

# 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

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

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



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

Deialu uniongyrchol / Direct line /: 01656 643148 / 643147 / 643694

Gofynnwch am / Ask for: Andrew Rees

Ein cyf / Our ref:

Eich cyf / Your ref:

**Dyddiad/Date:** Wednesday, 6 February 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, 12 February 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 - 12  
To receive for approval the Minutes of 22/01/2019
4. Corporate Plan 2018-2022 Reviewed for 2019-20 13 - 50
5. Medium Term Financial Strategy 2019-20 to 2022-23 51 - 152
6. 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

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CABINET - TUESDAY, 22 JANUARY 2019

MINUTES OF A MEETING OF THE CABINET HELD IN COMMITTEE ROOMS 1/2/3 - CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB ON TUESDAY, 22 JANUARY 2019 AT 14:30

Present

Councillor HJ David – Chairperson

PJ White

HM Williams

D Patel

RE Young

Apologies for Absence

CE Smith

Corporate Director – Social Services and Wellbeing  
Interim Head of Finance and S151 Officer

Officers:

Kelly Watson	Head of Legal & Regulatory Services
Mark Shephard	Interim Chief Executive
Deborah Exton	Group Manager - Finance
Mark Galvin	Senior Democratic Services Officer - Committees
Lindsay Harvey	Corporate Director Education and Family Support
Martin Morgans	Head of Performance and Partnership Services

298. DECLARATIONS OF INTEREST

That the following members declared a personal interest in Agenda Item 8., due to their participation in the Community Action Fund.

299. APPROVAL OF MINUTES

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

300. MEDIUM TERM FINANCIAL STRATEGY 2019-20 TO 2022-23 AND DRAFT BUDGET CONSULTATION PROCESS

The Chairperson of the Budget Research and Evaluation Panel presented a report, the purpose of which, was to share with Cabinet the findings and recommendations of the Corporate Overview and Scrutiny Committee in relation to:-

- a) the views of the Budget Research and Evaluation Panel (BREP) attached at Appendix A and Appendix A1 of the report;
- b) the responses from all the Subject Overview & Scrutiny Committees in relation to Cabinet's draft budget proposals, attached at Appendix A2.

He confirmed that the Corporate Overview and Scrutiny Committee considered the findings of the BREP and all Subject Overview and Scrutiny Committees on 14 January 2019, to determine whether the recommendations should be forwarded to Cabinet as part of the budget consultation process.

For ease of reference the recommendations had been split into separate appendices. These were as follows:

A1 - BREP recommendations in relation to Medium Term Financial Strategy 2019-20 – 2022-2023

A2 - Subject Overview and Scrutiny comments and recommendations on Medium Term Financial Strategy 2019-20 to 2022-23

He explained that the Committee had accepted the recommendations and comments from both the BREP and all Subject Overview and Scrutiny Committees and agreed to submit them to Cabinet, subject to a series of amendments which have been incorporated in the Appendices to the report.

The Leader advised that the budget process had been long and comprehensive, and the process followed in Bridgend was unique, in that no other Authority in Wales scrutinised its budget proposals to the degree it was in this Authority. This process exemplified a 'One Council' approach, with the contribution and involvement from all political groups.

The Deputy Leader echoed this, adding that Cabinet would take away the recommendations made through the Scrutiny process and duly respond to these prior to the Budget being set.

**RESOLVED:** That Cabinet agreed to consider the recommendations of the Corporate Overview and Scrutiny Committee, in response to the Medium Term Financial Strategy 2019-20 to 2022-23 and the Draft Budget Consultation Process.

301. **BUDGET MONITORING 2018-19 QUARTER 3 FORECAST**

The Group Manager – Financial Planning and Budget Management presented a report, the purpose of which, was to provide update Cabinet with an update on the financial performance of the Council as at Quarter 3, 31<sup>st</sup> December 2018.

The report compared the forecasted spend for the Council against the approved revenue and capital budgets for the year. It also reviewed achievement of prior and current year budget reductions and analysed the use of reserves and balances at this point in the year.

Table 1 on page 36 of the report set out the projected revenue outturn position for the Council for the financial year, outlining projected spend against the agreed revenue budget of £266 million and this showed an overall under spend of £5.312 million for the financial year. It was important to note that this under spend has increased significantly due to a couple of late grants incoming from Welsh Government, specifically £620,000 for Social Services and almost £719,000 towards the costs of teachers pay awards. Without these grants the under spend would have been £3.973 million. Overall there was a projected under spend (and not overspend as indicated in this section of the report) on Directorate budgets of £592,000 and an under spend of £6.6 million on council wide budgets. To date, net new earmarked reserves of £1.922 million had been established and there was more detail on these in Table 5 of the report, (paragraph 4.5.4.)

Paragraph 4.1.4 of the report identified two areas where funding had been provided for budget pressures, the Festival of Learning and Uniform Grant, but these were no longer required and the funding here has been pulled back corporately in order to meet other pressures.

Paragraphs 4.1.5 to 4.1.8 of the report, provided further information around the financial position for the Council going forward, with reference to the final settlement and the challenges facing the Council that lie ahead.

Referring to page 38 of the report and linking in with the projected revenue position, Section 4.2 reviews achievement against current and prior year Budget Reduction Proposals. During 2018-19 the Council have monitored performance in meeting those 2016-17 and 2017-18 budget reductions that had not been achieved, alongside new budget reductions for 2018-19.

Appendix 1 (page 53) showed the outturn position for outstanding 2016-17 and 2017-18 proposals, and identified mitigating action to be taken by Directorates to ensure these are met in full. It also outlined the new proposals being implemented by Social Services and Wellbeing under their service delivery plan, to meet their historic over spend. Whilst significant progress will be made in 2018-19 towards closing the gap, there will still be a shortfall to meet in 2019-20.

Appendix 2 of the report (page 54 onward) reflected the position against all of the 2018-19 budget reductions. This indicated a shortfall of £379,000 across Directorates, the majority of which were outlined in more detail in paragraph 4.2.6. of the report. These will continue to be monitored during 2018-19 and 2019-20 with Directors either implementing them in full or finding alternative proposals.

From pages 40 onwards, Section 4.3 of the report provided more detail and commentary on financial performance for each Directorate and in respect of council wide budgets.

This linked in to Table 1 in the report and Appendix 3 (page 63) which provided a high level summary of spend against budget for each Directorate, along with Council wide budgets and transfers to reserves.

There were projected over spends on Education and Family Support and Communities Directorates, which are offset by under spends on Social Services and the Chief Executive's budget. Again, it was important to note added the Officer, that the recent grant from Welsh Government for Social Services of £620,000 is masking the true position, which was an overspend on Social Services.

Within paragraph 4.3 of the report, there is a section for each Directorate outlining the end of year position, with a table highlighting the major variances and a narrative for each of the variances explaining the reasons for these.

There were however, a number of large under and over spends across all Directorates, as outlined in the report.

The Education and Family Support section also included a narrative on the position on school balances on page 41, showing a projected reduction in overall balances from a surplus of £360,000 at the start of the year to an overall deficit of £870,000 at year end. This position has been masked by a specific grant of £231,000 from Welsh Government towards increases in free school meals following the roll out of universal credit.

Paragraph 4.3.5 on page 47 set out the position on Council wide budgets.

Overall there is a net underspend of £6.6 million, but there are a number of one-off movements contributing to this, including:

- £2.4 million under spend on capital financing costs, following the change in MRP Policy. This budget is part of the MTFs budget reductions in 2019-20.
- Reduced requirements for funding for inflation, budgetary pressures and contingency. Budget pressures no longer required have been clawed back, and

the Council have received £719,000 in WG grant towards teachers' pay increases.

Section 4.4 on page 48 of the report, outlined the outturn position for the Capital Programme. The programme approved by Council in February 2018 has been reviewed and amended during the financial year, with the latest update in December 2018. A full breakdown of spend against budget for each scheme along with any additional movements, was shown in Appendix 4 (pages 65 to 67 of the report).

Section 4.5 of the report (page 49) provided a breakdown of the movement on earmarked reserves during the financial year. A full breakdown of movements on reserves to date is provided in Appendix 5 of the report, separating Directorate reserves from Corporate reserves. Reserves had decreased from £48 million to £45 million at the end of December.

The main movements are:

- Directorates have drawn down £4.8 million from earmarked reserves.
- The Council have established £1.279 million new corporate reserves to meet known or probable risks or pressures

The Deputy Leader thanked the Council's Finance Team for the prudent way it continued to manage the Council's budget. He added however, that the Council could not rely on promises of grant funding going forward, and this meant that the Authority still faced very challenging times ahead.

The Leader echoed these comments adding that winter was still in progress and this was a time of year where there was added financial pressures associated with gritting roads, keeping schools open in inclement weather and looking after Social Services challenges also.

Other Cabinet Members added there was also financial uncertainty regarding the outcome of Brexit still to be awaited.

The Cabinet Member – Future Generations and Wellbeing asked if Officers were yet aware of the financial comparison that would arise moving from Quarter 3 through into Quarter 4.

The Group Manager – Financial Planning and Budget Management advised that this was not yet known as the projects detailed in the report were based on the most up to date information available. She added that services were demand led, so this to a degree, made it difficult to predict future financial pressures compared to those that presently existed.

She added that recent grant funding allocations had assisted in the support of the budgetary position and there could yet still be more of these to come, which would be maximised accordingly within areas of the Authority this was mostly needed.

**RESOLVED:** That Cabinet noted the projected revenue and capital outturn position for 2018-19.

**302. EMPTY PROPERTY STRATEGY CONSULTATION**

The Head of Performance and Partnership Services submitted a report in order to seek approval from Cabinet to carry out a formal public consultation on the draft Empty Property Strategy 2019-2023.

He outlined some background information and then advised that the Empty Property Strategy had been drafted and was attached to the report at Appendix 1.

One of its key features he explained, is its intention to take a 'blended' approach to ensure that the focus for action is based on key facts and information. Properties will be prioritised on key criteria such as nuisance value, detriment, location and housing demand and not only on how long a property has been empty. Once prioritised, the Empty Property Working Group will determine the most appropriate actions to attempt to bring the priority properties back into use.

The focus of the Strategy is empty private sector residential properties. As commercial properties require a more specific approach to bring them back into use as a continued commercial property, they do not form part of this Strategy. However, should opportunities arise to bring an empty commercial property back into use as residential accommodation, this will be considered as part of the Strategy.

He added that the Local Authority and its partners would seek to work co-operatively with owners, in order to bring such empty properties back into use.

The Head of Performance and Partnership Services further added, that an Empty Property Working Group that had been established would support the Strategy, as working with other key stakeholders collaboratively was one of the key drivers for the success of the Strategy.

He further added that the consultation would last for 12 weeks and it is possible that the Strategy would require amendment to respond to comments received through the consultation.

The Head of Performance and Partnership Services concluded his submission, by outlining the reports financial implications.

The Cabinet Member – Future Generations and Wellbeing advised that she was pleased to see the positive proposals within the Strategy that would assist in bringing back into habitation over 1,000 private sector residential properties that were currently vacant.

The Cabinet Member – Social Services and Early Help stated that there were a considerable number of empty properties in valley communities of the County Borough and that he was looking forward to seeing further evidence as part of the Strategy, of the type of properties that were intended to be targeted as being brought back into use.

The Head of Performance and Partnership Services advised that working collaboratively both internally and externally was an extremely important part of the Strategy, including closely working with property owners. He added that a marking matrix would be introduced in order to achieve the Projects long term goals.

The Cabinet Member – Social Services and Early Help asked for confirmation that the intention of the Strategy was to ensure that residential properties are brought into habitable use above commercial properties.

The Head of Performance confirmed that the aims of the Strategy were to target empty residential properties, so as to bring these back into occupation. However, if opportunities arose, with regards bringing back into occupation of empty commercial properties this could be looked at with property owners.

The Leader thanked all those involved in the work of the Strategy that also included Member involvement from the Cabinet Member – Future Generations and Wellbeing and a Member of the Morfa Ward who has previous experience in Housing.

**RESOLVED:** That Cabinet:-

- (1) Gave approval to carry out a formal public consultation on the Empty Property Strategy.
- (2) Agreed to receive a further report at the end of the consultation period to consider formally adopting the Strategy.

303. **HOMELESSNESS STRATEGY 2018-2022**

The Head of Performance and Partnership Services submitted a report, the purpose of which, was to seek Cabinet approval for public consultation on the draft Homelessness Strategy attached at Appendix 1 to the report.

Part 2 of The Housing (Wales) Act 2014 places a duty on the Authority to carry out a Homelessness Review for its area and then formulate and adopt a Homelessness Strategy.

He explained that the Homelessness Review has provided the necessary information to draft the proposed Strategy for the period 2018-2022 as per Welsh Government Guidance. The key messages arising from the review were shown in paragraph 3.3 of the report.

The Head of Performance and Partnership Services referred Members to the draft Strategy, which he added had been developed to respond to the findings of the review. This had been submitted to Welsh Government on the basis that it is subject to public consultation (and final approval by Cabinet).

He added that the review identified a number of areas to be developed further, though one of the messages was to reinforce that homelessness is a complex, cross cutting issue, that not only requires a corporate approach but also one of a partnership nature. It was intended to develop an Action Plan in order to support the Strategy.

Following the consultation process, it was envisaged that a final Strategy would be presented to Cabinet for approval in April 2019.

The Cabinet Member – Wellbeing and Future Generations advised that a considerable number of key stakeholders had been involved in the development of the draft Strategy which had been co-produced therefore was in line with the Well-Being of Future Generations (Wales) Act 2015.

The Cabinet Member – Social Services and Early Help felt that some of the statistical information in the draft Strategy made for sad reading. He added that he hoped that all partners would work effectively together so as to reduce the problem of homelessness, including Private Landlords and Registered Social Landlords.

The Cabinet Member – Communities felt that the category of vulnerable groups and individuals who may be susceptible to finding themselves homeless should be added to, to include ‘veterans.’

The Head of Performance and Partnership Services confirmed that the Strategy could be adjusted to accommodate this group.



The Leader felt that it was interesting to note that the second biggest reason for people becoming homeless, was due to parents either not being able to or not wishing to accommodate young adults in the age 16 to 18 category. He further added that it was important that there was enough floor space/beds in arranged accommodation for the number of people who were homeless in the County Borough who wished to have a roof over their head, and in turn, then being able to access some key support services they may be in need of.

The Deputy Leader felt that the consultation process should be extended to as wider audience as was possible, as homelessness was a major problem that urgently needed addressing with a view to improving the current situation. He added that Cabinet Members should be invited to attend any arranged consultation groups.

The Leader concluded debate on this very important topic by concurring with the Deputy Leaders comments, adding that he had asked the Youth Council to participate in the consultation, and he was also pleased back bench Members will help influence the strategy through the overview and scrutiny process as the strategy was on the work programme.

**RESOLVED:** That Cabinet approved a period of public consultation on the draft Homelessness Strategy and noted that following the consultation, a final Strategy would be presented to Cabinet for approval and adoption, prior to formal submission to Welsh Government.

304. **COMMUNITY ACTION FUND 2018-19 UPDATE**

The Interim Chief Executive presented a report, the purpose of which, was to provide an update in respect of the use of the Community Action Fund (CAF) approved by Cabinet on 5 September 2017; to update on the recommendations from the Audit Committee and to seek approval for the discontinuation of the Community Action Fund.

The 2017-2021 Medium Term Financial Strategy which was approved by Council on 1<sup>st</sup> March 2017 included a new budget of £285,000 for the creation of a Community Action Fund. The broad aims of the fund were to create opportunities for localised intervention by Members within their own ward to the benefit of the community. It was hoped to broaden the impact which council funding can have on individual communities and provide a funding source which Elected Members can individually use to directly benefit their local ward.

He continued by stating that Elected Members have significant discretion over how the money has been used, with the overarching caveat that expenditure must be lawful and it must not contravene Council policy. Similarly, funding should not be awarded to profit making organisations or for political purposes. It should not be used for expenditure that is recurring and would necessitate future funds.

Elected Members were required to attend mandatory training before they submitted applications for payment to ensure that the scheme operated smoothly, that administration costs and enquiries were kept to a minimum, and Members were able to comply with the conditions of the scheme and self-regulate.

The Interim Chief Executive explained that during the period the scheme operated, a total of £231,667.24 of the available £270,000.00 (85.8%) was provided from the Community Action fund to fund some 156 projects across the County Borough.

Paragraph 4.1.4 of the report gave examples of variety of projects the funding had been used for, with a full list of the projects being included in Appendix 1 to the report.

The next section of the report detailed some of the administrative support that was required for the scheme, which was more complex than was initially anticipated. The support of the Fund was borne largely by Legal, Finance and Democratic Services staff and was fairly time consuming.

Paragraph 4.3 confirmed that Internal Audit undertook a review of the Community Action Fund, and the findings arising from this were detailed in this section of the report.

He concluded his submission by confirming that given some of the feedback on the scheme, particularly from Members which was mixed, it may be more beneficial in the future for Cabinet to consider the cessation of the CAF and the transfer of the £285,000.00 funding back into the MTFs.

Though Cabinet felt that a considerable number of projects the Fund supported were worthwhile and beneficial to various communities, they also acknowledged that the Council were facing continued financial difficulties going forward into the future and that due to this, it may be worthwhile for the above funding to be allocated to the Council's Corporate fund.

The Cabinet Member – Social Services and Early Help felt that the project could possibly be revisited post-austerity.

**RESOLVED:** That Cabinet:-

(1) Noted the report.

(2) Approved the cessation of the Community Action Fund and the transfer of the £285,000 funding back into the Medium Term Financial Strategy for consideration when setting the budget for 2019-20 to 2022-23.

**305. REGULATION OF INVESTIGATORY POWERS ACT 2000**

The Head of Legal and Regulatory Services and Monitoring Officer presented a report, that provided details of the above Policy currently in place under the Regulation and Investigatory Powers Act 2000 (RIPA).

She advised that RIPA provides a framework for certain public bodies, including local authorities, to use covert surveillance to gather information about individuals without their knowledge, for the purposes of undertaking statutory functions in connection with the prevention and detection of crime.

The Head of Legal and Regulatory Services and Monitoring Officer added that Members are required to review the use of RIPA and set the Policy at least once a year. Whilst Elected Members cannot be involved in decisions on specific authorisations, they are permitted to have an oversight of the process.

She confirmed that the Council has traditionally been very sparing in its use of RIPA, with it only being used in cases where it is important to obtain information to support potential criminal proceedings and only where that information cannot be obtained by any other means. She added that there had been no authorisations for RIPA since April 2014.

The Head of Legal and Regulatory Services and Monitoring Officer referred Members to paragraph 4.3 of the report, which gave other reasons that were likely to account for the reduction in the number of authorisations being sought.

Finally, she referred to the list of designated posts nominated as Authorising Officers to authorise surveillance activity within the Council (Appendix 1 of the Policy attached to the report at Appendix A) which had been reviewed and updated.

The Leader asked by what methods RIPA activity was monitored in the Shared Regulatory Services.

The Head of Legal and Regulatory Services and Monitoring Officer confirmed that this was monitored by the Vale of Glamorgan County Borough Council, and independently overseen by the Courts (Magistrates).

**RESOLVED:** That Cabinet noted the report and approved the revised Policy attached as Appendix A, together with the amended list of Authorised Officers.

306. **UNREASONABLE BEHAVIOUR/VEXATIOUS COMPLAINANT POLICY**

The Head of Legal and Regulatory Services submitted a report which presented to Members the Unreasonable Behaviour or Vexatious Complainant Policy for approval (attached at Appendix 1 to the report).

By way of background, the report highlighted that the Authority did not currently have a Policy that dealt with unreasonable customer behaviour and complaints including those of a vexatious nature.

The Head of Legal and Regulatory Services confirmed that having such a Policy will help Officers to understand clearly what is expected of them; what options for action are available and who can authorise these actions. It can also be shared with customers and help manage their expectations and explain that certain behaviours should not be tolerated.

The Cabinet Member Wellbeing & Future Generations endorsed the policy emphasising that whilst the public have the right to complain and complaints will be dealt with seriously, the authority will not tolerate aggressive or violent behaviour towards staff.

Paragraph 4.2 outlined in summary the key provisions of the Policy.

**RESOLVED:** That Cabinet approved the above Policy attached at Appendix 1 to the report.

307. **INFORMATION REPORTS FOR NOTING**

The Head of Legal and Regulatory Services presented a report, the purpose of which, was to inform Cabinet of the Information Report for noting outlined in paragraph 4.1 of the report, published since its last scheduled meeting.

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

308. **URGENT ITEMS**

None.

The meeting closed at 15:35

## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO CABINET

12 FEBRUARY 2019

### REPORT OF THE INTERIM CHIEF EXECUTIVE

#### CORPORATE PLAN 2018-2022 REVIEWED FOR 2019-20

#### 1. PURPOSE OF REPORT

- 1.1 To seek Cabinet endorsement of the Council's Corporate Plan 2018-2022 reviewed for 2019-20 (**Appendix A**) prior to submission to Council for approval.

#### 2. CONNECTION TO CORPORATE IMPROVEMENT PLAN / OTHER 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.

#### 3. BACKGROUND

- 3.1 The Council has a duty to set well-being objectives under the Well-being of Future Generations (Wales) Act 2015 and to set improvement objectives under the Local Government (Wales) Measure 2009.
- 3.2 The Council's current Corporate Plan covers 2018-2022. It sets out three corporate well-being objectives (improvement objectives) as set out in 2.1, based on the extensive public consultation known as 'Shaping Bridgend's Future', undertaken in 2015.

#### 4. CURRENT SITUATION / PROPOSAL

- 4.1 The current Corporate Plan has been reviewed for 2019-20. The review has focused mainly on updating the Council's commitments and success measures for 2019-20. The Council's vision, values and principles remain unchanged.

- 4.2 In reviewing this Plan, the Council further developed its well-being objectives against the Well-being of Future Generations (Wales) Act 2015. The revised Corporate Plan aims to balance the use of resources to support the achievement of the Council's well-being objectives and statutory duties, including the management of financial pressures.
- 4.3 The three well-being objectives are both the Council's improvement objectives under the Local Government (Wales) Measure 2009 and well-being objectives under the Well-being of Future Generations (Wales) Act 2015. The Well-being Statement, required by the Act, is embedded into the Plan. The commitments are the steps the Council will take to deliver the integrated improvement and well-being objectives in 2019-20. The Corporate Plan also sets out how the objectives contribute towards the seven national well-being goals.
- 4.4 The success measures for each aim have been identified to ensure they support and drive forward the Council's sustainability principles. Where new indicators have been identified, wherever possible, indicative targets have been set.
- 4.5 On 14 January 2019, the Corporate Overview and Scrutiny Committee considered the revised draft Plan. The Committee made a series of constructive comments for amendment and inclusion. All the comments have been duly considered and, wherever feasible, appropriate amendments made to the draft Plan.
- 4.6 The Plan will be reviewed annually to take into account changing circumstances and progress made against the well-being objectives and to ensure that the requirements of Local Government (Wales) Measure 2009 and the Well-being of Future Generations (Wales) Act 2015 are met.
- 4.7 Once approved, the Plan will replace the current Corporate Plan. The delivery of the plan will be supported by the Medium Term Financial Strategy (MTFS), Directorate business plans and service plans. It will be monitored through the Corporate Performance Assessment process, Directorate management team meetings and the Corporate Overview and Scrutiny Committee.

## **5. EFFECT UPON POLICY FRAMEWORK & PROCEDURE RULES**

- 5.1 The Council's Corporate Plan forms part of the Policy Framework.

## **6. EQUALITY IMPACT ASSESSMENT**

- 6.1 A full Equality Impact Assessment was undertaken when the Plan was developed. Consideration was given to the potential impact on protected groups within the community and on how to avoid a disproportionate impact on people within these groups. Separate EIAs will be undertaken when proposals for carrying out the Plan are developed and implemented.

## **7. WELL-BEING OF FUTURE GENERATIONS (WALES) ACT 2015 IMPLICATIONS**

- 7.1 The Well-being of Future Generations (Wales) Act 2015 provides a framework for embedding sustainable development principles within the activities of the

Council. The 7 well-being goals identified in the Act have driven the Council's three well-being objectives. A Well-being of Future Generations Assessment will be undertaken on proposed individual projects and activities to meet the Council's three well-being objectives and will feed into specific reports to Cabinet or Council.

- 7.2 A well-being of Future Generations Assessment on the impact of the Corporate Plan has been completed (**Appendix B**).

## **8. FINANCIAL IMPLICATIONS**

- 8.1 There are no specific financial implications in this report. Financial implications relating to the delivery of the Council's Corporate Plan and its three well-being objectives are set out in the Medium Term Financial Strategy 2019-20 to 2022-23.

## **9. RECOMMENDATION**

- 9.1 That Cabinet endorse the Corporate Plan 2018-2022, reviewed for 2019-20 and recommend it to Council for approval on 20<sup>th</sup> February 2019.

**Mark Shephard, Interim Chief Executive**

**Contact Officer:** Gill Lewis, Interim Head of Finance and 151 Officer  
Telephone: 01656- 643224; email: [gill.lewis@bridgend.gov.uk](mailto:gill.lewis@bridgend.gov.uk)

## **Background Documents**

Medium Term Financial Strategy 2019-20 to 2022-23

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**One Council Working Together To Improve Lives**

**Corporate Plan 2018-2022 reviewed for 2019-2020**

# Introduction

## Welcome to the Council's revised corporate plan for 2019-20.

The Council delivers, or enables, many hundreds of services across all the diverse communities within the county of Bridgend. This corporate plan in no way attempts to include every service that the Council delivers or will deliver in the coming years.

What it does do is set out our well-being objectives; the long-term outcomes that we want to achieve for the County and for the people we are privileged to serve. We want to contribute to a place where people love to live, work, study and do business, where people have the skills and qualifications they need to improve their life chances, enjoy good health and a sense of well-being and independence.

Public services, and local councils in particular, are part way through a sustained period of austerity and we are no exception. We have experienced year-on-year reductions in funding at a time of ongoing cost inflation, increased demand and need amongst parts of our community and new, and often unfunded, statutory responsibilities. Against this backdrop we have to be honest with our communities and partners in saying that the Council can no longer deliver all of the services it once did nor always to the same level or quality as in previous years. However, we remain committed to making best use of our resources, to supporting and protecting the most vulnerable in our communities and building an economically sound county that meets the needs of our citizens in the future.

In reviewing this plan for 2019-20, we have further developed our well-being objectives, aims and targets and introduced a raft of new indicators. To better focus on meeting our objectives, we have simplified our aims, removing those we regard as 'business as usual' and developed new measures that support and drive forward our sustainability principles.

Details of our progress can be found on our Annual Report. Our previous annual reports are available on [www.bridgend.gov.uk](http://www.bridgend.gov.uk).

We welcome your views on this plan. You can give your feedback through:



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



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



Facebook at [www.facebook.com/BridendCBC](https://www.facebook.com/BridendCBC)



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



Or by writing to Corporate Performance Team, Bridgend County Borough Council,  
Civic Offices, Angel Street, Bridgend CF31 4WB



Councillor Huw David  
Leader of the Council



Mark Shephard  
Interim Chief Executive

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Section **4**: our **Well-Being Objectives**

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Section **6**: **Democracy** and **Partnership**

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## Section 1: our Vision

“ One council working together to improve lives ”

## Section 2: our Principles & Values

A number of key principles underpin how we work. They highlight the importance of working in partnership with our citizens, our communities and with other organisations to develop and deliver sustainable services. Together, we will identify and meet local need as best we can.

Within these principles, we have embedded the principle of Sustainable Development, aligned to the five ways of working, as expressed in the Well-being of Future Generations (Wales) Act 2015.

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.					

**Our values** that represent what we stand for and shape how we work:

**Fair** - taking into account everyone's needs and situation

**Ambitious** - always trying to improve what we do and aiming for excellence

**Citizen-focused** - remembering that we are here to serve our local communities

**Efficient** - delivering services that are value for money

## Section 3: a snapshot of Bridgend County

### In Numbers



Population	144,300
Size	98.5 square miles
Households	61,484
Average House Price	£149,212 (UK HPI: June 2018)
Businesses	4,085
People in Employment	71.6% (June 2018)
Average resident salary	£26,624 (Welsh average £26,306)

### Education

Infant	2
Junior	1
Primary schools	40
Secondary schools	8
Church Schools	6
Special Schools	2
Alternative Provision	1

### Representation

Wards	39
Councillors	54
Constituency AMs	2
Regional AMs	4
MPs	2

### Leisure and Well-being

Life Centres	3
Swimming Pools	4
Sports Centres	1
Library services	14

### Social Care

Extra Care Homes	3
Reablement Unit	1
Resource Centre for people with complex needs	1

We develop, manage and maintain **280 hectares** of open spaces, including children's play areas, sports pitches, commons, highway verges, landscapes and horticultural features.



### Total Council Income (2019-20)



Council Tax	£79.002m
Non-Domestic Rates	£46.452m
Revenue Support Grant (Welsh Government)	£145.354m
Other funding	£149.262m
Total Gross Income	£420.070m

We have **4,400** full-time equivalent staff providing services that include:

Social care, safeguarding our most vulnerable adults and children; education, planning and building control, housing support, maintaining highways and public transport, refuse and recycling, street cleaning and safety, parks, environmental and natural resources protection, play areas, food hygiene, licensing, health and safety inspectors, collecting revenues and administering benefits, elections, sports, arts and libraries, supporting business and tourism, special events and festivals.

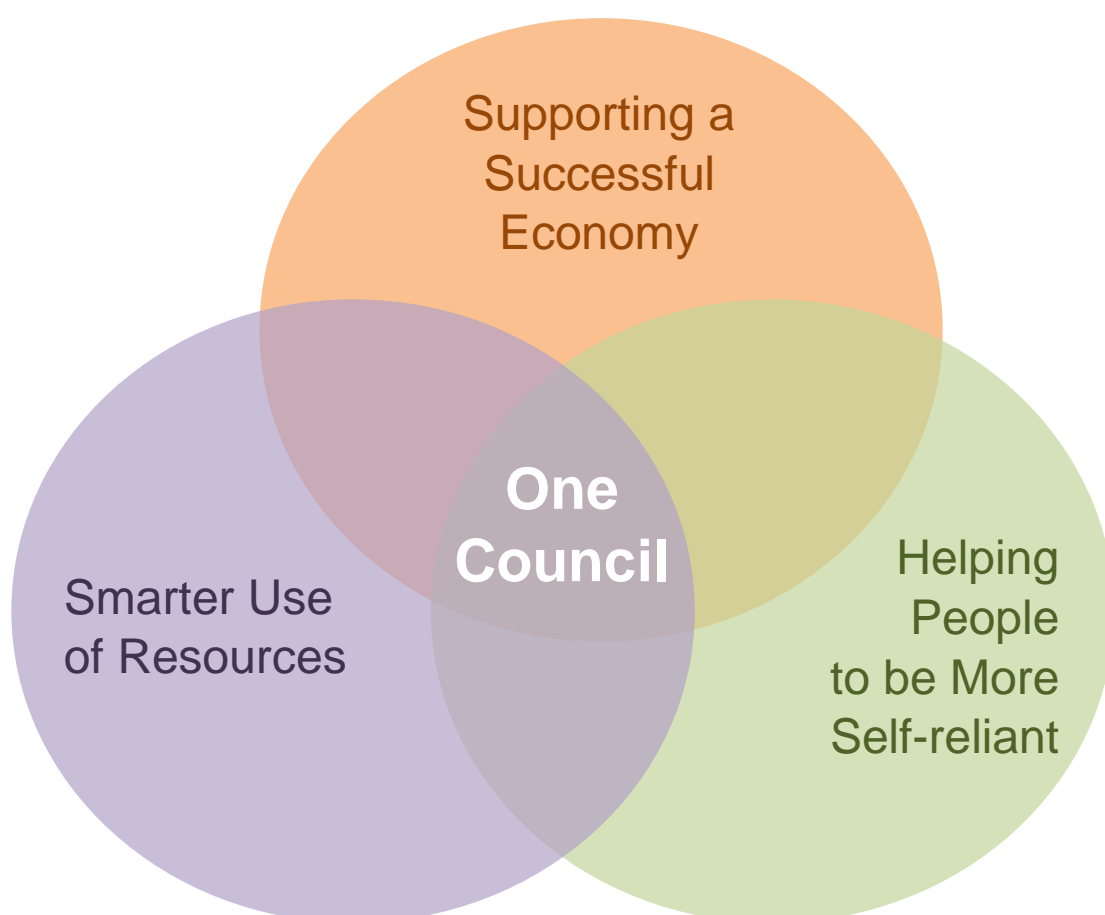
## Section 4: our Well-Being Objectives

Amongst the pressures arising from increased demand and reduced resources, we will keep a clear focus on what are priorities for our communities in Bridgend and in Wales, both for now and in the future.

This document sets out clearly a small set of important and long-term priorities. These three priorities are our well-being objectives under the Well-being of Future Generations (Wales) Act 2015 and set out our contributions towards the meeting the Act's seven national goals.

They are also our improvement objectives under the Local Government (Wales) Measure 2009.

Our well-being objectives are:



This plan sets out why they are our well-being objectives and outlines how we intend to make progress on them.

Details on how we have already made progress towards these objectives can be found in our Annual Report.

# Well-being Objective 1:

## Supporting a Successful Economy

This means we will take 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.

### Our Well-being Aims

- To support local people develop skills and take advantage of opportunities to succeed.
- To create conditions for growth and enterprise.
- To create successful communities.

### Why these are important

Our citizens have told us that a local vibrant economy is one of their top priorities. We want to build a county where people have more opportunities to secure a meaningful job, 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 needing fewer services. For future prosperity and long-term resilience, our town centres and businesses need to be profitable: to generate wealth, provide better jobs, attract investment, improve skills and encourage visitors.

As part of the green economy, the Council continues to work towards a low-carbon economy through our low carbon heat schemes in Bridgend Town and in the Llynfi valley.

We believe that education remains the most important lever for improving the life chances and resilience of young people. Our future long-term prosperity depends on the skills and knowledge of our communities.

### Our Key Programmes to support this well-being objective

- City Deal – The Council and its neighbouring South East Wales Councils have secured this capital programme from the UK and Welsh Government. The £1.28 billion Cardiff Capital Region programme will deliver a range of programmes that will increase connectivity, improve physical and digital infrastructure as well as regional business governance over the next 10-15 years. The Deal is projected to deliver 25,000 extra jobs across the region.
- Strategic Review of Post-16 Education and Training – this programme evaluates post-16 education provision and curriculum delivery to ensure 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 local development schemes across the county. In Porthcawl, this includes the initial phases of the development of Salt Lake car park, marketing the land earmarked for the retail store and investing the capital receipt in future phases of regeneration such as the redevelopment of

Hillsboro Place car park and the necessary flood defences along the eastern promenade. Other schemes include redevelopment in Bridgend, transforming Maesteg Town Hall into an arts and cultural hub.

In addition, we will maximise the opportunities from other regeneration funding strategies and programmes, including delivering real change in the valleys through the Valleys Taskforce and will lobby for transformative projects such as the Pencoed rail crossing.

- The alignment of Welsh Government Grants supports Bridgend Council’s ‘One Vision’ approach and provides the foundation for a strategic approach to our Early Intervention, Prevention and Support agenda. We will focus on improving outcomes for people who live complex lives by planning, commissioning and delivering better integrated services and support, by reducing duplication and by improving the inter-relationships between them.

## Who will help us?

Housing Associations and Private Landlords; Bridgend Business Forum; City Deal partners; Bridgend College and training providers; schools; Careers Wales; Job Centre Plus.

## Steps we will take to achieve our well-being aims

To support local people develop skills and take advantage of opportunities to succeed we will	To create a Wales that is:
Continue to work with the Cardiff Capital Regional Skills and Employment Board, and with BCBC led local projects, to shape employment opportunities and develop a skilled workforce to meet future needs. This includes delivering high quality apprenticeships for all ages.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Resilient</li> <li>✓ More Equal</li> </ul>
Work with the Welsh Government Valleys Taskforce to maximise opportunities for investment in our valleys to increase economic prosperity. (The Valleys Taskforce is a Welsh Government initiative that aims to deliver economic change in the South Wales Valleys by creating good quality jobs and helping people access skills).	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Resilient</li> </ul>
Work with individuals and families 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 opportunities.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Resilient</li> <li>✓ More Equal</li> </ul>
Work with partners and communities to develop a tackling poverty strategy and better align our anti-poverty efforts to target areas where there is an increasing proportion of workless households with children.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Resilient</li> <li>✓ Healthier</li> <li>✓ More Equal</li> </ul>
Work with schools to close the gap in educational attainments for pupils eligible for free school meals and those who are not and improve learner outcomes for other vulnerable groups including looked after children and young carers.	<ul style="list-style-type: none"> <li>✓ Resilient</li> <li>✓ More Equal</li> </ul>
Progress the development of strategies to assist young people who are more able and talented than their peers to help them reach their full potential.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Resilient</li> </ul>
Complete the review and consultation into the Strategic Review of Post-16 Education and Training by the end of March 2020.	<ul style="list-style-type: none"> <li>✓ Resilient</li> <li>✓ More Equal</li> <li>✓ Cohesive</li> </ul>
Support the development of the coding skills of our young people through the rollout of the Digital Competence Framework to all our schools by March 2020.	<ul style="list-style-type: none"> <li>✓ Resilient</li> <li>✓ More Equal</li> <li>✓ Cohesive</li> </ul>



To create conditions for growth and enterprise we will	To create a Wales that is
Deliver the Porthcawl Resort Investment Focus Programme to grow the value of tourism in the economy, increase employment and business opportunities, and support a range of cultural, sporting and business events.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Cohesive</li> <li>✓ Vibrant Culture and Language</li> </ul>
Contribute to the development of the business plan and specific regional projects for the Cardiff Capital Region City Deal, with the aim of bringing increased investment and economic control into the local area.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Resilient</li> </ul>
Support the Bridgend Business Forum with the delivery of its development plan and its programme of events for 2018-2019.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Resilient</li> </ul>
Continue to progress the development of low carbon Heat Schemes in the Llynfi Valley (Caerau) and Bridgend Town, and developing the business case for the innovative Heat Scheme to draw on a natural underground heat source to heat homes.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Resilient</li> </ul>
Undertake a full review and develop a new Local Development Plan (LDP).	<ul style="list-style-type: none"> <li>✓ Globally Responsible</li> <li>✓ Prosperous</li> <li>✓ Resilient</li> </ul>

To create successful communities we will	To create a Wales that is:
Invest in our town centres to provide new facilities and enhance existing ones, and progressing a range of development schemes. These include progressing the range of development schemes in Porthcawl, Maesteg Town Hall and Enterprise Hubs to create new business workspace, seeking funding for a redevelopment programme for Bridgend Town Centre.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Cohesive</li> <li>✓ Vibrant Culture and Language</li> </ul>
Engage with the owners to address the issues of long-term empty properties.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Resilient</li> <li>✓ Cohesive</li> </ul>

## How will we know we are successful?

### To help local people develop skills and take advantage of opportunities to succeed

Success Indicators	Actual 2017-18	Target 2018-19	Target 2019-20
The percentage of working age population that is in employment [higher preferred]	71.3%	71.4%	Increase on 2018-19 actual
The percentage of economically active 16 - 64 year olds [higher preferred]	New indicator for 2018 -19	73.2%	Maintain 2018-19 actual
The number of apprentices employed across the organisation [higher preferred]	31	17	25

The number of apprenticeships taken by looked after children [higher preferred]	0	1	1
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 preferred]	1.7%	1.5%	1.3%
The percentage of all care leavers who are in education, training or employment at a)12 months b)24 months after leaving care [higher preferred]	a) 60.5% b) 46.7%	a) 60% b) 60%	a) 60% b) 60%
The percentage of 16 - 64 year olds without qualifications [lower preferred]	11.3%	N/A	<11.3%
The percentage of schools meeting the Learning & Skills Measure in terms of the subject offer at Key Stage 4 & Post 16 [higher preferred]	100%	100%	100%
The number of participants in the Employability Bridgend programme going into employment [higher preferred]	N/A	New indicator for 2019-20	Establish Baseline
Gross Value Added (GVA) per head [higher preferred: data published one year in arrears]	N/A	New indicator for 2019-20	Increase 2017-18 actual

### To create conditions for growth and enterprise

Success Indicators	Actual 2017-18	Target 2018-19	Target 2019-20
Total annual expenditure by tourists [higher preferred]	£344.2m	£351.1m	Above 2018-19 actual
The number of business start-ups [higher preferred]	New indicator for 2018 -19	536	Above 2018-19 actual
The number of active businesses [higher preferred]	4,085	4,086	Above 2018-19 actual
The percentage occupancy of council owned starter units [higher preferred]	New indicator for 2018 -19	90%	Maintain 2018-19 actual

## To create successful communities

Success Indicators	Actual 2017-18	Target 2018-19	Target 2019-20
The number of visitors to town centres footfall for : a) Bridgend b) Porthcawl. [higher preferred]	a) 7.1m b) 2.6m	a) 7.3m b) 2.6m	a) 7.2m b) 2.5m
The number of vacant premises in town centres a) Bridgend b) Maesteg c) Porthcawl d) Pencoed [lower preferred]	a) 66 b) 9 c) 10 d) N/A	a) 66 b) 9 c) 10 d) 6	a) 66 b) 9 c) 10 d) 6
The financial value of externally funded town centre regeneration projects underway/in development [higher preferred]	£21.25m	£15m	£13m

## Well-being Objective 2

### Helping people to be more self-reliant

This means we will work with our partners, including the people who use our services and carers, to take steps early to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. We will support individuals and communities to build resilience, and enable them to develop solutions to meet needs and enjoy independent life as much as they can.

#### Our well-being aims

- To give people more choice and control over what support they receive by providing early access to advice and information.
- To reduce demand through targeted early help and intervention programmes.
- To work in partnership with the third sector, town and community councils and community groups to build community resilience.

#### Why these are important

Providing the right information, advice and assistance at an early stage can help individuals and helps families to stay together. We know that both adults and children benefit from a secure supportive family environment. Supporting individuals and families to thrive makes it less likely that their situation will deteriorate and that they will become dependent on council services.

This approach is sustainable economically and promotes positive social and personal outcomes. We are committed to providing good information, advice and assistance to the citizens of the county borough so that they are better equipped to manage situations themselves and the council services can concentrate on those in greatest need.

Consultation, participation and co-development are key to creating a future of sustainable services, particularly during this period of increasing demand and decreasing resources. Working with our service users helps us to better target services where they have most effect. By building on our track record of working with the third sector, the not-for-profit and private sectors, we can support communities to develop their own approaches to local issues and meet people's needs locally.

#### Our Key Programmes to support this well-being objective

- Remodelling Social Care
  - We will continue with this large programme of recommissioning adult home care, developing extra care, and information and advice services for people and their carers.
  - Working with partners, we are implementing a Multi-Agency Safeguarding Hub as a single point of contact for all safeguarding concerns.
  - We are implementing new models of residential care for children and young people in order to make them more flexible and effective.
- We are driving forward our campaign to recruit more foster carers to care for children and young people with wide ranging needs.
- We are supporting community led initiatives through our Active Bridgend plan.
- We are working with partners to develop community health and well-being centres.

- Community Asset Transfer – We will transfer assets to communities to manage sustainably while making the most of the assets we retain.

## Who will help us?

People in receipt of services, carers and their families, citizens of Bridgend; regional partners; Public Service Board partners; the third sector and private sectors.

## Steps we will take to achieve our well-being aims

To give people more choice and control over what support they receive by providing early access to advice and information we will	To create a Wales that is:
Continue to improve the ways in which the Council provides good information, advice and assistance to the public, including increasing the support available through local community coordinators.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Healthier</li> <li>✓ More Equal</li> <li>✓ Cohesive</li> </ul>
Continue to involve service users, carers and communities in developing and commissioning services.	<ul style="list-style-type: none"> <li>✓ Globally Responsible</li> <li>✓ Prosperous</li> <li>✓ Healthier</li> <li>✓ More Equal</li> <li>✓ Cohesive</li> </ul>

To reduce demand through targeted early help and intervention programmes we will	To create a Wales that is:
Support the development of a new generation of community health and well-being centres for our residents with health partners.	<ul style="list-style-type: none"> <li>✓ Healthier</li> <li>✓ More Equal</li> <li>✓ Cohesive</li> </ul>
Establish a new model of residential provision for looked after children and young people and seek the best ways of meeting their individual needs including support beyond the age of 18 by offering specialist accommodation.	<ul style="list-style-type: none"> <li>✓ Healthier</li> <li>✓ More Equal</li> <li>✓ Cohesive</li> </ul>
Finalise a transition service model to help disabled children move smoothly into adulthood.	<ul style="list-style-type: none"> <li>✓ More Equal</li> </ul>
Work with households and partners to help prevent homelessness.	<ul style="list-style-type: none"> <li>✓ More Equal</li> <li>✓ Cohesive</li> </ul>
Support care leavers to secure appropriate accommodation.	<ul style="list-style-type: none"> <li>✓ More Equal</li> <li>✓ Cohesive</li> </ul>
Work with owners of empty properties to turn empty properties into homes to help increase the supply of homes for rent and sale.	<ul style="list-style-type: none"> <li>✓ Healthier</li> <li>✓ Cohesive</li> </ul>
Increase engagement of partners, including schools, in the use of the Joint Assessment Family Framework (JAFF) and Team Around the Family (TAF) processes, which aim to ensure early identification of needs and delivery of support for children and families.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Resilient</li> <li>✓ Healthier</li> <li>✓ More Equal</li> </ul>
By following our “One Council” principle, ensure that all services available work better together to provide vulnerable children with seamless support when needed and prevent them from becoming looked after.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Resilient</li> <li>✓ Healthier</li> <li>✓ More Equal</li> </ul>

To work in partnership with the third sector, town and community councils and community groups to build community resilience we will	To create a Wales that is:
Work with partners and the third sector to strengthen communities and identify the best way of providing services locally.	<ul style="list-style-type: none"> <li>✓ Resilient</li> <li>✓ Cohesive</li> <li>✓ Vibrant Culture and Language</li> </ul>
Enable community groups and the third sector to have more voice and control over community assets.	<ul style="list-style-type: none"> <li>✓ Prosperous</li> <li>✓ Resilient</li> <li>✓ Cohesive</li> <li>✓ Vibrant Culture and Language</li> </ul>

## How will we know we are successful?

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

Success Indicators	Actual 2017-18	Target 2018-19	Target 2019-20
The percentage of a) adults and b) children who received advice and assistance from the information, advice and assistance service during the year [higher preferred]	a) 63.67% b) 71.35%	a) 50% b) 70%	a) 65% b) 75%
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 preferred]	a) 84.09% b) 85.97%	a) 80% b) 80%	a) 85% b) 85%
The percentage of adults who completed a period of reablement and six months later have: a) a reduced package of care and support or b) no package of care and support [higher preferred]	a) 70.64% b) 58.27%	a) 62% b) 60%	a) 70% b) 60%
The number of people who have been diverted from mainstream services to help them remain independent for as long as possible [higher preferred]	973	400	1000

To reduce demand through targeted early help and intervention programmes

Success Indicators	Actual 2017-18	Target 2018-19	Target 2019-20
The percentage of children supported to remain living within their family [higher preferred]	61.64%	65%	65%
The percentage of children who receive Connecting Families interventions during the year	95%	85%	85%

Success Indicators	Actual 2017-18	Target 2018-19	Target 2019-20
who remain out of the care system as at 31 March of that year [higher preferred]			
The percentage of completed TAF (Team Around the Family) support plans that close with a successful outcome [higher preferred]	74%	70%	72%
The percentage of looked after children on 31 March who have had three or more placements during the year [lower preferred]	10.94%	12%	12%
The percentage of individuals discussed at Transition Panel that have a transition plan in place by age of 16/17 [higher preferred]	100%	100%	100%
The percentage of people presenting as homeless or potentially homeless, for whom the local authority has a final legal duty to secure suitable accommodation [lower preferred]	9.42%	12.85%	11.85%
The percentage of care leavers who have experienced homelessness during the year [lower preferred]	13.79%	<13%	<13%
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 [higher preferred]	3.48%	7.86%	5%
The number of dwellings created as a result of bringing empty properties back into use [higher preferred]	nil	5	5
The percentage of people who feel they are able to live more independently as a result of receiving an Disabled Facilities Grant in their home [higher preferred]	87.7%	75%	80%

To work in partnership with the third sector, town and community councils and community groups to build community resilience

Success Indicators	Actual 2017-18	Target 2018-19	Target 2019-20
The number of adults who received a service provided through a social enterprise, cooperative, user-led service or third sector organisation during the year [higher preferred]	379	370	480
The number of Council owned assets transferred to the community for running [higher preferred]	nil	2	5

## Well-being objective 3: Smarter use of resources

This means we will ensure that all its resources (financial, physical, ecological, 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 well-being objectives.

### Our Well-being Aims

- To achieve the budget reductions identified in the Medium Term Financial Strategy.
- To improve the efficiency of and access to services by redesigning our systems and processes.
- To work collaboratively to make the most of public assets.
- To develop the culture and skills required to meet the needs of a changing organisation.

### Why these are important

The Council has made reductions of £30m from its budget over the last three years and we are expecting to make further reductions of some £30m over the next three years. We are running out of 'easy' options for budget savings, so big decisions will need to be made on what we will and will not provide as a council when the budget is set for the next financial year. We will also need to continue to find the best possible ways of working with partners to deliver frontline services while achieving these planned savings.

### Consultation

We undertook the annual 'Shaping Bridgend's Future' consultation with key stakeholders including a broad range of citizens of Bridgend County Borough, schools, BCBC cabinet members/councillors, local businesses, the third sector, council staff, town and community councils, partner organisations, community and equality groups, youth services/council and local media.

We asked respondents for their views on a range of budget proposals being considered. These included proposed increases to council tax and where to best focus our spending. The most popular areas were schools, care of older people and services for disabled people. Whilst we continue to take account of citizens' views, when prioritising our limited resources, the long-term future funding of local authorities remains challenging and we cannot compromise our ability to fulfil our statutory duties. We continue to work on reshaping some services to ensure Bridgend is able to rise to these challenges.

### Key Programmes to support this well-being objective

- Digital Transformation Programme – this programme aims to change the way we operate to enable customers to access information, advice and services on line.
- Rationalising the Council's estate – this programme is about disposing of council assets and transferring assets to communities to manage while making the most of the assets we retain.



- Schools' Modernisation Programme – this programme invests in a sustainable education system and in school buildings that reduce costs and their carbon footprint.

## Who will help us?

Employees; Schools; Contractors; Trade Unions

## Steps we will take to achieve our well-being aims

To achieve the budget reductions identified in the Medium Term Financial Strategy	To create a Wales that is:
Implement the planned budget reductions identified in the 2018-19 budget.	✓ Prosperous

To improve the efficiency of and access to services by redesigning our systems and processes we will	To create a Wales that is:
Deliver our digital transformation programme to enable citizens to use our online system to manage their council tax and housing benefit accounts and to deliver financial savings.	✓ Prosperous
Automate our most common internal processes to reduce transaction costs and streamline processes.	✓ Prosperous

To work collaboratively to make the most of public assets we will	To create a Wales that is:
Provide sufficient school places in the right area and in new and improved schools by delivering 21st Century Schools' under the Council's Schools' Modernisation Programme.	✓ Resilient ✓ Healthier ✓ Cohesive
Rationalise further the Council's administrative estate to ensure the Council operates from fewer core offices and reduces the number of leased properties for which we currently pay rent, by March 2020.	✓ Globally Responsible
Develop a more commercial approach to council assets and services.	✓ Prosperous ✓ Resilient
Ensure the Corporate Landlord structure is fully embedded to enable more coordinated and efficient management and maintenance of the Council's Property estate.	✓ Prosperous ✓ Resilient ✓ Healthier
Market the part of the Waterton site due to be partially vacated for housing development under the Parc Afon Ewenni scheme.	✓ Prosperous ✓ Resilient ✓ Healthier
Implement energy and carbon reduction measures and promote good practice in all our public buildings.	✓ Cohesive ✓ Globally Responsible ✓ Resilient
Review capital expenditure to ensure alignment with corporate objectives	✓ Prosperous ✓ Resilient

To develop the culture and skills required to meet the needs of a changing organisation we will	To create a Wales that is:
Support managers to lead staff through organisational change.	✓ Resilient
Provide the learning and development opportunities for staff to meet future service needs.	✓ Prosperous ✓ Resilient

Improve and promote mechanisms that increase responses to consultations.	<ul style="list-style-type: none"> <li>✓ Resilient</li> <li>✓ Cohesive</li> <li>✓ Vibrant</li> <li>Culture and Language</li> <li>✓ More Equal</li> </ul>
Develop the Council's ability to engage with the public through social media.	<ul style="list-style-type: none"> <li>✓ Cohesive</li> <li>✓ Resilient</li> <li>✓ More Equal</li> </ul>

## How will we know we are successful?

### To achieve the budget reductions identified in the Medium Term Financial Strategy

Success Indicators	Actual 2017-18	Target 2018-19	Target 2019-20
The percentage of budget reductions achieved [higher preferred]	69%	100%	100%

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

Success Indicators	Actual 2017-18	Target 2018-19	Target 2019-20
The number of services that are available to the public online [higher preferred]	Nil	5	3

### To work collaboratively to make the most of public assets

Success Indicators	Actual 2017-18	Target 2018-19	Target 2019-20
The percentage of surplus capacity of school places in a) primary schools b) secondary schools [lower preferred]	a) 5.21% b) 20.5%	a)10% b)18%	a)10% b) 18%
Realisation of capital receipts target [higher preferred]	£452,875	£4m	£2.8m
Percentage of £500k planned budget savings achieved [higher preferred]	N/A	100%	100%
Percentage of BCBC operational buildings achieve full statutory compliance [higher preferred]		New indicator for 2019-20	100%
Percentage change in carbon dioxide emissions in the non-domestic public building stock on previous year [higher preferred]	6.46%	6.46%	6.46%
Income generated from the Council's non-operational property portfolio [higher preferred]	£25,000	£25,000	£25,000

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

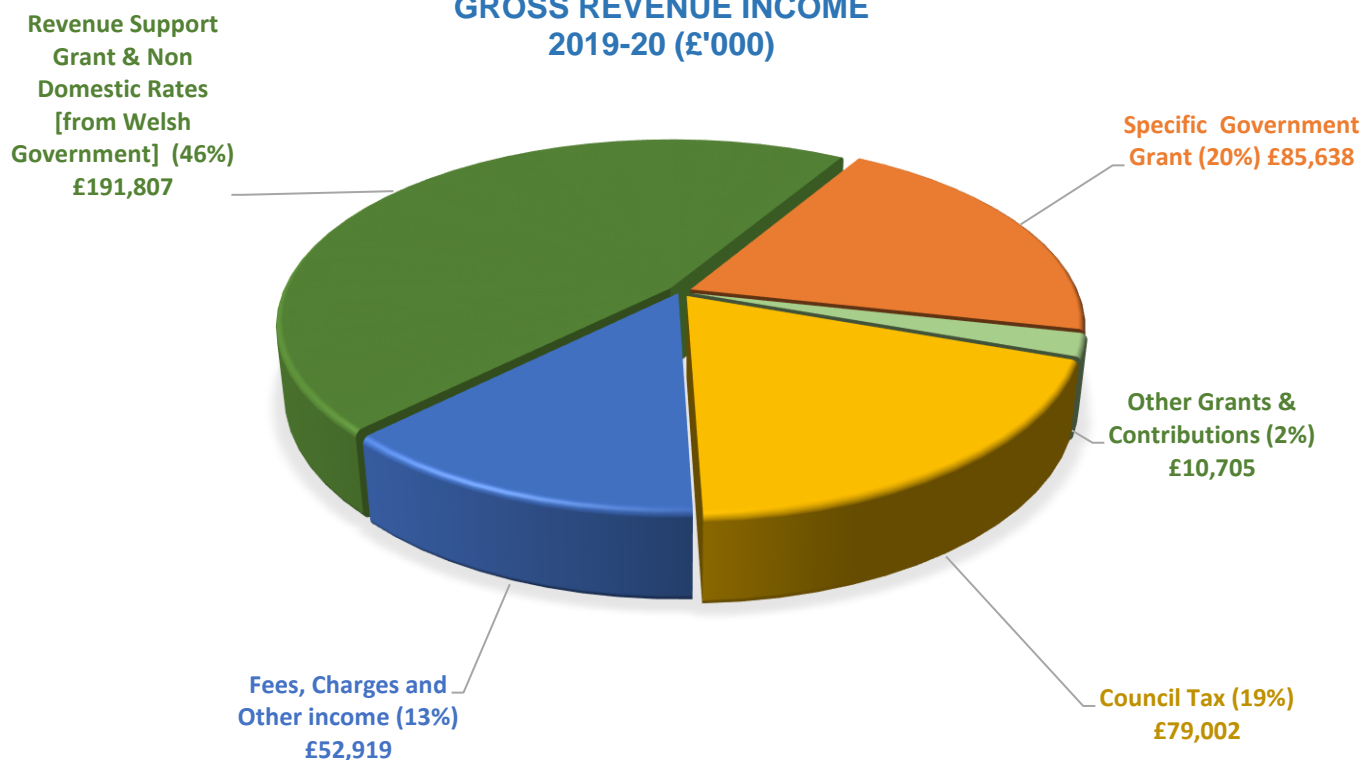
Success Indicators	Actual 2017-18	Target 2018-19	Target 2019-20
The number of staff taking up in-work health checks [higher preferred]	N/A	New indicator for 2019-20	Increase on 2018-19 actual
The percentage of employees completing e-learning modules [lower target due to staff completing compulsory training]	50.2%	45%	25%
The number of interactions from citizens on the corporate social media accounts (Facebook and Twitter) [higher preferred]	69,414	5% increase on 2017-18 actual (76,355)	5% increase on 2018-19 actual
Number of participants in Staff Survey [higher preferred]	N/A	New indicator for 2019-20 Establish baseline	Increase on 2018-19 actual
The proportion of staff reporting through survey that they agree or strongly agree with the statements:  a) I feel every department is working towards the same common goal b) I am satisfied with BCBC as an employer c) Working here makes me want to perform to the best of my ability d) I feel that BCBC values its employees ideas and opinions e) Do you think there are opportunities for two-way communication to discuss and raise ideas and issues? [higher preferred]	N/A	New indicator for 2019-20 Establish baseline	Increase on 2018-19 actual  a) >35% b) >59% c) >69% d) >31% e) >59%

## Section 5: managing our Budget

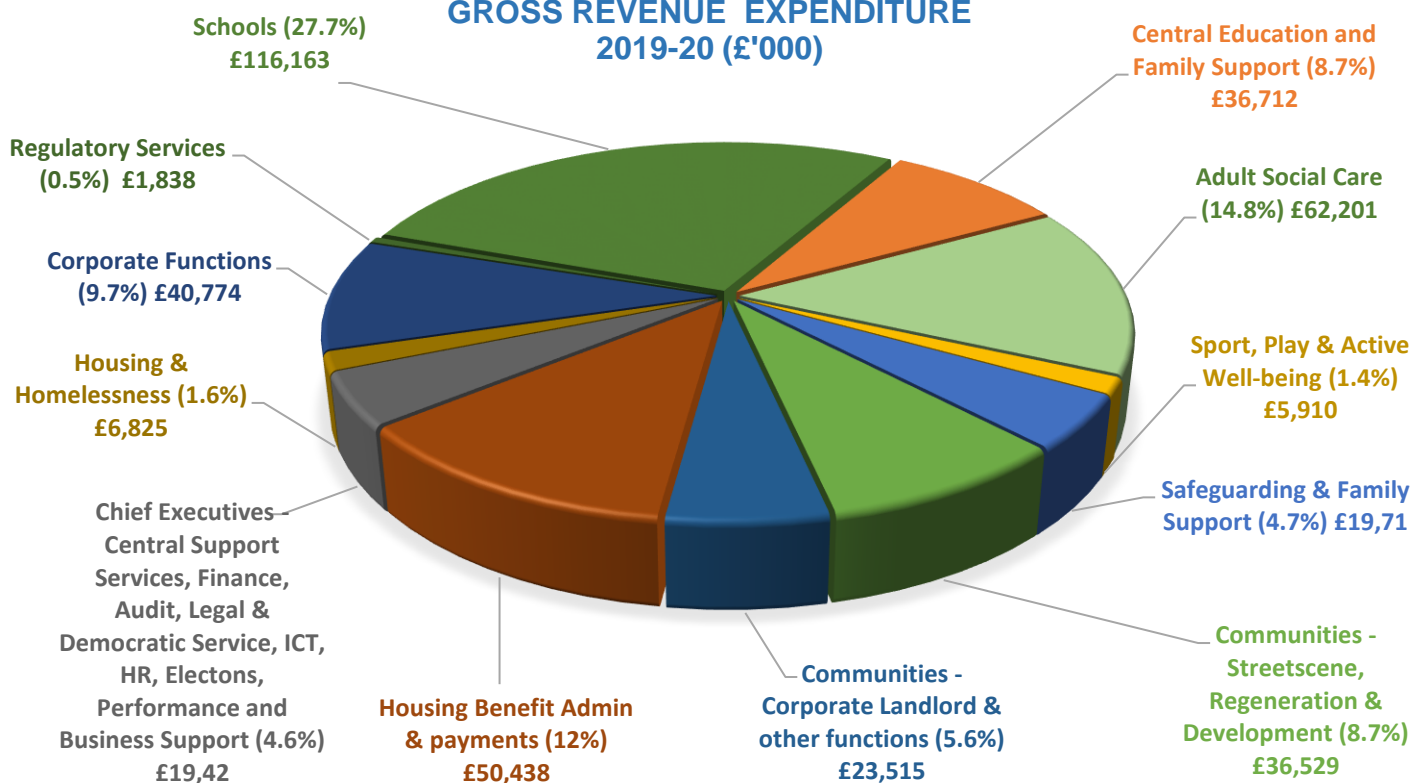
The charts below outline our income and spending plans for 2019-20.

The Council's gross revenue income for 2019-20 is £420.07 million.

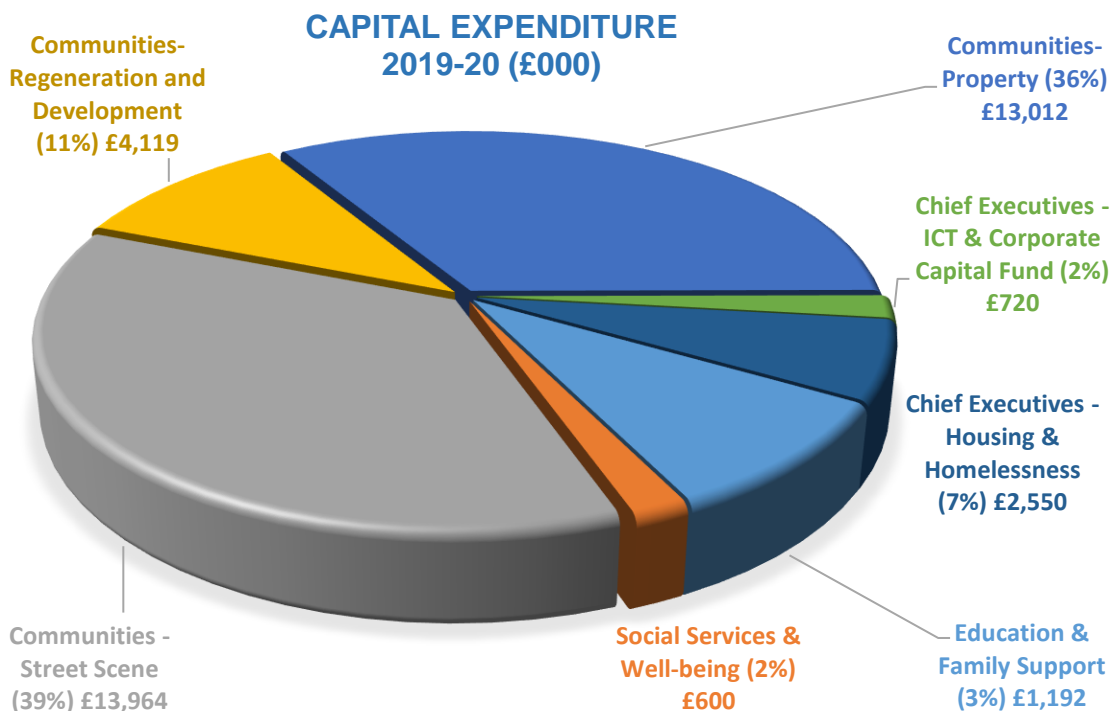
**WHERE THE MONEY COMES FROM  
GROSS REVENUE INCOME  
2019-20 (£'000)**



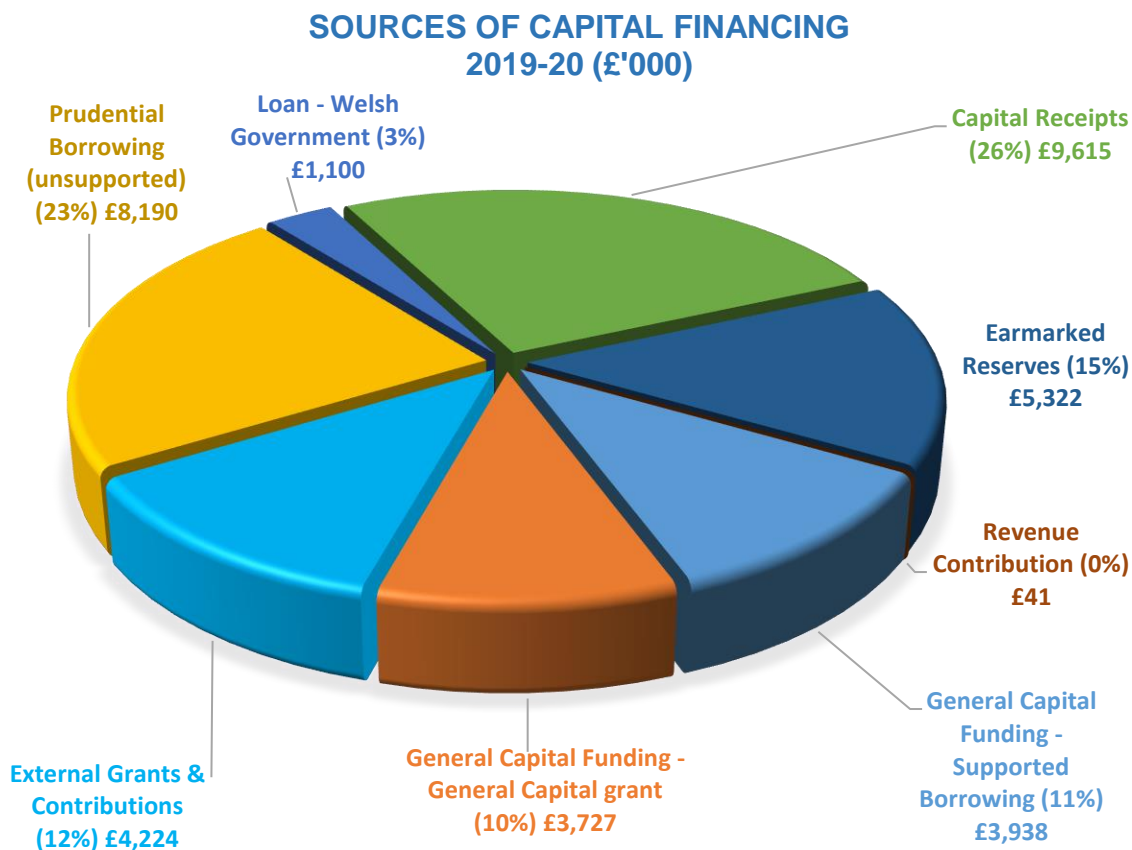
**WHERE THE MONEY IS SPENT  
GROSS REVENUE EXPENDITURE  
2019-20 (£'000)**



In addition to spending money on providing day-to-day services, the Council also spends money on providing new facilities, improving assets and the infrastructure, enhancing assets or providing capital grants to others. Planned capital expenditure for 2019-20 amounts to £36.157 million.



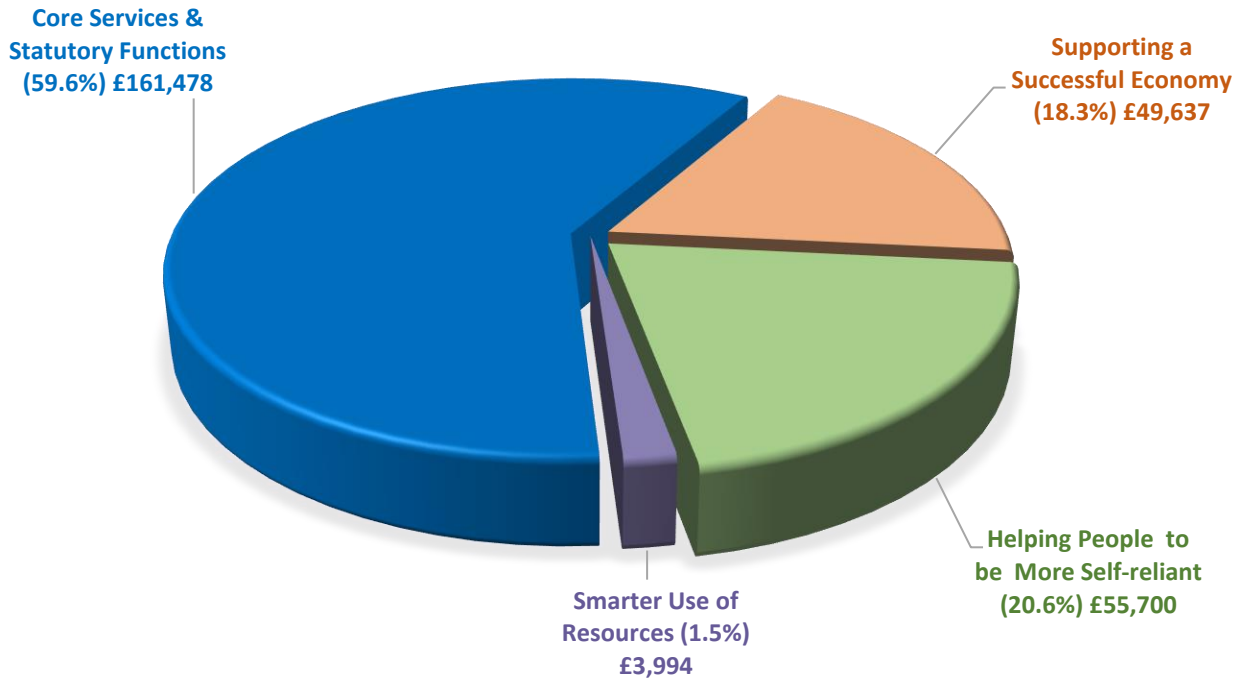
The chart (above) provides details of the service areas where capital expenditure is planned and (below) how the expenditure will be financed in the year.



The authority has a net revenue budget of £270.809 million that supports the delivery of the Council's corporate Well-Being Objectives, core services and statutory functions. The net budget is financed by the Revenue Support Grant, Non-Domestic Rates (NDR) and Council Tax income. It excludes income from other financing streams such as other government grants, customer and client receipts, and interest which finance the gross revenue expenditure.

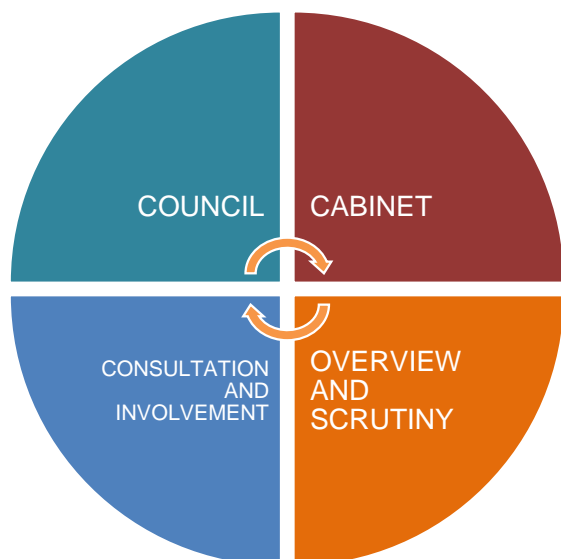
The chart below provides details of how the net revenue budget has been allocated for 2019-20.

### NET REVENUE BUDGET BY WELL-BEING OBJECTIVE 2019-20 (£'000)



## Section 6: Democracy and Partnership

### How the Council Works



#### Council

Made up of 54 councillors representing 39 Wards, the full Council meets to approve key strategic policies and set the Council corporate plan and budget. The rules for how the Council operates are written in the Council's constitution.

#### Cabinet

Made up of six councillors and chaired by the Leader, the Cabinet is responsible for making major decisions and policies in Bridgend County Borough. Each councillor has a portfolio covering a specialist area.

#### Overview and Scrutiny

Made up of four committees who look at decisions that the Council are making and make sure they have been examined properly.

#### Consultation and Involvement

Members of the Citizens' Panel receive up to three surveys per year on diverse service areas; topics have included street cleanliness, customer service, the council budget, public conveniences and bus routes. They also receive updates through our 'You said, we did' newsletter.

Bridgend County Borough Council is committed to listening and responding to citizens' views. We ensure that there are opportunities for local people to contribute to decision making through



Our newly revised website: [www.bridgend.gov.uk](http://www.bridgend.gov.uk)



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



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



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



e-mail to [talktous@bridgend.gov.uk](mailto:talktous@bridgend.gov.uk)

In 2017-18 we handled over 143,000 calls, 14,500 emails and 27,000 visits through our Customer Service Centre

We also engage with specific groups of people, such as those who use our social care services, to ask for their views about the services they receive.

# Working with Others

## Bridgend Public Services Board

- The [Well-being of Future Generations \(Wales\) Act 2015](#) made it a legal requirement for each local authority to create a Public Services Board ([Bridgend PSB](#)). The Council is one of a group of local health, education, social care and well-being organisations from the public sector and not for profit sectors who work together to create a better Bridgend County Borough. The work is based on collaboration and consultation with local people and communities.
- Following a Well-being Assessment, the Bridgend PSB has developed a [Well-being Plan](#) to address the issues that influence the long-term well-being of Bridgend.
- [Bridgend Community Safety Partnership](#) is a sub-board of the Bridgend PSB, which brings together public, private and voluntary agencies that work together to reduce crime, disorder and fear of crime.

The [Bridgend Multi-Agency Safeguarding Hub](#) (MASH) brings together professionals to provide safeguarding services from both the council and our partners across the community, in one place.

The Bridgend MASH is made up of people from:

- Children's and adult services
- South Wales Police public protection unit
- Education
- Housing
- Community drug and alcohol team
- Probation and community rehabilitation
- Health
- Early help services
- Mental health services

- [Shared Regulatory Services](#) is a partnership with the Vale of Glamorgan and Cardiff Council to provide a more efficient service covering Trading Standards, Environmental Health, Licensing and Private Sector Housing.

The Council's Internal Audit Service has been delivered under a formal collaborative agreement with the Vale of Glamorgan Council since 2013. Due to its ongoing success, it is proposed that a Regional Shared Internal Audit Service is established bringing together Merthyr Tydfil CBC, Rhondda Cynon Taf CBC and the existing shared service. An efficient Internal Audit service provides independent assurance that the Council's risk management, governance and internal control processes are operating effectively.

- Originally one of the partners within [The Western Bay](#) Health and Social Care

Programme, as of April 2019 Local Authority and Health services in Bridgend will be moving to the Cwm Taf Region which will continue to develop the delivery of integrated services.

- We have partnered with [GLL/Halo Leisure](#) to manage eight leisure centres and swimming pools. We have a long term partnership with Awen Cultural Trust [Awen](#) to run our cultural venues and services for 20 years. This includes the Bridgend library service, Maesteg Town hall, Porthcawl Grand Pavilion, four community centres and Bryngarw House and Country Park.
- We are one of ten local authorities in South East Wales that are part of [The Cardiff Capital Region City Deal](#), which is a programme to bring about significant economic growth in the region.



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

The Well-being of Future Generation (Wales) Act 2015 has been put in place to make sure that public bodies are doing all they can to contribute to the improvement of the social, economic, environmental and cultural well-being of Wales.

The Act introduces seven long-term well-being goals, puts in place a sustainable development principle, and defines 5 ways of working that public bodies will need to think about to show they have applied the sustainable development principle.

The diagram below shows how the seven national goals, the sustainable development and the five ways of working work together.



In this plan, we have laid out the Council's commitment to the well-being goals and embedded the sustainable development principles of the Act. We have made sure that, when we make decisions, we take into account the impact they could have on people living their lives in Wales both today and in the future.

## Section 7: our **Corporate Plan** on a **Page**

Our vision		One Council Working Together To Improve Lives		
Our well-being objectives	Supporting a successful economy	Helping people to be more self-reliant	Smarter use of resources	
Our well-being aims	<p>To support local people develop skills and take advantage of opportunities to succeed</p> <p>To create conditions for growth and enterprise</p> <p>To create successful communities.</p>	<p>To give people more choice and control over what support they receive by providing early access to advice and information</p> <p>To reduce demand through targeted early help and intervention programmes</p> <p>To work in partnership with the third sector, with town and community councils and with community groups to build community resilience.</p>	<p>To achieve the budget reductions identified in the Medium Term Financial Strategy</p> <p>To improve the efficiency of and access to services by redesigning our systems and processes</p> <p>To work collaboratively to make the most of public assets</p> <p>To develop the culture and skills required to meet the needs of a changing organisation</p>	
To achieve these aims we will	<p>Work with schools to close the gap in educational attainments for pupils eligible for free school meals and those who are not.</p> <p>Improve learner outcomes for other vulnerable groups and assist young people who are more able and talented than their peers to help them reach their full potential.</p> <p>Invest in our communities, enhance existing facilities and provide new ones.</p> <p>Maximise investment and business opportunities to increase economic prosperity across our county, to grow the value of tourism and support a range of cultural, sporting and business events.</p> <p>Shape employment opportunities, develop a skilled workforce to meet future needs and improve opportunities for those who are unemployed, economically inactive, experiencing in-work poverty or face barriers to work.</p> <p>Continue to develop environmentally positive schemes and programmes.</p>	<p>Provide good information, advice and assistance to the public, including increasing the support available through local community coordinators.</p> <p>Continue to involve service users, carers and communities in developing and commissioning services.</p> <p>Support the development of a new generation of community health and well-being centres.</p> <p>Establish new models of care and support that better meet the developing needs of looked after children, young carers, disabled children and young people, vulnerable children and young people.</p> <p>Work with households and partners to help prevent homelessness, including supporting care leavers to secure appropriate accommodation.</p> <p>Work with partners and the third sector to strengthen communities, provide services locally and to have more voice and control over community assets.</p>	<p>Enable citizens to use our online system to manage their council tax and housing benefit accounts and to deliver financial savings.</p> <p>Automate and streamline our internal processes.</p> <p>Optimize school places and deliver our Schools' Modernisation Programme.</p> <p>Develop a more rational and commercial approach to council assets, estate and services.</p> <p>Implement energy and carbon reduction measures and promote good practice in all our public buildings.</p> <p>Review capital expenditure and implement the planned budget reductions.</p> <p>Support managers to lead staff through organisational change.</p> <p>Improve and promote mechanisms that increase responses to consultations.</p>	



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## WELL-BEING OF FUTURE GENERATIONS (WALES) ACT 2015 ASSESSMENT

<b>Project Description (key aims):</b> Corporate Plan 2018-2022 reviewed for 2019-20	
<b>Section 1 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>
	<p>By focusing diminishing resources on communities and individuals with the greatest need we can ensure that the most vulnerable are supported today. By encouraging and developing capacity amongst the third sector to identify and respond to local needs we are investing in the future.</p> <p>By transforming the organisation and many of its services to deliver financial budget reductions as well as improvements we are ensure its long term sustainability.</p>
<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>
	<p>A commitment to work with partners and communities to improve the quality of information, advice and assistance available to residents promotes independence and personal or family resilience and prevents people from becoming vulnerable or reliant on services.</p>
<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>
	<p>The development of new generation of community health and wellbeing centres brings health, social care and wellbeing together.</p> <p>Working as one Council and discourages different parts of the organisation from developing multiple processes or unnecessarily different approaches. It enables better integration and partnership working.</p>

<p><b>Collaboration</b></p> <p>(Acting in collaboration with any other person (or different parts of the body itself) that could help the body meet its well-being objectives)</p>	<p><b>4. How does your project / activity involve working together with partners (internal and external) to deliver well-being objectives?</b></p> <p>Working with third sector and health partners  Examples include:</p> <ul style="list-style-type: none"> <li>• Community asset transfer to enable sustainable management</li> <li>• To support communities and people to create their own solutions and reduce dependency on the Council.</li> </ul> <p>The plan also highlights a range of partnerships and collaborations with a wide range of organisations.</p>
<p><b>Involvement</b></p> <p>(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)</p>	<p><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></p> <p>By using good information from citizens, stakeholders and communities to inform our decisions.</p> <p>Consultation is done using methods to ensure and promote the widest range of participation. Service users, carers and families and communities are involved in the developing and commissioning of services.</p>

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)?
<p><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.</p>	<p>The plan sets out how we will work actively to improve the prosperity of the county borough by supporting businesses, bringing investment, upskilling residents support local people develop skills and take advantage of opportunities to succeed</p> <p>By contributing to the development of the business plan and specific regional projects for the Cardiff Capital Region City Deal, with the aim of bringing increased investment and economic control into the local area.</p>	<p>Education is key for improving the life chances and resilience of young people We aim to create conditions for growth and enterprise and so to create successful communities.</p> <p>We will work collaboratively to make the most of public assets.</p>
<p><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).</p>	<ul style="list-style-type: none"> <li>• Flood defences in Porthcawl</li> <li>• Low carbon scheme</li> <li>• Energy and carbon reduction measures</li> <li>• Making most of natural assets through the Active Bridgend initiative</li> </ul>	<p>By working in partnership with the third sector, town and community councils and community groups we aim to build community resilience.</p>
<p><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.</p>	<p>Through preventative initiatives such as the Active Bridgend Plan "getting Bridgend moving". Also, by ensuring early and timely advice and guidance is available</p>	<p>By reducing demand through targeted early help and intervention programmes.</p>

<p><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).</p>	<p>By continuing to improve the ways in which the Council provides good information, advice and assistance to the public, including increasing the support available through local community coordinators.</p> <p>With a commitment to align our anti-poverty efforts.</p> <p>To support our most vulnerable at key times such as supporting care leavers</p>	<p>The Council will ensure that a wide range of stakeholders, citizens and local communities are involved in identifying and addressing their most important issues.</p>
<p><b>A Wales of cohesive communities</b> Attractive, viable, safe and well-connected communities.</p>	<p>By providing new and improved schools in the right areas to support communities development.</p> <p>By working with, and supporting, local communities to identify and meet their own needs.</p>	<p>The area has a range of communities with their own identities and characters. We will work with our communities to promote their sustainability.</p>
<p><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.</p>	<p>Through the development of arts and cultural hubs.</p> <p>By supporting cultural and sporting events in Porthcawl redevelopment</p>	<p>Compliance with the Welsh Language act is imbedded in Council policies and procedures.</p>
<p><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.</p>	<p>By supporting and promoting local community services developed with, by and for local people.</p> <p>Rationalise further the Council's administrative estate to ensure the Council operates from fewer core offices and reduces the number of leased properties</p>	<p>The plan aims to promote local capacity, ability and the contribution local people can make to the area and to Wales.</p>



	for which we currently pay rent, by March 2020.  Implement energy and carbon reduction measures and promote good practice in all our public buildings.	
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<b>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</b>			
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:	Unknown - The impact, positive or negative, will depend on the nature of the service delivered	Unknown - The impact, positive or negative, will depend on the nature of the service delivered	This will vary according to the service provided.
Gender reassignment:	As above	As above	As above
Marriage or civil partnership:	As above	As above	As above
Pregnancy or maternity:	As above	As above	As above
Race:	As above	As above	As above
Religion or Belief:	As above	As above	As above
Race:	As above	As above	As above
Sex:	As above	As above	As above
Welsh Language:	As above	As above	As above

<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>	
Corporate Overview and Scrutiny Committee, Cabinet, Council	
<b>Compiling Officers Name:</b>	Andrew Lyden
<b>Compiling Officers Job Title:</b>	Corporate Improvement Officer
<b>Date completed:</b>	20.12.2018

## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO CABINET

12 FEBRUARY 2019

#### JOINT REPORT OF THE INTERIM CHIEF EXECUTIVE AND INTERIM SECTION 151 OFFICER

#### MEDIUM TERM FINANCIAL STRATEGY (MTFS) 2019-20 to 2022-23

##### 1. Purpose

- 1.1 The purpose of this report is to present Cabinet with the Medium Term Financial Strategy 2019-20 to 2022-23, attached at Annex 3, which includes a financial forecast for 2019-23, a detailed revenue budget for 2019-20 and a Capital Programme for 2018-19 to 2028-29.

##### 2. 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 improvement priorities can be delivered. The Corporate Plan and Medium Term Financial Strategy (MTFS) identify the Council's service and resource priorities for the next four financial years, with particular focus on 2019-20.

##### 3. Background

- 3.1 In March 2016, the Council approved a revised set of three priorities:

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

This MTFS has been significantly guided by these priorities. Although year-on-year reductions in Aggregate External Finance (AEF) have necessitated significant budget reductions across different service areas, the Council still plays a very significant role in the local economy of Bridgend County Borough and is responsible for annual gross expenditure of around £400 million and is the largest employer in the county borough.

- 3.2 The Council's Corporate Plan is being presented to Council for approval alongside the MTFS 2019-23 and the two documents are aligned to each other, enabling the reader to make explicit links between the Council's priorities and the resources directed to support them.

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

- 4.1 This report is presented to Cabinet to provide details of the Council's Medium Term Financial Strategy (MTFS) for the four year period 2019-20 to 2022-23. The MTFS is complimentary to the Council's Corporate Plan, and looks to provide the resources to enable the Council's corporate objectives to be met. The MTFS outlines the principles and detailed assumptions which drive the Council's budget and spending decisions, outlines the financial context in which the Council is operating, and tries to mitigate any financial risks and pressures going forward, at the same time as taking advantage of any opportunities arising.
- 4.2 The MTFS focuses on how the Council intends to respond to the forecasted public sector funding reductions as a result of on-going austerity and increasing pressures on public sector services. It sets out the approaches and principles the Council will follow to ensure the Council remains financially viable and delivers on its corporate priorities.
- 4.3 The Council is required to approve a balanced budget for the following financial year and set the Council Tax rates for the County Borough. This report sets out proposals to achieve that objective and contribute towards a sustainable position going into the medium-term.

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

- 5.1 The budget setting process is outlined within the Council's Constitution and Financial Procedure Rules.

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

- 6.1 The proposals contained within this report cover a wide range of services and it is inevitable that the necessary budget reductions will impact on the local population in different ways. In developing these proposals, consideration has been given to their potential impact on protected groups within the community and on how to avoid a disproportionate impact on people within these groups.
- 6.2 A high level Equality Impact Assessment (EIA) has been undertaken on the Council's budget proposals and updated MTFS (see Annex 1). Individual EIAs are completed for 2019-20 proposed budget reduction proposals which may impact on certain groups of citizens within the County Borough.

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

- 7.1 The Well-being of Future Generations Act 2015 provides a framework for embedding sustainable development principles within the activities of Council and has major implications for the long-term planning of finances and service provision. The 7 well-being goals identified in the Act have driven the Council's three wellbeing objectives:

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

The wellbeing objectives are designed to complement each other and be part of an integrated way of working to improve wellbeing for people in Bridgend County. In developing the MTFS, officers have considered the importance of balancing short-term needs in terms of meeting savings targets, with safeguarding the ability to meet longer-term objectives.

- 7.2 The proposals contained within this report cover a wide range of services and it is inevitable that the necessary budget reductions will impact on the wellbeing goals in different ways. A Wellbeing of Future Generations Assessment will be undertaken on proposed individual projects and activities where relevant and will feed into specific reports to Cabinet or Council.
- 7.3 The Council's approach to meeting its responsibilities under the Well-being of Future Generations (Wales) Act 2015, including acting in accordance with the sustainable development principle, is reflected in a number of areas within the Medium Term Financial Strategy, not least:

<b>5 Ways of Working</b>	<b>Examples</b>
Long Term	<ul style="list-style-type: none"> <li>• Outlining the impact of a number of different funding scenarios (Best, Most Likely and Worst) to provide an element of flexibility to the Council.</li> <li>• Majority of savings generated from making smarter use of resources with service reductions kept to a minimum and only as a last resort.</li> <li>• The development of a 10 year capital programme which reflects the Council's affordability in terms of capital receipts and borrowing.</li> <li>• Investment in capital schemes that support the Council's corporate priorities and benefits the County Borough over a longer period.</li> </ul>
Prevention	<ul style="list-style-type: none"> <li>• Investment in preventative measures to reduce the burden on more costly statutory services.</li> </ul>
Collaboration	<ul style="list-style-type: none"> <li>• Savings generated from collaboration and integrated working.</li> </ul>
Integration	<ul style="list-style-type: none"> <li>• Explicit links between the Corporate Plan and the Medium Term Financial Strategy</li> </ul>
Involvement	<ul style="list-style-type: none"> <li>• A robust budget consultation exercise, including surveys, community engagement stands and social media debates, to inform proposals.</li> </ul>

- 7.4 The above features are aimed at ensuring the Council's finances are as healthy as they can be for future generations. Although resources are limited, they have been targeted in a way that reflects the Council's priorities, and this is reflected in the relevant appendices. Where possible the Council has aimed to protect front line

services and invest to save, with budget reductions targeted at making smarter use of resources, commercialisation, collaboration and transformation. The Well-Being of Future Generations (Wales) Act 2015 Assessment is attached at Annex 2.

## **8. Financial Implications**

- 8.1 This report outlines the financial issues that Council is requested to consider as part of the 2019-20 to 2022-23 MTFS. The Council's Section 151 Officer is required to report annually on the robustness of the level of reserves. The level of Council reserves is sufficient to protect the Council in light of unknown demands or emergencies and current funding levels. It must be emphasised that the biggest financial risks the Council is exposed to at the present time relate to the uncertainty of Welsh Government funding, the increasing difficulty in the delivery of planned budget reductions as well as the identification of further proposals. Therefore, it is imperative that the Council Fund balance is managed in accordance with the MTFS Principle 8, as set out in the MTFS, and it is essential that revenue service expenditure and capital expenditure is contained within the identified budgets.
- 8.2 The Section 151 Officer is also required to report to Council if they do not believe that they have sufficient resource to discharge their role as required by s114 of the Local Government Act 1988. Members should note that there is sufficient resource to discharge this role.
- 8.3 The budget includes estimates which take into account circumstances and events which exist or are reasonably foreseeable at the time of preparing the budget. The budget has been prepared following consultation with Members, the School Budget Forum and service managers. Subject to the risks identified the MTFS provides a firm basis for managing the Council's resources for the year 2019-20 and beyond.

## **9. Recommendations**

- 9.1 Cabinet is asked to approve the MTFS 2019-20 to 2022-23 including the 2019-20 revenue budget and the Capital Programme 2018-19 to 2028-29 and recommend these to Council for adoption. In particular it is asked to approve that the following specific elements are forwarded to Council for approval:
- The MTFS 2019-20 to 2022-23 (Annex 3).
  - The Net Budget Requirement of £270,808,634 in 2019-20.
  - A Band D Council Tax for Bridgend County Borough Council of £1,470.87 for 2019-20 (Table 11 of the MTFS).
  - The 2019-20 budgets as allocated in accordance with Table 9 in paragraph 3.3 of the MTFS.
  - The Capital Programme 2018-19 to 2028-29, attached at Appendix G of the MTFS.

Mark Shepherd  
Interim Chief Executive

Gill Lewis CPFA  
Interim Head of Finance and Section 151 Officer

February 2019

Contact Officer:  
Deborah Exton CPFA  
Group Manager – Financial Planning and Budget Management  
Ext.3604. E\_mail: [deborah.exton@bridgend.gov.uk](mailto:deborah.exton@bridgend.gov.uk)

Background Papers:  
Final Local Government Revenue and Capital Settlements 2019-20  
Cabinet Report – MTFS 2019-20 to 2022-23 – 20 November 2018  
Provisional Local Government Revenue and Capital Settlements 2019-20

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## ANNEX 1

# Equality Impact full assessment form

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.

## Equality impact full assessment form

<b>Name of project, policy, function, service or proposal being assessed:</b>	Medium Term Financial Strategy 2019-20 to 2022-23
<b>Date EIA Screening assessment completed:</b>	6 <sup>th</sup> December 2018
<b>Full assessment date for completion (from EIA screening):</b>	11 <sup>th</sup> December 2018

*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>	<p>The council was mindful that the full impact of the proposed budget reductions detailed in the Medium Term Financial Strategy will potentially be high level, negative and may impact many customers, citizens, visitors and service users from all protected characteristic groups. The council was also mindful that, in order to maximise its reach into its communities and the people who use its services, it needed to consider further innovative engagement methods. A programme of engagement events/sessions were held across the county borough and took the form of engagement stands in libraries, presenting to different groups, attending other group's events, meetings and workshops and holding sessions in comprehensive and primary schools. Details of the consultation were promoted to/shared with the following stakeholders: general public/residents, Citizens' Panel members, elected members, BCBC employees, Bridgend businesses, town and community councils, school governors, Bridgend Community Cohesion and Equality Forum (BCCEF) members, local interest/community groups, BAVO, Bridgend College, partners, primary and secondary schools (inc. head teachers) and media outlets.</p>	<p>The details of the full consultation are included in the Report to Cabinet on 18<sup>th</sup> December 2018.</p>

<p><b>How will you ensure your consultation is inclusive?</b></p>	<p>The council was mindful that different groups have different needs in terms of accessibility. The consultation was therefore carried out in as inclusive a manner as possible.</p>	<p>Surveys were available in several formats, including easy-read, large print, standard and a youth version. All were available in English and Welsh. The easy read version of the survey was developed with Bridgend People First. The youth version was developed with pupils from Porthcawl comprehensive school. Both were developed to ensure participation with a diverse audience. The easy read and youth versions contained all of the questions but were written in a less complex language and using images where appropriate.</p>
<p><b>What consultation was carried out? Consider any consultation activity already carried out, which may not have been specifically about equality but may have information you can use</b></p>	<p>The Council's MTFs consultation ran from 24 September to 18 November 2018. The consultation received 5,288 interactions from a combination of survey completions, engagement at stands held across the county borough, workshops held with comprehensive and primary pupils, engagement at various meetings with different local groups, social media engagement and via the authority's Citizens' Panel. 11 public engagement stands were held in libraries throughout the county borough. The</p>	<p>Please see the consultation report for full details of questions asked and actions.</p>

	<p>consultation and engagement team attended 13 community group's meetings to inform people about the consultation and assist attendees to complete paper surveys (where requested) or to share their views via the clicker-pad version of the survey. These included:</p> <ul style="list-style-type: none"> <li>➤ Whist Group</li> <li>➤ Bridgend Carers Community Café</li> <li>➤ OAP Association</li> <li>➤ Stroke Association</li> <li>➤ Bridge Vision</li> <li>➤ Bridgend Coalition for Disabled People (BCDP)</li> <li>➤ Bridgend Shout</li> <li>➤ Caerau Men's Shed</li> <li>➤ Community Hub Bridgend</li> <li>➤ Creative Wednesdays</li> <li>➤ Headway</li> <li>➤ Hearing Impair</li> <li>➤ Bridgend Deaf Club</li> </ul>	
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#### 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
Whist Group (over 50s)	24/09/2018 12 people in attendance	The consultation team attended to ensure the group were aware of the consultation and assisted attendees to complete the survey.	A full public consultation with a specific EIA for each proposal will be carried out if any of the proposals are taken forward

Bridgend Carers Community Café (Carers)	26/09/2018 39 people in attendance	The consultation team attended to ensure the group were aware of the consultation and assisted attendees to complete the survey.	A full public consultation with a specific EIA for each proposal will be carried out if any of the proposals are taken forward
OAP Association (60+)	27/09/2018 25 people in attendance	The consultation team attended to ensure the group were aware of the consultation and assisted attendees to complete the survey.	A full public consultation with a specific EIA for each proposal will be carried out if any of the proposals are taken forward
Stroke Association (Stroke recovery)	02/10/2018 29 people in attendance	The consultation team attended to ensure the group were aware of the consultation and assisted attendees to complete the survey.	A full public consultation with a specific EIA for each proposal will be carried out if any of the proposals are taken forward
Bridge Vision (Visually impaired)	05/10/2018 35 people in attendance	The consultation team attended to ensure the group were aware of the consultation and assisted attendees to complete the survey.	A full public consultation with a specific EIA for each proposal will be carried out if any of the proposals are taken forward
BCDP (Disabilities)	08/10/2018 10 people in attendance	The consultation team attended to ensure the group were aware of the consultation and assisted attendees to complete the survey.	A full public consultation with a specific EIA for each proposal will be carried out if any of the proposals are taken forward
Shout (Over 50s)	17/10/2018 13 people in attendance	The consultation team attended to ensure the group were aware of the consultation and assisted attendees to complete the survey.	A full public consultation with a specific EIA for each proposal will be carried out if any of the proposals are taken forward
Caerau Men's Shed (over 50s)	20/10/2018 58 people in attendance	The consultation team attended to ensure the group were aware of the consultation and assisted attendees to complete the survey.	A full public consultation with a specific EIA for each proposal will be carried out if any of the proposals are taken forward
Community Hub Bridgend Learning disabilities)	30/10/2018 32 people in attendance	The consultation team attended to ensure the group were aware of the consultation and assisted attendees to complete the survey.	A full public consultation with a specific EIA for each proposal will be carried out if any of the proposals are taken forward

Creative Wednesdays (Over 60s)	31/10/2018 4 people in attendance	The consultation team attended to ensure the group were aware of the consultation and assisted attendees to complete the survey.	A full public consultation with a specific EIA for each proposal will be carried out if any of the proposals are taken forward
Headway (Disabilities)	01/11/2018 18 people in attendance	The consultation team attended to ensure the group were aware of the consultation and assisted attendees to complete the survey.	A full public consultation with a specific EIA for each proposal will be carried out if any of the proposals are taken forward
Hearing Impair (hearing)	06/11/2018 14 people in attendance	The consultation team attended to ensure the group were aware of the consultation and assisted attendees to complete the survey.	A full public consultation with a specific EIA for each proposal will be carried out if any of the proposals are taken forward
Deaf club (D/deaf)	13/11/2018 24 people in attendance	The consultation team carried out the consultation using clicker-pads. 24 people completed the survey in full.	A full public consultation with a specific EIA for each proposal will be carried out if any of the proposals are taken forward

### 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	<p>The Full Equality Impact Assessment reinforces the detail in the Initial Screening EIA which is that “the impact on women and men may differ based on the demographics of the county borough rather than service delivery/provision. The full impact will be unknown until a consultation exercise has been undertaken with the public where feedback and concerns regarding the proposed budget reductions may be gathered and subsequent mitigating actions considered.” From the 2011 census there were 139,178 people living in the county borough comprising of a gender split of 49.4% male (68,789) and 50.6% (70,389) Female. Many of the proposals will also impact carers, parents and children. The vast majority of caring and parenting responsibilities are undertaken by women; some proposals therefore regarding caring, children and nursery provision are likely to negatively impact women. Within the consultation, 1,339 people responded to the question regarding gender as follows:</p> <ul style="list-style-type: none"> <li>➤ Female – 760</li> <li>➤ Male – 563</li> <li>➤ Other – 1</li> <li>➤ Prefer not to say – 15</li> </ul>	<p>There will be an impact on women and men as a result of some of the proposed budget reductions although, potentially, the impact may differ depending on the service being delivered / reviewed. For each of the proposed budget reductions included in the Medium Term Financial Strategy a consultation exercise and an Equality Impact Assessment will be undertaken prior to the final approval (or not) of the proposal by Cabinet / Council. Members will then be in a position to make an informed decision based on a more focussed consultation and engagement exercise.</p>

	<p>Additionally, 1,324 people stated they had caring responsibilities, 117 women said they were pregnant and 6 had given birth in the last 28 weeks.</p>	
Disability	<p>The Full Equality Impact Assessment reinforces the detail in the Initial Screening EIA which is that “from the 2011 census, there were 18,756 people (out of a county borough total of 139,178 people) who considered they had a physical, sensory or learning disability or long term illness. The full impact will be unknown until a consultation exercise has been undertaken with the public where feedback and concerns regarding the proposed budget reductions may be gathered and subsequent mitigating actions considered.” Of the 1,282 people responding to the question on the consultation survey, 168 (13%) stated they had a disability or long term illness. Whilst the council is mindful of the potential impact of the budget proposals on disabled people, there are opportunities for us to work with our third sector partners to deliver an alternative form of service. The budget proposals will include reviews of services for disabled people.</p>	<p>There will be an impact on people with disabilities as a result of some of the proposed budget reductions. For each of the proposed budget reductions included in the Medium Term Financial Strategy a consultation exercise and an Equality Impact Assessment will be undertaken prior to the final approval (or not) of the proposal by Cabinet / Council. Members will then be in a position to make an informed decision based on a more focussed consultation and engagement exercise.</p>
Race	<p>The Full Equality Impact Assessment reinforces the detail in the Initial Screening EIA which is that “from the</p>	<p>There may be an impact on race as a result of some of the proposed budget reductions. For each of the proposed</p>



	<p>2011 census there are 2000 BAME people living in Bridgend comprising of 1.5% of the total population. The full impact of the budget restrictions is currently unknown however we will continue to monitor the impact and introduce mitigating actions where possible. The council currently provides information in languages other than Welsh, English and British Sign Language. The full impact will be unknown until a consultation exercise has been undertaken with the public where feedback and concerns regarding the proposed budget reductions may be gathered and subsequent mitigating actions considered. The responses to the consultation exercise were from:</p> <ul style="list-style-type: none"><li>➤ Welsh – 816;</li><li>➤ English – 82;</li><li>➤ British – 411;</li><li>➤ Scottish – 5;</li><li>➤ Northern Irish – 1;</li><li>➤ Prefer not to say – 8;</li><li>➤ Other – 23.</li></ul> <p>In terms of ethnicity, the following data was captured:</p> <ul style="list-style-type: none"><li>➤ White – 1,266;</li></ul>	<p>budget reductions included in the Medium Term Financial Strategy a consultation exercise and an Equality Impact Assessment will be undertaken prior to the final approval (or not) of the proposal by Cabinet / Council. Members will then be in a position to make an informed decision based on a more focussed consultation and engagement exercise.</p>
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	<ul style="list-style-type: none"> <li>➤ Mixed – 8;</li> <li>➤ Asian – 3;</li> <li>➤ Black – 3;</li> <li>➤ Other – 5;</li> <li>➤ Prefer not to say – 22</li> </ul> <p>We will continue to monitor the impact of our proposed budget reductions on this protected characteristic.</p>	
Religion and belief	<p>The Full Equality Impact Assessment reinforces the detail in the Initial Screening EIA which is that “from the 2011 census there are 2,000 black and minority ethnic (BAME) people living in Bridgend comprising of 1.5% of the total population. In terms of religion and belief there were:</p> <ul style="list-style-type: none"> <li>➤ Buddhist - 357;</li> <li>➤ Hindu - 270;</li> <li>➤ Muslim - 529;</li> <li>➤ Jewish – 33 ;</li> <li>➤ Sikh - 46.</li> <li>➤</li> </ul> <p>From the consultation exercise, the following data was collected:</p> <ul style="list-style-type: none"> <li>➤ No religion - 573</li> <li>➤ Christian – 647;</li> <li>➤ Buddhist – 10;</li> </ul>	<p>There may be an impact on religion and belief as a result of some of the proposed budget reductions. For each of the proposed budget reductions included in the Medium Term Financial Strategy a consultation exercise and an Equality Impact Assessment will be undertaken prior to the final approval (or not) of the proposal by Cabinet / Council. Members will then be in a position to make an informed decision based on a more focussed consultation and engagement exercise.</p>

	<ul style="list-style-type: none"> <li>➤ Hindu – 5;</li> <li>➤ Muslim – 1;</li> <li>➤ Jewish – 1;</li> <li>➤ Sikh – 1;</li> <li>➤ Other – 27;</li> <li>➤ Prefer not to say – 57</li> </ul> <p>The full impact of the budget reductions is currently unknown however we will continue to monitor the impact and introduce mitigation where possible.</p>	
<p>Sexual Orientation</p>	<p>The Full Equality Impact Assessment reinforces the detail in the Initial Screening EIA which is that “the potential impact of the budget reductions on this particular protected characteristic group is unknown as, although consultees are asked to share their personal and sensitive data with the council, this is not always disclosed. The full impact will be unknown until a consultation exercise has been undertaken with the public where feedback and concerns regarding the proposed budget reductions may be gathered and mitigation considered. Further efforts will be made to encourage service users, customers, visitors and staff to disclose information regarding sexual orientation.” From the consultation exercise, the following data was collected:</p>	<p>There is not expected to be an impact on sexual orientation as a result of some of the proposed budget reductions. For each of the proposed budget reductions included in the Medium Term Financial Strategy a consultation exercise and an Equality Impact Assessment will be undertaken prior to the final approval (or not) of the proposal by Cabinet / Council. Members will then be in a position to make an informed decision based on a more focussed consultation and engagement exercise.</p>

	<ul style="list-style-type: none"> <li>➤ Heterosexual / Straight – 1,201;</li> <li>➤ Gay man – 14;</li> <li>➤ Gay woman/lesbian – 11;</li> <li>➤ Bisexual – 20;</li> <li>➤ Other – 6</li> <li>➤ Prefer not to say - 68</li> </ul>	
Age	<p>The Full Equality Impact Assessment reinforces the detail in the Initial Screening EIA which is that “the impact on age will differ and will depend on the nature of the service delivered and the service user. From the 2011 census the age breakdown of people living in Bridgend is:</p> <ul style="list-style-type: none"> <li>➤ 0 – 15 = 18.3% (25,288);</li> <li>➤ 16 – 64 = 63.2% (89,036);</li> <li>➤ 65+ = 18.5% (24,854).</li> </ul> <p>The budget proposals contain some reductions that could potentially negatively impact older and younger people. The full impact will be unknown until a consultation exercise has been undertaken with the public where feedback and concerns regarding the proposed budget reductions may be gathered and subsequent mitigating actions considered”. A total of 1826</p>	<p>There may be an impact on people of varying ages as a result of some of the proposed budget reductions. For each of the proposed budget reductions included in the Medium Term Financial Strategy a consultation exercise and an Equality Impact Assessment will be undertaken prior to the final approval (or not) of the proposal by Cabinet / Council. Members will then be in a position to make an informed decision based on a more focussed consultation and engagement exercise.</p>

	<p>provided a response to this question. From the consultation exercise, the following data was gathered:</p> <ul style="list-style-type: none"> <li>➤ Age under 18 = 67</li> <li>➤ Age 18 – 24 = 43</li> <li>➤ Age 25 – 34 = 233</li> <li>➤ Age 35 – 44 = 351</li> <li>➤ Age 45 – 54 = 351</li> <li>➤ Age 55 – 64 = 354</li> <li>➤ Age 65 – 74 = 256</li> <li>➤ Age 75+ = 148</li> <li>➤ Prefer not to say = 23</li> </ul> <p>Some of the proposals could impact children's' social and educational development and household incomes.</p>	
Pregnancy & Maternity	<p>The Full Equality Impact Assessment reinforces the detail in the Initial Screening EIA which is that “the potential impact of the proposed budget reductions on pregnancy and maternity is currently unknown. Some of the proposed reductions may influence the decisions of women to have (or not) children as it may no longer be economically and socially viable. Women could face the decision of either staying at home (which has shown to have a negative impact on their income, career prospects and their longer</p>	<p>There may be an impact on pregnancy and maternity as a result of some of the proposed budget reductions. For each of the proposed budget reductions included in the Medium Term Financial Strategy a consultation exercise and an Equality Impact Assessment will be undertaken prior to the final approval (or not) of the proposal by Cabinet / Council. Members will then be in a position to make an informed decision based on a more focussed consultation and engagement exercise.</p>

	<p>term income) or paying private nursery fees until their children reach the age of 4-5. . The full impact will be unknown until a consultation exercise has been undertaken with the public where feedback and concerns regarding the proposed budget reductions may be gathered and subsequent mitigating actions considered.” From the consultation exercise, the following data was collected:</p> <ul style="list-style-type: none"> <li>➤ Pregnant – 117</li> <li>➤ Given birth in the last 26 weeks - 6</li> </ul>	
Transgender	<p>The Full Equality Impact Assessment reinforces the detail in the Initial Screening EIA which is that “the potential impact of the budget reductions on this particular protected characteristic group is unknown as, although consultees are asked to share their personal and sensitive data with the council, this is not always disclosed. The full impact will be unknown until a consultation exercise has been undertaken with the public where feedback and concerns regarding the proposed budget reductions may be gathered and subsequent mitigating actions considered. Further efforts will be made to encourage service users, customers, visitors and staff to disclose</p>	<p>There is not expected to be an impact on transgender people as a result of some of the proposed budget reductions. For each of the proposed budget reductions included in the Medium Term Financial Strategy a consultation exercise and an Equality Impact Assessment will be undertaken prior to the final approval (or not) of the proposal by Cabinet / Council. Members will then be in a position to make an informed decision based on a more focussed consultation and engagement exercise.</p>

	<p>information regarding reassignment. From the consultation exercise the following data was collected:</p> <ul style="list-style-type: none"> <li>➤ Gender reassignment- 2</li> <li>➤ Prefer not to say - 17</li> </ul>	
Marriage and Civil partnership	<p>The Full Equality Impact Assessment reinforces the detail in the initial screening EIA which is that “the potential impact of the budget reductions on this particular protected characteristic group is unknown however there is not expected to be an impact either positive or negative.”</p>	<p>There is not expected to be an impact on marriage and civil partnership as a result of some of the proposed budget reductions. For each of the proposed budget reductions included in the Medium Term Financial Strategy a consultation exercise and an Equality Impact Assessment will be undertaken prior to the final approval (or not) of the proposal by Cabinet / Council. Members will then be in a position to make an informed decision based on a more focussed consultation and engagement exercise.</p>
Welsh language	<p>From the 2011 census, there were 17,796 people (out of a county borough total of 139,178 people – 12.8%) who can read, speak or write welsh. From the consultation exercise the following data was collected for those able to speak / read / write Welsh either fairly well or fluently:</p> <ul style="list-style-type: none"> <li>➤ Speak Welsh – 114;</li> <li>➤ Read Welsh – 123;</li> </ul>	<p>The council continues to promote the welsh language and complies with the Welsh Language Standards in all of its activities. The provision of new capital investment in Welsh-medium primary provision in the west of Bridgend through Band B of the 21<sup>st</sup> Century Schools Programme will have a positive impact on the Welsh language.</p>

	<ul style="list-style-type: none"> <li>➤ Write Welsh – 107</li> <li>➤</li> </ul> <p>There is not expected to be a negative impact on the Welsh language.</p>	
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### 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
Undertake a consultation and engagement exercise and produce a meaningful and robust Equality Impact Assessment on each proposed budget reduction where there is a change to service, policy, practice or procedure.	Relevant Corporate Director / Head of Service with support and advice from the Consultation Engagement and Equalities Team	Prior to submission of reports to Cabinet and/or Council on Medium Terms Financial Strategy reductions.	Support and advice from the Consultation Engagement and Equalities Team.  Full public consultation.	Each relevant service area

Please detail the name of the independent person (someone other than the person undertaking the EIA) countersigning this EIA below:



Countersigned:	Role:	Date:
Gill Lewis	Interim Head of Finance and S151 Officer	11 <sup>th</sup> December 2018

**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 Full EIA will take place on an annual basis and data that is subsequently made available following consultation and engagement on the individual proposed budget reductions will also be considered.	December 2019

**Details of person completing the Full EIA:**

Name:	Role:	Date:
Deborah Exton	Group Manager – Financial Planning and Budget Management	11 <sup>th</sup> December 2018

**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

## Project Description (key aims):

Medium Term Financial Strategy (MTFS) 2019-20 to 2022-23

**Section 1 Complete the table below to assess how well you have applied the 5 ways of working.****Long-term****1. How does your project / activity balance short-term need with the long-term and planning for the future?**

The development of the MTFS aims to balance short-term needs in terms of meeting savings targets, while safeguarding the ability to meet longer-term objectives. It provides a financial basis for decision making and aims to ensure that the Council's finances can be as healthy as they can be for future generations. It does this by:

- Outlining the impact of a number of different funding scenarios (Best, Most Likely and Worst) to provide an element of flexibility to the Council.
- Adhering to a clear set of MTFS principles that drive expenditure decisions.
- Ensuring that the majority of savings are generated from making smarter use of resources with front line service reductions kept to a minimum and only as a last resort.
- The development of a 10 year capital programme which reflects the Council's affordability in terms of capital receipts and borrowing and investment in capital schemes that support the Council's corporate priorities and benefits the County Borough over a longer period.
- Front line services have been protected as far as possible.

**Prevention****2. How does your project / activity put resources into preventing problems occurring or getting worse?**

The MTFS attempts to balance investment in preventative measures against costs of reacting to unanticipated situations in statutory services. Each budget reduction proposal is weighed in terms of the impact on other areas of the Council, on the public and on the Well-being of Future Generations. Where a budget cut in one area of non-statutory prevention would lead to increased costs in another, this is not considered to be good financial management. A number of budget pressures target investment in additional learning needs in school settings rather than more costly out of county placements, and budget reductions are achieved through remodelling of existing service provision to prevent more costly long term residential placements. In addition, the Council's capital programme targets significant investment in refurbishing or replacing highways, buildings and other infrastructure to prevent longer term maintenance costs.

<b>Integration</b>	<p><b>3. How does your project / activity deliver economic, social, environmental &amp; cultural outcomes together?</b></p> <p>The Medium Term Financial Strategy is closely aligned to the Council's Corporate Plan, with explicit links between resources and corporate priorities. The MTFS has been guided by the 3 Wellbeing Objectives outlined in the Corporate Plan. The development of the Corporate Plan and MTFS are both the responsibility of the Head of Finance.</p>
<b>Collaboration</b>	<p><b>4. How does your project / activity involve working together with partners (internal and external) to deliver well-being objectives?</b></p> <p>A number of budget reduction proposals are achievable through inter-agency working, with the Third Sector, Social Enterprises, other local authorities and partners. These include joint services across local authorities, and with the Health Service, and new models of working internally, such as the Corporate Landlord model which aims to provide a resilient service that maximises the use of and improves the quality of the Council's assets going forward. A number of services already collaborate with other partners and these continue to improve performance whilst operating with reducing resources.</p>
<b>Involvement</b>	<p><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></p> <p>A full consultation "Shaping Bridgend's Future" was launched on 24 September 2018 and ran until 18 November 2018. This covered a range of budget proposals under consideration as well as seeking public views on resource allocation, priorities and the principles around budget protections and taxation levels. Details of the consultation were promoted to/shared with the following stakeholders: general public/residents, Citizens' Panel members, elected members, BCBC employees, Bridgend businesses, town and community councils, school governors, Bridgend Community Cohesion and Equality Forum (BCCEF) members, local interest/community groups, BAVO, Bridgend College, partners, primary and secondary schools (inc. head teachers) and media outlets.</p> <p>The consultation included an online survey, attendance at a diverse range of external stakeholder groups and social media debates. Members have had the opportunity to take part in a budget workshop also. The results were collated and presented to Cabinet on 18 December 2018 in order to further inform decisions on the final MTFS.</p>

Section 2 Assess how well your project / activity will result in multiple benefits for our communities and contribute to the national well-being goals		
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)?
<p><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.</p>	<ul style="list-style-type: none"> <li>• Improved educational outcomes for children and young people leading to a well-educated and skilled population to meet future skills needs.</li> <li>• Improve future outcomes for young people including educational attainment, cohesive safe communities are more attractive and easier places to do business.</li> <li>• Increase productivity, employment and skills. Encourage a lower carbon economy.</li> </ul>	<p>The majority of savings will be generated from making smarter use of resources with front line service reductions kept to a minimum and only as a last resort.</p> <p>The MTFS will be aligned with the Corporate Plan to achieve the Council’s Wellbeing Objectives:</p> <p><u>Supporting a successful economy</u> - 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.</p> <p><u>Helping people to be more self-reliant</u> - taking early steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services.</p> <p><u>Smarter use of resources</u> – ensuring that all its resources (financial, physical, human and technological) are</p>

		<p>used as effectively and efficiently as possible and support the development of resources throughout the community that can help deliver the Council's priorities.</p> <p>Funding will be targeted in line with these priorities and in line with the 14 MTFS Principles.</p>
<p><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).</p>	<ul style="list-style-type: none"> <li>• Break long term cycles to secure better outcomes for people and communities.</li> <li>• Stronger individuals and communities are more resilient to change.</li> <li>• Communities place a greater value on their environment and more people get involved in local issues and recognise the importance of green space in wellbeing and as a prevention factor.</li> <li>• Healthy active people in resilient communities, volunteering, keeping young people in the local area, reducing travel to work, increased use and awareness of green spaces.</li> </ul>	<p>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.</p>
<p><b>A healthier Wales</b> A society in which people's physical and mental well-being is maximised and in</p>	<ul style="list-style-type: none"> <li>• Improved future physical and mental well-being, by reducing health harming behaviours and chronic</li> </ul>	<p>The impact on local communities will be monitored through the wide range of</p>

<p>which choices and behaviours that benefit future health are understood.</p>	<p>stress from experiencing Acute Child Experiences (ACE).</p> <ul style="list-style-type: none"> <li>• Reduction in substance misuse. Promotes more involvement in communities to benefit mental health, social and physical activity.</li> <li>• Focus on healthy lifestyles and workplaces, increased income linked to health.</li> </ul>	<p>services that will continue to be provided by the Council or its partners.</p>
<p><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).</p>	<ul style="list-style-type: none"> <li>• Helping all children and young people to reach their full potential, by improving their early years experiences and ensure access to information to help make informed decisions. Improving outcomes for teenage parents and their children.</li> <li>• Recognising that communities are becoming more diverse. Addressing barriers that some groups have in feeling part of communities.</li> <li>• Address income inequality and health inequality, focus on disability, older people and other equality groups. Focus on increasing income and reducing the skills gap.</li> </ul>	<p>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.</p>
<p><b>A Wales of cohesive communities</b> Attractive, viable, safe and well-connected communities.</p>	<ul style="list-style-type: none"> <li>• Increased number of confident secure young people playing an active positive role in their communities.</li> <li>• Healthy active people in resilient communities, keeping young people</li> </ul>	<p>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.</p>

	<p>and skills in the local area, tackling poverty as a barrier to engagement in community life a supportive network, developed through initiatives at work, can help to support staff through challenging times in their lives.</p>	
<p><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.</p>	<ul style="list-style-type: none"> <li>• Cultural settings provide support sensitive to our increasingly diverse communities and help us identify opportunities to increase the number of Welsh speakers.</li> <li>• Importance of culture and language as a focus for communities coming together.</li> <li>• Bringing more people from different cultures together. More people identifying with their community.</li> <li>• Encourage take up of sports, arts and recreation initiatives through the workplace.</li> <li>• Ensure Welsh culture and language are a part of this. Welsh language skills are beneficial to businesses and in increasing demand.</li> </ul>	<p>Compliance with the Welsh Language act and specific Welsh Language Standards will be monitored as part of the annual report.</p>
<p><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</p>	<ul style="list-style-type: none"> <li>• Diverse, confident communities are resilient to change. Promotes a better knowledge of different</li> </ul>	<p>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.</p>



such a thing may make a positive contribution to global well-being.	<p>cultures and a better knowledge of the local environment.</p> <ul style="list-style-type: none"> <li>• Healthy lifestyles include cultural activities that promote understanding of diversity of communities, different cultures, races. Promote apprenticeships to people from different backgrounds.</li> </ul>	
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<b>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</b>			
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:	Unknown - The impact, positive or negative, will depend on the nature of the service delivered, the specific budget reduction proposed or budget pressure funded and the service user.		This will vary according to the service provided and will be considered through individual Equality Impact Assessments (EIAs).
Gender reassignment:	See above		This will vary according to the service provided and will be considered through individual (EIAs).
Marriage or civil partnership:	See above		This will vary according to the service provided and will be considered through individual (EIAs).
Pregnancy or maternity:	See above		This will vary according to the service provided and will be considered through individual (EIAs).

Race:	See above	This will vary according to the service provided and will be considered through individual (EIAs).
Religion or Belief:	See above	This will vary according to the service provided and will be considered through individual (EIAs).
Race:	See above	This will vary according to the service provided and will be considered through individual (EIAs).
Sex:	See above	This will vary according to the service provided and will be considered through individual (EIAs).
Welsh Language:	See above	This will vary according to the service provided and will be considered through individual (EIAs).

Section 4 Identify decision meeting for Project/activity e.g. Cabinet, Council or delegated decision taken by Executive members and/or Chief Officers	
Council	
<b>Compiling Officers Name:</b>	Deborah Exton
<b>Compiling Officers Job Title:</b>	Group Manager – Financial Planning and Budget Management
<b>Date Completed:</b>	19/12/18

**Bridgend County Borough Council**  
Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr



MEDIUM TERM FINANCIAL STRATEGY 2019-20 TO 2022-23





## MEDIUM TERM FINANCIAL STRATEGY 2019-20 TO 2022-23

### 1. INTRODUCTION

1.1 The Council aspires to improve understanding of its financial strategy, link more closely to corporate priorities and explain the Council's goal of delivering sustainable services in line with the overarching ambition of the Well-being of Future Generations (Wales) Act 2015. This narrative summarises the continued and significant investment in public services that the Council will make. It also sets out where we will be making significant changes to particular areas of service and consequences of these to the budget.

### 1.2 Corporate Financial Overview

The Council's gross budget for 2019-20 will be around £420 million. A Council's gross budget is similar to "turnover" in the private sector. Many services are funded by specific grants or supported by fees and charges which in public sector accounting are not considered as part of the net revenue budget. The Council's net revenue budget for 2019-20 is £270.809 million.

Around £180 million of this amount is spent on the Council's own staff including teachers and school support staff. Much of the cost of the services provided by external organisations is also wage related – these include, for example, waste collection operatives, domiciliary care workers, leisure staff and foster carers.

As well as having reduced income to fund services, there are other pressures that squeeze resources. One of these is legislative changes. This includes regulations and legislation from Welsh Government (WG) either directly or indirectly – for example pressures and new responsibilities arising from the Social Services and Well-Being (Wales) Act 2014 and the Additional Learning Needs and Education Tribunal (Wales) Act 2018.

Another significant pressure arises through demographic changes. People are living longer which is good news but that can also bring increased dependency through people living with more complex or multiple conditions. Additionally, we are seeing an increase in the number of pupils at our schools, which places increased pressure on school budgets.

The Council has adopted a Corporate Plan that sets out the approaches that it will take to manage these pressures whilst continuing to ensure that, as far as possible, services can be provided that meet the needs of the Bridgend community. These approaches are:

- Though a large and complex organisation, the Council will make every effort to work as one single organisation. That means avoiding duplication and double handling of data through sharing of systems and processes. This isn't always as easy as it sounds because different rules or opportunities often apply to different

services. Nevertheless acting as ‘One Council working together to improve lives’ is enshrined in the Council’s vision.

- Wherever possible the Council will support communities and people to create their own solutions and reduce dependency on the Council. This is because it is not sustainable for the Council to continue to aspire to meet all and every need that arises and because there is capacity, talent and ideas in other parts of the community that can be encouraged to play an active and effective role. The Council has a role in encouraging and leading this approach and has adopted this as one of its underlying principles.
- The Council has agreed a principle of focusing diminishing resources on communities and individuals with the greatest need. Parts of our community have long standing problems of poverty. The solutions to this are not all in the direct control of the Council (for example the effects of changes to the welfare system) but where possible the Council has agreed that it wants to both alleviate problems in these areas and develop longer term sustainable solutions.
- The Council has three priorities that reflect these and other principles. One of these priorities is to make “Smarter Use of Resources”. This means we will ensure that the Council’s 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.

### 1.3 Education

The Council is proposing to spend £111 million on services delivered by Education in 2019-2020. This supports 22,792 pupils (13,127 primary, 9,289 secondary and 376 special school pupils as at September 2018) and constitutes 41% of the Council’s net revenue budget. The majority of this money will be spent by the 59 schools across the County Borough – schools are the biggest single area of spend of the Council.

Most of the education budget is delegated to individual schools and they manage their own budgets to pay the running costs of their schools – including staff costs. The Council keeps the remainder of this budget to provide services centrally, for example, where it is more efficient than 59 schools trying to do so separately.

In seeking to protect our investment in education and early intervention, the Council is making minimal changes to the services delivered at this time. We are proposing the following changes in 2019-20 that are reflected in the budget:

- We intend restructuring our Inclusion Service which we anticipate will secure efficiency savings of around £257,000.
- We would like to reduce our contribution to Central South Consortium over the coming years. This is, however, subject to agreement with our partners. For 2019-2020, we predict a further cut of £30,000 (5%). We will continue discussions around savings that can be made in future years.
- We will continue our phased implementation of the Council’s revised Home-to-School/College Transport Policy, where we have established it is safe to do

so. We expect to achieve at least £67,000 of efficiency savings during 2019-20.

The Council has already spent almost £21.5 million in building and refurbishing schools and has provisionally committed to a further £26.5 million for a further phase of building. These sums comprise one-off capital expenditure across several years, i.e. they are not part of either the gross or net revenue budget but do in fact form the major part of our capital programme.

Our plans for the next phase of new schools are intended to respond to forecast demand for primary school places, our support to promote the growth in Welsh-medium education and our desire to create additional capacity to meet the needs of children with additional learning needs in our main special school, primarily in the primary sector.

#### **1.4 Social Care, Early Help and Homelessness services**

After Education, these areas account for the largest area of Council spend, with a total budget of £73 million which constitutes 27% of the Council's net revenue budget. Of this, the Council is proposing to spend £71 million on social care and wellbeing services.

Over the past five years the Council has identified savings of over £12.6 million in social care and its strategy for the next few years is to manage demand and introduce new ways of working in order to lessen dependency and enable people to maximise their independence. This needs to be achieved within available budgets. There are currently 4,905 people in receipt of social services, including 2,843 older people, 724 people with learning and physical disabilities and 1,063 children.

The Council has identified "Helping people to be more self-reliant" as a corporate priority and early intervention is an important part of this – taking steps wherever possible to prevent people becoming reliant on Council services. As well as being of great social value to individuals and communities, this approach is more cost effective. Successful intervention at an early age and at an early stage can prevent needs from escalating and requiring more costly and complex support later on.

Housing, as a determinant of physical and mental health, is widely recognised and this link is reinforced by the range of activities and services provided by the Housing Team. The Housing Act (2014) introduced the need to move to a more preventative approach to homelessness and this is a core principle of the work undertaken. The Council does not have any housing stock of its own but retains a number of statutory functions relating to addressing housing need and combatting homelessness. In 2017-18 there were 1,032 households presenting as homeless, who were offered advice and assistance, and for more than half of these homelessness was either prevented or relieved. The total number of homelessness presentations is expected to increase by the end of 2018-19.

Some aspects of homeless support and adult social care are supported through the Supporting People Grant which we receive from Welsh Government (£5.8 million per annum). Similarly much of the early support that we are able to give to children and families is funded separately, typically by annual grants from Welsh Government or

Europe. The short-term nature of these grants and uncertainty from one year to the next, means that many of these interventions have some fragility (e.g. it can be difficult to retain or recruit staff if we can't give them certainty that their role will still exist the following year).

Social services is largely a demand led service and whilst the long term strategy is to enable people to be more self-reliant, the demographics show that people are living longer, often with more complex conditions than ever before. There are also more people living in the community who would previously have remained in hospital or entered a care home. Children's social care is also demand led and the financial pressure to meet need can fluctuate very rapidly.

Though some pressures are allowed for in planning the 2019-20 budget, we are not simply increasing the budget to meet demand. This would be unsustainable and if we increased budgets year on year to meet new demand, it would increasingly mean the Council would have to restrict other services. Therefore the Council's strategy is to transform how services are delivered. Introducing new ways of working which will be sustainable in the long term alongside a demand led service is inevitably taking time. The service has made good progress in achieving the required savings, however the increase in demand and complexity of care required continues to put pressure on our budgets.

We will be seeking service efficiencies in housing services, for example through changing the way we operate the administration of Disabled Facilities Grants (DFGs) and through a different approach to working with housing applicants.

Alongside the continued adoption of a strategic approach to homelessness prevention and provision by working with partner organisations, the Council will continue to use the Social Housing Grant effectively to increase the supply of social housing despite an expected reduction in our base level budget next year.

## 1.5 Public Realm

Most of the Council's net budget is spent on education and social care – these are very valued services, but are naturally aimed at certain groups within our community. However, the Council's work on the public realm has a more direct and visible impact on everybody. This includes our work to maintain highways, parks and open spaces, clean our streets, collect and dispose of our waste, public transport, rights of way and road safety. In 2019-20 the Council is likely to spend around £19.5 million on public realm services, around 7% of the Council's net revenue budget.

With the advent of a new seven year waste collection contract in April 2017, the costs associated with waste collection increased. During the first year of the contract there was a significant increase in the amount of waste recycled and therefore a significant reduction in the volume of our non-recyclable waste – we expect this to benefit the Council financially over time. For example we anticipate a net recurrent saving of £1.3 million as a result of negotiating new operating arrangements with Neath Port Talbot Council who currently dispose of our non-recyclable waste.

As part of the budget consultation exercise the Council consulted on other savings to its waste collection contract, including reductions in the opening hours of its

Community Recycling Centres, changes to charges applied to the collection of green and bulky waste, and options around changing the arrangements for the provision of blue bags to householders for residual waste, as well as stopping the separate collection and recycling of Absorbent Hygiene Products (AHP) waste. The percentage of waste recycled in the County Borough has risen substantially over the last two years since the implementation of the new waste collection arrangements with our contractor Kier and the support and assistance of householders. Bridgend now performs the second best Council in Wales. Clearly the Council wishes to seek to maintain and improve its level of recycling which was reinforced by some of the responses from the public consultation. However, there was significant support for looking further at measures such as increasing charges for green waste and bulky waste. The Council will now discuss these potential measures with its waste management contractor with a view to developing proposals that will contribute to the MTFS without impacting significantly on overall recycling performance. The total anticipated savings from the waste management contract over 2019-20 and 2020-21 is £104,000.

A major challenge for the Council is how to continue to meet public expectations for many highly visible and tangible services when the available budget inevitably means the Council will be less able to deliver these services to the same level and frequency. These services are often the ones the public identify with their Council Tax payments.

The Council's strategy is to retain and maintain the most important public services in this area whilst driving ever greater efficiency, making some service reductions where we think it will have the least impact across Council services, recognising that this still may be significant in some areas. We will encourage others to work with us or assume direct responsibility in some cases. Our proposed changes in this respect are as follows (NB many of these proposals will be the subject of specific further consultation):

- To significantly increase charges applied to sports clubs and other organisations using the Council's playing fields and pavilions. This is intended to stimulate greater interest in the community asset transfer of facilities with support provided by the Council to allow this to happen in a sustainable manner.
- To reduce grass cut areas and maintained parkland and rationalise the number of children's play areas, together with a proposal to remove the current annual bowls club grant.
- To remove all subsidies for bus services from 2019-20 subject to a public consultation exercise. The removal of the subsidised bus routes will result in a saving in the region of £148,000 per annum. Consultation with the public on route reduction commenced in winter 2018-19. The removal of the Council subsidy for some routes during 2018-19 resulted in many cases in the commercial operator continuing to run the route regardless of the loss of subsidy.



Reductions in spend in these areas will allow us to protect our investment in the Council's priorities and in areas where we have far less ability to exercise control (such as children's social care).

## 1.6 Supporting the Economy

Whilst this is a Council priority, the service has nevertheless made significant reductions to its budget over recent years. The Council has delivered this by employing fewer but more highly skilled staff, and focussing activity on priority areas to maximise impact. Going forward, we will increasingly collaborate with the nine other Councils that make up the Cardiff Capital Region City Deal. The City Deal is creating a £1.2 billion fund for investment in the region over the next 20 years. This investment will be targeted to focus on raising economic prosperity, increasing job prospects and improving digital and transport connectivity. In order to play an effective part in the City Deal, the Council will maintain as far as possible existing investment in its transport planning, spatial planning and regeneration teams. The Council will be spending in the region of £1.6 million a year running these services. In addition, a multi-million-pound programme of investment will also see the biggest ever investment in Business Properties by BCBC to help support start-up businesses, including new light industrial blocks at the Village Farm Industrial Estate in Pyle and the refurbishment of the Innovation Centre at the Bridgend Science Park.

In addition, the Council has made and continues to make good progress in pursuit of the development of our main towns. These include the development of Cosy Corner and the Harbour Quarter in Porthcawl, the redevelopment of Maesteg Town Hall, and the redevelopment of the Rhiw in Bridgend. Much of this investment is not the Council's own money, but together, these schemes amount to around £20 million in total. Achieving this scale of leverage (around £10 for every £1 spent by BCBC) is dependent on being able to provide match-funding from the Council's own Strategic Regeneration Fund (SRF). This fund is used tactically and strategically, to deliver regeneration priorities and maximise external funding.

The Council will continue to operate a number of grant funded programmes of work to support our most vulnerable groups and those furthest away from employment, including training and skills and work support programmes such as Employability Bridgend that has supported 283 in to work since September 2015 to 31 December 2018 and is forecast to help a further 440 into employment over the next 4 years.

We propose to introduce changes that will mean that the Council spends less on some specific activities, including increasing planning fees.

The end of the management lease at Kenfig National Nature Reserve provides an opportunity to reduce the direct costs to the Council at the site. It is proposed that Kenfig Corporation Trust enter into a new agreement with a tenant to run the centre. The Council's saving over two years from 2019-20 is estimated to be £40,000.

## 1.7 Other Services

The Council operates a number of other services which it recognises fulfil specific and important roles. In many cases these are statutory though the precise level of service to be provided is not defined in law. The most significant areas are as follows:

### Regulatory Services

The Council proposes to spend around £1.8 million on this group of services that includes Trading Standards, Environmental Health, Food Hygiene and Standards, Animal Health and Licensing (Alcohol, Gambling, Safety at Sports Grounds, Taxis etc.). These services all ensure in different ways that the public is protected.

In 2015 the Council combined these services with Public Protection services in the Vale of Glamorgan and Cardiff City Councils. This collaboration has allowed all Councils to make efficiency savings through the shared service. As well as allowing for financial savings, the collaboration delivers greater resilience in the service and stronger public protection across all three Council areas.

### Registrars

The Council operates a registrar's service that deals primarily with the registration of Births, Marriages and Deaths. The service also undertakes Civil Partnership and Citizenship ceremonies. Councils are allowed to charge for these services, but by law are not allowed to make a profit. The Council operates these services so that they cover their own cost (i.e. they are not subsidised by the general tax payer). The Council will continue to ensure that the services are efficient and provide good customer service. We are currently planning to relocate the service to the Civic Offices, which will further reduce the cost of the service.

### Council Tax and Benefits

Whilst not immediately recognisable as a "service", taxation is in fact an important part of the Council's business. If we were inefficient or ineffective in collecting Council Tax, the burden of funding Council services would fall more heavily on those who do pay.

The taxation service collects over £70 million in Council Tax from around 65,000 households across the county borough. Our collection rates over the last two years have been the highest ever in the Council's history. We are determined to maintain this high level, but we are seizing the opportunity to reduce the cost of operating the service, by offering online services. We now offer a range of secure Council Tax functions online, allowing residents to self-serve at a time and location convenient to them. This will allow us to reduce the cost of running the service.

Benefits are funded by the central UK government but the administration of Housing Benefit and the Council Tax Reduction Scheme falls to the Council. Similar to the Council Tax service, the Council plans to make some significant savings through digitising this service. However, we are mindful that many of the people in receipt of benefits are not able to manage this online and we need to introduce this carefully.

Universal Credit (UC) for working age people was fully introduced in Bridgend during June 2018. In conjunction with Citizens Advice, the Benefits Service will provide digital and personal budgeting support to assist people making new claims for UC.

In total, we are targeting savings of £300,000 from digitising these services. Developing the necessary systems has taken longer than expected, so the second

half of this is now planned for later in the MTFs, recognising the need to realise widespread take up to deliver this level of savings.

## 1.8 Behind the Scenes

There are a number of things that the Council does that support the delivery of services but which themselves are not visible to the public. We need to maintain these services with sufficient capacity to support our services whilst making them as efficient and effective as possible. In many cases we operate such services by sharing with other organisations. Opportunities for further collaboration or sharing in these service areas has been and will continue to be explored.

During 2018 we merged a number of these functions into a single Directorate that reports directly to the Chief Executive. As well as releasing savings of £235,000 through a reduction in senior management, this change is allowing for further savings by moving to common systems, for example by sharing business support (we aim to save £250,000 next year through this approach, and think that further savings are possible by building on that approach). However the creation of the single Directorate is also allowing us to better support new ways of working – in these support services and across the organisation.

Other specific developments in corporate services include:

- Property and building maintenance - a priority for 2019-20 is to ensure the ongoing implementation of the Corporate Landlord model. This is intended to produce further savings of £350,000 with effect from 2020-21 including from further operational efficiencies, streamlined business processes, IT investment, improved procurement and contract management and the deletion of some vacant staff posts.
- Finance - The Council is in the process of upgrading its finance system to achieve improvements in the way the Finance Section works, including improved data processing and reporting capabilities. Significant progress has been made in automating payments and we will continue to develop and extend this to a wider range of suppliers. Work continues to implement electronic invoicing and the use of on-line ordering processes. The Council will continue to develop improved year-end reporting processes to meet the challenges of earlier closing of accounts in advance of statutory changes.
- Legal services - in previous years, we have made reductions in this service but we have no plans to do so again in the coming year because of the level of transformation across services that will require legal support. The service is nevertheless very lean and so our focus will be on ensuring that we can build more resilience and responsiveness into the service through some changes in responsibilities and operating practice.
- ICT - the service is assisting the Digital Transformation programme, supporting the changes across a range of services that in turn allow savings or improvements through more flexible working or new ways to access services. Phase 1 of the digital programme went live in April 2018 and has achieved the following:

- A new responsive Website;
  - Over 10,400 people registering for My Account;
  - 4,281 people registering their Council Tax account (2,249 subscribing to eBilling);
  - 227 people registering for Housing Benefits;
  - 1,353 online forms completed, including;
  - 821 school admissions (comprehensive);
  - 215 single person discounts;
  - 119 free school meals/distinctive school uniform;
  - 8,318 Council Tax payments made via My Account totalling £1.174 million.
- Internal Audit - all public bodies have audit functions. Our internal audit is provided by a joint service that we share with the Vale of Glamorgan Council. The service carries out investigations and routine checks to ensure that the Council maintains good governance – especially as it relates to the proper accountability of money and other resources. We have reduced spend in this area over recent years, and are now extending the shared service to include Merthyr Tydfil and Rhondda Cynon Taf Councils as well – bringing further resilience and potentially some savings.

## 2. STRATEGIC FINANCIAL CONTEXT

2.1 The Council's MTFS is set within the context of UK economic and public expenditure plans, Welsh Government priorities and legislative programme. The MTFS articulates how the Council plans to use its resources to support the achievement of its corporate priorities and statutory duties, including the management of financial pressures and risks over the next four years. It helps the Council to work more effectively with partners in other sectors and provides a strategy for the use of balances to meet changes in resources or demands from year to year without impacting unduly on services or Council Tax payers.

2.2 The MTFS includes:-

- The principles that will govern the strategy and a four year financial forecast, comprising detailed proposals for 2019-20 and outline proposals for 2020-21 to 2022-23.
- The capital programme for 2018-19 to 2028-29, linked to priority areas for capital investment based upon the Council's Capital Strategy.
- The Corporate Risk Register.

### The Financial Context

2.3 After Welsh Government had announced the provisional local government settlement on 9 October 2018, the Chancellor, Philip Hammond, presented his Autumn Budget on 29 October 2018. In it he stated that the Welsh Government will receive an extra £550 million over the next three years (2018-19 to 2020-21) and the Welsh Government would be able to choose how to spend this allocation. Prior to this announcement, the First Minister had indicated that Councils would be first in the queue for any new money Wales gets as a result of the UK Government's budget.

Alongside the UK Government's Autumn Budget, the Office for Budget Responsibility (OBR) updated its economic and tax revenue forecasts. It stated that buoyant tax receipts and an improved outlook for employment have delivered the Government a significant fiscal windfall since March, sufficient to deliver its objective of a balanced budget by 2025. But the Budget spends the fiscal windfall rather than saving it which leaves the medium-term outlook for government borrowing little changed since March 2018.

2.4 Following the Autumn Budget, on 20 November 2018, the then First Minister, Carwyn Jones, wrote to all local authorities, confirming a package of additional funding proposals for local government, which would be incorporated in the final budget. These included:

- an additional £13 million in the revenue support grant for 2019-20 to provide a cash flat settlement, with an additional £1.2 million to ensure no authority faces a reduction of more than -0.5%;

- an additional £7.5 million of revenue funding in both 2018-19 and 2019-20 to meet the financial pressures associated with implementing the teachers' pay award. This is on top of the funding announced in the provisional settlement for 2019-20 and will be funded through specific grants;
- £2.3 million revenue funding for children's social services in 2019-20, to help prevent children from being taken into care. This will be funded through a specific grant;
- increases in general capital funding for 2018-19, 2019-20 and 2020-21 (£100 million in total).

2.5 The Welsh Government announced its final budget for 2019-20 on 18 December 2018. The main changes affecting local authorities, other than those referred to above, were:

- an extra £23.6 million to enhance the current high street rates relief scheme with an additional £2.4 million for local authorities to provide discretionary rates relief;
- an allocation of £7 million of revenue funding in 2019-20 to deliver the third increase to the residential care capital limit, raising it to £50,000.
- an additional £1.6 million of grant funding in 2019-20 to further extend the Pupil Development Grant (PDG) - Access scheme to enable it to be available to more families at more points in a child's school career.

### **Welsh Government Final Local Government Settlement**

2.6 Councils received their final settlements from Welsh Government on 19 December 2018. The headline figure is an increase of £10.3 million, or 0.2%, across Wales, compared to 2018-19, and, for Bridgend, a reduction of 0.1% in Aggregate External Finance (AEF), or £258,000, on a like-for-like basis. However when adjustments are made for funding included within the settlement for new responsibilities, the true impact for Bridgend is estimated to be a reduction of £1.182 million or -0.61% compared to 2018-19. Welsh Government also indicated in October that this settlement contains an additional £20 million across Wales to ease pressures on social services. If this is taken into account as new monies the real position for Bridgend is a reduction of -1.07% or £2.07 million.

2.7 The Minister for Housing and Local Government, Julie James, stated that there is an expectation that the improved package of funding announced by the Welsh Government on 20 November 2018 must be matched by a commitment from local authorities to regional working, for example with health boards and the education consortia, to secure improved outcomes and increased resilience, and a re-commitment to the spirit and the letter of the terms and conditions of the Working Group on Local Government.

### **Settlement Implications for 2020-2023**

2.8 Welsh Government has not provided any indications of likely funding levels for 2020-21 onwards, which makes forward planning quite difficult, particularly in the post-Brexit years.

## Transfers into and out of the 2019-20 Revenue Settlement

- 2.9 The final settlement includes information on a number of transfers into the Revenue Support Grant (RSG), both grant funding and for new responsibilities, which impact on the Council's resources. This funding is intended to meet:
- additional costs arising from the September 2018 teachers' pay award,
  - the increased numbers of free school meals given the changes in eligibility criteria following the roll out of Universal Credit,
  - shortfalls in income arising from increases to the capital limit for residential care to £50,000,
  - the costs of providing additional discretionary rates relief.

The full picture on specific grants is still not yet clear, particularly at an individual authority level, although Welsh Government has advised that it has been able to restore funding to a number of grants to local authorities and made other funding decisions for 2019-20 from which local authorities will directly benefit. This includes an additional £30 million targeted grant funding for social care and £15 million to help schools meet the demands of the new National Approach to Professional Learning (NAPL), in addition to new grant funding towards teachers' pay and children's social services, referred to in paragraph 2.4 above.

## Council Tax

- 2.10 The 2019-20 final Revenue Budget, shown in Table 9, includes a Council Tax increase of 5.4%, as proposed in the draft MTFs report to Cabinet in November 2018. This level of Council Tax has been deemed necessary to fund the significant pressures facing the Council, particularly significant pay, price and pensions pressures. The level of the increase seeks to strike an appropriate balance between the needs of the Council and its citizens.

## Welsh Government Capital Settlement

- 2.11 In February 2018 Council approved a capital programme for 2017-18 to 2027-28, based on the assumption that annual Welsh Government capital funding would be flat lined from 2018-19 onwards. Council has approved revised versions of the capital programme during the financial year to incorporate budgets carried forward from 2017-18 and any new schemes and grant approvals. Further to the First Minister's announcement of an additional £100 million of capital funding on 20 November 2018, of which £30 million would be allocated in 2019-20, the final local government capital settlement provides this Council with £7.665 million of capital funding for 2019-20, which is £1.336 million more than 2018-19. A further £20 million of general capital funding has also been announced for 2020-21. Welsh Government has also announced a separate Public Highways Refurbishment Grant which will be notified separately (£20 million each year from 2018-19 to 2020-21) and will be funded via specific grant. The allocations for 2018-19 and 2019-20 are £802,920 and £796,672 respectively.

### Current Year (2018-19) Financial Performance

2.12 The in-year financial position as at 31 December 2018 is shown in Table 1 below.

**Table 1 – Comparison of budget against projected outturn at 31 December 2018**

Directorate/Budget Area	Original Budget 2018-19 £'000	Current Budget 2018-19 £'000	Projected Outturn Q3 2018-19 £'000	Projected Over / (Under) Spend 2018-19 £'000	Projected Over / (Under) Spend Qtr 2 2018-19 £'000
<b>Directorate</b>					
Education and Family Support	108,315	110,896	111,438	542	396
Social Services and Wellbeing	67,730	70,023	70,017	(6)	1,252
Communities	26,729	26,622	26,873	251	260
Chief Executive's	3,803	19,539	18,160	(1,379)	(1,170)
Operational and Partnership Services	14,658	0	0	0	0
<b>Total Directorate Budgets</b>	<b>221,235</b>	<b>227,080</b>	<b>226,488</b>	<b>(592)</b>	<b>738</b>
<b>Council Wide Budgets</b>					
Capital Financing	9,514	9,405	6,993	(2,412)	(2,402)
Levies	7,046	7,046	7,070	24	0
Apprenticeship Levy	700	700	625	(75)	(70)
Council Tax Reduction Scheme	14,354	14,354	14,113	(241)	(114)
Insurance Premiums	1,588	1,588	1,160	(428)	(390)
Building Maintenance	900	831	831	0	0
Pension Related Costs	430	430	435	5	5
Other Council Wide Budgets	10,217	4,550	1,035	(3,515)	(2,298)
<b>Total Council Wide Budgets</b>	<b>44,749</b>	<b>38,904</b>	<b>32,262</b>	<b>(6,642)</b>	<b>(5,269)</b>
<b>Appropriations to / from Earmarked to Reserves</b>			<b>1,922</b>	<b>1,922</b>	<b>1,980</b>
<b>Total</b>	<b>265,984</b>	<b>265,984</b>	<b>260,672</b>	<b>(5,312)</b>	<b>(2,551)</b>

2.13 The overall projected position at 31 December 2018 is a net under spend of £5.312 million, comprising £592,000 net under spend on directorates and £6.642 million net under spend on corporate budgets, offset by net new earmarked reserves of £1.922 million. This position is better than anticipated due to the recent award of one-off grants from Welsh Government towards costs associated with supporting sustainable social services, and towards teachers' pay for 2018-19. Bridgend's share of the grants was £620,528 for social services and £718,701 for teachers' pay. Without these the net under spend would have been £3.973 million. Given the significant funding required to meet pay, prices and pensions costs in 2019-20 any uncommitted funding in 2018-19 will be carried forward to meet those pressures in the new financial year.

2.14 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 £6.123 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. Going forward, directorates will either have to realise any outstanding budget reductions in full or



find alternative proposals to meet the saving, in addition to any new proposals for 2019-20 onwards.

- 2.15 In accordance with the Council's Financial Procedure Rules any planned over spends or under spends by directorates may be carried forward into next year. Fortuitous under spends in budgets may be applied to offset over spends on other budgets.

### **Medium Term Financial Strategy (MTFS) 2019-20 to 2022-23**

- 2.16 This section of the report sets out the proposed MTFS for the Council for the next four financial years, based on the latest information available from the Welsh Government. It does not include fixed funding, expenditure or activity projections, but sets best, worst and most likely scenarios for the resources that will be available. The MTFS is reviewed regularly and amended as additional information becomes available, with the detail for future years being developed over the period of the strategy.
- 2.17 The development of the MTFS 2019-20 to 2022-23 is led by Cabinet and Corporate Management Board (CMB) and takes into account auditors' views, the recommendations of the Budget Research and Evaluation Panel, the public consultation, and issues arising during 2018-19, underpinned by the ongoing aim to embed a culture of medium term financial planning closely aligned with corporate planning.
- 2.18 Implementation of the MTFS will continue to be led by Cabinet and CMB, supported by financial and performance data. As usual Cabinet and CMB will seek to ensure that it is widely understood by internal stakeholders (Members, employees and Unions) and external stakeholders (citizens, businesses and partners).

### **Scrutiny and Challenge**

- 2.19 As stated in paragraph 2.17, Cabinet and CMB continue to seek to embed a culture of medium term financial planning within the Council. Against that background, further efforts have been made again this year to secure greater involvement of stakeholders in the development of the MTFS and the Corporate Plan. An eight week consultation 'Shaping Bridgend's Future 2018' was undertaken between 24 September and 18 November 2018. Views were captured through surveys (online and paper), use of the Council's Citizens' Panel, community engagement stands, attendance at other meetings and events and via social media debates. Elected Members have also had the opportunity to take part in a budget workshop.
- 2.20 The consultation received 5,288 interactions from the various consultation events and methods. Within this there were 2,677 survey completions which can be considered a robust sample and demonstrates a 44% increase on last year. Within this there was a significant increase in youth survey completions. The full details of the consultation are detailed in a separate report that was presented to Cabinet in December 2018.
- 2.21 The majority of respondents agreed with the idea of protecting some services over others, with schools, care of older people and services for disabled people being the

most popular areas for protection through Council Tax increases. The proposals most frequently selected to make cuts were separate collection for absorbent hygiene products, weed spraying and funding for post-16 home to school and college transport. The four most popular revenue-generating proposals were Blue Badge holders to pay for parking, increasing charges for garden waste, increasing charges for three bulky items and consider increasing charges for sports pitches and pavilions. A summary of the main headlines arising from the consultation is provided in Table 2 below.

**Table 2 – Headline Figures from Public Consultation**

<b>Headlines from the Public Consultation</b>	
<b>Council Tax</b>	
48% of respondents stated that they would not be willing to pay more Council Tax in order to protect services (other than the 4.9% increase proposed in the budget consultation). However, 17% of respondents would be willing to pay an additional 1% and 14% of respondents were willing to pay up to 9.9% additional council tax in order to protect services.	
<b>Services to Protect</b>	
Most popular services to <b>protect</b> (through Council Tax or by comparing all proposals) were schools, care of older people, services for disabled people and leisure services.	
53% of respondents disagreed with the proposal to ask schools to make budget savings of 1% per year over the next four years.	
66% of respondents disagreed with the proposal to make savings through reducing day centres or services.	
<b>Increasing Revenue</b>	
79% of respondents stated that Blue Badge holders should pay for parking, 48% stated Blue Badge holders should pay the same amount as non-Blue Badge holders. A further 31% stated that Blue Badge holders should pay a reduced rate.	
60% of respondents stated that they would be willing to pay more to access sports facilities, pavilions and parks (10% stated significantly more and 50% stated a small amount more).	
48% of respondents stated that the council should explore the option of charging for shopmobility.	
When asked about increased revenue within recycling and waste 53% of respondents were willing to pay an increased charge to £20 for three bulky item collection.	
<b>Services to Cut</b>	
Services most frequently selected to make <b>cuts</b> were libraries, arts centres and theatres, sports and recreation services, weed spraying, funding for post-16 transport and separate collection for absorbent hygiene products.	
48% of respondents agreed that nursery provision should be reduced to 15 hours per week in order to make budget savings.	
47% of respondents agreed that funding for post-16 transport should be removed in order to make budget savings.	
46% of respondents agreed that the bus station should be closed in order to make budget savings.	

- 2.22 In addition to the public consultation, Cabinet and CMB have been working with the Budget Research and Evaluation Plan over the last six months to facilitate the budget planning process. The draft budget report approved by Cabinet in November has also been scrutinised by the Council's Overview and Scrutiny Committees resulting in a report to Cabinet from the Corporate Resources and Improvement (CRI) Committee, outlining a number of recommendations. Cabinet has considered the CRI Committee's recommendations and a response to these is provided in Appendix H.
- 2.23 Cabinet and CMB have reflected on the responses received from the public consultation and the recommendations of the CRI Committee and have removed a number of budget reduction proposals which were in the draft report in November as follows:

SCH1	Efficiency Savings Delegated School Budgets	£900,000
EFS46	Health and Safety Non-Staffing Budgets	£20,000
COM41	Reductions to Other Cleaning Services	£70,000
COM41a	Further reductions to Other Cleaning Services	£100,000
COM48	Reduction in Weed Spraying	£20,000

In addition, the following budget reduction proposals have been amended:

SSW26	Rationalising Day Service Provision	-	reduced by £50,000
COM26	Shopmobility	-	reduced by £5,000
CEX9	Customer Contact / Communications	-	reduced by £50,000

### MTFS Principles

- 2.24 As well as consideration of future income and expenditure scenarios, the MTFS provides a set of clear principles which drive the budget and spending decisions over 2019-2023 and which Members and others can examine and judge the Council's financial performance against. The fourteen key principles are to ensure that:
1. The Council continues to meet its statutory obligations and demonstrates how it directs resources to meet the Council's corporate priorities.
  2. Adequate provision is made to meet outstanding and reasonably foreseen liabilities.
  3. The financial control system is sufficiently robust to support the delivery of financial plans and mitigate corporate risks.
  4. Budgets will be reviewed annually to ensure existing and forecast spend is still required and to identify further efficiency savings as required to meet inescapable budget pressures.
  5. Financial plans provide an optimum balance between income and expenditure for both capital and revenue.
  6. All services seek to provide value for money and contribute to public value.

7. Balances are not used to fund recurrent budget pressures or to keep down Council Tax rises unless an equivalent budget reduction or increase in Council Tax is made in the following year in recognition that balances are a one-off resource.
8. The Council Fund balance will be maintained at a minimum of £7 million over the MTFFS period and reach 2.7% of Gross Revenue Expenditure by 2019-20.
9. Capital investment decisions support the Council's corporate priorities and mitigate any statutory risks taking account of return on investment and sound option appraisals.
10. Prudential borrowing is only used to support the capital programme where it is affordable and sustainable within the Council's overall borrowing limits and the revenue budget over the long term.
11. Decisions on the treatment of surplus assets are based on an assessment of the potential contribution to the revenue budget and the capital programme.
12. 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 MTFFS and a MTFFS Budget Reduction Contingency Reserve will be maintained.
13. Other resource strategies (including the Workforce Development Plan, Treasury Management Strategy, Capital Strategy, ICT Strategy and Asset Management Plan) are kept under review to maintain alignment with the MTFFS and the Corporate Plan.
14. Budgets will be managed by Corporate Directors in accordance with the Council's Financial Procedure Rules.

The MTFFS Budget Reduction Contingency Reserve referenced in Principle 12 enables the Council to manage delays or unforeseen obstacles to the delivery of significant MTFFS budget reduction proposals. There has only been one allocation so far during 2018-19, as shown in Table 3, which is in mitigation of reductions to the budget for the Materials Recovery and Energy Centre (MREC), which are unlikely to be achieved following delays in the procurement process:

**Table 3: MTFFS Proposals supported by Budget Reductions Contingency Reserve in 2018-19**

COM 18	MREC	£200,000
Total Allocated		£200,000

The level of this reserve will be kept under review by the Section 151 officer in light of forecast difficulties in delivering specific future budget reduction proposals.

## MTFS Resource Envelope

- 2.25 The 2019-20 AEF figure is a decrease of -0.1% based on the published Final Settlement. In the November 2018 report to Cabinet on the draft MTFS, it was proposed that the Council continue to work towards a most likely scenario in its planning assumptions for 2020-21 of an annual reduction in AEF of -1.5% and an assumed increase in Council Tax of 4.5% for each of the remaining MTFS years, recognising the ongoing uncertainty around our funding in future years. It is not proposed to change these further at this time. The proposed Council Tax increase would remain at 5.4% for 2019-20 and then 4.5% for each following year.

The MTFS will be regularly reviewed against service performance and external economic and fiscal information to ensure that early action can be taken as necessary to keep it and the Corporate Plan on track. This is particularly important given the uncertainties around Brexit in the coming months and years. In view of the uncertainties, the MTFS has been developed taking into account possible resource envelope scenarios, based on percentage changes in AEF shown in Table 4.

**Table 4 – MTFS Scenarios: % Change in AEF**

	2019-20	2020-21	2021-22	2022-23
	% Change	% Change	% Change	% Change
Best Scenario	-0.1%	-1.0%	-1.0%	-1.0%
<b>Most Likely Scenario</b>	-0.1%	-1.5%	-1.5%	-1.5%
Worst Scenario	-0.1%	-3.0%	-3.0%	-3.0%

## Managing within the MTFS Resource Envelope

- 2.26 The financial forecast for 2019-23 is predicated on £35.181 million budget reductions being met from Directorate and Corporate budgets and these are referred to later in the report. It is also predicated on a number of spending assumptions, including:
- Projections for demographic changes, including an ageing population and an increasing number of young people with complex disabilities living into adulthood and adding progressively to the demand for care.
  - Inflationary uplifts to support specific contractual commitments including increases in energy costs.
  - The future impact of national policies and new legislation which may not be accompanied by commensurate funding such as the Additional Learning Needs and Education Tribunal (Wales) Bill.
  - Fees and Charges will increase by the statutory minimum or CPI (+2.1% at December 2018) plus 1%.

- Significant increases in staffing costs as a result of the increase in the national living wage, along with an agreed 2 year pay deal for NJC and JNC workers, in addition to a 1 year pay deal for teachers which sees those on the lowest pay scales having their pay increased by 3.5%. These agreements have significantly increased the overall pay bill, and the amount we pay in respect of external contracts.

In addition, in September 2018, HM Treasury published draft directions to be used in the valuation of public service pension schemes. The Government Actuary's Department provided indicative results of the 2016 valuation of the Teachers' Pension Scheme (TPS) to the Department for Education (DfE), which has resulted in an increase of 43% in the employer contribution rate from 16.48% to an estimated 23.6% from September 2019. This was significantly higher than previously indicated, and for Bridgend will result in a full year cost of around £3.5 million. No additional funding has been provided through the final settlement for this pressure.

- 2.27 For 2019-20, the MTFFS includes an additional £8.894 million for the above known pressures. In addition, each year consideration is given to any inescapable, unforeseen Directorate pressures that cannot be accommodated within existing budgets. £2.191 million of inescapable pressures have emerged during 2018-19 and are explained in more detail in paragraphs 3.12 and 3.13 below. In total, the Council has identified pressures of £11.085 million in 2019-20.

### MTFS Budget Reduction Requirement

- 2.28 Table 5 below shows the Council's potential net budget reduction requirement based on the forecast resource envelope (paragraph 2.25 above), inescapable spending assumptions (paragraph 2.26 and 2.27 above) and assumed Council Tax increases.

**Table 5 – Budget reduction scenarios**

	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	Total £'000
<b>Best Scenario</b>	7,621	9,773	7,584	7,398	<b>32,376</b>
<b>Most Likely Scenario</b>	7,621	10,732	8,519	8,309	<b>35,181</b>
<b>Worst Scenario</b>	7,621	13,609	11,267	10,932	<b>43,429</b>

- 2.29 Cabinet and CMB are working together to develop plans to meet the most likely scenario above. In the event of the worst case materialising in any year, the budget shortfall would have to be met from the Council Fund and / or a further increase in Council Tax while additional budget reduction plans could be developed. Should the best case scenario arise then Cabinet and CMB would look to reduce the impact on services as well as Council Tax.

2.30 Table 6 shows current progress on identifying budget reduction proposals.

**Table 6 – Risk Status of Budget Reduction Proposals 2019-20 to 2022-23**

Year	<b>GREEN:</b> Proposal developed and deliverable	<b>AMBER:</b> Proposal in development but includes delivery risk	<b>RED:</b> Proposals not fully developed and include high delivery risk	Budget reductions Identified so far	Budget reductions not yet developed	Total Required
	£'000	£'000	£'000	£'000	£'000	£'000
2019-20	3,024	2,703	1,894	7,621	0	7,621
2020-21	37	1,040	2,603	3,680	7,052	10,732
2021-22	0	975	584	1,559	6,960	8,519
2022-23	0	900	0	900	7,409	8,309
<b>Total</b>	<b>3,061</b>	<b>5,618</b>	<b>5,081</b>	<b>13,760</b>	<b>21,421</b>	<b>35,181</b>
% of total required	9%	16%	14%	39%	61%	100%

2.31 As mentioned in paragraph 2.23, a number of the 2019-20 budget reduction proposals have been removed or amended since the draft budget report following the public consultation and member scrutiny. A number of proposals for 2020-21 onwards require further information and analysis and so are not sufficiently well developed to be included at this point in time. Proposals currently under consideration include:

- The wider digital transformation of Council services;
- Further development of efficiencies in the corporate landlord function;
- Income generation opportunities;
- Further reductions in employee numbers;
- Possible reconfiguration of post 16 education provision;
- Working with partners to protect sustainable community facilities.

2.32 Cabinet and CMB have given a commitment to try and find at least 50% of the budget reductions through smarter use of resources rather than by cutting the quality or level of services. This gets incrementally harder to achieve, but as Table 7 shows the plans set out in this report will deliver 72% of the required budget reductions through smarter use of resources, such as:

- Review of business support services
- Efficiencies in collaborative services
- Review of contractual arrangements
- Changes to capital financing
- Staffing restructures and rigorous application of vacancy management

**Table 7 – Budget Reduction Proposals 2019-20 to 2022-23**

	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	Total £'000	%
<b>Smarter Use of Resources</b>	6,626	1,534	900	900	9,960	72%
<b>Managed Service Reductions</b>	547	1,706	584	0	2,837	21%
<b>Collaboration &amp; Service Transformation</b>	51	330	0	0	381	3%
<b>Policy Changes</b>	397	110	75	0	582	4%
<b>Total Identified to date</b>	<b>7,621</b>	<b>3,680</b>	<b>1,559</b>	<b>900</b>	<b>13,760</b>	

- 2.33 Budget reduction proposals relating to Collaboration and Service Transformation amount to 3% of the total budget reductions. These include further development of the Corporate Landlord model. Policy changes amount to 4% and include reducing services to the statutory minimum as well as cutting some discretionary services. The policy change proposals are subject to consultation
- 2.34 All of the proposals have implications for the Council workforce given that around two thirds of the Council's net revenue budget relates to pay costs. It follows that annual real term's reductions in Council budgets over the next four years will lead to a reduced workforce over the MTFs period. The intention is to manage such a reduction through the continuation of strong vacancy management, redeployment, early retirements and voluntary redundancies, but some compulsory redundancies will continue to be necessary.

### **Corporate Risk Assessment**

- 2.35 The Council's Corporate Risk Assessment identifies the key corporate risks and mitigating actions and is attached as Appendix I. These risks have been taken into account in the preparation of the MTFs and where there are identifiable financial implications these have been provided for either within the budget or earmarked reserves. Where the financial risks are not clear, the risk is covered by the Council Fund.



### 3. REVENUE BUDGET 2019-20

- 3.1 The net budget requirement is the amount of budget the Council requires to fulfil its functions. It is calculated using the previous year's budget as the baseline, adding any inescapable budget pressures and specific transfers into the settlement from Welsh Government, and subtracting any budget reduction proposals.
- 3.2 The financing of the net budget comes from the Welsh Government settlement and Council Tax income. Table 8 summarises the 2019-20 budget requirement and how it will be financed.

**Table 8 – Net Budget Requirement**

	<b>2019-20 £'000</b>
2018-19 Net Budget (Table 1)	265,984
Transfers and New Responsibilities (para 2.9)	1,361
2019-20 Pressures (para 2.27)	11,085
2019-20 Budget Reductions (Table 5)	-7,621
<b>2019-20 Net Budget Requirement</b>	<b>270,809</b>
<i>Financed by:</i>	
2018-19 Net Budget (Table 1)	265,984
Net Cash Increase in AEF (para 2.6)	225
Council tax increase of 5.4% (para 2.10)	4,600
<b>2019-20 Net Funding Total</b>	<b>270,809</b>

#### **2019-20 Revenue Budget**

- 3.3 Table 9 presents the detailed net revenue budget for 2019-20. This includes specific grants transferring into the settlement as outlined in paragraph 2.9.

**Table 9 – Revenue Budget 2019-20**

	Revised Budget 2018-19	Specific Transfers to/ (from) WG	Inter-Directorate Transfers	Pensions Changes	Pay/ Prices / Demographics	Budget Pressures	Budget Reduction Proposals	Revenue Budget 2019-20
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Service Directorate Budgets:</b>								
Central Education & Family Support	20,555			78	493	817	-596	21,347
Schools	90,321	954		1,977	1,289	320	0	94,861
<b>Education and Family Support</b>	<b>110,876</b>	<b>954</b>	<b>0</b>	<b>2,055</b>	<b>1,782</b>	<b>1,137</b>	<b>-596</b>	<b>116,208</b>
<b>Social Services &amp; Wellbeing</b>	<b>69,955</b>	<b>299</b>			<b>1,524</b>	<b>291</b>	<b>-1,235</b>	<b>70,834</b>
<b>Communities</b>	<b>26,527</b>		<b>-185</b>		<b>569</b>	<b>358</b>	<b>-1,938</b>	<b>25,331</b>
<b>Chief Executive's</b>	<b>19,538</b>				<b>460</b>	<b>75</b>	<b>-1,464</b>	<b>18,609</b>
<b>Total Directorate Budgets</b>	<b>226,896</b>	<b>1,253</b>	<b>-185</b>	<b>2,055</b>	<b>4,335</b>	<b>1,861</b>	<b>-5,233</b>	<b>230,982</b>
<b>Council Wide Budgets:</b>								
Capital Financing	9,405						-1,975	7,430
Levies	7,046					330		7,376
Repairs and Maintenance	870							870
Council Tax Reduction Scheme	14,354				500		0	14,854
Apprenticeship Levy	700							700
Pension Related Costs	430						0	430
Insurance Premiums	1,588				0			1,588
Other Corporate Budgets	4,695	108	185		2,004		-413	6,579
<b>Total Council Wide Budgets</b>	<b>39,088</b>	<b>108</b>	<b>185</b>	<b>0</b>	<b>2,504</b>	<b>330</b>	<b>-2,388</b>	<b>39,827</b>
<b>Net Budget Requirement</b>	<b>265,984</b>	<b>1,361</b>	<b>0</b>	<b>2,055</b>	<b>6,839</b>	<b>2,191</b>	<b>-7,621</b>	<b>270,809</b>

3.4 The net budget will be funded by:

**Table 10 – Net Budget Funding**

	£	%
Revenue Support Grant	145,354,407	53.67
Non Domestic Rates	46,452,373	17.15
Council Tax Income	79,001,854	29.17
<b>Total</b>	<b>270,808,634</b>	<b>100%</b>

### Council Tax Implications

3.5 The implications in terms of the Council Tax increase (excluding Police & Crime Commissioner for South Wales and Community Council precepts) are shown in Table 11.

**Table 11 – Council Tax Increase 2019-20**

2018-19 Average Band D	£1,395.51
2019-20 Average Band D	£1,470.87
% Increase	5.40%
Weekly Increase	£1.45

## Pay, Prices, Pensions and Demographics

- 3.6 In April 2018 agreement was reached between the National Employers and the NJC Trade Union Side on rates of pay applicable from 1 April 2018 and 1 April 2019. Whilst the majority of staff would receive pay increases of 2% per annum, there were higher increases on the lower pay points in order to continue to close the significant gap with the National Living Wage (NLW). Since then agreement has also been reached on pay increases for Chief Officers (2 years agreement at 2% per annum) and teachers for 2018-19 only (ranging from 1.5% to 3.5%). This has created budget pressures for the Council of around £5 million per annum. Welsh Government has provided £634,000 additional funding through the settlement towards teachers' pay in 2019-20, and has also stated that it will provide further support through a one-off specific grant in 2019-20, but it may not fully meet the costs. There are no guarantees that this grant funding will continue to be available from 2020-21 onwards, so this could create a budget pressure in those years.
- 3.7 As noted in paragraph 2.26, there is an estimated increase of 43% in the employer contribution rate for teachers' pensions from 16.48% to an estimated 23.6% from September 2019. This was significantly higher than previously indicated, and for Bridgend will result in a full year cost of around £3.5 million. No additional funding has been provided through the final settlement for this pressure.
- 3.8 Price inflation has been allocated to service budgets and includes provision for contractual increases in food costs, social care provision and other commitments. The remaining inflationary provision will be retained centrally within Council wide budgets and allocated during the year as any unknown or unforeseen contract price inflation is agreed, in particular where the index is set after the Council's budget is approved.

## Schools' Budgets

- 3.9 Following a better than anticipated settlement in 2018-19, school budgets were protected from the proposed 1% annual efficiency target, but given the forecast pressure on Council budgets for future years, this was not considered to be sustainable in future years, so headteachers and governing bodies were advised to use the 2018-19 financial year to plan ahead. However, following the additional funding announced by the First Minister in November 2018, and the subsequent improved final settlement, along with the outcome of the public consultation and Scrutiny Committees' recommendations, school budgets have again been protected from the 1% efficiency reduction in 2019-20.
- 3.10 There are a significant number of pressures on school delegated budgets for 2019-20 and beyond, not least the cost of the teachers' and non-teachers' pay awards, growth in pupil numbers, pressures of funding additional learning needs and significant increases in teachers' pensions costs. Total funding provided to schools to meet these pressures in 2019-20 is around £4.5 million.
- 3.11 It should be noted that the 1% efficiency target is maintained for 2020-21 and beyond, in recognition of the pressures stated above, forecast reductions to the settlement and mounting external pressures across Council services.

## Budget Pressures

- 3.12 The final schedule of budget pressures is attached at Appendix A and presents a number of recurrent pressures, totalling £2.191 million. These represent unavoidable pressures arising from legislative changes, increased costs and contractual changes, along with a conscious decision by members to invest in areas to meet the Council's corporate priorities.
- 3.13 The November Draft Budget report explained that budget pressures identified at that time were subject to change before the Final Budget. The main changes are identified in Table 12 below:

**Table 12: New Budget Pressures**

Item	Value £'000	Description
Health and Safety	150	Health and Safety support for the Council to ensure compliance through more structured and rigorous monitoring to avoid future incidents.
Social Services Registration Fees	38	To meet the requirement for residential (Adult Social Care) and domiciliary care workers to be registered with Social Care Wales under the Regulation and Inspection of Social Care (Wales) Act 2016.
Hartshorn House	30	Running costs of Hartshorn House, a multi-agency base – to replace the grant funding from Welsh Government which has ended.
Housing Benefits	75	Funding to mitigate the net reduction in grant from the Department for Work and Pensions for administering Housing Benefit and Universal Credit.
<b>TOTAL</b>	<b>293</b>	

## Budget Reductions

- 3.14 Budget reduction proposals totalling £7.621 million have been identified from service and corporate budgets to achieve a balanced budget. These are detailed in Appendix B.

## Council Wide Budgets

- 3.15 Council Wide budgets include funding for the Council Tax Reduction Scheme, costs of financing capital expenditure, levies (including for the Fire and Rescue Authority), centrally held pay and prices provisions, insurance budgets, discretionary rate relief and provision for redundancy related costs. A thorough review of recent years' under spends within corporate budgets was undertaken in 2017-18 and the MTFS 2018-19 to 2021-22 included budget reductions totalling £2.610 million to corporate budgets. Consequently the scope available for further reductions is quite limited, as a number of these budgets are fixed and unavoidable, without putting the Council at risk. The higher than anticipated pay awards, pensions' increases and inflationary increases has put also additional pressure on these budgets.

- 3.16 The South Wales Fire and Rescue Authority covers 10 South Wales Council areas including Bridgend County. It is funded by raising a levy on its constituent Councils, based on population. For 2018-19 the levy on Bridgend, and consequently its Council Tax payers, is £6,688,835. The Authority is facing similar pension increase pressures on its budget as teachers, and consequently the levy for 2019-20 could increase by £330,000, unless it receives additional funding from, for example, Welsh Government towards this pressure. This is a significant increase in the levy (4.9%) for which the Council has received no additional funding, but must provide for assuming the worst case scenario.

### Fees and Charges

- 3.17 Generally, income from fees and charges will be increased by CPI (at the prevailing rate, 2.1% at December 2018) plus 1%, subject to rounding, or in line with statutory or service requirements. Schedules of fees and charges will be reported separately, as usual, under Delegated Powers. New charges or charges that have been included in the 2019-20 budget and are above the general increase are shown in Appendix C.
- 3.18 Council approved a corporate income generation policy in March 2016 which aims to set a consistent approach across Council services and outline key principles to be applied. As a key principle, where a decision has been taken to charge for a service, the Council will aim for full cost recovery, except where there is a conscious decision which is consistent with Council priorities, recognising that the service would then be subsidised by Council Tax payers.

### MTFS Support for Corporate Priorities / Well-being Objectives

- 3.19 Appendix D details the Directorate Base Budgets for 2019-20. The MTFS supports the delivery of the Council's corporate priorities / well-being objectives and Table 13 below summarises Directorate budgets which will be used to support these and core services and statutory functions. A more detailed analysis is shown in Appendix E.

**Table 13 – 2019-20 Budget by Corporate Priority / Well-being Objective**

<b>Budget 2019-20 Corporate Priorities / Well-being Objectives</b>			
<b>Directorate</b>	<b>Corporate Priorities</b>	<b>Core Services &amp; Statutory Functions</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Education & Family Support	8,067	13,280	21,347
Schools	38,796	56,065	94,861
Social Services and Wellbeing	53,430	17,404	70,834
Communities	6,803	18,528	25,331
Chief Executive's	1931	16,678	18,609
Corporate Budgets	304	39,523	39,827
<b>NET BUDGET REQUIREMENT</b>	<b>109,331</b>	<b>161,478</b>	<b>270,809</b>

#### 4. COUNCIL RESERVES

- 4.1 The Council's Reserves and Balances Protocol attached at Appendix F sets out the principles used to assess the adequacy of reserves, the rationale for establishing reserves and the arrangements for monitoring reserves. For the last three years, the Council has maintained its Council Fund at a minimum of £7 million and at 31 March 2018 it was £8.347 million, which is 2.47% of Gross Revenue Expenditure (GRE) compared to a Welsh average of 2.99% for the same period. If the Council Fund was used to cover GRE, it would last 9.03 days (8.98 days in 2016-17) compared to a Welsh average of 10.06 days. Against that background and in the face of continued uncertainty regarding the economy and public finances, it is recommended that the Council seeks to increase its Council Fund to 2.7% of GRE (£8.840 million based on 2015-16 when the indicator was set) by the end of the MTFS period. This will be monitored and will depend upon financial performance during future periods and the need to cover against specific risks as they arise through the earmarked reserves process.
- 4.2 In accordance with the Protocol, a review of the Council's financial risks, pressures and reserves was undertaken at period 6 and period 9 in 2018-19. Appendix F also sets out the forecast movement in the Council's Earmarked Reserves by the end of 2018-19 and 2019-20. At this point the forecast movement to 31 March 2019 on Earmarked Reserves is an overall reduction of £10.925 million on the assumption of:
- The forecast draw down of £1,729,000 from the Directorate Issues Reserve, either by Directorates, or as a result of any reserve that is no longer required being unwound, both offset by additions of £0.323 million as a result of new Directorate Issues coming to light following the various reviews. This results in a projected net decrease on **Reserves Held for Directorates' Planned Developments** of £1,406,000;
  - The forecast draw down of £5,495,000 from **Specific Contingency Reserves**, offset by additions of £428,000, resulting in a projected net decrease of £5,067,000. There are two assumed draw downs during the last quarter of the year, but if these do not happen, there will only be a net decrease of £628,000;
  - The estimated draw down of a large amount of the Capital Programme Contribution reserve of £2.165 million which does rely on capital spend being incurred from January until March 2019. There is also £171,000 draw down from other **Capital Development or Asset Related Reserves**. As part of the new Capital Strategy 2019-20 onwards, two new Earmarked Reserves are being created. These are a Capital Asset Management Reserve of £500,000 and a Highways Asset Management Fund of £1.290 million. These have been created from previous funding within other Earmarked Reserves being amalgamated together with additional funding. The draw down from both of these reserves will form part of the monitoring requirements on the Capital Strategy. There will be a net increase on these Reserves of £953,000;
  - Within the category of reserves for **MTFS/Transformational Reserves**, there is an assumed draw down of £2.222 million from the Service Reconfiguration Reserve for the Extra Care Scheme on the current capital spend projection. The projected net draw down on these reserves is £3.486 million. It should be noted that this reserve has not been increased for any potential accrued Council Tax income (see paragraph 4.3 below);

- The projected net draw down from the **Equalisation and Grant Reserves** for 2018-19 is £1,063,000.

4.3 In line with the Protocol, a further review will be undertaken at the end of the current financial year and transfers made at this point taking account of the overall financial position of the Council including the final out-turn, actual accrued Council Tax income, Earmarked Reserve levels, the Council Fund level and any new pressures or risks that need to be provided for. At this time Directors will be invited to submit earmarked reserve requests to meet any specific unfunded pressures that they expect to arise in 2019-20 and these will be considered in the context of Directorate outturn positions as well as that of the Council as a whole. In advance of that process, the forecast movement in reserves for 2019-20 assumes:

- An overall reduction in Earmarked Reserves of £7.891 million during 2019-20;
- Full draw down from a number of reserves including the Property Reserve, Chief Executives Partnership Reserve and the Waste Awareness Reserve.
- Draw down from the Capital Programme Contribution Reserve, Capital Feasibility Reserve and Asset Management Reserve in line with the current Capital Programme expenditure profile; and
- Draw down from the Service Reconfiguration reserve in line with assumptions on transformational change.

It does not include the potential increase of reserves for 2019-20 as a result of fortuitous under spends at the end of this financial year. The forecast position is summarised in Table 14 below:

**Table 14 – Summary of Usable Earmarked Reserves**

Opening Balance 1 April 2018 £'000	Reserve	Movement 2018-19 £'000	Closing Balance 31 March 2019 £'000	Movement 2019-20 £'000	Closing Balance 31 March 2019 £'000
47,715	Total Earmarked Reserves	(10,925)	36,790	(7,891)	28,900

*NB: Differences due to rounding of £'000s*

## 5. CAPITAL PROGRAMME AND CAPITAL FINANCING STRATEGY

- 5.1 This section of the report deals with the proposed Capital Programme for 2018-19 to 2028-29, which forms part of, but extends beyond the MTFs. It has been developed in line with the MTFs principles and the Council's proposed Capital Strategy and reflects the Welsh Government capital settlement for 2019-20. The Programme has been revised during the financial year to bring it up to date and take into account new capital schemes either funded from external resources, or from internal resources following a review of the Council's capital investment requirements.

### Capital Programme 2018-19 to 2028-29

- 5.2 This section of the report deals with the proposed Capital Programme for 2018-19 to 2028-29, which forms part of, but extends beyond the MTFs. It reflects the Welsh Government final capital settlement for 2019-20, which provides general capital funding (GCF) for the Council for 2019-20 of £7.665 million of which £3.938 million is provided through un-hypothecated supported borrowing and the remainder £3.727 million as general capital grant. This includes the 2019-20 share (£30 million) of the additional £100 million of general capital funding (across 2018-19 to 2020-21) announced by Welsh Government in the provisional settlement. The Council has already received £2.215 million as its share of the £50 million allocation for 2018-19. Whilst no indicative allocations have been provided for 2020-21, there will be extra funding arising from the additional £20 million of general capital funding for 2020-21. From 2021-22 it is assumed that the level of funding will revert to the 2018-19 general capital funding level.
- 5.3 The Programme was last approved by Council in full in December 2018 to incorporate major new schemes approved during the year, including the regeneration of Porthcawl and rationalisation of the Council's depots, along with other changes to existing schemes. Council also approved a change to the funding package for the School Modernisation Band B Programme in a separate report in December. Due to the limited capital resource available, following a number of years of significant investment in the Council's infrastructure, it was agreed by Cabinet and CMB not to ask service managers to submit capital bids for funding, but for Cabinet and CMB to determine its strategy in terms of capital priorities and build this into the new Capital Strategy for approval by Council in February 2019.
- 5.4 The additional general capital funding provided through the settlement for 2019-20 equates to £1.336 million. It is proposed to establish a Capital Asset Management Fund of £1.5 million to meet the costs of works to comply with any health and safety or other legislative requirements in respect of the Council's assets, taking into account the results of condition surveys. This will be funded partly from a contribution of £1 million from the additional general capital funding, and partly from an earmarked reserve of £500,000. Any allocations from this budget will be agreed by Corporate Management Board. The balance of the additional general capital funding is being used to fund existing schemes to reduce the reliance on borrowing for schemes already included within the capital programme, and thus reduce future revenue budget commitments. An in-year review of capital will be undertaken and any new proposals will be considered in light of, and in line with, the proposed new Capital Strategy and brought back to Council for approval at a later date.



- 5.5 Welsh Government has also announced a separate Public Highways Refurbishment Grant 2018-21 which has been notified separately (£20m each year 2018-19 to 2020-21) and will be funded via specific grant. As outlined in paragraph 2.11, Bridgend has been notified that it will receive £802,920 for 2018-19 and £796,672 for 2019-20, with a similar amount for 2020-21. The 2018-19 grant funding will be carried forward into 2019-20, in line with the conditions of the grant, resulting in total additional funding for 2019-20 of £1,599,592 and around £2.4 million between 2018 and 2021, leading to significant new investment in highways and footways over the 3 year period. This will be included in the capital programme in-year once the grant has been accepted.
- 5.6 The Capital Programme contains a number of fixed annual allocations that are met from the total general capital funding for the Council. These annual allocations have been reviewed as part of the capital planning process and it is proposed that two changes are made for 2019-20, as follows:
- Disabled Facilities Grants (DFGs) – DFGs are mandatory, means-tested, grants available to help disabled people to remain living independently in their own homes. Local authorities therefore have a duty to provide DFGs. This allocation was reduced in previous years due to reductions in referrals and in the average award. Funding currently allocated to DFGs is above the notional allocation provided by Welsh Government and it is therefore proposed to bring this into line with Welsh Government funding through a reduction of £200,000.
  - A new allocation will be established, using the £200,000 released, to set up a corporate capital fund. This will be used for match funding for capital projects, and ICT / equipment renewals, and will be subject to approval and allocation by Corporate Management Board.

This will result in revised allocations as outlined in Table 15:

**Table 15 – Proposed Annual Allocations of Capital Funding**

	2019-20 £'000
Highways Structural Works	200
Carriageway Capital Works	250
Disabled Facilities Grant	1,950
Housing Renewal / Empty Property	100
Special Regeneration Funding	540
Minor Works	1,100
Community Projects	100
Bridgelink / Telecare replacement	30
Corporate Capital Fund (Renewals / Match Funding)	200
Street lighting / Bridge infrastructure replacement	400
<b>Total</b>	<b>4,870</b>

## Capital Programme link to the Corporate Priorities

- 5.7 Table 16 outlines how the Council is using its capital programme to support the corporate priorities.

**Table 16 – Capital Programme by Corporate Priority**

Corporate Priority	Revised 2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 to 2028-29 £'000	Total £'000
1. Supporting a Successful Economy	7,431	8,648	8,863	39,289	64,231
2. Helping People to be more Self-Reliant	5,634	3,050	1,950	15,600	26,234
3. Smarter Use of Resources	22,111	23,929	10,900	87,556	144,496
Core Services & Statutory Functions	298	530	0	7,190	8,018
<b>TOTAL</b>	<b>35,474</b>	<b>36,157</b>	<b>21,713</b>	<b>149,635</b>	<b>242,979</b>

### Supporting a Successful Economy

- 5.8 The proposed capital programme includes a number of new and existing projects which will help to support a successful economy by, for example, significant new investment in ensuring that the highways and footways are of a good standard to encourage the use of local services by the public and avoid the need to travel to out of town developments. There is also significant investment in all of our town centres, with new schemes approved by Council earlier in the year in respect of Porthcawl Regeneration and the development of Enterprise Hubs, to build on previous investment and initiatives. These supplement those existing schemes, such as the Cardiff Capital Region City Deal (CCRCD) investment which will be targeted to focus on raising economic prosperity, increasing job prospects and improving digital and transport connectivity.

### Helping People to be more Self-Reliant

- 5.9 In addition to the two new Extra Care Schemes, one of which has opened, with the other due to open towards the end of 2018-19, and which will enable people to live more independently than they would in residential care, there remains significant investment in Disabled Facilities Grants and other Housing Schemes, to enable people to live as independently as possible in their own homes.

### Smarter Use of Resources

- 5.10 The Schools' Modernisation Programme forms a cornerstone of the corporate priority making smarter use of resources, with the remaining schemes in Band A of the 21<sup>st</sup> Century Schools programme coming to fruition towards the end of 2018-19. From 2019-20 the Council will embark on Band B of the 21<sup>st</sup> Century Schools Programme, which will result in further capital investment of around £70 million in the Council's schools' estate.

- 5.11 There is currently a budget of £1 million in the capital programme for works to parks and pavilions, to make them suitable for Community Asset Transfer (CAT). The scope for this funding is being widened to also include 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.
- 5.12 In addition, Council has previously approved significant investment in upgrading the Waterton depot to make it fit for the future, in addition to recurrent funding to improve and upgrade existing buildings through the capital minor works programme to reduce running costs, including maintenance, and improving energy efficiency. This is in addition to the two existing schemes within the programme which will see significant investment in energy efficiency schemes, across Council buildings and street lighting, which will be repaid from recurrent revenue savings generated.
- 5.13 The revised capital programme is attached as Appendix G. There are no significant changes since it was approved by Council in December 2018, other than amendments to reflect the agreed funding mechanism for the Band B school modernisation programme.

#### **Capital Receipts**

- 5.14 The Council estimated that around £21 million could be generated as part of the enhanced disposals programme which commenced in 2014. So far, circa £16.1 million has already been delivered, with £4.3 million under contractual agreement and the balance projected to be realised over the next 18 months (2018-2020). Of the £21 million, £9.8 million relates to school buildings and land vacated through the 21st Century Schools Programme, to be used as match funding for the programme. It excludes any receipts anticipated from the sale of Waterton or Porthcawl Regeneration sites which will be the focus of the disposal programme in the future. Receipts are subject to the exchange of contracts, so it is prudent not to commit them until we have a contractual agreement.

#### **Prudential (Unsupported) Borrowing**

- 5.15 Total Prudential Borrowing taken out as at 1 April 2018 was £41.77 million, of which £27.03 million was outstanding. It is estimated that the total borrowed will increase to £43.75 million by the end of this financial year.

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## 2019-20 BUDGET PRESSURES SUMMARY

## APPENDIX A

Ref	Directorate	Corporate Priority	Pressure	£'000
SSW1	Social Services and Wellbeing	Helping People to be Self Reliant	Multi Agency Safeguarding Hub (MASH) Co-ordinator Post.	24
SSW2	Social Services and Wellbeing	Helping People to be Self Reliant	Transition costs for Children into Adult Social Services.	229
SSW3	Social Services and Wellbeing	Helping People to be Self Reliant	New Welsh Government legislation requiring all domiciliary care staff to be registered	38
EFS1	Education and Family Support	Core Services & Statutory Functions	Increasing costs associated with home-to-school transport, including demand for pupils with Additional Learning Needs and demographic growth.	427
EFS2	Education and Family Support	Core Services & Statutory Functions	Increase to Early Years Education Grants for the non maintained Sector - to reflect actual costs.	66
EFS3	Education and Family Support	Core Services & Statutory Functions	Transport costs for the Welsh Government Junior Apprenticeship programme.	42
EFS4	Education and Family Support - Schools	Core Services & Statutory Functions	Increased costs of running Learning Resource Centres in Schools.	320
EFS5	Education and Family Support	Core Services & Statutory Functions	Additional Education Other than at School (EOTAS) provision at The Bridge Alternative Provision.	132
EFS6	Education and Family Support	Core Services & Statutory Functions	Health and Safety support for the Council to ensure compliance and avoid future incidents.	150
COM1	Communities	Supporting the Local Economy	Bridgend Market - In line with the Market Improvement Plan approved by Cabinet: to reduce the stall holders rentals by 25%, further reduce asking rents and to enhance through capital investment the quality of the building and the signage and marketing provided by stallholders.	58
COM2	Communities	Core Services & Statutory Functions	Rights of Way - Statutory duty to undertake the first decennial review of the Council's Rights of Way Improvement Plan (RoWIP) by October 2019 and continued implementation of Actions within the current and future RoWIP following withdrawal of Welsh Government grant funding.	34
COM3	Communities	Core Services & Statutory Functions	South Wales Trunk Road Agency - cessation of contract. The works undertaken have both generated financial support to the highways maintenance function in both direct and overhead costs.	200
COM4	Communities	Core Services & Statutory Functions	Increase in the tonnage of street litter arisings (red bag waste).	36
COM5	Communities	Helping People to be Self Reliant	To meet the running costs of the Multi-agency base at Hartshorn House following cessation of grant funding.	30
CEX1	Chief Executive	Helping People to be Self Reliant	To mitigate the net reduction in grant funding from the Department for Work and Pensions for administering Housing Benefit and Universal Credit.	75
CW1	Council Wide - Fire Service Precept	Core Services & Statutory Functions	Increase in precept to cover pay and price pressures, in particular the increase in employer's contributions to superannuation following changes to public service pensions schemes by HM Treasury (increase of 10%).	330
<b>Total Budget Pressures</b>				<b>2,191</b>

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Budget Reduction Proposals 2019-20 to 2022-23

Ref.	Links to 7 Wellbeing Goals	Improvement Priority 2016-20	Categories	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget 2018-19 £'000	Total Budget Reduction 2019-2023 as % of 2018-19 Budget	2018-19 Budget Reductions £'000	Proposed 2019-20 £'000	Indicative 2020-21 £'000	Indicative 2021-22 £'000	Indicative 2022-23 £'000
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**IMPROVEMENT PRIORITY**

- IP1 - Supporting a successful economy
- IP2 - Helping people to be self-reliant
- IP3 - Smarter use of resources
- NONPTY - Core services & statutory functions

**CATEGORIES**

- SUR - Smarter Use of Resources
- MSR - Managed Service Reductions
- CST - Collaboration and Transformation
- PC - Policy Changes

**RAG STATUS KEY**

- RED** Proposals not fully developed and include high delivery risk
- AMBER** Proposal in development but includes delivery risk
- GREEN** Proposal developed and deliverable

**EDUCATION & FAMILY SUPPORT**  
**CENTRAL EDUCATION & FAMILY SUPPORT**

EFS1	A more equal Wales	IP2	PC	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>	4,779	5%	67	67	75	75	
EFS19	None	IP3	CST	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.	384	11%		41			
EFS33	A more equal Wales	IP2	PC	Home to School Transport - removal of Escorts on primary school service with fewer than 8 pupils	Driver only supervision of pupils on school transport. The most vulnerable pupils may not be supported with concerns around behaviour/pupil safety. Full 12 week public consultation with one full academic year delay after policy change to implementation. Parent groups, learners and contractor all likely to be opposed to change. Negative media coverage likely. Reputational risk to local authority. Health & Safety risk likely to increase and will need to be mitigated in other ways.	4,779	1%			35		
EFS34	A prosperous Wales	IP3	SUR	Reduction in Central Budget for 1:1 support for Primary Schools - This has been successfully done with Secondary Schools. There is difficulty in recruiting and retaining SNSA's and supply staff is high. It has proven to be more efficient that Secondary Schools directly appoint and manage the 1:1 support staff required for their pupils.	This would need to be consulted upon with schools. Ancillary support apart from complex medical has already been delegated to secondary schools. Consideration would be given to delegate ancillary support to primary schools. There would also be further consideration given to the delegation of complex medical support to both primary and secondary schools. During a period of consultation the risks would need to be identified as part of the process if the proposals were to proceed.	591	24%			140		
EFS35	None	IP3	SUR	Reduction to contribution to the Central South Consortium (CSC) of 5%	This would need to be agreed with other partners within the Consortium.	596	5%		30			
EFS36	None	IP3	SUR	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.	938	7%		70			
EFS37	None	IP3	SUR	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.	424	26%		110			

Budget Reduction Proposals 2019-20 to 2022-23

Ref.	Links to 7 Wellbeing Goals	Improvement Priority 2016-20	Categories	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget 2018-19 £'000	Total Budget Reduction 2019-2023 as % of 2018-19 Budget	2018-19 Budget Reductions £'000	Proposed 2019-20 £'000	Indicative 2020-21 £'000	Indicative 2021-22 £'000	Indicative 2022-23 £'000
EFS38	None	IP3	SUR	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.	464	17%		77			
EFS39	None	IP3	SUR	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).	240	27%		65			
EFS40	A more equal Wales	IP2	MSR	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.	116	86%		100			
EFS41	A more equal Wales	IP2	MSR	Removal of Post 16 transport	<ul style="list-style-type: none"> <li>Full 12 week consultation would be required with a full academic year required before policy is implemented post policy change.</li> <li>Parent groups, learners and others likely to be opposed to policy change.</li> <li>Negative media coverage.</li> <li>Reputational risk to local authority.</li> <li>Sustainability risk to secondary schools sixth forms.</li> <li>Risk to financial viability of Bridgend College. Some courses may cease if numbers of pupils reduce.</li> <li>Possible increase in the number of young people not engaged in education, employment or training (NEET).</li> <li>Impact on local road infrastructure around schools as more pupils chose private motor vehicles rather than public transport.</li> <li>The most deprived may lose out the most and may chose not to consider post-16 education.</li> <li>Reduction in vehicles required by local authority may increase the risk for some transport operators, effectively forcing them out of the market. This would then impact the ability of the local authority to contract transport services to meets its statutory transport requirements. Therefore, there is a risk that transport operators would increase their costs against these contracts to compensate.</li> </ul>	£314,500 for college transport. 6th form budget part of secondary school transport which is £1.8m	159%			500		
EFS42	A Wales of cohesive communities	IP2	MSR	Review of Part-time youth service (Youth clubs)	Cabinet agreed to the reduction of local authority youth clubs in 2013 from 16 to 3. The 3 remaining youth clubs are spread well geographically across the county borough and are well attended by young people. For example the youth club in Cynffig Comprehensive School has up to 70 young people attending on each evening (run twice weekly - term time only). Part of the budget for this service is in essence kept in-house as two of the three settings are run from schools (Cynffig and CCYD) where a rental charge is paid. A further impact - but difficult to quantify - could be linked to a possible increase in youth annoyance in these areas, should the clubs close.	26	100%			26		
EFS43	A prosperous Wales	IP3	SUR	Review of School based counselling service	The school based counselling service is a statutory requirement, however the delivery arrangements (in-house or externally delivered) are under the Council's control. The school based counselling service is well received by schools with a high demand for the service. This service was previously reduced (budget) as part of a re-structure of Integrated Working and Family Support services which took effect in 2015-16.	129	4%			5		



Budget Reduction Proposals 2019-20 to 2022-23

Ref.	Links to 7 Wellbeing Goals	Improvement Priority 2016-20	Categories	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget 2018-19 £'000	Total Budget Reduction 2019-2023 as % of 2018-19 Budget	2018-19 Budget Reductions £'000	Proposed 2019-20 £'000	Indicative 2020-21 £'000	Indicative 2021-22 £'000	Indicative 2022-23 £'000
EFS44	None	IP3	SUR	Review of Childcare Team	Review existing staffing structure within the Childcare Team with a view to moving core funded staff to grant, where this option is eligible under grant conditions. In addition a review of the service demand placed on the Development Officers in supporting the private nursery settings throughout the county borough, ensuring a streamlined service that meets minimum statutory requirements. There are however, significant risks in making further reductions in this budget line (RSG) given Welsh Government's policy linked with both the national statutory Childcare Offer and Child Sufficiency requirements. In addition, this budget line has been reduced in previous years and existing demand (to fund placements) is exceeding budget.	140 (RSG) / 101 (grant)	7%			10		
EFS45	A more equal Wales	IP3	SUR	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	100%		36			
EFS47	A prosperous Wales	IP2	MSR	Nursery provision - Reduction in early years provision from full time to part time as per statutory minimum.	Reduction of nursery provision to its statutory minimum will mean that some parents who rely on this provision for the child care will have to make significant additional payments in order to secure child care from additional sources. It may also result in a shortage of available suitable child care. The reduction will inevitably have a negative impact on teaching and learning as the early preparation for children to learn effectively is provided via nursery provision. This will inevitably also lead to teacher redundancies.	1,954	72%			817	584	
<b>Total Education and Family Support</b>									<b>596</b>	<b>1,608</b>	<b>659</b>	<b>0</b>
<b>SCHOOLS</b>												
SCH1	A prosperous Wales	IP3	SUR	Efficiency savings against School Delegated Budgets	The annual saving represents a 1% efficiency per annum against individual schools budgets. Risk of increased school deficit positions. Implementation will be a matter for individual schools - potential to result in some teacher redundancies. If efficiency is made solely from staffing budgets, this could range from a minimum of 1 teacher in our larger Primary Schools to 5 teachers in our larger Comprehensive schools over the MTFS period.	£90.3m - ISB Budget	3%	0		900	900	900
<b>Total Schools</b>									<b>0</b>	<b>900</b>	<b>900</b>	<b>900</b>
<b>Total Education &amp; Family Support Directorate</b>									<b>596</b>	<b>2,508</b>	<b>1,559</b>	<b>900</b>

**SOCIAL SERVICES & WELLBEING**

SSW17/A SC18	A healthier wales	IP3	PC	Development of Extra Care Housing	Project is now in its final stages. All consultation has been completed. No adverse impact identified.	2,078	16%	330	330			
SSW19	A healthier wales	IP3	SUR	Further review of HALO partnership contract.	Previous negotiations have proved successful. No adverse impact identified.	1,416	8%	20	80	30		
SSW20	A healthier wales	IP3	MSR	Identify further savings from leisure centres and swimming pools including reviewing the number of facilities and also reductions in services or opening hours.	Reduced availability of services and accessibility to the public. Negative impact on healthier wales wellbeing goals.					40		
SSW21	A healthier wales	IP3	MSR	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.	3,107	2%		70			

Budget Reduction Proposals 2019-20 to 2022-23

Ref.	Links to 7 Wellbeing Goals	Improvement Priority 2016-20	Categories	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget 2018-19 £'000	Total Budget Reduction 2019-2023 as % of 2018-19 Budget	2018-19 Budget Reductions £'000	Proposed 2019-20 £'000	Indicative 2020-21 £'000	Indicative 2021-22 £'000	Indicative 2022-23 £'000
SSW22	A healthier wales	IP3	MSR	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	20		
SSW23	A healthier wales	IP3	SUR	Review charging for telecare services	New charges will be introduced together with an increase in other current charges.	350	43%		150			
SSW24	None	IP3	SUR	Staffing reconfiguration across SSWB Directorate	Reconfiguration of staff will require staff consultation.	N/A			345			
SSW25	A healthier wales	IP3	SUR	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.	6,853	2%		150			
SSW26	A healthier wales	IP2	MSR	Rationalising day service provision for older people and learning disability services including Bridgend Resource Centre	Full review of services which could mean alternative service provision required to meet assessed need.	2,795	8%		50	180		
<b>Total Social Services &amp; Wellbeing Directorate</b>									<b>1,235</b>	<b>270</b>	<b>0</b>	<b>0</b>

COMMUNITIES

COM4	A prosperous Wales	IP2	SUR	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.	75	27%		10	10		
COM20	None	IP3	SUR	Highways Dept Management Structural Savings Target	Loss of experienced, competent and qualified managers to deliver statutory functions. Reduced resilience for response to highway issues.	446	22%		100			
COM26	A more equal Wales	IP2	MSR	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.	20	75%		5	10		
COM42	A Healthier Wales	IP2	MSR	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.	2,082	7%		69	69		

Budget Reduction Proposals 2019-20 to 2022-23

Ref.	Links to 7 Wellbeing Goals	Improvement Priority 2016-20	Categories	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget 2018-19 £'000	Total Budget Reduction 2019-2023 as % of 2018-19 Budget	2018-19 Budget Reductions £'000	Proposed 2019-20 £'000	Indicative 2020-21 £'000	Indicative 2021-22 £'000	Indicative 2022-23 £'000
COM42a	A Healthier Wales	IP2	CST	Transfer of pitches/pavilions through Community Asset Transfer by May/June 2020. Increase charges for end-users to achieve full cost recovery for pitches/pavilions that have not transferred by this date. Reduction of grass cut areas and maintained parkland and number of children's play areas.	The savings identified for 2020-21 will see the removal of the majority of the remaining seasonal operatives budget, again with corresponding cuts to plant, equipment and materials. This cut will result in all of the outdoor leisure facilities effectively closing. Rugby, football, bowls and cricket will all but come to end in the Authority unless the clubs take over management of the sites under the Councils CAT strategy. The remaining parks budget will be used to maintain the Councils main parks and children's play grounds, highway grass cutting which is safety related, and to secure the ongoing site management and safety of the sites that will remain in Council ownership, but will no longer be maintained to a level suitable for the playing of outdoor sports. Open space grass cut areas will be reduced and the 117 children's play areas reduced.	2,082	14%			300		
COM43	None	IP2	CST	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.	40	100%		10	30		
COM44	A Wales of cohesive communities	IP3	MSR	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.	160	56%		45	44		
COM46	A Wales of cohesive communities	IP2	MSR	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.	200	74%	188	148			
COM47	A Wales of cohesive communities	IP3	SUR	Public Transport - efficiencies achieved under the Public Transportation budget	Reduced support available for wider Transportation budgets - e.g. works at Bridgend Bus Station.	389	6%		24			
COM49	None	IP3	SUR	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.	1,047	3%	110	30			
COM50	A prosperous Wales	IP3	SUR	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.	-618	2%		10			
COM51	None	IP3	SUR	Ongoing implementation of Corporate Landlord model	The savings will be delivered in a number of ways including operational efficiencies, streamlined business processes, IT investment, improved procurement and contract management, and some deletions of vacant posts.	3,066	11%	500		350		

Budget Reduction Proposals 2019-20 to 2022-23

Ref.	Links to 7 Wellbeing Goals	Improvement Priority 2016-20	Categories	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget 2018-19 £'000	Total Budget Reduction 2019-2023 as % of 2018-19 Budget	2018-19 Budget Reductions £'000	Proposed 2019-20 £'000	Indicative 2020-21 £'000	Indicative 2021-22 £'000	Indicative 2022-23 £'000
COM52	None	IP3	SUR	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.	4,008	32%	0	1,300			
COM53	None	IP3	SUR	Communities Management Restructure	Loss of experienced, competent and qualified managers to deliver statutory functions.	341	40%		135			
COM55	None	IP3	SUR	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.	£216k - net budget for green waste service	23%	0	25	25		
COM56	None	IP3	SUR	Increase charge for collection of 3 bulky waste items from £15.50 to £20.		£80K income budget	25%	0	10	10		
COM59	None	IP3	SUR	Reduction to the opening hours of the Community Recycling Centres by 1 hour, per day.		1,465	2%		17	17		
				<b>Total Communities Directorate</b>					<b>1,938</b>	<b>865</b>	<b>0</b>	<b>0</b>

**CHIEF EXECUTIVES**

CEX1	A healthier wales	IP3	SUR	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.	1,423	10%		111	37		
CEX2	None	IP1	SUR	Remove members' Community Action Fund	This will require approval from members following review of current scheme.	285	100%		285			
CEX3	None	IP3	SUR	Review of Business Support functions across the directorate	Reconfiguration of the service required, may result in slower response times and restructure.	Various			250			
CEX4	A healthier wales	IP2	SUR	Review of homelessness prevention budgets and allocation of related grants	There will be a reliance on grant funding and limited core funding available	471	50%		235			
CEX5	None	IP2	SUR	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	546	18%		100			
CEX6	None	IP3	SUR	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	100%		200			
CEX7	None	IP3	SUR	Review of non staff related ICT budgets including software	Minimal impact anticipated.	2,000	4%		80			
CEX8	None	IP3	SUR	Directorate leadership restructuring	Will reduce senior management capacity, and require some backfilling and review of functions.	Various			100			
CEX9	None	IP3	SUR	Review structures across customer contact, communications & marketing, housing and performance	Vacant posts would be frozen / deleted.	1475	5%		73			
CEX10	None	IP3	SUR	Review CCTV function with aim to create efficiencies	Potentially could impact on community safety	327	9%		30			
				<b>Total Chief Executive's Directorate</b>					<b>1,464</b>	<b>37</b>	<b>0</b>	<b>0</b>

**CORPORATE / COUNCIL WIDE**

Budget Reduction Proposals 2019-20 to 2022-23

Ref.	Links to 7 Wellbeing Goals	Improvement Priority 2016-20	Categories	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget 2018-19 £'000	Total Budget Reduction 2019-2023 as % of 2018-19 Budget	2018-19 Budget Reductions £'000	Proposed 2019-20 £'000	Indicative 2020-21 £'000	Indicative 2021-22 £'000	Indicative 2022-23 £'000
D6	Corporate Business	NONPTY	SUR	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.	5,113	39%		1,975			
CWD7	Corporate Business	NONPTY	SUR	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	100%		200			
CWD8	Corporate Business	NONPTY	SUR	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	100%		213			
				<b>Total Corporate / Council Wide</b>					<b>2,388</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>GRAND TOTAL REDUCTIONS</b>									<b>7,621</b>	<b>3,680</b>	<b>1,559</b>	<b>900</b>	<b>13,760</b>
<b>ESTIMATED BUDGET REDUCTION REQUIREMENT (MOST LIKELY)</b>									7,621	10,732	8,519	8,309	35,181
<b>REDUCTION SHORTFALL</b>									<b>0</b>	<b>7,052</b>	<b>6,960</b>	<b>7,409</b>	<b>21,421</b>

3,024	37	0	0
2,703	1,040	975	900
1,894	2,603	584	0
7,621	3,680	1,559	900

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**FEES AND CHARGES PROPOSALS 2019-20**

**APPENDIX C**

Type of Charge	Comment	Detail of Revised / New Fee or Charge
<b>EDUCATION AND FAMILY SUPPORT DIRECTORATE</b>		
'Paying place' i.e. the seat on a school bus that can be offered to those pupils who would not be eligible for a free place.	Following a review approved by Cabinet, to implement an increase to £2.00 per day which equates to an extra £19/year per pupil for a full calendar year	£2 per day
<b>SOCIAL SERVICES AND WELLBEING DIRECTORATE</b>		
Adult Social Care	Whilst charges are adjusted annually in light of the anticipated year's costs of providing services, it is a requirement that the charges reflect the actual costs of delivering services. It is therefore not possible to increase costs simply on the basis of an inflationary amount. Irrespective of the calculated charges for services, the amount an individual pays for any services is based on a financial means test, and for non-residential services is capped in line with the Fairer Charges (Wales) regulations. Welsh Government has advised that there will be a cap of £90 from 8 April 2019 irrespective of the total cost of all services provided to an individual.	There are a wide range of fees and charges levied across the service that will be considered separately for approval under delegated power, in some instances following agreement with service providers.
<b>COMMUNITIES DIRECTORATE</b>		
Bulky Household Waste	Whilst charges for the collection of Bulky Household Waste are adjusted annually in line with inflation, it is now considered appropriate to revisit the charge for the collection of such waste and to adjust it to more accurately reflect the cost of providing the service as permitted by The Controlled Waste (England and Wales) Regulations 2012.	The charge for the collection of 3 bulky waste items will be increased from £15.50 to £20, with the cost for the collection of additional bulky waste items increasing from £5.00 per item to £6.70 per item.

**FEES AND CHARGES PROPOSALS 2019-20**

**APPENDIX C**

Type of Charge	Comment	Detail of Revised / New Fee or Charge
Green Waste	<p>Whilst charges for the collection of Green Waste are adjusted annually in line with inflation, it is now considered appropriate to revisit the charge for the collection of such waste and to adjust it to more accurately reflect the cost of providing the service as permitted by The Controlled Waste (England and Wales) Regulations 2012.</p> <p>The charge for the collection of Green Waste will be increased by £10, from £28.30 per household to £38.30 per household with the concessionary charge increasing from £24.00 to £34.00.</p>	The charge will be increased by £10, from £28.30 per household to £38.30 per household with the concessionary charge increasing from £24.00 to £34.00.
Revised fee for householder permitted development enquiry	Increase in permitted development enquiry fee from £25 to £40 from 1st April, 2019	£40
New categories of permitted development enquiries and charges as assessed against Schedule 2 of the town and Country Planning (General Permitted Development) Order 1995 (as amended)	<p>New categories of permitted development enquiries and charges:</p> <ul style="list-style-type: none"> <li>· Agricultural and Forestry development - £50</li> <li>· Telecommunications Operators proposals - £50</li> <li>· Changes of Use of land and buildings - £50</li> <li>· Commercial/industrial development - £50</li> <li>· Non-domestic micro-generation/renewable energy schemes - £50</li> <li>· Domestic micro-generation/renewable energy schemes - £25</li> <li>· Temporary Uses and Buildings - £25</li> </ul>	£25 or £50
Revised charge for planning history search	<p>Planning History Search -</p> <ul style="list-style-type: none"> <li>- £40 per plot/site for applications since 1996</li> <li>- £80 per plot/site for applications since 1976</li> </ul> <p>(currently flat rate of £50)</p>	£40 or £80
Revised charge for printing off hard copies of planning decision notices	Providing Hard Copies of Decision Notices - £15 per decision (currently £10)	£15 per decision



## DIRECTORATE BASE BUDGETS BY SERVICE AREA

BASE BUDGET BY SERVICE AREA	Revised Budget 2018-19	Specific Transfers to/(from) WG	Inter Directorate Transfers	Pension changes	Pay/Prices/ Demographics	Adjustments for virements within Directorates	Budget Pressures 2019-20	Budget Reduction Proposals 2019-20	Revenue Budget 2019-20
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Central Education &amp; Family Support</b>									
INCLUSION	2,839			38	79	6		-257	2,705
FOUNDATION	934				3	-2	66		1,001
YOUTH SERVICE	440				25	-15			450
TRANSITION	0				2				2
POST-14	0								0
STATUTORY ADVICE & PSYCHOLOGY	368				9	2		-65	314
EMOTIONAL HEALTH & BEHAVIOUR	1,419			36	35	-6	132		1,616
SCHOOL IMPROVEMENT	632				2	19		-30	623
SCHOOLS MUSIC SERVICE	9				7				16
ADULT LEARNING	113				5	15			133
SKILLS	116				19	-13			122
STRATEGIC PLANNING & RESOURCES	3,683				4	-1			3,686
BUSINESS STRATEGY & SUPPORT	280				8	1			289
SUPPORT FOR CHILDREN&LEARNERS	6,160				135	11	469	-203	6,572
COMMISSIONING & PARTNERSHIPS	1,494			4	88	-58			1,528
STRATEGIC MANAGEMENT	1,456				52	37			1,545
YOUTH OFFENDING SERVICE	384				17	1		-41	361
ARCHITECTS	0				0				0
HEALTH & SAFETY	228				3	3	150		384
	<b>20,555</b>	<b>0</b>	<b>0</b>	<b>78</b>	<b>493</b>	<b>0</b>	<b>817</b>	<b>-596</b>	<b>21,347</b>
<b>Schools</b>									
SCHOOL DELEGATED BUDGETS	90,321	954		1,977	1,289		320	0	94,861
	<b>90,321</b>	<b>954</b>	<b>0</b>	<b>1,977</b>	<b>1,289</b>	<b>0</b>	<b>320</b>	<b>0</b>	<b>94,861</b>
<b>Social Services &amp; Wellbeing</b>									
OLDER PEOPLE	20,061	299			653		0	-550	20,463
ADULT PHYS DIS/SENS IMPAIRMENT	4,422				57		0	0	4,479
ADULTS LEARNING DISABILITIES	14,946				232		229	-200	15,207
ADULTS MENTAL HEALTH NEEDS	3,259				63		0	0	3,322
OTHER ADULT SERVICES	219				4		0	0	223
ADULT SERVICES MGT & ADMIN	3,410				98		38	-275	3,271
RECREATION AND SPORT	5,205				23		0	-210	5,018
CHILDREN'S SERVICES	18,433				394		24	0	18,851
	<b>69,955</b>	<b>299</b>	<b>0</b>	<b>0</b>	<b>1,524</b>	<b>0</b>	<b>291</b>	<b>-1,235</b>	<b>70,834</b>
<b>Communities</b>									
DEVELOPMENT	362				24	8		-10	384
REGENERATION	2,216				33	11		-7	2,253
REGEN & DEVELOP-MGMT	131				1	0		-107	25
STREETWORKS	11,225				74	-74	36	-1,380	9,881
HIGHWAYS AND FLEET	6,489				94	26	234	-100	6,743
TRANSPORT & ENGINEERING	884				56	-16		-262	662
PARKS & OPEN SPACES	2,082				128	1		-69	2,142
STREET SCENE MGT & ADMIN	120				2	0		-3	119
CORPORATE LANDLORD MANAGEMENT	74				3	1			78
TOTAL FACILITIES MANAGEMENT	293				107	15			415
STRATEGIC ASSET MANAGEMENT	2,451		-185		37	23	88		2,414
CAPITAL DESIGN AND DELIVERY	57				7	5			69
DIRECTOR - COMMUNITIES	143				3	0			146
	<b>26,527</b>	<b>0</b>	<b>-185</b>		<b>569</b>	<b>0</b>	<b>358</b>	<b>-1,938</b>	<b>25,331</b>
<b>Chief Executive's</b>									
CHIEF EXECUTIVE	520				-9			0	511
INTERNAL AUDIT	313				0			0	313
FINANCE	3,024				108		75	0	3,207
PERFORMANCE	178				33			-32	179
HR&ORGANISATIONAL DEVELOPMENT	1,637				40			-55	1,622
TRANSFORMATION	419				19			-17	421
COMMUNICATION AND ENGAGEMENT	1,622				38			-74	1,586
LEGAL SERVICES	1,763				59			-13	1,809
DEMOCRATIC SERVICES	1,823				43			-285	1,581
PROCUREMENT	275				4			0	279
REGULATORY SERVICES	1,459				40			-111	1,388
ELECTIONS	136				3			0	139
ICT	3,734				51			-280	3,505
HOUSING & COMMUNITY REGEN	1,536				-29			-347	1,160
BUSINESS UNIT	1,099				60			-250	909
	<b>19,538</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>460</b>	<b>0</b>	<b>75</b>	<b>-1,464</b>	<b>18,609</b>
<b>Total Directorate Budgets</b>	<b>226,896</b>	<b>1,253</b>	<b>-185</b>	<b>2,055</b>	<b>4,335</b>	<b>0</b>	<b>1,861</b>	<b>-5,233</b>	<b>230,982</b>
CAPITAL FINANCING	9,405							-1,975	7,430
LEVIES	7,046						330		7,376
REPAIRS & MAINTENANCE	870								870
COUNCIL TAX REDUCTION SCHEME	14,354				500				14,854
APPRENTICESHIP LEVY	700								700
PENSION RELATED COSTS	430								430
INSURANCE PREMIUMS	1,588								1,588
OTHER CORPORATE BUDGETS	4,695	108	185		2,004			-413	6,579
<b>Total Council Wide Budgets</b>	<b>39,088</b>	<b>108</b>	<b>185</b>	<b>0</b>	<b>2,504</b>	<b>0</b>	<b>330</b>	<b>-2,388</b>	<b>39,827</b>
<b>TOTAL BUDGETS</b>	<b>265,984</b>	<b>1,361</b>	<b>0</b>	<b>2,055</b>	<b>6,839</b>	<b>0</b>	<b>2,191</b>	<b>-7,621</b>	<b>270,809</b>

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**2019-20 DIRECTORATE BASE BUDGETS IN LINE WITH CORPORATE PRIORITIES / WELL-BEING OBJECTIVES**

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<b>Service Budgets</b>	<b>Supporting a Successful Economy £'000</b>	<b>Helping People To Be More Self-Reliant £'000</b>	<b>Smarter Use Of Resources £'000</b>	<b>Core Services &amp; Statutory Functions £'000</b>	<b>TOTAL £'000</b>
Central Education & Family Support	6,930	1,137	0	13,280	21,347
Schools	38,796	0	0	56,065	94,861
Social Services and Wellbeing	12	53,190	228	17,404	70,834
Communities	3,603	1	3,199	18,528	25,331
Chief Executive's	-8	1,372	567	16,678	18,609
Corporate Budgets	304	0	0	39,523	39,827
<b>NET BUDGET REQUIREMENT</b>	<b>49,637</b>	<b>55,700</b>	<b>3,994</b>	<b>161,478</b>	<b>270,809</b>

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## RESERVES AND BALANCES PROTOCOL

### 1. Background

- 1.1 Bridgend County Borough Council is required to maintain adequate financial reserves to meet the needs of the organisation. The purpose of this protocol is to set out how the Council will determine and review the level of its Council Fund Balance and Earmarked Reserves. The protocol has regard to LAAP Bulletin 99 'Local Authority Reserves and Balances', issued in July 2014.
- 1.2 The requirement for local authorities to hold financial reserves is acknowledged in statute. Reserves are one component of an authority's medium-term financial planning—other components include revenue spending plans, income forecasts, potential liabilities, capital investment plans, borrowing and council tax levels. These decisions are inter-linked. This means that, to ensure prudent financial management, some authorities will need to maintain reserves at higher levels than others.
- 1.3 Section 32 and 43 of the Local Government Finance Act 1992 require local authorities in Wales to have regard to the level of reserves needed to meet estimated spending when calculating the budget requirement. Section 25 of the Local Government Act 2003 requires:-
- the Chief Finance Officer to report to Members on the budget including the adequacy of reserves; and
  - Members to have regard to the Chief Finance Officer's report in making their decisions.
- 1.4 As a result, in reviewing medium-term financial plans and preparing annual budgets, the Council will consider the establishment and maintenance of reserves for the Council Fund. The nature and level of reserves will be determined formally by the Council, informed by the judgement and advice of the Chief Finance Officer (CFO).
- 1.5 In November 2018, Alun Davies, the then Cabinet Secretary for Local Government and Public Services, issued a Statement which said "it is prudent to build up and hold reserves for specific purposes, including transforming services to meet the continuing financial pressures, which I recognise Councils face...I believe that local authorities in Wales will wish to use their reserves strategically to drive forward the change required to deliver essential services to communities. They will need to consider how to use available funds to work with others to deliver longer term efficiencies".

### 2. Types of Reserve

- 2.1 The Council will maintain the following usable reserves:

Nature of Reserve	Description
Council Fund	to manage the impact of uneven cash flows and unexpected events or emergencies;
Earmarked Reserves	to meet known or predicted requirements and include Contingency Reserves, Directorate Reserves and Transformational Reserves. Earmarked Reserves will be established on a "needs" basis, in line with planned or anticipated requirements;
Delegated School Balances	these represent the cumulative effect of over and under-spending on school delegated budgets not available to the Council;
Equalisation Reserves	to spread the costs incurred in a particular future year over the period of the Medium Term Financial Strategy (MTFS);
Capital Receipts Reserve	this has been shown for completeness as it forms part of the Usable Reserves of the Council. Capital Receipts are available to finance capital expenditure in future years.

- 2.2 The Council will also maintain a number of other reserves that arise out of the interaction between legislation and proper accounting practices. These reserves, which are not resource-backed, will be specified in the annual Statement of Accounts. These are called Unusable Reserves. The Council's

unusable reserves are the Capital Adjustment Account, the Revaluation Reserve and the Pension Reserve. These will not be referenced within this Protocol.

### 3. Regulatory Framework

- 3.1 It is the responsibility of the CFO to advise local authorities about the level of reserves that they should hold and to ensure that there are clear protocols for their establishment and use. CIPFA do not accept the case for introducing a generally applicable minimum level of reserves either as an absolute amount or a percentage of budget. It is for the local authority to make their own judgements based on relevant local circumstances.
- 3.2 For each Earmarked Reserve there needs to be a clear protocol setting out:-
- The reason for / purpose of the Reserve
  - How and when the Reserve can be used
  - Procedures for the management and control of the Reserve
  - A process and timescale for review

### 4. Principles to Assess the Adequacy of Reserves

- 4.1 The CFO will advise the Council on the adequacy of reserves. In considering the general reserve, or Council Fund, the CFO will have regard to:
- the strategic financial context within which the Council will be operating through the medium-term;
  - the overall effectiveness of governance arrangements and the system of internal control;
  - the robustness of the financial planning and budget-setting process;
  - the effectiveness of the budget monitoring and management process.
- 4.2 CIPFA guidance on Local Authority Reserves and Balances advises that a statement reporting on the annual review of earmarked reserves should be made to Council, at the same time as the budget is approved. Within the Council's Medium Term Financial Strategy (MTFS), there are a number of main principles that relate to reserves. These are detailed below:-

#### **MTFS Principle 8**

**The Council Fund balance will be maintained at a minimum of £7 million over the MTFS period and reach 2.7% of Gross Revenue Expenditure by 2020-21**

The Council Fund balance provides resources for purposes such as general contingencies and cash flow management. It acts as a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing. It acts as a contingency to cushion the impact of unexpected events or emergencies. This is in accordance with CIPFA's Guidance Note on Local Authority Reserves and Balances. The Council Fund balance at the 31 March 2018 was £8.347 million (£7.960 million 16-17). This represents 2.47% of Gross Revenue Expenditure (GRE) for 2017-18 (2.46% of gross revenue expenditure for 2016-17). In comparison, the All Wales average was 2.99% gross revenue expenditure or £8.940 million for the same period with local authorities ranging from 1.64% to 5.72%. The Council was ranked 14<sup>th</sup> on the percentage of Council Fund compared to GRE.

## **MTFS Principle 2**

### **Adequate provision is made to meet outstanding and reasonably foreseen liabilities**

The Council holds a number of earmarked reserves to cover potential liabilities or for unforeseen events and include the Insurance Earmarked Reserve and a Major Claims Reserve. These are reviewed throughout the year and the balances are adjusted at the end of the financial year based on the most up to date information of potential outstanding liabilities. This process includes analysis of external assessments or actuary reports on the levels needed for the insurance or pension funds. The Council also holds an Insurance Provision to meet the estimated cost to the Council of outstanding liabilities for Employer's Liability, Public Liability and Property.

## **MTFS Principle 7**

### **Balances are not used to fund recurrent budget pressures or to keep down council tax rises unless an equivalent saving or increase in council tax is made in the following year in recognition that balances are a one-off resource.**

The principle allows for the use of balances where there is to be an equivalent saving in the following year. There are a number of Earmarked Reserves that have been established specifically relating to this principle. For example, the funding of new Information Technology to make services more efficient in the future. These reserves will be utilised over the forthcoming financial year.

## **MTFS Principle 9**

### **Capital investment decisions support the Council's corporate priorities and mitigate any statutory risks taking account of return on investment and sound option appraisals.**

In order to support sound option appraisals, a Capital Feasibility earmarked reserve has been created. Capital investment is intrinsic in the MTFS and as a result there are also Earmarked Reserves that support asset management planning, fund capital minor works in relation to health and safety and one specifically to support major schemes within the Capital Programme of the Council. Additions have been made during 2018-19 to provide for significant capital pressures over the MTFS period.

## **MTFS Principle 12**

### **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 is maintained.**

The MTFS proposed the establishment of a Change Management Programme Earmarked Reserve specifically to support delivery of the Corporate Plan and MTFS. There are also some other earmarked reserves which are supporting service reconfiguration and digital transformation.

The current financial landscape demands that significant savings need to be made in order to deliver a sustainable budget. It is therefore prudent to have reserve levels to provide a buffer or a safeguard during uncertain times. An Earmarked Reserve has been established at a level determined annually following an assessment of budget reductions categorised as 'red' and deemed material within the MTFS. This will provide additional capacity for discretionary use by the CFO to manage inescapable problems with delivery.

## **5. Establishment and Monitoring of Reserves**

- 5.1 In considering specific reserves, the CFO will have regard to matters relevant in respect of each reserve, and will advise the Council accordingly. The process for the determination of Directorate reserves will be based upon the principles of effective financial management. The agreement of business cases will be determined by the CFO, having considered the recommendations of the Corporate Management Board.
- 5.2 Directorate Finance Officers are issued with details of how to apply for Earmarked Reserves within the Closing of Accounts Pack for the financial year. The requested amount must be material and should be restricted in number to those considered to be of key importance. Subject to these criteria being met, the Directorate will be informed of whether the requests have been approved.
- 5.3 The CFO and Group Managers Finance will review the establishment, monitoring and the level of Corporate Reserves. These include Specific Contingency Reserves, Capital Development or Asset Related Reserves and MTFS/Transformational Reserves. The meetings will examine evidence from external information such as actuary reports or insurance and risk management assessments; changes in legislation; new emerging risks or capital initiatives. The establishment of the Earmarked Reserves, both Directorate and Corporate, is authorised by CFO and reported to Cabinet within the Quarterly Monitoring Reports during the financial year and within the Statement of Accounts for any set up at the end of the financial year. The draft accounts are presented to Audit Committee following the end of the financial year. They are then scrutinised by External Audit and a revised post-audit Statement of Accounts is reported to Audit Committee and published on the Council's website in accordance with the Accounts and Audit (Wales) Regulations.
- 5.4 The CFO will monitor the drawdown of specific reserves in accordance with the agreed policy, and keep Members advised, through normal monitoring reports. Reserves can only be used once and should not be held to fund ongoing expenditure (MTFS Principle 7). This would be unsustainable as, at some point, the reserves would be exhausted. To the extent that reserves are used to meet short term funding gaps, they must be replenished in the following year. However, Earmarked Reserves that have been used to meet a specific liability would not need to be replenished, having served the purpose for which they were originally established.
- 5.5 All Earmarked Reserves are recorded on a central schedule held by the Financial Control and Closing Team which lists the various Earmarked Reserves and the purpose for which they are held and shows the estimated opening balances for the year, planned additions/withdrawals and the estimated closing balance. Any appropriations to or from Earmarked Reserves are controlled by this Team. Evidence of expenditure incurred at period 6, period 9 and year-end will be required from Directorate Finance Officers. The drawdown from reserves will be included within the Quarterly Monitoring Reports to Cabinet. Appropriate working papers for each reserve are produced at year-end and provided to the External Auditor to support the disclosures within the Statement of Accounts.

## **6. Summary of Specific Provisions and Balances**

- 6.1 As well as the Council Fund and Earmarked Reserves, there are a number of specific provisions and balances as follows:-

### **a) Delegated School Balances**

These balances represent the cumulative effect of over and under-spending on school delegated budgets not available to the Council. School balances were only £360,000 at 31 March 2018. Current projections suggest that these balances will be significantly depleted by 31 March 2019 as more schools fall into a deficit position and projections suggest a negative reserve of £870,000.

### **b) Specific Provisions**

The Council holds provisions for unforeseen events with the major one being to meet the total outstanding liability of Bridgend's self-insurance fund based on a professional analysis of the claims outstanding for Employer's Liability, Public Liability and Property. The current projections



suggest that the balance on the provisions will be around £5.500 million by 31 March 2019 (£2.888 million at 31 March 2018).

## **7. Summary of Earmarked Reserves**

7.1 A summary of the Earmarked Reserves are detailed below:-

a) Reserves Held for Directorates' Planned Developments

These reserves are for a number of planned developments in the forthcoming years such as pressures on the Looked After Children budget, ICT and Financial Systems, Adult Social Care developments as well as specific Directorate issues. These reserves will be increased at year-end to meet any agreed funding arising from planned under spends within Directorates. Any reserves that are no longer required will be released back into the general revenue budget. Some of these reserves are used over a number of financial years.

b) Specific Contingency Reserves

These reserves have been created to cover specific known risks including one off service pressures identified in MTFS Council Reports, the deficit on the pension fund, major capital contractual claims and the assessment for future insurance liabilities from the insurance and risk management advisors.

c) Capital Development or Asset Related Reserves

These reserves have been set up for a number of reasons to support the Council's Asset Management Plan and Capital Strategy. They include a reserve that provides a revenue contribution to the capital programme, to enable schemes to be progressed more quickly to alleviate pressure on the revenue budget and accelerate the realisation of capital receipts that may include the costs of demolition of non-saleable surplus properties and related health and safety works, one for planned maintenance expenditure and any emergency works on the Council's buildings and establishments and one for capital feasibility studies and asset management plans. There are two new reserves created to help support the Capital Strategy and these are the Capital Asset Management Fund and the Highways Asset Management Fund.

d) Medium Term Financial Strategy (MTFS)/Transformational Reserve

These reserves have been established to support digital transformation, severance costs and costs associated with providing corporate capacity to progress planned developments linked to achieving budget reductions and transformational change as articulated in the MTFS and the Bridgend Change Programme.

e) Equalisation of Spend Reserves

These reserves ensure that expenditure that is incurred in a particular future year is smoothed over the period of the MTFS. These include the costs of elections, Building Control Costs, Special Regeneration Fund projects and the preparation of the Local Development Plan.

7.2 The table below sets out the forecast movement in the Council's Earmarked Reserves by the end of the financial years 2018-19 and 2019-20. It is based on estimates of expenditure at period 9 projected forward to year end for 2018-19 and where expenditure is forecast for 2019-20 this is also included. It does not include the potential increase of reserves for 2018-19 at year end but does include some additional increases in reserves agreed by the CFO at period 10.

Opening Balance 1 April 2018	Reserve	Projected Movement 2018-19		Closing Balance 31 March 2019	Projected Movement 2019-20	Closing Balance 31 March 2020
		Additions / Reclassification	Draw down			
		£'000	£'000			
97	Chief Executive Partnership Reserve	-	-	97	(97)	-
1,952	Directorate Issues	363	(1,041)	1,274	(863)	412
53	Donations Reserve Account	1	-	54	(54)	-
5	Human Resources Reserve	(5)	-	-	-	-
1,205	ICT & Finance Systems	(250)	(320)	635	(128)	507
20	Local Development Plan IT System	(20)	-	-	-	-
939	Looked After Children	-	-	939	-	939
312	Porthcawl Regeneration	-	(3)	309	-	309
220	Property Reserve	-	(14)	206	(206)	-
78	Safe Routes to Schools	-	(22)	56	(56)	-
116	School Projects Reserve	152	(268)	-	-	-
51	Waste Awareness Reserve	82	(61)	72	(72)	-
722	Wellbeing Projects	-	-	722	-	722
<b>5,770</b>	<b>Reserves Held for Directorates' Planned Developments</b>	<b>323</b>	<b>(1,729)</b>	<b>4,364</b>	<b>(1,475)</b>	<b>2,889</b>
1,000	Corporate Pressures Contingency	(1,000)	-	-	-	-
2,335	Insurance Reserve	2,320	(2,494)	2,161	-	2,161
8,022	Major Claims Reserve	(2,748)	(2,801)	2,473	-	2,473
800	MTFS Budget Contingency	1,000	(200)	1,600	-	1,600
300	Welfare Reform	-	-	300	-	300
<b>12,457</b>	<b>Specific Contingency Reserves</b>	<b>(428)</b>	<b>(5,495)</b>	<b>6,534</b>	<b>-</b>	<b>6,534</b>
1,362	Asset Management Plan	281	(133)	1,509	(715)	794
1,023	Building Maintenance Reserve	(27)	(17)	979	(404)	575
-	Capital Asset Management Fund	500	-	500	530	1,030
354	Capital Feasibility Fund	(40)	(21)	293	(150)	142
12,082	Capital Programme Contribution	1,447	(2,165)	11,364	(3,413)	7,951
119	DDA Emergency Works	(119)	-	-	-	-
-	Highways Asset Management Fund	1,290	-	1,290	-	1,290
101	Property Disposal Strategy	14	-	115	-	115
57	Public Realm	(57)	-	-	-	-
<b>15,098</b>	<b>Capital Development or Asset Related Reserves</b>	<b>3,290</b>	<b>(2,336)</b>	<b>16,051</b>	<b>(4,153)</b>	<b>11,898</b>
1,183	Change Management	482	(188)	1,477	(598)	879
1,088	City Deal Reserve	-	(688)	400	(400)	-
1,255	Digital Transformation	-	(181)	1,074	-	1,074
7,957	Service Reconfiguration	-	(2,911)	5,046	(785)	4,261
<b>11,483</b>	<b>MTFS / Transformational Reserves</b>	<b>482</b>	<b>(3,968)</b>	<b>7,997</b>	<b>(1,783)</b>	<b>6,214</b>
<b>44,808</b>	<b>TOTAL EARMARKED RESERVES</b>	<b>3,667</b>	<b>(13,529)</b>	<b>34,946</b>	<b>(7,411)</b>	<b>27,535</b>
	<b>Equalisation &amp; Grant Reserves:-</b>					
22	Building Control Reserve	2	-	24	2	26
186	Civil Parking Enforcement	-	(60)	126	(25)	101
28	Election Costs	-	-	28	-	28
759	Highways Reserve	(759)	-	-	-	-
975	IFRS Grants	154	(454)	675	(476)	199
109	Legal Fees	-	-	109	-	109
213	Local Development Plan	54	-	267	20	287
615	Special Regeneration Fund	-	-	615	-	615
<b>2,907</b>	<b>Equalisation &amp; Grant Reserves</b>	<b>(549)</b>	<b>(514)</b>	<b>1,844</b>	<b>(479)</b>	<b>1,365</b>
<b>47,715</b>	<b>TOTAL RESERVES</b>	<b>3,117</b>	<b>(14,042)</b>	<b>36,790</b>	<b>(7,891)</b>	<b>28,900</b>

NB: Differences due to rounding of £'000s



	Improvement Priority	Total 2018-2029			Total Costs to 31-3-18 £'000	Dec 2018 £'000	2018-2019				2019-2020 £'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	CUMULATIVE	
		Total Cost £'000	BCBC Funding £'000	External Funding £'000			New Approvals £'000	Vire £'000	Slippage £'000	Revised 2018-19 £'000											Total 2018 - 2029	
																					£'000	£'000
Smart System and Heat Programme	IP1	250	250	-	-	100	-	-	100	-	100	100	50	-	-	-	-	-	-	-	250	
Non-ymoeo Community Facilities (former Berwyn Centre)	NONPTY	200	200	-	-	200	-	-	200	-	-	-	-	-	-	-	-	-	-	-	200	
Community Projects	IP3	778	778	-	480	278	-	-	278	50	50	50	50	50	50	50	50	50	50	50	778	
Property																						
Corporate Landlord - Energy Savings Strategy	IP3	1,300	1,300	-	-	-	-	-	-	635	665	-	-	-	-	-	-	-	-	-	1,300	
Enterprise Hub - Innovation Centre	IP3	3,522	1,174	2,348	-	325	-	-	325	658	2,452	42	45	-	-	-	-	-	-	-	3,522	
Minor Works	IP3	12,268	12,268	-	-	1,398	-	-	1,398	1,830	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	12,268	
Civic Offices External Envelope	IP3	54	54	-	2,496	54	-	-	54	-	-	-	-	-	-	-	-	-	-	-	54	
Relocation of Depot Facilities	IP3	951	951	-	225	951	-	-	951	-	-	-	-	-	-	-	-	-	-	-	951	
Warrington Upgrade	IP3	8,144	8,144	-	-	3,200	-	-	3,200	-	8,144	-	-	-	-	-	-	-	-	-	8,144	
Relocation of Registrars	IP3	275	275	-	-	30	-	-	30	245	-	-	-	-	-	-	-	-	-	-	275	
Non-Operational Assets	IP3	480	480	-	520	480	-	-	480	-	-	-	-	-	-	-	-	-	-	-	480	
Capital Asset Management Fund	IP3	1,500	1,500	-	-	-	-	-	-	1,500	-	-	-	-	-	-	-	-	-	-	1,500	
<b>Total Communities</b>		<b>117,349</b>	<b>69,411</b>	<b>47,938</b>	<b>11,086</b>	<b>20,362</b>	<b>40</b>	<b>0</b>	<b>-4,548</b>	<b>15,854</b>	<b>31,095</b>	<b>16,714</b>	<b>7,820</b>	<b>6,412</b>	<b>8,857</b>	<b>8,870</b>	<b>8,884</b>	<b>8,899</b>	<b>2,797</b>	<b>1,147</b>	<b>117,349</b>	
<b>Chief Executive's</b>																						
Corporate Capital Fund	IP3	2,000	2,000	-	-	-	-	-	-	200	200	200	200	200	200	200	200	200	200	200	2,000	
<b>ICT</b>																						
Investment in ICT	IP3	300	300	-	-	300	-	-	300	-	-	-	-	-	-	-	-	-	-	-	300	
Digital Transformation	IP3	520	520	-	480	520	-	-	520	-	-	-	-	-	-	-	-	-	-	-	520	
ICT Laptop Replacement (Life Expired)	IP3	327	327	-	223	327	-	-	327	-	-	-	-	-	-	-	-	-	-	-	327	
Civic Desktop PC's	IP3	346	346	-	-	346	-	-	346	-	-	-	-	-	-	-	-	-	-	-	346	
Digital Meeting Spaces	IP3	129	129	-	21	129	-	-	129	-	-	-	-	-	-	-	-	-	-	-	129	
<b>Housing / Homelessness</b>																						
Housing Renewal / Empty Properties	IP1	1,100	1,100	-	544	100	-	-	100	100	100	100	100	100	100	100	100	100	100	100	1,100	
Disabled Facilities Grants	IP2	22,359	22,359	-	7,343	2,359	-	-	2,359	2,450	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	22,359	
Enable Grant	IP2	180	-	180	-	180	-	-	180	-	-	-	-	-	-	-	-	-	-	-	180	
Brynmelyn Homelessness Unit	IP2	119	119	-	1	119	-	-	119	-	-	-	-	-	-	-	-	-	-	-	119	
<b>Total Chief Executive's</b>		<b>27,380</b>	<b>27,200</b>	<b>180</b>	<b>8,612</b>	<b>4,380</b>	<b>-</b>	<b>-</b>	<b>520</b>	<b>3,860</b>	<b>3,270</b>	<b>2,250</b>	<b>2,250</b>	<b>2,250</b>	<b>2,250</b>	<b>2,250</b>	<b>2,250</b>	<b>2,250</b>	<b>2,250</b>	<b>2,250</b>	<b>27,380</b>	
Unallocated		7,190	7,190	-	-	-	-	-	-	-	-	-	-	-	-	-	477	1,473	2,055	3,185	7,190	
<b>Total Expenditure</b>		<b>242,979</b>	<b>144,122</b>	<b>98,857</b>	<b>102,304</b>	<b>40,695</b>	<b>567</b>	<b>-</b>	<b>5,788</b>	<b>35,474</b>	<b>36,157</b>	<b>21,713</b>	<b>18,794</b>	<b>23,831</b>	<b>36,985</b>	<b>27,376</b>	<b>15,761</b>	<b>13,204</b>	<b>7,102</b>	<b>6,582</b>	<b>242,979</b>	
<b>Expected Capital Resources</b>																						
<b>General Capital Funding</b>																						
General Capital Funding - General Capital Grant		30,796	30,796	-	-	2,394	-	-	2,215	-	4,609	3,727	3,284	2,397	2,397	2,397	2,397	2,397	2,397	2,397	30,796	
General Capital Funding - Supported Borrowing		43,315	43,315	-	-	3,935	-	-	-	3,935	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	43,315	
Capital Receipts - Schools		5,682	5,682	-	-	7,897	-	-	-2,215	-	5,682	-	-	-	-	-	-	-	-	-	5,682	
Capital Receipts - General		18,424	18,424	-	-	8,196	-	-	2,713	5,483	9,615	3,326	-	-	-	-	-	-	-	-	18,424	
Earmarked Reserves		25,879	25,879	-	-	9,206	-	-	2,605	6,601	5,322	2,284	4,387	2,341	1,236	1,236	1,236	1,236	1,236	1,236	25,879	
Revenue Contribution		323	323	-	-	233	-	-	-	233	41	49	-	-	-	-	-	-	-	-	323	
Prudential Borrowing (Directorate Funded)		4,218	4,218	-	-	2,152	-	-	1,350	470	332	4,676	3,208	1,058	1,058	3,056	3,055	3,056	2,090	16,246	4,218	
Prudential Borrowing (Corporately Funded)		12,985	12,985	-	-	-	-	-	1,350	1,350	3,514	-	2,300	874	4,220	727	-	-	-	-	12,985	
SALIX Interest Free Loan - WG		2,500	2,500	-	-	300	-	-	-	300	1,100	1,100	-	-	-	-	-	-	-	-	2,500	
<b>Sub-Total General Capital Funding</b>		<b>144,122</b>	<b>144,122</b>	<b>-</b>	<b>34,313</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,788</b>	<b>28,525</b>	<b>31,933</b>	<b>17,189</b>	<b>14,080</b>	<b>10,608</b>	<b>14,847</b>	<b>11,353</b>	<b>10,626</b>	<b>10,627</b>	<b>4,245</b>	<b>-9,911</b>	<b>144,122</b>	
<b>External Funding Approvals</b>																						
WG - 21st Century Schools		45,929	-	45,929	-	623	-	-	-	623	-	-	-	9,683	19,577	13,474	2,572	-	-	-	45,929	
WG - Enable Grant		180	-	180	-	180	-	-	-	180	-	-	-	-	-	-	-	-	-	-	180	
WG - Safe Routes in Communities		950	-	950	-	950	-	-	-	950	-	-	-	-	-	-	-	-	-	-	950	
WG - Porthcawl Revetment		1,681	-	1,681	-	1,681	-	-	-	1,681	-	-	-	-	-	-	-	-	-	-	1,681	
WG - Eastern Promenade		287	-	287	-	287	-	-	-	287	-	-	-	-	-	-	-	-	-	-	287	
WG - Integrated Care Fund (ICF)		817	-	817	-	300	517	-	-	817	-	-	-	-	-	-	-	-	-	-	817	
WG - Welsh Medium Capital Grant		2,600	-	2,600	-	-	-	-	-	180	320	1,094	980	26	-	-	-	-	-	-	2,600	
WG - Infant Class Size Grant		750	-	-	-	-	10	-	-	542	198	-	-	-	-	-	-	-	-	-	750	
Loan - WG		2,246	-	2,246	-	-	-	-	-	2,246	-	-	-	-	-	-	-	-	-	-	2,246	
Westminster		34,477	-	34,477	-	-	-	-	-	-	114	2,266	2,523	2,535	2,549	2,563	2,577	2,857	16,493	-	34,477	
S106		493	-	493	-	444	-	-	-	444	49	-	-	-	-	-	-	-	-	-	493	
Transport Grant		480	-	480	-	440	40	-	-	480	-	-	-	-	-	-	-	-	-	-	480	
Heritage Lottery Fund (HLF)		748	-	748	-	135	-	-	-	135	105	300	208	-	-	-	-	-	-	-	748	
EU		6,569	-	6,569	-	1,192	-	-	-	1,192	1,102	3,342	896	37	-	-	-	-	-	-	6,569	
Other		650	-	650	-	150	-	-	-	150	-	250	250	-	-	-	-	-	-	-	650	
<b>Sub-Total External Funding Approvals</b>		<b>98,857</b>	<b>-</b>	<b>98,857</b>	<b>6,382</b>	<b>567</b>	<b>-</b>	<b>-</b>	<b>6,949</b>	<b>4,224</b>	<b>4,524</b>	<b>4,714</b>	<b>13,223</b>	<b>22,138</b>	<b>16,023</b>	<b>5,135</b>	<b>2,577</b>	<b>2,857</b>	<b>16,493</b>	<b>-</b>	<b>98,857</b>	
<b>Total Funding Available</b>		<b>242,979</b>	<b>144,122</b>	<b>98,857</b>	<b>40,695</b>	<b>567</b>	<b>-</b>	<b>-</b>	<b>5,788</b>	<b>35,474</b>	<b>36,157</b>	<b>21,713</b>	<b>18,794</b>	<b>23,831</b>	<b>36,985</b>	<b>27,376</b>	<b>15,761</b>	<b>13,204</b>	<b>7,102</b>	<b>6,582</b>	<b>242,979</b>	

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

**IMPROVEMENT PRIORITY**  
IP1 - Supporting a Successful Economy  
IP2 - Helping People to be Self-Reliant  
IP3 - Smarter Use of Resources  
NONPTY - Core Services & Statutory Functions

**CABINET RESPONSE TO CRI OVERVIEW AND SCRUTINY COMMITTEE ON BUDGET ISSUES**

	<b>BREP/Scrutiny Recommendation</b>	<b>Cabinet Response</b>
	<b>BREP Recommendations</b>	<b>Cabinet Response</b>
<b>1</b>	Members recommend that research is undertaken into how the Authority is able to deliver services imposed by Welsh Government without any additional monies as outlined in paragraph 1.7 and meet the associated additional costs - A pan Wales approach may well be more valuable. This will provide the evidence needed to enable the Council to lobby for supplementary monies to carry out legislative pressures effectively. In addition to this the Panel recommend that any lobbying for extra funding is carried out publically, to demonstrate to the public how much services costs and how much has allocated to each service.	<p>Generally it is the WLGA that will lobby for additional funding on behalf of local authorities in Wales if there are additional financial pressures caused as a result of legislative changes. However, in addition the Leader and various Cabinet members and Chief Officers have written on various occasions to relevant Welsh Government ministers and officials making the case where there are pressures and seeking additional funding.</p> <p>There have also been several meetings with Welsh Government officials and ministers, on the same basis, both with the WLGA and also separately lobbying for Bridgend.</p>
<b>2</b>	Members recommend that in relation to any departmental restructure a corporate approach is instigated across all Directorates, taking a bottom up approach. The Panel further recommend that any reorganisation is carried out following discussions and thorough planning by Cabinet/CMB. The Panel identified that this may well be suitable to form one of a number of annual objectives for the new Chief Executive.	<p>Currently CMB take an overview of proposed Directorate restructure proposals and of course HR ensure corporate consistency and equality. Directorate restructures are often necessitated as a result of MTFS proposals and so are, as a requirement, 'bottom up'. Every Directorate has been restructured over the last few years, often on three or four occasions, resulting in reductions in the number of staff.</p> <p>Unfortunately CMB are not quite sure of the point being made by this recommendation so clarification from BREP would be welcome.</p>

**CABINET RESPONSE TO CRI OVERVIEW AND SCRUTINY COMMITTEE ON BUDGET ISSUES**

	<b>BREP/Scrutiny Recommendation</b>	<b>Cabinet Response</b>
3	Members state that some of the proposed budget reductions in this Directorate will provide small savings in the short term but will incur costs in the future. The Panel used the reduction of weed spraying as a short term example, stating that in the long run it could impact on members of the public safety and highway maintenance. Therefore the Panel recommend that longer term strategic proposals are deliberated and different models of service delivery are explored, such as external businesses that could provide service more economically.	The Communities Directorate has to look at both longer term strategic proposals and also, regrettably, shorter term measures on occasions to balance the budget. Historical examples of strategic measures include the shared fleet depot with South Wales Police and the proposal being made to Welsh Government to introduce a highways permitting scheme. Unfortunately sometimes short term measures that provide immediate savings in view of the ongoing scale of the financial savings are also required. Ideally some of the proposed savings such as the reduction in weed spraying would be avoided and in the latest MTFs proposals this item has been removed but they are only considered because sometimes there are no other alternatives that are able to make the required savings quickly.
4	Although the Panel are mindful of the extra resources required to improve collaboration and communication with Town and Community Councils (TCCs) and also between TCCs themselves, Members recommend that a Cabinet led approach is undertaken to explore options to take this forward.  The Panel also recommend Cabinet revisit the Terms of Reference of the Town and Community Council Forum to ensure the Membership of the Forum is representative and that additional powers are allocated to it, such as making recommendations. Furthermore, the Panel propose the creation of a memorandum of understanding between both parties.	The role of the Community Asset Transfer Officer has been extended to include liaison with town and community councils as part of his contract extension. There are currently no proposals in the budget pressures to increase the amount of resource available for this purpose but if BREP are minded that this is a priority this could be included but of course at the expense of something else in the budget. Cabinet/CMB are content to explore initial options to take this forward but as recognised, without additional resource there will be a limit to what can be achieved. It should be noted that there is already a co-produced charter which serves as a memorandum of understanding between this Council and Town and Community Councils.
5	The Panel recommend that Cabinet take the lead in approaching all stakeholders regarding their potential for Community Asset Transfer (CAT) of all outdoor leisure facilities as outlined in the Budget Reduction Proposals 2019-20 to 2022-23.	Agreed. The public consultation exercise on charging arrangements for parks and playing fields scheduled for the first quarter of 2019 will inform the way forward. Following that it is agreed that appropriate engagement and discussion with all stakeholders will be an important part of promoting CAT and supporting organisations to transfer facilities if that is their preference.

**CABINET RESPONSE TO CRI OVERVIEW AND SCRUTINY COMMITTEE ON BUDGET ISSUES**

	<b>BREP/Scrutiny Recommendation</b>	<b>Cabinet Response</b>
6	With reference to the lack of communication regarding potential Cabinet decisions relating to CAT, the Panel therefore recommend that Cabinet reviews its communication plan on CAT to ensure that all relevant information is distributed to all Local Members and TCC's for information.	Agreed. This matter will be picked up with the CAT officer and if necessary specific additional training and information events for all elected members and TCC's will be arranged
7	In relation to the Materials Recovery and Energy Centre (MREC) the Panel recommend that a political solution is sought to negotiate a favourable outcome for all parties involved.	Agreed. Deliberations are ongoing with NPT Council and have been for some time, including with politicians. We remain hopeful that a mutually beneficial 'amicable' solution can be found but in view of the pressure this matter causes on the overall budget all options must remain open.
8	In relation to comments being made about the possible closure of the Bus Station the Panel recommend that a press release is provided by Corporate Communications outlining the fact that the Council are exploring alternative measures for full cost recovery for Bridgend Bus Station and that there are no plans for closure of the building on 1st January 2019.	There were never any plans to close the bus station on January 1st 2019 as the proposal is a 2019-20 proposal applicable from 1st April 2019. The preferred option as set out in the revised MTFS proposals is that we seek to reduce the overall subsidy for running the bus station by attracting greater income, including from bus operators, the town council and potentially commercial enterprises who may be willing to run franchises etc. A Corporate Communication setting out this position will be considered.
9	In relation to the Home to School Transport review, Members were pleased to note that all aspects of transport will be explored, including vehicles used in day centres as BREP has previously recommended - slightly amending the opening and closing times of day centres so the buses can be made available for school transport. The Panel also recommend that consideration is given to the possibility of collaborating with other local authorities and creating an in-house resource from the current fleet for Home to School transport use.	All points proposed by Scrutiny/BREP will be incorporated into the tender specification of the Strategic Review of Bridgend County Borough Council's Transport Service, including collaboration and the creation of in-house resources. We hope to receive the resulting report after Easter.

**CABINET RESPONSE TO CRI OVERVIEW AND SCRUTINY COMMITTEE ON BUDGET ISSUES**

	<b>BREP/Scrutiny Recommendation</b>	<b>Cabinet Response</b>
10	The Panel recommend introducing a charge for transport over and above Welsh Government statutory distances for Home to School Transport, which should take into account and offer concessions for low income families. Members further recommended that instead of removing the provision that the Council could provide a discounted bus pass on an existing bus route.	The local authority is unable to charge for school transport which is covered under the Learner Travel (Wales) Measure 2008. Pupils are either eligible or not, regardless of proximity (over the statutory distances) from home-to school (e.g. a child living 3.1 miles away from a secondary school is no more or less eligible than a child living 12 miles away). Service buses are currently unsuitable for home-to-school transport as many are not fitted with the required safety belts required by legislation. The local authority is aware of this and will look for opportunities to work with public transport operators to consider whether if fitted to all vehicles, public transport buses can be used to provide home-to-school transport in the future.
11	The Panel believe that the budget reduction proposal EFS49 which plans on decreasing the current nursery provision to the statutory minimum could have been implemented in previous years. Therefore Members recommend that consultation on this proposal should commence taking into consideration the proposed review process outlined in 2.13.	Nursery education provision across all Bridgend schools has a positive effect on learner outcomes. Therefore, the local authority believes that a substantial reduction in nursery provision will have an adverse impact on educational standards. Consequently, any reduction in nursery provision is not recommended.
12	If the 1% school budget reduction is implemented the Panel recommend that the Council ensure that they work closely with all schools to provide financial support and advice to agree on a deficit plan. The Panel further recommend exploring the possibility of centralising the non-teaching aspect of all school budgets and re-charge for services which would ensure that services are properly remunerated.	The outcome of the budget consultation and the recommendations from BREP and scrutiny committee have been considered. The 1% efficiency target for schools for 2019-2020 has been removed, as well as fully funding pay and prices. The local authority already works with schools in deficit and provides advice and support to them in setting and monitoring their deficit recovery plans. The non-teaching elements of school budgets cannot be centralised as delegation is a requirement under Local Management of Schools (LMS).
13	With reference to the joint responsibility between BCBC and Police for crime and disorder in the County and the integral part CCTV has to Police investigations, Members recommend that Cabinet explore joint funding with the Police for operating the CCTV service.	Agreed. We will explore the feasibility of a joint funding arrangement with the Police for CCTV.



**CABINET RESPONSE TO CRI OVERVIEW AND SCRUTINY COMMITTEE ON BUDGET ISSUES**

	<b>BREP/Scrutiny Recommendation</b>	<b>Cabinet Response</b>
14	<p>The Panel recommend that Cabinet and CMB receive the Fees &amp; Charges – Comparison with other Local Authorities spreadsheet which collates all services that we do not currently charge for where other neighbouring Councils do. The Panel further recommend that if it is financially viable that the Council introduce the appropriate charges to align with other Councils soon as possible.</p> <p>The Panel also request that this topic is added to the Scrutiny Forward Work Programme to assist with income generation.</p>	<p>There has already been full consideration of the fees and charges spreadsheet by Cabinet/CMB as part of the budget setting process. BREP will note that there are already a number of significant proposals that seek to increase charges including for bulky waste collection, green waste, pre application planning fees and potentially for bus operators using the bus station and for users of the shopmobility scheme. Additionally we propose charging for public toilet use when appropriate, for example the new facilities proposed in Rest Bay. As BREP have pointed out it is not always financially viable to introduce charges for all services that other local authorities make a charge for, as sometimes the cost of establishing a robust fees and charges collection system can exceed the amount of potential income. However, Cabinet /CMB are very aware that opportunities to increase fee income should continue to be explored and monitored and introduced wherever that is sensible to do so.</p>
15	<p>The Panel voiced their concerns regarding the lack of inspection following work carried out throughout the Borough. Members therefore recommend that the authority undertake corporate vigilance and explore the possibility of charging companies and members of the public when they have damaged Council property. Examples of general utility works on the highway which lead to long term road surface damage were identified. The Panel also identified Members corporate responsibility in reporting issues and damages as part of their local community role.</p>	<p>As part of their role the highways inspectors already carry out inspection of work on the highway by utility companies and others. Where there is clear evidence of damage or necessary repair those matters are pursued. The proposed Highway permitting scheme (business case currently with Welsh Government) proposes that Bridgend would be the first local authority in Wales to introduce a more formal process for permitting those who wish to undertake work on the Council's highways and potentially charging accordingly. The extent to which teams can currently inspect all work undertaken on Council property is of course limited by the available resource.</p>
16	<p>The Panel identified that there may be opportunities for the Council to look into charging external companies when the authority deals with public complaints on their behalf such as V2C, Kier, Halo and Awen. Members recommend that the Member Referrals Working group explore this further as part of the current review of the Member Referral system.</p>	<p>The complaints process is separate to the Member Referral system. The complaints department receive very few complaints in relation to V2C, Halo and Awen. Those that are received are dealt with by the provider. Complaints in relation to Kier are also initially dealt with by the provider. If the complainant remains dissatisfied with the response they can complain via the corporate complaints process. The current contract does not include a charge to Kier. To introduce this would involve a change in the terms of the contract.</p>

**CABINET RESPONSE TO CRI OVERVIEW AND SCRUTINY COMMITTEE ON BUDGET ISSUES**

	<b>BREP/Scrutiny Recommendation</b>	<b>Cabinet Response</b>
17	Therefore the Panel recommends that the Corporate Overview and Scrutiny Committee considers the BREP work and seeks to explore options to include some work streams into individual forward work programmes. The Panel concluded by stating that they welcome development proposals from Cabinet to ensure BREP are used to their full potential.	Agreed. Cabinet are happy for Corporate Overview and Scrutiny Committee to receive feedback from the BREP process and for all Members to work together to agree how the role of BREP can be developed.
	<b>Scrutiny Committee Recommendations</b>	<b>Cabinet Response</b>
	<b>Social Services and Wellbeing</b>	
1.2	Members recommended that a report on the MTFS proposals be brought back to the Committee once the final budget settlement from Welsh Government is announced. Members were in agreement that due to the settlement figure not yet being finalised, the figures in the report would not be accurate and therefore needed to be re-worked before members could consider them.	The Council's draft budget is submitted for consultation by Cabinet in November after we have received the draft settlement from WG. The draft budget is then scrutinised through December and a report prepared by CRI scrutiny based on recommendations provided by other scrutiny committees and BREP. Any changes to the draft settlement are notified in the final settlement towards the end of December and they are fed into the Cabinet decisions along with the scrutiny recommendations and the budget consultation. A further version of the budget, with the final settlement figures, is not provided to scrutiny committees. The final budget is prepared for February for full Council approval.
1.3	Members recommended that once the settlement was known and the figures had been re-worked by finance colleagues that members are presented with the budget as a whole for each directorate so Members could determine the full expenditure in each directorate and not just the areas where reductions had been proposed.	As per the response in 1.2.

**CABINET RESPONSE TO CRI OVERVIEW AND SCRUTINY COMMITTEE ON BUDGET ISSUES**

	<b>BREP/Scrutiny Recommendation</b>	<b>Cabinet Response</b>
	<b>Communities</b>	
2.4	The Committee commented that visible services should be protected from budget reductions, in particular cleaning services. Members therefore recommend that if the Council should receive any additional funds from Welsh Government that consideration should be given to retaining monies to offset COM41 and COM41a.	The final MTFS proposals have removed the street cleaning proposals from the recommended savings in 2019-20. It is of course difficult to commit to 'protection' moving forward as to a large extent that will depend on the overall level of future settlements but Cabinet/CMB is very aware of the need, where we can, to minimise further savings to visible services and / or seek alternative ways of carrying out this work, for example in partnership with town and community councils.
2.5	During their discussions regarding COM42 and COM42a, the Committee recommend that communication is distributed to Town and Community Councils and the voluntary sector to inform them of the proposed budget reductions. The Committee was pleased to hear that the Council is streamlining the process for Community Asset Transfer to assist with a more effective process for all parties.	Please see responses to recommendations 4 to 6.
2.6	The Committee recommend that prior to the public Budget Consultation being finalised next year that Budget Research and Evaluation Panel receive the proposed questions in the consultation to ensure there are some direct questions regarding the proposed budget reductions as opposed to more generic questions that could be misinterpreted.	Agree that the budget consultation questions should be shared with BREP. A discussion was held with BREP on the budget consultation prior to launch this year. The consultation contained a number of specific and direct questions, in addition to general questions.
	<b>Education and Family Support</b>	
3.5	The Committee commented on the potential financial impact the proposed efficiency saving against the school budgets would have on schools that were already in deficit and the increased difficulty it would impose on recovering from that position within the statutory timeframe. Members therefore recommend that if the Council should receive any additional funds from Welsh Government that consideration should be given to retaining monies to offset SCH01.	Agreed for 2019-20. The outcome of the budget consultation and the recommendations from Bridgend Research Evaluation Panel (BREP) and scrutiny committee have been considered. The 1% efficiency target for schools for 2019-2020 has been removed, as well as fully funding pay and prices. The non-teaching elements of school budgets cannot be centralised as delegation is a requirement under Local Management of Schools (LMS).

**CABINET RESPONSE TO CRI OVERVIEW AND SCRUTINY COMMITTEE ON BUDGET ISSUES**

	<b>BREP/Scrutiny Recommendation</b>	<b>Cabinet Response</b>
	<b>Chief Executive's</b>	
4.2	The Committee discussed the Members Community Action Fund and whilst Members agree with the principle of the project, they cannot support the funding to continue and therefore recommend that the Directorate continue with the removal of the Members' Community Action Fund.	Agreed. A report was taken to Audit Committee and to Cabinet on the Community Action Fund (CAF). The recommendation was that Cabinet cease the CAF and transfer the £285k funding back into the MTFS for consideration when setting the budget for 2019-20 to 2022-23. The budget is contained within the budget reduction proposals for removal in 2019-20 (CEX2).
	<b>Corporate Overview</b>	
5.2	As outlined in Budget Research and Evaluation Panel the Committee recommend that Bridgend Council should introduce fees and charges to align with other Councils; explore the possibility of charging companies and members of the public when they have damaged Council property; explore joint funding with the Police for operating the CCTV service.	Please see responses to recommendations 13, 14 and 15, and 5.3.  With regard to the CCTV service, please see the response to BREP recommendation 13.
5.3	In addition to the aforementioned comments, the Committee recommend that the Council explore the possibility of introducing fines for members of the public that damage public property and do not adhere to the highway code by making full use of CCTV already in place in Bridgend and the BCBC owned camera car used to deter dangerous parking around schools in the Borough.	Criminal damage is a criminal action which would need to be pursued by the police. We could take separate civil action for damage, depending on the value of the damage we may claim under the insurance – it would then be for insurance to lead on any civil claim.  CCTV can be used as evidence in a claim. We would need to apply to the data controller for its release and satisfy the legal requirements on a case by case basis. It's effectiveness in civil proceedings will depend on the clarity of the footage.  We only have limited enforcement powers in relation to highways issues. The camera car has equipment of suitable standards to produce admissible evidence.

IDENTIFIED RISK						ACTION PLAN							Corporate Priority		
No.	There is a risk that..	Consequences of risk	Raw risk score			Control method	How is the council addressing this risk	Key actions to be established - NB business as usual activity not reflected here	who	Reviewed by when	Action completed by when	Residual risk score			
			Li	Im	Total							Li		Im	Total
1	The council is unable to make robust medium to long term decisions requiring service change	It is harder each year to make ongoing budget reductions as easier decisions have already been made. If more difficult decisions about cutting or reducing service levels against a background of declining budgets are not made, then the council will not deliver the changes necessary to achieve a balanced budget which will result in it being in breach of its legal responsibilities.	4	5	20	Treat	The council manages this risk through existing budget and business planning processes which include early identification of savings targets and development of options for cabinet, challenge from BREP, scrutiny and formal and informal briefings of members and political groupings.	Develop proposals for a stronger focus on future and multiple year financial planning including scrutiny and outline budget decisions by elected members for multiple years.	CMB	Aug-2019	Feb-2019 Then ongoing quarterly review	3	5	15	Smarter use of resources
2	The council is unable to deliver transformation including agreed financial savings	If the council is unable to change the way that staff work, including new roles, collaborations and the acquisition of new skills, it will be unsuccessful in delivering service transformation which will lead to it not meeting its commitments within available budgets.	4	4	16	Treat	The council has a number of transformations in place that either directly support specific proposals for service improvement and /or financial savings. Further transformations have been identified that are intended to support a "One council culture" and support staff and managers through transformation.	Review and rationalisation of management activity. Establishment of a combined Chief Executives directorate in order to better align support services required to enable or support transformation. Develop training and manager support materials. Coordinated promotion of staff wellbeing.	CMB	Aug-2019	Oct-2019 Complete Mar-2019 Ongoing	3	3	9	All corporate priorities
3	The council is unable to respond to legislative change	If reducing budgets and a reducing workforce decreases the council's ability to ensure compliance with statutory requirements and to adapt successfully to an ever changing legislative landscape there is a risk that the council will be in breach of its legal responsibilities and may receive adverse regulatory reports, adverse publicity, fines and ultimately the threat of prosecution.	5	4	20	Treat or Transfer	The council manages this risk in a number of ways that are contingent on the particular service area affected. This might include reducing service quality or reprioritising a response to a legislative change over other activity or transferring risk - for example, where legally possible, by transferring responsibility to another provider. However, some service areas are subject to a non delegable duty of care. Examples of where the council has shared risk are Leisure and Waste.	No further actions to be commissioned at this stage.	CMB	Aug-2019		3	4	12	All corporate priorities

IDENTIFIED RISK						ACTION PLAN						Corporate Priority			
No.	There is a risk that..	Consequences of risk	Raw risk score			Control method	How is the council addressing this risk	Key actions to be established - NB business as usual activity not reflected here	who	Reviewed by when	Action completed by when		Residual risk score		
			Li	Im	Total								Li	Im	Total
4	The council is unable to identify and deliver infrastructure required in the medium to longer term	If the council does not raise sufficient capital to maintain its infrastructure, including roads, street lights, buildings and technology then it may deteriorate bringing financial and safety risks which could lead to adverse incidents, reports, publicity, fines and ultimately prosecution.	4	5	20	Treat	The council has a ten year capital programme. The development of this programme and arrangements for its review and updating are well established. However the council has identified scope to improve upon this to ensure that these needs are balanced with other demands for capital (such as new schools).	Develop a revised capital strategy that gives appropriate weight to key infrastructure requirements.	CMB	Aug-2019	Apr-2019	3	5	15	Supporting a successful economy and smarter use of resources
5	The council is unable to meaningfully engage with Health Board and potential LGR boundary changes to ensure that the needs of the Bridgend community is fairly recognised in any subsequent changes	If the council is unable to successfully influence or respond to Health Board and any potential LGR boundary changes there is a risk that appropriate care to citizens through new service models and relationships will not be delivered resulting in citizens receiving a less satisfactory service or even no service at all.	4	4	16	Treat	The council has the ability to influence the transition programme through appropriate membership on the Transition Board. The council is leading the partnership work stream within the overall transition programme. Effective and good relationships have been established at political and senior managerial levels with Cwm Taf University Health Board.	Secure commitment from Cwm Taf University Health Board partners for a review of partnership governance arrangements and through this seek to ensure that the council is appropriately represented and that our emphasis on strong integration of services is retained beyond transition.	CMB	Aug-2019	Apr-2019	2	4	8	Helping people be more self reliant and smarter use of resources
6	The council fails to safeguard vulnerable individuals e.g. children, adults in need of social care, homeless etc.	If budgets and the workforce continue to decline there is a risk that the council will be unable to provide the necessary services to vulnerable people resulting in the possibility that vulnerable people will not be kept safe and be encouraged to greater safe self-reliance.	3	5	15	Treat	The council has well established mechanisms to ensure compliance with statutory responsibilities. This includes its own operational safeguarding board and active management of demand and caseloads.	The review by internal audit identified gaps in completion of mandatory training through e learning. These gaps are identified, reported on and monitored by Human Resources Department.	CMB	Aug-2019	Completed with ongoing monitoring	2	5	10	Helping people be more self reliant and smarter use of resources
							All meetings of CMB and of Cabinet/CMB have a standing item to consider safeguarding matters and allow for appropriate management actions to be taken quickly.	The internal audit review and the inspection of Youth Offending has identified the need to ensure that all links between Youth Offending services and other early help or social care services are effective and effectively documented. A specific programme of improvement is being prepared for sign off.			Mar-2019				

IDENTIFIED RISK					ACTION PLAN							Corporate Priority			
No.	There is a risk that..	Consequences of risk	Raw risk score			Control method	How is the council addressing this risk	Key actions to be established - NB business as usual activity not reflected here	who	Reviewed by when	Action completed by when		Residual risk score		
			Li	Im	Total								Li	Im	Total
7	The council is unable to plan for and recover from major threats to service continuity such as civil emergencies, school failure, cyber attack and discontinuation of funding streams and major contracts	If the council does not have the capacity and expertise to plan for and protect itself against major threats such as cyber-attack, civil emergencies and significant financial variations there is a risk that there may be a failure to deliver services and a balanced financial position which could harm citizens who rely on council services.	4	4	16	Treat	The council has anti virus installed which is regularly updated. All critical data is backed up and located offsite. Software update processes exist that includes the installation of patches. Security awareness training is provided to all employees. The council has established emergency planning arrangements including a Major Incident Plan and contributes to the SWLRF and SWRT.	Cyber resilience training. The council responds appropriately to WLGA/WG/UK Government Brexit consultations and seeks to influence the development of any future regional investment programme, via informed discussions with WG/Wales Office.	CMB	Aug-2019	TBC Ongoing	4	4	16	All corporate priorities
8	The council is unable to attract or retain a workforce with the necessary skills to meet the demands placed upon the authority and its services	If there is a continual decreasing number of suitably skilled and experienced staff then there may not be the expertise required to deliver services and protect the interests of the council. This could lead to the wellbeing of citizens suffering and a loss of moral amongst the remaining staff if they feel unsupported and are seeking to work elsewhere.	4	4	16	Treat	The council has workforce planning in place (through directorate level service planning) and is prioritising finite training budget to ensure that key skills and qualifications are targeted. In addition the council is using apprenticeships to actively bring in or develop key skills (such as Welsh language skills or ICT capability). In specific service areas the council is actively seeking opportunities to collaborate where this will enhance capacity or resilience.	The council will continue to monitor the profile of the workforce and identify challenges through the business planning process. Appropriate action plans will be developed.  The staff survey has been completed and key actions identified. The council will prioritise role specific training to enable staff to do what is expected of them, it will promote good practice examples of staff development and maximise access to funded learning and development programmes. eg WG and TUC.	CMB	Aug-2019	Mar-2019 Ongoing	3	4	12	All corporate priorities

IDENTIFIED RISK					ACTION PLAN							Corporate Priority			
No.	There is a risk that..	Consequences of risk	Raw risk score			Control method	How is the council addressing this risk	Key actions to be established - NB business as usual activity not reflected here	who	Reviewed by when	Action completed by when		Residual risk score		
			Li	Im	Total								Li	Im	Total
9	Important council services are compromised due to the failure of a key supplier	If the suppliers of council services are not resilient there is a risk that they may fail to deliver those services leading to disruption for citizens and the council, which will be impacted as it seeks to restore provision and suffers a loss of reputation.	3	4	12	Treat or Transfer	The council's strongest defence against this is through its procurement strategy and procurement processes. When tendering for services the council requires contingency arrangements to be in place to allow for the eventuality of supplier failure (for example in the case of refuse and recycling collection contracts). The council also seeks to shape the market where possible to avoid over reliance on single suppliers (for example in social care).	Social Services have quarterly forum meetings with providers where risks, issues and pressures are identified. There are regular contract monitoring visits to monitor performance and quality.  Directorates to monitor the financial performance and stability of contractors.	CMB	Aug-2019	Ongoing	2	4	8	Helping people be more self reliant and smarter use of resources