

# 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,

#### **CYNGOR**

Cynhelir Cyfarfod Cyngor Hybrid yn Siambr y Cyngor Swyddfeydd Dinesig, Stryd yr Angel, Pen-y-bont ar Ogwr, CF31 4WB ar **Dydd Mercher, 24 Gorffennaf 2024** 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 5 - 30  
I dderbyn am gymeradwyaeth y Cofnodion cyfarfod y 13/03/2024 a 17/04/2024
4. Cyflwyniad i'r Cyngor gan Gynrychiolwyr Dwr Cymru Welsh Water 31 - 32
5. I dderbyn cyhoeddiadau oddi wrth:  
(i) Maer (neu'r person sy'n llywyddu)  
(ii) Prif Weithredwr
6. Derbyn cyhoeddiadau gan yr Arweinydd
7. Alldro Cyllideb Refeniw 2023-24 33 - 68
8. Alldro Rhaglen Gyfalaf 2023-24 a Chwarter 1 2024-25 69 - 94
9. Adroddiad Alldro Rheoli'r Trysorlys 2023-24 95 - 118
10. Derbyn y Cwestiynau canlynol gan:

Ffôn/Tel: 01656 643643

Negeseuon SMS/ SMS Messaging: 07581 157014

Facs/Fax: 01656 668126

Twitter@bridgendCBC

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

Gwefan/Website: [www.bridgend.gov.uk](http://www.bridgend.gov.uk)

Cyfnwidi testun: Rhowch 18001 o flaen unrhyw un o'n rhifau ffon ar gyfer y gwasanaeth trosglwyddo testun

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Rydym yn croesawu gohebiaeth yn y Gymraeg. Rhowch wybod i ni os yw eich dewis iaith yw'r Gymraeg

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### **Cwestiwn gan y Cyng Graham Walter i'r Arweinydd**

A allai'r Arweinydd gadarnhau faint o atgyfeiriadau aelodau a godwyd rhwng 7/5/22 a 31/12/2023 sy'n parhau'n 'Agored'.

### **Cwestiwn gan y Cyng Ian Williams i'r Aelod Cabinet Adnoddau**

A all yr Aelod Cabinet dros Adnoddau gadarnhau a yw pob cwmni gwasanaeth a contractir yn allanol yn talu'r "cyflog byw go iawn" i'w staff ai peidio?

### **Cwestiwn gan y Cyng Tim Thomas i'r Arweinydd**

A wnaiff yr Arweinydd wneud sylw ar brydlondeb y cyngor hwn i ymateb i ohebiaeth gyhoeddus ac allanol?

### **Cwestiwn gan y Cyng Martin Williams i'r Arweinydd**

Yn wyneb y newid diweddar yn y contractwr ar gyfer casglu gwastraff ac ailgylchu o ymyl y ffordd a rheolaeth y canolfannau ailgylchu byddwn wedi disgwyl gwelliant mewn perfformiad wrth iddynt geisio gwneud enw i'w hunain.

Nid yw hyn wedi bod yn wir ac mae safonau wedi llithro gyda diffyg casgliadau ar draws rhannau helaeth o'r fwrdeistref yn ddyddiol ynghyd â chanolfannau ailgylchu yn methu â chymryd deunyddiau amrywiol oherwydd problemau gweithredu.

Wrth i'r trefniadau newydd gael eu rhoi ar waith yn ei wylidwriaeth a allai'r Arweinydd roi ei sicrwydd bod Cynllun B yn cadw at y contract y gwnaethant ymrwymo iddo, ac os na, bydd CBS Pen-y-bont ar Ogwr yn codi unrhyw gosbau ariannol a ganiateir inni o dan y contract?

11. 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.

12. Gwahardd y Cyhoedd

Nid oedd yr eitemau canlynol yn cael eu cyhoeddi, gan fod eu bod yn cynnwys gwybodaeth eithriedig fel y'i diffinnir ym Paragraff 12 o Ran 4 a Pharagraff 21 o Ran 5, Atodlen 12A, Deddf Llywodraeth Leol 1972, fel y'i newidiwyd gan Orchymyn Llywodraeth Leol (Cymru) 2007 (Mynediad at Wybodaeth) (Amrywio).

Os, yn dilyn cymhwyso'r prawf budd y cyhoedd yn y Cyngor yn penderfynu yn unol â'r Ddeddf i ystyried yr eitemau hyn yn breifat, bydd y cyhoedd yn cael eu gwahardd o'r cyfarfod yn ystod ystyriaeth o'r fath.

13. Costau Diswyddo ac Ymddeoliad Cynnar

119 - 122

Nodyn: Bydd hwn yn gyfarfod Hybrid a bydd Aelodau a Swyddogion mynychu trwy Siambr y Cyngor, Swyddfeydd Dinesig, Stryd yr Angel, Pen-y-bont ar Ogwr / o bell Trwy Timau Microsoft. Bydd y cyfarfod cael ei recordio i'w drosglwyddo drwy wefan y Cyngor. Os oes gennych unrhyw gwestiwn am hyn, cysylltwch â cabinet\_committee@bridgend.gov.uk neu ffoniwch 01656 643148 / 643694 / 643513 / 643696

Yn ddiffuant

**K Watson**

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

**Dosbarthiad:**Cynghorwyr

S Aspey  
H T Bennett  
A R Berrow  
F D Bletsoe  
S J Bletsoe  
JPD Blundell  
E L P Caparros  
N Clarke  
RJ Collins  
HJ David  
C Davies  
C L C Davies  
P Davies  
S Easterbrook  
M J Evans  
N Farr  
P Ford

Cynghorwyr

J Gebbie  
W R Goode  
RM Granville  
H Griffiths  
S J Griffiths  
GH Haines  
D T Harrison  
M L Hughes  
D M Hughes  
RM James  
P W Jenkins  
M R John  
M Jones  
MJ Kearn  
W J Kendall  
M Lewis  
J Llewellyn-Hopkins

Cynghorwyr

RL Penhale-Thomas  
J E Pratt  
R J Smith  
JC Spanswick  
I M Spiller  
T Thomas  
JH Tildesley MBE  
G Walter  
A Wathan  
A Williams  
AJ Williams  
HM Williams  
I Williams  
MJ Williams  
R Williams  
E D Winstanley  
T Wood

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COFNOD O GYFARFOD Y CYNGOR A GYNHALIWYD AR FFURF HYBRID YN SIAMBR Y CYNGOR - Y SWYDDFEYDD DINESIG, STRYD YR ANGEL, PEN-Y-BONT AR OGWR, CF31 4WB /YN RHITHIOL DRWY MICROSOFT TEAMS AR DDYDD MERCHER, 13 MAWRTH 2024 AM 16:00

Yn bresennol

Y Cynghorydd W J Kendall – Maer a Chadeirydd

H T Bennett  
J P D Blundell  
H J David  
M J Evans  
W R Goode  
J E Pratt  
J H Tildesley MBE  
A J Williams  
R Williams  
S Aspey

A R Berrow  
E L P Caparros  
C Davies  
N Farr  
M Jones  
R J Smith  
G Walter  
H M Williams  
E D Winstanley  
M J Kearn

F D Bletsoe  
N Clarke  
P Davies  
P Ford  
M Lewis  
J C Spanswick  
A Wathan  
I Williams  
T Wood  
I M Spiller

S J Bletsoe  
R J Collins  
S Easterbrook  
J Gebbie  
R L Penhale-Thomas  
T Thomas  
A Williams  
M J Williams  
J Llewellyn Hopkins

Ymddiheuriadau am Absenoldeb

C L C Davies, G Haines a D Harrison

Swyddogion:

Mark Galvin  
Rachel Keepins  
Carys Lord  
Claire Marchant  
Janine Nightingale  
Michael Pitman  
Mark Shephard  
Kelly Watson  
Lindsay Harvey

Uwch Swyddog Gwasanaethau Democrataidd - Pwyllgorau  
Rheolwr Gwasanaethau Democrataidd  
Prif Swyddog - Cyllid, Tai a Newid  
Cyfarwyddwr Corfforaethol Gwasanaethau Cymdeithasol a Llesiant  
Cyfarwyddwr Corfforaethol - Cymunedau  
Swyddog Cymorth Technegol - Gwasanaethau Democrataidd  
Prif Weithredwr  
Prif Swyddog - Gwasanaethau Cyfreithiol, Adnoddau Dynol a Pholisi Corfforaethol  
Cyfarwyddwr - Corfforaethol Addysg a Chymorth i Deuluoedd

Datganiadau o Fuddiant

**Datganiadau o Fuddiant**

Penderfyniad	<p>Gwnaed y datganiadau o fuddiant canlynol:</p> <p>Y Cynghorydd J P Blundell buddiant sy'n rhagfarnu yn eitem 8 ar yr Agenda. Gadawodd y Cynghorydd Blundell y cyfarfod tra oedd yr eitem hon yn cael ei hystyried.</p> <p>Y Cynghorydd I Williams buddiant sy'n rhagfarnu yn eitem 8 ar yr Agenda. Gadawodd y Cynghorydd Williams y cyfarfod tra oedd yr eitem hon yn cael ei hystyried.</p> <p>Datganodd y Prif Weithredwr, yr holl Gyfarwyddwyr a'r Prif Swyddogion fuddiant sy'n rhagfarnu yn eitem 7 ar yr Agenda a gadawsant y cyfarfod tra oedd yr eitem hon yn cael ei hystyried.</p> <p>Datganodd y Cynghorydd M Evans fuddiant personol yn eitem 8 ar yr Agenda fel aelod o Gyngor Tref Pencoed.</p> <p>Datganodd y Cynghorydd T Thomas ddiddordeb personol yn eitem 8 ar yr Agenda, gan ei fod, trwy ei gyflogaeth wedi bod yn ymgysylltu gyda'r Adran ar gyfer Ffyniant Bro, Tai a Chymunedau ar gyfer Cynlluniau Datblygu Lleol yn Lloegr.</p>
Dyddiad y Penderfyniad	13 Mawrth 2024

**3. Cymeradwyo Cofnodion**

Penderfyniad	<p><u>PENDERFYNWYD:</u> Derbyn Cofnodion cyfarfod y Cyngor dyddiedig 17 Ionawr 2024 fel gwir gofnod manwl gywir.</p>
Dyddiad y Penderfyniad	13 Mawrth 2024

**4. I dderbyn cyhoeddiadau gan:**

Penderfyniad	<p>Derbyniwyd cyhoeddiadau gan y pwysigion canlynol (ni wnaed unrhyw benderfyniadau):-</p> <ul style="list-style-type: none"> <li>• Y Maer</li> </ul> <p>Fel rhan o gyhoeddiadau'r Maer gofynnodd i bob Aelod sefyll gan dalu teyrnged dawel fel arwydd o barch tuag at y cyn Gyngorydd Bwrdeistref Sirol Clive James, a fu farw yn ddiweddar yn drist iawn. Safodd yr Aelodau a'r Swyddogion ar gyfer munud o dawelwch.</p> <p>Dywedodd y Maer hefyd y byddai'r Pwyllgor Trosolwg Pwnc a Chraffu 1 oedd i'w gynnal ar 18 Mawrth nawr yn cael ei aildrefnu ar gyfer 11 Ebrill 2024.</p> <ul style="list-style-type: none"> <li>• Dirprwy Arweinydd ac Aelod Cabinet dros Wasanaethau Cymdeithasol ac Iechyd</li> <li>• Aelod Cabinet – Addysg</li> <li>• Aelod Cabinet – Newid Hinsawdd a'r Amgylchedd</li> <li>• Aelod Cabinet – Diogelu'r Gymuned a Lles</li> <li>• Aelod Cabinet – Cyllid, Adnoddau a'r Gyfraith</li> <li>• Aelod Cabinet – Tai, Cynllunio ac Adfywio</li> <li>• Prif Weithredwr</li> </ul> <p>Talwyd teyrnged gan y Dirprwy Arweinydd (a Chabinet) ac Arweinwyr Grŵp i'r Arweinydd yn dilyn y cyhoeddiad cyhoeddus o'i fwriad i sefyll i lawr fel Arweinydd y Cyngor o fis Mai 2024.</p>
Dyddiad y Penderfyniad	13 Mawrth 2024

**5. I dderbyn cyhoeddiadau gan yr Arweinydd**

Penderfyniad	<p>Derbyniodd y Cyngor gyhoeddiadau'r Arweinydd (ni wnaed penderfyniad).</p> <p>Fel rhan o gyhoeddiad yr Arweinydd, cadarnhaodd y byddai'n sefyll i lawr fel Arweinydd o ddyddiad Cyfarfod Blyneddol y Cyngor ymlaen. Pwysleisiodd cymaint o anrhydedd fu hi i fod yn Arweinydd y Cyngor oddi ar fis Hydref 2016 a diolchodd yr holl Aelodau a'r Swyddogion yr oedd wedi gweithio ochr yn ochr â hwy yn ystod y cyfnod hwnnw am eu cefnogaeth werthfawr.</p>
Dyddiad y Penderfyniad	13 Mawrth 2024

Pleidlais Sengl Drosglwyddadwy (STV)

<p>Penderfyniad</p>	<p>Cyflwynodd y Prif Weithredwr adroddiad, gyda'r bwriad o ganiatáu i'r Cyngor ystyried p'un ai a oedd yn dymuno ystyried newid y system bleidleisio ar gyfer etholiadau lleol i'r Bleidlais Sengl Drosglwyddadwy (STV).</p> <p>Cafwyd crynodeb gweithredol o'r adroddiad gan fanylu ar yr wybodaeth ganlynol:</p> <ul style="list-style-type: none"><li>• Mae gan y Cyngor yn awr y dewis o newid y system bleidleisio o system 'Cyntaf i'r Felin' (FPtP) i 'Bleidlais Sengl Drosglwyddadwy' (STV).</li><li>• Mae FPtP yn ddealladwy gan bawb ond dylai STV, er ei bod yn broses fwy cymhleth, ddarparu mwy o bwysoli priodol i bleidlais unigolyn.</li><li>• Bydd newid y system bleidleisio i STV yn gofyn am adolygu ffiniau yr holl wardiau presennol y Fwrdeistref Sirol er mwyn sicrhau bod lleiafswm o 3 Chynghorydd i bob ward a dim mwy na 6 Chynghorydd i bob ward.</li><li>• Gyda STV, mae pleidleiswyr yn trefnu ymgeiswyr yn ôl trefn eu dewis, gan nodi '1' wrth ymyl eu dewis cyntaf, '2' yn erbyn eu hail ddewis, ac yn y blaen, am gymaint o ymgeiswyr ag sydd ar y papur pleidleisio os ydynt yn dymuno.</li><li>• Gyda STV, mae cyfrif yn digwydd mewn gwahanol gamau gyda phleidleisiau sydd dros ben gan ymgeiswyr sy'n cael eu hethol a phleidleisiau o ymgeiswyr sydd wedi eu taro allan yn cael eu trosglwyddo i'r ymgeisydd nesaf o ddewis hyd nes i'r holl seddi gael eu llenwi.</li><li>• Caiff pleidleisiau dros ben eu trosglwyddo ar werth llawer is, a chaiff pleidleisiau ymgeiswyr sydd wedi eu diddymu eu trosglwyddo ar yr un gwerth ac y cawsant eu derbyn.</li><li>• Mae'r cymhlethdodau sy'n gysylltiedig yn golygu y gall y cyfri gymryd o leiaf 2 neu 3 diwrnod i'w gwblhau.</li><li>• Mae'n rhaid i'r Cyngor benderfynu os yw'n dymuno mynd i ymgynghoriad cyn iddo allu rhoi cynnig gerbron y Cyngor erbyn 15 Tachwedd 2024 er mwyn newid i'r system y bydd angen, wedyn, ei defnyddio yn etholiadau lleol yn 2027 a 2032 o leiaf.</li><li>• Mae'n rhaid i'r ymgynghoriad fod gyda phob etholwr llywodraeth leol, Cynghorau Tref a Chymuned a rhanddeiliaid allweddol eraill.</li></ul> <p>Gwnaeth yr Aelodau y pwyntiau canlynol ynghylch yr adroddiad:</p> <ul style="list-style-type: none"><li>• Pe bai yna, er enghraifft yn y dyfodol, 6 aelod ar gyfer bob Ward mae'n bosib y byddai perygl o</li></ul>
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	<p>broffesiynoleiddio pleidlais Cynghorydd Bwrdeistref Sirol a allai fod yn anhydrin a/neu arwain at beth datgysylltiad rhwng Cynghorwyr a'r cymunedau llai y maent yn eu cynrychioli.</p> <ul style="list-style-type: none"> <li>• Roedd rhai aelodau yn gefnogol i STV, ond nid yn yr hinsawdd ariannol bresennol. Awgrymwyd y dylai fod yn cael ei gefnogi'n ariannol gan Lywodraeth Cymru;</li> <li>• Teimlai un Aelod y gallai gwneud y newid hwn yn arwain at ddryswch ymysg pleidleiswyr a hynny mor fuan wedi rhoi'r Adolygiad Ffiniau ar waith.</li> <li>• Datganodd un Aelod ei fod ef o blaid cynrychiolaeth gyfrannol gan y byddai hyn, fwy na thebyg, yn rhoi gwell adlewyrchiad o sut roedd etholwyr yn pleidleisio'n gyffredinol ac yn annog aelodau mewn ardal benodol i weithio'n rhagweithiol gyda'i gilydd, waeth beth fo'u hymlyniad gwleidyddol.</li> <li>• Gofynnodd un Aelod pam mae STV wedi cael ei ddethol a pha amrywiad ar hyn fyddai'n cael ei fabwysiadu. Gofynnod a fyddai'r bleidlais cynrychiolaeth gyfrannol yn cael ei hystyried (fel dull amgen).</li> </ul> <p>Wedi i'r Aelod ystyried yr adroddiad,</p> <p><u>ERFYNWYD:</u> Y byddai'r Cyngor yn penderfynu y tro hwn, i beidio ag ymgynghori gyda phersonau oedd yn gymwys i bleidleisio fel etholwyr mewn etholiad llywodraeth leol, Cynghorau Sirol a Chymuned ac unrhyw bersonau y byddai'r Cyngor yn eu hystyried yn briodol, ar fater mabwysiadu'r system Pleidlais Sengl Drosglwyddadwy yn etholiadau lleol 2027 a'r etholiadau lleol fyddai'n dilyn wedi hynny yn 2032.</p>
Dyddiad y Penderfyniad	13 Mawrth 2024

**7. Datganiad Polisi Tâl - 2024/2025**

Penderfyniad	<p>Cyflwynodd yr Aelod Cabinet - Cyllid, Adnoddau a'r Gyfraith adroddiad, gyda'r bwriad o geisio sicrhau cymeradwyaeth y Cyngor ar gyfer y Datganiad Polisi Tâl ar gyfer 2024/2025. Roedd hyn mewn ymateb i ofynion deddfwriaethol ac er mwyn darparu diffuantrwydd ac atebolrwydd mewn perthynas â sut roedd y Cyngor yn gwobrwo ei staff.</p> <p>Cafodd Datganiad Polisi Tâl diweddaredig ar oedd i'w gymeradwyo ei atodi fel Atodiad 1 i'r adroddiad.</p> <p>Cafodd hwn ei gynhyrchu yn unol â gofynion Deddf Lleoliaeth 2011, sy'n gofyn am i bob awdurdod lleol</p>
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	<p>ddatblygu a gwneud eu polisi ar bob agwedd o gydnabyddiaeth tâl y Prif Swyddog yn gyhoeddus.</p> <p>Er mwyn sicrhau tryloywder pellach, mae'r cyfeiriad at dâl grwpiau perthnasol eraill wedi ei gynnwys o fewn y Datganiad Polisi Tâl.</p> <p>Ers iddo gael ei gyflwyno ar 1 Ebrill 2012, mae'r Polisi Tâl wedi ei ddatblygu er mwyn cymryd i ystyriaeth yr arweiniad, deddfwriaeth a'r newidiadau perthnasol i strwythur uwch reoli'r Cyngor dros y blynyddoedd diweddar. Dylai'r strwythur tâl sy'n berthnasol i'r grŵp yma o staff yn Atodiad B yr adroddiad, o fewn y Polisi Tâl hefyd gael ei nodi.</p> <p>Mae diwygiadau eraill yn gysylltiedig gydag achrediad y Cyngor gyda'r Real Living Wage Foundation er mwyn dod yn gyflogwr Cyflog Byw Gwirioneddol. Mae'r achrediad gyda'r Real Living Wage Foundation yn dangos ymrwymiad y Cyngor i dalu cyfraddau Cyflog Byw, sydd fel arfer yn cael eu cyhoeddi yn yr hydref, gyda'r disgwyl iddynt gael eu talu erbyn mis Mai.</p> <p>Pwysleisiodd y Dirprwy Arweinydd bod y Swyddogion oedd yn dal y swyddi graddau isaf o fewn yr Awdurdod fel y dangoswyd yn atodiadau'r adroddiad, mewn rhai achosion, prin yn codi uwchben yr isafswm cyflog, a bod angen mynd i'r afael â hyn yn genedlaethol wrth symud ymlaen pan fyddai dyfarniadau cyflog yn cael eu cynnig ac yn cael eu cyflwyno/gweithredu yn dilyn hynny.</p> <p><b><u>PENDERFYNWYD:</u></b> Y dylai'r Cyngor gymeradwyo Datganiad Polisi Tâl 2024/2025 a atodwyd yn Atodiad 1 o'r adroddiad.</p>
Dyddiad y Penderfyniad	13 Mawrth 2024

**8. Mabwysiadu Cynllun Datblygu Lleol Newydd 2018-2033**

Penderfyniad	<p>Cyflwynodd y Cyfarwyddwr Corfforaethol - Cymunedau adroddiad a oedd wedi ei baratoi i'w gyflwyno i'r Cyngor, er mwyn sicrhau bod y Cynllun Datblygu Lleol newydd (RLDP) yn cael ei fabwysiadu fel sy'n ofynnol gan Reoliad 25 Rheoliadau Cynllunio Gwlad a Thref (Cynllun Datblygu Lleol) (Cymru) 2005 (fel y'i diwygiwyd).</p> <p>Roedd yr adroddiad, oedd yn cynnwys gwybodaeth sylweddol yn ei Atodiadau cefnogol, yn rhoi gwybod i'r Cyngor am yr Adroddiad rhwymo yr Arolygydd ar yr Archwiliad i Gynllun Datblygu Lleol newydd Pen-y-bont ar Ogwr 2018 - 2033, oedd yn rhoi manylion am y newidiadau a argymhellwyd er mwyn sicrhau bod y</p>
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<p>Cynllun Datblygu Lleol (Cynllun) yn gadarn, tra'n cwrdd â'r gofynion cyfreithiol a statudol perthnasol.</p> <p>Y ddau newid a gafodd eu hargymell yn dilyn archwilio'r Cynllun Datblygu Lleol gan Lywodraeth Cymru a'r Arolygiaeth Gynllunio oedd hepgor Parc Afon Ewenni o'r Cynllun Datblygu ar gyfer tai, oherwydd ei bod yn cael ei hystyried yn ardal oedd mewn peryg o orlifo. Yr ail newid oedd i bennu safle Heol Ewenni ym Maesteg yn safle tai Strategol yn hytrach na dim ond safle tai.</p> <p>Gwnaeth yr Aelodau y pwyntiau canlynol, er enghraifft a/neu ofyn o dan y cwestiynau a grybwyllwyd isod, ac yr ymatebwyd iddynt gan Swyddogion:</p> <ul style="list-style-type: none"><li>• Gan fod costau adeiladu wedi cynyddu'n sylweddol yn ystod yr amser y cafodd y Cynllun Datblygu Lleol ei ddwyn ynghyd, a oes gan yr awdurdod lleol y gallu i ailymweld ag unrhyw gyfraniadau ariannu S106 blaenorol sydd wedi eu hymrwymo i ddatblygiadau newydd gan ddatblygwyr safle ar gyfer cyfleusterau ychwanegol, megis darparu ysgolion newydd, meysydd chware newydd a.y.y.b. er mwyn sicrhau bod yr arian a neilltuwyd yn berthnasol i faint y datblygiad sy'n cael ei ddarparu;</li><li>• Dylid ystyried darpariaeth a chyfleusterau gofal iechyd addas eu hystyried yn rhan annatod o ddarpariaeth y Cynllun Datblygu Lleol newydd.</li><li>• Os oedd cais cynllunio yn cael ei gynnig yn gwyro oddi wrth y Cynllun Datblygu Lleol newydd, yna a ellid ystyried hyn yn argymhelliad gan y Pwyllgor Rheoli Datblygu i gyfarfod o'r Pwyllgor llawn, lle bo hynny'n addas?</li><li>• A ellid cael sicrwydd bod sgôp a hyfywedd digonol er mwyn cefnogi cynigion isadeiledd trafndiaeth a llif traffig ar draws y Fwrdeistref Sirol, er enghraifft ar Gyffordd 36, gyda chynigion ar gyfer adeiladu datblygiadau preswyl a masnachol pellach mewn ardaloedd, megis, er enghraifft datblygiadau Kenning a Hy Bont;</li><li>• Roedd angen i Aelodau nodi bod y Cyngor heddiw naill ai angen cytuno i dderbyn, neu ar y llaw arall, wrthod y Cynllun Datblygu Lleol newydd yn ei gyfanrwydd yng nghyfarfod heddiw, yn hytrach nag argymell unrhyw ddiwygiadau i'r un un.</li><li>• A oedd digon o adnoddau yn eu lle er mwyn sicrhau cyflawni'r cynigion ar gyfer aiddatblygu Pont a Chroesfan Reilffordd Penrisk ym Mhen-coed oedd wedi'u gohirio?</li></ul> <p><b><u>PENDERFYNWYD:</u></b></p> <p>Y dylai'r Cyngor:</p> <p>a) Nodi canfyddiadau Adroddiad rhwymo yr Arolygwr sydd wedi'i atodi yn Atodiad 1 (i'r blaen adroddiad) a chymeradwyo mabwysiadu Cynllun Datblygu Lleol newydd Pen-y-bont ar Ogwr 2018 – 2033.</p> <p>b) Awdurdodi'r Cyfarwyddwr Corfforaethol - Cymunedau a Rheolwr Grŵp - Gwasanaethau Cynllunio a</p>
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	<p>Datblygu er mwyn gwneud mân gywiriadau teipograffeg neu ffeithiol, newidiadau cyflwyniadol neu ddiwygiadau dilynol i'r RLDP yn codi o'r newidiadau a argymhellwyd gan yr Arolygwr yn unol â pharagraff 12.1 ac Atodiad A o Adroddiad yr Arolygwr (Atodiad 1).</p> <p>c) Awdurdodi'r Cyfarwyddwr Corfforaethol - Cymunedau a Rheolwr Grŵp - Gwasanaethau Cynllunio a Datblygu i wneud y trefniadau angenrheidiol er mwyn cyhoeddi'r Cynllun Datblygu Lleol newydd, gan gynnwys sicrhau bod y Cynllun ar gael ar wefan y Cyngor ac mewn lleoliadau ar gadw yn unol gyda Rheoliad 25 Rheoliadau Cynllunio Gwlad a Thref (Cynllun Datblygu Lleol) (Cymru)(Local Development Plan) (Wales) 2005 (fel y'i diwygiwyd).</p> <p>ch) Awdurdodi parhau i ddefnyddio'r SPGau mabwyseidg a baratowyd er mwyn cefnogi polisiau'r Cynllun Datblygu Lleol (2006-2021) presennol fel ystyriaethau materol wrth ddod i benderfyniad ynghylch ceisiadau cynllunio hyd nes i'r SPGau hyn gael eu disodli neu fel arall eu diddymu.</p>
Dyddiad y Penderfyniad	13 Mawrth 2024

**9. Trafodion Parti Perthnasol 2023-24 ar gyfer Datganiad Cyfrifon**

Penderfyniad	<p>Cyflwynodd y Prif Swyddog - Cyllid, Tai a Newid adroddiad, at bwrpas darparu gwybodaeth i'r Cyngor ynghylch y gofyniad am i'r Aelodau ddatgan yn swyddogol unrhyw drafodion parti perthnasol ar gyfer blwyddyn ariannol 2023-24 drwy gwblhau'r datganiad atodedig yn Atodiad A i'r adroddiad, hyd yn oed pe na bai unrhywbeth i'w ddatgan, a bod yn rhaid i hwn gael ei gwblhau heb fod yn gynt na 31 Mawrth 2024 a'i dychwelyd erbyn dydd Mercher 10 Ebrill 2024 Ychwanegodd y Swyddog ei bod yn ofynnol datgan unrhyw drafodion parti perthnasol oedd gan Aelodau o dan Reoliadau Cyfrifon ac Archwilio (Cymru) (Diwygiad) 2018.</p> <p><b><u>PENDERFYNWYD:</u></b> Bod y Cyngor yn nodi'r gofyniad am i Aelodau:</p> <ul style="list-style-type: none"> <li>• ddatgan yn ffurfiol unrhyw drafodion parti perthnasol ar gyfer blwyddyn ariannol 2023-24;</li> <li>• cwblhau a dyddio'r fantolen heb fod yn gynharach na 31 Mawrth 2024;</li> <li>• cyflwyno'r fantolen erbyn dydd Mercher 10 Ebrill 2024.</li> </ul>
Dyddiad y Penderfyniad	13 Mawrth 2024

### Protocol Diogelwch Personol Aelod Etholedig

Penderfyniad	<p>Cyflwynodd y Swyddog Monitro adroddiad er mwyn ceisio sicrhau cymeradwyaeth y Cyngor ar gyfer y Protocol Diogelwch Personol Aelod Etholedig ac i awdurdod dirprwyedig gael ei roi i'r Swyddog Monitro a'r Prif Swyddog - Cyllid, Tai a Newid, er mwyn ystyried a chymeradwyo unrhyw giesiadau am ariannu mesurau diogelwch priodol lle roedd Aelod mewn perygl personol, neu o dan fgythiad niwed sylweddol wrth gyflawni eu rôl.</p> <p>Roedd y Protocol yn atodedig yn Atodiad A yr adroddiad a chadarnhaodd y Swyddog Monitro bod hwn wedi cael ei rannu yn flaenorol gyda Phwyllgor Gwasanaethau Democraidd y Cyngor, a oedd wedi rhoi eu cefnogaeth iddo.</p> <p>Roedd y Protocol hefyd yn cyfeirio at Ganllawiau Gweithio ar eich Pen eich Hun yr Awdurdod, yr anogwyd yr Aelodau i fod yn gyfarwydd ag ef er mwyn sicrhau eu diogelwch personol eu hunain. Roedd hwn i gael ei ddarllen ar y cyd gyda'r Protocol er mwyn lleihau peryglon gweithio ar eich pen eich hun cyn belled ag yr oedd yn ymarferol resymol.</p> <p>Gwnaeth yr Aelodau y pwyntiau canlynol ynghylch yr adroddiad:</p> <ul style="list-style-type: none"><li>• Croesawsant y Protocol Diogelwch Personol a'i ymdrech i dargedu aflonyddu ar Aelodau yn bennaf gan aelodau penodol o'r cyhoedd, drwy ffynonellau megis y Cyfryngau Cymdeithasol, ebyst, llythyrau, negeseuon testun, galwadau ffôn neu wyneb yn wyneb;</li><li>• Nododd un Aelod ddymuniad am i'r Gwasanaethau Democraidd gael eu hysbysu yn flynyddol o leiaf ynghylch llwyddiant y Protocol, er mwyn asesu a oedd yn addas i'r pwrpas o safbwynt cefnogi diogelwch Cynghorwyr, gan gydnabod y gallai fod angen peth addasiadau er mwyn sicrhau ei fod yn cael ei gyflawni yn y ffordd orau;</li><li>• Yn ogystal â'r Protocol y dylai ystyriaeth i gefnogaeth lles unigolion gael ei roi yn ei le ar gyfer unrhyw Aelod, ar sail achos wrth achos, pan ystyrid bod hyn yn angenrheidiol;</li><li>• Bod ystyriaeth hefyd yn cael ei roi ar gyfer rhoi mecanwaith yn ei le, fel bod Aelodau yn gallu cael cyswllt uniongyrchol gyda'r Heddlu mewn achosion o fygwth neu aflonyddu a.y.y.b. neu drwy atgyfeiriad gan Uwch Swyddog yn yr awdurdod lleol;</li><li>• Cadarnhaodd yr Arweinydd fod y Protocol Diogelwch Personol wedi cael ei rannu gydag Uwch Arolygydd newydd Heddlu De Cymru, oedd wedi cynnig cwrdd gydag Aelodau lleol er mwyn cynnig cyngor ar gamau gweithredu y gellid eu cymryd pe bai unrhyw Aelod yn teimlo bod eu diogelwch yn cael ei gyfaddawdu mewn unrhyw ffordd. Gellid adnabod Swyddogion cyswllt allweddol o fewn yr Heddlu yn ogystal, er mwyn i unrhyw gam oedd gofyn ei gymryd yn cael ei ddelio ag o yn gyflym.</li></ul>
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	<ul style="list-style-type: none"> <li>• Cadarnhodd y Swyddog Monitro mewn ymateb i gwestiwn, y gellid delio gyda bygythiadau gan un Cynghorydd tuag at y llall drwyddi hi yn bersonol, yr Ombwdsmon neu yn uniongyrchol drwy'r Heddlu, yn dibynnu ar ddifrifoldeb pob achos fyddai'n codi;</li> <li>• Y dylid rhoi ystyriaeth i gyflwyno Memorandwm Dealltwriaeth rhwng Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr a Heddlu De Cymru er mwyn rhoi pwysleisio ymhellach bwysigrwydd y Protocol Diogelwch Personol.</li> </ul> <p><b><u>PENDERFYNWYD:</u></b> <span style="float: right;">Y dylai'r Cyngor:</span></p> <p>a) Ystyried a chymeradwyo'r Protocol Diogelwch Personol Aelod Etholedig atodedig yn Atodiad A o'r adroddiad; a</p> <p>b) Dirprwyo awdurdod i'r Swyddog Monitro a'r Prif Swyddog – Cyllid, Tai a Newid er mwyn ystyried a dod i benderfyniad ynghylch unrhyw geisiadau am ariannu mesurau diogelwch priodol lle roedd Aelod mewn perygl personol neu fgythiad sylweddol o niwed wrth weithredu o fewn eu rôl.</p>
Dyddiad y Penderfyniad	13 Mawrth 2024

**11. Panel Annibynnol Tâl Cydnabyddiaeth ar gyfer Adroddiad Blynyddol Cymru 2024/25**

Penderfyniad	<p>Cyflwynodd y Swyddog Monitro adroddiad, er mwyn rhoi gwybod i'r Cyngor am Adroddiad Blynyddol Panel Annibynnol Cymru ar Gydnabyddiaeth Ariannol (IRPW) o safbwynt lefel ac ystod y tâl cydnabyddiaeth y mae'n rhaid i'r Awdurdod sicrhau ei fod ar gael i'w aelodau etholedig ar gyfer blwyddyn Cyngor 2024/25</p> <p>Nod yr IRPW yw cefnogi democratiaeth leol a rhoi llais i gymunedau, drwy sefydlu fframwaith tâl cydnabyddiaeth priodol a theg, sy'n annog cynhwysiant a chyfranogiad. Mae'r IRPW yn gwneud penderfyniadau ar y canlynol:</p> <ul style="list-style-type: none"> <li>• y strwythur cyflog y mae'r aelodau yn derbyn tâl cydnabyddiaeth oddi mewn iddo.</li> <li>• math a natur y lwfansau sydd i'w talu i aelodau;</li> <li>• p'un ai a yw taliadau yn orfodol neu ganiatáu rhyw gymaint o hyblygrwydd lleol;</li> <li>• trefniadau mewn perthynas ag absenoldeb teuluol.</li> </ul> <p>Ar gyfer Adroddiad Blynyddol 2024/25 mae'r prif elfennau sy'n newid gan effeithio ar yr Awdurdod Lleol yn cynnwys:</p>
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	<ul style="list-style-type: none"> <li>• Y Tâl Sylfaenol ar gyfer Aelodau Etholedig o Brif Gyngorau Penderfyniad 1;</li> <li>• Cyflogau a delir i aelodau Hŷn, Dinesig a Llywyddol Prif Gyngorau - Penderfyniad 2;</li> <li>• Cyflogau ar gyfer Cydbwyllgorau Trosolwg a Chraffu (JOSC) – Penderfyniad 3;</li> <li>• Taliadau a wneir i aelodau cyfetholedig o Brif Gyngorau ac Awdurdodau Tân ac Achub - Penderfyniad 5.</li> </ul> <p><b><u>PENDERFYNWYD:</u></b> Y dylai'r Cyngor nodi'r Adroddiad bLynyddol ar gyfer 2024/25 gan gymeradwyo:</p> <ol style="list-style-type: none"> <li>(1) Mabwysiadu Penderfyniadau perthnasol y Panel oedd yn gynwysedig o fewn yr Adroddiad Blynyddol (yn atodedig fel Atodiad 1);</li> <li>(2) Bydd deiliaid y swyddi hynny (a ddangosir yn y Cynllun Tâl Cydnabyddiaeth Aelodau diwygiedig yn Atodlen 1 Atodiad 2) yn derbyn cyflog hŷn / dinesig;</li> <li>(3) Y Cynllun Tâl Cydnabyddiaeth Aelodau diwygiedig (Atodiad 2 o'r adroddiad) ac iddo ddod yn weithredol o 1 Ebrill 2024;</li> <li>(4) Y dylai'r Cynllun Tâl Cydnabyddiaeth Aelodau gael ei ddiweddarau gydag unrhyw newidiadau i swyddi cyflogau hŷn / dinesig a wnaed yn dilyn hyn gan y Cyngor yn ystod blwyddyn Cyngor 2024/25.</li> </ol>
Dyddiad y Penderfyniad	13 Mawrth 2024

**12. Adroddiadau Gwybodaeth i'w Nodi**

Penderfyniad	<p>Hysbysodd y Rheolwr Grŵp Gwasanaethau Cyfreithiol a Democratiadd y Cyngor o adroddiad gwybodaeth ar gyfer nodi, oedd wedi ei gyhoeddi oddi ar y cyfarfod olaf i gael ei drefnu.</p> <p><b><u>PENDERFYNWYD:</u></b> Y dylai'r Cyngor gydnabod cyhoeddi'r adroddiad y cyfeirir ato ym mharagraff 3.1 yr adroddiad.</p>
Dyddiad y Penderfyniad	13 Mawrth 2024

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**I dderbyn y Cwestiwn canlynol gan:**

Penderfyniad	Y Cyngorydd R Penhale-Thomas i'r Aelod Cabinet – Newid Hinsawdd ac Amgylchedd (ymateb eisoes wedi'i rannu gydag aelodau)  Gofynnwyd cwestiynau ychwanegol gan y Cyngorydd R Penhale-Thomas a'r Cyngorydd Ian Spiller (ni wnaed penderfyniad)
Dyddiad y Penderfyniad	13 Mawrth 2024

**14. Hysbysiad Cynnig a gynigiwyd gan y Cyngorydd Alex Williams:**

Penderfyniad	Yn dilyn cynnig gan y Cyngorydd Williams, cytunodd y Cyngor i ohirio'r Hysbysiad Cynnig hyd nes y cyfarfod nesaf o'r Cyngor.
Dyddiad y Penderfyniad	13 Mawrth 2024

**15. Eitemau Brys**

Penderfyniad	Nid oedd unrhyw eitemau brys.
Dyddiad y Penderfyniad	13 Mawrth 2024

Er mwyn edrych ar y drafodaeth bellach a gafwyd ar yr eitemau uchod, cliciwch y [ddolen](#) hon

COFNODION CYFARFOD Y CYNGOR A GYNHALIWDYD YN HYBRID YN SWYDDFEYDD DINESIG SIAMBR Y CYNGOR, STRYD YR ANGEL, PEN-Y-BONT AR OGWR, CF31 4WB / O BELL DRWY MICROSOFT TEAMS DDYDD MERCHER, 17 EBRILL 2024 AM 16:00

Yn Bresennol

Y Cyngorydd W J Kendall - Maer/Cadeirydd

H T Bennett	A R Berrow	F D Bletsoe	S J Bletsoe
JPD Blundell	E L P Caparros	N Clarke	RJ Collins
HJ David	C Davies	C L C Davies	P Davies
S Easterbrook	M J Evans	N Farr	P Ford
J Gebbie	W R Goode	RM Granville	H Griffiths
S J Griffiths	D T Harrison	M L Hughes	D M Hughes
RM James	P W Jenkins	M R John	T Wood
MJ Kearn	M Lewis	J Llewellyn-Hopkins	RL Penhale-Thomas
J E Pratt	R J Smith	JC Spanswick	I M Spiller
T Thomas	G Walter	A Wathan	A Williams
AJ Williams	HM Williams	I Williams	MJ Williams
R Williams	E D Winstanley	G Haines	

Swyddogion:

Mark Galvin  
Lindsay Harvey  
Rachel Keepins  
Carys Lord  
Claire Marchant  
Janine Nightingale  
Michael Pitman  
Alex Rawlin  
Mark Shephard  
Kelly Watson

Uwch Swyddog y Gwasanaethau Democrataidd - Pwyllgorau  
Cyfarwyddwr Corfforaethol Addysg a Chymorth i Deuluoedd  
Rheolwr y Gwasanaethau Democrataidd  
Prif Swyddog - Cyllid, Perfformiad a Newid  
Cyfarwyddwr Corfforaethol y Gwasanaethau Cymdeithasol a Lles  
Cyfarwyddwr Corfforaethol - Cymunedau  
Swyddog Cymorth Technegol – Gwasanaethau Democrataidd  
Rheolwr Polisi Corfforaethol a Materion Cyhoeddus  
Prif Weithredwr  
Prif Swyddog y Gwasanaethau Rheoliadol, AD a Chyfreithiol

Datgan Buddiannau

**Ymddiheuriadau am Absenoldeb**

Penderfyniad a Wnaed	Derbyniwyd ymddiheuriadau am absenoldeb gan y Cynghorwyr M Jones a JH Tildesley.
Dyddiad Gwneud y Penderfyniad	Ddim yn berthnasol

**2. Datgan Buddiannau**

Penderfyniad a Wnaed	<p>Datganwyd y buddiannau canlynol:-</p> <p>Cynghorydd H Bennett – buddiannau personol yn eitem Agenda 4, fel cyflogwr BAVO ac eitem Agenda 7., fel aelod o Weithgor y Tasglu a sefydlwyd yn flaenorol mewn perthynas â'r mater hwn.</p> <p>Y Cynghorydd JP Blundell – buddiannau personol yn eitem Agenda 8., fel Llywodraethwr Awdurdod Lleol ysgol a grybwyllir yn yr adroddiad ac eitem Agenda 7., fel aelod o Weithgor y Tasglu a sefydlwyd yn flaenorol mewn perthynas â'r mater hwn.</p> <p>Cynghorydd E Winstanley – buddiannau personol yn eitem Agenda 7., fel aelod o Weithgor y Tasglu a sefydlwyd yn flaenorol mewn perthynas â'r mater hwn ac eitem Agenda 9., fel Llywodraethwr Ysgol a gweithiwr yn Ymddiriedolaeth Ddiwylliannol Awen.</p> <p>Cynghorydd M Evans – buddiant rhagfarnol yn eitem Agenda 7., fel aelod o Gyngor Tref Pencoed ac am iddi roi ei sylwadau ar gynigion yn ymwneud â'r eitem hon o'r blaen.</p> <p>Cynghorydd R Williams – buddiant rhagfarnol yn eitem Agenda 7, fel aelod o Gyngor Tref Pencoed a oedd hefyd wedi ymateb ar yr eitem mewn ymarfer ymgynghori blaenorol.</p>
Dyddiad Gwneud y Penderfyniad	Ddim yn berthnasol

**Cymeradwyo Cofnodion**

Penderfyniad a Wnaed	<u>PENDERFYNWYD:</u> Cymeradwyo cofnodion y Cyngor ar 28 Chwefror 2024 fel rhai gwir a chywir.
Dyddiad Gwneud y Penderfyniad	17 Ebrill 2024.

**4. Cyflwyniad i'r Cyngor gan Gynrychiolwyr BAVO**

Penderfyniad a Wnaed	<p>Cyflwynodd y Prif Weithredwr adroddiad, a gyflwynodd gynrychiolwyr BAVO i roi cyflwyniad ar y gwaith y maent yn ei wneud.</p> <p>Cyflwynodd Ms Kay Baker, Rheolwr Gweithrediadau a Phartneriaethau, ei hun a'i chydweithwyr i'r cyfarfod.</p> <p>Amlygodd rôl BAVO ac amlinellodd rai ystadegau allweddol y sefydliad ar gyfer y flwyddyn ariannol ddiwethaf.</p> <p>Darparodd BAVO gefnogaeth a datblygiad mewn perthynas â'r trydydd sector, trwy ddarparu ystod eang o wasanaethau gwybodaeth, cyngor a chymorth am ddim a thrwy gynrychioli barn y sector i'r llywodraeth a llunwyr polisi.</p> <p>Dywedodd Ms Baker fod 482 o sefydliadau yn aelodau o BAVO a chafwyd ffrydiau ariannu ar gyfer BAVO gan Lywodraeth Cymru, CBSP a Bwrdd Iechyd Bro Morgannwg, yn ogystal â rhai llwybrau eraill o gyllid grant a chytundebau incwm neu lefel gwasanaeth a enillwyd. Yn ystod y flwyddyn ariannol ddiwethaf, cefnogodd BAVO 177 o unigolion a rhoi 68 o unigolion yn uniongyrchol i mewn i leoliadau gwaith.</p> <p>Bu 1,594 o ymholiadau cymorth yn cwmpasu 284 o sefydliadau o fewn y 12 mis diwethaf ac roedd 134 o wirfoddolwyr wedi derbyn hyfforddiant perthnasol. Roedd cyllid grant hefyd wedi'i ddarparu i sefydliadau allweddol drwy BAVO, gyda chymorth Porth Cyllido.</p> <p>Roedd BAVO hefyd wedi trefnu cyfres o rwydweithiau a fforymau, gyda'r nod o sefydlu trefniadau gweithio</p>
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	<p>mewn partneriaeth gyda sefydliadau ac roedd 434 o bobl wedi cymryd rhan yn y rhain o fewn y cyfnod uchod.</p> <p>O ran Llywio Cymunedol, roedd BAVO wedi prosesu 477 o atgyfeiriadau y delir â hwy gan Lyw-wyr Cymunedol y sefydliad.</p> <p>Daeth y cyflwyniad i ben gyda Ms Baker yn dweud bod gan BAVO wefan hawdd ei defnyddio a oedd yn manylu ar system fapio ryngweithiol a dolenni i dudalennau allweddol, er enghraifft, Datblygu Cymunedol, cyfarwydddebau cyllido, cyfleoedd hyfforddi ar gael a gwybodaeth am wirfoddolwyr a oedd yn cynnwys gwybodaeth am recriwtio gwirfoddolwyr newydd.</p> <p>Roedd yr Aelodau'n canmol gwaith BAVO a'r cymorth y mae hyn yn ei roi i gymunedau yn gyffredinol ac yn fwy personol i bobl sy'n byw yn y cymunedau hynny.</p> <p>Cafodd Canolfannau Cymunedol gefnogaeth amhrisiadwy gan y sefydliad ac fe wnaeth aelod annog gweithio'n agosach yn y 3 phrif ardal yn y cymoedd, rhwng Llyw-wyr Cymunedol a Chydlynwyr Cymunedol, er mwyn cysylltu â'r un diben ag adrannau allweddol y Cyngor, er enghraifft gyda Thîm Cyflogadwyedd yr Awdurdod.</p> <p>Talodd Aelod deyrnged hefyd i BAVO yn cefnogi Caerau Menshed, er mwyn eu gwneud yn fwy cynaliadwy trwy gyllid a hyfforddiant mewn meysydd fel iechyd a diogelwch a chymorth cyntaf, a oedd yn eu galluogi i ddarparu gwasanaethau ychwanegol i'w haelodau.</p> <p>Gofynnodd Aelod a allai CBSP wneud unrhyw beth arall i gefnogi BAVO, yna dylent ymgysylltu ymhellach â'r Cyngor ynglŷn â hyn.</p> <p>Yn olaf, awgrymwyd y gallai BAVO geisio ymgysylltiad strategol pellach o bosibl gyda darparwyr eraill fel Halo ac Ymddiriedolaeth Awen.</p> <p><b><u>PENDERFYNWYD:</u></b> Nodi'r adroddiad a'r cyflwyniad.</p>
<p>Dyddiad Gwneud y Penderfyniad</p>	<p>17 Ebrill 2024</p>

**5. I dderbyn cyhoeddiadau gan:**

Penderfyniad a Wnaed	Derbyniwyd cyhoeddiadau gan y canlynol (dim penderfyniadau wedi'u gwneud):- <ul style="list-style-type: none"><li>• Y Maer</li><li>• Dirprwy Arweinydd a'r Aelod Cabinet dros Wasanaethau Cymdeithasol ac Iechyd</li><li>• Aelod Cabinet - Addysg</li><li>• Aelod Cabinet – Newid Hinsawdd a'r Amgylchedd</li><li>• Aelod Cabinet – Diogelu Cymunedol a Lles</li><li>• Aelod Cabinet – Cyllid, Adnoddau a Chyfreithiol</li><li>• Aelod Cabinet – Tai, Cynllunio ac Adfywio</li><li>• Prif Weithredwr</li></ul>
Dyddiad Gwneud y Penderfyniad	Nid oes penderfyniad wedi'i wneud.

**6. Derbyn cyhoeddiadau gan yr Arweinydd**

Penderfyniad a Wnaed	Derbyniodd y Cyngor gyhoeddiadau'r Arweinydd (ni wnaed penderfyniad).
Dyddiad Gwneud y Penderfyniad	Nid oes penderfyniad wedi'i wneud.

**7. Polisi Maint y Cyngor Tref a Chymuned Ebrill 2024**

Penderfyniad a Wnaed	<p>Cyflwynodd y Prif Weithredwr adroddiad, a'i ddiben oedd ystyried Polisi Maint y Cyngor Tref a Chymuned, er mwyn cynorthwyo gydag adolygu cynghorau tref a chymuned sydd ar y gweill ar hyn o bryd.</p> <p>Roedd Crynodeb Gweithredol yr adroddiad fel a ganlyn:-</p> <ul style="list-style-type: none"><li>• Nododd Cylch Gorchwyl yr adolygiad o drefniadau cynghorau tref a chymuned, a gymeradwywyd gan y Cyngor ar 21 Mehefin 2023, nad oes o reidrwydd faint sefydlog delfrydol, ond y bydd angen i gyngor cymuned fod o faint digon mawr i'w wneud yn hyfyw fel uned weinyddol llywodraeth leol ac felly'n gallu cefnogi unrhyw gydweithio gyda'r Cyngor yn y dyfodol.</li></ul>
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- Yn dilyn ymgynghoriad cychwynnol, byddai cael polisi clir ar faint cyngor cymuned yn cynorthwyo drafftio cynigion mewn cysylltiad â phanel yr Aelodau.
- Mae rhywfaint o dystiolaeth o ddiffyg democratiaeth ym mhob un o'r cyngorau cymuned gyda llai na 5,000 o etholwyr, h.y. roedd pob ward heblaw un yn ddiwrthwynebiad yn yr Etholiadau Lleol ym mis Mai 2022.
- Cynigir y dylid cael isafswm maint delfrydol o ran etholwyr er mwyn i gyngor cymuned fod oddeutu 5,000 o etholwyr sydd â therfyn etholaethol uwch o gwmpas 10,000 o etholwyr, ac i gyngorau tref gael isafswm o etholwyr oddeutu 9,000 ond heb derfyn uchaf.
- Efallai y bydd angen diddymu cyngorau cymuned presennol gyda niferoedd etholwyr llai a'u huno â chynghorau cymuned eraill, ond y bwriad bob amser fydd cynnal eu hunaniaeth o fewn y cyngor cymuned newydd mwy o faint. Bydd hyn yn cael ei gyflawni, cyn belled ag y bo'n ymarferol gwneud hynny, drwy gynnal eu ffiniau fel ward yn y cyngor cymuned newydd yn ogystal ag ystyried, mewn amgylchiadau eithriadol, gynyddu cynrychiolaeth y cyngor cymuned sydd wedi'i ddiddymu ar y cyngor newydd.
- Efallai y bydd Cyngorau Cymuned sydd â nifer etholwyr sy'n fwy na'r uchafswm o etholwyr yn cael eu diddymu i greu 2 gyngor cymuned ar wahân newydd, ond bydd hyn yn cael ei gyflawni heb rannu'r wardiau presennol h.y. cynnal hunaniaeth bresennol wardiau unigol oddi wrth y cyngor gwreiddiol.
- Wrth osod y gymhareb o gynghorwyr i etholwyr, cynigir defnyddio canllawiau Ysgol Busnes Aston a gyhoeddwyd ym 1992 i ddarparu lefel o hyblygrwydd wrth bennu'r cymarebau.
- Ar ôl eu cymeradwyo, bydd y cynigion drafft ar gyfer trefniadau'r cyngorau tref a chymuned newydd o fis Mai 2027 yn mynd allan i ymgynghoriad. Yn dilyn cyfnod o ddadansoddi sylwadau a dderbyniwyd o'r ymgynghoriad, a fydd yn cael ei rannu gyda'r panel Aelod, bydd adroddiad ar y cynigion terfynol yn cael ei gyflwyno i'r Cyngor llawn.

Gwnaeth yr Aelodau rai sylwadau ar yr adroddiad, gan gynnwys:-

1. Mae angen ceisio barn cyngorau tref a chymuned ar gynigion yr adroddiad, yn ogystal ag adroddiad tebyg a gaiff ei gyflwyno i gyfarfod Fforwm Cyngorau Tref a Chymuned y Cyngor yn y dyfodol;
2. Pam y dewisodd y Cyngor fodel Aston dros fodel Cymdeithas Genedlaethol y Cyngorwyr Lleol (gan fod yr olaf yn fymrwyl);
3. Roedd Aelod yn cefnogi'r terfyn isaf o ran maint ar gyfer cyngorau cymuned, ond nid oedd yn cefnogi terfyn maint uchaf ar gyfer y cyrff hyn, fel y cyfeirir ato yn yr adroddiad;
4. A wnaeth cynigion yr adroddiad ystyried darpariaethau'r Cynllun Datblygu Lleol newydd, wrth ystyried datblygiadau preswyl newydd a gynigiwyd ledled ardaloedd o'r Fwrdeistref Sirol;
5. Pan fydd y camau nesaf/olaf yn cael eu dilyn, ailedrychir ar braeseptau yn ardaloedd y Cyngor



	<p>aflwyddiannus. O ganlyniad, bydd angen i'r awdurdod lleol ariannu'r gwaith fel y gellir defnyddio'r adeilad yn fuddiol.</p> <p>Ceisir cymeradwyaeth y Cyngor i drosglwyddo cyllidebau Moderneiddio Ysgolion o fewn y rhaglen gyfalaf at y diben hwn ac i gynnwys y gwelliannau teithio llesol / priffyrdd fel cynllun ar wahân yn y rhaglen gyfalaf.</p> <p>Gofynnodd yr Aelodau y cwestiynau isod ar yr adroddiad:-</p> <ul style="list-style-type: none"> <li>• Ceisiodd yr Aelod Cabinet - Addysg sicrwydd bod y 3 phrosiect y cyfeiriwyd atynt yn yr adroddiad bellach wedi'u cwblhau ac nad oedd angen gwario pellach felly i ymrwmo i'r prosiectau hyn. Cadarnhawyd mai dyma'r achos.</li> <li>• Gofynnodd Aelod am ddadansoddiad o'r costau ynghylch ffioedd proffesiynol yr aed iddynt ar gyfer y gwaith a chadarnhawyd y byddai hyn yn cael ei ddarparu i'r Aelod ac Aelodau eraill a oedd am dderbyn hyn, y tu allan i'r cyfarfod.</li> <li>• Rhoddodd y Cyfarwyddwr Corfforaethol – Addysg a Chymorth i Deuluoedd wybodaeth ar gais Aelod am ddadansoddiad o'r gwaith a wnaed a oedd yn cyfateb i £141k ar gyfer Teithio Llesol/Gwella Priffyrdd, a oedd yn cynnwys nifer o gyrbau isel, gwaith palmant cyffyrddol a darparu arwyddion mewn nifer o leoliadau gerllaw Ysgol Gyfun Bryntirion</li> <li>• Cyfeiriodd Aelod at baragraff 3.2 o'r adroddiad, gan nodi bod teithio llesol a gwelliannau i'r briffordd yn amod cynllunio. Gofynnodd a oedd hyn wedi bod yn berthnasol i'r holl welliannau teithio llesol a phriffyrdd yn y gorffennol ac a fyddai hefyd yn berthnasol i unrhyw waith gwella ac ehangu ysgolion o'r fath yn y Fwrdeistref Sirol wrth symud ymlaen.</li> </ul> <p><b><u>PENDERFYNWYD:</u></b> <span style="float: right;">Cymeradwyodd y Cyngor y canlynol:-</span></p> <ul style="list-style-type: none"> <li>• Trosglwyddo £141k o gyllidebau cyfalaf y manylir arnynt yn yr adroddiad hwn at ddibenion teithio llesol/gwelliannau priffyrdd sy'n gysylltiedig â darparu bloc pedair ystafell ddosbarth yn Ysgol Gyfun Bryntirion; a</li> <li>• Chynnwys cynllun ar gyfer teithio llesol/gwelliannau i'r briffordd mewn perthynas ag Ysgol Gyfun Bryntirion yn y Rhaglen Gyfalaf gyda chyllideb o £141k.</li> </ul>
<p>Dyddiad Gwneud y Penderfyniad</p>	<p>17 Ebrill 2024</p>

Cynllun Cyflawni Cynllun Corfforaethol ar gyfer 2024-2025

<p>Penderfyniad a Wnaed</p>	<p>Cyflwynodd y Prif Swyddog – Cyfreithiol a Rheoliadol, AD a Pholisi Corfforaethol adroddiad, er mwyn cyflwyno Cynllun Cyflawni Cynllun Corfforaethol (CPDP) un flwyddyn arfaethedig ar gyfer 2024-25 i'r Cyngor ei gymeradwyo.</p> <p>I roi rhywfaint o gefndir, cadarnhaodd yr adroddiad fod gan Gyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr (CBSP) Gynllun Corfforaethol lefel uchel, pum mlynedd ar hyn o bryd ar gyfer 2023-28. Cymerodd y Cyngor ddull newydd ar gyfer 2023-24 ac nid oedd yn cynnwys ymrwymadau na dangosyddion perfformiad yn y Cynllun Corfforaethol. Yn hytrach, datblygodd y Cyngor gynllun cyflawni un flwyddyn fel y gallai fod yn fwy ystwyth a hyblyg i'r amgylchedd gweithredu sy'n newid.</p> <p>Dywedodd y rheolwr Polisi a Materion Cyhoeddus fod y Cyngor wedi cymeradwyo Strategaeth Ariannol Tymor Canolig 2024-25 i 2027-28 yn ei gyfarfod ar 28 Chwefror 2024, gan gynnwys cyllideb fanwl ar gyfer 2024-25. Mae swyddogion y cyngor wedi defnyddio'r wybodaeth am y gyllideb i adolygu Cynllun Cyflawni'r Cynllun Corfforaethol ar gyfer 2023-24 ac yn cynnig y Cynllun Cyflawni drafft ar gyfer 2024-25 yn Atodiad 1 (i'r adroddiad). Roedd y Pwyllgor Trosolwg a Chraffu Corfforaethol (COSC) wedi craffu ar y Cynllun ddwywaith, yn eu cyfarfodydd ar 30 Ionawr 2024 a 19 Mawrth 2024.</p> <p>Dywedodd yr Arweinydd fod yr eitem hon wedi cael ei hystyried gan y Cabinet ddoe ac awgrymwyd rhai newidiadau arfaethedig a fyddai'n cael eu hymgorffori yn nrafft terfynol y Cynllun Cyflawni. Ychwanegodd bod angen i'r Cynllun esblygu gydag amser, i adlewyrchu ac ystyried yr heriau presennol a'r dyfodol y bydd yr Awdurdod yn anochel yn eu hwynebu wrth symud ymlaen.</p> <p>Gofynnodd yr Aelodau y cwestiynau canlynol yr ymatebodd y Rheolwr Polisi a Materion Cyhoeddus iddynt:-</p> <ul style="list-style-type: none"><li>• Nodwyd bod 88 o Ddangosyddion Perfformiad wedi'u manylu yn y Cynllun – pa gamau fyddai'n cael eu cymryd er mwyn sicrhau bod y rhain i gyd yn fesuradwy ac ystyrion o ran gwella darpariaeth gwasanaethau. Ystyriwyd hefyd mai un o nodau allweddol y Cynllun Corfforaethol a'i Gynllun Cyflawni ddylai fod i wneud ymgysylltiad ehangach a chynyddol â'r gymuned ac amrywiol grwpiau cynrychioliadol. Byddai hyn yn arwain at fwy o ymgysylltiad wedyn gyda defnyddwyr gwasanaeth;</li><li>• Teimlai Aelod y gallai'r ddogfen fod yn symlach gan fod cryn dipyn o wybodaeth wahanol wedi'i chynnwys ynddi. Byddai hyn yn helpu i ganolbwyntio mwy ar y Cynllun a chyflawni ei ganlyniadau allweddol.</li></ul>
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	<p><b><u>PENDERFYNWYD:</u></b> Y byddai'r Cyngor yn:-</p> <ul style="list-style-type: none"> <li>• Cymeradwyo'r Cynllun Cyflawni Cynllun Corfforaethol arfaethedig ar gyfer 2024-25 fel y nodir yn Atodiad 1.</li> <li>• Ystyried gwaith arfaethedig y Pwyllgor Trosolwg a Chraffu Corfforaethol i gefnogi'r Tîm Perfformiad Corfforaethol gan edrych ar y ffordd orau o fesur safbwyntiau defnyddwyr gwasanaeth fel rhan o fframwaith rheoli perfformiad y Cyngor.</li> </ul>
Dyddiad Gwneud y Penderfyniad	17 Ebrill 2024

**10. Polisi'r Gwasanaeth Datgelu a Gwahardd**

Penderfyniad a Wnaed	<p>Cyflwynodd Rheolwr y Grŵp, AD a Datblygu Sefydliadol adroddiad, a'i ddiben oedd ceisio cymeradwyaeth y Cyngor ar gyfer Polisi diwygiedig y Gwasanaeth Datgelu a Gwahardd (DBS) o 1 Mai 2024.</p> <p>Atodwyd y Polisi DBS wedi'i ddiweddarau yn Atodiad 1 i'r adroddiad eglurhaol.</p> <p>Diweddarwyd y Polisi DBS i adlewyrchu mai dim ond bob tair blynedd y bydd ailwiro'n cael ei wneud ar gyfer gweithwyr sy'n cael eu llywodraethu gan Ddeddf Safonau Gofal 2000.</p> <p>Mae'r Polisi diwygiedig wedi'i rannu â Phenaethiaid Gwasanaeth, y Bwrdd Diogelu Corfforaethol a'r Undebau Llafur, cynghorodd y Swyddog.</p> <p>Nododd y Cyngor fod y Strategaeth Ariannol Tymor Canolig 2024-25 i 2027-28 a gymeradwywyd gan y Cyngor ar 28 Chwefror 2024 yn cynnwys cynnig gostyngiad yn y gyllideb o £30,000 i'w gyflawni drwy ddiwygio Polisi Gwasanaeth Datgelu a Gwahardd i ailwiro bob tair blynedd yn unig ar gyfer gweithwyr a lywodraethir gan Ddeddf Safonau Gofal 2000, nid ar gyfer pob gweithiwr sydd angen DBS (CEX10). Bydd cymeradwyo'r Polisi DBS diwygiedig gan y Cyngor yn sicrhau bod y cynnig i leihau'r gyllideb yn cael ei gyflawni</p> <p>Gwnaeth yr Aelodau rai pwyntiau ar yr adroddiad, a oedd yn cynnwys y canlynol:-</p> <ul style="list-style-type: none"> <li>• Bod angen diwygio geiriad paragraff 2.5 yr adroddiad i adlewyrchu bod y Cyngor wedi mabwysiadu polisi ailwiro arfer gorau ar gyfer gweithwyr a lywodraethir gan Ddeddf Safonau Gofal 2000 bob tair</li> </ul>
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	blynedd, yn hytrach na'r <b>holl</b> weithwyr fel y manylwyd yn ail ran y paragraff hwnnw.  <b><u>PENDERFYNWYD:</u></b> Bod y Cyngor yn cymeradwyo'r Polisi DBS diwygiedig sydd ynghlwm yn Atodiad 1 yr adroddiad, yn weithredol o 1 Mai 2024.
Dyddiad Gwneud y Penderfyniad	17 Ebrill 2024

**11. Adroddiad Gwybodaeth i'w Nodi**

Penderfyniad a Wnaed	Adroddodd y Prif Swyddog - Gwasanaethau Cyfreithiol a Rheoliadol, AD a Pholisi Corfforaethol ar yr Adroddiad Gwybodaeth a gyhoeddwyd ers cyfarfod diwethaf y Cyngor.  <b><u>PENDERFYNWYD:</u></b> Bod y Cyngor yn cydnabod cyhoeddi'r ddogfen a restrir ym mharagraff 3.1 o'r adroddiad.
Dyddiad Gwneud y Penderfyniad	17 Ebrill 2024

**12. I dderbyn y cwestiynau canlynol gan:**

Penderfyniad a Wnaed	<ol style="list-style-type: none"><li>1. Y Cyngorydd T Thomas i'r Aelod Cabinet – Newid Hinsawdd a'r Amgylchedd (ymateb wedi'i ddsbarthu yn flaenorol i'r aelodau) Gofynnwyd cwestiynau atodol gan y Cyngorydd Thomas a'r Cyngorydd P Davies.</li><li>2. Y Cyngorydd S Bletsoe i'r Aelod Cabinet – Tai, Cynllunio ac Adfywio (roedd yr ymateb wedi'i ddsbarthu flaenorol i aelodau). Gofynnwyd cwestiynau atodol gan y Cyngorydd S Bletsoe a'r Cyngorydd M Williams.</li></ol>
Dyddiad Gwneud y Penderfyniad	Dim penderfyniad wedi'i wneud

**Hysbysiad o Gynnig wedi'i gynnig gan: 1) Y Cyngorydd Alex Williams  
a 2) Y Cyngorydd J Gebbie**

<p>Penderfyniad a Wnaed</p>	<ol style="list-style-type: none"> <li>1. Cafodd yr Hysbysiad o Gynnig a gynigiwyd gan y Cyngorydd Alex Williams ei dynnu'n ôl ar gais y Cyngorydd Williams, er mwyn gallu trafod yr Hysbysiad o Gynnig a gynigiwyd gan y Cyngorydd Jane Gebbie yn llawn.</li> <li>2. Rhoddodd y Cyngorydd Gebbie, Dirprwy Arweinydd, gyflwyniad manwl o'r rhesymau dros ei Hysbysiad o Gynnig o'r enw Nodweddion Gwarchodedig ar gyfer Pobl â Phrofiad o Ofal, a ddangosir yn eitem Agenda 13 (2) ar yr Agenda heddiw. Ychwanegodd mai unigolion â phrofiad o ofal oedd y bobl fwyaf bregus mewn cymdeithas am nifer o resymau, gyda rhai ohonynt yn cael eu heffeithio gan eu profiadau gofal drwy gydol eu bywydau.</li> </ol> <p>Yn dilyn araith y Dirprwy Arweinydd yn esbonio pam ei bod o'r farn bod yr Hysbysiad o Gynnig mor bwysig ac y dylai gael ei gefnogi gan y Cyngor, cefnogodd Aelod y cynnig ac argymhellodd iddo gael ei anfon ymlaen at ein holl ddarparwyr gofal, yn enwedig o ystyried, pan mae pobl ifanc yn dod allan o amgylchedd gofal, yn aml iawn maen nhw'n gorfod cael eu lletya mewn llochesi digartrefedd a ddarperir gan ddarparwyr llety, p'un ai dros dro neu mewn lleoliad mwy lled-barhaol.</p> <p>Roedd yr Aelod Cabinet dros Dai, Cynllunio ac Adfywio hefyd yn cefnogi'r Cynnig gan ychwanegu mai CBSP oedd yr ail Gyngor yng Nghymru oedd yn bwriadu mabwysiadu hyn.</p> <p>Cadarnhaodd y Dirprwy Arweinydd fod yr Awdurdod yn ymdrechu i'n rhanddeiliaid a byddai hefyd yn cysylltu â Swyddogion, er mwyn gweld a ellid ei gynnwys yn ein Contract(au) Comisiynu.</p> <p>Daeth yr Arweinydd â'r drafodaeth ar yr eitem i ben, drwy ddweud bod yr Hysbysiad o Gynnig yn adeiladu ar waith blaenorol Rhianta Corfforaethol Pwyllgor y Cabinet ac ychwanegodd ymhellach y byddai'r Cyngor yn gweithio gyda phartneriaid fel y Bwrdd Iechyd Cyhoeddus a'r Bwrdd Partneriaeth Rhanbarthol, er mwyn eu cynorthwyo i gyflawni'r agenda hon, yn ogystal ag annog sefydliadau eraill yn y sector cyhoeddus i ystyried mabwysiadu hyn hefyd.</p> <p><b><u>PENDERFYNWYD:</u></b> Bod y Cyngor yn cefnogi'n unfrydol yr Hysbysiad o Gynnig a gynigiwyd gan y Dirprwy Arweinydd, ynghyd â'r cafeatau fel y manylir uchod.</p>
<p>Dyddiad Gwneud y Penderfyniad</p>	<p>17 Ebrill 2024</p>

**Eitemau Brys**

Penderfyniad a Wnaed	Nid oedd unrhyw eitemau brys i'w trafod.
Dyddiad Gwneud y Penderfyniad	Dim penderfyniad wedi'i wneud

I wyllo trafodaeth bellach a gynhaliwyd ynghylch yr eitemau uchod, cliciwch ar y [ddolen](#) hon

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# Agenda Item 4

<b>Meeting of:</b>	<b>COUNCIL</b>
<b>Date of Meeting:</b>	<b>24 JULY 2024</b>
<b>Report Title:</b>	<b>PRESENTATION TO COUNCIL BY REPRESENTATIVES OF DWR CYMRU WELSH WATER</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF EXECUTIVE</b>
<b>Responsible Officer:</b>	<b>MARK GALVIN SENIOR DEMOCRATIC SERVICES OFFICER – COMMITTEES</b>
<b>Policy Framework and Procedure Rules:</b>	<b>There is no impact on the policy framework and procedure rules.</b>
<b>Executive Summary:</b>	<b>The report and accompanying presentation will update Council on the latest work and developments of the above organisation, as well as to outline to Members similar presentations to be given to future meetings of Council, by other Stakeholders.</b>

## **1. Purpose of Report**

- 1.1 The purpose of this report is to advise Council of a presentation proposed to be delivered by representatives of Dwr Cymru Welsh Water.

## **2. Background**

- 2.1 Council will be accustomed to receiving presentations from its key partners, stakeholders and other organisations periodically in the past.

## **3. Current situation / proposal**

- 3.1 The presentation will be given to Council at its April meeting by Steve Wilson, Managing Director, Wastewater Services and Andrew Bowen, Director Network Alliance (roadwork issues).
- 3.2 Further presentations will be scheduled periodically for future Council meetings from partner organisations and agencies, with the next two provisionally being Parc Prison and Halo (September and November Council meetings).

## **4. Equality implications (including Socio-economic Duty and Welsh**

4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

## **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

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

## **6. Climate Change Implications**

6.1 There are no climate change implications arising from this report.

## **7. Safeguarding and Corporate Parent Implications**

7.1 There are no safeguarding or corporate parent implications arising from this report.

## **8. Financial Implications**

8.1 There are no financial implications arising from this report.

## **9. Recommendation**

9.1 That Council is recommended to note the presentation as referred to at paragraph 3.1 of the report.

## **Background documents**

None.

<b>Meeting of:</b>	<b>COUNCIL</b>
<b>Date of Meeting:</b>	<b>24 JULY 2024</b>
<b>Report Title:</b>	<b>REVENUE BUDGET OUTTURN 2023-24</b>
<b>Report Owner/ Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, HOUSING AND CHANGE</b>
<b>Responsible Officer:</b>	<b>JOANNE NORMAN GROUP MANAGER – BUDGET MANAGEMENT</b>
<b>Policy Framework and Procedure Rules:</b>	<b>As required by section 3 (budgetary control) of the Financial Procedure Rules, Chief Officers in consultation with the appropriate Cabinet Member are expected to manage their services within the approved cash limited budget and to provide the Chief Finance Officer with such information as is required to facilitate and monitor budgetary control.</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• <b>The net revenue budget for 2023-24 was £342.334 million. The overall outturn at 31st March 2024 was a net over spend of £7.054 million.</b></li> <li>• <b>The overall over spend on the Council budget is primarily due to ongoing pressures within the Social Services and Wellbeing Directorate and in respect of Home to School Transport, Homelessness and Legal Fees.</b></li> <li>• <b>The budget approved for 2023-24 included budget reduction proposals totalling £2.608 million. At 31st March there was a shortfall on the savings target of £246,000, or 9.43% of the overall reduction target.</b></li> <li>• <b>During 2023-24 Directorates drew down funding from specific earmarked reserves. The final draw down from revenue reserves was £12.186 million. An additional £6.952 million of other earmarked reserves also needed to be unwound to meet the in-year over spend, along with the transfer of £102,000 from the Council Fund.</b></li> </ul>

## 1. Purpose of Report

- 1.1 The purpose of this report is to provide Council with an update on the Council's revenue financial position for the year ended 31st March 2024.

## 2. Background

2.1 On 1st March 2023, Council approved a net revenue budget of £342.047 million for 2023-24 based on the provisional local government settlement received from Welsh Government (WG) in December 2022. The Welsh Government announced its final local government settlement on 28th February 2023 which included an increase in the Revenue Support Grant (RSG) for the Council of £287,106, increasing the net revenue budget for 2023-24 to £342.334 million. The reasons for this increase were outlined in a report to Council on 15th March 2023, but were mainly in respect of the transfer into the final local government settlement of the Fire and Rescue Authority (FRA) SCAPE grant.

2.2 As part of the Performance Management Framework, budget projections are reviewed regularly and reported to Cabinet on a quarterly basis. The delivery of agreed budget reductions is also kept under review and reported to Cabinet as part of this process.

## 3. Current situation / proposal

### 3.1 Summary financial position at 31st March 2024

3.1.1 The Council's net revenue budget and final outturn for 2023-24 is shown in Table 1 below.

**Table 1- Comparison of budget against actual outturn at 31st March 2024**

Directorate/Budget Area	Original Budget 2023-24 £'000	Current Budget 2023-24 £'000	Final Outturn Q4 2023-24 £'000	Final Over / (Under) Spend 2023-24 £'000	Projected Over / (Under) Spend Qtr 3 2023-24 £'000
<b>Directorate</b>					
Education and Family Support	137,488	145,861	147,214	1,353	1,139
Social Services and Wellbeing	92,791	99,386	111,213	11,827	12,584
Communities	30,545	34,382	34,502	120	249
Chief Executive's	24,003	25,410	25,949	539	1,265
<b>Total Directorate Budgets</b>	<b>284,827</b>	<b>305,039</b>	<b>318,878</b>	<b>13,839</b>	<b>15,237</b>
<b>Council Wide Budgets</b>					
Capital Financing	7,203	7,142	3,064	(4,078)	(2,909)
Levies	9,189	9,189	9,181	(8)	(9)
Apprenticeship Levy	650	750	831	81	38
Council Tax Reduction Scheme	16,054	16,054	15,566	(488)	(451)
Insurance Premiums	1,363	1,363	764	(599)	(125)
Repairs & Maintenance	670	460	0	(460)	(40)
Pension Related Costs	430	430	457	27	27
Other Corporate Budgets	21,948	1,907	2,153	246	(1,481)
<b>Total Council Wide Budgets</b>	<b>57,507</b>	<b>37,295</b>	<b>32,016</b>	<b>(5,279)</b>	<b>(4,950)</b>
<b>Net Council Tax Collection</b>			<b>(1,506)</b>	<b>(1,506)</b>	<b>0</b>
<b>Transfers from Earmarked Reserves</b>			<b>(6,952)</b>	<b>(6,952)</b>	<b>0</b>
<b>Transfer from Council Fund</b>			<b>(102)</b>	<b>(102)</b>	<b>0</b>
<b>Total</b>	<b>342,334</b>	<b>342,334</b>	<b>342,334</b>	<b>0</b>	<b>10,287</b>

- 3.1.2 The overall outturn at 31st March 2024 is a net over spend of £7.054 million comprising £13.839 million net over spend on directorates and a net under spend of £5.279 million on Council wide budgets. The outturn position also takes into account additional council tax income collected over budget of £1.506 million during the financial year.
- 3.1.3 Further detail is provided on the more significant under and over spends and movements since quarter 3 in section 3.3.
- 3.1.4 The main financial pressures during 2023-24 were in the service areas of Social Services and Wellbeing (SSWB), Home to School Transport (HtST), Homelessness and Legal Fees.
- 3.1.5 In 2022-23, the SSWB Directorate experienced pressures of work to meet statutory duties against a backdrop of an exponential increase in demand in children's social care, and an increase in the number of independent residential placements in Children's Services, along with pressures in learning disabilities and older persons' residential placements. Budget growth of £8.174 million was approved by Council as part of the Medium Term Financial Strategy (MTFS) for 2023-24, £2.480 million of which was to address the implementation of the Real Living Wage for care workers. The SSWB Directorate continues to see an increase in demand and this budget growth was insufficient to meet that increase, with the outturn showing a £11.827 million over spend in 2023-24. A 3 year sustainability plan to improve outcomes for Children and Family Services in Bridgend was approved by Council on 20th September 2023, with an immediate budget virement of £1 million approved for Children's services. Council also agreed the additional use of up to £2.5 million of earmarked reserves in 2023-24 to support the service whilst a more permanent funding solution was sought. This has been drawn down in full in 2023-24 or the social services outturn position would have been £14.327 million. A recurrent budget of £2.5 million was approved by Council as part of the Medium Term Financial Strategy (MTFS) budget setting process in February 2024 to provide this as a permanent budget to Children's Services in 2024-25.
- 3.1.6 There has also been an over spend on Home to School Transport of £1.780 million in 2023-24. Several retendering exercises on HtST took place in 2022-23 with market conditions not being favourable, due to high levels of inflation and shortage of drivers and escorts. These procurement exercises resulted in generally higher costs across many contracts. Further HtST contracts were subject to retender exercises in 2023-24, and higher costs continued to be experienced. Budget growth of £1.2 million was approved by Council as part of the MTFS budget setting process in February 2024, and as this budget area can be volatile with small changes in demand resulting in relatively high costs being incurred, this budget will require close monitoring during 2024-25.
- 3.1.7 Budget growth of £2.192 million was approved by Council as part of the MTFS budget setting process in February 2021 with a further £700,000 approved in March 2023, to continue the commitment to focus support for homeless individuals. However, the Council has seen a significant increase in the provision of temporary accommodation, from 601 households and 965 individuals between April 2022 to March 2023, to 659 households and 1,034 individuals between April 2023 and March 2024. There is an over spend on Housing & Homelessness of £240,000 in 2023-24.

- 3.1.8 Legal fees continued to be a pressure in 2023-24, specifically in relation to public and private law childcare cases, along with an increase in the volume of complex cases that have required King’s Counsel. The net over spend in Legal, Democratic and Regulatory services is £553,000. Budget growth of £300,000 was approved by Council as part of the MTFS budget setting process in February 2024 towards the increase in legal fees for children’s services.
- 3.1.9 Going forward there are increased pressures on council tax collection and an increase in eligibility for council tax support through the Council Tax Reduction Scheme (see paragraph 3.3.5) due to the continuing cost of living crisis.
- 3.1.10 A budget pressure of £550,000 was approved by Council in February 2024 to mitigate emerging pressures in 2024-25 which will be allocated in line with need and reported through quarterly monitoring reports.

### **Budget virements/technical adjustments**

- 3.1.11 There have been a number of budget virements and technical adjustments between budgets since the quarter 3 Revenue Forecast was presented to Cabinet in January 2024.
- 3.1.12 The main virements and technical adjustments since quarter 3 are outlined below:

#### **Budget Virement**

<b>Service vired from / to</b>	<b>Amount</b>
Balance of one-off contribution from Communities Directorate to Corporate Contingency. £400,000 originally vired in quarter 2 to fund demolition works at Brackla car park based on estimated costs. Tenders now received with reduced contribution required from Corporate Contingency in this financial year.	£289,034

#### **Technical Adjustment**

<b>Service vired from / to</b>	<b>Amount</b>
Allocation of funding retained centrally in respect of Soulbury pay award for 2022 and 2023 – confirmed in December 2023.	£60,270
Allocation of corporately held funding for Feasibility works in line with spend.	£127,500
Allocation of corporately held funding for Revenue minor works in line with spend.	£82,116

## Budget Reduction Proposals

### 3.2 Monitoring of Budget Reduction Proposals

#### Prior Year Budget Reductions

3.2.1 As outlined in previous monitoring reports during the year, there were still £280,000 of outstanding prior year budget reduction proposals that had not been met in full. Directors have been working to realise these savings during the 2023-24 financial year. The position at year end is summarised in **Appendix 1** with a summary per directorate provided in Table 2.

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

	<b>Total Budget Reductions Required</b>	<b>Total Budget Reductions Achieved</b>	<b>Shortfall</b>
<b>DIRECTORATE /BUDGET REDUCTION AREA</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Social Services and Wellbeing	115	115	0
Communities	165	0	165
<b>TOTAL</b>	<b>280</b>	<b>115</b>	<b>165</b>

3.2.2 Table 2 shows that of the £280,000 prior year budget proposals outstanding, £115,000 have been realised, leaving a shortfall of £165,000. Proposals still not achieved include:

- COM 2 – Re-location of Community Recycling Centre from Tythegston to Pyle (£60,000 shortfall). The new site opened during quarter 4, however the timing of the opening meant that the saving could not be implemented in 2023-24. The majority of the saving will now be made in 2024-25 once the exit terms of the lease have been finalised. The service will endeavour to meet any shortfall in the saving through one-off efficiencies in 2024-25 to deliver a balanced budget position.
- COM 3 – change the composition of household food waste bags (£35,000 shortfall). The budget reduction proposal was delayed until the outcome of national research had been completed to ensure any potential changes in legislation did not impact on this proposal. The new waste contractors from 1st April 2024 have been advised of the change of composition, therefore the saving will be made in full during 2024-25.
- COM 4 – remove Business in Focus from running Enterprise Centres in Bridgend (£20,000 shortfall). The review of Business in Focus continues to be explored to identify operating efficiencies with a view to restructuring the management agreement with Business in Focus to deliver this saving in full in 2024-25.
- COM 5 – commercially let a wing of Ravens Court to a partner organisation of business (£50,000 shortfall). Demand for office space at this time is limited and the re-letting market is extremely challenging therefore the Council has

been unable to rent a wing of Ravens Court as anticipated. Discussions are ongoing with a number of parties in relation to the available accommodation at Ravens Court moving forward.

### **Budget Reductions 2023-24**

3.2.3 The budget approved for 2023-24 included budget reduction proposals totalling £2.608 million, which is broken down in **Appendix 2** and summarised in Table 3 below. The year end position is that £2.362 million has been achieved, leading to an overall shortfall on the savings target of £246,000, or 9.43% of the overall reduction target.

**Table 3 – Monitoring of Budget Reductions 2023-24**

	Total Budget Reductions Required	Total Budget Reductions Achieved	Shortfall
DIRECTORATE /BUDGET REDUCTION AREA	£'000	£'000	£'000
Education and Family Support	40	0	40
Schools	2,118	2,118	0
Social Services and Wellbeing	0	0	0
Communities	375	169	206
Chief Executive's	75	75	0
<b>TOTAL</b>	<b>2,608</b>	<b>2,362</b>	<b>246</b>

3.2.4 The most significant budget reduction proposals not achieved in full are:-

- EDfS1 – Delegation of school transport responsibilities to The Bridge Pupil Referral Unit (£40,000 shortfall). During 2023-24, officers investigated the practicalities and implications of this bespoke transport arrangement. It was determined that without capital investment in a bespoke vehicle and additional staff resources the proposal could not be delivered. Since September 2023, the approach taken in relation to supporting Post-16 learners with college passes has been changed, with the £40,000 budget reduction now anticipated to be made on the Post-16 transport budget.
- COM1 – closure of each of the Community Recycling Centre sites for one weekday per week (£46,000 shortfall). Public consultation on this proposal was undertaken between 30th June and 12th September 2023, with the outcome reported to Cabinet on 21st November 2023, when the proposal was approved. A marginal saving was made in 2023-24, with the full saving being realised in 2024-25.
- COM 2 – Charging Blue Badge Holders for parking (£40,000 shortfall). The traffic management team were engaged in the introduction of the default national speed limit (20mph) in built up areas, and therefore the saving proposal was not achieved in 2023-24 due to the processes required to introduce any change. The Traffic and Transport team is currently depleted due to unplanned staff absences and it is currently envisaged the project will advance in Autumn 2024. Shortfalls against this savings target will be met through one-off efficiencies in 2024-25 to deliver a balanced budget position.
- COM5 – commercially let two wings of Ravens Court to a partner organisation or business (£120,000 shortfall) – Demand for office space at this time is limited and

the re-letting market is extremely challenging, therefore the Council was unable to let two wings of Ravens court as anticipated. Discussions are ongoing with a number of parties in relation to the available accommodation at Ravens Court moving forward.

3.2.5 As outlined in the MTFS reports to Cabinet and Council, MTFS Principle 7 states that “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”. An MTFS Budget Reduction Contingency reserve was established in 2016-17. This reserve has been used to meet specific budget reduction proposals in previous years on a one-off basis pending alternative measures. It has not been used in 2023-24 to mitigate shortfalls as service areas were committed to identifying alternative one-off under spends in the service areas affected. This approach has also enabled the MTFS Budget Reduction Contingency reserve to be maintained going into 2024-25 where the level of savings required to be made is £13.045 million in 2024-25, compared to £2.608 million in 2023-24, and therefore at much higher risk of not being achieved in full.

### 3.3 Commentary on the financial position at 31st March 2024

#### Financial position at 31st March 2024

A summary of the financial position for each main service area is attached in **Appendix 3** to this report and comments on the most significant variances are provided below.

#### 3.3.1 Education and Family Support Directorate

The net budget for the Directorate for 2023-24, including school delegated budgets, was £145.861 million and the actual outturn was £147.214 million, following draw down of £649,000 from earmarked reserves, resulting in an over spend of £1.353 million. The main variances are:

<b>EDUCATION &amp; FAMILY SUPPORT DIRECTORATE</b>	<b>Net Budget</b>	<b>Actual Outturn</b>	<b>Actual Variance Over/(under) budget</b>	<b>% Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Learner Support	6,984	8,179	1,195	17.1%
Family Support	3,602	3,100	(502)	-13.9%
Home to School Transport	8,625	10,405	1,780	20.6%
Catering Services	2,195	1,539	(656)	-29.9%
Education Directorate Support Unit	661	490	(171)	-25.9%
Integrated working	786	712	(74)	-9.4%
Corporate health and safety	411	286	(125)	-30.4%

## Schools' delegated budgets

Total funding delegated to schools in 2023-24 was £123.603 million (including Post-16 grant funding of £7.475 million), along with £1.761 million one-off earmarked reserve (EMR) funding for energy budgets.

The schools' delegated budget is reported as balanced in any one year as any under spend or over spend is automatically carried forward, in line with Welsh Government legislation, into the new financial year before being considered by the Corporate Director - Education and Family Support in line with the 'Guidance and Procedures on Managing Surplus School Balances' as set out in the Financial Scheme for Schools.

The year-end position for 2023-24 was:-

- Net overall school balances totalled £6.898 million at the start of the financial year. During 2023-24 school balances decreased by £4.493 million to £2.405 million at the end of the financial year, representing 1.92% of the total funding allocated in 2023-24.
- Out of a total of 59 schools, there are 21 schools with a deficit balance (20 primary and 1 special school) and 20 schools (13 primary and 7 secondary) that have balances in excess of the statutory limits (£50,000 primary and £100,000 for secondary and special schools) in line with the School Funding (Wales) Regulations 2010. These balances will be analysed in line with the Council's agreed 'Guidance and Procedures on Managing Surplus School Balances'.
- Council approved an MTFs efficiency savings target against School Delegated Budgets of 3% in 2024-25, with an indicative 2% for 2025-26 and 1% thereafter. The 3% target in 2024-25 equates to £3.441 million, therefore the school delegated budgets will require close monitoring throughout 2024-25. The Financial Scheme for Schools requires schools to obtain permission from both the Corporate Director – Education and Family Support and the Section 151 Officer to set a deficit budget. Schools with deficits of greater than £50,000 in a primary school or greater than £150,000 in a secondary or special school are requested to attend termly support and challenge meetings with senior Local Authority officers. In addition, any unplanned deficits that occur within the financial year due to unforeseen circumstances must be reported as soon as they become known to the school.
- A summary of the position for each sector and overall for 2023-24 is provided below:-

	<b>Balance brought forward</b>	<b>One off EMR funding</b>	<b>Funding allocated in 2023-24</b>	<b>Total Funding available</b>	<b>Actual Spend</b>	<b>Balance at year end</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Primary	2,875	1,364	54,159	58,398	58,115	283
Secondary	3,734	208	57,729	61,671	59,083	2,588
Special	289	189	11,715	12,193	12,659	-466
<b>Total</b>	<b>6,898</b>	<b>1,761</b>	<b>123,603</b>	<b>132,262</b>	<b>129,857</b>	<b>2,405</b>

## **Central Education and Family Support Directorate budgets**

### Learner Support

- There is a net over spend of £1.195 million in Learner Support budgets.
- This firstly relates to an over spend of £627,000 on the inter-authority recoupment budget due to an increase in demand for Bridgend pupils in out of county placements as there are insufficient spaces at Heronsbridge and Ysgol Bryn Castell. The increase in out of county placements has been sustained in 2023-24, increasing from 16 in Summer 2022, up to 21 for Summer 2023, 22 in Autumn 2023 and 21 in Spring 2024.
- There has also been an increase in demand for additional learning needs (ALN) support at schools resulting in an over spend of £570,000, in particular sensory support and communication, complex medical needs, and relationship support. The number of pupils supported in 2022-23 was 174 increasing to 277 in 2023-24. In addition to the increase in demand, there has been an overall reduction in Welsh Government grants supporting ALN spend from £835,584 in 2022-23 to £425,383 in 2023-24.
- Council approved £500,000 of additional funding as part of the MTFS 2024-25 to 2027-28 for learning support to meet the costs of increased demand for Bridgend pupils in out of county placements and for increased demand for additional learning needs support at schools as part of the Medium Term Financial Strategy.
- Adult Community Learning (ACL) has also over spent by £135,000 in 2023-24 which is primarily due to Welsh Government changing the grant terms and conditions resulting in already committed in-year expenditure no longer being eligible and unable to be claimed. In addition, the Medium Term Financial Strategy approved by Council in February 2024 included a budget reduction proposal to remove the core funding for the ACL provision from 2024-25, therefore any future spend in this service area will need to be in line with grant terms and conditions to avoid any over spend in 2024-25.

### Family Support

- The under spend of £502,000 primarily relates to in-year receipt of additional grant funding (£131,000) and maximisation of the Children and Communities Grant (£190,000) in quarter 4. The two additional grants are the Youth Endowment Fund (£262,000 – 18 months from September 2023 to March 2025) and the Turnaround grant (£59,000 – two years, ending March 2025).
- The remaining under spend is due to staff vacancies as a result of the selective recruitment freeze in 2023-24 and has supported over spends in other service areas within the directorate. A review of the Family Support budgets is currently underway, with a revised structure to be implemented in the first half of 2024-25.

### Home-to-school transport (HtST)

- The revenue outturn report for 2022-23 highlighted a £1.316 million over spend on the HtST budget. This was primarily as a result of retendering exercises that had taken place, which had been impacted by unfavourable market conditions. This had subsequently resulted in higher costs across many contracts in line with difficulties associated with the aftermath of the pandemic, namely the shortage of drivers and escorts and increased fuel costs internationally.
- The over spend on the HtST budget increased by £464,000 in 2023-24 up to £1.780 million. Actual spend increased from £9.508 million in 2022-23 up to £10.405 million in 2023-24, therefore the pressure was partly mitigated by an in year allocation from the central price inflation budget. The main reason for the increased

over spend is that further retendering exercises took place in September 2023 for Special School contracts resulting in an increase of £698,000 compared with 2022-23, highlighting that market conditions are still predominantly unfavourable for HtST contracts.

- Council have approved a £1.2 million budget pressure for 2024-25 as part of the Medium Term Financial Strategy which will contribute to the increased costs of HtST that have continued to be experienced in 2023-24.
- Bridgend County Borough Council launched a full public consultation on proposed changes to the home-to-school and college transport arrangements in April 2024 which are expected to make just over £1 million in budgetary savings for the local authority. The Medium Term Financial Strategy approved by Council in February 2024, includes an indicative £792,000 budget reduction proposal on the HtST budget in 2025-26.

#### Catering Services

- Catering Services has an under spend of £656,000 in 2023-24.
- £237,000 of this under spend is due to a one-off receipt of a working balance from Paypoint who administered Free School Meal holiday vouchers on behalf of the authority until the end of the May 2023 half term holiday. The deposit was held open until quarter 3 of 2023-24 to maximise the number of vouchers that had been issued being redeemed by families.
- Secondly, as reported in quarter 3, Welsh Government announced on 20th December that they had completed their review on the Universal Primary Free School Meals (UPFSM) unit rate and had agreed an increase per meal to £3.20 from £2.90 effective from January 2024. However, in recognising the additional costs incurred in delivering the UPFSM offer at pace, additional one-off funding was also released by WG in 2023-24 to cover the period April to December 2023 (£100,000).
- Finally, quarter 4 saw an overall increase in the uptake of school meals and Year 4 also moved over to the UPFSM, resulting in an increase in income of £185,000 in the final quarter of 2023-24.
- Price inflation on food has been particularly volatile in 2023-24, with a recent reduction in food inflationary levels seen. The cost of food purchases will be closely monitored going into 2024-25 to determine whether the inflationary pressures in this area impact on cost recovery in this service area in 2024-25, or whether it will be mitigated by the 30p increase per meal introduced after the February 2024 half-term in line with the Council's Fees and Charges policy.
- The under spend in 2023-24 is not anticipated to be a recurring under spend due to the one off nature of the income and grant funding received. In addition, the increase in roll out of UPFSM should be matched by an equal increase in food and staffing costs to deliver Welsh Government's commitment for all primary school children in Wales to get free school meals by 2024, with Year 6 being the final year for the scheme to be rolled out in Bridgend from September 2024.

#### Education Directorate Support Unit (EDSU)

- The under spend of £171,000 is due to the selective recruitment freeze in 2023-24. Part of this under spend will be utilised towards the MTFs budget reduction for the EDSU of £63,000 in 2024-25, with consideration given to the balance of the under spend being used to support budget reduction proposals that have been identified as not currently being able to be delivered in full in 2024-25.

#### Integrated Working

- The under spend of £74,000 relates primarily to staff vacancies as Early Help and Edge of Care services are currently undergoing a review by the Education and Family Support and SSWB directorates. It is anticipated that the revised structure will be implemented early in 2024-25.

#### Corporate Health and Safety Unit

- The under spend of £125,000 within the Corporate Health and Safety Unit primarily relates to staff vacancies. Part of this under spend will be utilised towards the MTFS budget reduction for the Corporate Health and Safety Unit of £40,000 in 2024-25, with the remaining vacant posts having been, or due to be, recruited to.

### **3.3.2 Social Services and Wellbeing Directorate**

The net budget for the Directorate for 2023-24 was £99.386 million and the actual outturn was £111.213 million following draw down of £5.660 million from earmarked reserves, resulting in an over spend of £11.827 million. The over spend looks lower than the projected over spend reported at quarter 3 of £12.584 million due to the full draw down in quarter 4 of the £2.5 million earmarked reserve established in respect of the Children's Services sustainability plan approved by Council in September 2023.

The main reasons for the £11.827 million over spend are:-

- The Directorate has continued to experience both service and financial pressures in meeting statutory duties with a backdrop of a continued exponential increase in demand in Children's social care. There were 11,940 contacts received during 2023-24 compared to 8,334 in 2022-23. This 43.3% increase impacts on the workforce required to assess and safeguard children. Whilst the overall number of care experienced children has reduced, the number of independent residential placements has remained static throughout the year, ending the year at 19. The budget covers between 6-8 placements depending on the unit cost. In addition, there are at any time a small number of placements which are Operating Without Registration (OWR). Given the additional risks of children living in settings without the protection accorded by regulation, these placements are risk managed and have higher staff ratios, which drive up the cost of the service. The 3 year sustainability plan to improve the way that children and families are supported in Bridgend was agreed by Council on 20th September 2023 with an immediate revenue budget virement of £1 million approved for Children's services together with the additional use of up to £2.5 million of earmarked reserves whilst a more permanent funding solution was sought. The £2.5 million earmarked reserve was drawn down in full during quarter 4 against Children's Social Care Commissioning and Social Work and Management and Administration budgets to address the workforce over spends in these areas.
- Council approved £2.5 million recurrent funding as the balance of the £3.5 million budget pressure for Children's Services on the 28th February as part of the Medium Term Financial Strategy 2024-25 to 2027-28. This permanent budget pressure for 2024-25 replaces the temporary earmarked reserve funding drawn down in 2023-24. Progress is being made with implementing the plan, particularly to progress the steady and safe reduction of agency workforce, through improved retention and recruitment of a permanent workforce, including successful grow your own scheme and international recruits. A new emergency residential assessment service has been opened and this is helping to reduce costs of making additional placements.

However, even one additional placement can have massive budgetary implications meaning, despite progress, spend has been contained, rather than reduced.

- There continues to be pressures in learning disabilities and older people’s services driven by the complexity of need. The Social Services Improvement Board is overseeing a number of actions to address the growth in the adult services budget. These include accelerating the work to transform learning disabilities. An independent review highlighted the need to:-
  - Invest to save to ‘right size and right price’ care packages to support people to live as independently as possible.
  - Support people to retain and regain independence with a target set for 80% of all assessments where long term care and support at home is indicated to go through short term service including enabling and reablement..
  - In relation to the pathways between care and support and preventative services, to maximise the opportunity for people to have wellbeing outcomes met through community connection and resources in their community.
- Further actions for 2024-25 are being developed into a 3 year service and financial strategic plan for adult services to be considered by Cabinet in Autumn 2024 following engagement over the summer period.
- Council approved £1.970 million towards the increased costs of home care for adults with learning disabilities and £1 million towards additional residential/nursing placement costs due to new admissions for older people and older people with mental health needs as part of the Medium Term Financial Strategy 2024-25 to 2027-28.

The most significant variances for the directorate are :

<b>SOCIAL SERVICES AND WELLBEING DIRECTORATE</b>	<b>Net Budget</b>	<b>Actual Outturn</b>	<b>Actual Variance Over/(under) budget</b>	<b>% Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Adult Social Care	65,964	72,864	6,900	10.5%
Prevention and Wellbeing	7,492	7,097	(395)	-5.3%
Childrens Social Care	25,930	31,252	5,322	20.5%

## **Adult Social Care**

There is a net over spend of £6.900 million on the Adult Social Care budget. The most significant variances contributing to this over spend were:

<b>ADULT SOCIAL CARE</b>	<b>Actual Variance Over/(under) budget £'000</b>
Learning Disabilities Home Care	2,288
Homes For Older People	1,792
Learning Disabilities Residential Care	1,078
Assessment and Care Management	812
Learning Disabilities Day Opportunities	760
Mental Health Homecare	591
Older People Direct Payments	281
Physical Disability/Sensory Impairment Home Care	231
Physical Disability/Sensory Impairment Direct Payments	194
Physical Disability/Sensory Impairment Residential/ Nursing	65
Equipment & Adaptions	55
Mental Health Residential Care	(118)
Learning Disabilities Direct Payments	(154)
Mental Health Supported Accommodation	(231)
Older People Home Care	(510)

- Learning Disabilities Home Care – the over spend of £2.288 million is as a result of the number of hours of care covered by home care services having increased along with an increase in the complexity of people’s needs – e.g. the need for waking nights required rather than sleep-in. The pressure on this service area has continued in quarter 4, resulting in an increase of £295,000 from the projected over spend of £1.993 million at quarter 3. During quarter 4 the service area benefited from £371,000 of additional funding through the maximisation of the Housing Support Grant. However, whilst a specialist brokerage process commenced in December 2023 to ensure specialist placements across Adult Social Care are strictly commissioned through a rigorous process which supports value maximisation, market competition and scrutiny, the transformation programme achieved cashable savings of £42,000 in 2023-24 with the full effect of these in 2024-25 anticipated to be £209,000. These results are being regularly reported to the Social Services Improvement Board.
- Homes For Older People – the over spend of £1.792 million is mainly due to increased Residential/Nursing placement costs (£1.708 million) which has increased by £596,000 since quarter 3. The service area has seen an increase in demand in 2023-24, as at the start of the 2023-24 financial year there were 416 placements increasing to 455 in quarter 4. All contributions towards residential care are financially assessed in accordance with the Social Services and Wellbeing (Wales) Act 2014 but the average income received each year will vary in total depending on the financial position of the people needing care during the financial year – e.g. if there are a large number of people who have no savings or assets,

and are therefore reliant on the local authority paying their contribution in full, then this will decrease the overall average income received per person.

- Learning Disabilities Residential Care – there is an over spend of £1.078 million which is primarily due to increased costs for existing placements due to changing needs (£1.121 million) which is partially offset by under spends on the Breakaway Respite Service (£43,000) due to staff vacancies. The quarter 3 position was a projected over spend of £811,000 with the increase to quarter 4 being due to 3 new placements (of which 1 was a transition from Children’s Services), along with increases in costs for existing placements within the residential and nursing service.
- Assessment and Care Management – there is an over spend of £812,000 which is comparable to the quarter 3 projection of an over spend of £821,000, due to the need to have agency cover due to demands in the system particularly linked to supporting the acute hospital and timely discharges and the complexity of court protection work in learning disabilities. There is a plan which is being implemented to reduce and then eliminate the use of agency social workers in adult social care as the new operating model is implemented.
- Learning Disabilities Day Opportunities – the over spend of £760,000 mainly relates to placement numbers exceeding the available budget for external day services (£500,500). Secondly, whilst the learning disabilities home care budget also has an over spend as people continue not to return to internal day services, new people are taking up the vacant day services placements with increasing numbers of older people with dementia and physical frailty in the service. Thirdly, transport costs are higher (£287,000) due to the service having to hire vehicles on a short term basis as the service continues to experience delays in the delivery of replacement vehicles due to chassis parts being difficult to obtain, which are now planned to be received over the Summer. The delays were originally due to a backlog of orders from Covid but further impacted by the Ukraine war, and are still being experienced so further pressures relating to vehicle hire are expected in the first half of 2024-25. A learning disabilities transformation programme has been established which is focussed on embedding progressive practice, reviewing current high cost care and support packages and cost effective commissioning. There are outcome surgeries and panels to ensure that practice is strength based, a review of day opportunities and commissioning colleagues are undertaking a deep dive into the supported living contract
- Mental Health Home Care – this includes supported living, short breaks and domiciliary care. The over spend of £591,000 is mainly due to increased needs of people with supported living packages of care. The over spend has decreased since quarter 3 by £88,000 due to a net reduction of 2 placements taking the total to 48.
- Older People Direct Payments – there is an over spend of £281,000 across the Direct Payments budgets in this area. The main reason for the over spend is the increasing complexity of cases, however it has decreased from the projected £302,000 over spend reported at quarter 3 due to a net reduction of 12 cases.
- Physical Disability/Sensory Impairment Home Care – there is an over spend of £231,000 which has increased since the quarter 3 projected over spend of £101,000 due to an increase in the number of placements from 89 reported at quarter 3 to 119 by the end of quarter 4.

- Physical Disability/Sensory Impairment Direct Payments - there is an over spend of £194,000 which is comparable to the £198,000 over spend projected at quarter 3. The over spend relates to an increasing complexity of cases that impact on the average cost of direct payments support.
- Physical Disability/Sensory Impairment Residential/Nursing – the over spend of £65,000 is due to higher placement numbers than budget. This is comparable with the quarter 3 projected over spend of £61,000.
- Equipment & Adaptions – the over spend of £55,000 has reduced from the quarter 3 projected over spend of £84,000. The over spend position is because of continuing demand for equipment due to the need to support individuals in line with Welsh Government’s rehabilitation and recovery model.
- Mental Health Residential Care – the under spend of £118,000 has decreased from the quarter 3 projected under spend of £185,000. This is due to there being an increase in the number of placements from 40 at quarter 3 to 43 in quarter 4.
- Learning Disabilities Direct Payments – the under spend of £154,000 has improved from the projected under spend at quarter 3 of £112,000. The underlying under spend is due to reimbursements being reclaimed from people using the service where balances in accounts have exceeded the permitted contingency. The increase in under spend since quarter 3 is due to reductions in existing packages of support.
- Mental Health Supported Accommodation – the £231,000 under spend primarily relates to utilisation of Innovation Grant Funding to support staffing budgets in this service area (£262,000).
- Older People Home Care – the £510,000 under spend primarily relates to staffing under spends as a result of the recruitment challenges in the home care sector. Agency staff have been utilised to supplement the workforce where available, however the market is showing an improving picture and it is anticipated that there will be a reduction in the use of agency staff in 2024-25. The under spend also reflects maximisation of the Regional Integrated Fund and Transformation grant funding - £140,000. The under spend has reduced from the projected under spend of £765,000 reported at quarter 3 due to an increase in the number of Independent Domiciliary Care packages which have increased from 560 at quarter 3 to 603 in quarter 4.

### **Prevention and Wellbeing**

- There is an overall under spend of £395,000 within Prevention and Wellbeing. Council approved a budget pressure of £2 million for Adult Social Care as part of the 2023-24 to 2027-28 Medium Term Financial Strategy. £305,000 was allocated to the Local Community Co-ordinators service. Due to delays in recruiting to the posts, there was an under spend of £111,000 on staffing. These posts have now been filled.
- The balance of the under spend relates to maximisation of grant funding opportunities, which mostly took place in quarter 4, including Shared Prosperity Fund (£144,000), Playworks (£16,000), Age Friendly (£25,000) and Children and Communities Grant (£133,000).

## **Children's Social Care**

There is a net over spend of £5.322 million on the Children's Social Care Budget, which is a decrease on the projected net over spend of £7.585 million at quarter 3, due primarily to the full £2.5 million draw down of the Children's Services sustainability earmarked reserve in quarter 4.

The most significant variances contributing to this over spend were:-

<b>CHILDREN'S SOCIAL CARE</b>	<b>Actual Variance Over/(under) Budget – outturn £'000</b>	<b>Projected Variance Over/(under) Budget – qtr 3 £'000</b>
Care Experienced Children	5,609	5,329
Commissioning & Social Work	55	2,335
Management & Administration	(34)	196
Other Child & Family Support Services	(123)	(208)
Family Support Services	(185)	(67)

- The over spend of £5.609 million for Care Experienced Children is due to a combination of factors:-
  - The Independent Residential Care budget has over spent by £5.345 million which has increased by £110,000 from the quarter 3 projected over spend of £5.235 million. The number of care experienced children in out of authority placements has reduced by 1 since quarter 3 however, there have been increases in agency costs for unregulated placements. The underlying over spend position is due to a number of factors and whilst the overall number of care experienced children has reduced, the number in independent residential placements (19) exceeds the budget which covers between 6-8 placements depending on the unit cost. In addition, there are insufficient foster carer placements to meet needs and children requiring specialist provision sometimes with high staffing ratios to keep them safe and protected.
  - Children's Residential Services have an under spend of £384,000 which is comparable with the projected under spend position of £346,000 at quarter 3. In 2023-24 a budget pressure of £684,000 was approved for Children's Services for staffing costs in residential settings. The underlying under spend relates to this growth as there was a delay in the opening of Golygfa'r Dolydd (Meadow's View), the new build children's home. Whilst the service had an increase in Eliminating Profit grant in quarter 4 of £237,284, this was offset by additional spend on both staffing and non-staffing, due to increases in take up of beds in the new residential provision.
  - There is a projected under spend on Independent Fostering Agency placements (£322,000) which has decreased slightly since the quarter 3 projected under spend of £344,000 as the number of placements has increased. The underlying under spend is due to other placement options being utilised including Special Guardianship Orders which are projecting an over spend of £476,000.

- Commissioning and Social Work – the over spend of £55,000 has decreased significantly since the projected over spend of £2.295 million at quarter 3 due to a £2.316 million draw down in quarter 4 from the £2.5 million Children’s services sustainability EMR against workforce pressures. The underlying over spend prior to draw down of the earmarked reserve is mainly due to having to rely on agency staffing across all the children’s social work teams due to the recruitment challenges and the need to operate above historic establishment levels to maintain safe caseloads, although good progress is being made in retaining and recruitment including international recruitment and conversion of some agency workers to permanent contracts. The decision of the Council in relation to the sustainability plan now enables permanent recruitment to progress.
- Management & Administration – the under spend of £34,000 has reduced since the projected over spend of £196,000 at quarter 3 due to a £184,000 draw down in quarter 4 from the £2.5 million Children’s services sustainability EMR. The underlying over spend is due to agency workforce ensuring effective management oversight in accordance with inspection findings. All management positions have now been successful recruited to.
- Other Child & Family Support Services – the under spend of £123,000 has reduced from the projected under spend of £208,000 reported at quarter 3 as there was a reduction in the anticipated refund from the Regional Adoption service based on a higher number of children from Bridgend being adopted than was anticipated at quarter 3. The MTFs includes a £250,000 budget reduction proposal against the Bridgend County Borough Council contribution towards the regional Western Bay adoption service, which will require close monitoring to ensure its deliverability.
- Family Support Services – the under spend of £185,000 has increased from the projected under spend of £67,000 at quarter 3. This is due to a combination of a decrease in demand on direct payments (£56,000) and Advocacy services (£60,000) along with maximisation of Housing Support Grant of £17,810, on Domestic Abuse service provision.

### 3.3.3 **Communities Directorate**

The net budget for the Directorate for 2023-24 was £34.382 million and the actual outturn was £34.502 million following draw down of £2.419 million from earmarked reserves, resulting in an over spend of £120,000.

The Directorate has undertaken work on increasing fees and charges in-year including charges for green and bulky waste collections. Secondly, Corporate Landlord continue to work on several office rationalisation proposals, including Ravens Court and the Innovation Centre and maximising the use of the Civic Offices to enable deliverability of historic and in-year MTFs budget reduction proposals (see 3.2.2 and 3.2.4). Other opportunities are also being explored with service areas to ensure the best use of the corporate estate. Finally, maximising grant funding is an ongoing activity as the Directorate has a number of significant grant allocations, including £23 million over 3 years for the Shared Prosperity Fund.

The main variances are:

<b>COMMUNITIES DIRECTORATE</b>	<b>Net Budget</b>	<b>Actual Outturn</b>	<b>Actual Variance Over/(under) budget</b>	<b>% Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Climate Change Response	571	440	(131)	-22.9%
Waste Disposal & Collection	10,260	10,054	(206)	-2.0%
Fleet Services	135	618	483	357.8%
Highways Services (DSO)	3,347	3,183	(164)	-4.9%
Engineering Services	214	44	(170)	-79.4%
Traffic & Transportation	871	697	(174)	-20.0%
Corporate Landlord	4,198	4,745	547	13.0%

#### Climate Change Response

- The under spend of £131,000 in the Climate Change Response budget is primarily due to staff vacancies (£81,000) and subsequent under spend on associated climate change supplies and services budgets (£50,000) as a result of the selective vacancy freeze. Part of this under spend will be utilised towards the MTFs budget reduction for the Climate Emergency Response Programme of £55,000 in 2024-25.

#### Waste Disposal and Collection

- There is a net under spend on the Waste Disposal and Collection budget of £206,000 which has improved from the projected net under spend of £99,000 reported at quarter 3. The under spend is mainly due to additional income in relation to the joint service provision with the City and County of Swansea for the treatment of the Council's domestic food waste with higher income levels being achieved during 2023-24 (£129,000), however, there are still underlying pressures on the waste budget, including:
  - £60,000 due to the delay in the achievement of the 2022-23 MTFs saving, COM 2 - Re-location of Community Recycling Centre from Tythegston to Pyle resulting in cessation of lease payments at the existing site. The new site opened during quarter 4, however the timing of the opening meant that the saving could not be implemented in 2023-24. The majority of the saving will now be made in 2024-25 once the exit terms of the lease at Tythegston have been finalised.
  - £35,000 due to the delay in the achievement of the 2022-23 MTFs saving, COM 3 – change the composition of Household Food Waste Bags. The budget reduction proposal was delayed until the outcome of national research had been completed to ensure any potential changes in legislation did not impact on this proposal. The new waste contractors from 1st April 2024 have been advised of the change of composition, therefore the saving will be made in full during 2024-25.
  - £50,000 due to the delay in the achievement of the 2023-24 MTFs saving, COM 1 – closure of each of the Community Recycling Centre sites for one weekday per week. Public consultation on this proposal was under taken between 30th June and 12th September 2023, with the outcome reported to Cabinet on 21st November 2023, when the proposal was approved. A marginal saving was made in 2023-24, with the full saving being realised in 2024-25.

- The remaining pressure on the waste budget is due to an increase in subscribers for both the Absorbent Hygiene Products (AHP) (£139,000) and Garden Waste (£53,000) collection services. The AHP service has been promoted to further improve the recycling levels achieved in Bridgend which also mitigates the risk of fines imposed by Welsh Government (WG) if local authorities do not meet their recycling targets. It has seen an increase of 6.2% since the start of the 2022-23 financial year. Garden waste subscriptions have increased by 20% over the last two years with the number of subscribers increasing from 6,249 in 2021-22 to 7,536. An annual subscription fee is charged for the service, and the garden waste collected also improves the recycling levels achieved in Bridgend, however it was not a fully cost-recovering service in 2023-24. It is anticipated under the new waste contract from the 1st April 2024 that the service will be fully cost-recovering in line with the Council's Fees and Charges Policy.

#### Fleet Services

- There is an over spend of £483,000 on Fleet Services which has worsened since the £350,000 over spend projected at quarter 3. As previously reported, the fleet services team operate on a break-even basis with re-charges for work undertaken on directorates, South Wales Police (SWP) and the general public's vehicles, generating income to support staffing and overhead costs. Productivity levels continue to be impacted by long term sickness and ongoing issues with recruitment and retention difficulties. A market supplement has been introduced in line with the corporate Market Supplement Policy following comparisons with neighbouring authorities and remuneration of HGV technicians, which has seen some limited success in filling vacancies. A report outlining options for service operating models to mitigate the budget position of fleet services has been delayed due to officer availability but is now proceeding.

#### Highways Services

- The under spend of £164,000 within Highways Services is primarily due to core funded staff being utilised to support work on capital schemes. In these cases, the salary costs can be capitalised, thus generating one-off income for the service area. The under spend has reduced from the quarter 3 projected under spend of £250,000 due to additional street lighting maintenance (£45,000) being necessary to be undertaken.

#### Engineering Services

- There is a under spend on Engineering Services of £170,000. This is primarily due to an increase in the level of fee earning jobs (grant funded/non grant funded projects) and the differing chargeable rates allowed on the schemes.

#### Traffic and Transportation

- There is an under spend of £174,000 within Traffic and Transport Services. Parking Service is showing an under spend of £173,000. This is primarily due to better than forecast levels of income received in some car parks. This additional income is contributing to running parking services and pressures within the overall transport budget, e.g. Fleet Services, shopmobility service.
- The remainder of the under spend relates to staff vacancies which will be utilised towards the MTFs budget reduction for strategic transport planning of £70,000 in 2024-25.

### Corporate Landlord

- There is an over spend of £547,000 against Corporate Landlord. As reported in the 2022-23 outturn report, there are shortfalls in income generated from properties run by the Council that relate to occupancy shortfalls which have continued into 2023-24. It was reported at quarter 1 that there was an underlying shortfall in income at Bridgend Market of £100,000. This increased to £373,000 by quarter 4 primarily due to the identification of Reinforced Autoclaved Aerated Concrete (RAAC) and the subsequent closure of the market and loss of rental income.
- There is also a shortfall in income of £124,000 for the Innovation Centre and £134,000 on Industrial Units, and a strategy is being developed to reduce these income shortfalls in the longer term.
- Corporate Landlord continue to seek to commercially let out wings of Ravens Court to a partner organisation or business. However, at present demand for office space is limited and the re-letting market is extremely challenging. As noted in section 3.2.2 and 3.2.4 the £50,000 target for 2022-23 and the £120,000 target for 2023-24 in relation to this MTFS proposal were not achieved in this financial year which represents a further £170,000 pressure on the Corporate Landlord estates budget. There is also another £73,000 MTFS saving across the estate budgets for 2024-25.
- The over spend has been partially offset by staffing vacancies of £246,000 in line with the selective recruitment freeze.

### 3.3.4 Chief Executive's

The net budget for the Directorate for 2023-24 was £25.410 million and the actual outturn was £25.949 million following draw down of £1.311 million from earmarked reserves, resulting in an over spend of £539,000. This is compared to a projected over spend position of £1.265 million at quarter 3. The main reason for the decrease in projected over spend since quarter 3 is the receipt in quarter 4 of an increase to the 'Discretionary Housing Prevention' grant for homelessness from Welsh Government of £257,000 and an increase in the Ukraine Humanitarian Response grant of £140,000. Without this additional funding, the Housing and Homelessness service would have over spent by £637,000.

The main variances are:

CHIEF EXECUTIVE'S	Net	Actual outturn	Actual Variance	% Variance
	Budget		Over/(under)	
	£'000		budget £'000	
Legal, Democratic & Regulatory	6,074	6,627	553	9.1%
ICT	4,367	4,284	(83)	-1.9%
Housing & Homelessness	4,177	4,417	240	5.7%
Human Resources/ Organisational Development	2,237	2,110	(127)	-5.7%
Partnerships	2,377	2,255	(122)	-5.1%

### Legal, Democratic & Regulatory

- There is a net over spend of £553,000 across Legal, Democratic and Regulatory services, which shows an improved position from the quarter 3 projected net over spend of £718,000. In comparison, the over spend on legal fees for 2022-23 was £417,000, but this was partially offset by an earmarked reserve of £340,000 which was drawn down in that financial year. The remaining earmarked reserve for 2023-24 of £125,000 was drawn down to partially mitigate the over spend position.
- The over spend is primarily due to legal fees continuing to be a budget pressure. The pressures experienced in 2022-23 on public and private law childcare cases, along with an increase in volume of complex cases that have required King's Counsel, are continuing into 2023-24 and the actual spends are based on the number and complexity of cases. Council approved a £300,000 budget pressure for 2024-25 to support the increase in legal fees.
- There is also a net over spend of £9,000 in Regulatory Services (Licencing, Public Health, Pest Control etc) due to under recovery of income, particularly in Taxi Licencing and Environmental Health. This has improved since the quarter 3 projected over spend of £99,000 due to a refund of £74,000 being received in relation to the Shared Regulatory Service that provides regulatory services for Bridgend County Borough Council, Cardiff Council and the Vale of Glamorgan Council.

### ICT

- There is a net under spend of £83,000 across ICT budgets. This has improved from the projected net over spend of £39,000 reported at quarter 3 due primarily to earmarked reserve funding being utilised to offset one off software upgrade costs during quarter 4.
- This is partially offset by increased expenditure as a result of rising postage costs and under recoument of printing recharge income as a result of hybrid working.

### Housing & Homelessness

- There is an over spend of £240,000 on Housing & Homelessness. This is compared to the projected over spend position of £538,000 at quarter 3.
- Budget growth of £2.192 million was approved by Council as part of the MTFS Budget setting process in February 2021 to continue the commitment to focus support for homeless individuals providing them with accommodation. An additional budget pressure of £700,000 was approved by Council in March 2022 based on increased numbers of households and individuals supported with accommodation. The core accommodation budget for 2023-24 is £2.722 million.
- For 2023-24, Welsh Government (WG) initially provided grant funding of £898,694 for accommodation under the "No One Left Out" funding stream, and £137,000 for financial assistance for families and individuals experiencing financial difficulties with accommodation under a Discretionary Homelessness Prevention Grant. During quarter 4 WG increased the Discretionary Homelessness Prevention Grant by £257,000. WG also increased the Ukrainian grant funding by £140,000 up to £212,000. The total revised funding received from WG relating to housing and homelessness services for 2023-24 was £1.505 million which is still significantly lower than the total grant allocation of £2.128 million which was received in 2022-23.
- Spend on Homelessness accommodation in 2023-24 totalled £5.092 million, compared with £4.790 million projected at quarter 3. As well as the core accommodation budget (£2.722 million), total WG homelessness accommodation grant funding (£1,174,000) and Ukrainian grant funding (£212,000) the service has

also seen an increase in rental income relating to Housing Benefits claimed by tenants who have been supported with homelessness accommodation (£419,000). The net impact is an over spend on homelessness accommodation of £565,000.

- The accommodation spend is based on increased numbers of households and individuals supported, from 601 households and 965 individuals between April 2022 to March 2023, to 659 households and 1,034 individuals between April 2023 to March 2024. The over spend is also partially due to the average length of stay in temporary accommodation increasing to an average length of stay of 158 days for 2023-24 compared to 96 days for 2022-23. Also the makeup of households in temporary accommodation involves large households and families with disabilities for whom temporary accommodation is difficult to secure and often results in significantly higher costs. The budget will require close monitoring as we move into the new financial year in line with any further changes in support required for homelessness accommodation.
- The projected over spend on accommodation is partially mitigated by the under spend of £133,000 on staff vacancies in line with the selective vacancy freeze and is comparable with the quarter 3 projection of £135,000. The service area plan to fill these vacancies, therefore they will not form part of the MTFs budget reduction to review provision of the Homelessness Service in 2024-25.
- The other area of under spend in Housing relates to the Housing Deposits budget, a fund that is used to support initial set-up costs in temporary accommodation which has a £137,000 under spend.
- To mitigate this over spend on Housing going forward, in the short term the Rapid Rehousing Transitional Plan sets out the intention to work in partnership with key stakeholders to prevent homelessness and to ensure that where prevention is not possible, homelessness is brief and people have access to the support required to live as independently as possible. Secondly, the service is seeking to expand the existing Alternative to Bed & Breakfast Accommodation (ABBA) service which is a partnership working model with Registered Social Landlords (RSLs) to reduce the usage of Bed and Breakfast Accommodation through the provision of suitable temporary accommodation units, with linked housing related support, supporting the move into independent accommodation. Finally, the service is undertaking feasibility work with Corporate Landlord to develop a procurement strategy whereby the Council purchases, owns and manages shared accommodation.
- In the medium term, the service is working with RSLs to utilise capital income streams such as the Social Housing Grant to increase suitable housing stock over a 5 year programme. In 2023-24 £3.5 million of transitional capital has been invested, creating an additional 38 units of social housing in the borough. Secondly, in November 2023 Cabinet agreed to join the Welsh Government private rent sector Leasing Scheme with the aim of increasing the supply of suitable, affordable accommodation in the borough and reduce demand on homelessness services.

#### Human Resources & Organisational Development

- There is a net under spend of £127,000 across Human Resources (HR) & Organisational Development services, which shows an improved position from the projected quarter 3 net under spend of £55,000. This is primarily due to an under spend on the core budget to support the Council's apprenticeship scheme as apprentices have been successfully appointed into full time employment across the Authority. HR will be seeking to recruit additional apprentices in 2024-25, therefore this under spend is not recurring.

### Partnerships

- There is a net under spend of £122,000 across Partnership budgets which primarily relates to staff vacancies in line with the selective vacancy freeze. Part of this under spend will be utilised towards the MTFS budget reduction for Partnerships and Customer Services of £216,000 in 2024-25.

### 3.3.5 Council Wide budgets

This section includes budgets, provisions and services which are council wide, and not managed by an individual directorate. The net budget for 2023-24 was £37.295 million and the actual outturn was £32.016 million resulting in an under spend of £5.279 million.

The most significant variances were:-

<b>COUNCIL WIDE BUDGETS</b>	<b>Net Budget</b>	<b>Actual Outturn</b>	<b>Actual Variance Over/(under) budget</b>	<b>% Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Capital Financing	7,142	3,064	(4,078)	-57.09%
Council Tax Reduction Scheme	16,054	15,566	(488)	-3.04%
Insurance Premiums	1,363	764	(599)	-43.95
Repairs and Maintenance	460	0	(460)	-100%

### Capital Financing

- The under spend of £4.078 million mainly relates to additional interest from current investments due to the higher level of interest rates agreed by the Bank of England Monetary Policy Committee. The increase to 4.5% in May 2023 was the highest it has been since 2008, but this has further increased to 5% in June 2023 and 5.25% in August 2023. The rate has remained frozen at 5.25% since August 2023, however indications are that this will start to reduce during 2024.
- It should be noted that this will not be a recurring under spend as the Council approved new Highways and Children's Playground refurbishments in the Capital Programme in March 2023 to be funded from a combination of unallocated capital funding and prudential borrowing and this has not been drawn down in full to date.

### Council Tax Reduction Scheme

- There is an under spend of £488,000 on the Council Tax Reduction Scheme. This is a demand led budget and take-up is difficult to predict. Take-up for 2023-24 is higher than in 2022-23 when the gross spend in this budget area was £14.885 million, although part of this would be as a result of the council tax increase in April 2023. The budget will be closely monitored in 2024-25 following the 9.5% council tax increase in April 2024, as it is possible there could be an additional call on the scheme in view of the impact of the cost of living crisis on personal financial circumstances with the potential for an increase in the number of benefit claimants.

### Insurance Premiums

- There is an under spend of £599,000 on Insurance Premiums. This primarily relates to a reduction in the overall fund liability following successful claims repudiated and settled at a lower amount, claims won and an exceptionally low year for claims received. The outturn for 2023-24 is considered to be a one-off under spend, with

the budget not having under spent since 2020-21, however the budget will continue to be reviewed going forward to determine if there are any further permanent budget reduction opportunities.

#### Repairs and Maintenance

- There is an under spend of £460,000 which is as a result of slippage on some minor works schemes and feasibility studies in 2023-24.

### 3.3.6 Council Tax Collection

- At quarter 3 it was reported that it was still early in the financial year to provide a realistic indication of projected council tax income for 2023-24, and whether the Council was likely to see a reduction in council tax income as more people have suffered financial hardship due to the current cost of living crisis, or whether additional income would be collected from the introduction of council tax premiums on empty properties.
- The outturn for 2023-24 shows additional income of £1.506 million has been collected (+ 1.5%). £516,000 of this is in relation to the premium charge for empty properties, which was implemented on 1<sup>st</sup> April 2023, with the remainder being a combination of collection of arrears from previous financial years and additional in-year collection Premiums on second homes are being implemented from 1st April 2024.

### 3.4 Review of Earmarked Reserves

- 3.4.1 The Council is required to maintain adequate financial reserves to meet the needs of the organisation. The MTFs includes the Council’s Reserves and Balances Protocol which sets out how the Council will determine and review the level of its Council Fund balance and earmarked reserves. During 2023-24 Directorates drew down funding from specific earmarked reserves and these were reported to Cabinet through the quarterly monitoring reports. The final draw down from revenue reserves was £12.186 million and is summarised in Table 4 below. A more detailed breakdown of the movement on capital and revenue reserves is outlined in **Appendix 4**.

**Table 4 – Draw Down from Earmarked Reserves during 2023-24**

	<b>Draw down from Earmarked Reserves 2023-24</b> <b>£'000</b>
<b>Education &amp; Family Support</b>	649
<b>Social Services &amp; Wellbeing</b>	5,660
<b>Communities</b>	2,419
<b>Chief Executives</b>	1,311
<b>Non-Directorate</b>	2,147
<b>Total</b>	<b>12,186</b>

3.4.2 The net over spend position of £7.054 million for 2023-24, as set out in 3.1.2, required the unwinding of £6.952 million of existing earmarked reserves, along with a transfer of £102,000 from the Council Fund (see para 3.4.3) to balance the budget at year end. The main earmarked reserves that were unwound included capital programme reserves and those set aside for other high risk areas, which will reduce the funding available, for example, on capital expenditure going forward. Given the overall over spend position, no new earmarked reserves could be created at year end.

3.4.3 Table 5 below summarises the final position on all revenue useable reserves for the year, including the Council Fund. In addition there are currently £40.222 million of other earmarked reserves funding schemes within the capital programme.

**Table 5 – Summary of Movement on Revenue Earmarked Reserves 2023-24**

Opening Balance 1 April 2023 £'000	Reserve	Movement at Quarter 4			Closing Balance 31 March 2024 £'000
		Additions £'000	Reclassification £'000	Drawdown/ Unwound £'000	
9,832	Council Fund Balance	-	-	(102)	9,730
16,739	Corporate Reserves	3,143	(141)	(9,045)	10,696
19,182	Directorate Reserves	3,338	(6,326)	(9,526)	6,668
5,703	Equalisation & Grant Reserves	988	(232)	(2,454)	4,005
6,898	School Balances	-	-	(4,493)	2,405
<b>48,522</b>	<b>Total Earmarked Reserves</b>	<b>7,469</b>	<b>(6,699)</b>	<b>(25,518)</b>	<b>23,774</b>
<b>58,354</b>	<b>Total Usable Reserves</b>	<b>7,469</b>	<b>(6,699)</b>	<b>(25,620)</b>	<b>33,504</b>

3.4.4 In terms of financial reserves, the Council Fund balance represents 2.84% of the net revenue budget for 2023-24, or 4.30% of the net revenue budget excluding schools. This is a reduction from the 4.84% of the net revenue budget, excluding schools, reported in 2023-24 and is a further movement away from MTFs Principle 9 which states that:-

*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.*

#### **4. Equality implications (including Socio-economic Duty and Welsh Language)**

4.1 The protected characteristics identified within the Equality Act 2010, Socio-economic Duty and the impact on the use of the Welsh language have been considered in the preparation of this report. As a public body in Wales, the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

## **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

5.1 The Act provides the basis for driving a different kind of public service in Wales, with 5 ways of working to guide how public services should work to deliver for people. The well-being objectives are designed to complement each other and are part of an integrated way of working to improve well-being for the people of Bridgend. The allocation of budget determines the extent to which the Council's well-being objectives can be delivered. It is considered that there will be no significant or unacceptable impacts upon the achievement of the well-being goals or objectives as a result of this report.

## **6. Climate Change Implications**

6.1 There are no direct implications arising from this report.

## **7. Safeguarding and Corporate Parent Implications**

7.1 There are no direct implications arising from this report.

## **8. Financial Implications**

8.1 These are reflected in the body of the report.

## **9. Recommendation**

9.1 Council is recommended to:

- note the revenue outturn position for 2023-24.

**Background documents:** Individual Directorate Monitoring Reports

## PRIOR YEAR BUDGET REDUCTIONS CARRIED FORWARD INTO 2023-24

Ref.	Budget Reduction Proposal		Original Reduction and RAG £000	Revised RAG £000	Total amount of saving achieved in 23-24 £000	Reason why not achieved	Proposed Action in 2024-25 to achieve
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## RAG STATUS KEY

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

## SOCIAL SERVICES &amp; WELLBEING

SSW 2 (2022-23)	Remodelling day service provision for older people and learning disability services		115		115	As reported in the 2022-23 Revenue outturn report, some efficiencies were identified, however external factors prevented the achievement of the full savings target.	A review of the budgets within Adult Services was undertaken during quarter 2 to identify replacement savings against the £30,000 shortfall reported in quarter 1. Budget virements were actioned from Adult Services Non-residential income. No further action required.
<b>Total Social Services &amp; Wellbeing Directorate</b>			<b>115</b>		<b>115</b>		

## COMMUNITIES

COM 2 (2021-22)	Re-location of Community Recycling Centre from Tythegston to Pyle resulting in cessation of lease payments at existing site		60		0	As reported at quarter 3, positive progress was being made with Natural Resources Wales in relation to the licence at the new site in Pyle. The new site opened during quarter 4 (14th March 2024) however the timing of the opening meant that the saving could not be implemented in 2023-24.	The majority of the saving will be made in 2024-25, once the exit terms of the lease have been finalised. The service will endeavour to meet any shortfall in the saving through alternative one off efficiencies in 2024-25 to deliver a balanced budget position.
COM 3 (2022-23)	Change the composition of Household Food Waste Bags		35		0	The budget reduction proposal was delayed in 2023-24 until the outcome of national research had been completed to ensure any potential changes in legislation did not impact on this proposal. The new waste contractors from 1st April 2024 have been advised of the change of composition, therefore the saving will be made in full during 2024-25.	The new waste contractors from 1st April 2024 have been advised of the change of composition, therefore the saving will be made in full during 2024-25.
COM 4 (2022-23)	Remove Business in Focus from running Enterprise Centres in Bridgend		20		0	Rising costs of utilities, general contractor rates and occupational levels/demand impacting on profitability of Business in Focus units and therefore ability to reduce running costs and deliver saving proposal.	Review of Business in Focus operating model continues to be explored to identify operating efficiencies with a view to restructuring the management agreement with Business in Focus to deliver this saving in full in 2024-25.
COM 5 (2022-23)	Commercially let a wing of Ravens Court to a partner organisation or business		50		0	Demand for office space at this time is limited and the re-letting market extremely challenging, therefore unable to rent a wing of Ravens Court as anticipated.	The shared use of space with public sector partners has been accelerated. Discussion are ongoing with a number of parties in relation to the available accommodation at Ravens Court moving forward.
<b>Total Communities Directorate</b>			<b>165</b>		<b>0</b>		

<b>GRAND TOTAL OUTSTANDING REDUCTIONS</b>		<b>280</b>		<b>115</b>			
<b>REDUCTIONS SHORTFALL</b>				<b>165</b>			

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MONITORING OF 2023-24 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2023-24 £'000	Value of saving achieved 2023-24 £'000	Reason why not achieved	Proposed action in 2024-25 to achieve
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**EDUCATION & FAMILY SUPPORT**  
**CENTRAL EDUCATION & FAMILY SUPPORT**

EDFS1	Delegate some school transport responsibilities to The Bridge Pupil Referral Unit under a new delivery model to deliver efficiency savings	<ul style="list-style-type: none"> <li>Minimal impact anticipated</li> <li>Alternative service model to be implemented to deliver the identified efficiency</li> <li>Increased responsibility for school</li> </ul>	40	0	During 2023-24 officers investigated the practicalities and implications of a bespoke transport arrangement for the Bridge Alternative Provision. It was determined that without capital investment to purchase a vehicle and additional staff resources that the proposal was not possible to be delivered.	The transport budget for The Bridge has been re-instated to 2022-23 levels. Since September 2023, the approach taken in relation to supporting Post 16 learners with college passes has been changed, with the £40K savings now anticipated to be made on the Post 16 transport budget.
<b>Total Education and Family Support</b>			<b>40</b>	<b>0</b>		

**SCHOOLS**

SCH1	Efficiency savings against School Delegated Budgets - 2% for 2023-24	<ul style="list-style-type: none"> <li>The annual saving represents a 2% efficiency per annum against individual school budgets</li> <li>Risk of increased school deficit positions</li> <li>Implementation will be a matter for individual schools</li> <li>Potential to result in some teacher and other staff redundancies</li> <li>If efficiency is made solely from staffing budgets, this could range from a minimum of one teacher in our large primary schools and to five teachers in our larger secondary schools being made redundant over the MTFS period</li> </ul>	2,118	2,118	The savings were implemented in 2023-24 and schools budgets reduced accordingly. However, the overall consequential effect on schools is a significant contributory factor in that year end balances have fallen from £6.898 million brought forward from 2022-23 to £2.405 million at the end of 2023-24. There are 21 schools with deficit budget situations (20 Primary and 1 Special).	None required - saving implemented in full in 2023-24.
<b>Total Schools</b>			<b>2,118</b>	<b>2,118</b>		
<b>Total Education &amp; Family Support Directorate</b>			<b>2,158</b>	<b>2,118</b>		

MONITORING OF 2023-24 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2023-24 £'000	Value of saving achieved 2023-24 £'000	Reason why not achieved	Proposed action in 2024-25 to achieve
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COMMUNITIES

COM1	Closure of each of the Community Recycling Centre sites for one weekday per week	The waste contract related items would require both Contract variation negotiations with Kier to confirm the saving levels proposed along with public consultation regarding the reduced levels of service.	50	4	Public consultation on this proposal was under taken between the 30 June and 12 September 2023, with the outcome reported to Cabinet on the 21 November 2023, when the proposal was approved. A marginal saving was made in 2023-24, with the full saving being realised in 2024-25.	None required - 2024-25 will see the delivery of this saving target in full.
COM2	Charging Blue Badge Holders for parking	There are currently a number of measures which assist in providing equitable access, particularly for those who are participants in the Blue Badge Scheme. These include reserved spaces for Blue Badge Holders in Off-Street Car Parks in convenient locations, guidance on the proportion of disabled parking spaces within new parking facilities, some on-street parking provision in town centre locations, the ability to park on double yellow lines for up to 3 hours as long as no obstruction is caused and the Shopmobility scheme operated within Bridgend Town Centre. In providing parking either at ground level or in multi-storey car parks, the Council incurs both capital and ongoing revenue costs which the Council must source from its own funds. The current position is that a concession is applied in Off Street Car Parks for persons displaying a Blue Badge which provides for unlimited parking free of charge.	40	0	The traffic management team were engaged in the introduction of the default national speed limit in built up areas. The saving proposal was not achieved in 2023-24 due to the processes required to introduce any change.	The delivery of this proposal is linked to staffing within the Traffic and Transport section which is currently depleted due to unplanned staff absences. It is currently envisaged that the project will advance in Autumn 2024. Shortfalls against this savings target will be met through one off efficiencies in 2024-25 to deliver a balanced budget position.
COM3	Commercially let two wings 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	120	0	Demand for office space at this time is limited and the re-letting market extremely challenging, therefore unable to rent a wing of Ravens Court as anticipated.	The Council continues to engage with the current occupiers of Ravens Court to ensure a prompt relocation and for the building to be closed down allowing full operational savings to be made. No wings were let to external parties during 2023-24 however detailed negotiations are ongoing which will help to deliver the operational savings to meet this proposal during 2024-25.
COM4	Use revenue savings accrued as a result of switching street lighting to LED's across the County	The savings are predicated from reduced energy bills in 22/23 as a result of the LED street lighting roll out. This may be diminished in future years by rising energy costs overall	100	100	Full saving achieved in 2023-24	None required - saving made in full in 2023-24

**MONITORING OF 2023-24 BUDGET REDUCTIONS**

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2023-24 £'000	Value of saving achieved 2023-24 £'000	Reason why not achieved	Proposed action in 2024-25 to achieve
COM5	Reduction to Highways - Road Marking Budget	This reduction could have an impact on the enforcement of restriction as the remaining funding will be focused on markings that have wider safety implications	10	10	Full saving achieved in 2023-24	None required - saving made in full in 2023-24
COM6	Increase garden waste subscription cost to £46 per household and £42 for pensioners (Currently £41.01 per household or £36.73 for pensioners)	Potential increase in fly tipping. Loss of subscribers	30	30	Full saving achieved in 2023-24	None required - saving made in full in 2023-24
COM7	Increase bulky waste charges from £21.42 for 3 items to £25.	Potential increase in fly tipping.	25	25	Full saving achieved in 2023-24	None required - saving made in full in 2023-24
<b>Total Communities Directorate</b>			<b>375</b>	<b>169</b>		

**CHIEF EXECUTIVES**

CEX1	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.	40	40	Full saving achieved in 2023-24	None required - saving made in full in 2023-24
CEX2	Efficiency saving target targeting supplies and services budgets across the Chief Executive's Directorate	Limited impact as review has identified small historic under spends against this budget category	35	35	Full saving achieved in 2023-24	None required - saving made in full in 2023-24
<b>Total Chief Executive's Directorate</b>			<b>75</b>	<b>75</b>		

<b>GRAND TOTAL REDUCTIONS</b>	<b>2,608</b>	<b>2,362</b>
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<b>REDUCTION SHORTFALL</b>		
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230	2,358
260	0
2,118	250
2,608	2,608

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BRIDGEND COUNTY BOROUGH COUNCIL	Budget 2023-24			Actual Outturn	Actual Variance Over/(under) budget	% Variance
	Expenditure Budget	Income Budget	Net Budget			
	£'000	£'000	£'000			
<b>EDUCATION AND FAMILY SUPPORT</b>						
School Delegated Budgets	139,192	(23,064)	116,128	116,128	-	0.0%
Learner Support	8,200	(1,216)	6,984	8,179	1,195	17.1%
Family Support	7,991	(4,389)	3,602	3,100	(502)	-13.9%
Business Support	16,508	(4,418)	12,090	12,912	822	6.8%
Schools Support	1,550	(837)	713	650	(63)	-8.8%
School Modernisation	3,890	-	3,890	3,871	(19)	-0.5%
Vulnerable Groups Support	882	(96)	786	712	(74)	-9.4%
Other Education and Family Support	1,728	(60)	1,668	1,662	(6)	-0.4%
<b>TOTAL EDUCATION, EARLY YEARS AND YOUNG PEOPLE</b>	<b>179,941</b>	<b>(34,080)</b>	<b>145,861</b>	<b>147,214</b>	<b>1,353</b>	<b>0.9%</b>
<b>SOCIAL SERVICES AND WELLBEING</b>						
Adult Social Care	88,812	(22,848)	65,964	72,864	6,900	10.5%
Prevention and Wellbeing	8,472	(980)	7,492	7,097	(395)	-5.3%
Childrens Social Care	27,061	(1,131)	25,930	31,252	5,322	20.5%
<b>TOTAL SOCIAL SERVICES AND WELLBEING</b>	<b>124,345</b>	<b>(24,959)</b>	<b>99,386</b>	<b>111,213</b>	<b>11,827</b>	<b>11.9%</b>
<b>COMMUNITIES DIRECTORATE</b>						
Planning & Development Services	2,763	(2,023)	740	740	-	0.0%
Strategic Regeneration	3,056	(1,280)	1,776	1,681	(95)	-5.3%
Economy, Natural Resources and Sustainability	7,066	(5,390)	1,676	1,501	(175)	-10.4%
Cleaner Streets and Waste Management	14,505	(1,968)	12,537	12,404	(133)	-1.1%
Highways and Green Spaces	25,575	(12,410)	13,165	13,149	(16)	-0.1%
Director and Head of Operations - Communities	290	-	290	282	(8)	-2.8%
Corporate Landlord	16,246	(12,048)	4,198	4,745	547	13.0%
<b>TOTAL COMMUNITIES</b>	<b>69,501</b>	<b>(35,119)</b>	<b>34,382</b>	<b>34,502</b>	<b>120</b>	<b>0.3%</b>
<b>CHIEF EXECUTIVE'S</b>						
Chief Executive Unit	517	-	517	525	8	1.5%
Finance	39,431	(35,194)	4,237	4,272	35	0.8%
HR/OD	2,635	(398)	2,237	2,110	(127)	-5.7%
Partnerships	3,604	(1,227)	2,377	2,255	(122)	-5.1%
Legal, Democratic & Regulatory	7,043	(969)	6,074	6,627	553	9.1%
Elections	186	-	186	209	23	12.4%
ICT	5,501	(1,134)	4,367	4,284	(83)	-1.9%
Housing & Homelessness	12,036	(7,859)	4,177	4,417	240	5.7%
Business Support	1,349	(111)	1,238	1,250	12	1.0%
<b>TOTAL CHIEF EXECUTIVE'S</b>	<b>72,302</b>	<b>(46,892)</b>	<b>25,410</b>	<b>25,949</b>	<b>539</b>	<b>2.1%</b>
<b>TOTAL DIRECTORATE BUDGETS</b>	<b>446,089</b>	<b>(141,050)</b>	<b>305,039</b>	<b>318,878</b>	<b>13,839</b>	<b>4.5%</b>
<b>Council Wide Budgets</b>	<b>38,269</b>	<b>(974)</b>	<b>37,295</b>	<b>32,016</b>	<b>(5,279)</b>	<b>-14.2%</b>
Net Council Tax Income				(1,506)	(1,506)	0.0%
Transfers from Earmarked Reserves				(6,952)	(6,952)	0.0%
Transfer from Council Fund				(102)	(102)	0.0%
<b>NET BRIDGEND CBC</b>	<b>484,358</b>	<b>(142,024)</b>	<b>342,334</b>	<b>342,334</b>	<b>-</b>	<b>0.0%</b>

NB: Differences due to rounding of £000's

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**TOTAL MOVEMENT ON REVENUE AND CAPITAL EARMARKED RESERVES AS AT 31<sup>ST</sup> MARCH  
2024**

Opening Balance 01 Apr 23 £'000	Reserve	Movement as at 31 March 2024		Closing Balance 31 Mar 24 £'000
		Net Additions/ Reclassification £'000	Draw-down/ unwound £'000	
	<b>Corporate Reserves:</b>			
766	Asset Management Plan	-	(336)	430
1,768	Building Maintenance Reserve	355	(267)	1,856
450	Capital Asset Management & Asbestos Fund	-	(327)	123
631	Capital Feasibility Fund	71	(353)	349
884	Change Management	(308)	(227)	349
2,539	Digital Transformation, ICT & Finance Systems	384	(1,475)	1,448
800	Economic and Future Resilience Fund	-	(300)	500
1,548	Insurance Reserve	-	(719)	829
3,081	Major Claims Reserve	1,000	(3,581)	500
906	MTFS Budget Contingency	1,500	-	2,406
179	Property Disposal Strategy	-	(166)	13
2,893	Service Reconfiguration	-	(1,000)	1,893
294	Welfare Reform Bill	-	(294)	-
<b>16,739</b>	<b>Total Corporate Reserves</b>	<b>3,002</b>	<b>(9,045)</b>	<b>10,696</b>
	<b>Directorate Reserves:</b>			
6,558	City Deal Reserve	(6,558)	-	-
11,670	Directorate Issues	4,092	(9,406)	6,356
313	Looked After Children	(127)	-	186
103	Porthcawl Regeneration	-	-	103
272	School Projects Reserve	(272)	-	-
266	Wellbeing Projects	(123)	(120)	23
<b>19,182</b>	<b>Total Directorate Reserves</b>	<b>(2,988)</b>	<b>(9,526)</b>	<b>6,668</b>
	<b>Equalisation &amp; Grant Reserves:</b>			
32	Building Control Reserve	-	(32)	-
16	Civil Parking Enforcement	47	-	63
944	HWB Schools Infrastructure	414	(444)	914
3,648	IFRS Grants	404	(1,957)	2,095
153	Legal Fees	(153)	-	-
158	Local Development Plan	-	(21)	137
752	Special Regeneration Fund	-	-	752
-	Rest Bay	44	-	44
<b>5,703</b>	<b>Equalisation &amp; Grant Reserves:</b>	<b>756</b>	<b>(2,454)</b>	<b>4,005</b>
6,898	School Balances	-	(4,493)	2,405
43,973	Capital Programme Contribution	9,571	(13,322)	40,222
9,832	Council Fund Balance	-	(102)	9,730
<b>102,327</b>	<b>TOTAL RESERVES</b>	<b>10,341</b>	<b>(38,942)</b>	<b>73,726</b>

NB: Differences due to rounding of £000's

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# Agenda Item 8

<b>Meeting of:</b>	<b>COUNCIL</b>
<b>Date of Meeting:</b>	<b>24 JULY 2024</b>
<b>Report Title:</b>	<b>CAPITAL PROGRAMME OUTTURN 2023-24 AND QUARTER 1 UPDATE 2024-25</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, HOUSING AND CHANGE</b>
<b>Responsible Officer:</b>	<b>HUW POWELL CAPITAL ACCOUNTANT</b>
<b>Policy Framework and Procedure Rules:</b>	<b>Paragraph 3.5.3 of the Financial Procedure Rules requires that the Chief Finance Officer shall report quarterly to Cabinet and Council with an update on the Capital Strategy and the Prudential Indicators. This report fulfils that requirement. There is no impact on the policy framework or procedure rules.</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"><li>• <b>The report provides an update on the capital programme outturn position for 2023-24, the quarter 1 spend and projected spend for 2024-25 as at 30 June 2024, the revised capital programme for 2024-25 to 2033-34 and the projected Prudential and Other Indicators for 2024-25.</b></li><li>• <b>Appendix A shows the budgets and spend for the individual schemes in 2023-24.</b></li><li>• <b>Appendix B shows the budgets, spend to date and projected year end spend as at 30 June 2024 for the individual schemes in 2024-25.</b></li><li>• <b>Appendix C shows the revised capital programme for 2024-25 to 2033-34.</b></li><li>• <b>Appendix D provides details of the projected Prudential and Other Indicators for 2024-25.</b></li></ul>

## **1. Purpose of Report**

### **1.1 The purpose of this report is to:**

- **Comply with the Chartered Institute of Public Finance and Accountancy's (CIPFA) 'The Prudential Code for Capital Finance in Local Authorities' (2021 edition)**

requirement to report performance against all forward looking indicators on a quarterly basis.

- Provide an update to Council on the capital programme outturn for 2023-24 (**Appendix A**).
- Provide an update to Council on the capital programme position for 2024-25 as at 30 June 2024 (**Appendix B**).
- Ask Council to note the net slippage of £17.082 million in to 2024-25 as detailed in **Appendix C**.
- Seek Council's approval for the virements between schemes as detailed in **Appendix C**.
- Seek Council's approval of the new schemes/additions to the capital programme totalling £2.614 million as outlined in **Appendix C**.
- Ask Council to note the projected Prudential and Other Indicators for 2024-25 (**Appendix D**).

## 2. Background

- 2.1 The Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 as amended, contain detailed provisions for the capital finance and accounting controls, including the rules on the use of capital receipts and what is to be treated as capital expenditure. They modify accounting practice in various ways to prevent adverse impacts on authorities' revenue resources.
- 2.2 As well as the legislation, the Council manages its Treasury Management and Capital activities in accordance with the following associated guidance: -
- CIPFA's Treasury Management in the Public Services: Code of Practice
  - CIPFA's The Prudential Code for Capital Finance in Local Authorities
  - Welsh Government (WG) revised Guidance on Local Authority Investments
- 2.3 The Prudential Code for Capital Finance in Local Authorities requires Local Authorities to have in place a Capital Strategy which demonstrates that the Authority takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability, and affordability. To demonstrate that the Council has fulfilled these objectives, the Prudential Code sets out a number of Indicators that must be set and monitored each year. The Council's Capital Strategy 2024-25, incorporating the Prudential Indicators for 2024-25, was approved by Council on 28 February 2024.
- 2.4 On 1 March 2023 Council approved a capital budget of £69.045 million for 2023-24 as part of a capital programme covering the period 2023-24 to 2032-33. The programme was last updated and approved by Council on 28 February 2024.

## 3. Current situation / proposal

### 3.1 Capital Programme Outturn 2023-24

The original budget approved by Council on 1 March 2023 has been revised and approved by Council during the year to incorporate budgets brought forward from 2022-23 and any new schemes and grant approvals during 2023-24. The revised programme for 2023-24, approved by Council on 28 February 2024 totalled £49.714 million, of which £27.279 million was to be met from Bridgend County Borough

Council (BCBC) resources, including capital receipts, revenue contributions from earmarked reserves and borrowing, with the remaining £22.435 million coming from external resources.

3.1.2 **Appendix A** provides details of the individual schemes within the capital programme, showing the budget available in 2023-24 compared to the actual spend. Since the last report presented to Council on 28 February 2024 there have been a few minor amendments to the 2023-24 programme. The main changes are:

- New approvals of £0.829 million, as a result of additional Welsh Government grant funding of £0.371 million for School Maintenance (in addition to an additional revenue contribution of £0.030 million) and £0.030 million for Unadopted Roads, £0.143 million contribution from Coychurch Crematorium and £0.285 million revenue/earmarked reserve contributions as a result of revised expenditure profiles across a number of schemes.
- These additions are offset by reductions of £1.065 million in the programme, including £0.062 million for the Community Focused Schools scheme, £0.033 million for the Flying Start Extension and £0.893 million for Telecare. These are as a result of some items of expenditure on the schemes being deemed to be revenue in nature, and so expenditure as well as the equivalent amount of funding was transferred to revenue. The Digital Transformation budget has also been reviewed and reduced by £0.064 million.
- £2.371 million of funding has been brought forward from 2024-25 to reflect revised spend profiles.

This brings the revised budget for 2023-24 to £51.849 million.

3.1.3 Total expenditure as at 31 March 2024 was £31.813 million which, after slippage of £19.453 million into 2024-25, and adjustments to grant funded schemes of £0.548 million, results in a total under spend of £0.035 million. Slippage has arisen for a number of reasons, including delays in starting projects due to the need to undertake more detailed survey works, supply chain issues and ongoing discussions with funding bodies and other general programme delays.

3.1.4 Slippage forecast to be spent in 2024-25 of £19.453 million is required, the main schemes being:

- £2.429 million School Capital Maintenance Grant. There have been a number of delays on the individual projects within the scheme due to capacity issues, plus an additional £0.371 million was awarded by Welsh Government in March 2024 for use in 2023-24 which increased the available budget. The remaining budget is being slipped forward for use in 2024-25.
- £0.547 million Flying Start Extension Nantymoel. The Flying Start provision for Nantymoel was originally intended to be located at Nantymoel Primary but following site investigation work the site was deemed to be unsuitable, which has resulted in the scheme being delayed. A second site has now been identified within Nantymoel and site investigation and design works are now underway at the new location.

- £0.948 million Porthcawl Metro Link. Due to delays encountered by sub-contractors in procuring materials for the roof and guttering system, the scheme wasn't completed by the end of 2023-24, therefore £0.948 million has been slipped for use in 2024-25. The main contractor has advised that the handover date to the Council will be the end of July 2024.
- £0.607 million Shared Prosperity Framework. The Shared Prosperity Fund is working with local businesses, providing funding to assist with capital works and refurbishments. Due to delays with the legal and procurement processes, works being funded from the Shared Prosperity Fund were delayed until these processes were finalised. Grant payments will be made to the recipients once the work has been completed, which means the majority of grant payments will now be made in 2024-25.
- £0.530 million Homelessness and Housing. To respond to increasing numbers of housing and homelessness cases, Valleys to Coast (V2C) secured £2.1 million of grant funding from Welsh Government to support a refurbishment programme to bring back into use 35 long term empty properties, or 'voids', which required significant investment. In July 2022 Council approved match funding of £530,000 to support this work and V2C confirmed that the properties would be available to the Council for nomination rights and to support those individuals and families in temporary accommodation. Due to technicalities with the Welsh Government funding V2C were unable to utilise the funding for the properties originally identified. It is therefore requested that the allocation be refocused in 2024-25 to fund other works undertaken by V2C to manage voids and to bring houses back into use. It has been confirmed that these works have been completed and nomination rights for the upgraded homes were given to BCBC.
- £1.066 million Affordable Housing. The Council was successful in purchasing one property in March 2024 and the remaining budget has been slipped to 2024-25 to purchase additional properties, with the council currently in the process of completing the purchase of a second property.

£0.573 million Corporate Capital Fund. This is an annual allocation of funding of £200,000, approved in 2019, and intended to be used to provide, amongst other things, match funding for new grant schemes, ICT and equipment replacement and to meet unanticipated pressures. Allocation of this funding is subject to Corporate Management Board approval. This will be monitored during 2024-25 and, if it is deemed that it is not needed in part or full, an element of this budget could be allocated to other capital schemes.

- £2.765 million Minor Works. Due to delays in completing a number of minor works schemes across all directorates, funding has been slipped for use in 2024-25.

### **3.2 Capital Programme Quarter 1 Update 2024-25**

- 3.2.1 This section of the report provides Members with an update on the Council's capital programme for 2024-25 since the budget was last approved by Council and incorporates any new schemes and grant approvals. The revised programme for 2024-25 currently totals £82.082 million, of which £43.944 million is met from Bridgend County Borough Council (BCBC) resources, including capital receipts, revenue contributions from earmarked reserves and borrowing, with the remaining

£38.138 million coming from external resources, including Welsh Government General Capital Grant. Table 1 below shows the capital programme for each Directorate from the February 2024 approved Council position to Quarter 1:

**Table 1 – Capital Programme per Directorate 2024-25**

Directorate	Approved Council February 2024 £'000	Net Slippage to / (from) 2023-24 £'000	New Approvals/ (Reductions) £'000	Slippage to future years £'000	Revised Budget 2023-24 £'000
Education & Family Support	58,564	6,115	1,118	(48,151)	17,646
Social Services and Wellbeing	503	731	(395)	-	839
Communities	48,138	7,188	1,759	-	57,085
Chief Executive's	2,881	2,504	132	-	5,517
Council Wide	451	544	-	-	995
<b>Total</b>	<b>110,537</b>	<b>17,082</b>	<b>2,614</b>	<b>(48,151)</b>	<b>82,082</b>

3.2.2 Table 2 below summarises the current funding assumptions for the capital programme for 2024-25. The capital resources are managed to ensure that maximum financial benefit for the Council is achieved. This may include the realignment of funding to maximise government grants.

**Table 2 – Capital Programme 2024-25 Resources**

CAPITAL RESOURCES	£'000
<b><i>BCBC Resources:</i></b>	
Capital Receipts	18,421
Earmarked Reserves	15,605
Unsupported Borrowing	5,244
Supported Borrowing	3,937
Other Loans	160
Revenue Contribution	577
<b>Total BCBC Resources</b>	<b>43,944</b>
<b><i>External Resources:</i></b>	
S106	2,695
Grants	35,443
<b>Total External Resources</b>	<b>38,138</b>
<b>TOTAL RESOURCES</b>	<b>82,082</b>

3.2.3 **Appendix B** provides details of the individual schemes within the capital programme, showing the budget available in 2024-25 compared to the projected year end spend at 30 June 2024. There are currently no projected under or over spends on any of the schemes at year end.

3.2.4 However, a number of schemes have been identified as requiring slippage of budget to future years (2025-26 and beyond).

Highways/Other Offsite Works Band B Schools (£3.300 million)

The highways budget in relation to Band B schemes will be expended once works have been designed and commissioned. It is anticipated that costs will be incurred in future years and will align to the revised Band B programme. Therefore £3.300 million has been slipped to 2025-26.

Heronbridge Replacement (£22.029 million)

The Royal Institute of British Architecture (RIBA) Stage 2 has concluded. A revised outline business case will be submitted to Welsh Government, and confirmation of Welsh Government and BCBC funding will be required in order to progress the scheme. Therefore £22.029 million has been slipped to 2025-26.

Mynydd Cynffig Replacement (£9.008 million)

The scheme is being progressed through RIBA Stage 3. Confirmation of the total funding of the scheme will be required in order to progress and £9.008 million is being slipped to 2025-26.

Y G Bro Oqwr Replacement (£9.791 million)

The scheme is being progressed through RIBA Stage 2. Confirmation of the total funding of the scheme will be required in order to progress and £9.791 million has been slipped to 2025-26.

Bridgend West Mutual Investment Model (MIM) (£1.995 million)

Confirmation of the total funding of the scheme will be required in order to progress and £1.995 million has been slipped to 2025-26.

Land Purchase Band B (£2.028 million)

The programmes for Heronbridge School and Bridgend West Mutual Investment Model (MIM) have slipped, and land will be acquired to deliver the projects in line with revised programmes once they are confirmed. Therefore £2.028 million has been slipped to 2025-26.

3.2.5 There are a number of amendments to the capital programme for 2024-25, such as new and amended schemes, since the capital programme was last approved, including:

Schools Minor Works (£0.175 million)

The Council has been awarded £0.175 million from Welsh Government's Voluntary Aided Urgent Repair Programme, which will allow flat roof and window replacement works to commence at St Mary's Catholic Primary School. The total cost of the works will be £0.250 million, with the Council's £0.075 million contribution being funded from the Schools Minor Works budget.

#### Additional Learning Needs (ALN) Grant (£0.913 million)

Welsh Government has awarded the Council £0.913 million to optimise learning environments for disabled children and young people and those with additional learning needs, to increase accessibility, promote inclusive practice, support learning and pupil wellbeing. This will support the objectives of the Additional Learning Needs and Education Tribunal (Wales) Act (ALNET) and ALN reform, to create a unified bilingual system for supporting children and young people from 0 to 25 with ALN, and the delivery of the Curriculum for Wales in school settings.

#### Flying Start Extension – Nantymoel Primary (£0.030 million)

The Council were awarded £0.580 million in October 2023 to provide a new build Flying Start childcare facility at Nantymoel Primary School. After initial site investigation works at the school it was deemed the site was unsuitable. A second site in Nantymoel has since been identified and site investigation and design works are now underway at the new location. As a result, Welsh Government have awarded the Council an additional £0.030 million for the project to fund the additional cost of conducting two site investigations.

#### Flying Start Highways (£0.036 million)

As stated above, the site of Nantymoel Flying Start provision has now been identified and as part of the site investigation and feasibility work, technical officers have identified that there will be a need for highways works to be undertaken to improve pedestrian safety as well as associated traffic orders at an estimated cost of £0.036 million. Welsh Government have given approval for £0.014 million of the Flying Start Extension to part fund this work, with £0.022 million to be funded by the Council. The Council's contribution will be vired from the Welsh Medium Childcare Highways budget, as the builds at Ogmore and Bettws are now complete and no further expenditure is expected.

Parks/Pavilions/Community Centres Community Asset Transfers (£0.167 million)The Council have been awarded £0.167 million from Sport Wales Court Collaboration funding to refurbish sports courts at Maesteg Welfare Park and Caedu Park. The total cost of the refurbishments will be £0.223 million, and the Council will fund the balance of £0.056 million from the existing Community Asset Transfers budget.

#### Coychurch Crematorium Works (£0.075 million)

As the work on the Flower Court is now complete, the only planned capital work at Coychurch Crematorium this financial year is for the improvement of pathways within the grounds. The addition of £0.075 million will be funded from the Crematorium's accumulated balance.

#### Road Signs 20 mph Default Speed (£0.328 million)

Welsh Government have awarded the Council £0.328 million to support the implementation of the 20 mph default speed limit on restricted roads across the County Borough, which came in to force on 17 September 2023.

#### Fleet Vehicles (£0.179 million)

There have been a number of adjustments to the fleet budget as follows:

- Coleg Cymunedol Y Dderwen had intended on purchasing a new minibus, and a revenue contribution of £0.042 million was included within the Fleet Vehicles budget.

The school have now made the decision not to purchase a new minibus, and therefore £0.042 million has been removed from the programme.

- The existing fleet of waste vehicles is experiencing reliability issues which is having a significantly detrimental impact to service delivery. Due to what can be a long lead time for the purchase of waste and recycling vehicles, approval was given via a delegated power dated 14 June 2024 for Plan B to procure a number of replacement vehicles, up to a total value of £0.981 million. The installation of CCTV cameras and livery have increased the total cost of the vehicles to £1.037 million. Refurbishment of three existing vehicles is also required, at a cost of £0.090 million, giving a total cost for waste vehicles of £1.127 million.

Of the current £1.702 million Fleet Vehicles budget £0.754 million has already been committed and orders placed for 2 Whale tankers and 3 minibuses. There is currently an uncommitted budget of £0.906 million for fleet vehicles and therefore an additional £0.221 million is required to meet the balance of funding required for the waste vehicles. The additional budget will be funded by a virement of £0.146 million from the Waterton Depot Upgrade scheme, with the balance of £0.075 million funded from prudential borrowing as follows.

	£ million
<b>Budget Requirement:</b>	
New Waste Vehicles	1.037
Waste Vehicle Refurbishment	0.090
Whale Tankers and Minibuses	0.754
<b>Total Budget</b>	<b>1.881</b>
<b>Funded by:</b>	
Current Budget	1.702
Removal of CCYD Minibus	(0.042)
Prudential Borrowing	0.075
Virement form Waterton Depot	0.146
<b>Total Funding</b>	<b>1.881</b>

#### Coal Tip Safety (£0.067 million)

Following a further grant funding application submitted by officers, an additional £0.067 million has been awarded by Welsh Government for the Coal Tip Safety scheme, which brings the total capital funding available for the scheme to £0.457 million.

#### Maesteg Town Hall (£0.250 million)

The National Lottery Heritage Fund (NLHF) have awarded the Council £0.250 million for the Maesteg Town Hall scheme, to assist in addressing the additional costs incurred due to dry rot and time extensions. Council approval was given in November 2023 to vire £1.174 million from the Waterton Upgrade scheme to Maesteg Town Hall to fund the additional costs being incurred, with the understanding that any funding received from NLHF would result in the equivalent amount being returned to the Waterton Upgrade budget. Therefore, £0.250 million will be vired back to the Waterton Upgrade budget.

#### Low Carbon Heat Grant (£0.799 million)

The Council have been awarded a total £0.799 million from Welsh Government's Energy Service to replace existing fossil-fuelled heating and Domestic Hot Water

(DHW) provision with low-carbon alternative Air Source Heat Pump (ASHP) systems at Bryn Y Cae Residential Care Home and Bridgend Resource Centre. Rooftop solar panels will also be installed at both sites to aid the decarbonisation of the buildings. The Council will be providing match funding of £0.290 million for the project, which will be funded by a virement from the 2030 Decarbonisation budget.

#### Bryncethin Depot (£0.040 million)

An additional £0.040 million of Salix interest free loan funding has been made available for the installation of solar panels and LED lighting at Bryncethin Depot.

#### Disabled Facilities Grant (£0.132 million)

Cwm Taf Morgannwg Regional Partnership Board have awarded the Council £0.132 million from their Housing with Care Fund to support independent living in the community for residents with care and support needs. The funding will help provide intermediate care settings in the community so that people who need care, support and rehabilitation can return to living independently or maintain their existing independence.

In addition to the above schemes, one scheme has had their funding reduced and one scheme has been removed from the capital programme. These are shown as negative approvals:

#### Telecare (£0.395 million)

After reviewing the expenditure in 2023-24, the Telecare scheme has been deemed to be revenue in nature and therefore the budget for 2024-25 has been removed from the capital programme and is now included in the revenue budget.

3.2.6 A revised Capital Programme is included as **Appendix C**.

### **3.3 Prudential and Other Indicators 2024-25 Monitoring**

3.3.1 The Capital Strategy is intended to give an overview of how capital expenditure; capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future sustainability. To this end a number of prudential indicators were included in the Capital Strategy which was approved by Council. In line with the requirements of the Prudential Code, the Chief Finance Officer is required to establish procedures to monitor both performance against all forward-looking prudential indicators and the requirement specified.

3.3.2 In February 2024, Council approved the Capital Strategy for 2024-25, which included the Prudential Indicators for 2024-25.

3.3.3 **Appendix C** details the actual indicators for 2023-24, the estimated indicators for 2024-25 set out in the Council's Capital Strategy and the projected indicators for 2024-25 based on the revised Capital Programme. These show that the Council is operating in line with the approved indicators.

### **4. Equality implications (including Socio-economic Duty and Welsh Language)**

4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty, and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services, and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

## **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

5.1 The Act provides the basis for driving a different kind of public service in Wales, with five ways of working to guide how public services should work to deliver for people. The well-being objectives are designed to complement each other and are part of an integrated way of working to improve well-being for the people of Bridgend. It is considered that there will be no significant or unacceptable impacts upon the achievement of the well-being goals or objectives as a result of this report.

## **6. Climate Change Implications**

6.1 These are reflected within the report where relevant to specific schemes.

## **7. Safeguarding and Corporate Parent Implications**

7.1 There are no safeguarding and corporate parent implications arising from this report.

## **8. Financial Implications**

8.1 These are reflected within the report.

## **9. Recommendations**

9.1 It is recommended that Council:

- notes the Council's Capital Programme Outturn for 2023-24 (**Appendix A**).
- notes the Council's Capital Programme 2024-25 Quarter 1 update to 30 June 2024 (**Appendix B**)
- approves the revised Capital Programme, noting the slippage into 2024-25 of £17.082 million, and approves the virements between schemes and new schemes/additions of £2.614 million to the capital programme (**Appendix C**).
- notes the projected Prudential and Other Indicators for 2024-25 (**Appendix D**).

## **Background documents**

None

## Bridgend County Borough Council

## CAPITAL MONITORING REPORT

2023-24 OUTTURN REPORT

APPENDIX A

	Budget 23-24 (Council Feb 24)	New Approvals	Virement	Slippage from 2024-25	Revised Budget 2023-24	Total Expenditure 2023-24	Over / (Under) spend	Slippage to 2024-25	Impact on Grant Funding	Impact on BCBC Resources
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000

**Education & Family Support**

1	HIGHWAYS SCHEMES BAND B SCHOOL	100				100	-	(100)	100	
2	HERONSBRIDGE REPLACEMENT	500				500	333	(167)	167	
3	MYNYDD CYNFFIG REPLACEMENT	398				398	397	(1)	1	
4	Y G BRO OGWR REPLACEMENT	127				127	123	(4)	4	
5	YSGOL GYFYN GYMRAEG LLANGYNWYD	100				100	3	(97)	97	
6	GATEWAY TO THE VALLEYS SECONDARY SCHOOL	32		(32)		-	-	-	-	
7	GARW VALLEY SOUTH PRIMARY PROVISION	70				70	9	(61)	61	
8	PENCOED PRIMARY SCHOOL BAND A	53				53	2	(51)	51	
9	GARW VALLEY PRIMARY HIGHWAYS WORKS	30		(30)		-	-	-	-	
10	PENCOED PRIMARY SCHOOL HIGHWAYS WORKS	56				56	-	(56)	56	
11	ABERCERDIN PRIMARY HUB	277				277	-	(277)	277	
12	BRYNTEG COMPREHENSIVE ALL WEATHER PITCH	402		108		510	472	(38)	38	
13	CHILDRENS DIRECTORATE MINOR WORKS	255		(5)		250	63	(187)	187	
14	SCHOOLS TRAFFIC SAFETY	68				68	12	(56)	56	
15	SCHOOL MODERNISATION	386		(45)		341	5	(336)	336	
16	PENCOED PRIMARY CLASSROOM EXTENSION	102				102	38	(64)	64	
17	COETY PRIMARY SCHOOL EXTENSION	144				144	12	(132)	132	
18	BRYNTIRION COMPREHENSIVE SIX CLASSROOMS	100				100	20	(80)	80	
19	BRYNTIRION COMP HIGHWAYS			141		141	7	(134)	134	
20	EUCATION S106 SCHEMES	169				169	-	(169)	169	
21	MYNYDD CYNFFIG PRIMARY SCHOOL MOBILES	79		(79)		-	-	-	-	
22	SCHOOLS CAPITAL MAINTENANCE GRANT	4,629	401	(108)		4,922	2,493	(2,429)	2,429	
23	WELSH MEDIUM GRANT - BETTWS	-		5		5	5	-	-	
24	WELSH MEDIUM GRANT - OGMORE	65		40		105	105	-	-	
25	WELSH MEDIUM - HIGHWAYS	22				22	-	(22)	22	
26	FREE SCHOOL MEALS	2,535	(3)			2,532	2,123	(409)	409	
27	COMMUNITY FOCUSED SCHOOLS	924	(62)			862	714	(148)	148	
28	ALN CAPITAL GRANT	928				928	612	(316)	316	
29	YSGOL GYMRAEG BRO OGWR MOBILE CLASSROOMS	249				249	35	(214)	214	
30	PORTHCAWL WELSH MEDIUM SEEDLING SCHOOL	20				20	-	(20)	20	
31	FLYING START CHILDCARE	185				185	173	(12)	-	(12)
32	FLYING START EXTENSION - NANTYMOEL PRIMARY	580	(33)			547	-	(547)	547	
33	ICT SCHOOL EQUIPMENT BRYNTEG I PADS	96				96	96	-	-	
34	YOUTH SERVICE VEHICLE	75				75	75	-	-	
	<b>TOTAL Education &amp; Family Support</b>	<b>13,756</b>	<b>303</b>	<b>(5)</b>	<b>-</b>	<b>14,054</b>	<b>7,927</b>	<b>(6,127)</b>	<b>6,115</b>	<b>(12)</b>

**Social Services and Wellbeing**

35	BRYN Y CAE - UPGRADE HFE'S	40				40	-	(40)	40	
36	TY CWM OGWR	41				41	18	(23)	23	
37	WELLBEING MINOR WORKS	110		150		260	48	(212)	212	
38	BAKERS WAY MINOR WORKS	10				10	-	(10)	10	
39	CHILDRENS RESIDENTIAL HUB	444				444	370	(74)	74	

	Budget 23-24 (Council Feb 24)	New Approvals	Virement	Slippage from 2024-25	Revised Budget 2023-24	Total Expenditure 2023-24	Over / (Under) spend	Slippage to 2024-25	Impact on Grant Funding	Impact on BCBC Resources
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
40 TELECARE TRANSFORMATION	893	(893)			-	-	-	-		
41 TY CWM OGWR RESIDENTIAL CARE HOME HCF	41				41	38	(3)	-	(3)	
42 BREAKAWAY	100				100	2	(98)	98		
43 COMMUNITY CENTRES	197				197	30	(167)	167		
44 BRYNGARW HOUSE	8				8	-	(8)	8		
45 YSGOL BRYN CASTELL HARD COURT	99				99	-	(99)	99		
<b>TOTAL Social Services &amp; Wellbeing</b>	<b>1,983</b>	<b>(893)</b>	<b>150</b>	<b>-</b>	<b>1,240</b>	<b>506</b>	<b>(734)</b>	<b>731</b>	<b>(3)</b>	<b>-</b>

### Communities

#### Street Scene

46 COMMUNITY PLAY AREAS	106				106	55	(51)	51		
47 PARKS/PAVILIONS/OTHER COMMUNITY ASSET TRANSFERS	1,019				1,019	650	(369)	369		
48 ABERFIELDS PLAYFIELDS	11				11	-	(11)	11		
49 COYCHURCH CREM WORKS	802	143			945	945	-	-		
50 REMEDIAL MEASURES - CAR PARKS	135				135	-	(135)	135		
51 CIVIL PARKING ENFORCEMENT CAR	38				38	18	(20)	20		
52 20 MPH DEFAULT SPEED	1,089				1,089	865	(224)		(224)	
53 ROAD SAFETY SCHEMES	38				38	32	(6)	6		
54 HIGHWAYS STRUCTURAL WORKS	385		(38)	27	374	374	-	-	-	
55 CARRIAGEWAY CAPITAL WORKS	250		1		251	251	-	-	-	
56 CARRIAGEWAY & FOOTWAYS RENEWAL			45		45	45	-	-	-	
57 HEOL MOSTYN JUNCTION	168				168	-	(168)	168		
58 PROW CAPITAL IMPROVEMENT STRUCTURES	68	(10)			58	57	(1)		(1)	
59 HIGHWAYS MAINTENANCE GRANT	1,000		19		1,019	1,019	-	-		
60 REPLACEMENT OF STREET LIGHTING	400	45			445	445	-	-		
61 RIVER BRIDGE PROTECTION MEASURES	22				22	-	(22)	22		
62 COMMUNITIES MINOR WORKS	484	35	200		719	157	(562)	562		
63 ULEV TRANSFORMATION FUND 2	299				299	276	(23)	23		
64 FLEET TRANSITION-ULEV	220				220	65	(155)	155		
65 NET ZERO CARBON FLEET	264				264	117	(147)	147		
66 PORTHCAWL METRO LINK	3,778				3,778	2,830	(948)	948		
67 PENPRYSG ROAD BRIDGE	13				13	-	(13)	13		
68 RESIDENTS PARKING BRIDGEND TOWN CENTRE	109				109	-	(109)	109		
69 FLEET VEHICLES	279		29	598	906	906	-	-		
70 AHP WASTE	6				6	2	(4)	4		
71 CORNELLY CEMETERY EXTENSION	217				217	27	(190)	190		
72 PORTHCAWL CEMETERY EXTENSION	177				177	13	(164)	164		
73 S106 HIGHWAYS SMALL SCHEMES	42				42	3	(39)	39		
74 UNADOPTED ROADS	53	30	(27)		56	56	-	-		
75 TONDU WASTE DEPOT UPGRADE FIRE	17				17	-	(17)	17		
76 PUFFIN CROSSING KENFIG HILL	14				14	8	(6)	6		
77 YNYSAWDRE TO BRYNCETHIN ATR	784				784	629	(155)		(155)	
78 COAL TIP SAFETY	200				200	-	(200)	200		
79 TRAFFIC SIGNAL REPLACEMENT	299				299	9	(290)	290		
<b>TOTAL Streetscene</b>	<b>12,786</b>	<b>243</b>	<b>229</b>	<b>625</b>	<b>13,883</b>	<b>9,854</b>	<b>(4,029)</b>	<b>3,649</b>	<b>-380</b>	<b>0</b>

	Budget 23-24 (Council Feb 24)	New Approvals	Virement	Slippage from 2024-25	Revised Budget 2023-24	Total Expenditure 2023-24	Over / (Under) spend	Slippage to 2024-25	Impact on Grant Funding	Impact on BCBC Resources				
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000				
<b>Regeneration &amp; Development</b>														
80	EU CONVERGANCE SRF BUDGET	436			436	-	(436)	436						
81	COSY CORNER (PRIF)	1,430			1,430	1,417	(13)			(13)				
82	PORTHCAWL REGENERATION PROJECT	420			420	304	(116)	116						
83	ECONOMIC STIMULUS GRANT	484		(67)	417	-	(417)	417						
84	COASTAL RISK MANAGEMENT PROGRAM	764			764	554	(210)	210						
85	ARBED PHASE 1 CESP	273		987	1,260	1,260	-	-						
86	BRIDGEND HEAT SCHEME	-			-	-	-	-						
87	MAESTEG TOWN HALL CULTURAL HUB	2,452			2,452	2,079	(373)	373						
88	TOWN & COMMUNITY COUNCIL FUND	232			232	63	(169)	169						
89	PORTHCAWL TOWNSCAPE HERITAGE INITIATIVE	124			124	-	(124)	124						
90	BRDGND BUS SUP NETWORK		5	67	72	72	-	-						
91	COMM PROP ENHANCEMENT FUND	134			134	-	(134)	134						
92	CWM TAFF NATURE NETWORK	209			209	165	(44)		(44)					
93	URBAN CENTRE PROPERTY ENHANCE	562			562	101	(461)	461						
94	2030 DECARBONISATION	400			400	85	(315)	315						
95	SHARED PROSPERITY FRAMEWORK	989			989	382	(607)	607						
96	BRILLIANT BASICS	110			110	-	(110)		(88)	(22)				
97	LOCAL PLACES FOR NATURE	115			115	94	(21)		(21)					
98	PORTHCAWL GRAND PAVILION	537		268	805	805	-	-						
<b>TOTAL Regeneration &amp; Development</b>		<b>9,671</b>	<b>5</b>	<b>-</b>	<b>1,255</b>	<b>10,931</b>	<b>7,381</b>	<b>(3,550)</b>	<b>3,362</b>	<b>(153)</b>	<b>(35)</b>			
<b>Corporate Landlord</b>														
99	CAPITAL ASSET MANAGEMENT FUND	273			273	-	(273)	273						
100	RAVENS COURT	446			446	-	(446)	446						
101	DDA WORKS	82		150	232	26	(206)	206						
102	MINOR WORKS	1,497		(595)	902	-	(902)	902						
103	FIRE PRECAUTIONS MINOR WORKS	110		100	210	133	(77)	77						
104	BRYNCETHIN DEPOT FACILITIES	151			151	74	(77)	77						
105	EVERGREEN HALL	89	170		259	230	(29)	29						
106	INVESTING IN COMMUNITIES	47			47	-	(47)	47						
<b>TOTAL Corporate Landlord</b>		<b>2,695</b>	<b>170</b>	<b>(345)</b>	<b>-</b>	<b>2,520</b>	<b>463</b>	<b>(2,057)</b>	<b>2,057</b>	<b>-</b>	<b>-</b>			
<b>TOTAL Communities</b>		<b>25,152</b>	<b>418</b>	<b>(116)</b>	<b>1,880</b>	<b>27,334</b>	<b>17,698</b>	<b>-</b>	<b>9,636</b>	<b>9,068</b>	<b>-</b>	<b>533</b>	<b>-</b>	<b>35</b>
<b>Chief Executive</b>														
107	MANDATORY DFG RELATED EXPEND	2,561		(114)	435	2,882	2,882	-	-	-				
108	TARGET HARDENING GRANTS	-		92	92	92	-	-	-					
109	EMERGENCY REPAIR LIFETIME GRANT	-		128	128	128	-	-	-					
110	COMFORT SAFE & SECURITY GRANTS	-		14	14	14	-	-	-					
111	HOUSING RENEWAL AREA	315		(245)	27	97	-	-	-					
112	EMPTY HOMES GRANTS-GRANTS ONLY	-		124	124	124	-	-	-					
113	ENABLE GRANT	270		1	271	271	-	-	-					
114	HOMELESSNESS AND HOUSING	530			530	-	(530)	530						
115	HEALTH & WELLBEING VILLAGE	480			480	-	(480)	480						
116	AFFORDABLE HOUSING	1,444			1,444	378	(1,066)	1,066						
117	LEASING SCHEME WALES	26			26	-	(26)	26						
<b>TOTAL Housing/Homelessness</b>		<b>5,626</b>	<b>-</b>	<b>-</b>	<b>462</b>	<b>6,088</b>	<b>3,986</b>	<b>(2,102)</b>	<b>2,102</b>	<b>-</b>	<b>-</b>			

	Budget 23-24 (Council Feb 24)	New Approvals	Virement	Slippage from 2024-25	Revised Budget 2023-24	Total Expenditure 2023-24	Over / (Under) spend	Slippage to 2024-25	Impact on Grant Funding	Impact on BCBC Resources
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
118	ICT INFRA SUPPORT	766			766	371	(395)	395		
119	DIGITAL TRANSFORMATION	180	(64)		116	14	(102)	102		
120	CCTV SYSTEMS REPLACEMENT	38			38	-	(38)	38		
121	ICT DATA CENTRE REPLACEMENT	1,260			1,260	1,022	(238)	238		
122	HWB SCHOOLS IT	380			380	289	(91)	91		
<b>TOTAL ICT</b>		2,624	(64)	-	2,560	1,696	(864)	864	-	-
<b>TOTAL Chief Executive</b>		8,250	(64)	-	462	8,648	(2,966)	2,966	-	-
<b>Council Wide Capital Budgets</b>										
123	CORPORATE CAPITAL FUND	573			573	-	(573)	573		
124	UNALLOCATED	-		(29)	29	-	-	-		
		573	-	(29)	29	573	(573)	573	-	-
<b>GRAND TOTAL</b>		49,714	(236)	-	2,371	51,849	(20,036)	19,453	(548)	(35)

## Bridgend County Borough Council

## CAPITAL MONITORING REPORT

QUARTER 1 TO 30 JUNE 2024

APPENDIX B

	Budget 24-25 (Council Feb 24)	2023-24 Slippage b/f	New Approvals and Adjustments	Virement	Slippage to Future Years	Revised Budget 2024-25	Total Expenditure to Date	Projected Spend	Over / (Under) Spend	Impact on BCBC Resources
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000

**Education & Family Support**

1	HIGHWAYS SCHEMES BAND B SCHOOL	3,300	100			(3,300)	100	7	100	-	
2	HERONSBRIDGE REPLACEMENT	23,200	167			(22,029)	1,338	-	1,338	-	
3	MYNYDD CYNFFIG REPLACEMENT	9,294	1			(9,008)	287	29	287	-	
4	Y G BRO OGWR REPLACEMENT	10,198	4			(9,791)	411	68	411	-	
5	BRIDGEND WEST MIM	1,995				(1,995)	-	-	-	-	
6	YSGOL GYFYN GYMRAEG LLANGYNWYD	-	97				97	-	97	-	
7	LAND PURCHASE BAND B SCHOOLS	2,028				(2,028)	-	-	-	-	
8	GARW VALLEY SOUTH PRIMARY PROVISION	-	61				61	-	61	-	
9	PENCOED PRIMARY SCHOOL BAND A	-	51				51	-	51	-	
10	PENCOED PRIMARY SCHOOL HIGHWAYS WORKS	-	56				56	-	56	-	
11	ABERCERDIN PRIMARY HUB	-	277				277	-	277	-	
12	BRYNTEG COMPREHENSIVE ALL WEATHER PITCH	-	38				38	-	38	-	
13	CHILDRENS DIRECTORATE MINOR WORKS	-	187	175			362	-	362	-	
14	SCHOOLS TRAFFIC SAFETY	-	56				56	-	56	-	
15	SCHOOL MODERNISATION	-	336				336	-	336	-	
16	PENCOED PRIMARY CLASSROOM EXTENSION	798	64				862	5	862	-	
17	COETY PRIMARY SCHOOL EXTENSION	1,506	132				1,638	7	1,638	-	
18	BRYNTIRION COMPREHENSIVE SIX CLASSROOMS	1,580	80				1,660	-	1,660	-	
19	BRYNTIRION COMP HIGHWAYS	-	134				134	-	134	-	
20	EUCATION S106 SCHEMES	-	169				169	-	169	-	
21	SCHOOLS CAPITAL MAINTENANCE GRANT	-	2,429				2,429	78	2,429	-	
22	WELSH MEDIUM GRANT - BRIDGEND	550					550	-	550	-	
23	WELSH MEDIUM GRANT - OGMORE	-					-	(19)	-	-	
24	WELSH MEDIUM GRANT - PORTHCAWL	550					550	-	550	-	
25	WELSH MEDIUM - HIGHWAYS	-	22		(22)		-	-	-	-	
26	FREE SCHOOL MEALS	1,035	409				1,444	141	1,444	-	
27	COMMUNITY FOCUSED SCHOOLS	2,180	148				2,328	14	2,328	-	
28	ALN CAPITAL GRANT	-	316	913			1,229	56	1,229	-	
29	YSGOL GYMRAEG BRO OGWR MOBILE CLASSROOMS	-	214				214	-	214	-	
30	PORTHCAWL WELSH MEDIUM SEEDLING SCHOOL	350	20				370	2	370	-	
31	FLYING START EXTENSION - NANTYMOEL PRIMARY	-	547	30	(14)		563	3	563	-	
32	FLYING START HIGHWAYS	-			36		36	-	36	-	
	<b>TOTAL Education &amp; Family Support</b>	<b>58,564</b>	<b>6,115</b>	<b>1,118</b>	<b>-</b>	<b>(48,151)</b>	<b>17,646</b>	<b>391</b>	<b>17,646</b>	<b>-</b>	<b>-</b>

**Social Services and Wellbeing**

33	BRYN Y CAE - UPGRADE HFE'S	-	40				40	-	40	-	
34	TY CWM OGWR	-	23				23	-	23	-	
35	WELLBEING MINOR WORKS	-	212				212	16	212	-	
36	BAKERS WAY MINOR WORKS	-	10				10	-	10	-	
37	CHILDRENS RESIDENTIAL HUB	-	74				74	-	74	-	
38	TELECARE TRANSFORMATION	395		(395)			-	-	-	-	

	Budget 24-25 (Council Feb 24)	2023-24 Slippage b/f	New Approvals and Adjustments	Virement	Slippage to Future Years	Revised Budget 2024-25	Total Expenditure to Date	Projected Spend	Over / (Under) Spend	Impact on BCBC Resources
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
39	BREAKAWAY	-	98			98	1	98	-	
40	COMMUNITY CENTRES	-	167			167	12	167	-	
41	BRYNGARW HOUSE	-	8			8	-	8	-	
42	YSGOL BRYN CASTELL HARD COURT	-	99			99	-	99	-	
43	OGMORE VALLEY LIFE CENTRE	108				108	-	108	-	
<b>TOTAL Social Services &amp; Wellbeing</b>		<b>503</b>	<b>731</b>	<b>(395)</b>	<b>-</b>	<b>839</b>	<b>29</b>	<b>839</b>	<b>-</b>	<b>-</b>

### Communities

#### Street Scene

44	COMMUNITY PLAY AREAS	2,800	51			2,851	27	2,851	-	
45	PARKS/PAVILIONS/OTHER COMMUNITY ASSET TRANSFERS	400	369	167		936	109	936	-	
46	ABERFIELDS PLAYFIELDS	-	11			11	-	11	-	
47	CITY DEAL	1,190				1,190	-	1,190	-	
48	COYCHURCH CREM WORKS	-		75		75	18	75	-	
49	REMEDIAL MEASURES - CAR PARKS	-	135			135	-	135	-	
50	CIVIL PARKING ENFORCEMENT CAR	-	20			20	-	20	-	
51	20 MPH DEFAULT SPEED	-		328		328	-	328	-	
52	ROAD SAFETY SCHEMES	-	6			6	(2)	6	-	
53	PENCOED TECH PARK ACT TRAVEL	-				-	(41)	-	-	
54	HIGHWAYS STRUCTURAL WORKS	521	(27)			494	(50)	494	-	
55	CARRIAGEWAY CAPITAL WORKS	250				250	(30)	250	-	
56	CARRIAGEWAY & FOOTWAYS RENEWAL	-				-	(252)	-	-	
57	HEOL MOSTYN JUNCTION	-	168			168	-	168	-	
58	PROW CAPITAL IMPROVEMENT STRUCTURES	65				65	1	65	-	
59	HIGHWAYS MAINTENANCE GRANT	1,000				1,000	(184)	1,000	-	
60	REPLACEMENT OF STREET LIGHTING	400				400	6	400	-	
61	RIVER BRIDGE PROTECTION MEASURES	-	22			22	-	22	-	
62	COMMUNITIES MINOR WORKS	-	562			562	(4)	562	-	
63	ULEV TRANSFORMATION FUND 2	-	23			23	-	23	-	
64	FLEET TRANSITION-ULEV	-	155			155	10	155	-	
65	NET ZERO CARBON FLEET	-	147			147	-	147	-	
66	PORTHCAWL BUS STATION CCRMETRO	-	948			948	405	948	-	
67	PENPRYSG ROAD BRIDGE	-	13			13	-	13	-	
68	RESIDENTS PARKING BRIDGEND TOWN CENTRE	-	109			109	-	109	-	
69	FLEET VEHICLES	2,300	(598)	33	146	1,881	-	1,881	-	
70	AHP WASTE	-	4			4	-	4	-	
71	CORNELLY CEMETERY EXTENSION	-	190			190	5	190	-	
72	PORTHCAWL CEMETERY EXTENSION	-	164			164	35	164	-	
73	S106 HIGHWAYS SMALL SCHEMES	-	39			39	2	39	-	
74	UNADOPTED ROADS	380				380	(3)	380	-	
75	TONDU WASTE DEPOT UPGRADE FIRE	-	17			17	-	17	-	
76	PUFFIN CROSSING KENFIG HILL	-	6			6	(2)	6	-	
77	YNYSAWDRE TO BRYNCETHIN ATR	-				-	(20)	-	-	
78	COAL TIP SAFETY	190	200	67		457	-	457	-	
79	TRAFFIC SIGNAL REPLACEMENT	-	290			290	-	290	-	
<b>TOTAL Streetscene</b>		<b>9,496</b>	<b>3,024</b>	<b>670</b>	<b>146</b>	<b>13,336</b>	<b>30</b>	<b>13,336</b>	<b>0</b>	<b>0</b>

#### Regeneration & Development

	Budget 24-25 (Council Feb 24)	2023-24 Slippage b/f	New Approvals and Adjustments	Virement	Slippage to Future Years	Revised Budget 2024-25	Total Expenditure to Date	Projected Spend	Over / (Under) Spend	Impact on BCBC Resources	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
80	EU CONVERGANCE SRF BUDGET	-	436			436	-	436	-		
81	COSY CORNER (PRIF)	-					(73)	-	-		
82	PORTHCAWL REGENERATION PROJECT	2,500	116			2,616	9	2,616	-		
83	ECONOMIC STIMULUS GRANT	-	417			417	16	417	-		
84	COASTAL RISK MANAGEMENT PROGRAM	-	210			210	2	210	-		
85	EWENNY ROAD INDUSTRIAL ESTATE	3,493	-			3,493	-	3,493	-		
86	ARBED PHASE 1 CESP	2,791	(987)			1,804	19	1,804	-		
87	BRIDGEND HEAT SCHEME	3,265	-			3,265	-	3,265	-		
88	MAESTEG TOWN HALL CULTURAL HUB	1,174	373	250	(250)	1,547	439	1,547	-		
89	TOWN & COMMUNITY COUNCIL FUND	50	169			219	4	219	-		
90	PORTHCAWL TOWNSCAPE HERITAGE INITIATIVE	-	124			124	-	124	-		
91	COMM PROP ENHANCEMENT FUND	-	134			134	-	134	-		
92	URBAN CENTRE PROPERTY ENHANCE	614	461			1,075	32	1,075	-		
93	2030 DECARBONISATION	400	315		(290)	425	4	425	-		
94	SHARED PROSPERITY FRAMEWORK	4,614	607			5,221	113	5,221	-		
95	LOCAL PLACES FOR NATURE	110				110	-	110	-		
96	PORTHCAWL GRAND PAVILION	10,631	(268)			10,363	28	10,363	-		
97	LOW CARBON HEAT GRANT	-	-	799	290	1,089	-	1,089	-		
<b>TOTAL Regeneration &amp; Development</b>											
		29,642	2,107	1,049	-	250	-	32,548	609	32,548	-

**Corporate Landlord**

98	CAPITAL ASSET MANAGEMENT FUND	500	273			773	-	773	-	
99	RAVENS COURT	-	446			446	-	446	-	
100	DDA WORKS	-	206			206	(8)	206	-	
101	MINOR WORKS	1,130	902			2,032	-	2,032	-	
102	FIRE PRECAUTIONS MINOR WORKS	-	77			77	18	77	-	
103	BRYNCETHIN DEPOT FACILITIES	400	77	40		517	50	517	-	
104	WATERTON UPGRADE	6,970	-		104	7,074	-	7,074	-	
105	EVERGREEN HALL	-	29			29	60	29	-	
106	INVESTING IN COMMUNITIES	-	47			47	-	47	-	
<b>TOTAL Corporate Landlord</b>										
		9,000	2,057	40	104	-	11,201	120	11,201	-

**TOTAL Communities**

		48,138	7,188	1,759	-	-	57,085	759	57,085	-
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**Chief Executive**

107	MANDATORY DFG RELATED EXPEND	1,750	(435)	132		1,447	531	1,447	-	
108	DISCRETIONARY HOUSING GRANTS	200				200	-	200	-	
109	HOUSING RENEWAL AREA	100	(27)			73	15	73	-	
110	ENABLE GRANT	270				270	21	270	-	
111	HOMELESSNESS AND HOUSING	-	530			530	-	530	-	
112	HEALTH & WELLBEING VILLAGE	-	480			480	-	480	-	
113	AFFORDABLE HOUSING	-	1,066			1,066	-	1,066	-	
114	LEASING SCHEME WALES	161	26			187	-	187	-	
<b>TOTAL Housing/Homelessness</b>										
		2,481	1,640	132	-	-	4,253	567	4,253	-

115	ICT INFRA SUPPORT	400	395			795	18	795	-	
116	DIGITAL TRANSFORMATION	-	102			102	-	102	-	
117	CCTV SYSTEMS REPLACEMENT	-	38			38	-	38	-	

	Budget 24-25 (Council Feb 24)	2023-24 Slippage b/f	New Approvals and Adjustments	Virement	Slippage to Future Years	Revised Budget 2024-25	Total Expenditure to Date	Projected Spend	Over / (Under) Spend	Impact on BCBC Resources
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
118	ICT DATA CENTRE REPLACEMENT	-	238			238	56	238	-	
119	HWB SCHOOLS IT	-	91			91	2	91	-	
<b>TOTAL ICT</b>		400	864	-	-	1,264	76	1,264	-	-
<b>TOTAL Chief Executive</b>		2,881	2,504	132	-	5,517	643	5,517	-	-
<b>Council Wide Capital Budgets</b>										
120	CORPORATE CAPITAL FUND	200	573			773	-	773	-	
121	UNALLOCATED	251	(29)			222	-	222	-	
		451	544	-	-	995	-	995	-	-
<b>GRAND TOTAL</b>		110,537	17,082	2,614	-	(48,151)	82,082	1,822	82,082	-

	Date Approved	Improvement Priority	Total 2024-2034			2024-25						FUTURE YEARS							CUMULATIVE Total 2023 - 2034 £'000		
			Total Cost	BCBC Funding	External Funding	Council Feb 24 2024-25	2023-24 Slippage b/f	New Approvals / Reductions	Virement	Slippage	Revised 2024-25	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032		2032-2033	2033-2034
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		£'000	£'000
<b>Education &amp; Family Support</b>																					
1	Highways / Other Offsite Works Band B Schools	20/21	IP3	3,400	3,400	-	3,300	100			(3,300)	100	3,300							3,400	
2	Heronbridge Replacement	22/23	IP3	34,171	7,550	26,621	23,200	167			(22,029)	1,338	32,028	805						34,171	
3	Mynydd Cynffig Replacement	22/23	IP3	12,317	4,163	8,154	9,294	1			(9,008)	287	11,740	290						12,317	
4	Y G Bro Ogwr Replacement	22/23	IP3	15,001	5,381	9,620	10,198	4			(9,791)	411	14,248	342						15,001	
5	Bridgend West MIM	22/23	IP3	1,995	623	1,372	1,995				(1,995)	-	1,995							1,995	
6	Ysgol Gyfun Gymraeg Llangynwyd	21/22	IP3	97	97	-		97				97								97	
7	Land Purchase Band B	21/22	IP3	2,028	2,028	-	2,028				(2,028)	-	2,028							2,028	
8	Garw Valley South Primary Provision	14/15	IP3	61	61	-		61				61								61	
9	Pencoed Primary School - Band A	14/15	IP3	51	51	-		51				51								51	
10	Pencoed School Highways Works	16/17	IP3	56	56	-		56				56								56	
11	Abercerdin Primary School Hub	21/22	IP3	277	277	-		277				277								277	
12	Brynteg Comprehensive School All Weather Pitch	21/22	IP3	38	38	-		38				38								38	
13	Schools Minor Works	RECURRENT	IP3	362	187	175		187	175			362								362	
14	Schools Traffic Safety	16/17	IP3	56	56	-		56				56								56	
15	School Modernisation	14/15	IP3	336	336	-		336				336								336	
16	Pencoed Primary School - Classroom Extension	22/23	IP3	862	862	-	798	64				862								862	
17	Coety Primary School - Extension	22/23	IP3	1,638	1,638	-	1,506	132				1,638								1,638	
18	Bryntirion Comprehensive School - New Teaching Block	22/23	IP3	1,660	391	1,269	1,580	80				1,660								1,660	
19	Bryntirion Comprehensive School Highways	23/24	IP3	134	134	-		134				134								134	
20	Education S106 Schemes	16/17	IP3	169	-	169		169				169								169	
21	School's Capital Maintenance Grant	19/20	IP3	2,429	2,397	32		2,429				2,429								2,429	
22	Welsh Medium Childcare Provision - Bridgend	19/20	IP3	550	-	550	550					550								550	
23	Welsh Medium Childcare Provision - Ogmere	19/20	IP3	-	-	-	-	-				-								-	
24	Welsh Medium Childcare Provision - Porthcawl	19/20	IP3	550	-	550	550					550								550	
25	Welsh Medium Childcare Provision - Highways Schemes	19/20	IP3	-	-	-	-	22	(22)			-								-	
26	Free School Meals	22/23	IP3	1,444	409	1,035	1,035	409				1,444								1,444	
27	Community Focused Schools	22/23	IP3	2,328	69	2,259	2,180	148				2,328								2,328	
28	ALN Capital Grant	22/23	IP3	1,229	316	913		316	913			1,229								1,229	
29	Y G Bro Ogwr Mobile Classrooms	22/23	IP3	214	-	214		214				214								214	
30	Porthcawl Welsh Medium Seedling School	22/23	IP3	370	370	-	350	20				370								370	
31	Flying Start Extension - Nantymoel Primary	23/24	IP3	563		563		547	30	(14)		563								563	
32	Flying Start Highways	24/25	IP3	36	22	14						36								36	
<b>Total Education and Family Support</b>				<b>84,422</b>	<b>30,912</b>	<b>53,510</b>	<b>58,564</b>	<b>6,115</b>	<b>1,118</b>	<b>-</b>	<b>(48,151)</b>	<b>17,646</b>	<b>65,339</b>	<b>1,437</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84,422</b>
<b>Social Services and Well-being</b>																					
<b>Adult Social Care</b>																					
33	Bryn Y Cae	19/20	IP2	40	40	-		40				40								40	
34	Ty Cwm Ogwr Care Home	21/22	IP3	23	23	-		23				23								23	
35	Wellbeing Minor Works	RECURRENT	IP2	212	212	-		212				212								212	
36	Bakers Way	17/18	IP2	10	10	-		10				10								10	
37	Children's Residential Accommodation Hub	18/19	IP2	74	74	-		74				74								74	
38	Telecare Transformation Project	22/23	IP2	-	-	-	395		(395)			-								-	
39	Breakaway	23/24	IP2	98	-	98		98				98								98	
<b>Culture</b>																					
40	Community Centres	20/21	NONPTY	167	167	-		167				167								167	
41	Bryngarw House	20/21	NONPTY	8	8	-		8				8								8	
42	Ysgol Bryn Castell Hard-Court	22/23	IP3	99	-	99		99				99								99	
43	Ogmore Valley Life Centre	23/24	IP3	108	11	97	108					108								108	
<b>Total Social Services and Well-being</b>				<b>839</b>	<b>545</b>	<b>294</b>	<b>503</b>	<b>731</b>	<b>(395)</b>	<b>-</b>	<b>-</b>	<b>839</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>839</b>
<b>Communities</b>																					
<b>Street Scene</b>																					
44	Community Children's Play Areas	20/21	IP2	2,851	2,851	-	2,800	51				2,851								2,851	
45	Parks/Pavilions/Community Centres CAT	14/15	IP3	936	716	220	400	369	167			936								936	
46	Aber Playing Fields	19/20	NONPTY	11	11	-		11				11								11	
47	Cardiff Capital Region City Deal	17/18	IP1	7,691	7,691	-	1,190					1,190	1,244	940		1,039	1,648	1,630		7,691	
48	Coychurch Crem Works	RECURRENT	NONPTY	75	-	75			75			75								75	
49	Remedial Measures - Car Parks	17/18	IP3	135	135	-		135				135								135	
50	Civil Parking Enforcement	17/18	IP3	20	20	-		20				20								20	
51	Road Signs 20mph Default Speed	22/23	IP2	328	-	328			328			328								328	
52	Road Safety	14/15	IP1	6	6	-		6				6								6	
53	Pencoed Tech Park Act Travel	20/21	IP1	-	-	-						-								-	
54	Highways Structural Works	RECURRENT	IP3	3,554	3,554	-	521	(27)				494	340	340	340	340	340	340	340	3,554	
55	Carriageway Capital Works	RECURRENT	IP3	2,500	2,500	-	250					250	250	250	250	250	250	250	250	2,500	
56	Carriageway & Footway Renewal	1	IP3	-	-	-						-								-	
57	Road Safety Improvements - Heol Mostyn	19/20	IP1	168	168	-		168				168								168	
58	Prow Capital Improvement Programme	15/16	IP3	65	-	65	65					65								65	
59	Highways Refurbishment	19/20	IP3	1,000	1,000	-	1,000					1,000								1,000	
60	Replacement of Street Lighting Columns/ River Bridge Protection Measures	RECURRENT	IP3	4,000	4,000	-	400					400	400	400	400	400	400	400	400	4,000	
61	River Bridge Protection Measures	16/17	IP1	22	22	-		22				22								22	
62	Communities Minor Works	RECURRENT	IP3	562	562	-		562				562								562	
63	Ultra Low Emissions Vehicle Transformation Fund 2	22/23	IP1	23	-	23		23				23								23	
64	Fleet Transition Ultra Low Emissions Vehicles	21/22	IP1	155	-	155		155				155								155	
65	Net Zero Carbon Fleet	21/22	NONPTY	147	147	-		147				147								147	
66	Porthcawl Metro-Link (CCR)	21/22	IP1	948	948	-		948				948								948	
67	Penprysg Road Bridge - LTF/CCR	19/20	IP1	13	13	-		13				13								13	
68	Residents Parking Bridgend Town Centre	14/15	IP1	109	109	-		109				109								109	
69	Fleet Vehicles	14/15	IP3	1,881	1,881	-	2,300	(598)	33	146		1,881								1,881	
70	AHP Waste	19/20	IP3	4	4	-		4				4								4	
71	Extension to Connelly Cemetery	18/19	NONPTY	190	190	-		190				190									





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**PRUDENTIAL AND OTHER INDICATORS 2023-24 and 2024-25**

The Prudential Indicators are required to be set and approved by Council in accordance with CIPFA’s Prudential Code for Capital Finance in Local Authorities.

Table 1 shows the 2023-24 actual capital expenditure, the capital programme approved by Council on 28 February 2024 and the projected capital expenditure for the current financial year which has incorporated slippage of schemes from 2023-24 together with any new grants and contributions or changes in the profile of funding for 2024-25.

*Table 1: Prudential Indicator: Estimates of Capital Expenditure*

	<b>2023-24</b>	<b>2024-25</b>	<b>2024-25</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Projection</b>
	<b>£m</b>	<b>(Council Feb 24)</b>	<b>£m</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Council Fund services	31.813	110.537	82.082
Right of Use Assets	0.00	3.149	3.149
<b>TOTAL</b>	<b>31.813</b>	<b>113.686</b>	<b>85.231</b>

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council’s own resources (revenue, reserves and capital receipts) or debt (the ‘net financing requirement’ - borrowing, leasing and Private Finance Initiative). The planned financing of the expenditure has been projected as follows:

*Table 2: Capital financing*

	<b>2023-24</b>	<b>2024-25</b>	<b>2024-25</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Projection</b>
	<b>£m</b>	<b>(Council Feb 24)</b>	<b>£m</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
External sources	18.677	62.595	38.138
Own resources	7.420	36.289	34.603
Net Financing Requirement	5.716	14.802	9.341
<b>TOTAL</b>	<b>31.813</b>	<b>113.686</b>	<b>82.082</b>

The net financing requirement is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as the Minimum Revenue Provision (MRP). As well as MRP, the Council makes additional voluntary revenue contributions to pay off Prudential or Unsupported Borrowing. The total of these are shown in Table 3 below:

Table 3: Replacement of debt finance

	2023-24 Actual £m	2024-25 Estimate (Council Feb 24) £m	2024-25 Projection £m
Minimum Revenue Provision (MRP)	3.298	3.385	3.385
Additional Voluntary Revenue Provision (VRP)	2.273	2.788	2.295
<b>Total MRP &amp; VRP</b>	<b>5.571</b>	<b>6.173</b>	<b>5.680</b>
<b>Other MRP on Long term Liabilities</b>	<b>0.929</b>	<b>1.148</b>	<b>1.148</b>
<b>Total Own Resources</b>	<b>6.500</b>	<b>7.321</b>	<b>6.828</b>

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

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement

	2023-24 Actual £m	2024-25 Estimate – Capital Strategy £m	2024-25 Projection £m
<b>Capital Financing Requirement</b>			
Opening CFR excluding PFI & other liabilities	162.600	170.246	162.745
Opening PFI CFR	13.903	12.974	12.974
<b>Total opening CFR</b>	<b>176.503</b>	<b>183.220</b>	<b>175.719</b>
Movement in CFR excluding PFI & other liabilities	0.145	5.333	3.513
Movement in PFI and other long term leases CFR	(0.929)	2.148	2.148
<b>Total movement in CFR</b>	<b>(0.784)</b>	<b>7.481</b>	<b>5.661</b>
<b>Closing CFR</b>	<b>175.719</b>	<b>190.701</b>	<b>181.380</b>
<b>Movement in CFR represented by:</b>			
Net financing need for year (Table 2 above)	5.716	14.802	12.490
Minimum and voluntary revenue provisions	(5.571)	(6.173)	(5.681)
MRP on PFI and other long term leases (Table 3)	(0.929)	(1.148)	(1.148)
<b>Total movement</b>	<b>(0.784)</b>	<b>7.481</b>	<b>5.661</b>

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

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

	2023-24 Actual £m	2024-25 Estimate (Council Feb 24) £m	2024-25 Projection £m
Debt (incl. PFI & leases)	117.676	118.049	118.049
Capital Financing Requirement	175.719	190.701	178.231

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

The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit.

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

	2023-24 Actual £m	2024-25 Estimate (Council Feb 24) £m	2024-25 Projection £m
Authorised limit – borrowing	170.000	170.000	170.000
Authorised limit – other long term liabilities	30.000	25.000	25.000
<b>Authorised Limit Total</b>	<b>200.00</b>	<b>195.000</b>	<b>195.000</b>
Operational boundary – borrowing	130.000	120.000	120.000
Operational boundary – other long term liabilities	25.000	20.000	20.000
<b>Operational Boundary Limit Total</b>	<b>155.000</b>	<b>140.000</b>	<b>140.000</b>
<b>Total Borrowing and Long Term Liabilities</b>	<b>117.676</b>	<b>118.049</b>	<b>118.049</b>

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

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

	<b>2023-24 Actual £m</b>	<b>2024-25 Estimate (Council Feb 24) £m</b>	<b>2024-25 Projection £m</b>
Capital Financing Central	5.658	7.519	7.519
Other Financing costs	4.220	4.735	4.735
<b>TOTAL FINANCING COSTS</b>	<b>9.878</b>	<b>12.255</b>	<b>12.255</b>
Proportion of net revenue stream	2.89%	3.58%	3.58%

This shows that in 2024-25, it was forecast that 3.58% of the Council's net revenue income will be spent on paying back the costs of capital expenditure. The current projection is anticipating it will be 3.58%.

The net revenue stream is calculated as the income from Welsh Government Revenue Settlement Grant plus Council Tax and NNDR, less Police and Community Council precepts.

The table below shows the Prudential Indicator of estimates of net income from commercial and service investments to net revenue stream.

*Table 8: Prudential Indicator: Net Income from Commercial and Service Investments to Net Revenue Stream*

	<b>2023-24 Actual £m</b>	<b>2024-25 Estimate £m</b>	<b>2024-25 Projection £m</b>
Net Revenue Budget	343.841	360.671	363.436
Income from Commercial Investments	0.459	0.459	0.459
<b>% Ratio</b>	<b>0.13%</b>	<b>0.13%</b>	<b>0.13%</b>

The income receivable from the commercial property portfolio is not deemed to be a financial resilience risk in terms of being 'disproportionate' to the Council's overall income.

# Agenda Item 9

<b>Meeting of:</b>	<b>COUNCIL</b>
<b>Date of Meeting:</b>	<b>24 JULY 2024</b>
<b>Report Title:</b>	<b>TREASURY MANAGEMENT OUTTURN REPORT 2023-24</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, HOUSING AND CHANGE</b>
<b>Responsible Officer:</b>	<b>NIGEL SMITH, GROUP MANAGER – CHIEF ACCOUNTANT</b>
<b>Policy Framework and Procedure Rules:</b>	<b>Paragraph 22.5 of the Financial Procedure Rules requires the Chief Finance Officer to prepare an annual report to Council summarising borrowing and investment activity and indicating compliance with any statutory or Council approved guidelines.</b>
<b>Executive Summary:</b>	<p><b>The report outlines the Treasury Management activity for the year 1 April 2023 – 31 March 2024.</b></p> <p><b>As at 31 March 2024 the Council had £99.61 million of long term debt, £5 million of short term borrowing, £12.97 million of other long term liabilities and £50 million of investments. The overall net debt position was £67.58 million.</b></p> <p><b>The average interest rate for debt was 4.78% (including £5 million short term borrowing but excluding Salix borrowing which is interest free). For investments during the year, it was 4.50%.</b></p> <p><b>The Council has a manageable maturity structure of borrowing, with its current debt repayable at various points over the next 30 years, the first repayment being due in March 2025.</b></p> <p><b>The Council is required to set and report against Treasury Management Indicators, details of which are included in Appendix A. These show that the Council operated within the approved limits throughout the year.</b></p> <p><b>The Council has complied with the Chartered Institute of Public Finance and Accountancy’s Treasury Management Code and Welsh Government Investment Guidance.</b></p>

## 1. Purpose of Report

1.1 The purpose of this report is to

- comply with the requirement of the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Treasury Management in the Public Services: Code of Practice' (the TM Code) to report an overview of treasury activities for the preceding financial year.
- report the actual Treasury Management Indicators for 2023-24.

## 2. Background

- 2.1 Treasury Management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council is exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.
- 2.2 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 edition (the TM Code), which requires the Council to approve a Treasury Management Strategy before the start of each financial year and, as a minimum, a semi-annual and annual treasury outturn report. The TM Code also requires the Council to set a number of Treasury Management Indicators, which are forward looking parameters, and enable the Council to measure and manage its exposure to treasury management risks, and these are included in the report. Welsh Government (WG) guidance issued in November 2019 on Local Authority Investments requires the Council to approve an Investment Strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the TM Code and the Welsh Government Guidance.
- 2.3 In 2021 CIPFA published an updated version of the Prudential Code for Capital Finance in Local Authorities (the Prudential Code). The Prudential Code includes a requirement for Local Authorities to provide a Capital Strategy, which is a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The definition of investments in the revised Prudential Code covers all the financial assets of the Council as well as other non-financial assets which the authority holds primarily for financial return. The Council's Capital Strategy 2023-24 complied with CIPFA's requirement and included the Prudential Indicators along with the details regarding the Council's non-treasury investments. The Capital Strategy and Treasury Management Strategy should be read in conjunction with each other as they are interlinked, as borrowing and investments are directly impacted upon by capital plans, and both were approved together by Council on 1 March 2023.
- 2.4 The Council's treasury management advisors are Arlingclose. The current services provided to the Council include:
- advice and guidance on relevant policies, strategies and reports
  - advice on investment decisions
  - notification of credit ratings and changes
  - other information on credit quality
  - advice on debt management decisions

- accounting advice
- reports on treasury performance
- forecasts of interest rates
- training courses

### **3. Current situation / proposal**

#### **3.1 External Context – Economic Background**

- 3.1.1 At the commencement of the 2023-24 financial year the rate of UK inflation (CPI) was at 8.7%. Over the year there was a steady decline in the figure, standing still between months on a few occasions with a slight upturn of 0.1% between November 2023 and December 2023, finally ending the year at 3.2%. This still, however, exceeded the Bank of England's target of 2%.
- 3.1.2 At the start of the financial year the Bank Rate was 4.25%. The Bank of England's Monetary Policy Committee (MPC) then increased Bank Rate to 5.25% in August 2023 with a 3-way split in the Committee's voting as the UK economy appeared resilient in the face of the dual headwinds of higher inflation and interest rates. Bank Rate was however maintained at 5.25% through to March 2024. The vote at the March 2024 MPC meeting was 8-1 in favour of maintaining rates at this level, with the single dissenter preferring to cut rates immediately by 0.25%. Although financial markets shifted their interest rate expectations downwards with expectations of a cut in June, the MPC's focus remained on assessing how long interest rates would need to be restrictive in order to control inflation over the medium term.
- 3.1.3 In response to an improving outlook for credit markets, in January 2024 Arlingclose moved away from its previous temporary stance of a 35-day maximum duration for bank investments and increased its advised recommended maximum unsecured duration limit on all banks on its counterparty list to 100 days.

#### **3.2 Public Works Loan Board (PWLB) Lending Facility Advice, Revised CIPFA Codes**

- 3.2.1 The Council continues to undertake its duties in line with the current guidance for the PWLB lending facility which was significantly revised by HM Treasury in August 2021. Authorities that are purchasing or intending to purchase investment assets primarily for yield, or financial return, will not be able to access funding from the PWLB except to refinance existing loans or externalise internal borrowing. Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, refinancing and treasury management.
- 3.2.2 The Council's treasury management activities are undertaken in line with CIPFA's Prudential Code for Capital Finance and CIPFA's Treasury Management Code. To comply with the Prudential Code authorities must not borrow to invest primarily for financial return. The Prudential Code also states it is not prudent for local authorities to make investment or spending decisions that will increase the Capital Financing Requirement (CFR) unless directly and primarily related to the functions of the authority. Existing commercial investments are not required to be sold, however, authorities with existing commercial investments who expect to need to borrow should review the options for exiting these investments.

### 3.3 Treasury Management Outturn 2023-24

3.3.1 The Council has complied with its legislative and regulatory requirements during 2023-24. The Treasury Management Strategy 2023-24 was approved by Council on 1 March 2023 with the half year report presented to Council on 18 October 2023. Quarterly reports were also presented to Cabinet and the Governance and Audit Committee for scrutiny during 2023-24.

3.3.2 A summary of the treasury management activities is shown in the Treasury Management Outturn report to 31 March 2024 at **Appendix A**. The Council's external debt and investment position at 31 March 2024 is shown in Table 1 below, and more detail is provided in **Appendix A** within Section 3: External Debt and Investment Position and Section 4: Borrowing and Section 5 Treasury Investments. As with the previous year, no long-term borrowing has been taken out in 2023-24 and no debt rescheduling has been undertaken as there has been no opportunity to make significant savings. However, should the opportunity arise to reschedule any loans at a preferential rate, this would be done.

Generally, the Council has experienced favourable cash flows which have continued to provide surplus funds for investment and the balance on investments held at 31 March 2024 was £50 million, with an average interest rate of 5.02%. During the end of the year the Council had to borrow short term for cashflow purposes. The total balance of investments has decreased compared to those at 31 March 2023, when the balance held was £74.50 million, at an average interest rate of 2.55%.

**Table 1: Council's external debt and investment position as of 31 March 2024**

<b>Investments for Treasury Purposes</b>	<b>Principal as at 31/03/2023 £m</b>	<b>Principal as at 31/3/2024 £m</b>	<b>Average Rate 31/3/2024 %</b>
<b>External Long Term Borrowing</b>			
Public Works Loan Board	77.62	77.62	4.70
Lender's Option Borrower's Option	19.25	19.25	4.65
Salix Loans (interest Free)	3.06	2.74	NIL
<b>Short Term Borrowing</b>	NIL	5.00	6.6
<b>Total External Long Term Borrowing</b>	<b>99.93</b>	<b>104.61</b>	<b>4.78*</b>
<b>Other Long Term Liabilities</b>			
Private Finance Initiative**	13.90	12.97	
Other Long Term Liabilities	0.23	-	
<b>Total Other Long Term Liabilities</b>	<b>14.13</b>	<b>12.97</b>	
<b>Total Gross Debt</b>	<b>114.06</b>	<b>117.58</b>	
<b>Investments for treasury management purposes</b>			
Debt Management Office	7.50	NIL	NIL
Local Authorities	53.00	44.00	5.22
Money Market Funds (instant access)	NIL	0.00	NIL
Banks	14.00	6.00	3.57
<b>Total Treasury Investments</b>	<b>74.50</b>	<b>50.00</b>	<b>5.02</b>
<b>Net Debt</b>	<b>39.56</b>	<b>67.58</b>	

\* Excluding Salix loans which are interest free

\*\* (PFI) arrangement for the provision of a Secondary School in Maesteg 10 years remaining term

- 3.3.3 The £19.25 million in Table 1 above relates to Lender's Option Borrower's Option (LOBO) loans which have a maturity date of 2054 though these may be rescheduled in advance of this maturity date. The LOBO rate and term may vary in the future depending on the prevailing rates at one of the bi-annual trigger points (these being July and January) and, therefore, the Council being given the option to accept the increase or repay the loan without incurring a penalty. Whilst interest rates have increased significantly since the start of 2022, they have more recently plateaued at 5.25% and expectations are of a gradual reduction during the latter part of 2024. Current expectations are that the lender is unlikely to exercise this option in the near future.
- 3.3.4 The Total Other Long Term Liabilities figure of £12.97 million at 31 March 2024 is the Council's Private Finance Initiative (PFI) arrangement for the provision of a Secondary School in Maesteg. At 31 March 2024 there were no Other Long-Term Liabilities.
- 3.3.5 Both the CIPFA Code and Welsh Government Guidance require the Council to invest its funds prudently and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return. Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard and Poor's to ensure that this lies within the Councils' agreed minimum credit rating.
- 3.3.6 The Council defines high credit quality as organisations and securities having a credit rating of A- (A3 for Moody's) or higher and the Council does not invest in any organisation below this level. Schedule A shows the equivalence table for credit ratings for Fitch, Moody's, and Standard and Poor's and explains the different investment grades.
- 3.3.7 There are no long-term investments (original duration of 12 months or more) outstanding as at 31 March 2024. All investments at 31 March 2024 are short term deposits including instant access and notice accounts.
- 3.3.8 The Treasury Management Code requires the Council to set and report on a number of Treasury Management Indicators. The indicators either summarise the expected activity or introduce limits upon the activity. Details of the estimates for 2023-24 set out in the Council's Treasury Management Strategy compared to the actual at 31 March 2024 are shown in the Appendix and these show that the Council operated within the approved limits throughout the year.

#### **4. Equality implications (including Socio-economic Duty and Welsh Language)**

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. This is an information report, therefore it is not necessary to carry out an Equality Impact assessment in the production of this report. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

## **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

5.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives because of this report.

## **6. Climate Change Implications**

6.1 The Climate Change implications were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the environment because of this report.

## **7. Safeguarding and Corporate Parent Implications**

7.1 The Safeguarding and Corporate Parenting implications were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon Safeguarding and Corporate parenting because of this report.

## **8. Financial Implications**

8.1 The financial implications are reflected within the report and **Appendix A**.

## **9. Recommendations**

9.1 It is recommended that Council:

- Note the treasury management activities for the year 1 April 2023 to 31 March 2024
- Note the Treasury Management Indicators for the period ending 31 March 2024 against those approved in the Treasury Management Strategy 2023-24.

## **Background documents**

None



# Treasury Management Outturn Report to 31 March 2024

## 1.0 INTRODUCTION

Treasury management activities are the *'management of the organisation's borrowing, investments and cash flows, including its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks.'* (Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management in the Public Services: Code of Practice (2021) (CIPFA TM Code).

The definition of 'Investments' includes:

- Treasury Management investments (held for the prudent management of financial affairs), and
- non-Treasury Investments, undertaken as part of a Capital Strategy either in the course of provision of services; or made for commercial reasons purely to make a financial gain. These are managed outside of normal treasury management activity.

The Council carries out its treasury management function in accordance with the CIPFA TM Code and the legal obligation under the Local Government Act 2003 to have regard to both the CIPFA TM Code and Welsh Government Guidance.

The Council has an integrated Treasury Management Strategy where borrowing and investments are managed in accordance with best professional practice, which is assessed either from internal expertise or consultation with our external advisers. The Council will look to borrow money if needed to either meet short term cash flow needs or to fund capital schemes approved within the capital programme. Therefore, any actual loans taken are not generally associated with particular items of expenditure or assets.

The Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to Cabinet, and for the execution and administration of treasury management decisions to the Section 151 Officer. The Governance and Audit Committee are responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies and regular reports will be presented to the Committee for their consideration.

## 2.0 ECONOMIC CONTEXT

At the start of the 2023-24 financial year the rate of UK inflation (CPI) was at 8.7%. Over the year there was a steady decline in the figure, standing still between months on a few occasions with a slight upturn of 0.1% between November 2023 and December 2023, finally ending the year at 3.2%. This was still above the Bank of England's 2% target. The latest core measure of CPI i.e. excluding food and energy, rose by 4.7% in the 12 months to March 2024.

The UK economy entered a technical recession in the second half of 2023, as growth rates of -0.1% and -0.3% respectively were recorded for July 2023 to Sept 2023 and October 2023 to December 2023. Over the 2023 calendar year GDP growth only

expanded by 0.1% compared to 2022. Of the recent monthly data available, the Office for National Statistics reported a rebound in activity with the economy expanding 0.2% in January 2024. The forecast from the first Quarter of 2024 (January 2024 to March 2024) predicted growth of 0.6%, in June 24 this figure turned out to be higher at 0.7%. While the economy may somewhat recover in Q1 2024, the data suggests that prior increases in interest rates and higher price levels are depressing growth, which will continue to bear down on inflation throughout 2024.

Labour market data provided a mixed message for policymakers. Employment and vacancies declined, and unemployment rose to 4.3% May to July 2023. The same month July 2023, saw the highest annual growth rate of 8.5% for total pay (i.e. including bonuses) and 7.8% for regular pay growth (i.e. excluding bonuses). Thereafter, unemployment began to decline, falling to 3.9% (3mth/year) in January 2024 and pay growth also edged lower to 5.6% for total pay and 6.1% for regular pay, but remained above the Bank of England's forecast at that point.

Having begun the financial year at 4.25%, the Bank of England's Monetary Policy Committee (MPC) increased Bank Rate to 5.25% in August 2023 with a 3-way split in the Committee's voting as the UK economy appeared resilient in the face of the dual headwinds of higher inflation and interest rates. Bank Rate was maintained at 5.25% through to March 2024. The vote at the March MPC meeting was 8-1 in favour of maintaining rates at this level, with the single dissenter preferring to cut rates immediately by 0.25%. Although financial markets shifted their interest rate expectations downwards with expectations of a cut in June, the MPC's focus remained on assessing how long interest rates would need to be restrictive in order to control inflation over the medium term.

In the Bank's quarterly Monetary Policy Report released in August 2023 the near-term projection for services price inflation was revised upwards, goods price inflation was widespread across products, indicating stronger domestic inflationary pressure with second-round effects in domestic prices and wages likely taking longer to unwind than they did to emerge. In the February 2024 quarterly Monetary Policy Report the Bank's expectations for the UK economy were positive for the first half of 2024, with a recovery from the mild recession in second half of 2023 being gradual. Headline CPI was forecast to dip below the 2% target quicker than previously thought due to declining energy prices, these effects would hold inflation slightly above target for much of the forecast horizon.

Following this MPC meeting, Arlingclose, the authority's treasury adviser, maintained its central view that 5.25% remains the peak in Bank Rate and that interest rates will most likely start to be cut later in the second half of 2024. The risks in the short-term are deemed to be to the downside as a rate cut may come sooner than expected, but then more broadly balanced over the medium term.

Sentiment in financial markets remained uncertain and bond yields continued to be volatile over the year. During the first half of the year, yields rose as interest rates continued to be pushed up in response to rising inflation. From October they started declining again before falling sharply in December as falling inflation and dovish central bank attitudes caused financial markets to expect cuts in interest rates in 2024.

When it emerged in January that inflation was stickier than expected and the Bank of England and the US Federal Reserve were data dependent and not inclined to cut rates soon, yields rose once again, ending the period some 50+ basis higher than when it started.

Over the financial year, the 10-year UK benchmark gilt yield rose from 3.44% to peak at 4.75% in August, before then dropping to 3.44% in late December 2023 and rising again to 3.92% (28th March 2024). The Sterling Overnight Rate (SONIA) averaged 4.96% over the period to 31st March.

In response to an improving outlook for credit markets, in January 2024 Arlingclose moved away from its previous temporary stance of a 35-day maximum duration and increased its advised recommended maximum unsecured duration limit on all banks on its counterparty list to 100 days.

Earlier in the period, S&P ratings agency revised the UK sovereign outlook to stable and upgraded Barclays Bank to A+. Moody's also revised the UK outlook to stable, Handelsbanken's outlook to negative, downgraded five local authorities, and affirmed HSBC's outlook at stable while upgrading its Baseline Credit Assessment. Fitch revised United Overseas Bank (UOB) and Bank of Montreal (BMO) outlooks to stable.

In the final quarter of the financial year, Fitch revised the outlook on the UK sovereign rating to stable from negative based on their assessment that the risks to the UK's public finances had decreased since its previous review in October 2022, the time of the mini- budget.

Heightened market volatility is expected to remain a feature, at least in the near term, and credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remain under constant review.

### 3.0 EXTERNAL DEBT AND INVESTMENT POSITION

The Council's external debt and investments at 31 March 2024 is set out in Table 1 below. The Council held £99.61 million of Long Term Borrowing comprising:

- Public Works Loan Board (PWLB - UK government) at fixed rates and duration
- Lender's Option Borrower's Option (LOBO) which may be rescheduled ahead of their maturity of 22 July 2054 (no call was made in January 2024)
- £2.74 million of Salix interest-free loans

The Council borrowed £5 million for short-term cash flow purposes, for a period of 2 months, from 22nd March 2024.

As at 31st March 2024 the Council had £50 million of investments for treasury management purposes and £4.99 million of investments for commercial purposes.

**Table 1: Council's external debt and investment position as of 31 March 2024**

Investments for Treasury Purposes	Principal as at 31/03/2023 £m	Principal as at 31/03/2024 £m	Average Rate 31/03/2024 %
<b>External Long Term Borrowing</b>			
Public Works Loan Board (PWLB)	77.62	77.62	4.70
Lenders Option Borrowers Option (LOBO)	19.25	19.25	4.65
Salix Loans (Interest Free)	3.06	2.74	NIL
<b>Short Term Borrowing</b>	NIL	5.00	<b>6.6</b>
<b>Total External Borrowing</b>	<b>99.93</b>	<b>104.61</b>	<b>4.78*</b>
<b>Other Long Term Liabilities</b>			
Private Finance Initiative**	13.90	12.97	
Other Long Term Liabilities	0.23	-	
<b>Total Other Long Term Liabilities</b>	<b>14.13</b>	<b>12.97</b>	
<b>Total Gross Debt</b>	<b>114.06</b>	<b>117.58</b>	
<b>Investments for treasury management purposes</b>			
Debt Management Office	7.50	NIL	NIL
Local Authorities	53.00	44.00	5.22
Money Market Funds (instant access)	NIL	NIL	NIL
Banks	14.00	6.00	3.57
<b>Total Treasury Investments</b>	<b>74.50</b>	<b>50.00</b>	<b>5.02</b>
<b>Net Debt</b>	<b>39.56</b>	<b>67.58</b>	

Investments for Commercial Purposes	Fair Value as at 31/03/2024 £m	Actual return 31/03/2024 £m
Investments	4.990	0.459

\* Excluding Salix loans which are interest free and Short Term borrowing

\*\* (PFI) arrangement for the provision of a Secondary School in Maesteg 10 years remaining term

The current profile of repayment of the Council's long-term debt is set out in the Liability Benchmark chart below. The table assumes that the Public Works Loan Board and Lender's Option Borrower's Option loans will be repayable on their maturity date. However, although shown as maturing in 2054 the £19.25 million of Lender's Option Borrower's Option loans may be rescheduled at their next maturity date of 22 July 2024.

PWLB lending criteria requires that the Council does not invest purely for financial return if it wishes to access any new PWLB borrowing. The CIPFA TM Code sets out that it is not prudent for local authorities to invest for financial return.

All borrowing by the Council is as a single pool of debt rather than having loans specific to individual schemes. Where a Council finances capital expenditure by debt, it must put aside revenue to repay that debt in later years, known as Minimum Revenue Provision (MRP). The MRP set aside for 2023-24 was £6.5 million, including MRP on supported and unsupported borrowing and the PFI for Maesteg School.

### Liability benchmark

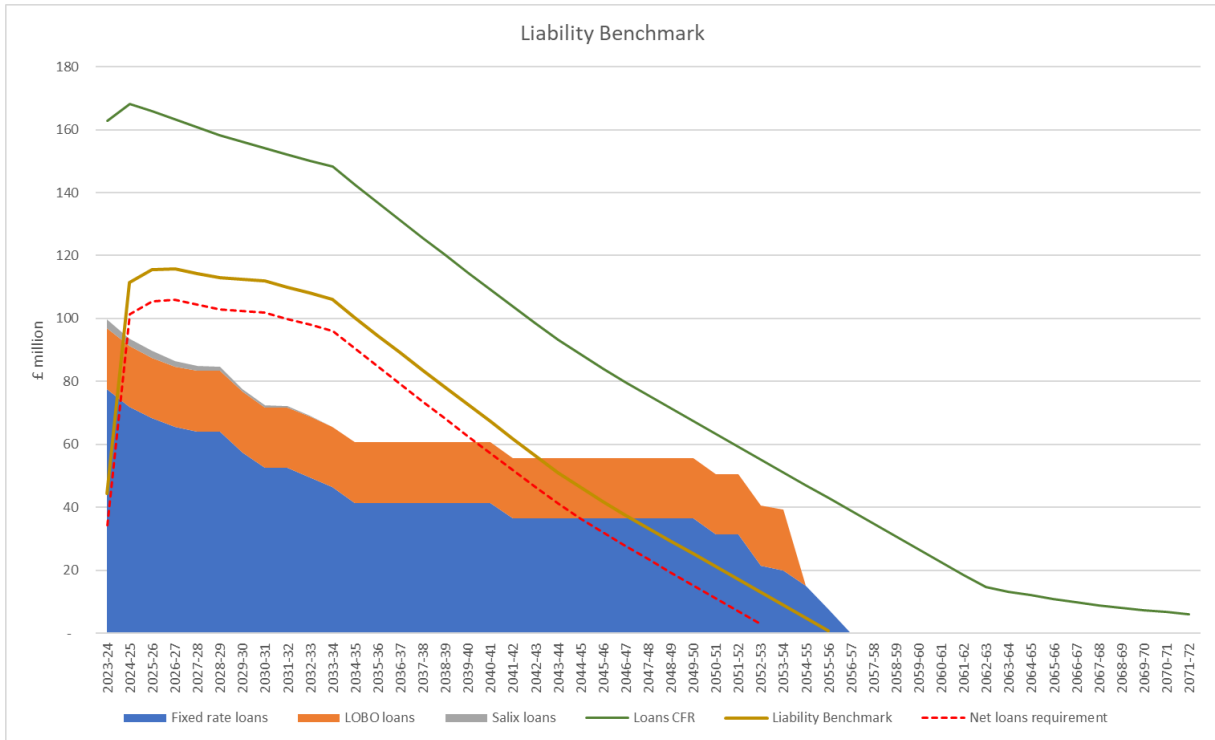
The liability benchmark is a tool which helps to assess the lowest level of borrowing the Council needs, taking into account available cash resources to fund capital expenditure in the short term. A minimum level of investments is factored into the calculation, set at £10 million, which are held as reasonably liquid to ensure the Council has available cash resources to meet day-to-day cash flow requirements. Forecast borrowing needs are based on capital expenditure estimates and available useable reserves. The underlying need to borrow to fund capital expenditure (known as the Capital Financing Requirement or CFR) is the amount of capital expenditure which is not funded via grants, capital receipts or contributions from revenue and earmarked reserves.

Table 2 below shows the Capital Financing Requirement and the calculation of the liability benchmark. It is important to note that the graph is based on the current approved capital programme and the borrowing associated therewith. Any new schemes which require debt financing will increase the CFR and loans requirement.

**Table 2: Liability benchmark**

	31 March 2023 actual	31 March 2024 estimate (TMS)	31 March 2024 actual	31 March 2025 forecast	31 March 2026 forecast
	£m	£m	£m	£m	£m
Capital Financing Requirement	176.21	184.81	175.72	183.26	179.66
Less: Other debt liabilities	(13.90)	(12.97)	(12.97)	(15.12)	(13.90)
<b>Loans Capital Financing Requirement</b>	<b>162.31</b>	<b>171.83</b>	<b>162.75</b>	<b>168.14</b>	<b>165.77</b>
Less: Balance Sheet Resources	(139.06)	(84.14)	(128.35)	(66.81)	(60.25)
Plus: Liquidity allowance	10.00	10.00	10.00	10.00	10.00
<b>Liability Benchmark</b>	<b>33.25</b>	<b>97.69</b>	<b>44.40</b>	<b>111.33</b>	<b>115.51</b>

The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its **current** capital plans while keeping treasury investments at the minimum level to manage day-to-day cash flow.



It is forecast that the Council may need to consider borrowing long term in 2024-25 although this is based on a number of assumptions including the forecast capital programme expenditure and the level and use of reserves.

The Section 151 Officer will monitor and update the liability benchmark assumptions on an on-going basis and report any significant changes within the treasury management monitoring reports to Cabinet, Governance and Audit Committee and Council as appropriate. This could be as a result of changes in the level of usable reserves at year end, slippage within the Capital Programme or changes within the working capital assumptions which may affect the Council’s need to take new long-term borrowing.

#### 4.0 BORROWING

As at 31 March 2024 the Council held £99.61 million of Long-Term Borrowing, £96.87 million of which is fixed long term loans as part of its strategy for funding previous years’ capital programmes.

The Council has previously raised the majority of its long-term borrowing from the Public Works Loan Board (PWLB). This was the source of funding the last time the Council took long-term borrowing of £5 million in March 2012. The Council will however consider long term loans from other sources including banks, pension funds and other local authorities if appropriate. The Council will also investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA TM Code.

The Council has loans from PWLB maturing within the next 3 financial years that it will need to repay. As noted above the Council may need to take out new borrowing, which may in part replace these maturing PWLB loans. The value of the loans due to be repaid over the next 3 years is shown in Table 3.

**Table 3: Value of PWLB maturing debt**

	2024-25 £ million	2025-26 £ million	2026-27 £ million
Value of maturing debt	5.580	3.709	2.790

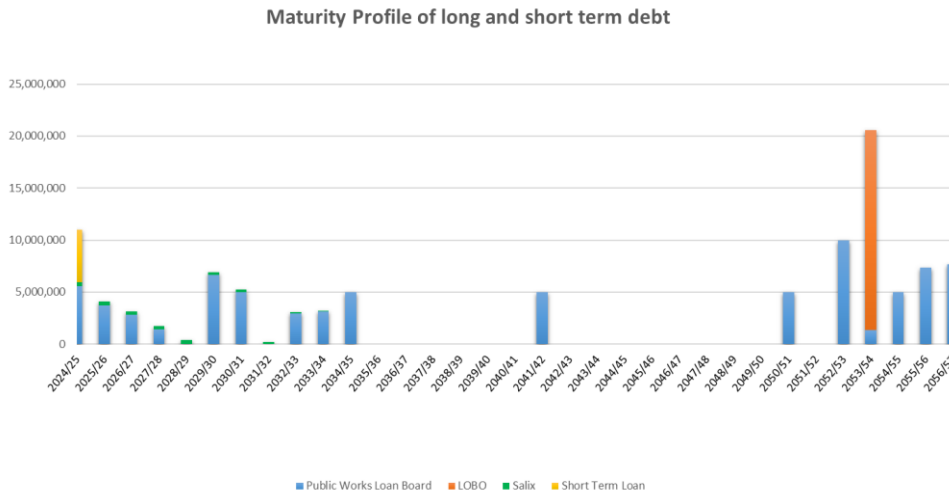
### Maturity structure of borrowing

The maturity structure of borrowing indicator is set to control the Council's exposure to refinancing risk with respect to the maturity of the Council's external borrowing. The limits are set to avoid having large amounts of debt maturing in a short space of time, and is the amount of projected borrowing maturing in each period as a percentage of total projected borrowing. Where the maturity date of borrowing is unknown, as in the case of LOBO loans, the maturity should normally be determined by reference to the earliest date at which the lender can require repayment. The £19.25 million of LOBO loans has therefore been included in the 'Under 12 months' category. The table also includes short-term borrowing of £5 million in March 2024.

**Table 4: Maturity Structure of Borrowing**

Maturity structure of borrowing	Upper limit	lower limit	£ million	As at 31 March 2024
Under 12 months	50%	0%	24.64	23.56%
12 months and within 24 months	25%	0%	8.74	8.35%
24 months and within 5 years	25%	0%	6.20	5.93%
5 years and within 10 years	40%	0%	15.50	14.82%
10 years and within 20 years	50%	0%	13.14	12.56%
20 years and above	60%	25%	36.38	34.78%

As can be seen from the table the maturity structure remains within the limits approved as part of the Treasury Management Strategy 2023-24. The following chart provides the maturity profile of the Council's long-term debt.



None of the LOBO loans have had to be repaid during the period to 31 March 2024. All the LOBO loans are subject to the lender having the right to change the rate of interest payable during the financial year at either of two trigger points in January and July, with the Council having the right to refuse the change, triggering early repayment and the need to re-finance. This is a manageable risk should repayment be needed during the current financial year as the Council has sufficient funds available in the short term, though would need to consider future borrowing to replace the repaid loans, in line with net loans requirement and liability benchmark in Table 2.

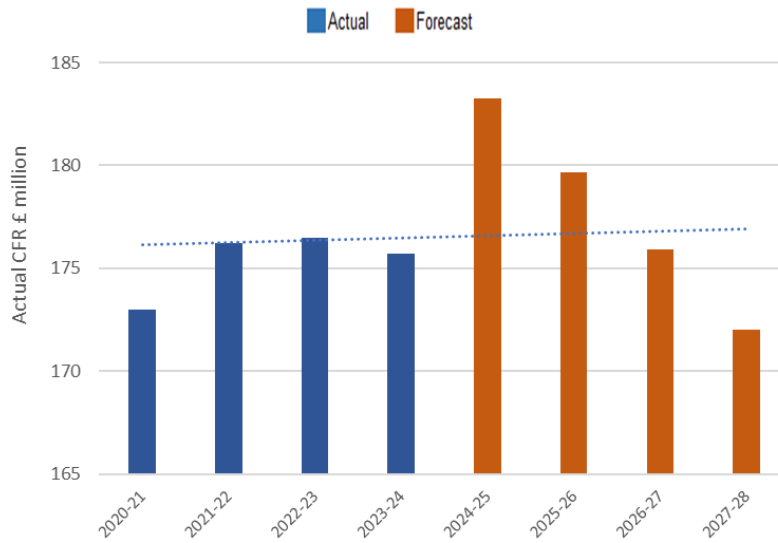
**Table 5: LOBO loans**

Commencement date	Loan value £m	Potential repayment date	Option frequency	Full term maturity
22 January 2004	4.00	22 July 2024	6 months	22 January 2054
22 January 2004	5.00	22 July 2024	6 months	22 January 2054
22 January 2004	10.25	22 July 2024	6 months	22 January 2054

In accordance with the Treasury Management Strategy, the Council is internally borrowing, which is when it uses temporary cash balances it holds in the short term instead of undertaking external borrowing. The level of internal borrowing as at 31 March 2024 was £58.14 million. This is shown by the Council’s Capital Financing Requirement (CFR) net of its external level of debt including other long term debt liabilities. The Council’s CFR as at 31 March 2024 was £175.72 million, external borrowing £104.61 million and other long term debt liabilities of £12.97 million, which is the PFI Maesteg School scheme.

The chart below shows the trend in the CFR based on **current** capital commitments within the approved capital programme. The CFR is anticipated to increase in the current year assuming capital expenditure is incurred as currently anticipated. The CFR in future years shows a reduction, however, this is on the assumption of no new schemes which require debt financing. If new schemes requiring debt financing are added, the CFR will continue to increase.

**Capital Financing Requirement Trend**



**5.0 TREASURY INVESTMENTS**

The Council holds treasury investments as a result of temporary cash balances arising from its day-to-day activities. The management of the day-to-day cash requirements of the Council is undertaken in-house with advice from Arlingclose, the Council’s Treasury Management advisors. This may involve temporary borrowing to meet cash-flow needs or temporary lending of surplus funds. Investment balances can fluctuate daily and arise as a result of a range of circumstances, including timing differences of revenue and capital cash flows, reserves and other balances held for future use.

Investments are made in institutions approved by Council as part of its Treasury Management Strategy and in accordance with investment guidelines issued by the Welsh Government. As part of the Markets and Financial Instruments Directive II, the Council elected for ‘professional’ status, which covers national and regional governments and public bodies. The categories of investments the Council can invest in can be changed with any proposed changes being presented to Council for approval.

Treasury investments are made primarily on the basis of ensuring security of the funds invested, whilst managing liquidity, and only then considering a commensurate return on the investment. As at 31 March 2024 the Council held £50 million of investments, with a weighted average return of 5.02.% (£64.50 million at 4.35% as at 31 December 2023). Table 6 below shows the investment profile as at 31 March 2024.

**Table 6: Investments by counterparty type**

Investment Category	Balance 1 April 2023	Investments made in period	Investments repaid in period	Balance 31 March 2024	Weighted interest rate 1 April 2023 to 31 March 2024
	£m	£m	£m	£m	%
Government DMO	7.50	349.90	(357.40)	0.00	5.04
Local Authorities	53.00	44.00	(53.00)	44.00	4.30
Money Market Funds	-	129.60	(129.60)	NIL	4.98
Banks (fixed maturity dates)	3.00	27.00	(30.00)	NIL	4.92
Banks (instant access/notice accounts)	11.00	71.70	(76.70)	6.00	3.89
<b>TOTAL</b>	<b>74.50</b>	<b>622.20</b>	<b>(646.70)</b>	<b>50.00</b>	<b>4.50</b>

The following should be noted:

- During the period to 31 March 2024 all investments made were in line with the approved counterparties within the Treasury Management Strategy.
- Investments are diversified over a number of organisations across different sectors, demonstrating a diversified investment portfolio.
- All investments are in sterling and are rated A- and above as per the approved criteria or with a public body.
- The weighted average rates are for all investments made during 1 April 2023 to 31 March 2024.

The overall interest receivable from treasury investments for the period 1 April 2023 to 31 March 2024 was £5.108 million. Although interest rates are expected to have reached their peak, the returns on new investments may vary as there will be a time lag on the overall average rates for existing investments until historic investments mature and monies are reinvested. The Council will continue to take a cautious approach to investing to ensure as its primary concern the security of any investments made. The risk of default for investments held is considered negligible.

All investments longer than 364 days will be made with a cautious approach to cash flow requirements and advice from the Council's Treasury Management advisors will be sought as necessary. The Treasury Management Strategy 2023-24 reduced the maximum duration for new investments to local authorities from 25 years (as grouped with other government agencies) to 2 years. All investments as at 31 March 2024 were short term of less than one year duration.

**Table 7: Sums invested for periods longer than a year**

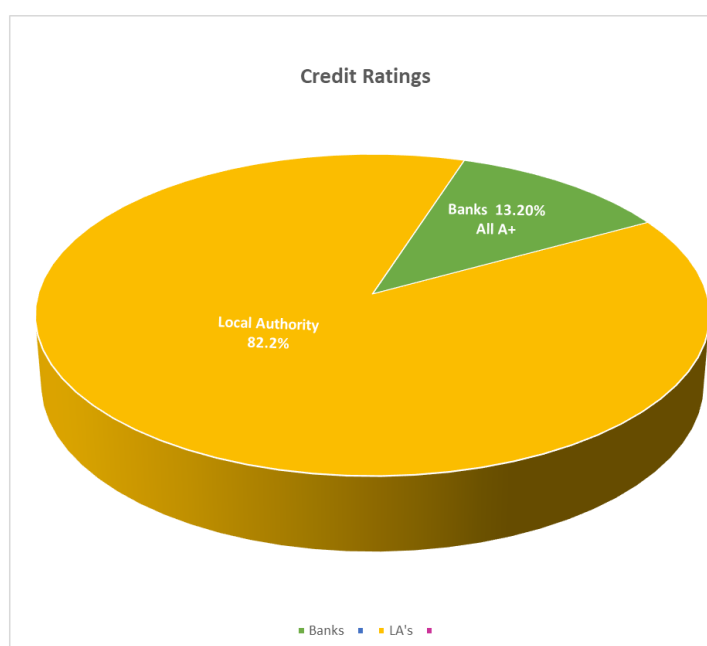
Price risk indicator	TMS 2023-24 £m	Actual £m	Full term maturity
Limit on principal invested beyond financial year end	15	NIL	NIL

The below table details the Council’s investments by counterparty and maturity profile.

**Table 8: Investments by maturity**

Counterparty Category	Instant Access £m	Deposits maturing within 1 month £m	Deposits maturing within 2-3 months £m	Deposits maturing within 4-12 months £m	Deposits maturing after 12 months £m	TOTAL £m
Government DMO	-	-	-	-	-	-
Local Authorities	-	5.00	4.00	35.00	-	44.00
Money Market Funds	-	-	-	-	-	-
Banks	6.00	-	-	-	-	6.00
<b>Total</b>	<b>5.50</b>	<b>7.00</b>	<b>18.00</b>	<b>34.00</b>	<b>-</b>	<b>50.00</b>

The pie chart below summarises the distribution of the Council’s investments by credit ratings. Most local authorities do not have credit ratings but are considered secure investment counterparties. Although the council did not have deposits with the Government DMO at 31 March 2024 it did use the facility during the period. The DMO is the UK government and rated AA.



## 6.0 INTEREST RATE EXPOSURES

The Council is exposed to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council, depending on how variable and fixed interest rates move across differing financial instrument periods. Short term and variable rate loans expose the Council to the risk of short-term interest rate rises and are therefore subject to the Treasury Management indicator below.

The following Table is based on investments at 31 March 2024.

**Table 9: Interest Rate Exposure**

Interest rate risk indicator	£ million
One year revenue impact of a 1% rise in interest rates	(0.307)
One year revenue impact of a 1% fall in interest rates	0.500

It is important to note that this is an indicator, not a limit. It is calculated at a point in time on the assumption that maturing loans and investments would be replaced at rates 1% higher or lower than they are currently, and that the treasury investment and borrowing portfolios remain unchanged over the next 12 months, which in practice is not the case. The figure for the 1% fall in interest rates indicator is not the same figure as the 1% increase (but reversed) as the borrowing relates to variable LOBO loans where it is assumed that the lender would only exercise their option if there was an increase in interest rates. All other borrowing does not have a rate reset in the next year and is with the PWLB at fixed rates.

A comparison of interest expenditure and income due for the period 1 April 2023 to 31 March 2024 is shown below.

**Table 10: Interest**

	01 April 2023 – 31 March 2024 £ million
Interest expenditure payable on long term borrowing	4.528
Other Interest expenditure payable	1.353
Total Interest Payable	5.881
Interest income received in period	(5.108)
Net interest cost	0.773

## 7.0 NON-TREASURY INVESTMENTS

The Council recognises that investment in other financial assets and property primarily for financial return, taken for non-treasury management purposes, requires careful investment management. Such activities include investments in subsidiaries and investments in property. A schedule of the Council's existing non-treasury investments (currently limited to owned property) is set out in Table 11 below. Recent PWLB guidance requires that local authorities should review their investment portfolio if they wish to secure PWLB borrowing but does not require the local authority to sell existing investment assets. This category covers non-financial assets held primarily or partially to generate a profit, primarily investment property. These assets are valued on an annual basis to reflect market conditions and the current value at the time they are valued, otherwise known as Fair Value, which provides security of their value and continued benefit to the Council.

**Table 11: Non-treasury investments**

<b>Non-treasury investments</b>	<b>£ million</b>
Bridgend Science Park - Units 1 & 2	3.170
Waterton Cross Land	0.560
Brynmenyn Industrial Estate Plot 53	0.675
Village Farm Plots 32,119 & 120	0.385
Tyrewise Bridgend	0.200
<b>Total at Fair Value</b>	<b>4.990</b>
<b>Annual return 2023-24</b>	<b>0.459</b>

The Council considers that the scale of its investment properties is proportionate to the resources of the Council as the investment represents less than 1% of its total long-term assets. In addition, the value of these investments has increased from the previous year.

In accordance with Welsh Government Investment Guidance, these are be classified as non-treasury investments.

Schedule A – Credit Rating Equivalence Table

Credit Rating Equivalence Table

	Description	Fitch		Moody's		Standard & Poor's	
		Long	Short	Long	Short	Long	Short
<b>INVESTMENT GRADE</b>	Extremely strong	AAA	F1+	Aaa	P-1	AAA	A-1+
	Very strong	AA+		Aa1		AA+	
		AA		Aa2		AA	
	Strong	AA-	Aa3	A+	A-1		
		A+	A1	A			
		A	A2	A-	A-2		
	Adequate	A-	A3	P-2	BBB+		
BBB+		Baa1	P-3	BBB	A-3		
BBB		Baa2		BBB-			
<b>SPECULATIVE GRADE</b>	Speculative	BBB-	F3	Baa3	Not Prime (NP)	BBB-	
		BB+	B	Ba1		BB+	B
		BB		Ba2		BB	
	BB-	Ba3		BB-			
	Very speculative	B+	B1	B+			
		B	B2	B			
	Vulnerable	B-	B3	B-			
		CCC+	Caa1	CCC+		C	
		CCC	Caa2	CCC			
		CCC-	Caa3	CCC-			
Defaulting	CC	Ca	CC				
	C		C				
	D	D	C		D	D	

## Schedule B – Arlingclose Economic &amp; Interest Rate Forecast – May 2024

	Current	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
<b>Official Bank Rate</b>													
Upside risk	0.00	0.00	0.25	0.25	0.50	0.50	0.75	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	5.25	5.25	5.00	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00
Downside risk	0.00	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00
<b>3-month money market rate</b>													
Upside risk	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00	1.00
Central Case	5.40	5.30	5.15	4.80	4.30	3.80	3.30	3.05	3.10	3.10	3.15	3.15	3.15
Downside risk	0.00	0.50	0.50	0.75	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>5yr gilt yield</b>													
Upside risk	0.00	0.50	0.75	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	4.04	3.95	3.85	3.75	3.60	3.50	3.40	3.40	3.40	3.40	3.45	3.50	3.55
Downside risk	0.00	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>10yr gilt yield</b>													
Upside risk	0.00	0.50	0.75	0.85	0.90	0.90	0.90	0.90	1.00	1.00	1.00	1.00	1.00
Central Case	4.16	4.10	4.05	4.00	3.85	3.75	3.70	3.70	3.70	3.70	3.75	3.80	3.80
Downside risk	0.00	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>20yr gilt yield</b>													
Upside risk	0.00	0.50	0.75	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	4.60	4.50	4.40	4.35	4.25	4.25	4.20	4.20	4.20	4.20	4.25	4.30	4.35
Downside risk	0.00	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>50yr gilt yield</b>													
Upside risk	0.00	0.50	0.75	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	4.20	4.10	4.00	3.95	3.85	3.85	3.80	3.80	3.80	3.80	3.85	3.90	3.95
Downside risk	0.00	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

- The Bank of England is now biased towards reductions in Bank Rate, and the upcoming data will determine the timing of the start of the easing cycle and its extent. The UK economy started the year stronger than expected, and wage growth, core and services inflation remain high, so there remains uncertainty around the start of the cycle, but it will be a surprise not to see one cut this summer.
- In May, the MPC continued its dovish tilt. Another committee member, Dave Ramsden joined Swati Dhingra in voting for a rate cut. For the remaining seven members the focus remains on the persistence of inflation, specifically in wages and services.
- UK GDP growth rebounded in Q1 2024 after the technical recession in H2 2023. Survey data suggests that this recovery continued in April, but the UK economy remains relatively weak, with GDP only 0.2% higher in Q1 compared to a year ago and consumer spending barely growing.
- Employment has started to decline, although vacancy levels stabilised suggesting that demand for new labour remains relatively resilient. Anecdotal evidence suggests lower pay growth, and we expect unemployment to rise, which will lead to some deterioration in consumer sentiment. Household and business spending will therefore

remain relatively soft. Stronger demand in Q1, however, raises some upside risks to this view.

- Inflation rates will move lower over the next 12 months. The headline CPI rate for April will be at or below the 2% target. There are upside risks from geo-political issues and now stronger domestic activity. With policymaker fears around the persistence of underlying inflationary pressure, particularly services inflation, we believe Bank Rate will remain unchanged until August and initially reduce slowly.
- The MPC minutes suggest that some committee members may not need to see much more evidence on falling inflation before changing their minds, so there is certainly a chance of an earlier rate cut in June.
- We expect that the continuation of restrictive monetary policy will bear down on activity and will require substantial loosening in 2025 to boost activity and inflation.
- Global bond yields will remain volatile and investors' positioning for the timing of US monetary loosening will continue to influence movements in gilt yields. Moreover, there is a heightened risk of fiscal policy, credit events and/or geo-political events causing substantial volatility in yields.

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By virtue of paragraph(s) 12 of Part 4 of Schedule 12A of the Local Government Act 1972.

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