondents agreed that town and community councils should consider taking responsibility for the running and self-management of sports pitches and or pavilions.
- 6.18 43% of respondents agreed with the proposal that sports clubs or pavilion groups should consider taking the responsibility for the running and self-management of sports pitches and or pavilions.
- 6.19 When asked if respondents felt that the phasing in of full cost recovery over a number of years would assist sports clubs/groups to explore the option of taking responsibility for the running and self-management of sports pitches and/or pavilions, 41% of respondents stated that they did think this would assist.
- 6.20 When asked what kind of support would assist clubs to undertake a CAT the most frequent comments were free training/courses and legal advice (151), followed by funding/grants and financial support (137) and then upgrade/repair facilities/ provide funding for equipment (72).
- 6.21 50% of respondents stated that sports clubs or groups that take responsibility for the running and self-management of sports pitches should be able to erect a fence around the perimeter of the pitch. 24% did not agree that they should be able to do this and 19% were unsure.
- 6.22 Finally respondents were given an opportunity to make final, overall comments. The most frequent comments were negative impact on health, wellbeing, communities & sport (101), followed by disagree with proposals (council should keep assets) (65) and then save money somewhere else (41).

## 7. Question and analysis - consultation survey

Section seven of the report looks at the questions asked in the consultation survey – with 1830 respondents in total.

### 7.1 Please select a language to begin the survey.

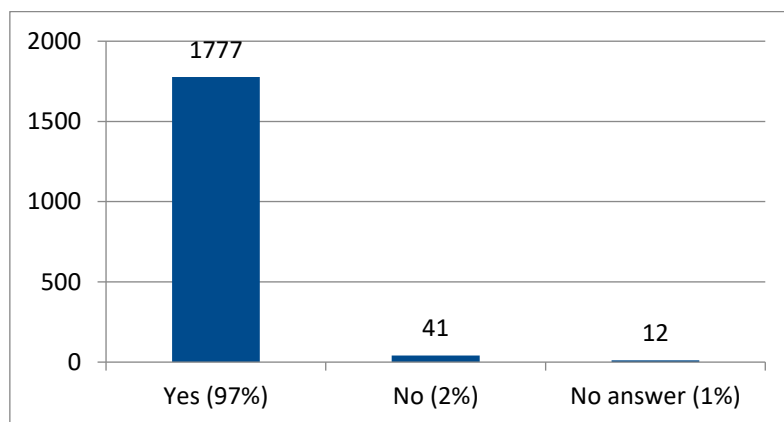
Respondents to the consultation survey were initially asked in which language they would like to complete the survey. Overall, 99.5% of respondents selected English with 0.5% selecting Welsh.

Language	#	%
English	1821	99.5
Welsh	9	0.5
<b>Total</b>	<b>1830</b>	<b>100.0</b>

## 7.2 About you

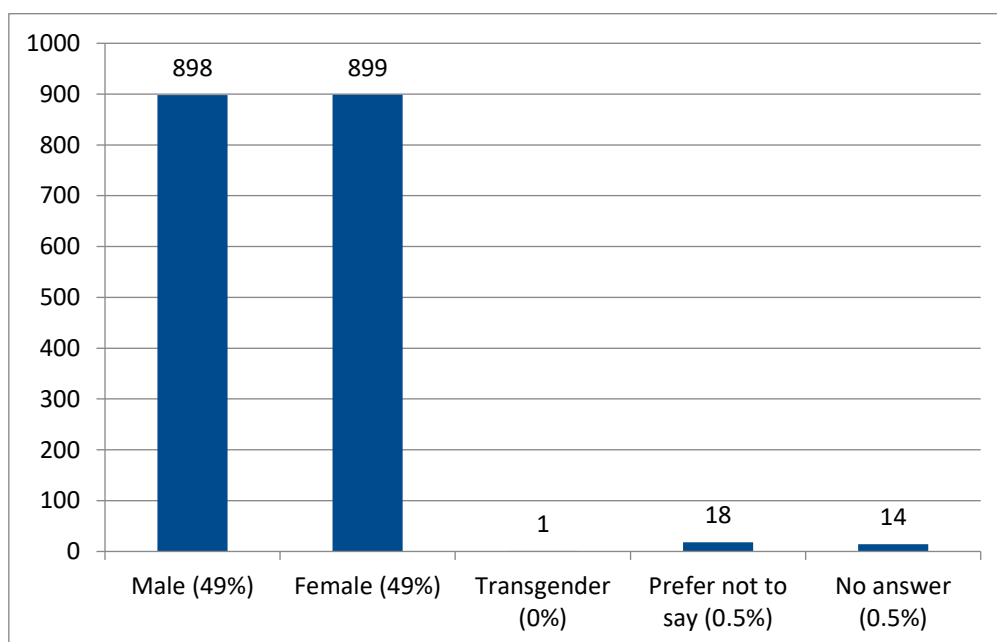
### 7.2.1. Do you live in Bridgend County Borough?

1830 respondents completed this section



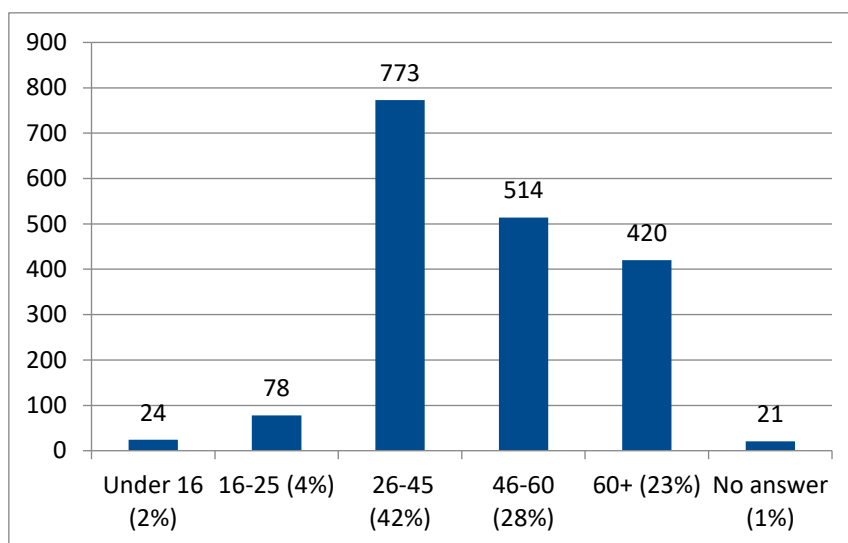
97% of survey respondents lived within the County Borough, a further two percent stated that they did not live in the County Borough and one percent did not provide a response to this question. This consultation was aimed at anyone accessing sports services within the County Borough which explained why 41 responses were received from residents from outside the borough.

### 7.2.2 What is your gender?



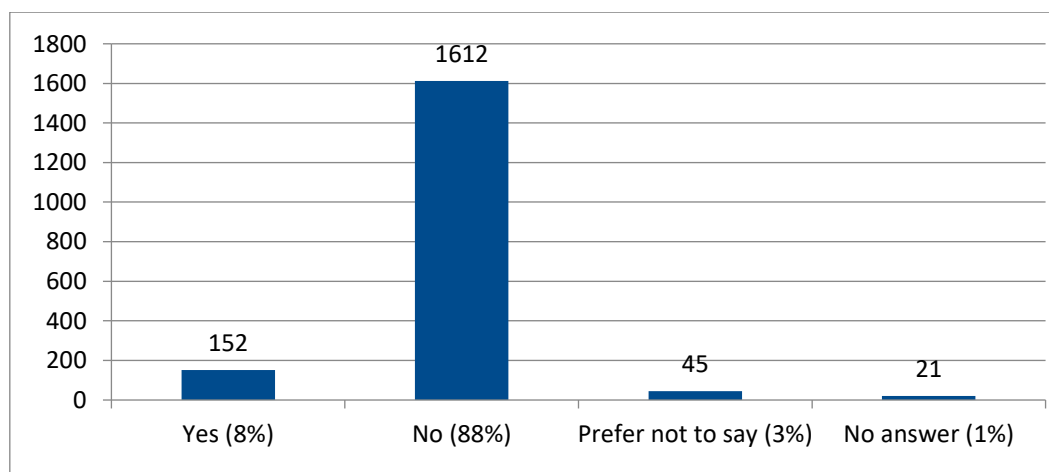
49% of respondents were female and 49% male. 0.5% stated that they preferred not to give their gender and 0.5% did not respond to this question. One respondents stated that they were transgender.

### 7.2.3 Please select your age category



The majority of respondents were aged between 26 and 45 (42%), followed by those aged 46-60 (28%) and then 60+ (23%).

### 7.2.4 Do you consider yourself to be disabled?



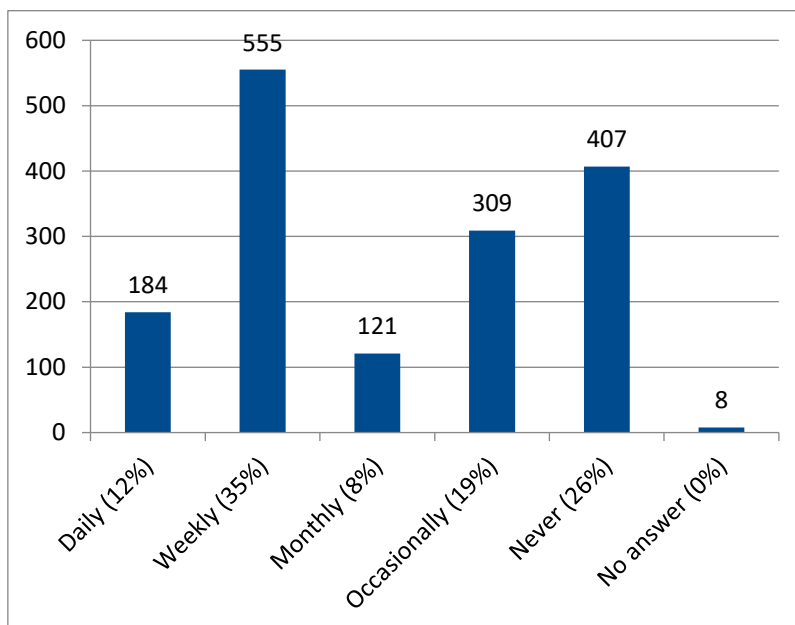
88% of respondents told us that they did not consider themselves to have a disability. 8% of respondents stated that they did have a disability. 3% selected prefer not to say and 1% of respondents did not provide an answer to this question.



## 7.3 Play area review

1584 respondents completed this section

### 7.3.1 How often do you use the council's play areas with fixed play equipment such as swings, slide etc.?



The majority of respondents stated that they used council play areas weekly (35%), followed by occasionally (19%) and then daily (12%).

### 7.3.2 Where are the main council play areas with fixed play equipment you use?

Respondents were asked to provide details of up to three play areas that they regularly used.

Location	Times selected
Newbridge fields	338
Maesteg Welfare park	134
Broadlands	110
Maesteg Celtic	104
Porthcawl	85
Brackla	78
Pen y Fai	77
Porthcawl (Griffin Park)	72
Litchard	70
Pencoed	69
Cefn Cribwr (Cae Gof)	62
Brackla (spar)	61
Cefn Glas	55
Bridgend	52
Bryntirion	48
Coity	47

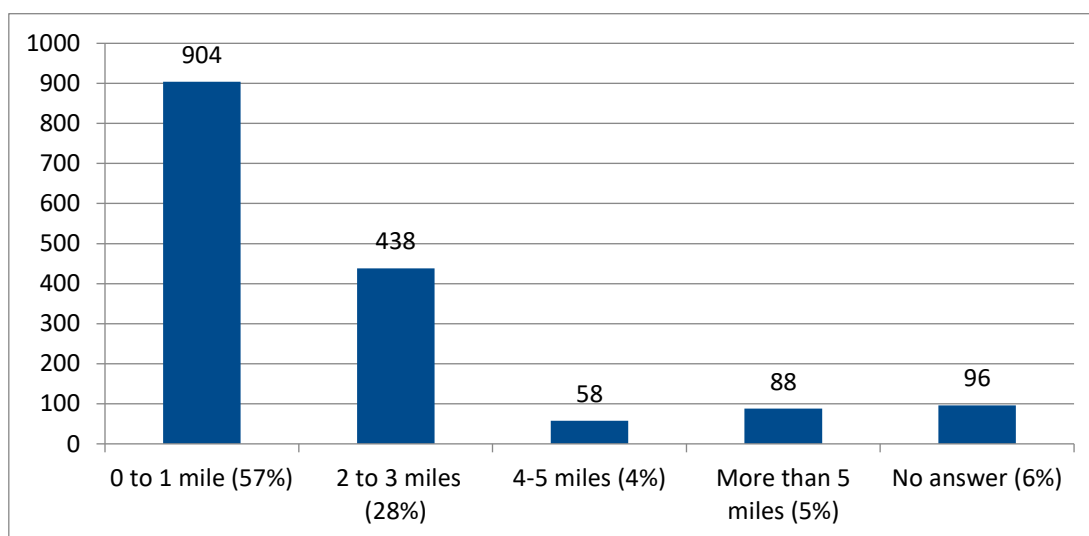
Kenfig Hill	45
Ogmore Vale	42
Ynysawdre	41
Brackla (Brackla primary school)	38
Maesteg	37
Coychurch	36
Llangynwyd	34
Tondu	34
Caerau	31
Bryngarw Country Park	28
Pencoed (swimming pool)	27
Pontycymer	27
Cwmfelin Park	26
Broadlands (by underpass)	25
Wildmill	25
Laleston	23
Newton	23
Porthcawl (fulmar road)	23
Aberkenfig	22
Cornelly	22
Nantymoel	22
North Cornelly	22
Brynmenyn	20
Porthcawl (the wilderness park)	20
Nantylfyllon	19
Parc Derwen	16
Pencoed (Hendre)	16
Pyle	16
Porthcawl (Heol y Goedwig)	15
Blaengarw	14
Sarn	14
Brackla (Community Centre)	13
Evanstown	13
Porthcawl (Forge)	11
Porthcawl (Great Western avenue)	11
Ogmore vale (Lewistown)	9
Ogmore vale (Wyndham)	9
Porthcawl (Anglesey way)	9
Porthcawl (locks lane)	9
Pencoed (Penprysg)	8

The ten most popular play areas were:

- Newbridge Fields (338)

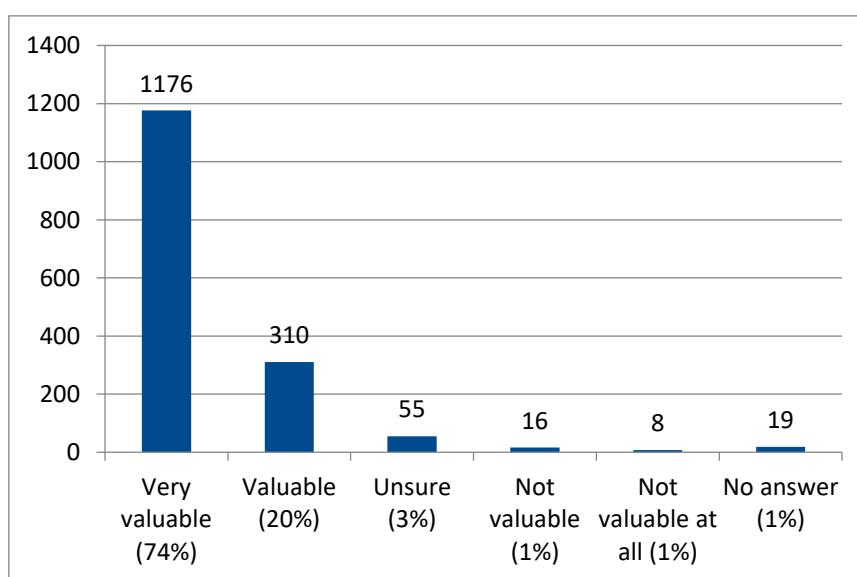
- Maesteg Welfare Park (134)
- Broadlands (110)
- Maesteg Celtic (104)
- Porthcawl (85)
- Brackla (78)
- Pen Y Fai (77)
- Porthcawl Griffin Park (72)
- Litchard (70)
- Pencoed (69)

### 7.3.3 How far would you be prepared to travel to use a playground?



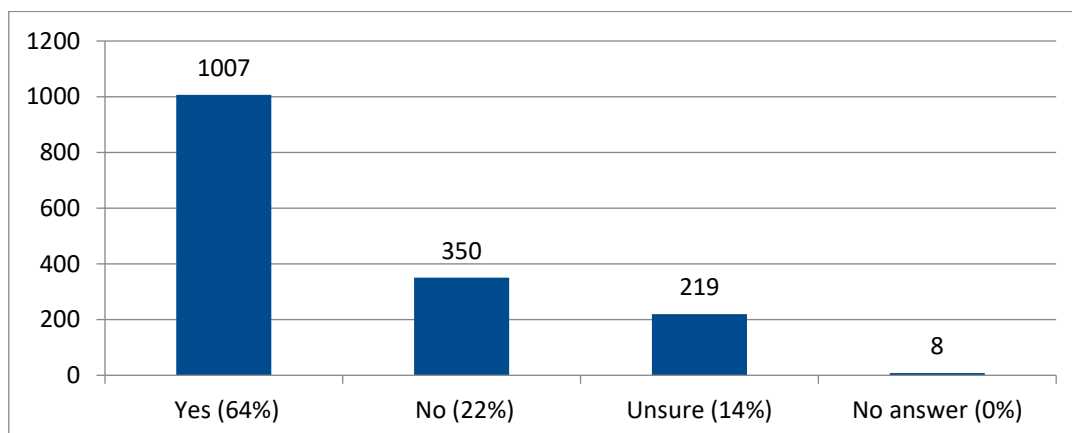
The majority of respondents stated that they would be prepared to travel up to one mile (57%) to use a playground. This was followed by 28% of respondents stating that they would be willing to travel between two and three miles to use a playground. 9% of respondents told us that they would be willing to travel more than 4 miles to access a playground.

### 7.3.4 How valuable do you think play areas with fixed play equipment are to communities?



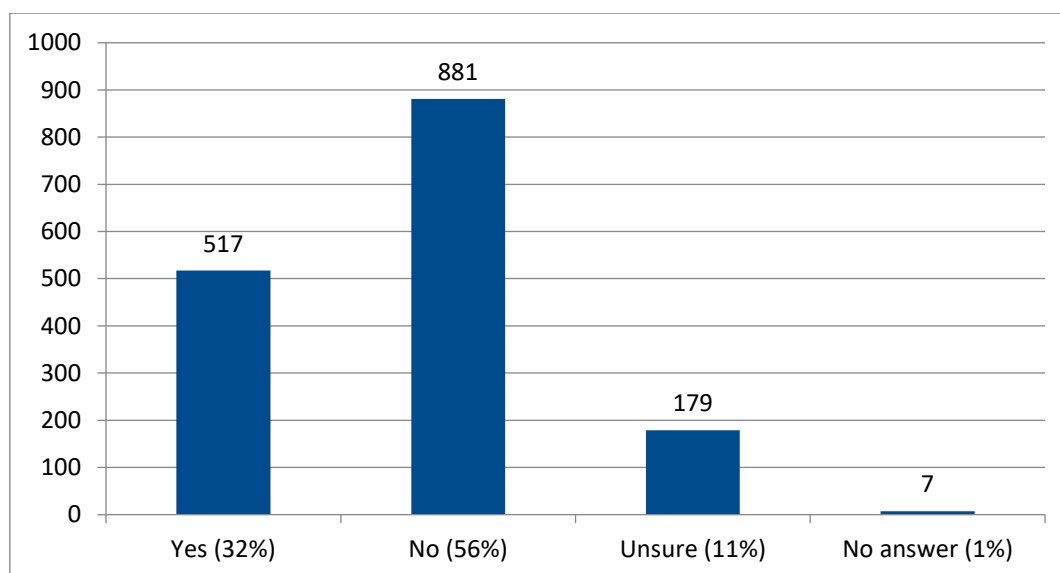
74% of respondents stated that play areas with fixed play equipment were very valuable, and a further 20% stated that they were valuable.

### 7.3.5 Do you think the council should continually repair equipment in play areas with fixed play equipment that are frequently damaged through vandalism or anti-social behaviour?



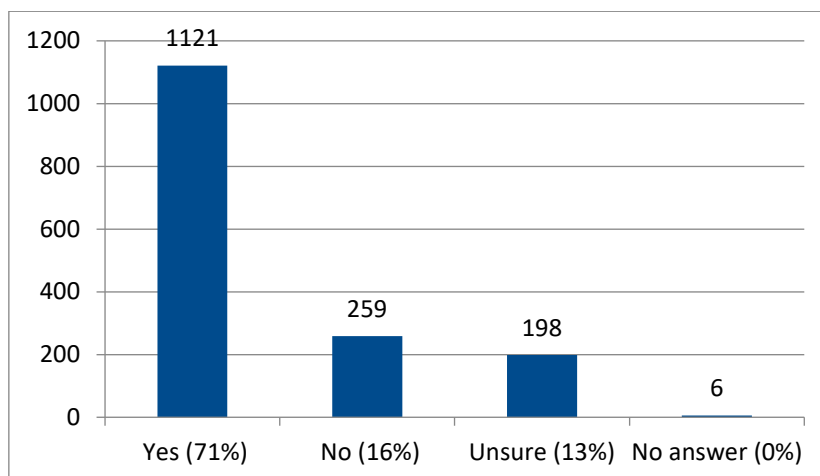
64% of respondents told us that they did think that the council should continually repair equipment that gets frequently damaged through vandalism or anti social behaviour in comparison to 22% of respondents that felt that the council should not continually repair equipment that gets frequently damaged through vandalism or anti social behaviour.

### 7.3.6 Do you think the council should concentrate on funding and maintaining large playgrounds/ play areas strategically located across the borough rather than playgrounds/ play areas in residential areas?



The majority of respondents (56%) did not support the council concentrating funding and maintaining large playgrounds or play areas strategically located across the County Borough rather than play grounds and play areas in residential areas. 32% of respondents did support the council taking this approach and 11% of respondents were unsure.

### 7.3.7 Would you support your local town or community council taking over the responsibility for operating the playground/ play areas in your locality?



Overall the majority of respondents (71%) supported the local town or community council taking over responsibility for operating the playground or play areas in the locality. 16% of respondents did not support this proposal.

### 7.3.8 Are there any other comments you would like to make in relation to the play area review?

712 comments were provided, all comments were themed and can be seen in the table below:

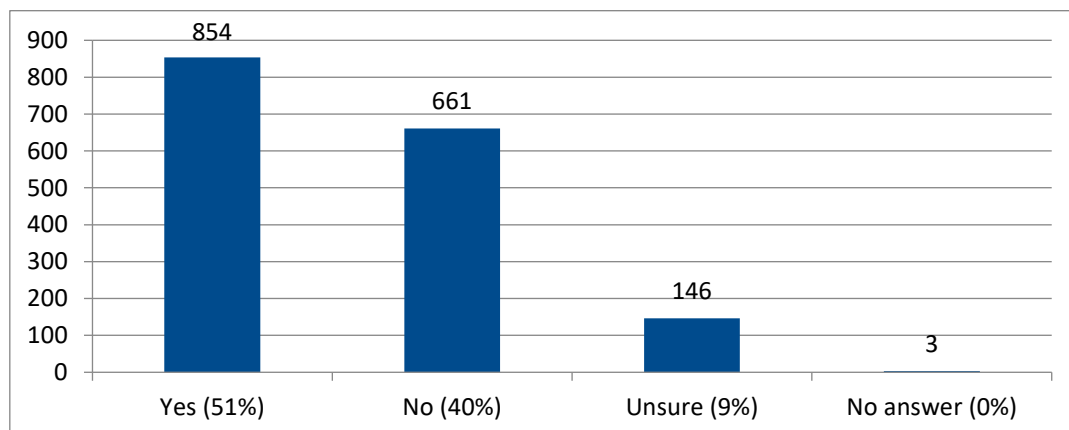
Themed comment:	Number of responses:
Parks benefit health and wellbeing and are important for child development	410
Parks help to combat antisocial behaviour	133
Request no further cuts on these facilities	86
Remove equipment if not maintained / continually vandalised/ review on a case by case basis	27
Greater affects low income families	22
Council tax should cover costs	13
Transfer to community council	11
People without transport will suffer	10

The most frequent comments were around parks being beneficial for health and wellbeing and important for child development (410), followed by parks help combat anti social behaviour (133) and then comments requesting that no further cuts are made to the facilities (86).

## 7.4 Grass cutting review

1664 respondents completed this section

### 7.4.1 Do you agree with proposal one? Should grass cutting be reduced in open spaces and road verges from 7 to 5 times per year?



51% of respondents stated that they did agree with the proposal to reduce grass cutting in open spaces from seven times per year to five times per year. 40% of respondents stated that they did not agree with this proposal, and 9% were unsure.

#### 7.4.1.1 If no please could you give the reason?

495 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Area looks untidy or are already not cut enough	256
Road verges must be fully maintained due to safety issues	117
Can prevent outdoor exercise and children playing	38
Areas needs to be regularly maintained	21
Agree with proposal and the ideas to save money	18
Council tax should cover this	13
Hard to locate dog mess in long grass	10
Better management of council budget	9
Causes more issues in the long run	7
Increase in vermin	6

The most common responses were areas already look untidy or are already not cut enough (256), followed by road verges must be fully maintained due to safety issues (117) and then can prevent outdoor exercise and children playing (38).

#### 7.4.1.2 Do you have any further comments on proposal one?

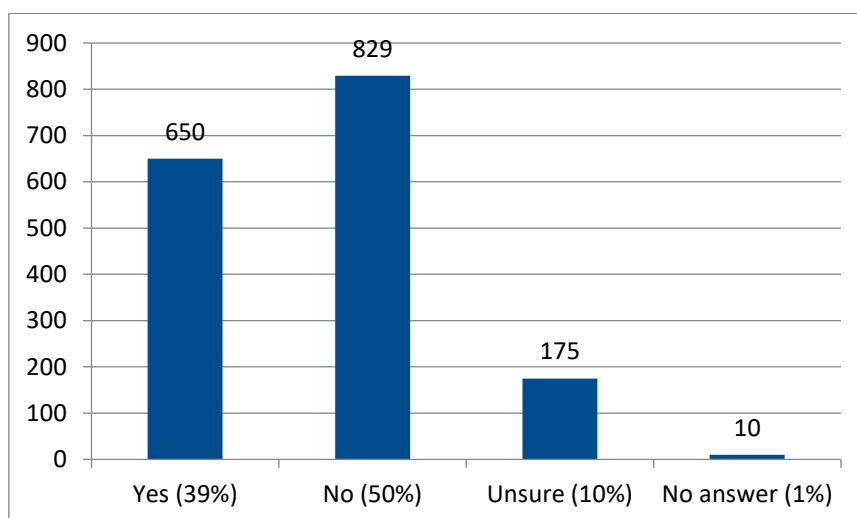
424 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Agree with proposal as long as it's safe to do so	105
Plants and wildflowers encourage biodiversity	95
Negative impact on appearance of the area	69

Provided alternative ideas to save money	57
Can prevent outdoor exercise/ children playing	22
Depends on the weather/time of year	22
Safety issues	21
Depends on location	17
Better management of council budget	16

The most common comments stated that respondents agreed with the proposal as long as it was safe to do so (105), followed by plants and wildflowers encourage biodiversity (95), and then negative impact on appearance of the area (69)

#### 7.4.2 Do you agree with proposal two? Should grass cutting in play areas be reduced from 16 to 12 times per year?



50% of respondents did not agree with the proposal to cut grass cutting in play areas from 16 times per year to 12 times per year. 39% of respondents did agree with this proposal and 10% were unsure.

##### 7.4.2.1 If no please could you give the reason?

578 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Prevents children playing/people using the fields or sports pitches	166
Safety issues	152
Important that play areas are well maintained	90
Hard to see dog mess in long grass	66
Impacts on the appearance of the area	57
Disagree with proposal	20
Council tax should cover this	12
Better management of council budgets	7
Dependant on weather/time of year	4
Provided alternative ideas to save money	4

The comments most frequently provided were around the proposal preventing children playing and people using the fields or sports pitches (166), followed by safety issues (152) and then it is important that play areas are well maintained (90).

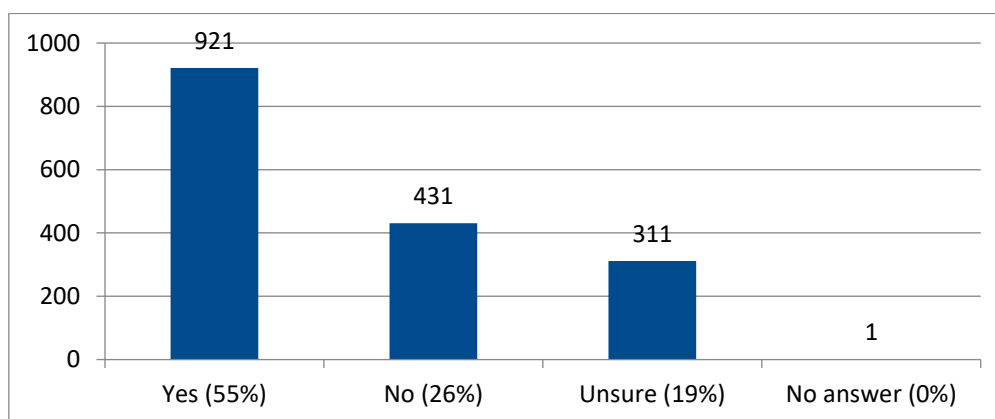
#### 7.4.2.2 Do you have any further comments on proposal two?

305 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Agree with proposal	72
Disagree with proposal	51
Provided alternative ideas to save money	32
Prevents outdoor exercise/children playing	31
Dependant on location	22
Dependant on weather/time of year	22
Plant wildflowers/encourage biodiversity	21
Safety issues	19
Unsure of the impact	13
Hard to locate dog mess in long grass	13
Accessibility issues	5
Need better management of council budgets	4

The most common themes were respondents stating that they agree with the proposal (72), followed by respondents disagreeing with the proposal (51), and then respondents provided alternative ideas to save money (32).

#### 7.4.3 The Council may as part of its cost saving measures identify and leave some open space grassed areas currently regularly cut, uncut in future. Allowing those areas to return to a more natural habitat. Would you agree with this approach?



The majority of respondents (55%) agreed with the proposal to leave some open spaced grassed areas to remain uncut and return to a more natural habitat. 26% of respondents did not agree with this proposal and 19% were unsure.



#### 7.4.3.1 If no please give reasons

275 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Areas would look untidy	124
Disagree with proposal	48
Safety issues	38
Prevents outdoor exercise/children playing	36
Dependant on location	16
Agree with proposal	10
Ideas to save money	3

The most common themes were that the areas would look untidy (124), followed by respondents stating that they disagree with the proposal (48), and then safety issues (38).

#### 7.5.1 Are there any other further comments you would like to make in relation to these proposals

433 comments were provided, all comments were themed and can be seen in the table below:

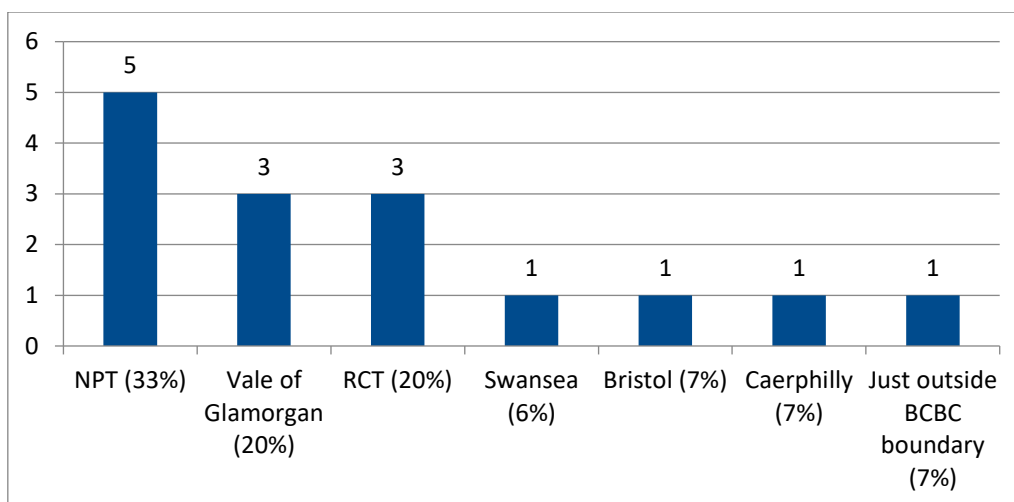
Themed comment:	Number of responses:
Agree with proposals	89
Plants and wildflowers encourage biodiversity	85
Disagree with proposals	54
Ideas to generate/save money	48
Prevents outdoor exercise/children playing	42
Looks untidy	33
More information would be needed to make a decision	22
Dependant on location	22
Maintain parks/pitches but let other areas grow	21
Safety issues	17

The most common themes were respondents generally agreeing with the proposal (89), followed by plants and wildflowers encourage biodiversity (85) and then general disagreement with the proposals (54).

## 7.5 Potential increased charges for the use of sports fields, and sports pavilions

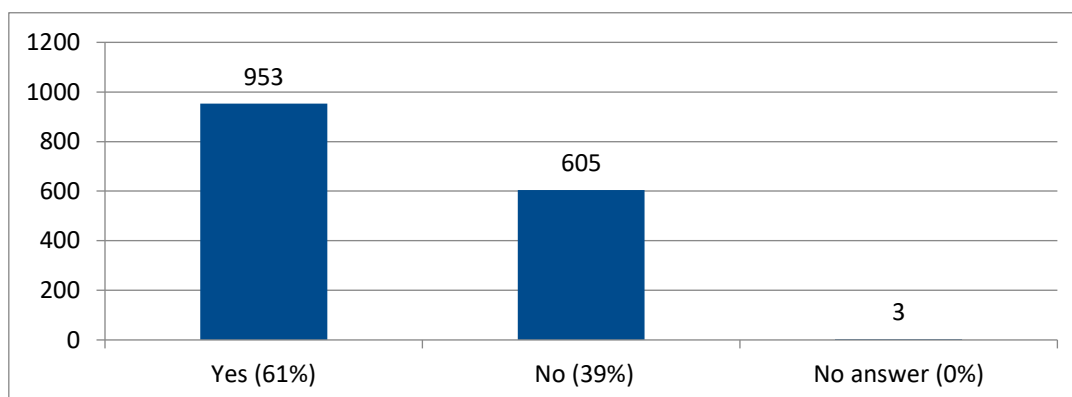
1561 respondents completed this section

### 7.5.1 If you told us in the 'about you' section that you do not live in Bridgend county borough, please tell us where you travel from to access sports facilities



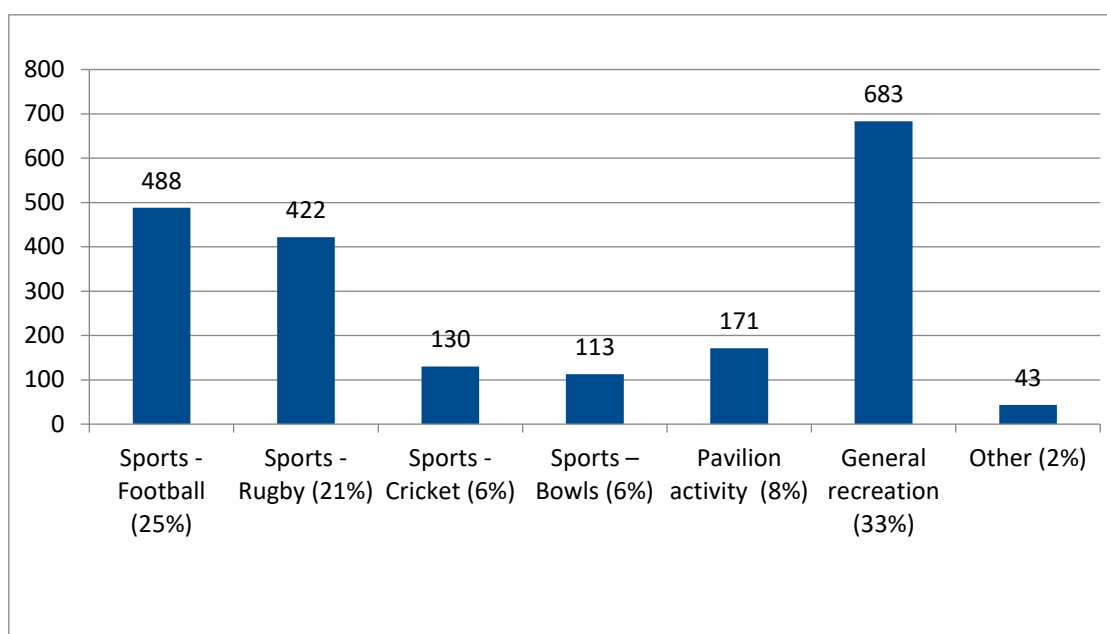
15 people that responded to the consultation said they did not live in BCBC. Of these 33% stated they lived in Neath Port Talbot, 20% lived in the Vale of Glamorgan, and 20% lived in Rhondda Cynon Taf.

### 7.5.2 Do you use council run sports pitches and/or pavilions?



61% of respondents stated that they did use council run sports pitches and or pavilions. 39% of respondents stated that they did not use council run sports pitches and or pavilions.

### 7.5.2.1 If 'yes', what do you use the council's playing fields and/or pavilions for?



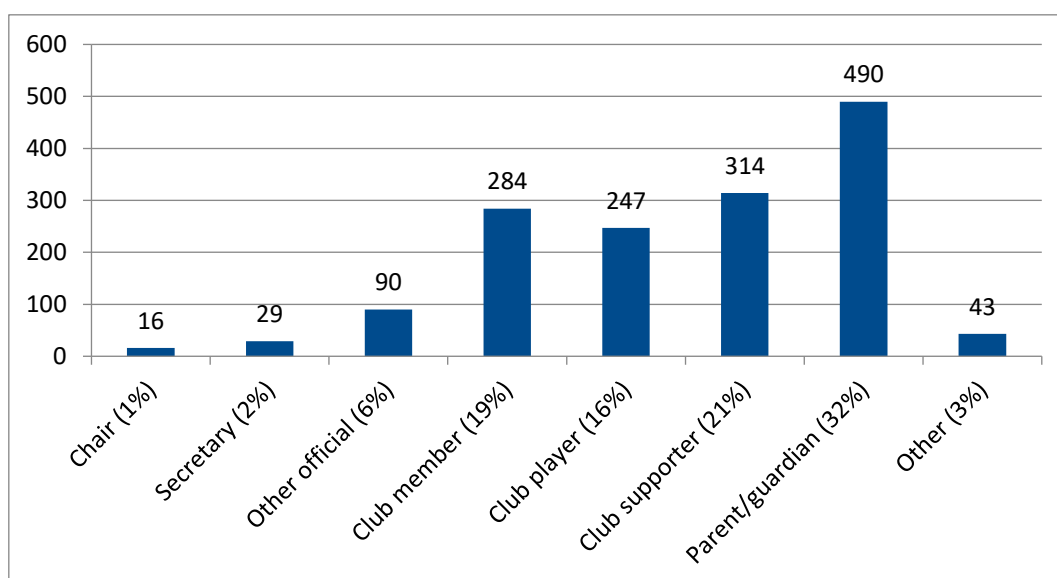
The most popular use for council playing fields and pavilions was general recreation (33%), followed by football (25%) and then rugby (21%).

Where the response 'other' was given, respondents were able to add more detail to their answer:

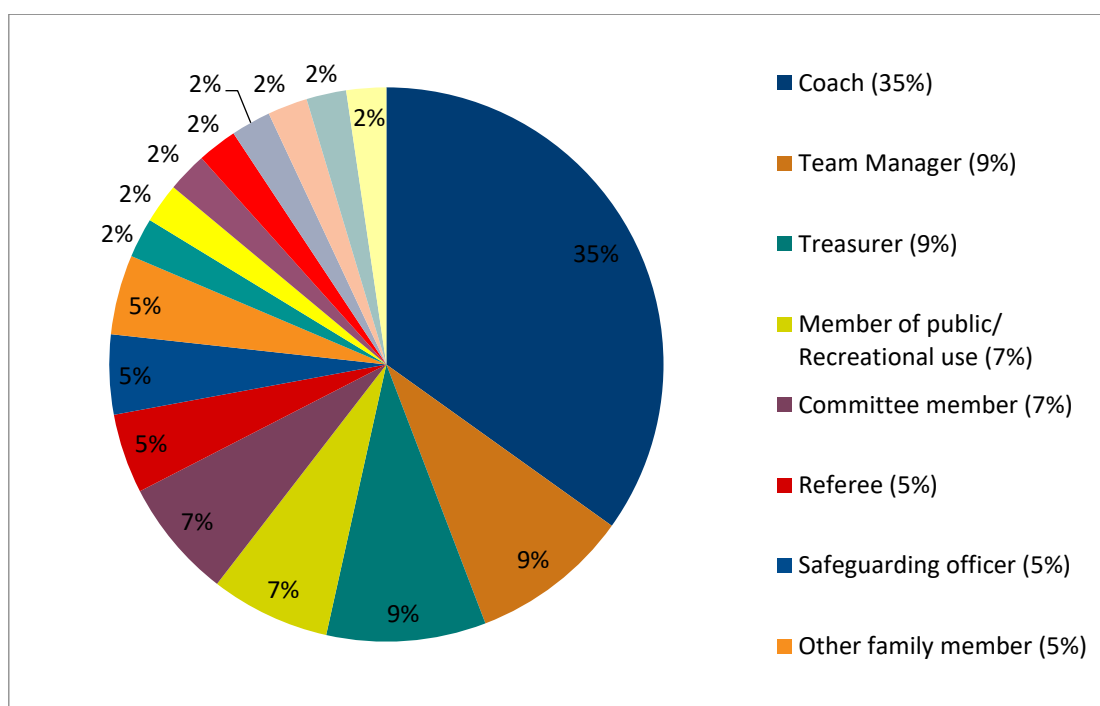
Response	Number of responses
Running	14
General fitness	4
Exercise classes	3
Tennis	3
Athletic track	3
Practice/play sports	3
Fetes/ public events	2
Private events	2
Socialising	2
Bingo	1
Surfing	1
School sports day	1
Hockey	1
Martial arts	1
For my mental wellbeing	1
Community garden	1

The most popular 'other' uses were running (14), followed by general fitness (4) and then exercise classes, tennis, athletic track and practice/play sports equally (3).

### 7.5.2.2 If you selected 'sports', please tell us what your role is:



Respondents were able to provide their role within sports, parent/guardian was the most popular response (32%), followed by club supporter (21%) and then club member (19%). 43 respondents selected other, these respondents were able to expand on their answer. The following responses were provided:



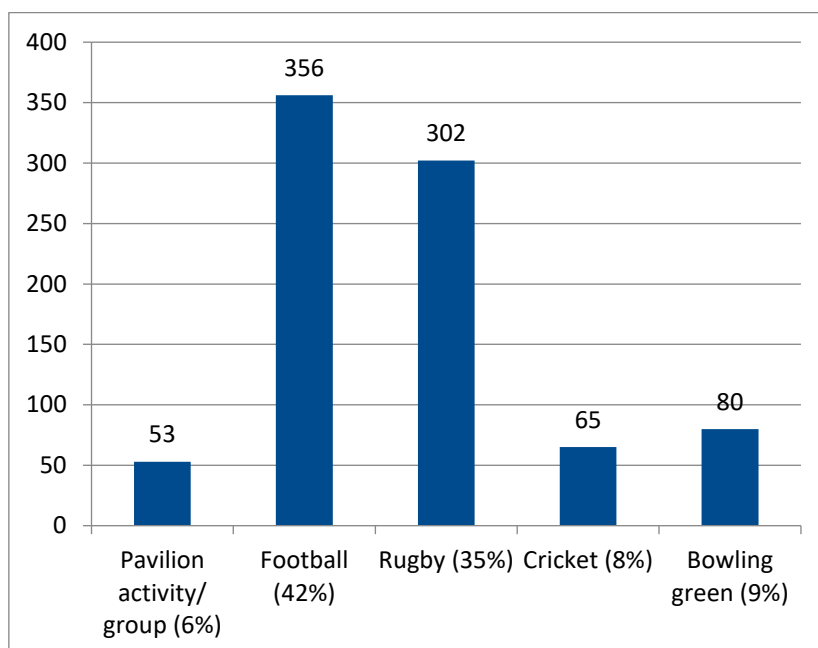
15 of the 43 respondents who selected other stated that they were coaches (35%), followed by 4 (9%) team manager and 4 (9%) treasurer.

### 7.5.3 Please tell us the name(s) and location(s) of your sports/club/activity/group

856 respondents answered this question

In this section respondents were asked to give the details of their sport/club/activity or group.

### 7.5.3.1 What is your sports club/activity/group?



Football was the most popular activity (42%), followed by rugby (35%) and then bowling (9%)

### 7.5.3.2 If you selected 'football' please tell us about your club

356 respondents chose football. Of these 353 respondents gave details of their club:

Club	Number of responses
Aberfields - Nantymoel	9
Brackla- Bridgend	31
Bryntirion - Bridgend	30
Cae Gof - Cefn Cribwr	27
Caerau Welfare Park - Caerau	2
Croft Goch - Kenfig Hill	2
Cwm Garw - Blaengarw	5
Great Western Avenue- Bridgend	7
Heol Simonston - Coychurch	11
Hermon Road - Caerau	5
Lewistown - Ogmores Vale	2
Litchard Cross - Bridgend	10
Llangynwyd - Maesteg	55
Locks Lane - Porthcawl	14
Maesteg Welfare Park - Maesteg	8
Meadow Street- North Cornelly	6

Newbridge Fields - Bridgend	34
Pandy Park - Tondy	16
Pencoed Recreation Ground - Pencoed	4
Rest Bay - Porthcawl	11
Tudor Park - Maesteg	7
Woodlands Avenue – Pencoed	19
<b>Other</b>	<b>38</b>
No club added	3

The most commonly used clubs were Llangynwyd Maesteg (55) followed by Woodlands Avenue Pencoed (38) and then Newbridge Fields Bridgend (34).

Where respondents chose 'other (38)' the following locations were provided:

Club	Number of responses
South Parade - Maesteg	12
Coleg Cymunedol Y Dderwen	5
Coychurch fields	4
Llangeinor playing field	2
All football pitches	2
Bettws North site FC	2
Maesteg sports centre	1
Celtic Welfare Park	1
Planka Wyndham	1
Sarn	1
Blandy Park, Pontycymer	1
Llangynwyd playing field	1
The Rec - Blaengarw	1
Bryntirion football club	1

South Parade in Maesteg was the most common 'other' response (12).

### 7.5.3.3 If you selected 'rugby' please tell us about your club

302 respondents chose rugby. Of these 296 respondents gave details of their club:

Club	Number of responses
Bettws- Heol Richard Price	0
Brackla- Bridgend	7
Cae Gof - Cefn Cribwr	33
Croft Goch - Kenfig Hill	14
Evanstown - Gilfach Goch	1
Garth Welfare Park - Blaengarw	8
Heol y Cyw - Heol y Cyw	4

Lawrence Park- Pontycymmer	3
Llangynwyd - Maesteg	7
Maesteg Welfare Park - Maesteg	28
Nantymoel RFC- Nantymoel	5
Newbridge Fields - Bridgend	81
North Cornelly- Meadow Street	2
Ogmore Vale RFC - Ogmore Vale	4
Pandy Park - Aberkenfig	31
Pencoed Recreation Ground - Pencoed	18
Rest Bay - Porthcawl	13
South parade - Maesteg	12
Woodlands Park – Pencoed	5
<b>Other</b>	15
No club added	6

The most commonly used clubs were Newbridge Fields Bridgend (81), followed by Cae Gof Cefn Cribwr (33), and then Pandy Park Aberkenfig (31).

Where respondents chose 'other (15)' the following locations were provided (some respondents identified more than 1 club, so 20 responses were given):

Club	Number of responses
Garth Park Maesteg	4
Maesteg Celtic	3
Bryncethin RFC	1
Llangynwyd Playing Fields	1
Newbridge Fields	1
Maesteg Welfare park	1
Llangynwyd South Parade.	1
Cornelly Playing Field	1
Porthcawl RFC	1
Bandstand	1
Pandy Parc, Tondu	1
Kenfig Rugby club	1
Kenfig Hill	1
Aberkenfig pitch	1
South Road	1

#### 7.5.3.4 If you selected 'cricket' please tell us about your club

65 respondents chose cricket. Of these 63 respondents gave details of their club:

Club	Number of responses
Blaengarw Cricket - Blaengarw	2

Garth Welfare Park, Maesteg	27
Porthcawl Cricket Club - Locks Lane, Porthcawl	5
Newbridge Playing Fields - Angel Street, Bridgend	27
<b>Other</b>	2
No club added	2

The most commonly used clubs were Garth Welfare Park Maesteg (27), and Newbridge Playing Fields Bridgend (27), and then Porthcawl Cricket Club Porthcawl (5).

Where respondents chose 'other (2)' the following locations were provided:

Club	Number of responses
Llangynwyd Fields	1
Celtic Fields	1

#### 7.5.3.5 If you selected 'bowls' please tell us about your club

80 respondents chose bowls. Of these 76 respondents gave details of their club:

Club	Number of responses
Cae Gof - Cefn Cribwr	6
Caedu Park - Ogmere Vale	2
Caerau Welfare Park - Caerau	6
Evanstown - Gilfach Goch	0
Garth Park - Maesteg	3
Griffin Park - Porthcawl	4
Lawrence Park - Pontycymmer	2
Maesteg Welfare Park - Maesteg	7
Newbridge Fields - Bridgend	25
Pencoed Recreation ground - Pencoed	4
Pyle Welfare Park - Pyle	5
Waunllwyd - Nantymoel	10
<b>Other</b>	2
No club added	4

The most frequently used bowling greens were Newbridge Fields (25), followed by Waunllwyd in Nantymoel (10) and then Maesteg Welfare Park (7).

Where respondents chose 'other (2)' the following locations were provided:

Club	Number of responses
Ogmere Vale Bowling Green	1
Pencoed Bowls Green	1



#### 7.5.4 If your sports club/activity/group fees increased, what do you think the impact would be?

948 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Less use of facilities and potential loss of clubs	354
People won't afford the costs	297
Causes further problems elsewhere such as health problems and anti-social behaviour.	167
People should pay to use facilities	40
Minimal impact	35
Depends on the amount of increase	28
Negative impact	27

The most frequent comments were less use of facilities and potential loss of clubs (354), followed by people won't afford the costs (297) and then causes further problems elsewhere such as health problems and anti-social behaviour (167).

#### 7.5.5 What do you think would help limit any negative impact if your sports club/activity/group fees increased?

668 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Either decrease fees or don't increase fees	235
Explore options for funding or sponsorship	130
Gradual increases	44
Need better quality facilities	44
Means tested fees	35
Better communication	31
Continue maintaining pitches/grass cutting	31
Community asset transfer	30
Ideas to generate money/save money	28
Better management of council budgets	17
Better incentives	14
Review usage of pitches and close those that aren't used or merge clubs and share fields	12
General feedback	10
Provide clubs with equipment to maintain fields themselves	7

The most frequent comments were either decrease fees or don't increase fees (235), followed by explore options for funding or sponsorship (130) and then gradual increases (44) and need better quality facilities (44).

#### 7.5.6 If your sports club/activity/group closed, what do you think the impact would be?

882 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Causes further problems - health related, anti-social behaviour etc.	463

No sporting activities locally	161
Negative impact on the community	157
Generally negative impact	49
Travel to another community/club	26
Fewer members	12
No impact	9
Closure of clubs/teams	5

The most frequent comments were causes further problems - health related, anti-social behaviour etc. (463), followed by no sporting activities locally (161) and then negative impact on the community (157).

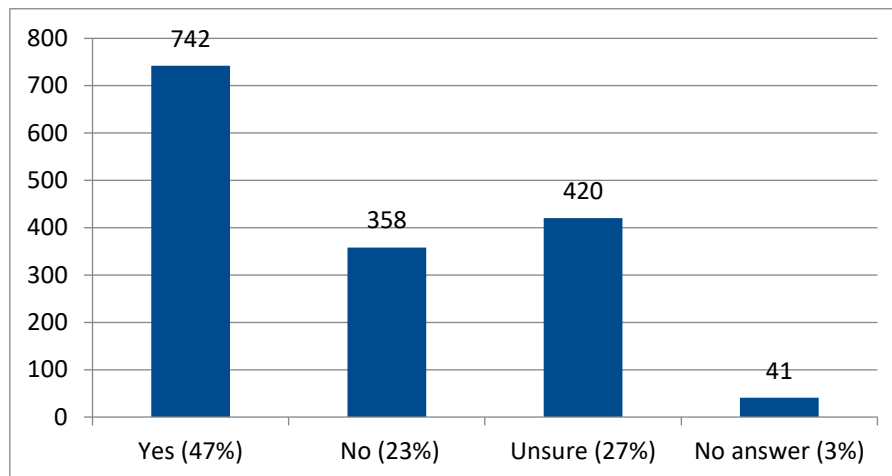
#### 7.5.7 What do you think would help limit any negative impact if your sports club/activity/group closed?

582 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Don't close as nothing will help	296
Explore new or alternative facilities locally	72
Don't increase costs	57
Funding/sponsorship/volunteering	47
Merge clubs/facilities	27
General comments	18
Community asset transfers	14
Better communication	13
Better management of council budget	13
Continue maintaining sports pitches	8
Consultation feedback	7
More police/doctors/social services	6
Different payment options	4

The most frequent comments were don't close as nothing will help (296), followed by explore new or alternative facilities locally (72) and then don't increase costs (57).

### 7.5.8 Do you think your local town or community council should consider taking responsibility for the running and self-management of sports pitches and/or pavilions?



47% of respondents agreed that town and community councils should consider taking responsibility for the running and self-management of sports pitches and or pavilions. 23% did not agree with this proposal and 27% were unsure.

#### 7.5.8.1 If no please state your reasons

233 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
It is the council's responsibility	96
Town/Community councils can't afford it/don't have the resources	70
May not have the skill set required	23
Extra costs to the users	18
Clubs to take over themselves	15
General comment	7
Need strategies/policies in place	2
Council aren't focusing on public's best interests	2

The most frequent comments were it is the council's responsibility (96), followed by town/community councils can't afford it/don't have the resources (70) and then may not have the skill set required (23).

#### 7.5.8.2 Any further comments?

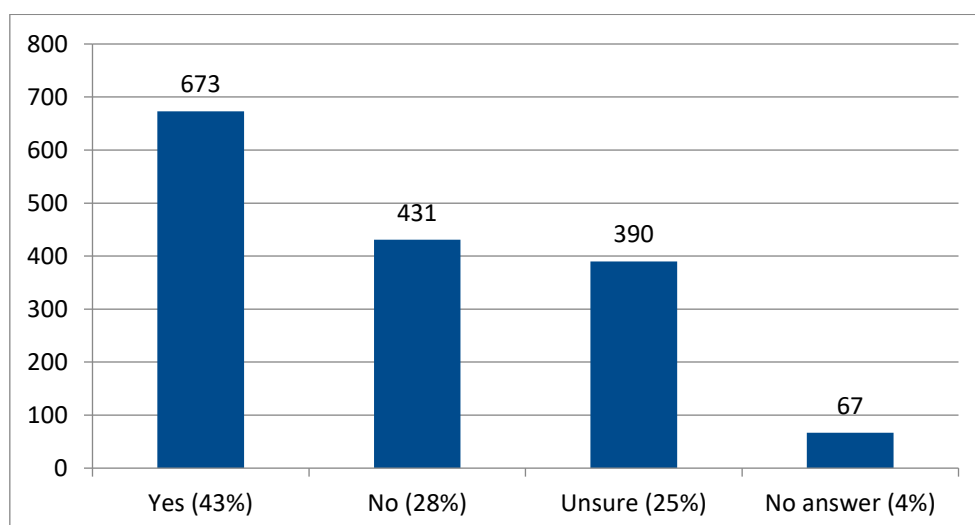
298 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Agree with proposal as long as support is available (funding, policies etc.)	117
Concerns around affordability/skill sets/capacity	45
Council should be responsible	45

Clubs should take on responsibility	23
Don't increase fees/close clubs/pitches	22
Council and clubs to work together	17
Ideas to generate/save money	11
Need better management of council budgets	10
All town/community councils have different budgets - lack of consistency	8

The most frequent comments were agree with proposal as long as support is available (funding, policies etc.) (117), followed by concerns around affordability/skill sets/capacity (45) and council should be responsible (45).

### 7.5.9 Do you think the sports clubs or pavilion groups should consider taking the responsibility for the running and self-management of sports pitches and/or pavilions?



43% of respondents agreed with the proposal that sports clubs or pavilion groups should consider taking the responsibility for the running and self-management of sports pitches and or pavilions. 28% did not agree with this proposal and 25% gave a neutral response, of unsure.

#### 7.5.9.1 If no please give reasons

248 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Already too much pressure on clubs/parents	101
Should be the council's responsibility	73
People don't have the time/capacity	22
Families/other clubs wouldn't be able to use the pitches	14
Issues around maintenance	11
Can't let sports clubs run the pitches and charge higher fees	8
Concerns around experience/expertise to run the clubs/pitches	8
Agree with proposal	3
Council and clubs to work together	3
Town and community councils should be responsible	3
Better management of council budget	2

The most frequent comments were already too much pressure on clubs/parents (101), followed by should be the council's responsibility (73) and then people don't have the time/capacity (22).

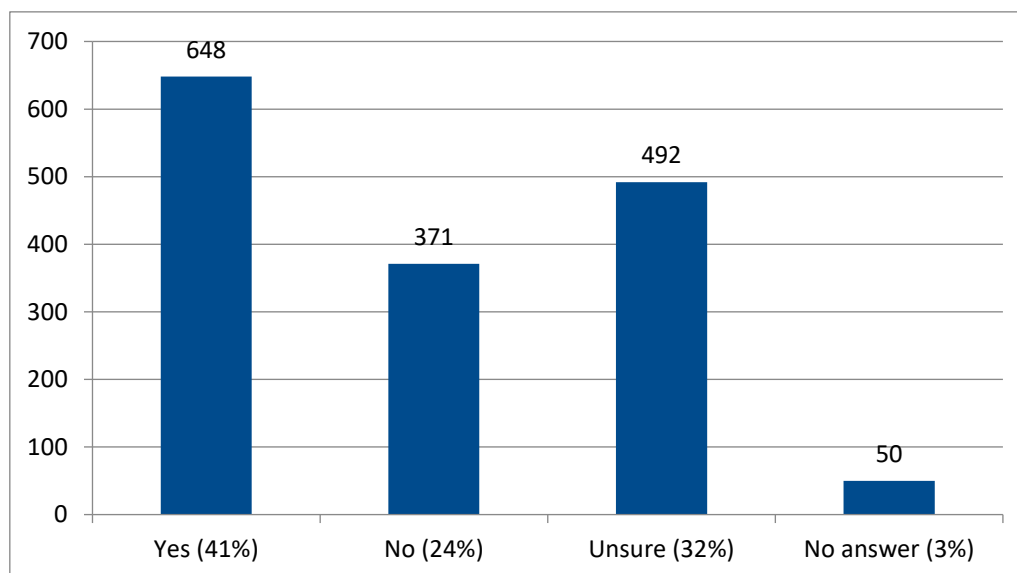
#### 7.5.9.2 Any further comments?

267 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Agree with proposal as long as there is support/funding/fees aren't increased	117
Clubs can't afford it and don't have the time	31
Depends on costs/state of facilities before transfer	25
Should be council's responsibility	23
Disagree with proposal	17
Issues around maintenance - clubs don't have equipment	14
Clubs and volunteers lack experience/expertise	11
Issues around more than one club using a pitch	7
Clubs have tried this but barriers prevent it happening	6
Consultation feedback	6
Public won't be able to use sports pitches	4
Need better management of council budget	3
Shared responsibility would be better	3

The most frequent comments were agree with proposal as long as there is support/funding/fees aren't increased (117), followed by clubs can't afford it and don't have the time (31) and then depends on costs/state of facilities before transfer (25).

#### 7.5.10 Do you think the phasing in of full cost recovery over a number of years would assist sports clubs/groups to explore the option of taking responsibility for the running and self-management of sports pitches and/or pavilions?



When asked if respondents felt that the phasing in of full cost recovery over a number of years would assist sports clubs/groups to explore the option of taking responsibility for the running and

self-management of sports pitches and/or pavilions, 41% of respondents stated that they did think this would assist. 24% stated that this would not assist and 32% of respondents were unsure.

#### 7.5.10.1 If no please give reasons

218 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
There should be no increase on payments	78
Too expensive to run causing clubs to close	45
Unfair on volunteers	25
Delays the inevitable	18
Stops exercise and accessing sport facilities	18
Poor areas would suffer	9
The council should work with clubs to support them	7
Repairs are too expensive	4
Give clubs the option	4
There should be equal/shared responsibility	3
Users should pay to use facilities	2
Need to know costs/ more information needed	2
Council should not pay	2
Give notice	1

The most frequent comments were there should be no increase on payments (78), followed by too expensive to run causing clubs to close (45) and then Unfair on volunteers (25).

#### 7.5.10.2 Any Further comments?

175 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Phasing would be easier on clubs	55
The council should work with clubs and local community to support them	29
Not enough information to make a decision	20
Disagree	19
Unfair on volunteers	11
Delays the inevitable	9
Give clubs the option to transfer	8
Poor areas would suffer	7
Council should provide support on expensive building repairs and equipment	6
Club should take ownership	4
Club collaboration approach	3
Too expensive	3
Costs should be shared	1

The most frequent comments were phasing would be easier on clubs (55), followed by the council should work with clubs and local community to support them (29) and then not enough information to make a decision (20).

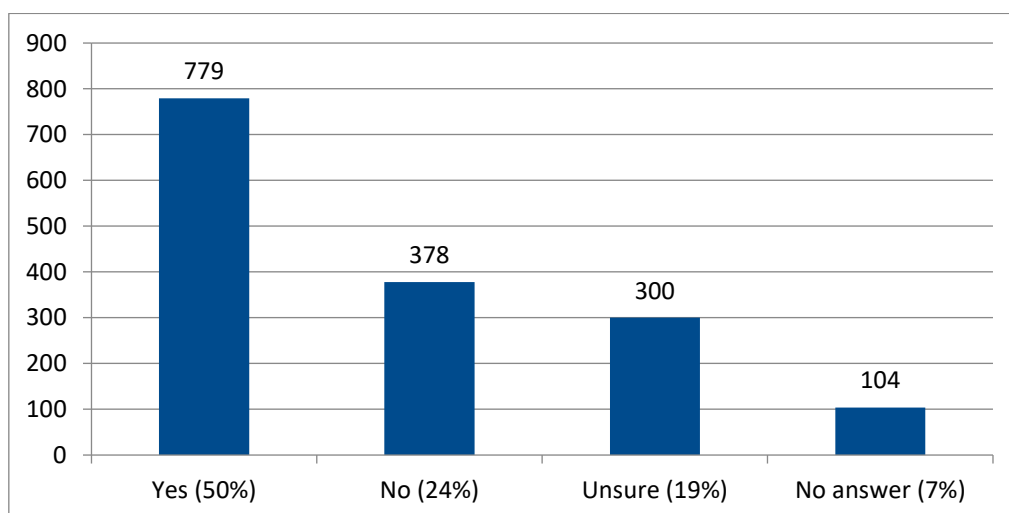
### 7.5.11 What kind of support do you think would assist sports clubs/groups to undertake a community asset transfer?

618 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Free training/courses and legal advice	151
Funding/grants and financial support	137
Upgrade/repair facilities/ provide funding for equipment	72
Council should continue maintaining	55
Council meeting with clubs - provide a clear path/process	37
Legal advice and representation	35
Business/commercial support/sponsorship	26
Lower or no tax/business rates/fees	25
No support required	14
Appoint council paid managers/ team	13
Town councils should contribute	12
Better support/training for committees	10
Free asset transfer	9
Support/publicise club events	8
A slow or phased hand over	7
Clubs have ownership of grounds	5
Transfer ownership to Halo or Awen	2

The most frequent comments were free training/courses and legal advice (151), followed by funding/grants and financial support (137) and then upgrade/repair facilities/ provide funding for equipment (72).

### 7.5.12 Do you think that sports clubs/groups that take responsibility for the running and self-management of sports pitches should be able to erect a fence around the perimeter of the pitch?



50% of respondents stated that sports clubs or groups that take responsibility for the running and self-management of sports pitches should be able to erect a fence around the perimeter of the pitch. 24% did not agree that they should be able to do this and 19% were unsure.

#### 7.5.12.1 If no please give reasons

229 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Should be accessible to all	192
Too costly	23
Fences would spoil the area	9
Does not stop people	5

The most frequent comments were should be accessible to all (192), followed by too costly (23) and then fences would spoil the area (9).

#### 7.5.12.2 Any further comments?

276 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Agree with proposal	64
Prevents dog fouling/ vandals and litter	57
Disagree, should be open to all	45
Depends on facility/provision/area	31
Agree but monitored public use also	26
Fence will cause more vandals/expense	24
Only if the club completely own	15
Funding from council to cover cost	8
Safety/ legal issue	6

The most frequent comments were agree with proposal (64), followed by prevents dog fouling/ vandals and litter (57) and then disagree, should be open to all (45).

#### 7.5.13 Do you have any further comments that you would like to make on these proposals?

948 comments were provided, all comments were themed and can be seen in the table below:

Themed comment:	Number of responses:
Negative impact on health, wellbeing, communities & sport	101
Disagree with proposals (council should keep assets)	65
Save money somewhere else	41
Team work between all clubs and supported by council	22
Keep taxes & fees down	14
Clubs should own clubs fully/transferred over asap	14
More information on funding offered	13
Affects poor & vulnerable families/areas	13
Cut councillors or employees pay/expenses	10
Review on case by case basis	6
Unfair expectation on volunteers	4
Enforce dog/litter etc fines to help pay	4



Results in closures	3
Facilities to be brought up to standard before transfer	3

The most frequent comments were negative impact on health, wellbeing, communities & sport (101), followed by disagree with proposals (council should keep assets) (65) and then save money somewhere else (41).

## 8. Social media, letter and email comments

### 8.1 Social media comments

Additional responses from social media comments (329) received during the survey's live period were also themed and are listed in the table below:

Themed comment:	Number of responses:
Need better management of council budgets	98
Keep maintaining play areas	48
Ideas to save/generate money	42
Residents pay council tax but don't receive the services	28
Stop cutting grass - plant wildflowers instead	26
Protect sports pitches and playing fields	20
Council ignore public opinions	17
Question about the consultation	17
Keep grass cutting	16
Consultation feedback	13
Praise for council	4

The most common themes were need better management of council budgets (98), followed by keep maintaining play areas (48) and then respondents provided areas ideas to save/generate money (42).

### 8.2 Emails and letter comments

Additional responses received by letter\* (one) and email (nine) during the live period have also been themed. Emails and letters contained multiple themes, these are detailed in the table below:

Themed comment:	Number of responses:
Query about completing the survey	4
Council should continue to support sports pitches	2
Promote natural habitat	2
Community Councils should be more/better informed	1
Risk of losing community assets	1
Work with partners that have sports facilities	1
Work with partners to ensure health and wellbeing	1

\*The letter is included as appendix one.

## 9. Communication regarding the consultation

Would you like to be emailed once the consultation report is available?

Yes	388	54%
No	326	46%

54% of responders told us that they would like to receive information on the consultation once the report is available.

## 10. Conclusion

A response rate of 1830 to the consultation is robust and is subject to a maximum standard error of +1.96% at the 95% confidence level. Therefore, we can be 95% confident that responses are representative of those that would be given by the total adult population, to within  $\pm 2.28\%$  of the percentages reported.

This means that if the total adult population of Bridgend had taken part in the survey and a statistic of 50% was observed, we can be 95% confident that the actual figure lies between 47.72% and 52.28%.

### 10.1 Equality Impact Assessment

The EIA screening informed the development of the consultation questionnaire. This consultation should assist the completion of the Full Equality Impact Assessment and the breakdown of equalities data from those respondents who provided it has been supplied to the service area.

### 10.2 Play area and grass cutting review and potential increased charges for the use of sports fields, and sports pavilions consultation 2019

12% of respondents said that they used council play areas daily and a further 35% stated that they used council play areas weekly. The most commonly used play areas were Newbridge Fields, Maesteg Welfare Park and Broadlands. 57% respondents stated that they would be prepared to travel up to one mile to use a playground. This was followed by 28% of respondents stating that they would be willing to travel between two and three miles to use a playground. 74% of respondents stated that play areas with fixed play equipment were very valuable, and a further 20% stated that they were valuable. 71% of respondents supported the local town or community council taking over responsibility for operating the playground or play areas in the locality.

51% of respondents stated that they did agree with the proposal to reduce grass cutting in open spaces from seven times per year to five times per year. 50% of respondents did not agree with the proposal to cut grass cutting in play areas from 16 times per year to 12 times per year.

The most popular use for council playing fields and pavilions was general recreation (33%), followed by football (25%) and then rugby (21%). If fees increased the most frequent comments received were less use of facilities and potential loss of clubs (354), followed by people won't afford the costs (297) and then causes further problems elsewhere such as health problems and anti-social behaviour (167).

47% of respondents agreed that town and community councils should consider taking responsibility for the running and self-management of sports pitches and or pavilions. 43% of respondents agreed with the proposal that sports clubs or pavilion groups should consider taking the responsibility for the running and self-management of sports pitches and or pavilions.

## 11. Appendix one



Pen-y-bont ar Ogwr  
Bwrdd Gwasanaethau Cyhoeddus  
**Bridgend**  
Public Services Board

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

27 June 2019

To whom it may concern

### **Consultation on playing fields, play areas and grass cutting**

Bridgend PSB Assets Board have been considering social prescribing, active lifestyles, and the built and natural environment that Bridgend offers.

Delegates at a recent social prescribing workshop raised the following issues which could be considered as part of this consultation

- Delegates were concerned about the risk of losing assets if no one wanted to take them on, or clubs could not meet additional costs
- Partners highlighted that facilities were available with other partners eg., Sony, Rockwool and Bridgend College that could be better used by the public

Asset Board members recognise the very difficult financial position and increase in demands BCBC face, and would welcome the opportunity to work together to explore how these risks could be mitigated or alternative options considered. The Assets Board would ask BCBC to consider working with partners, such as NHS Wales to ensure our communities have the best facilities to ensure we have an environment that supports healthy lifestyles.

The Board would welcome feedback from the consultation.

Yours sincerely

**Huw Jakeway**  
Chair, Bridgend Assets Board

Tel/Ffôn: 01656 642759

Email/Ebost: [psb@bridgend.gov.uk](mailto:psb@bridgend.gov.uk)

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## Equality Impact Full Assessment

<b>Name of project, policy, function, service or proposal being assessed:</b>	Play area and grass cutting review and potential increased charges for the use of sports fields and sports pavilions consultation 2019
<b>Date EIA Screening assessment completed:</b>	
<b>Full assessment date for completion (from EIA screening):</b>	19 August 2019

*At this stage you will need to re-visit your initial screening template to inform your consultation and refer to [guidance notes on completing a full EIA](#)*

## Consultation

	<b>Method</b>	<b>Action Points</b>
<b>Who do you need to consult with (which equality groups)?</b>  <b>General Public and specific users of facilities</b>	Public consultation. All residents	Consultation went live 17 April 2019 to 10 July 2019  Facebook, Twitter and LinkedIn have widely been used to promote the consultation.  During the consultation Paper and accessible versions in Welsh and English were available throughout the consultation period.
<b>How will you ensure your consultation is inclusive?</b>	Consultation survey forms were available online.  The survey was available in English, Welsh and as an accessible version in both languages. Residents could also request a paper copy or another alternative	Facebook, Twitter and LinkedIn used to promote the consultation  12 week consultation  An image was placed on the news page of the council website and the intranet homepage which

	format by telephone or email.	linked through to the consultation webpage and survey
<b>What consultation was carried out?</b> <b>Consider any consultation activity already carried out, which may not have been specifically about equality but may have information you can use</b>	<p>Local community, equality and diversity groups were given details of the consultation proposals and told how to share their views.</p> <p>All comprehensive schools within the County Borough were offered the opportunity for their students to engage with the consultation during the live period.</p> <p>All Town and Community Councils were sent the link for the survey to share with their communities.</p> <p>All relevant sports clubs received an email or letter to inform them of the consultation.</p>	

### Record of consultation with people from equality groups

Group or persons consulted	Date/venue and number of people	Feedback/areas of concern raised	Action Points
The consultation was shared via an electronic link with all members of the Bridgend Community Cohesion and Equality Forum	na	na	na
The consultation was shared via an electronic link with all Town and Community councils.	na	na	na
All clubs received information about the consultation either via email or letter.	na	na	na

### Assessment of Impact

Based on the data you have analysed, and the results of consultation or research, consider what the potential impact will be upon people with protected characteristics (negative or positive). Include any examples of how the policy helps to promote equality. If you do identify any adverse impact you **must seek legal advice as to whether, based on the evidence provided, an adverse impact is or is potentially discriminatory, and identify steps to mitigate any adverse impact – these actions will need to be included in your action plan.**

	Impact or potential impact	Actions to mitigate
Gender	899 females, 898 males, 1 transgender, 18 preferred not to say and 14 no answer in response to the consultation.	Engagement has commenced with clubs to consider the implications and support provided to carry out Community Asset Transfers



	It is considered that the majority of cricket, football and rugby have more male participants currently than female, so that they may be more adversely impacted if clubs are unable to Community Asset Transfer or fund increased charges.	
Disability	<p>152 of the 1830 respondents to the consultation stated that they had a disability.</p> <p>It may be the case that the impact may be significant dependent upon their individual disability.</p>	Engagement has commenced with clubs to consider the implications and support provided to carry out Community Asset Transfers.
Race	The majority of respondents were white British (96%)	As a result of the consultation no impact has been identified, therefore no action needs to be taken to mitigate.
Religion and belief	47% of respondents described themselves as Christian, followed by 46% who described themselves as having no religion or belief.	As a result of the consultation no impact has been identified, therefore no action needs to be taken to mitigate.
Sexual Orientation	90% of respondents described themselves as heterosexual or straight. 1% described themselves as bisexual and 2% stated they were a gay man or woman.	As a result of the consultation no impact has been identified, therefore no action needs to be taken to mitigate.
Age	Within the responses, it is suggested that there may be an impact on child development, health and antisocial behaviour. Although no specific age group is identified the responses suggest	Engagement has commenced with organisation to consider the implications and support provided to carry out Community Asset Transfers.

	that there this may be a specific impact on both younger and older persons	
Pregnancy & Maternity	No negative or positive impact was identified in relation to this characteristic	As a result of the consultation no impact has been identified, therefore no action needs to be taken to mitigate.
Transgender	No negative or positive impact was identified in relation to this characteristic	As a result of the consultation no impact has been identified, therefore no action needs to be taken to mitigate.
Marriage and Civil partnership	No negative or positive impact was identified in relation to this characteristic	As a result of the consultation no impact has been identified, therefore no action needs to be taken to mitigate.
Welsh language	No negative or positive impact was identified in relation to this characteristic	As a result of the consultation no impact has been identified, therefore no action needs to be taken to mitigate.

## Equality Impact assessment Action Plan

It is essential that you now complete the action plan. Once your action plan is complete, please ensure that the actions are mainstreamed into the relevant Service Development Plan.

Action	Lead Person	Target for completion	Resources needed	Service Development plan for this action
<i>E.G. Information about the service to be available in BSL video on the website</i>	<i>Service manager</i>	<i>End of financial year</i>	<i>£XX Staff time/resource</i>	<i>X Service Plan</i>
<b>Support Community Asset transfer</b>	Guy Smith	31 March 2020	CAT Transfer Fund CAT Business support contract	

			Legal and Property professional services	

Please detail the name of the independent person (someone other than the person undertaking the EIA) countersigning this EIA below:

Countersigned:	Role:	Date:
Zak Shell	Head of Operations - Community Services	August 2019

Please outline how and when this EIA will be monitored in future and when a review will take place (max. three years):

Monitoring arrangements:	Date of Review:
A review of this EIA to be monitored in relation to CAT process and the target completion date	October 2021

Details of person completing the Full EIA:

Name:	Role:	Date:
Kevin Mulcahy	Group Manager Highways and Green Spaces	August 2019

### Publication of a Full EIA and feedback to consultation groups

It is important that the results of this impact assessment are published in a user friendly accessible format.

It is also important that you feedback to your consultation groups with the actions that you are taking to address their concerns and to mitigate against any potential adverse impact.

**When complete, this form must be signed off and retained by the service area. The Full EIA should be recorded as complete on share point (your business manager has access to share point). Where a full EIA is needed this should be included as an appendix with the relevant cabinet report and therefore available publically on the website.**

If you have queries in relation to the use of this toolkit please contact the Equalities Team on 01656 643664 or [equalities@bridgend.gov.uk](mailto:equalities@bridgend.gov.uk)



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## WELL-BEING OF FUTURE GENERATIONS (WALES) ACT 2015 ASSESSMENT

<b>Project Description (key aims):</b>	
Play area and grass cutting review and potential increased charges for the use of sports fields and sports pavilions consultation 2019	
<b>Section 1</b>	<b>Complete the table below to assess how well you have applied the 5 ways of working.</b>
<b>Long-term</b>  (The importance of balancing short term needs with the need to safeguard the ability to also meet long term needs)	<b>1. How does your project / activity balance short-term need with the long-term and planning for the future?</b>  <i>The proposal seeks to remove subsidy which the authority can no longer sustain with the potential of the respective clubs paying a rate to recover the costs for their occupation of pavilions and playing fields to provide a sustainable basis for such provision.</i> <i>Rationalise Grass cutting to a more sustainable level</i> <i>Play areas rationalised to a more sustainable level</i>
<b>Prevention</b>  (How acting to prevent problems occurring or getting worse may help public bodies meet their objectives)	<b>2. How does your project / activity put resources into preventing problems occurring or getting worse?</b>  <i>The provision for sports facilities, play areas and parks grass cutting is generally non statutory, so the proposal enables scarce resources to be directed towards those areas that are a statutory duty.</i>
<b>Integration</b>  (Considering how the public body's well-being objectives may impact upon each of the wellbeing goals, on their objectives, or on the objectives of other public bodies)	<b>3. How does your project / activity deliver economic, social, environmental &amp; cultural outcomes together?</b>  <i>The outcomes sought are to direct funding appropriately, with sports groups more directly funding the cost of provision, this can be enabled in transferring the asset to such groups for them to run and maintain in order for them to continue operating their sport or activity. Likewise for playareas that could be transferred to respective communities.</i>

<b>Collaboration</b>  (Acting in collaboration with any other person (or different parts of the body itself) that could help the body meet its well-being objectives)	<b>4. How does your project / activity involve working together with partners (internal and external) to deliver well-being objectives?</b>  <i>The parks Section works with various sections of the council including Regeneration, Planning and Development in considering wellbeing objectives.</i>  <i>Working with Sports Groups and Town and Community Councils in providing funding to source assistance for groups who are considering taking over facilities in regard of preparing business plans and/or facilities improvement grant to assist in asset transfer.</i>
<b>Involvement</b>  (The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves)	<b>5. How does your project / activity involve stakeholders with an interest in achieving the well-being goals? How do those stakeholders reflect the diversity of the area?</b>  <i>As part of the consideration of the proposals, a 12-week consultation was undertaken. The consultation was online, as well as paper copies being available on request. Promotion of the consultation was available on BCBC website and social media networks.</i>  All Town and Community Councils were sent the link for the survey to share with their communities.  All comprehensive schools within the County Borough were offered the opportunity for their students to engage with the consultation during the live period.  <i>All responses from the consultation will be subject of a subsequent report to Cabinet</i>

Section 2 Assess how well your project / activity will result in multiple benefits for our communities and contribute to the national well-being goals (use Appendix 1 to help you).		
Description of the Well-being goals	How will your project / activity deliver benefits to our communities under the national well-being goals?	Is there any way to maximise the benefits or minimise any negative impacts to our communities (and the contribution to the national well-being goals)?
<b>A prosperous Wales</b> An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.	<ul style="list-style-type: none"> <li>• <i>Enabling communities to take control of their local facilities to deliver the needs of their communities.</i></li> <li>• <i>Enables efficient use of council funding</i></li> <li>• <i>Change grass cutting regime to promote a more diverse ecology</i></li> </ul>	<i>The council has made provision for clubs to have support in deriving their business cases and a facilities improvement grant.</i>
<b>A resilient Wales</b> A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).	<ul style="list-style-type: none"> <li>• <i>Reduced Grass cutting may promote a more diverse ecology</i></li> <li>• <i>Promotion of self management for resilience to change</i></li> </ul>	The impact on local communities will be monitored through the wide range of services that will continue to be provided by the Council or its partners.
<b>A healthier Wales</b> A society in which people's physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.	<ul style="list-style-type: none"> <li>• To enable the best use of resources and create a sustainable provision for future generations</li> <li>• Ownership of the asset will enable to local community to make best or better use. Possibly by encouraging</li> </ul>	<i>The council has made provision for clubs to have support in deriving their business cases and a facilities improvement grant.</i>



	greater local involvement in the clubs or organisations	<i>Promotion of other activities that are offered within communities ie swimming, racket sports, fitness etc</i>
<b>A more equal Wales</b> A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).	<ul style="list-style-type: none"> <li>Recognising that communities are becoming more diverse. Addressing barriers that some groups have in feeling part of communities.</li> </ul>	The impact on local communities will be monitored through the wide range of services that will continue to be provided by the Council or its partners.
<b>A Wales of cohesive communities</b> Attractive, viable, safe and well-connected communities.	By aiming to improve local accountability the level of provision can be more viable and encourage community participation.	The council has made provision for clubs to have support in deriving their business cases and a facilities improvement grant.
<b>A Wales of vibrant culture and thriving Welsh language</b> A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.	This project is attempting to protect the long term viability of sports provision and recreation within local communities.	The council has made provision for clubs to have support in deriving their business cases and a facilities improvement grant.
<b>A globally responsible Wales</b> A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.	Promotion of local accountability in providing sustainable facilities enables ownership of wider wellbeing outcomes	Consideration of the wider offer of facilities that may be available to communities at school and leisure facilities

Section 3 Will your project / activity affect people or groups of people with protected characteristics? Explain what will be done to maximise any positive impacts or minimise any negative impacts			
Protected characteristics	Will your project / activity have any positive impacts on those with a protected characteristic?	Will your project / activity have any negative impacts on those with a protected characteristic?	Is there any way to maximise any positive impacts or minimise any negative impacts?
Age:	<i>Should enable a more sustainable provision</i>	It is suggested in the consultation response that there may be an impact on child development, health and antisocial behaviour. Although no specific age group is identified the responses suggest that there this may be a specific impact on both younger and older persons	<i>The council has made provision for clubs to have support in deriving their business cases and a facilities improvement grant.</i>
Gender reassignment:	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
Marriage or civil partnership:	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
Pregnancy or maternity:	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
Race:	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
Religion or Belief:	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
Race:	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
Sex:	<i>Should enable a more sustainable provision</i>	It is considered that the majority of cricket, football and rugby have more male participants currently than female, so that they may be more adversely impacted if clubs are unable to Community Asset Transfer or fund increased charges.	Engagement has commenced with clubs to consider the implications and support provided to carry out Community Asset Transfers
Welsh Language:	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

<b>Section 4      Identify decision meeting for Project/activity e.g. Cabinet, Council or delegated decision taken by Executive Members and/or Chief Officers</b>	
<b>Compiling Officers Name:</b>	Phil Beaman / Kevin Mulcahy
<b>Compiling Officers Job Title:</b>	Green Spaces and Bereavement services manager / Group manager Highways and Green Spaces
<b>Date completed:</b>	August 2019

## SCALE OF CHARGES – PER OCCAISION FROM 1st APRIL 2019

### PLAYING FIELDS AND PAVILIONS

<u>SPORTS PITCHES (RUGBY/FOOTBALL)</u>	Pitch Only	Use of Pavilion	Total Charge
Full (Inc. Pitch Marking)	£36.70	£19.43	£56.13
Concessionary (Inc. Pitch Marking)	£23.44	£12.44	£35.88
Mini Football	£17.48	£12.44	£29.92
<u>SPORTS PITCHES (CRICKET)</u>			
Full - Prepared Wicket	£42.46	£19.43	£61.89
Concessionary - Prepared Wicket	£27.55	£12.44	£39.99
Full - Artificial Wicket	£25.49	£19.43	£44.92
Concessionary - Artificial Wicket	£14.39	£12.44	£26.83
<u>SPORTS PITCHES (Bowls)</u>	Self-Managed		

## PROPOSED SCALE OF CHARGES FROM 1st APRIL 2020

### PLAYING FIELDS AND PAVILIONS

<u>SPORTS PITCHES (RUGBY/FOOTBALL)</u>	Pitch Only	Use of Pavilion	Total Charge
Full (Inc. Pitch Marking)	£199	£106	£305
Concessionary (Inc. Pitch Marking)	£147	£78	£225
Mini Football	£96	£58	£154
<u>SPORTS PITCHES (CRICKET)</u>			
Per Square and Outfield per season.	£27,500		
<u>SPORTS PITCHES (CRICKET)</u>			
Full - Prepared Wicket	£358	£106	£464
Concessionary - Prepared Wicket	£265	£78	£343
<del>Full - Artificial Wicket</del>		not now used	
<del>Concessionary - Artificial Wicket</del>		not now used	
<u>SPORTS PITCHES (Bowls)</u>	Green	Use of Pavilion	Total Charge
Per facility	£16,000	£ 7,000	£23,000

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## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO CABINET

22 OCTOBER 2019

#### REPORT OF THE CORPORATE DIRECTOR COMMUNITIES

#### SECTION 123 (2A) LOCAL GOVERNMENT ACT 1972: DISPOSAL OF LAND AT FORGE INDUSTRIAL ESTATE, MAESTEG

##### **1. Purpose of report**

- 1.1 The purpose of this report is for Cabinet to decide whether or not the above Council owned land, which is classed as public open space, should be made available for disposal.

##### **2. Connection to corporate improvement objectives/other corporate priorities**

- 2.1 This report assists in the achievement of the following corporate priority:
- 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 A request has been received from an existing business based on the Forge Industrial Estate, Maesteg, to purchase a parcel of Council owned land to facilitate the construction of addition factory space.
- 3.2 Following negotiations with the prospective purchaser, a purchase price for the parcel of land has been agreed. The land (see plan Appendix 1) comprises of a triangular shaped flat site within a larger triangular plot, which is mainly grassed with small trees and shrubs towards its wider southern boundary and measures 448 sq m (0.11 acres).
- 3.3 It should be noted that as the subject land forms part of a wider area of green space, there will be no detriment as a result of the loss of the small parcel of open space.
- 3.4 The prospective purchaser has indicated the sale of land and its proposed use will facilitate the creation of 10 new full time posts. Without the land, the company has indicated that any future expansion would need to take place at their Suffolk operation as opposed to Maesteg.

- 3.5 One of the legal steps required is for the Council as land owner to consider whether or not the land constitutes public open space and if so, to publish its intention to dispose of this land, freehold or leasehold.

The definition of public open space under:

- the Public Open Spaces Act 1906 means ‘ ..any land, whether enclosed or not, on which there are no buildings or of which not more than one-twentieth part is covered with buildings, and the whole or the remainder of which is laid out as a garden or is used for purposes of recreation, or lies waste and unoccupied..’.
  - the Town and Country Planning Act 1990 definition of “open space” means ‘ any land laid out as a public garden, or used for the purposes of public recreation, or land which is a disused burial ground.
- 3.6 In common with many Council owned sites which have been sold, the land at Forge Industrial Estate is considered to constitute public open space and therefore in accordance with statutory requirements the proposal to dispose of it needs to be advertised.
- 3.7 In accordance with Section 123 (2A) of the Local Government Act 1972, the Council has advertised its intention to dispose of “Land at Forge Industrial Estate, Maesteg” (see attached plan in Appendix 1), by way of Notice for two consecutive weeks on 13<sup>th</sup> June 2019 and 20<sup>th</sup> June 2019 in the Glamorgan Gazette. The Notice required any objections to the proposed disposal of the public open space to be made in writing no later than 15<sup>th</sup> July 2019.

#### **4. Current Situation**

- 4.1 Following the publication of the notices, one objection has been raised by an individual.
- 4.2 The individual objected to the proposed sale on the grounds of claiming to have a stake in the subject land, being the heir and owner of the Dunraven Estate and the Dunraven Company Estates land.
- 4.3 A legal title search has revealed that the land was purchased by Maesteg Urban District Council from The National Coal Board in January 1968 (with Bridgend County Borough Council being a successor in title).
- 4.4 The objector has no legal claim on the land, therefore the claim is both unfounded and unsubstantiated.

#### **5. Effect upon policy framework and procedure rules**

- 5.1 None

## **6. Equality Impact Assessment**

- 6.1 There is no requirement to undertake an Equality Impact Assessment for property disposals.

## **7. Well-being of Future Generations (Wales) Act 2015 implications**

- 7.1 The Well-being of Future Generations (Wales) Act 2015 Assessment based on the 5 ways of working has been considered and there are no significant or unacceptable impacts upon the achievement of wellbeing goals/objectives as a result of the proposed disposal of land at Forge Industrial Estate, Maesteg.

## **8. Financial implications**

- 8.1 The capital receipt generated from the sale of this site could contribute towards the Council's capital programme.

## **9. Recommendation**

- 9.1 That Cabinet, having considered this Report and the objection received in response to the Notices published in accordance with Section 123(2A) of the Local Government Act 1972, authorises the disposal of land at Forge Industrial Estate, Maesteg.

Zak Shell  
Head of Operations – Community Services  
Communities Directorate

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**Email:** [Fiona.blick@bridgend.gov.uk](mailto:Fiona.blick@bridgend.gov.uk)

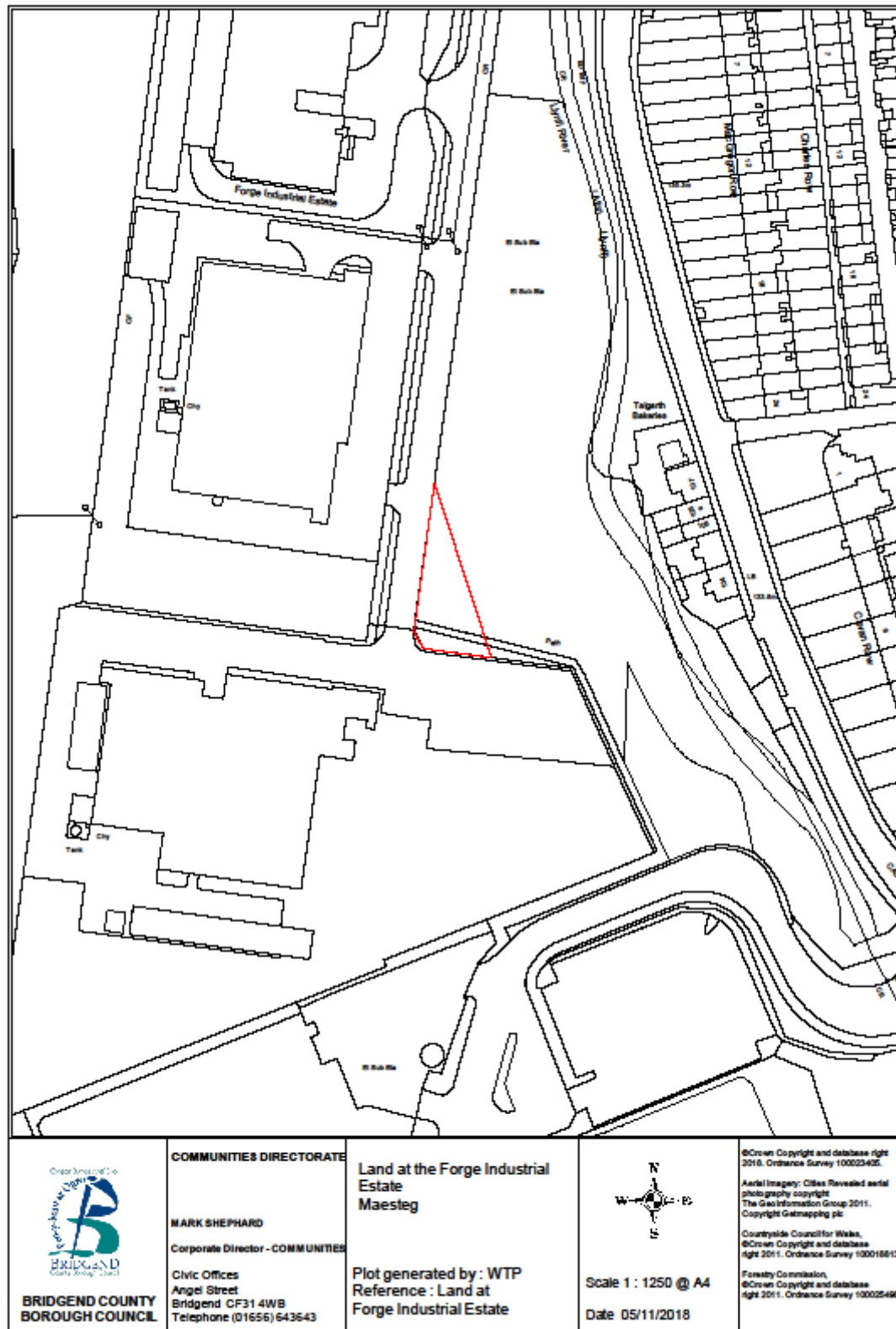
**Postal address:** Ravens Court offices, Brewery Lane, Bridgend address>

**Background documents:**  
**None**



## Appendix 1

### Plan of Proposed Land Sale



## Appendix 2

### Photographs



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## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO CABINET

22 OCTOBER 2019

#### REPORT OF THE HEAD OF LEGAL AND REGULATORY SERVICES

##### PROCUREMENT UPDATE

##### 1. Purpose of report

1.1 The purpose of this report is to update Members on the UK Steel Charter, Code of Practice – Ethical Employment in the Supply Chain, Welsh Government's Foundation Economy model – Better Jobs Closer to Home, the South East Wales Delivery Group and the Welsh Government Project Bank Account Policy and seek approval to:-

- Sign the UK Steel Charter with a view of working towards achievable commitments within the Charter if reasonable to do so.
- Sign the Code of Practice – Ethical Employment in the Supply Chain with a view of working towards achievable commitments within the Code if reasonable to do so.
- Work with Welsh Government to work towards the principles of the Foundation Economy Model – Better Jobs Closer to Home – Local Wealth Building when procuring goods, works and services.
- Agree for the council to participate in the South East Wales Delivery Group for common and repetitive collaborative Framework Agreements, if they provide value for money for the council.
- Adopt the principles within the Welsh Government Policy on Project Bank Accounts and apply payment through project bank accounts on contracts where their application is deemed appropriate and reasonable to do so.

##### 2. Connection to corporate improvement objectives/other corporate priorities

2.1 This report assists in the achievement of the following corporate priority/priorities:

- **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.
- **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.
- **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 UK Steel Charter**

- 3.1.1 The UK Steel Charter has been developed by UK Steel, together with industry and public sector partners including Welsh Government and was launched on 20<sup>th</sup> May 2019. It aims to boost the levels of Welsh and UK produced steel used in UK construction and infrastructure projects by asking organisations to sign up and commit to a range of steps that improve the use of Welsh and UK Steel.
- 3.1.2 The Charter is not designed in any way to mandate the council to use UK produced steel, rather it symbolises an intention to support the industry.
- 3.1.3 There is no expectation on which measures, or how many, the council should commit to.

#### **3.2 Code of Practice – Ethical Employment in the Supply Chain**

- 3.2.1 The Code of Practice – Ethical Employment in the Supply Chains was published in March 2017 by Welsh Government and is designed to help ensure workers in the public sector supply chains in Wales are employed in a fair and ethical way.
- 3.2.2 The Code has a range of commitments and sign up is voluntary and a proportionate approach can be taken, prioritising the actions of each commitment and taking time to implement in full.

#### **3.3 Foundation Economy Model – Better Jobs Closer to Home – Local Wealth Building**

- 3.3.1 The Better Jobs Closer to Home Welsh Government programme is focused on coordinating a range of policy interventions to help utilise public procurement and 3<sup>rd</sup> party expenditure to provide meaningful employment in communities with high levels of joblessness and contribute to local wealth building. It is built from the activities that provide the essential goods and services for everyday life.
- 3.3.2 The model is to nurture and grow the foundations of our local economies. Utilities, care, food, housing, retail, distribution and construction are all examples of the foundational economy.
- 3.3. Working in partnership with our Public Services Board (PSB) to have intelligence on spend and look to support and develop our local economy would be the main focus of the model.

#### **3.4 South East Wales Delivery Group**

- 3.4.1 In September 2018 the First Minister published a written statement through which Local Government were informed that the National Procurement Service (NPS) would cease to operate in its current form.
- 3.4.2 Welsh Government (WG) representatives have informed us of their intentions to form a smaller national contracting body which would sit within WG. They have proposed a pipeline which would result in them retaining 33 of the 61 contracts which Local

Authorities would typically use with 28 being handed back to Local Government to deliver.

3.4.3 It is intended that these changes would take effect from April 2020.

3.4.4 For delivery of collaborative contracts by Local Government post April 2020 there is a clear preference to establish regional delivery arrangements as it was considered this would:

- support a move towards regionally/locally focused sourcing strategies which could better support delivery of local business requirements and the development and use of regional/local supply chain;
- support regional economic development priorities, Future Generation initiatives and development of the Foundation Economy; and
- simplify organisational arrangements.

### **3.5 Welsh Government Project Bank Account Policy**

3.5.1 In December 2017 Welsh Government launched a new project bank accounts policy to support ethical business practices in government funded construction, infrastructure and service contracts. Project bank accounts (PBAs) are ring-fenced bank accounts with trust status that act solely as a receptacle for transferring funds from the client to the lead contractor and supply-chain. They were developed to address poor payment practices in the construction industry but can be applied to any contract that relies on sub-contractors.

3.5.2 Under traditional contractual payment terms, payments made direct to a lead contractor are paid onto the supply-chain at a later a date. PBAs provide a mechanism to meet statutory requirements for payments in public contracts and facilitate fair and prompt payment for contractors and sub-contractors, helping to alleviate cash flow pressures that can have a considerable effect on smaller companies who rely on cash flow to a greater extent than companies 'above' them in the supply chain.

## **4. Current situation/proposal**

### **4.1 The UK Steel Charter**

4.1.1 The UK Steel Charter will require the council to commit to achieving at least one of the steps of the Charter, which are:-

1. Establish clear and simple criteria to identify which projects are in the scope of our charter commitments.
2. Develop a future steel pipeline.
3. Monitor and produce data on the levels of UK-produced steel used in our projects.
4. Place a requirement in our appropriate contracts requiring the origin of steel to be provided.
5. Stipulate use of steel products accredited to BRE standard BES 6001.
6. Advertise opportunities for steel providers and/or require our contractors/sub-contractors to do so.

7. Introduce a requirement for tender applications to include supply chain plans.
8. Host engagement meetings/events for major projects in advance of procurement decisions being made.
9. Develop our organisation's approach to the 'most economically advantageous tender'.
10. Appoint a 'UK supply chain champion' to manage engagement with steel sector, and other suppliers.
11. Use UK-produced steel to meet KPIs for your organisations corporate social responsibility commitments.

4.1.2 It is proposed that the council signs up to the UK Steel Charter with a view of working towards committing to the steps that are considered to be achievable and reasonable to do so.

## **4.2 The Code of Practice – Ethical Employment in the Supply Chain**

4.2.1 The Code of Practice – Ethical Employment in the Supply Chain (the "Code") will require the council to commit to some or all of the 12 commitments within the Code, which are:-

1. Produce a written policy on ethical employment within our own organisation and our supply chains. Once produced we will communicate the policy throughout our organisation and will review it annually and monitor its effectiveness. As part of this we will appoint an Anti-Slavery and Ethical Employment Champion.
2. Produce a written policy on whistle-blowing to empower staff to raise suspicions of unlawful and unethical employment practices, and which places a responsibility on staff to report criminal activity taking place within our own organisation and our supply chains. Once produced we will communicate the policy throughout our organisation. We will review the policy annually and monitor its effectiveness. We will also provide a mechanism for people outside our organisation to raise suspicions of unlawful and unethical employment practices.
3. Ensure that those involved in buying/procurement and the recruitment and deployment of workers, receive training on modern slavery and ethical employment practices, and keep a record of those that have been trained.
4. Ensure that employment practices are considered as part of the procurement process. We will include a copy of our policy on ethical employment in procurement documentation and include appropriate questions on ethical employment in tenders and assess the responses provided. We will incorporate, where appropriate, elements of the Code as conditions of contract and ask bidders to explain the impact that low costs may have on their workers each time an abnormally low tender is received.
5. Ensure that the way in which we work with our suppliers does not contribute to the use of illegal or unethical employment practices within the supply chain. We will ensure that undue cost and time pressures are not applied to any of our suppliers if this is likely to result in unethical treatment of workers and ensure that our suppliers are paid within 30 days of a valid receipt.
6. Expect our suppliers to sign up to the Code to help ensure that ethical employment

practices are carried out throughout the supply chain.

7. Assess our expenditure to identify and address issues of modern slavery, human rights abuse and unethical employment practice. We will carry out regular reviews of expenditure and undertake a risk assessment on the findings, to identify products and/or services where there is a risk of modern slavery and/or illegal or unethical employment practices within the UK and overseas. We will investigate any supplier that is identified as high risk, by direct engagement with workers wherever possible, and work with our suppliers to rectify any issues of illegal or unethical employment practice. We will monitor the employment practices of our high risk suppliers, making this a standard agenda item for all contract management meetings/reviews.
8. Ensure that false self-employment is not undertaken and that umbrella schemes and zero hour contracts are not used unfairly or as a means to – avoid, or facilitate the avoidance of, the payment of tax and national insurance contributions and the relevant minimum wage; unduly disadvantage workers in terms of pay and employment rights, job security and career opportunities; or avoid health and safety responsibilities.
9. Ensure that workers are free to join a Trade Union or collective agreement and to undertake any related activity and raise workers concerns without risk of discrimination. We will not make use of blacklists/prohibited lists, ensure that suppliers do not make use of blacklists/prohibited lists, not contract with any supplier that has made use of blacklist/prohibited list and expect suppliers to ensure that Trade Union representatives can access members and contracted workers.
10. Consider paying all staff the Living Wage Foundation's Living Wage as a minimum and encourage suppliers to do the same. We will consider becoming an accredited Living Wage Employer and encourage suppliers based overseas to pay a fair wage to all staff, and to ensure that staff working in the UK are paid at least the minimum wage.
11. Produce an annual written statement outlining the steps taken during the financial year, and plans for future actions, to ensure that slavery and human trafficking are not taking place in any part of our organisation and its supply chain. We will ensure that the statement is signed off at senior management / board level and publish the statement on its website. If publication is not possible, we will provide a copy to anyone within 30 days of a request being made. (All organisations signing up to the Code are expected to produce and publish this annual written statement).
12. Ensure all those undertaking work on an outsourced contract are treated fairly and equally. We will ensure that public sector staff who are transferred as part of a public service which is outsourced to a third party retain their terms and conditions of employment. We will ensure that other staff working on an outsourced public service are employed on terms and conditions that are comparable to the transferred public sector staff.



- 4.2.2 It is proposed the council signs up to Code with a view of working towards achieving the commitments within the Code in the future if considered reasonable to do so.

#### **4.3 Foundation Economy Model – Better Jobs Closer To Home – Local Wealth Building**

- 4.3.1 The foundational economy is made up of goods and service in our communities that we use every day – by focusing our efforts on supporting these parts of the economy we can help keep money in communities, create better employment conditions and increase prosperity across Wales.
- 4.3.2 Welsh Government's initiative for the foundation economy offers support to local PSB's to better understand the model, help local anchor institution by working in collaboration to support local businesses and create supply chains within communities, achieve wider outcomes, develop more pre-commissioning dialogue with community enterprises, build a more inclusive economy by looking at what we already have and how we build from within and contribute to the development of our local economy. Changing the way in which we procure could contribute to driving up skills and employment opportunities.
- 4.3.3 It is proposed that the council agrees to work with Welsh Government to better understand how we can contribute to the development of the local economy when procuring goods, works and services, working on the principles of the foundation economy model.

#### **4.4 South East Wales Delivery Group**

- 4.4.1 Following the change of direction of the National Procurement Service it is proposed that the council agrees to membership of the Regional South East Wales Delivery Group for Bridgend to collaborate for common and repetitive spend areas to ensure economies of scale and ensuring value for money.

#### **4.5 Welsh Government Project Bank Account Policy**

- 4.5.1 The Welsh Government policy on Project Bank Accounts is directly applicable to all construction and infrastructure projects and any other appropriate contracts valued at £2m or more which are part or all funded by Welsh Government where the terms of such funding require a PBA to be applied. In such cases PBAs must be applied unless there are compelling reasons not to do so. The Welsh Government policy on Project Bank Accounts is also intended to provide best practice guidance to support the implementation of PBAs in the delivery of construction and infrastructure and any other appropriate projects by Welsh public sector bodies.
- 4.5.2 It is proposed the council adopt the principles contained within the Welsh Government Policy on Project Bank Accounts and apply payment through a PBA on contracts where their application is deemed appropriate. Potentially suitable projects will be assessed prior to commissioning to determine whether the application of PBAs is appropriate. Whether a PBA is appropriate will largely depend on the duration of the project and the subcontract packages involved. Welsh Government general guidance is that PBAs should be used in all construction and infrastructure (or other public contracts with a significant sub-contracting supply chain) of over 6 months duration

and valued at £2 million or more and where there are sub-contracting opportunities valued at 1% or more of the contract value.

## **5. Effect upon policy framework and procedure rules**

- 5.1 The council's Contract Procedure Rules will need updating in order to comply with the commitments of the UK Steel Charter, the Code of Practice – Ethical Employment in the Supply Chain and to reference the relevant requirements of the Welsh Government Project Bank Accounts Policy.

## **6. Equality Impact Assessment**

- 6.1 There is no impact on specific equality groups as a consequence of this report.

## **7. Well-being of Future Generations (Wales) Act 2015 implications**

- 7.1 A Well-being of Future Generations (Wales) Act 2015 assessment has been completed. A summary of the implications from the assessment relating to the five ways of working is as follows:

### **Long term**

The UK Steel Charter, Code of Practice – Ethical Employment in the Supply Chain, the foundation economy model and Welsh Government Project Bank Account Policy work towards building local wealth and better jobs closer to home, developing the local economy and helping towards unemployment. Working on the principles of these will contribute to helping with unemployment, developing local supply chains and help to ensure fair, ethical employment across the supply chain in the future. These are not short term solutions but are principles to develop on for the future.

### **Prevention**

Working towards a different model of procuring goods, works and services and the commitments of the code of practice will help to contribute to the prevention of further unemployment, developing the local economy and preventing unfair working practices in the supply chain.

### **Integration**

Many of the commitments for the various initiatives involve working in partnership with our PSB. Working closely with private, public and third sector organisations will support the achievement of the wellbeing goals; a more Prosperous Wales, a more Equal Wales and a Wales of Cohesive Communities. Involving citizens to help shape future services and working to help contribute to unemployment, encouraging apprentices by the way we procure.

### **Collaboration**

Many of the commitments involves working in collaboration with all services within the council, working in partnership with other local authorities across the south east region and working closely with private and third sector organisations.

### **Involvement**

Involvement with the citizens of Bridgend will be key in developing new models of service delivery. Public, private and third sector involvement will ensure we work

towards achieving our commitments as well as working with the local economy and unemployed for them to have a voice as to how we build local wealth.

## **8. Financial implications**

- 8.1 Whilst the initial signing of the UK Steel Charter and the Code of Practice – Ethical Employment in the Supply Chain has no financial implications, depending on the commitments the council work towards in the future there are potential financial implications, which will be reported to Cabinet.
- 8.2 The establishment of the South East Wales Delivery Group has no financial implications, but the council will be expected to contribute to the setting up of regional frameworks via a levy. This will be offset with Bridgend leading the procurement on specific framework agreements, for which we would be paid a levy, in addition to savings from the frameworks themselves. However, it is too early to anticipate what the financial implications of this is, and this will be reported at a later time.
- 8.2 The adoption of the Welsh Government policy on Project Bank Accounts will have no direct financial implications but its application to appropriate projects may add additional costs to contractors who may seek to pass these costs on to the council through an uplift in their bid for that contract. It is too early to anticipate the financial implications of this but it is expected that costs in setting up and operating a PBA will be modest.

## **9. Recommendation**

9.1 Cabinet is recommended to:-

- Sign up to the UK Steel Charter with a view of working towards committing to the steps that are considered to be achievable and reasonable to do so
- Sign up initially to the Code of Practice – Ethical Employment in the Supply Chain with a view of working towards achieving the commitments within the Code in the future if considered reasonable to do so.
- Agree with working towards the Foundation Economy model.
- Agree for Bridgend to participate in the South East Wales Delivery Group.
- Adopt the principles contained within the Welsh Government Policy on Project Bank Accounts and apply payment through a PBA on contracts where their application is deemed appropriate and reasonable to do so.

Kelly Watson  
Head of Legal and Regulatory Services  
October 2019

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Corporate Procurement Manager

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Bridgend  
CF314WB

**Background documents:**

UK Steel Charter

Code of Practice – Ethical Employment in the Supply Chain

The Future Local Government Collaborative Procurement in Wales

Welsh Government policy on Project Bank Accounts and Guidelines for deploying the

Welsh Government Project Bank Account Policy

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# THE UK STEEL CHARTER

We support the aims and objectives of the UK Steel Charter. By taking practical steps to maximise opportunities for UK steel producers in construction and infrastructure, organisations will:

- ✓ Help ensure the best possible economic benefit to the UK economy by increasing GVA in UK manufacturing supply chains
- ✓ Unlock the social, environmental and economic benefits of shortened and localised supply chains
- ✓ Promote and facilitate the use of UK produced steel in construction and infrastructure projects
- ✓ Support highly paid, skilled manufacturing jobs and training opportunities in communities across the UK

**Signed:**

Read More:

- UK Steel, 'Maximising Value: Positive Procurement of Steel'
- UK Government, 'Procurement policy note 11/16: Procuring Steel in Major Projects'
- Welsh Government, 'Supporting the sourcing of steel in major construction and infrastructure projects in Wales – PAN)
- Scottish Government, 'Steel Procurement in Major Projects – Guidance on the Application of Social Issues'



This Charter is endorsed by the  
National Trade Union Steel Co-  
ordinating Committee

# THE UK STEEL CHARTER

We commit to the following steps:

- ☐ Establish clear and simple criteria to identify which projects are in the scope of our charter commitments
- ☐ Develop a future steel pipeline
- ☐ Monitor and produce data on the levels of UK-produced steel used in our projects
- ☐ Place a requirement in our appropriate contracts requiring the origin of steel to be provided
- ☐ Stipulate use of steel products accredited to BRE Standard BES 6001
- ☐ Advertise opportunities for steel providers and/or require our contractors/sub-contractors to do so
- ☐ Introduce a requirement for tender applications to include supply chain plans
- ☐ Host engagement meetings/events for major projects in advance of procurement decisions being made
- ☐ Develop our organisation's approach to the 'most economically advantageous tender'
- ☐ Appoint a 'UK supply chain champion' to manage engagement with steel sector, and other suppliers
- ☐ Use UK-produced steel to meet KPIs for your organisations corporate social responsibility commitments
- ☐ Use British quality standards of steel when detailing steel requirements in project plans



# MAXIMISING VALUE: POSITIVE PROCUREMENT OF STEEL

**GUIDANCE FOR SIGNATORIES  
OF THE UK STEEL CHARTER**



# BACKGROUND



The UK, Scottish, and Welsh Governments are publicly committed to the implementation of measures to open up opportunities for UK steel producers to supply into public construction and infrastructure projects. To this end, all three governments have published their own procurement guidance documents<sup>1</sup> in order to drive positive changes to procurement practices and deliver this objective.

The reasons for this commitment and policy direction are clear and numerous. Amongst other benefits, maximising opportunities for UK manufacturers and suppliers can:

- Increase the economic value a project delivers to the UK
- Increase the ability and potential of each project to spread its economic benefits across the UK
- Increase the interest in the competitive process and therefore help deliver best value for money
- Deliver against a wider range of outcomes beyond just value for money, such as the social and environmental benefits that can flow from procurement decisions<sup>2</sup>
- Provide a strong pipeline of projects in the UK that helps anchor manufacturing and accompanying innovation here in the UK.

**‘Investments in infrastructure, and our decisions on procurement, are among the government’s most significant interventions in the economy’**

The UK Government’s Industrial Strategy reaffirms this with a commitment to embedding a balanced scorecard approach within all major construction and capital projects. Highlighting the power of procurement as a policy tool, the strategy notes that a massive 14% of UK GDP is spent on public procurement each and every year and that *‘investments in infrastructure, and our decisions on procurement, are among the government’s most significant interventions in the economy’*. The potential here is significant.

The UK Steel Charter, and this accompanying guidance, supports and builds upon government intention in this area. The Charter enables government departments, devolved administrations, local authorities and private organisations, to publicly signal their commitment to its principles and identify key practical actions they will take.

# A PIPELINE OF POTENTIAL

The UK, Scottish and Welsh Governments, as part of their ongoing commitments to steel procurement, annually publish pipelines for their future steel requirements.

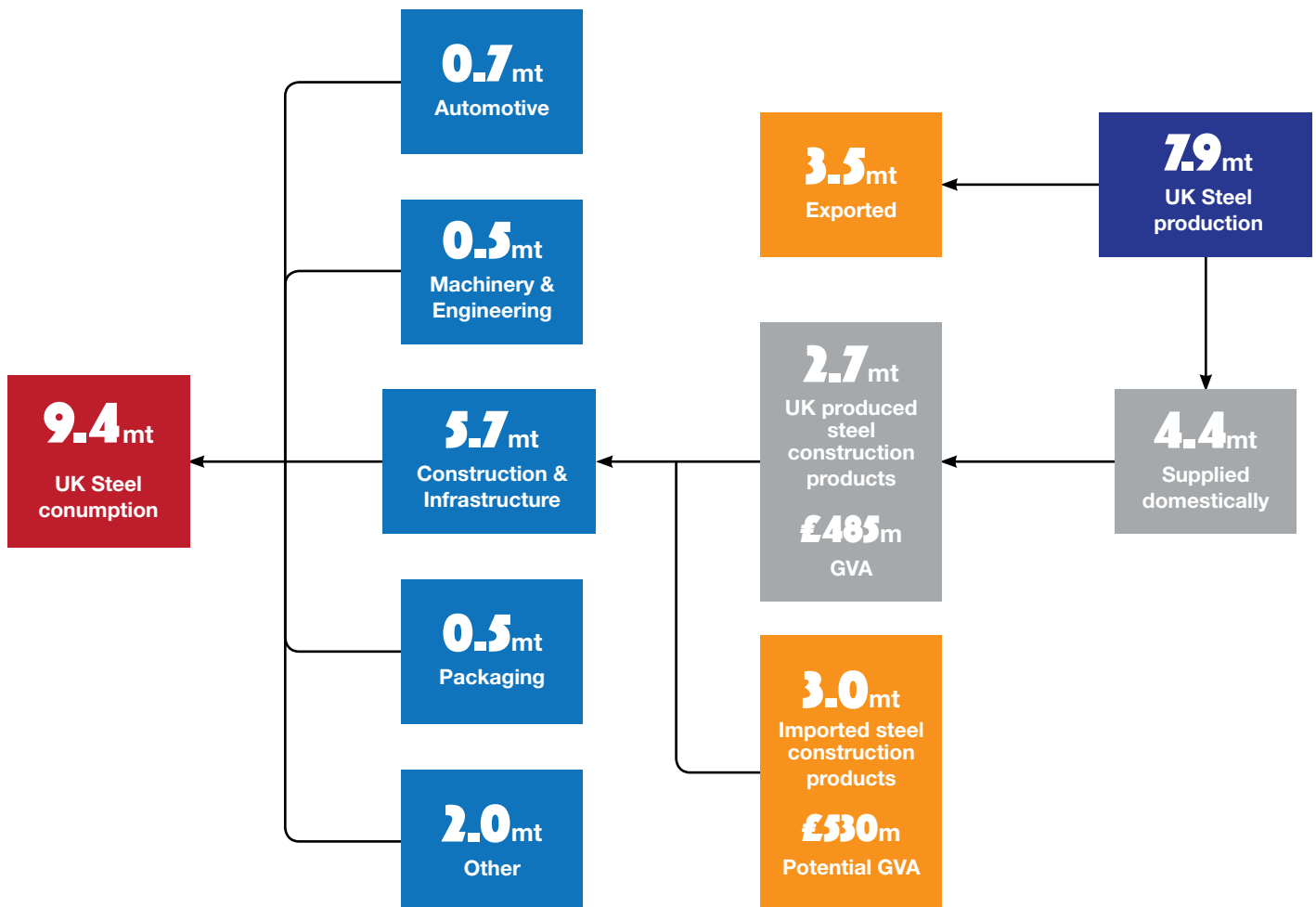
The UK Government Steel Procurement Pipeline<sup>3</sup>, which shows the future steel requirements (where known) for national infrastructure projects, shows that the government plans to use a minimum of over three million tonnes of steel over the next decade, worth upwards of £2.5 billion in value. This list of upcoming projects is far from exhaustive.

Looking at construction in the UK more widely, the construction of buildings and infrastructure in the UK directly contributes over £100 billion a year to the UK economy. However, the indirect impact of this activity, via materials and equipment purchased from UK supply chains, boosts this economic contribution greatly.

Around 5.7 million tonnes<sup>4</sup> of steel are used in construction and infrastructure each year in the UK. Currently half of this is supplied by UK steel producers, leading to an economic contribution to the UK, including wages and taxes, of £500 million. With the other half of steel requirements for construction currently imported, there exists an opportunity to provide an additional half a billion pounds a year to the UK economy.

As the Government's Industrial Strategy proposes, if we take a more sophisticated approach to the procurement of materials and products in general, not just steel, we could unlock vast quantities of additional economic activity within UK manufacturing.

## Production & Consumption of Steel in the UK



# THE UK STEEL INDUSTRY IN NUMBERS

31,900

PEOPLE DIRECTLY  
EMPLOYED BY THE  
UK STEEL INDUSTRY

52,300

FURTHER JOBS  
SUPPORTED IN  
SUPPLY CHAIN &  
LOCAL COMMUNITIES<sup>5</sup>

£1.6bn

DIRECT  
CONTRIBUTION TO  
THE UK ECONOMY  
IN 2017

£3.9bn

ADDITIONAL  
CONTRIBUTION CREATED  
IN SUPPLY CHAINS &  
LOCAL COMMUNITIES<sup>5</sup>

28%

AVERAGE STEEL  
SALARY 28% HIGHER  
THAN THE NATIONAL  
AVERAGE<sup>6</sup>

46%

AVERAGE STEEL SALARY  
46% HIGHER THAN THE  
AVERAGE IN WALES  
AND YORKSHIRE &  
HUMBERSIDE<sup>6</sup>

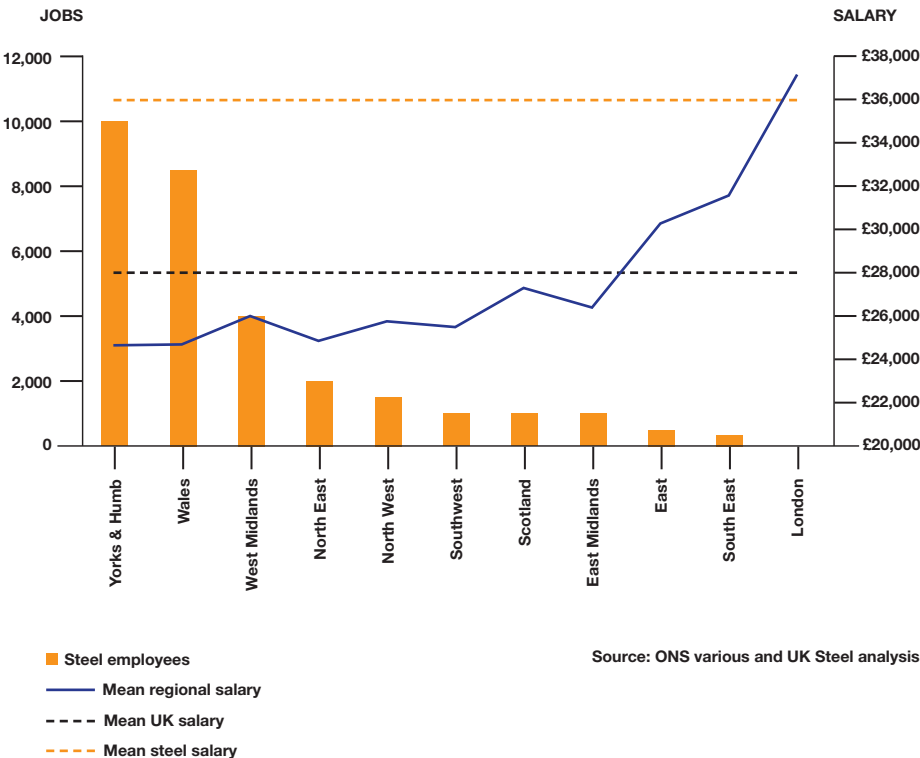
8mt

STEEL PRODUCED A  
YEAR, EQUIVALENT  
TO 84% OF UK'S  
9.4MT DIRECT  
ANNUAL STEEL  
CONSUMPTION<sup>7</sup>

£3.2bn

POSITIVE  
CONTRIBUTION  
TO THE UK TRADE  
DEFICIT VIA EXPORTS<sup>8</sup>

## UK steel employment by region, average regional salary, and average steel salary





# INVESTING IN THE FUTURE



**Steel companies engage heavily with schools and colleges in their local communities, attending hundreds of events every year and providing meaningful work experience.**

- The UK steel industry is dedicated to adding social value by developing home-grown skills and knowledge. Our future is heavily reliant upon nurturing talent within the UK, and our local communities.
- The UK steel industry employs 600 apprentices throughout the UK with plans to increase this, taking on 200 more apprentices each and every year.
- These apprentice places are highly sought after, with over 6000 applications each year. That's more than the competition for a place at Oxford University.
- It's not just about apprenticeships though; 65% of our technical workforce is educated to graduate level and 40% hold post-graduate qualifications.
- The UK steel industry has supported over 250 PhDs to date. For example, Tata Steel's relationship with Swansea University has created a regional centre of excellence, linking the supply chain to new research projects, commercial opportunities as well as funding, training and further collaborations.<sup>9</sup>
- Steel companies engage heavily with schools and colleges in their local communities, attending hundreds of events every year and providing meaningful work experience.<sup>10</sup> These schemes give invaluable work experience to school pupils and college students in areas where such opportunities can be in short supply.

# SUSTAINABILITY BENEFITS

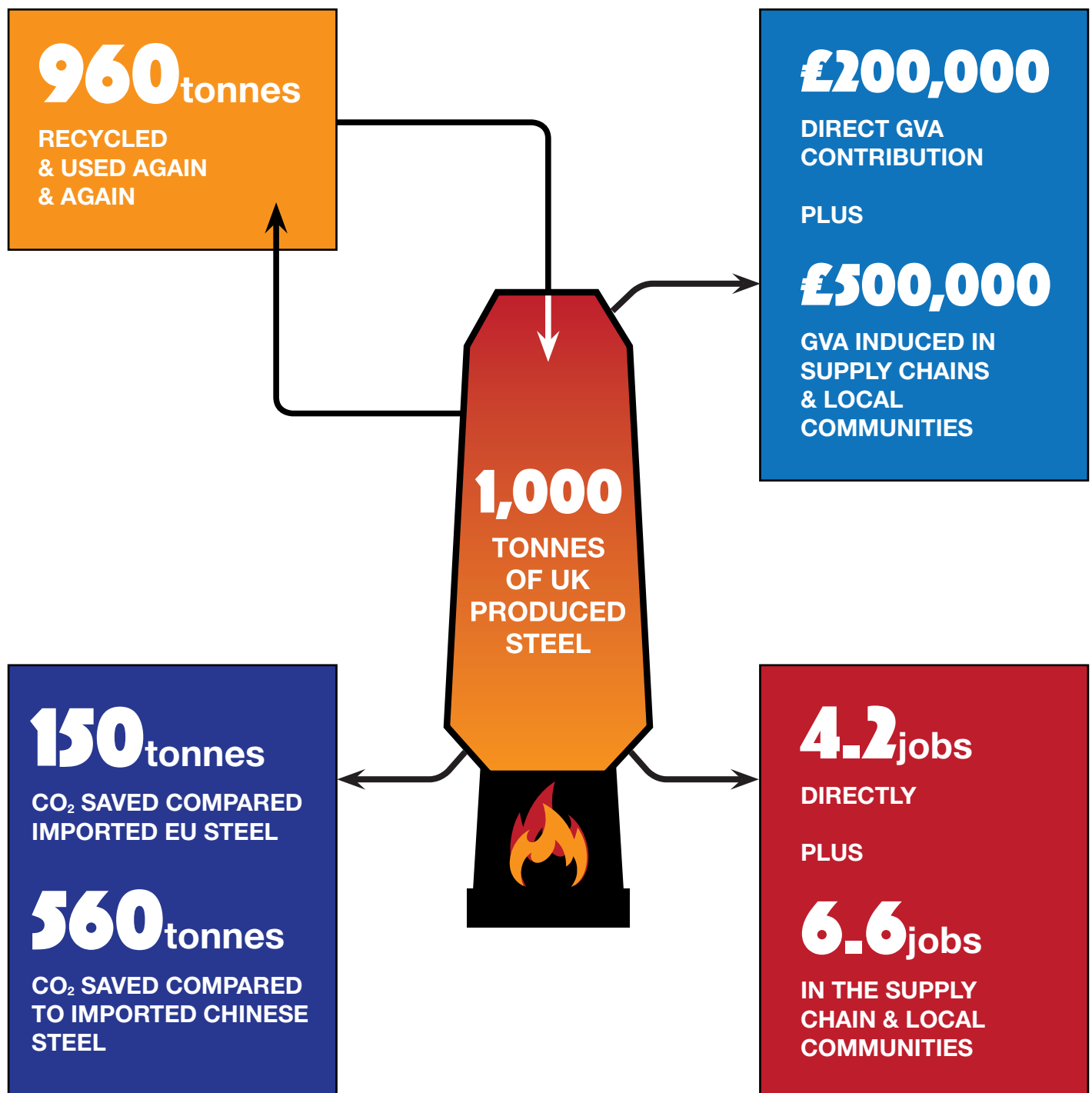


**Beyond the jobs and skills supported by the procurement of UK steel there are a number of other sustainability benefits that can add social value to your projects and may contribute to your corporate social responsibility aims. These include:**

- All steel construction products produced in the UK are certified to BRE Standard BES 6001 – an independent responsible sourcing certification which accounts for both our supply chains and operations, from raw materials to final steel product.
  - Sourcing products locally cuts down significantly on transport related carbon emissions. A tonne of steel transported within the UK produces less than 10kg CO<sub>2</sub>/tonne, on average. Compare this to steel imported from the EU at 160kg CO<sub>2</sub>/tonne or from China at 550kg CO<sub>2</sub>/tonne.
  - This soon adds up when you consider the UK imports over 6 million tonnes of steel each year from all over the world. The emissions related to the transportation of this is an estimated 1.4 million tonnes.<sup>11</sup> That's the carbon footprint of 200,000 people here in the UK.
  - Steel reinforcing bar (rebar), one of the most commonly used construction steel products, is made from 100% recycled content in the UK and is almost 40% less carbon intensive<sup>12</sup> than that produced elsewhere in the EU: 600 kg CO<sub>2</sub>/tonne delivered for UK steel, compared to 945kg CO<sub>2</sub>/tonne from the EU.
- Sourcing products locally cuts down significantly on transport related carbon emissions.**
- Steel as a material also has excellent sustainability credentials. It is a unique material in its 100% recyclability and ability to even be 'upcycled' after use to produce higher strength steels. In the UK 96% of construction steel is recovered and recycled.<sup>13</sup>
  - The steel industry is at the forefront of green innovation. We are committed to decarbonising our economy and working in collaboration with other sectors, we are funding research that will deliver emissions reductions in our products and across wider society.

# THE BENEFITS AND SOCIAL VALUE OF UK PRODUCED STEEL

## The Benefits and Social Value of 1,000t of UK Produced Steel

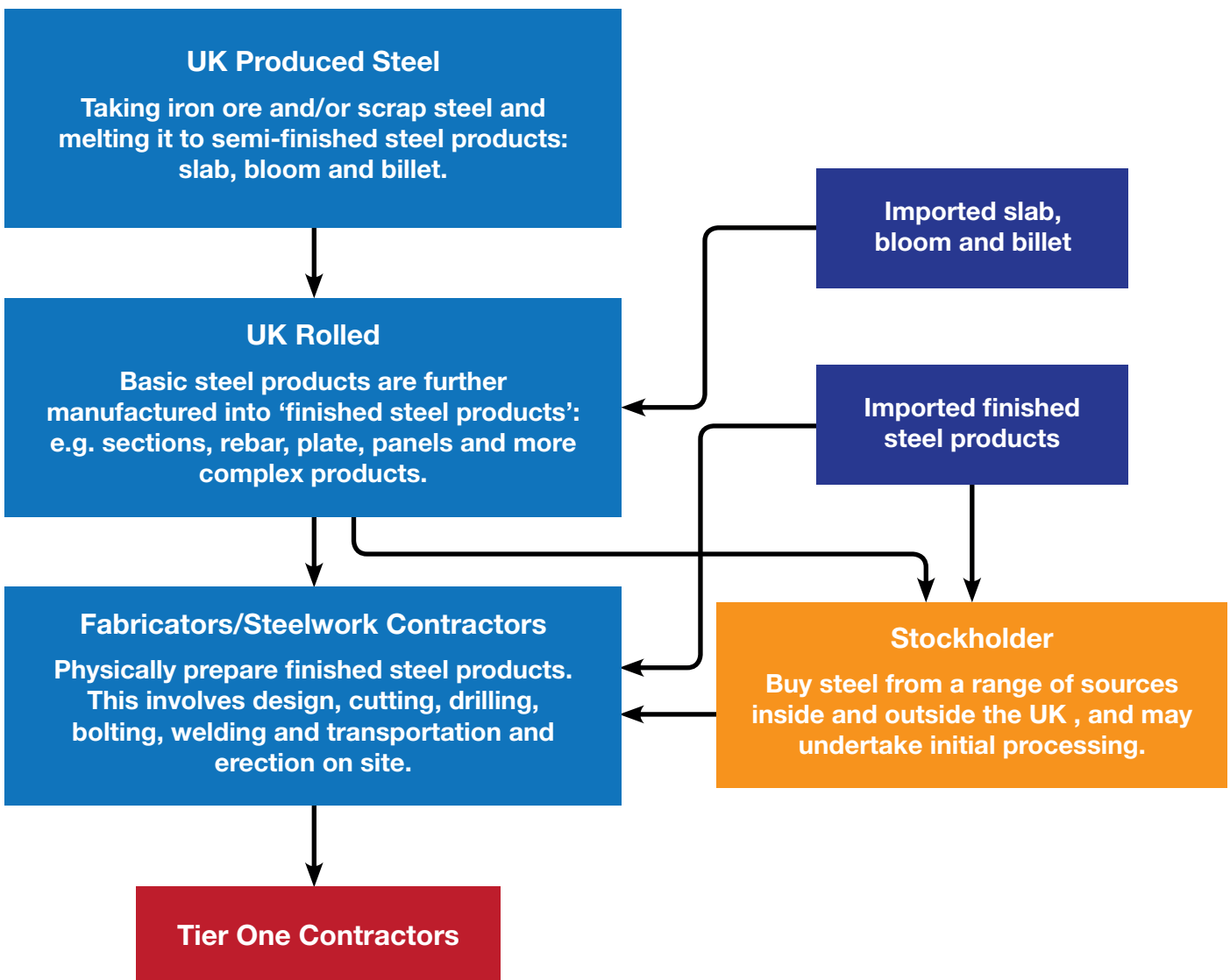


# CONSTRUCTION STEEL SUPPLY CHAINS

Understanding the benefits your procurement decisions can have for UK jobs, the UK economy and the environment requires an understanding of where your steel is produced, as well as processed or fabricated. Fabricators and Steelwork Contractors are key to knowing the producer origin of your steel as they will have a record of this via test certificates, whether they purchased direct from a steel producer or a stockholder.

The further back in the UK supply chain your steel originated, the bigger the potential economic contribution to the UK. Using a UK fabricator or steelwork contractor will contribute a certain amount, a UK steel stockholder will add further, still further is added if it was rolled in the UK and the maximum value can be delivered by sourcing steel that started its life as raw products in a UK steel plant.

## The Steel Supply Chain





# STEEL AS A CONSTRUCTION MATERIAL OF CHOICE



## FAST, EFFICIENT, RESOURCEFUL

Steel can be assembled quickly and efficiently in all seasons. Components are pre-manufactured off-site with minimal on-site labour. A whole frame can be erected much more quickly, with a corresponding 20% to 40% reduction in construction time relative to on-site construction, depending on a project's scale.



## ADAPTABLE AND ACCESSIBLE

These days, a building's function can change dramatically and rapidly. A tenant may want to make changes that increase floor loads significantly. Walls may need to be repositioned to create new interior layouts based on different needs and space usage. Steel-built structures can cater for such changes.



## LESS COLUMNS, MORE OPEN SPACE

Steel sections provide an elegant, cost-effective method of spanning long distances. Extended steel spans can create large, open plan, column free internal spaces, with many clients now demanding column grid spacing over 15 metres. In single storey buildings, rolled beams provide clear spans of over 50 metres.



## ENDLESSLY RECYCLABLE & REUSABLE

When a steel-framed building is demolished, its components can be reused or circulated into the steel industry's closed-loop recycling system for melt down and repurposing. Steel can be reused and recycled endlessly without loss of properties. Nothing is wasted.



# STEEL FOR OFF-SITE MANUFACTURING (OSM)



**OSM is increasingly being considered and used to service a wide range of construction and infrastructure projects. Two thirds of construction executives expect to double the amount of construction work they carry out using OSM over the next five years.<sup>14</sup>**

Steel has long sat at the centre of the construction technique, offering a wide range of benefits to all parties concerned, including the local community:

- **Speed of completion:** Offsite hubs by their very nature are well linked and well-resourced sites, allowing the construction teams to focus on the build thus significantly improving the speed of construction.
- **Improved quality:** Clients have more time to check the material meets specification without the typical time pressures that exist on site i.e. other trades.
- **Minimal disruption:** Factory-based construction minimises time on site, meaning less noise and disruption, as well as a cleaner, safer, less congested site.
- **Cost and time certainty:** Factory-built projects are not subject to weather-related delays or site-based skills shortages, so buildings can be completed on time and on budget.

Steel has long sat at the centre of the construction technique, offering a wide range of benefits to all parties concerned, including the local community.

- **Future flexibility:** Steel buildings can easily be expanded, reduced, reconfigured or even relocated to meet your changing needs.
- **Reduced waste:** OSM for construction can generate significantly less waste than traditional on-site building methods.

# UK STEEL PRODUCERS

There are six steel producers in the UK: British Steel; Celsa UK; Liberty Steel; Outokumpu; Sheffield Forgemasters; Tata Steel UK Ltd. The four companies profiled in this guidance supply substantial volumes into construction and infrastructure projects. A full list and further information about all steel producers in the UK can be found on the UK Steel website<sup>15</sup>

## BRITISH STEEL

Contact: Lisa Coulson  
Head of Marketing  
Lisa.Coulson@Britishsteel.co.uk

**Workforce: 4,000 across the UK**  
**Capacity: 3Mt per year**  
**Construction Products:**



- Full range of rails, including specialist products such as noise reduction rail, and steel sleepers
- Full range of structural sections including beams, columns, angles and channels
- Special profiles including bulb flats, crane rail and mining applications, and construction/material handling equipment components
- Wire rod for construction, automotive and engineering applications.



## CELSA UK

Contact: Chris Hagg  
Head of External Affairs  
CHAGG@celsauk.com

**Workforce: 2,000 across the UK**  
**Capacity: 1.2Mt per year**  
**Products:**



CELSA  
STEEL UK

- Reinforcing Bar in straight lengths and coil for construction
- Merchant bar and structural sections, including flats, rounds, channels and angles for construction and light engineering purposes
- Wire Rod for construction, wire working and general engineering applications.



## TATA STEEL UK LIMITED

Contact: Kamal Rajput  
Business Development Manager  
Kamal.rajput@tatasteeleurope.com

**Workforce: 8,500 across the UK**  
**Capacity: 4.5Mt per year**  
**Products:**



- Hot, Direct and Cold-Rolled engineering steels
- Full range for the automotive industry including HDG steels, cold-rolled steels, blanks & tailor welded blanks
- Comprehensive structural portfolio including hollow sections & decking
- Building Envelope range including exterior pre-finished steel, wall & roof systems
- Metallic coated steels
- Full range of electrical steels
- Packaging and tinplate & ECCS



## LIBERTY STEEL

Contact: Iain Sinclair  
Chief Business Development Officer  
contactus@libertyhg.com

**Workforce: 2,800 across the UK**  
**Capacity: 3Mt per year**  
**Products:**



- Cast steel products including ingots, blooms, billets, engineering bar, narrow and precision steel strip for a range of applications
- Merchant bar, light sections and de-bar
- Flat products such as hot rolled coil and plate
- Pipe and tube, ranging from precision tube to structural hollow sections to large diameter (over 72") pipe



# POSITIVE PROCUREMENT STEPS

## UK Steel Charter Commitments:

Signing the UK Steel Charter and making a public commitment to its aims and objectives is an important and substantial step for organisations in itself and one we would welcome as many as possible to take. However, to have a real impact it is important, where possible, that organisations take practical steps, implementing small changes in their approach to the procurement of steel that can lead to a big impact on the ground. The below is a list of practical actions signatories could consider taking:

- Establish clear and simple criteria to identify which projects are in the scope of your charter commitments
- Develop and publish/share a future steel pipeline or, where relevant, contribute fully to those produced by the UK, Scottish and Welsh Governments
- Record and report to UK Steel, the levels of UK-produced steel used in projects, or, where relevant, contribute fully to the annual UK government compliance data collection
- Place a requirement in appropriate contracts requiring the origin of steel to be provided to you for recording and reporting purposes
- Stipulate use of steel products accredited to BRE Standard BES 6001, or equivalent
- Advertise opportunities for steel providers on relevant procurement portals and/or require your contractors and sub-contractors to do so
- Introduce a requirement for tender applications to include supply chain plans
- Host engagement meetings/events for major projects in advance of procurement decisions being made
- Develop your organisation's approach to the 'most economically advantageous tender', importantly taking into account social and environmental considerations in relation to steel procurement
- Appoint a 'UK supply chain champion' to manage engagement with steel sector, and other suppliers, and drive positive improvements to procurement practises
- Use UK-produced steel to meet KPIs for your organisation's corporate social responsibility commitments
- Where possible, use British quality standards of steel when detailing steel requirements in project plans

This list isn't exhaustive, nor is it intended that signatories should commit to all of them. We realise that all organisations are different, it is therefore up to each to choose the most practical and suitable measures for themselves. Depending on the nature of your organisation or project(s) some of these actions may sit directly with you, or may need to be fed through to and implemented by your contractors and/or subcontractors. The remainder of this document goes into more detail on some of the actions organisations can take.

The UK Steel Charter does not exist in isolation. The practical steps in this document can be read alongside established public guidance in this area, including:

- UK Government: Procurement Policy Note 11/16 – Procuring Steel in Major Projects<sup>16</sup>
- Welsh Government: Procurement Advice Note – Supporting the Sourcing of Steel in Major Construction and Infrastructure Projects in Wales<sup>17</sup>
- Scottish Government: Guidance relating to the sustainable procurement of steel in major projects<sup>18</sup>
- UK Government: Procurement Policy Note 09/16: Procuring for Growth Balanced Scorecard<sup>19</sup>
- UK Government: Public Contracts Regulations 2015 – Guidance on Awarding Contracts<sup>20</sup>

## Produce a Steel Pipeline

The Department for Business, Energy and Industrial Strategy has worked with UK Steel in recent years to develop and publish an annual UK Government Steel Procurement Pipeline. The Welsh and Scottish Governments also publish annual pipelines. These pipelines detail the future steel requirements of central public projects in the coming years. This is enormously useful to the steel sector in helping us understand future opportunities, signposting where to establish early engagement with projects and contractors, and ensuring we have the necessary capacity to deliver major projects.

For those departments or bodies already feeding into existing government pipelines, we would ask you to continue to do so and to work with the steel sector to improve the quality and quantity of this data where necessary.

For other signatories to the Charter not feeding into existing government pipelines, we would ask you to consider developing your own pipeline and sharing it with the sector, or even publishing it. This would help us have a far better and more detailed picture of the future opportunities available to us. If required, the steel sector could help you in this process and at the same time offer our expertise, working with steel companies could identify potentially advantageous design solutions early in project planning.

## Advertise Commercial Opportunities

Beyond developing a steel pipeline, organisations could consider advertising tendering opportunities for steel, or other materials, through relevant procurement portals. Most likely, this would be implemented through a contractual requirement for tier one contractors, or their subcontractors, to do so.

## Pre-Procurement Planning

Leaving consideration of the supply chains until the tender and contract award phase greatly reduces opportunities to influence supply chain decisions, particularly where reinforcing and structural steel products are concerned as these will be required in the early stages. Four potential measures to improve early engagement would be:

- Holding engagement events or roundtables for potential producers and suppliers.
- Requiring those tendering for contracts to present supply chain plans. If done just in relation to steel this could be as simple as setting out how steel will be tendered for, or if already known, how and from which supplier steel will be sourced. Alternatively, many organisations may wish to consider requesting more comprehensive plans, looking at issues such as local content, innovations, skills, and job opportunities right across project supply chains.
- Appointing a 'UK supply chain champion' within your organisation to act as a point of contact for steel producers and to help promote the aims of the UK Steel Charter and the objectives of maximising local content more widely. The Welsh government already has a "supply champion", and this could act as a model for others to follow.
- Organisations should ensure where possible, project plans use British quality standards of steel when detailing steel requirements for their projects. BSI has a list of these British steel standards on their website.

## Defining In-Scope Projects

Organisations should have a clear process for identifying which of their projects would fall under the scope of their charter commitments e.g. which of their projects they would monitor the steel content of, which projects they would include in steel pipelines, or which projects they would engage directly with the steel sector on. Each organisation is different and will need to come up with their own definition. The important thing is to establish these criteria so that there is consistency and transparency on how you meet your chosen charter commitments. Importantly this will also save you time and resources by ensuring you only concentrate on the most important projects.



# POSITIVE PROCUREMENT STEPS

## Monitoring UK Content

The Department for Business, Energy and Industrial Strategy publishes data on compliance with the Government steel procurement guidance (PPN 11/16), for those departments and bodies subject to the PPN we would ask that you continue to feed into this process. For other organisations, we would welcome the opportunity to work with you to record this information.

Recording and reporting on the level of UK steel used in your projects is the most meaningful way of tracking progress against a key objective of opening up supply opportunities for UK steel companies. Organisations could set a baseline and track progress against this either on an annual or biannual basis. Publishing or sharing it with UK Steel would allow the industry to identify where our engagement could improve or where modifications to the procurement approach could be made. Knowing who manufactured the materials in your building is clearly important for building safety reasons as well as for any assessments you may want to make on the social or environment impact of your steel procurement decisions.

Organisations may encounter push back when asking for this information, particularly if projects have already begun. However, you should be aware that steel producers already have to supply test certificates with all their products to stockholders and steelwork contractors' which easily provide for identifying their origin at a later date. To avoid difficulties at a later stage, ask for this information up front or place a requirement in appropriate contracts requiring steel suppliers and contractors to provide origin details.

## Product Accreditation – BES 6001

All steel construction products produced in the UK are certified to BRE Standard BES 6001. This is a third party assessed and certified way to check that materials have been responsibly sourced. It addresses responsible sourcing of construction products and provides a framework for the organisational governance, supply chain management and environmental and social aspects that must be assessed to ensure the responsible sourcing of construction products. It is a holistic approach to managing a product from the point at which component materials are mined or harvested, through to manufacture and processing. Stipulating that steel products used in your projects must be certified to this standard is a simple and straightforward way of knowing you're procuring responsibly produced steel.

## Social Value and Pre-Qualification Questionnaires:

Lots of organisations and companies place a strong emphasis on the social value of their projects. Social value can be considered at procurement stage by requiring suppliers to show skills, training and job opportunities, economic contribution to the local or national economy, or even the health and safety records for workers in steel plants. Pre-Qualification Questionnaires at supplier selection stage are one way of making an assessment in regards to social value factors. You would have significant flexibility to design such questionnaires in a manner which delivers against your wider project objectives and in line with your view of the most economically advantageous tender.

## Corporate Social Responsibility Performance Indicators

Most large organisations already have corporate social responsibility built into their strategic aims and objectives, alongside a number of key performance indicators to work towards. The steel sector can work with organisations to build in steel charter commitments to existing social responsibility and/or procurement policies and demonstrate how they will assist in meeting KPIs.

## Corporate Publicity

UK Steel will create a dedicated section on our website to celebrate those organisations that sign the UK Steel Charter and apply recommendations within it. This section of the website will include a list of those steel charter partners, including logos, case studies showing how the procurement guidelines are being applied and provide information to other interested parties on how they can work towards signing the Charter. UK Steel will also work with signatories to generate good news stories in the local and national media.

## Balanced Scorecard Approach

The Government Public Procurement Notice: Procuring Growth Balanced Scorecard sets out a number of ways an organisation can maximise the positive impact of public procurement on economic growth by taking full account of the value suppliers can offer and balancing matters such as cost against wider social and economic considerations when designing procurement approaches.

Much of this approach can be dealt with via pre-procurement engagement with suppliers, or early advertisement of opportunities, but consideration should also be given to the inclusion of wider factors, such as environmental and social, when assessing tenders beyond just the lowest upfront cost options. Whilst the cost of delivering a project remains the number one concern for organisations, EU and UK regulations do provide the ability for public organisations to take a more sophisticated approach, and this is becoming increasingly common in both the public and private sectors.

The EU Procurement Directives 2014, implemented by the UK Public Contracts Regulations 2015, established that the award of public contracts must be made on the basis of 'the most economically advantageous tender'. What this means in practice is very wide ranging, from those that wish to simply assess on the basis of cost through to those that want to assess and balance a large number of factors. There is therefore considerable flexibility as to what this means for each organisation with the autonomy provided for each to decide upon the weighting given to different factors when assessing tender submissions. This legislation provides a non-exhaustive list of possible factors to consider including:

- Quality
- Price or cost using a cost-effectiveness approach
- Technical merit
- Aesthetic and functional characteristics
- Accessibility
- Social characteristics
- Environmental characteristics
- Innovative characteristics
- After-sales service and technical assistance
- Delivery conditions such as date, process and period

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### Photo credits

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### Notes

1. UK Government Guidance: <https://www.gov.uk/government/publications/procurement-policy-note-1116-procuring-steel-in-major-projects-revised-guidance>
2. Scottish Government Guidance: <https://www.gov.scot/Topics/Government/Procurement/policy/ReviewProcConst/steelprocurement>
3. Welsh Government Guidance: <https://gov.wales/newsroom/finance/2018/220112-finance-secretary-plan-support-welsh-steel-industry/?lang=en>
4. BEIS (2017) Future Capacities and Capabilities of the UK Steel Industry. 5.7 million Tonnes of steel used by construction and rail in 2015.
5. PWC (2014) Understanding the Economic Contribution of the Foundation Industries provides multipliers of 1.64 additional jobs supported by each steel sector job and £2.42 of additional GVA for each £1 of direct steel sector GVA.
6. ONS (2016) Annual Survey of Hours and Earnings. Figures round to nearest thousand. The average steel salary is £36,000, the national average is £28,000 and the regional average in Wales and Yorkshire, where the majority of steel jobs are concentrated, is £25,000.
7. BEIS (2017) Future Capacities and Capabilities of the UK Steel Industry. Estimated total UK direct consumption of steel is 9.43 million tonnes; 7.9 million tonnes of production – 2015 figures.
8. International Steel Statistics Bureau – 3.5 million tonnes exported in 2017 at average value of £903/tonne
9. For more information on Swansea University and Tata Steel Europe's partnership, please see <https://www.swansea.ac.uk/business-and-industry/businesspartnerships/tata-steel/>
10. For more information on these schemes please see <https://www.tatasteeleurope.com/en/sustainability/communities/south-wales-community/community-news-and> <https://www.industrialcadets.org.uk/case-studies/tata-steel-case-study>
11. International Steel Statistics Bureau – 6.2 million tonnes of finished products imported into the UK in 2015. Estimated 210kg/tonne transport related emissions.
12. Celsa Steel Analysis – carbon foot print of delivered UK steel rebar is 599kg/tonne compared to 945kg/tonne for average EU produced in an electric arc furnace or 2750kg/tonne if produced via a blast furnace in China.
13. [https://www.steelconstruction.info/The\\_case\\_for\\_steel#Environmental\\_benefits](https://www.steelconstruction.info/The_case_for_steel#Environmental_benefits)
14. Clyde & Co (2018) Innovation in Construction Report
15. <https://www.makeuk.org/uksteel>
16. <https://www.gov.uk/government/publications/procurement-policy-note-1116-procuring-steel-in-major-projects-revised-guidance>
17. <https://gov.wales/newsroom/finance/2018/220112-finance-secretary-plan-support-welsh-steel-industry/?lang=en>
18. <https://www2.gov.scot/Topics/Government/Procurement/policy/ReviewProcConst/steelprocurement>
19. <https://www.gov.uk/government/publications/procurement-policy-note-0916-procuring-for-growth-balanced-scorecard>
20. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/560263/Guidance\\_on\\_Awarding\\_Contracts\\_-\\_Oct\\_16.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/560263/Guidance_on_Awarding_Contracts_-_Oct_16.pdf)



This Charter is endorsed  
by the National Trade  
Union Steel Co-ordinating  
Committee



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UK steel industry and champions the  
country's steel manufacturers.

UK Steel champions and celebrates the  
UK's steel manufacturers. We represent  
the sector's interests to government and  
champion our innovative, vibrant and  
dynamic industry to the public.

**Together, we build the future of the  
UK steel industry.**

For further information on  
steel products, please see

[www.steelforlifebluebook.co.uk](http://www.steelforlifebluebook.co.uk)

For information on steel  
construction, see

[www.steelconstruction.info](http://www.steelconstruction.info)

And for any queries relating  
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Llywodraeth Cymru  
Welsh Government

# Code of Practice

## Ethical Employment in Supply Chains







## Ministerial Foreword

“The Welsh public sector spends around £6bn every year on goods, services and works involving international supply chains. A huge range of goods, works and services are purchased by every part of the public sector but the uniting factor is that people are involved in each stage of these supply chains.

It is therefore vital that, at every stage, there are good employment practices for the millions of employees. Good employment practices, which empower and reward workers, help to improve the quality of life of people here in Wales and further afield and, in turn, result in better quality goods and services. Poor – and even unethical – practices, such as the unfair use of zero hours contracts, can lead to poor morale, high staff turnover and, in some cases, can be dangerous and exploitative.



Although slavery was outlawed many years ago, and is illegal throughout the world, it is an endemic problem in some industries and in some parts of the world. Indeed, cases of people being held in conditions of modern slavery are discovered within the UK. We must do more to ensure these practices cannot take place in Wales and in our public sector supply chains around the world.

We have produced this *Code of Practice on Ethical Employment in Supply Chains* to ensure all public sector organisations are taking action to eradicate unlawful and unethical employment practices and to ensure all workers at every stage of the supply chain are treated fairly. The 12 commitments in this code of practice are aimed at public, private and third sector organisations and the accompanying guides include advice and tools for putting each commitment into practice.

I hope as many organisations as possible sign up to the code of practice, which will ensure we contribute to the wellbeing of our people living and working in Wales and those involved in our supply chains across the world.”

*Mark Drakeford*

Mark Drakeford AM  
Cabinet Secretary for Finance  
and Local Government

# Introduction

**This Code of Practice has been established by the Welsh Government to support the development of more ethical supply chains to deliver contracts for the Welsh public sector and third sector organisations in receipt of public funds.**

Evidence illustrates that unethical employment practices are taking place in supply chains throughout Wales and beyond.

This Code is designed to ensure that workers in public sector supply chains are employed ethically and in compliance with both the letter and spirit of UK, EU, and international laws. The Code covers the following employment issues:

- Modern Slavery and human rights abuses
- Blacklisting
- False self-employment
- Unfair use of umbrella schemes and zero hours contracts

and

- Paying the Living Wage

Further information on each of these issues can be found in the Code of Practice Toolkit [www.gov.wales/code-of-practice](http://www.gov.wales/code-of-practice)

In signing up to the Code, organisations will agree to comply with 12 commitments designed to eliminate modern slavery and support ethical employment practices.

The Welsh Government expects all public sector organisations, businesses and third sector organisations in receipt of public sector funding to sign up to this Code of Practice. Other organisations operating in Wales from any sector are encouraged to adopt the Code.

Action taken in relation to the 12 commitments contained within the Code should be appropriate and proportionate, in line with the size and influence of each organisation and the level of risk of labour exploitation within its supply chain.

The Code of Practice should be read in conjunction with the Toolkit which contains practical guidance, example text and templates to help address each of the subjects covered, and policy advice for public sector organisations.







# Code of Practice Commitments

## **Our organisation will:**

1. Produce a written policy on ethical employment within our own organisation and our supply chains. Once produced we will communicate the policy throughout our organisation and we will review it annually and monitor its effectiveness. As part of this we will:
  - 1.1. Appoint an Anti-Slavery and Ethical Employment Champion.
2. Produce a written policy on whistle-blowing to empower staff to raise suspicions of unlawful and unethical employment practices, and which places a responsibility on staff to report criminal activity taking place within our own organisation and our supply chains. Once produced we will communicate the policy throughout our organisation. We will review the policy annually and monitor its effectiveness. We will also:
  - 2.1. Provide a mechanism for people outside our organisation to raise suspicions of unlawful and unethical employment practices.
3. Ensure that those involved in buying/ procurement and the recruitment and deployment of workers, receive training on modern slavery and ethical employment practices, and keep a record of those that have been trained.
4. Ensure that employment practices are considered as part of the procurement process. We will:
  - 4.1. Include a copy of our Policy on ethical employment (Commitment 1) in all procurement documentation.
  - 4.2. Include appropriate questions on ethical employment in tenders and assess the responses provided.
  - 4.3. Incorporate, where appropriate, elements of the Code as conditions of contract.
  - 4.4. Ask bidders to explain the impact that low costs may have on their workers each time an abnormally low quote or tender is received.
5. Ensure that the way in which we work with our suppliers does not contribute to the use of illegal or unethical employment practices within the supply chain. We will:
  - 5.1. Ensure that undue cost and time pressures are not applied to any of our suppliers if this is likely to result in unethical treatment of workers.
  - 5.2. Ensure that our suppliers are paid on time – within 30 days of receipt of a valid invoice.
6. Expect our suppliers to sign up to this Code of Practice to help ensure that ethical employment practices are carried out throughout the supply chain.
7. Assess our expenditure to identify and address issues of modern slavery, human rights abuses and unethical employment practice. We will:
  - 7.1. Carry out regular reviews of expenditure and undertake a risk assessment on the findings, to identify products and/or services where there is a risk of modern slavery and/or illegal or unethical employment practices within the UK and overseas.
  - 7.2. Investigate any supplier identified as high risk, by direct engagement with workers wherever possible.
  - 7.3. Work with our suppliers to rectify any issues of illegal or unethical employment practice.

- 7.4. Monitor the employment practices of our high risk suppliers, making this a standard agenda item for all contract management meetings/reviews.
8. Ensure that false self-employment is not undertaken and that umbrella schemes and zero hours contracts are not used unfairly or as a means to:
  - 8.1. Avoid, or facilitate avoidance of, the payment of tax and National Insurance contributions and the relevant minimum wages.
  - 8.2. Unduly disadvantage workers in terms of pay and employment rights, job security and career opportunities.
  - 8.3. Avoid Health and Safety responsibilities.
9. Ensure that workers are free to join a Trade Union or collective agreement and to undertake any related activity and raise worker concerns without risk of discrimination. We will:
  - 9.1. Not make use of blacklists/prohibited lists.
  - 9.2. Ensure that our suppliers do not make use of blacklists/prohibited lists.
  - 9.3. Not contract with any supplier that has made use of a blacklist/prohibited list and failed to take steps to put matters right.
  - 9.4. Expect our suppliers to ensure that Trade Union representatives can access members and contracted workers.
10. Consider paying all staff the Living Wage Foundation's Living Wage as a minimum and encourage our suppliers to do the same. We will:
  - 10.1. Consider paying at least the Living Wage Foundation's Living Wage to all our staff in the UK.
  - 10.2. Consider becoming an accredited Living Wage Employer.
  - 10.3. Encourage our suppliers based overseas to pay a fair wage to all staff, and to ensure that staff working in the UK are paid at least the minimum wage.

11. Produce an annual written statement outlining the steps taken during the financial year, and plans for future actions, to ensure that slavery and human trafficking are not taking place in any part of our organisation and its supply chains. We will:
  - 11.1. Ensure that the statement is signed off at senior management/board level.
  - 11.2. Publish the statement on our website. If this is not possible, we will provide a copy to anyone within 30 days of a request being made.

*All organisations signing up to this Code are expected to produce and publish this annual written statement – for commercial organisations with a turnover of £36m or more, this also fulfils the requirements of Section 54 of the Modern Slavery Act 2015.*

*We encourage all organisations to publish their statements on the Transparency in Supply Chains (TISC) register [www.tiscreport.org](http://www.tiscreport.org) free of charge for all public and small organisations. In exchange, they can make use of the Wales Anti-Slavery Logo.*

### **For Public sector to whom the Code of Practice on Workforce Matters (2014) applies:**

12. Ensure all those undertaking work on an outsourced contract are treated fairly and equally. We will:
  - 12.1. Ensure that public sector staff who are transferred as part of a public service which is outsourced to a third party retain their terms and conditions of employment.
  - 12.2. Ensure that other staff working on an outsourced public service are employed on terms and conditions that are comparable to the transferred public sector staff.

## Implementing the Code of Practice

The 'Code of Practice – Ethical Employment in Supply Chains' has been established to help ensure workers in public sector supply chains in Wales are employed in a fair and ethical way.

The scope of the Code of Practice covers procurement, supplier selection, tendering, contract management and supplier management.

### Who can sign up to the Code?

Organisation type	
Welsh public bodies whose functions are wholly or mainly Welsh devolved: <ul style="list-style-type: none"> <li>• Welsh Government</li> <li>• National Procurement Service</li> <li>• Welsh Government Sponsored Bodies</li> <li>• NHS Wales</li> <li>• Local Government</li> <li>• Emergency Services (excluding Police)</li> </ul>	<b>Are expected to sign up to the Code</b>
Higher and Further Education Institutions	<b>Are expected to sign up to the Code</b>
Third sector organisations in receipt of Welsh public funds through grants, contracts or any other means	<b>Are expected to sign up to the Code</b>
Businesses involved in Welsh public sector supply chains	<b>Are expected to sign up to the Code</b>
Other public bodies based in Wales	<b>Are encouraged to sign up to the Code</b>
Other businesses based in Wales	<b>Are encouraged to sign up to the Code</b>





### How to sign up

To notify us that you are signing up to the Code, simply send an email to [VWPolicy@gov.wales](mailto:VWPolicy@gov.wales) using the subject line 'Code of Practice' and include the following information:

- Your name
- Your role
- Your email address
- Your organisation's name
- Your organisation's contact details – address & telephone number

### Code of Practice Toolkit

This Code is accompanied by a Toolkit made up of a series of Guides and Procurement Advice Notes along with document templates, example tender questions, and example contract conditions. These provide practical advice and guidance to help you when implementing the Code.

The following Guides are available to download at [www.gov.wales/code-of-practice](http://www.gov.wales/code-of-practice)

- Guide to tackling modern slavery and human rights abuses
- Guide to tackling unethical employment practices
- Guide to tackling Blacklisting
- Guide to implementing the Living Wage through procurement
- Example Questions, Conditions and Policies

The following Procurement Advice Notes (PANs), aimed at public sector procurers, also form part of the Toolkit:

- Employment Practices on Publicly Funded Projects
- Blacklisting in the Construction Industry
- Revised Code of Practice on Workforce Matters.

Other policy commitments, particularly for the public sector, such as those produced by Workforce Partnership Council, should be applied. Where relevant these are referenced in the Guides.

### How to implement the Code

#### In your own organisation:

The Welsh Government appreciates that the commitments within the Code are wide-ranging. You should be able to take action on the majority of the commitments quickly, particularly those that relate to your contracting activity, but some will take time to implement in full. Once you have signed up to the Code, we recommend you take the following steps:

- Carry out an assessment to identify the commitments with which you already comply.

For the remaining commitments:

- Prioritise the commitments according to your own organisation's impacts and situation.
- Develop an Action Plan, detailing the activities you will be undertaking to implement each commitment.
- Assign timescales to each of the actions within your Action Plan.

**If you are a small organisation** you may need longer to implement the Code fully. We suggest you begin with those commitments which you feel have most relevance to your organisation and work on others over time. Alternatively you may also wish to take more focussed action against each of the commitments. For example, for Commitment 7 'Assess our expenditure to identify and address issues of modern slavery and unethical employment practice' – you could begin by only assessing suppliers who supply a particular type of commodity, or only those suppliers involved in supplying your core product or service.

#### In your Supply Chain(s):

A number of the commitments within the Code relate to ethical practices within your supply chains. An effective way to achieve this is to expect your suppliers to sign up to the Code.



## Reporting requirements

### For Welsh public sector bodies only:

Welsh public sector organisations will be asked to report on their status in relation to sign-up and implementation of the Code providing information on:

- The number of staff involved in procurement who have undertaken training on modern slavery and ethical employment practices (as both a number & percentage); and
- The number of suppliers who have signed up to the Code of Practice as a result of action taken by the organisation.

We will also ask for copies of your Code of Practice Action Plan (which should form part of your annual Written Statement).

Issues relating to ethical employment practices on publicly funded projects which are raised through the Supplier Feedback Service will be reported.

### For all organisations:

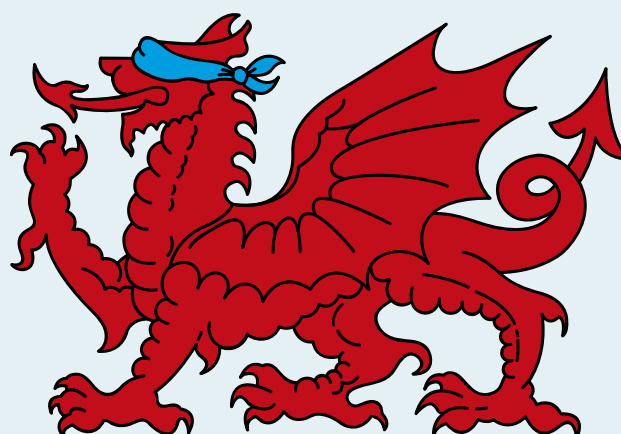
Through Commitment 11 of the Code each organisation agrees to produce and publish an annual written statement outlining the steps taken in relation to modern slavery. You will only be able to continue to use the Wales anti-slavery logo if you continue to produce your annual statement and commit to carrying out the actions contained in it.

## Supporting information

Practical advice and guidance on implementing the Code are contained within the Code of Practice Toolkit:

[www.gov.wales/code-of-practice](http://www.gov.wales/code-of-practice)

Say **NO**  
to Slavery



Modern Slavery Helpline: **0800 0121700**



CLILC • WLGA

# **The Future of Local Government Collaborative Procurement in Wales**

**Investing in Local Government Procurement to  
deliver for Future Generations**

## Welsh Local Government Association

The WLGA's primary purposes are to promote a better local government, its reputation and to support authorities in the development of policies and priorities which will improve public service and democracy.

It represents the 22 local authorities in Wales with the 3 fire and rescue authorities and 3 national park authorities as associate members.

### **Welsh Local Government Association**

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Drake Walk  
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@WelshLGA

## Welsh Local Government Heads of Procurement Network

The HoP network is an officer group facilitated by the WLGA. Membership comprises a nominated lead officer from each organisation within the WLGA. The HoP network supports collaborative procurement and the promulgation of good practice in procurement.

Published: April 2019  
Copyright: Welsh Local Government Association  
ISBN:

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## Background

In September 2018 the First Minister published a written statement through which Local Government were informed that the National Procurement Service (NPS) would cease to operate in its current form.

Welsh Government (WG) representatives have informed us of their intentions to form a smaller national contracting body which would sit within WG. They have proposed a pipeline which would result in them retaining 33 of the 61 contracts which Local Authorities would typically use with 28 being handed back to Local Government to deliver with a suggestion that 6 could be delivered through existing collaborative arrangements established and managed outside of Wales. It is intended that these changes would take effect from April 2020.

In response at the Heads of Procurement Network meeting on the 23<sup>rd</sup> January 2019, it was agreed that Local Authorities across Wales needed to jointly determine the future strategy and delivery arrangements for Local Government procurement collaboration in Wales. To progress this, it was decided that a self-facilitated workshop be held. This workshop was held on 14<sup>th</sup> March 2019.

## Purpose of this Briefing Paper

This briefing paper provides a summary of the key principles which were agreed by the Network representatives who were present at the workshop. It is intended that this briefing paper is used to share these key principles with relevant stakeholders within the Network organisations to determine:

- The level of support for the key principles across the Network member organisations
- Any queries / concerns that Network member organisations may have

It is intended that feedback will be discussed at our next Network meeting to be scheduled for June 2019.

Although discussions are continuing to take place with WG it has been made clear that the development and implementation of this model is subject to agreement from the Network member organisations.

## Key Principles

### **1. New arrangements must support an investment in Local Government Procurement to deliver for Future Generations**

Since the formation of the NPS the sustained period of austerity has seen an erosion in the capacity, knowledge and expertise within Local Government procurement. Local Government spends £3.6bn per annum on third-party goods, services and works and as

well as ensuring this spend is managed efficiently, effectively and compliantly there is a growing expectation on the additional value that can be delivered to support the Wellbeing of Future Generations Act and development of the Foundational Economy. If Local Government is to take back delivery of collaborative procurement activity and maximise the opportunity to drive efficiency and savings and to deliver on wider policy expectations, it must invest in capacity and capability.

## **2. Local Government collaborative procurement activity across Wales should be co-ordinated through the WLGA Heads of Procurement Network**

Since the closure of the Welsh Purchasing Consortium on 31<sup>st</sup> March 2016, the Network has been the only all-Wales forum to support Local Government procurement collaboration and knowledge sharing. It was agreed that this Network should be retained and used to co-ordinate collaborative procurement activity and knowledge sharing across Local Government in Wales and with the wider public sector including Welsh Government.

## **3. The Network to develop and 'own' an All-Wales Local Government Sourcing Plan and Contract Forward Plan**

To ensure effective co-ordination of collaborative contracting across Wales it was agreed that a Local Government Sourcing Plan is required. This would be used to determine whether contracts should be awarded and managed on a national, regional, sub-regional or local footprint and whether they should be LG specific or cross sector. It would also determine who would be responsible for delivery. The Network will consider the WG proposals as part of the work undertaken to develop the initial Sourcing Plan and Contract Forward Plan.

Although it is expected that the Sourcing Plan will represent the majority view it is accepted that individual Local Authorities may have legitimate reasons to pursue a different sourcing approach. Where this is the case it would be reflected within the Sourcing Plan.

## **4. Local Government to deliver collaborative contracts through three Regional Delivery Groups**

For the delivery of collaborative contracts by Local Government there was a clear preference expressed by the Network to establish regional delivery arrangements as it was considered this would:

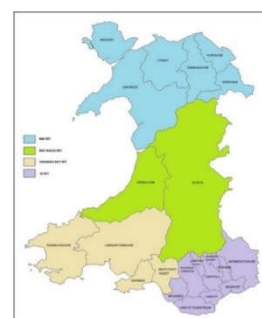
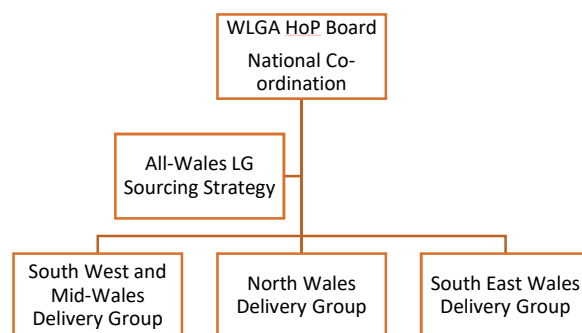
- Support a move towards regionally / locally focused sourcing strategies which could better support delivery of local business requirements and the development and use of regional / local supply chains,
- Support regional economic development priorities, Future Generation initiatives and development of the Foundational Economy, and
- Simplify organisational arrangements.



The model shown which would see the formation of three regional Delivery Groups was discussed and supported.

In respect of the boundaries of the Regional Delivery Groups it was agreed they would be best established around the economic development and City Deal regions with the South West and Mid-Wales forming a combined Delivery Group. It is recognised that due to their geography Powys are likely to participate in more than one.

It was recognised that the decision to deliver arrangements on a national, regional or local level would need to be done on merit to ensure that we avoid a one size fits all approach. We would expect the regional delivery teams to work collaboratively with each other and for regional teams to deliver and host national contracts where that was deemed most appropriate.



## 5. Where appropriate contract delivery would be allocated and delivered through Regional Category Focused Centres of Expertise with flexibility to provide All-Wales contracts where appropriate

Under the previous WPC arrangements contract delivery was allocated to Local Authorities on an ad hoc basis. Under the new proposed delivery model, it is preferred that contracts should be delivered through Regional Category Focused Centres of Expertise as this would allow a Local Authority delivery team to develop an in-depth level of expertise and knowledge of a particular category. The scope and allocation of these potential Centres of Expertise would be considered as part of the development of the LG Sourcing Plan.

## 6. Contracts would continue to apply a levy which would be used to fund the retention and growth of procurement capacity and expertise within LG

The Network considered a number of resourcing / funding models. The previous WPC had operated based on a Reciprocal model, but it was acknowledged that the reduction in Procurement capacity in Local Government over the past 5 years meant there would be no resource to deliver on this basis. By retaining the levy applied to the current NPS contracts it was acknowledged that this would provide a revenue stream which could be used to retain and potentially fund recruitment of additional resource which could also support initiatives to encourage new talent such as apprentices and student placement programmes.

## 7. Levy would be managed on an Open Book basis and excess used to fund category development

There was a strong preference for a levy model, which was open book i.e. the contracting authority would only retain levy based on the level of pre-determined resource required

to support delivery and management. As well as ensuring there were adequate resources in place it would allow any additional levy to be used to support category related initiatives including improving capability of end users and future generation initiatives.

## Next Steps

At the workshop on the 13<sup>th</sup> March it was agreed that this Briefing Paper would be prepared to summarize the key agreed principles which could be used by the Network representatives to brief and consult with senior officers / Members as required and seek feedback.

The briefing paper has also been scheduled for discussion at the Society of Welsh Treasurer (SWT) Executive on Friday 3<sup>rd</sup> May 2019 and the WLGA Executive Board on Friday 24<sup>th</sup> May 2019. We will also be sharing our current thinking with Welsh Government representatives to facilitate on-going discussions to ensure an alignment of thinking in terms of future collaborative procurement activity and how it can support the delivery of the Wellbeing of Future Generations Act.

The feedback from Network member organisations, the SWT Executive, the WLGA Executive Board and wider consultation will be formally considered at our next Network meeting which is scheduled to take place in June 2019. However, we would encourage any specific concerns to be shared in advance so that we may consider a response. The Chair and WLGA procurement lead have also made a commitment to engage directly with member organisations as required.

In the meantime, a sub-group of the Network is starting to develop the All-Wales LG Sourcing Plan and Contract Forward Plan which will be used to further inform discussions on the formation of the Regional Delivery Groups and the proposed levy model.

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# **Guidelines for deploying Welsh Government Project Bank Account Policy**

*Date: December 2017*

*Version: 2.1*

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This document has been produced by Value Wales (a division of Welsh Government) and can be accessed from the on-line Procurement Route Planner (PRP) <http://prp.wales.gov.uk/>

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Enquiries about this document should be directed to: Value Wales policy mailbox [vwpolicy@gov.wales](mailto:vwpolicy@gov.wales)

- The information set out in this document is not legal advice and is not intended to be exhaustive – contracting authorities should seek their own independent advice as appropriate. Please also note that the law is subject to constant change and advice should be sought in individual cases. This document reflects the position as at 1st January 2018
- This guidance is consistent with the Project Bank Accounts Procurement Advice Note (PAN) both of which can be found on the Procurement Route Planner website in the Policy and Resources Toolkit <http://prp.gov.wales/toolkit/>.
- Although this guidance note is primarily written to cover the use of Project Bank Accounts in construction/infrastructure projects, the principles could equally apply to other industries / sectors.

## Introduction

The Welsh Government is committed to using procurement as a lever for driving economic, social and environmental benefits and supporting jobs and growth. Public procurement should help promote Wales as a good place for doing business and should provide mechanisms that allow suppliers of all sizes to flourish. Project Bank Accounts (PBAs) are a mechanism that supports this ethos.

Although PBAs have been developed in response to poor supply chain payment practices that persist, in the construction industry, they can be applied in any contract that relies on sub-contractors.

PBAs represent best practice in ensuring fair and prompt payment in the supply-chain. It is important to ensure cash flow through supply chains to reduce the risk of supply chain failure for Welsh businesses and enable more rapid circulation of money through the economy and local communities.

PBAs provide security and certainty of payment to the supply chain and can deliver efficiency savings. Research by the UK Fair Payment working group mapped typical traditional existing payment regimes against a Fair Payment best practice process; that research indicated that savings in the region of 1% could accrue for Fair Payment and Project Bank Accounts. These savings could rise over time if the supply chain were able to reduce overheads relating to debt chasing and administration. The additional knock-on benefits of greater productivity and a reduction in construction disputes, and supply chain failures are difficult to quantify but they could be substantial. In addition, certainty over how much and when payment is made builds trust between supply team members and underpins collaborative working to achieve value for money projects for clients.

Welsh Government's PBA Policy has been informed by the experience of PBA implementation by UK Government Departments (Highways England) the Northern Ireland Executive and Scottish Government supplemented by a series of pilot projects in Wales between 2015 and 2017

Public bodies in Wales are strongly encouraged to adopt the Welsh Government policy on Project Bank Accounts (PBAs) that will demonstrate compliance with the requirements of Principle 6 of the Wales Procurement Policy Statement to 'use Project Bank Accounts where appropriate'.

This guidance sets out the minimum requirements for a Project Bank Account and the roles and responsibilities of the organisations involved. This guidance also outlines the requirements to be considered when using PBAs, what they are and how they can be implemented on relevant projects.

## 1. PBAs: A mechanism for fairer payments

Whereas payments normally made direct to the lead contractor are paid onto the supply-chain later, PBAs allow simultaneous payments within 3-5 days from the deposit of money into the PBA following certification of the claim to the lead contractor and supply chain partners. Utilising PBAs on projects facilitate prompt payment through the supply chain helping to alleviate cash flow pressures that can have a considerable effect on smaller companies who rely on cash flow to a greater extent than companies 'above' them in the supply chain.

By ensuring that public sector payment terms (maximum 30 days) are applied PBAs prevent cash flow issues for sub-contractors that result from the much more lengthy payment terms of Tier 1 / main contractors (typically significantly longer than 30 days). This approach can also improve business-to-business relationships by limiting the scope of disputes over payments and in so doing reduce overheads relating to debt chasing and administration.

Welsh Government is leading by example by requiring Welsh Government Departments to use PBAs, unless there is a compelling reason not to do so on all construction and infrastructure projects and any other appropriate contracts valued at £2m or more which are delivered, funded or part funded by Welsh Government Departments. Therefore public sector bodies delivering projects or contracts fully or part funded by Welsh Government should ensure they are familiar with Welsh Government's PBA policy as they may be required to use a PBA as a condition of funding.

## 2. What is a Project Bank Account?

### **A Project Bank Account:**

- Is simple and cost effective to set up and operate for all parties.
- Can provide insolvency protection for the money been paid into the PBA.
- Provides visibility over the timing and value of payments to the supply chain.
- Can be audited easily by the client.
- Supports collaborative working and allows suppliers to focus on delivery.

### **A Project Bank Account does not:**

- Involve client prefunding
- Cut across contractual provisions governing the preparation and submission of interim applications or the valuation, authorisation or certification of interim payments
- Take away the lead contractor's responsibility for managing and selecting the supply chain so that the work is performed in accordance with the contract. The client's role is merely to confirm payment transfers from the account
- Remove statutory obligations for VAT, taxation accounting liabilities etc. from the client or suppliers
- Add any more than a minimal cost for bank charges to the project, as interest earned by the account can be used by the contractor to off-set banking fees.

PBAs are ‘ring-fenced bank accounts’ with trust status that act solely as a receptacle for transferring funds from the client to the lead contractor and supply-chain.

For projects delivered via the Welsh Mutual Investment Model (WMIM) approach, the ‘client’ is the Project Company /Special Purpose Vehicle established to manage the project. In WMIM projects, PBAs will need to be made a condition of contract when appointing Senior Lenders that will require the Project Company established to manage the construction phase to implement a PBA with their main contractor.

As the PBA has trust status, monies can only be paid to the named beneficiaries of the PBA e.g. the lead contractor and participating sub-contractors.

**Key benefits of Project Bank Accounts:**

- Payments are accelerated through the supply chain
- Supply chain spend and payment flows are transparent and provide a mechanism to measure payment timescales down the supply chain
- Payment terms through the supply chain are determined by the client rather than contractors further up the supply chain
- Risks & costs linked to payment delays are mitigated through faster payment
- Risk of supply chain failure is reduced as a result of improved cash flow
- Supply chain achieve cost benefits resulting from early and certain payments
- Provide a mechanism to measure payment timescales down the supply chain
- All monies paid into the account are secure

## 2.1 How do PBAs work?

### *The parties involved:*

There are two different types of party involved in a PBA. These are:

- **Trustees** – the client and the lead contractor who have responsibility for authorising the payments to be made out of the PBA
- **Beneficiaries** – the lead contractor and any participating sub-contractors who receive monies paid out of the PBA. Any supplier involved in the delivery of the project can be a Beneficiary, regardless of what tier they are in.

When setting up a PBA both the client and the lead contractor, as Trustees of the account, complete and sign a **Trust Deed**, along with a **Bank Mandate**.

Participating sub-contractors can either join the PBA at the very start of the project or at a later date. In order to join the sub-contractor signs a **Deed of Adherence / Joining Deed**, which is then countersigned by the Trustees.

Examples of these documents can be found at Annex 6.



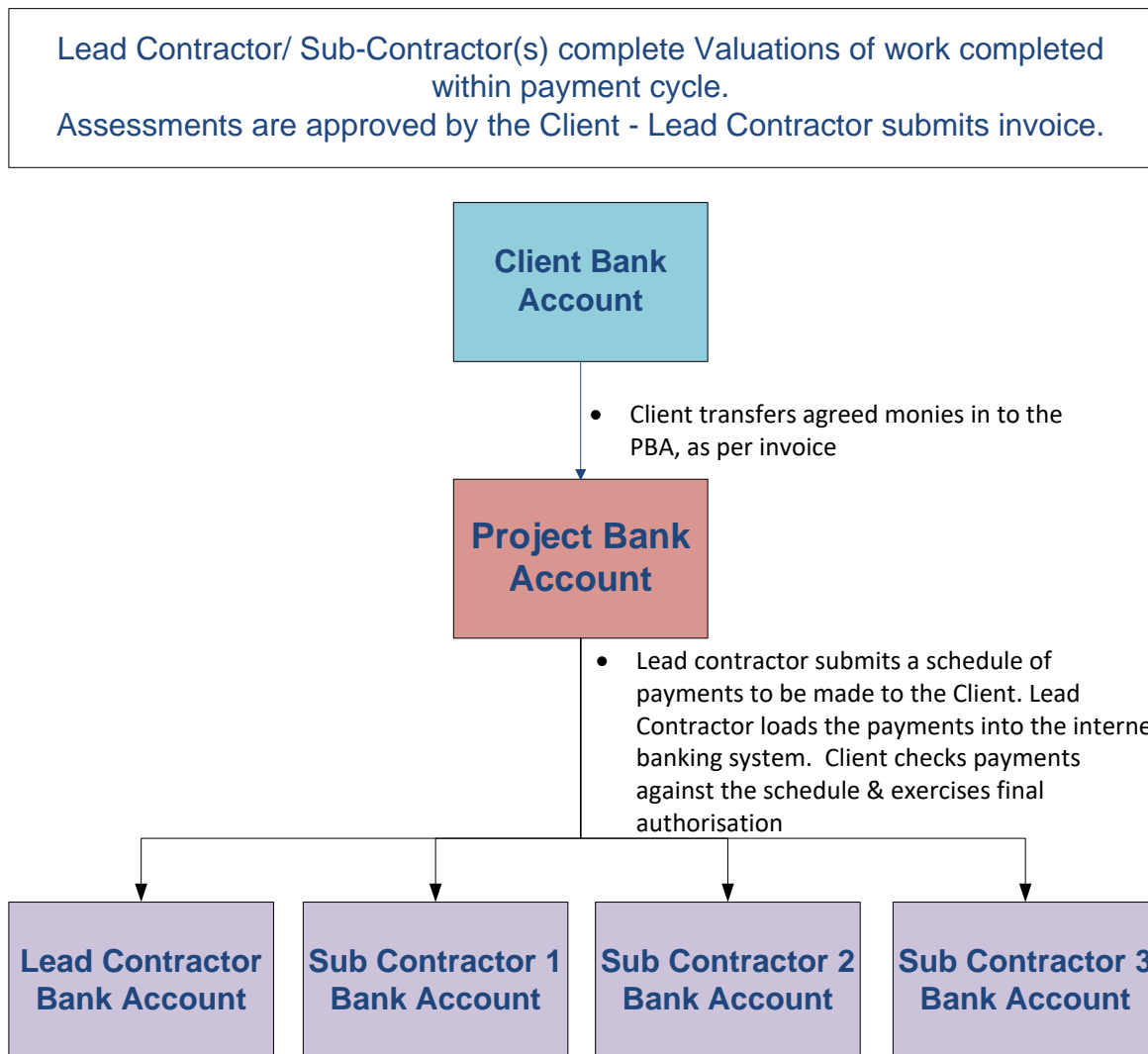
### ***The Payment process:***

A PBA is simply a payment mechanism. The standard processes for assessing and agreeing the value of work completed within a payment cycle takes place as normal and an invoice is still required from the lead contractor. Once the invoice has been received, the client pays the total amount of monies due in to the Project Bank Account.

In order to facilitate this, contractors need to align their supply chain payment cycles with the payment cycle agreed with the client – this is one of the key difference between a PBA payment process and a non-PBA payment process.

The Trustees - Client and the Tier 1 / lead contractor in the case of a Joint Trustee account or the Tier 1 / lead contractor in the case of a Single Trustee account, then authorise payment to the lead contractor and each of the participating sub-contractors who are to be paid within the payment cycle (i.e. the Beneficiaries). Once authorisation has been given by the Trustees, payments are made within 3-5 working days.

### **PBA money route**



## 2.2 Account Options:

There are two approaches advocated to operate a PBA:

- **Joint account** - joint client and contractor account where an Account is opened in both names.
- **Single or Sole account** – sole contractor account where the lead contractor opens the account in its name only.

Regardless of which approach is chosen, there are two key requirements for the PBA account:

- Both the client and the contractor should be trustees to the account
- Both the client and the contractor should jointly authorise payments at each payment cycle

Whilst both of these approaches offer the same level of security and payments of funds to the supply chain, there are advantages and disadvantages for the client of each option, as follows:

### Joint Account:

Advantages:	Disadvantages:
<ul style="list-style-type: none"><li>- Give greater control as the client is party to the account and can instigate opening of the account.</li><li>- It is easier to align financial systems if the client uses their own banking provider</li><li>- Client can ensure all projects using PBAs have a consistent approach using the same bank.</li></ul>	<ul style="list-style-type: none"><li>- Some public sector organisations may have regulations prohibiting them entering into a joint bank account with a supplier, and therefore can't set up a joint account.</li><li>- If the bank chosen for the joint account is new to the Contractor they would be subject to rigorous due diligence checks on the opening of the account which may add to the time it takes to open account.</li></ul>

### Sole Account:

Advantages:	Disadvantages:
<ul style="list-style-type: none"><li>- The Contractor may be more amenable to the introduction of PBA if they can use their bank of choice (providing it provides PBAs that comply with the minimum requirements – see Annex 1).</li><li>- Resolves the issues where some public sector organisations may have regulations prohibiting them entering into a joint bank account.</li></ul>	<ul style="list-style-type: none"><li>- Client has less control in the opening of the account.</li><li>- If the client has several projects with several contractors and sole accounts, they could have a number of different banking providers to deal with.</li><li>- Client will need to ensure their IT systems allow installation of software from the chosen Bank which may be required in order to access internet banking systems.</li></ul>

Regardless of which type of account is selected, the client should:

- ensure the account is compliant with the minimum requirements as referenced above.
- maintain as much control as possible over the selection of the bank and monitor the account closely.

### **3. Implementation of PBAs**

#### **3.1 Overview:**

PBAs are most beneficial where there is a supply chain consisting of two or more tiers. It is generally the suppliers in the lower tiers who benefit the most from PBAs as they are paid at the same time as the Lead Contractor, rather than waiting for the money to work its way down the supply chain.

Projects of any value and duration can benefit from a PBA as long as there is a supply chain that will benefit from prompt payment. A key factor in assessing if a project is suitable will be the duration of the project and the subcontract packages involved. Welsh Government policy advises that PBAs should be considered on all construction and infrastructure projects and any appropriate contract of £2m or more. This is mandated for contracts of this nature directly delivered by Welsh Government unless there is a compelling reason not to do so'. It may also be required on projects subject to Welsh Government funding conditions.

A Procurement Advice Note (PAN) has been produced by Welsh Government to inform and provide guidance to the public sector in Wales about the implementation of Project Bank Accounts (PBAs). The PAN is available from the Procurement Route Planner Toolkit - <http://prp.wales.gov.uk/toolkit>.

#### **3.2 Considerations:**

When implementing a PBA the following factors need to be considered:

##### **a) When are PBAs most appropriate to use?**

PBA are best suited to...

- construction and infrastructure projects.
- projects with a duration of 6 months or more.
- contracts where there are sub contracting opportunities valued at 1% or more of the contract value.

PBAS are less suited to...

- projects shorter than 6 months
- projects where the successful bidder (i.e. tier 1) gives a firm undertaking to self-deliver and/or use subcontractors (i.e. tier 2) from within the parent company to which the tier 1 also belongs, such that one, other or a combination of both is more than 75% of the main contract award value,

then the commissioning body may choose whether or not to proceed with the PBA.

#### **b) Who is to be included in the PBA?**

You should specify how much of the supply chain is to be paid through the PBA. Ideally this should be the whole supply chain, unless agreed otherwise, although the following exceptions may be applied:

- Suppliers who are paid more frequently than monthly;
- Non-vulnerable suppliers not wishing to participate;
- Suppliers with payment cycles which cannot be aligned with the head contract; and
- Sub contract packages valued at less than 1%.

Where the above exceptions are applied you must still ensure that processes are in place to pay suppliers outside of a PBA promptly i.e. within a maximum of 30 days for valid invoices.

#### **c) How will you measure use of the PBA?**

Key Performance Indicators (KPIs) should be agreed with the lead contractor to:

- Ensure a certain percentage of supply chain spend is paid through the PBA (see Annex 7);
- Ensure those not paid through the PBA are paid within agreed timescales.

#### **d) Is the selected Bank Account appropriate?**

The UK Government's Cabinet Office has set minimum requirements<sup>1</sup> that should be in place for all Project Bank Accounts - see Annex 1. The client should ensure that the PBA product chosen conforms to these minimum requirements.

### **3.2 Pre-procurement Actions**

Pre-planning is essential as the PBA will be easier to set up and manage if it is built in to the project from the start. The following are the key steps that you should follow:

- Decide whether it is appropriate to use a PBA on the project:

---

<sup>1</sup> The Government Construction Board's (GCB) Fair Payment User Group has agreed a minimum requirement that a PBA product should conform to. This requirement is detailed in the UK Government's Cabinet Office's A Guide to implementation of Project Bank Accounts in construction and Annex 1 of this document.

- Take into account the complexity of the project, its duration, value and the supply chain that will benefit.
- Identify the processes required to meet your internal governance requirements:
  - Who will approve the PBA documentation and how? For example, who will approve and sign the Deeds of Trust, Deeds of Adherence / Joining Deed, Bank Mandate.
  - Who will agree payments due to the lead contractor and each of their named suppliers and how?
  - Who will be responsible for paying money into the PBA and authorising payments out?
  - Who will agree why certain supply chain members may not be paid directly from the PBA and the criteria this will be based upon?
- Ensure PBAs are well communicated with internal stakeholders:
  - Develop presentation slides and information sheets
- Assess the readiness of your organisation. Areas to consider include:
  - Training requirements
  - Setting up the account, who will manage this process; which bank will be used, the clients or the main contractors?
  - Operating the account and setting typical interim payment cycles
  - Changes to tender and contract documents
- Ensure PBAs are well communicated to potential bidders:
  - Prepare a briefing pack for the lead contractor and extended supply chain for use in the procurement process – see Annex 4
  - Include information in any relevant procurement about PBAs and how you will operate them.

### 3.3 Procurement Process Actions

The following activities should be built in to your procurement exercise:

- **Communicate your intention to use PBAs within the OJEU Contract Notice**, published on <http://www.sell2wales.gov.uk>. The OJEU notice must state that a PBA will operate on the project and that this will meet the minimum requirements set out in Annex 1.

#### **Example wording for OJEU advert –**

“A Project Bank Account will operate on this project / framework and is required to adhere to the minimum requirements detailed in the Guidelines for deploying Welsh Government PBA Policy.

You can also state that, as a minimum, the PBA should extend to a designated percentage of the value of sub-contracted payments used on the project.

- **Brief tenderers on the benefits using PBAs**

It is important that the client (public sector contracting authority) ensure the benefits of PBAs are understood and prospective tenderers understand that they should communicate these benefits down the supply chain to maximise sub-contractor sign up to the PBA.

To support this, you should prepare a briefing pack and information sheet for tenderers outlining both the benefits and requirements of using a PBA (see Annex 4 for example documentation).

Where possible you should include information on your website detailing what is a PBA, how it operates and why it is being used. Suggested content could include:

- Your PBA policy
- What is a PBA
- How do PBAs work
- Benefits of implementing PBAs
- Impact on the supply chain

- **At the tender stage include clauses in your ITT documents referencing the use of PBAs and include specific requirements on how the PBA will operate.**

### **Open Procedure**

If you are using the Open Procedure you should ensure that PBAs are appropriately referenced in the contract specification and that the initial minimum requirement questions at the start of the tender includes the following question as a 'Yes / No' Pass / Fail;

### **Restricted Procedure**

If you are using the Restricted Procedure you should ensure that PBAs are appropriately referenced in the contract specification and at the Pre-Qualification Questionnaire (PQQ) supplier selection stage include the following question as a 'Yes / No' Pass / Fail;

- Use the following question at the supplier selection stage in your PQQ to determine if potential lead contractors are willing to use PBAs as a mechanism to ensure fair and prompt payment in line with Welsh Government

policy. You should make this a pass/fail issue, i.e. answering 'no' will exclude the prospective tenderer from the process.

**Question text:** If you are a lead contractor, the buyer may require, under the contract, that you use a Project Bank Account as the primary method of payment to some or all of your sub-contractors. Are you willing to comply with this requirement?

**Answer:** Yes / No

**Supplier Guidance:** The buyer will only select you to tender if you agree to the use of Project Bank Accounts as the sole method of payment to sub-contractors during the stipulated contractual period. For more information on Project Bank Accounts, please see <http://prp.wales.gov.uk/>

### **Standard Documents:**

You should include standard clauses in your ITT documents setting out the requirements of a PBA, along with copies of the documentation which the successful contractor will need to complete once the contract is awarded.

If the bank is known when the ITT is issued, you can include the following documents:

1. Request to set up a PBA
2. Trust Deed
3. Bank Mandate

It is important to engage with a bank at the earliest stage but if the bank is not known when the ITT is issued, you need only attach the Trust Deed. As outlined in section 2, it is important that you stay involved in the selection of the bank to ensure compliance with the UK Government's Cabinet Office minimum requirements for a PBA product.

### **Clauses & Standard forms of contract:**

Most modern construction forms of contract have provisions for the use of PBAs, including NEC, JCT and PPC2000. As these forms of contract are subject to regular updates, you should check the current versions.

- *NEC3 Z or Y provisions:*
  - Assumes that a Contractor sole account has been used.
  - Provides for both client and contractor to be Trustees to the account and authorise payments out of PBA.
- *JCT and PPC200:*
  - Assumes that a joint account has been used.
  - Provides for both client and contractor to be Trustees to the account and authorise payments out of PBA.

For any other forms of contract used that may not have PBA clauses already prepared, simple enabling provisions need to be introduced. As a minimum, these should:

- State that due payments are to be routed through the PBA
- Provide the details of how the PBA will operate
- Provide that payments into the PBA qualify as discharge of payment (up to the amount paid in).

#### **Framework Agreements:**

PBAs can be used with Framework agreements. When setting up a framework it should be explicitly stated in the tender documentation that a PBA will be used as the preferred method of payment at call off stage. When calling off from the framework, the normal procedure for setting up a PBA will apply.

#### **Contract Management provisions:**

You should consider how use of a PBA can be tracked and measured in your overall contract management strategy. The use of PBAs should be incorporated into the KPIs for the project (see Annex 7).

Through the use of KPIs you can statistically identify when the PBA payment method has been used and how this effected the way contractors were paid within your project. This will be a clear indicator as to how PBAs effective and efficient the PBA was as a method of payment for contractors.

## **4. Post Award**

Once it has been agreed by all parties that a PBA is to be setup, the process of opening a PBA is relatively straightforward.

Once contact has been initiated with the chosen bank you, in partnership with the lead contractor, will need to:

- Complete and return the Account Application form and adhere to any due diligence requirements.
- Complete the Trust Deed and Deed of Adherence / Joining Deed.
- Obtain confirmation from the Bank that they recognise the account is underpinned by a Trust Deed and that any monies in the account are ring fenced and cannot be used to offset any debits of contractor or subcontractors.
- Complete the Bank Mandate.
- Ensure that the internet banking process is being established - if you are not using your own bank you may need to install software provided by the bank on to specified computers in order to access third party software to authorise payments.



Timescales for opening a PBA will depend upon the Bank chosen and whether your organisation and / or the Lead contractor has an existing relationship with the Bank.

Annex 2 outlines the full process for setting up a PBA with the provider of your choice.

## **5. Acknowledgements**

Value Wales is pleased to acknowledge that it has drawn upon the following publications and organisations to supplement its own research to produce this guidance:-

- [A Guide to the implementation of Project Bank Accounts \(PBAs\) in construction for government clients](#) Cabinet Office 03 July 2012.
- [Project Bank Accounts - Briefing document](#) Cabinet Office 10 February 2012.
- “A Guide to best Fair Payment practices” The Office of Government Commerce (OGC) 2007

## **Annex 1- Minimum requirements for a PBA product**

### **UK Government's Cabinet Office minimum requirements for the Project Bank Account**

These minimum requirements are based on recommendations made by the Government Construction Board (GCB) Fair payment user group and sets out some minimum requirements for the Project Bank Account:

1. The account needs to be linked to a Trust Deed so that the money is ring-fenced and can only operate with joint agreement of both parties.
2. The banking service provided should not materially alter the operation of the Trust Deed or the PBA.
3. To be a beneficiary of the PBA the Deed of Adherence must join the parties.
4. Dual agreement is to be required before the payment is to be made, i.e. the lead contractor / client knows that it can only act when both parties have agreed to the payment and one party can not alter the payment without the agreement of the other party.
5. The bank must be informed and acknowledge that a Trust Deed exists and that operation of the payments are governed by this Deed.
6. Transactions must be easily available for the client to view from the bank report no more than one day after payment.
7. All of the contractors and sub contractors signed up to the PBA Trust Deed should be paid at the same time. Once authorisation has been given by the Trustees, payments are made typically made within 3-5 working days.
8. Payments from the PBA should only be able to be made to the contractor and other named supplier beneficiaries.
9. No cheque facility is to be made available on the account.
10. No overdraft facility is to be available on the account.
11. Confirmation is to be obtained from the PBA bank that monies are held in Trust and that they cannot be used to offset any other contractor/supply chain liabilities.
12. There is an obligation on the Lead Contractor to inform the client and appropriate members of the supply chain and trustees of any changes to the PBA with respect to alteration to any terms and payment authorisations.

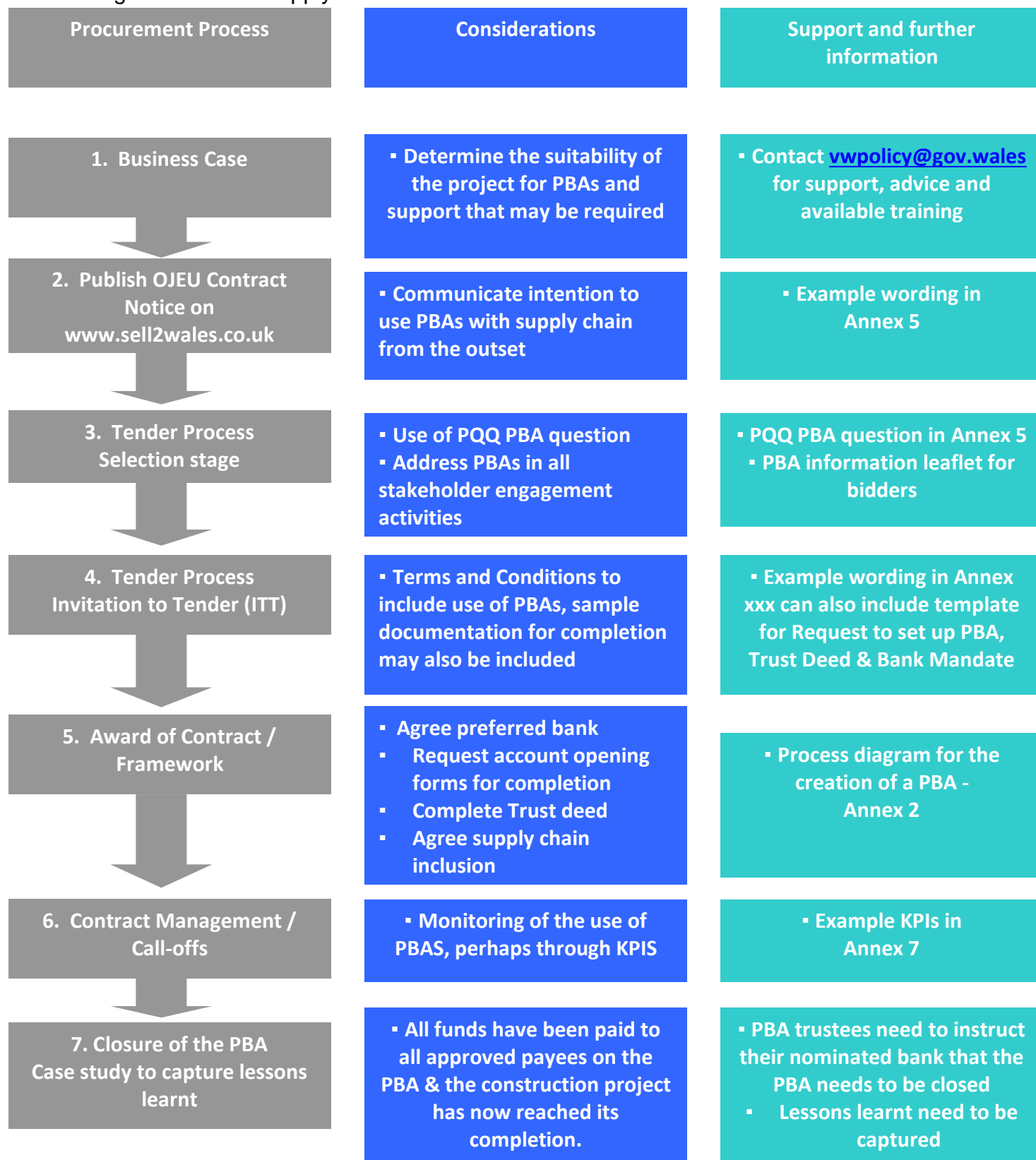
## Annex 2 - Process diagram for the creation of a PBA

Item	Procedure	Notes
1	ITT to include copy of proposed Trust Deed  If Bank is known at ITT stage the Client can include in ITT: <ul style="list-style-type: none"> <li>- Request to set up PBA</li> <li>- Trust Deed</li> <li>- Bank Mandate</li> </ul>	<i>The Trust Deed should be included for contractors to consider before award.</i>  <i>If the Client knows which bank they will use the other documents can be included ready for completion on award.</i>
2	Award of Contract Client requests completion and return of: <ul style="list-style-type: none"> <li>- Request to set up PBA</li> <li>- Trust Deed</li> <li>- Bank Mandate</li> </ul>	<i>Contractor required to complete and sign all three and return within 7 days – must be signed by the appropriate person e.g. Director / Company Secretary or both.</i>
3	When forms are returned and the standstill period has ended they are countersigned by the appropriate person within the Client	
4	If the Bank Account is not pre-determined before award of contract, the Client and successful contractor agree: <ul style="list-style-type: none"> <li>- The Bank to open the PBA account.</li> <li>- Whether the account is to be a sole account or joint account.</li> </ul>	<i>The PBA product must comply with the Cabinet office minimum requirements.</i>  <i>The Bank does not have to be one which either Contractor or the Client has an existing relationship – but if new due diligence checks will need to be undertaken.</i>  <i>Whether a sole or joint account, the Client should remain involved in the decision of which bank is used.</i>
5	Client and Contractor agree the supply chain members involved in the PBA. Any known at the time of Contract Award are joined to the Trust Deed.	<i>The Client should assume inclusion of all unless there are exceptions agreed with the Contractor.</i>
6	Any Subcontractors appointed after award of contract who will be paid through the PBA, sign a joining Deed when appointed. This is counter signed by Contractor & the	<i>Joining Deed to include subcontractor's bank details.</i>  <i>Contractor adds the sub contractor</i>

	Client.	<i>details to internet bank system.</i>
7	First payment – normal assessment of payment is made by the contractor and the Client. The Client certifies payment to the Contractor and completes a PBA payment authorisation form listing payments to be made from the PBA to the lead contractor and sub-contractors that month.	<p><i>The process of preparing and certifying monthly valuations or milestones remains unaltered by the PBA.</i></p> <p><i>The key change is that the main contractor also submits a breakdown setting out payments due to them and each named supplier.</i></p>
8	Payments are authorised through the bank's internet banking system by designated persons within the Client and contractor organisations.	
9	Upon clearing of funds in the PBA payment is made to all parties listed on the payment authorisation.	<i>The Client's funds will take approximately 3 days to clear.</i>
10	The Client checks payments have been made correctly	

### Annex 3 - PBAs in the Procurement process - flowchart

The flowchart below shows at a glance how contracting organisations should incorporate PBAs throughout their procurements to ensure their effective adoption within their organisation and supply chain.



## Annex 4 – Example Project Bank Account information leaflet for bidders

### Project Bank Account Information Leaflet

The Project Bank Account (PBA) has been introduced to increase and promote fair payment practice in Welsh Public Sector Contracts.

Welsh Government has adopted the use of PBAs as policy on all suitable public sector construction and infrastructure projects.

### What is a Project Bank Account?

It is an interest bearing account which is ring fenced with trust status which acts as a means to transfer funds from the client to the lead contractor and the supply chain in a timely manner and within the timescales stated in the Welsh Fair Payment Guidance.

The presence of a trust deed ensures once monies are paid into the account they are only accessible to the parties to the trust deed – the main contractor and the members of its supply chain who have agreed to be joined to the deed.

#### Benefits:

- Is simple and cost effective to set up and operate for all parties
- Ensures prompt payment of invoices to the supply chain
- Transparent management of cash flow
- Gives all parties the surety and confidence that all monies due to and from the account are secure
- Provides a cost efficient and effective means of supply chain payment
- Is easily auditable by clients
- Supports the principle of collaborative working and allows suppliers to focus on delivery

### PBAs at a Glance:

#### A PBA:

- Is an interest bearing account with trust status
- Has no facility for cheque book or overdraft
- can be set up in sole name of Main Contractor (single account) or joint names of Client and Main Contractor (dual account)
- Whether single or dual account requires two parties to the Trust Deed and joint authorisation of payments by Client and Contractor

### Why use a PBA?

When money is due on a payment cycle within a public sector project, once payments have been certified the monies paid into the account are then distributed to each supply chain organisation simultaneously if payment is due. This ensures money is not held up as it makes its way down the supply chain and removes the opportunity for payment abuse

## Main Contractors – What does it mean for you?

- You need to ensure your supply chain payment cycles are aligned with the main contract
- You need to complete forms to open a PBA either jointly with the Client or as a sole account depending what is agreed, but the account must meet minimum requirements
- You need to ensure each supplier to be paid through PBA signs a Joining Deed
- You need to submit with your usual monthly assessments a breakdown of monies due to the supply chain on that payment cycle
- When the money is paid into PBA by the client, main contractor and all suppliers are paid monies due simultaneously

*A PBA does not undermine a main contractor's ability to manage the supply chain; it does not interfere with any contractual provisions or statutory responsibilities*

**FAQ:**  
*A PBA does not affect the Main Contractor's turnover or shareholder value – (the IFRS, 5 Application note G par 60 confirms.)*

*The process of preparing and certifying monthly valuations or milestones largely remains unaltered by the PBA. The only change in the process will be the main contractor submitting a schedule of amounts due to the supply chain for payment*

### FAQ:

*PBAs are no more complicated than a normal bank account; it simply has a trust status attached to it to protect the monies paid in for the benefit of those signed up*

## How does it impact on the Supply Chain?

- The majority of tier 2 & 3 suppliers will benefit from a significant acceleration in payment of their invoices;
- PBAs can include suppliers further down the chain at Tiers 4 & 5 to ensure smaller businesses benefit from improved payment times
- To be included you will need to complete a Joining Deed – this allows payments to be made via internet banking system and secures those payments due in each payment cycle
- The normal process of submission of claim for payment, assessment and certification remains unchanged

## Annex 5 – Model Documentation - Procurement Process

### OJEU wording:

“A Project Bank Account will operate on this project / framework and is required to adhere to the minimum requirements detailed in Welsh Fair Payment Policy. Payment for suppliers outside the Project Bank Account must comply with the Welsh Fair Payment Policy”

### SQuID Question:

Suggested Standard Supplier Selection Question for adding to SQuID question catalogue:

Note to buyers	Question text	Answer	Supplier Guidance
<b>FS.CON.03</b> Note to buyers: If you are planning to use Project Bank Accounts you should either specify this clearly up-front (and not include this question) or amend the guidance to make the requirement clear. It is recommended that you treat this as a pass/fail issue.	<i>FS.CON.003a01v01</i> If you are a prime contractor the buyer may require, under the contract, that you use a Project Bank Account as the primary method of payment to your sub-contractors? Can you comply with this?	Yes / No	<i>The buyer may only select you to tender if you agree to the use of Project Bank Accounts as the sole method of payment to sub-contractors during the stipulated contractual period.</i>  <i>For more information on Project Bank Accounts please see )</i> <a href="http://prp.wales.gov.uk/">http://prp.wales.gov.uk/</a>

### ITT wording/clauses:

Most modern construction forms of contract have provisions for the use of PBAs, including NEC, JCT and PPC2000.

- **NEC3 Z or Y provisions:** The standard drafting of the PBA clauses under NEC 3 assumes that a Contractor sole account has been used.
- **JCT and PPC200:** the standard drafting of the PBA clauses assumes that a joint account has been used.



## **Annex 6 – Model Documentation - PBA Documents**

### **Example Templates:**

- Request to Open a Bank Account Form
- Project Bank Account – Trust Deed
- Schedule 1 - Details
- Schedule 2 – Bank Mandate
- Schedule 3 – Draft Deed of Adherence

## Request to Open a Project Bank Account Form

### Example Request to Open a Project Bank Account Form

The information attached to this form contains personal information and must be held, processed and transmitted in accordance with the Data Protection Act 1998

#### Account type

The Project Bank Account shall have trust status. The trustees will be the Employer, the Contractor and the Named Suppliers as set out in the Trust Deed, and where required the Joining Deed(s). Copies of these documents will be provided to the Bank providing the Project Bank Account.

The Project Bank Account must:

- be subject to the bank terms and conditions attached at Annex 1;
- have no overdraft facility;
- have no cheque facility;
- accept authorisation of payment from the account only where it bears a signature of an authorised representative of the Employer and a signature of an authorised representative of the Contractor; and
- allow payments from the account only to trustees who have executed the trust deed or a joining deed.

#### Regulatory Assurance

The Project Bank Account will be used to facilitate payments to the Contractor and Named Suppliers in respect of a construction contract between the Employer and Contractor for

\_\_\_\_\_  
(the Works).

Money deposited in the account will be provided by the Employer wholly or mainly from public funds.

#### Application to open a bank account

We request (name of bank): \_\_\_\_\_

of (address): \_\_\_\_\_

\_\_\_\_\_

to open a Project Bank Account in the names of:

\_\_\_\_\_  
(Employer) and

\_\_\_\_\_  
(Contractor).

The account name shall be:

\_\_\_\_\_

The account shall operate in accordance with the bank terms and conditions attached.

## Employer

Signed on behalf of the *Employer* on (date): \_\_\_\_\_

Signature: \_\_\_\_\_ Position<sup>2</sup>: \_\_\_\_\_

Name of Signatory: \_\_\_\_\_

Home Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Confirmation of the identity and home address of the above signatory must be provided. These must be in the name of the person who has signed above:

### Requirements for confirmation of identity and home address:

A clear photocopy of the identification page of the passport or photographic counterpart of the driving licence must be attached. This is to be certified as a true and accurate copy by the Project Manager.

A clear photocopy of the document that evidences the home address such as a utility bill showing the name and home address must be attached. This is to be certified as a true and accurate copy by the Project Manager.

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<sup>2</sup> To be signed by a director of a limited company (authorised to do so) or partner of a partnership (authorised to do so) or senior official of public body (authorised to do so) or an individual sole trader.

## Contractor

Signed on behalf of the *Contractor* on (date): \_\_\_\_\_

Signature: \_\_\_\_\_ Position<sup>3</sup>: \_\_\_\_\_

Name of Signatory: \_\_\_\_\_

Home Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Confirmation of the identity and home address of the above signatory must be provided. These must be in the name of the person who has signed above:

### Requirements for confirmation of identity and home address:

A clear photocopy of the identification page of the passport or photographic counterpart of the driving licence must be attached. This is to be certified as a true and accurate copy by the Project Manager.

A clear photocopy of the document that evidences the home address such as a utility bill showing the name and home address must be attached. This is to be certified as a true and accurate copy by the Project Manager.

---

<sup>3</sup> To be signed by a director of a limited company (authorised to do so) or partner of a partnership (authorised to do so) or an individual sole trader.

**Bank terms and conditions to be attached here.**

These are to be obtained from the Bank providing the Project Bank Account and should be carefully checked by the Employer to ensure that they are compatible with the specification provided by the Grant Awarding Body

## Trust Deed

We hope that the attached Trust Deed proves helpful to you. Whilst we have endeavoured to ensure that the information in this document is correct, it has been written as a general template in order to provide you with a starting point only. You should seek your own legal advice before using or customising the Trust Deed for your specific purposes.

The Trust Deed is provided on an “as is” basis and we hereby exclude any and all representations, warranties, conditions and other terms (whether express or implied) concerning the trust deed to the maximum extent permitted by law.

### **Example Trust Deed**

THIS DEED is made the day of 20[ ] BETWEEN: -

- (1) **The Client** (as detailed in Schedule 1 to this Deed);
- (2) **The Contractor** (as detailed in Schedule 1 to this Deed); and
- (3) **The Sub-Contractors** (as detailed in Schedule 1 to this Deed). Collectively referred to in this Deed as “the Parties”.

### **Background**

A. The Client has engaged the Contractor to carry out the Project (as defined below).

B. To assist in the development and performance of the Project, the Contractor has engaged the Sub-Contractors to carry out certain parts of the work required in respect of the Project as set out in more detail in the Sub-Contracts (as defined below).

C. The Parties wish to adopt a payment mechanism which will (i) ensure the fair payment of both the Contractor and the Sub-Contractors; and (ii) that the Sub-Contractors receive payment at the same time as the Contractor. To achieve this objective, the Parties have agreed to operate a bank account in accordance with the terms of this Deed.

### **1.0 Definitions**

1.1. In this Deed, the following words have the following meanings:

“Account Holders”	means the Client and the Contractor;
“Bank”	means the bank where the Bank Account will be held as set out in Schedule 1 to this Deed;
“Bank Account”	means a bank account opened with the Bank which has no overdraft facility into which all monies due under the Contract will be paid by the Client in accordance with this Deed;
“Bank Mandate”	means the instructions as to the operation of the Bank Account as agreed between the Account Holders and the Bank as set out in Schedule 2 to this Deed;
“Contract”	means the contract between the Client and the Contractor in respect of the Project as detailed in Schedule 1 to this Deed;
“Project”	means the project defined in Schedule 1 to this Deed;

“Sub-Contract”	means a sub-contract agreement between a Sub-Contractor and the Contractor in respect of the Project; and
“Term”	means from the date of this Deed until such time as all monies due to the Contractor and the Sub-Contractors under the Contract and/or the Sub-Contracts have been paid in full.

## **2.0 Bank Account**

2.1. The Account Holders undertake to open a new interest bearing deposit bank account with the Bank, such account to be opened and held in the names of the Account Holders.

2.2. The Client undertakes to pay all monies due to the Contractor and/or the Sub-Contractors under the Contract and the Sub-Contracts into the Bank Account as and when such monies become due for payment in accordance with the terms of the Contract.

2.3. The Parties agree that any monies paid into the Bank Account shall, as from the date on which such monies are paid into the Bank Account, be kept separate and distinct and clearly identifiable and shall be held on trust for each of the Contractor and the Sub-Contractors in the amounts owing to them as set out in the Account Holder’s instructions to the Bank for the payment of monies to the Contractor and the Sub-Contractors. The Contractor and the Sub-Contractors acknowledge that they have no rights and/or interest in the monies held in the Bank Account other than as a beneficiary of the monies owing to them.

2.4. If for any reason the total amount of monies deposited by the Client in the Bank Account is less than the total amount of monies which has been authorised by the Account Holders for payment to the Sub-Contractors and the Contractor, the monies held in the Bank Account shall be allocated to and held on trust for each of the Sub-Contractors and the Contractor in the same proportions that the monies owed to them forms of the total amount of monies owed at that time to the Sub-Contractors and the Contractor collectively.

2.5. The Client acknowledges that, as and when monies are paid by it into the Bank Account in accordance with the Contract, it will cease to have any further rights and/or interest in such monies.

2.6. The Account Holders accept that, irrespective of any disputes, which may arise in respect of work performed by the Contractor and/or the Sub-Contractors, the Account Holders may not withdraw any monies from the Bank Account (other than in the case of the Contractor where it may withdraw monies owned by it).

## **3.0 Operation of the Bank Account**

3.1. The Account Holders each agree that:

3.1.1. They will sign the Bank Mandate as soon as reasonably practicable following execution of this Deed and, in any event, within 21 days of the date of this Deed;

3.1.2. They will operate the Bank Account at all times in accordance with the Bank Mandate, this Deed and the Contract. If there is any conflict between the Bank Mandate, this Deed and/or the Contract, the documents shall take precedence in the following order:

3.1.2.1. This Deed;

3.1.2.2. The Bank Mandate; and

3.1.2.3. The Contract.

The Bank Account shall not become overdrawn;

3.1.3. they will keep accurate, complete and up to date books of account and records of all transactions relating to the Bank Account, including but not limited to details of all payments out of the Bank Account authorised by the Account Holders and any bank charges payable;

3.1.4. if the Account Holders have the ability to authorise transactions in respect of the Bank Account via an electronic facility operated by the Bank, each Account Holder shall ensure that its access details for such facility are only made available to those of its employees and/or representatives which need to know such information and that such employees and/or representatives are aware of the confidential nature of the access details, the Bank Account details and the Bank Account transactions;

3.1.5. They are each responsible for the acts and/or omissions of their own employees and/or other representatives as if they were its own acts and/or omissions;

3.1.6. They are each liable for their own acts and/or omissions under this Deed and have no liability for the acts and/or omissions of the other Account Holder;

3.1.7. They hold all monies in the Bank Account on trust for the full and exclusive benefit of the Contractor and the Sub-Contractors in accordance with clause S 2.3 and 2.4 above.

3.2. As and when payment milestones set out in the Contract have been achieved, the Account Holders shall identify any payments due under the Contract and the Sub-Contracts and:

3.2.1. The Client shall promptly pay the monies due under the Contract into the Bank Account;

3.2.2. As and when the monies have cleared, the Account Holders shall promptly authorise the Bank to make any payments due pursuant to the Contract and/or Sub-Contract to the Sub-Contractors and/or the Contractor from the Bank Account.

3.3. The Contractor agrees to inform each of the Sub-Contractors of the amounts which are to be paid to them from the Bank Account and the date on which the Sub-Contractor can expect to receive such payment on the same day as the Account Holders authorise the payments out of the Bank Account.

3.4. All payments to the Sub-Contractors and the Contractor shall be made by bank transfer. The Sub-Contractors and the Contractor must inform the Account Holders of their relevant bank account details and keep them up to date at all times. The Sub-Contractors and the Contractor accept that failure to do so may result in monies not being paid to them and that the Account Holders have no liability for such failure.

3.5. Any interest paid by the Bank in respect of the monies held in the Bank Account shall belong to the Contractor and may be withdrawn by it on conclusion of the works under the Contract.

3.6. Any bank charges, money transmission costs and other disbursements incurred in the establishment and operation of the Bank Account shall be borne by the Contractor.

#### **4.0 New Sub-Contractors**

4.1. If the Contractor appoints a new sub-contractor in respect of the Contract after the date of this Deed and agrees with that new sub-contractor that it shall be paid via the Bank Account, the Account Holders shall arrange for the new sub-contractor to sign a Deed of Adherence/Joining Deed in the form set out in Schedule 3 to this Deed.



4.2. The Parties agree that, in signing the deed of adherence, the Account Holders are signing on behalf of themselves and as agent for each of the Sub-Contractors. Each Sub-Contractor agrees to be bound by the terms of any deed of adherence validly executed by the Account Holders on behalf of all the Parties.

### **5.0 Removal of Sub-Contractor**

5.1. If prior to the expiry of the Term a Sub-Contractor ceases to be involved in the Project for whatever reason (including but not limited to the termination of its Sub-Contract), the Account Holders shall arrange for the payment out of the Bank Account to the Sub-Contractor of any monies held on trust for the benefit of that Sub-Contractor.

5.2. On payment of all the monies due to it from the Bank Account in accordance with clause 5.1 above the Sub-Contractor shall cease to have any further rights and/or interests in the Bank Account.

### **6.0 Confidentiality**

6.1. No party shall use and/or disclose any confidential information, which is acquired by it about another party's business and/or given to it by another party to this Deed except in the proper performance of this Deed.

### **7.0 Termination**

This Deed shall continue for the Term, subject to early termination in accordance with clause 7.2 below.

7.1. This Deed shall immediately terminate if:

7.2.1. The parties agree in writing that the Deed should terminate; and/or

7.2.2. The Contract terminates and all monies have paid out from the Bank Account.

7.2. On termination of this Deed the Account Holders undertake to ensure all monies held on trust for the benefit of the Contractor and/or the Sub-Contractors and held in the Bank Account are promptly paid to the relevant parties (less any outstanding bank charges and expenses).

### **8.0 General**

8.1. This Deed contains the whole agreement between the Parties and it supersedes any prior written or oral agreement between them and is not affected by any other promise, representation, warranty, usage, custom or course of dealing. The parties confirm that they have not entered into this Agreement on the basis of any representation that is not expressly incorporated into this Agreement. Nothing in this Deed shall exclude liability for any fraudulent statement or act made prior to the date of this Deed.

8.2. No waiver by any Party of any breach of this Agreement shall be considered as a waiver of any subsequent breach of the same provision or any other provision.

8.3. The invalidity, illegality or unenforceability of any of the provisions of this Deed shall not affect the validity, legality or enforceability of the remaining provisions of this Deed

8.4. No Party shall be liable for any delay or failure in performing its obligations under this Deed as a result of reasons beyond its reasonable control, including but not limited to acts of God, war, flood, fire, labour disputes, sub-contractor delays, strikes, lock-outs, riots, civil commotion, malicious damage, explosion, governmental actions and any other similar events. Failure to make payment due to insufficient funds in the Bank Account is not a force majeure event.

8.5. The Sub-Contractors are only liable for their own acts and/or omissions under this Deed and not the acts and/or omissions of any of the other Sub-Contractors. The Sub-Contractors are not jointly and severally liable under this Deed.

8.6. No party may assign its interest in this Deed (or any part) without the written consent of the other parties, such consent not to be unreasonably withheld or delayed.

8.7. None of the terms and conditions of this Deed shall be enforceable by any person who is not a party to it.

8.8. This Deed is governed by and interpreted in accordance with English and Welsh law (as it applies in Wales) and the parties agree to submit to the exclusive jurisdiction of the English and Welsh courts.

**IN WITNESS OF THE ABOVE the parties execute this document as a Deed on the date written above.**

**EXECUTED and DELIVERED as a DEED**  
**by [INSERT NAME OF CLIENT]**  
**acting by:**  
.....  
Director  
.....  
Director/Secretary

**EXECUTED and DELIVERED as a DEED**  
**by [INSERT NAME OF CONTRACTOR]**  
**acting by:**  
.....  
Director  
.....  
Director/Secretary

**EXECUTED and DELIVERED as a DEED**  
**by [INSERT NAME OF SUB-CONTRACTOR]**  
**acting by:**  
.....  
Director  
.....  
Director/Secretary

Use the following execution wording if dealing with an individual:

**SIGNED and DELIVERED as a DEED**  
**by [INSERT NAME]**  
**in the presence of:**

**Witness signature:** .....

**Witness name:** .....

**Witness address:** .....

**Witness occupation:** .....

### Schedule 1: Details

Client:	[insert name, address and company number of the Client].
Contractor:	[insert name, address and company number of the Contractor].
Sub-contractors:	[insert names, addresses and company numbers for each sub-contractor who will be a party to this Deed].
Bank:	[insert details of the Bank which will operate the Project Bank Account].
Contract:	Contract between (1) the client and (2) the contractor in respect of the project and dated [insert date] (contract reference number{ }).
Project:	[insert description of the purpose of the contract and the works to be performed under it].

## Schedule 2: Bank Mandate

The Bank Mandate is required to....

### **Example Bank Mandate**

[Insert the instructions as to the operation of the bank account as agreed between the account holders and the bank]

**EXECUTED and DELIVERED as a DEED**  
**by [INSERT NAME OF CLIENT]**  
**acting by:** .....  
Director  
.....  
Director/Secretary

**EXECUTED and DELIVERED as a DEED**  
**by [INSERT NAME OF CONTRACTOR]**  
**acting by:** .....  
Director  
.....  
Director/Secretary

**EXECUTED and DELIVERED as a DEED**  
**by [INSERT NAME OF SUB-CONTRACTOR]**  
**acting by:** .....  
Director  
.....  
Director/Secretary

Use the following execution wording if dealing with an individual:

**SIGNED and DELIVERED as a DEED**  
**by [INSERT NAME]**  
**in the presence of:**

**Witness signature:** .....

**Witness name:** .....

**Witness address:** .....

**Witness occupation:** .....

### Schedule 3: Draft Deed of Adherence

The Deed of Adherence is required when sub contractors join post the initial Project Bank Account set up.

#### **Example Deed of Adherence/Joining Deed**

THIS DEED OF ADHERENCE is dated the day of 20[ ]

BETWEEN: -

(1) **THE CURRENT PARTIES** (as defined below); and

(2) **[INSERT NAME OF NEW SUB-CONTRACTOR]** (Company number: {}) whose registered office is at {} ("New Party").

#### **Background**

A. The Current Parties have entered into a deed dated {} which governs the operation of a project bank account into which all monies due under the Contract (as defined below) are paid.

B. The New Party is a sub-contractor of [insert name of contractor]. It has been agreed by [the Client and] the Contractor that the New Party will be paid for its work using the Project Bank Account (as defined below).

C. This Deed of Adherence constitutes the terms upon which the New Party agrees to be paid for the work it performs for the Contractor via the Project Bank Account and sets out the New Party's rights and interests in the monies contained within the Project Bank Account.

#### **1.0 Definitions**

1.1. In this Deed the following words have the following meanings:

"Admission Date"	means [insert date];
"Client"	means [insert name of client];
"Contract"	means the contract between the Client and the Contractor dated {} for [insert details of the project];
"Contractor"	means [insert name of contractor];
"Current Parties"	means the persons/organisations whose names are set out in Appendix 1 to this Deed of Adherence being the current parties to the Deed;
"Deed"	means the Deed between the Current Parties dated { } which sets out the basis on which the Project Bank Account is to be operated; and
"Project Bank Account"	means the bank account held in the name of the Client and the Contractor at [Barclays Bank Plc] account number { } into which all monies due in respect of the Contract are to be paid.

**APPENDIX 1: THE CURRENT PARTIES**

[insert details of the current parties to the Deed]

**EXECUTED and DELIVERED as a DEED**  
**by [INSERT NAME OF CLIENT]**  
**acting by:**

.....  
Director

.....  
Director/Secretary

**EXECUTED and DELIVERED as a DEED**  
**by [INSERT NAME OF CONTRACTOR]**  
**acting by:**

.....  
Director

.....  
Director/Secretary

**EXECUTED and DELIVERED as a DEED**  
**by [INSERT NAME OF NEW PARTY]**  
**acting by:**

.....  
Director

.....  
Director/Secretary

## **Annex 7 – Example PBA KPIs**

These are the recommended minimum KPIs in order to record how quickly payments get through to the supply chain and how much of what is asked for at each payment cycle is paid to the supply chain through the PBA:

### **Implementation performance:**

- Proportion of supply chain by volume participating in PBA.
- Proportion of supply chain by value participating in PBA.
- Reasons for non-participation of supply chain members.

### **PBA payment performance at each payment cycle:**

- Client payment performance from Due date to deposit of certified sum in PBA (in calendar days).
- Payment performance from deposit of certified sum to receipt of payment by beneficiaries bank (in calendar days).
- The amount claimed by each PBA beneficiary at each payment cycle.;
- The amount authorised to each PBA beneficiary at each payment cycle.
- The amount paid to each PBA beneficiary at each payment cycle.

### **Payment performance for the supply chain outside PBA at each payment cycle**

- Payment performance - average time taken for payments to reach sub-contractor's account from the date on which the Project Manager certifies payment (in calendar days).
- Payment performance - Shortest time taken for a payment to reach a sub-contractor's account from the date on which the Project Manager certifies payment (in calendar days).
- Payment performance - Longest time taken for a payment to reach a sub-contractor's account from the date on which the Project Manager certifies payment (in calendar days).
- The amount claimed by each non-PBA sub-contractor at each payment cycle.
- The amount authorised to each non-PBA sub-contractor at each payment cycle.
- The amount paid to each non-PBA sub-contractor at each payment cycle.

You may want to express that either:

- a certain percentage of spend be paid through the PBA, for example 80% of project spend (excluding ancillary charges), OR
- A certain percentage of sub-contractors be paid through the PBA, with different percentages being provided for different tiers, for example 90% of all Tier 2 contractors, 80% of all Tier 3, 70% of Tier 3.

Other information which may be useful to record/collect:

- Any problems with the account opening procedure.
- Any problems with the operation of the account from Client or Contractor.
- Cost to set up and operate PBA.
- Any savings identified across the supply chain.
- Any governance issues.

## Annex 8 – FAQ's

<b>Q.1</b>	Are PBAs complicated and time consuming to set up?	No, they are no more complicated than a normal bank account.
<b>Q.2</b>	What are the costs of a PBA?	The costs are minimal. Transaction costs, approx 35p per payment, can be offset by the interest earned on the account. There may be set up costs (< £1000) but these would not need to be expended on follow-on contracts.
<b>Q.3</b>	Does it affect the main contractor's turnover and shareholder value?	No – see the International Financial Reporting Standards (IFRS) <sup>4</sup> 5 Application, note G, paragraph 60.
<b>Q.4</b>	Does it undermine the main contractor's ability to manage the supply chain?	PBAs do not interfere with any contractual provisions. There is no change to the contractual and statutory responsibilities of the supply chain.
<b>Q.5</b>	Does it create CIS and VAT problems?	HMRC has confirmed there is no impact.
<b>Q.6</b>	Will it cause changes to processes and financial systems for the supply chain?	Some change may be experienced, but less time should be required to chase payments.  The contractor will need to ensure they submit claims in accordance with the timescales of the PBA.  To join the PBA the supply chain need to complete a Deed of Adherence or Joining Deed.
<b>Q.7</b>	Is a Client at risk from an adverse external audit if they are joint account holders on the Project Bank Account?	No, the money paid in by the Client is for the benefit of the beneficiaries.  As a trustee, there is an obligation to manage the money on behalf of the beneficiaries but there is no title to it themselves.

<sup>4</sup> For more information please refer to the IFRS / International Accounting Standards Board (IASB) website;  
<http://www.ifrs.org>



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## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO CABINET

22 OCTOBER 2019

#### REPORT OF THE HEAD OF LEGAL AND REGULATORY SERVICES

##### INFORMATION REPORT FOR NOTING

##### 1. Purpose of Report

- 1.1 The purpose of this report is to inform Cabinet of the Information Report for noting which has been published since its last scheduled meeting.

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

- 2.1 The report relates to the corporate priority/priorities:
- 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 At a previous meeting of Cabinet, it was resolved to approve a revised procedure for the presentation to Cabinet of Information Reports for noting.

##### 4. Current situation / proposal

##### 4.1 Information Reports

The following information report has been published since the last meeting of Cabinet:-

<u>Title</u>	<u>Date published</u>
Treasury Management – Half-Year Report 2019-20	16 October 2019

##### 4.2 Availability of Documents

The document has been circulated to Elected Members electronically via Email and placed on the BCBC website, and is also available from the date of publication.

##### 5. Effect upon Policy Framework and Procedure Rules

- 5.1 This procedure has been adopted within the procedure rules of the Constitution.

##### 6. Equality Impact Assessment

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

**7. Wellbeing of Future Generations (Wales) Act 2015 Implications**

- 7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

**8. Financial Implications.**

- 8.1 There are no financial implications regarding this report.

**9. Recommendation.**

- 9.1 That Cabinet acknowledges the publication of the document listed in this report.

**K Watson**  
**Head of Legal and Regulatory Services**  
**16 October 2019**

**Contact Officer:** Andrew Rees  
Democratic Services Manager  
**Telephone:** (01656) 643147  
**Email:** [cabinet\\_committee@bridgend.gov.uk](mailto:cabinet_committee@bridgend.gov.uk)

**Postal address:** Democratic Services  
Legal and Regulatory Services  
Civic Offices  
Angel Street  
Bridgend  
CF31 4WB

**Background documents:** None.

**BRIDGEND COUNTY BOROUGH COUNCIL**

**INFORMATION REPORT TO CABINET**

**22 OCTOBER 2019**

**REPORT OF THE INTERIM HEAD OF FINANCE & SECTION 151 OFFICER**

**TREASURY MANAGEMENT – HALF-YEAR REPORT 2019-20**

**1. Purpose of the Report**

1.1 The purpose of this report is to:-

- Comply with the requirement of the Chartered Institute of Public Finance and Accountancy's 'Treasury Management in the Public Services: Code of Practice' (the Code) to report an overview of treasury activities as part of a mid-year review;
- Report on the projected Treasury Management Indicators for 2019-20.

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

2.1 This report assists in the achievement of the following corporate priority:

- 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.

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

**3. Background**

3.1 Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council is exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.

3.2 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code) which requires the Council to approve a Treasury Management Strategy (TMS) before the start of each financial year. The CIPFA Code also requires

the Council to set a number of Treasury Management Indicators which are forward looking parameters and enable the Council to measure and manage its exposure to treasury management risks and these are included throughout this report. In addition, the Welsh Government issued revised Guidance on Local Authority Investments in March 2010 that requires the Council to approve an Investment Strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the Welsh Government Guidance.

- 3.3 In 2017 CIPFA also published a new version of the Prudential Code for Capital Finance in Local Authorities (the Prudential Code). The updated Prudential Code includes a new requirement for Local Authorities to provide a Capital Strategy, which is a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The definition of investments in the revised 2017 CIPFA Code now covers all the financial assets of the Council as well as other non-financial assets which the Authority holds primarily for financial return. The Council's Capital Strategy 2019-20, complying with CIPFA's requirement includes the Prudential Indicators which in previous years were included in the TMS, along with details regarding the Council's non-treasury investments.
- 3.4 The Capital Strategy and TMS should be read in conjunction with each other as they are interlinked as borrowing and investments are directly impacted upon by capital plans and were approved together by Council on 22 February 2019.
- 3.5 The Council's treasury management advisors are Arlingclose. The current services provided to the Council include:-
- advice and guidance on relevant policies, strategies and reports
  - advice on investment decisions
  - notification of credit ratings and changes
  - other information on credit quality
  - advice on debt management decisions
  - accounting advice
  - reports on treasury performance
  - forecasts of interest rates
  - training courses

#### **4. Current Situation / Proposal**

##### **4.1 Economic Context**

- 4.1.1 The interest rate views incorporated in the Council's TMS 2019-20 were based upon officers' views supported by a forecast from Arlingclose. When the TMS 2019-20 was prepared in January 2019, due to the anticipated short time for a Brexit withdrawal deal to be agreed and the possibility of an extended period of uncertainty over the possible outcome, Arlingclose's central case scenario was

forecasting a 0.25% rise in the Bank Rate during 2019-20 to take official UK interest rates to 1.00% by December 2019.

- 4.1.2 With the new Prime Minister favouring exiting the European Union (EU) on 31 October 2019 with or without a deal, Arlingclose believe that policymakers are unlikely to raise the Bank Rate unless there is some certainty of a withdrawal agreement. The Bank Rate started the financial year at 0.75% and the current forecast is that the Bank Rate will remain at this level beyond the end of the financial year-end.

## 4.2 External Debt and Investment Position

- 4.2.1 On 30 September 2019, the Council held £96.87 million of external long term borrowing and £43.75 million of investments. The external debt and investment position for 1 April to 30 September 2019 is shown below in Table 1; more detail is provided in section 4.3 - Borrowing Strategy and Outturn, and section 4.4 - Investment Strategy and Outturn.

**Table 1: Council's external debt and investment position 1 April to 30 September 2019**

	Principal as at 01-04-19 £m	Average Rate 01-04-19 %	Principal as at 30-09-19 £m	Average Rate 30-09-19 %
<b>External Long Term Borrowing:</b>				
Public Works Loan Board	77.62	4.70	77.62	4.70
Lender's Option Borrower's Option	19.25	4.65	19.25	4.65
<b>Total External Long Term Borrowing</b>	<b>96.87</b>	<b>4.69</b>	<b>96.87</b>	<b>4.69</b>
<b>Other Long Term Liabilities (LTL)</b>				
Private Finance Initiative (PFI)*	17.00		16.83	
Other LTL	0.88		1.22	
<b>Total Other Long Term Liabilities</b>	<b>17.88</b>		<b>18.05</b>	
<b>Total Gross Long Term External Debt</b>	<b>114.75</b>		<b>114.92</b>	
<b>Treasury investments:</b>				
Banks	5.40	0.86	4.10	1.03
Building Societies	1.00	0.90	2.00	0.92
Local Authorities	21.00	0.96	20.50	0.92
Money Market Funds**	-	-	17.15	0.72
<b>Total treasury investments</b>	<b>27.40</b>	<b>0.94</b>	<b>43.75</b>	<b>0.85</b>
<b>Net Debt</b>	<b>87.35</b>		<b>71.17</b>	

\* (PFI) arrangement for the provision of a Secondary School in Maesteg 14.75 years remaining term

\*\*the fund provides instant access

- 4.2.2 Where a Council finances capital expenditure by debt, it must put aside revenue resources to repay that debt in later years and this amount charged to revenue is called the Minimum Revenue Provision (MRP). The Local Authority (Capital

Finance and Accounting) (Amendment) (Wales) Regulations 2008 requires the Council to produce and approve an annual Minimum Revenue Provision (MRP) Statement before the start of the financial year that details the methodology for the MRP charge and this is detailed in the Council's Capital Strategy. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing. This strategy is prudent as investment returns are low and counterparty risk is relatively high. The Council is forecasting an increased CFR due to the amount of prudential borrowing in the capital programme and the new MRP policy approved by Council in September 2018.

- 4.2.3 The liability benchmark has been calculated and compares the Council's actual borrowing against an alternative strategy, showing the lowest risk level of borrowing. Table 2 below has been produced using estimates of capital spend and forecasts on usable reserves for the current financial year. The Capital Plans highlight that the Loans CFR, which is the Council's need to borrow to fund capital expenditure, is increasing in line with the capital programme as highlighted in paragraph 4.2.2 above. The Loans CFR ignores cash balances and may be too high if the authority benefits from long term positive cash flows which this Council does benefit from. The benchmark assumes that cash and investment balances are kept to a minimum level of £10 million at each year-end to maintain sufficient liquidity but minimise credit risk. It shows a liability benchmark of £108 million at the end of the financial year. The Council will have debt above or below this amount, which will leave it with excess cash or a borrowing need respectively. The Council feels it is prudent to maintain an under-borrowed position.

**Table 2: Liability benchmark**

	<b>2018-19 Actual  £m</b>	<b>2019-20 Estimate TMS 2019-20 £m</b>	<b>2019-20 Projection  £m</b>
Loans CFR	155	161	146
Less: Usable reserves	-77	-55	-58
Working capital	-5	-	-6
Plus: Minimum investments	10	10	10
<b>Liability Benchmark</b>	<b>83</b>	<b>116</b>	<b>92</b>

### 4.3 Borrowing Strategy and Outturn

4.3.1 At 30 September 2019, the Council held £96.87 million of long term loans as part of its strategy for funding previous years' capital programmes. The TMS 2019-20 forecast that the Council would need to borrow £16 million in 2019-20. It is now forecast that there will be no long term borrowing requirement in 2019-20 due to additional grants being received in the last quarter of 2018-19 and a change in the capital programme for 2019-20. More detail is provided in the Capital Strategy 2019-20 and the Capital Monitoring report.

4.3.2 The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans, should the Council's long-term plans change, is a secondary objective. Therefore the major **objectives** to be followed in 2019-20 are:

- to minimise the revenue costs of debt
- to manage the Council's debt maturity profile i.e. to leave no one future year with a high level of repayments that could cause problems in re-borrowing
- to effect funding in any one year at the cheapest cost commensurate with future risk
- to monitor and review the level of variable interest rate loans in order to take greater advantage of interest rate movement
- to reschedule debt if appropriate, in order to take advantage of potential savings as interest rates change
- to optimise the use of all capital resources including borrowing, both supported and unsupported, usable capital receipts, revenue contributions to capital and grants and contributions

4.3.3 Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. The uncertainty over future interest rates increases the risks associated with treasury activity. As a result the Council will take a cautious approach to its treasury strategy. With short-term interest rates currently much lower than long term rates, it is likely to be more cost effective in the short term to either use internal resources or take out short term loans instead.

4.3.4 The Council's primary objective for the management of its debt is to ensure its long term affordability. The majority of its loans have therefore been taken out with the Public Works Loan Board (PWLb) at long term fixed rates of interest but we will also investigate other sources of finance, such as Welsh Government and local authority loans and bank loans that may be available at more favourable rates.

4.3.5 The last time the Council took out long term borrowing was £5 million from the PWLB in March 2012 and, as detailed above, the current forecast is that there



will be no requirement for new long term borrowing in 2019-20. Alternatively, the Council may arrange forward starting loans during 2019-20 where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period. In addition, the Council may take out short term loans (normally for up to one month) to cover unexpected cash flow shortages. Market conditions have meant that there has been no loan rescheduling so far this year however, in conjunction with Arlingclose, the loan portfolio will continue to be reviewed for any potential savings as a result of any loan rescheduling.

- 4.3.6 The £19.25 million in Table 1 above relates to Lender's Option Borrower's Option (LOBO) loans which have a maturity date of 2054, however these may be re-scheduled in advance of this maturity date. The LOBO rate and term may vary in the future depending upon the prevailing market rates, with the lender exercising their option to increase rates at one of the bi-annual trigger points and therefore the Council being given the option to accept the increase or to repay the loan without incurring a penalty. The lender did not exercise their option on 22 July 2019 and the next trigger point is 22 January 2020. Again the lender is unlikely to exercise their option in the current low interest rate environment, however, an element of refinancing risk remains. 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 Loans average interest rate of 4.70%.
- 4.3.7 The Treasury Management indicator shown in Table 3 below is for the **Maturity Structure of Borrowing** and is set for the forthcoming financial year to control the Council's exposure to refinancing risk with respect to the maturity of the Council's external borrowing, 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. It is the amount of projected borrowing maturing in each period as a percentage of total projected borrowing. The upper and lower limits on the maturity structure of borrowing set out in the TMS 2019-20 and the projection for 2019-20 is:

**Table 3: Treasury Management Indicator Maturity Structure of Borrowing 2019-20**

Refinancing rate risk indicator Maturity structure of borrowing 2019-20	TMS 2019-20 Upper limit %	TMS 2019-20 Lower limit %	Projection 31-3-20 %
Under 12 months	50	0	19.87
12 months and within 24 months	25	0	-
24 months and within 5 years	25	0	-
5 years and within 10 years	40	0	13.91
10 years and within 20 years	50	0	23.49
20 years and above	60	25	42.73

The 19.87% shown in Table 3 above relates to the £19.25 million LOBO loans which may be re-scheduled in advance of their maturity date of 2054, as detailed in paragraph 4.3.6. The Code requires the maturity of LOBO loans to

be shown as the earliest date on which the lender can require payment, i.e. the option/call dates in 2019-20, so the maturity date is actually uncertain but is shown in the "Under 12 months" category as per the Code.

#### 4.4 Investment Strategy and Outturn

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

The major objectives during 2019-20 are:-

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

4.4.2 The Annual Investment Strategy incorporated in the Council's TMS 2019-20 includes the credit ratings defined for each category of investments and the liquidity of investments. The Council's investments have historically been placed in mainly short term bank and building society unsecured deposits and local and central government. However, investments may be made with any public or private sector organisations that meet the minimum credit criteria and investment limits specified in the Investment Strategy. The majority of the Council's surplus cash is currently invested in Money Market Funds and with other local authorities but the Council will continue to look at investment options in line with the limits detailed in the Investment Strategy.

4.4.3 The Council holds surplus funds representing income received in advance of expenditure plus balances and reserves and as shown in Table 1 above the balance on investments at 30 September 2019 was £43.75 million. Table 4 below details these investments by counterparty type. The average investment rate in the period 1 April to 30 September 2019 was 0.89% and was 0.85% at 30 September 2019 (as set out in Table 1).

**Table 4: Investments Profile 1 April to 30 September 2019**

Investment Counterparty Category	Balance 01 April 2019 (A)	Investments raised (B)	Investments Repaid (C)	Balance 30 Sep 2019 (A+B-C)	Investment income received** Apr-Sep 2019	Average original duration of the Investment Days	Weighted average investment balance Apr-Sep 2019	Weighted average interest rate Apr-Sep 2019
	£m	£m	£m	£m	£'000		£m	%
Government DMO	-	44.70	44.70	-	1.35	2	0.54	0.50
Local Authorities	21.00	25.50	26.00	20.50	50.06	339	24.04	0.96
Banks (Fixed Maturity)	4.00	2.00	4.00	2.00	23.43	213	2.86	0.99
Building Societies	1.00	4.00	3.00	2.00	2.07	115	3.16	0.92
Banks Instant Access/Notice Period Account*	1.40	36.87	36.17	2.10	13.95	n/a	4.97	0.96
Money Market Fund (Instant Access)*	-	75.15	58.00	17.15	42.34	n/a	14.00	0.74
<b>Total/Average</b>	<b>27.40</b>	<b>188.22</b>	<b>171.87</b>	<b>43.75</b>	<b>133.20</b>	<b>167</b>	<b>49.57</b>	<b>0.89</b>

\* An average duration is not shown as there is no original duration as instant access or notice period and money is added and withdrawn to/from these accounts as required by cash-flow

\*\* Received in the Council's bank account not interest earned

4.4.4 The Treasury Management indicator shown below in Table 5 is for **Principal Sums Invested for periods longer than a year**. Where the Council invests, or plans to invest, for periods longer than a year, an upper limit is set for each forward financial year period for the maturing of such investments. The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of long term investments. The limit on the long term principal sum invested to final maturities beyond the period end set out in the TMS 2019-20 and the projection for 2019-20 is:

**Table 5: Treasury Management Indicator Principal Sums Invested for periods longer than a year**

Price risk indicator	TMS 2019-20 £m	Projection 31-3-20 £m
Limit on principal invested beyond financial year end	15	6

All investments longer than 365 days (non-specified) will be made with a cautious approach to cash flow requirements and advice from Arlingclose will be sought as necessary.

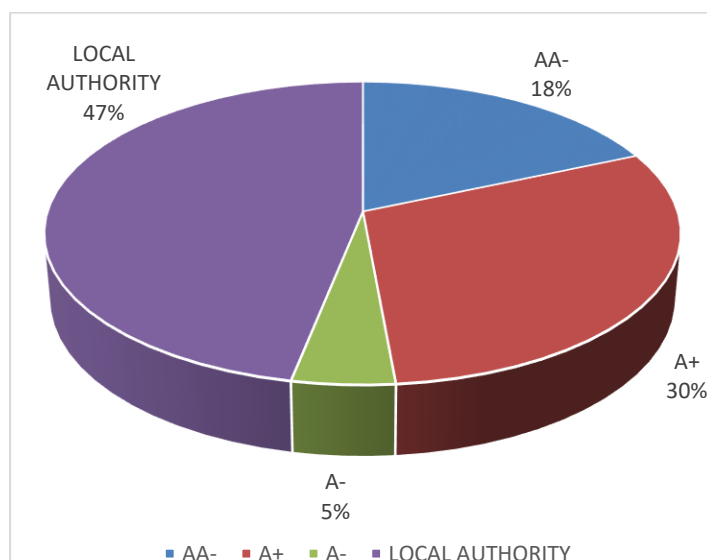
4.4.5 There are ten long term investments (original duration of 12 months or more) outstanding at 30 September 2019 totalling £12 million with Local Authorities, maturing in 2020-21, shown in Table 6 below. All other investments at 30 September 2019 were short term deposits including MMFs, instant access and notice accounts. Table 6 below details these investments by counterparty type based on the remaining maturity period as at 30 September 2019:

**Table 6: Investments Outstanding Maturity Profile 30 September 2019**

Counterparty Category	Instant Access	Deposits Maturing Within 1 Month	Deposits Maturing Within 2-3 Months	Deposits Maturing Within 4-12 Months	Deposits Maturing Within 1-2 Years	Total
	£m	£m	£m	£m	£m	£m
Local Authorities	-	4.00	4.50	-	12.00	20.50
Banks	0.10	2.00	-	2.00	-	4.10
Building Societies	-	-	2.00	-	-	2.00
Money Market Fund	17.15	-	-	-	-	17.15
<b>Total</b>	<b>17.25</b>	<b>6.00</b>	<b>6.50</b>	<b>2.00</b>	<b>12.00</b>	<b>43.75</b>

4.4.6 Investment decisions are made by reference to the lowest published long-term credit rating from a selection of external rating agencies to ensure that this lies within the Council's agreed minimum credit rating. Where available the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account. **Appendix A** shows the equivalence table for credit ratings for three of the main rating agencies Fitch, Moody's and Standard & Poor's and explains the different investment grades. The Council defines high credit quality as organisations and securities having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher.

4.4.7 The pie chart below summarises Table 6 by credit ratings and shows the £43.75 million investments at 30 September 2019 by percentage outstanding. Most Local Authorities do not have credit ratings and the £2 million invested with an A- rated building society was an approved counterparty by Arlingclose whilst the remainder of the investments all had a credit rating of A or above.



## 4.5 Interest Rate Exposures – Borrowing and Investments

- 4.5.1 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. Short term and variable rate loans expose the Council to the risk of short term interest rate rises and are therefore subject to the Treasury Management indicator in Table 7 below to manage **Interest Rate Exposures**.

**Table 7: Treasury Management Indicator Interest Rate Exposures**

Interest rate risk indicator	Indicator £'000	Actual 30-9-19 £'000
One year revenue impact of a 1% rise in interest rates	(140)	(205)
One year revenue impact of a 1% fall in interest rates	315	338

- 4.5.2 This indicator has been set as an indicator (not a limit) to measure the net impact over one year on the revenue account of both a 1% rise and a 1% fall in all interest rates for borrowing net of treasury investments. This is calculated at a point in time on the assumption that maturing loans and investments will be replaced at rates 1% higher or lower than they would otherwise have been on their maturity dates and that the treasury investment and borrowing portfolios remain unchanged over the coming year. Interest rates can move by more than 1% over the course of a year, although such instances are rare.
- 4.5.3 The figures for the 1% fall in interest rates indicator are not the same figures as the 1% rise in interest rates (but reversed) as the borrowing relates to variable LOBO loans where it is assumed that the lender would not exercise their option if there was a fall in interest rates. All other borrowing does not have a rate reset in the next year and is with the PWLB at fixed rates.

## 4.6 Review of the Treasury Management Strategy 2019-20

- 4.6.1 CIPFA's Code of Practice for Treasury Management requires all local authorities to conduct a mid-year review of its treasury management policies, practices and activities. The outcome of this review is that no changes to the TMS 2019-20 are required at this time.

## 5. Effect upon Policy Framework and Procedure Rules

- 5.1 As required by Financial Procedure Rule 20.3 within the Council's Constitution, all investments and borrowing transactions have been undertaken in accordance with the TMS 2019-20 as approved by Council with due regard to the requirements of the CIPFA's Code of Practice on Treasury Management in the Public Services.

## **6. Equality Impact Assessment**

6.1 There are no equality implications.

## **7. Well-being of Future Generations (Wales) Act 2015 Implications**

7.1 The well-being goals identified in the Act were considered in the preparation of this report. As the report is for information only and is retrospective in nature it is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

## **8. Financial Implications**

8.1 The financial implications are reflected within the report.

## **9. Recommendation**

9.1 It is recommended that Cabinet:

- Note the Council's treasury management activities for the period 1 April 2019 to 30 September 2019;
- Note the projected Treasury Management Indicators for 2019-20 against the ones approved in the Treasury Management Strategy 2019-20.

**Gill Lewis**

**Interim Head of Finance and Section 151 Officer**

**3 October 2019**

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### **Background documents:**

Treasury Management Strategy 2019-20

## APPENDIX A

**Credit Rating Equivalence Table**

	Description	Fitch		Moody's		Standard & Poor's	
		Long	Short	Long	Short	Long	Short
INVESTMENT GRADE	Extremely strong	AAA		Aaa		AAA	
	Very strong	AA+	F1+	Aa1	P-1	AA+	A-1+
		AA		Aa2		AA	
		AA-		Aa3		AA-	
	Strong	A+	F1	A1		A+	A-1
		A		A2		A	
		A-		A3		A-	
	Adequate	BBB+	F2	Baa1	P-2	BBB+	A-2
		BBB		Baa2	P-3	BBB	
		BBB-	F3	Baa3		BBB-	A-3
SPECULATIVE GRADE	Speculative	BB+	B	Ba1	Not Prime (NP)	BB+	B
		BB		Ba2		BB	
		BB-		Ba3		BB-	
	Very speculative	B+		B1		B+	
		B		B2		B	
		B-		B3		B-	
	Vulnerable	CCC+	C	Caa1		CCC+	C
		CCC		Caa2		CCC	
		CCC-		Caa3		CCC-	
		CC		Ca		CC	
	Defaulting	C				C	
		D	D	C		D	D