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Bridgend County Borough Council



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Cyfarwyddiaeth y Prif Weithredwr / Chief Executive's Directorate

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

Gofynnwch am / Ask for: Democratic Services

Ein cyf / Our ref:

Eich cyf / Your ref:

Dyddiad/Date: Thursday, 13 January 2022

Dear Councillor,

CORPORATE OVERVIEW AND SCRUTINY COMMITTEE

A meeting of the Corporate Overview and Scrutiny Committee will be held remotely - via Microsoft Teams on **Wednesday, 19 January 2022 at 09:30.**

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 (including whipping declarations)
3. Approval of Minutes 3 - 20
To receive for approval the minutes of 07 10 21
4. Medium Term Financial Strategy 2022-23 to 2025-26 21 - 70

Invitees:

Councillor Huw David - Leader
Councillor Hywel Williams - Deputy Leader
Councillor Dhanisha Patel - Cabinet Member for Future Generations and Wellbeing

Mark Shephard - Chief Executive
Carys Lord - Chief Officer Finance, Performance and Change
Kelly Watson - Chief Officer Legal and Regulatory Services, HR & Corporate Policy

Deborah Exton - Deputy Head of Finance
Martin Morgans - Head of Partnership Services
Christopher Morris - Finance Manager – Social Services & Wellbeing / Chief Executive's Directorate

5. Urgent Items
To consider any item(s) of business in respect of which notice has been given in

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accordance with Part 4 (paragraph 4) of the Council Procedure Rules and which the person presiding at the meeting is of the opinion should by reason of special circumstances be transacted at the meeting as a matter of urgency.

Note: Please note: Due to the current requirement for social distancing this meeting will not be held at its usual location. This will be a virtual meeting and Members and Officers will be attending remotely. The meeting will be recorded for subsequent transmission via the Council's internet site which will be available as soon as practicable after the meeting. If you have any queries regarding this, please contact cabinet_committee@bridgend.gov.uk or tel. 01656 643147 / 643148.

Yours faithfully

K Watson

Chief Officer, Legal and Regulatory Services, HR and Corporate Policy

Councillors:

JPD Blundell
DG Howells
M Jones
RL Penhale-Thomas

Councillors

KL Rowlands
RMI Shaw
JC Spanswick
T Thomas

Councillors

MC Voisey
A Williams
AJ Williams

MINUTES OF A MEETING OF THE CORPORATE OVERVIEW AND SCRUTINY COMMITTEE
HELD IN REMOTELY - VIA MICROSOFT TEAMS ON THURSDAY, 7 OCTOBER 2021 AT
09:30

Present

Councillor KL Rowlands – Chairperson

J Gebbie	M Jones	RL Penhale-Thomas	RMI Shaw
JC Spanswick	T Thomas	A Williams	AJ Williams

Apologies for Absence

JPD Blundell and DG Howells

Officers:

Lucy Beard	Scrutiny Officer
Debra Beeke	Group Manager – Human Resources and Organisational Development
David Holland	Head of Shared Regulatory Services
Mark Shephard	Chief Executive
Tracy Watson	Scrutiny Officer
Kelly Watson	Chief Officer Legal, HR and Regulatory Services

40. DECLARATIONS OF INTEREST

None

41. APPROVAL OF MINUTES

RESOLVED: That the Minutes of a meeting of the Corporate Overview and Scrutiny Committee dated 5 July 2021 be approved as a true and accurate record, subject to the above.

42. FUTURE SERVICE DELIVERY MODEL

The Chief Executive presented the report which included challenges that all local authorities and public services organisations were facing as they emerge into the recovery phase of the pandemic. On a more positive note, it also referred to opportunities and embracing some of the changes that had come about over the last eighteen months and trying to embed them into a fit for purpose model for the Authority moving forward, and most importantly still delivering effective services to the public, while also realising some of the benefits set out in the report regarding work life balance, staff wellbeing, increased productivity and lower carbon footprint.

He felt it was important to recognise that it was not only a Bridgend issue, but other Chief Executives in Wales were doing similar work and examining solutions. The report was more detailed than the Cabinet report to provide Members with updated detail and reassurance of the type of work that was on-going. It listed the strategic principles that they were working on to develop the model and the benefits and challenges moving forward, heading towards, a model that was more blended and hybrid in nature. He advised that it would be unlikely that it would revert back to the way the Authority operated pre-pandemic where most staff worked five days a week 8:30-5pm in an office environment. It would be far more likely they would end up with a model where there would be continued home or remote working for those staff where it was appropriate, but

they wanted to add value to that and unlike during the peak of the pandemic they wanted to be able to create opportunities for people to be able to work in the office when necessary and create better opportunities for people to work in teams when they need to and book meeting rooms to meet up. While there were many things that operated via Teams very effectively, there would be some things that work much better in person, and they were striving for that balance between keeping and embedding some of the things that have worked well including the delivery of services that had predominantly gone virtual and digital, but also recognising that there are some issues and some challenges with the way they have been working for the last eighteen months. For example, in due course they may create hubs around the county borough potentially based in libraries where people could access Council services in a different way to the way they had done historically. It was important to recognise that survey responses had indicated that a lot of the population liked that they could access services digitally and online, so that needed to be retained while also understanding that some people needed assistance. He reassured Members that there was a lot of work going on and emphasised that while it would be an enormous piece of work and was mission critical, solutions were not going to be arrived at quickly. He advised they had set out that they knew they were in an interim phase whilst they carry out the initial work at least until next spring, although he believed it would take a lot longer than that to embed the whole of any new system as they were talking about potential changes in staff terms and conditions, negotiations with trade unions and fundamental changes in their investment in IT for people to be able to work more effectively on a permanent basis and eventually once embedded they may get to a point where office accommodation could be rationalised and have smaller office space. The Chief Executive made it clear that it was not a savings programme, but if in due course there were savings they could be invested elsewhere. It was important to recognise that three thousand staff worked in schools, so a lot of the report would not apply to them in the same way, as with other staff who worked elsewhere in parts of social care or depots. The report predominantly related to office-based staff, however even then it needed to be recognised that people had different roles which could require different amounts of time together in offices. The Chief Executive concluded that the model they were developing had been shaped on the responses they had had from the staff survey and from managers about how best they could do their work moving forward.

The Chair specified that on the report it stated they had mentoring meetings to review the progress of how things are going, she queried whether it would be possible for the Members to have feedback from those meetings.

The Chief Executive advised that a summary of the actions that emerged from each meeting could be provided. He explained it was being run as a Programme Board which he would chair on a monthly basis and that the actions may be of more interest to the Committee as a lot of the work was done in the work streams rather than the Board. He explained that some research from other authorities helped to understand how their models were working, e.g., Monmouthshire had operated without a main office base for five or six years, so there would be some learning from them and then some detailed work for example in IT, to try to understand the level of investment required to properly and permanently ensure people could work effectively from home, which would apply to Members as well as officers.

The Chair thanked the Chief Executive and advised she would like the Committee to receive further information in future reports including business cases, the setup, potential cost savings, timescales and risks.

The Chief Executive advised that they would emerge in due course, although they were not ready at the moment, but it was the whole basis that during the interim phase through the work stream leads they would need to create various business cases which

would demonstrate, for example an investment requirement – they would not make decisions on investments without properly understanding what the business case was and potentially what the costs and savings were as they move towards a different model.

The Chair referred to the Chief Executive stating the report was staff based and based around what staff had fed back they wanted and recognised that home working would not just be about IT, it would also be about staff workspaces at home, whether they have a comfortable space to work in and had the cost of utilities been taken into consideration.

The Chief Executive advised that what had been highlighted were some of various concerns and issues that they were going to have to work through so in terms of staff working at home, it would not just be the IT equipment, it would be ensuring that if people were to be designated as permanent home workers, they had an appropriate location and desk space compliant with health and safety legislation. As most organisations, because they had had to react quickly had probably for the last eighteen months to some extent had not had the opportunity to address that in quite the way it would be on a permanent basis. Once they knew which staff would be working at home permanently or mostly, they would then have to make that assessment with regard to their work areas and space. With regards to the other issue, one of the things that the Group Manager Human Resources and Organisational Development would be working through with the Trade Unions was what did it mean moving forward in terms of staff working from home, for example addressing that in their terms and conditions, however the Chief Executive felt it was understanding the full picture as on the one hand there would be savings to staff in terms of commuting costs, car parking, depreciation costs on their cars, on the other hand there are potentially additional costs.

The Group Manager Human Resources and Organisational Development explained it would be a huge piece of work and whilst throughout the pandemic they had been having discussions with the Trade Unions in terms of the temporary and interim arrangements that they had in place, they had not had the opportunity to properly concentrate solely on the future. What she had proposed to them was that they meet monthly, separately with the agenda item, as it was such a big agenda for them to work through and the Chief Executive was committed to attend those meetings as and when needed.

The Group Manager Human Resources and Organisational Development explained there was a whole package of things in terms of working from home, the priority having to be about staff working safely of which they have had a long trial period where staff have been working from home and they have been able to gain feedback with regards to what has worked well for them and what needs improvement. She felt that some people may feel there had been a sense of making do whilst others had all the equipment they wanted, however that window did remain open if people needed anything in order to work safely at home. She advised these are the things they need to work through with clear plans in place for the future working model, she admitted they do not have a draft policy in place at the moment, but they have lots of learning from their own experiences and from others good practice and they needed to take account of existing terms and conditions and employment legislation. She advised that although she did not have the answers it was very much in their planning in terms of home working allowance payments, flexible working and travelling expenses and all of that had to be led in some way but they did want to take into account staff wishes and needs but it would need to fit the services delivery model. She acknowledged and believed the report did also that those models will vary from service to service as well.

A Member asked how phone calls were being monitored and the answer targets with people working from home. And if there had been a system in place when they were in

the office that they had then carried out whilst at home. The Member explained that a number of residents had contacted her saying it had taken a long time for them to get their calls answered so there had been a concern on the number of people answering the calls. She also queried the time keeping of those people working at home.

The Chief Executive advised that he had circulated some analysis of phone call responses, and although they could monitor the phone calls to the customer care staff, of which the rate of answering the calls and the productivity had improved compared to when they were in the office, they could not monitor the responsiveness of calls to random Officers' direct telephone numbers, neither whilst working in the office or working from home. He believed the solution to that to move ahead was that they needed to move to a position where the access to the Council was through that "front door", rather than to a particular officer. He explained that on the one hand they were saying to staff they could work more flexibly and there would not be any core office hours, which was potentially where they were heading, this would mean that staff could work hours they chose as long as the outcome of their work in productivity terms, so they do what was required of them perhaps it should not matter when they do it. The issue with that was that as far as the public or elected Members are concerned if they are phoning those people, they may not be able to get hold of them. The Chief Executive believed they had to have a system where their access to the Council through telephone calls had to go through the front desk and in that way, it could be controlled and monitored. He explained it was an example that you could change the operating model of the Council but actually the systems that feed into that model also need to change. With regard to monitoring the hours people are working, the Chief Executive advised that traditionally in local authorities' managers had managed by presenteeism, with most staff present between 8:30am and 5pm, however he felt they were moving much more towards a system where they were measured not so much on being present but being allocated the right amount of work to do in those hours and doing it effectively. That would be an outcome-based focus which would be a challenge and require training and would be different for different jobs. The Chief Executive advised they were talking about a radical change and when they had spoken to other organisations that had already embraced more remote and blended type working it had to base much more on outcomes and output. He expressed that culturally it would be a significant change but one that needs to be embraced and recognised that it was not just about people being present.

The Member referred to staff being loaned to the vaccine program and wondered how many staff were still utilised for the program, how many were missing from the day-to-day jobs and also whether the Council was doing anything with regard to the take up of vaccines in twelve- to fifteen-year-olds. The Member enquired with regard to sickness rates whether the Council was experience shortages of many staff at present due to Covid and the need to self-isolate. Finally, with regard to staff wellbeing, it was positive that so many people had seen working from home as a positive way of working but what was being done with regard to the people who needed the interaction with individuals, for example if they are working from home and live alone and welcomed going into the office to be with other people.

The Chief Executive advised that he did not have the exact number of staff that were seconded elsewhere or in other jobs, however one of the challenges was that there was an impression amongst the public that the pandemic was over and everything was back to normal, but they still had a significant number of staff carrying out Track and Trace and assisting with the vaccine programme, as well as still having staff isolating and some absent with long Covid. A number of staff had to be moved where there had been additional pressures within services caused as a legacy of the pandemic, particularly within Social Care but also in Early Help, Homelessness and elsewhere, so there were multiple things causing stresses on their staffing compliments. He advised it was a wider

picture and was trying to get an overall impression of the pressure that the organisation was under and the challenges that it was facing. He expressed that it was compounded by difficulties in recruitment in so many areas, social care being one of those, but also specific issues recruiting drivers and HGV drivers in particular, whether employed directly or contracted, and also in the Catering Service there were 160 vacancies. He explained it was a combination of all those things.

The Chief Executive explained that with regard to the vaccination for twelve- to fifteen-year-olds they could not make people vaccinate their children, it was clear from the guidance like all vaccinations it was voluntary, and they had not gone down the route in any of their services saying that staff people had to be vaccinated. The Chief Executive advised that generally the take up of vaccines was good, however he did not have the figures for the twelve to fifteen year olds but admitted it was a challenge going forward and was about pushing the message that the advantages of being vaccinated far outweigh any perceived risks.

The Group Manager Human Resources and Organisational Development advised that in terms of vaccination and TTP the numbers that they had seconded to those areas were relatively low compared to what they had been. However, there was a lot of interaction between their organisation and the other organisations involved to ensure that resources are in the right place, which had been a challenge. Due to the spikes that they had since March of last year, in terms of the activity level there had been occasions where they had managed to persuade staff and managers for staff to be released to find that they are then not needed. On the other hand, there would then be a spike and they needed to mobilise staff quickly. She expressed they had had a lot support across the Council to try and match demand, ICT lead the TTP arrangements and had put different arrangements in to ensure the flux in supply and demand was better managed.

The Group Manager Human Resources and Organisational Development referred to the new guidance that meant less people had to self-isolate and with people working at home that really had not had an impact. If staff were suffering symptoms and diagnosed, then they would need to be at home and in some cases are unable to work due to illness. She was pleased to say that they had relatively low numbers of staff suffering from long Covid, but they obviously would be happier for that number to be nil. In terms of wellbeing, they had been putting a lot of things in place throughout the pandemic so that staff could access different resource for themselves but also mindful of the working situation. One of the pilots they had put in place was to allocate specific desks for people to book in through discussion with managers if they were experiencing challenges at home for a variety of circumstances. She advised they need to keep an eye on that as they did not want everyone going back in when there was not that specific need as it might go against the models that they were planning, it would take organisation and part of that is making sure staff that are in offices are able to work in a safe and secure way.

The Group Manager Human Resources and Organisational Development gave the figures of ten staff in Ravens Court for wellbeing reasons and the feedback they were getting was that the staff were benefiting from those arrangements. There were also over 200 desk spaces that had been booked up until September. The next pilot they wanted to put in place was one where there would be more opportunities for more meetings. So, whilst it could not be every meeting, for example a workshop that needed to be held or training if of a wellbeing nature may need to be held in person, so they will need to look at opportunities for people to come together in a safe way.

The Member referred to the digital transformation and the acceleration of that, she was looking for some clarification with regard to the elderly who were not IT literate and what could be done to support them not just by helping them to go online. The Member also enquired what savings were being made at the moment from Civic Offices with it being

closed or with limited access and how is that then been offset against the purchase of equipment for working at home as she assumed equipment would have to have been purchased. Whilst it had been said this was a long-term project, had any Council owned premises been identified that could potentially be sold off as result of moving to around 30% of people working from home.

The Chief Executive advised that in terms of the digital piece, obviously by default over the last eighteen months the vast majority of their service has had to be delivered in different digital way, so that transformation / move towards people receiving things digitally had probably accelerated quicker than had they been in a different scenario. The Chief Executive advised that the Member had rightly made the point with regard to the digital exclusion and that that was something they had been clear on in the project, moving forward they needed to make sure that those who needed assistance had it. He anticipated that for those people who could not access services online, they would still be able to book a slot for someone to assist them. That in the first instance would likely to be at the Civic Offices but that would be no different than it had been pre-pandemic. The Chief Executive expressed that it would be better in due course if people did not have to travel into Bridgend to do that. Going forward he would like to see a local base where people can be assisted by staff to have access to filling in a form or be talked through how to do it online. The Chief Executive explained he did not want to lose the progress over the last eighteen months and had feedback from the budget survey that the vast majority of the public want to access the services online, but it would be a case of recognising that there would be those that will not or cannot and putting in alternative arrangements for those people and they were committed to doing that.

The Chief Executive explained that with regard to timescales and savings, at that moment the savings were relatively limited as both Ravens Court and Civic Offices were still needed and there were still some staff in them, plus part of Ravens Court was a mass vaccination centre for which they received a payment from the Health Board. He advised they were still paying rates and caretaking for Ravens Court and that even in Civic Offices, whilst the building was much emptier the savings were marginal, they were still cleaning it and more thoroughly than before and still had a lot of the fixed costs they would have had previously. Looking forward to 2024 for example, and a different system of working potentially being embedded the Chief Executive would envisage going forward that potentially the Council might be able to release Ravens Court or some wings of it, or it may be used differently. He advised they had been talking to their public sector partners, such as the Health Board, the Police, some of the RSLs about whether there was a different model, shared space which might be effective from a partnership point of view or would there be some of that building that could be released for the private sector as it would be prime office space in the town centre. He advised they were committed to keep Civic Offices, he advised with the feedback from elected Member Group Leaders in particular there was a feeling for the time being that the Council needed to retain its Civic Office as it was very visible and tangible base within the town. It would be the democratic base so would still have the Chamber and hold meetings there, maybe on a hybrid basis, and there would still be somewhere that people would see the Council's presence. Beyond that he added he thought there was an opportunity to rationalise their overall office space when they had the model embedded and were clear about which staff would need to have access to an office on a regular basis. That in due course would either create a capital receipt or a rental income and that would be the end of the process when some savings could begin to be seen. The Chief Executive concluded that working from home there were also potential additional costs in terms of investment in IT and potential changes in conditions.

A Member expressed what a good report it was and acknowledged the massive amount of work ongoing and would be for a number of years to come. He felt disappointed that the report made no mention of Councillors and elected Members as being part of the

model moving forward and how they could work and adapt to change. The Member felt Councillors might want to go back in the Chamber, or maybe into the Members lounge to discuss something or meet a Member of the public. He felt that there were things that could be happening sooner perhaps for Members just to get back and lead the way to show normality can resume in some shape. However there had been very little mention of that in the report and felt that should be part of it has elected Members are part of the Council. He also wished to mention that there may be a danger of creating a two-tier workforce, not intentionally but it had been mentioned that those depo staff, care workers, the people out there doing hands-on work, would not be able to work from home. But there was a possibility of creating a two tier, with all those with the flexible benefits and people who have caring and childcare responsibilities it would work well for them but what about all those that cannot take advantage of flexible working, they could feel disadvantaged. Lastly the Member advised that, possibly for the future, hopefully not, but could this possibly become the next PPI scandal where there were companies waiting to start creating claims that staff could put in for not having the ergonomic, desk, home set up. He wondered what could be done at this stage to record what had been done as he was sure someone could come up with the next PPI saga.

The Chief Executive advised that Members were a really important part of the model. He firstly advised that when he talked about officers having a blended and hybrid model the ideal would be that Members would also say what they would like to be able to see in a year or so was that there would be choice whether to attend meetings in person or perhaps if you do not or cannot attend in person you could access that meeting online. For bigger meetings such as Council that would require a significant software investment, which was not quite there yet, but they were already running some initial pilots, the Standards Committee being the first where they could see how it might all work with some attendees in the Committee Rooms and some attendees connecting remotely from home. He understood that that they could reasonably quickly introduce something for some of the smaller meetings. Members would, in the same way as officers would need to make a choice as to whether they would prefer to go in for those meetings or whether it would suit them to not do so. He advised that they were having local elections next May, he believed last time there had been a turnover of elected Members of around 25-26, and that there was an opportunity post May in terms of new models of working. He continued that they were developing a Member portal, so in the same way he had talked about the public accessing lots of information online, he would like to think that Members too would be able to access a lot more information online through their portal. The significant changes and shifts in the way that they do business would apply in the same way to Members in the same way as officers. He apologised to the Member if the report was light on Members and was not the intention.

The Chief Executive responded that he did not think the model would result in a two-tier workforce and thought it was a recognition that staff do different jobs. He continued that when describing some of the flexibilities you could not expect the same flexibility to a domiciliary care worker as they would need to be in certain place and a certain time, as would a highway inspector and a schoolteacher for example. He advised it would need to be managed very carefully and skilfully with communication being really important. He thought it inevitable that what he had described would only apply to some jobs and not others, which was not any different from other authorities which were some way ahead. He explained they are an extremely large employer with a lot of different services and there would need to be a recognition that some of what is applied will apply to some jobs and not others.

The Chief Executive expressed that the PPI was an interesting point and Health and Safety was an important part of what they were doing moving forward. Both in terms of a safe environment so with regards to letting people back into the office as from a Covid point of view they need to make sure they are not exposing people into an environment

where they are going to be at risk. He agreed with the Member that there are other Health and Safety risks and that is why there is a general recognition that during the pandemic there were a lot of things that were probably imperfect as they had to respond quickly. He expressed that he was immensely proud of how the Council and its staff had responded to the challenges. He advised that once they had established that rather than just being placed in a working space out of necessity, once they are formally identifying someone as a home worker and will work at home on a longer-term basis that probably shifts the rules and would require them to make those assessments of the ergonomics, of the workspace and all the things that go with that. This was a really significant and lengthy piece of work to understand whether they could do that effectively and if they cannot in some people's working spaces what would that mean. Would they then dictate to them that they have to go into the office or as long as they sign up for it themselves that the risks are there, which is all part of the challenge as they know that people's working circumstances are very different depending on the kind of house/flat you live in, who you live with, all of those things would need to be added up and then when identifying categories of staff there would have to be a significant piece of work in terms of beyond their screen and their laptop top going to the chair, desk, potentially lighting and all the other things that are taken for granted within the office. He advised that all the points were valid, and they were things that were on their agenda and things they needed to work to very carefully.

The Chief Officer, Legal, HR and Regulatory Services advised that all issues are being considered. With regards to the Members, they had done a test meeting in the Committee rooms, the electronic system in the chamber was presently not compatible to using Teams, and however they had tried to Hybrid meeting in the Committee Rooms. It was not ideal but a workable solution, unfortunately they can only accommodate low numbers as the rooms when opened up can only hold nine people in light of the Covid regulations and the health and safety assessments. More officers would be needed to be present to service the meetings due to technical support in the background, so realistically they would be looking at only five or six Members being in the room at one time.

The Chief Officer, Legal, HR and Regulatory Services explained the rooms were being used for a flu clinic in October but once that had cleared, they would be looking to do another pilot meeting in November, once decided on which Committee they will be contacted to see who would be agreeable to going in. She explained that they had done a very light touch informal survey a few months ago to gauge Members views on returning and had not received a lot of response to going back in and Members felt remote was working and would rather time was taken to set up a proper process. There was a business case for staff if Members wished to go in for meetings and can contact them to say if there is a particular reason they want to go in. Staff are required to undertake a risk assessment which was available for Members, Health and Safety were looking at the risk assessment in light of the changes to the regulations. However, at the time it had been circulated to Members, if they had scored over a six the mitigation for that was that they work from home. She advised that the situation was changing all the time in terms of case numbers in the community and if Members felt they had a business reason to go in for an informal meeting they could look at that and check and undergo the risk assessments.

With regards to the PPI, the Chief Officer, Legal, HR and Regulatory Services advised that they were aware there were firms out there looking to get their claimants up which was why they were being careful and making sure that risk assessments were done, and that Health and Safety are involved and the current regulations and guidelines were being adhered to. All staff had had the opportunity to do the DSE assessments, quite a lot of staff had been given additional kit, such as chairs and desks, there were offered and some people took them, whereas others had gone in and got their own equipment

from the office. She confirmed they were aware the PPI lawyers were knocking on people's doors, but they were doing everything they could to keep on top of it as things change and keep reminding people to do the assessment to keep themselves safe, but also because they had a duty of care to make sure that their staff and Members were safe as well.

A Member expressed that as an advocate for the public his position would be to look at the report and add a voice and opinion on the public's behalf. He noted that in the report Recommendations in paragraph 9, it stated that 'the information contained within the report on the progress that had been made with regard to the new operating model by the Council', there could have been something in there inviting contribution from the Committee in relation to reviewing the new operating model that would then indicate to the public that Members were fully engaged in the process. The Member advised that a lot of the issues he wanted to raise had already been addressed but he wished to add that before they moved on could they look at the present, at what they were good at with regards to their service delivery and how can that be maintained, also then what they were not so good at.

He stated that clearly the number of Member referrals had increased significantly which would indicate an increase in dissatisfaction, so how was that being captured, and lessons being learnt and perhaps looking at a service delivery model that could improve on services that have been captured by that dissatisfaction. The Member advised he supported agile working however, he queried what support was in place for staff, what management and supervision oversight would be in place and how they would performance manage agile working. He continued that they did not work alone in providing those services and worked in partnership with the trade union movement, with Members and communities and also with statutory partners. He advised these were the issues that he wanted to be reassured were being considered as the challenge to the Authority was that they try and meet customers' and communities' needs and expectations which was more than the initial call, he had examples where the call had been made but there had been no further support to provide that reassurance and confidence. He would like to see the public as the spine through the review of service delivery.

The Chair commented that a couple of the Councillors had mentioned that the referrals were much delayed, and answers were taking a long time to respond, and Members had been holding on the telephone for quite some time before getting through.

The Chief Executive emphasised that the overriding principle in any operating model was around being customer focused, meeting customer needs and being service lead. For example, if there were poor service outcomes due to people working from home, they would not accept that, so the first principle was does this work for the public, would it allow them to deliver effective public services and the would be the overarching principle of it all. In terms of public engagement, he believed Members had an incredibly important role as they were close to the public getting feedback on a daily basis. He advised they had other methodologies as well; through the budget consultation they had asked questions, as an example last year they had asked about digital services and the vast majority of the public had supported that move so they were being informed and shaped by some of the responses. Going forward when they were clear regarding what the model would look like they would need to engage the public again properly and see what they felt about it. From that feedback they might further amend and shape that model depending on the feedback. He reassured them that the engagement with the public was absolutely crucial. He advised that with regard to performance management there would be different requirements in terms of training and different skills that managers would need to have to make sure their staff were both supported and also performance managed. He believed it was about outputs and outcomes and not just

about people being visible for their hours each day, he expressed it was a significant shift and he recognised the detail behind that was complex, but they were working with HR colleagues on how to better support and train managers as well as induct staff into a very different environment.

With regards to partners the Chief Executive advised that it would be an important part of what they were doing moving forward. He advised that a lot of feedback they had had in the past from the public had been about being able to access a range of services in a much easier way, potentially in the same place or same telephone line. He expressed he was quite taken with the idea of shared public spaces, which could work for the public as they do not always differentiate their responsibilities and the police starts for example. He also advised that he had had some interesting preliminary conversations with other local authorities with regard to how it works on a reciprocal basis, for example living in Cardiff but working in Bridgend or the other way around. So instead of travelling to Bridgend each day could services be accessed or work in a base in Cardiff. He advised it would be very early days and did not want to create a level of complexity which was not the immediate priority. The Chief Executive concluded that they only exist to deliver services for the public and do that effectively and he would not want anyone to think that it was not anything other than a customer-focused, customer-led change and if happens along the way to improve work life balance and the wellbeing of their staff then that would be great. Alongside that if they did not do that and a lot of their competitors were, they would be non-competitive to the marketplace, if everyone else had agile policies and they did not it would put them at a disadvantage, so there are benefits to their staff and many other environmental and social benefits, but first and foremost they wanted to deliver an effective public service.

The Member thanked the Chief Executive and advised he was reassured but felt the big challenge was the line of sight from himself to the people who were at the core face and ensuring they share the same values, focus and motivation as the Chief Executive. Although not expecting an answer, he felt from a public perspective it would be remiss of him if he did not say that they listened to what he had to say and support it, but the challenge was to ensure that everybody at the core face of providing public services for Bridgend County Borough Council shared the values, visions and focus and that could be something they could monitor.

The Chief Executive advised that with regard to referrals they were particularly challenged by a set of circumstances, where some of the public and possibly some elected Members believe they are back to normal but normal did not look like it did in March 2020 and it would not. One of the challenges they had as an organisation was the increased demand in an enormous number of their services most particularly social care, homelessness and a range of other. They had a perfect storm in terms of elections next year, elected Members would want to be re-elected and there was an increased demand about a whole range of community issues that people want to see resolved quickly and before next May. He advised they had huge issue with recruitment and retention, not everywhere across the organisation but certainly in the lower grade jobs there was huge competition. They also had a plethora of new responsibilities that had come through legislation through the Welsh Government. He explained that none of that was an excuse as they ultimately needed to find different ways of organising themselves to be responsive and deal with the important things. He expressed that they were somewhat of a large vessel in terms of moving from position A to B and putting their resources in the right places, with most of their resources being prioritised to those services that focused on public health and things that had been prioritised during the pandemic which did mean they were getting a degree of frustration about some of the other services, particularly in some of the visible services in communities where there had not been the same level of investment and focus and would be an important

conversation to have with Members moving forward as the local authority can do most things and did them well but what it could not do was everything.

The Chief Executive wanted to reassure that there were significant efforts being made to try and get underneath the issues they had been finding particularly with the referral system. He advised they were experiencing over a thousand more referrals a year and did not have the additional resource to deal with the referrals but just constantly replying to them which they were trying to change the process around that as well, as there would be something there that needed to get into more self-help where a lot of the answers are available to Members in a different way so that they would not have to tie up officer time in terms of responding to them but the board point was that the authority had to work in many different ways and they were being particularly challenged at the moment as well as having to deal with things that members had brought to his attention and some of their frustrations moving forward so they were trying to shift some resource back to that area of the organisation as well to respond to some of those day-to-day issues.

A Member referred to the point the Chief Executive made with regard to shared workspaces and whether it was something they could bring to scrutiny to look at in more detail. He regarded incorporating the police and other services as a great opportunity to change the way services are run in Bridgend. The Member enquired if that was something that in future could go on the forward work programme.

The Chief Executive agreed that if the timing was right it would be a very interesting topic and something, he knew colleagues from Valleys to Coast and the Police had been quite engaged with. He did not the thinking was fully formed but a session with scrutiny might be helpful towards it.

A Member asked that they be mindful that some Members were unable to make pre-meetings and his questions had been answered but with that in mind, he enquired if the Chief Executive thought it would be a useful opportunity to look at Councillors' meetings as well. For example, meetings that run into the evening can be difficult for some people and could be an opportunity to streamline meetings that they have already.

The Chief Executive advised that one of the things Group Leaders had raised was potentially about the Constitution and the things that are included in a Council meeting, such as announcements, the debate and trying to make those meetings more meaningful and interactive. He advised there was a review ongoing of the Constitution that may apply more for the next administration post May.

The Chief Executive advised that some Members have the same challenges as many of the officers in terms of their other responsibilities be that children or care responsibilities, so he felt the goal would be to move to a situation where most meetings could either be accessed online or in person and it would be a personal choice however they were not there yet for the bigger meetings, which would require investment in the Chamber, but for him it would be a modern 21st Century solution where if it was inconvenient to attend a meeting in person you they could do some from home, although he understood that would not suit all Members and in that case they could attend in person as they had previously done. He had no control over the length of meetings, as it would be dependent on the level and length of the debate.

The Chief Officer, Legal, HR and Regulatory Services confirmed they were working towards a hybrid solution and then would be a matter of Members choosing for themselves. She appreciated that last month's Council meeting had been long and difficult for all the people on the call. She advised that an email would be sent to all Members when the next Council Agenda was published to try and make the process

smoother in terms of when being allowed into the meeting, giving apologies, arriving in the meeting and not telling the Chair or Democratic Services that they have arrived or leaving. With regard to the length of the meeting she agreed with the Chief Executive that it would be in the Members' hands, they were trying to be an open and transparent organisation and want the public to be engaged with what they were doing and if Members have an item that is important to them and the public, then as officers they would not want to stop that debate, it needed to be debated for as long as they thought appropriate. Moving forward the Chief Officer, Legal, HR and Regulatory Services would be sitting on a national group where they would be looking to review the Constitution and there were some requirements in the new legislation which meant they had to have a Constitution that was fit for purpose and that would be reviewed nationally but they also had to have an easy read guide to the Constitution so there was work ongoing to develop those two documents, with a view to them being in place by May. For the new administration in May and the new Members they would be looking at doing a schedule of meetings and again giving Members the option for earlier or later meetings, which they would implement what is agreed by the majority of Members.

The Member expressed he was pleased Member diversity was being taken into consideration. The Member referred to the earlier discussion regarding potential shared workspaces for officers to use another Council's offices. and he thought it was interesting and wondered if there had been any conversations with the Welsh Local Government Association for example in that area of work. He also made the point that less people travelling from another County into work could save carbon emissions particularly on their trunk and main roads. The Member enquired as to the profile of their officers and if it was a similar picture whereby a lot of people commuted from neighbouring authorities.

The Chief Executive advised although he did not have those statistics to hand, most employees live locally in Bridgend, however they did bring in a fair amount of people from neighbouring authorities and vice versa. He emphasised that suggestion was utopia, and he did not think they were at the point yet where they could open up shared spaces and access each other's IT systems and would require some work between the relevant IT departments. However equally it should not be on the backburner in terms of trying to come up with a solution moving forward that would work in that way, but they were not there yet.

The Group Manager Human Resources and Organisational Development advised it was fair to say that along their salary scale that there was a line midpoint where the most people who are travelling are on the upper levels, but she would be able to get that information to present for the future. Although she did not have it to hand it would be something they would be looking at in terms of expenses and the costs, analysis, benefits and potential savings when they go into more detailed work around the project.

A Member referred to the Chief Executive stating it was not just them as a local authority but all twenty-two across Wales, right across the public sector and to varying degrees as opposed to the private sector although there was a call back to the office in some cases. He agreed that culture change on this scale would take time to bring forward and they would have to see what happened alongside continual monitoring and evaluation. He believed it would be the direction of travel in terms of hybrid model of working and from his own day job they had removed clock watching in favour of an outcomes-based approach and he believed it had increased productivity and morale across the board but obviously there were caveats to that. The Member enquired on the balance of mental health of their employees and innovation, being stuck looking at a screen for long periods of time could be exhausting both physically and psychologically which was probably shared by a number of officers throughout the authority. He queried what was being done to consider the mental health of officers, equally and in balance with that, he

wondered about ingenuity and innovation. He continued that you could not plan for innovation and if they were out of the office the corridor conversations were not taking place and he worried that may get lost if they were planning meetings. The Member was pleased that the report took account of the impact on town centres more broadly, there would have been hundreds of staff based at Civic Offices who would have been buying lunch/food from independent retailers and it would have been a major boost to the economy. His concern was focused on Bridgend town centre and the negative impact and the independent retailers would need all the support they could get after the most awful eighteen months.

The Chief Executive referred to the Member touching on culture change and in terms of the operating model they could set the parameters and broad terms the way in which they think the organisation would work but some of the other things that will emerge he believed would be more organic. For example, he explained there had already been teams or groups (two or three) of individuals who had taken it upon themselves to meet for coffees, not the Civic Offices but in various places around Bridgend or wherever. These would then be the creative places where people are having those conversations as the Member had described. He advised that those were the things he thought the organisation missed the most, not the formal meetings but in fact informally they would have had the opportunity to support, speak to someone briefly to flag something up and therefore perhaps when then had come to the Agenda item in the formal meeting it would not be completely cold. He believed this would be something that they would not be able to put into place, would happen organically and teams or managers would find their own ways of trying to fill the gaps.

The Chief Executive advised that the Member's second point was a critical one and would possibly require some intervention, although it was not there yet but there was that fatigue of literally being online in virtual meetings back to back all day. Again this would depend on your job as it how often this happened, but the Chief Executive knew personally unless he is careful one meeting would roll into another and there was not the benefit of being able to walk to the next meeting like in the Civic Offices which would have given you a break. He advised that they may have to think about that and intervene, possibly limiting screen time, or automatic five to ten minute breaks, he expressed that he did not have all the solutions, but he understand the point and it was certainly one of the things they would think about moving forward.

The Chief Executive advised regarding the Member's point about reduced footfall in the Town Centre, he was acutely aware that they were talking potentially amongst people who generally would be supportive of the direction of travel they were going but there would be a cohort of people that perhaps be less enthused about it. He felt the broad thing he could say, empathetically, was that regardless of what the Council did the town centre traders would need to adapt regardless in terms of the different environment they were having to work, so although the Council's staff are an important part of their business it would not be just them and there was scarcely any public or indeed private organisation that was not reviewing the way in which they work and whether they needed to be in the office as often. He explained that there would be a challenge anyway for the town centre traders to adapt and if that means they need to invest in online solutions or operate in a different way, then their role as a Council was supportive to them about how they could make those changes and be fit for purpose moving forward. He hoped not to come across too harsh as the Council were doing everything it could to support the town traders in terms of the car park offer, the rental concession and a range of other things. However, they did need to accept and acknowledge that things had changed on a national basis over the last eighteen months and therefore it required business as well to look at how they could adapt and be different moving forward. He concluded that there were specific officers looking into how they could help moving forward but he did not think realistically they would not be able to compel staff to

go into the office and act as they did before. It was a complex piece and he wanted them to acknowledge they were absolutely on it the best they could be, but he believed it was not just a Council responsibility that there had to be something there as well about how they help and support traders to operate in a different way moving forward.

The Committee made the following Recommendations:

1. A summary of the actions that have emerged from the Project Board meetings to be sent to Members including ongoing meetings going forward.
2. A copy of the business cases that will emerge through work stream feeds, to be shared, as and when available.
3. Statistics to be supplied in relation to the profile of the workforce.

Members highlighted the importance of Member engagement in the process and felt it should be seeking consultation and engagement with Members as the project moves forward.

43. **UPDATE ON THE WORK OF THE SHARED REGULATORY SERVICE**

The Head of the Shared Regulatory Service gave a presentation on the work of the Service over the past eighteen months. He advised that the Shared Regulatory Service had been previously set up by the three Councils at a time they were struggling to delivery their Environmental Health, Trading Standards and Licensing Service in the light of some quite challenging budget pressures. He explained the collaborative idea is unique in Wales in the way they work. He explained they had set five priorities which he ran through as part of the presentation along with their vision in 2015. He advised that in March 2020 when lockdown commenced and people could only leave their homes for limited purposes, this began a new series of events for the Shared Regulatory Service, as they had the public health responsibility of the Local Authority for Bridgend and the Public Health Act. Since March 2020 they had aligned their resources into three key workstreams: Test Trace and Protect, Covid Enforcement and Advice and Nuisance and Community matters, along with continuing to undertake interventions on high-risk issues, food hygiene and housing.

The Head of the Shared Regulatory Service presented a timeline for the Service over the last eighteen months through the pandemic, described the other areas still being worked on and looked into, the enforcement approach and improvement and closure notices that had been served. Away from the coronavirus issues the Shared Regulatory Service had been in the Crown Court a lot in 2021 as the Courts had started to deal with the backlog of work. While the Service had a lot of people working in TTP and with the Police on Coronavirus enforcement, he assured the Committee that Food Safety and Public Health Work had continued with a number of interventions in Bridgend town centre. He advised that empty property work and animal welfare work had continued. He explained that they were measuring how the service was performing and drew attention to the extremely capable group of officers working in the Team all of whom wanted to do a good job. He concluded that their challenges continued with resources reducing and the need to prioritise and he would work with the Chief Executive and the Chief Officer, Legal, HR and Regulatory Services to understand what Bridgend needed as a priority to deliver services.

A Member expressed what a phenomenal job they had been doing with visiting all the premises and going above and beyond their previous roles and was reassured about the ongoing food safety and public health work. She asked for reassurance that the

continuing issue of horses in the local area and problems with plastic burning constantly in a rural area. would continue to be addressed, to protect animals.

The Head of the Shared Regulatory Service provided assurance that the work was ongoing, and the issues would continue to be addressed. He explained that work around noise and pollution issues had escalated as people stayed home and experienced noisy / annoying neighbours and following intervention threats to Officers had also increased. He expressed that the joint enforcement team of the Police had been one way they were addressing this.

A Member referring to business investigations for non-compliance of Covid measures was pleased to see that the philosophy was to provide advice and education before financial penalties, however there would be some occasions when they would have to enforce financial penalties and he wondered when these were incurred to what extent was that information shared with other colleagues in the Council e.g. Business Grants Team, as he felt it would be unacceptable for those that had been non-compliant to get grants ahead of those that had not been.

The Head of the Shared Regulatory Service advised that their philosophy had been to start with advice and then move to persuasion as the regulatory controls move through different levels, and the alert levels changed and it had been difficult for the enforcement agency to understand those changes and embed them, and for the business community. Where there had been persistent poor practice, they would impose penalties and every time they had intervened, they had publicised the actions they took against those businesses on the SRS website, as required by law. He advised that pre-lockdown they had more interaction with colleagues in the Council, however since operating remotely they may be a gap to examine and address.

The Member referred to the empty property work which he presumed had been to provide residential accommodation and asked were there any incentives for people to bring those empty properties back into habitable use. He added that pre-pandemic he did not recall ever having to make any referrals for rats and vermin, but since lockdown he had made quite a few. It had been explained to him that one of the reasons had been due to a lot of the town centre cafes, bars and restaurants had closed down and the rats had gone further afield to find their food, and he asked whether as places had opened back up was the latest number of complaints still as high.

The Head of the Shared Regulatory Service advised that Pest Control was delivered through a contract arrangement with the Mighty Organisation, and he did not have that information. During lockdown they did see an increase in complaints associated with premises not being used, nature reclaiming them and reports of rats in and around those types of premises, so they would look at that under the Prevention of Damage by Pest Act. With regard to the empty homes there was a complete package put together with their input primarily being the law enforcement. The Council made packages available to bring these properties back into reuse. He expressed they were an important element in terms of not just giving people homes but improving the appearance of local communities. He commented that local investment and local businesses being more likely to come into the area if it looks like a nicer place and empty homes were often a blight on that appearance.

The Chief Officer, Legal, HR and Regulatory Services advised that for Bridgend Pest Control did not sit within the Shared Regulatory Service and advised that there had been a recent report to Cabinet as the contract was due for renewal.

The Cabinet Member for Wellbeing and Future Generations advised that on the website there were a range of support packages for people with empty properties. She explained

that last month she had announced in the Council meeting with regard to getting private landlords to rent to them which was something they had done if people were struggling to rent their property. She advised there were also lots of grants available. She clarified that the report to Cabinet regarding Pest Control had been in September.

A Member thanked the team for the support to their communities through what must have been a horrendous time for them all. He explained that one slide in the presentation had indicated the number of improvement notices served in the County Borough of Bridgend exceeded the number of notices served in Cardiff. He continued that when you considered scale it may have suggested some form of disproportion and would there have been a particular reason behind that. The Member also queried with so much multi-discipline responsibility that they had, so many competing priorities how they assessed demand in terms of business continuity and how are they able to fulfil their obligations to all those disciplines at a time when there would be many competing priorities.

The Head of the Regulatory Service advised there were times when they had felt they were being pulled in many directions which was why they continued to have a dialogue about what Bridgend needed and why they have dialogue with the Welsh Government and Westminster Government about their priorities. It would then be a process of rationalising and determining where they could have the most impact and provide the greatest benefits. Their Coronavirus work they were clear they needed to be in and around the care homes, as the most vulnerable in the community, they were clear they needed to help the Health and Safety Team around schools, the vulnerable young people there and the potential to limit and spread of the virus. Food has an immediate effect on our health he continued, housing was a more insidious slow creep, that if they did not deal with poor quality housing then people's lifespans could be reduced quite significantly. He advised it was a constant reassessment of the need and where they could have most impact and where their resource would be best placed. With regard to the number of notices in Bridgend he advised there were three officers, one covers Bridgend, one the Vale and one Cardiff who meet regularly and seek to be consistent in their application and respond to what they have found. He continued that he had not expected there to be a uniform of notices, Bridgend had been slightly higher but that reflected what was found and the response from some of the businesses with a number of them challenging what those notices asked of them. He was confident that a good job had been done and would not draw too much from the notices, he believed that what they would eventually see would be a reasonably good compliant business community taking its responsibility seriously.

The Member advised he was reassured in terms of the disproportionate number and he was interested in what local assessments are undertaken before they engage with SRS.

A Member gave thanks for all the work prior to Covid and throughout and asked with regard to the current situation with TTC how pubs were responding and dealing with things. He gave two examples of going into pubs where in one there were 100 people and no masks but in contrast visiting another for lunch and masks being worn and track and trace details logged. The Member's concern was that there was obviously still confusion on how pubs and clubs are dealing with it and tracking people.

The Head of the Regulatory Service advised that the law required businesses to take reasonable measures to prevent the spread of the virus from / in their premises, as the infection rate rose, the reasonable measures changed from when the infection rate had been lower. One of those measures had been to collect details of who was on the premises, although he advised not all businesses do it, and the challenge they would have would be at what point would they think the business had become unreasonable in not doing certain things and would they need to intervene. The Head of the Regulatory

Service expressed that the absurdities of controls where people were now allowed quite close interaction with no face masks and yet when entering a shop there was still a requirement to wear one. It was a policy issue under regular review by Welsh Government.

A Member praised the Team as all his communication had received timely, effective, helpful and sympathetic responses. He had also been frequently updated without having to press on some of the more complex issues, as a referrer on many issues in their domain and as someone associated with the community centre who had to negotiate the complexities of particularly Covid requirements and the multiple activities within that community centre.

The Head of the Regulatory Service expressed that community centres were interesting last year as they had anomalies of thirty people being able to go in and do an exercise class, but you could not have five young children practice their recorders or brass band instruments and they had done their best to try and communicate that through.

The Cabinet Member for Wellbeing and Future Generations wanted to thank the Committee for all their positive comments. She was aware that SRS was not often an attendee in Bridgend Committees. She also wanted to put on record her thanks to the staff at SRS who had gone across to help the pandemic response on the TTC side of things. She explained that the staff had had to pick up a lot as mentioned previously, the SRS trained their staff well and a lot of work had gone on behind the scenes to make sure that the performance had not dipped. She advised that they did need to be mindful as recruitment was an issue across the Local Authority.

The Head of the Regulatory Service advised that Cardiff Metropolitan University was the university that trained Environmental Health Officers and that numbers on the course had dwindled significantly over recent years, but as part of their efforts to deal with the coronavirus challenges and continue the work that they are tasked with they recruited 25-30 of those students over the months to help with that work. As officers had left the permanent work force some of those students had joined them permanently, so there was a flow of staff into the organisation to train and develop. He admitted it was an ongoing challenge to get young people into the service and to get them the skills that they needed, and they were keen to recruit the right kinds of individuals that could engage with the community. She thanked the Head of the Regulatory Service for doing an outstanding job.

The Committee made the following Recommendations:

1. Have a written response in relation to how priorities are assessed locally to engage the services of SRS.
2. Members enquired about further information as to whether there had been an increase in the volumes of rats in order to determine if this was a local issue.

Members recommended the sharing of data internally, in respect of the awarding of grants, for non-compliant businesses.

44. FORWARD WORK PROGRAMME UPDATE

The Scrutiny Officer advised that following on from Members' consideration of the Forward Work Programme at the last meeting in September, the updated Forward Work Programme for this committee was attached as Appendix A and the Forward Work Programmes for Subject Overview and Scrutiny Committees 1, 2 and 3 were also

attached as Appendices B, C and D, because this committee had responsibility for coordination and oversight of the overall Forward Work Programme.

She also advised that the Recommendations Monitoring Action Sheet was attached as Appendix E to track responses to the Committee's recommendations at the previous meetings.

A Member mentioned that when looking at Wednesday 1st December on the Forward Work Programme there was quite a lot on the Agenda for one meeting and felt that things may be overlooked if there was too much on the agenda to go through. The Chair queried with the Scrutiny Officer whether the Budget report would be available for that meeting.

The Scrutiny Officer advised that due to the lateness of the Local Government Finance Settlement it was likely that the scrutiny of the Budget would move from December to January so some of those reports would be moved to January for consideration as a result, which should reassure Members regarding the size of the December Agenda.

Recommendation:

Having considered the Forward Work Programme, the Committee requested that a report upon Shared Workspace be added to the Forward Work Programme.

There were no requests to include specific information in the item for the next meeting.

RESOLVED: That the Committee considered and approved its Forward Work Programme in Appendix A, subject to the above, noted the Forward Work Programmes for the Subject Overview and Scrutiny Committees following consideration in their latest respective Committee Meetings in Appendix B, C & D, and noted the Recommendations Monitoring Action Sheet to track responses to the Committee's recommendations made at the previous meetings in Appendix E.

45. **URGENT ITEMS**

None

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO THE CORPORATE OVERVIEW AND SCRUTINY COMMITTEE

19 JANUARY 2022

REPORT OF THE CHIEF OFFICER – FINANCE, PERFORMANCE AND CHANGE

MEDIUM TERM FINANCIAL STRATEGY 2022-23 TO 2025-26

1. Purpose of report

- 1.1 The purpose of this report is to present the Scrutiny Committee with the draft Medium Term Financial Strategy 2022-23 to 2025-26, which sets out the spending priorities of the Council, key investment objectives and budget areas targeted for necessary savings. The strategy includes a financial forecast for 2022-2026 and a detailed draft revenue budget for 2022-23.

2. Connection to corporate well-being objectives / other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objectives under the **Well-being of Future Generations (Wales) Act 2015**:

1. **Supporting a successful sustainable economy** – taking steps to make the county borough a great place to do business, for people to live, work, study and visit, and to ensure that our schools are focussed on raising the skills, qualifications and ambitions for all people in the county borough.
2. **Helping people and communities to be more healthy and resilient** - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.
3. **Smarter use of resources** – ensuring that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

- 2.2 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 2022-23.

3. Background

Corporate Plan - Policy Context

- 3.1 The Council's well-being objectives under the Well-being of Future Generations (Wales) Act 2015 are currently:
- Supporting a successful sustainable economy
 - Helping people and communities to be more healthy and resilient
 - Smarter use of resources

3.2 This draft MTFS has been significantly guided by these objectives. Although previous year-on-year changes 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 £480 million and is the largest employer in the county borough. The Corporate Plan will be presented to Council for approval alongside the MTFS 2022-26 in February 2022 and will be fully aligned with the MTFS including explicit links between resources and well-being objectives.

Impact of Covid-19

3.3 The quarterly reports to Cabinet on the revenue position for 2021-22 have outlined in detail the impact on the budget of the additional cost pressures and loss of income faced by the Council throughout the year as a result of the ongoing pandemic. Welsh Government has played a significant role in mitigating the majority of these losses through their various funding streams, most notably the Covid-19 Hardship Fund.

3.4 However, Cabinet and Council now need to consider the longer-term impact of the pandemic and how it will shape the Council as part of its Recovery Programme, given that the Hardship Fund is due to come to an end in March 2022.

3.5 Budget planning for the financial year 2022-23 is still more uncertain than usual due to the impact of the ongoing global Covid-19 pandemic, which is on top of the ongoing uncertainties and financial pressures arising from the United Kingdom's (UK) withdrawal from the European Union (EU). While, on the whole, the UK and Welsh Governments have been supportive of the additional costs and burdens that have emerged from Covid, and covered most of the directly incurred costs, we are aware that this funding is not going to be available going forward. In particular it is anticipated that some of the impact on levels of income in leisure, car parking and rental income, for example, may be a medium-term problem. In addition it is likely that there will be an additional call on the council tax reduction scheme in view of the inevitable economic impact of the pandemic and the end of the furlough scheme, and the level of council tax collection is estimated to be lower than pre-pandemic levels. Furthermore, ongoing expenditure on matters relating to public health, such as the test, trace and protect scheme, use of personal protective equipment and arrangements for the public vaccination programme, as well as other expectations with regard to addressing homelessness more robustly, and supporting social care which is experiencing increased costs and need and demand for services, are likely to be significant.

3.6 In these circumstances setting a balanced budget for 2022-23 is even more challenging than usual, particularly on the back of 10 years of significant budget savings during the austerity years.

4. Current situation / proposal

4.1 Budget Narrative

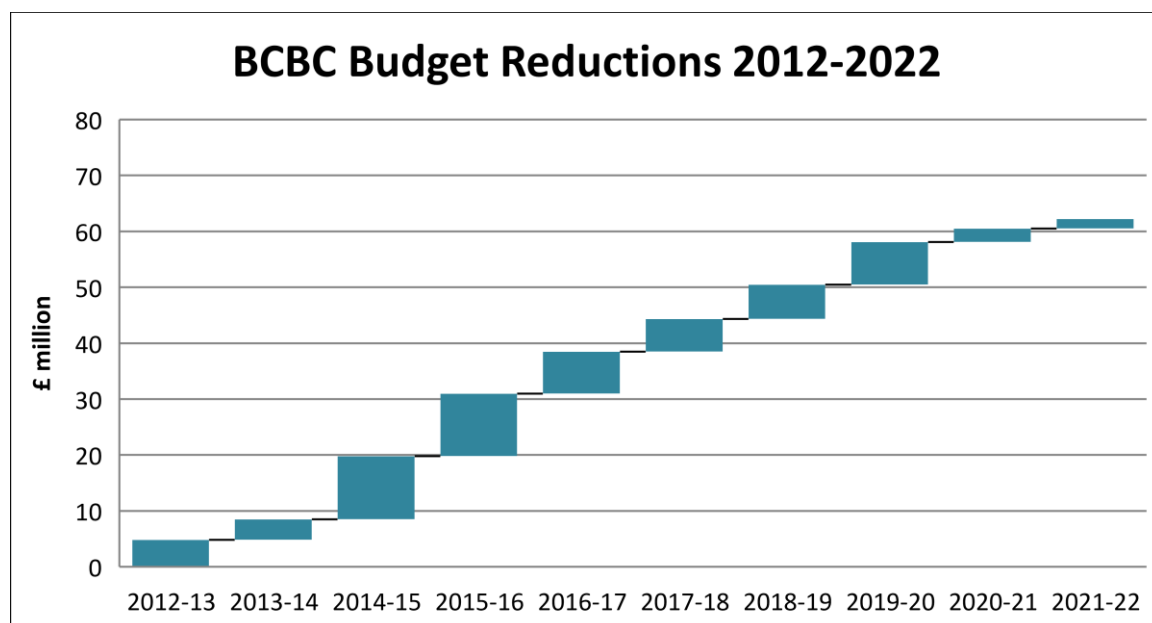
The Council aspires to improve understanding of its financial strategy, link more closely to the agreed corporate well-being objectives and explain the Council's goal of delivering sustainable services in line with the overarching ambition of the Well-being of Future Generations (Wales) Act 2015. The following budget narrative aims to articulate the continued and significant investment in public services that the Council will make. It sets

out how the Council aims to change particular areas of service delivery, particularly in light of the Covid-19 pandemic, and the financial consequences of this.

4.1.1 Corporate Financial Overview

Over the last 10 years, the Council has made £62 million of budget reductions, as shown below. This represents almost 21% of the Council's current budget:

Bridgend County Borough Council Budget Reductions 2012 to 2022



While the Council's net revenue budget is planned at £319.510 million for 2022-23, its overall expenditure far exceeds this. Taking into account expenditure and services which are funded by specific grants or fees and charges, the Council's gross budget will be around £480 million in 2022-23. The local authority's annual revenue budget covers the day-to-day running costs of the local authority (including staff salaries, building maintenance, pensions, operational costs etc.). Around £190 million of the gross budget 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, social care workers, leisure staff and foster carers.

The Council gets the majority of its revenue funding from Welsh Government through the Revenue Support Grant and a share of Non Domestic Rates. It supplements this through council tax collection, other grants and fees and charges. Council tax is a charge that local authorities charge to help to pay for their services. The amount that council tax payers pay is made up of 3 elements:

- Bridgend County Borough Council charge
- Town or Community Council charge
- Police and Crime Commissioner for South Wales charge

In terms of council tax, the proportion of council tax required to balance the Council's budget has steadily increased over recent years and it currently funds almost 30% of the budget.

As well as having reduced real income to fund services, there are other pressures that squeeze resources. Amongst these are:

- Legislative changes e.g. the Environmental (Wales) Act 2016, the Welsh Government's commitment to eradicate homelessness, local authorities' responsibilities in respect of responding to climate change and meeting net zero carbon targets, the implications of the Local Government and Elections (Wales) Act 2021 and the Additional Learning Needs and Education Tribunal (Wales) Act 2018 and legislative changes in social care including new adult protection safeguarding requirements and changes to the Public Law Outline for children.
- Demographic changes – the population is increasing and also people are living longer which is obviously good news but that also can bring increased dependency through people living with more complex or multiple conditions which require social care and support. This has been exacerbated by the pandemic as there have been delays in access to NHS treatment and an impact on physical and mental health from extended lockdown periods. In addition the complexities and challenges for children and families are very evident.
- An increase in the number of pupils at our schools, which places increased pressure on school budgets, along with an increase in free school meals entitlement which brings additional funding pressures.
- More recently, a reduction in the amount of council tax being collected, due to the difficult economic circumstances that people find themselves in. This is coupled with an increase in council tax support as more people find themselves on low incomes or claiming benefits following the end of the furlough scheme.

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 citizens and communities in Bridgend. 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 is not always as easy as it sounds because often different rules or opportunities 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 become more resilient by creating their own solutions and reducing 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 in sustaining and often enhancing local services. The Council has a role in encouraging, enabling 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 and disadvantage. 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 new socio-economic duty on public bodies, which came into force on 31 March 2021, reflects these aims.

- The Council has three well-being objectives that reflect these and other principles. One of these objectives is to make “Smarter Use of Resources”. This means we will ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council’s well-being objectives.

In seeking to continue to meet the Council’s identified priorities and protect its investment in Education and early intervention, Social Services and Wellbeing, and prioritise the most vulnerable in our society, we are proposing the following changes in the 2022-23 budget.

Additional Income

Where possible, and still recognising the ongoing economic challenges that local people and businesses will face next year, the Council will seek to raise additional income. However, there will be limited opportunities to do so given the immense challenges that Covid-19 has brought to the population. We will continue to look for opportunities where that might be possible.

Alternative Delivery Models

We will continue to seek alternative ways of delivering services if that can ensure greater sustainability and efficiency. Over recent months there has been a significant acceleration in the Community Asset Transfer (CAT) Programme and it is anticipated that a total saving of £300,000 will be made by transferring responsibility for the management of assets, predominantly outdoor sports related playing fields and pavilions, to town and community councils or community clubs and groups. In addition the Covid-19 pandemic has shown how some Council services can be delivered differently and it is important that, where appropriate, this is something that endures, and that investment is made to ensure that services can be maintained and delivered safely. Specifically it is anticipated that an acceleration of the Council’s digital programme may allow staff efficiency savings. Wherever possible, staff restructuring will be done sympathetically allowing those that wish to leave to do so, but also making appropriate investments in home and agile working and digital technology to ensure the Council is fit for the future.

Efficiency Savings

The best kind of budget savings, of course, remain ones where there is little or no direct impact on staff or residents. After a decade of substantial budget savings, opportunities for large scale savings of this sort are now more scarce, but where they emerge, they remain an important component of the MTFS. For next year savings include reviewing and rationalising the Council’s supplies and services budgets. Further savings are proposed from a review and rationalisation of office accommodation following the pandemic. The ongoing investment in installing energy efficiency measures in the Council’s buildings, including schools, will continue to offer savings. The Council will continue to seek to apply and secure grants where they can lead to revenue savings and greater sustainability of important services. Other potential savings are being considered in relation to the

remodelling of social services provision, which may allow some ongoing revenue savings but also provide a better service for individuals following the pandemic.

Property Savings

The Covid-19 pandemic reinforced the need for the Council to consider very closely the need for all of its portfolio of building assets. Over recent years savings have already been made by rationalising the number of operational depots and releasing two of the Council's major staff offices at Sunnyside and Sunnyside House. For 2022-23, as part of the Council's Future Service Delivery Review, further savings are proposed by commercially letting a wing of Ravens Court to a partner organisation or business. Furthermore, the Council's investment in a new, modern, Community Recycling Centre in Pyle, due to open early in 2022, will mean the lease for the site at Tythegston can be ended thus realising the 2021-22 saving of £60,000 per year.

Changes to Service Provision

Unfortunately, despite the settlement we will receive for 2022-23 being an increase overall, due to the number of unavoidable pressures we are facing it is highly unlikely that we will be able to balance the budget without also making changes to the level of services that we can provide and prioritising those services that are deemed most important in terms of meeting the Council's agreed priorities. In particular it is important that where the Council runs a service that also benefits other organisations and partners that appropriate contributions are made, where possible, to complement the Council's investment.

4.1.2 Education

The Council is proposing to spend £131 million on services delivered by the Education and Family Support Directorate in 2022-23. The majority of this money will be spent by Bridgend's 59 schools and one pupil referral unit.

In addition to the £105 million proposed budget to be delegated to schools in 2022-23, which mostly pays for the salaries of teaching and other school staff and the running costs of the facilities (ongoing revenue expenditure), the Council has already spent £21.6 million in building and refurbishing schools as part of our 21st Century School Modernisation Band A Programme and has provisionally committed to a further £19 million as part of the Band B Programme. This comprises one-off capital expenditure across several years, with significant match funding from Welsh Government. Welsh Government has provided approval in principle in respect of the Strategic Outline Programme submitted by the Council around our aspirations for Band B funding. However, approval will also be required for individual project business cases. The concepts proposed are based around 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, mainly in the primary sector. It is likely that this will represent the most significant area of capital expenditure for the Council in future years.

The Council has a longer-term goal to make the overall schools' system more efficient (e.g. through making sure we have the right number of school places available in the right parts of the county (including ensuring enough capacity for anticipated future increases in school age population)).

For 2022-23 the level of budget reductions required is not as great as had been feared. As a result, it has been possible to protect schools from the proposed 1% annual efficiency target for one year. However, the forecast pressure on Council budgets for future years is such that it may be unavoidable for 2023-2024 onwards, and so it will be necessary for headteachers and governing bodies to plan ahead.

The Council has identified 'Helping people and communities to be more healthy and resilient' as a 'Well-being Objective' 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 help later on.

In seeking to protect our investment in education and early intervention, and to provide as much support as possible to pupils following the disruption caused by the pandemic, the Council is making minimal changes to the services delivered at this time. However, we will continue to seek efficiencies in the application of the Council's Home-to-School / College Transport Policy.

4.1.3 **Social Care and Well-being**

After Education, the largest area of Council spend is on social care. This includes social work and social care for children and for adults with care and support needs. Within the Directorate there is a focus on well-being and independence, outcome focussed practice which supports people to live the lives that matter to them. This way of working can result in less dependency on commissioned social care services for many individuals and more effective and cost-effective use of statutory services. The Directorate continues to develop new approaches to service delivery and this includes better support and outcomes for prevention, early intervention and well-being. This approach supports the well-being objective of 'helping people and communities to be more healthy and resilient' and is also part of the Directorate's transformation plan with a clear link to the Medium Term Financial Strategy.

There are established working relationships between children's social care and early help and intervention services with mechanisms in place to ensure close working and appropriate and proportionate responses to families and children in need. It is evident that the complexity of issues facing children and families has increased and requires a high level of professional social work intervention, working closely with partners, as well as access to service provision.

Our strategy for the next few years is to more effectively embed strength-based practice and support individuals and families to live their best lives, remodelling the way we work in order to deliver outcome focussed services and approaches which enable people to maximise their independence and families to stay together with targeted support where needed.

Social services is largely a needs-led service and whilst the long-term strategy is to enable people and families to live well and inter-dependently, the demographics show that people are living longer, often with more complex conditions than ever before. This means that there are more people living in the community who would previously have remained in hospital or entered a care home. Children's social care is also needs led and the financial pressure to meet need can fluctuate very rapidly. Needs are met and personal outcomes

achieved within available budgets. In total, the Council is proposing to spend £78 million on social care and well-being services in 2022-23.

The Council's strategy is to continue to transform how we work with people and ensure that service and financial strategies align. The cost, as well as the need for services, is changing and the Council recognises that all the roles in social care are professional and should be recognised through the terms and conditions which the Council and third party providers pay. Introducing new ways of working which will be sustainable in the long term, alongside a service which has to meet a range of statutory needs, requires strength-based culture and practice. The service has made good progress in achieving the required savings to date, however the increase in demand, complexity and fair price of care required continues to put pressure on our budgets. The impact of the Covid-19 pandemic on people with care and support needs and the social care sector is significant in the short and medium term and plans are being adjusted to reflect this changed context.

In order to be sustainable going forward, the Council is ensuring that any changes are introduced in a planned and timely way, and co-produced with the people that such changes impact on with us, as well as the general workforce. This work has already commenced and the budget saving proposals for 2022-23 build on the implementation plans that are already underway. The re-modelling programmes focus on changing the culture and reviewing what has become 'custom and practice'.

The Council has already made changes. In adult social and children's social work we are implementing strength-based practice in order to improve the outcomes for people who need care and support whilst also reducing the numbers of people who require long term support. The Council focuses on helping people to achieve the outcomes they want for themselves, targeting our interventions on what is missing, rather than going straight to what package of care we can give them. We are also actively reviewing the way we deliver care and support at home, day opportunities and accommodation, care and support for children. There has also been an increased focus on developing the Council's in-house foster care and remodelling residential services.

Importantly these transformations are designed to both better support people to live well and make best use of investments. The Council has identified a number of further transformations that continue this approach, some of which are reflected in changes to the budget. These include a full review of the learning disability day opportunities and accommodation strategy and further remodelling of Children's residential and fostering services.

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 (Wales) 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 service has responded to the challenges of Covid-19 and new guidance introduced by Welsh Government in relation to homelessness presentations, and has already recognised these as budget pressures for the Council, with the aim of providing temporary accommodation to people in need, in order to reduce the number of street homeless people. 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.

The service also administers the Housing Support Grant from Welsh Government (£7.8 million). The support activities are both broad and diverse. This is done both through a range of corporate joint working and contract arrangements with third sector organisations,

delivering specific projects for people who are vulnerable with complex needs. These projects include services for people suffering domestic abuse, mental health and substance misuse issues, learning disabilities, accommodation for young people, people with mental health support needs and other housing related support for people who need help to access or maintain accommodation successfully.

Housing will continue to adopt a strategic approach to homelessness prevention and provision by working with Welsh Government and partner organisations. Work with Registered Social Landlords is on-going to support new housing developments and housing will continue to use the Social Housing Grant effectively to increase the supply of social housing.

4.1.4 **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 direct and visible impact on everybody. This includes our work to maintain highways, parks and open spaces, clean our streets, and collect and dispose of our waste.

In 2022-23 the Council is likely to receive around £4 million of direct Welsh Government grant for public realm services. This includes waste services, public transport, rights of way and road safety.

The overall net budget that the Council proposes to spend on public realm services is around £22 million. The fact that schools have had a high degree of financial protection in previous years has meant that the Council's other services have been under considerable pressure to make savings and, in many cases, we have had to reduce levels of service. However the services in the Communities Directorate have also been subject to service changes that have resulted in alternative delivery models that have increased productivity, as well as collaborative approaches that have increased both efficiency and service resilience. Investment in this area is proposed to continue into 2022-23.

The seven year contract with Kier is now moving into its fifth year and the costs associated with waste collection still remain competitive on an all-Wales basis. During the first few years of the contract there was a significant increase in the amount of waste recycled, (Bridgend is consistently in the top 5 of best performing waste authorities in Wales), and therefore a significant reduction in the volume of our residual waste, which is expected to benefit the Council financially over time, subject to contractual conditions with our disposal arrangements. However, the Council has seen higher overall domestic waste due to the impact of the pandemic and the higher number of people continuing to work from home. An indicative net saving of £1 million was identified in 2019-20 as a result of negotiating new operating arrangements at the Materials Recovery and Energy Centre (MREC). An agreement with Neath Port Talbot Council has been made for waste disposal going forward until 2030 or until a regional facility comes online. We expect to spend in the region of £9.4 million on the collection and disposal of waste in 2022-23. Work will also commence on looking at the provision of waste and recycling services post 2024, when the Kier contract ends, and this will be reported to Cabinet during 2022-23.

A major challenge for the Council is how to continue to meet public expectations for many highly visible and tangible services when the available overall Council 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 also develop alternative ways of delivering and sustaining services including greater and more effective collaboration and encouraging others to work with us or assume direct responsibility for services in some cases. The most significant proposed change in this respect is a move to shift the responsibility for the management and maintenance of sports fields and pavilions from the Council to user clubs and groups or local town and community councils. The Council has adopted a flexible approach to community asset transfer (CAT), utilising a streamlined CAT process, and ensuring that appropriate advice and both capital investment (from the CAT fund in the capital programme) and revenue support (from the sports club support fund) are made available. The Council aims to achieve savings of £300,000 over 2021-22 and 2022-23 from transferring these assets.

Reductions in spend in this area will allow us to protect our investment in the Council's priorities and in areas where we have far less ability to exercise control.

4.1.5 Supporting the Economy

Whilst this is a Council priority, services such as regeneration and economic development as a discretionary service have nevertheless made significant reductions to their budgets over recent years. The Council has delivered this by employing fewer but more highly skilled staff, and focussing activity more narrowly on priority areas to maximise impact. Going forward, we will increasingly collaborate on a regional basis with the nine other Councils that make up the Cardiff Capital Region City Deal, particularly in areas such as transport, economic development and strategic planning. The City Deal is creating a £1.2 billion fund for investment in the region over the next 20 years. This long-term 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 to reflect this direction of travel. The Council will be spending in the region of £2.2 million a year running these services, plus a further £700,000 as Bridgend's contribution to the Deal itself. These teams will ensure successful delivery of high profile regeneration projects, including the numerous regeneration projects in Porthcawl such as the regeneration of Cosy Corner, development of a retail store and the Placemaking Strategy. Other schemes include the redevelopment of the Ewenny Road in Maesteg for both housing and employment uses and the comprehensive re-development of Parc Afon Ewenni in Bridgend through City Deal and Welsh Government funding. In addition, through its Metro programme, and together with Welsh Government, the Cardiff Capital Region provides the principal funding mechanism for large strategic transport projects within the region. Current projects include the Porthcawl Metrolink bus facility as well as feasibility and design work on the replacement Penprysg Road/Active Travel Bridge and removal of the level crossing in Pencoed. The delivery of this regionally significant Penprysg Bridge project will be dependent on a successful bid to the UK Government Levelling Up Fund. We are also in the process of delivering a replacement Local Development Plan and an important part of our budget planning is making sure that it is resourced appropriately to ensure our plan is properly researched and evidenced and sets out the development planning proposals for the County Borough which will shape its future, including housing growth.

More specifically, the Council has made and continues to make good progress in pursuit of the development of our main towns. These include the regeneration of the waterfront at Porthcawl, including the Salt Lake site, the redevelopment of Maesteg Town Hall, and investment in initiatives to improve the town centre in Bridgend. This includes potentially relocating Bridgend College to a town centre location. Much of this investment is not the Council's own money, but skilled teams are required to bid successfully in a competitive environment to ensure money is levered in.

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 under the Employability Bridgend programme.

4.1.6 **Regulatory and Corporate 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

This is a combined service with the Vale of Glamorgan and Cardiff City Councils, for which Bridgend will contribute around £1.7 million towards a group of services that includes Trading Standards, Environmental Health, Animal Health and Licensing (Alcohol, Gambling, Safety at Sports Grounds, Taxis etc.). These services all ensure, in different ways, that the public is protected.

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. The main base for the registrars' service was moved from Ty'r Ardd to the Civic Offices during 2020-21, creating efficiencies in terms of operating costs by rationalising the Council's estate and generating an additional capital receipt.

Council Tax and Benefits

The taxation service collects over £85 million in council tax from around 65,000 households across the county borough. Our collection rates in recent years were the highest ever in the Council's history, but this has been seriously impacted by the Covid-19 pandemic. We are determined to regain 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.

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.

4.1.7 **Other Council Wide Services**

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.

Property and building maintenance

The Council continues to review its commercial property portfolio, identifying asset management opportunities and the mechanisms required to deliver a sustainable increase in income. Alongside this, the Council is continuing to dispose of assets it no longer requires to deliver services, in order to provide further investment in our capital programme.

The Council has brought together its asset management and building maintenance functions, and has centralised all premises repairs, maintenance and energy budgets into a single 'corporate landlord' service within the Communities Directorate. This will better enable us to manage compliance, embed 'whole life costing' approaches into decision-making, manage the quality of work undertaken by contractors, and thereby deliver efficiencies in the management of our estate. This focus on reducing our assets and energy efficiency will be essential if the Council is to meet Welsh Governments targets of all public sectors bodies being net carbon neutral by 2030. A draft decarbonisation strategy entitled "Bridgend 2030", is under development with the Carbon Trust and will be supported with a detailed action plan, setting out how the Council will reach a net zero carbon position in Bridgend by 2030. This will be presented for approval to Cabinet in early 2022.

The service will continue to review its processes in 2022-23 including seeking further operational efficiencies and streamlined business processes, from IT investment, improved procurement and contract management.

Legal services

The Council needs to maintain effective legal support for all of its services. At a time when the Council is trying to transform services it is important to bring about these changes within the law. The service also directly supports front line services such as Education and Social Services, and is provided by a mix of permanent internal staff and expertise purchased from the private sector when necessary. Almost half of our in-house legal team is specifically focussed on child protection cases.

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.

Finance

The Council has a central team that manages all of the financial management of the Council. This includes high level strategic advice, the Council's accounts, monitoring of financial performance and supports the oversight and management of the Council's finances. The service fulfils certain legal requirements that ensures transparency and accountability in the way that public money is used – for example in producing accounts which are then audited and in delivering value for money in service delivery.

The Finance Section will be looking to further improve and enhance business processes to improve efficiency and also meet legislative changes. Significant progress has been made in automating payments and the Council will continue to develop and extend this to a wider range of suppliers.

Human Resources (HR) and Organisational Development (OD)

With over 6,000 employees including schools, the Council needs a dedicated human resources service. The primary role of the service is to provide professional advice, guidance and support to managers and staff on a wide range of HR and OD issues as well as provide HR services for the payment of salaries, pension, contracts and absence administration. Other services include training and development, recruitment and retention, developing employee skills and 'growing our own'. We intend making greater investment in recruiting more apprentices and graduates next year.

Working closely with our recognised trade unions, it maintains positive and transparent employee relations arrangements.

ICT

We are continuing to invest in the automation and digitisation of services in line with our recently approved Digital Strategy, where it is appropriate to do so, and work is ongoing to identify priority areas through the Digital Transformation Programme which will help achieve savings in future years of the MTFS.

The ICT 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. The Council spends around £5 million on its ICT services provision to support main Council activities and schools. The ICT service has focused on developing staff through the apprenticeship programme in conjunction with HR, developing skills and enabling career progression in-house.

Procurement

The Council has a central team that provides procurement support across the range of services that we provide. Effective procurement is essential to ensuring good value for money across the Council, but we will still continue to seek corporate wide efficiencies in the operation of this service. The service is also focusing more efforts on developing the foundational economy based on local procurement as well as reviewing its overall approach in an effort to secure better outcomes for the Council from its large annual spend in this area.

Democratic Services

The Council is a democratic organisation with 54 elected members (Councillors) who make decisions, set policy direction and oversee the general performance of the Council. Like many Councils, Bridgend has a mayor whose job is to chair meetings of the Council and represent the Council in the community (this is completely different to the elected mayors in cities like London and Bristol). These democratic processes require support to ensure accountability and transparency in decision making. The number of elected members in each authority is set independently. Their remuneration is also determined by an independent Panel.

Internal Audit

Our Regional Internal Audit Shared Service is provided by a joint service that we share with the Vale of Glamorgan, Rhondda Cynon Taf and Merthyr Councils. The service carries out routine checks and investigations to ensure that the Council maintains good governance – especially as it relates to the proper accountability of money and other resources.

4.2 The Financial Context

4.2.1 The Council's MTFS is set within the context of UK economic and public expenditure plans, Welsh Government's 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.

4.2.2 The MTFS includes:

- The principles that will govern the strategy and a four year financial forecast, comprising detailed proposals for 2022-23 and outline proposals for 2023-24 to 2025-26.
- The capital programme for 2021-22 to 2031-32, linked to priority areas for capital investment and the Capital Strategy, which will be presented for approval by Council in February 2022, along with the Treasury Management Strategy 2022-23.
- The Corporate Risk Assessment, which will be updated and included in the final MTFS in February 2022.

4.2.3 In October 2020 the Treasury confirmed that the Comprehensive Spending Review would only set departmental budgets for the following year, due to the economic disruption caused by Covid-19, and the ongoing uncertainties around Brexit. This was the second single year spending review in succession, and on 25 November 2020 the Chancellor delivered the outcome of the review. On 7 September 2021 the Chancellor of the Exchequer wrote to the Secretaries of State to launch the Spending Review 2021 (SR21), which would conclude on 27 October 2021 alongside an Autumn Budget and set out the government's spending priorities for the Parliament. The three-year review (2022-23 to 2024-25) would set the devolved administrations' block grants for the same period. At its launch the Chancellor stated:

“At the Spending Review later this year, I will set out how we will continue to invest in public services and drive growth while keeping the public finances on a sustainable path.”

4.2.4 On 27 October 2021 the Chancellor announced his Autumn Budget, alongside the results of the spending review, which would set out how the government would fund public services for the next three years. The Office for Budget Responsibility (OBR) also published an update on the economic and fiscal outlook on that date. A number of measures were announced in advance of the Budget, including a rise in the National Living Wage from £8.91 per hour to £9.50 and an end to the public sector pay freeze, and in his speech the Chancellor promised that his budget would deliver a "stronger economy for the British people". In terms of the state of the economy, it was reported that the OBR had revised up its forecasts for UK economic growth and now expected gross domestic product (GDP) to expand by 6.5% this year compared to the 4% it forecast at the Budget in March 2021, which is faster than expected. However, the OBR also estimated that inflation is likely to rise to an average 4% over the next year.

4.2.5 The Chancellor pledged a major increase in public spending amid higher than expected economic growth with extra money for schools, tax cuts for businesses and changes to Universal Credit to allow working claimants to retain more of their benefits. In terms of the devolved administrations, the Chancellor said that through the Barnett formula Welsh government funding would go up by £2.5 billion. The Chancellor acknowledged concerns about rising inflation and the cost of living but said that the government would be responsible with the public finances, with borrowing as a percentage of GDP forecast to fall from 7.9% this year to 3.3% next year, and lower again in the following four years.

4.2.6 In response to the Spending Round the Welsh Government Finance Minister stated that:

“This UK government Spending Review hasn’t delivered for Wales. Vital funding priorities, such as the long-term remediation of coal tips and greater funding in rail infrastructure, have been ignored. While the Spending Review does give us some medium term financial certainty and some additional investment, it is more than offset by the inflationary and system pressures that we are facing. The budget fails to meet the scale of the challenge that families, public services and the wider economy are still facing as a result of the pandemic”.

She also expressed concern over future arrangements for replacing EU structural funds, but stated that she was determined to *“deliver a Budget that builds a stronger, greener, fairer Wales - helping public services and our economy recover from the pandemic, and moving us closer towards being a zero-carbon nation”.*

4.2.7 As a result of the late announcement of the Comprehensive Spending Review, Welsh Government decided to defer the announcement of their draft budget, along with the provisional local government settlement, until 20 and 21 December 2021, respectively. This also means a delay in the announcement of the Welsh Government’s final local government settlement until 1 March 2022, so the Medium Term Financial Strategy and the budget for 2022-23 is proposed on the basis of the provisional settlement.

4.2.8 On 20 December 2021 the Minister for Finance and Local Government (the Minister) announced the Welsh Government’s draft budget for 2022-23, and the first multi-year Welsh budget since 2017. The draft budget set out revenue and general capital spending plans for 2022-23, alongside planned allocations for 2023-24 and 2024-25. The Minister indicated that the budget was to be used to support the Welsh Government’s plans to

ensure a stronger, fairer and greener future for Wales. She stated that they would use the budget to deliver on their ambitious Programme for Government, and support their path to recovery by continuing to protect, rebuild and develop our public services. This included investing close to an additional £1.3 billion in the Welsh NHS to enable high quality and sustainable healthcare to help us to recover from the pandemic, and prioritising social care.

- 4.2.9 The budget included an additional £60 million direct additional grant funding up to 2024-25 to drive forward reforms to the social care sector, to improve delivery and increase the sustainability of services across the social care sector. To respond to ongoing recruitment and retention issues within the sector Welsh Government has also included funding through the Local Government settlement to enable authorities to meet the additional costs of starting to pay the Real Living Wage of £9.90 an hour to social care workers from April 2022. There is also an additional £100 million targeted at mental health, including more than £10 million for children and young people, recognising the risks of the lasting and long-term impacts of the pandemic. Again, in response to the pandemic, and the ongoing impacts of the UK leaving the European Union, £110 million has been provided for 2022-23 in additional non-domestic rates relief to businesses in the retail, leisure and hospitality sectors, to support 50% rates relief.
- 4.2.10 The Minister outlined that investing in early years and education remains one of their most powerful levers to tackle inequality, embed prevention and invest in our future generations, and that the budget contained an additional £320 million up to 2024-25 to continue their long-term programme of education reform, and ensure educational inequalities narrow and standards rise. This funding included an additional £30 million for childcare and early years provision; £40 million for Flying Start and Families First; £90 million for free school meals; £64.5 million for wider schools and curriculum reform; and £63.5 million investment in post 16 provision.
- 4.2.11 In terms of capital investment the Minister indicated that she had published a new three year Infrastructure Finance Plan underpinned by £8 billion of capital expenditure, including full use of their capital borrowing powers over this three year period. At the heart of this new plan is a £1.8 billion targeted investment in the Welsh Government's response to the climate and nature emergency including the national forest, biodiversity, active travel, decarbonising housing, the circular economy, renewable energy, and flood prevention. Alongside the investment in decarbonising housing they are also investing close to £1.6 billion capital in their housing priorities, including £1 billion in social housing and £375 million for building safety. This was supported by close to £30 million of revenue in support of their housing and homelessness priorities.

4.3 Welsh Government Provisional Local Government Settlement 2022-23

- 4.3.1 Councils received their provisional settlements from Welsh Government on 21 December 2021. The headline figure is an overall increase, after adjusting for transfers, of 9.4% across Wales and, for Bridgend, a reported increase of 9.2% in Aggregate External Finance (AEF), or £19.6 million. The settlement includes additional funding for the costs arising from the 2021-22 teachers' pay deal and funding for the costs arising from the 2022-23 pay deal, as well as funding to cover the increased costs that local authorities will face arising from the UK government's announcement to increase National Insurance Contributions for employers, to fund a Health and Social Care levy. It also includes funding to enable local authorities to meet the additional costs of introducing the Real Living Wage for care workers. Further funding was included within the provisional settlement to support the core operations of corporate joint committees, which are to be established under the

Local Government and Elections (Wales) Act 2021. There are not intended to be any significant changes in the final settlement, which will be announced in March 2022.

- 4.3.2 The Minister for Finance and Local Government stated: *“This is a good Settlement for local government, including Wales-level core funding allocations for 2023-24 and 2024-25. It provides local authorities with a stable platform on which to plan their budgets for the coming financial year and beyond. We have worked closely with local government and we appreciate the pressures local government is facing. We will continue to protect local government, particularly at this difficult and challenging time”*.
- 4.3.3 The Minister also stated that *“the progress of the pandemic and its ongoing impact on public services continues to be highly uncertain. The comprehensive spending review did not provide any additional financial support, which is a concern, especially following the emergence of the new Omicron variant. I have carefully considered how to manage pandemic support for local authorities and concluded the balance lies in providing funding in the first year through the Settlement. But in determining the overall Settlement, I have recognised the ongoing impact of the pandemic on services which authorities will need to manage”*. The settlement figures show the end to the Local Government Hardship Fund for 2022-23.
- 4.3.4 Looking forward, Welsh Government has provided indicative Wales-level core revenue funding allocations for 2023-24 and 2024-25, which equate to uplifts of 3.5% and 2.4% respectively.
- 4.3.5 In February 2021 Council approved a capital programme for 2020-21 to 2030-31, which included additional funding for 2021-22 from Welsh Government to enable local authorities to respond to the joint priority of decarbonisation, including for housing and economic recovery following Covid-19. Council has approved revised versions of the capital programme during the financial year to incorporate budgets carried forward from 2020-21, slippage into 2022-23, and any new schemes and grant approvals. The provisional local government capital settlement provides this Council with £6.678 million of capital funding for 2022-23, which is £1.238 million less than 2021-22 but £328,000 more than was originally anticipated. General capital funding across Wales is set at £150 million for 2022-23, but it increases for £200 million for the following two years, including £20 million in each year to enable authorities to respond to the joint priority of decarbonisation. The Minister has indicated that she would like to consider, through the Partnership Council and the Decarbonisation Strategy Panel, how this funding might best be used. No indications have been given for 2025-26 or beyond but it is assumed that the funding will return to the 2022-23 levels.

4.4 Settlement Implications for 2023 to 2026

- 4.4.1 As mentioned above, when the draft Welsh Government budget was announced on 20 December, the Minister for Finance and Local Government presented a multi-year budget. The provisional local government settlement sets out funding implications for 2023-24 at an individual local authority level and indicative all-Wales core revenue funding allocations for 2023-24 (3.5%) and 2024-25 (2.4%). However it was stated that these figures are indicative and are dependent on the Welsh Government’s current estimates of Non Domestic Rates income over the multi-year settlement period, and the funding provided by the UK Government through the 2021 comprehensive spending review.

4.5 Transfers into and out of the 2022-23 Revenue Settlement

4.5.1 The provisional settlement includes information on a small number of transfers into the Revenue Support Grant (RSG), in respect of funding for the Eastern Promenade Coastal Risk Management scheme (£296,000 to fund borrowing costs) and Social Care Workforce and Sustainability Grant (£222,000).

4.6 Specific Grants

4.6.1 The picture on changes to specific grants is available at an all-Wales level for most grants, but not yet at an individual authority level. Many of the grants remain unchanged from 2021-22 figures, and some are yet to be finalised. The biggest change is the end of the Local Government Hardship Grant, for which funding is now included within the settlement. A new grant of £40 million for 2022-23, with further allocations of £70 million in 2023-24 and £90 million in 2024-25 is included to support the increased entitlement to free school meals for all primary aged pupils as agreed as part of the Plaid Cooperation agreement.

4.6.2 While many of the grants remain unchanged from the 2021-22 figure, there are increases on an all-Wales level in the Pupil Development Grant (10.8%), the Childcare Offer grant (39.5%), Bus Services Support (3.5%) and the Children and Communities Grant of around 2.2%. There are indicative reductions in the Regional Consortia School Improvement Grant of 8.4% and the Recruit, Recover, Raise Standards grant of around 45% in 2022-23 as this tapers out over the next few years. No information is yet available for the Sustainable Waste Management Grant. Welsh Government has advised that the specific information will be updated for the final settlement.

4.7 Current Year (2021-22) Financial Performance

4.7.1 The in-year financial position as at 31 December 2021 is shown below.

Table 1- Comparison of budget against projected outturn at 31 December 2021

Directorate/Budget Area	Original Budget 2021-22 £'000	Revised Budget 2021-22 £'000	Projected Outturn Q3 2021-22 £'000	Projected Over / (Under) Spend 2021-22 £'000	Projected Over / (Under) Spend Qtr 2 2021-22 £'000
Directorate					
Education and Family Support	127,055	127,580	128,599	1,019	1,089
Social Services and Wellbeing	74,043	74,536	73,443	(1,093)	471
Communities	28,137	28,317	28,407	90	(313)
Chief Executive's	21,304	21,520	19,432	(2,088)	(1,417)
Total Directorate Budgets	250,539	251,953	249,881	(2,072)	(170)
Council Wide Budgets					
Capital Financing	7,329	7,329	8,329	1,000	1,000
Levies	7,783	7,797	7,775	(22)	(22)
Apprenticeship Levy	650	650	673	23	17
Council Tax Reduction Scheme	15,654	15,654	15,504	(150)	0
Insurance Premiums	1,363	1,363	1,425	62	67
Repairs & Maintenance	670	670	520	(150)	(100)
Pension Related Costs	430	430	430	0	2
Other Corporate Budgets	14,538	13,110	4,890	(8,220)	(6,882)
Total Council Wide Budgets	48,417	47,003	39,546	(7,457)	(5,918)
Appropriations to Earmarked Reserves				7,004	4,004
Total	298,956	298,956	289,427	(2,525)	(2,084)

4.7.2 The overall projected position at 31 December 2021 is a net under spend of £2.525 million, which comprises a £2.072 million net under spend on directorates and a £7.457 million net under spend on council wide budgets, offset by a net appropriation to earmarked reserves of £7.004 million, the majority of which is to support capital expenditure. Due to the Covid-19 pandemic, the position during this financial year has again been very fluid and has relied heavily on securing additional funding from Welsh Government to support cost pressures and loss of income. At the start of the financial year we had no indication that this funding would be available for the full financial year, so this has led to an overall improved budgetary position for the year. The position on directorate budgets has improved since quarter 2, with the projected under spend increasing by £1.9 million. This is primarily due to additional income relating to Homelessness accommodation costs being received from the Covid-19 Hardship Fund, with £1.313 million being successfully claimed during quarter 3. The main reasons for the increase in under spend on 'Other Council Wide Budgets' are:

- lower than anticipated inflation rates at the start of the financial year, although they have seen significant increases more recently;
- funding from Welsh Government towards teachers' pay increases in September 2021;

- delays in spending on repairs and maintenance and feasibility due to the Covid-19 pandemic.

4.7.3 The projected under spend on the Council budget at quarter 3 significantly masks the underlying budget pressures in some service areas that were reported in 2020-21 and still persist in 2021-22. The main financial pressures are in Home to School Transport, Social Services and Wellbeing, Homelessness and Waste.

4.8 Medium Term Financial Strategy (MTFS) 2022-23 to 2025-26

4.8.1 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 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.

4.8.2 The development of the MTFS 2022-23 to 2025-26 is led by Cabinet and Corporate Management Board (CMB) and takes into account auditors' views, the recommendations of the Budget Research and Evaluation Panel (BREP), views of scrutiny and issues arising during 2021-22, underpinned by the ongoing aim to embed a culture of medium term financial planning closely aligned with corporate planning.

4.8.3 Implementation of the MTFS will continue to be led by Cabinet and CMB, supported by financial and performance data. 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).

4.9 MTFS Principles

4.9.1 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 2022-2026 and which Members and others can examine and judge the Council's financial performance against. The thirteen MTFS principles are:

1. There will be a "One-Council" approach to the Medium Term Financial Strategy with a view on long term, sustainable savings proposals that are focused on re-shaping the Council over the full period of the MTFS.
2. All budget related decisions will align with the principles of the Well-being of Future Generations (Wales) Act 2015.
3. The Council will continue to meet its statutory obligations and demonstrate how it directs resources to meet the Council's corporate priorities. Other resource strategies (including the Treasury Management Strategy and Capital Strategy) are kept under review to maintain alignment with the MTFS and the Corporate Plan.
4. The financial control system is sufficiently robust to support the delivery of financial plans and mitigate corporate risks, with adequate provision being made to meet outstanding and reasonably foreseen liabilities.
5. All services will seek to provide value for money and contribute to public value, and will continuously review budgets to identify efficiency savings.

6. Financial plans will provide an optimum balance between income and expenditure for both capital and revenue, with opportunities for generating additional income taken in line with the Council's Income Generation and Charging Policy.
7. Savings proposals are fully developed and include realistic delivery timescales prior to inclusion in the annual budget. An MTFs Budget Reduction Contingency Reserve will be maintained to mitigate against unforeseen delays.
8. 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.
9. The Council Fund balance should be set at a prudent but not excessive level. This will normally be maintained at a level of 5% of the Council's net budget, excluding schools.
10. Capital investment decisions are in alignment with the Council's Capital Strategy, and mitigate any statutory risks taking account of return on investment and sound option appraisals.
11. 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.
12. Decisions on the treatment of surplus assets are based on an assessment of the potential contribution to the revenue budget and the capital programme.
13. Resources are allocated to deliver transformational projects based on clear strategic plans that are kept under review by Corporate Directors to maintain alignment with the MTFs.

4.9.2 The MTFs Budget Reduction Contingency Reserve referenced in Principle 7 enables the Council to manage delays or unforeseen obstacles to the delivery of significant MTFs budget reduction proposals. No allocations have been made to date in 2021-22 from this reserve, but further reviews will be undertaken during the remainder of the financial year, and draw down made accordingly, and 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.

4.10 Council Tax

4.10.1 The 2022-23 draft Revenue Budget, shown in Table 6 below, assumes no increase in council tax for 2022-23. This is due to the better than anticipated provisional settlement and as a consequence of the responses received through the budget consultation. It is proposed that it is frozen on a one-off basis for 2022-23 only, to support the citizens of Bridgend in dealing with the current rising cost of living. Going forward the scale of the financial challenge remains considerable once external pressures and risks have been taken into consideration so an assumed annual increase of 4.5% has been included for 2023-2026.

4.10.2 It must be noted that by not increasing the council tax in 2022-23 this will reduce the level of potential funding available to the council in 2022-23 and future years, as it will reduce the base on which future tax rises will be applied.

4.11 MTFS Resource Envelope

4.11.1 The published provisional 2022-23 Aggregate External Finance (AEF) figure is an increase of 9.2% for Bridgend. In the MTFS 2021-22 to 2024-25, it was stated that the Council would continue to work towards a most likely scenario in its planning assumptions for 2022-23 of an annual 0% change in AEF and an assumed increase in council tax of 4.5% for 2022-23 to 2024-25, recognising the ongoing uncertainty around our funding in future years. However, as stated above, as a result of the significantly better than anticipated settlement for next year, it is proposed to freeze the level of council tax for 2022-23 only, to support the citizens of Bridgend to deal with the rising cost of living, such as increased energy and food bills, other inflationary increases, mortgage interest rises and national insurance increases.

4.11.2 The MTFS is 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 and the fallout from the Covid-19 pandemic, in the coming months and years. In view of these uncertainties, the MTFS has been developed taking into account possible resource envelope scenarios based on percentage changes in AEF shown in Table 2.

4.11.3 Given the Welsh Government's lower indicative changes to AEF for 2023-24 and 2024-25 than that published for 2022-23, the fact that the settlement usually includes funding for new responsibilities, and the other pressures already outlined, not least rising inflation, these assumptions will be maintained, along with an estimated council tax increase of 4.5%. However, they will continue to be monitored and will be amended as further fiscal and economic information is made known.

Table 2 – MTFS Scenarios: % Change in AEF

	2022-23 % Change	2023-24 % Change	2024-25 % Change	2025-26 % Change
Best Scenario	+9.2%	+1.0%	+1.0%	+1.0%
Most Likely Scenario	+9.2%	0%	0%	0%
Worst Scenario	+9.2%	-1.0%	-1.0%	-1.0%

4.11.4 Table 3 shows the Council's potential net budget reduction requirement based on the forecast resource envelope, inescapable spending assumptions and assumed Council Tax increases.

Table 3: MTFS Potential Net Budget Reductions Requirement

	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000	Total £'000
Best Scenario	631	4,655	4,455	4,248	13,989
Most Likely Scenario	631	6,978	6,802	6,618	21,029
Worst Scenario	631	9,302	9,102	8,895	27,930

4.12 Managing within the MTFS Resource Envelope

4.12.1 Whilst we have been able to restrict the amount of budget reductions for 2022-23, over the period of the MTFS the financial forecast for 2022-2026 is predicated on £21.029 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 recent increases in energy costs. However, this is particularly uncertain at present, with inflation rates recently rising above 5% (5.1% in the 12 months to November 2021, up from 4.2% in October), the highest in a decade, which aligns with the Bank of England's chief economist warning that UK inflation is likely to hit or surpass 5% in the coming months. There is also a risk to the Council of rising prices following the UK's departure from the European Union and the impact of the Covid-19 pandemic. The Office of National Statistics has highlighted the impact of supply chain problems, which businesses have been struggling with for several months as they adjust to labour shortages and disruption at container ports. The impact is leading to higher prices faced by the Council for its goods and services.
- The future impact of national policies and new legislation which may not be accompanied by commensurate funding, such as the Welsh Government's commitment to eradicate homelessness, local authorities' responsibilities in respect of responding to climate change and meeting net zero carbon targets, and the implications of the Local Government and Elections (Wales) Act 2021.
- Fees and Charges will increase by the statutory minimum or CPI (as at December 2021) in line with the revised Fees and Charges Policy, approved by Cabinet in October 2021.
- Increases in staffing costs, including a confirmed 6.6% increase in the national living wage from April 2022 (from £8.91 to £9.50), along with the impact of staff pay increases in both 2021-22 and 2022-23. These include the full year effect of the teachers' pay increase of September 2021 (1.75% increase), the unknown teachers' pay increase in September 2022 and increases for non-teachers for 2021-22, which is still to be determined, and subsequently any increases in April 2022. This also includes the impact on the Council's employer National Insurance Contributions as a result of the introduction of the Health and Social Care Levy. This results in an increase of 1.25% (from 13.8% to 15.05%) in contributions on

earnings above the secondary threshold. The cost of this is estimated to be in the region of £1.2 million for BCBC employed staff alone. Therefore any increases higher than anticipated would significantly increase the overall pay bill, and the amount we pay in respect of external contracts.

4.13 Net Budget Reduction Requirement

4.13.1 Table 4 shows the current position in respect of addressing the most likely forecast budget reduction requirement of £21.029 million. It shows that £4.07 million of budget reduction proposals have already been identified over the period of the MTFs, including the full £631,000 required for 2022-23. However, the majority of future savings relate to school delegated budgets, which may or may not be feasible going forward, and the table shows that the Council still needs to develop proposals to the value of £16.96 million, for which a range of options are under consideration including:

- Digital transformation of wider Council services
- Income generation opportunities
- Further reductions in employee numbers
- Working with partners to asset transfer and protect community facilities

Table 4 - Risk Status of Budget Reduction Proposals 2022-23 to 2025-26

Year	GREEN: Proposal developed and deliverable	AMBER: Proposal in development but includes delivery risk	RED: 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
2022-23	73	158	400	631	0	631
2023-24	0	1,080	279	1,359	5,619	6,978
2024-25	0	1,040	0	1,040	5,762	6,802
2025-26	0	1,040	0	1,040	5,578	6,618
Total	73	3,318	679	4,070	16,959	21,029
Percentage of total required	0%	16%	3%	19%	81%	100%

4.13.2 Table 4 illustrates the difficult position that the Council finds itself in financially over the life of the MTFs. For 2023-24 only £1.359 million (19%) of savings have been identified, the majority of which relates to school delegated budgets, which leaves the Council at risk of not balancing the budget. This will depend on the level of settlement that the Council receives and the total budget reductions required to balance the budget. Indications from Welsh Government are that the Council will receive a much reduced settlement in 2023-24, and will face higher pay and price pressures. Consequently we will continue to identify options to close the gap during the remainder of the financial year and into 2022-23, at the same time seeking additional funding from Welsh Government, particularly for new responsibilities.

4.13.3 The budget reduction proposals identified can be categorised as:

- i. Smarter Use of Resources;
- ii. Managed Service Reductions;
- iii. Collaboration and Service Transformation; and
- iv. Policy Changes.

4.13.4 The value of budget reduction proposals identified to date is shown in Table 5 by category. The categories are also shown by individual proposal in Appendix B.

Table 5 – Budget Reduction Proposals Identified 2022-23 to 2025-26

	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000	Total £'000	%
Smarter Use of Resources	166	1,080	1,040	1,040	3,326	82%
Managed Service Reductions	410	279	0	0	689	17%
Collaboration & Service Transformation	0	0	0	0	0	0%
Policy Changes	55	0	0	0	55	1%
Total Identified	631	1,359	1,040	1,040	4,070	100%

4.13.5 The table shows that over three quarters of the proposed budget reductions identified so far will come from Smarter Use of Resources, for example through:

- Smarter use of our assets and energy efficiencies;
- Efficiency savings arising from agile working;
- Rationalisation of services.

4.13.6 Managed service reductions amount to 17% of the total savings, and generally relate to remodelling of services within social care.

4.13.7 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 terms' 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 considered and could be necessary.

4.14 Scrutiny and Challenge

4.14.1 A full consultation "Shaping Bridgend's Future" was launched on 20 September 2021 and ran until 14 November 2021. The aim of the consultation was to try to engage with residents on a longer-term vision for Bridgend County Borough. The impact of Covid-19 meant that in 2020 and 2021 we have had to deliver things very differently, and so were asking residents to support us in Shaping Bridgend's Future. We needed to know what has worked well, and where we need to continue to make changes or improvements as we recover from the Covid-19 pandemic to ensure that the Council is able to deliver sustainable and effective services for the next five to ten years. The consultation included an online survey, attendance at engagement events, a social media / web campaign and via the Authority's Citizens' Panel, and targeted a range of stakeholders.

4.14.2 Respondents were asked to share their views on a range of areas including:

- ❖ Performance over the past 12 months
- ❖ Support for Business, Tourism and the economy
- ❖ Well-being
- ❖ Customer face-to-face access
- ❖ Digitalisation
- ❖ Investment in services
- ❖ Fees and charges
- ❖ Council Tax levels
- ❖ The Future

4.14.3 The results were collated and presented to Cabinet on 14 December 2021 in order to further inform decisions on the MTFS. The main headlines from the consultation report were:

- The consultation received 1,115 interactions from a combination of survey completions, attendance at engagement events, social media engagement and via the authority's Citizens' Panel, which was a decrease of 39% on last year's interactions.
- Of the total interactions, a total of 737 survey responses were received, which demonstrates a decrease of 48% on last year's survey completions.
- The three services that had been the most important to residents over the past 12 months were recycling and waste followed by highways and infrastructure improvements and then sport and recreational services (including parks, leisure centres and open spaces).
- In response to questions about the future, the three most popular long-term priorities were: make more efficiencies in-house i.e. review processes and rationalise the number of offices, followed by encourage citizens to take more responsibility i.e. litter, graffiti etc. and then focus on economic growth i.e. supporting businesses.

4.15 2022-23 Draft Revenue Budget

4.15.1 The following table shows the draft revenue budget for 2022-23.

Table 6 – Draft Revenue Budget 2022-23

	Revised Budget 2021-22	Specific Transfers to/ (from) WG	NI Increase (Health and Social Care Levy)	Pay / Prices	Budget Pressures	Budget Reduction Proposals	Revenue Budget 2022-23
	£000	£000	£000	£000	£000	£000	£000
Service Directorate Budgets:							
Central Education & Family Support	22,388		85	18	3,233	-68	25,656
Schools	104,012		657	825	92	0	105,586
Education and Family Support	126,400	0	742	843	3,325	-68	131,242
Social Services & Wellbeing	74,564	222	180		3,833	-365	78,434
Communities	28,364	296	98		387	-150	28,995
Chief Executives	21,415		93		435	-48	21,895
Total Directorate Budgets	250,743	518	1,113	843	7,980	-631	260,566
Council Wide Budgets:							
Capital Financing	7,329						7,329
Levies	7,797				380		8,177
Repairs and Maintenance	670						670
Council Tax Reduction Scheme	15,654			400			16,054
Apprenticeship Levy	650						650
Pension Related Costs	430						430
Insurance Premiums	1,363						1,363
Other Council Wide Budgets	14,320	0	1,000	5,451	3,500		24,271
Total Council Wide Budgets	48,213	0	1,000	5,851	3,880	0	58,944
Net Budget Requirement	298,956	518	2,113	6,694	11,860	-631	319,510

4.15.2 The proposed net budget for 2022-23 will be funded by:

Table 7 – Net Budget Funding

	£	%
Revenue Support Grant	179,590,994	56.21
Non Domestic Rates	52,772,627	16.52
Council Tax Income	87,146,456	27.28
Total	319,510,077	100%

4.16 Council Tax Implications

4.16.1 Based on the proposed budget of £319.510 million, there will be no increase in council tax for 2022-23. This aligns with the response from the budget consultation whereby 54% of respondents stated to keep council tax at the same level. It also takes into account the better than anticipated settlement, but going forward we need to be mindful of the ongoing pressures still facing the Council.

4.17 Pay, Prices and Demographics

4.17.1 As outlined above, discussions around the pay award for National Joint Council (NJC) staff in 2021-22 is still ongoing, the latest position being a full and final offer from the employers of 1.75% on all pay points, with an increase of 2.75% on the lowest pay point. The final offer would also provide for completion of work on term time only arrangements,

discussions on homeworking and mental health joint guidance and a commitment to incorporate statutory provisions on neo-natal leave and pay. Unions are currently balloting members on strike action and the deadlines for return of ballots are January / February 2022. It is impossible to determine what the pay pressure will be in 2022-23 when the 2021-22 position is still so uncertain.

- 4.17.2 In addition, whilst the teachers' pay award has been agreed for the 2021-22 academic year, up until the end of August 2022, there will be additional pressure from any subsequent pay award to be implemented from September 2022.
- 4.17.3 Within the provisional local government settlement the Welsh Government included funding to enable local authorities to implement the Real Living Wage for social care staff from April 2022. This will apply to in-house and externally commissioned staff. Welsh Government will work with local authorities, health boards and providers to develop guidance for all stakeholders on the detailed approach to implementation. Funding will be held corporately and allocated out during the year in line with the agreed process. As indicated in the report to Cabinet on 16 November 2021 the Council is currently applying to become a Real Living Wage accredited employer. While not currently an accredited organisation, the local authority has committed to paying the Real Living Wage to its own employees for the last two years, but the funding through the settlement will enable this to be extended to all externally commissioned social care staff.
- 4.17.4 Funding for price inflation has mostly been retained centrally to meet provision for increases in energy costs, rents, allowances and contractual commitments, which are still largely unknown, especially given rising inflation rates. A further review of allocations will be undertaken before the final budget is agreed and any necessary amendments made. Welsh Government has already announced that there will be no increase in the business rates multiplier for next year.
- 4.17.5 Following approval of the final budget, the remaining inflationary provision will be retained centrally 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.
- 4.17.6 In addition to increases in pupil numbers in schools in recent years, which puts pressure on school delegated budgets, there is also evidence of an increase in the older persons' population. Over the last 5 years the average population increase has been around 1.6%, resulting in increased pressure on a number of service areas, including residential care, home care and the assessment and care management teams.

4.18 School Delegated Budgets

- 4.18.1 In 2021-22 school budgets were again protected from the proposed 1% annual efficiency target. However, the forecast pressure and uncertainty around Council budgets for future years was deemed to be such that it was felt to be almost impossible not to include the 1% efficiency target in proposals for 2022-23 onwards, given that school budgets account for around a third of net revenue expenditure. However, following receipt of the better than anticipated 2022-23 provisional settlement from Welsh Government, the additional costs they have incurred during the pandemic, and the pressures to address lost learning, school budgets have again been protected from the 1% efficiency target in 2022-23.
- 4.18.2 There are a significant number of pressures on school delegated budgets for 2022-23 and beyond, not least the full year cost of the teachers' pay award, the increases in National

Insurance contributions, and costs of implementing the Additional Learning Needs Educational Tribunal (ALNET) Act (2018). This includes the establishment of new provisions and support for pupils with moderate learning difficulties through the medium of Welsh. The total impact of these pressures is around £1.57 million, and these are included in the proposed budget.

4.18.3 It should be noted that the efficiency target is maintained for schools for 2023-24 and beyond, in recognition of the pressures stated above, potentially lower future budget settlements and mounting external pressures across Council services.

4.19 Budget Pressures

4.19.1 During 2021-22 a number of unavoidable service budget pressures have arisen for 2022-23 and future years, and they are detailed in **Appendix A**. The total of the budget pressures identified for 2022-23 is £11.860 million, but there are already additional pressures identified for future years, of at least a further £3.6 million. A number of these have arisen as a result of contract renewals and are linked to price increases resulting from the Covid-19 pandemic and the departure of the UK from the European Union. Others are demographic or statutory in nature, and therefore unavoidable. There may be additional pressures arising over the coming months and consequently the total pressures requirement may change between draft and final budget.

4.19.2 Some of the more significant pressures facing the Authority include:

- Costs of the implementation of the Additional Learning Needs Educational Tribunal (Wales) Act 2018 (ALNET) and to meet additional demand on the Council's special schools from Bridgend pupils.
- Recurrent increased costs of home to school transport - a combination of historic budget pressures, new costs of transporting nursery pupils more safely, and also cost pressures arising from recent tender exercises.
- Increases in the older persons' population, which place additional pressures on adult social services.
- Increased costs in the Supported Living Service as a result of a recent tender exercise.
- Increased costs of commissioned services in the social care sector following the 6.6% increase in the National Living Wage announced by the UK government.

4.19.3 These are in addition to new pressures and responsibilities on the Council as a result of Welsh Government initiatives or legislation, for which funding has been included within the settlement, including the establishment of corporate joint committees, funding for ongoing costs arising from the Covid-19 pandemic, and the payment of the Real Living Wage for care workers. Other one-off pressures have been, and will be, funded from earmarked reserves, as appropriate.

4.19.4 The budget pressure of £2.192 million to prevent homelessness and eradicate rough sleeping, which was included in the MTFs for 2021-22, but which has been funded from the Welsh Government Hardship Fund during 2021-22, remains in the base budget for 2022-23 onwards. This is particularly crucial now that the Hardship Fund has come to an end to continue to meet this unavoidable pressure.

4.20 Budget Reduction Proposals

4.20.1 Budget reduction proposals of £631,000 for 2022-23 have been identified from service and corporate budgets to achieve a balanced budget, detailed in **Appendix B**.

4.21 Council Wide Budgets

4.21.1 Council Wide budgets include funding for the Council Tax Reduction Scheme, costs of financing capital expenditure, levies, including that for the South Wales Fire and Rescue Authority, centrally held pay and prices provisions, insurance budgets, discretionary rate relief and provision for redundancy related costs. A number of these budgets are fixed and unavoidable, and therefore cannot be reduced without putting the Council at risk. The higher than anticipated pay awards in recent years and unprecedented amount of budget pressures has put also additional pressure on these budgets.

4.21.2 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 2022-23 the levy on Bridgend, and consequently its council tax payers, is proposed to be £7,544,032, an increase of 2.45% from 2021-22. This is as a result of demographic increases and unavoidable pay and price increases. The final budget is subject to approval by the Fire and Rescue Authority at its budget meeting in February 2022 so the final increase may change.

4.22 Fees and Charges

4.22.1 In general, fees and charges will be increased by CPI (as at December 2021), subject to rounding, or in line with statutory or service requirements, except where a clear decision is taken not to do so. Schedules of fees and charges will be reported separately, as usual, under Delegated Powers and Directorates will apply the new requirements outlined in the Council's updated Fees and Charges Policy, approved by Council in October 2021. A full list of all fees and charges for 2022-23 will be published on the Council's webpages once the budget has been approved for 2022-23.

4.23 Council Reserves

4.23.1 In line with the MTFS principle 8, the Council Fund will normally be maintained at a level of 5% of the Council's net budget, excluding schools. Details of the Council's earmarked reserves position at 31 December 2021 are shown in Table 8. These are kept under review, and will be drawn down where required, and the position will be updated in the Final MTFS report to Council in February 2022.

Table 8 – Earmarked Reserves

Opening Balance 1 Apr 2021 £000	Reserve	Movement as at Quarter 3			Closing Balance 31 Dec 2021 £000
		Net Additions/ Reclassification £000	Draw-down £000	Unwound £000	
	Corporate Reserves:				
34,118	Capital Programme Contribution	7,295	-	(18)	41,396
6,103	Asset Management Reserves	157	(550)	(118)	5,591
7,556	Major Claims & Insurance Reserves	4	-	-	7,559
4,993	Service Reconfiguration	-	-	-	4,993
3,050	Change Management/Digital Transformation	-	(249)	(163)	2,638
2,000	Economic and Future Resilience Fund	-	-	-	2,000
57,819	Total Corporate Reserves	7,456	(799)	(299)	64,176
	Directorate Reserves:				
502	Education & Family Support	-	(18)	(12)	472
3,349	Social Services & Wellbeing	-	(92)	(42)	3,215
3,657	Communities	-	(89)	(141)	3,427
2,716	Chief Executives	42	(176)	-	2,582
10,224	Total Directorate Reserves	42	(375)	(195)	9,696
	Equalisation & Grant Reserves:				
1,961	Education & Family Support	(68)	(775)	-	1,118
594	Social Services & Wellbeing	(243)	-	-	350
2,532	Communities	-	(185)	-	2,347
1,228	Chief Executives	(544)	(170)	-	513
-	Cross Directorate	856	(567)	-	289
6,315	Equalisation & Grant Reserves:	-	(1,698)	-	4,617
8,490	School Balances	-	-	-	8,490
82,848	TOTAL RESERVES	7,498	(2,872)	(494)	86,979

4.24 Capital Programme and Capital Financing Strategy

4.24.1 This section of the report deals with the proposed Capital Programme for 2021-22 to 2031-32, which forms part of, but extends beyond the MTFS. It has been developed in line with the MTFS principles and reflects the Welsh Government draft capital settlement for 2022-23, which provides General Capital Funding (GCF) for 2022-23 of £150 million across Wales and of £6.678 million for the Council for 2022-23, of which £3.953 million is un-hypothecated supported borrowing and the remainder £2.725 million is provided through general capital grant. Indicative figures for 2023-24 and 2024-25 have been provided on an all-Wales basis of £180 million for each year, in addition to £20 million each year for Local Government Decarbonisation.

4.24.2 The original budget approved by Council on 24 February 2021 has been further revised and approved by Council during the year to incorporate budgets brought forward from 2020-21, slippage into 2022-23 and any new schemes and grant approvals. A review has also been undertaken of the capital resources available to the Council, along with the capital pressures that it faces. Due to the limited capital resource available, following a number of years of significant investment in the Council's infrastructure, service managers have not been asked to submit capital bids for funding at this stage, although it is accepted that there are a number of capital pressures that will need financing going forward, including economic recovery, decarbonisation, homelessness, digitalisation and coastal defences.

- 4.24.3 Following the approval by Council of the Capital Strategy in February each year, and the subsequent quarterly monitoring reports to Cabinet and Council, any amendments to the capital programme are usually dealt with during the year rather than just as part of the MTFS. The latest capital programme was approved by Council in October 2021 and any further changes will be included in the updated capital programme presented to Council for approval in January 2022 or the capital programme to be included in the final MTFS to be approved by Council in February 2022.
- 4.24.4 The capital programme contains a number of annual allocations that are met from the total general capital funding for the Council. It is not currently proposed to amend these for 2022-23 and the proposed allocations are shown in Table 9 below.

Table 9 – 2022-23 Proposed Annual Allocations of Capital Funding

	Proposed 2022-23 £'000
Highways Structural Works	340
Carriageway Capital Works	250
Disabled Facilities Grant	1,950
Housing Renewal / Empty Property Schemes	100
Minor Works	1,130
Community Projects	50
Corporate Capital Fund (Renewals / Match Funding)	200
Street lighting / Bridge infrastructure replacement	400
ICT equipment replacement	400
Total	4,820

4.25 Capital Receipts

- 4.25.1 The Council's enhanced disposals programme, which commenced in 2014, was completed in December 2020 having brought in total receipts of £21.36 million against an original estimate of £21 million. In addition to this, there is an additional £176,000 held in escrow, part of which may also be released to the Council.
- 4.25.2 The disposals strategy for the years to 2030 is currently being drafted and it is anticipated that the majority of the receipts will emanate from the Parc Afon Ewenni (Waterton), Ewenny Road (Maesteg) and Porthcawl Waterfront Regeneration sites, which will be the focus of the disposal programme in the future. Good progress is being made on all three of these projects, most notably with an agreed sale of 2 acres at Porthcawl Salt Lake to Aldi Stores, subject to planning being granted for a retail food store. Capital receipts are subject to the exchange of contracts, so it is prudent not to commit them until we have a contractual agreement.

4.26 Prudential (Unsupported) Borrowing

- 4.26.1 Total Prudential Borrowing taken out as at 1 April 2021 was £46.248 million, of which £26.597 million was outstanding. It is estimated that the total borrowed will increase to £49.413 million by the end of this financial year.
- 4.26.2 Future prudential borrowing could include an estimated £1.8 million towards the costs of the Smart System and Heat Programme and £2.3 million towards the costs of highways schemes for 21st Century Band B schools.

5. Effect upon policy framework and procedure rules

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

6. Equality Act 2010 implications

- 6.1 A high level Equality Impact Assessment (EIA) will be carried out and included within the Final MTFs in February 2022. The high level EIA considers the impact of the strategy, policy or proposal on the nine protected characteristics, the Socio-economic Duty and the use of the Welsh Language.
- 6.2 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 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.

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 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 well-being objectives:
1. Supporting a successful sustainable economy
 2. Helping people and communities to be more healthy and resilient
 3. Smarter use of resources

The well-being objectives are designed to complement each other and be part of an integrated way of working to improve well-being 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 Well-being 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:

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

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, including the seven well-being goals included in Bridgend's Well-being Plan, 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 **Appendix C**.

8. Financial implications

8.1 This report outlines the financial issues that Council is requested to consider as part of the 2022-23 to 2025-26 MTFS. The Council's Section 151 Officer is required to report annually on the robustness of the level of reserves. The current and future anticipated 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 relates to the uncertainty of Welsh Government funding, both generally for local government into the medium term with recent one-year settlements, and specifically any ongoing funding to support the additional cost pressures and loss of income into the next and future years as a result of Covid-19, 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 9, 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 currently sufficient resource to discharge this role.
- 8.3 The proposed budget includes estimates which take into account circumstances and events which exist or are reasonably foreseeable at the time of preparation. Subject to the risks identified the proposed MTFs provides a firm basis for managing the Council's resources for the year 2022-23 and beyond.

9. Recommendations

- 9.1 To consider the information contained in the report and attached appendices;
- 9.2 To determine whether to make any comments or recommendations for consolidation and inclusion in the report to Cabinet on the draft MTFs, including the proposed budget pressures and budget reduction proposals within the remit of this Scrutiny Committee, as part of the budget consultation process.

Carys Lord
Chief Officer – Finance, Performance and Change (Section 151 Officer)
13 January 2022

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Background documents: Individual Directorate Monitoring Reports
Provisional Local Government Revenue and Capital Settlements
2022-23

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BUDGET PRESSURES 2022-23 TO 2025-26

Ref	Directorate	Well-being Objective	Pressure	Proposed 2022-23	Indicative 2023-24	Indicative 2024-25	Indicative 2025-26
				£000	£000	£000	£000
EFS1	Education and Family Support	Supporting a Successful Sustainable Economy	Revenue implications for supporting the School Modernisation Programme (Mutual Investment Model).		500		
EFS2	Education and Family Support	Supporting a Successful Sustainable Economy	Welsh-medium Moderate Learning Difficulties (MLD) Learning Resource Centre (LRC) at Secondary school level	92			
EFS3	Education and Family Support	Supporting a Successful Sustainable Economy	Increase in demand on the Educated Other Than at School (EOTAS) budget - projections indicate that within the next two years around 25 additional places will be required as part of the EOTAS provision. By employing staff directly this will avoid the need to employ tutors (2 teachers and 2 LSO's).	162			
EFS4	Education and Family Support	Supporting a Successful Sustainable Economy	Resources required to support the implementation of the Additional Learning Needs Educational Tribunal (ALNET) Act (2018) particularly to support the increase in age range (0-25). Two Individual Development Plan co-ordinators, one Additional Learning Provision co-ordinator and a Higher Level Teaching Assistant.	173			
EFS5	Education and Family Support	Supporting a Successful Sustainable Economy	Other Local Authority recoupmnt income shortfall due to increased demand from Bridgend pupils to attend Heronsbridge and Ysgol Bryn Castell. Whilst there were 20 OOC placements at the end of 2020-21 this has reduced to 16 with an expectation this will reduce further to 12 from the Autumn Term due to increased demand from BCBC pupils.	200			
EFS6	Education and Family Support	Supporting a Successful Sustainable Economy	Recurrent increased costs of home to school transport - a combination of historical budget pressures, but also the additional requirement for the transportation of nursery pupils, alongside cost pressures arising from the recent tender exercise for buses and minibuses, and the estimated increase in prices following the current tender exercise for special taxis, taxis and special minibuses. The outcome of the WG review of learner transport is still awaited.	2,472			
EFS7	Education and Family Support	Supporting a Successful Sustainable Economy	Investment in the Early Help service, to ensure the full assessment process is completed, reduce waiting times for referrals and improve quality. The capacity within locality hubs will be increased to enable them to provide interventions, along with additional counselling capacity.	226			
SSW1	Social Services & Wellbeing	Helping People and Communities to be more Healthy and Resilient	Increase to 'Connected Persons' Fostering Fees stemming from a National Eligibility Criteria in Wales	191			
SSW2	Social Services & Wellbeing	Helping People and Communities to be more Healthy and Resilient	Increased pressure on Mental Health Services due to the Covid-19 pandemic and resulting lockdowns	147			
SSW3	Social Services & Wellbeing	Helping People and Communities to be more Healthy and Resilient	Implications of National Living Wage uplifts on commissioned contracts within Social Services and Wellbeing based on announced increase to NLW from £8.91 in 2021 to £9.50 in 2022 (6.6% increase) increasing up to the Government target of £10.50 by 2024.	1,458	808	799	790
SSW4	Social Services & Wellbeing	Helping People and Communities to be more Healthy and Resilient	Increase in the Older Persons population and corresponding increase in pressure on services. It is estimated that the older person population will increase by 1.31% in 2021, and for future years the average of the population increases over the last 6 years, being 1.77%, has been used.	274	361	367	

				Proposed 2022-23	Indicative 2023-24	Indicative 2024-25	Indicative 2025-26
Ref	Directorate	Well-being Objective	Pressure	£000	£000	£000	£000
SSW5	Social Services & Wellbeing	Helping People and Communities to be more Healthy and Resilient	Children's Services workforce pressures, including market supplement to address 30% vacancy rate in Children's Safeguarding and Care Experienced Team, apprentices, information, advice and assistance social work capacity and Independent Reviewing Officers (IRO).	1,026			
SSW6	Social Services & Wellbeing	Helping People and Communities to be more Healthy and Resilient	Increase in take up of Direct Payments within Children's Services (up 22.5% on 20-21 actuals)	87			
SSW7	Social Services & Wellbeing	Helping People and Communities to be more Healthy and Resilient	Increase in costs of Supported Living Service following re-tender. The budget pressure is based on current levels of need that were identified at the point of going to tender, and therefore could fluctuate either up or down, based on assessed needs and requirements post-Covid.	650			
COM1	Communities	Smarter Use of Resources	Increase in disposal costs due to increased Kitchen Waste tonnages being collected at the Kerbside. This is due to both an increasing number of households in the borough and lifestyle changes due to the pandemic - more people working from home, producing more domestic waste as a result.	37			
COM2	Communities	Smarter Use of Resources	Increase in disposal costs due to increased blue bag waste being collected at the Kerbside. This is due to both an increasing number of households in the borough and lifestyle changes due to the pandemic - more people working from home, producing more domestic waste as a result.	200			
COM3	Communities	Smarter Use of Resources	Increase in disposal costs due to increased Street Litter being collected by the Street Scene Team. This is due to both an increasing number of households in the borough and lifestyle changes due to the pandemic - more people working from home, increased stay-cations, producing more street litter waste as a result.	150			
CEX1	Chief Executives	Smarter Use of Resources	ICT e-Post Room Postages - budget pressure due to increased costs incurred in sending printed information to BCBC staff working at home	30			
CEX2	Chief Executives	Smarter Use of Resources	Funding to implement Phase 2 of the Business Support review, increasing capacity for the provision of cross-Council business support, where additional pressures have been identified, particularly in respect of children's social care and early help, generally and as a result of the pandemic. This extra capacity will enable services to direct professional staff to front line service delivery.	405			
CW1	Council Wide	Core Services and Statutory Functions	Increase in Fire Service Precept to cover pay, price and demographic increases. The final budget is subject to approval by the Fire and Rescue Authority at its budget meeting in February 2022 so the final increase may change .	180			
CW2	Council Wide	Core Services and Statutory Functions	The Local Government and Elections (Wales) Act 2021 provides for the creation and ongoing development of corporate joint committees to allow authorities to work together on specific functions such as transport, economic development and planning. Additional funding has been provided through the settlement to support the core operation of these committees.	200			
CW3	Council Wide	Core Services and Statutory Functions	Following the end of the Welsh Government Hardship Fund in 2021-22 funding has been set aside to meet ongoing budget pressures as a result of the Covid-19 pandemic, both in respect of additional cost pressures and ongoing loss of income. This pressure will be allocated out during the year in line with need and will be reviewed annually to determine whether or not it is still required.	1,000			

				Proposed 2022-23	Indicative 2023-24	Indicative 2024-25	Indicative 2025-26
Ref	Directorate	Well-being Objective	Pressure	£000	£000	£000	£000
CW4	Council Wide	Core Services and Statutory Functions	Funding has been provided through the settlement to enable local authorities to meet the additional costs of introducing the Real Living Wage for care workers. Once a detailed implementation process has been agreed by Welsh Government this funding will be allocated out accordingly.	2,500			
Total Budget Pressures				11,860	1,669	1,166	790

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Budget Reduction Proposals 2022-23 to 2025-26

Page Ref.	Links to 7 Wellbeing Goals	Well-being Objective	Categories	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget 2021-22 £'000	Total Budget Reduction 2022-2026 as % of 2021-22 Budget	2021-22 Budget Reductions £'000	Proposed 2022-23 £'000	Indicative 2023-24 £'000	Indicative 2024-25 £'000	Indicative 2025-26 £'000
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6

WELL-BEING OBJECTIVE

IP1 - Supporting a successful sustainable economy

IP2 - Helping people and communities to be more healthy and resilient

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	SUR	Rationalisation of Adult Community Learning Service	Remove the council subsidised support to adult learners although there are other providers - e.g. College. Less opportunity for adults to gain new skills.	129	53%		68			
				Total Education and Family Support				68	0	0	0	

SCHOOLS

SCH1	A more 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 and other staff 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.	£1.040m - ISB Budget	3%			1,040	1,040	1,040
				Total Schools				0	1,040	1,040	1,040	

				Total Education & Family Support Directorate				68	1,040	1,040	1,040
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SOCIAL SERVICES & WELLBEING

SSW1	A healthier wales	IP2	MSR	Across Adults and Children's services embed and consolidate outcome focussed practice and commissioning for all services areas.	This will support people to live their lives and will require our systems to be adapted to support the changes in practice. There will be a shift to embed outcome focussed practice which will have a focus on targeted prevention initiatives and by developing collaborative, long term relationships with providers as well as maximising the opportunities of the use of technology. This will be underpinned by planning accommodation, care and support together and listening to people who are experts in their own lives and acting upon what will make a difference.	Not specific	N/A	225	200			
SSW2	A healthier Wales	IP2	MSR	Remodelling day service provision for older people and learning disability services	The recent experience of the pandemic has enabled the service to find new ways of working and the service are proposing to review and refine the operating model for day time opportunities.	3,187	4%	90	115			
SSW3	A healthier wales	IP2	MSR	Remodelling Supported Living Services	A review of the service provision and alternative delivery models based on the current and predicted needs of individuals	2,160	2%		50			
				Total Social Services & Wellbeing Directorate				365	0	0	0	

Budget Reduction Proposals 2022-23 to 2025-26

Ref.	Links to 7 Wellbeing Goals	Well-being Objective	Categories	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget 2021-22 £'000	Total Budget Reduction 2022-2026 as % of 2021-22 Budget	2021-22 Budget Reductions £'000	Proposed 2022-23 £'000	Indicative 2023-24 £'000	Indicative 2024-25 £'000	Indicative 2025-26 £'000
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COMMUNITIES

COM1	A Wales of cohesive communities	IP2	MSR	Strategic Regeneration Fund - reduction to annual allocation	The reduction to the Strategic Regeneration Fund will directly impact on the Council's ability to provide match-funding, through which to lever other external funding. There will be no funding for feasibility or development work, on which to prepare bids for funding. Also potential for a loss of private sector investment as a result of inability to engage productively with developers and present Bridgend County in a positive light.	299	100%		20	279		
COM2	A prosperous Wales	IP2	MSR	Cessation of Tourism contract with AMA Associates an external Public Relations Company who promote Bridgend with a range of publishers.	News coverage about Bridgend County will reduce and this potentially would have implications for visitor numbers and the local economy.	25	100%		25			
COM3	A prosperous Wales	IP3	PC	Change the composition of Household Food Waste bags	The current bags cause issues with bio-degrading due to the speed of the food waste digestion process. Change the supply of bags to remove this issue.	51	69%		35			
COM4	A prosperous Wales	IP1	PC	Remove Business in Focus from running Enterprise Centres in Bridgend	This would be dependent on Corporate Landlord picking up the responsibilities and ensuring a higher rate of occupancy of the units to remove voids.	20	100%		20			
COM5	A prosperous Wales	IP1	SUR	Commercially let a wing of Ravens Court to a partner organisation or business.	Savings would be predicated on reduction in utilities from not occupying the space and rental income	133	38%		50			
				Total Communities Directorate					150	279	0	0

CHIEF EXECUTIVES

CEX1	None	IP3	SUR	Reduction of ICT Printing Costs	Due to the increase in working from home across the authority, savings can be found in the ICT Print Strategy area. These savings are in line with the cultural shift towards the paperless office agenda.	76	53%			40		
CEX2	None	IP3	SUR	Efficiency saving targeting supplies and services budgets across the Chief Executive's Directorate	Limited impact as review has identified small historic underspends against this budget category	1,347	4%		48			
				Total Chief Executive's Directorate					48	40	0	0

GRAND TOTAL REDUCTIONS									631	1,359	1,040	1,040
ESTIMATED BUDGET REDUCTION REQUIREMENT (MOST LIKELY)									631	6,978	6,802	6,618
REDUCTION SHORTFALL									0	5,619	5,762	5,578

73	0	0	0
158	1,080	1,040	1,040
400	279	0	0
631	1,359	1,040	1,040

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

Project Description (key aims):

Medium Term Financial Strategy (MTFS) 2022-23 to 2025-26

Section 1 Complete the table below to assess how well you have applied the 5 ways of working.

Long-term	<p>1. How does your project / activity balance short-term need with the long-term and planning for the future?</p> <p>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:</p> <ul style="list-style-type: none"> • 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 well-being objectives and benefits the County Borough over a longer period. • Protecting front line services as far as possible.
Prevention	<p>2. How does your project / activity put resources into preventing problems occurring or getting worse?</p> <p>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 preventative services, and budget reductions are achieved through remodelling of existing service provision to prevent more costly long term pressures. 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.</p>

Integration	<p data-bbox="398 172 2018 209">3. How does your project / activity deliver economic, social, environmental & cultural outcomes together?</p> <p data-bbox="398 229 2018 368">The Medium Term Financial Strategy is closely aligned to the Council’s Corporate Plan, with explicit links between resources and well-being objectives. The MTFS has been guided by the 3 Well-being Objectives outlined in the Corporate Plan. The development of the Corporate Plan and MTFS are both the responsibility of Cabinet and the Corporate Management Board.</p>
Collaboration	<p data-bbox="398 464 2018 539">4. How does your project / activity involve working together with partners (internal and external) to deliver well-being objectives?</p> <p data-bbox="398 560 2018 730">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 to provide more resilient services. A number of services already collaborate with other partners and these continue to improve performance whilst operating with reducing resources.</p>
Involvement	<p data-bbox="398 746 2018 810">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?</p> <p data-bbox="398 815 2018 1369">A full consultation “Shaping Bridgend’s Future” was launched on 20 September 2021 and ran until 14 November 2021. The consultation asked citizens to share their views on a range of areas, including performance over the last 12 months, support for business, tourism and the economy, well-being, face to face access to Council services, digitalisation, investment in services, fees and charges, council tax levels and the future of the Council. The intention was to understand what the public felt had worked well, and where we need to continue to make changes or improvements as we recover from the Covid-19 pandemic, to ensure that we deliver effective and efficient services that are right for our communities over the next 5 to 10 years. A wide variety of methods of communication were used including surveys, social media, a number of online engagement sessions, online FAQ sessions as well as videos, radio adverts and media releases. Due to the impact of Covid-19 and the restrictions on engaging with residents face to face in the community, the council wanted to make sure that as many people as possible could get involved in the consultation and ensured that accessible versions of the survey were available – large print, easy read and youth, as well as standard versions. Bridgend People First and Bridgend Youth Council supported the consultation team to produce the easy read and youth surveys. An advert was also placed in the Glamorgan Gazette notifying non-domestic rates payers of the consultation, and inviting them to participate, as required by Section 65 of the Local Government Finance Act 1992.</p> <p data-bbox="398 1406 2018 1469">The results were collated and presented to Cabinet on 14 December 2021 in order to further inform decisions on the 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>A prosperous Wales 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"> • Improved educational outcomes for children and young people leading to a well-educated and skilled population to meet future skills needs. • Improve future outcomes for young people including educational attainment, cohesive safe communities are more attractive and easier places to do business. • Increase productivity, employment and skills. Encourage a lower carbon economy. 	<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 is aligned with the Corporate Plan to achieve the Council's current Well-being Objectives:</p> <p><u>Supporting a successful sustainable economy</u> - taking steps to make the county borough a great place to do business, for people to live, work, study and visit, and to ensure that our schools are focussed on raising the skills, qualifications and ambitions for all people in the county borough.</p> <p><u>Helping people and communities to be more healthy and resilient</u> - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.</p>

		<p><u>Smarter use of resources</u> – ensuring 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 to deliver the Council’s well-being objectives.</p> <p>Funding is targeted in line with these priorities and in line with the 13 MTFS Principles.</p>
<p>A resilient Wales 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"> • Break long term cycles to secure better outcomes for people and communities. • Stronger individuals and communities are more resilient to change. • 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. • 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. 	<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>A healthier Wales 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>	<ul style="list-style-type: none"> • Improved future physical and mental well-being, by reducing health harming behaviours. • Promote more involvement in communities to benefit mental health, social and physical activity. • Focus on healthy lifestyles and workplaces, increased income linked to health. 	<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>A more equal Wales 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"> • 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. • Recognising that communities are becoming more diverse. Addressing barriers that some groups have in feeling part of communities. • Address income inequality and health inequality, focus on disability, older people and other equality groups. Focus on increasing income and reducing the skills gap. 	<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>A Wales of cohesive communities Attractive, viable, safe and well-connected communities.</p>	<ul style="list-style-type: none"> • Increased number of confident secure young people playing an active positive role in their communities. • Healthy active people in resilient communities, keeping young people 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>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>A Wales of vibrant culture and thriving Welsh language 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"> • Cultural settings provide support sensitive to our increasingly diverse communities and help us identify opportunities to increase the number of Welsh speakers. • Importance of culture and language as a focus for communities coming together. • Bringing more people from different cultures together. More people identifying with their community. • Encourage take up of sports, arts and recreation initiatives through the workplace. • Ensure Welsh culture and language are a part of this. Welsh language skills are beneficial to businesses and in increasing demand. 	<p>Compliance with the Welsh Language act and specific Welsh Language Standards will be monitored as part of the annual report.</p>

<p>A globally responsible Wales 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>	<ul style="list-style-type: none"> • Diverse, confident communities are resilient to change. Promotes a better knowledge of different cultures and a better knowledge of the local environment. • Healthy lifestyles include cultural activities that promote understanding of diversity of communities, different cultures, races. Promote apprenticeships to people from different backgrounds. 	<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>
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Section 3 Will your project / activity affect people or groups of people with protected characteristics? Explain what will be done to maximise any positive impacts or minimise any negative impacts			
Protected characteristics	Will your project / activity have any positive impacts on those with a protected characteristic?	Will your project / activity have any negative impacts on those with a protected characteristic?	Is there any way to maximise any positive impacts or minimise any negative impacts?
Age:	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	
Cabinet	
Compiling Officers Name:	Deborah Exton
Compiling Officers Job Title:	Deputy Head of Finance
Date Completed:	21/12/21