

# Public Document Pack

## Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr

### Bridgend County Borough Council



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

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

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



Annwyl Cyngorydd,

#### **FFORWM CYNGOR TREF A CHYMUNED**

Cynhelir Cyfarfod Fforwm Cyngor Tref a Chymuned o bell trwy Dimau Microsoft ar **Dydd Llun, 7 Chwefror 2022 am 16:00.**

#### **AGENDA**

1. Ymddiheuriadau am absenoldeb  
Derbyn ymddiheuriadau am absenoldeb gan Aelodau
2. Datganiadau o fuddiant  
Derbyn datganiadau o ddiddordeb personol a rhagfarnol (os o gwbl) gan Aelodau / Swyddogion yn unol â darpariaethau'r Cod Ymddygiad Aelodau a fabwysiadwyd gan y Cyngor o 1 Medi 2008.
3. Cymeradwyaeth Cofnodion 3 - 4  
I dderbyn am gymeradwyaeth y Cofnodion cyfarfod y 29 11 21
4. Hysbysu Cymdogaion ac Ymgynghori â Chynghorau Tref/Cymuned yn y Broses Gynllunio 5 - 8
5. Strategaeth Ariannol Tymor Canolig 2022-23 tan 2025-26 9 - 60
6. Diweddariad Trosglwyddo Asedau Cymunedol 61 - 106
7. Materion Brys  
I ystyried unrhyw eitemau o fusnes y, oherwydd amgylchiadau arbennig y cadeirydd o'r farn y dylid eu hystyried yn y cyfarfod fel mater o frys yn unol â Rhan 4 (pharagraff 4) o'r Rheolau Trefn y Cyngor yn y Cyfansoddiad.

Nodyn: Sylwch: Yn sgil yr angen i gadw pellter cymdeithasol, ni fydd y cyfarfod hwn yn cael ei gynnal yn ei leoliad arferol. Yn hytrach, bydd hwn yn gyfarfod rhithwir a bydd Aelodau a Swyddogion yn mynychu o bell. Bydd y cyfarfod yn cael ei recordio i'w ddarlledu ar wefan y Cyngor cyn gynted ag sy'n ymarferol ar ôl y cyfarfod. Os oes gennych unrhyw gwestiwn am hyn, cysylltwch â [cabinet\\_committee@bridgend.gov.uk](mailto:cabinet_committee@bridgend.gov.uk) neu ffoniwch 01656 643147 / 643148.

Yn ddiffuant

**K Watson**

Prif Swyddog, Gwasanaethau Cyfreithiol a Rheoleiddio, AD a Pholisi Corfforaethol

Councillors:

S Aspey  
JPD Blundell  
MC Clarke  
HJ David  
C Davies  
P Davies

Councillors

DK Edwards  
T Giffard  
RM Granville  
M Hughes  
B Jones  
B Sedgebeer

Councillors

CE Smith  
SG Smith  
JH Tildesley MBE  
SR Vidal  
KJ Watts  
CA Webster  
RE Young

Gan gynnwys cynrychiolydd o  
bob Cyngor Tref a Chymuned

Presennol

Y Cyngorydd HJ David – Cadeirydd

S Aspey  
D Evans  
CE Smith

SE Baldwin  
T Giffard

JPD Blundell  
I Mclaggen

P Davies  
J Pratt

Ymddiheuriadau am Absenoldeb

M Hughes, T Lyddon a/ac Reeves

Swyddogion:

Mark Brace  
Mark Galvin  
Judith Jones  
Michael Pitman

Bwrdd Gwasanaethau Cyhoeddus Pen-y-bont  
Rheolwr Gwasanaethau Democrataidd Dros dro  
Rheolwr Partneriaeth a Diogelwch Cymunedol  
Swyddog Gwasanaethau Democrataidd – Pwyllgorau

217. DATGANIADAU O FUDDIANT

Dim

218. CYMERADWYAETH COFNODION

DATRYSWYD: Cymeradwywyd cofnodion 20/09/2021 fel cofnod cywir.

219. ASESIAD LLESIANT AC ANGHENION POBLOGAETH

Cyflwynodd Rheolwr y Bartneriaeth a'r PDC adroddiad yn:

- hysbysu Fforwm y Cyngorau Tref a Chymuned ynghylch gwaith Byrddau Gwasanaethau Cyhoeddus Pen-y-bont ar Ogwr a Chwm Taf a Bwrdd Partneriaeth Rhanbarthol Cwm Taf Morgannwg mewn perthynas â'r Aseidiadau Llesiant ac Anghenion y Boblogaeth;
- nodi cyfrifoldebau rhai Cyngorau Tref a Chymuned o dan Ddeddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015 (y Ddeddf).

Esboniodd Cadeirydd y Bwrdd Gwasanaethau Cyhoeddus fod Byrddau Gwasanaethau Cyhoeddus wedi'u sefydlu ar 1 Ebrill 2016 ar ôl i Ddeddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015 gael ei rhoi ar waith. Cyhoeddodd Bwrdd Gwasanaethau Cyhoeddus Pen-y-bont ar Ogwr ei Aseiad Llesiant cyntaf ym mis Ebrill 2017, lle'r aethpwyd ati i asesu cyflwr llesiant economaidd, cymdeithasol, amgylcheddol a diwylliannol Sir Pen-y-bont ar Ogwr. Bydd y cynllun Llesiant nesaf yn cael ei gyhoeddi erbyn mis Ebrill 2023, oherwydd mae'n ofynnol ei gyhoeddi ddim hwyrach na blwyddyn ar ôl cynnal etholiad Lleol.

Esboniodd Cadeirydd y Bwrdd Gwasanaethau Cyhoeddus mai un o'r gwersi a ddysgwyd yn sgil y cynllun llesiant diwethaf oedd bod y cwrmpas yn rhy fawr ac na ellid ei gyflawni'n rhesymol o fewn y cyfnod. Mae cwrmpas y cynllun llesiant cyfredol yn fwy penodol a mesuradwy, ac mae'n anelu at fod yn llawer mwy effeithiol. Ychwanegodd

mai gwelliant pwysig arall ar gyfer y cynllun llesiant cyfredol yw sicrhau y gellir ymgysylltu â chynifer o bobl â phosibl, ynghyd ag ymgorffori'r anghenion yn yr asesiad a'r cynllun.

Dywedodd Cadeirydd y Bwrdd Gwasanaethau Cyhoeddus fod gan Gyngorau Tref a Chymuned rôl ymgysylltu bwysig er mwyn sicrhau cynrychiolaeth leol. Mae'r Bwrdd Gwasanaethau Cyhoeddus yn dymuno cryfhau'r berthynas gyda Chyngorau Tref a Chymuned er mwyn sicrhau y gellir cyflawn cymaint â phosibl o fewn yr ymgysylltu hwnnw. Y nod yw deall beth yw'r materion lleol a sicrhau bod y Bwrdd Gwasanaethau Cyhoeddus yn gwneud gwahaniaeth wrth ddatrys materion.

Aeth yr Arweinydd yn ei flaen i ganmol y Bwrdd Gwasanaethau Cyhoeddus, gan bwysleisio pa mor bwysig ydyw ac yntau'n gweithio ar lefel amlasiantaeth, megis y gwasanaeth tân a Heddlu De Cymru. Bu'r Asesiad o help wrth flaenoriaethu'r gwaith a llunio camau gweithredu y gellir gweithio tuag atynt i ddarparu gwell gwasanaethau.

Dywedodd un o'r aelodau fod nifer o Gyngorwyr yn Gyngorwyr Tref a Chymuned hefyd a oedd yn aelodau o'r fforwm hwn. Gofynnodd a oes yna gyfle i gynnal trafodaethau mewn cyfarfodydd cynghorau tref a chymuned unigol.

Roedd Cadeirydd y Bwrdd Gwasanaethau Cyhoeddus yn fodlon cyfarfod ag unigolion i'r graddau mwyaf posibl er mwyn sicrhau y bydd modd cyfleu gwybodaeth ynglŷn â'r hyn a wna'r Bwrdd Gwasanaethau Cyhoeddus, a hefyd er mwyn sicrhau y bydd modd hyrwyddo'r arfer o ymgysylltu â'r asesiad a'r cynllun llesiant, a chyfrannu atynt. Ychwanegodd Rheolwr y Bartneriaeth a'r PDC y byddai modd iddi anfon e-bost at glerc y Cyngorau Tref a Chymuned i drefnu cyfarfodydd pan fo angen rhwng y Bwrdd Gwasanaethau Cyhoeddus a'i thîm hi hefyd.

Gofynnodd yr Arweinydd i Reolwr y Bartneriaeth a'r PDC a fyddai modd cysylltu â'r Cyngorau Tref a Chymuned hynny a oedd â dyletswyddau cyfreithiol i'w cyflawni mewn perthynas â chyfrannu at yr amcanion llesiant, a thynnu eu sylw at y dyletswyddau hyn. Dywedodd un o'r Aelodau y byddai cyfarfod y Clercod Cyngorau Tref a Chymuned yn gyfle ychwanegol i hyrwyddo'r cynllun llesiant.

Ychwanegodd Cadeirydd y Bwrdd Gwasanaethau Cyhoeddus fod nifer o Gyngorwyr Tref a Chymuned yn rhan o'r bwrdd asedau. Pan gyhoeddir y cynllun llesiant, fe fydd yna strwythur llywodraethu gydag amryw o is-grwpiau, ac efallai y bydd cyfle i'r Aelodau fod yn rhan o'r Bwrdd Gwasanaethau Cyhoeddus hefyd.

Gofynnodd Rheolwr y Bartneriaeth a'r PDC a fyddai modd i Gyngorwyr Tref a Chymuned lenwi'r asesiad yn unigol er mwyn sicrhau y bydd modd i'r Bwrdd Gwasanaethau Cyhoeddus ddeall yr anghenion yn well. Ychwanegodd yr anfonir y ddogfen asesu a'r gwaith ymgysylltu at Gyngorau Tref a Chymuned rywdro tua diwedd mis Ionawr 2022, er mwyn cynnal ymgynghoriad, a chroesawodd adborth ar gyfer yr asesiad drafft ei hun.

**DATRYSWYD:**

Derbyniwyd ac ystyriwyd yr adroddiad gan Fforwm y Cyngorau Tref a Chymuned.

220. **MATERION BRYS**

Dim

Daeth y cyfarfod i ben am 16:42

## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO TOWN AND COMMUNITY COUNCIL FORUM

7 FEBRUARY 2022

#### REPORT OF THE CORPORATE DIRECTOR COMMUNITIES

#### NEIGHBOUR NOTIFICATION AND TOWN/COMMUNITY COUNCIL CONSULTATION IN THE PLANNING PROCESS

##### 1. Purpose of report

- 1.1 The purpose of this report is to advise Town and Community Council members of the statutory process of notifying neighbours and consulting with Town and Community Councils in the planning application process.

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

- 2.1 This report assists in the achievement of the following corporate well-being objective 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.

##### 3. Background

- 3.1 Where a valid application for planning permission has been submitted, there is a statutory obligation for Local Planning Authorities (LPAs) to undertake publicity and consultation. The term 'publicity' refers to giving notice that an application has been received so that neighbours and other interested parties can make their views known. 'Consultation' invites the views of specialist bodies on particular types of development.
- 3.2 Most applications for planning permission (excluding some applications that fall within section 73) must be publicised in accordance with article 12 of The Town and Country Planning (Development Management Procedure) (Wales) Order (DMPWO) 2012 (as amended).

The DMPWO makes provision for 4 basic types of publicity:

- Site notice display on or near the land to which the application relates
- Publication of a notice in a newspaper circulating in the locality
- Serving notice on any adjoining owner or occupier
- Publishing information on an LPA website

- 3.3 LPAs have discretion over how they inform communities and other interested parties about planning applications, although article 12 of the DMPWO sets out the minimum statutory requirements.

- 3.4 Article 14 of the DMPWO requires LPAs to consult relevant specialist consultees when the proposed development meets a 'Description of Development' listed in schedule 4 to the DMPWO.
- 3.5 Section 54 of the Planning and Compulsory Purchase Act 2004 ('the 2004 Act) places a duty on specialist consultees to respond, providing a 'substantive response' to consultations within 21 days, and report annually to the Welsh Ministers in meeting this duty. The 21 day period starts from the date on which the notice is received by the consultee.
- 3.6 Where a local planning authority are required to consult any person or body before granting planning permission:-
- (a) they must, unless an applicant has served a copy of an application for planning permission on the consultee, give notice of the application to the consultee; and
  - (b) they must not determine the application until at least 14 days after the date on which notice is given under sub-paragraph (a) or, if earlier, 14 days after the date of service of a copy of the application on the consultee by the applicant.
- 3.7 The local planning authority must, in determining the application, take into account any representations received from a consultee, such as Town and Community Councils.
- 3.8 Under Article 16 of the DMPWO, where the council of a community are given information in relation to an application, they must, as soon as practicable, notify the local planning authority who are determining the application whether they propose to make any representations about the manner in which the application should be determined, and must make any representations to that authority within 14 days of the notification to them of the application.
- 3.9 A local planning authority must not determine any application in respect of which a community are required to be given information before:-
- (a) the council of the community inform them that they do not propose to make any representations;
  - (b) representations are made by that council; or
  - (c) the period of 14 days mentioned above has elapsed,
- whichever occurs first; and in determining the application the local planning authority must take into account any representations received from the council of the community.

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

- 4.1 At Bridgend County Borough Council, we go beyond the minimum statutory requirements for notifying neighbours. For example, on simple applications for a house extension, whilst the Order states that we should give requisite notice by site display in at least one place on or near the land to which the application relates for not less than 21 days; or by serving the notice on any adjoining owner or occupier, we tend to do both and we also tend to extend the notification to a wider range of neighbouring properties.
- 4.2 We also go beyond the minimum 14 day deadline for receipt of representations from Town and Community Councils (we allow 21 days). If the Town or Community

Council cannot meet that deadline (e.g., occasionally the next Council meeting is not until after the statutory period), we regularly agree extensions of time.

- 4.3 It has been proposed by individual Community Councils and the Town and Community Council Forum that the LPA should send copies of neighbour objections to them for the Councils to ascertain the strength of local feeling.
- 4.4 Unfortunately, we are not be able to forward any neighbour comments on to the Town and Community Councils (TC)/Community Councils (CC) as that would be a breach of the General Data Protection Regulations (GDPR). Even if we had the neighbour's consent to forward their representation on to the TC/CC, we do not have the time or resources to redact each submission of personal information before doing so.
- 4.5 It should also be noted that the consultation process seeks the Town or Community Council's opinion on an application as a statutory consultee and not a duplication or repeat of a resident's view. In addition, the consultation and notification processes are undertaken concurrently, and we cannot delay the process due to the statutory targets for determination (8 weeks for normal applications and 16 weeks for Environmental Impact Assessment developments).
- 4.6 However, as an alternative suggestion, Town and Community Councils could approach and advise their residents that they can, if they wish, send a copy of their representation on any planning application to the Community Council at the same time as they respond to the LPA.

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

- 5.1 The statutory town and country planning system is governed by the Town & Country Planning Act 1990, the Planning and Compulsory Purchase Act 2004, the Planning Wales Act 2015 and various regulations as mentioned above.

## **6. Equality Act 2010 implications**

- 6.1 An initial Equality Impact Assessment (EIA) screening has identified that there would be no negative impact on those with one or more of the protected characteristics, on socio-economic disadvantage or the use of the Welsh Language. It is therefore not necessary to carry out a full EIA on this report.
- 6.2 As part of the wider statutory planning process the effective management of land and its change seeks to help to eliminate inequality and disadvantage in people's lives. This has been reflected in the recently published Planning Policy Wales 11 (PPW11), which aligns the planning system with other key Welsh Government strategies including the Well-being of Future Generations Act 2015 and the Socio-Economic Duty.

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

- 7.1 Any changes to policy or procedure will be prepared in accordance with the 7 Well-being goals and the 5 ways of working as identified in the Act.

## **8. Financial implications**

8.1 The report is for noting and current procedures are carried out within existing budget headings.

**9. Recommendation**

9.1 That the Town and Community Council Forum notes the report.

**JANINE NIGHTINGALE  
CORPORATE DIRECTOR COMMUNITIES**

25 January 2022

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Group Manager Planning & Development Services

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**Email:** [jonathan.parsons@bridgend.gov.uk](mailto:jonathan.parsons@bridgend.gov.uk)

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**Background documents:** None



## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO TOWN AND COMMUNITY COUNCIL FORUM

7 FEBRUARY 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 to the Town and Community Council Forum a copy of the report that went to Cabinet on the draft Medium Term Financial Strategy (MTFS) 2022-23 to 2025-26 (**Appendix 1**) on 18 January 2022, for information.

#### 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 Medium Term Financial Strategy (MTFS) identifies the Council's resource priorities for the next four financial years, with particular focus on 2022-23.

#### 3. Background

- 3.1 Due to the delay in the outcome of the Comprehensive Spending Review for 2021, the Welsh Government did not publish its draft budget until 20 December 2021, or the Provisional Local Government Settlement until 21 December 2021. This was in line with the previous year but still approximately 2 months later than normal.

- 3.2 As a result of the delay in announcements, the draft Medium Term Financial Strategy was not presented to Cabinet until 18 January 2022, prior to being submitted for scrutiny by the Council's Overview and Scrutiny Committees.

- 3.3 The final Medium Term Financial Strategy will be presented to Cabinet and Council on 22 and 23 February 2022, respectively, for approval. The proposed council tax for 2022-23 will also be presented to Council for approval on 23 February 2022.

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

4.1 Attached as **Appendix 1** to this report is a copy of the report to Cabinet on 18 January 2022 on the draft Medium Term Financial Strategy for the 4 year period 2022-23 2025-26, for information.

#### **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 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. An over-arching Well-being of Future Generations Assessment is appended to the draft MTFS report at **Appendix 1**. 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.

#### **8. Financial implications**

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

#### **9. Recommendation**

9.1 It is recommended that the Town and Community Council Forum receives and considers the report that went to Cabinet on 18 January 2022 on the draft Medium Term Financial Strategy (MTFS) 2022-23 to 2025-26 (**Appendix 1**).

**Carys Lord**

**CHIEF OFFICER – FINANCE, PERFORMANCE AND CHANGE (SECTION 151 OFFICER)**

**January 2022**

**Contact Officer: Deborah Exton**  
**Deputy Head of Finance and Deputy S151 Officer**

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**Background documents:** None

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**BRIDGEND COUNTY BOROUGH COUNCIL****REPORT TO CABINET****18 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 Cabinet 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**

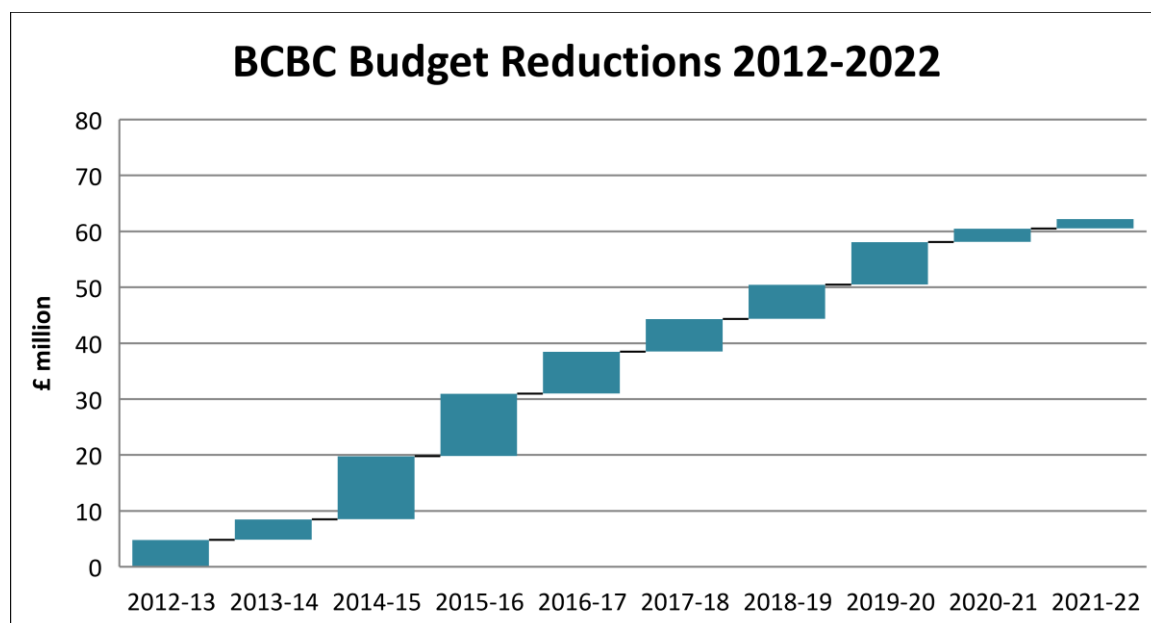
The Council aspires to improve understanding of its financial strategy, link more closely to the agreed corporate well-being objectives and explain the Council's goal of delivering sustainable services in line with the overarching ambition of the Well-being of Future Generations (Wales) Act 2015. The 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 21<sup>st</sup> 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
<b>Directorate</b>					
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)
<b>Total Directorate Budgets</b>	<b>250,539</b>	<b>251,953</b>	<b>249,881</b>	<b>(2,072)</b>	<b>(170)</b>
<b>Council Wide Budgets</b>					
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)
<b>Total Council Wide Budgets</b>	<b>48,417</b>	<b>47,003</b>	<b>39,546</b>	<b>(7,457)</b>	<b>(5,918)</b>
<b>Appropriations to Earmarked Reserves</b>				<b>7,004</b>	<b>4,004</b>
<b>Total</b>	<b>298,956</b>	<b>298,956</b>	<b>289,427</b>	<b>(2,525)</b>	<b>(2,084)</b>

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**

	<b>2022-23</b> <b>%</b> <b>Change</b>	<b>2023-24</b> <b>%</b> <b>Change</b>	<b>2024-25</b> <b>%</b> <b>Change</b>	<b>2025-26</b> <b>%</b> <b>Change</b>
Best Scenario	+9.2%	+1.0%	+1.0%	+1.0%
<b>Most Likely Scenario</b>	<b>+9.2%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
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**

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

## 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	<b>631</b>	0	<b>631</b>
2023-24	0	1,080	279	<b>1,359</b>	5,619	<b>6,978</b>
2024-25	0	1,040	0	<b>1,040</b>	5,762	<b>6,802</b>
2025-26	0	1,040	0	<b>1,040</b>	5,578	<b>6,618</b>
<b>Total</b>	<b>73</b>	<b>3,318</b>	<b>679</b>	<b>4,070</b>	<b>16,959</b>	<b>21,029</b>
Percentage of total required	0%	16%	3%	<b>19%</b>	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	%
<b>Smarter Use of Resources</b>	166	1,080	1,040	1,040	3,326	82%
<b>Managed Service Reductions</b>	410	279	0	0	689	17%
<b>Collaboration &amp; Service Transformation</b>	0	0	0	0	0	0%
<b>Policy Changes</b>	55	0	0	0	55	1%
<b>Total Identified</b>	<b>631</b>	<b>1,359</b>	<b>1,040</b>	<b>1,040</b>	<b>4,070</b>	<b>100%</b>

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
<b>Service Directorate Budgets:</b>							
Central Education & Family Support	22,388		85	18	3,233	-68	25,656
Schools	104,012		657	825	92	0	105,586
<b>Education and Family Support</b>	<b>126,400</b>	<b>0</b>	<b>742</b>	<b>843</b>	<b>3,325</b>	<b>-68</b>	<b>131,242</b>
<b>Social Services &amp; Wellbeing</b>	<b>74,564</b>	222	180		3,833	-365	<b>78,434</b>
<b>Communities</b>	<b>28,364</b>	296	98		387	-150	<b>28,995</b>
<b>Chief Executives</b>	<b>21,415</b>		93		435	-48	<b>21,895</b>
<b>Total Directorate Budgets</b>	<b>250,743</b>	<b>518</b>	<b>1,113</b>	<b>843</b>	<b>7,980</b>	<b>-631</b>	<b>260,566</b>
<b>Council Wide Budgets:</b>							
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
<b>Total Council Wide Budgets</b>	<b>48,213</b>	<b>0</b>	<b>1,000</b>	<b>5,851</b>	<b>3,880</b>	<b>0</b>	<b>58,944</b>
<b>Net Budget Requirement</b>	<b>298,956</b>	<b>518</b>	<b>2,113</b>	<b>6,694</b>	<b>11,860</b>	<b>-631</b>	<b>319,510</b>

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
<b>Total</b>	<b>319,510,077</b>	<b>100%</b>

#### 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	
	<b>Corporate Reserves:</b>				
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
<b>57,819</b>	<b>Total Corporate Reserves</b>	<b>7,456</b>	<b>(799)</b>	<b>(299)</b>	<b>64,176</b>
	<b>Directorate Reserves:</b>				
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
<b>10,224</b>	<b>Total Directorate Reserves</b>	<b>42</b>	<b>(375)</b>	<b>(195)</b>	<b>9,696</b>
	<b>Equalisation &amp; Grant Reserves:</b>				
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
<b>6,315</b>	<b>Equalisation &amp; Grant Reserves:</b>	<b>-</b>	<b>(1,698)</b>	<b>-</b>	<b>4,617</b>
8,490	School Balances	-	-	-	8,490
<b>82,848</b>	<b>TOTAL RESERVES</b>	<b>7,498</b>	<b>(2,872)</b>	<b>(494)</b>	<b>86,979</b>

#### 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**

	<b>Proposed 2022-23 £'000</b>
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
<b>Total</b>	<b>4,820</b>

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

7.4 The above features are aimed at ensuring the Council's finances are as healthy as they can be for future generations. Although resources are limited, they have been targeted in a way that reflects the Council's priorities, 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. Recommendation**

- 9.1 It is recommended that Cabinet submits for consultation with Overview and Scrutiny Committees the 2022-23 annual budget and development of the MTFS 2022-23 to 2025-26, as set out in this report, prior to presenting a final version for approval by Council in February 2022.

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

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

## 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			
<b>Total Budget Pressures</b>				<b>11,860</b>	<b>1,669</b>	<b>1,166</b>	<b>790</b>

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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5

**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**

<b>RED</b>	Proposals not fully developed and include high delivery risk
<b>AMBER</b>	Proposal in development but includes delivery risk
<b>GREEN</b>	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			
				<b>Total Education and Family Support</b>				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
				<b>Total Schools</b>				0	1,040	1,040	1,040	

				<b>Total Education &amp; Family Support Directorate</b>				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			
				<b>Total Social Services &amp; Wellbeing Directorate</b>				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			
				<b>Total Communities Directorate</b>					<b>150</b>	<b>279</b>	<b>0</b>	<b>0</b>

**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			
				<b>Total Chief Executive's Directorate</b>					<b>48</b>	<b>40</b>	<b>0</b>	<b>0</b>

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

73	0	0	0
158	1,080	1,040	1,040
400	279	0	0
<b>631</b>	<b>1,359</b>	<b>1,040</b>	<b>1,040</b>

## 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****1. How does your project / activity balance short-term need with the long-term and planning for the future?**

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

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

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

The MTFS attempts to balance investment in preventative measures against costs of reacting to unanticipated situations in statutory services. Each budget reduction proposal is weighed in terms of the impact on other areas of the Council, on the public and on the Well-being of Future Generations. Where a budget cut in one area of non-statutory prevention would lead to increased costs in another, this is not considered to be good financial management. A number of budget pressures target investment in 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.

<b>Integration</b>	<p data-bbox="398 172 2018 209"><b>3. How does your project / activity deliver economic, social, environmental &amp; cultural outcomes together?</b></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>
<b>Collaboration</b>	<p data-bbox="398 464 2018 539"><b>4. How does your project / activity involve working together with partners (internal and external) to deliver well-being objectives?</b></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>
<b>Involvement</b>	<p data-bbox="398 746 2018 810"><b>5. How does your project / activity involve stakeholders with an interest in achieving the well-being goals? How do those stakeholders reflect the diversity of the area?</b></p> <p 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><b>A prosperous Wales</b> An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.</p>	<ul style="list-style-type: none"> <li>• Improved educational outcomes for children and young people leading to a well-educated and skilled population to meet future skills needs.</li> <li>• Improve future outcomes for young people including educational attainment, cohesive safe communities are more attractive and easier places to do business.</li> <li>• Increase productivity, employment and skills. Encourage a lower carbon economy.</li> </ul>	<p>The majority of savings will be generated from making smarter use of resources with front line service reductions kept to a minimum and only as a last resort.</p> <p>The MTFs 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><b>A resilient Wales</b> A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).</p>	<ul style="list-style-type: none"> <li>• Break long term cycles to secure better outcomes for people and communities.</li> <li>• Stronger individuals and communities are more resilient to change.</li> <li>• Communities place a greater value on their environment and more people get involved in local issues and recognise the importance of green space in wellbeing and as a prevention factor.</li> <li>• Healthy active people in resilient communities, volunteering, keeping young people in the local area, reducing travel to work, increased use and awareness of green spaces.</li> </ul>	<p>The impact on local communities will be monitored through the wide range of services that will continue to be provided by the Council or its partners.</p>



<p><b>A healthier Wales</b>  A society in which people’s physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.</p>	<ul style="list-style-type: none"> <li>• Improved future physical and mental well-being, by reducing health harming behaviours.</li> <li>• Promote more involvement in communities to benefit mental health, social and physical activity.</li> <li>• Focus on healthy lifestyles and workplaces, increased income linked to health.</li> </ul>	<p>The impact on local communities will be monitored through the wide range of services that will continue to be provided by the Council or its partners.</p>
<p><b>A more equal Wales</b>  A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).</p>	<ul style="list-style-type: none"> <li>• Helping all children and young people to reach their full potential, by improving their early years experiences and ensure access to information to help make informed decisions. Improving outcomes for teenage parents and their children.</li> <li>• Recognising that communities are becoming more diverse. Addressing barriers that some groups have in feeling part of communities.</li> <li>• Address income inequality and health inequality, focus on disability, older people and other equality groups. Focus on increasing income and reducing the skills gap.</li> </ul>	<p>The impact on local communities will be monitored through the wide range of services that will continue to be provided by the Council or its partners.</p>

<p><b>A Wales of cohesive communities</b>          Attractive, viable, safe and well-connected communities.</p>	<ul style="list-style-type: none"> <li>• Increased number of confident secure young people playing an active positive role in their communities.</li> <li>• Healthy active people in resilient communities, keeping young people 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.</li> </ul>	<p>The impact on local communities will be monitored through the wide range of services that will continue to be provided by the Council or its partners.</p>
<p><b>A Wales of vibrant culture and thriving Welsh language</b>          A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.</p>	<ul style="list-style-type: none"> <li>• Cultural settings provide support sensitive to our increasingly diverse communities and help us identify opportunities to increase the number of Welsh speakers.</li> <li>• Importance of culture and language as a focus for communities coming together.</li> <li>• Bringing more people from different cultures together. More people identifying with their community.</li> <li>• Encourage take up of sports, arts and recreation initiatives through the workplace.</li> <li>• Ensure Welsh culture and language are a part of this. Welsh language skills are beneficial to businesses and in increasing demand.</li> </ul>	<p>Compliance with the Welsh Language act and specific Welsh Language Standards will be monitored as part of the annual report.</p>

<p><b>A globally responsible Wales</b> A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.</p>	<ul style="list-style-type: none"> <li>• Diverse, confident communities are resilient to change. Promotes a better knowledge of different cultures and a better knowledge of the local environment.</li> <li>• Healthy lifestyles include cultural activities that promote understanding of diversity of communities, different cultures, races. Promote apprenticeships to people from different backgrounds.</li> </ul>	<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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<b>Section 3 Will your project / activity affect people or groups of people with protected characteristics? Explain what will be done to maximise any positive impacts or minimise any negative impacts</b>			
Protected characteristics	Will your project / activity have any positive impacts on those with a protected characteristic?	Will your project / activity have any negative impacts on those with a protected characteristic?	Is there any way to maximise any positive impacts or minimise any negative impacts?
Age:	Unknown - The impact, positive or negative, will depend on the nature of the service delivered, the specific budget reduction proposed or budget pressure funded and the service user.		This will vary according to the service provided and will be considered through individual Equality Impact Assessments (EIAs).
Gender reassignment:	See above		This will vary according to the service provided and will be considered through individual EIAs.
Marriage or civil partnership:	See above		This will vary according to the service provided and will be considered through individual EIAs.
Pregnancy or maternity:	See above		This will vary according to the service provided and will be considered through individual EIAs.
Race:	See above		This will vary according to the service provided and will be considered through individual EIAs.

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

<b>Section 4 Identify decision meeting for Project/activity e.g. Cabinet, Council or delegated decision taken by Executive members and/or Chief Officers</b>	
Cabinet	
<b>Compiling Officers Name:</b>	Deborah Exton
<b>Compiling Officers Job Title:</b>	Deputy Head of Finance
<b>Date Completed:</b>	21/12/21

## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO TOWN & COMMUNITY COUNCIL FORUM

7 FEBRUARY 2022

#### REPORT OF THE CORPORATE DIRECTOR COMMUNITIES

##### COMMUNITY ASSET TRANSFER UPDATE

#### 1. Purpose of report

- 1.1 The purpose of this report is to provide representatives of the Forum with an outline of the changes to Bridgend County Borough Council's Community Asset Transfer (CAT) policy and the support and opportunities currently available to Town & Community Councils (T&CCs) to work with the Council and community groups to achieve the best management arrangements for public sector assets and services.

#### 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**:

- **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.
- **Smarter use of resources** – 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.

#### 3. Background

##### 3.1 CAT Policy

- 3.1.1 The CAT Task & Finish Group chaired by the Deputy Leader recommended to Cabinet in the report approved on 23 July 2019 that the priority of assets for CAT should be refined so that savings under the Medium Term Financial Strategy (MTFS) could be prioritised accordingly:

Priority 1	<ul style="list-style-type: none"><li>• Sports Pavilions</li><li>• Playing Fields (excluding school playing fields) and Bowling Greens</li><li>• Community Centres</li></ul>
Priority 2	<ul style="list-style-type: none"><li>• Playgrounds / Play Areas</li><li>• Free Car Parks</li><li>• Allotments</li></ul>
Priority 3	<ul style="list-style-type: none"><li>• Miscellaneous Assets</li></ul>

3.1.2 The Council's updated CAT Policy (see **Appendix A**) was also approved by Cabinet on 23 July 2019 and took account of the recommendations of the CAT Task & Finish Group which included:

- The introduction of a simplified "fast track" process which is applicable to all Town and Community Councils (T&CCs) and the majority of community groups wishing to progress transfers;
- The submission of income and expenditure projections for a minimum of a 5-year period should suffice for the majority of CATs but detailed business plans should still be requested for more complex projects, e.g. new builds;
- A risk based approach should be adopted for the Business Diagnostic Assessment undertaken upon community groups/sports clubs and the assets being subject to CAT.

### 3.2 CAT Funding & Resources

3.2.1 Cabinet approved on 25 February 2020 further measures designed to stimulate CAT activity and more importantly to ensure that assets transferred were sustainable in the medium and long term so that they could be safeguarded for future generations. In addition to capital funding already provided via the CAT Fund for building refurbishments the following measures were also introduced:

- Developing a programme of sports pitch improvement and drainage capital grants valued at £5,000 to £25,000 via the CAT Fund to ensure that prioritised sites are fit for purpose based upon independent condition assessments with £50,000 been provided from Earmarked Reserves for these reviews;
- Establishing pitch maintenance equipment grants to provide capital funding valued up to £10,000 for T&CCs and sports clubs who complete transfers to assist with the purchase of equipment to enable the self-management of associated green spaces;
- A one-off transitional grant of £5,000 for each bowls facility (Total cost £60,000 funded from Earmarked Reserves) on the condition that the bowls clubs also commit to taking over the bowls green maintenance on a day to day basis from 1 November 2020.

3.2.2 In October 2020 a Business Case for support under the Council's Change Management Fund of £266,461 was approved by the Corporate Management Board (CMB). This included the creation of three new fixed-term posts required to progress multiple CATs and to achieve the financial savings under the Medium Term Financial Strategy (MTFS):

Post	Full-Time Equivalent (FTE)	Duration of Contract
CAT Surveyor	1.0	2 Years
Green Spaces Assistant	1.0	1 Year
CAT Assistant	0.5	2 Years

3.2.3 In addition to the creation of three new fixed-term contract posts, the business case included the extension of the CAT Officer post for an additional 6 months until 30 April 2022 along with the following extra revenue funding needed to assist with the completion of transfers:

Smaller pitch and drainage improvements that cannot be classed as capital and provided for under the CAT Fund	£50K
Sundry CAT related expenditure such as Section 123 Notices and Energy Performance Certificates	£50K

#### 4. Current situation/proposal

##### 4.1 Overall CAT Activity

4.1.1 The CAT Officer and Business Advisers engaged via the CAT Business Support contract continued to work with T&CCs and sports clubs to progress transfers during the first and second lockdowns and in compliance with the COVID-19 restrictions by either holding outdoor meetings in line with Welsh Government guidelines, or via video / telephone conferencing.

4.1.2 All the Playing Fields & Park Pavilions that would potentially be impacted by the introduction of any new hire charges under the full cost recovery methodology are under discussion and there are other assets groups such as community centres, public toilets and play areas also being transferred to T&CCs or community groups. The current CAT activity levels as at 6 January 2022 are summarised below and detailed at **Appendix B**:

Progress Reached	Playing Fields & Pavilions	Other Asset Groups
Completed Transfers (Lease or Tenancy at Will)	7	5
Completed Freehold Transfers	0	1
Freehold Transfers being Finalised	0	1
Transfer Approved with Heads of Terms / Lease being Finalised	7	7
License to Occupy / Use	1	1
Expression of Interest Approved with Business Diagnostic Assessment & Financial Projections / Business Case being Developed	30	5
Informal Expression of Interest Received with Discussions Ongoing	10	5
<b>Total</b>	<b>55</b>	<b>25</b>

4.1.3 A total of 8 transfers have been completed in respect of 7 separate locations and subject to long-term self-management arrangements with community groups in respect of Playing Fields and Pavilions previously managed by the Parks Department:

Asset	Community Group	Basis of Transfer
Bryncethin Playing Fields & Pavilion	Bryncethin RFC	35 Year Lease
Pencoed Recreation Ground Pavilion	Pencoed Town Council	Tenancy at Will
Pencoed Recreation Ground Pitches	Pencoed Town Council	Licence to Occupy
Rest Bay Playing Fields & Pavilion	Rest Bay Sports	5 Year Lease
Cae Gof Playing Fields (Part of Site)	Cefn Cribwr Athletic Club (Rugby and Bowls)	6 Year Interim Lease while 35 Year Lease to be agreed when building works completed
Woodlands Park Playing Fields & Pavilion	Pencoed Athletic BGC	35 Year Lease
Penfai Playing Fields	Newcastle Higher Community Council	35 Year Lease
Cwm Garw Playing Fields	Carn Rovers FC	35 Year Lease

4.1.4 A 35 Year lease for Tudor Park Playing Fields has been agreed with Maesteg Park FC with the lease to be finalised shortly.

4.1.5 Two brief case studies of completed CATs in respect of Bryncethin RFC and Rest Bay Sports that outlines the refurbishment of facilities, local re-generation and benefits to the wider community has been included at **Appendix C** for illustrative purposes.

4.1.6 There are 10 transfers to sports clubs that should be finalised in the coming months under new long-term leases:

Sports Club / Group	Asset(s)
Blaengarw Cricket Club	Blaengarw Cricket Playing Fields
Bridgend Athletic Club	Newbridge Fields Athletic Field & Track
Bridgend Municipal Bowls Club	Bridgend Municipal Bowls Greens & Pavilion
Caerau FC	Hermon Road / Metcalf Street Playing Fields
Cefn Cribwr Football Club	Cae Gof Playing Fields (Main Pavilion, 2 x Football Pitches)
Kenfig Hill & Pyle Bowls Club	Pyle Bowls Green & Pavilion
Kenfig Hill RFC	Croft Gogh Playing Fields
Llangynwyd Rangers	Llangynwyd Playing Fields



Maesteg Harlequins RFC	South Parade Playing Fields
Ogmore Valley RFC	Ogmore Park Playing Fields

4.1.7 There are 7 T&CCs currently discussing the CATs of 8 playing fields and/or pavilions and it is envisaged that the majority of these will be finalised during the financial year 2022/23:

T&CC	Asset
Coity Higher	Great Western Avenue Playing Fields
Coity Higher	Litchard Cross Community Centre & Playing Fields
Cornelly	North Cornelly Playing Fields
Coychurch Lower	Coychurch Playing Fields
Laleston	Bryntirion Playing Fields
Llangynwyd Lower	Coytrahen Playing Fields
Ogmore Valley	Aberfields (the Planka)
Porthcawl	Griffin Park (including Bowls Pavilion & Greens + Play Area)

4.1.8 The Council has agreed the freehold transfer of Griffin Park public toilets which was completed in January 2020 and the freehold transfer of John Street public toilets is due to be finalised shortly. Both facilities were closed by the Council on 2 January 2019 and Porthcawl Town Council has re-opened both public toilets under an initial licence. Cabinet has previously approved the allocation of £35K match-funding under the T&CC Capital Grant scheme to assist with the re-development of Griffin Park public toilets. A condition survey and maintenance plan has been prepared under the CAT Business Support contract for John Street public toilets which has Grade II listed building status. Funding applications submitted by the Town Council to the CAT Fund for £50K has already been agreed and a further application under the T&CC Capital Grant scheme 2020-21 for an additional £20K has also been approved by Cabinet. Partnership working by both councils has enabled a new build at Griffin Park (opened Summer 2021) and a refurbishment of John Street which is due to be commenced shortly.

4.1.9 A tenancy at will has been completed with Laleston Community Council to enable the Bryntirion & Laleston Community Centre to remain open following the surrender of the lease by a local community association while the intention is for a 35 year lease that should be finalised shortly.

4.1.10 Pencoed Town Council have been granted a 35 year lease for the two tennis courts at Pencoed Recreation Centre that has enabled a Multi-Use Games area and Skateboard Park to be developed.

4.1.11 Play Areas have been or are in the process of being transferred to T&CCs which include: Coity Higher, Cornelly, Coychurch Lower, Laleston, Pencoed and Pyle. The Council encourages other T&CCs to also consider taking over the day to day management of Play Areas in their localities.

## 4.2 Self-Management of Bowls Greens

4.2.1 A total of 10 out of 12 bowls clubs agreed to undertake the self-management of 11 bowls greens from 1 November 2020 while long-term leases were being progressed.

4.2.2 The Parks Department maintained 3 bowls green during the 2021 season. Maesteg Celtic Bowls Club took over the day-to-day maintenance of the bowls green on 13 September 2021 at Garth Park which has been managed by the Council under a Deed of Dedication which is due to be surrendered when a lease is agreed between the bowls club and the landowner Maesteg Celtic. The 2 bowls greens at Griffin Park were scheduled to be transferred to Porthcawl Town Council on 1 December 2021, however, the transfer of Griffin Park has been delayed at the request of the Town Council to enable the interim agreement while the freehold transfer was being finalised to be subject to legal scrutiny. The proposed interim agreement for Griffin Park takes account of the Council's future requirements for the planned road development to sandy Bay.

#### 4.3 Self-Management of Other Playing Surfaces

4.3.1 The progress made with bowls clubs in a relatively short period of time suggests a far wider willingness of sports clubs to undertake self-management of playing surfaces while a long-term lease for the whole site including pavilion is being finalised. Funding towards drainage / pitch improvements up to £25,000 per pitch and grants of up to £10,000 towards the cost of pitch maintenance equipment may also be a further motivation.

4.3.2 This approach also gets sports clubs more engaged with the CAT process with limited risk to the Council. A number of clubs have already expressed an interest in taking over the day-to-day responsibility of their pitch maintenance and heads of terms for self-management agreements are presently being issued for:

Playing Fields	Sports Club(s)
Croft Gogh Rugby Pitch	Kenfig Hill RFC
Evanstown Welfare Park	Gilfach Gogh RFC
Pandy Park	Tondu RFC
Llangynwyd Playing Fields	Llangynwyd Rangers
South Parade	Maesteg Harlequins RFC
Garth Park	Maesteg Celtic

4.3.3 It is envisaged that self-management of playing surfaces will commence on 1 April 2022 and the community councils of Cornelly, Coychurch Lower, Llangynwyd Lower will also be maintaining the facilities outlined at paragraph 4.1.6 from this date.

#### 4.4 Strategic Review of 3 Major Parks

4.4.1 The Council has previously determined that its preferred option for transferring playing fields and pavilions to community groups such as T&CCs and sports clubs under the CAT programme may not always be suitable for larger sites, where the levels of public usage, numbers of stakeholders involved, and scale of investment and improvement needed is significant. The Council has accepted that alternative options should also be considered in addition to the standard CATs at three locations extensively used as public parks in addition to providing sports facilities to local sports clubs:

- Newbridge Fields;
- Maesteg Welfare Park;
- Aberfields the “Planka”, Nantymoel.

4.4.2 Just Solutions are currently assisting the Council, following a selective competitive tendering exercise in October 2020, to review and appraise the alternative options for the management of these three parks, leading to the development of a variety of preferred models and future plans.

4.4.3 The initial findings of the First Phase Review have been issued in draft and these were presented to a meeting of the CAT Steering Group on 23 June 2021.

4.4.4 Since completing the first phase of the review, Ogmores Valley Community Council has submitted an expression of interest to the Council in respect of Aberfields (the Planka) and the vision for an all-weather playing surface has been confirmed. Just Solutions attended a site meeting with the Chair and Clerk of the Community Council and CAT Officer on 8 July 2021 which has resulted in a bespoke, follow up report being prepared and issued to the Community Council on 18 August 2021. Ogmores Valley Community Council has now established a working group to progress the project and it is therefore envisaged that Aberfields will be excluded from Phase 2 of the review.

4.4.5 The findings of the First Phase Review were considered by Cabinet / CMB on 21 September 2021 so that the general direction of travel for Newbridge Fields and Maesteg Welfare Park sites can be discussed and the remit for the Second Phase Review which is due to be commenced shortly could be agreed based on the following general principles:

- (1) Projects arising from the Second Phase Review are based on legal entities that protect public open space, safeguard assets for future generations and enable investment opportunities to be maximised.
- (2) Aberfields (the Planka) should be excluded from the Second Phase Review and that Ogmores Valley Community Council should be assisted to complete the CAT of the site and develop their project further with advice and guidance under the CAT Business Support contract as required.
- (3) Determine if there is an appetite for special purpose vehicles (SPVs) such as Awen Cultural Trust and/or Halo Leisure who already manage leisure facilities in Bridgend to also have a role in the management and development of Newbridge Fields and Maesteg Welfare Park.
- (4) Consider if a more holistic approach can be adopted for the Bridgend and Maesteg areas that take into account planned developments concerning health and well-being so that common needs can be determined and facilities potentially shared.
- (5) The principle for the Newbridge Fields site are:
  - a) The involvement with our key stakeholder Bridgend Town Council should be strengthened (subject to their agreement based on discussions with the Council) for development of the main park which is predominantly used by

members of the public as well as sports clubs and should not be included under the CAT programme. The feasibility of establishing a board / user group which represent stakeholders should be considered;

- b) The viability of sports clubs undertaking CATs of pavilions and rugby and football pitches at discrete / self-contained parts of the site should be explored further;
  - c) The feasibility of developing additional new facilities such as changing rooms, grass pitches and possibly a 3G / 4G pitch that could also be utilised by local schools should be assessed including land title and planning issues and appropriately costed to determine financial viability.
  - d) The Council enables sports clubs to progress interim repairs to the Bandstand and South pavilion while the strategic review on Newbridge Fields and recommendations / outcomes are progressed subject to the clubs concerned taking over the short-term management of these facilities to enable funding under the CAT Fund to be released.
- (6) The principles for Maesteg Welfare Park that:
- a) The Council works in partnership with Maesteg Town Council and Friends of Maesteg Welfare Park (subject to their agreement based on discussions with the Council) to develop facilities and achieve the best outcomes and the formation of a Board / user group similar to Newbridge Fields should be considered.
  - b) The feasibility of improving existing facilities such as the main and bowls pavilions, tennis courts, pathways, park furniture and lighting as well as an assessment of the future sports requirements at the site should be assessed and appropriately costed to determine financial viability.
- (7) The remit for the Second Phase Review should be developed in consultation with Just Solutions to take account of the principles agreed by Cabinet / CMB and enable appropriate frameworks for individual strategies for Newbridge Fields and Maesteg Welfare Park to be progressed.

#### 4.5 CAT Staff Resources

4.5.1 The CAT Green Spaces Assistant took up their post with the Parks Department on 12 April 2021 and the CAT Surveyor, whose post provides assistance to the Asset & Compliance Surveyor, commenced within the Corporate Landlord Section on 6 September 2021 but sadly resigned at the end of December to relocate to London. A CAT Assistant to support the CAT Officer was appointed on 27 September 2021.

#### 4.6 Conclusion

4.6.1 The Council takes a flexible and adaptable approach, whenever that is possible, when determining the most appropriate form and duration of a transfer.

- 4.6.2 The level of engagement with T&CCs and sports clubs outlined at sections 4.1 and 4.2 has been good with all sports related facilities being subject to discussions surrounding self-management arrangements.
- 4.6.3 The Council wishes to continue to work in partnership with T&CCs and encourages them to consider entering into more discussions relating to the CAT of playing fields, pavilions, play areas and community centres and the provision of services such as grass cutting to ensure the best outcomes can be achieved to benefit our local communities.
- 4.6.4 The Council would also like to expand its collaboration with T&CCs both formally and informally, to foster a culture of joint working, recognising the extremely important role that T&CCs can play in helping to manage and maintain facilities and services that otherwise may come under threat from future budget cuts. The Council also acknowledges that in some cases, because of their direct link to local communities and community groups, T&CCs may be better placed to work in partnership at a local level to develop long-term sustainable solutions.
- 4.6.5 The Council has identified other enhancements to its support mechanisms such as pitch / drainage improvements and equipment grants that may also be needed in addition to grants already provided to refurbish buildings such as pavilions to ensure that self-management can be completed successfully.

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

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

## **6. Equality Act 2010 implications**

- 6.1 An initial Equality Impact Assessment (EIA) screening has identified that there would be no negative impact on those with one or more of the protected characteristics, on socio-economic disadvantage or the use of the Welsh Language. It is therefore not necessary to carry out a full EIA at this stage.

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

- 7.1 The Council is committed to promoting sustainable development and to discharge our duties under the Well-being of Future Generations (Wales) Act 2015. Bridgend County Borough Council wishes to promote CATs of its playing fields and sports pavilions to either T&CCs or relevant sports groups to ensure that existing users are not required to pay any increased charges. The proposals seek to take into consideration the long-term sustainability of sports facilities in the County Borough and recognises the importance of such facilities in delivering a healthier Wales and the role these facilities have in a Wales of cohesive communities. In light of increasing budget pressures, taking an integrated approach to the way the Council operates these kinds of facilities is vital. The report outlines how T&CCs, sports clubs and community groups can have an involvement in the development of collaborative working opportunities to ensure the long-term sustainability of the facilities and the Council's ability to fund other services.

7.2 The required Assessment Template has been completed and a summary of the implications from the assessment relating to the five ways of working is outlined below in respect of the Council's CAT policy and processes:

<b>Long-term</b>	Supports the corporate priorities of the Council outlined at paragraph 2.1.
<b>Prevention</b>	Ensures the assets and services threatened by financial austerity can continue to be used by the community and promote healthier lifestyles and general well-being.
<b>Integration</b>	Enables the Council to work in partnership with T&CCs, sports clubs, community groups, other stakeholders and the wider community to meet local needs in a more holistic way.
<b>Collaboration</b>	The proposals have been developed and will be delivered through a strong partnership between BCBC, T&CCs and relevant stakeholders.
<b>Involvement</b>	The proposals will be delivered in close partnership with a range of local stakeholders including T&CCs, community groups and current users.

## 8. Financial implications

8.1 The financial implications of the Council's current CAT activities and additional measures aimed at supporting sports clubs and stimulating transfers, in addition to any future capital funding agreed to replenish the CAT Fund, are reflected in the report originally considered by the Cabinet on 25 February 2020 and summarised below as follows:

Usage of Funding	Required Funding		Financial Year Approved
	Capital	Revenue	
Commissioning Pitch Condition Surveys	-	£50,000	2020-21
Transitional Grants for Bowls Sites	-	£60,000	2020-21
Change Management Funding	-	£266,461	2020-21

## 9. Recommendation(s)

9.1 Members of the Town and Community Council Forum are recommended to note the Council's:

9.1.1 Revised CAT Policy designed to simplify the process and reduce delays.

9.1.2 Associated funding under the CAT Fund that has been set aside to encourage and support the transfer of Priority 1 assets.

9.1.3 Recognition that community owned and managed models of delivery can reinvigorate community assets and can be devolved to the local level in which

they operate. The success of CAT is dependent on the proactive participation of willing participants – T&CCs and community groups - together with their ability and capacity to manage the asset.

9.1.4 Commitment and willingness to engage with T&CCs and community groups to progress CATs.

**Janine Nightingale**  
**CORPORATE DIRECTOR - COMMUNITIES**  
**February 2022**

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**Background documents:**

None

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# AMP: Community Asset Transfer Guidance Document

**Community demand, need and lead**



**Supporting BCBC aims and priorities**



**Positive community asset transfer**



**Transparency**



**Sustainability**

Cyngor Bwrdeistref Sirol



# BCBC Community Asset Transfer Guidance

Welcome to the latest version of Bridgend County Borough Council's (BCBC's) Community Asset Transfer (CAT) Policy. It provides a clear vision and mechanism as to how the Council will approach and deal with opportunities to transfer land, buildings and services to the Community. This policy replaces the original CAT Guidance endorsed by Cabinet in 2010 and updated in 2015. It reflects the changing financial climate faced by the Council and the increasing empowerment of local communities. The Guidance forms an integral part of the Council's Asset Management Plan process.

In response to the forecasted public sector funding reductions as a result of on-going austerity and increasing pressures and public sector services, the Council will seek to work with eligible interested community groups to secure transfers and to provide ongoing support. It is intended to help community groups to manage and operate facilities and hopefully to secure investment in their long-term future. To this end the Council works closely with partners from the Third Sector to support community groups and sports clubs by ensuring the right advice and guidance is available to applicants and those who have already taken over the self-management of facilities and services.

This Policy also sets out how a simplified fast track risk based approach can be adopted for the majority of the Council's assets which should make the CAT process easier to navigate.

### Who should read these Guidelines

This policy is primarily to inform Town and Community Councils, Third Sector Organisations and sports clubs (collectively referred to as community groups) of the Council's requirements when progressing a CAT. The Policy is designed to help community groups understand the Council's approvals processes and decision making criteria. Templates for applications and key stage procedures are also included.

### Application of the Guidelines

Due to the diverse nature of Council property assets and variety of CAT requests, there cannot be a "one size fits all" approach to CAT. A consistent and principled but fluid framework is therefore required. The Guidance is centred on 4 key principles:

- ▶ **Community led to meet community demand and need**
- ▶ **Any CAT must support Council aims and priorities**
- ▶ **Transparency including governance and financial implications**
- ▶ **Project sustainability**

Proportionality and common sense is required in application of the Guidelines. For example, a short lease, licence to occupy or a management agreement may require less detailed assessment criteria than a longer term lease of 35 years. A transfer of a small area of land will not need the depth of business planning that a significant building would, particularly where significant external funding is also required. Any risk needs to be managed and informed, and transparent decisions should be subject to requisite scrutiny.

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## Document approvals and consultations

	Cabinet CAT Task & Finish Group CAT Steering Group Town and Community Council Forum Wales Co-operative Centre Coalfields Regeneration Trust
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## 1. Purpose of this policy

The purpose of this Community Asset Transfer (CAT) policy is to encourage property asset transfers to community groups in support of the Council's Asset Management Plan (AMP) and AMP Disposals Strategy and the transfer of service provision in line with the Council's corporate priorities and well-being objectives.

An appropriate transfer is one which:

- **is community led to meet community demand**
- **supports Council's aims and priorities**
- **is sustainable in the long term**
- **has positive financial implications for the Council**

## 2. Definition of Community Asset Transfer

CAT may take a variety of forms but in essence involves a temporary or permanent transfer of stewardship and/or ownership to community groups. The method of transfer may include:

- management agreement
- short term licence to occupy
- short or long term lease
- freehold transfer (exceptional circumstances only)

## 3. National policy context

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

The Well-being of Future Generations (Wales) Act 2015 places a duty on each public body to carry out sustainable development. Sustainable Development is defined as a process of improving the economic, social, environmental and cultural wellbeing of Wales.

Public, third and business sectors including BCBC have come together in Bridgend to form a Public Services Board (PSB). Bridgend PSB is committed to working together to improve wellbeing in Bridgend County now and in the future and have prepared a Well-being Plan that contains the following 4 key objectives:

- Best Start in life
- Support communities in Bridgend County to be safe and cohesive
- Reduce social and economic inequalities
- Healthy choices in a healthy environment

## The Equality Act, 2010

The Equality Act, 2010 places a duty on public bodies to demonstrate due regard to the aims of the Public Sector Equality Duty (PSED). The PSED requires public bodies to operate in a way that eliminates unlawful discrimination, advances equality of opportunity, and fosters good relations between those who share a relevant protected characteristic, and those who do not. There are nine protected characteristics in total (age, sex, gender reassignment, sexual orientation, disability, race, religion and belief, marriage and civic partnership as well as pregnancy and maternity), and all public functions are designed and delivered in a way which reduces discrimination and promotes positive engagement with those who possess relevant protected characteristics. All CAT activities will support and encourage the Council's duties under the Equality Act, 2010 by ensuring that any activity is assessed for the likely adverse impact on protected groups and therefore reduced where possible.

## Community Asset Transfers in Wales - A Best Practice Guide

A number of national reports, reviews and guidance encourage local authorities to engage with community groups with a view to a transfer of community assets. Welsh Governments 'Community Asset Transfers in Wales - A Best Practice Guide' March 2016 provides essential guidance for both local authorities and community groups. BCBC was part of the working group which helped produce the document and much of the guidance reflects the approach which this Council has adopted.

## 4. Local policy context

BCBCs property strategy seeks to rationalise its property portfolio and obtain the best outcome to help deliver Council objectives. This requires balancing best price considerations and reduction in revenue costs against the benefits of alternative use including asset transfer. This is supported by a disposals strategy that works to achieve the best disposal outcome for BCBC.

CATs clearly support the Council's priority themes. These include:

- **Helping people to be more self-reliant** – “Taking early steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services”.
- **Supporting a successful economy** – showing any links to sustainable jobs and growth.
- **Smarter use of resources** – “Ensuring that all our resources (financial, physical, human and technological) are used as effectively and as efficiently as possible, and supporting the development of resources throughout the community that can help deliver our aims.”

### 5. The Council's commitment to Community Asset Transfer

The Council is committed to using CATs where appropriate. However, with limited staff resources, it is necessary to **prioritise** applications which most benefit:

- a) the Council's financial position; and
- b) impact in the community in terms of:
  - Economic and social enterprise leveraging additional investment.
  - Community empowerment.
  - Retain and/or enhance local services that may be lost due to budget restraints and service cuts.
  - Building capacity and encouraging a more sustainable third sector.
  - Supporting delivery of the Council's corporate priorities.
  - Tackling poverty.

This policy sets out a framework to support decision-making and an agreed method of assessing all CAT requests. The Council will however, support community groups through the CAT process in a number of ways which include:

- Guidance from a dedicated CAT Officer.
- A listing of assets potentially suitable for transfer in a 'Community Asset Schedule' will be made available and regularly updated.
- Supplying relevant information including:
  - running cost data
  - copies of condition surveys
  - building plans
  - servicing / testing data
  - any other relevant information
- Advice under the Council's CAT Business Support Contract from our partners organisations that specialise in providing advice and guidance to community groups.

## 6. The 4 Principles of BCBC Asset Transfer

In order to complete a CAT, 4 principles will need to be in evidence:

<b>Community Need</b>	<p>There must be strong support from within the local community. Evidence of equality of access will need to be demonstrated. Members of the community should be able to influence proposed operations and decision-making. There must be a clear demand for the project. Community groups must also ensure that any transfer will not displace or distort the market place. Applications are welcomed from consortia, joint ventures and collaborative projects.</p>
<b>Support Council Corporate Improvement Objectives / Other Corporate Priorities</b>	<p>The proposed transfer must support the delivery of Council's Corporate Improvement Objectives / Other Corporate Priorities as outlined above.</p>
<b>Transparency</b>	<p>The decision making process is designed to show accountability and is clearly set out in the Framework for considering CATs at section 8 below. The process needs to be flexible in line with the complexity of applications and available Council staff resources. Decisions will be transparent and communicated clearly.</p>
<b>Sustainability</b>	<p>The applicant is required to demonstrate their ability to manage the asset effectively via:</p> <ul style="list-style-type: none"> <li>• Financial plan:             <ul style="list-style-type: none"> <li>○ Detailed business plan for complex cases particularly if the Council asset subject to transfer requires significant investment involving major refurbishment or new build; or</li> <li>○ 5-year financial projections enabling a community group to demonstrate an understanding of associated income and expenditure streams and operating costs for the more straightforward transfers</li> </ul> </li> <li>• An appropriate legal and governance structure.</li> <li>• An assessment of the need for the activities being proposed and consideration of whether or not this is being provided by other organisations.</li> <li>• Efficient use of the facilities in terms of space and time periods.</li> <li>• Organisational capacity and capability – strong skills at board, management and operational level to manage the asset and maximise its use including meeting any statutory requirements.</li> </ul>

## **7. Identifying suitable assets for Community Asset Transfer**

### **Community Asset Schedule**

The Council has determined that the following categories of asset are potentially available under the CAT programme:

Priority 1	<ul style="list-style-type: none"> <li>• Sports Pavilions</li> <li>• Playing Fields (excluding school playing fields) and Bowling Greens</li> <li>• Community Centres</li> </ul>
Priority 2	<ul style="list-style-type: none"> <li>• Playgrounds / Play Areas</li> <li>• Free Car Parks</li> <li>• Allotments</li> </ul>
Priority 3	<ul style="list-style-type: none"> <li>• Miscellaneous Assets</li> </ul>

It must be noted that not all assets under these categories will be considered as suitable for CAT. Assets will generally not be considered suitable for CAT if the:

- Asset is required for the delivery of essential services;
- Asset generates a net income stream for the Council;
- Asset has future use by the Council, e.g. re-development potential; or
- Asset may be required by the Council to generate capital receipts through its sale on the open market as part of its capital investment programme to help fund projects such as new schools.

Council owned assets suitable for transfer will be regularly updated and identified through the Council’s robust asset management planning process which includes regular reviews of our property holdings. Service need for assets, including opportunities for alternative methods of service delivery, will influence our requirement for assets. The potential for assets identified as surplus to our requirements to be transferred to the community will be considered through our Acquisitions and Disposals Strategy.

A ‘Community Asset Schedule’ will list potentially suitable CAT Priority 1 Assets together with any specific restrictions and will be made publicly available. Not included in this list are those assets which the Council wishes to retain for operational, financial or other purposes.

In compiling the schedule and/or in assessing applications, regard will need to be given by the Council to whether any financial clawback from fund providers may apply. This may be the case if Lottery funds for example include clawback restrictions which may be triggered by an asset transfer.

### **Applications From Existing Tenants / Users**

The Council will consider applications from eligible organisations already in occupation of a BCBC building looking to vary their terms of occupation, for example by increasing the lease term to meet grant funding requirements or formalising licence arrangements. Please note that you will still be required to meet all our application and assessment criteria.

Lease renewals are not usually considered as being CATs for BCBC funding purposes.



## General Applications

Eligible organisations looking for a property, but who do not have a specific asset in mind can still submit an Expression of Interest. If we consider the application viable and it meets our Stage 1 criteria we will work with the community group to potentially identify a suitable asset.

In all cases we would strongly advise that the Council's CAT Officer should be contacted in the first instance so that formal discussions can be held at the earliest opportunity.

Some proposals may not require a property agreement e.g. such as transfer of a service, an agency agreement or a sponsorship arrangement. The Council welcomes interest from applicants to provide services whether autonomously or in collaboration with the Council. This Guidance, however, focuses on the transfer of property assets. Any proposals to provide services should be made to the Director of Communities.

## Priority of applications

Preference will be given to:

- Community groups already in occupation of a premises (land and/or building).
- Collaborative applications for co-locating community groups including consortia. In such cases, 'umbrella' organisations or partnerships should be considered by applicants.

Where several expressions of interests are received for one building, all live applications will be considered rather than dealing on a "first come first served basis".

## 8. Framework for considering requests for CATs

The Application Criteria that must be complied with when considering a community asset transfer is detailed at **Appendix 1**. The degree to which the criteria are met, the condition of the asset and the requirements of potential funders will be used to determine the most appropriate type of transfer agreement. A short term lease or licence to occupy or a management agreement may be more appropriate initially as part of a phased or temporary transfer whilst additional capacity and confidence is built.

All applications will be considered in accordance with the Council's CAT framework either the 4 stage process (see Standard CAT Process at **Appendix 2**) or "fast track" process particularly where the asset subject to transfer is in a compliant condition (see "Fast Track" process at **Appendix 3**). The standard 4 stage process will usually be applicable for:

- All complex transfers;
- Assets assessed as uneconomical to repair by the Council; and
- Disposal of surplus assets with potential community interest.

The Council will use a RAG traffic light rating system based upon an assessment of risk associated with a community group and asset / service subject to transfer to make this aspect more transparent as illustrated in the table shown at **Appendix 4**.

All community groups are required to submit an Expression of Interest (EOI) pro-forma that requires basic information relating to the organisation, the asset / service and link to the Council's corporate priorities (see copy of EOI at **Appendix 5**). Community groups are advised to hold informal discussions with the Council's CAT Officer prior to an EOI being prepared and submitted.

The Council will ensure that community groups are provided with appropriate advice and guidance from partner organisations under the CAT Business Support contract, e.g. business planning to facilitate the CAT process.

Central to this process is a requirement for a detailed **Business Plan** or outline **Financial Projections** which are dependent on whether the Council considers applications are suitable under the standard or "fast track process". Illustrations, with guidelines, are provided at **Appendix 6** and **Appendix 7** respectively.

## 9. Decision processes

The process should be flexible and easy to understand for community groups. The extent and detail of the business case required may vary with the type of assets/services being transferred. Regard will need to be given by the Council to any staff matters such as the Transfer of Undertakings (Protection of Employment) regulations (TUPE), redundancy and management of change issues. Any transfer is also expected to reduce a community groups dependency on Council revenue funding.

The Council's due diligence process should be proportionate to the scale and complexity of the proposal:

- All community groups will be subject to a **Business Diagnostic Assessment** (see Outline at **Appendix 8**) to provide the Council with assurance as regards the capabilities and capacity of a particular community group and that the directors / trustees of the group involved are fully aware of the duties and responsibilities that must be discharged. The Business Diagnostic Assessment will contain mandatory and discretionary recommendations (including compulsory training elements) to assist in the development of community groups and them becoming competent asset holders. The implementation of recommendations will dictate how quickly the transfer can be progressed.
- CAT expressions of interest, business / financial plans and associated funding applications of up to £50K are usually approved by the **CAT Steering Group**. Large or complex CATs may be referred to the **CAT**

**Advisory Panel** which consists of key public sector organisations in the area and will usually also require the approval of Cabinet particularly where associated funding to support projects is likely to exceed £50K.

- Property transactions will usually require approval under the Council's delegated powers scheme or be referred to the Cabinet.

The CAT officer shall submit the reports with assistance and advice from the Corporate Landlord, Legal Services, Human Resources and Finance, if required.

The CAT Steering Group chaired by the Head of Operations Community Services is responsible for assessing both Stage 1, Stage 2 and associated CAT funding applications and members will include senior officers from the key service directorates. Consultations will be made with the CAT Advisory Panel (complex transfers), Council Members and community groups as required.

The decision will reflect assessment of the detailed criteria outlined at Appendix 1 and other considerations such as:

- BCBC asset requirements - whether the asset required for future service delivery.
- Financial benefits to the Council.
- Whether any financial clawback from fund providers apply.
- Wider benefits to the Council and community.

Where appropriate any final decision rests with the Corporate Director Communities and the Section 151 Officer or by referral to the Cabinet. The Council reserves the right to reject any application but in so doing, shall provide feedback outlining the reasons. Applicants shall be encouraged to re-submit where those elements have been sufficiently addressed.

## 10. Property and legal considerations

CATs will need to deliver the best disposal option for the Council which will generally be by way of leases. Alternatively, a licence to occupy or management agreement may be more appropriate. Freehold transfer will only be considered in exceptional circumstances and require Cabinet approval.

The length of a lease offered will be determined on a case by case basis having regard to the property condition, circumstances of the project, strengths of the applicant, and sustainability of the business case. The maximum duration of a lease term presently available from the Council is 35 years unless specific external funding requires a longer term. As a guide, capital grant funding for improvements will usually require a minimum lease term of 10 years.. Should further funding be identified after the initial lease has been granted, negotiations for an extended lease period may be necessary depending on the funders conditions.

## Rent/market values

Community uses do not usually attract commercial revenues. Community groups are often dependent on grant funding and are generally unable to pay market rents/prices for property. By being aligned to Council priorities, the Council's 'return' is therefore based on the social, economic or environmental benefits. The Council, however, needs to justify and record any decision to transfer a property at an undervalue with reference to:

- A valuation of the property to identify any value being forgone.
- The 'General Disposal Consent (Wales) 2003' which enables local authorities to proceed with certain transfers at an undervalue
- State Aid provisions to ensure either none is given or to ensure that it is permitted and the Council is protected.

A **peppercorn** or discounted rent or any other disposal at below market value may well be justifiable but should not be assumed. A decision to grant concessionary terms needs to be justifiable and recorded by the Council's Corporate Landlord. Cabinet approval may be required depending on the circumstances. In determining the rent, consideration will be given to:

- Value of the property.
- The management and running costs of the property.
- Financial position of a community group.
- Extent of benefit to the Council in terms of revenue savings and/or service delivery.

The onus falls on the community group to demonstrate that concessionary terms are needed. This will best be provided by reference to their business plan or financial projections.

## Other lease terms/conditions

A lease or licence provides opportunities in terms of self-management and also brings increased health and safety and property statutory compliance responsibilities. A summary of the main indicative core terms to be considered for inclusion in a lease or licence is outlined in summary at **Appendix 9**.

## Energy procurement

It is likely that existing energy supplies in the longer term at a property are covered by the Council's central energy procurement contract. This bulk purchase of energy provides a favourable tariff for the Council and a new community group occupier may express a wish to remain on this contract to continue with the tariff. The Council, however, is ultimately liable under the contract for any payment default. The general position therefore should be for the community group to contract separately for its own energy supplies. It is also important that the community groups energy usage does not count for any carbon reduction commitments. Further information may be sought from the Council's Energy Contracts Manager.

## 11. Handover

During handover the Council will supply, wherever possible, a folder compiled by the Council's Corporate Landlord which will provide:

- Details of all statutory testing and servicing details.
- Fire risk assessment.
- Health and safety information & certificates.
- List of tests generally needed on buildings.
- List of contractors which the Council utilises and are prepared to provide similar services to community groups.
- Details of utility readings .

The Council has a Compliance Officer who will act as the key contact within Corporate Landlord to provide guidance to community groups on technical issues within buildings and to assist occupants to keep premises compliant.

A key priority for community groups is an understanding of and the ability to meet Health and Safety and statutory compliance requirements. Some useful website links are detailed below and support is available from Council Officers should there be any concerns or doubts about what is required regarding compliance.

<http://www.hse.gov.uk/voluntary/village-legal.htm>

<http://www.hse.gov.uk/voluntary/assets/docs/village-hall.pdf>

<http://www.hse.gov.uk/toolbox/fire.htm>

The Council will also supply all keys and any other information required to operate the premises safely.

The handover will take place with the nominated lead officer for the applicants together with the designated person dealing with statutory compliance (if they are different).

## 12. Ongoing Support and Statutory Compliance

The Corporate Landlord will also advise on and confirm any required landlord consent for any works, alterations or modifications proposed to the premises.

Applicants will be asked to identify a designated individual within the organisation who will have responsibility for the premises and necessary testing and servicing. This individual will be the key contact point for the Corporate Landlord. They will have responsibility for ensuring the premises remains safe and compliant in accordance with any statutory requirements and they will need to be aware of their role and responsibilities.

Applicants will also be asked to provide feedback to the Council on their project in relation to progress, milestones achieved, problems encountered and targets for the future. This would normally be expected on an annual basis but could be more regular if required. It would also be expected that applicants would consent to speak to other potential applicants with a similar project if required to supply advice and suggestions to help their application.

Any request for feedback or information from the Council would be expected to be provided within 21 days unless the request is of an urgent nature.

**Any future adaptation or improvement works, over and above routine maintenance works, to premises are likely to require landlord consent. You must speak to the Council before you commence any works. The Corporate Landlord will be able to advise on requirements including the need for any other potential consents – planning, building regulations etc.**

### 13. Community Asset Transfer Support and Contacts

The Council strongly advises that the application and business case is developed with support from a business adviser assigned under the CAT Business Support Contract.

Often community groups taking on a premises (building and/ or land) may require different support through the life of a project. This may start with initial support to establish an organisation through to helping groups develop businesses or establish trading arms, The CAT Business Support Contract is intended to support all stages of a CAT and not just for the initial take-over of premises. By having a one stop shop, applicants or occupiers can refer issues and suggestions to the CAT Officer and ensure they receive the most appropriate support at that time.

A list of resources and relevant links to advice on CAT is attached at **Appendix 10**.

All applicants will be required to identify who the key contact within their community group is for leading on the CAT process. This is to avoid confusion as to whom information and advice is being given to. For the Council the key point of contact is our CAT Officer who can be contacted by email: [Guy.Smith@bridgend.gov.uk](mailto:Guy.Smith@bridgend.gov.uk) or Telephone: (01656) 815323.

Applicants will also be asked to identify the person within each organisation who will have responsibility for ensuring that a premises (building and/ or land) remains compliant with any legal responsibilities and safe for people to use. This may be a different person to the key contact.

## Appendix 1 - Application Criteria

### a) The Applicant must be:

**A Community/Town Council or a Community Group, which satisfies the following criteria:**

- Legal entity that is incorporated and provides limited liability for the stakeholders involved. This would usually be in the form of a company, society, CIO (Charitable Incorporated Organisation) or CIC (Community Interest Company). It must enable the management/ownership of buildings and provision of services.
- Exist for community/social/environmental benefit.
- Non-profit distributing – any surpluses must be reinvested to further its community benefits/social aims.
- Demonstrate good governance through open and accountable processes, with appropriate financial and audit controls.
- Demonstrate engagement with the community.
- Demonstrate it has the skills and capacity within or available to effectively deliver its services and manage the asset.
- Holds adequate insurance and will be able to comply with statutory health and safety requirements to operate the asset/service.
- Provide services or engage in activities that deliver economic, environmental or social benefits to the community.
- Provide copies of the organisation's Annual Report and accounts if available.
- Strong links with the local community and directly benefit the people of the county borough.
- Benefit as wide and diverse a range of local people as possible and demonstrate an inclusive approach to all members of the community.
- Decision making process influenced by local community.

### b) The Asset

- A legal interest owned by the Council from which the organisation can demonstrate community benefit.
- The asset is in the freehold/leasehold ownership of the Council.
- Applications for multi-uses and co-location of services should be encouraged.

### c) Proposed Use

- There is both a need and demand for the proposed activities and consideration is given as to whether or not this is being satisfactorily addressed by another organisation.
- The proposed use will support the delivery of the Council's corporate priorities.
- The proposed use will maximise opportunities for income generation to ensure sustainability.

- The community group has established how much space it requires to deliver its proposals, and how they will make optimum use of the asset.
- The proposed use will deliver extensive and inclusive reach into the community and will be open to all.

### d) **Business Plan and Finance**

Community asset transfers considered to be suitable for “fast tracking” under the updated policy will only require income and expenditure projections for a minimum of a 5-year period to be provided to enable a community group to demonstrate an understanding of the associated costs of managing and demonstrating the sustainability of the asset.

However, a robust business plan clearly stating the operation and service provision and financial and organisational capacity of the organisation to deliver the proposed services/activities and manage the asset is critical to the success of any transfer is still required for large or complex projects particularly if the Council asset subject to transfer requires significant investment involving major refurbishment or new build.



## Appendix 2 – CAT Standard Process

APPLICATION STAGE	REQUIREMENTS	DECISION MAKER	TARGET TIMESCALES
<b>STAGE 0</b> Informal pre-application discussion	Before submitting an Expression of Interest, applicants should discuss their proposals with the CAT Officer.	N/A	N/A
<b>STAGE 1</b> Submit <b>formal Expression of Interest (EOI)</b> (Appendix 3) to CAT Officer  The Council will provide any relevant asset information available	Outline business case in the form of the EOI to provide: <ul style="list-style-type: none"> <li>• Details of the organisation</li> <li>• Governance arrangements</li> <li>• Proposed use of asset and benefits</li> <li>• Benefits to community, Community Group and Council</li> <li>• Support from community/partners</li> </ul> If the application is supported, the Community Group will be invited to proceed to Stage 2. If the application is not supported a full explanation will be provided.	<b>CAT Steering Group</b>	6 weeks from receipt of Expression of Interest
<b>STAGE 2</b> <b>Business Diagnostic &amp; Business Plan</b>  Support may be available under the Council's CAT Business Support contract (from our partners Wales Co-operative Centre and Coalfields Regeneration Trust)	Initial assessment of community group by Business Adviser in consultation with CAT Officer to determine capacity / capabilities and inform future needs under Business Support Contract.  Report outlining areas requiring action ranked mandatory and discretionary. All mandatory requirements, e.g. attendance at specific training events (governance, duties and responsibilities of directors, etc.) must be completed prior to any transfer being agreed.  Detailed Business Plans prepared by Community Group – (see illustration at Appendix 5): <ul style="list-style-type: none"> <li>• Needs analysis and projected utilisation</li> <li>• Type of transfer sought and why</li> <li>• Planned outcomes and benefits and how they will be measured/monitored</li> <li>• Details of any proposed partnership/collaborative working</li> <li>• Track record for delivering service/managing property</li> <li>• Capacity to manage the asset</li> <li>• 5 year plans for revenue and capital funding – projected income and expenditure including costs of managing and operating the asset</li> <li>• Financial sustainability and forward planning</li> </ul>	Business Diagnostic Assessment to be assessed by CAT Officer / CAT Steering Group  Business plans to be assessed by Finance Department	Within 4 weeks from Stage 1 Approval  Full business plan to be submitted within 12 weeks of Stage 1 approval if possible

## Community Asset Transfer Policy

APPLICATION STAGE	REQUIREMENTS	DECISION MAKER	TARGET TIMESCALES
<b>STAGE 3:</b> <b>Full assessment of CAT Proposal including Business Plan</b>	<p>Report by CAT Officer to <b>CAT Steering Group</b> or <b>CAT Advisory Panel</b> (complex/larger cases) with a detailed assessment of:</p> <ul style="list-style-type: none"> <li>• Benefits for community, the Community Group and how they relate to delivering Council priorities</li> <li>• Risks in relation to financial and organisational ability to manage the asset</li> <li>• Potential loss of capital receipt and existing income or other opportunity cost to the Council</li> <li>• Potential for on-going revenue savings for the Council</li> <li>• Proposed terms of transfer and any legal or other issues</li> <li>• Monitoring arrangements as required</li> </ul>	<b>CAT Steering Group and /or CAT Advisory Panel</b>	6 weeks from receipt of full Business Plan
<b>STAGE 4:</b> Property transaction approval and completion of agreement	<p>Approval via Council Delegated Powers or by Cabinet.</p> <p>Instruct Solicitors</p> <p>Legal completion</p>	<b>Corporate Director Communities in consultation with s. 151 Officer</b>  <b>Cabinet</b>  <b>Head of Legal and Regulatory Services</b>	8 weeks of Stage 3 approval

## Appendix 3 – CAT Fast Track Process

APPLICATION STAGE	REQUIREMENTS	DECISION MAKER	TARGET TIMESCALES
<p><b>STAGE 0</b> Informal pre-application discussion</p>	<p>Before submitting an Expression of Interest, applicants are encouraged to discuss their proposals with the CAT Officer.</p>	N/A	N/A
<p><b>STAGE 1</b> Submit <b>formal Expression of Interest (EOI)</b> (Appendix 3) to CAT Officer</p> <p>The Council will provide any relevant asset information available</p>	<p>EOI to be completed and provide details of:</p> <ul style="list-style-type: none"> <li>• The organisation</li> <li>• Governance arrangements</li> <li>• Proposed use of asset and benefits</li> <li>• Benefits to community, Community Group and Council</li> <li>• Support from community/partners</li> </ul> <p>If the asset is available for transfer and the application is supported, the Community Group will be invited to proceed to Stage 2 and Stage 3. If the application is not supported a full explanation will be provided.</p>	<b>CAT Steering Group</b>	4 weeks from receipt of EOI
<p><b>STAGE 2</b> <b>Business Diagnostic &amp; Financial Projections</b></p> <p>Support may be available under the Council's CAT Business Support contract (from our partners Wales Co-operative Centre and Coalfields Regeneration Trust)</p>	<p>Initial assessment of community group by Business Adviser in consultation with CAT Officer to determine capacity / capabilities and inform future needs under Business Support Contract.</p> <p>Report outlining areas requiring action ranked mandatory and discretionary. All mandatory requirements, e.g. attendance at specific training events (governance, duties and responsibilities of directors, etc.) must be completed prior to any transfer being agreed.</p> <p>Financial projections for a minimum of 5 years (see illustration at Appendix 6) to be prepared by Community Group with assistance by Business Adviser (if required).</p>	<p><b>Business Diagnostic Assessment to be assessed by CAT Officer / CAT Steering Group</b></p> <p><b>Financial projections to be assessed by Finance Department and CAT Steering Group</b></p>	<p>Within 4 weeks from Stage 1 Approval</p> <p>Financial projections to be submitted within 6 weeks of Stage 1 approval if possible</p>

## Community Asset Transfer Policy

APPLICATION STAGE	REQUIREMENTS	DECISION MAKER	TARGET TIMESCALES
<b>STAGE 3:</b> <b>Assessment of CAT Proposal</b> including any financial assistance, e.g. grants to support CAT	Report by CAT Officer to <b>CAT Steering Group</b> with an assessment of: <ul style="list-style-type: none"> <li>• Benefits for community, the Community Group and how they relate to delivering Council priorities</li> <li>• Risks in relation to financial and organisational ability to manage the asset</li> <li>• Potential loss of capital receipt and existing income or other opportunity cost to the Council</li> <li>• Potential for on-going revenue savings for the Council</li> <li>• Proposed terms of transfer and any legal or other issues</li> <li>• Monitoring arrangements as required</li> </ul>	<b>CAT Steering Group</b>	4 weeks from receipt of Financial Projections
<b>STAGE 4:</b> Property transaction approval and completion of agreement	Approval via Council Delegated Powers or by Cabinet.  Instruct Solicitors  Legal completion	<b>Corporate Director Communities in consultation with s. 151 Officer</b>  <b>Cabinet</b>  <b>Head of Legal and Regulatory Services</b>	8 weeks of Stage 3 approval

## Appendix 4

### RISK BASED MODEL

		ORGANISATION				
		1	2	3	4	5
A S S E T	A					
	B					
	C					
	D					
	E					
<b>Organisation</b>						
Rating	Description					
1	Established group with acceptable historic accounts and evidence of the required funding for the venture Correctly constituted legal entity with relevant knowledge and skills Experience of managing a facility and understands the requirements and legal undertaking Has a good and active relationship with the relevant sports organisation etc Experience of delivering in the community Proposed project is feasible and good fit with community need.					
2	Established group with evidence of the required funding for the venture Correctly constituted legal entity with relevant knowledge and skills Some experience of managing a facility and understanding of the requirements and legal undertaking Working relationship with the relevant sports organisation etc Some experience of delivering in the community Proposed project is feasible and good fit with community need.					
3	Recently formed group with evidence of the required funding for the venture Correctly constituted legal entity with some knowledge and skills Limited experience of managing a facility but some understanding of the requirements and legal undertaking Working relationship with the relevant sports organisation etc Limited experience of delivering in the community Proposed project is feasible and good fit with community need.					
4	Newly formed group with some funding for the venture Correctly constituted legal entity with some knowledge and skills Limited experience of managing a facility and understand the requirements and legal undertaking Working relationship with the relevant sports organisation etc Limited or no experience of delivering in the community Some concerns of project feasibility and/or fit with community need.					
5	Newly formed group No historic accounts or funding Not correctly constituted legal entity Limited knowledge and skills Poor relationship with relevant sports organisation etc No experience of delivering in the community Questions over project feasibility / poor fit with community need					
<b>Asset - assumes building on site</b>						
Rating	Description	Likely Condition Grade				
A	Building in good condition - newly built or recent full refurbishment. Fully compliant. No management issues. No major expenditure anticipated during lease term other than usual planned maintenance. Condition Grade likely to be a Grade A with limited Priority 2 and 3 costs	Grade A				
B	Building in reasonable condition Fully compliant. No management issues. No major expenditure required other than usual planned maintenance. Condition Grade likely to be a Grade B with some Priority 1, 2 & 3 costs	Grade B				
C	Building in fair condition. No major issues affecting day to day running but may need significant expenditure during lease term. Condition Grade likely to be a Grade B or possible Grade C with significant Priority 1, 2 & 3 costs	Grade B/C				
D	Building in poor condition but complaint. Safe but life may be limited or significant expenditure required during standard lease term. HOT's to take into account expected remaining life if applicable. Condition Grade likely to be a Grade C with high Priority 1, 2 & 3 costs	Grade C				
E	Building in very poor condition. Not complaint and potentially unsafe. Closure (and demolition) to be considered or Major Refurbishment / New Build Required	Grade D				

**Key**

<b>Red</b>	A problem needs serious attention and action	<b>Amber</b>	Not complete, in progress, additional action required	<b>Green</b>	On track, in progress and complete to plan, no issues
		<b>Yellow</b>			

## Appendix 5 – Expression of Interest (EOI) Template

### Community Asset Transfer – Stage 1 Expression of Interest

Before submitting an application applicants are encouraged to discuss their options, suitability and the scope of community asset transfer with the CAT Officer. These informal discussions will help to prepare for the process of making a formal application for transfer.

The Council recognises that developing the business case and preparing an application for community asset transfer can be both time consuming and resource intensive for applicants. **Stage 1** of the application process has therefore been designed to assess whether any potential application will meet the Council’s suitability criteria. The Council will not be able to process the application unless all the information relevant to the asset transfer is received. It is simple to complete and should avoid spending time and valuable resources on an application that is unlikely to be approved. Applicants that meet the Council’s suitability criteria will be invited to complete a more detailed **Stage 2 application**.

#### 1. Please provide details of the organisation making the application

Name of Organisation:	
Address of Organisation	
Applicant Name:	
Position:	
Telephone Number:	
Email Address	
Date:	

#### 2. Type of organisation

What type of organisation are you e.g. registered charity?	Give charity number
Do you have a formal constitution, governance document or set of rules?	Give company registration number

#### 3. What is the structure and purpose of your voluntary or community organisation?

	Management Committee	
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## Community Asset Transfer Policy

How many people are involved in your organisation?	Full Time Employees	
	Part Time Employees	
	Volunteers	
When was the organisation established?		
What is the purpose and main activities of your organisation?		
Does your organisation have experience of managing an asset? If yes please provide details  If you have projections of income and expenditure at this stage, give further details.		

**4. Please tell us about the asset (land or buildings) you are interested in?**

Name and address of asset	
If this is a speculative application please provide details of the type of asset and location required	
Type of transfer you are interested in.	

**5. Please tell us about the proposed use of the asset**  
(please continue on a separate sheet if required but no more than one side of A4)

What do you want the asset for?	
What benefits will this bring to the organisation, the local community and the Council?	

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## 6. Please tell us about any partners, collaborators and stakeholders

If you are proposing any arrangements with public sector or other third sector partners please provide details	Please enclose a letter of support from any other joint user
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## 7. Give details as to how your proposals link with the Council's priorities

See paragraphs 4 and 6.2	
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Please return the completed form to:

**Community Asset Transfer Officer  
Communities Directorate  
Bridgend County Borough Council  
Civic Offices  
Angel Street  
Bridgend  
CF31 4WB**

**Telephone: (01656) 815323**

**Email: [Guy.Smith@bridgend.gov.uk](mailto:Guy.Smith@bridgend.gov.uk)**



## Appendix 6 - Detailed Business Plan Illustration

### Executive summary

#### 1. Our project

- About ANOther Community Organisation
- Our values and the mission of our organisation
- The aims and objectives of our community project

#### 2. The market

- About our community
- Existing & target markets
- Results of community consultations
- Knowledge of other existing community services & facilities
- Opportunities to build partnerships

#### 3. Business growth and development

- A review of our organisation (SWOT Analysis)
- Our business development strategy
  - Phase 1 – Project design (Year 0)
  - Phase 2 – Centre development (Years 1 - 3)
  - Phase 3 – Centre expansion (Years 4 & 5)

#### 4. Centre management

- Our management team/committee – skills/capabilities
- Staffing and the role of community volunteers
- Development of community activities
- Service delivery & programming
- Policies & procedures
- Day-to-day operations

#### 5. Centre development

- Current facilities
- Potential opportunities for refurbishment & expansion

#### 6. Marketing plan

- Building our profile
- Promoting our services

#### 7. Financial plan (property asset)

- Five year income & expenditure (cashflow projection)- see Appendix 4. Provide evidence to support projections and state assumptions
- Income generation (sales forecasts)

- Fundraising strategy

## **8. Risk analysis**

- Risk log
- Plan for minimising risks

### **Appendices:**

**Appendix 1: Community Consultation and Engagement Plan**

**Appendix 2: Desk top survey of other community facilities**

**Appendix 3: SWOT Analysis of ANOther Community Organisation**

## Appendix 7 – Financial Projections Illustration

		Phase 1	Phase 2			Phase 3	
Note:	Income	Current	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
1	Local Authority 'start-up' grant						
2	Other grant aid						
3	Rent & room hire						
	Large Hall						
	Small Hall						
	Multi Use Games Area (MUGA)						
4	Other income						
	Vending Machines						
	Café & Shop Sales						
	Other						
5	Volunteer time in kind						
6	Own fundraising						
	<b>Total</b>	£	£	£	£	£	£
	<b>Expenditure</b>	<b>Current</b>	<b>Yr 1</b>	<b>Yr 2</b>	<b>Yr 3</b>	<b>Yr 4</b>	<b>Yr 5</b>
7	Staff salaries & on-costs						
	Centre Manager						
	Caretaker						
	Cleaner(s)						
	Volunteer time in kind						
8	Staff & volunteer training & dev't						
9	Caretaking / cleaning costs						
	Cleaning materials						
	Refuse collection						
	Security						
10	Utilities						
	Water						
	Electricity						
	Gas						
11	Rates						
12	Repairs and maintenance						
13	Transport & travel						
14	Centre Supplies						
	Tools & materials						
	Equipment hire						
	Office furniture & IT						
	Medical, clothing & PPE						
	Telephones						
	Internet						
15	Centre promotion						
	Printing & publicity material						
	Advertising						
16	Vending machine rental & supplies						
17	Insurances & professional fees						
	Property insurance						
	Public liability insurance						
	Performing rights soc. fees						
	Accountancy fees						
	Legal fees						
	Architects fees						
	Consultancy fees						
18	Other - sundries & miscellaneous						
	<b>Total</b>	£	£	£	£	£	£
		<b>Surplus (deficit)</b>	£	£	£	£	£
					<b>Accumulated reserves</b>		£

## Appendix 8 - Business Diagnostic Assessment Outline

Due diligence of the group and its business case commences where the CAT Officer / Business Adviser will work with the community group to undertake a Business Diagnostic Assessment of the following:

- a) **Capacity of the organisation** – will review their governance, legal structure, powers within their constitution as an organisation identifying if the proposed project is in line with the directors / trustees responsibility and capability. The group will also be asked to provide key policies and procedures such as Equality policy, Safeguarding policy, Environmental policy, financial management procedures, insurance etc. Where areas for development are identified groups will be signposted to organisations such as Wales Co-op, Coalfields Regeneration Trust and BAVO for additional support and training, which can include support with Business plans, funding, and governance. A level of common sense and relativity is being adopted when appraising applications to ensure that the process does not become a barrier or restriction to enable groups to progress forward and support will be provided where possible.
- b) **Skills and capacity of the group** – groups will be asked for pen profiles of its directors / trustees and a brief outline of what skills and experience they will bring to the organisation. Groups will be encouraged to develop role descriptions and a structure to understand how the facility will be managed, procedures surrounding this and outline how conflict will be managed. Additionally some groups (especially where there is 1 leader or an ageing committee) will be asked to develop a succession plan. Community groups / sports clubs will be asked to undertake a skills audit of their committees and implement training or mentoring in areas where there are skills deficits/gaps.
- c) **Business and financial case** – The group is presently expected to submit a 5 year business and financial plan for review. This will identify how viable the scheme is and gives the case officer the opportunity to challenge and question some of the assumptions made to inform cash flow projections. The CAT Officer will present the case to CAT Steering Group and / or CAT Advisory Group (complex transfers).

Going forward it is suggested that the CAT Officer / Business Adviser will complete an application assessment matrix which scores an organisation on the following criteria:

- i. Applicant organisations capacity – skills of committee, how it's governed and what processes and procedures are in place to ensure good practice is adopted
- ii. The business case and proposal for the asset
- iii. Community and partnership impact – looking at needs analysis
- iv. Suitability of the asset
- v. Financial case and assumptions
- vi. Capacity to manage the asset (operational)

The Business Diagnostic will also result in (where required) mandatory and discretionary recommendations (including compulsory training elements) to assist the development of community groups and them becoming competent asset holders.

### Appendix 9 - Sample Lease/ Licence Terms

**Term** – the length of the lease or licence will be dependent on the circumstances and funding stream. 20-30 years is generally suitable for a community group to obtain capital funding. Note however that Big Lottery Fund's CAT programme requires minimum 99 year lease. Transitional tenure arrangements may be required until a community group is able to proceed on a longer basis. In such cases a short term licence, management agreement or lease up to 2-3 years may suffice.

**Rent** – a concessionary or peppercorn rent or licence fee depending on the asset and applicant's financial circumstances see Guidance above.

**Repairs** – the community group will usually be responsible for all repairs and maintenance and compliance with health and safety law. Variations to this will be considered on their merits.

**Running costs** - the community group will be responsible for all running costs of the asset.

**Assignment** – will not be permitted in view of any concessionary terms granted. The right to hire space will be given provided no exclusive rights are given to users.

**Insurance** – for both long term and short term leases, the Council will insure and recharge the premium to the tenant. All tenants should insure for contents and public liability.

**Use** – use of the premises will be restricted in line with the community aims of the community group.

**Application of income** – all income must be reinvested by the community group in the running of the facility. The Council reserves the right to review the rent if income is not applied in this way.

**Insolvency** – if the event that the the community group becomes insolvent, the Council will have the right to determine the lease/licence/ management agreement..

**Professional costs** – each party to bear their own costs incurred in the lease/licence/management agreement process.

**Other** – the lease/ licence/management agreement will contain such other terms as are usually contained in such documents as required by the Council's Head of Legal Services.

**PLEASE NOTE** that the above lease/licence/management agreement terms are indicative core terms only. Additional terms may be relevant given the specific nature of the individual property asset. In addition, a set of detailed Heads of Terms will be issued to the community group once its application for the asset transfer has been approved by the Council.

## Appendix 10 - List of Resources and Contacts

### Community Asset Transfer Resources

Community Asset Transfers in Wales – A Best Practice Guide - Welsh Government  
<https://gov.wales/sites/default/files/publications/2019-10/cat%20guide.pdf>

Development Trust Association Wales – Asset Development Portal  
<http://assetsportal.dtawales.org.uk/resources/>

Locality  
<http://locality.org.uk/>

Planning Aid Wales  
<http://www.planningaidwales.org.uk/>

My Community Space  
<http://www.mycommunityspace.org.uk/>

### Support Organisations - General

Bridgend Association of Voluntary Organisations (BAVO)  
<https://www.bavo.org.uk/>  
(01656) 810400

Coalfields Regeneration Trust  
<https://www.coalfields-regen.org.uk/>  
(01443) 404455

The Wales Co-operative Centre  
[www.walescooperative.org](http://www.walescooperative.org)  
(02920) 807103

Wales Council for Voluntary Action  
<http://www.wcva.org.uk/home>  
[0800 2888329](tel:08002888329)

### Support Organisations – Specific

FAW Trust  
[www.welshfootballtrust.org.uk](http://www.welshfootballtrust.org.uk)  
Laura Easton - [leaston@fawtrust.cymru](mailto:leaston@fawtrust.cymru) - (01633) 282 911

Welsh Rugby Union  
<https://www.wru.co.uk/>  
John Howells – [jhowells@wru.wales](mailto:jhowells@wru.wales) - 07786255397

Cricket Wales  
<http://www.cricketwales.org.uk/>  
Mark White - [Mark.white@cricketwales.org.uk](mailto:Mark.white@cricketwales.org.uk) - 07890693719

**Bridgend County Borough Council - Community Asset Transfer Programme - Summary of Progress (6 January 2022)**

**A. Sports Pavilions & Playing Fields**

UPRN	Assets	CAT Lead Club	Process Stage			Commentary
			Informal Discussions / EOI	EOI Approved	Business Case Approved	
A1 30025	Aberfields (Planka) Playing Fields	Ogmore Valley Community Council	21/03/2017	25/10/2021		EOI approved from Community Council. Site excluded from Phase 2 of Major Park Strategy.
A2 20018	Bettws Playing Fields	Bettws FC	27/02/19	10/04/2019		EOI approved and financial forecasts being finalised. Roof of old pavilion due to be replaced under Capital Programme.
A3 20019	Blaengarw Cricket & Pavilion	Blaengarw Cricket Club	22/01/20	14/09/2020		EOI formally ratified while transfer was being progressed during first lockdown.
A4 20020	Blandy Park Playing Fields	Garw AFC	28/07/17	16/05/2018		EOI approved by CAT Steering Group 16/05/18. Business Adviser appointed and concept drawings being developed.
A5 50002	Brackla Playing Fields	Brackla RFC	18/09/18	06/01/2022		EOI approved subject to a dual use agreement being developed with the two local schools.
A6 40026	Brynceithin Playing Fields	Brynceithin RFC		28/01/2016	26/05/17	Funding up to £110K approved from Sports Pavilion Fund. Lease issued on 09/10/18. Redevelopment complete.
A7 60060	Bryntirion Playing Fields	Laleston Community Council		25/11/2019		EOI approved by CAT Steering Group.
A8 60187	Bridgend Municipal Bowls Green	Bridgend Municipal Bowls Club		05/10/2020		Club has requested a new lease to reflect limited company status and extended term.
A9 70022	Cae Gof Playing Fields Main Pavilion + 2 Football Pitches	Cefn Cribwr FC		07/12/2020		Updated joint EOI approved 19/12/19 and application fast tracked. FC pavilion + football pitches and RFC rugby pitches and tennis court.
A10 70022	Cae Gof Bowls Pavilion, Green + 2 x Rugby Pitches	Cefn Cribwr Athletic Club (Rugby & Bowls Clubs)		07/12/2020	19/01/21	Business case and funding package approved by Cabinet 19/01/21. Self-management of green 01/10/20. Lease finalised May 2021.
A11 30066	Caedu / Ogmore Park	Ogmore Vale Bowling Club	03/01/19	25/11/2019		EOI approved and Fast Track application being progressed. Self-management of bowls green 01/10/20.
A12 10041	Caerau Welfare Park Bowls Green	Caerau Welfare Bowling Club & Caerau Bowling Club		19/07/2019		EOI approved. Self-management of bowls greens 01/10/20.
A13 10041	Caerau Welfare Park Playing Fields	Nantfyllon RFC	31/10/19			EOI Submitted. Decision deferred while availability of site is being confirmed. Caerau All Whites application to relocate to Riverboat Site to be resolved.
A14 10040	Caerau FC (Riverboat)	Caerau FC	18/01/18	25/10/2018		Club seeking to relocate from Caerau Welfare Park following Caerau FC's CAT of Metcalf Street. EOT agreed in principle.
A15 10040	Caerau FC (Riverboat)	Caerau All Whites	25/10/19			Competing EOI submitted by existing user. BDA to be undertaken upon all interested parties.
A16 60189	Cavendish Park	Newcastle Higher Community Council		02/11/2020		The Community Council are looking to progress the transfer of the Park and Play Area.
A17 50020	Coychurch Playing Fields	Coychurch Lower Community Council	19/03/17	25/10/2021		EOI approved for the Community Council.
A18 40027	Coytrahen Playing Fields	Llangynydd Lower Community Council	29/03/17	04/07/2018	n/a	EOI approved by CAT Steering Group on 04/07/18. Landscape consultant engaged. Lease being finalised.
A19 70023	Croft Goch Playing Fields	Kerfig Hill RFC	24/04/17	29/03/2018		Rugby Club seeking transfer of Pavilion + rugby pitch. Financial forecast prepared and due to be reviewed by CAT Steering Group.
A20 70023	Croft Goch Playing Fields	Kerfig Hill AFC	24/04/17	05/10/2020		Football Club to self-manage football pitch and hire pavilion from rugby club. EOI to be considered 05/10/20.
A21 20021	Cwm Garw Playing Fields	Cam Rovers	26/10/17	26/01/2018	22/11/18	Business plan approved by CAT Steering Group. Funding application also approved. Lease finalised in September 2021.
A22 30026	Evanstown Welfare Park	Gilfach Goch RFC / Gilfach Goch Bowls Club	22/09/17	26/01/2018		EOI approved on 26/01/18 and independent condition survey undertaken. Bowls Club to self manage green 01/10/20.
A23 10042	Garth Park Playing Fields	Maseteg Celtic RFC	24/02/17			Club discussing feasibility of working together and submitting a joint EOI. Some land ownership issues and historic disagreements between clubs.
A24 10042	Garth Park Playing Fields (Bowls Green)	Maseteg Celtic Bowls Club	21/02/19			EOI of bowls club declined as land not owned by BCBC only managed under Deed of Dedication (DoD). DoD to be surrendered.
A25 60021	Great Western Avenue Playing Fields	Coity Higher Community Council		15/05/2019		EOI approved by CAT Steering Group - Application to be Fast Tracked
A26 80028	Griffin Park (including Bowls Green & Pavilion)	Porthcawl Town Council / Porthcawl Bowls Club		19/12/2019		EOI from Town Council approved and fast tracked. Freehold transfer part of site earmarked for future road development. Green self-managed 01/10/20 by BC.
A27 90012	Heol Y Cyw Playing Fields	Heol Y Cyw RFC		05/10/16		Business Plan to be submitted to the Finance Department shortly.
A28 10043	Hermon Road/Metcalf Street Playing Field	Caerau FC		28/09/2016	23/04/18	Business plan approved on 23/04/18 and funding of £50K assigned under the CAT Fund. Lease to be finalised shortly. Play Area may be delayed.
A29 20022	Lawrence Park Playing Fields	Pontycymer RFC	14/11/19	25/11/2019		EOI approved and Fast Track application being progressed.
A30 50025	Litchard Cross Playing Fields	Coity Higher Community Council		20/09/2020		EOI approved with application fast tracked.
A31 30027	Lewistown Playing Fields Pavilion + Pitch	Llangeinor AFC & Llangeinor Rangers		14/09/2020		EOI approved and application fast tracked.
A32 30028	Lewistown Playing Fields - Field Only	BAD Bikes		07/12/2020		Local Charity seeking to develop site. Standard CAT protocol with business plan and secured funding to be provided.
A33 20023	Llangeinor Playing Fields	Llangeinor AFC & Llangeinor Rangers	23/11/2017	18/08/2017		EOI approved and application fast tracked.
A34 10045	Llangynydd Playing Fields	Llangynydd Rangers		24/03/2016		EOI approved and application fast tracked. Discussions ongoing with Maseteg Celtic RFC concerning rugby pitch. Drainage to be surveyed.
A35 80030	Locks Lane Playing Fields	Porthcawl Athletics Association (PAA)	26/03/18			Discussions with PAA ongoing. EOI submitted on 19/12/19 deferred until issues surrounding the renewal of 3 expired leases resolved.
A36 10047	Maesteg Welfare Park	Nantfyllon RFC		16/05/2016		EOI Submitted. Decision deferred while availability of site is being confirmed. Site forms part of Major Parks Review.
A37 10047	Maesteg Welfare Park Bowls Pavilion & Green	Maesteg Welfare Bowls Club	04/03/19	10/04/2019		EOI approved and application to be fast tracked. Self-management of bowls green 01/10/20.
A38 30028	Nantymoel R.F.C.	Nantymoel RFC	18/03/2016	15/02/2019		EOI approved 15/02/19. Discussion with club ongoing. Transfer could form part of a bigger project across Ogmore Vale.
A39 60022	Newbridge Fields Athletics Pavilion	Bridgend Athletics Club	20/12/2018	22/08/2018	n/a	Track resurfaced with funding from Bridgend Town Council, Sports Wales, BCBC and Club. Leases for site and clubhouse being progressed.
A40 60064	Newbridge Fields (South) Newest Rugby Pitch	Bridgend Town Cricket Club	13/06/2018			Club seeking to develop dedicated cricket pitch. EOI submitted 13/06/18 deferred subject to further consultation with other users & Major Parks Review.
A41 60064	Newbridge Fields "Shack" Pavilion & Pitches	Bridgend Athletic RFC	04/03/2019			Meeting held with Club and RFC on 04/03/19. Club open to considering all options for future of Newbridge Fields. Part of Major Parks Review.
A42 60062	Newbridge Field Bandstand Pavilion + 2 pitches	Bridgend Sports RFC	12/10/2018			EOI decision deferred while decision on Newbridge Fields is being taken. Part of Major Parks Review.
A43 70025	North Cornelly Playing Fields	Cornelly Community Council.	08/01/2018	27/01/2020		EOI from Community Council approved and discussions ongoing. Informal enquiry from Bridgend Blue Bulls Rugby League Club. Possible partnership.
A44 30029	Ogmore Park Playing Fields	Ogmore Vale FC		20/08/2019		EOI approved with fast track application.
A45 40028	Pandy Park Playing Fields	Tondu RFC	04/04/17	15/02/19		EOI approved and application fast tracked. Discussions ongoing with other users - Aberkenfig BGC and Tondu Robins.
A46 40029	Pandy Park Playing Fields Amenity Land	Tondu Wheelers		19/12/2019		EOI approved with business plan to be developed and funding secured for the development of a velodrome.
A47 90013	Pencoed Recreation Ground	Pencoed Town Council	09/11/2017	15/05/2019		Transfer of pavilion finalised. Building refurbished and re-opened. Pitches being managed under a Licence to Use.
A48 90036	Pencoed Bowling Green & Pavilion	Pencoed Bowls Club	27/03/2019			Lease already held for pavilion and green. Arrangements need to be regularised. Self-management of green 01/10/20.
A49 60066	Penfai Playing Field ("Kickabout Area")	Newcastle Higher Community Council / PVCA	20/12/2018	21/10/2019		Funding approved under T&CC Capital grant scheme 2020-21 and Lease finalised in August 2021.
A50 70026	Pyle Bowling Green	Kerfig Hill & Pyle Bowls Club	27/02/2019	14/09/2020		Lease already held for pavilion and green. Arrangements need to be regularised with new lease to be issued. Self-management of green 01/10/20.
A51 20024	Pwll-Y-Garn Playing Fields	Kalon y Cwm CIO / Garw Valley SBGC		10/04/2019		EOI to use facility as an outdoor pursuit centre has been approved with detailed business plan required. Football team joined project and added to EOI 14/09/20.
A52 80033	Rest Bay Playing Fields	FC Porthcawl & Porthcawl Utd.	10/02/17	15/02/2019	15/02/19	Business case approved with 5 year lease finalised in December 2020. Funding for refurbishment with costs being monitored by BCBC Quantity Surveyor.
A53 10050	South Parade Playing Fields	Maesteg Harlequins	27/11/17	22/08/2018	10/04/19	EOI approved and business plan agreed. Lease being finalised. Ongoing discussions enclosure of site and new road connection.
A54 10051	Tudor Park Playing Fields	Maesteg Park AFC	22/06/17	24/09/2018	20/08/19	EOI approved and business plan agreed. Lease agreed September 2021 still to be finalised with pitches being maintained under Licence.
A55 20064	Waubonri Bowls	Pontycymer Bowls Club	14/07/2017	28/11/2017		EOI approved and business case for substantial re-development being prepared. Self-management of bowls green 01/10/20.
A56 30030	Waullyd Bowls Green & Pavilion	Wynham Bowling Club		19/09/2019		EOI approved and fast track to application stage. Lease of Community Centre already held by Club. Self-management of bowls green 01/10/20.
A57 90014	Woodlands Park Playing Fields	Pencoed Athletic BGC	09/11/17	20/12/2018	27/01/20	Lease finalised May 2021 and CAT Fund applications being considered.

**B. Community Centres**

UPRN	Assets	CAT Lead Club	Process Stage			Commentary
			Informal Discussions / EOI	EOI Approved	Business Case Approved	
B1 60161	Bryntirion & Laleston Community Centre	Laleston Community Council	27/02/18	13/06/2018		Temporary Tenancy at Will agreed. EOI for full CAT transfer approved 21/10/19 and Heads of Terms being progressed.
B2 10029	Caerau Community Centre	Caerau Development Trust	16/10/16	21/10/2019		EOI for an initial 3 year lease approved. Full CAT to be explored.
B3 50012	Litchard Community Council	Coity Higher Community Council		20/09/2020		Transfer agreed in principle by CAT Steering Group subject to surrender of current lease by Awen Cultural Trust.
B4 70018	North Cornelly Community Centre	Cornelly Community Council		21/01/2016	n/a	Roof refurbishment to be funded under T&CC grant. "Light touch" business plan submitted and approved. Lease being prepared.
B5 80077	Griffin Park Youth Drop in Centre	Porthcawl Town Council		22/11/2018	n/a	Asset surplus to Education requirements. Short-term management agreement to reflect future Sandy Bay Road development.
B6 80075	Griffin Park Community Centre	Griffin Park Community Centre		15/05/2019		EOI approved. Business Diagnostic Assessment and detailed Business Case required.
B7 60042	Wildmill Community Centre	Wildmill Community Life Centre Ltd		21/01/2016		25 year lease secured on 04/07/06 with development of a business case for freehold transfer being progressed by Business Adviser.

**C. Public Toilets**

UPRN	Assets	CAT Lead Club	Process Stage			Commentary
			Informal Discussions / EOI	EOI Approved	Business Case Approved	
C1	Maesteg Bus Station Public Toilets	Awen Cultural Trust	18/02/19			A short-term Licence to Occupy issued to Awen Cultural Trust with re-opening funded by Maesteg Town Council.
C2 80008	Griffin Park Public Toilets, Porthcawl	Porthcawl Town Council	07/02/17	27/02/2017	18/08/17	Match funding for refurbishment of the toilets under T&CC grant approved and freehold transfer to be finalised. Freehold transfer completed.
C3 80009	John Street Public Toilets, Porthcawl	Porthcawl Town Council	14/08/18	22/11/2018	n/a	Restrictions on listed building status held. Freehold transfer agreed in principle with temporary licence to use agreed. £50K from CAT Fund approved.

**D. Playgrounds / Green Spaces**

UPRN	Assets	CAT Lead Club	Process Stage			Commentary
			Informal Discussions / EOI	EOI Approved	Business Case Approved	
D1	Bridgend Area	Bridgend Town Council	16/08/17			Feasibility of transferring 15 playgrounds in Bridgend area are being assessed internally by CAT Task & Finish Group.
D2 60191	Cavendish Park Play Area	Newcastle Higher Community Council		02/11/2020		The Community Council are looking to progress the transfer of the Park and Play Area.
D3 60077	Heol Mair	Laleston Community Council		27/01/2021		EOI approved subject to confirmation of land title.
D4 90017	Coed Bach Playground	Pencoed Town Council	21/02/2019	06/03/2019		EOI approved and application fast tracked.
D5 50035	Coychurch Play Area	Coychurch Lower Community Council		06/06/17	28/11/17	Lease agreed.
D6 50021	Great Western Avenue Playground	Coity Higher Community Council		21/10/19		EOI and draft Heads of Terms issued.
D7	Hendre Road Playground & Green	Pencoed Town Council	18/10/2017	16/05/2018		EOI approved. Draft Heads of Terms prepared. Lease completed.
D8	Laleston Play Area	Laleston Community Council	23/04/2018			EOI approved. Town Council requested data on annual inspection report and costs.
D9 70018	North Cornelly Green / Playground	Cornelly Community Council		19/07/2019		EOI approved and draft Heads of Terms to be prepared.
D10	Pandy Crescent, Pyle	Pyle Community Council		26/09/17		Plans updated to take account of adjoining Surgery development. Lease to be finalised.
D11 90013	Pencoed Recreation Ground - Tennis Courts	Pencoed Town Council	31/01/17	27/02/2017	30/10/17	Match funding for park improvements under T&CC grant approved and leasehold transfer finalised. Change of use to Skateboard Park - lease completed. Funding of £20K approved by Cabinet under T&CC Grant 2018-19.

**E. Bus Shelters**

UPRN	Assets	CAT Lead Club	Process Stage			Commentary
			Informal Discussions / EOI	EOI Approved	Business Case Approved	
E1	Bridgend Area	Bridgend Town Council	02/12/2015	16/02/17	n/a	Licences on 9 bus shelters subsequently withdrawn by Town Council.

**F. Car Parks**

UPRN	Assets	CAT Lead Club	Process Stage			Commentary
			Informal Discussions / EOI	EOI Approved	Business Case Approved	
F1	Heol Y Cyw Free Car Park	Coychurch Higher Community Council	14/02/2018			Future development potential of site to be determined. To be subject to further discussions with Community Council.

**G. Miscellaneous Assets**

UPRN	Assets	CAT Lead Club	Process Stage			Commentary
			Informal Discussions / EOI	EOI Approved	Business Case Approved	
G1	Aberkenfig Charity Shop (Second Chance)	Aberkenfig Church Groups	07/02/19			EOI approved. Business Diagnostic Assessment and detailed Business Case required.
G2	Caerau Community Centre (Land for Extension)	Caerau Men's Sheds	08/02/19			Potentially seeking to work in partnership with CDT to extend the footprint of the centre.
G3	Hut 9, Island Farm	Hut 9 preservation Group	25/07/2018			CAT Officer has met with the group and outlined the benefits of CAT.
G4	Llynfi Valley BMX Track, Coegnant Road	Llynfi BMX Club	26/04/2018			CAT Officer facilitating discussions to transfer lease from CDT to the BMX Club.

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# Bridgend County Borough Council

## Case Studies : Completed CATs



### **BRYNCETHIN PLAYING FIELD & PAVILION (BRYNCETHIN RFC)**

Bryncethin RFC was founded in 1890 and has senior, youth, under-16, three mini teams, a ladies touch rugby team and a mixed age, sex and ability team. The club is a member of the Welsh Rugby Union (WRU) and presently plays in the WRU Division Five South Central.



Old Pavilion



Refurbished Pavilion

The Club was awarded a 35-year lease in October 2018. Bryncethin RFC has transformed the dilapidated pavilion at Bryncethin Playing Fields into a community hub. The work included an extension, an additional second storey and car park. The building element of the project cost £550K. With BCBC providing funding of £110K from the CAT Fund and £56K via S.106 monies. The balance of funding was received from Welsh Government (Community Facilities Programme and Rural Development Fund), the National Lottery (People and Places Fund) and the WRU.



Building Works in progress



The project was designed by the Vice-Chair, Mr. Phil Jones, a retired chartered surveyor. The work on the pavilion was completed in June 2019 with an official opening on 19 July 2019.



# Bridgend County Borough Council

## Case Studies : Completed CATs



### **REST BAY PLAYING FIELDS & PAVILION (REST BAY SPORTS)**

Rest Bay Sports (RBS) is formed from two clubs FC Porthcawl and Porthcawl United FC that share the facilities at Rest Bay Playing Fields, Porthcawl. FC Porthcawl is a relatively new team that was only formed in 2016 with the senior team playing in the Port Talbot & District Premier League. Porthcawl United FC has junior and youth teams that are made up of varying age groups with membership of more than 300 and consisting of both girls and boys.



Old Pavilion



Refurbished Pavilion

RBS was awarded a 5-year lease by the Council in December 2020 and have transformed the outdated pavilion at Rest Bay Playing Fields into a sports / community hub. The work included adding an additional second storey to the building. The building works commenced in February 2020 and are due to be completed in September 2020 when an official opening is planned.



Building Works in progress



Building work undertaken have been valued at approximately £120K which includes in kind labour and donations of materials with BCBC providing funding of £45,220 for building works and a further £10,000 towards the cost of pitch maintenance equipment from the CAT Fund.

