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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.

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Cyfarwyddiaeth y Prif Weithredwr / Chief Executive's Directorate
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Gofynnwch am / Ask for:

Ein cyf / Our ref:
Eich cyf / Your ref:

Dyddiad/Date: Dydd Mercher, 8 Ionawr 2025

Annwyl Cyngorydd,

CABINET

Cynhelir Cyfarfod Cabinet Hybrid yn Siambr y Cyngor - Swyddfeydd Dinesig, Stryd yr Angel, Pen-y-bont ar Ogwr, CF31 4WB ar **Dydd Mawrth, 14 Ionawr 2025 am 14:30.**

AGENDA

- Ymddiheuriadau am absenoldeb
Derbyn ymddiheuriadau am absenoldeb gan Aelodau.
- 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.
- Cymeradwyaeth Cofnodion 5 - 26
I dderbyn am gymeradwyaeth y Cofnodion cyfarfod y 19/11/2024 a 10/12/2024
- Rhaglen Moderneiddio Ysgolion Ysgol Heronsbridge a Harwood House - Caffael 27 - 34
- Gwasanaeth Eiriolaeth Rhanbarthol ac Ymweld Annibynnol i Blant a Phobl Ifanc 35 - 40
- Strategaeth Ariannol Tymor Canolig Ddrafft 2025-26 i 2028-29 41 - 106

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10	<u>Darparu Gwasanaethau Diogelwch Traeth a Dwr Mewn Partneriaeth â Sefydliad Cenedlaethol Brenhinol y Badau Achub (RNLI)</u>	213 - 222
11	<u>Materion Brys</u>	
	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 pharagraff 2.4 (e) o'r Rheolau Trefn y Cabinet yn y Cyfansoddiad.	
12	<u>Gwahardd y Cyhoedd</u>	
	Nid oedd yr eitemau canlynol yn cael eu cyhoeddi, gan fod eu bod yn cynnwys gwybodaeth eithriedig fel y'i diffinnir ym Mharagraffau 12 a 14 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 Cabinet 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	<u>Cymeradwyaeth Cofnodion wedi'u Eithrio</u>	223 - 228
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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 / 643159

Yn ddiffuant

K Watson

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

COFNODION CYFARFOD Y CABINET A GYNHALIWYD YN HYBRID YN SIAMBR Y CYNGOR - SWYDDFEYDD DINESIG, STRYD YR ANGEL, PEN-Y-BONT AR OGWR, CF31 4WB AR DDYDD MAWRTH 19 TACHWEDD 2024 AM 14:30

Yn Bresennol

Y Cyngorydd JC Spanswick – Cadeirydd

N Farr
P Davies

J Gebbie
M J Evans

HM Williams
M Jones

E L P Caparros

Swyddogion:

Oscar Roberts
Carys Lord
Claire Marchant
Janine Nightingale
Kelly Watson
Mark Shephard
Lindsay Harvey
Michael Pitman

Prentis Gweinyddu Busnes - Gwasanaethau Democrataidd
Prif Swyddog - Cyllid, Tai a Newid
Cyfarwyddwr Corfforaethol - Gwasanaethau Cymdeithasol a Lles
Cyfarwyddwr Corfforaethol - Cymunedau
Prif Swyddog - Gwasanaethau Rheoliadol a Chyfreithiol, AD a Pholisi Corfforaethol
Prif Weithredwr
Cyfarwyddwr Corfforaethol - Addysg, Blynyddoedd Cynnar a Phobl Ifanc
Swyddog Cymorth Technegol – Gwasanaethau Democrataidd

Datgan Buddiannau

Datganodd y Cyngorydd Melanie Evans fuddiant personol yn Eitem 9 yr Agenda fel Cyngorydd Tref Pencoed a llywodraethwr yn Ysgol Gynradd Pencoed a Chroesty.

Datganodd y Cyngorydd Jane Gebbie fuddiant personol yn Eitem 9 yr Agenda gan ei bod yn llywodraethwr AALL yn Ysgol Gynradd Mynydd Cynffig

389. Cymeradwyo Cofnodion

Y Penderfyniad a Wnaed	<u>PENDERFYNWYD:</u> Cymeradwyo cofnodion y cyfarfod a gynhaliwyd ar 22/10/2024 fel cofnod gwir a chywir.
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Mae'r ddogfen hon ar gael yn Saesneg / This document is available in English

Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024
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390. Adolygiad Haen Ganol

Y Penderfyniad a Wnaed	<p>Cyflwynodd y Cyfarwyddwr Corfforaethol adroddiad a oedd yn</p> <ul style="list-style-type: none">• rhoi diweddariad mewn perthynas â'r cyfeiriad yn y dyfodol ar gyfer gwasanaethau gwella ysgolion yng Nghymru (mewn ymateb i gasgliadau 'Adolygiad Haen Ganol' Llywodraeth Cymru);• ceisio cymeradwyaeth y Cabinet i ddatblygu model gweithredu yn y dyfodol fel yr amlinellwyd yn fras yn yr adroddiad hwn; ac yn;• gofyn i'r Cabinet dderbyn a chymeradwyo adroddiadau pellach sy'n manylu ar oblygiadau ariannol penodol a'r model terfynol (yng ngwanwyn 2025 mae'n debyg). <p>Eglurodd y Cyfarwyddwr Corfforaethol fod gan fodel gweithredu presennol Consortiwm Canolbarth y De ddwy swyddogaeth graidd, mae tabl 3 yr adroddiad yn nodi'r swyddogaethau hyn a brasamcan yr adnoddau cyfredol a ddyrannwyd i bob un.</p> <p>Yn seiliedig ar yr adborth gan benaethiaid ac archwiliad ehangach o weithio o ysgol i ysgol fel ysgogydd gwelliant, dywedodd fod consensws ar draws y pum awdurdod lleol yn rhanbarth Consortiwm Canolbarth y De i elfennau craidd model gweithredu yn y dyfodol, nodwyd yr elfennau craidd wedi'u nodi yn 3.12 o'r adroddiad. Roedd Atodiad 1 yn manylu ar sut y gallai hyn weithredu, gyda model gweithredu mwy manwl, generig, posib yn Atodiad 2.</p> <p>Pwysleisiodd yr Aelod Cabinet dros Addysg a Gwasanaethau Ieuenctid fod hwn yn waith ar y gweill ac felly byddai gwaith a dilyniant parhaus i'w wneud o hyd. Ychwanegodd y byddai'r Cyfarwyddwr Corfforaethol yn darparu mwy o gynigion i'r Cabinet eu hystyried tua gwanwyn 2025.</p> <p>Gofynnodd y Dirprwy Arweinydd a fyddai hyn yn cael ei gynnwys o fewn y gyllideb eleni neu a fyddai disgwyliadau ar gyfer cyllid pellach yn y dyfodol.</p>
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	<p>Dywedodd y Cyfarwyddwr Corfforaethol dros Addysg, Blynyddoedd Cynnar a Phobl Ifanc ei bod yn anodd darparu ffigur nes bod y model gweithredu wedi'i lunio, fodd bynnag, mae'n debygol y bydd angen rhywfaint o gyllid pellach ar gyfer y cyfnod pontio.</p> <p><u>PENDERFYNWYD:</u> Bod y Cabinet:</p> <ul style="list-style-type: none"> • yn cymeradwyo datblygu model gweithredu yn y dyfodol fel yr amlinellwyd yn fras yn yr adroddiad hwn; ac yn; • cytuno i dderbyn a chymeradwyo adroddiadau pellach yn manylu ar oblygiadau ariannol penodol a'r model terfynol (yng ngwanwyn 2025 yn ôl pob tebyg) ac yn aros am ragor o wybodaeth am y cyllid posib ar gyfer y cyfnod pontio.
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

391. Adeiladu ar Gryfderau, Gwella Bywydau - Cynllun tair blynedd ar gyfer gofal a chymorth cynaliadwy i oedolion yng Nghyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr

Y Penderfyniad a Wnaed	<p>Cyflwynodd y Cyfarwyddwr Corfforaethol dros Wasanaethau Cymdeithasol a Lles adroddiad a oedd yn gofyn i'r Cabinet gymeradwyo Cynllun Tair Blynedd a Chynllun Gweithredu Un Flwyddyn ar gyfer 2024/2025 ar gyfer Gofal a Chymorth Cynaliadwy i Oedolion yng Nghyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr sy'n nodi ein hamcanion, ein blaenoriaethau a'n cynlluniau strategol.</p> <p>Nododd y Cynllun Tair Blynedd saith maes blaenoriaeth i ganolbwyntio arnynt, gydag amcanion allweddol ar gyflawni'r blaenoriaethau hyn. Nodwyd y cynllun yn Atodiad 1 yr adroddiad.</p> <p>Dywedodd y Dirprwy Arweinydd ei bod yn bwysig addasu'r hyn a wnawn yn barhaus i gyd-fynd ag anghenion y rheini sydd angen y gwasanaethau hyn, ac mae'r cynllun tair blynedd hwn yn rhoi'r sicrwydd hwnnw. Ychwanegodd bod cyfarfod pobl yn y gymuned sydd â straeon am sut mae'r gwasanaethau hyn wedi eu helpu i fyw bywyd normal yn codi calon, a thynnodd sylw at yr angen am y gwasanaethau hyn ac roedd y Cynllun wedi helpu i ddarparu'r gwasanaethau hyn yn fwy effeithiol.</p> <p>Roedd y pwyntiau trafod yn cynnwys:</p>
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	<ul style="list-style-type: none"> • materion ariannu a'r angen i newid dyluniad a darpariaeth gwasanaethau, mewn cyfnod pan oedd y cynnydd yn y galw am wasanaethau yn wynebu gofynion arbedion. • Peidio â dyblygu'r gwasanaethau a ddarperir gan drydydd partion. • Sicrhau ein bod yn gweithio'n agosach gyda'n partneriaid trydydd sector. <p>PENDERFYNWYD: Bod y Cabinet yn cymeradwyo'r Cynllun Tair Blynedd (Atodiad 1) a'r Cynllun Gweithredu Un Flwyddyn ar gyfer 2024/2025 (Atodiad 2) ar gyfer Gofal a Chymorth Cynaliadwy i Oedolion yng Nghyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr.</p>
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

392. Adroddiad Blynyddol ar Sylwadau a Chwynion y Gwasanaethau Cymdeithasol 2023/24

Y Penderfyniad a Wnaed	<p>Cyflwynodd y Cyfarwyddwr Corfforaethol dros Wasanaethau Cymdeithasol a Lles adroddiad i'r Cabinet ar Adroddiad Blynyddol ar Sylwadau a Chwynion y Gwasanaethau Cymdeithasol 2023/24 i'w gymeradwyo.</p> <p>Eglurodd fod Adroddiad Blynyddol 2023/24 yn cynnwys gwybodaeth ystadegol mewn perthynas â'r sylwadau a'r cwynion a dderbyniwyd yn ystod y flwyddyn ar gyfer Gofal Cymdeithasol i Oedolion a Gofal Cymdeithasol Plant. Cafodd y rhain eu dadansoddi yn adran 3 yr adroddiad. Defnyddiwyd yr ystadegau hyn hefyd i lywio datblygiad gwasanaeth o flwyddyn i flwyddyn.</p> <p>Diolchodd y Dirprwy Arweinydd i'r Rheolwr Canmoliaeth a Datrys Cwynion gan ei bod wedi bod yn allweddol wrth sicrhau ein bod yn cydymffurfio yn ogystal â chyflwyno'r wybodaeth yn glir mewn adroddiadau. Roedd hefyd yn amlwg bod y cwynion wedi lleihau ers y llynedd a oedd yn braf i'w weld.</p> <p>Gofynnodd yr Aelod Cabinet dros Adnoddau a oedd staff yn derbyn hyfforddiant gloywi ar sut i ymdrin â chwynion yn effeithiol. Dywedodd y Cyfarwyddwr Corfforaethol dros Wasanaethau Cymdeithasol a Lles ei bod yn hyderus bod y gwelliannau a wnaed yn gyffredinol, a'r gostyngiad yn y cwynion cyffredinol ers y llynedd, yn arwydd da o hyfforddiant staff a'u datblygiad.</p>
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	<p><u>PENDERFYNWYD:</u> Bod y Cabinet yn cymeradwyo'r Adroddiad Blynyddol ar Sylwadau a Chwynion y Gwasanaethau Cymdeithasol ar gyfer 2023/24 (ynghlwm fel Atodiad 1).</p>
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

393. Diweddariad i Reolau Gweithdrefn Ariannol y Cyngor

Y Penderfyniad a Wnaed	<p>Cyflwynodd y Prif Swyddog dros Gyllid, Tai a Newid adroddiad a oedd yn ceisio cymeradwyaeth gan y Cabinet ar gyfer fersiwn wedi'i diweddarau o Reolau Gweithdrefn Ariannol y Cyngor.</p> <p>Eglurodd fod y diwygiadau arfaethedig i'r Rheolau Gweithdrefn Ariannol wedi'u dangos trwy newidiadau wedi'u tracio yn Atodiad 1, ac mae fersiwn lân o'r Rheolau Gweithdrefn Ariannol ynghlwm yn Atodiad 2. Bydd adroddiad yn mynd gerbron y Cyngor i ddiwygio'r Cyfansoddiad i ymgorffori'r diwygiadau i'r Rheolau Gweithdrefn Ariannol.</p> <p>Amlygodd yr Arweinydd fod llawer o wasanaethau'r Cyngor yn dal i ddefnyddio papur, eto roedd gwasanaethau eraill wedi symud yn gyfan gwbl i ddigidol ac felly'n gobeithio y gallem symud mwy o wasanaethau i ddigidol lle y bo hynny'n bosib.</p> <p><u>PENDERFYNWYD:</u> Bod y Cabinet:</p> <ul style="list-style-type: none">• yn cymeradwyo'r diwygiadau i'r Rheolau Gweithdrefn Ariannol a amlinellir yn Atodiad 1;• yn nodi y bydd adroddiad ar wahân yn cael ei gyflwyno i'r Cyngor i ymgorffori'r Rheolau Gweithdrefn Ariannol diwygiedig yn y Cyfansoddiad, fel sydd ynghlwm yn Atodiad 2.
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

394. Rheoli'r Trysorlys – Adroddiad Hanner Blwyddyn hyd at fis Medi 2024

Y Penderfyniad a Wnaed	<p>Cyflwynodd y Prif Swyddog dros Gyllid, Tai a Newid adroddiad a oedd yn:</p> <ul style="list-style-type: none">• amlygu Dangosyddion Rheoli'r Trysorlys ar gyfer y cyfnod hyd at fis Medi 2024, ac yn;• sicrhau cydymffurfiaeth â gofyniad 'Rheoli'r Trysorlys yn y Gwasanaethau Cyhoeddus: Cod Ymarfer' (Cod CIPFA) y Sefydliad Siartredig Cyllid Cyhoeddus a Chyfrifeg (CIPFA) . <p>Amlinellodd y cyfraddau chwyddiant ar gyfer y 12 mis diwethaf hyd at fis Medi 2024 a beth oedd hyn yn ei olygu i strategaeth rheoli'r trysorlys y Cyngor. Nodwyd crynodeb o hyn yn Atodiad A yr adroddiad. Nododd Tabl 1 sefyllfa ddyled a buddsoddiad allanol y Cyngor ar 30 Medi 2024 ac ychwanegodd nad oedd unrhyw fuddsoddiad hirdymor (hyd gwreiddiol o 12 mis neu fwy) yn weddill ar 30 Medi 2024.</p> <p>Diolchodd yr Arweinydd i'r Swyddogion sy'n gweithio'n ddiflino ar hyn ac yn sicrhau bod ein harian yn gweithio'n galetach i ni yn barhaus.</p> <p>Gofynnodd yr Aelod Cabinet dros Gyllid a Pherfformiad beth oedd ein dyled o'i gymharu ag Awdurdodau Lleol eraill</p> <p>Eglurodd y Prif Swyddog dros Gyllid, Tai a Newid ei fod yn amrywio ledled Cymru yn dibynnu ar y math o fenthycy sydd ei angen, er enghraifft, gallai Caerdydd fenthycy ar gyfer prosiectau adfywio mawr iawn. Roedd CBSP rhywle yng nghanol yr Awdurdodau Lleol o ran ein benthyca.</p> <p><u>PENDERFYNWYD:</u> bod y Cabinet:</p> <ul style="list-style-type: none">• yn nodi gweithgareddau rheoli'r trysorlys ar gyfer 2024-25 ar gyfer y cyfnod hanner blwyddyn, 1 Ebrill 2024 hyd at 30 Medi 2024.• yn nodi Dangosyddion Rheoli'r Trysorlys am yr hanner blwyddyn a ddaeth i ben ar 30 Medi 2024 yn erbyn y rheini a gymeradwywyd yn Strategaeth Rheoli'r Trysorlys 2024-25.
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Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024
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395. Diweddariad ar y Rhaglen Gyfalaf - Chwarter 2 2024-25

Y Penderfyniad a Wnaed	<p>Cyflwynodd y Prif Swyddog dros Gyllid, Tai a Newid adroddiad a oedd yn:</p> <ul style="list-style-type: none">• Darparu diweddariad i'r Cabinet ar sefyllfa'r rhaglen gyfalaf ar gyfer 2024-25 ar 30 Medi 2024 (Atodiad A).• Ceisio cytundeb gan y Cabinet i gyflwyno adroddiad i'r Cyngor i'w gymeradwyo o raglen gyfalaf ddiwygiedig ar gyfer 2024-25 i 2033-34 (Atodiad B).• Gofyn i'r Cabinet nodi'r Dangosyddion Darbodus ac Eraill gwirioneddol ar gyfer 2023-24 a'r rhai gwirioneddol ar gyfer 2024-25 (Atodiad C). <p>Crynhodd y Prif Swyddog dros Gyllid, Tai a Newid y Rhaglen Gyfalaf ar gyfer pob Cyfarwyddiaeth yn ogystal â'r adnoddau sydd ar gael a nodwyd yn adran 3 yr adroddiad. Hefyd, darparodd ddadansoddiad o'r cynlluniau y nodwyd eu bod yn gofyn am lithriad cyllideb i flynyddoedd i ddod (2025-26 a thu hwnt).</p> <p>Gwnaeth yr Aelod Cabinet dros Gyllid a Pherfformiad sylw ar y pethau cadarnhaol yn yr adroddiad hwn ond nid yw'n tanamcangyfrif yr heriau a fu wrth gyrraedd y cam hwn.</p> <p>Gofynnodd yr Aelodau Cabinet gwestiynau amrywiol, yn gofyn am eglurhad ar nifer o gynlluniau a'u gwybodaeth ac atebwyd y rhain gan y Prif Swyddog dros Gyllid, Tai a Newid.</p> <p><u>PENDERFYNWYD:</u> bod y Cabinet:</p> <ul style="list-style-type: none">• yn nodi diweddariad ar y Rhaglen Gyfalaf - Chwarter 2 2024-25 y Cyngor hyd at 30 Medi 2024 (Atodiad A).• yn cytuno y dylid cyflwyno'r Rhaglen Gyfalaf ddiwygiedig (Atodiad B) i'r Cyngor i'w chymeradwyo.
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	<ul style="list-style-type: none"> yn gofyn i'r Cabinet nodi'r Dangosyddion Darbodus ac Eraill gwirioneddol ar gyfer 2023-24 a'r rhai gwirioneddol ar gyfer 2024-25 (Atodiad C).
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

396. Datganiad o Egwyddorion Trwyddedu 2025-2028 Deddf Gamblo 2005

Y Penderfyniad a Wnaed	<p>Cyflwynodd y Rheolwr Gweithredol dros Wasanaethau Rheoliadol a Rennir adroddiad a oedd yn gofyn am gymeradwyaeth y Cabinet i gyhoeddi Datganiad o Egwyddorion Trwyddedu'r Cyngor ar gyfer y cyfnod tair blynedd nesaf 2025 i 2028, ac i anfon y polisi ymlaen i'r Cyngor i'w gymeradwyo'n derfynol a'i gyhoeddi yn unol â'r rheoliadau.</p> <p>Rhoddodd grynodedb o'r newidiadau arfaethedig a amlinellwyd gan yr Adran dros Ddiwylliant, y Cyfryngau a Chwaraeon. Yn dilyn ymgynghoriad cyhoeddus gydag amrywiaeth o randdeiliaid, ar 16 Mai 2024 cyhoeddodd y Llywodraeth ei chasgliadau a'i chynigion a fydd yn effeithio ar y sector ledled Prydain Fawr. Nodwyd y newidiadau arfaethedig yn adran 3 yr adroddiad.</p> <p>Croesawodd yr Aelod Cabinet dros Gyllid a Pherfformiad yr adroddiad a dywedodd y gallai'r polisi gael ei adolygu o fewn y cylch 3 blynedd os oes angen.</p> <p>Gofynnodd y Dirprwy Arweinydd pam y rhestrwyd Tân ac Achub De Cymru fel yr ymgynghorwyr. Dywedodd y Rheolwr Gweithredol dros Wasanaethau Rheoliadol a Rennir fod y rhain yn ymgynghorai rheolaidd ar yr holl faterion sy'n ymwneud â gamblo ac y byddent yn codi unrhyw bryderon diogelwch pe bai rhai.</p> <p>PENDERFYNWYD: Bod y Cabinet yn cymeradwyo'r Datganiad o Egwyddorion Trwyddedu arfaethedig fel sydd ynghlwm yn Atodiad A, a'i anfon ymlaen i'r Cyngor i'w gymeradwyo'n derfynol a'i gyhoeddi yn unol â'r rheoliadau.</p>
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

7. **Gwasanaethau Rheoliadol a Rennir - Diwygiad i'r Cytundeb
Cydweithio a'r Cynllun Dirprwyo Swyddogaethau**

<p>Y Penderfyniad a Wnaed</p>	<p>Cyflwynodd y Prif Swyddog Cyfreithiol a'r Gwasanaethau Rheoliadol, Adnoddau Dynol a Pholisi Corfforaethol adroddiad a oedd yn ceisio cymeradwyaeth ar gyfer diwygiad i'r Cytundeb Cydweithio rhwng y Cynghorau partner ar gyfer darparu Gwasanaethau Rheoleiddio a diwygiad i Gynllun Dirprwyo Swyddogaethau'r Cyngor yn dilyn gweithredu'r drefn 'Gweithdrefnau Arbennig' o dan Ddeddf Iechyd y Cyhoedd (Cymru) 2017.</p> <p>Eglurodd fod disgwyl i Lywodraeth Cymru weithredu ei threfn hirddisgwyliedig 'Gweithdrefnau Arbennig' ddiwedd mis Tachwedd 2024, o dan Ddeddf Iechyd y Cyhoedd (Cymru) 2017. Mae Rhan 4 o'r Ddeddf sy'n ymwneud â Gweithdrefnau Arbennig yn creu cynllun trwyddedu gorfodol ar gyfer ymarferwyr a busnesau sy'n cyflawni gweithdrefnau arbennig yng Nghymru. Nodwyd rôl GRhR wrth weithredu'r drefn Gweithdrefnau Arbennig yn adran 3 yr adroddiad.</p> <p>Gofynnodd y Dirprwy Arweinydd pwy fyddai'n monitro busnesau i sicrhau cydymffurfiaeth, gan nad oedd yr adroddiad yn glir ynghylch pwy oedd yn gyfrifol.</p> <p>Dywedodd y Prif Swyddog Cyfreithiol a'r Gwasanaethau Rheoliadol, Adnoddau Dynol a Pholisi Corfforaethol, er y byddai'r awdurdod yn cael ei ddirprwyo iddi hi ei hun, y byddai hyn wedyn yn cael ei is-ddirprwyo i'r tîm priodol a chymwys o fewn GRhR ar ôl iddynt gwblhau'r hyfforddiant.</p> <p>Gofynnodd y Dirprwy Arweinydd pwy fyddai'n cyfleu'r newid i'r busnesau. Dywedodd y Rheolwr Gweithredol dros Wasanaethau Rheoliadol a Rennir ei fod yn cael ei gyfleu o lefel Llywodraeth Cymru yn y camau cychwynnol ond mai'r Awdurdodau Lleol wedyn fyddai'n gyfrifol am gyfathrebu pellach unwaith y byddai'r newid wedi ymwreiddio.</p> <p>PENDERFYNWYD: Bod y Cabinet yn</p> <ol style="list-style-type: none"> 1. cymeradwyo'r newidiadau arfaethedig i'r Cytundeb Cydweithio rhwng y tri chyngor ar gyfer darparu Gwasanaethau Rheoliadol; 2. rhoi awdurdod dirprwyedig i'r Prif Swyddog Cyfreithiol a'r Gwasanaethau Rheoliadol, Adnoddau Dynol a Pholisi Corfforaethol, i gytuno ar delerau'r Weithred Amrywio i'r Cytundeb Cydweithio ac i drefnu gweithredu'r Weithred Amrywio ar ran y Cyngor;
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	<p>3. cymeradwyo'r diwygiad i'r Cynllun Dirprwyo Swyddogaethau fel y nodir ym mharagraff 3.6 yr adroddiad;</p> <p>4. nodi y bydd adroddiad yn cael ei gyflwyno i'r Cyngor ar 20 Tachwedd 2024 yn ceisio gwelliannau i'r Cyfansoddiad mewn perthynas â Phwyllgor Deddf Trwyddedu 2003.</p>
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

398. Blaenraglenni Gwaith y Cabinet, y Cyngor a'r Pwyllgorau Trosolwg a Chraffu

Y Penderfyniad a Wnaed	<p>Cyflwynodd y Prif Swyddog Cyfreithiol a'r Gwasanaethau Rheoliadol, Adnoddau Dynol a Pholisi Corfforaethol adroddiad a oedd yn ceisio cymeradwyaeth y Cabinet i eitemau gael eu cynnwys ar Flaenraglen Waith y Cabinet ar gyfer y cyfnod 1 Tachwedd 2024 hyd at 28 Chwefror 2025 ac i'r Cabinet nodi Blaenraglenni Gwaith y Cyngor a'r Pwyllgorau Trosolwg a Chraffu am yr un cyfnod.</p> <p>Nodwyd pob un o'r tair Blaenraglen Waith yn yr atodiadau sydd ynghlwm wrth yr adroddiad.</p> <p><u>PENDERFYNWYD:</u> Bod y Cabinet:</p> <p>yn cymeradwyo Blaenraglen Waith y Cabinet ar gyfer y cyfnod 1 Tachwedd 2024 hyd at 28 Chwefror 2025 yn Atodiad 1:</p> <p>yn nodi Blaenraglenni Gwaith y Cyngor a'r Pwyllgorau Trosolwg a Chraffu am yr un cyfnod, fel y dangosir yn Atodiad 2 ac Atodiad 3 yr adroddiad, yn y drefn honno.</p>
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

399. Adnewyddu Depo'r Priffyrdd Waterton Parc Afon Ewenni

Mae'r ddogfen hon ar gael yn Saesneg / This document is available in English

<p>Y Penderfyniad a Wnaed</p>	<p>Cyflwynodd y Cyfarwyddwr Corfforaethol dros Gymunedau adroddiad a ddiweddarwyd i'r Cabinet ar y cynnig gwreiddiol i ailadeiladu ac, yn ddiweddarach, adleoli'r Depo'r Priffyrdd yn Waterton. Mae gwaith a wnaed yn ddiweddar, ac adolygiad diweddar o'r cyllid cyfalaf sydd ar gael, wedi arwain at gynnig wedi'i ddiweddarau i gynnal/adnewyddu'r ôl troed presennol o fewn y gyllideb gyfalaf sydd ar gael ar sail blaenoriaeth.</p> <p>Darparodd gefndir i'r adroddiad a dywedodd bod y cyngor wedi cymeradwyo trosglwyddiad o £1,173,530, ers mis Tachwedd 2023, o gynllun Depo Waterton i brosiect Neuadd y Dref Maesteg, gan adael cyllideb sy'n weddill o £6,970,470. Bu diwygiadau eraill i'r gyllideb yn ystod 2024-25, gan gynnwys trosglwyddo cyllid tuag at gost cerbydau gwastraff newydd, a gymeradwywyd gan y Cyngor, gan adael cyllideb gyfredol o £7.091 miliwn (y mae £3.591 miliwn ohono yn gyllid wedi'i sicrhau).</p> <p>Ychwanegodd ei bod bellach yn amlwg nad oedd adleoli Depo'r Priffyrdd i safle/lleoliad yn rhywle arall bellach yn opsiwn fforddiadwy, ac y bydd angen gwneud gwaith adnewyddu ar sail blaenoriaeth o fewn yr ôl troed presennol. Nodwyd yr asedau blaenoriaeth uchaf ar gyfer cynnal a chadw/adnewyddu yn 3.4 yr adroddiad.</p> <p>Gofynnodd yr Aelod Cabinet dros Newid Hinsawdd a'r Amgylchedd a oeddem yn hyderus y byddai'r arian ar gael ar gyfer yr asedau blaenoriaeth uchaf. Roedd y Cyfarwyddwr Corfforaethol yn hyderus bod hyn yn wir.</p> <p>Gofynnodd yr Arweinydd am eglurder ynghylch adran 8.3 o'r adroddiad a'r geiriad o gwmpas £3.5 miliwn. Aethpwyd i'r afael â hyn gan y Prif Swyddog dros Gyllid, Tai a Newid. Diwygiwyd yr argymhellion yn dilyn hynny, fel y nodir isod.</p> <p><u>PENDERFYNWYD:</u> bod y Cabinet: -</p> <ol style="list-style-type: none"> 1. yn nodi y newid dull o gyflawni Depo'r Priffyrdd sy'n deillio o newidiadau i'r gyllideb gyfalaf sydd ar gael, ochr yn ochr â ffactorau amgylcheddol a chwyddiant. 2. rhoi awdurdod dirprwyedig i'r Cyfarwyddwr Corfforaethol dros Gymunedau mewn ymgynghoriad â'r Prif Swyddog Cyfreithiol a'r Gwasanaethau Rheoliadol, Adnoddau Dynol a Pholisi Corfforaethol, a'r Prif Swyddog dros Gyllid, Tai a Newid, i gwblhau'r gwaith brys i'r ysgubor halen a chyfleusterau eraill a nodwyd, i gaffael a chyflawni'r gwaith angenrheidiol gan ddefnyddio'r cyllid cyfalaf sydd ar gael ar gyfer y Prosiect fel yr amlinellir ym Mharagraff 8.3 yr adroddiad, gyda'r diwygiad i'r geiriad i "ymgymryd â'r gwaith angenrheidiol o fewn y cyllid cyfalaf sydd ar gael o £3.591 miliwn"
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Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024
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400. Opsiynau Gwasanaeth Gwastraff y Dyfodol

Y Penderfyniad a Wnaed	<p>Cyflwynodd y Cyfarwyddwr Corfforaethol dros Gymunedau adroddiad a oedd yn gofyn i'r Cabinet wneud penderfyniad ar y model ar gyfer darparu gwasanaethau yn y dyfodol, a gofynnodd am ganiatâd i fynd i drafodaethau â Chynllun B i ymestyn y contract presennol yn unol â Rheoliadau Caffael Cyhoeddus fel sefyllfa wrth gefn.</p> <p>Tynnodd sylw at ganfyddiadau ail adroddiad a gomisiynwyd gan Eunomia Research & Consulting Ltd ar opsiynau ailgylchu a gwastraff yn y dyfodol o fis Ebrill 2026. Nodwyd rhagor o wybodaeth yn adran 3 yr adroddiad.</p> <p>Dywedodd y Cyfarwyddwr Corfforaethol dros Gymunedau fod yr opsiynau i'w hystyried ar hyn o bryd fel a ganlyn:</p> <p>Opsiwn A – symud ymlaen i sefydlu cwmni masnachu awdurdod lleol neu;</p> <p>Opsiwn B – dod â'r gwasanaeth yn fewnol.</p> <p>Dywedodd yr Aelod Cabinet dros Newid Hinsawdd a'r Amgylchedd fod yr oedi a oedd wedi digwydd yn anffodus ond bod yr ail adroddiad a gomisiynwyd yn angenrheidiol. Roedd yn credu bod y cynllun wrth gefn yn angenrheidiol wrth i ni gytuno ar y ffordd ymlaen, a byddai hyn yn rhoi peth amser i wneud hynny.</p> <p>Cytunodd y Cabinet ei bod yn bwysig dychwelyd i'r trywydd iawn o ran amserlenni ac felly y byddai'n sefydlu bwrdd pontio gan ddechrau mis Rhagfyr 2024 a fyddai'n cyfarfod bob chwarter.</p> <p><u>PENDERFYNWYD:</u> Bod y Cabinet yn</p> <ul style="list-style-type: none">nodi cynnwys yr adroddiad hwn ac Atodiad A sy'n cynnwys dadansoddiad manylach o sut y gallai'r cwmni masnachu awdurdod lleol a'r modelau mewnol weithredu.
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	<ul style="list-style-type: none"> cymeradwyo bod y gwasanaeth gwastraff yn y dyfodol yn cael ei ddarparu trwy Opsiwn B - darparu'r gwasanaeth yn fewnol. rhoi awdurdod dirprwyedig i'r Cyfarwyddwr Corfforaethol dros Gymunedau, mewn ymgynghoriad â'r Prif Swyddog Cyfreithiol a'r Gwasanaethau Rheoliadol, Adnoddau Dynol a Pholisi Corfforaethol a'r Prif Swyddog dros Gyllid, Tai a Newid, i ddechrau gwaith ar unwaith i gychwyn trafodaethau â Chynllun B i ymestyn y contract presennol yn unol â Rheoliadau Caffael Cyhoeddus i ganiatáu digon o amser fel cynllun wrth gefn, pe bai ei angen, ar gyfer gweithredu a symud y model gwasanaeth yn ddiraferth yn y dyfodol. Sefydlu bwrdd pontio sy'n dechrau ym mis Rhagfyr 2024 ac i gyfarfod bob chwarter.
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

401. Eitemau Brys

Y Penderfyniad a Wnaed	Nid oedd unrhyw faterion brys i'w trafod
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

402. Gwahardd y Cyhoedd

Y Penderfyniad a Wnaed	<u>PENDERFYNWYD</u> : Nid oedd yr eitemau canlynol i'w cyhoeddi am eu bod yn cynnwys gwybodaeth wedi'i heithrio fel y diffinnir ym Mharagraffau 14 Rhan 4 a Pharagraff 21 Rhan 5 Atodlen 12A Deddf Llywodraeth Leol 1972, fel y'i diwygiwyd gan Orchymyn Llywodraeth Leol (Mynediad at Wybodaeth) (Amrywio) (Cymru) 2007.
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	Yn dilyn cymhwyso prawf budd y cyhoedd, penderfynodd y Cabinet yn unol â'r Ddeddf ystyried yr eitemau hyn yn breifat, gyda'r cyhoedd yn cael eu gwahardd o'r cyfarfod yn ystod ystyriaeth o'r fath.
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

403. Cymeradwyo'r Cofnodion Wedi'u Heithrio

Y Penderfyniad a Wnaed	<u>PENDERFYNWYD</u> : Cymeradwyo cofnodion wedi'u heithrio'r cyfarfod a gynhaliwyd ar 22/10/2024 fel cofnod gwir a chywir.
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

404. Gwaredu Ravenscourt

Y Penderfyniad a Wnaed	Roedd y penderfyniad hwn wedi'i eithrio
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

405. Diweddariad am Raglen Adfywio Porthcawl

Y Penderfyniad a Wnaed	Roedd y penderfyniad hwn wedi'i eithrio
Dyddiad Gwneud y Penderfyniad	19 Tachwedd 2024

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

Daeth y cyfarfod i ben am 17:45.

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COFNODION CYFARFOD Y CABINET A GYNHALIWDYD YN HYBRID YN SIAMBR Y CYNGOR – Y SWYDDFEYDD DINESIG , STRYD YR ANGEL, PEN-Y-BONT AR OGWR, CF31 4WB DDYDD MAWRTH, 10 RHAGFYR 2024 AM 14.30.

Presennol

Y Cyngorydd JC Spanswick – Cadeirydd

N Farr
P Davies

J Gebbie
M J Evans

HM Williams
M Jones

E L P Caparros

Presennol yn Rhithwir

Ymddiheuriadau am Absenoldeb

Dim.

Swyddogion:

Oscar Roberts
Stephen Griffiths
Carys Lord
Claire Marchant
Janine Nightingale
Kelly Watson

Mark Shephard
Lindsay Harvey
Paul Miles
Helen Pembridge
Jonathan Parsons

Prentis Gweinyddu Busnes – Y Gwasanaethau Democraidd
Swyddog y Gwasanaethau Democraidd - Pwyllgorau
Prif Swyddog – Cyllid, Tai a Newid
Cyfarwyddwr Corfforaethol – Y Gwasanaethau Cymdeithasol a Lles
Cyfarwyddwr Corfforaethol – y Cymunedau
Prif Swyddog – Gwasanaethau Cyfreithiol a Rheolaethol, Adnoddau Dynol a Pholisi
Corfforaethol
Y Prif Weithredwr
Cyfarwyddwr Corfforaethol – Addysg, y Blynnyddoedd Cynnar a Phobl Ifanc
Rheolwr Grŵp – Adnoddau Dynol a Datblygiad Sefydliadol
Prif Swyddog Tai / Llygredd, Bro Morgannwg
Rheolwr Grŵp Gwasanaethau Cynllunio a Datblygu

Datganiadau o Fuddiannau

Gwnaed y datganiadau canlynol o fuddiannau:-

- Datganodd y Cyng N Farr fuddiant personol yn eitem 5 gan fod yr adroddiad yn sôn am deithio llesol ar heol Newton Nottage, peth y mae hi wedi bod yn ymgyrchu drosto ers iddi gael ei hethol.
- Datganodd y Cyng M Evans fuddiant personol yn eitem 4 fel Llywodraethwr Ysgol yn Ysgolion Cyfun Croesty a Phencoed.
- Datganodd y Cyng M Evans fuddiant rhagfarnus yn eitem 5 gan fod yr adroddiad yn cyfeirio at bont Penprysg. Gadawodd y Cyng Evans y cyfarfod tra roedd yr eitem hon yn cael ei hystyried.
- Datganodd y Cyng J Spanswick fuddiant personol yn eitem 5 gan fod yr adroddiad yn cyfeirio at Gyffordd Singleton ym Mracla.
- Datganodd y Cyng E Caparros fuddiant personol yn eitem 5 gan fod yr adroddiad yn cyfeirio at Gyffordd Singleton ym Mracla, sydd yn ei ward ef.

408. Adroddiad Diogelu Corfforaethol Blynyddol 2023/24

Y Penderfyniad Wnaed	<p>Cyflwynodd Cyfarwyddwr Corfforaethol – y Gwasanaethau Cymdeithasol a Lles adroddiad oedd yn crynhoi'r gweithgareddau diogelu oedd yn digwydd ar draws y Cyngor, gan nodi lefel uchel o atgyfeiriadau a newidiadau sylweddol i gynnwys atgyfeiriadau oedolion a phlant, ynghyd ag integreiddio timau a meysydd gwasanaeth newydd i mewn i'r Gyfarwyddiaeth.</p> <p>Gofynnodd y Cabinet gwestiynau ar y pynciau canlynol:</p> <ul style="list-style-type: none">• Cynnwys yr atgyfeiriadau.• Defnydd y Cyngor o staff asiantaeth.• Unrhyw berthynas rhwng cam-drin a gwahardd o'r ysgol.• Monitro plant y tu allan i gymunedau'r ysgol.• Gweithredu systemau newydd fel rhan o'r Fframwaith Diogelu Corfforaethol• A all y Cyngor drefnu rhagor o fecanweithiau i gefnogi teuluoedd agored i niwed y tu hwnt i'r rhai y mae deddfwriaeth yn ei orfodi.• Mynediad at agwedd o'r adroddiad oedd yn ymdrin â Chynlluniau'r Dyfodol a Seiberdroseddu. <p>Atebwyd y cwestiynau hyn gan Gyfarwyddwr Corfforaethol – Y Gwasanaethau Cymdeithasol a Lles a chytunodd y Cyfarwyddwr Corfforaethol – Addysg, y Blynyddoedd Cynnar a Phobl Ifanc, i ddsbarthu cyflwyniad ar Seiberdroseddu i'r Aelodau.</p>
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	<p><u>PENDERFYNWYD:</u> Bod y Cabinet yn cymeradwyo Adroddiad Diogelu Corfforaethol Blynyddol 2023/24, gan ddiolch i'r Cyfarwyddwr Corfforaethol a swyddogion eraill am lunio'r adroddiad. Nododd y Cabinet ymhellach y dylid cydnabod gwaith y Cyngor fel yr arfer gorau a thynnu sylw at yr angen i ddiogelu fod o gymorth i amddiffyn y rhai mwyaf agored i niwed yn y gymdeithas.</p>
Dyddiad Gwneud y Penderfyniad	10 Rhagfyr 2024

409. Trefniadau Cydlynol Derbyn i Ysgolion 2027-2028

Y Penderfyniad Wnaed	<p>Cyflwynodd Cyfarwyddwr Corfforaethol – Addysg, y Blynyddoedd Cynnar a Phobl Ifanc adroddiad oedd yn gofyn am gymeradwyaeth y Cabinet i'r Trefniadau Cydlynol Derbyn i Ysgolion ar gyfer 2027-2028 ac yn cynnwys ymgynghoriad cyhoeddus ar y trefniadau er mwyn caniatáu ar gyfer unrhyw sylwadau neu eglurhad gan randdeiliaid a thrigolion.</p> <p>Gofynnodd Aelodau'r Cabinet gwestiynau ynghylch unrhyw newidiadau o adroddiad y flwyddyn flaenorol, trefniadau'r Cyngor ar gyfer darpariaeth Gymraeg, manylion am ddalgylch ysgolion a dyddiadau cau ar gyfer derbyniadau i ysgolion. Atebwyd y cwestiynau hyn gan y Cyfarwyddwr Corfforaethol – Addysg, Blynyddoedd Cynnar a Phobl Ifanc</p> <p><u>PENDERFYNWYD:</u> Bod y Cabinet yn cymeradwyo'r Trefniadau Cydlynol Derbyn i Ysgolion 2027-2028 (fel y manylir arnynt yn Atodiad A i'r adroddiad), gan ddiolch i'r Cyfarwyddwr Corfforaethol – Addysg, Blynyddoedd Cynnar a Phobl Ifanc a'i dîm am lunio'r adroddiad.</p>
Dyddiad Gwneud y Penderfyniad	10 Rhagfyr 2024

410. Prosiectau Cludiant Strategol

Y Penderfyniad Wnaed	<p>Cyflwynodd Cyfarwyddwr Corfforaethol – y Cymunedau adroddiad oedd yn rhoi'r wybodaeth ddiweddaraf i'r Cabinet am y rhestr o brosiectau parhaus a'r rhai cynlluniedig oedd wedi eu bwriadu i wella cysylltiadau cludiant o amgylch y Fwrdeistref, gan nodi nad oes arian wedi' cael ei rwymo ar hyn o bryd ar wahân i gyllid Llywodraeth Cymru a Phrifddinas-Ranbarth Caerdydd ar gyfer prosiectau presennol o fewn</p>
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Cyllideb Gyfalaf y Cyngor. Nododd y Cyfarwyddwr hefyd mai un prosiect yn unig y gellir ei enwebu ar gyfer cyllid fesul awdurdod yn 2025-26.

Gofynnodd y Cabinet gwestiynau ar y pynciau a ganlyn: Trefniadau teithio estyniad Stryd y Doc, eglurder ynghylch Cyffordd Singleton ym Mracla, a allai prosiectau tai presennol gyfrannu at brosiectau cludiant, uchelgeisiau realistig prosiectau presennol a sut i gyfleu cymhlethdod prosiectau i'r cyhoedd. Atebwyd y cwestiynau hyn gan Gyfarwyddwr Corfforaethol – y Cymunedau a Rheolwr Grŵp Gwasanaethau Cynllunio a Datblygu, gan nodi y byddai ar rai prosiectau angen cyllid hyd at lefel Llywodraeth Cymru neu'r Llywodraeth ganolog i fod yn ddichonadwy.

PENDERFYNWYD: Bod y Cabinet:

1. Wedi ystyried y wybodaeth yn yr adroddiad ac wedi nodi'r cynnydd ar y Rhaglen Teithio Llesol a Metrolink Porthcawl.
2. Yn cymeradwyo'r rhestr o brosiectau teithio llesol a amlinellir ym mharagraffau 3.3.7 – 3.3.9 i fynd ymlaen fel cynlluniau ar gyfer Prosiectau Cyfalaf, Cynlluniau Datblygu Craidd a Chynllun Mân Waith fel bidiau yn rhaglen gyllido 2025/26 Llywodraeth Cymru.
3. Yn gohirio gwaith pellach ar gynllun Teithio Llesol Cilgant Myrddin tra'n disgwyl am waith datblygu ac ymgynghori pellach.
4. Yn cymeradwyo'r prosiectau teithio llesol a chludiant strategol arfaethedig fel y nodwyd yn yr adroddiad, i'w cynnwys fel rhan o unrhyw geisiadau yn y dyfodol i Brifddinas-Ranbarth Caerdydd neu gyfleoedd ariannu eraill yn ogystal â'u cynnwys yn y Cynllun Cludiant Rhanbarthol.
5. Yn cymeradwyo'r prosiectau a nodwyd yn yr adroddiad i fod yn sail i drafodaeth gyda chyrrff cludiant allanol eraill ynghylch blaenoriaethau cludiant strategol cenedlaethol a rhanbarthol.
6. Yn cymeradwyo mewn egwyddor y gwaith sydd ei angen i ganiatáu i Lwybr Cymunedol Cwm Garw ddychwelyd i ddefnydd gweithredol yn y tymor byr yn amodol ar gyllid, ac mewn egwyddor i ymgymryd â'r brydles a rheolaeth weithredol y llwybr yn y tymor hwy yn amodol ar ymchwiliad helaeth i'r safle, costau'n cael eu paratoi, cyllidebau yn cael eu nodi a'u hadrodd yn ôl i'r Cabinet i'w cymeradwyo'n ffurfiol.
7. Yn nodi y bydd angen cyflwyno unrhyw gynlluniau cyfalaf yn y dyfodol i'r Cyngor i'w cynnwys yn y Rhaglen Gyfalaf.

Diolchodd y Cabinet ymhellach i Gyfarwyddwr Corfforaethol – y Cymunedau a Rheolwr Grŵp Gwasanaethau Cynllunio a Datblygu am eu gwaith yn llunio'r adroddiad. Eglurodd y Cabinet fod yr

	adroddiad yn uchelgeisiol oherwydd heriau refeniw parhaus ond nododd yr angen i wneud gwaith ar y prosiectau arfaethedig hyn ac ymrwymodd i barhau i wthio dros y prosiectau hyn pan fydd hyfywedd ariannol yn caniatáu.
Dyddiad Gwneud y Penderfyniad	10 Rhagfyr 2024

411. Polisi Gweithio Hyblyg

Y Penderfyniad Wnaed	<p>Cyflwynodd y Rheolwr Grŵp – Adnoddau Dynol a Datblygu Sefydliadol adroddiad yn amlinellu newidiadau, yn unol â deddfwriaeth, i Bolisi Gweithio Hyblyg y Cyngor, ynghyd ag adborth gan wasanaethau ac undebau llafur, oedd hefyd yn cynnwys newidiadau i gymhwysedd a meini prawf ar gyfer gwneud ceisiadau i newid statws gweithiwr.</p> <p>Gofynnodd y Cabinet gwestiwn ynghylch statws amser i ffwrdd yn lle amser a weithiwyd, a gafodd ei egluro fel rhan o Bolisi ar wahân y Cyngor ar Absenoldeb.</p> <p><u>PENDERFYNWYD:</u> Bod y Cabinet yn cymeradwyo'r Polisi Gweithio Hyblyg diwygiedig, gan obeithio y bydd gwelliannau pellach yn dod oddi wrth y Llywodraeth i bobl sy'n gweithio.</p>
Dyddiad Gwneud y Penderfyniad	10 Rhagfyr 2024

412. Adroddiad Gwybodaeth i'w Nodi

Y Penderfyniad Wnaed	<p>Cyflwynodd Prif Swyddog – y Gwasanaethau Cyfreithiol a Rheoleiddiol, AD a Pholisi Corfforaethol adroddiad yn amlinellu i'r Cabinet yr Adroddiadau Gwybodaeth a gyhoeddwyd ers y cyfarfod diwethaf, sef Deddf Rheoleiddio Pwerau Ymchwilio 2000 a Llythyr Blynnyddol Ombwdsmon Cymru 2023/24.</p> <p><u>PENDERFYNWYD:</u> Bod y Cabinet yn cydnabod cyhoeddi'r adroddiadau y cyfeiriwyd atynt ym mharagraff 3.1 o'r adroddiad eglurhaol.</p>
Dyddiad Gwneud y Penderfyniad	10 Rhagfyr 2024

413. Eitemau Brys

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Y Penderfyniad Wnaed	Nid oedd eitemau brys.
Dyddiad Gwneud y Penderfyniad	10 Rhagfyr 2024

414. Gwahardd y Cyhoedd

Y Penderfyniad Wnaed	<p><u>PENDERFYNWYD:</u> Nad yw'r eitem ganlynol i gael ei chyhoeddi gan ei bod yn cynnwys gwybodaeth eithriedig fel y'i diffinnir ym Mharagraffau 12 a 13 o Ran 4, Atodlen 12A i Ddeddf Llywodraeth Leol 1972, fel y'i diwygiwyd gan Orchymyn Deddf Llywodraeth Leol (Mynediad at Wybodaeth) (Amrywiad) (Cymru) 2007.</p> <p>Os bydd y Cabinet, yn dilyn cymhwyso prawf lles y cyhoedd, yn penderfynu yn unol â'r Ddeddf i ystyried yr eitem hon yn breifat, bydd y cyhoedd yn cael eu gwahardd o'r cyfarfod yn ystod ystyriaeth o'r fath.</p>
Dyddiad Gwneud y Penderfyniad	10 Rhagfyr 2024

415. Prynu'n Orfodol Eiddo Problemus sy'n Wag Erstalwm

Y Penderfyniad Wnaed	Nid yw'r penderfyniad wnaed yn gysylltiedig â'r eitem hon ar gael i'w archwilio gan y cyhoedd gan fod yr adroddiad wedi ei eithrio.
Dyddiad Gwneud y Penderfyniad	10 Rhagfyr 2024

Agenda Item 4

Meeting of:	CABINET
Date of Meeting:	14 JANUARY 2025
Report Title:	SCHOOL MODERNISATION PROGRAMME – HERONSBRIDGE SCHOOL AND HARWOOD HOUSE – PROCUREMENT
Report Owner / Corporate Director:	CORPORATE DIRECTOR – EDUCATION, EARLY YEARS AND YOUNG PEOPLE CORPORATE DIRECTOR – SOCIAL SERVICES AND WELLBEING
Responsible Officer:	GAYNOR THOMAS MANAGER, SUSTAINABLE COMMUNITIES FOR LEARNING JADE JONES CHILDREN’S COMMISSIONING AND SUFFICIENCY LEAD
Policy Framework and Procedure Rules:	There is no effect upon policy framework or procedure rules.
Executive Summary:	The necessary Welsh Government and Council approvals are now in place to progress the Heronsbridge School scheme to Full Business Case stage. Cabinet approval is sought to tender for a design and build contractor to progress the scheme through Royal Institute of British Architects Stages 3 and 4 and to establish a fixed-price cost to construct the school and residential provision. Harwood House (specialist children’s residential provision) is located on the existing Heronsbridge School site, the relocation for which is proposed to be included as part of the tender.

1. Purpose of report

1.1 The purpose of this report is to:

- seek Cabinet approval for the procurement strategy for the design and build of the replacement school;
- seek Cabinet approval to proceed with tendering the scheme;

- seek Cabinet approval to include the specialist children’s residential provision (Harwood House) as part of the tender as a separate option, allowing for the scheme to be either included or excluded once contracts are awarded, pending the required capital funding being confirmed;
- advise Cabinet that they will be presented with a future report prior to awarding the main construction contract, which sets out the position regarding costs and budget; and
- advise Cabinet that they will be presented with a future report to modify the school opening date.

2. Background

- 2.1 On 6 December 2017, the Welsh Government Department for Education gave ‘approval in principle’ for Bridgend’s second wave of investment to support the School Modernisation Programme, which at that stage had an estimated cost envelope of £68.2m. Further costs were to be determined, and these would be associated with additional infrastructure capacity.
- 2.2 In January 2018, Council approved, in principle, the financial commitment required, subject to sufficient resources being identified and allocated to meet the match funding commitment.
- 2.3 In January 2020, Cabinet was presented with the outcome of the extensive options appraisal relating to each of the approved projects.
- 2.4 In December 2020, Cabinet/Corporate Management Board (CCMB) endorsed the preferred ‘Do maximum’ option for Heronsbridge School (that is, a new-build school for pupils with autistic spectrum disorder (ASD), severe learning difficulties and profound and multiple learning difficulties plus residential provision). The school would be sized to accommodate 300 pupils. This was reflected in the strategic outline business case, which was subsequently submitted to Welsh Government for consideration.
- 2.5 In December 2020, Council approval was received to include funding in the Capital Programme to deal with payments associated with securing land.
- 2.6 In March 2021, Ministerial approval was received in respect of the Strategic Outline Business Case for a replacement 300-place Heronsbridge School, plus residential provision.
- 2.7 Ministerial approval of the Welsh Government Outline Business Case was received in November 2021.
- 2.8 The outcome of the feasibility study to consider the development of the school on privately owned land at Island Farm, Bridgend was reported to Cabinet on 8 March 2022 and approval was received to commence a statutory consultation process to make regulated alterations to Heronsbridge School to increase the number of pupils for whom the school makes provision to 300 and to relocate the school from its current location at Ewenny Road, Bridgend to Island Farm, Bridgend.

- 2.9 In June 2022, Cabinet was informed of the outcome of the statutory consultation process and gave approval to publish the consultation report and statutory notice in respect of the proposal. The statutory notice was published on 30 June 2022 and no objections were received in respect of the proposal. On 18 October 2022, the outcome of the statutory process was reported to Cabinet, who determined to proceed and modify the proposal so that the school opens at the beginning of the spring term 2026, to allow time for meaningful stakeholder engagement to take place in respect of the design development.
- 2.10 On 18 October 2022, a subsequent report regarding the procurement strategy for the replacement school received Cabinet approval.
- 2.11 The Remodeling Children's Residential Services Project was formed in 2017-2018 as part of the Remodelling Children's Services Programme. The remit of the project was to review current residential provision (to include residential homes and out-of-county placements) and to develop a proposed new residential and accommodation model. As part of the remodelling programme, Harwood House was secured on the current Heronsbridge School site, and a refurbishment was completed to meet regulations and enable registration with Care Inspectorate Wales.
- 2.12 The service has delivered on the business case outcomes, which was to mitigate the need to place children out-of-county in what have traditionally been very high-cost placements. However, there are limitations in terms of the physical aspect of the property, with it being unable to accommodate wheelchair users, which restricts the service accommodating children and young people with a physical disability.
- 2.13 In December 2020, CCMB endorsed the option for relocating Heronsbridge School onto a new site, where due to service and financial benefits, it was agreed for Harwood House to continue to be co-located with the school, and to be included in future design and build plans.

3. Current situation/proposal

- 3.1 A tender process to procure the services of a multi-disciplinary design team via the South East Wales Technical and Professional Services Framework to develop the design of the school through to the end of Royal Institute of British Architects (RIBA) Stage 2 has been undertaken. The appointed team, AECOM, has undertaken the necessary consultation, brief development, and design development under a Professional Services Contract (PSC), which has resulted in a RIBA Stage 2 design and cost plan.
- 3.2 In March 2024, CCMB endorsed a proposal to submit a revised Outline Business Case (OBC) to Welsh Government to include a revised 'do maximum' option to include a swimming pool to be delivered as part of the project, and to detail the increased cost of the scheme (based on the RIBA Stage 2 design and increased market rates). CCMB also supported the continued development of the scheme to tender stage.
- 3.3 On 25 September 2024, the Cabinet Secretary for Education approved the revised OBC and gave approval to proceed to Full Business Case (FBC) stage.

- 3.4 The increased cost of the scheme has resulted in additional Bridgend County Borough Council (BCBC) funding being required to meet the local authority's 25% contribution for the replacement school. This matter was reported to Council in November 2024, and the additional funding was approved for inclusion in the capital programme.
- 3.5 Now that the necessary approvals are in place, the local authority can tender the scheme. As approved by Cabinet in October 2022, the tender process will follow the agreed procurement strategy to appoint a design and build contractor to take the scheme forward via a two-stage tender. The lotting structure for the South East and Mid Wales Collaborative Construction Framework (SEWSCAP4) was revised in October 2024. Therefore, the project will now be tendered as a mini competition under Lot 9 of the framework. The successful bidder will be appointed under a PSC for the remaining design of the project (that is, RIBA Stages 3 and 4). The main contract (that is, the build) would be conducted under an NEC 4: Option A contract (that is, a priced contract with activity schedule which, save in certain defined circumstances, places the financial risk of conducting the activities at the agreed prices with the contractor). The priced cost will be reported to Cabinet in due course, for consideration and approval.
- 3.6 Any Section 278 works (that is, highway improvements outside the curtilage of the site) deemed as necessary to deliver this project will be identified through RIBA Stages 3 and 4 and priced separately. The highway design and works will sit outside of the design and construction tender price cap. Fees and construction associated with highway works will be funded from the Council-approved budget, 'Highways Schemes Band B Schools', separately costed, and will be included in the future Cabinet report referred to at paragraph 3.5.
- 3.7 The scheme will be tendered on a 70% quality (which includes 10% for social value) and 30% cost basis, with a price cap of £2m for the first stage (that is, design) and £53.5m for the second stage (that is, construction).
- 3.8 As detailed in the procurement strategy report, the option of novating the appointed design team across to the contractor has now been considered. Due to programme constraints and the knowledge gained throughout RIBA Stage 2, via engagement sessions with pupils, staff, and other stakeholders (which have informed the design development to-date), it is considered beneficial to retain the incumbent designers as part of the main contractor's team under the PSC and construction contract but that will not be included as a tender requirement and there will be no requirement for the appointed contractor to enter into a novation agreement with the designers.
- 3.9 The invitation to tender will include an expressed preference that the appointed contractor employ the services of the incumbent designers but there will not be a requirement that they do so, entering into a novation agreement will not be a tender requirement and the appointment of an alternative design team will not be restricted. Tendering contractors will be required to negotiate and agree sub-consultant terms and conditions as appropriate for all required services/investigations/surveys. The main contractor will be responsible for negotiating and agreeing terms and conditions and ensuring all necessary design services are procured to deliver the project scope.
- 3.10 The use of alternative design teams will not be restricted and if the tenderers should have any reason for not entering into a sub-consultancy agreement for design

services with the incumbent designers, then they will be able to confirm this during the tender period. For all remaining design disciplines, the tendering contractors are again free to approach and appoint other designers to complete the design.

- 3.11 Cabinet will be aware that there have been delays in delivering this scheme. Consequently, the planned opening date of January 2026 is no longer achievable. Notwithstanding this, under the School Organisation Code, 2018, Cabinet can modify the opening date for the school to reflect a revised date. Cabinet will be presented with a future report in this regard, once a successful bidder has been appointed and has had input into the programme.
- 3.12 Welsh Government Housing with Care Fund (HCF) capital funding was used to fund the design element of the proposed relocation during 2023-2024 and 2024-2025. The regional team had also provisionally included this project in their current HCF capital programme as a 'scheme only' but without confirmed budget, to the amount of £3.2m in 2025-2026.
- 3.13 Due to delays in the broader project, the building works are now unlikely to be completed until 2027-2028, where officers have subsequently advised the regional team that the £3.2m initially earmarked in the HCF capital programme for 2025-2026 will need to be split out, as below:
- £200k in 2025-2026 for the remaining design work and provisional works; and
 - £3m over 2026-2027 and 2027-2028 for build costs, where we anticipate all these costs to be incurred by spring 2028.
- 3.14 Welsh Government has advised the regional team verbally that formal notification will soon be awarded to the region confirming the HCF budget for 2025-2026, which would safeguard the required £200k for this scheme in 2025-2026.
- 3.15 Current HCF funding is only available for four years (that is, from 2022-2023 to 2025-2026), and there is no information from Welsh Government in respect of capital funding guidance or capital amounts from 2026-2027. The region has advised that, as and when Welsh Government capital funding is confirmed beyond 2025-2026, this project will be deemed a Bridgend priority within the regional context. However, they have advised that no 100% guarantees can be provided at this stage, and this will require decision(s) made by the relevant regional board(s).

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

- 4.1 An initial Equality Impact Assessment (EIA) screening has identified that there would be no negative impact on those with one or more of the protected characteristics, on socio-economic disadvantage or the use of the Welsh language. It is therefore not necessary to conduct a full EIA on this policy or proposal. There have been positive impacts identified, including disability and gender.

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

- 5.1 The Well-being of Future Generations (Wales) Act 2015 Assessment provides a comprehensive summary of the outcomes expected from the implementation of the service.

Long-term	The scheme fulfils the Council's statutory duty to provide sufficient pupil places and will allow teaching and learning to take place in a building and site which is suited to the needs of the pupils and staff.
Prevention	The Council has a statutory duty to ensure there are a sufficient supply of school places, and this scheme will safeguard the Council's position in terms of any potential legal challenge in this regard.
Integration	Providing sufficient places at Heronsbridge School, ensures that the curriculum can be delivered and meets the social, environmental, and cultural objectives of pupils and the community it will serve. This scheme will promote inclusion. Community use of facilities will be explored and, where appropriate, will be incorporated into the design. Construction will be competitively tendered, via a mini competition through the SEWSCAP4 Framework. This will provide opportunities for local companies to engage with the main contractor for inclusion in their supply chain, via 'Meet the Buyer' events. This would support economic activity in the area. Social value will be maximised.
Collaboration	The Council will work effectively with the school, Estyn, Central South Consortium, health, town and community councils and many internal and external partners to ensure that the building meets the short-term and future needs of the users and the community which it will serve. Officers will work with an external design team in developing the scheme to ensure that the building design is sustainable and energy efficient and delivers on the decarbonisation agenda.
Involvement	This scheme was subject to a long list of education and site options. These were systematically evaluated and have been reduced from a long list to a short list to confirm the preferred option. Further work involved the engagement of all potential stakeholders including Cabinet, members, governors, staff, pupils, community, internal and external partners during the consultation exercise. A public consultation process has been undertaken, according to the Welsh Government School Organisation Code 2018. Further stakeholder engagement will take place, and this will inform the design of the replacement school.

As a result of the assessment, it is considered that there will be a positive impact upon the achievement of well-being goals/objectives.

6. Climate change Implications

- 6.1 In recognition of the importance of decarbonisation to help protect and sustain the environment over the long term and in line with our climate change ambitions the replacement Heronsbridge School will be Net Zero Carbon.

7. Safeguarding and Corporate Parent Implications

- 7.1 The replacement Heronsbridge School will be developed with a recognition that there is a duty which is reflected under BCBC Safeguarding Policy to safeguard and promote the wellbeing of children, young people, and adults at risk of abuse or neglect and to ensure that effective practices are in place throughout the Council and its commissioned services.

8. Financial Implications

- 8.1 In 2021, Welsh Government approved the OBC for the replacement Heronsbridge School scheme, in which the Council committed to funding £7.884m of the overall £34.504m cost. However, since that time the construction industry has seen costs escalate due to COVID-19, the war in the Ukraine, costs of incorporating decarbonisation measures and energy price increases, which has resulted in the projected cost of the scheme significantly increasing to £59.985m.
- 8.2 In November 2024, Council approved additional BCBC funding of £6.182m to deliver the scheme, and as detailed in paragraph 3.3, the scheme can now progress to FBC stage.
- 8.3 Once the FBC is submitted, Welsh Government should approve the additional grant match funding of £19.299m to ensure there is sufficient funding overall to meet the estimated scheme costs, which will be added to the capital programme once approved.
- 8.4 Any revenue implications resulting because of moving sites, including increases to the school's delegated budget to cover a larger premises areas, and any potential increases in school transport costs, will not be known until the scheme is developed further.
- 8.5 There are no revenue implications associated with the Harwood House relocation.
- 8.6 In respect of the capital funding, Social Services and Wellbeing Directorate officers are working closely with regional colleagues to ensure the Harwood House element of this scheme is deemed a priority for funding, once HCF guidance and capital amounts are confirmed by Welsh Government for 2026-2027 onwards.

9. Recommendations

- 9.1 It is recommended that Cabinet:
- approves the procurement strategy for the design and build of the replacement school scheme;
 - gives approval to proceed with tendering the scheme;

- gives approval to include the specialist children's residential provision (Harwood House) in the tender as a separate option, allowing for the scheme to be either included or excluded once contracts are awarded, pending the required capital funding being confirmed;
- notes that Cabinet will be presented with a future report prior to awarding the main construction contract, which sets out the position regarding costs and budget; and
- notes that Cabinet will be presented with a future report to modify the school opening date.

Background documents

None

Agenda Item 5

Meeting of:	CABINET
Date of Meeting:	14 JANUARY 2025
Report Title:	REGIONAL ADVOCACY AND INDEPENDENT VISITING SERVICE FOR CHILDREN AND YOUNG PEOPLE
Report Owner / Corporate Director:	CORPORATE DIRECTOR SOCIAL SERVICES AND WELLBEING
Responsible Officer:	Jade Jones – Commissioning and Sufficiency Officer
Policy Framework and Procedure Rules:	There is no effect upon the policy framework or procedure rules
Executive Summary:	<p>The Council holds a statutory duty under the Social Services and Well-being (Wales) Act 2014, to provide an Independent Professional Advocacy (IPA) and Independent Visiting (IV) service for eligible children and young people, notably care experienced children, children in receipt of care and support and those on the child protection register. Welsh Government have also introduced a national approach to advocacy where they have mandated a regional service model. Children and young people receive a service to support and empower them to express their views, wishes and feelings. Advocacy support enables them to participate and have their views represented in decisions which affect and impact upon their lives.</p> <p>This report is being presented for Cabinet to:</p> <ul style="list-style-type: none"> • Approve the procurement of a contract for the IPA and IV services by another public body on behalf of the Council as a waiver under the Council’s Contract Procedure Rules; • Approve the Council entering into a regional collaboration agreement to work collaboratively to ensure effective delivery of the service and appropriate governance; • Delegate authority to the Head of Children and Family Services to represent and make decisions for the Council as part of the Regional Project Board.

1. Purpose of Report

1.1 The purpose of this report is to seek approval:

- for a waiver under Contract Procedure Rule 3.2.12 for Rhondda Cynon Taff County Borough Council (RCTCBC) to procure the Children's Advocacy and Independent Visiting Service, including entering into a contract on behalf of the Council and note that approval to award any regional contract will be agreed by the parties via the regional collaboration agreement following the conclusion of the procurement and evaluation process;
- for BCBC to enter into a regional collaboration agreement with RCTCBC and Merthyr Tydfil County Borough Council (MTCBC) for the provision of an Advocacy and Independent Visiting Service for Children and Young People;
- to delegate authority to the Corporate Director Social Services and Wellbeing, in consultation with the Chief Officer - Finance, Housing and Change and Section 151 Officer, and Chief Officer - Legal and Regulatory Services, HR and Corporate Policy, to agree the terms of the regional collaboration agreement and any ancillary agreements and to arrange execution of those agreements on behalf of the Council;
- to delegate authority to the Head of Children and Family Services to represent and make decisions for Bridgend County Borough Council (BCBC) as part of the Regional Project Board.

2. Background

2.1 Local Authorities in Wales have a statutory duty, under Part 10 of the Social Services and Well-being (Wales) Act 2014, to provide an Independent Professional Advocacy (IPA) and Independent Visiting (IV) service for eligible children and young people, notably care experienced children, children in receipt of care and support and those in the child protection arena.

2.2 Welsh Government introduced a mandated National Approach to Statutory Advocacy (NASA) in 2017 which requires Local Authorities to work together to commission a regional service. The overall aim was to provide a consistent and standardised approach to the delivery of advocacy services and ensure that all children and young people, whose care planning is underpinned by statutory guidance and regulation, have access to this service.

2.3 In 2019, a procurement exercise - led by RCTCBC and supported by BCBC and MTCBC - appointed a specialist advocacy provider, awarding a two year contract, with an optional extension period.

2.4 All three local authorities entered into a collaboration agreement to work together and offer support to the service provider to deliver the service fully.

3. Current situation/ proposal

3.1 The existing advocacy contract is due to expire on 30th June 2025 with no option to extend further. The collaboration agreement will also cease when the contract expires.

- 3.2 The impact of the contract ceasing is that BCBC will not be carrying out its statutory duty in relation to the provision of an IPA and IV service. Children and young people will feel less empowered and have less opportunity to express their wishes and feelings and be part of discussions that influences change in their lives.
- 3.3 In addition, the NASA is a mandated regional service model by WG, so BCBC must adhere to this and re-commission the service on a regional basis.
- 3.4 The paragraph 3.2.12 of the Council's Contract Procedure Rules (CPRs) makes provision for a waiver from the requirement for the Council to go out to tender:

"Where goods, services and works are procured by another public body on behalf of the Council"

Approval must be obtained from Cabinet if the value of the contract is over £100,000 (CPR 3.2(a)).

RCTCBC will act as lead authority for procurement of the service. Approval to award a regional contract will be agreed by the parties through the governance arrangement prescribed by the regional collaboration agreement once the procurement process had been completed. The value of the contract for the region means that it will need to be procured in accordance with the Public Contracts Regulations 2015, or if procurement begins post 24th February 2025 then it will be in accordance with the Procurement Act 2023.

- 3.5 The term of the new contract will be fixed term for 2 years (1st July 2025 to 30th June 2027) with an option to extend on an annual basis for a further 2 years, subject to approval and available funding.
- 3.6 Robust performance measures shall be included in the tender documents to assess the short, medium and long term outcomes in order to demonstrate achievement and value for money.
- 3.7 The collaboration agreement between the regional parties will be reviewed and where necessary updated, working with colleagues in legal services to ensure partners collaborate effectively and offer support to the service provider in such a way that they may deliver the service fully in accordance with the particulars of the service specification. RCTCBC will enter into a contract with the successful provider. The collaboration agreement and the Regional Project Board will ensure that appropriate finance and governance arrangements are in place between the authorities for the service.

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

- 4.1 An Equality Impact Assessment has been undertaken by RCTCBC acting as lead authority for the procurement and there is no negative impact on those with one or more of the protected characteristics, on socio-economic disadvantage or the use of the Welsh language. It is therefore not necessary to carry out a full EIA on this policy or proposal.

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

5.1 The Well-being of Future Generations (Wales) Act 2015 provides the basis for driving a different kind of public service in Wales, with five ways of working to guide how the Authority should work to deliver wellbeing outcomes for people. The following is a summary to show how the five ways of working to achieve the well-being goals have been considered in this report.

Long Term. The operation of a statutory advocacy service is prescribed by Welsh Government and the service operates in a similar way across Wales and into the long term

Prevention. Advocacy includes providing people with information, advice, and support to help people prevent issues from escalating further.

Integration. The regional service operates across the 3 Cwm Taf Morgannwg local authority areas as a single service.

Collaboration. The regional authorities work in close partnership with our service service provider.

Involvement. One of the basic principles of advocacy services is the inclusion and involvement of the children and young people who use the service. Voice and choice are key principles of the Social Services and Well-Being (Wales) Act 2014 and the overall aim of advocacy services is to achieve this.

6. **Climate Change Implications**

6.1 Beyond necessary staff travel and operational administration activities, there is no direct impact on Climate Change through the provision of this advocacy service.

7. **Safeguarding and Corporate Parent Implications**

7.1 The provision of statutory advocacy is a key element in ensuring the safety and welfare of children and young people

8. **Financial Implications**

8.1 There is a capped budget of £116,760 for this service which is funded from £24,980 of Welsh Government grant funding, which is ring fenced via the region for the implementation of the NASA, and £91,780 of BCBC core funding.

8.2 While the grant funding is allocated on an annual basis by Welsh Government this grant has been received as a contribution to the contract for a number of years. Should this funding no longer be available in the future, the budget of £91,780 will apply to the contract and Bridgend officers responsible for the contract will carefully monitor the use to ensure we remain within the budget available.

8.3 The tender exercise will be led by RCTCBC (where BCBC officers will be part of the project team) and the contract will be awarded following a competitive procurement process, based on the most economically advantageous tender (MEAT), or the most

advantageous tender (MAT) if the procurement process commences after 24th February 2025.

9. Recommendations

9.1 It is recommended that Cabinet:

- Approves BCBC entering into a regional collaboration agreement with RCTCBC and MTCBC for the provision of an advocacy and independent visiting service for Children and Young People;
- Delegates authority to the Corporate Director Social Services and Wellbeing in consultation with the Chief Officer - Finance, Housing and Change and Section 151 Officer and Chief Officer - Legal and Regulatory Services, HR and Corporate Policy, to agree the terms of the regional collaboration agreement and any ancillary agreements and to arrange execution of those agreements on behalf of the Council.
- Approves a waiver under Contract Procedure Rule 3.2.12 for RCTCBC to procure the advocacy and independent visiting service for children and young people including entering into a regional contract on behalf of the Council and note that approval to award any contract will be agreed by the parties through the governance arrangement prescribed by the regional collaboration agreement once the procurement process had been completed; and
- Delegates authority to the Head of Children and Family Services to represent and make decisions for BCBC as part of the Regional Project Board.

Background documents

None

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Agenda Item 6

Meeting of:	CABINET
Date of Meeting:	14 JANUARY 2025
Report Title:	MEDIUM TERM FINANCIAL STRATEGY 2025-26 TO 2028-29
Report Owner / Corporate Director:	CHIEF OFFICER – FINANCE, HOUSING AND CHANGE
Responsible Officer:	DEBORAH EXTON DEPUTY HEAD OF FINANCE
Policy Framework and Procedure Rules:	The budget setting process is outlined within the Council's Constitution and Financial Procedure Rules.
Executive Summary:	<ul style="list-style-type: none"> • The draft Medium Term Financial Strategy (MTFS) sets out the spending priorities for the Council for the next 4 years alongside a detailed budget for 2025-26. • The report outlines the financial, legislative and policy context within which the draft budget has been prepared alongside more detailed information on the services to be provided by the Council over the period of the MTFS. • The proposed MTFS is driven by the Council's 13 MTFS principles and has been developed by Cabinet and Corporate Management Board. • Welsh Government announced its draft budget on 10 December 2024 before the announcement of the provisional local government settlement on 11 December 2024. • In terms of the provisional local government settlement, the all-Wales increase in Aggregate External Funding (AEF) was 4.3%. The increase for Bridgend was 4.0%. • No information was provided on future years' funding although indications are it will still be extremely challenging. • There were a number of transfers of specific grants into and out of the settlement. • The proposed budget for 2025-26 is £383.338 million, and this includes pay and price pressures of £10.6 million, service budget pressures of £14.454 million (Appendix A), budget reductions of £9.105 million (Appendix B) and

	<p>a council tax increase of 4.5%. The breakdown of the budget for 2025-26 is set out in Table 5.</p> <ul style="list-style-type: none"> • The MTFS sets out a most likely savings target of £40.242 million over the next 4 financial years. • The Council’s general capital funding increased by £602,000 to £8.582 million. • The Section 151 officer has a statutory duty to set a balanced and robust budget. • If approved by Cabinet the draft MTFS will be submitted for consultation with the Council’s Overview and Scrutiny Committees before a final version is presented to Council for approval on 26 February 2025.
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1. Purpose of Report

- 1.1 The purpose of this report is to present Cabinet with the draft Medium Term Financial Strategy 2025-26 to 2028-29, which sets out the spending priorities of the Council, key investment objectives and budget areas targeted for necessary savings. The strategy includes a financial forecast for 2025-2029 and a detailed draft revenue budget for 2025-26.

2. Background

Corporate Plan - Policy Context

- 2.1 The Council’s well-being objectives under the Well-being of Future Generations (Wales) Act 2015 are currently:
- A County Borough where we protect our most vulnerable
 - A County Borough with fair work, skilled, high-quality jobs and thriving towns
 - A County Borough with thriving valleys communities
 - A County Borough where we help people meet their potential
 - A County Borough that is responding to the climate and nature emergency
 - A County Borough where people feel valued, heard and part of their community
 - A County Borough where we support people to live healthy and happy lives
- 2.2 This draft MTFS (MTFS) has been significantly guided by these objectives. Although previous year-on-year changes in Aggregate External Finance (AEF) have necessitated substantial budget reductions across different service areas (£88.4 million since austerity began in 2010 - of which schools have contributed £8.3 million), the Council still plays a very prominent role in the local economy of Bridgend County Borough and is responsible for annual gross expenditure of over £500 million and is the largest employer in the county borough. The Council’s Corporate Plan is aligned to the Medium Term Financial Strategy, enabling the reader to make explicit links between the Council’s well-being objectives and the resources directed to support them. However, it is clear that the challenging financial situation that the Council faces and the level of budget and service cuts that need to be made will inevitably severely

impact on and restrict some of the objectives set out in the Corporate Plan for at least 2025-26, but maybe also beyond that, but the Council will remain ambitious in providing the maximum levels of service possible for all residents of the County Borough.

- 2.3 The Welsh Government announced its Final Local Government Settlement for 2024-25 on 27 February 2024. The increase in Aggregate External Finance (AEF) across Wales was 3.3%, with Bridgend receiving an increase of 3.2%. Due to the number of underlying budget pressures continuing from 2023-24 and new pressures emerging going forward, along with anticipated pay and price increases, this level of funding was not sufficient to meet all demands, leading to the need for a higher than anticipated council tax increase and unprecedented levels of budget reductions.
- 2.4 The quarterly reports to Cabinet on the revenue position for 2024-25 have outlined in detail the increased difficulty in managing and monitoring the budget, in view of challenging and continuing pressures from 2023-24, which include additional inflationary pressures arising as a result of the ongoing conflict in Ukraine, and the impact of the cost of living crisis on both pay and prices, in addition to increasing demand in some service areas, such as social services and homelessness. Whilst some provisions were made in the 2024-25 budget to mitigate some of these costs, there was not sufficient funding to meet all, and the demand has been relentless. In September 2023 Council approved a 3 year sustainability plan for Children's Services, which included an additional budget pressure of £2.5 million in the final budget for 2024-25. However, further investment is needed going forward to stabilise Social Services and other services.
- 2.5 Budget planning for the financial year 2025-26 continues to be more uncertain and challenging than usual, with a number of existing and new cost pressures presenting themselves and taking up the Council's limited resources. In addition, there are higher expectations on the Council to address homelessness more robustly, and on a longer-term sustainable basis, and additionally to strengthen and support social care, which is experiencing increased demand and costs as well as more complex cases in both adult and children's services. We are also seeing increased budgetary pressures in services for pupils with additional learning needs, due to increasing demand and complexity of needs. The Council is having to reduce spend and services in a climate that requires more support for our older and more vulnerable members of society with substantial increased demand for many services.

3. Current situation / proposal

3.1 Budget Narrative

- 3.1.1 Through the MTFs the Council aspires to improve understanding of its financial strategy, to clarify the link between its corporate well-being objectives and the financial planning processes, and to explain the Council's goal of delivering sustainable services in line with the overarching ambition of the Well-being of Future Generations (Wales) Act 2015. The following budget narrative aims to articulate the continued and significant investment in public services that the Council will make. It sets out how the Council aims to change particular areas of service delivery, and the financial consequences of this. Cabinet has requested that the following principles should continue to underpin the development of the budget for the coming financial year:

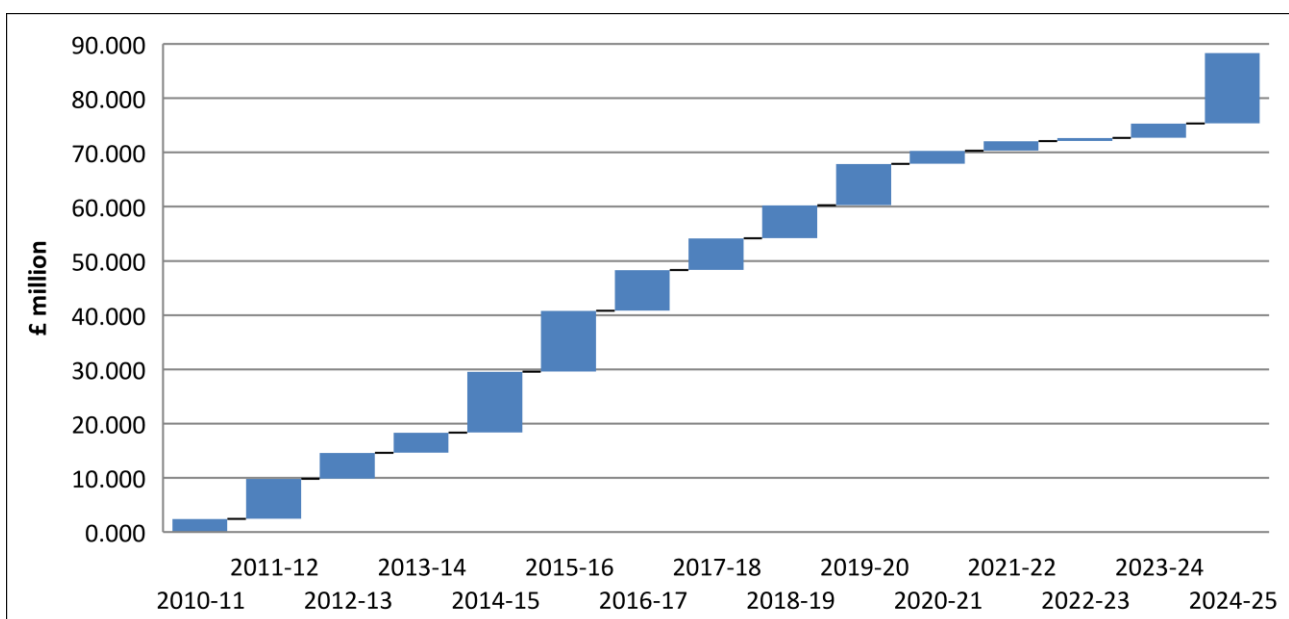
- The Council will seek to safeguard and protect the most vulnerable people in our communities;
- The Council will encourage residents and communities to support themselves and provide advice to enable this to happen;
- The Council will seek to limit service growth in the coming financial year;
- All Directorates will be required to contribute to the overall savings required in the coming years;
- The Council must have an efficient “back office” service that supports service delivery and transformation;
- In setting the budget, the Council will be mindful of the predicted financial austerity across the public sector in the coming years and plan to ensure the financial viability of the Council, and;
- The Council will seek to recover the cost of services via fees and charges where it is able to do so.

In addition, the Council is continuing to apply the five point action plan that it implemented in 2023-24, which introduced a number of money saving measures such as a selective vacancy freeze, only purchasing essential goods and services, reviewing fees and charges, claiming and spending grant awards in a timely manner, and rationalising the number of buildings that we have to use.

3.1.2 Corporate Financial Overview

Since austerity began in 2010 the Council has made almost £88.4 million of budget reductions, as shown below, towards which school delegated budgets have contributed £8.3 million. These reductions represent almost 20% of the Council’s current net budget, however the percentage of savings and cuts has not been equal across all Council services, with relative protection given in past years to some areas, such as social services.

Bridgend County Borough Council (BCBC) Budget Reductions 2010 to 2025



While the Council's net revenue budget is planned at £383.338 million for 2025-26, its overall expenditure far exceeds this. Taking into account expenditure and services which are funded by specific grants or fees and charges, the Council's gross budget will be around £530 million in 2025-26. The Council's annual revenue budget covers the day-to-day running costs of the Council (including staff salaries, building maintenance, pensions, operational costs etc.). Around £230 million of the gross budget is spent on the Council's own staff including teachers and school support staff. Much of the cost of the services provided by external organisations is also wage related – these include for example waste collection operatives, social care workers, leisure staff and foster carers.

The Council gets the majority of its revenue funding (52%) from Welsh Government through the Revenue Support Grant and a share of non-domestic rates. Non-domestic rates are a charge on business properties, the rate for which is set by Welsh Government. The Council supplements this through council tax collection (20%), other grants (19%) and fees and charges (9%). Council tax is a charge that local authorities charge to help to pay for their services. The amount that council tax payers pay is made up of 3 elements:

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

In terms of council tax, the proportion of council tax required to balance the Council's budget has steadily increased over recent years and it currently funds around 28% of the net revenue budget. This means that for every £1 spent on services provided by the Council, only around 28 pence is funded by local council tax payers.

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

- Legislative changes in social care, including the Welsh Government's commitment to move towards the eradication of profit from children's social care, adult protection safeguarding requirements including deprivation of liberty safeguards, changes to the Public Law Outline for children and the statutory requirement for local authorities to reflect the real living wage for care workers in commissioning arrangements. Many new legislative changes are not fully funded by Welsh Government, and for some the Council does not have the capacity to deliver them in a timely and efficient manner.
- Other legislative changes e.g. the Welsh Government's commitment to eradicate homelessness, local authorities' responsibilities in respect of responding to climate change and meeting net zero carbon targets and the Additional Learning Needs and Education Tribunal (Wales) Act 2018.
- An increase in need in children's social care - an ongoing exponential increase in contacts has been evident in the last year. Whilst the integration of early help services and the strengthening of permanent recruitment in children's social work teams has improved strength-based practice and resulted in a reduction in child protection registrations and the number of care experienced children, those children who are care experienced have the highest level and most complex needs, requiring foster care and residential accommodation,

care and support. The last year has seen significant challenges around sufficiency of accommodation, care and support for care experienced children, an issue which all local authorities in Wales are facing. There has been an ongoing high number of high-cost independent residential placements and 'operating without registration' placements for children and young people which exceed the allocated budget. First and foremost, this is a safeguarding issue, but in meeting the Council's corporate parenting obligations the budgetary position has significantly worsened as the number of high cost placements exceeds budget. There has also been a reduction in the number of in-house foster carers which has exacerbated the need for residential care.

- Demographic changes – the population is increasing and also people are living longer which is obviously good news. However, this means the number of people living in Bridgend with health and social care needs is also increasing. An ageing population can bring a range of health and social care needs which require care and support. The Cwm Taf Morgannwg Population Needs Assessment (2022-27) identified poorer physical and mental health and wellbeing and greater need for support from all parts of the population with many people living with multiple health conditions and in complex health situations. The cost of living crisis also places more pressure on families and informal care arrangements. Needs have been exacerbated by the pandemic as there have been delays in access to NHS treatment and an impact on physical and mental health from extended lockdown periods. At a time when there has been an increase in contacts within adult social care and increased complexity of issues, there has been less financial support from Welsh Government through targeted grants to address whole system pressures around the interface between hospital and community. There is significant pressure in the areas of learning disabilities and mental health as well as older people's services. In addition, the complexities and challenges for children and families are very evident.
- An increase in free school meals entitlement, separate from and additional to the Welsh Government's Universal Free School Meal entitlement, which brings additional funding pressures, as this increases the amount of funding that needs to be provided to schools through their delegated budgets.
- More recently, a reduction in the council tax collection rate, due to the difficult economic circumstances that people find themselves in. This is coupled with a potential increase in council tax support as more people find themselves on low incomes or claiming benefits during the cost of living crisis.

The Council's Corporate Plan sets out the approaches that it will take to manage these pressures whilst continuing to ensure that, as far as possible, services can be provided that meet the needs of the citizens and communities in Bridgend. These approaches are:

- Though a large and complex organisation, the Council will make every effort to work as one single organisation. That means avoiding duplication and double handling of data through sharing of systems and processes. This is not always as easy as it sounds because often different rules or opportunities apply to different services. Nevertheless, acting as 'One Council working together to improve lives' is enshrined in the Council's vision.

- The Council will support communities and people to become more resilient by creating their own solutions and reducing dependency on the Council. This is because it is not sustainable for the Council to continue to aspire to meet all and every need that arises and because there is capacity, talent and ideas within the community that can be encouraged to play an active and effective role in sustaining and often enhancing local services. The Council has a role in encouraging, enabling and leading this approach and has adopted this as one of its underlying principles.
- The Council has agreed a principle of focusing diminishing resources on communities and individuals with the greatest need. Parts of our community have long standing problems of poverty and disadvantage. The solutions to this are not all in the direct control of the Council (for example the effects of changes to the welfare system) but where possible the Council has agreed that it wants to both alleviate problems in these areas and develop longer term sustainable solutions. The socio-economic duty on public bodies, which came into force on 31 March 2021, reflects these aims.
- The Council currently has seven well-being objectives that reflect these and other principles. After more than a decade of austerity, with more and more of our residents struggling, we will also continue to improve efficiency and make better use of the resources we have. This means we will ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives. The effective and efficient use of resources will continue to inform our principles and ways of working in the new Corporate Plan, as well as being tested through the corporate self-assessment process.

In seeking to continue to meet the Council's identified priorities and protect its investment in Education and early intervention, Social Services and Wellbeing, and prioritise the most vulnerable in our society, as far as possible, we are proposing the following changes in the 2025-26 budget.

Additional Income

Whilst recognising the ongoing economic challenges that local people and businesses will face next year, the Council will seek to raise additional income. For all services, the Council has a policy to recover service costs and will seek to do this where possible from April 2025.

Alternative Delivery Models

We will continue to seek alternative ways of delivering services if that can ensure greater sustainability and efficiency. Over recent years there has been an acceleration in the Community Asset Transfer (CAT) Programme, which is releasing savings by transferring responsibility for the management of assets, predominantly outdoor sports related playing fields and pavilions, to town and community councils or community clubs and groups. Work is ongoing to "re-set" the relationship between this Council and Town and Community Councils to ensure an effective tier of government at that level and better coordination and liaison between us. The intention is that Town and Community Councils will be better able to take on additional responsibility for some local services when appropriate. The current

review and consultation on local service delivery and the size and nature of town and community councils will also inform the way forward. The Council will also continue to enable and facilitate other organisations to help support local residents and communities, including Registered Social Landlords and third sector organisations, and signpost residents to their services when appropriate. In addition, the Council's response to the Covid-19 pandemic and ongoing austerity has evidenced how Council services can be delivered differently and it is important that, where appropriate, this is something that endures, and that investment is made to ensure that services can be maintained and delivered safely. Specifically, it is anticipated that an acceleration of the Council's digital programme may allow staff efficiency savings. Wherever possible, staff restructuring will be done sympathetically, and we will also continue to support home and agile working and digital technology to ensure the Council is fit for the future.

Efficiency Savings

The best kind of budget savings, of course, remain ones where there is little or no direct impact on residents or staff. After more than a decade of substantial budget savings, opportunities for large scale savings of this sort are now very scarce, but where they emerge, they remain an important component of the MTFS.

The Covid-19 pandemic reinforced the need for the Council to consider very closely the need for all of its portfolio of building assets. Over recent years savings have been made by rationalising the number of operational depots and releasing two of the Council's major staff offices at Sunnyside and Sunnyside House. For next year, additional savings are likely to be realised from the rationalisation of office accommodation following the implementation of the new service delivery model for office based staff, in particular with the Multi Agency Safeguarding Hub (MASH) who located to the fourth floor of the Civic Office in Autumn 2024. In addition, we are relinquishing under-used buildings such as Ravens Court through a disposal of this property to the South Wales Police and we intend to close the Innovation Centre to release savings from associated running costs, and potentially sell it to generate a capital receipt. The ongoing investment in installing energy efficiency measures in the Council's buildings, including schools, will also continue to offer savings. The Council will continue to seek to apply for and secure grants where they can lead to revenue savings and greater sustainability of important services. Other potential savings are being considered in relation to the remodelling of social services provision.

Changes to Service Provision

Unfortunately, despite the settlement we will receive for 2025-26 being an increase overall, it is still not sufficient to cover all of the things that we need to fund, and due to the number of unavoidable pressures we are facing it is highly unlikely that we will be able to balance the budget without also making consequential changes to the level of services that we can provide and prioritising those services that are deemed most important in terms of meeting the Council's agreed priorities. In particular it is important that where the Council runs a service that also benefits other organisations and partners that appropriate contributions are made, where possible, to complement the Council's investment.

3.1.3 Education

The Council is proposing to spend £150 million on services delivered by the Education, Early Years and Young People Directorate in 2025-26, prior to the allocation of additional funding for pay and price increases. The majority of this money will be spent directly by Bridgend's 59 schools and one pupil referral unit.

In addition to the £122 million proposed budget to be initially delegated to schools in 2025-26, which mostly pays for the salaries of teaching and other school staff and the running costs of the facilities (ongoing revenue expenditure), the Council has already spent £21.6 million in building and refurbishing schools as part of our 21st Century School Modernisation Band A Programme and has provisionally committed to a further £27 million as part of the Sustainable Communities for Learning Programme. This comprises one-off capital expenditure across several years, with substantial match funding from Welsh Government. Welsh Government has provided approval in principle in respect of the strategic outline programme, strategic outline cases, and outline business cases (that is, in respect of capital schemes) submitted by the Council around our aspirations for Band B funding. Full business case approval will be required for all schemes, and Welsh Government approval will be sought once tender prices have been received. However, we are aware that there are significant cost pressures on this programme due to the impact of high inflation on tender prices being submitted and how this is affecting current costings for this programme.

The concepts proposed are based around forecast demand for primary school places, our support to promote the growth in Welsh-medium education and our desire to create additional capacity to meet the needs of children with additional learning needs in Heronsbridge School. It is likely that this will represent the biggest area of capital expenditure for the Council in future years.

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

For 2025-2026, whilst schools have been tasked with finding budget reductions totalling 1% of their budget, where possible from efficiency savings, in order to help balance the Council's budget, they will receive additional funding for a range of pay and price increases that should more than outweigh this budget reduction. School budgets make up one-third of the Council's overall net budget, so it is impossible to find the level of budget reductions that the Council has to meet without impacting on schools. In the Medium Term Financial Strategy 2024-2028 there was an indicative budget reduction of 2% for school budgets for 2025-26 but, due to the better than anticipated provisional settlement, this has been reduced to 1%. The current net budget for schools is £118.611 million, compared to an overall Council net budget of £360.671 million. If schools were not required to make a 1% budget reduction then this would fall on other services, increasing their percentage of budget cuts by a further £1.186 million, or 0.5%.

The forecast pressure on Council budgets for future years is such that further efficiency savings of 1% per annum may also be unavoidable for schools for 2026-

2027 onwards, and so it will be necessary for headteachers and governing bodies to plan ahead.

There is a growing trend of students being referred for support and specialised services. Over the past three years, several younger students have faced the threat of permanent exclusion due to a lack of resources for specialised intervention. Where space is not available to support pupils in specialist provisions, additional learning provision must be provided within a mainstream setting and funding for additional staff is required. One-to-one staffing is often provided, along with adaptations and specialist equipment not readily available in mainstream classrooms.

Additional specialist provisions are essential to ensure that all pupils are placed in environments best suited to their needs at the earliest time. This will reduce the risk of challenge from parents. Establishing additional specialist classes represents a cost-effective investment, as it would reduce reliance on ancillary support or out-of-county placements, which have been necessary for some students to maintain full-time education and mitigate the risk of further exclusions.

Poor pupil behaviour in Bridgend schools escalated following the Covid-19 pandemic. The true impact on school attendance following the pandemic is now evident. Pupil exclusions have increased year on year for three years. In addition to the need to improve general pupil attendance levels, the following key challenges have been identified:

- closing the gap between our highest and lowest performing primary and secondary schools;
- reducing persistent absenteeism;
- improving the attendance of pupils in vulnerable groups with a particular focus on closing the gap between those pupils eligible for free school meals (eFSM) and those not eligible for free school meals; and
- monitoring the number of pupils on reduced timetables.

The Youth Justice Service, under the previous Western Bay delivery arrangements, was deemed unsatisfactory. Since delivery arrangements returned to Bridgend in 2019-2020, significant improvements have been made, however, demand for youth justice services has increased significantly since this time with some key performance indicators now a cause for concern. The main challenges faced by this service include increased number of children open to the service, the management of increased number of first-time entrants into the criminal justice system and a reduction in grant funding from April 2025.

In seeking to protect our investment in education, early years provision and support for young people, and to provide as much support as possible to learners, the Council is aiming to make minimal changes to the services delivered at this time. However, we will continue to seek efficiencies in the application of the Council's Home-to-School/College Transport Policy.

3.1.4 Social Care and Well-being

After Education, the largest area of Council spend is on social care. This includes social work and social care for children and for adults with care and support needs. Within the Directorate there is a focus on strengthening practice, improving the 'whole system,' targeted preventative services and supporting our workforce. For many years it has been understood that working in this way can result in less dependency on commissioned social care services for many individuals and more effective and cost-effective use of statutory services. Also, it has been evidenced in budget monitoring and outturn reports that social services' financial performance has been highly dependent on short term grant funding which is offsetting deficits in core budgets to meet the needs of the vulnerable population. Whilst the Directorate continues to develop new approaches to service delivery, and this includes better support and outcomes through prevention, early intervention and well-being services, this is more challenging than ever before with increasing need. 3 year strategic plans are being implemented for children and families and adults and carers which are resulting in increased workforce stability and improved integration of preventative services which reduce statutory demand. Practice is focused on strengths and what people can do, rather than a deficit model. However, the population of Bridgend is growing quickly, the third fastest growth of any Welsh Local Authority, and this means the number of people with care and support needs is also increasing. Not all care and support needs can be prevented and those with eligible needs will have a range of co-morbidities and complexities requiring greater levels of support. In addition, there is considerable challenge on the 'supply side' of social care in respect of the impact of rising pay and non-pay costs to provide the quantity and quality of care required. The Council has undertaken a detailed analysis to understand the fair cost of care which has informed a care home fee setting strategy and is reflected in commissioned services. This is important in stabilising the care market and providing more certainty to the Council's financial planning.

The Council approved a 3 year sustainability plan for children and families in September 2023. Good progress has been made in progressing the actions set out in the plan, with a significant reduction in the numbers of agency workforce, the embedding of Signs of Safety as the model of social work practice and resulting sustainable reductions in the number of children subject to child protection registration and care experienced children numbers. Challenges remain: contacts to children's social care have continued to increase exponentially in this last year and the needs of the children who are care experienced are more complex and require higher levels of care and support. There has also been a reduction in the number of in-house foster carers and a deficit in sufficiency of residential care resulting in some children being accommodated for some time in settings operating without registration. These placement challenges result in significant cost pressures for the Council, as they are usually at a higher cost than registered providers and therefore result in higher spend for the Council – the number of independent residential placements over the last 2 years has been steady at around 20 and is not expected to decrease; the budget for independent residential care is set at 7 and has therefore resulted in a significant overspend position. A placement commissioning strategy which has been developed at the request of Welsh Government, identifies both capital and revenue investment gaps for the Council to develop sufficient not for profit provision to ensure sufficiency to comply with the new legislative requirements to eliminate profit from children's social care.

A further area of pressure is the volume and complexity of need for statutory social care services from the vulnerable population of the county borough. A 3 year strategic plan, Building On Strengths, Improving Lives - A Three-Year Plan For Sustainable Care And Support For Adults In Bridgend County Borough Council', has been developed which sets out the operating model, workforce plan, practice model and prevention and wellbeing approach to supporting vulnerable people as preventatively to live well as independently as possible. Practice continues to be strength-based and eligibility criteria rigorously applied in adult services. This plan seeks to manage and mitigate as far as is possible, the service and financial pressures within the service. Pressures are particularly evident in learning disability services, mental health services and services for older people. A learning disability transformation plan has been developed and actions are being progressed through a programme to right-size and right-price care packages and transform day-time occupation. Work has progressed to reset reablement and significantly reduce the number of people who progress to a long term package of care and support at home without having the opportunity to maximise their independence and for the care package to be right-sized, prior to commencing a long term service.

The supply side costs for commissioned care providers (domiciliary, residential and nursing) linked to inflation (food and fuel are particularly impactful), the need to increase the pay of staff to compete with retail and hospitality, and the increased reliance on agency staff (particularly registrant nurses), have meant that some councils have reported having to look at applying across the board increases in their fees during the past year. Across the UK a small number of providers are facing financial difficulties and there is market exit probability in both adult and children's services which will place more pressure on Council budgets as the Council will always be a safety net provider in such circumstances.

The strategy for the coming years is to embed strength-based practice and support individuals and families to live their best lives, remodelling the way we work in order to deliver outcome focused services and approaches which enable people to maximise their independence and families to stay together with targeted support where needed, whilst progressing commissioning strategies and workforce plans which ensure the right person provides the right intervention and support in the most timely and preventative way. The Signs of Safety model of practice in children's social care, and strength based, outcome focused practice in adult social care, provide the basis for 'doing the right thing' which is invariably the most cost effective course of action. The increases in need and complexity from both children and vulnerable adults needs to be understood and reflected in service transformation and aligned financial planning expressed through sustainability plans.

3.1.5 Housing and Homelessness

Housing as a determinant of physical and mental health is widely recognised and this link is reinforced by the range of activities and services provided by the Housing Team. The Housing (Wales) Act 2014 introduced the need to move to a more preventative approach to homelessness and this is a core principle of the work undertaken. The service has responded to the challenges of Covid-19 and new guidance introduced by Welsh Government in relation to homelessness presentations and has already recognised these as budget pressures for the Council, with the aim of providing temporary accommodation to people in need, in

order to reduce the number of street homeless people. The Council does not have any housing stock of its own but retains a number of statutory functions relating to addressing housing need and combatting homelessness.

There are a number of key challenges facing the Council in delivering housing and homelessness services. Applications for temporary accommodation due to homelessness are consistently higher than in previous years. At the end of 2019-20 the Council was providing temporary accommodation to 83 households. At the end of October 2024 this had increased to 248 households, representing a 199% increase over this period. Individuals accommodated in temporary accommodation often have significant support needs, in relation to addressing their housing need or maintaining accommodation. It is estimated that around 47% of households in temporary accommodation require some level of support and of these, 60% of individuals require support in more than one area and 45% require support in more than two areas.

The increase in temporary accommodation placements has led to a significant cost pressure to the Council. In 2019-20 the net spend on temporary accommodation from core budget was £135,260. At the end of 2023-24 the net spend from core budget was £3,096,559.

The wider demand for social housing from those in housing need has also increased. At the end of 2019-20 there were 816 households registered on Bridgend's Common Housing Register. At the end of August 2024 this number had increased to 3,254 households. There is a particular challenge around single person accommodation, larger family units and accessible accommodation.

The service also administers the Housing Support Grant from Welsh Government (£9.599 million indicative allocation for 2025-26). The support activities funded via this grant are both broad and diverse. This is done through a range of corporate joint working and contract arrangements with third sector organisations, delivering specific projects for people who are vulnerable with complex needs. These projects include services for people suffering domestic abuse, mental health and substance misuse issues, learning disabilities, accommodation for young people, people with mental health support needs and other housing related support for people who need help to access or maintain accommodation successfully.

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

3.1.6 Public Realm

Most of the Council's net budget is spent on education and social care – these are very valued services but are naturally aimed at certain groups within our community. However, the Council's work on the public realm has a direct and visible impact on everybody. This includes our work to maintain highways, parks and open spaces, clean our streets, and collect and dispose of our waste.

In 2025-26 the Council is likely to receive around £4 million of direct Welsh

Government grant for public realm services. This includes waste services, public transport, rights of way and road safety.

The overall net budget that the Council proposes to spend on public realm services is around £27 million. The fact that schools and social services have had a high degree of financial protection in previous years has meant that the Council's other services have been under considerable pressure to make savings and, in many cases, we have had to reduce levels of service. However the services in the Communities Directorate have also been subject to service changes that have resulted in alternative delivery models that have increased productivity, as well as collaborative approaches that have increased both efficiency and service resilience. Investment in this area is proposed to continue into 2025-26.

The seven year waste collection contract with Kier ceased in March 2024 and a new interim contract with Plan B for a period of two years was procured. This is using the existing fleet and collection methodology. The Council is now in the process of determining its future waste services model from 2026 onwards, with the decision made at the Cabinet meeting on 19 November 2024 to bring the service back under Council control and operate it themselves. Bridgend has been named as the top performing waste authority in Wales, with recycling rates at over 73%. There has been a significant reduction in the volume of our residual waste, which is expected to benefit the Council financially over time, subject to contractual conditions with our disposal arrangements. However, all Councils have seen higher overall domestic waste due to the high number of people continuing to work from home following the pandemic. New operating arrangements at a lower cost were negotiated at the Materials Recovery and Energy Centre (MREC) in 2019-20 and an agreement with Neath Port Talbot County Borough Council has been made for waste disposal going forward until 2030 or until a regional facility comes online. We expect to spend in the region of £11 million on the collection and disposal of waste in 2025-26.

A major challenge for the Council is how to continue to meet public expectations for many highly visible and tangible services when a reduction in the available overall Council budget inevitably means the Council will be less able to deliver these services to the same level and frequency. These services are often the ones the public identify with their council tax payments. Increasingly the Council will seek to enable and facilitate partnerships to help to deliver some services, including more meaningful engagement with local residents regarding the role they can play in working effectively with us.

The Council's strategy is to retain and maintain the most important public services in this area whilst driving ever greater efficiency, making some service reductions where we think it will have the least impact across Council services, recognising that this still may be considerable in some areas. We will also develop alternative ways of delivering and sustaining services including greater and more effective collaboration and encouraging others to work with us or assume direct responsibility for services in some cases. The most significant proposed change in this respect is the move of responsibility for the management and maintenance of sports fields and pavilions from the Council to user clubs and groups or local town and community councils. The Council has adopted a flexible approach to community asset transfer (CAT), utilising a streamlined CAT process, and ensuring that appropriate advice and both capital investment (from the CAT fund in the capital programme) and revenue support (from the sports club support fund) are made available. The Council

has achieved considerable savings in recent years from transferring these assets and hopes to continue this direction of travel going forward.

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

3.1.7 **Supporting the Economy**

Whilst this is a Council priority, services such as regeneration and economic development, as discretionary services, have had to make considerable reductions to their budgets over recent years. The Council has delivered this by employing fewer but more highly skilled staff and focusing activity more narrowly on priority areas to maximise impact. Going forward, we will continue to collaborate on a regional basis with the nine other Councils that make up the Cardiff Capital Region (CCR) City Deal now that it has transitioned into a statutory Corporate Joint Committee (CJC) in April 2024. The CJC has responsibility for regional development and in particular the areas of strategic transport, regional economic development and strategic planning. The Council will continue to work with colleagues regionally and the CJC to understand how responsibilities will be shared between the region and local authorities to ensure the most effective outcomes overall. The City Deal created a £1.2 billion fund for investment in the region for 20 years, and it is now the intention of the CJC to continue this work. This will include long-term investments focusing on raising economic prosperity, increasing job prospects and improving digital and transport connectivity. In order to play an effective part in the Corporate Joint Committee, the Council will maintain as far as possible existing investment in its transport planning, spatial planning and regeneration teams to reflect this direction of travel. The Council will be spending in the region of £2.5 million a year running these services. These teams will ensure successful delivery of high-profile regeneration projects, including the numerous regeneration projects in Porthcawl and the redevelopment of Ewenny Road in Maesteg for both housing and employment uses, where the remediation of the site is underway and being funded by a £3.5 million Housing Viability Grant from the CCR. In addition, through its Metro programme, the £3.8 million Porthcawl Metrolink bus facility was completed and opened in November 2024 and provides a strong signal of the Council's commitments to sustainable travel as part of the wider regeneration scheme. The completion of the £10 million redevelopment and refurbishment of the Maesteg Town Hall, in November 2024, has brought state of the art community, music, performance and library facilities to the heart of the Llynfi valley, and will safeguard this 141 year old listed building for future generations.

Council also adopted the Replacement Local Development Plan (LDP) in March 2024. We are the first local authority in Wales to have an approved LDP, a major strategic planning document, since the pandemic. An important part of our budget planning is making sure that it is resourced appropriately to ensure our plan is properly researched and evidenced and sets out the development planning proposals for the County Borough which will shape its future, including housing growth. There is some £116 million of Section 106 contributions that will be forthcoming from our new replacement LDP and these are essential for delivering high quality new infrastructure, such as roads, new schools, housing and play facilities in development areas within the Borough.

We have also undertaken the Examination in Public (EIP) for the replacement Local Development Plan (LDP). This will be determined by Welsh Government's Planning and Environment Decisions Wales (PEDW) and, if recommended for approval could be adopted by the Council in late spring of 2024.

More specifically, the Council has made and continues to make good progress in pursuit of the development of our main towns. These include the regeneration of the waterfront at Porthcawl, including the Salt Lake site, the redevelopment of Maesteg Town Hall as stated above, and investment in initiatives to improve the town centre in Bridgend. This includes the development of a new £80 million Bridgend College Campus on the former police station site at Cheapside, in the town centre. The construction commenced in May 2024 with a completed college building anticipated by Autumn 2026.

The Council will continue to operate a number of grant funded programmes of work to support our most vulnerable groups and those furthest away from employment, including training and skills and work support programmes under the Employability Bridgend programme. The Council was awarded over £20 million from the Shared Prosperity Fund (SPF) up to March 2025 to undertake various programmes with partners across the County, including training and new business start-up grants. The SPF will be extended for a transition year in 2025-26, ahead of wider local growth funding reforms. However, this is at a level that is around 40% lower than the current year's budget. In addition, the £18 million funding bid to the UK Government's Levelling Up Fund (LUF) for the complete refurbishment and restoration of the Grand Pavilion in Porthcawl was successful. Planning Permission has been granted, an enabling contract to strip out the building has been completed and the tender for the main construction works is now taking place. It is likely that a contractor for the works will be procured in Spring 2025.

3.1.8 Regulatory and Corporate Services

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

Shared Regulatory Services

This is a combined service with the Vale of Glamorgan and Cardiff City Councils, for which Bridgend will contribute around £1.9 million towards a group of services that includes Trading Standards, Environmental Health, Animal Health and Licensing (alcohol, gambling, safety at sports grounds, taxis etc.). These services all ensure, in different ways, that the public is protected.

As well as allowing for financial savings, the collaboration delivers greater resilience in the service and stronger public protection across all three Council areas.

Registrars

The Council operates a Registrar service that deals primarily with the registration of Births, Deaths and Marriages. The service also undertakes Civil Partnership and Citizenship ceremonies and provides a replacement certificate facility.

Council Tax and Benefits

The taxation service aims to collect over £120 million in council tax from over 66,000 households across the county borough, on behalf of the Council, South Wales Police and our Town and Community Councils. Our collection rates have been impacted in recent years, firstly by the Covid-19 pandemic, then by the cost of living crisis. We are determined to regain the pre-2020 high levels of collection, but we are seizing the opportunity to reduce the cost of operating the service, by offering online services. We now offer a range of secure council tax functions online, allowing residents to self-serve at a time and location convenient to them. This will allow us to reduce the cost of running the service.

In line with many other Welsh Local Authorities the Council has reviewed its position with regards to Council tax premiums. A Council Tax premium on empty properties has been introduced and took effect on 1 April 2023 whilst a Council Tax premium on second homes took effect on 1 April 2024.

Benefits are funded by the central UK government, but the administration of Housing Benefit and the Council Tax Reduction Scheme falls to the Council. The Benefits Service also administers applications for Disabled Facilities Grants, Free School Meals and Distinctive School Uniform Grants.

3.1.9 Other Council Wide Services

There are a number of things that the Council does that support the delivery of services but which themselves are not visible to the public. We need to maintain these services with sufficient capacity to support our services whilst making them as efficient and effective as possible. In many cases we operate such services by sharing with other organisations. Opportunities for further collaboration or sharing in these service areas has been and will continue to be explored. There are a number of proposed budget cuts against these services for 2025-26 onwards, all of which will compromise their ability to support frontline services and may, in some circumstances, be potentially counter-productive, for example, in terms of enabling the collection of additional income, or by inadvertently increasing costs in other service areas.

Property and building maintenance

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

The Council has brought together its asset management and building maintenance functions, and has centralised all premises repairs, maintenance and energy budgets into a single 'corporate landlord' service within the Communities Directorate. This enables us to better manage compliance, embed 'whole life costing' approaches into decision-making, manage the quality of work undertaken by contractors, and thereby deliver efficiencies in the management of our estate. This focus on reducing our assets and energy efficiency will be essential if the Council is to meet Welsh Government's target of all public sectors bodies being net

carbon neutral by 2030. A decarbonisation strategy entitled “Bridgend 2030”, was developed with the Carbon Trust and is supported with a detailed action plan, setting out how the Council will reach a net zero carbon position in Bridgend by 2030. This was approved by Cabinet in December 2022.

The service will continue to review its processes in 2025-26 including seeking further operational efficiencies and streamlined business processes, from ICT investment, improved procurement and contract management.

Legal services

The Council needs to maintain effective legal support for all of its services. At a time when the Council is trying to transform services it is important to bring about these changes lawfully. The service also directly supports front line services such as Education and Social Services, and is provided by a mix of permanent internal staff and external expertise when necessary. Almost half of our in-house legal team is specifically focused on child protection cases. These cases have increased in number and complexity over recent years.

The service is very lean and will have to prioritise caseloads on a risk assessed basis.

Finance

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

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

Human Resources (HR) and Organisational Development (OD)

With over 6,000 employees including schools, the Council needs a dedicated human resources service. The primary role of the service is to provide professional advice, guidance and support to managers and staff on a wide range of HR and OD issues as well as provide HR services for the payment of salaries, pension, contracts and absence administration. Other services include training and development, recruitment and retention, developing employee skills and ‘growing our own,’ through our Graduate and Apprenticeship schemes.

Working closely with our recognised trade unions, we maintain positive and transparent employee relations arrangements.

Overall the significant workforce issues the Council is facing have led to a considerable increase in demand for these services; this is likely to continue into the

new financial year as teams are restructured and new ways of working are considered.

ICT

We are continuing to invest in the automation and digitisation of services in line with our Digital Strategy, where it is appropriate to do so, and work is ongoing to identify priority areas through the Digital Transformation Programme which will help achieve savings in future years, through the development and digitising of information-intensive processes, freeing up capacity and making efficiencies. We will also be exploring the use of Artificial Intelligence, e.g. in social care, to secure service efficiency, where it is appropriate to do so.

The ICT service is assisting the Digital Transformation Programme, supporting the changes across a range of services that in turn allow savings or improvements through more flexible working or new ways to access services. The Council spends around £5 million on its ICT services provision to support main Council activities and schools. The ICT service has focused on developing staff through the apprenticeship programme in conjunction with HR, developing skills and enabling in-house career progression.

Procurement

The Council has a central team that provides procurement support across the range of services that we provide. Effective procurement is essential to ensuring good value for money across the Council. The central team work with services to implement corporate wide efficiencies where appropriate. The Council has adopted a Corporate Procurement Strategy which supports a number of corporate priorities. There continues to be a sustained increase in the costs of goods and services due to inflationary pressures, rise in fuel costs and shortages in the supply chain. Many tenders are being returned over the approved budget leading to additional work to re-run the process.

Democratic Services

The Council is a democratic organisation with 51 elected members (Councillors) who make decisions, set policy direction and oversee the general performance of the Council. The number of elected members in each authority is set independently. Their remuneration is also determined by an independent panel. The Democratic Services team support all Members and ensure the appropriate arrangements are in place to comply with legislative requirements.

Internal Audit

Our Regional Internal Audit Service is provided by a joint service that we share with the Vale of Glamorgan and Merthyr Councils. The service carries out routine checks and investigations to ensure that the Council maintains good governance – especially as it relates to the proper accountability of money and other resources. The level of service to be provided by the joint service in 2025-26 has been reviewed.

3.2 The Financial Context

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

3.2.2 The MTFS includes:

- The principles that will govern the strategy and a four year financial forecast, comprising detailed proposals for 2025-26 and outline proposals for 2026-27 to 2028-29.
- The capital programme for 2024-25 to 2034-35, linked to priority areas for capital investment and the Capital Strategy, which will be presented for approval by Council in February 2025, along with the Treasury Management Strategy 2025-26.
- The Corporate Risk Assessment, which will be updated and included in the final MTFS in February 2025.

3.2.3 When Welsh Government announced the Final Local Government Settlement for 2024-25 in February 2024, they did not provide any indicative allocations for future years, but planning has been on the basis of a cash flat (0% change to AEF) settlement for 2025-26 and future years.

3.2.4 The Chancellor of the Exchequer presented the Autumn Budget 2024 to Parliament on 30 October 2024. The Office for Budget Responsibility (OBR) released a full economic and fiscal forecast on the same day.

3.2.5 In the Autumn Budget the Chancellor said that this was "a Budget to fix the foundations of the economy and deliver change by protecting working people, fixing the NHS and rebuilding Britain." She stated that the Budget would put the public finances on a sustainable path by strengthening the fiscal framework, including announcing new fiscal rules, and taking difficult decisions on tax, welfare and spending. Announcements included extra funding for the NHS in England, and funding for education investment. It was also announced that firms would pay National Insurance on workers' earnings above £5,000 from April 2025, down from £9,100 currently, with the rate increasing from 13.8% to 15%. National Insurance contributions paid by employees would not change. As a result of the Budget it was reported that the Welsh Government would receive an additional £1.7 billion which would enable substantial investment into schools, housing, health and social care, and transport. According to the Office for Budget Responsibility, this Budget delivers one of the largest increases in spending, tax, and borrowing of any single fiscal event in history. They stated that the budget has added around £70 billion per year to public spending over the next five years.

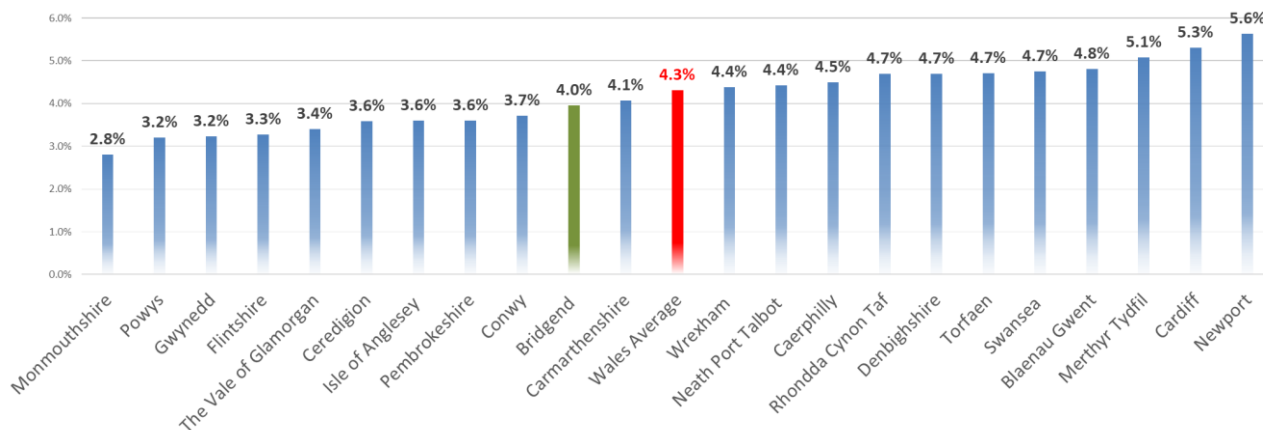
- 3.2.6 In response to the Autumn Budget the Welsh Government Cabinet Secretary for Finance and Welsh Language said, “*This is a Budget focused on fixing the foundations; rebuilding public services and creating a pathway of investment for growth*”. Referring to the £1.7 billion of extra funding for public services and capital investment in Wales, he said “*The additional funding is welcome and while the Chancellor’s Budget is designed to create growth the wider financial context is still difficult.*”
- 3.2.7 Welsh Government announced their draft budget on 10 December 2024, and the provisional local government settlement on 11 December 2024. The final local government settlement is not due to be announced until the end of February 2025, so the Medium Term Financial Strategy and the budget for 2025-26 are proposed on the basis of the provisional settlement, as in recent years.
- 3.2.8 The Welsh Government Draft Budget sets out updated revenue and general capital spending plans for 2025-26. The Cabinet Secretary for Finance and Welsh Language announced that all government departments would receive increases in revenue and capital funding, delivering an extra £1.5 billion for Welsh Government’s public services and priorities. He said that the Draft Budget demonstrated the Welsh Government’s commitment to invest in the areas which matter most to people – supporting the NHS, in jobs and growth, providing opportunities for families, and connecting communities. This included investing more than £600 million in extra revenue and capital funding for health and social care, more than £100 million for the education budget, and a 4.3% increase in the local government settlement, £3.7 million to accelerate planning decisions and digitise planning services, and two new funds to maintain Wales’ road network – fixing potholes and repairing defects.
- 3.2.9 The Cabinet Secretary also outlined a package of additional support for Non-Domestic Rates, which included capping the increase to the Non-Domestic Rates (NDR) multiplier to 1% for 2025-26, and continuing the support for retail, leisure and hospitality businesses with Non-Domestic Rates bills with 40% relief, the same rate as applied in 2024-25.
- 3.2.10 In terms of capital investment the Cabinet Secretary indicated that capital spending plans will exceed £3 billion for the first time at the Draft Budget stage, enabling substantial investments for the school estate, NHS infrastructure, housing and public transport. This included £81 million more capital funding to build more homes for social rent, helping to reduce homelessness and ensure everyone in Wales has a place to call home.
- 3.2.11 Welsh Government has indicated in their Draft Budget that they have only been provided with a funding settlement from the UK Government for 2025-26, so the Draft Budget only outlines spending plans for one year only.

3.3 Welsh Government Provisional Local Government Settlement 2025-26

- 3.3.1 Councils received their provisional settlements from Welsh Government on 11 December 2024. The headline figure is an overall increase of 4.3% across Wales and, for Bridgend, a reported increase of 4.0% in Aggregate External Finance (AEF), after a number of transfers into and out of the settlement. No local authority received less than a 2.8% increase in funding. In terms of cash increases, this represents a £10.5 million increase in funding, after the specific transfers. There are not intended

to be any significant changes to the methodology or the data underpinning the distribution of this settlement when the final settlement is announced at the end of February 2025.

This increase for Bridgend was the thirteenth highest increase across all Welsh Local Authorities as illustrated in the chart below.



Source: WG Provisional LGF Settlement 2025-26

3.3.2 The Cabinet Secretary for Housing and Local Government stated ‘*In 2025-26, Authorities will receive £6.1bn from the Welsh Government Revenue Support Grant (“RSG”) and non-domestic rates (“NDR”) to spend on delivering key services. This means the core revenue funding for local government in 2025-26 will increase by 4.3% on a like-for-like basis compared to the current year. While this is a significantly better settlement than was envisaged at the beginning of this year, I recognise that there will again be difficult local decisions to be made.*’

3.3.3 The Cabinet Secretary also stated that ‘*This settlement reflects our ongoing commitment to protecting core frontline public services as far as possible, supporting the hardest hit households and prioritising jobs. We have been through a long period of austerity, with huge increases in demand for major services, a pandemic, and an extra-ordinary inflationary period. We have been listening to local government to continue to understand the challenges they’re facing. The additional funding from the Autumn Budget, means we have been able to increase our overall settlement for 2025 to 2026 by more than £1bn.*’

3.3.4 In terms of capital funding the Cabinet Secretary stated that local authorities would receive additional general capital funding of £20 million to support the inflationary increases in costs and give more flexibility to authorities in financing smaller capital projects and refurbishment or schemes.

3.4 Settlement Implications for 2025 to 2029

3.4.1 The Welsh Government is expecting multi-year settlements for revenue and capital at the conclusion of the UK Spending Review during the first half of 2025. The Cabinet Secretary indicated that she hopes to be able to provide a more than one-year indicative local government settlement budget at the next provisional budget. However, given recent announcements from both Welsh and UK Governments it is

likely that the financial position in the next few years will be no less challenging than it is for 2025-26.

3.5 Transfers into and out of the 2025-26 Revenue Settlement

3.5.1 The provisional settlement includes a number of transfers of existing grants both into the local government settlement, along with transfer out of previous grants. These are listed below alongside the figures for Bridgend:

Transfers out of the settlement:

Implementation of the Performance and Improvement Framework	£40,000
Coastal Risk Management Programme	£25,500

Transfers into the settlement:

Housing Grants – No-one left out; Discretionary Homeless Prevention; Strategic Coordinator	£970,013
Teachers' Pay and Pensions Grants	£3,649,590
National Joint Council Pay Grant	£2,352,854
Fire and Rescue Authority Pay and Pension Grants	£172,702

3.5.2 There may be additional transfers into the final settlement as Welsh Government continues to review and rationalise the number of grants that the local authority has to administer.

3.6 Specific Grants

3.6.1 As part of the Welsh Government's Programme for Government, the Welsh Ministers have committed to reducing the administrative burden on local authorities, to allow them to focus on their vitally important work delivering services. At the heart of this work is their desire to ensure that local authorities are not hampered by unnecessary bureaucracy.

3.6.2 The picture on changes to specific grants is available at an all-Wales level for most grants, but not yet at an individual authority level. There are increases in some grants, such as the Local Authority Education Grant and Bus Services Support Grant. Funding to support proposals relating to eliminating profit from the care of looked after children will continue into 2025-26, at around the same level as 2024-25. Many of the grants remain unchanged from 2024-25 figures, and some are yet to be finalised, including the Sustainable Waste Management Grant.

3.6.3 Until more detailed information is made available from Welsh Government on some of these significant grants, which fund a range of important and key services within the Council, it is prudent to retain some unallocated funding in the budget, mindful that some of it may be needed to sustain these core services.

3.7 Current Year (2024-25) Financial Performance

3.7.1 The in-year financial position as at 31 December 2024 is shown below.

Table 1- Comparison of budget against projected outturn at 31 December 2024

Directorate/Budget Area	Original Budget 2024-25 £'000	Revised Budget 2024-25 £'000	Projected Outturn Q3 2024-25 £'000	Projected Over / (Under) Spend 2024-25 £'000	Projected Over / (Under) Spend Qtr 2 2024-25 £'000
Directorate					
Education, Early Years and Young People	143,485	148,785	150,207	1,422	1,707
Social Services and Wellbeing	104,575	109,390	112,186	2,796	4,456
Communities	30,704	32,999	33,824	825	616
Chief Executive's	22,425	23,460	25,382	1,922	2,022
Total Directorate Budgets	301,189	314,634	321,599	6,965	8,801
Council Wide Budgets					
Capital Financing	7,052	6,958	2,259	(4,699)	(1,606)
Levies	9,635	9,645	9,569	(76)	(77)
Apprenticeship Levy	750	750	870	120	86
Council Tax Reduction Scheme	16,054	16,054	16,515	461	709
Insurance Premiums	1,363	1,363	1,153	(210)	(135)
Repairs & Maintenance	670	670	670	0	0
Pension Related Costs	430	430	471	41	0
Other Corporate Budgets	23,528	10,167	778	(9,389)	(981)
Total Council Wide Budgets	59,482	46,037	32,285	(13,752)	(2,004)
Total	360,671	360,671	353,884	(6,787)	6,797

3.7.2 The overall projected position at 31 December 2024 is a net under spend of £6.787 million comprising £6.965 million net over spend on directorates and a net under spend of £13.752 million on Council wide budgets. The overall position has improved significantly since quarter 2, partly due to the recent notification of a number of additional grants totalling over £3.3 million towards pay awards from Welsh Government following the Autumn Budget, but also due to a Council approved change in our policy for financing capital, lower draw down on contingencies and the maximisation of other grants against service costs. However, this is only masking some of the recurrent pressures that still exist in directorate budgets which will continue into 2025-26.

3.7.3 There are a considerable number of directorate budget pressures, as outlined above, particularly in the Social Services and Wellbeing Directorate, and in respect of homelessness, additional learning needs and home to school transport. The quarter 3 revenue budget monitoring report is also being presented to Cabinet on 14 January 2025, providing details on the reasons for the main over and under spends.

3.8 Medium Term Financial Strategy (MTFS) 2025-26 to 2028-29

3.8.1 This section of the report sets out the proposed MTFS for the Council for the next four financial years, based on the latest information available from Welsh Government. It does not include fixed funding, expenditure or activity projections, but sets best, worst and most likely scenarios for the resources that will be available. The MTFS is reviewed regularly and amended as additional information becomes available, with the detail for future years being developed over the period of the strategy.

3.8.2 The development of the MTFS 2025-26 to 2028-29 is led by Cabinet and Corporate Management Board (CMB) and takes into account auditors' views, the

recommendations of the Budget Research and Evaluation Panel (BREP), views of scrutiny and issues arising during 2024-25, underpinned by the ongoing aim to embed a culture of medium term financial planning closely aligned with corporate planning.

- 3.8.3 Implementation of the MTFS will continue to be led by Cabinet and CMB, supported by financial and performance data. Cabinet and CMB will seek to ensure that it is widely understood by internal stakeholders (Members, employees and Unions) and external stakeholders (citizens, businesses and partners).

3.9 MTFS Principles

- 3.9.1 As well as consideration of future income and expenditure scenarios, the MTFS provides a set of clear principles which drive the budget and spending decisions over 2025-2029 and which Members and others can examine and judge the Council's financial performance against. The thirteen MTFS principles are:

1. There will be a "One-Council" approach to the Medium Term Financial Strategy with a view on long term, sustainable savings proposals that are focused on ensuring that the Council remains financially viable over the full period of the MTFS.
2. All budget related decisions will align with the principles of the Well-being of Future Generations (Wales) Act 2015.
3. The Council will continue to meet its statutory obligations and demonstrate how it directs resources to meet the Council's corporate priorities. Other resource strategies (including the Treasury Management Strategy and Capital Strategy) are kept under review to maintain alignment with the MTFS and the Corporate Plan.
4. The financial control system is sufficiently robust to support the delivery of financial plans and mitigate corporate risks, with adequate provision being made to meet outstanding and reasonably foreseen liabilities.
5. All services will seek to provide value for money and contribute to public value, and will continuously review budgets to identify efficiency savings.
6. Financial plans will provide an optimum balance between income and expenditure for both capital and revenue, with opportunities for generating additional income taken in line with the Council's Income Generation and Charging Policy.
7. Savings proposals are developed and include realistic delivery timescales prior to inclusion in the annual budget. An MTFS Budget Reduction Contingency Reserve will be maintained to mitigate against unforeseen delays.
8. Balances are not used to fund recurrent budget pressures or to keep down Council Tax rises unless an equivalent budget reduction or increase in Council Tax is made in the following year in recognition that balances are a one-off resource.

9. The Council Fund balance should be set at a prudent but not excessive level. This will normally be maintained at a level of 5% of the Council's net budget, excluding schools.
10. Capital investment decisions are in alignment with the Council's Capital Strategy, and mitigate any statutory risks taking account of return on investment and sound option appraisals.
11. Prudential borrowing is only used to support the capital programme where it is affordable and sustainable within the Council's overall borrowing limits and the revenue budget over the long term.
12. Decisions on the treatment of surplus assets are based on an assessment of the potential contribution to the revenue budget and the capital programme.
13. Resources are allocated to deliver transformational projects based on clear strategic plans that are kept under review by Corporate Directors to maintain alignment with the MTFS.

3.9.2 The MTFS Budget Reduction Contingency Reserve referenced in Principle 7 enables the Council to manage delays or unforeseen obstacles to the delivery of significant MTFS budget reduction proposals. No allocations have been made to date in 2024-25 from this reserve, but it is likely that this reserve will be needed going into 2025-26 due to the large number and complexity of budget reductions that will need to be made. The level of this reserve will be kept under review by the Section 151 officer in light of forecast difficulties in delivering specific future budget reduction proposals.

3.10 Council Tax

3.10.1 The 2025-26 draft Revenue Budget, shown in Table 5 below, assumes a 4.5% increase in council tax for 2025-26, which is required to enable the Council to meet the considerable financial challenges that it faces both currently and going forward, not least the ongoing pay and price pressures, along with the unprecedented number of unavoidable service pressures facing the Council as it tries to support its most vulnerable residents. This level of increase will be reviewed again following the consultation process before the final budget is agreed. Going forward an assumed annual increase of 4.5% has also been included for 2026-2029.

3.11 MTFS Resource Envelope

3.11.1 The published provisional 2025-26 Aggregate External Finance (AEF) figure is an increase of 4.0% for Bridgend. In the MTFS 2024-25 to 2027-28, it was stated that the Council would continue to work towards a most likely scenario in its planning assumptions for 2025-26 of an annual 0% change in AEF and an assumed increase in council tax of 4.5% for 2025-26, with anticipated 0% changes to AEF for future years, recognising the ongoing uncertainty around our funding in future years. However, despite the better than anticipated settlement, as stated above, as a result of the unprecedented challenges facing the Council, it is still proposed to increase council tax by 4.5% for 2025-26.

- 3.11.2 The MTFS is regularly reviewed against service performance and external economic and fiscal information to ensure that early action can be taken as necessary to keep it and the Corporate Plan on track. This is particularly important given the current economic uncertainties, particularly in respect of fluctuating levels of inflation, in the coming months and years. In view of these uncertainties, the MTFS has been developed taking into account possible resource envelope scenarios based on percentage changes in AEF shown in Table 2.
- 3.11.3 Welsh Government has not given any information on likely levels of funding for 2026-27 onwards. However, indications are that the financial position will be no less challenging and that Councils should plan accordingly. Therefore, for 2026-27 onwards, given the level of funding uncertainty in future years, as well as unknown pay and price increases, we will continue to assume 0% change to AEF and an estimated council tax increase of 4.5%. However, they will continue to be monitored and will be amended as further fiscal and economic information is made known.

Table 2 – MTFS Scenarios: % Change in AEF

	2025-26 % Change	2026-27 % Change	2027-28 % Change	2028-29 % Change
Best Scenario	+4.0%	+1.0%	+1.0%	+1.0%
Most Likely Scenario	+4.0%	0%	0%	0%
Worst Scenario	+4.0%	-1.0%	-1.0%	-1.0%

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

Table 3: MTFS Potential Net Budget Reductions Requirement

	2025-26 £'000	2026-27 £'000	2027-28 £'000	2028-29 £'000	Total £'000
Best Scenario	9,105	7,832	7,588	7,335	31,860
Most Likely Scenario	9,105	10,598	10,382	10,157	40,242
Worst Scenario	9,105	13,365	13,121	12,868	48,459

3.12 Managing within the MTFS Resource Envelope

- 3.12.1 Due to the impact of current year and anticipated future pressures, the amount of budget reductions required for 2025-26 is once again substantial. Over the period of the MTFS the financial forecast for 2025-2029 is currently predicated on £40.242 million of budget reductions being met from Directorate and Corporate budgets; however, the assumptions beneath them can change quickly and with an uncertain, but no less challenging, financial settlement likely going forward, this level of reductions is likely to change going forward. They are predicated on a number of spending assumptions, including:

- Projections for demographic changes, including an ageing population and an increasing number of young people with complex disabilities living into adulthood and adding progressively to the demand for care.
- Inflationary uplifts to support specific contractual commitments, which is difficult to predict going forward following the higher levels of inflation over recent years. The consumer price index (CPI) rate has remained under 5% since October 2023, and was 2.6% in the 12 months to November 2024. This compares favourably with the higher 8% - 11% increases experienced during 2022 and 2023.
- The future impact of national policies and new legislation which may not be accompanied by commensurate funding, such as the Welsh Government's commitment to eradicate homelessness, local authorities' responsibilities in respect of responding to climate change and meeting net zero carbon targets, potential additional responsibilities arising from UK government's draft Terrorism (Protection of Premises) Bill, and the implications of the Health and Social Care (Wales) Bill.
- Complying with the budget principle of full cost recovery, where possible. Consequently fees and charges will increase by the statutory minimum or at least CPI, unless determined otherwise.
- Increases in staffing costs, including a confirmed 5% increase in the Real Living Wage (from £12.00 to £12.60 per hour), a 6.7% increase in the national living wage from April 2025 (from £11.44 to £12.21), along with the impact of staff pay increases in both 2024-25 and 2025-26. These include the full year effect of the teachers' pay increase of September 2024 (5.5% increase), the unknown teachers' pay increase in September 2025 and increases for non-teachers for 2025-26, which are still to be determined.

3.13 Net Budget Reduction Requirement

- 3.13.1 Table 4 shows the current position in respect of addressing the most likely forecast budget reduction requirement of £40.242 million. It shows that £12.977 million of budget reduction proposals have already been identified over the period of the MTFS, including the full £9.1 million required for 2025-26. However, the majority of future savings relate to school delegated budgets, which may or may not be feasible going forward, and the table shows that the Council still needs to develop proposals to the value of £27.3 million. This will require some difficult decisions to be made on the range and level of services that the Council provides going forward.

Table 4 - Risk Status of Budget Reduction Proposals 2025-26 to 2028-29

Year	GREEN: Proposal developed and deliverable	AMBER: Proposal in development but includes delivery risk	RED: Proposals not fully developed and include high delivery risk	Budget reductions Identified so far	Budget reductions not yet developed	Total Required
	£'000	£'000	£'000	£'000	£'000	£'000
2025-26	2,002	1,902	5,201	9,105	0	9,105
2026-27	0	219	2,057	2,276	8,322	10,598
2027-28	0	0	1,596	1,596	8,786	10,382
2028-29	0	0	0	0	10,157	10,157
Total	2,002	2,121	8,854	12,977	27,265	40,242
Percentage of total required	5%	5%	22%	32%	68%	100%

3.13.2 Table 4 illustrates the difficult position that the Council finds itself in financially over the life of the MTFS. For 2025-29 only 32% of savings have been identified, the majority of which relates to school delegated budgets, which leaves the Council at risk of not balancing the budget. This will depend on the level of settlement that the Council receives and the total budget reductions required to balance the budget. Indications from Welsh Government are that financial settlements in future years will still be challenging and the Council will continue to face high pay and price pressures, consequently we will continue to identify options to close the gap during the remainder of the financial year and into 2025-26, at the same time seek additional funding from Welsh Government, particularly for new responsibilities.

3.13.3 All of the proposals have implications for the Council workforce given that around two thirds of the Council's net revenue budget funds pay costs. It follows that annual real terms' reductions in Council budgets over the next four years will lead to a reduced workforce over the MTFS period. The intention is to manage such a reduction through the continuation of strong vacancy management, redeployment, early retirements and voluntary redundancies, but some compulsory redundancies will continue to be considered and could be necessary.

3.14 Scrutiny and Challenge

3.14.1 We will be undertaking our annual budget consultation prior to the final budget being presented to Cabinet and Council at the end of February. The aim of the consultation will be to seek views on the priority areas for residents, in order to enable us to review and set a balanced budget. It is recognised that budget planning for 2025-26 continues to be more challenging than ever before, and that the Council is facing even more cost pressures than experienced in previous years, with in-year over spends also impacting on the financial sustainability of the Council.

3.14.2 In advance of the budget consultation the Council has introduced a 'Time to Talk Budget 2025' campaign. This includes infographics, social media posts, an explainer video and dedicated webpages, outlining the current budget and how it is funded in order to enhance residents' understanding of how the budget is compiled, what contribution council tax makes to the Council's budget, any restrictions on the budget, and responses to frequently asked questions.

3.14.3 The results of the budget consultation will be collated and considered by Cabinet in order to further inform final decisions on the MTFs.

3.15 2025-26 Draft Revenue Budget

3.15.1 Table 5 shows the draft revenue budget for 2025-26. Any unallocated funding is currently within the pay and price budgets and will be re-allocated when the final budget is determined.

Table 5 – Draft Revenue Budget 2025-26

	Revised Budget 2024-25	Specific Transfers to/ (from) WG	Teachers' Pensions	Pay / Prices	Budget Pressures	Budget Reduction Proposals	Opening Revenue Budget 2025-26	Potential In-Year Allocations for Pay and Prices *	Potential Final Budget 2025-26
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Service Directorate Budgets:									
Central Education, Early Years and Young People	30,174		116	71	2,708	-1,510	31,559	1,038	32,597
Schools	118,611	3,650	28	2,106	0	-1,830	122,565	3,376	125,941
Education, Early Years and Young People	148,785	3,650	144	2,177	2,708	-3,340	150,474	4,414	158,538
Social Services & Wellbeing	108,966	-40			8,800	-1,817	115,909	3,285	119,194
Communities	32,999	-26			1,482	-717	33,754	1,341	35,095
Chief Executives	23,460	970			1,073	-688	24,815	1,032	25,847
Total Directorate Budgets	314,210	4,554	144	2,193	14,063	-6,562	328,602	10,072	338,674
Council Wide Budgets:									
Capital Financing	6,958					-1,000	5,958		5,958
Levies	9,645	173			391		10,209		10,209
Repairs and Maintenance	670						670		670
Council Tax Reduction Scheme	16,054			1,000			17,054		17,054
Apprenticeship Levy	750						750		750
Pension Related Costs	430						430		430
Insurance Premiums	1,363						1,363		1,363
Other Council Wide Budgets	10,591	2,353	-144	7,045		-1,543	18,302	-10,072	8,230
Total Council Wide Budgets	46,461	2,526	-144	8,045	391	-2,543	54,736	-10,072	44,664
Net Budget Requirement	360,671	7,080	0	10,238	14,454	-9,105	383,338	0	383,338

* Actual amounts will depend upon final agreed pay awards and inflationary increases / contractual increases

3.15.2 The proposed net budget for 2025-26 will be funded by:

Table 6 – Net Budget Funding

	£	%
Revenue Support Grant	224,051,830	58.45
Non Domestic Rates	52,588,052	13.72
Council Tax Income	106,698,377	27.83
Total	383,338,259	100%

3.16 Council Tax Implications

3.16.1 Based on the proposed budget of £383.338 million, there is a proposed 4.5% increase in council tax for 2025-26. This is in line with the indicative increases outlined in the Medium Term Financial Strategy 2024-2028 and is required due to a

combination of increasing demand for services and significant cost pressures, both pay and price increases. This level of increase is needed to enable the Council to set a balanced budget. This proposed increase will be kept under review and confirmed when the final budget is submitted for approval in February, once the consultation process has ended.

- 3.16.2 As mentioned above, council tax currently only provides around 28% of the Council's funding. The majority of funding comes from Welsh Government, via the Revenue Support Grant and the Council's share of non-domestic rates. An increase in council tax of 1% therefore only provides around £1 million of additional funding.

3.17 Inter-Directorate Transfers

- 3.17.1 There are no inter-directorate transfers included in the draft budget. This will be reviewed again for the final budget.

3.18 Pay, Prices and Demographics

- 3.18.1 Pay awards for teachers, National Joint Council (NJC) and Joint Negotiating Committee (JNC) staff for 2024-25 have been agreed. They included an increase of 5.5% on all teachers' pay scales and allowances, an increase of £1,290 or 2.5% (whichever is higher) on all NJC pay points, and an increase of 2.5% for JNC Chief Officers and Chief Executive pay points. In terms of NJC workers the £1,290 equated to a 5.77% increase for those on the lowest scale. No information on pay claims for 2025-26 is available at this time. With so much uncertainty it is difficult to determine what the pay pressure will be in 2025-26 but with a staff budget of over £230 million, every additional 1% increase will add at least a further £2.3 million pressure to the Council's pay budget. Funding has been allocated in the budget for the full year effect (April to August 2025) of the teachers' September 2024 pay award.
- 3.18.2 In March 2022 Bridgend County Borough Council was officially recognised as a Real Living Wage accredited employer by the Living Wage Foundation, and all BCBC-employed staff, including social care staff, were paid at the level of the Real Living Wage. In October 2024 it was announced by the Real Living Wage Foundation that the Real Living Wage would increase by 5%, from £12.00 to £12.60 per hour. The rate was to be implemented as soon as possible, but by 1 May 2025 at the latest. For in-house staff this will be paid from 1 April 2025.
- 3.18.3 Funding for price inflation in 2025-26 has been mostly retained centrally to meet provision for increases in energy costs, rents, allowances and contractual commitments, which are still largely unknown. Welsh Government has already announced that there is a proposed 1% increase in the business rates multiplier for next year, from 0.562 to 0.568, and funding has been allocated to directorates for this. A further review of allocations will be undertaken before the final budget is agreed and any necessary amendments made.
- 3.18.4 Following approval of the final budget, the remaining inflationary provision will be retained centrally and allocated during the year as any unknown or unforeseen contract price inflation is agreed, in particular where the index is set after the Council's budget is approved.

3.18.5 In addition to increases in pupil numbers in schools in recent years, which puts pressure on school delegated budgets, there is also evidence of an increase in the older persons' population. Wales, as a whole, has an ageing population. In Bridgend, between the 2011 census and the 2021 census there has been an increase of 21.5% in people aged 65 years and over, resulting in increased pressure on a number of service areas, including residential care, home care and the assessment and care management teams.

3.19 Employers' National Insurance Contributions

3.19.1 As outlined above, in the Autumn Budget the Chancellor of the Exchequer increased the rate of employers' national insurance contributions from 13.8% to 15%, and reduced the threshold on which this would apply to workers' earnings, from £9,100 to £5,000, from April 2025. As an employer of almost 6,000 members of staff, the financial consequence of this change is significant. The estimated cost to the Council of implementing this for BCBC staff is around £4.7 million. In addition there will be pressures from the Council's commissioned services, who will also face additional costs, to contribute to this cost, potentially in the region of £1.5 million overall. Welsh Government stated in their Draft Budget that the UK Government has confirmed that devolved governments would be provided with additional funding to help mitigate the cost of increased employers' National Insurance contributions to support devolved public services, over and above the funding allocated in the UK Budget. Welsh Government are still working with His Majesty's Treasury to clarify this level of support, which has not yet been provided to Welsh Government, so this funding does not form part of the Draft Budget nor the Provisional Local Government Settlement. It is likely we will not receive this funding until at least the Spring, and it will remain to be seen whether or not it is sufficient to cover the full cost.

3.20 School Delegated Budgets

3.20.1 Given the difficult financial position that the Council found itself in, a 3% efficiency in school budgets (£3.441 million) was included in the MTFs for 2024-25, given that school budgets account for around a third of net revenue expenditure. For 2025-26 the overall financial position of the Council is still challenging, and it is impossible to set a balanced budget without requiring schools also to make cuts, given they make up a significant percentage of the Council's net budget. Therefore it is proposed to ask schools to find further savings of 1% in 2025-26. This is lower than the 2% reduction proposed in the Medium Term Financial Strategy for 2024-2028 and reflects the better than anticipated provisional settlement.

3.20.2 There are a significant number of pressures on school delegated budgets for 2025-26 and beyond, not least the full year cost of the September 2024 teachers' pay award for April to August 2025 (5.5% increase), the new pay award for teachers from September 2025, and the non-teachers' pay award from April 2025. Whilst schools will need to identify ways to meet the 1% budget reduction to contribute towards the corporate budget reduction target, this will be more than offset in terms of a cash increase by the additional funding that will be provided to them during 2025-26 to offset these additional pay and price pressures, which could reach £5 million based on current estimates. It is also understood that a number of school grants will be increasing in 2025-26 which will also help to support schools.

3.20.3 It should be noted that the 1% efficiency target is maintained for schools for 2026-27 and 2027-28 currently, in recognition of the pressures stated above, potentially lower future budget settlements and mounting external pressures across Council services.

3.21 Budget Pressures

3.21.1 During 2024-25 a number of unavoidable service budget pressures have arisen for 2025-26 and future years, and they are detailed in **Appendix A**. They are split into recurrent base budget pressures and emerging directorate pressures. The total of the budget pressures identified for 2025-26 is £14.454 million and this covers those pressures deemed to be unavoidable or statutory, and tries to mitigate some of the more significant budget pressures arising in 2024-25. The recurrent base budget pressures are based on the quarter 2 revenue monitoring position, but will be reviewed again before the final budget, using the quarter 3 information, and amended as necessary. The funding allocated is partly to enable time for transformation of services to take place and will be subject to robust ongoing financial monitoring during 2025-26. There may be additional pressures arising over the coming months and consequently the total pressures requirement may change between draft and final budget.

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

- Costs associated with supporting and protecting our most vulnerable residents, especially children.
- Support for children with additional learning needs.
- Funding to meet contractual price increases, especially home to school transport.
- Increased costs of commissioned services in the social care sector following the 5% increase in the Real Living Wage, and in general following the 6.7% increase in the National Living Wage announced by the UK government.
- An increase in the Fire and Rescue Authority's levy on the Council to meet pay and price increases.

3.22 Budget Reduction Proposals

3.22.1 Budget reduction proposals of £9.105 million for 2025-26 have been identified from service budgets to achieve a balanced budget, and these are detailed in **Appendix B**. This year it has again been extremely challenging to identify reductions in service budgets in order to balance the budget, and has required difficult decisions, and proposed cuts to a number of services. This level of budget reductions will have a wide ranging impact on the level of services that the Council can provide. They are not achievable easily and will have a significant impact on staff and residents alike, but are necessary in order to set a balanced budget, or council tax would have to increase by an even higher rate.

3.22.2 A couple of these proposals have been approved either by Cabinet or Council during the financial year, to ensure there is a full year of saving for 2025-26. As such, a further decision is not required on these proposals. They are outlined in Table 7 below:

Table 7 – Budget Reductions already Approved

Ref	Proposal	£'000	Approval Date
EEYYP2	Review of Home to School Transport	675	£1.092m saving across 2025-26 to 2026-27. Policy change approved by Cabinet on 23 July 2024 with revised Policy approved on 10 September 2024 with implementation from September 2025.
CW1	Change to the Council's Minimum Revenue Provision Policy	1,000	This was approved by Council on 23 October 2024.

3.23 Partnership Working

3.23.1 As part of the MTFs process this year, and in view of the particularly challenging financial circumstances the Council faces, a commitment was also made to review each of our main strategic partnerships to identify any potential cost savings. A summary of the main findings is set out below:

- The Shared Regulatory Service (SRS), which is operated in partnership with Cardiff and the Vale of Glamorgan Councils, was asked by the partner organisations to model the service impacts of budget reductions of between 8% to 12%. Those proposals will be considered by the SRS Joint Committee in January 2025 and their recommendation will feed into the budget setting process.
- The partnerships with Halo Leisure and Awen Cultural Trust to run our leisure facilities and library and cultural facilities respectively, were also thoroughly reviewed. These key partners are delivering services at considerably less cost than when the Council provided leisure, culture and library services internally and have added considerable social value to communities in Bridgend. In recent years both partners have increasingly focussed on supporting the most vulnerable and provide a highly effective preventative offer. There will be a need with reducing Council budgets to ensure that the partnership arrangements continue to represent best value.
- The Central South School Consortium is responsible for school improvement services across Bridgend, Cardiff, Merthyr, Rhondda Cynon Taf and Vale of Glamorgan Councils. Welsh Government is currently undertaking a review of school improvement arrangements across Wales. The local authority will consider the findings of this review in due course. For 2025-26 it is anticipated that there will continue to be a decrease in the constituent local authority contribution levels, following the 6.6% reduction in 2024-25.
- The South East Wales Corporate Joint Committee, which came into operation in April 2024, is made up of the ten local authorities named in The South East Wales

Corporate Joint Committee Regulations 2021 plus the Brecon Beacons National Park Authority. Since April 2024 it has had responsibility for regional transport and strategic planning and for doing whatever is deemed necessary to enhance or promote the economic well-being of the area. For 2025-26 it is anticipated that the local authority contribution will remain at the same overall level as 2024-25.

3.24 Council Wide Budgets

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

3.24.2 The South Wales Fire and Rescue Authority covers 10 South Wales Council areas including Bridgend County. It is funded by raising a levy on its constituent Councils, based on population. The current levy on Bridgend for 2024-25 is £9,088,632. For 2025-26 the Council has received a transfer of £172,702 into the provisional settlement from Welsh Government in respect of Fire and Rescue Authority (FRA) pay and pensions increases in 2024-25. This will be passported to the FRA as part of the annual levy in 2025-26. The Council has received information from the FRA regarding the overall levy that it will have to pay in 2025-26. The proposed increase to the Council, after taking into account the additional funding provided by Welsh Government, is an increase of £391,065, resulting in a levy of £9,532,347. This proposed budget is currently subject to consultation with local authorities, and Commissioners will make their final budget decision at their Board meeting on 13 February 2025. Any changes to this increase will be provided in the final MTFs report in February.

3.25 Fees and Charges

3.25.1 In general, fees and charges are increased by CPI, subject to rounding, or in line with statutory or service requirements, except where a clear decision is taken not to do so. Schedules of fees and charges will be reported separately, as usual, under Delegated Powers and Directorates will apply the requirements outlined in the Council's Fees and Charges Policy, which was updated and approved by Cabinet in May 2024. As a key principle, where a decision has been taken to charge for a service, the Council will aim for full cost recovery, except where there is a conscious decision which is consistent with Council priorities, recognising that the service would then be subsidised by council tax payers. Going forward, it is proposed to review fees and charges on a rolling basis as required.

3.25.2 A full list of all fees and charges for 2025-26 will be published on the Council's webpages once the budget has been approved for 2025-26.

3.26 Council Reserves

3.26.1 In line with the MTFs principle 8, the Council will endeavour, where possible, to maintain the Council Fund at a level of 5% of the Council's net budget, excluding

schools. This is currently £9.730 million, or 4.02% of the Council's net budget excluding schools, slightly lower than the target of 5% due to the need to draw down from it in recent years to balance the accounts at year end.

- 3.26.2 Details of the Council's total earmarked reserves position at 31 December 2024 are shown in Table 8. These have been thoroughly reviewed during 2024-25 and a number of reserves that are no longer required have been unwound. The review included an assessment of the draw down profile and re-profiling of existing earmarked reserves. A more detailed position statement will be included in the Final MTFS report to Council on 26 February 2025.

Table 8 – Earmarked Reserves

Opening Balance 01 Apr 24 £'000	Reserve	Movement as at Period 9			Closing Balance 31 Dec 2024 £'000
		Net Additions/ Reclassification £'000	Draw-down £'000	Unwound £'000	
	Corporate Reserves:				
40,223	Capital Programme Contribution	1,040	-	(500)	40,763
2,772	Asset Management Reserves	(30)	(401)	(88)	2,253
1,330	Major Claims & Insurance Reserves	-	(145)	(355)	830
1,892	Service Reconfiguration	-	-	-	1,892
1,794	Change Management/Digital Transformation	(538)	(253)	(85)	918
500	Economic and Future Resilience Fund	-	-	-	500
2,406	Other Corporate Reserves	-	-	(227)	2,179
50,917	Total Corporate Reserves	472	(799)	(1,255)	49,335
	Directorate Reserves:				
811	Education & Family Support	246	(519)	-	538
2,676	Social Services & Wellbeing	1,670	(926)	(1,194)	2,226
1,442	Communities	720	(14)	(79)	2,069
1,740	Chief Executives	796	(509)	(274)	1,753
6,669	Total Directorate Reserves	3,432	(1,968)	(1,547)	6,586
	Equalisation & Grant Reserves:				
1,278	Education & Family Support	(916)	-	-	362
90	Social Services & Wellbeing	-	-	-	90
2,359	Communities	5	(65)	(88)	2,211
279	Chief Executives	-	(23)	(100)	156
4,006	Equalisation & Grant Reserves:	(911)	(88)	(188)	2,819
2,405	School Balances	-	-	-	2,405
63,997	TOTAL RESERVES	2,993	(2,855)	(2,990)	61,145

3.27 Capital Programme and Capital Financing Strategy

- 3.27.1 This section of the report deals with the proposed Capital Programme for 2024-25 to 2034-35, which forms part of, but extends beyond the MTFS. It has been developed in line with the MTFS principles and reflects the Welsh Government draft capital settlement for 2025-26, which provides General Capital Funding (GCF) for 2025-26 of £200 million across Wales and of £8.582 million for the Council for 2025-26, of which £3.810 million is un-hypothecated supported borrowing, with the remaining £4.772 million provided through general capital grant. This is £602,000 more than we received in 2024-25 but £1.928 million more than we budgeted for 2025-26.

- 3.27.2 The original budget approved by Council on 28 February 2024 has been further revised and approved by Council during the year to incorporate budgets brought forward from 2023-24, slippage into 2025-26 and any new schemes and grant approvals. A review has also been undertaken of the capital resources available to

the Council, along with the capital pressures that it faces. The Council only receives around £8 million per year from Welsh Government and has limited opportunities now to generate additional capital receipts or increase capital earmarked reserves. Due to the very limited capital resource available, following a number of years of significant investment in the Council's infrastructure, service managers were asked to only submit bids for unavoidable capital pressures for scrutiny by the Capital Programme Board. As a result of the review, reports were presented to Cabinet and Council in November 2024 which included the removal of some budgets no longer required and the increase in some existing capital budgets to reflect increased costs or requirements. Given limited capital resources and increasing costs of contracts, the Council will need to make difficult decisions about which capital schemes it can afford to progress, which will involve prioritising existing and future schemes, as not all will be affordable. The programme will require constant review, of not just new, but also existing approved schemes, since the figures included for schemes may change following tender processes.

3.27.3 In addition to limited levels of funding, there are also other financial pressures arising as a result of the ongoing impact of the war in Ukraine and cost of living crisis, which are being seen in existing tender prices, and will continue to do so for some time going forward, placing pressure on the capital programme overall, including:

- Increased prices of materials, as a result of higher inflation rates, sometimes up to 25% higher than previously estimated;
- Supply chain difficulties leading to higher prices and delays in schemes being completed;
- Inability to recruit to key posts, both within the Council and companies we contract with, resulting in higher wages and overall contract costs;
- Additional requirements on schemes to achieve Welsh Government's Net Zero commitments, which includes an aim of collectively achieving net zero across the Welsh public sector by 2030. This will lead to changes in the way we design and manage our assets, which will likely result in increased costs.

These pressures mean that the Council has limited resources available to fund capital projects in the coming few years therefore all decisions regarding changes to the programme will have to be carefully considered.

3.27.4 Following approval by Council of the Capital Strategy in February/March each year, and the subsequent quarterly monitoring reports to Cabinet and Council, any amendments to the capital programme are usually dealt with during the year rather than just as part of the MTFS. The latest capital programme was approved by Council in November 2024 and any further changes will be included in the updated capital programme presented to Council for approval on 5 February 2025 or the capital programme to be included in the final MTFS to be approved by Council on 26 February 2025.

3.27.5 The capital programme contains a number of annual allocations that are met from the total general capital funding for the Council. These were recently amended in the Cabinet and Council reports in November but will be reviewed again for the final budget. The current allocations are shown in Table 9 below.

Table 9 – 2025-26 Current Annual Allocations of Capital Funding

	Proposed 2025-26 £'000
Highways Structural Works	340
Carriageway Capital Works	250
Disabled Facilities Grant	1,950
Housing Renewal / Empty Property Schemes	100
Minor Works	1,130
Community Projects	50
Street lighting / Bridge infrastructure replacement	400
ICT equipment replacement	400
2030 Decarbonisation	150
Total	4,770

3.28 Capital Receipts

- 3.28.1 The disposals strategy for the period to 2030 is in the process of being finalised and, as with previous years, it is anticipated that the majority of the receipts will emanate from the sale of our interests within the Porthcawl Waterfront Regeneration Area. We are currently in discussions with Welsh Government to allow them to increase their share of their joint venture position which will allow us to go forward as equal partners. This will result in a substantial early capital receipt for the Council.
- 3.28.2 Whilst Porthcawl will be the focus of the disposal programme in the immediate future, we have agreed the sale of our land at Ewenny Road, Maesteg to a national housebuilder which will bring in a receipt in the 2024-25 financial year. In addition to this, we have agreed a sale of our former offices at Raven's Court, Bridgend to South Wales Police and a sale of the former YGG Cwm Garw site in Pontycymer.
- 3.28.3 We are currently formulating a marketing strategy for our strategic land holding at Parc Afon Ewenni, Waterton, Bridgend and this will be brought forward for sale within the next financial year together with a number of other smaller sites that are likely to be declared surplus to Council use will make up the disposal programme.
- 3.28.4 Capital receipts from property disposals are subject to the exchange of contracts, so it is prudent not to commit them until we have a contractual agreement.

3.29 Prudential (Unsupported) Borrowing

- 3.29.1 Total Prudential Borrowing taken out as at 1 April 2024 was £43.733 million, of which £31.275 million was outstanding. It is estimated that the total borrowed will increase to £47.155 million by the end of 2024-25.

3.29.2 Future prudential borrowing could include an estimated £3.43 million towards the purchase of waste vehicles, £2.3 million forwards school highways works and £1 million towards the refurbishment of Community Children’s Play Areas.

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

4.1 A high level Equality Impact Assessment (EIA) will be carried out and included within the Final MTFS in March 2025. The high level EIA considers the impact of the strategy, policy or proposal on the nine protected characteristics, the Socio-economic Duty and the use of the Welsh Language.

4.2 The proposals contained within this report cover a wide range of services and it is inevitable that the necessary budget reductions will impact on the local population in different ways. In developing these proposals, consideration has been given to their potential impact on protected groups within the community and on how to avoid a disproportionate impact on people within these groups.

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

5.1 The Well-being of Future Generations (Wales) Act 2015 provides a framework for embedding sustainable development principles within the activities of Council and has major implications for the long-term planning of finances and service provision. The 7 well-being goals identified in the Act have driven the Council’s seven well-being objectives.

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

5.3 The proposals contained within this report cover a wide range of services and it is inevitable that the necessary budget reductions will impact on the wellbeing goals in different ways. A Well-being of Future Generations Assessment will be undertaken on proposed individual projects and activities where relevant and will feed into specific reports to Cabinet or Council.

5.4 The Council’s approach to meeting its responsibilities under the Well-being of Future Generations (Wales) Act 2015, including acting in accordance with the sustainable development principle, is reflected in a number of areas within the Medium Term Financial Strategy, not least:

5 Ways of Working	Examples
Long Term	<ul style="list-style-type: none"> • Outlining the impact of a number of different funding scenarios (Best, Most Likely and Worst) to provide an element of flexibility to the Council. • Majority of savings generated from making smarter use of resources with service reductions kept to a minimum and only as a last resort.

	<ul style="list-style-type: none"> • The development of a Capital Strategy and 10 year capital programme which reflects the Council's affordability in terms of capital receipts and borrowing. • Investment in capital schemes that support the Council's corporate priorities and benefits the County Borough over a longer period.
Prevention	<ul style="list-style-type: none"> • Investment in preventative measures to reduce the burden on more costly statutory services.
Collaboration	<ul style="list-style-type: none"> • Savings generated from collaboration and integrated working.
Integration	<ul style="list-style-type: none"> • Explicit links between the Corporate Plan, the Capital Strategy, the Treasury Management Strategy and the Medium Term Financial Strategy
Involvement	<ul style="list-style-type: none"> • A robust budget consultation exercise, including surveys, community engagement stands and social media debates, to inform proposals.

5.5 The above features are aimed at ensuring the Council's finances are as healthy as they can be for future generations. Although resources are limited, they have been targeted in a way that reflects the Council's priorities, including the seven well-being goals included in Bridgend's Well-being Plan, and this is reflected in the relevant appendices. Where possible, the Council has aimed to protect front line services and invest to save, with budget reductions targeted at making smarter use of resources, commercialisation, collaboration and transformation. The Well-Being of Future Generations (Wales) Act 2015 Assessment is attached at **Appendix C**.

6. Climate Change Implications

6.1 The local authority's 'Bridgend 2030 – Net Zero Carbon Strategy' and Welsh Government's carbon reduction commitments will also be addressed through the Medium Term Financial Strategy, where funding allows, particularly through capital investment. Specifically they will be addressed through a number of schemes, including the School Modernisation Programme, Ultra Low Emission Vehicles, and a recurrent 2030 decarbonisation capital budget, amongst others. However, due to financial constraints, our ambition to achieve Net Zero 2030 may be compromised.

7. Safeguarding and Corporate Parent Implications

7.1 The Medium Term Financial Strategy is aligned with BCBC's Corporate Parenting Strategy, and provides substantial investment in children's services through revenue budget pressures.

8. Financial Implications

8.1 This report outlines the financial issues that Council is requested to consider as part of the 2025-26 to 2028-29 MTFs. The Council's Section 151 Officer is required to report annually on the robustness of the level of reserves. The current and future anticipated level of Council reserves is sufficient to protect the Council in light of unknown demands or emergencies and current funding levels. It must be emphasised that the biggest financial risks the Council is exposed to at the present time relates to

the uncertainty of Welsh Government funding, both generally for local government into the medium term with recent one-year settlements, and specifically for some of the pressures the Council is currently facing in its service areas, the increasing difficulty in the delivery of planned budget reductions as well as the identification of further proposals. Therefore, it is imperative that the Council Fund balance is managed in accordance with the MTFS Principle 9, as set out in the MTFS, and it is essential that revenue service expenditure and capital expenditure is contained within the identified budgets.

- 8.2 The Section 151 Officer is also required to report to Council if they do not believe that they have sufficient resource to discharge their role as required by section 114 of the Local Government Act 1988. Members should note that there is currently sufficient resource to discharge this role.
- 8.3 The proposed budget includes estimates which take into account circumstances and events which exist or are reasonably foreseeable at the time of preparation. However, there is always a risk of change, as evidenced by the volatile economic environment of the last 12 months. Subject to the risks identified the proposed MTFS provides a firm basis for managing the Council's resources for the year 2025-26 and beyond.
- 8.4 However, the extremely challenging financial situation that the Council is facing, currently and in the coming years, cannot be under-stated. Whilst the Council's provisional settlement was better than anticipated, the Council has no firm guarantee on what funding it may receive towards employers' increased national insurance contributions. In addition, there are significant service pressures facing the Council going into 2025-26. These pressures, along with new emerging pressures, all need to be met from the provisional settlement. The only way to mitigate them is through service reductions or higher increases in council tax. The Council's reserves are falling, and there is little capacity to establish new reserves, so using reserves to balance the budget is not a robust or long term solution, particularly in light of the fact that these financial challenges are still likely to be facing us into 2026-27 and possibly beyond. All of these factors must all be taken into consideration when approving the budget for 2025-26 onwards.

9. Recommendation

- 9.1 It is recommended that Cabinet submits for consultation with the Overview and Scrutiny Committees the 2025-26 annual budget and development of the MTFS 2025-26 to 2028-29, as set out in this report, prior to presenting a final version for approval by Council on 26 February 2025.

Background documents

Individual Directorate Monitoring Reports
Provisional Local Government Revenue and Capital Settlements 2025-26

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BUDGET PRESSURES 2025-26 TO 2028-29

RECURRENT BASE BUDGET PRESSURES

			2025-26	2026-27	2027-28	2028-29
Ref	Directorate	Pressure	Recurring £000	£000	£000	£000
EEYYP1	Education, Early Years and Young People	Pressure in Learner Support as a result of increased demand for Additional Learning Needs 1:1 support in schools.	1,330			
EEYYP2	Education, Early Years and Young People	Increased learner transport costs as a result of retender exercises, and increased demand, mainly Additional Learning Needs transport.	539			
SSW1	Social Services & Wellbeing	Increased costs of Learning Disabilities Day Opportunities, specifically placement numbers and transport costs.	519			
SSW2	Social Services & Wellbeing	Costs of Mental Health Home Care, particularly increased numbers with supported living packages of care.	679			
SSW3	Social Services & Wellbeing	Increased numbers of hours of Learning Disabilities Homecare plus complexity of needs.	457			
SSW4	Social Services & Wellbeing	Increased costs of existing Learning Disabilities Residential Care placements due to changing needs and requirements.	438			
SSW5	Social Services & Wellbeing	Additional costs of Older People Direct Payments due to increasing complexity of cases.	369			
SSW6	Social Services & Wellbeing	Increased demand for Physical Disability / Sensory Impairment home care.	329			
SSW7	Social Services & Wellbeing	Increased costs of Physical Disability / Sensory Equipment.	266			
SSW8	Social Services & Wellbeing	Increased number of placements in Older People Supported Accommodation.	201			
SSW9	Social Services & Wellbeing	Additional costs of Learning Disabilities Direct Payments due to increasing complexity of cases.	110			
SSW10	Social Services & Wellbeing	Additional costs of Physical Disabilities / Sensory Impairment Direct Payments due to increasing complexity of cases.	56			
SSW11	Social Services & Wellbeing	Ongoing pressures of Care Experienced Children due to higher numbers of placements and insufficient numbers of foster carers.	2,953			
COM1	Communities	Shortfalls in income on property portfolio, partly as a result of the economic climate and partly as a result of the closure of Bridgend Market.	405			
CEX1	Chief Executive	Increased pressure on the homelessness budget as a result of reduced grant income from Welsh Government in recent years.	400			
CEX2	Chief Executive	Ongoing overspends on litigation cases, particularly child care. Local authority has to fund complex and high profile cases. The need for experts has increased and the cost of this largely falls on the authority.	200			
CEX3	Chief Executive	Shortfall in Department for Work and Pensions (DWP) subsidy for Housing Benefit payments due to the way in which DWP calculate the subsidy, which is not always at 100% of cost.	158			
Total Budget Pressures			9,409	0	0	0

EMERGING DIRECTORATE PRESSURES

			2025-26	2026-27	2027-28	2028-29
Ref	Directorate	Pressure	Recurring £000	£000	£000	£000
EEYYP3	Education, Early Years and Young People	A dedicated allergen function is required in the Catering Service to support and protect the many hundreds of pupils with special diets and allergies with the provision of school meals. Furthermore, national healthy eating and nutritional standards legislation is due to change in 2025, meaning this important function is needed to support the Catering Service's delivery.	57			

			2025-26	2026-27	2027-28	2028-29
Ref	Directorate	Pressure	Recurring £000	£000	£000	£000
EEYYP4	Education, Early Years and Young People	In 2025 the Welsh Government will end support for the provision of the 'Saffron' nutritional database for schools. The cost of the provision of a replacement database will be passed on to the local authority. There may be an opportunity to continue to pay the licensing costs of the current Saffron system. However, there may be a requirement for local authorities to procure a replacement system. Similar databases are available with annual licensing of approximately £5k per annum.	10			
EEYYP5	Education, Early Years and Young People	A project officer post is required to support the delivery of the School Modernisation Programme and the local authority's statutory function for planning of school places.	36			
EEYYP6	Education, Early Years and Young People	Following Welsh Government's review of school improvement arrangements across Wales, it is likely that the majority of the functions currently provided by Central South Consortium will, in future, be delivered at a local authority level. With this in mind, additional funding will be required, at least in the first five years (from April 2025) to support the transition and delivery of school improvement services within the local authority. Without this funding, the local authority will not be able to meet its statutory school improvement duty.	225	225		
EEYYP7	Education, Early Years and Young People	The Bridgend Youth Justice Service is committed to reducing youth offending and providing vital support to young people affected by trauma. However, with additional demands in the system and the loss of some grant funding, there is a need to invest in the service. At the time of writing, some Youth Justice Board Key Performance Indicators are a cause for concern, for example over 60% of statutory school-age children open to the service are on a reduced timetable. In addition, the number of first-time entrants into the service is increasing and is significantly higher than neighbouring local authorities in our Youth Justice Board family. With the service having previously been to require significant improvement, it is important that resources are prioritised moving forward.	141			
EEYYP8	Education, Early Years and Young People	<p>There is an increasing number of pupils referred for support and specialist provision from the Foundation Phase. Over the last three years, a number of younger pupils have become at risk of permanent exclusion when there has been no resource available for specialist intervention. An Additional Learning Needs Strategic Planning Review undertaken in 2020 identified the need for a class for pupils with behavioural difficulties in the Foundation Phase years. As the number of younger children with behavioural difficulties continues to increase, the need for a specific behaviour class has been identified to ensure that all children can be accommodated in classes appropriate for their needs. Funding for these classes is allocated via the schools annual delegated budget.</p> <p>The establishment of a Nurture Learning Resource Centre (LRC) for Foundation Phase pupils is an invest to save proposal as ancillary support or out-of-county provision has been provided to a number of pupils to ensure they can access full-time education and avoid the risk of further exclusions.</p> <p>In accordance with previous arrangements, additional set-up costs of £10k will be required in the first year to fund any adaptation works or equipment that may be necessary, and these will be funded from earmarked reserves.</p>	125			
EEYYP9	Education, Early Years and Young People	<p>Demand for specialist assessment and observation for children with emerging and complex needs is increasing year on year. Provision is currently at capacity and as a result some pupils are being retained in childcare provisions for extended periods. This is an invest to save proposal as we are currently funding packages of support for pupils who are at an age they could transfer to a school-based class.</p> <p>In accordance with previous arrangements, additional set-up costs of £10k will be required in the first year to fund any adaptation works or equipment that may be necessary, and these will be funded from earmarked reserves.</p>	125			

			2025-26	2026-27	2027-28	2028-29
Ref	Directorate	Pressure	Recurring £000	£000	£000	£000
EEYYP10	Education, Early Years and Young People	<p>Demand for specialist classes for pupils with Autistic Spectrum Disorder continues to grow. Provision has been over capacity for the last two years at secondary level resulting in expensive one-to-one support being put in place for each pupil over numbers to stay in a mainstream setting. This is an invest to save proposal as we predict the need for secondary places will increase year on year. This is evident as we currently have six classes in primary schools for pupils at Key Stage 2 and only three classes in secondary schools for Key Stage 3 and 4 pupils.</p> <p>In accordance with previous arrangements, additional set-up costs of £10k will be required in the first year to fund any adaptation works or equipment that may be necessary, and these will be funded from earmarked reserves.</p>	120			
SSW12	Social Services & Wellbeing	Implications of Real Living Wage (RLW) uplifts on commissioned contracts within Social Services and Wellbeing, based on announced increase to RLW from £12.00 in 2024 to £12.60 (5% increase) in 2025.	2,020			
SSW13	Social Services & Wellbeing	Welsh Government have announced that they will maintain the care cap at £100 per week, so have included £5 million of funding to support local authorities.	223			
SSW14	Social Services & Wellbeing	Currently there are 130 known people in learning disability services that reside in a commissioned service such as shared lives and supported living, who have significant restrictions in their every day's lives to meet their care and support needs. Deprivation of Liberties (DoLs) is the procedure prescribed in law when it is necessary to deprive of their liberty a resident who lacks capacity to consent to their care and treatment in order to keep them safe from harm. Under the current DoLS system these people need to be reviewed every year and a new application submitted to the Court of Protection (CoP) two months prior to the expiry date of the last Court Authorisation Order. Two registered social worker posts are required to meet demand, coordinate the application and gather all relevant information to submit to the Court.	113			
SSW15	Social Services & Wellbeing	<p>The Health and Social Care Bill is designed to rebalance and reform the children's social care system, specifically by eliminating for-profit providers of residential and foster care. There are significant revenue (and capital) pressures associated with meeting the requirements of this legislation against an overall significantly overspent children's placement budget. The current in-house provision and services supporting families to stay together are already dependent on grant funding.</p> <p>The placement commissioning strategy developed as a requirement from Welsh Government has identified further significant gaps in placement provision in Bridgend and a need to invest. The Social Services Improvement Board approved the business case to work with Registered Social Landlords on bidding for capital grant for 2 additional care homes. The revenue costs of those homes will need to be funded by the local authority.</p>	67	818		
COM2	Communities	Additional revenue funding required, over and above the current budget, to operate the waste service as an in-house service from 2026-27, as agreed by Cabinet in November 2024. There are separate one-off mobilisation costs that will also be required eg ICT system costs, legal and HR costs, that will be funded by an earmarked reserve.		1,240		
COM3	Communities	Additional revenue funding required, over and above the current budget, to meet the cost of bringing the Urban and Rural Grass Cutting Service in-house from April 2024, as outlined in the report to Cabinet on 22 October 2024.	200			
COM4	Communities	Appointment of 2 x S106 Officers, to facilitate a S106 & Infrastructure Delivery Team within the Planning & Development Services Group to allow the setting up of an associated Infrastructure Management Plan in order to co-ordinate and direct S106 funding to best deliver the infrastructure needs of Bridgend. S106 contributions can run into millions of pounds depending on the scheme, the strategic housing sites being developed as a result of the recently adopted Replacement Local Development Plan (RLDP) could amount to a figure in the region of £116 million. The authority currently has around £10 million in S106 funds, almost half of which remains unallocated. There is also a risk that developers can claim contributions back (with interest) if not spent within the agreed timeframe.	90			
COM5	Communities	Revenue costs of operating Porthcawl Metrolink which opened in November 2024. Covers costs of cleaning, opening and closing the building, security costs, utilities and business rates.	100			

Ref	Directorate	Pressure	2025-26	2026-27	2027-28	2028-29
			Recurring £000	£000	£000	£000
COM6	Communities	Increased costs of collection of Absorbent Hygiene Products due to the continued increase in subscribers to the service. There are currently 11,500 Subscribers.	66			
COM7	Communities	Ongoing reduction in income across parking services, partly as a result of the ongoing Car Parking Offer at the Rhiw and John Street, but also a general downturn in car park income.	360			
COM8	Communities	A report was presented to Cabinet in October 2024 in respect of the Invasive Non-Native Species (INNS) Policy. The report outlined a number of options in relation to future management of invasive species. Option C related to the minimal spend level required to achieve statutory compliance and treat high priority areas and this funding will enable this to be implemented.	111			
COM9	Communities	Persistent Organic Pollutants (POPS) are poisonous chemical substances that break down slowly and get into food chains as a result. From 1st January 2023 this waste cannot be disposed of in landfill and is required to be incinerated. There is an additional cost to separate upholstered waste streams that contain POPS for separate collection and specialist disposal by waste services. The pressure will cover the additional disposal costs as a result of this legislation.	150			
CEX4	Chief Executive	Deprivation of Liberty cases. Increase in caseloads due to legislative changes. Annual renewal is now required which follows a court process. No recurrent funding for this.	63			
CEX5	Chief Executive	Procurement assistant to continue to facilitate the purchasing card scheme. This will enable the scheme to be operated and managed corporately, ensuring consistency and strict financial controls are maintained.	34			
CEX6	Chief Executive	Additional annual licensing, support and hosting costs of new replacement WCCIS system (health / social care information system) plus one-off implementation costs.	218			
CW1	Council Wide	Revenue Funding to meet the costs of unsupported borrowing, to support the capital programme, not least the Sustainable Learning for Communities Programme and capital expenditure for communities.		500	500	
CW2	Council Wide	Increase in Fire Service Precept to cover pay and price increases. The final budget is subject to approval by the Fire and Rescue Authority at its budget meeting in February 2025 so the final increase may change. The pressure takes into account additional funding provided by Welsh Government through the provisional settlement towards FRA pay and pensions costs.	391			
Total Budget Pressures			5,045	2,783	500	0

TOTAL ALL BUDGET PRESSURES	14,454	2,783	500	0
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TOTAL PRESSURES

Education, Early Years and Young People	2,708	225	0	0
Social Services and Wellbeing	8,800	818	0	0
Communities	1,482	1,240	0	0
Chief Executives	1,073	0	0	0
Council Wide	391	500	500	0
	14,454	2,783	500	0

Budget Reduction Proposals 2025-26 to 2028-29

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Well-being of Future Generations Act	Budget 2024-25 £'000	Total Budget Reduction 2025-2029 as % of 2024-25 Budget	2024-25 Budget Reductions £'000	Indicative 2025-26 £'000	Indicative 2026-27 £'000	Indicative 2027-28 £'000	Indicative 2028-29 £'000
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RAG STATUS KEY	
RED	Proposals not fully developed and include high delivery risk
AMBER	Proposal in development but includes delivery risk
GREEN	Proposal developed and deliverable

EDUCATION, EARLY YEARS AND YOUNG PEOPLE
CENTRAL EDUCATION, EARLY YEARS AND YOUNG PEOPLE

EEYYP1	Cessation of the Meals-at-Home Service	While there could be a significant redundancy cost, redeployment options could be explored to mitigate this risk. A public consultation would be required prior to determination by Cabinet.	56	100%		56			
EEYYP2	Review of Home to School Transport	While transport for Nursery children is non-statutory, if this were to be removed, there could be negative impact on pupils attending Welsh-medium and faith school nursery settings in particular although numbers are relatively low (<100). Home-to-school transport for Post-16 students is non-statutory. This could result in an increased number of young people not in education, employment or training. These cuts could impact on school attendance.	10,755	10%		675	417		
EEYYP3	Reduction in counselling services	Should a decision be made to reduce counselling services this would have a negative impact on the wellbeing of children and young people who have experienced trauma as well increasing the risk of self-harm and suicide. A reduction in this area would limit the access to support for children and young people with an associated increase in children and young people presenting with mental health difficulties. Reducing counselling services risks a decline in children and young people's educational outcomes and wellbeing.	205	24%		50			
EEYYP4	Reduction in Early Years and Childcare	Some functions would need to be removed from the team, for example, the ability to • quality assure childcare providers in the community (with associated safeguarding risks); • complete the statutory childcare sufficiency assessments and associated statutory work; and • (with the proposed removal of nursery provision, an inability to) support and develop childcare within the community.	192	47%		90			

Budget Reduction Proposals 2025-26 to 2028-29

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Well-being of Future Generations Act	Budget 2024-25 £'000	Total Budget Reduction 2025-2029 as % of 2024-25 Budget	2024-25 Budget Reductions £'000	Indicative 2025-26 £'000	Indicative 2026-27 £'000	Indicative 2027-28 £'000	Indicative 2028-29 £'000
Page 86 EEYYP5	Reduction in Strategy, Performance and Support Group	<p>This proposed reduction relates to a number of posts in the Strategy, Performance and Support Group.</p> <p>The reduction will present a significant impact (and associated serious risk) in the implementation of the Education, Early Years and Young People Directorate's main management information systems. This reduction will limit the way in which the directorate is able to record, manage and report on sensitive data relating to vulnerable children.</p> <p>This reduction would also impact on the local authority's ability to dispense its statutory home-to-school transport duties. This reduction will mean that our capacity to maintain procurement and contract procedure responsibilities will be diminished and that the School Transport Team's ability to respond to complaints and issues will be more limited.</p>	565	26%		146			
EEYYP6	Reduction in Pupil Services	<p>There would be a significant risk to the local authority being able to ensure school admission arrangements are in place and school places are offered in line with national legislation and local policy arrangements. The child employment function would likely need to cease, to compensate for the 33% reduction in capacity within the team. Furthermore, the team would not be able to have oversight and administer applications for discretionary transport which would likely leave the local authority open to legal challenge.</p>	247	14%		35			
EEYYP7	Reduction in the Corporate Health and Safety Unit	<p>The local authority has, within the last few years, provided significant additional revenue budget to expand the number of Health and Safety advisors to support the local authority in delivering its functions safely. The Corporate Health and Safety Unit (CHSU) ensures that both staff and the public are kept safe where they are affected by the local authority's undertakings.</p> <ul style="list-style-type: none"> •The team's ability to promote a positive health and safety culture would likely be compromised. •Significant reduction in proactive work and active monitoring, mentoring and coaching for the "responsible person" •Significant increased pressure on managers at all levels with more limited advice available and less time from the CHSU to support •Significant increased reactive work. •Inability to offer training without support from the private sector (at cost) •Potential increase in insurance cost, and the cost to services to address failings in general, or which has been identified by the HSE (for example, fees for intervention) •Increased in costs to cover work would normally be completed by the CHSU but will likely require contractors to provide •Potential serious failings under the current health and safety legislation, potentially leading to prosecution (corporate and personal liability for senior officers, in particular Corporate Management Board) •A poorer health and safety culture across the organisation in general •Poorer health and safety systems •Increase level of criticism from services users, members of public and elected members <p>There are significant health and safety risks that the current team has limited capacity to address that could potentially mean regulatory interventions by the HSE. There have been several HSE interventions within the last two years. A reduction in the human resources would add exponentially to the risk of the local authority failing its health and safety duties, where the potential for intervention by the HSE, prosecutions and fines would significantly outweigh any MTFS efficiency.</p>	363	21%		76			

Budget Reduction Proposals 2025-26 to 2028-29

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Well-being of Future Generations Act	Budget 2024-25 £'000	Total Budget Reduction 2025-2029 as % of 2024-25 Budget	2024-25 Budget Reductions £'000	Indicative 2025-26 £'000	Indicative 2026-27 £'000	Indicative 2027-28 £'000	Indicative 2028-29 £'000
Page 87 EEYYP8	Reduction in Business Support	The directorate's centralised support function is responsible for providing business support to teams and to the central EDSU function that is responsible for all complaints, reports (for example Cabinet), statutory meeting support such as SACRE, member referrals, FOI requests, subject access requests, managing referral and inputting information into the directorate's central management information systems. A reduction of staff would mean there would likely be delays in input of referrals which would increase waiting times for children and families to receive support from family support services. Delayed communication with schools following receipt of Police Protection Notifications (PPNs) involving pupils within Bridgend schools. There would be an impact on the Youth Justice Service's (JYS) statutory requirements, for example notification of overnight arrests / custody, invites to Bureau and capturing data in relation to education provision for children open to YJS. This could also affect statutory Youth Justice Board key performance indicators. Freedom of information and subject access requests would likely not meet statutory timelines and there would be delays in Cabinet and scrutiny reports being progressed, as EDSU support the approvals process. Delegated power administration support could be delayed and could miss call-in timescales. There would likely be poor customer service to complainants who raise complaints via EDSU. This could escalate to more complaints and member referrals. There would likely be poorer customer service to children, young people and families who access any service within the Education, Early Years and Young People portfolio, including Learner Support, School Support, Pupil Services, Early Years and Young People and School Admissions. Inaccurate or missing data could contribute to General Data Protection Regulation (GDPR) breaches, for example, if an address change has not been updated in a timely manner. Lastly, there will be significantly increased pressure on practitioners, senior practitioners and team managers.	340	27%		93			
EEYYP9	Reduction of staff in ALN Statutory Team	Failure to meet the Welsh Government deadline for ALN Implementation Plan 2023-2025. The risk of failure to determine, capture, and disseminate processes relating to the ALN Code and the Education Tribunal in Wales and comply with statutory duties of the local authority. This includes individual development plans (IDP) requirements of the ALNET Act 2018.	168	26%		44			
EEYYP10	Reduction in EOTAS support	Increasing demand and waiting list for specialist support at The Bridge Alternative Provision has resulted in a higher need for bespoke timetables. If there is no lead post overseeing this area the risk appropriate education not provided to those pupils who cannot attend mainstream or special school the local authority would not be fulfilling its statutory duty. Capacity of staff to identify appropriate accredited, vocational packages to meet individual need will be reduced resulting in an increase in number of pupils who are on a waiting list for suitable education. Delays in meeting the needs of learners and significant placement breakdowns will lead to an increase in out of authority specialist placements requested at significant additional cost. Further challenge placed on mainstream schools to identify and agree alternative packages on a case by case basis at significant additional cost. Pupils would not receive the support they require resulting in lower exam outcomes and an increase in those Not in Employment, Education or Training (NEET) post statutory school age. Possible increase in number of permanent exclusions from mainstream schools.	163	46%		75			

Budget Reduction Proposals 2025-26 to 2028-29

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Well-being of Future Generations Act	Budget 2024-25 £'000	Total Budget Reduction 2025-2029 as % of 2024-25 Budget	2024-25 Budget Reductions £'000	Indicative 2025-26 £'000	Indicative 2026-27 £'000	Indicative 2027-28 £'000	Indicative 2028-29 £'000
Page 88 EEYYP11	Reduction in contribution to Central South Consortium	Depending on where this funding is cut (either from the grant received by the local authority and immediately passported to Central South Consortium) or from the funding allocated for Principal / Improvement Partners it will either: •Reduce curriculum reform support and professional learning and leadership support at a time when the new curriculum is being extended to examination classes; or •Result in a decrease in the number of improvement partners (IP) to work in partnership with school leaders, staff and governing bodies. Each IP would be required to work with more schools with less time in each school. This would mean a reduction in the support available to schools to support pre-inspection and post inspection planning and a reduction in the time available to support senior leader recruitment processes. It will also coincide with anticipated changes as a result of the Middle Tier Review which may create additional work / responsibility for headteachers and senior leaders in relation to school improvement functions without the expected funds to support any such transition.	494	18%		88			
EEYYP12	Bridgend Music Service - reduction to staffing structure	Bridgend Music Service is currently managed by service level agreements (SLA) with schools (valued at £500k) and National Music Service Grant. There would be no co-ordination / management of the service level agreements; deployment, timetabling or management of peripatetic staff; liaison with schools to identify their needs in this area and to develop suitable high quality programmes of work to support the Music and Expressive Arts curriculum in schools; management of the National Music Service grant; or arranging of prestigious performance opportunities at a local, regional and national level.	619K staffing budget	13%		82			
Total Education and Family Support						1,510	417	0	0

SCHOOLS

SCH1	Efficiency savings against School Delegated Budgets - 1% for 2025-26 and 1% thereafter.	It is important to note that some of this impact may be mitigated by the financial support provided to schools from the local authority in assisting schools to meet cost pressures in relation to pay and pensions, and energy. Further to discussion with headteachers, the following potential impacts have been identified: 1. Risk of increased school deficit positions; 2. Potential to result in some teacher and other staff redundancies; 3. Increase in class sizes; 4. Loss of interventions; 5. Increase in staff absence; 6. Low staff morale; 7. Increased workload; 8. Reduced curriculum offer; 9. Reduced leadership / strategic thinking time; 10. Potential inability to meet statutory requirements; 11. Decrease in adult support in classrooms; 12. Increase in pupil exclusions; 13. Decline in standards; 14. Reduction in ability maintain school buildings; 15. Limited extra-curricular activity; 16. Increase in referrals for behaviour support; 17. Reduced support for learners with additional needs; 18. Reduction in professional learning opportunities; 19. Loss of expertise due to teachers and senior leaders leaving the profession.	£118.611m - ISB Budget	3% total (1% for 25-26 and 1% for 2026-27 and 2027-28)	2,118	1,186	1,186	1,186	
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Budget Reduction Proposals 2025-26 to 2028-29

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Well-being of Future Generations Act	Budget 2024-25 £'000	Total Budget Reduction 2025-2029 as % of 2024-25 Budget	2024-25 Budget Reductions £'000	Indicative 2025-26 £'000	Indicative 2026-27 £'000	Indicative 2027-28 £'000	Indicative 2028-29 £'000
Page 89 SCH2	Bridgend Music Service - withdrawal of the music allocation of funding to schools.	Bridgend Music Service is currently managed by service level agreements (SLA) with schools and National Music Service Grant. This saving would be achieved by withdrawing the music allocation of funding to schools. This would remove the recognised highly quality Bridgend Music Service, resulting in limited music / expressive arts provision to schools; loss of expertise; loss of 'pooled' benefits such as performance opportunities and ensemble/orchestras at a local, regional and national scale. It would also present an inability to deliver the National Music Plan for which there has been substantial grant funded investment in local authority music services in recent years.	644	100%		644			
Total Schools						1,830	1,186	1,186	0
Total Education & Family Support Directorate						3,340	1,603	1,186	0

Budget Reduction Proposals 2025-26 to 2028-29

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Well-being of Future Generations Act	Budget 2024-25 £'000	Total Budget Reduction 2025-2029 as % of 2024-25 Budget	2024-25 Budget Reductions £'000	Indicative 2025-26 £'000	Indicative 2026-27 £'000	Indicative 2027-28 £'000	Indicative 2028-29 £'000
SOCIAL SERVICES AND WELLBEING									
SSW1	Achieve better value for money by Cabinet considering a recommendation to extend the Healthy living partnership	Extending the contract by up to 5 years gives BCBC some certainty on service delivery and enables stability to rebuilt within the contract prior to determining any longer term plans in line with Bridgend's strategy for leisure and it's contribution to wellbeing. The longer period created allows for a reprofiling of related services and management fee. The base management fee is also included in a proposal for 2024 - see SSW21.	1,143 (Management Fee)	17%	340			200	
SSW2	Redevelop the indoor bowls arena space and explore redevelopment for other purposes that offer increased income generation	The operation of the indoor bowls hall at Bridgend Life Centre generates operating costs that are difficult to cover based on the seasonal usage by the indoor bowls club. Any changes to indoor bowling would not be popular and may have a negative impact on the Council's wellbeing goals. The development of the wellbeing hub inside the bowls hall has improved usage by downsizing the number of bowling rinks already. With investment there may be possibilities for seasonal increased income generation. Potential need for alternative community venue for indoor bowls. Feasibility study would be required during 2024-25.	1,143 (Management Fee)	3%	340	10	10	10	
SSW3	Achieve better value for money by Cabinet considering a recommendation to explore an agency model for the Healthy Living Partnership	Recent changes to legislation mean that Local Authorities (LAs) do not have to charge VAT on leisure activities so could engage a company to act in an agency capacity and therefore save the irrecoverable VAT . Implementation of an agency model as part of the Healthy Living partnership would allow HALO to collect income on behalf of the local authority so income remains 'non-business', which would mean HALO would not have to pay irrecoverable VAT on expenditure. The council would need to seek independent advice to understand the risks associated with the agency model.	1,143 (Management Fee)	17%	340			200	
SSW4	Consider the transition of currently shared facilities at five school sites (Dual Use Assets), to whole school operation in line with many primary and secondary schools across BCBC	BCBC supports community access of school assets including Pencoed sports centre, Brackla sports centre, Ysgol Bryn Castell, Porthcawl sports hall and Parc Dderwen 3G pitch. The sites are busy with 110 organisations utilising the different spaces available. These are partnership arrangements with schools including cost sharing and often have linked to external funding support. The proposal has been to increase prices for hirers to offset increases in staffing and premises costs / school contributions whilst also creating a saving from increased income generation. There are considerable numbers of junior groups and activities within the usage data for the sites and targeted population groups also. If achieved the proposal will supports sustainability via maximising value for existing assets beyond the school day for community benefit. In particular the model links to 21st century schools and Welsh government aspiration for community use and connection beyond the school day. The school benefit during the day and community beyond, the main risks would be the school not having the opportunity to use the asset outside school hours, having a negative impact on community opportunities.	71	100%		71			

Budget Reduction Proposals 2025-26 to 2028-29

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Well-being of Future Generations Act	Budget 2024-25 £'000	Total Budget Reduction 2025-2029 as % of 2024-25 Budget	2024-25 Budget Reductions £'000	Indicative 2025-26 £'000	Indicative 2026-27 £'000	Indicative 2027-28 £'000	Indicative 2028-29 £'000
Page 91 SSW5	Staffing restructure within Prevention and Wellbeing Services	The Prevention and Wellbeing service would be reliant on external grant funding to support its service. If grant funding ceases there will be no meaningful prevention and wellbeing offer in Bridgend significantly increasing pressure on statutory services. There will be a reduction in the number of staff by 3, redundancy costs will need to be funded. In order to achieve this the service is in the process of redesigning to ensure that it is fit for purpose with clear functions and objectives established which will mitigate any significant impact and risks.	£1.025 million	14%		147			
SSW6	Increase in income charges by increasing standard charges by 10 % across all non residential services	Review of the service pricing model and increasing unit costs for all non residential services with a view to generating additional income. Based on unit cost increase of 10%. Services are provided to vulnerable adults following an assessment of need. There is risk that individuals will cancel care packages and not have their needs met which could result in higher packages of care required in the future cost and / or an increase in debt recovery. In terms of flat rate charges such as Transport and Meals, no additional income can be generated under the current regulations.	4,642 income budget	2%		100			
SSW7	Implementation of the Home remodelling programme across adult services	The support at home remodelling programme across whole of adult services has determined that the service will move to a locality based delivery model which will result in non care staffing savings of £198k. This will result in 5 staff members being made redundant •The model aims to maximise reablement and short-term capacity to support hospital discharge and avoiding hospital admission. The service has been working towards increasing those individuals who go through the short-term services to ensure we maximise independence before we commission long term care packages our current performance is that 53.98% of individuals who completed a package of reablement during quarter 1 2024-25 had no ongoing service need. In 2023-24 38.6% of people had a short term service prior to have a long term package, the service has been working towards increasing this number to 80% of people, in July the figure had increased to 60% of people who had a short term service prior to have a long term package people. To be able to achieve this target the service will no longer be providing long term packages of care in the main to older people, so all future long term packages would be commissioned via independent providers. This should reduce the overall support at home spending levels by £300k.	11,264	2%		198			
SSW8	Reduction in provision of number of Supported Living Accommodation units	Close one supported living accommodation. Suitable alternative provision would need to be identified. Achieving these savings is dependent on tenant with rights being agreeable to moving to an alternative provision. Review the waking nights expenditure.	3,749	5%		190			
SSW9	Review of Caswell Clinic social work budget (clinic based at Glanrhyd Hospital)	BCBC host the regional social work team based in the Caswell clinic. All costs are reimbursed so no impact on this small budget reduction	3	100%		3			
SSW10	Apply 4% vacancy factor to social work teams and increase the vacancy factor on non frontline staff from 3% to 4%	In 2024-25 a vacancy factor of 3% was applied to non frontline teams in Social Services and Wellbeing. Care worker and social work posts were excluded due to an assessment of risk that all posts need. There is now greater stability in social work teams which means an assessment of risk means that the vacancy factor can be applied in these teams in adults and children's social care. This will require the step down of agency by the end of the financial year, and it is highly improbable there will be no vacant posts covered by agency due to safeguarding reasons meaning achievement of the full 3% represents a significant risk.	23,214	3%	255	697			

Budget Reduction Proposals 2025-26 to 2028-29

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Well-being of Future Generations Act	Budget 2024-25 £'000	Total Budget Reduction 2025-2029 as % of 2024-25 Budget	2024-25 Budget Reductions £'000	Indicative 2025-26 £'000	Indicative 2026-27 £'000	Indicative 2027-28 £'000	Indicative 2028-29 £'000
Page 92 SSW11	Reduction of SCDWP spend.	External training courses / conferences to be supported only where there is an identified need that cannot be met by in-house resources. Use of internal staff to facilitate training workshops. External trainers bring specialist knowledge and skills that internal trainers could not replicate so the impact on statutory training essential to regulatory requirements will need to be closely monitored.	825	6%		50			
SSW12	Business efficiencies in support services through reviewing structures in business support, performance and commissioning.	The commissioning team is at full capacity with all colleagues on permanent contracts, so any MTFS saving / restructure will result in redundancy costs. The team are also driving forward key transformational change linked to MTFS savings, so any reduction on capacity will impact our ability to deliver targeted savings elsewhere in the MTFS. There is also a risk that we will not be able to meet essential requirements of the newly implemented WG Code of Practice for commissioning care and support, nor our own internal Contract Procedure Rules, where there is a risk that tenders cannot be undertaken within required timescales. Business support has been restructured to provide a support office model which ensures that statutory minutes linked to safeguarding are completed and distributed in a timely manner and to ensure social work tasks are carried out by support officers, thus maximising the amount of time that social workers spend with children, adults, families and carers. Reduction in this resource will increase the administrative burden on social work staff. Any reduction in the performance team will impact on the ability to complete statutory performance returns. There is a high probability reductions in these teams will result in compulsory redundancies.	2,660	10%		129	129		
SSW13	Removal of Safeguarding capacity	Would result in a compulsory redundancy situation. Corporate safeguarding is a statutory duty having no dedicated resource, there is risk of criticism that people will come to harm through no one being available to drive the implementation of safeguarding across the Council. There is also a significant risk of criticism from regulators.	1,002	6%		57			
SSW14	Reduction in staff within Children's Services	This proposal is to reduce Independent Reviewing Officer numbers by 1 linked to the reduction in the child protection register. This is currently achievable whilst maintaining reasonable caseloads but there is a risk there will be insufficient workforce if the numbers of children subject to registration increase again. It is also proposed that social work assistants in IAA undertake young carers assessments meaning that the Young Carers Worker would be redundant. Finally a review of senior management arrangements can result in some savings. This will need to be monitored closely given the CIW serious concerns in August 2022 which included concerns at management oversight arrangements.	896	6%		50			
SSW15	Reduction in family group conferencing service contract value. Due to the continued implementation of signs of safety (including family network meetings) and new ways of working less families will need to be referred to the family group conferencing service.	The risks are minimal as we have already begun to lower our usage with the full implementation of Signs of Safety. We have set an expectation that family meetings will be run by Social Workers until it is felt independence from the LA is required. We currently have the criteria: children who have been subject to Child Protection Register (CPR) for longer than three months or subject to Public Law Outline (PLO). We could reduce this to only include those children who become subject to pre-proceedings PLO or are in court.	140	43%		60			
SSW16	Removal of Corporate Parenting Events budget	Low impact as utilising "Just Giving" to raise funds to support the Corporate Parent responsibilities of this Council and partners.	5	100%		5			

Budget Reduction Proposals 2025-26 to 2028-29

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Well-being of Future Generations Act	Budget 2024-25 £'000	Total Budget Reduction 2025-2029 as % of 2024-25 Budget	2024-25 Budget Reductions £'000	Indicative 2025-26 £'000	Indicative 2026-27 £'000	Indicative 2027-28 £'000	Indicative 2028-29 £'000
Page 93 SSW17	Management efficiencies	A review of senior management in adult and children's social care will be undertaken to identify efficiencies whilst ensuring there continues to be effective leadership and management capacity which is key to delivering the changes and transformation required to deliver the rest of the MTFS savings and to retain the confidence of regulators who in 2022 had serious concerns regarding management oversight in children's social care and regulated care services	392	13%		50			
Total Social Services and Wellbeing						1,817	139	410	0

COMMUNITIES

COM1	Reduction in staff mileage budgets	During the pandemic most meetings were arranged virtually, instead of in person. This arrangement has continued in the main since then with hybrid working, although there are clear cases where in-person meetings are essential, with the result that spend on mileage is less than pre-pandemic levels, and budgets can be reduced accordingly with no impact on service provision, but positive benefits for achieving net carbon zero.	117	27%	34	32			
COM2	Review of cleaning specifications and frequencies on BCBC Operational assets.	Will impact cleaning standards and visibility of cleaning frequencies but change is considered feasible. Will need to review cleaning staff numbers and potential for redundancies however aim will be to implement changes through staff redeployment and recruitment changes across the wider cleaning contract thus avoiding redundancy issues.	327	21%		35	35		
COM3	Further review of cyclical servicing and maintenance contracts dialling back maintenance items to safety critical and statutory compliance only.	Reduction of cyclical maintenance activity counter productive for long term asset operation. Potential for reduction in Business Support staff as a result of the reduction in cyclical orders although savings to Business Support already form part of current MTFS.	1,663	5%		45	40		
COM4	Increase income across the commercial property portfolio	Change will take time to implement and require additional surveyor resource over time.	2,122	1%		15	15		
COM5	Review Legionella and Asbestos officer structure.	Savings identify the option of creating a newly combined legionella and asbestos team reducing the overall staffing budget	103	10%		10			
COM6	Removal of funding from Southern Wales Tourism Group	Removal of BCBC contribution of funding from external tourism group. Will impact on reduction in marketing activities for BCBC.	9	100%		9			
COM7	Further reduction in Porthcawl Programme budget	Further reduction in Porthcawl Programme budget - reduction excluding post and minimal development spend.	152	23%		35			
COM8	Increase bulky waste charges from £30 for 3 items to £35	Potential increase in fly tipping. Increase would not result in full cost recovery under the current contract, but recyclable tonnages contribute to an improved recycling level against Welsh Government targets to reduce the likelihood of penalties.	Income Budget £145k	7%	25	10			
COM9	Increase fees on Bereavement services, i.e. burial charges by 20%	Income target has been based on historic income levels achieved and the application of a 20% increase to current charges. This will be the second year that bereavement charges have increased. There is a risk to achieving the income target if there is a reduction in burials compared with the last two years if they return to pre-pandemic levels, or if relatives seek alternative services from neighbouring authorities.	Income budget £579K	17%	96	100			

Budget Reduction Proposals 2025-26 to 2028-29

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Page 94 COM10	Reduction in the size of the waste enforcement team.	Reduction in staff who undertake enforcement activities relating to waste. There is a risk that the ability to react to issues will be reduced.	431	36%		156			
COM11	Commercially let Pandy Depot	Would require existing BCBC archive storage to be condensed or relocated to other location and take time to ready for commercial letting. Reduce the amount of depot facilities for BCBC operations. Will require capital to ready for letting. Full savings unlikely until 2025-26, but partial savings are a possibility in 2024-25.	N/a - new income target	N/a - new income target		50			
COM12	Stop bi-annual supply of blue refuse sacks to all residents.	This saving is agreed & will be implemented from April 2025. This would mean residents would have to provide their own bags for containment of refuse. Likely to be an unpopular change for residents who currently have these delivered with food waste liners. The amount of the saving is now slightly reduced in 2025-26 because of the contactors expenditure on the bags already ordered but will be realised in full from 2026-27.	257	86%		220			
Total Communities Directorate						717	90	0	0

Budget Reduction Proposals 2025-26 to 2028-29

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CHIEF EXECUTIVES									
CEX1	Remove vacant grade 6 post (0.5)- Democratic Services	Will result in increased demand on other staff members. Statutory work will need to be prioritised. Service will be operating at minimum provision.	1,916	1%	96	20			
CEX2	Reduction in payment to Shared Regulatory Services (SRS) of 8%	SRS will be asked to make an 8 reduction to their budget. This will need to be agreed by the s.151 officers of the three partner authorities and will need to be presented to the Joint Committee. This will impact on service provision.	1,917	8%	58	153			
CEX3	Review of the current Learning and Development provision	Reduces the available training support for employees and may impact on learning and development opportunities.	192	44%	289	84			
CEX4	Reduction in Corporate Apprenticeship budget - 15%	The budget has been underspent due to the turnover of apprentices. The reduction in budget will lead to approx. one less corporate apprentice per annum and periods of inactivity between recruitment rounds.	393	15%		58			
CEX5	Review support capacity across finance	The service will be unable to respond in a timely manner to requests for information or support with budget information	4,076	1%	322	31			
CEX6	Review provision of the CCTV service.	This is a non statutory service, provided by the Council, the main benefit of which is felt by other public sector bodies. The saving is the fully cost of the service. There may be options to review the service model by reducing to night time / weekend cover only, or request contributions from other bodies for the provision of this service. These other options will reduce the savings available.	444	100%			444		
CEX7	Review the capacity within the customer services team.	This is a non statutory service. This proposal is to review the work in the team which will increase response times to callers who contact the Authority either by phone or in person, will reduce capacity to deal with emails from the public and blue car badge applications.	862	8%	216	67			
CEX8	Extend further the use of Houses in Multiple Occupation to provide temporary accommodation for single homeless individuals	This will reduce the Council's reliance on more expensive accommodation options such as tourism style properties.	3,551	3%	397	120			
CEX9	Management restructure across the Chief Executive's Directorate	This will result in reduced capacity across the directorate and reduced responsiveness	1,089	7%		77			
CEX10	Restructure the ICT service	This will reduce the capacity within the team to deal with business as usual and to support service configurations in other service areas	3,892	2%	398	78			
Total Chief Executive's Directorate						688	444	0	0

Budget Reduction Proposals 2025-26 to 2028-29

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CORPORATE / COUNCIL WIDE									
96 CW1	Change the Council's Minimum Revenue Provision (MRP) Policy from a straight line to annuity method. The MRP is the charge to revenue made in respect of paying off the principal sum of the borrowing undertaken to finance the capital programme	The change in policy will improve the Council's ability to make prudent provision as it helps to distribute the MRP more fairly when factoring that the value of money decreases with time due to its earning potential. The annuity method provides a fairer charge than equal instalments as it takes account of the time value of money.				1,000			
CW2	Removal of uncommitted funding set aside in the MTFS 2024-28 towards emerging budget pressures and as a contingency against non-deliverability of budget reduction proposals. The original allocations were £550k and £1.08 million respectively. Only £87k has been allocated during the year resulting in a balance of £1.543 million as a contribution to continuing budget pressures	There will be no negative impact on service delivery, these budgets were set aside in 2024-25 to meet new and continuing budget pressures. A number of these are recurring and this funding will help to reduce overspends in future years. It does mean, however, that there is less headroom corporately to deal with unexpected financial pressures going forward.				1,543			
Total Corporate / Council Wide						2,543	0	0	0

GRAND TOTAL REDUCTIONS						9,105	2,276	1,596	0
ESTIMATED BUDGET REDUCTION REQUIREMENT (MOST LIKELY)						9,105	10,598	10,382	10,157
REDUCTION SHORTFALL						0	8,322	8,786	10,157

2,002	0	0	0
1,902	219	0	0
5,201	2,057	1,596	0
9,105	2,276	1,596	0

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

Project Description (key aims):

Medium Term Financial Strategy (MTFS) 2025-26 to 2028-29

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

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

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

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

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

Integration	3. How does your project / activity deliver economic, social, environmental & cultural outcomes together?
	The Medium Term Financial Strategy is closely aligned to the Council’s Corporate Plan, with explicit links between resources and well-being objectives. The MTFS has been guided by its well-being objectives. The development of the Corporate Plan and MTFS are both the responsibility of Cabinet and the Corporate Management Board.
Collaboration	4. How does your project / activity involve working together with partners (internal and external) to deliver well-being objectives?
	A number of budget reduction proposals are achievable through inter-agency working, with the Third Sector, Social Enterprises, other local authorities and partners. These include joint services across local authorities, and with the Health Service, and new models of working internally to provide more resilient services. A number of services already collaborate with other partners and these continue to improve performance whilst operating with reducing resources.
Involvement	5. How does your project / activity involve stakeholders with an interest in achieving the well-being goals? How do those stakeholders reflect the diversity of the area?
	We will be undertaking our annual budget consultation prior to the final budget being presented to Cabinet and Council at the end of February. The aim of the consultation will be to seek views on the priority areas for residents, in order to enable us to review and set a balanced budget. It is recognised that budget planning for 2025-26 continues to be more uncertain and challenging than ever before, and that the Council is facing even more demand and cost pressures than experienced in previous years, as a result of the global economic circumstances arising from the continuing cost of living crisis and economic background. The results will be collated and considered by Cabinet in order to further inform final decisions on the MTFS.

Section 2 Assess how well your project / activity will result in multiple benefits for our communities and contribute to the national well-being goals		
Description of the Well-being goals	How will your project / activity deliver benefits to our communities under the national well-being goals?	Is there any way to maximise the benefits or minimise any negative impacts to our communities (and the contribution to the national well-being goals)?

<p>A prosperous Wales An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.</p>	<ul style="list-style-type: none"> • Improved educational outcomes for children and young people leading to a well-educated and skilled population to meet future skills needs. • Improve future outcomes for young people including educational attainment, cohesive safe communities are more attractive and easier places to do business. • Increase productivity, employment and skills. Encourage a lower carbon economy. 	<p>The majority of savings will be generated from making smarter use of resources with front line service reductions kept to a minimum and only as a last resort.</p> <p>The MTFS is aligned with the Corporate Plan to achieve the Council's current well-being objectives:</p> <p>Funding is targeted in line with these priorities and in line with the 13 MTFS Principles.</p>
<p>A resilient Wales A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).</p>	<ul style="list-style-type: none"> • Break long term cycles to secure better outcomes for people and communities. • Stronger individuals and communities are more resilient to change. • Communities place a greater value on their environment and more people get involved in local issues and recognise the importance of green space in wellbeing and as a prevention factor. • Healthy active people in resilient communities, volunteering, keeping young people in the local area, reducing travel to work, increased use and awareness of green spaces. 	<p>The impact on local communities will be monitored through the wide range of services that will continue to be provided by the Council or its partners.</p>

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

	<ul style="list-style-type: none"> • Healthy active people in resilient communities, keeping young people and skills in the local area, tackling poverty as a barrier to engagement in community life a supportive network, developed through initiatives at work, can help to support staff through challenging times in their lives. 	
<p>A Wales of vibrant culture and thriving Welsh language A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.</p>	<ul style="list-style-type: none"> • Cultural settings provide support sensitive to our increasingly diverse communities and help us identify opportunities to increase the number of Welsh speakers. • Importance of culture and language as a focus for communities coming together. • Bringing more people from different cultures together. More people identifying with their community. • Encourage take up of sports, arts and recreation initiatives through the workplace. • Ensure Welsh culture and language are a part of this. Welsh language skills are beneficial to businesses and in increasing demand. 	<p>Compliance with the Welsh Language act and specific Welsh Language Standards will be monitored as part of the annual report.</p>
<p>A globally responsible Wales A nation which, when doing anything to improve the economic, social,</p>	<ul style="list-style-type: none"> • Diverse, confident communities are resilient to change. Promotes a 	<p>The impact on local communities will be monitored through the wide range of</p>

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

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

Section 4 Identify decision meeting for Project/activity e.g. Cabinet, Council or delegated decision taken by Executive members and/or Chief Officers	
Cabinet	
Compiling Officers Name:	Deborah Exton
Compiling Officers Job Title:	Deputy Head of Finance
Date Completed:	20/12/2024

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Agenda Item 7

Meeting of:	CABINET
Date of Meeting:	14 JANUARY 2025
Report Title:	BUDGET MONITORING 2024-25 – QUARTER 3 REVENUE FORECAST
Report Owner/ Corporate Director:	CHIEF OFFICER – FINANCE, HOUSING AND CHANGE
Responsible Officer:	JOANNE NORMAN GROUP MANAGER – BUDGET MANAGEMENT
Policy Framework and Procedure Rules:	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.
Executive Summary:	<ul style="list-style-type: none"> • The net revenue budget for 2024-25 is £360.671 million. The overall projected year end position at 31st December 2024 is a net under spend of £6.787 million, a £13.584 million improvement on the projected net over spend of £6.797 million reported at quarter 2. • The main reasons for the improved projections are a reduction in the net over spends for directorates of £1.836 million, Welsh Government grants of £3.290 million towards the teachers’ pay award for 2024-25 and NJC pay pressures, not needing to utilise the £1.558 million that was built into the Medium Term Financial Strategy 2024-28 towards emerging budget pressures and as a contingency against non-deliverability of budget reduction proposals, and a £2.27 million saving from Council agreeing a change in the Minimum Revenue Policy. • The main service areas projecting over spends are primarily due to ongoing pressures within the Social Services and Wellbeing Directorate, support for pupils with Additional Learning Needs, Home to School Transport budget and Housing and Homelessness.

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| | <ul style="list-style-type: none">• The budget approved for 2024-25 included budget reduction proposals totalling £13.045 million. The current position is a projected shortfall on the savings target of £1.441 million, or 11.05% of the overall reduction target. |
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1. Purpose of Report

- 1.1 The purpose of this report is to provide Cabinet with an update on the Council's revenue financial position as at 31st December 2024.

2. Background

- 2.1 On 28th February 2024, Council approved a net revenue budget of £359.725 million for 2024-25 based on the provisional local government settlement received from Welsh Government in December 2023. The Welsh Government announced its final settlement on the 27th February 2024 which included an increase in the Revenue Support Grant (RSG) for the Council of £649,540 along with three grants transferring into the settlement totalling £296,723, increasing the net revenue budget for 2024-25 to £360.671 million. The reasons for this increase were outlined in a report to Council on 13th March, but were mainly in respect of an additional £14.4 million (across Wales) included in the Final Local Government Settlement to support pressures in both social care and education, including teachers' pay.
- 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 December 2024

- 3.1.1 The Council's net revenue budget and projected outturn for 2024-25 is shown in Table 1 below.

Table 1- Comparison of budget against projected outturn at 31st December 2024

Directorate/Budget Area	Original Budget 2024-25 £'000	Revised Budget 2024-25 £'000	Projected Outturn Q3 2024-25 £'000	Projected Over / (Under) Spend 2024-25 £'000	Projected Over / (Under) Spend Qtr 2 2024-25 £'000
Directorate					
Education, Early Years and Young People	143,485	148,785	150,207	1,422	1,707
Social Services and Wellbeing Communities	104,575	109,390	112,186	2,796	4,456
Chief Executive's	30,704	32,999	33,824	825	616
	22,425	23,460	25,382	1,922	2,022
Total Directorate Budgets	301,189	314,634	321,599	6,965	8,801
Council Wide Budgets					
Capital Financing	7,052	6,958	2,259	(4,699)	(1,606)
Levies	9,635	9,645	9,569	(76)	(77)
Apprenticeship Levy	750	750	870	120	86
Council Tax Reduction Scheme	16,054	16,054	16,515	461	709
Insurance Premiums	1,363	1,363	1,153	(210)	(135)
Repairs & Maintenance	670	670	670	0	0
Pension Related Costs	430	430	471	41	0
Other Corporate Budgets	23,528	10,167	778	(9,389)	(981)
Total Council Wide Budgets	59,482	46,037	32,285	(13,752)	(2,004)
Total	360,671	360,671	353,884	(6,787)	6,797

3.1.2 The overall projected position at 31st December 2024 is a net under spend of £6.787 million comprising £6.965 million net over spend on directorates and a net under spend of £13.752 million on Council wide budgets. A detailed analysis of the more significant projected under and over spends is set out in section 3.3.

3.1.3 The overall projected position has improved since the net projected over spend of £6.797 million reported at quarter 2. The main reasons for the improved projections are:-

- Welsh Government (WG) grant of £937,539 towards Teachers' pay award 2024-25 and £2,352,854 towards National Joint Council (NJC) pay pressures (3.1.13).
- Not needing to utilise the £1.558 million that was built into the Medium Term Financial Strategy (MTFS) 2024-28 towards emerging budget pressures and as a contingency against non-deliverability of budget reduction proposals (3.3.5).
- Council agreed a change in the Minimum Revenue Policy (MRP) on 23rd October 2024. The impact in the current year is a reduction in the MRP charge for supported borrowings from the quarter 2 forecast of £3.25 million to £0.98 million at quarter 3 – an improvement of £2.27 million (3.3.5).

3.1.4 The main financial pressures are in the service areas of Social Services and Wellbeing (SSWB), Additional Learning Needs, Home to School Transport (HtST), and Housing and Homelessness.

- 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. Whilst 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 this was to address the implementation of the Real Living Wage for care workers. The SSWB Directorate continued to see an increase in demand and the budget growth was insufficient to meet that increase, with the outturn showing a £11.827 million over spend in 2023-24.
- 3.1.6 A 3 year sustainability plan to improve outcomes for Children and Family Services was approved by Council on 20th September 2023, funded through a recurrent revenue budget of £3.5 million. 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.
- 3.1.7 There continues to be pressures in learning disabilities and mental health services driven by the complexity of need. The Social Services Improvement Board is overseeing a number of actions to address the pressures in the adult services budget, including accelerating the work to transform learning disabilities. 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 MTFS 2024-25 to 2027-28. Further actions for 2024-25 have been developed into a 3 year Plan for Sustainable Care and Support for Adults in Bridgend County Borough Council (BCBC) that was approved by Cabinet on 19th November 2024.
- 3.1.8 There is a projected over spend on Home to School Transport (HtST) of £571,000. This is despite Council approving £1.2 million in the 2024-25 budget to address increased costs being experienced following re-tenders, mainly as a consequence of a shortage of drivers and increased fuel costs. In 2023-24, a further retendering exercise took place for Special School contracts, which resulted in an increase of £572,000. The service has also seen an increase in demand for transporting pupils individually due to challenging behaviour and an increase in Additional Learning Needs (ALN) pupils requiring transport provision based on the learner's needs assessment. However, the overall projected over spend has decreased from earlier in the financial year where an over spend of £1.277 million was projected at quarter 1, with the reduction due to in-year tenders issued with price caps for submission for providers, resulting in a significant cost saving for the service area.
- 3.1.9 The Council has seen a significant increase in the provision of temporary accommodation. At the end of 2019-20, the Council was providing temporary accommodation to 83 households. At the end of October 2024 this had increased to 248 households, representing a 199% increase over this period. The wider demand for social housing from those in housing need has also increased. At the end of 2019-20, there were 816 households registered on Bridgend's Common Housing Register. At the end of August 2024, this number had increased to 3,254 households. Budget reduction proposals of £645,000

have been approved by Council against Housing and Homelessness budgets in 2024-25, along with a reduction in Welsh Government funding based on grants confirmed to date of £332,000. There is a projected net over spend of £411,000 in this service area which has improved from the projected over spend of £654,000 reported at quarter 2. The key factor in this reduction is the purchase of Houses in Multiple Occupation enabling a reduction in the use of more expensive options such as tourism style properties.

3.1.10 There continues to be an increase in demand for additional learning needs (ALN) support at schools resulting in a projected over spend of £1.325 million. The projected over spend is in the areas of 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, further increasing to 302 in the Summer term and 340 in the Autumn term of 2024-25.

Budget virements/technical adjustments

3.1.11 There have been a number of budget virements and technical adjustments between budgets since the Medium Term Financial Strategy (MTFS) was approved by Council in February 2024. The budget position is reported on the assumption that these virements will be approved.

3.1.12 The main virements and technical adjustments since quarter 2 are outlined below:

Budget Virements

Service vired from / to	Amount
Transfer of Early Help Services budgets from Education, Early Years and Young People Directorate to Social Services and Wellbeing Directorate in line with the 3 year sustainability plan already approved by Council to improve outcomes for Children and Family Services in Bridgend.	£1,773,406
Transfer of funding from the Capital Financing budget to Communities Directorate to cover the cost of prudential borrowing for carriageway repairs and highways as agreed when the capital funding was approved.	£94,000

Technical Adjustments

Service vired from / to	Amount
Transfer of inflationary uplifts not confirmed when the Medium Term Financial Strategy was agreed that are held centrally until evidence of the uplift is provided by the service areas (detailed in paragraph 3.1.14).	£2,193,730
Allocation of funding retained centrally in respect of National Joint Council (NJC) pay award for 2024-25 for school employees – confirmed in November 2024.	£1,636,320

Service vired from / to	Amount
Allocation of funding retained centrally in respect of National Joint Council (NJC) pay award for 2024-25 for directorate employees – confirmed in November 2023.	£3,772,901
Allocation of funding retained centrally in respect of teachers' pay award 2024-25 (covering September 2024 to March 2025).	£1,996,710

Pay/Price Inflation

- 3.1.13 When the budget for 2024-25 was set very little funding was allocated to directorates for pay and price inflation, as most had not been determined for the forthcoming year. The majority of the provision was retained centrally within Council wide budgets, to be allocated as further information was known about specific contractual price increases. The technical adjustments table above outlines the amounts released from these budgets during quarter 3, based upon confirmed pay awards and evidenced price inflationary uplifts.
- 3.1.14 The adjustments to pay budgets reflect agreement on pay claims for teachers' pay and National Joint Council employees, both of which were agreed in recent months. Welsh Government provided a grant of £937,539 towards the teachers' pay award 2024-25 and £2,352,854 towards NJC pay pressures that were not anticipated at budget setting. These grants have both positively impacted on the projections for other Council Wide budgets as set out in 3.3.5.
- 3.1.15 Price inflationary uplifts include £0.897 million for Home to School Transport contracts in line with the Consumer Price Index (CPI), a further £1.023 million energy uplift for school buildings and £0.132 million energy uplift for street lighting. The impact of the increase in the energy price cap in January will see a further assessment undertaken in quarter 4 to determine if additional energy uplifts are required before the end of the financial year.
- 3.1.16 Inflation rates decreased to a low point of 1.7% in September 2024 compared to 3.8% when the budget was set, although more recently increased to 2.6% in November 2024. In addition, energy prices reduced further than anticipated in 2024-25. Consequently, there is a projected under spend on the price inflation budget as set out in 3.3.5 due to a projected reduction in requirements to allocate price inflation to service areas in-year. There is ongoing uncertainty on energy cost increases in 2025-26 and the general trajectory of CPI, therefore it is likely that the provision set aside in the MTFS for 2025-26 will need to be supplemented by any funding not committed from the price inflation budget this financial year.
- 3.1.17 With regard to the funding of changes to teachers' pensions, in the Final Settlement the Minister for Finance and Local Government re-stated that funding for this was expected to be provided by UK Government during 2024-25. In December 2024, WG confirmed a grant of £2.809 million for pre-16 teachers' pension contributions and post-16 pension funding of £0.270 million - £3.079 million in total. The actual cost to BCBC is £3.223 million. The shortfall resulted in the requirement to draw down £0.144 million from earmarked reserves. WG also confirmed £0.131 million for fire and rescue authority pension contributions.

Budget Reduction Proposals

- 3.1.18 The net budget for the financial year has been set assuming full implementation of the current year budget reduction requirements across the Council's budget, which amount to £13.045 million. Where proposals to meet this requirement have been delayed or are not achievable directorates have been tasked with identifying alternative proposals to meet their requirements such as vacancy management, or bringing forward alternative budget reduction proposals.
- 3.1.19 In February 2024 Council approved the Medium Term Financial Strategy for 2024-25 to 2027-28. This identified the need to develop recurrent budget reduction proposals, based on the most likely scenario, amounting to £44.882 million over the next four years. However, it has become evident in recent months that the position going forward is likely to be even more challenging than this, with recurrent in-year over spends needing to be mitigated, along with pay and price pressures. Against that background it is essential that expenditure is kept within the overall approved budget as far as possible, and that longer term proposals continue to be developed so that the Council has as much flexibility as possible to meet the challenges which lie ahead. Likewise, any opportunities to reduce spend in-year will be taken to try and improve the year end position.
- 3.1.20 At year end consideration will be given to any budget over spends to determine whether these should be carried forward as a first call on the directorate budget for the following year. Similarly, consideration will be given to requests from directors to carry forward any planned directorate under spends for specific purposes into the following year, in line with the Council's Reserves and Balances Protocol, as long as these can be met from within the Council's cash limited budget for 2024-25. This is in line with the reports to Cabinet and Council on the MTFs, and the Council's Financial Procedure Rules.

3.2 Monitoring of Budget Reduction Proposals

Prior Year Budget Reductions

- 3.2.1 A report was presented to Cabinet on 23rd July 2024 on the Revenue Budget Outturn 2023-24. In the report it was highlighted that there were £280,000 of prior year budget reduction proposals that were not met in full, with a total outstanding balance to be met of £165,000. In addition, of the 2023-24 budget reduction proposals of £2.608 million, it was reported that there was a total outstanding balance to be met of £246,000. Directors have been asked to identify if any of these proposals are still not likely to be achieved in full during the 2024-25 financial year, and to identify mitigating actions that will be undertaken to achieve them. All remaining outstanding prior year budget reductions are summarised in **Appendix 1** with a summary per directorate provided in Table 2.

Table 2 – Outstanding Prior Year Budget Reductions

	Total Budget Reductions Required	Total Budget Reductions Likely to be Achieved	Shortfall
DIRECTORATE /BUDGET REDUCTION AREA	£'000	£'000	£'000
Education, Early Years and Young People	40	40	0
Communities	375	159	216
TOTAL	415	199	216

Note: The total budget reductions required in Table 2 represents the full original budget reduction targets.

3.2.2 Table 2 shows that of the £415,000 outstanding reductions, £199,000 is likely to be achieved in 2024-25 leaving a shortfall of £216,000. Proposals still not likely to be achieved include:

- COM 2 2021-22 – Re-location of Community Recycling Centre from Tythegston to Pyle (£60,000). The new site in Pyle opened in quarter 4 of 2023-24. The timing of the opening meant that exit terms of the lease are being finalised in 2024-25. Once these have been finalised the full saving will be made.
- COM5 2022-23 (£50,000) and COM3 2023-24 (£120,000) – Commercially let wings of Ravens Court to a partner organisation or business (£50,000). The building has not been commercially let during 2024-25 however, the service anticipates the sale of the freehold in the final quarter which will enable the savings to be realised going into 2025-26.
- COM2 2023-24 – Charging Blue Badge Holders for parking (£40,000). The delivery of this proposal is linked to staffing within the Traffic and Transport section which has been depleted due to unplanned staff absences. A staff member has commenced work on this proposal. It will require a full order making process which typically takes 12 – 18 months.

3.2.3 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. During the financial year the Section 151 Officer will consider whether any draw down from the MTFS Budget Reduction Contingency reserve is required to mitigate some of the shortfalls.

Budget Reductions 2024-25

3.2.4 The budget approved for 2024-25 included budget reduction proposals totalling £13.045 million, which is broken down in **Appendix 2** and summarised in Table 3 below. The current position is that £9.784 million has been achieved to date with an additional £1.820 million likely to be achieved by year end, leading to an overall projected shortfall on the savings target by year end of £1.441 million, or 11.05% of the overall reduction target.

Table 3 – Monitoring of Budget Reductions 2024-25

	Total Budget Reductions Required	Total Budget Reductions Achieved to date	Total Budget Reductions Likely to be Achieved	Shortfall
DIRECTORATE /BUDGET REDUCTION AREA	£'000	£'000	£'000	£'000
Education, Early Years and Young People	1,560	954	1,247	313
Schools	3,441	3,441	3,441	0
Social Services and Wellbeing	2,248	1,644	1,921	327
Communities	2,460	1,921	2,306	154
Chief Executive's	3,246	1,734	2,599	647
Corporate/Council Wide	90	90	90	0
TOTAL	13,045	9,784	11,604	1,441

3.2.5 The most significant (> £100,000 shortfall) budget reduction proposals unlikely to be achieved in full are:-

- EDFS9 – Cessation of Adult Community Learning provision (£149,000). The shortfall is due to the timing of the required restructure with the consultation process finalised during quarter 3. Savings will be achieved from 2025-26.
- EDFS19 – Communications and Relationships Team (£142,000). Saving will not be met in 2024-25 due to the overall increase in the number of pupils needing the service.
- SCH1 – Efficiency saving against School Delegated Budgets – 3% in 2024-25 (£3.441 million). Whilst the saving is referenced as having been achieved due to the overall reduction in Individual Schools Budget (ISB), as referenced in 3.3.1, the reduced budgets have resulted in total projected deficit balances for schools at year end of £4.989 million. Officers are working with schools to bring this overall deficit down.
- SSW13 – Council to reduce its investment into cultural services (£360,000). Current projections indicate a shortfall of £265,000. On 14th May 2024 Cabinet approved a £50,000 reduction to the book fund and removal of the £15,000 subsidy for the Youth Theatre. Cabinet also approved public engagement over how future savings can be achieved. Maximisation of the Shared Prosperity Fund in 2024-25 has mitigated this shortfall in the short term.
- CEX2 – Chief Executive's Directorate vacancy management factor (£510,000). The projected shortfall of £111,000 is based on known vacancies to date. Unplanned vacancies will be added to the projection as the financial year progresses which should further reduce the shortfall.

- CEX22 – Review of ICT Services (£398,000). There is currently a projected shortfall of £221,000 against this proposal, Further work is needed to be undertaken to review the telephony budgets across the Council, with updates to be provided to Cabinet in future revenue monitoring reports.

3.2.6 **Appendix 2** identifies the projected amount of saving against these proposals in detail and action to be taken by the directorate to mitigate the shortfall. Directors continue to work with their staff to deliver their proposals or alternatives and this is reflected in the forecast outturn for the year.

3.2.7 In the longer term these proposals must be realised or must be met through alternative budget reduction proposals in order to deliver a balanced budget position.

3.3 **Commentary on the financial position at 31st December 2024**

Financial position at 31st December 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, Early Years and Young People Directorate**

The net budget for the Education, Early Years and Young People Directorate, including school delegated budgets, for 2024-25 is £148.785 million. Current projections indicate an over spend of £1.422 million at year end. The main variances are:

EDUCATION, EARLY YEARS AND YOUNG PEOPLE DIRECTORATE	Net Budget	Projected Outturn	Projected Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Learner Support Group	6,980	8,101	1,121	16.1%
Early Years and Young People Group	2,927	2,719	(208)	-7.1%
Home to School Transport	10,929	11,500	571	5.2%

Schools' delegated budgets

Total funding currently delegated to schools in 2024-25 is £118.611 million.

The schools' delegated budget is reported as balanced as any under spend or over spend is automatically carried forward into the new financial year before being considered by the Corporate Director – Education, Early Years and Young People in line with the 'Guidance and Procedures on Managing Surplus School Balances'.

At the start of 2024-25 projections indicated an overall deficit balance for school delegated budgets of £5.161 million at year end. At quarter 2 this had reduced to a projected deficit of £4.709 million. However, at quarter 3, it has increased to a projected deficit of £4.989 million. There are 38 primary schools, 6 secondary

schools and 1 special school (76% of all schools) projecting a deficit balance at year end.

The Financial Scheme for Schools requires all deficit budgets to be approved by the Section 151 Officer and the Corporate Director – Education, Early Years and Young People. For deficit budgets in excess of 5% of the school's annual budget share or £10,000 (whichever is the higher), a deficit recovery plan must be submitted to the Corporate Director – Education, Early Years and Young People identifying how the deficit will be recovered. Schools with deficits of greater than £50,000 in a primary school or greater than £150,000 in a secondary or special school attend termly support and challenge meetings with senior local authority officers. The Section 151 Officer and the Corporate Director – Education, Early Years and Young People have reviewed the deficit plans submitted, with schools being invited to challenge meetings over the autumn term.

Central Education, Early Years and Young People (EEYYP) Directorate budgets

Learner Support Group

- There is a projected net over spend of £1.121 million in Learner Support Group budgets which has decreased from the projected over spend of £1.392 million reported at quarter 2.
- The projected over spend is despite the Council approving £500,000 of additional funding as part of the MTFs 2024-25 for learner support to meet the costs of increased demand for Bridgend pupils in out-of-county placements and for increased demand for support for pupils with ALN in schools.
- There continues to be an increase in demand for ALN support at schools resulting in a projected over spend of £1.325 million, a decrease of £94,000 from the projected over spend of £1.419 million at quarter 2. The projected over spend remains in the areas of 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, further increasing to 302 in the summer term and 340 in the autumn term of 2024-25.
- The inter-authority recoupment budget over spent in 2023-24 by £627,000 due to an increase in demand for Bridgend pupils in out-of-county placements as there were insufficient spaces at Heronsbridge School and Ysgol Bryn Castell. The budget has benefited from budget growth referred to above, in addition to out-of-county placements reducing from 21 (spring 2024) to 19 in the summer term, with a further reduction to 14 in the autumn term. The service is also projecting a one-off refund of £137,000 from an out-of-county placement, where a pupil's circumstances have changed. In addition, since quarter 2 the inter-authority recoupment income projections have improved by £100,000 due to the increased complexity of children being supported in Bridgend schools and, as a consequence, the inter-authority recoupment budget is currently projecting an under spend of £384,000 at quarter 3 compared to an under spend of £282,000 at quarter 2.
- There is a projected £200,000 over spend on the Adult Community Learning budget which is primarily due to the shortfall on the MTFs saving of £149,000 against the service. The shortfall is due to the timing of the finalised restructure which took place in November 2024.

Early Years and Young People Group

- The projected under spend of £208,000 has decreased from the £246,000 projected under spend reported in quarter 2 due to the filling of a core vacancy during quarter 3. The underlying projected under spend primarily relates to a restructure within the Education Welfare Service (£136,000), combined with staff vacancies being held across the Bridgend Youth Service and Education Engagement Team budgets which are contributing to the 2024-25 MTFs vacancy management factor of £342,000 for the EEYYP Directorate.

Home-to-school transport (HtST)

- The revenue outturn report for 2023-24 highlighted a £1.780 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 which subsequently resulted in higher costs across many contracts in line with shortage of drivers and increased fuel costs.
- While Council approved a £1.2 million budget pressure for 2024-25 as part of the MTFs to contribute to the increased costs, further retendering exercises in September 2023 resulted in additional costs on special school contracts of £698,000 in 2023-24. The full-year effect of these contracts has placed an additional £572,000 pressure on HtST budgets in 2024-25.
- The service has also seen an increase in demand for transporting pupils individually due to challenging behaviour and an increase in pupils with ALN requiring transport provision based on the learner's needs assessment. Along with a number of contractors handing back contracts and having to re-tender at higher cost, these pressures have added a further projected increase in costs in 2024-25 of £244,000.
- However, the overall projected over spend has decreased to £571,000 from the £1.277 million projected over spend reported at quarter 1. This reduction is primarily due to in-year tenders issued, with a price cap for submissions for providers, resulting in a significant cost saving for the service area.
- 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 could make just over £1 million in budgetary savings for the local authority. In July 2024, Cabinet considered the outcome of this public consultation and approved 4 out of the 5 proposals. In September 2024 Cabinet approved a revised Home-to-School Transport Policy, for implementation from September 2025. It is estimated that over £1m of recurring budget reductions can be made from the current home to school transport budget in 2026-27, with a partial saving towards this in 2025-26.

3.3.2 Social Services and Wellbeing Directorate

The Directorate's net budget for 2024-25 is £109.390 million. As referenced in 3.1.12 this includes the £1.773 million Early Help and Edge of Care service budget which has transferred across from the EEYYP directorate during quarter 3 in line with the 3 year sustainability plan approved by Council to improve outcomes for Children and Family Services in Bridgend.

Current projections indicate an over spend of £2.796 million at year end compared to the quarter 2 projected over spend of £4.456 million. The detailed narrative below sets out the main service areas where projections have continued to improve, including Homecare services (learning disabilities, physical disabilities and sensory impairment), learning disabilities (direct payments), homes for older people, prevention and wellbeing, and children and families commissioning/social work budgets.

The outturn for 2023-24 was an over spend of £11.827 million. Council approved budget pressures of £8.330 million for the SSWB Directorate in February 2024 as part of the Medium Term Financial Strategy. The funded pressures include pay and price increases for commissioned services (£3.36 million), addressing recommended levels of resourcing for Children’s Services (£2 million), increased costs of home care for adults with learning disabilities (£1.970 million) and £1 million towards additional residential/nursing placement costs due to new admissions for older people and older people with mental health needs. Despite this growth the Directorate continues to experience the pressures of work to meet statutory duties against a backdrop of an exponential increase in demand and pressures in placements in children’s social care and increased complexity of need in adult social care.

As noted in the quarter 2 report, there continue to be pressures in learning disabilities driven by the complexity of need. There is also significant pressure in children’s residential placements where the need for care experienced children to be cared for in independent residential homes (23) exceeds the available budget. The Social Services Improvement Board is overseeing a number of actions to address the service and financial pressures evident in the children and families and adult services budgets. Good progress is being made at the end of the first year of the 3 year strategic plan for children and families approved in September 2023.

Further actions for 2024-25 have been developed into a 3 year Plan for Sustainable Care and Support for Adults in Bridgend County Borough Council that was approved by Cabinet on 19th November 2024 following consultation and engagement that took place over the summer period.

Since quarter 2, Welsh Government have awarded additional funding within Adult Social Care. Following a consultation exercise undertaken by WG, it has been decided to maintain the maximum charge at £100 per week for non-residential services. WG Ministers agreed to allocate £2.5 million funding for 2024-25 to Local Authorities to reflect that the charge will not be increasing at this time. It is estimated that BCBC will receive circa £100,000. Secondly, on 11th November WG launched the 50 Day Integrated Care Winter Challenge to improve hospital discharge procedures and to build community capacity in order to ease winter pressures on the NHS and social care systems. BCBC was allocated £428,425. Where the additional funding has impacted on the quarter 3 projections this is reflected in the narratives below.

The most significant variances for the directorate are:

SOCIAL SERVICES AND WELLBEING DIRECTORATE	Net Budget	Projected Outturn	Projected Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Adult Social Care	72,730	73,479	749	1.03%
Prevention and Wellbeing	6,474	6,085	(389)	(6.01)%
Childrens Social Care	30,186	32,622	2,436	8.07%

Adult Social Care

There is a net projected over spend of £0.749 million on the Adult Social Care budget, an improvement of £1.191 million from the £1.928 million over spend projected at quarter 2.

The most significant variances contributing to the projected over spend are:

ADULT SOCIAL CARE	Projected Variance Over/(under) budget £'000
Learning Disabilities Day Opportunities	659
Mental Health Homecare	579
Learning Disabilities Residential Care	454
Older People Direct Payments	294
Physical Disability/Sensory Equipment	237
Learning Disabilities Homecare	218
Older People Supported Accommodation	190
Physical Disability/Sensory Impairment Home Care	167
Physical Disability/Sensory Impairment Residential Care	109
Learning Disabilities Direct Payment	(58)
Assessment and Care Management	(69)
Mental Health Supported Accommodation	(196)
Homes for Older People	(524)
Older People Home Care	(852)

- Learning Disabilities Day Opportunities - the projected over spend of £659,000 has reduced by £19,000 since quarter 2. The projected over spend relates mainly to placement numbers exceeding the available budget for external day services (£512,000) in addition to increased transport costs (£162,000) which remain at a comparable level to quarter 2. The underlying reason for the projected over spend continues to be that whilst the learning disabilities home care budget continues to over spend as people have not returned to internal day services, older people are taking up the vacant day services placements. The service cannot be reduced until alternative models of day time support and occupation have been developed following a review which is underway. In addition a new transport policy went to Cabinet in July 2024 and went out for consultation between 6th August 2024 to 29th October 2024. The outcome of the public consultation is firstly being presented to Subject Overview and Scrutiny Committee 2 and subsequently to Cabinet.
- Mental Health Homecare – this includes supported living, short breaks and domiciliary care with the service experiencing increased needs of people with supported living packages of care. The projected over spend of £579,000 has decreased from the quarter 2 projected over spend of £679,000 due to a reduction of 3 placements.

- Learning Disabilities Residential Care – there is a projected over spend of £454,000 compared to £438,000 at quarter 2. The underlying reason for the projected over spend is due to increased costs for existing placements within the residential and nursing service due to changing needs. There has been an increase in 1 placement since quarter 2, from 39 to 40 at quarter 3.
- Older People Direct Payments – there is a projected over spend of £294,000 across the Direct Payments budgets in this area. The main reason for the projected over spend is the increasing complexity of cases that impact on the average cost of direct payments support. The projected over spend has reduced by £75,000 since quarter 2 due to further packages being removed from projections where activity had ceased for longer than six months, along with increases in account reimbursements.
- Physical Disability/Sensory Equipment – there is a projected over spend of £237,000, a reduction of £29,000 from the quarter 2 projected over spend of £266,000. The projected over spend is partly due to an increase in the expected contribution to the community equipment pooled fund (£84,000) with the remainder being due to increases in demand for small works and adaptations and aids to daily living. This is a fluctuating demand led budget which varies month by month and will be closely monitored.
- Learning Disabilities Homecare – there is a projected over spend of £218,000, compared to £457,000 at quarter 2. While the projected over spend is mainly due to increases in staffing costs for the internal Homecare service, due to having to cover staff sickness, (£279,000 compared to £499,000 at quarter 2) this is partly offset by under spends in the external Homecare service (£61,000).
- Older People Supported Accommodation – there is a projected over spend of £190,000 compared to a projected over spend of £201,000 at quarter 2. This projected over spend is based on the current number of placements which have increased from 42 at quarter 2, to 43 at quarter 3.
- Physical Disability/Sensory Impairment Home Care - there is a projected over spend of £167,000, which has reduced from the £329,000 over spend at quarter 2. The over spend is based on the current demand for the service, which is 107 packages of support.
- Physical Disability/Sensory Impairment Residential care – there is a projected over spend of £109,000 at quarter 3 compared to a projected over spend of £26,000 at quarter 2. This is due to the transition of one high cost placement from Children’s Services from November 2024.
- Learning Disabilities Direct Payments – there is a projected under spend of £58,000 across the Direct Payments budgets in this area compared to a projected over spend of £110,000 at quarter 2. Detailed reviews are being undertaken of all direct payment cases, with packages being removed from projections where support has ceased for longer than six months. Account reimbursements have also exceeded budget.
- Assessment and Care Management – there is a projected under spend of £69,000 on directorate wide assessment and care management budgets, an increase from the quarter 2 projected under spend of £13,000. The reduction in projected spend is

primarily due an increase in joint financing income from Health in relation to the Caswell Clinic mental health unit (£73,000). There continues to be a need for agency cover across this area 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. A plan to permanently recruit and step down agency in a timely way is being implemented.

- Mental Health Supported Accommodation – The projected under spend of £196,000 primarily relates to projected under spends on staffing budgets. The projected under spend has increased from the £164,000 reported at quarter 2 mainly due to staff vacancies being held for the short term.
- Homes for Older People – There is a projected under spend of £524,000 compared to a projected under spend of £252,000 at quarter 2. Since quarter 2 there has been an increase in projected client contributions for internal residential homes. 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 savings or assets and are therefore not reliant on the local authority paying their contribution in full, then this will increase the overall average income received per person.
- Older People Home Care – There is a projected under spend of £852,000, an increase from the quarter 2 projected under spend of £772,000. The projected under spend still primarily relates to projected under spends on staffing budgets as a result of the remodelling of the Support at Home services into locality based areas and the increase in numbers of people supported through short term reablement packages. Agency staff have been utilised to supplement the workforce where available, and there is positive working with the Employability Service to support people into careers in care. Since quarter 2 there has also been an increase in projected client contributions of £45,000 for the internal Homecare service, plus additional grant income of around £100,000 has been awarded from WG following the consultation outcome not to increase the non-residential maximum charge of £100 per week. However, this has been offset by a projected over spend on external domiciliary care placements due to complexities of people's needs and increased packages of support.

Prevention and Wellbeing

- There is a projected under spend of £389,000 compared to a projected under spend of £293,000 at quarter 2. This is mainly due to maximisation of grant funding from the Shared Prosperity Fund (£465,000) and other smaller grants across the service (£80,000).
- The following MTFs savings are not anticipated to be fully achieved in 2024-25:
 - SSW7 – review opportunities to amend the current energy payment arrangements for the leisure contract - £45,000 shortfall.
 - SSW13 – Council to reduce its investment into cultural services. While the saving is only partly achieved the shortfall is being mitigated with Shared Prosperity funding so that the saving is met in the short term.

Children's Social Care

There is a projected net over spend of £2.436 million on the Children's Social Care budget compared with the projected net over spend of £2.821 million at quarter 2. The most significant variances contributing to this over spend are:-

CHILDREN'S SOCIAL CARE	Projected Variance Over/(under) 2024-25 – qtr 3 £'000
Care Experienced Children	4,092
Management and Admin	(178)
Early Help & Edge of Care	(266)
Other Child & Family Support Services	(534)
Commissioning and Social Work	(678)

- The projected over spend of £4.092 million for Care Experienced Children has increased from the £2.953 million reported at quarter 2. It is due to a combination of factors:-
 - The Independent Residential Care budget has a projected over spend of £3.695 million which has increased by £222,000 since quarter 2. This is based on the number of care experienced children in independent residential placements which is currently 23 placements – an increase of 3 since quarter 2. The underlying over spend position is due to the number in independent residential placements (23) exceeding the budget which covers between 6-8 placements depending on the unit cost. In addition there continues to be insufficient in-house foster carer placements to meet needs and children requiring specialist provision, sometimes with high staffing ratios to keep them safe and protected. It should be noted that this budget area can be volatile and small changes in demand can result in very high costs being incurred.
 - There is a projected under spend of £135,225 on the Independent Fostering Agency (IFA) budget based on 33 current placements (35 placements at quarter 2). This is due to alternative, lower cost, placement options being utilised, including Special Guardianship Orders. It should be noted, however, that some of the children in costly independent residential provision would ideally be with foster carers who can manage complex needs. There is insufficient capacity in-house and in IFAs which means that some children's needs are being met in a higher, more expensive, tier of service.
 - Children's Internal Residential Care is projecting an over spend of £188,000 which is an increase of £214,000 since quarter 2. This is due to increased usage of agency workers to cover vacancies across the service.
 - At quarter 2 a WG Eliminating Profit grant of £663,000 was contributing towards reducing the Children Looked After over spend. This grant is now being used to purchase specialist support to help support children at home rather than becoming looked after.
- Management & Administration – there is a projected under spend of £178,000 which has increased from the projected under spend of £105,000 at quarter 2. The service area has benefited from £56,000 of SPF funding since quarter 2. The underlying projected under spend is primarily due to other staff vacancies in this

service area which are contributing to the 2024-25 MTFS vacancy management factor of £255,000 for the SSWB directorate.

- Early Help & Edge of Care – During quarter 3, £1.773 million of Early Help Services budget were transferred from EYYP to the SSWB directorate in line with the 3 year sustainability plan approved by Council to improve outcomes for Children and Family Services in Bridgend. £500,000 of this budget related to a budget pressure approved by Council in February 2024 to strengthen the Council's statutory safeguarding accountabilities, specifically for Early Help and Edge of Care. There is a projected under spend of £266,000 against this budget pressure at quarter 3 as a review of the service is currently underway.
- Other Child & Family Support Services – There is a projected under spend of £534,000 which is due to reduced costs for the Regional Adoption service based on current projections for placements made across the region as at the end of November. This will be closely monitored for the remainder of the year and could be subject to change depending on the number of placements made by the end of March 2025.
- Commissioning and Social Work – There is a projected under spend of £678,280 which has significantly improved since the quarter 2 projected under spend of £72,000. The improvement is firstly due to additional Shared Prosperity funding being agreed since quarter 2 (£165,000). In addition there has been further reductions in staffing costs due to the current vacancies across the service (£212,000) and a reduction in agency costs due to successful recruitments (£213,000) in this budget area.
There remains a projected over spend in care and support and placement costs across the service area (£337,773), the majority of which relate to Care Experienced Children/care support spend such as court mandated drug testing, assessments, reports, travel and therapy costs over which the service has no discretion but to secure against a very limited budget. In total the service has received budget pressures of £3 million (£1 million in 2023-24 and an additional £2 million approved by Council for 2024-25) to address the recommended levels of workforce resourcing for children's services outlined in the 3 year strategic plan for Children and Families approved by Council in September 2023 and recruitment to these posts has commenced.

3.3.3 Communities Directorate

The net budget for the Directorate for 2024-25 is £32.999 million. The current projection is an anticipated over spend of £825,000. The main variances are:

COMMUNITIES DIRECTORATE	Net Budget	Projected Outturn	Projected Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Fleet Services	184	684	500	271.74%
Development Control	(140)	(214)	(74)	53.17%
Waste Collection & Disposal	11,181	11,397	216	1.93%
Highways Services (DSO)	3,366	3,236	(130)	-3.86%
Corporate Landlord	3,210	3,462	252	7.85%

Fleet Services

- There is a projected over spend of £500,000 at quarter 3 on Fleet services which has worsened from the £460,000 projected at quarter 2, and is also now higher than the £483,000 over spend in 2023-24.
- 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 have been further impacted by long term sickness and ongoing difficulties with recruitment and retention. A market supplement has been introduced for HGV technicians, in line with the corporate Market Supplement Policy, following comparisons with neighbouring authorities, which has only seen limited success in filling vacancies. A review outlining options for service operating models to mitigate the budget position of fleet services has been delayed due to officer availability and is anticipated to proceed in the first half of the 2025-26 financial year.

Development Control

- The projected under spend in Development Control of £74,000 has improved from the projected over spend at quarter 2 of £72,000. This is primarily due to increased income from Planning Performance Agreements with developers as part of a system of cost recovery in dealing with mainly major development proposals. Fee income is subject to considerable fluctuations between years, depending on number and of types of applications.

Waste Collection and Disposal

- There is a net projected over spend on the Waste Disposal and Collection budget of £216,000. The main underlying pressures on the waste budget include:-
 - The delay in the achievement of the 2022-23 MTFS saving, COM 2 – Relocation of Community Recycling Centre from Tythegston to Pyle resulting in cessation of lease payments at the existing site. Whilst the new site opened in quarter 4 of 2023-24 the timing of the opening meant that the full saving could not be achieved in 2024-25 as the exit terms of the lease needed to be finalised (£60,000 shortfall).
 - Increase in subscribers for the Absorbent Hygiene Products (AHP) service (£60,000). The AHP service has been promoted to further improve the recycling levels achieved in Bridgend which also mitigates the risk of fines

imposed by WG if local authorities do not meet their recycling targets. It has seen an increase of 35% since the start of the 2022-23 financial year.

- Decrease in income due to the reduction in the price of recycled materials since quarter 2 (£42,000).
- Shortfall of £113,000 on Trade Waste black bag income due to increased recycling being undertaken by businesses due to the change in law in Wales in April 2024 for all businesses, charities and public organisations to sort their waste for recycling.

Highways Services

- The projected under spend of £130,000 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 income for the service area.

Corporate Landlord

- There is a projected over spend of £252,000 at quarter 3, a small reduction from the £278,000 over spend projected at quarter 2.
- There continues to be shortfalls in income generated from properties run by the Council that relate to occupancy shortfalls which have continued into 2024-25 and strategies are being developed to reduce these shortfalls in the longer term.
- The shortfall against Bridgend Market of £285,000 is due to the identification of Reinforced Autoclaved Aerated Concrete (RAAC) and the subsequent closure of the market and loss of rental income. Whilst tenants in the new market hall are paying rent and service charges, this is not sufficient to cover full costs.
- There is also a shortfall in income of £128,000 for the Innovation Centre and a strategy is being developed to reduce this income shortfall in the longer term.
- As noted in section 3.2.2 the £50,000 target for 2022-23 and the £120,000 target for 2023-24 in relation to MTFS proposals to seek to commercially let out wings of Ravens Court were not achieved. In addition, there is a further £73,000 MTFS saving across the estate budgets for 2024-25 in relation to office rationalisation which has also not been achieved. The shortfall against the savings targets adds a further £243,000 pressure on the Corporate Landlord estates' budget.
- Corporate Landlord are anticipating the sale of the Freehold of Ravens Court in the final quarter of 2024-25 which will mitigate these MTFS shortfalls going into 2025-26.
- Whilst the over spend in Corporate Landlord was partially mitigated in 2023-24 by staff vacancies of £246,000, ongoing vacancies in this service area are contributing to the 2024-25 MTFS vacancy management factor of £500,000 for the Communities Directorate.

3.3.4 Chief Executive's

The net budget for the Directorate for 2024-25 is £23.460 million. Current projections anticipate an over spend against this budget of £1.922 million. This is a reduction of £100,000 from the quarter 2 projected over spend of £2.022 million. The main variances are:

CHIEF EXECUTIVE'S	Net Budget £'000	Projected outturn £'000	Actual Variance Over/(under) budget £'000	% Variance
Housing & Homelessness	3,551	3,962	411	11.6%
Legal, Democratic & Regulatory	5,847	6,464	617	10.6%
ICT	3,956	4,248	292	7.4%
Finance	4,076	4,327	251	6.2%

Housing & Homelessness

- There is a projected net over spend of £411,000 on Housing & Homelessness which is a reduction of £243,000 compared with the projected over spend of £654,000 reported at quarter 2.
- The overall budget for housing and homelessness has been reduced by £645,000 in 2024-25 due to MTFs budget reduction proposals. Appendix 2 highlights that it is anticipated that all of these are now likely to be achieved in 2024-25.
- For 2024-25, Welsh Government (WG) have confirmed grant funding of £915,000 for accommodation under the "No One Left Out" funding stream, £198,000 under a Discretionary Homelessness Prevention Grant and £60,000 Strategic Coordinator grant. The total grant funding confirmed for 2024-25 of £1.173 million is significantly lower than the total grant allocation of £1.505 million received in 2023-24. £986,000 of the grant funding covers homelessness accommodation costs and £127,000 is utilised towards Homeless Spend to Save support, e.g. funding bonds for rental properties.
- Projected spend on Homelessness accommodation at quarter 3 is £4.4 million, a reduction of £100,000 since the £4.5 million projected at quarter 2. The key factor in this reduction is the purchase of Houses in Multiple Occupation (HMO) stock as well as utilising an existing BCBC property with the opening of Maple Tree House (previously Children's Residential Home), enabling a reduction in the use of more expensive options such as tourism style properties.
- As well as the core budget (£2.174 million) and total WG accommodation grant funding (£986,000), the service has also seen an increase in rental income relating to Housing Benefits claimed by tenants who have been supported with homelessness accommodation (£450,000). The net impact is a projected over spend on accommodation of £790,000.
- The Council has seen a significant increase in the provision of temporary accommodation. At the end of 2019-20, the Council was providing temporary accommodation to 83 households. At the end of October 2024 this had increased to 248 households, representing a 199% increase over this period. The wider demand for social housing from those in housing need has also increased. At the end of 2019-20 there were 816 households registered on Bridgend's Common

Housing Register. At the end of August 2024 this number had increased to 3,254 households.

- Measures to support the delivery of CEX21 – review of Homelessness Service, are in the early stages of implementation but are projected to meet the saving in full. Longer term arrangements are more cost effective. There has also been an increase in the use of the ‘Alternative to Bed & Breakfast’ service, which again is more cost effective when compared to tourism style units.
- The projected over spend of £790,000 on accommodation is offset by projected under spends on the Brynmenyn Homeless Centre (£254,000) due to an increase in Housing Benefit income levels, staff vacancies (£40,000) and maximisation of Supporting People grant (£124,000).

Legal

- There is a projected net over spend of £617,000 across Legal, Democratic and Regulatory services, which is comparable to the quarter 2 projected over spend of £612,000.
- There is a projected over spend on staffing budgets within Legal services of £68,000, which is partly due to the timing of the implementation of the MTFs proposal CEX13 – restructure of Legal Services (£60,000).
- Regulatory Services (Licencing, Public Health, Pest Control) is projecting a net over spend of £142,000 which has reduced since the quarter 2 projected over spend of £165,000. This projected over spend is primarily due to the projected under recoupment of income for taxi examination and licence fees (£61,000). Whilst a similar shortfall was experienced in 2023-24 it was offset by a £74,000 refund being received in relation to the Shared Regulatory Service. The balance is due to the projected shortfall on CEX 8 – Charging the public for Pest control Services (£36,000) based on income levels to date.
- The balance of the projected over spend is due to legal fees continuing to be a budget pressure. Whilst Council approved £300,000 to support the increase in legal fees being experienced, the complex cases requiring King’s Counsel have continued in 2024-25, and the service area is projecting an over spend of £222,000 (£181,000 projected over spend at quarter 2).

ICT

- There is a projected net over spend of £292,000 across ICT budgets which has reduced by £41,000 since quarter 2. The projected over spend is primarily due to the shortfall of £221,000 against the MTFs saving CEX 22 – Review of ICT services, with a planned review of telephony budgets across the Council due to take place during quarter 4. Further updates will be provided to Cabinet in future revenue monitoring reports as this review is implemented.

Finance

- There is a projected net over spend of £251,000 across Finance, an increase of £72,000 since quarter 2. The projected over spend is primarily due to a projected shortfall of £158,000 on Department for Work and Pension (DWP) subsidy contributions towards housing benefit payments in Bridgend. Any Housing Benefit award paid over the subsidy level is borne by the Council as the DWP does not fully fund all Housing Benefit expenditure – for example there are a number of tenancy arrangements whereby the subsidy is limited to historic local housing allowance rates or restricted by rent officer determinations.
- The balance is mainly due to the shortfall against CEX 25 – staff savings from Finance senior management (£52,000).

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 2024-25 is £46.037 million. Current projections anticipate an under spend against this budget of £13.752 million, an improvement of £11.748 million from the £2.004 million under spend projected at quarter 2. The main variances are:-

COUNCIL WIDE BUDGETS	Net Budget	Projected Outturn	Projected Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Capital Financing	6,958	2,259	(4,699)	-67.5%
Council Tax Reduction Scheme	16,054	16,515	461	2.87%
Other Corporate Budgets	10,167	778	(9,389)	-92.35%

Capital Financing

- The projected under spend of £4.699 million has improved from the £1.606 million projected under spend at quarter 2.
- £2.405 million of the projected under spend mainly relates to additional interest anticipated from current investments due to the previous increases in interest rates in 2023-24 which were held through to July 2024, before reducing over the ensuing months to the current 4.75% rate agreed in November 2024. It is anticipated that there will be further interest rate reductions, however the timing of these are uncertain and are subject to economic factors and in particular the position of inflation against the Bank of England's 2% target.
- Council agreed a change in the Minimum Revenue Policy on 23rd October 2024, to move the methodology for setting aside revenue resources for the repayment of debt (known as Minimum Revenue Provision – MRP) from a straight line basis to an annuity basis. An annuity basis will result in lower MRP in earlier years with an increasing MRP charge over time. The impact in the current year is a reduction in the MRP charge for supported borrowings from the quarter 2 forecast of £3.25 million to £0.98 million at quarter 3 – an improvement of £2.27 million.

Council Tax Reduction Scheme

- There is currently a projected over spend of £461,000 on the Council Tax Reduction Scheme which has reduced from the £709,000 projected over spend at quarter 2. This is a demand led budget and take-up is difficult to predict. The projected take-up for 2024-25 is higher than in 2023-24 when the gross spend in this budget area was £15.566 million, which is as a consequence of the 9.5% increase in council tax in 2024-25. Cases will continue to be reviewed closely during the year to ensure that only those entitled to receive support continue to do so.

Other Corporate Budgets

- The projected under spend of £9.389 million has improved from the £0.981 million projected under spend at quarter 2. The main areas contributing to this projected under spend are:-
- As referred to in paragraph 3.1.14, during quarter 3 Welsh Government provided a grant of £937,539 towards teachers' pay award 2024-25 and £2,352,854 toward NJC pay pressures that were not anticipated at budget setting. This has positively

impacted on the projections for other Corporate budgets by £3.290 million since quarter 2.

- In addition, even a variance of 1% on the pay settlement for NJC staff can result in a swing of required funding of over £1 million per annum.
- Inflation rates decreased to a low point of 1.7% in September 2024 compared to 3.8% when the budget was set, although more recently increased to 2.3% in October 2024. In addition, energy prices reduced further than anticipated in 2024-25. Consequently there is a projected under spend on the price inflation budget due to a projected reduction in requirements to allocate price inflation to service areas in-year.. There is ongoing uncertainty on energy cost increases in 2025-26 and the general trajectory of CPI, therefore it is likely that the provision set aside in the MTFS for 2025-26 will need to be supplemented by any funding not committed from the price inflation budget this financial year.
- As part of the MTFS 2024-28, £1.558 million was set aside towards emerging budget pressures and as a contingency against non-deliverability of budget reduction proposals. Only £87k has been allocated during 2024-25, resulting in a projected under spend of £1.543 million which is proposed to be included in the draft MTFS proposals for 2025-26.

3.4 Earmarked Reserves

- 3.4.1 The cumulative revenue draw down by directorates is £2.855 million as shown in Table 4 below. The majority of the draw down from earmarked reserves takes place in the later stages of the financial year, especially on capital and grant funded schemes. In addition, school balances are not adjusted until the year end – an overall draw down in-year of £7.394 million from school balances is currently projected, which would leave a negative balance to be temporarily covered by the Council.
- 3.4.2 A thorough review of earmarked reserves has been undertaken by Corporate Management Board during quarter 3 of 2024-25, including an assessment of the draw down profile and re-profiling of existing earmarked reserves. The assessment also includes identifying earmarked reserves that can be unwound in order to fund emerging risks for the Council as a whole in 2024-25 onwards. Table 4 below shows that the review resulted in £2.490 million of earmarked reserves being unwound, and new earmarked reserves established to support one-off costs, for example, to bring the waste service in-house from 2026-27 as agreed by Cabinet in November 2024, implementation costs for the new replacement WCCIS system (health/social care information system), and to use towards implementation of the WG Eliminating Profit Strategies from Children's commissioned services.

Table 4 – Usable Revenue Earmarked Reserves (Excluding Council Fund) – Quarter 3

Opening Balance 01 Apr 24	Reserve	Net Additions/ Reclassification	Draw- down	Unwound	Closing Balance 31 Dec 24
£'000		£'000	£'000	£'000	£'000
	Corporate Reserves:				
2,772	Asset Management Reserves	(30)	(401)	(88)	2,253
1,330	Major Claims & Insurance Reserves	-	(145)	(355)	830
1,892	Service Reconfiguration	-	-	-	1,892
1,794	Change Management/Digital Transformation	(538)	(253)	(85)	918
500	Economic and Future Resilience Fund	-	-	-	500
2,406	Other Corporate Reserves	-	-	(227)	2,179
10,694	Total Corporate Reserves	(568)	(799)	(85)	8,572
	Directorate Reserves:				
811	Education & Family Support	246	(519)	-	538
2,676	Social Services & Wellbeing	1,670	(926)	(1,194)	2,226
1,442	Communities	-	(14)	(79)	2,069
1,740	Chief Executives	796	(509)	(274)	1,753
6,669	Total Directorate Reserves	3,432	(1,968)	(1,547)	6,586
	Equalisation & Grant Reserves:				
1,278	Education & Family Support	(916)	-	-	362
90	Social Services & Wellbeing	-	-	-	90
2,359	Communities	5	(65)	(88)	2,211
279	Chief Executives	-	(23)	(100)	156
4,006	Equalisation & Grant Reserves:	(911)	(88)	-	2,819
2,405	School Balances	-	-	-	2,405
23,774	TOTAL RESERVES	1,953	(2,855)	(2,490)	20,382

3.4.3 In addition to the usable revenue reserves in Table 4, there are currently £40.763 million of other earmarked reserves funding schemes within the capital programme.

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. Recommendations

9.1 Cabinet is recommended to:

- note the projected year end revenue position for 2024-25

Background documents: Individual Directorate Monitoring Reports

PRIOR YEAR BUDGET REDUCTIONS CARRIED FORWARD INTO 2024-25

Ref.	Budget Reduction Proposal		Original Reduction and RAG £000	Total amount of saving likely to be achieved by 24-25 £000	Reason why not achievable	Proposed Action in 2024-25 to achieve
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RAG STATUS KEY	
RED	Not likely to be achieved at all in this financial year or less than 25%.
AMBER	Reduction not likely to be achieved in full in financial year but greater than 25%
GREEN	Reduction likely to be achieved in full

EDUCATION, EARLY YEARS AND YOUNG PEOPLE

EDFS1 (2023-24)	Delegate some school transport responsibilities to The Bridge Pupil Referral Unit under a new delivery model to deliver efficiency savings		40	40	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.	No further action required in 2024-25.
Total Education, Early Years and Young People			40	40		

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	The new site opened during quarter 4 of 2023-24. The timing of the opening meant that exit terms of the lease are being finalised in 2024-25. Once these have been finalised, the full saving will be made.	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	89	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 implemented the change of composition, therefore the saving will be made in full during 2024-25.	No further action required. The new waste contractors from 1st April 2024 have implemented 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	20	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.	None required - 2024-25 will see the delivery of this saving target in full.
COM 5 (2022-23)	Commercially let a wing of Ravens court to a partner organisation or business		50	0	Building has not been commercially let during 2024-25.	The service anticipates the sale of the freehold in the final quarter of 2024-25 which will enable the savings to be realised going into 2025-26.
COM 1 (2023-24)	Closure of each of the Community Recycling Centre sites for one weekday per week		50	50	Public consultation on this proposal was held between 30 June and 12 September 2023, with the outcome reported to Cabinet on 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.
COM 2 (2023-24)	Charging Blue Badge Holders for parking		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.	A staff member has commenced work on this proposal. It requires a full order making process which is typically 12-18 months. Progress will be determined by this process and updates will continue to be provided to Cabinet. 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 (2023-24)	Commercially let two wings of Ravens court to a partner organisation or business		120	0	Building has not been commercially let during 2024-25.	The service anticipates the sale of the freehold in the final quarter of 2024-25 which will enable the savings to be realised going into 2025-26.
Total Communities Directorate			375	159		
GRAND TOTAL OUTSTANDING REDUCTIONS			415	199		
REDUCTIONS SHORTFALL				216		

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MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
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EDUCATION, EARLY YEARS AND YOUNG PEOPLE (FORMERLY EDUCATION AND FAMILY SUPPORT)

CENTRAL EDUCATION, EARLY YEARS AND YOUNG PEOPLE

EDFS1	Reduction in staff mileage budgets	During the pandemic, most meetings were arranged virtually, instead of in person. This arrangement has continued in part with hybrid working, although there are clear cases where in-person meetings are essential. The result is that spend on mileage is less than pre-pandemic levels, and budgets can be reduced accordingly with limited impact on service provision, but positive benefits for achieving net carbon zero.	18	7	18	Full saving should be achieved in 2024-25.
EDFS2	Directorate Vacancy Management Factor	The introduction of an average 3% vacancy factor across the directorate - excluding schools, front-line services and grant-funded and income-generating posts. Recruitment has been an issue across the Council in recent years and there have been underspends in many services which cannot recruit to vacant posts. This target will need to be managed carefully and reviewed to ensure it is achievable.	342	239	320	The Directorate has implemented a very strict regime around managing vacancies, all vacancy management forms are escalated to the Head of Service for authorisation. This has resulted in significant extra pressure on staff and managers and in some areas has resulted in waiting lists. Despite these difficulties the Directorate is on target to achieve 94% of savings required.
EDFS7	Income generation opportunities within the Music Service	Interest in developing a training function for schools provided by the Bridgend Music Service but this has not been costed and at a time when schools are looking to manage their service level agreements (SLAs) very carefully, this might not be possible. The national music service grant is subsidising this at the moment.	3	3	3	Full saving should be achieved in 2024-25.
EDFS8	Increase price of school meals by 30p (saving is limited due to the roll out of the universal primary free school meals (UPFSM) initiative)	The cost of school meal in Bridgend is currently one of the lowest in Wales. It is anticipated that an increase of 30p per meal would still see Bridgend as being in the bottom quartile of school meal cost across Wales. It is worth noting that there may be a decline in the take-up of a school meal following previous price increases and this may negate any savings.	30	8	30	Full saving should be achieved in 2024-25.
EDFS9	Cessation of Adult Community Learning (ACL) provision	This would result in staff redundancies. There could be alternative options available via external partners. This saving could lead to the partnership being weakened. There will also be a loss of presence felt within local communities.	149	0	0	The outcome of the consultation process for the cessation of the ACL service was finalised in quarter 3 of 2024-25. Savings will be achieved from 2025-26.

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
EDFS11	Reduction in contribution to Central South Consortium	Welsh Government is currently reviewing school improvement arrangements in Wales. The review is due to report in late spring/early summer 2024. We would look to reduce some of the central administrative functions rather than frontline services (improvement partners/principal improvement partners).	35	35	35	Full saving should be achieved in 2024-25.
EDFS12	Educational Psychology Service - Reduction in equipment, mileage and staff	This may result in educational psychologists not using latest test materials for their assessments which may mean results are invalid. This could also result in a potential reduction in in-person visits to schools and an increase in online sessions. This could result in the local authority being unable to meet its statutory duties under legislation, as the statutory role of educational psychologists could not be met due to reduced capacity. The local authority could be open to legal and tribunal challenge due to missed timescales and failure to meet its statutory duties. Unidentified needs of learners and significant placement breakdowns could lead to an increase in out-of-county specialist placements requested at additional cost.	38	10	38	Full saving should be achieved in 2024-25.
EDFS13	ALN Statutory Team - reduction to staffing structure	The local authority could be unable to meet its statutory duties. The local authority could be open to legal and tribunal challenge due to missed timescales.	17	5	17	Full saving should be achieved in 2024-25.
EDFS14	Early Years ALN, Cognition and Learning and Complex Medical and Motor Impairment - review of pay grades, reduction in staffing numbers	There could be a reduction in training offered to schools. The team may be unable to oversee the Observation and Learning Resource Centres at the current level. The early identification of needs of pupils may not be identified as quickly as desired. Schools may not have expertise to support pupils and needs escalate.	50	9	50	Full saving should be achieved in 2024-25.
EDFS15	The Bridge Alternative Provision - staffing reductions and charging schools for hospital education	The setting may be unable to offer pupils the option to continue their studies through the medium of Welsh (previous Estyn recommendation). There could be insufficient staff to pupil ratios which could have potential safeguarding risks and limit the number of pupils The Bridge is able to accommodate.	81	21	81	Full saving should be achieved in 2024-25.
EDFS16	Learner Support - staffing reductions	There is a statutory requirement to support young people with additional learning needs up to the age of 25. This saving could result in schools being unable to effectively manage additional learning provision, therefore potentially causing more local authority individual development plans which could cost the local authority more. This could result in an increased risk of tribunals.	16	4	16	Full saving should be achieved in 2024-25.
EDFS17	School Modernisation budgets - review of staffing and non-staffing budgets	This could result in challenges in respect of site maintenance. This could also impact on the delivery of some capital projects.	22	22	22	Full saving should be achieved in 2024-25.

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
EDFS18	Sensory Team - Hearing and visual impairment - review of staffing and non staffing budgets	This could result in a failure to meet statutory duties for hearing impaired (HI) and visually impaired (VI) learners. Learners with a HI and VI may be unable to access visits and in class support, modified resources and the school curriculum. This could result in the Learning Resource Centre not being staffed fully.	35	9	35	Full saving should be achieved in 2024-25.
EDFS19	Communication and Relationships Team - Referrals only accepted for pupils who are at risk of permanent exclusion and placement breaking down. No longer completing observations for the ND Pathway	This could result in schools not following the local authority graduated response due to waiting times of support being implemented. Pupils placed on reduced timetables while schools await action plans could increase. This could result in pupils not progressing on the Neurodevelopmental Pathway due to specialist teachers being unable to complete professional recommendations.	142	0	0	Saving not met in 2024-25 due to the overall increase in pupils needing service. There has been a significant increase in the number of pupils receiving both fixed term and permanent exclusions across Bridgend. This has resulted in additional requests for 1:1 support, to maintain their education provision. In addition to this where a pupil has been identified as requiring a specialist class or provision and there is no available space an ancillary package of support is put in place to meet the Additional Learning Needs Provision identified in the pupils Individual Development Plan (IDP). As per the ALN Code for Wales 2021. We currently have waiting lists at every key stage and across provisions.
EDFS20	Welsh in Education Strategic Plan (WESP) - reduction in translation services and review of staffing	This could result in a less co-ordinated approach to increasing Welsh-medium education and seeking opportunities to engage in activities through the Welsh-medium. WESP Coordinator to translate which would impact the ability to meet targets set within the WESP and could lead to a failure in meeting Welsh Government targets to increase Welsh-medium education.	10	10	10	Full saving should be achieved in 2024-25.
EDFS21	School Music Service - cease payments of all Four counties ensemble financial commitments, cease all hire of vehicles for concerts etc	No offer of collaborative Four Counties activities to learners.	7	7	7	Full saving should be achieved in 2024-25.
EDFS23	Reduction in Catering Services maintenance budget	This could mean a reduction in the purchase of replacement equipment for kitchens and an inability to comply with new refuse legislation from April 2024 for food recycling. This could have an impact on the local authority's resilience to maintain school kitchens effectively.	154	154	154	Full saving should be achieved in 2024-25.
EDFS24	Review of staffing structure within the Education Directorate Support Unit (EDSU)	This could result in several challenges within the directorate's business function arm including the ability to coordinate correspondence, respond to Welsh Government requests and support administrative activity.	63	63	63	Two vacant posts in this service area contributed £72K in savings - £9K above target. This £9K has been used to contribute to EDFS26

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
EDFS25	Review of staffing structures and non-staffing budgets within the Corporate Health and Safety Unit (CHSU)	This could result in less specialist health and safety support available across the organisation and may require the local authority to purchase additional external support if required at a later date.	40	40	40	One vacant post in this service area contributed saving that are £9K above target. This £9K has been used to contribute to EDFS26
EDFS26	Review of staffing structure within Pupil Services	This could result in the directorate having less ability to discharge statutory functions (that is, school admissions, child performance licensing, chaperone licensing, child employment and the appointment of local authority governors).	18	18	18	See comments under EDFS24 and EDFS25
EDFS27	Review of staffing structures within Early Help	This could result in increased referrals to statutory services such as Social Care, and Child and Adolescent Mental Health Services (CAMHS). This could result in reduced support for learners, parents and carers.	132	132	132	Full saving should be achieved in 2024-25.
EDFS28	Youth Support - redistribution of resources including the provision of a mobile youth support facility	This could result in a lack of appropriate spaces for young people to socialise can lead to them becoming isolated which in turn has a negative impact on their emotional wellbeing and mental health. This impact could be mitigated by the use of the new mobile youth provision vehicle.	26	26	26	Full saving should be achieved in 2024-25.
EDFS29	Early Years and Childcare Team - reduction to project delivery budget (for example, training and grants available to childcare settings)	This could result in reduced training opportunities for the sector and the possibility of the team being unable to meet statutory requirements.	14	14	14	Full saving should be achieved in 2024-25.
EDFS30	Edge of Care Services - staffing restructure	This could result in a reduction of services to children and families.	84	84	84	Full saving should be achieved in 2024-25.
EDFS31	Youth Justice Service - review of staffing and non-staffing budgets	Loss of external provision could mean that the Bridgend Youth Justice Service would need to deploy an alternative operating model which may result in a decreased offer to young people.	34	34	34	Full saving should be achieved in 2024-25.
	Total Education, Early Years and Young People		1,560	954	1,247	

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
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SCHOOLS

SCH1	Efficiency savings against School Delegated Budgets - 3% in 2024-2025 then 2% for 2025-26 and 1% thereafter.	It is important to note that some of this impact may be mitigated by the financial support provided to schools from the local authority in assisting schools to meet cost pressures in relation to pay and pensions, and energy. Further to discussion with headteachers, the following potential impacts have been identified: 1. Risk of increased school deficit positions; 2. Potential to result in some teacher and other staff redundancies; 3. Increase in class sizes; 4. Loss of interventions; 5. Increase in staff absence; 6. Low staff morale; 7. Increased workload; 8. Reduced curriculum offer; 9. Reduced leadership/strategic thinking time; 10. Potential inability to meet statutory requirements; 11. Decrease in adult support in classrooms; 12. Increase in pupil exclusions; 13. Decline in standards; 14. Reduction in ability maintain school buildings; 15. Limited extra-curricular activity; 16. Increase in referrals for behaviour support; 17. Reduced support for learners with additional needs; 18. Reduction in professional learning opportunities; 19. Loss of expertise due to teachers and senior leaders leaving the profession.	3,441	3,441	3,441	Savings achieved due to overall reduction in Individual Schools Budget (ISB). However, reduced budgets have resulted in total projected deficit balances for schools at year end of £4.989 million at quarter 3.
Total Schools			3,441	3,441	3,441	
Total Education, Early Years and Young People Directorate			5,001	4,395	4,688	

SOCIAL SERVICES AND WELLBEING

SSW1	Reduction in staff mileage budgets	During the pandemic most meetings were arranged virtually, instead of in person. This arrangement has continued in the main since then with hybrid working, although there are clear cases where in-person meetings are essential, with the result that spend on mileage is less than pre-pandemic levels, and budgets can be reduced accordingly with no impact on service provision, but positive benefits for achieving net carbon zero.	128	96	128	Full saving should be achieved in 2024-25.
SSW2	Directorate Vacancy Management Factor	The introduction of an average 3% vacancy factor across the directorate - excluding front line services and grant funded and income generating posts. Recruitment has been an issue across the Council in recent years and there have been underspends in many services which cannot recruit to vacant posts. This target will need to be managed carefully and reviewed to ensure it is achievable.	255	191	255	Full saving should be achieved in 2024-25.

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
SSW3	Non Residential Charges Income Generation	Review of the service pricing model and increasing unit costs with a view to generating additional income. Based on unit cost increase of 7.5%. Services are provided to vulnerable adults following an assessment of need. There is risk that individuals will cancel care packages and not have their needs met which could result in higher packages of care required in the future cost and/or an increase in debt recovery. Welsh Government has set a maximum charge of £100 per week that can be charged to an individual for non-residential care, so for those people already paying the maximum amount no additional income will be generated. In terms of flat rate charges such as Transport and Meals, no additional income can be generated under the current regulations.	75	56	75	Full saving should be achieved in 2024-25.
SSW4	Remodelling Day Opportunities	As part of the wider prevention and wellbeing agenda the service is reviewing all daytime opportunities to create environments in vibrant and compassionate communities that offer a wide and diverse opportunity. This will enable the department to review how the localised community hubs are operated and managed. This will include transport arrangements, management structures and overall operation and service that is delivered. The review will include a rebalance of who operate day time services in Bridgend but could reduce the numbers attending and /or a reduction in current service provision.	200	200	200	Plans are in place and full saving should be achieved in 2024-25.
SSW5	Direct Payments Reimbursements	Invest to save proposal approved to fund a staff member to manage individual direct payment cases and action surplus fund reclaims to reduce overall spend. The savings target is net of the costs of implementing this proposal.	250	250	250	Full saving should be achieved in 2024-25.
SSW7	Review opportunities to amend the current energy payment arrangements for the leisure contract	A formal review and extension of contract could enable a change to how energy is paid for within the partnership with a positive impact on costs. Halo currently pay their energy bills directly but if BCBC were to pay there is greater economies of scale and potential tax savings. It would likely need a contract extension and review of the contract to justify such a change.	45	0	0	Advice received as to steps required to amend the partnership agreement to support the savings proposal. Update report required for Cabinet to seek approval for required changes

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
SSW8	Review the full repairing lease aspect of the Health Living Partnership Programme contract and opportunities to invest differently or less within the leisure estate	The poor condition and need for investment of the leisure assets was a key driver in the development of the healthy living partnership and there have been improvements and scheduled maintenance at all venues since 2012. Council may wish to review how much funding it wishes to be spent on asset repairs and maintenance and whether the full repairing lease can be reviewed. Some small reductions may be possible by reviewing options for investment. The impact would be increased pressure on the capital/minor works programme to cover repair and replacement requirements and potentially not all investment needs would be met. The contractual implications of the outcome of the review will need to be considered.	50	0	50	Contract negotiation required to implement saving proposal in development, however full saving should be achieved in 2024-25.
SSW9	Review the operating costs of leisure facilities	The operating costs of the leisure buildings have progressively improved since 2012 and as such the financial savings from building closures have reduced. A review of opening hours will deliver some efficiencies in 2024. A broader leisure strategy is being developed which will inform the remodelling of leisure in the county borough for future years.	30	0	30	Full saving should be achieved in 2024-25.
SSW11	BCBC to waive protections on concessionary pricing and discounted rates for the more vulnerable in leisure settings	These categories of user have been developed in line with the terms of the leisure contract seeking to support our most vulnerable by reducing cost as a barrier to accessing services that support wellbeing. There has been success in this and large numbers of people benefit from concessions including the means tested access to leisure scheme. This subsidy could be removed but risks would include levels of participation reducing and also related income. Many of the beneficiaries in this category are means tested. This may challenge the socio economic duty. These individuals are part of communities which have the lowest mortality rates and the highest burden of chronic disease in the county borough.	15	0	15	Full saving should be achieved in 2024-25.
SSW13	Council to reduce its investment into cultural services including the availability of buildings, services or resources relating to its libraries, supported employment, community venues and arts programmes	Will include consideration of a reduction in library opening hours, library resources, community centres, supported employment for people with disabilities, arts activity and resources (for BCBC to determine) and other services or venues managed on behalf of the Council. It will be for Council to determine the contractual changes it requires and the related changes to the partnership agreement. For some services there will potentially be the need for public engagement or consultation.	360	65	95	Cabinet report in May 2024 approved £50K reduction to book fund and removal of £15K subsidy for the Youth Theatre, along with public engagement over how future savings can be achieved. Maximisation of Shared Prosperity Fund will mitigate the shortfall against this proposal in 2024-25.
SSW14	Dual use facilities operated in partnership with schools to increase income generation in line with fees and charging policy	Sites are operated on a shared usage basis with management agreements. They benefit schools during the day and community beyond. In a number of instances external investment has developed facilities. An opportunity to increase charges and deliver a small saving. Operating costs have increased in recent times and no uplift. We would be looking to increase charges by a further 10%.	8	6	8	Full saving should be achieved in 2024-25.

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
SSW15	BCBC to withdraw or reduce its commitment to older persons strategy, ageing well in Bridgend and becoming an age friendly community	This would see a reduction to the older persons strategy budget which would limit BCBC to lead on Age Friendly Communities workstreams going forward. This is currently in the corporate plan. If agreed, this would require the policy to be changed. The grant to Cruse is also currently funded from this cost centre so a £20k reduction applicable overall.	15	15	15	Full saving should be achieved in 2024-25.
SSW17	BCBC consider efficiency savings from Third Sector Contracts - bereavement services	Annual grant payment which is a small contribution to larger scale service providing bereavement support for a range of circumstances. Will have been in demand during the pandemic period in particular. Would remove an important support service for those experiencing bereavement.	5	4	4	Notice served covering a 10 months saving in 2024-25.
SSW18	BCBC consider efficiency savings from Third Sector Contracts - dementia services	Annual grant payment, for which we are currently reviewing the specification, its need and how services to support people awaiting or receiving diagnosis fit within overall support available locally and regionally. Numbers of people experiencing dementia predicted to grow and reducing the resource would create demand for alternative support or services.	57	47	47	Notice served covering a 10 months saving in 2024-25.
SSW19	BCBC consider efficiency savings from Third Sector Contracts - stroke services	The service is commissioned by health, where BCBC made a 20% funding contribution. This reduction would impact directly on people who receive these services. The individual impact assessments are in development.	20	20	20	Full saving should be achieved in 2024-25.
SSW21	Reduction to the Healthy Living Partnership Management Fee from 2024-25	The saving will be achieved due to re-profiling the management fee and successfully securing funding from other sources to undertake improvement works/maintenance works that HALO would have otherwise undertaken. Extending the contract would support further potential for savings (SSW6). £164k of this saving relates to Management Fee and £36k relates to Leisure Client budget.	200	200	200	Full saving should be achieved in 2024-25.
SSW22	BCBC consider efficiency savings from Third Sector Contracts - substance misuse services	This is an annual grant payment, which has the potential to be ceased. An impact assessment will need to be completed as no new referrals from BCBC have been made this year, there is a potential that people receiving this service will need ongoing care and support and result in higher packages.	34	28	28	Notice served covering a 10 months saving in 2024-25.
SSW23	Reduction of the BCBC contribution towards the regional Western Bay adoption service	Based on the recent levels of refunds experienced since 2020-21, a reduction appears reasonable. The main risk is that the service may have an increase in cases where children should be placed for adoption and this will increase the usage of the regional service and associated costs.	250	250	250	Full saving should be achieved in 2024-25.

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
SSW24	SCWDWP Training Reductions 1. Reduction in use of external venues for training delivery. 2. Increase offer of hybrid learning opportunities e.g., on-line resources, e-learning and on-line training. 3. External training courses / conferences to be supported only where there is an identified need that cannot be met by in-house resources. 4. Use of internal staff to facilitate training workshops. 5. Reduce the impact of non-attendance at training by introducing a non-attendance charge.	Insufficient availability of internal venues suitable to hold training events. Certain training requires physical attendance and specialist resources. Requires ICT equipment and skills to access on-line activities. External trainers bring specialist knowledge and skills that internal trainers could not replicate.	50	50	50	Full saving should be achieved in 2024-25.
SSW25	Review of support staffing structure	Redundancy costs would have to be paid, risks in service delivery and compliance agenda which could result in poor regulatory judgements.	55	55	55	Full saving should be achieved in 2024-25.
SSW26	Increasing Charges for in-house care homes	Aim for full cost recovery on in-house care home charges	140	105	140	Full saving should be achieved in 2024-25.
SSW27	Reduction of contribution to BAVO SLA by 10%	Financial pressure on BAVO and reduced service provision for citizens of Bridgend	6	6	6	Full saving should be achieved in 2024-25.
	Total Social Services and Wellbeing		2,248	1,644	1,921	

COMMUNITIES

COM1	Reduction in staff mileage budgets	During the pandemic most meetings were arranged virtually, instead of in person. This arrangement has continued in the main since then with hybrid working, although there are clear cases where in-person meetings are essential, with the result that spend on mileage is less than pre-pandemic levels, and budgets can be reduced accordingly with no impact on service provision, but positive benefits for achieving net carbon zero.	34	17	34	Full saving should be achieved in 2024-25.
COM2	Directorate Vacancy Management Factor	The introduction of an average 5% vacancy factor across the directorate - excluding front line services and grant funded and income generating posts. Recruitment has been an issue across the Council in recent years and there have been underspends in many services which cannot recruit to vacant posts. This target will need to be managed carefully and reviewed to ensure it is achievable.	500	375	500	The directorate has made over 50% of the savings to date and current projections show the full saving should be achievable in 2024-25. The basis of the projection is that current vacancies would need to be held for the remainder of the financial year.

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
COM3	Increase garden waste subscription cost to £50 per household and £45 for pensioners (Currently £46 per household or £42 for pensioners)	Potential increase in fly tipping. Loss of subscribers especially as it is the second year the subscription has been increased. Increase would not result in full cost recovery under the current contract, but recyclable tonnages contribute to an improved recycling level against Welsh Government targets to reduce the likelihood of penalties.	13	13	13	Full saving should be achieved in 2024-25.
COM4	Increase bulky waste charges from £25 for 3 items to £30	Potential increase in fly tipping especially as it is the second year the charge has been increased. Increase would not result in full cost recovery under the current contract, but recyclable tonnages contribute to an improved recycling level against Welsh Government targets to reduce the likelihood of penalties.	10	7.5	10	Full saving should be achieved in 2024-25.
COM5	Removal of revenue budget used to fund the Council's Cardiff Capital Region City Deal (CCRCD) capital contribution	When the CCRCD was approved by the Council it was agreed that the Council's capital contribution (circa £11.3m) would be funded from revenue contributions and a recurrent budget pressure of £598k was included in the 2017-18 revenue budget. The total funding required is now almost complete which will enable the revenue budget to be reduced accordingly.	598	598	598	Full saving should be achieved in 2024-25.
COM6	Increase fees on Bereavement services, i.e. burial charges by 20%	Income target has been based on historic income levels achieved and the application of a 20% increase to current charges. There is a risk to achieving the income target if there is a reduction in burials compared with the last two years if they return to pre-pandemic levels, or if relatives seek alternative services from neighbouring authorities.	96	34	59	Fees and Charges increased from 1 April 2024. Income levels will continue to be monitored throughout the remainder of 2024-25 to assess deliverability of saving in full in 2025-26.
COM7	Review of charging mechanism for the Major Projects Team within Corporate Landlord (Architects) to ensure full cost-recovery	Fees to be aligned to industry standard charge out rates to ensure continued competitive rates reflective of the fair and reasonable costs of providing the service compared to an outsourced solution. Such charge out rates to factor in total costs of the major projects team as a whole. Schemes within the capital programme that are using the services of the Major Projects Team will see an increase in the rates charged to them.	97	0	97	Full saving should be achieved in 2024-25.
COM9	Cessation of Shopmobility Scheme	Non statutory service and has ceased since October 2022 following the closure of Brackla 1 Car Park.	21	12	21	Full saving should be achieved in 2024-25.
COM10	Review of Porthcawl Marina berthing fees with a view to it operating on a full cost recovery basis	This would involve a review of the berth fees and other operational costs to enable full cost recovery.	32	13	23	Fees and Charges increased from 1 April 2024. Operational costs continue to be reviewed to ensure budget reduction proposal can be met in full going into 2025-26.
COM11	Cessation of the Parks & Playing Fields Development Fund	In the MTFs 2020-21 to 2023-24 Council approved £75,000 of funding, for a period of two financial years, to support voluntary sports clubs based within the county of Bridgend. This funding period has now come to an end so the funding will be removed.	75	75	75	Full saving should be achieved in 2024-25.
COM12	Removal of non-staffing budget within Economic Development	Budget previously used to support delivery of events, pop up business schools e.g. "rebel business school". The reduction in budget will impact on the economic support able to be provided by BCBC for similar events in the future. Will now source external grant funding for this initiative.	13	13	13	Full saving should be achieved in 2024-25.

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
COM13	Reduce the budget available for the Climate Emergency Response Programme, including ULEV implementation	The Climate Emergency Programme will have to be remodelled. This will impact on the Welsh Government's net zero 2030 target and will now require additional grant funding from external sources or joint working with partners to achieve our ambitious targets.	55	55	55	Full saving should be achieved in 2024-25.
COM14	Office Rationalisation to include closing Raven's Court and the Innovation Centre and sharing accommodation in Civic Offices with the MASH and SWP.	Opportunity to close underused buildings & save running costs. Also to increase close working relations with South Wales Police and MASH and utilise largely unused area of the Civic Offices. Will also be an opportunity to cover 190K of unrealised savings on accommodation from previous years.	73	0	0	There have been delays to implementing the proposal. The service anticipates this proposal can be met in full in 2025-26.
COM15	Reduce weed spray from 3 times to 2 times a year, reversal to former MTFFS cut.	Will impact on the perceived visual amenity of the Borough, need to look at this with grass cutting and through biodiversity measures.	12	12	12	Full saving should be achieved in 2024-25.
COM17	Removal of Sponsorship for Major Events Fund	Removal of ability to sponsor major Event in 2024/2025 & receive the benefits that accrue from the global marketing opportunities that events provides. Will need to focus increased marketing activities through partnerships in future years.	25	25	25	Full saving should be achieved in 2024-25.
COM18	Reduction in County Wide Strategic Regeneration Funds	Will significantly impact regeneration initiatives & remove the ability to match fund external grants and undertake feasibility studies, parking studies etc. Will impact on both by restricting the ability to match fund external grant schemes and provide regeneration opportunities in our towns centres and valleys. No town centre management activities funded in the future, including summer fayres & events.	300	300	300	Full saving should be achieved in 2024-25.
COM19	Reduction in size of strategic regeneration team to release core funding	Redundancy and restructure required. Will reduce the capacity of the team to deliver regeneration schemes, will involve cessation/ omitting of projects and reprioritisation of work. Corporate Plan Obj's 2 & 3 will be impacted by the reduced resourcing so a reduction in the regeneration that can be achieved and the resulting economic benefits. Following commitment will be at risk of not be realised: 1. Deliver a regeneration strategy for the Ogmores and Garw Valleys. 2. Develop funding bids for our valleys, to enhance the economy and stimulate new job opportunities 3. Deliver a commercial property enhancement grant for all valleys high streets, to make them look better and bring properties back into commercial use. 4. Redevelop Bridgend Central Station, including improving the front public area with a transport interchange at the rear, providing links between bus services and trains, in partnership with Welsh Government and Network Rail.	42	42	42	Full saving should be achieved in 2024-25.
COM22	Removal of Trainee Surveyor Post (Currently Vacant)	Reduction in number of posts within the structure will impact on the effectiveness and efficiency of the service area. Removal of succession planning. Will impact posts around it who will have to pick up functions of this role. Possible impact on line manager grade and partial service restructure required	33	33	33	Full saving should be achieved in 2024-25.

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
COM23	Reduce available property maintenance budgets in Corporate Landlord by up to 10% per asset	Risk to safety and statutory building compliance. Reduction of maintenance activity counter productive for long term asset operation. This reduction would be limited to assets where non essential maintenance items can be removed. Will have a resulting negative affect on teams delivering maintenance functions with reduction in volume of orders, but these reductions have been taken previously and could be taken again if required	100	0	100	Full saving should be achieved in 2024-25. The service continues to look at opportunities to effectively use the Council's minor works budget to support ongoing maintenance spend on corporate assets.
COM26	Cessation of provision of hard copy recycling calendar to all residents	Item is non-provisional so negotiation would be required with the contractor. Portal allows residents to check their collection day online but may cause some issues for those without access to internet.	45	45	45	Full saving should be achieved in 2024-25.
COM28	Letting of former Woodmat Property, Brynmenyn Estate	Would maximise income but result in loss of use of asset for future depot or CRC relocation. Also, Loss of significant power supply at site for future ULEV charging facilities	35	0	0	Ongoing opportunities being sought to achieve this budget reduction proposal, but let not agreed by end of quarter 3. Projections will continue to be updated as opportunities continue to be sought.
COM29	Removal of Estimator & Cost Control Manager – DLO (Currently Vacant)	Removal of post would require supervisor to undertake duties of cost control.	45	45	45	Full saving should be achieved in 2024-25.
COM30	Switch Waste collection vehicles from HVO fuel to Diesel	Green deliverability as implementation is straightforward. But would represent a backwards step environmentally switching from green vegetable derived fuel back to a fossil fuel, albeit in WG Co2 reporting mechanisms minor variance.	136	136	136	Full saving should be achieved in 2024-25.
COM31	Release of 2 x vacant strategic transport planning posts	No further work on statutory active travel programme and on development of active travel network and other highway infrastructure improvements impacting viability and future development. Council will not be able to fulfil the Local Development Plan policy requirements and loss of S106 contributions Inability to commit to planning performance agreements for large scale schemes/development resulting in a loss of financial contributions No submission of bids for future transport funding under Levelling Up Fund or Shared Prosperity Fund No further work on current Bridgend strategic transport priorities Failure to comply with statutory duties under the Active Travel Act and national planning policy.	70	70	70	Full saving should be achieved in 2024-25.
Total Communities Directorate			2,460	1,921	2,306	

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
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CHIEF EXECUTIVES

CEX1	Reduction in staff mileage budgets	During the pandemic most meetings were arranged virtually, instead of in person. This arrangement has continued in the main since then with hybrid working, although there are clear cases where in-person meetings are essential, with the result that spend on mileage is less than pre-pandemic levels, and budgets can be reduced accordingly with no impact on service provision, but positive benefits for achieving net carbon zero.	18	10	18	Full saving should be achieved in 2024-25.
CEX2	Directorate Vacancy Management Factor	The introduction of an average 3% vacancy factor across the directorate - excluding front line services and grant funded and income generating posts. Recruitment has been an issue across the Council in recent years and there have been underspends in many services which cannot recruit to vacant posts. This target will need to be managed carefully and reviewed to ensure it is achievable.	510	295	399	Current projections indicate over 78% of the saving should be achieved in 2024-25. Unplanned vacancies will be added to the projection as the financial year progresses to reduce the shortfall.
CEX3	Removal of the security patrols at Brynmenyn House - Homelessness hostel	There have been significant challenges since Covid-19. Numerous Community Safety Partnership meetings have been held with ward Councillors and local residents. The security, alongside additional CCTV cameras and lighting, have been part of a package of measures to support the community cohesion. The removal / reduction of the service, would reduce visibility and ability to react to situations, and potentially increase police presence, as these were reduced due to the presence of the security.	150	150	150	Full saving should be achieved in 2024-25.
CEX4	Efficiency saving target targeting supplies and services budgets within Housing Solutions	Limited impact as review has identified small historic under spends against this budget category	35	35	35	Full saving should be achieved in 2024-25.
CEX5	Increase Rental income budget at Brynmenyn House - Homelessness hostel	Limited impact as proposal reflects income levels consistently achieved since the Covid-19 pandemic.	63	63	63	Full saving should be achieved in 2024-25.
CEX6	Staffing saving in Finance Section	Staff saving in finance section achieved through removal of vacant posts and potential restructuring. This will place additional pressure on remaining staff, putting deadlines for grant returns and accounts closure at risk, impacting on levels of grant income achievable.	71	71	71	Full saving should be achieved in 2024-25.
CEX7	Reduced contribution to the Regional Internal Audit Service (RIAS)	Requirement for Head of Internal Audit to provide an annual audit opinion on the Council's control environment in relation to governance, risk management and internal control, which may be more difficult if less audit work undertaken. Consultation on the budget also required with other RIAS partners.	27	27	27	Full saving should be achieved in 2024-25.
CEX8	Charging the public for Pest Control Services	Look to implement a full cost recovery model for this service	67	6	31	Based on income achieved to date, it is projected the saving will be partly achieved, however this will be closely monitored as we progress through the year

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
CEX9	Reduction of ICT Printing costs	Due to the increase in working from home across the authority, savings can be explored in the ICT Print Strategy areas when the printing framework contract is considered for renewal in January 2024. The tender will be designed to be in line with the cultural shifts towards the paperless office agenda.	5	2	5	Full saving should be achieved in 2024-25.
CEX10	Amend the Disclosure and Barring Service (DBS) Policy to only recheck every three years for employees governed by the Care Standards Act 2000, not for all employees who require a DBS.	This approach is being followed in neighbouring authorities, but the impact will be that the employees (outside the Care Standards Act 2000) will only have a DBS on appointment.	30	7	13	Updated policy has been approved by Council and implemented from 1 May 2024.
CEX11	Increase in various Registrars income budgets	Limited impact as proposal reflects income levels consistently achieved since the Covid-19 pandemic.	50	50	50	Full saving should be achieved in 2024-25.
CEX12	Increased income from Registrars' Ceremonies	Increasing the fees charged for Marriages and other ceremonies by 15%. We are currently charging below the Welsh average. The increased cost could potentially reduce demand, however the Registrar's fee is a small percentage of the overall cost of the average wedding budget. It is also an essential requirement for a wedding and it is therefore anticipated that this increase in fee will have minimal impact on demand.	43	22	50	Full saving should be achieved in 2024-25.
CEX13	Restructure of Legal Services	Reduction in capacity, reduction in service delivery, and impact on staffing levels. If the whole saving is agreed this will be the equivalent of 4 posts.	154	62	94	The restructure of Legal Services has been completed. There is a shortfall for 2024-25 due to residual salary costs of posts removed from the structure, however the savings will be made in full from 2025-26.
CEX14	Reconfiguration of Business Support	Significant reduction in business support management and resilience, creating a single point of failure. Business Support is pivotal to managing the central business support to the Chief Executive, Communities and Education and Family Support Directorates. It will create a significant capacity risk in day-to-day management and add to workload pressure and stress down through the structure. The reconfiguration will look at making additional savings across the teams, but this will impact on such things as providing management information to services, particularly Corporate Landlord, supporting Legal Services accreditation to LEXEL, the ability to support minute taking of HR disciplinary and other such investigations, family support services, Youth Justice Services and performance management.	160	100	105	Shortfall in savings target due to timing of implementation of restructure, mitigated partly by under spends on vacant posts. Saving will be achieved in full by 2025-26.
CEX15	Increase income generated from legal fees for property transactions, S106 Agreements and Highway Agreements	Currently the Service charge a set fee of £2k for the S106 process and highway agreements are based on a percentage of the estimated cost of the works for a highway scheme which is currently 1%. An estimate figure of potential increase in income has been given but this is subject to take up of the service and could be more or less.	20	5	20	Full saving should be achieved in 2024-25.

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
CEX16	Restructure of HR Service	Reduction in capacity, reduction in service delivery, and impact on staffing levels. If the whole saving is agreed this will be the equivalent of 7 posts.	289	203	203	Phase 1 of the HR service restructure has been completed. There is a shortfall for 2024-25 due to residual salary costs of posts removed in the restructure. Phase 2 is due to commence later in the year.
CEX17	Household Canvas - Reduction / Limited Canvass Door Knocking	Will focus on poor response areas but will draw criticism from Electoral Commission.	9	9	9	Full saving should be achieved in 2024-25.
CEX18	Restructure of Procurement Team	Reduction in capacity, reduction in service delivery, and impact on staffing levels. If the whole saving is agreed this will be the equivalent of 2 posts.	62	35	62	Full saving should be achieved in 2024-25.
CEX19	Restructure of Democratic Services	Reduction in capacity, reduction in service delivery, and impact on staffing levels. If the whole saving is agreed this will be the equivalent of 2 posts.	96	30	80	Shortfall in savings target due to timing of implementation of restructure, however full saving should be achieved in 2025-26
CEX20	Restructure of Corporate Policy and Public Affairs Team	Service could not expand and develop as proposed. Graduates could assist until their contract expires (Nov 2024)	45	30	45	Full saving should be achieved in 2024-25.
CEX21	Review of provision of Homelessness Service	Review the options for providing accommodation to those who are homeless by reducing reliance on hotel and private provision	397	199	397	Service area is continuing with the work to reduce the temporary accommodation pressures for single bed units with the aim of reducing the use of the tourism sector.
CEX22	Review of ICT Services	Review the contract for telephony services to commence from April 2024. Review the use of teams in the Authority to reduce software costs. Consider partnership working to support and enhance the ICT provision	398	0	177	Further work to be carried out on a review of the telephony budget across the Council. Update to be provided to Cabinet in future revenue monitoring reports.
CEX23	Review the provision of Partnerships and Customer Services	Reduction in capacity, reduction in service delivery, and impact on staffing levels. Review input from partners where appropriate	216	62	216	Full saving should be achieved in 2024-25.
CEX24	Reduce subsidy to Citizens Advice Bureau by 10%	Financial pressure on CAB and reduced service provision for citizens of Bridgend	22	22	22	Full saving should be achieved in 2024-25.
CEX25	Staff savings from Finance senior management team	This will require a restructure of the Finance senior management team, and potential redundancies, reducing senior leadership capacity and knowledge and experience, at a time of increasing focus and pressure on council finances. This will place additional pressure on remaining staff.	70	0	18	Shortfall in savings target due to timing of implementation of restructure. Saving will be achieved in full by 2025-26.
CEX26	Increase in Finance income budgets	Increase in charges to the Finance Section's clients, including schools and other services / organisations where the finance team provide support e.g. Consortium of Local Authorities in Wales (CLAW).	28	28	28	Full saving should be achieved in 2024-25.
CEX27	Restructure of the Council's Benefits and Assessment Team	This will require a restructure and potential redundancies. This would be exacerbated by annual reductions to the Housing Benefits Administration Grant, which is £20k in 2024-25. The impact will be longer times taken to process housing benefits and council tax reduction claims, and undertake assessments, and more likelihood of error and fraud.	90	90	90	Full saving should be achieved in 2024-25.

MONITORING OF 2024-25 BUDGET REDUCTIONS

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Proposed 2024-25 £'000	Value achieved to date 2024-25 £'000	Value Likely to be Achieved 2024-25 £'000	Reason why not likely to be achievable
CEX28	Reduction of staffing in the Council Tax section	This proposal will mean the reduction of staffing, resulting in additional pressure on remaining staff, delays in processing council tax queries, and the real likelihood of reductions in the amount of council tax income being collected. The team is already dealing with additional work as a result of the introduction of council tax premiums for empty properties and the forthcoming introduction of premiums for second homes.	63	63	63	Full saving should be achieved in 2024-25.
CEX29	Reduction to the Shared Regulatory Service budget	Reduction in capacity, reduction in service delivery, and impact on staffing levels. Service has been asked to identify savings by three partner Councils and decision will be made by Joint Committee.	58	58	58	Full saving should be achieved in 2024-25.
	Total Chief Executive's Directorate		3,246	1,734	2,599	

CORPORATE/COUNCIL WIDE

CW1	Increased income receivable from investments and loans	No impact in the short term as current income is significantly higher than budget. However, if interest rates fall below pre-pandemic levels then the level of income will fall. The council's cashflow is managed carefully to ensure security, liquidity and yield, so funding is not placed at risk. As reserves are drawn down there will be less funding available for investing and this level of income may not be achievable.	90	90	90	Full saving should be achieved in 2024-25.
	Total Corporate/Council Wide		90	90	90	

GRAND TOTAL REDUCTIONS	13,045	9,784	11,604
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REDUCTION SHORTFALL			1,441
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6,415	3,456	6,317
2,243	4,054	3,058
4,387	5,535	3,670
13,045	13,045	13,045

BRIDGEND COUNTY BOROUGH COUNCIL	Budget 2024-25			Projected Outturn	Projected Variance Over/(under) budget	% Variance
	Expenditure Budget	Income Budget	Net Budget			
	£'000	£'000	£'000			
EDUCATION, EARLY YEARS AND YOUNG PEOPLE						
School Delegated Budgets	139,913	(21,302)	118,611	118,611	-	0.0%
Learner Support Group	7,984	(1,004)	6,980	8,101	1,121	16.1%
Early Years and Young People Group	7,060	(4,133)	2,927	2,719	(208)	-7.1%
Strategic Performance and Support	18,339	(4,428)	13,911	14,384	473	3.4%
Schools Support	1,428	(838)	590	613	23	3.9%
Sustainable Communities For Learning	3,959	-	3,959	3,920	(39)	-1.0%
Other Education and Family Support	1,867	(60)	1,807	1,859	52	2.9%
TOTAL EDUCATION, EARLY YEARS AND YOUNG PEOPLE	180,550	(31,765)	148,785	150,207	1,422	1.0%
SOCIAL SERVICES AND WELLBEING						
Adult Social Care	97,465	(24,735)	72,730	73,479	749	1.03%
Prevention and Wellbeing	7,513	(1,039)	6,474	6,085	(389)	-6.01%
Childrens Social Care	31,365	(1,179)	30,186	32,622	2,436	8.07%
TOTAL SOCIAL SERVICES AND WELLBEING	136,343	(26,953)	109,390	112,186	2,796	2.6%
COMMUNITIES DIRECTORATE						
Planning & Development Services	2,327	(1,621)	706	706	-	0.0%
Strategic Regeneration	2,104	(1,149)	955	869	(86)	-9.0%
Economy, Natural Resources and Sustainability	13,742	(12,253)	1,489	1,391	(98)	-6.6%
Cleaner Streets and Waste Management	15,242	(1,773)	13,469	13,763	294	2.2%
Highways and Green Spaces	26,395	(13,512)	12,883	13,340	457	3.5%
Director and Head of Operations - Communities	287	-	287	293	6	2.1%
Corporate Landlord	15,717	(12,507)	3,210	3,462	252	7.9%
TOTAL COMMUNITIES	75,814	(42,815)	32,999	33,824	825	2.5%
CHIEF EXECUTIVE'S						
Chief Executive Unit	494	-	494	502	8	1.6%
Finance	39,360	(35,284)	4,076	4,327	251	6.2%
HR/OD	2,345	(398)	1,947	2,020	73	3.7%
Partnerships	3,506	(1,227)	2,279	2,454	175	7.7%
Legal, Democratic & Regulatory	6,992	(1,145)	5,847	6,464	617	10.6%
Elections	181	-	181	181	-	0.0%
ICT	5,215	(1,259)	3,956	4,248	292	7.4%
Housing & Homelessness	11,473	(7,921)	3,552	3,963	411	11.6%
Business Support	1,244	(116)	1,128	1,223	95	8.4%
TOTAL CHIEF EXECUTIVE'S	70,810	(47,350)	23,460	25,382	1,922	8.2%
TOTAL DIRECTORATE BUDGETS	463,517	(148,883)	314,634	321,599	6,965	2.2%
Council Wide Budgets	47,011	(974)	46,037	32,285	(13,752)	-29.9%
NET BRIDGEND CBC	510,528	(149,857)	360,671	353,884	(6,787)	-1.9%

NB: Differences due to rounding of £000's

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Agenda Item 8

Meeting of:	CABINET
Date of Meeting:	14 JANUARY 2025
Report Title:	UPDATE TO THE COUNCIL'S FINANCIAL PROCEDURE RULES
Report Owner / Corporate Director:	CHIEF OFFICER FINANCE, HOUSING AND CHANGE
Responsible Officer:	DEBORAH EXTON DEPUTY HEAD OF FINANCE
Policy Framework and Procedure Rules:	The Financial Procedure Rules form a key component of the Council's Constitution. They provide the framework for managing the Council's financial affairs. The procedures identify the financial responsibilities of the Council, Cabinet and Officers.
Executive Summary:	An updated version of the Council's Financial Procedure Rules (FPRs) were approved by Cabinet on 19 November 2024. A recommendation was made to Council on 20 November 2024 to include the updated FPRs in the Council's Constitution. Council felt that there were some sections of the FPRs which needed further review and strengthening so requested that these be considered in order for an updated version to be taken to Cabinet in December for approval, with a view to bringing the amended version back to Council for inclusion in the Constitution. This report provides further changes to the FPRs, following the report to Cabinet in November, for Cabinet's approval. The revised Financial Procedure Rules will be included within the Constitution once approved.

1. Purpose of Report

- 1.1 The purpose of this report is to seek approval from Cabinet for an updated version of the Council's Financial Procedure Rules (FPRs).

2. Background

- 2.1 The management of the Council's financial affairs are conducted in accordance with the Financial Procedure Rules set out in Section 17 of the Council's Constitution. An updated version of the Council's Financial Procedure Rules (FPRs) were approved by Cabinet on 19 November 2024. A recommendation was made to Council on 20

November 2024 to include the updated FPRs in the Council's Constitution. Council felt that there were some sections of the FPRs which needed further review and strengthening so requested that these be considered in order for an updated version to be taken to Cabinet in December for approval, with a view to bringing the amended version back to Council for inclusion in the Constitution.

3. Current situation/ proposal

3.1 The Financial Procedure Rules have been further reviewed by officers and Cabinet Members following the discussion at Council on 20 November 2024 and have proposed the following additional amendments to the FPRs:

Paragraph	Original	Amended
5.7	Each Chief Officer shall, as soon as practical, report to Cabinet the total of extras or variations to any contract which exceeds 10% of the original contract sum, or £100,000 whichever is the greater.	Added 'subject to a maximum of £500,000'.
9.3	Any changes to authorisation limits should be notified to the Business Support Manager promptly.	Changed 'promptly' to 'within a month'.
9.4	There are a small number of exceptions where some payments are permitted to be paid in advance without prior approval. These include:	Added in: <ul style="list-style-type: none"> • Advance payments to Third Sector organisations will be considered in line with the Welsh Government Third Sector Scheme and guidance set out in the Code of Practice for Funding the Third Sector, where financial hardship can be evidenced.

3.2 The proposed amendments to the Financial Procedure Rules are shown via tracked changes at **Appendix 1**, and a clean version of the Financial Procedure Rules is attached at **Appendix 2**. A report shall be taken to Council to amend the Constitution to incorporate the revisions to the Financial Procedure Rules.

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 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 changes to the Financial Procedure Rules as they are being proposed to reflect current practice.

9. Recommendations

9.1 Cabinet is recommended to:

- approve the amendments to the Financial Procedure Rules outlined in **Appendix 1**;
- note that a separate report will be presented to Council to incorporate the revised Financial Procedure Rules into the Constitution, as attached at **Appendix 2**.

Background documents

None

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FINANCIAL PROCEDURE RULES**Introduction****What are Financial Procedure Rules?**

Financial Procedure Rules provide the framework for managing the Council's financial affairs. They are supported by more detailed specific guidance and procedure notes in a range of areas. The procedures identify the financial responsibilities of the Full Council, the Cabinet and Officers.

Why are they important?

- (a) To conduct its business effectively, the Council needs to ensure that sound financial management arrangements are in place and that they are strictly adhered to in practice. Part of this process is the establishment of Financial Procedure Rules which set out the financial responsibilities of the Council. These procedure rules have been devised as a control to help the Council manage its financial matters properly in compliance with all necessary requirements.
- (b) Good, sound financial management is a key element of the Council's Corporate Governance framework which helps to ensure that the Council is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.
- (c) Good financial management secures value for money, controls spending, ensures due probity of transactions and allows decisions to be informed by accurate accounting information.
- (d) Good financial management requires secure and reliable records and systems to process transactions and information and substantiate the effective use of public money.
- (e) Financial Procedure Rules should not be seen in isolation, but rather as part of the overall regulatory framework of the Council as set out in this Constitution.

Who do Financial Procedure Rules apply to?

- (f) Financial Procedure Rules apply to every Member and Officer of the Council and anyone acting on its behalf. Members and Officers have a general responsibility for taking reasonable action to provide for the security and use of the resources and assets under their control, and for ensuring that the use of such resources and assets is legal, is consistent with Council policies and priorities, is properly authorised, provides value for money and achieves best value.
- (g) Separate financial procedure rules have been incorporated into the Council's Financial Scheme for Schools and relate to those matters where decisions have been delegated to school governing bodies.

- (h) These Financial Procedure Rules shall apply in relation to any partnership for which the Council is the accountable body, unless the Council expressly agrees otherwise.
- (i) Failure to observe Financial Procedure Rules may result in action under the Council's disciplinary procedures.

Who is responsible for ensuring that they are applied?

- (j) Chief Officers and Heads of Service are ultimately responsible to the Council for ensuring that Financial Procedure Rules are applied and observed by their staff and contractors providing services on the Council's behalf and for reporting to the Chief Finance Officer any known or suspected breaches of the procedures.
- (k) The Chief Finance Officer is responsible for maintaining a continuous review of the Financial Procedure Rules and submitting any additions or changes necessary to Council for approval. The Chief Finance Officer is also responsible for reporting, where appropriate, breaches of the Financial Procedures to Council and/or to Cabinet Members.
- (l) The Chief Finance Officer is responsible for issuing advice and guidance to underpin the Financial Procedure Rules which Members, Chief Officers and others acting on behalf of the Council are required to follow.
- (m) Where any Chief Officer considers that complying with Financial Procedure Rules in a particular situation might conflict with the achievement of value for money or the principles of Best Value or the best interests of the Council, they shall raise the issue with the Chief Finance Officer who will, if they consider necessary and appropriate, seek formal approval from the Council for a specific waiver of the procedures, or an amendment to the procedures themselves.

Section A - Financial Control

1. General

1.1 For the purposes of these Rules:

- (a) "the Chief Executive Officer" means the officer designated by the Council as Head of Paid Service under Section 4 of the Local Government & Housing Act 1989.
- (b) "the Chief Finance Officer" means the officer designated by the Council as the officer responsible for the administration of its financial affairs under Section 151 of the Local Government Act 1972.
- (c) "Chief Officer" means any of the following:
 - The Chief Executive Officer;
 - The Corporate Director - Social Services and Wellbeing;
 - The Corporate Director – Education, Early Years and Young People;
 - The Corporate Director - Communities;
 - Chief Officer – Legal and Regulatory Services, Human Resources and Corporate Policy.
 - Chief Officer – Finance, Housing and Change.

- (d) “the Monitoring Officer” means the officer designated as such by the Council under Section 5 of the Local Government & Housing Act 1989.
 - (e) “the Cabinet” means the Executive established under Part II of the Local Government Act 2000.
 - (f) “Cabinet Member” means the Leader and any of the members of the Cabinet.
 - (g) “Budget Head” means the budget for a particular service/services.
- 1.2 A Chief Officer may nominate any suitably qualified officer in their Directorate to undertake any of the duties placed upon him or exercise any power granted to him by these Rules.
- 1.3 Each Chief Officer shall consult with the Chief Finance Officer on any matter which is liable to materially affect the finances of the Council before any commitment is incurred and before reporting thereon to the Cabinet or the Council.
- 1.4 (a) Chief Officers shall be responsible for bringing these Financial Procedure Rules to the attention of staff and for ensuring the observance of these Rules throughout their respective Directorates;
- (b) Staff who fail to observe these Rules may be subject to disciplinary action.
- 1.5 Each Chief Officer shall be responsible for the accountability of staff, and the security, custody and control of all other resources including plant, buildings, materials, cash and stores appertaining to their individual Directorates in accordance with the procedures agreed with the Chief Finance Officer.
- 1.6 Each Chief Officer shall have a duty to endeavour to maximise the value for money obtained in running the activities within their purview.
- 1.7 Each Chief Officer shall have a duty to consult the Chief Finance Officer if they have reason to believe that any matter within their purview may result in:
- (a) The Council incurring expenditure in excess of its approved budget;
 - (b) The Council incurring expenditure for which it has no statutory power to incur;
 - (c) The Council failing to comply with the financially related provisions of any relevant European and UK legislation;
 - (d) The Council failing to comply with the financially related provisions of any code of practice adopted by the Council.
- 1.8 Whenever any matter arises which involves or is thought to involve irregularities concerning cash, stores or other property of the Council or held on trust by the Council, the Chief Officer concerned shall notify the Chief Finance Officer who shall take such steps as they consider necessary by way of investigation and report.
- 1.9 Each Chief Officer shall have a duty to inform the Chief Finance Officer and the Monitoring Officer if they suspect that the Council or its officers are exceeding the Council's statutory powers.

- 1.10 No Chief Officer may recommend to the Council or the Cabinet that expenditure be incurred or any other action taken on the assumption that sufficient statutory power is provided by either Sections 137 of the Local Government Act 1972 and Section 2 of the Local Government Act 2000, without prior approval of the Chief Finance Officer and the Monitoring Officer.
- 1.11 The Chief Finance Officer in consultation with the Monitoring Officer shall be authorised to vary from time to time any amount included in the Rules, but any alteration shall be reported to the next meeting of Council.
- 1.12 Separate Financial Rules shall be issued by the Chief Finance Officer for use by the Council's schools, drawing on, and supplementing this document, as appropriate.

2. Accounting Systems

- 2.1 All accounting procedures and accounting records of the Council and its Officers shall be subject to the approval of the Chief Finance Officer.
- 2.2 All accounts and accounting records of the Council shall be compiled by, or under the direction of, the Chief Finance Officer.
- 2.3 The following principles shall be observed in the allocation of accounting duties:
 - (a) The duties of providing information regarding sums due to or from the Council and of calculating, checking and recording these sums, shall be separated as completely as possible from the duty of collecting or disbursing them;
 - (b) Officers charged with the duty of examining and checking the accounts of cash transactions shall not themselves be engaged in any of these transactions.
- 2.4 A Chief Officer shall be responsible for the financial management and audit of any private fund entrusted to him as part of their duties and will apply regulations to such funds as stipulated by the Chief Finance Officer.
- 2.5 Notwithstanding the duties of a Chief Officer in Rule 2.4, the Chief Finance Officer shall have the right to audit any private fund at any time.
- 2.6 For the purposes of these Rules "private fund" shall mean any fund in the management of which a Chief Officer of the Council is concerned and which may affect any person or property for which the Council has a responsibility, notwithstanding that contributions towards such fund shall have been made by another party other than the Council.

3. Budgeting and budgetary control

3.1 Council's Budget

- 3.1.1 The Budget shall be approved by the Council in accordance with the Budget and Policy Framework Procedure Rules (Section 16);
- 3.1.2 In referring the Cabinet's Budget Proposals to Council the proper officer will forward to the Council a report of the Chief Finance Officer incorporating the recommendations of the Cabinet and detailing for approval of the Council:
 - (a) a probable out-turn for the current year;

- (b) a revenue budget for the forthcoming year detailing the Budget Heads over which that budget is allocated to specific services and service programme areas;
- (c) a forward indication of the medium term financial strategy which will comprise the revenue budget for the first year and indicative budgets for the subsequent three years and a capital budget for the forthcoming year incorporating a capital programme of at least three years, but no more than ten years;
- (d) an assessment of any major financial risks which may impact on the budget;
- (e) an analysis of reserves and balances and movements over the forthcoming financial year;
- (f) the proposed increase in fees and charges for the forthcoming year;
- (g) a recommendation of the level of Council Tax to be levied for the forthcoming year.

3.1.3 The detailed form of the Budget will be determined by the Chief Finance Officer within the general direction of the Council and Cabinet after consultation with Chief Officers.

3.2 Amendments to the agreed budget (virements and technical adjustments)

- 3.2.1. Each Chief Officer shall have the authority to incur expenditure on any activity under their control up to the amounts specified in respect of that activity in the revenue or capital budgets approved by the Council for the financial year, unless directed otherwise by the Chief Finance Officer.
- 3.2.2 Each Chief Officer, subject to the agreement of the Chief Finance Officer, may approve virements between specific revenue Budget Heads, as set out in the Medium Term Financial Strategy, which do not amend any individual Budget Head by more than £100,000 from that approved by the Council. The relevant Chief Officer and Chief Finance Officer must jointly report to Cabinet on any virements which amend individual Budget Heads by more than £100,000.
- 3.2.3 Cabinet may, following a report of the appropriate Chief Officer in consultation with the Chief Finance Officer, approve virements between individual revenue Budget Heads which do not amend any individual budget head by more than £500,000 from that approved by the Council.
- 3.2.4 All approved virements over £100,000 must be reported to the Council for information as soon as reasonably practicable after their approval.
- 3.2.5 Any variations to the capital programme, other than those permitted under paragraph 3.4.6, shall require the approval of the Council following a report of the Chief Finance Officer after taking into consideration the recommendations of the Cabinet.
- 3.2.6 All proposals for revenue and capital budget virements that exceed the above limits will need to be approved by the Council on receipt of a report of the appropriate Chief Officer in consultation with the Chief Finance Officer following consideration by the Cabinet. Virement proposals must also be approved by the Council if they:

- a) imply a change in a plan, policy or strategy which would be contrary to the existing policy framework;
- b) have a major operational impact on existing service provision;
- c) are contrary to or not wholly in accordance with the Budget;
- d) imply any additional revenue commitment in future years.

3.2.7 There are also technical adjustments to budgets as a result of the Council adhering to the Chartered Institute of Public Finance and Accountancy's Code of Practice on Local Authority Accounting. These could include, but are not limited to, the reallocation of centrally held pay and price budgets to other areas within the Council or the allocation of capital charges across the Council, and necessary year end accounting adjustments in line with accepted accounting practices. These are not subject to the authorisation limits of budget virements and the Chief Finance Officer or nominated representative can authorise these.

3.3 Budgetary control

- 3.3.1 The Chief Finance Officer shall provide each Chief Officer with regular information relating to income and expenditure under each approved budget head and any other relevant information available. Each Chief Officer shall be responsible for ensuring control of expenditure and income against the approved budget (attention is drawn to Rule 6.1).
- 3.3.2 A Chief Officer in consultation with the Cabinet Member responsible for the function in respect of which the service is provided will be 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. A Chief Officer or Cabinet Member may not incur expenditure or forego income if this will result in the approved budget being exceeded. Where a Directorate does overspend, the provisions of para 3.3.5 will take effect.
- 3.3.3 A Chief Officer may delegate responsibility for management of budgets within their control to other senior officers within their Directorate. Such delegation shall be within defined parameters and shall be recorded in writing as determined by the Chief Finance Officer.
- 3.3.4 At year end, consideration will be given to the overall financial position of the Council including the final outturn, net council tax income, the Council's reserve levels and any new pressures or risks that need to be provided for. At that time, and dependent on that financial position, in line with the Council's Reserves and Balances Protocol, a Chief Officer will be invited to submit earmarked reserve requests to meet any specific unfunded one-off expenditure that they expect to arise in the following financial year and these will be considered by the Chief Finance Officer in the context of the Directorate outturn position as well as that of the Council as a whole. Chief Officers will be notified of successful earmarked reserves.
- 3.3.5 Any directorate over-spending against budget may be carried forward at the discretion of the Chief Finance Officer, either against the specific directorate or Council wide budgets. In no circumstances should this provision be seen as giving a Chief Officer power to overspend against approved budgets. Any such overspend will be treated as a breach of the Financial Procedure Rules and the respective Chief Officer held accountable. No Chief Officer or Cabinet Member may budget for a deficit. Where a

net Council-wide overspend occurs this will need to be met from existing usable reserves, including draw down from the Council Fund.

- 3.3.6 Urgent expenditure not included in any budget approval may only be incurred with the approval of the Chief Finance Officer.
- 3.3.7 The cash limited budget for a Chief Officer only relates to the “controllable” elements of their budget and excludes, amongst other things:
- Central capital charges
 - Central support service charges
 - Centrally controlled office accommodation budgets
 - Joint Committee precepts and levies

3.4 Capital programme

- 3.4.1 As part of the budget process the Chief Finance Officer or appropriate Cabinet Member will annually present to the Council a capital programme which shall include:
- (a) those capital expenditure items proposed to commence during the next three years as a minimum;
 - (b) an estimate of the capital costs of those schemes together with the associated proposed funding.
- 3.4.2 Schemes for which external funding has been approved (specific grants and section 106 funding) will be added to the capital programme once the funding has been accepted, and included in the next capital programme report to Council.
- 3.4.3 A Chief Officer, in conjunction with the Chief Finance Officer, before submitting a scheme for inclusion in the capital programme, shall satisfy himself that the scheme is in line with the Council’s Capital Strategy, and that:
- (a) land purchases, design planning consents and relevant studies are sufficiently advanced to ensure that the proposed year of start of a scheme is feasible;
 - (b) the level of expenditure envisaged is realistic, following a full feasibility assessment, and taking into account the Chief Finance Officer’s forecast of capital resources available and the ability of each directorate to meet the consequential costs resulting from prudential borrowing, if applicable, and any on-going maintenance costs;
 - (c) each scheme in the programme has been fully appraised to ensure it is the most economic method of satisfying an identified need.
- 3.4.4 The Capital Programme upon approval by the Council shall:
- (a) confer authorisation upon the Chief Officer concerned to take steps to enable design work to be completed and land to be acquired in due time;
 - (b) form the basis of the annual capital estimates.

- 3.4.5 The inclusion of any item in the approved capital estimates shall not confer authority to incur any expenditure (except on design work and land acquisition) until:
- (a) all necessary statutory approvals have been obtained;
 - (b) any external funding contribution to the project has been secured; and
 - (c) a tender or quotation has been received and accepted in accordance with the Contract Procedure Rules, which does not exceed that part of the total cost included in the capital estimate in respect of the main contract work for the project by more than 10% or £100,000, whichever is lower.
- 3.4.6 If the tender or quotation exceeds the criteria in 3.4.5(c) above, its acceptance will be subject to the approval of the Chief Finance Officer, in consultation with the Cabinet Member(s) responsible for the function in respect of which the decision is required, to a diversion of money from other approved schemes within the appropriate Chief Officer's control sufficient to meet any additional costs.
- 3.4.7 Chief Officers shall monitor both the progress of schemes and the totality of capital expenditure with the aim of avoiding under or overspending against the approved capital estimates. Should such a situation appear likely, a Chief Officer in conjunction with the Chief Finance Officer shall recommend to the Council the remedial action necessary to mitigate the overspend, which could include accelerating or delaying existing schemes within the approved capital programme, the allocation of additional, uncommitted, capital funding, or a revenue contribution to capital, where funds allow.
- 3.4.8 Remedial action which necessitates the delaying or deletion of a scheme within the capital programme shall be subject to the prior approval of the Council based on a joint report of the Chief Finance Officer and Chief Officer.
- 3.4.9 The Chief Finance Officer shall give Chief Officers information relating to actual payments made for each scheme in such detail and at such time as arranged between them in order that they may carry out their responsibilities under paragraph 3.4.7.
- 3.4.10 The capital programme includes an annual allocation for capital minor works. Allocation of this funding to individual schemes is the responsibility of the Corporate Landlord section and approval on individual schemes will not be sought from Council insofar as the overall funding allocated to schemes does not exceed the funding agreed by Council in the capital programme for that financial year.
- 3.4.11 Any additional capital expenditure from within the capital programme for new or existing schemes which, for reasons of urgency, cannot await the next meeting of Council, may only be incurred with the approval of the Chief Executive Officer in consultation with the Chief Finance Officer, subject to a maximum value of £100,000, under the Scheme of Delegation of Functions, Scheme B1 paragraph 2.2.
- 3.4.12 Urgent expenditure over £100,000 or not included in any budget approval or delegated power, which needs to be agreed prior to the next meeting of Council, may only be incurred with the approval of the Chief Finance Officer. Any such decision requires approval by either the Chief Executive Officer or Solicitor to the Council under the Scheme of Delegation of Functions, Scheme B1 paragraph 2.1.
- 3.4.13 The Chief Finance Officer shall report quarterly to Cabinet and Council with an update on the Capital Programme.

3.5 Capital Strategy

- 3.5.1 The Chief Finance Officer will be responsible for preparing a Capital Strategy for submission to Council for approval prior to the start of each financial year. The Strategy must demonstrate that capital expenditure and investment decisions are in line with service objectives and properly take account of stewardship, value for money, prudence, sustainability and affordability.
- 3.5.2 The Capital Strategy will need to comply with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA)'s Prudential Code for Capital Finance in Local Authorities. It will incorporate the Prudential Indicators that will need to be approved by Council.
- 3.5.3 The Chief Finance Officer shall report quarterly to Cabinet and Council with an update on the Capital Strategy and the Prudential Indicators.

4. Internal audit

- 4.1 The Chief Finance Officer shall have a duty to maintain an effective internal audit of the Council's operations in order to review, evaluate and test the adequacy of the Council's systems of internal control as contributions to the proper, economic, efficient and effective use of resources.
- 4.2 The Chief Finance Officer shall have the responsibility to review, appraise and report to Council, the Governance and Audit Committee, Cabinet, Cabinet Member, or Chief Officer as appropriate upon:
 - 4.2.1 The soundness, adequacy and application of financial and other related operations of the Council.
 - 4.2.2 The extent of compliance with, and financial effect of, established policies, plans and procedures.
 - 4.2.3 The extent to which the Council's assets and interests are accounted for and safeguarded from losses of all kinds arising from:
 - (a) fraud and other offences;
 - (b) waste, extravagance, poor value for money or other cause.
 - 4.2.4 The suitability and reliability of financial and other related management data developed within the Council.
- 4.3 The Chief Finance Officer or an authorised representative of the Chief Finance Officer shall have the authority to require any officer to:
 - 4.3.1 Provide access to any Council premises or land under their control. Where sites are in the possession of a contractor or subject to any tenancy or licence to occupy, such entry will be governed by the conditions of the contract or other legal agreement.
 - 4.3.2 Produce any records, documents and correspondence in their possession.
 - 4.3.3 Provide explanations of matters arising from an audit.

- 4.3.4 Produce and account for any cash, stores or other Council property under their control.
- 4.4 The Chief Finance Officer shall have the authority to request the immediate suspension from duty of any officers who:
- (a) they have reasonable grounds to suspect of misappropriation of Council funds or other property;
 - (b) they believe present a threat of further misappropriation or hindering of any investigation.
- 4.5 Notwithstanding the duty of the Chief Finance Officer for the control and direction of Internal Audit, it shall be the duty of the Chief Internal Auditor to report direct to the Chief Executive Officer and to the Cabinet Member for Resources on any matter in which the Chief Finance Officer appears to be personally involved.
- 5. Contracts of building, construction or engineering work**
- 5.1 Contracts for the execution of capital works shall only be entered into for those schemes which are included in the approved Capital Programme.
- 5.2 Each Chief Officer will maintain contract registers showing for each contract under their control which has a value greater than £50,000:
- (a) the contract sum;
 - (b) the value of any extras or variations to the contract;
 - (c) the amounts and dates of any instalments made;
 - (d) the amount of any retentions held or bonds taken under any contract;
 - (e) the balance outstanding to the Contractor.
- 5.3 Payments to contractors on account of contracts shall be made only on a certificate issued by the responsible officer.
- 5.4 When authorising any extra or variation to a contract the appropriate Chief Officer shall:
- (a) estimate the cost of the variation;
 - (b) issue written instructions to the Contractor to carry out the work, except in cases of urgency where a Chief Officer may issue verbal instructions but shall confirm them in writing as soon as possible, but in any case within 7 days; and
 - (c) ensure that such variation is in accordance with the Council's Contract Procedure Rules.
- 5.5 The Chief Finance Officer may, at their discretion, decide to audit the final account of a contract, before certifying the final payment.
- 5.6 Claims from contractors in respect of matters not clearly within the terms of any existing contract shall be referred to the Solicitor to the Council for consideration of the Council's legal

liability and, where necessary, to the Chief Finance Officer for financial consideration before a settlement is reached.

- 5.7 Each Chief Officer shall, as soon as practical, report to Cabinet the total of extras or variations to any contract which exceeds 10% of the original contract sum (subject to a maximum of £500,000), or £100,000 whichever is the greater.
- 5.8 If the final account of any contract has not been agreed within eighteen months of the completion of works, then the Chief Officer controlling that contract shall report to the Cabinet on the outstanding items. Any report under this regulation shall include a comparison of the final or likely cost with the original contract sum together with reasons for any differences.

6. Orders for work, goods and services

- 6.1 Each Chief Officer has a duty to issue official orders for all works and services to be carried out, and all goods supplied, within their Directorate with the exception of:
- (a) public utilities;
 - (b) periodical payments;
 - (c) petty cash purchases;
 - (d) purchases made using Purchasing Cards;
 - (e) works, goods and services subject to formal written contracts, or excepted from this requirement by the Chief Finance Officer.
 - (f) Framework contracts.

Before issuing official orders, Officers authorising them must be satisfied that there is provision in the estimates and that the Contract Procedure Rules have been complied with.

- 6.2 Each official order shall be in a form prescribed and approved by the Chief Finance Officer and shall include:
- (a) a description of the works, goods and services ordered;
 - (b) the name and address of the supplier;
 - (c) an estimate of the cost;
 - (d) the financial code to which the cost is to be charged;
 - (e) name of the authorising officer.
- 6.3 Verbal orders may only be placed in exceptional circumstances the details of which must be confirmed by e-mail or other appropriate means on the same day and confirmed by written official order within 3 working days.
- 6.4 Electronic orders will be treated in the same way as other official orders. Changes to on-line authorising officers shall be notified to the Chief Finance Officer immediately.

7. Leasing

- 7.1 The Chief Finance Officer shall be responsible for making leasing arrangements for the use of buildings, plant, vehicles and equipment. No officer other than the Chief Finance Officer may enter into any type of leasing arrangements.
- 7.2 Due to complex capital accounting requirements regarding expenditure in relation to leases, all leases, hire, rental, hire purchase agreements, deferred purchase agreements and other arrangements where the use of an asset is being acquired without the ownership of it must be referred to the Chief Finance Officer in advance of entering any agreement.
- 7.3 Provision within revenue estimates to cover the annual costs of leasing should be made only following consultation with the Chief Finance Officer.

8. Grant Funding and Third Party Funding

- 8.1 It is essential that proper management of external funding or grants received, or funding awarded by the Council, is undertaken in order to safeguard the financial position of the Council and also to maximise the benefits to service delivery from the receipt of these additional funds.
- 8.2 The Council has a Grants Financial Management Policy which all Chief Officers and their staff must adhere to in order to ensure the proper management of grant funding and other internal and external funds. Failure to comply could result in funding being withheld by the funding body or recovered at a later date. Any failure to comply with the Grants Financial Management Policy, which results in funding being reduced to the Council, may be reported to the Governance and Audit Committee, and any shortfall in the funding borne by the responsible directorate.

Section B - Expenditure and Income

9. Payment of accounts

- 9.1 Excluding payments in the form of petty cash from imprest accounts, the preferred method of payment of money due from the Council shall be by automated transfers from the Council's bank accounts overseen by the Chief Finance Officer.
- 9.2 The Chief Finance Officer shall be the authorised signatory of any joint bank account opened in the name of the Council and any other party and will be responsible for the payment of any cheques from that joint bank account.
- 9.3 Each Chief Officer is responsible for examining, verifying and authorising invoices and any other payment vouchers or accounts arising from sources in their Directorate including the use of purchasing cards. Authorised officers can discharge this responsibility on behalf of the Chief Officer. Each Chief Officer will supply the names and specimen signatures for authorised officers together with authorisation limits to the Business Support Manager and will need to confirm the list on an annual basis. Any changes to authorisation limits should be notified to the Business Support Manager promptly within a month.

Payments in advance

- 9.4 All payments for goods and services must be paid in arrears on presentation of an invoice or appropriate document to support the payment. The Chief Finance Officer, in consultation with

a Cabinet Member, can give approval for payment in advance of goods or services in exceptional circumstances and on request from a Chief Officer. Approval must be given in writing via email to the appropriate officer, with the relevant Cabinet Member copied in, for audit purposes. There are a small number of exceptions where some payments are permitted to be paid in advance without prior approval. These include:

- Travel, such as rail tickets which are paid via a purchasing card
- Subscriptions, which are usually paid at the start, or in advance of, the subscription period
- Licences – such as software licences
- Necessary expenditure incurred in the normal course of business not exceeding £1,000. Note, the total value of the purchase needs to be considered rather than a monthly or recurring amount.
- Advance payments to Third Sector organisations will be considered in line with the Welsh Government Third Sector Scheme and guidance set out in the Code of Practice for Funding the Third Sector, where financial hardship can be evidenced.

9.5 Before authorising an account, the authorising officer shall be satisfied that:

- (a) the work, goods or services to which the account relates have been received, carried out, examined and approved;
- (b) the invoice satisfies VAT and Construction Industry Scheme (CIS) regulations and that prices, extensions, calculations, trade discounts, other allowances and credits are correct;
- (c) the relevant expenditure has been properly incurred and is within the relevant estimate provision;
- (d) the financial code to which the expenditure is to be charged is correct and sufficient budget is available;
- (e) the account or invoice indicates the official order number relating to the goods or services provided, or if there is no such order the reason for the omission unless it relates to services not subject to orders such as care contracts;
- (f) appropriate entries have been made in inventories, stores records or stock books as required;
- (g) the account has not been previously passed for payment and is a proper liability of the Council;
- (h) in the case of accounts for the supply of public utility services and other periodic payments, relevant expenditure, and where appropriate, units of energy consumed, have been entered in records approved by the Chief Finance Officer.

9.6 Accounts should be authorised via EDRM online, or other agreed means. Any accounts not authorised via EDRM should be manually authorised and passed to Business Support for processing, or in the case of feeder files passed to the Chief Finance Officer for processing. All payments should be processed within 30 days.

- 9.7 Where payments are electronically uploaded into the financial system via a feeder file, appropriate controls, including standardising of files and validity checks, are put in place to ensure their integrity. For any new feeder files, Internal Audit will be asked to review and give assurance on the process for authorisation before use.
- 9.8 For the Council to reclaim VAT on individual payments, the Council is required under VAT Regulations to obtain the supplier's VAT registration number and invoice to be addressed to Bridgend County Borough Council.
- 9.9 The Chief Finance Officer shall set down procedures for the retention of financial documentation. Such documentation must not be disposed of without the specific approval of the Chief Finance Officer. All invoices shall be retained for at least 6 years plus the current financial year. In the case of invoices relating to grant claims, these must be kept until after the grant claim has been audited even if this exceeds 6 years. It is the responsibility of the Chief Officer of the grant to ensure the correct retention period is maintained. The same retention periods apply to electronic copies of all original invoices.
- 9.10 Changes to on-line authorising officers shall be notified to the Business Support Manager immediately.
- 9.11 Each Chief Officer shall, no later than a date specified at the financial year end, notify the Chief Finance Officer of any outstanding expenditure relating to the previous financial year to be accrued in the Statement of Accounts.

10. Imprest accounts

- 10.1 Where appropriate, the Chief Finance Officer shall provide imprest accounts for such officers of the Council as may need them for the purpose of defraying petty cash and other expenses. Such accounts shall be maintained in accordance with the notes of guidance issued to imprest holders by the Chief Finance Officer.
- 10.2 Where petty cash is required, the Chief Finance Officer shall open an account with the Council's bankers for use by the imprest holder, who shall not deliberately cause the account to be overdrawn. Any prolonged overdrawn balance on an imprest holder's bank account shall be reported to the Chief Finance Officer. It will also prevent the use of any business ATM cash card as they cannot be used on an overdrawn account. Where an officer holds a cheque book or business ATM cash card in respect of any account they must ensure that it is securely stored and all cancelled cheques are crossed and retained with the counterfoils of the original cheque book. Receipts for withdrawals must be retained.
- 10.3 Any officer responsible for an imprest account shall be personally responsible for making good any deficiencies in that account.
- 10.4 No income received on behalf of the Council may be paid into an imprest account but must be dealt with in accordance with paragraph 15.3.
- 10.5 Except as otherwise agreed between the Chief Finance Officer and the Chief Officer concerned, payments out of the accounts shall be limited to petty disbursements and shall not include sums due to any tradesperson with whom the Council has an account for the supply of goods and services, or who can establish an account, nor any account for goods exceeding in value a sum to be agreed from time to time by the Chief Finance Officer, nor travelling expenses other than those of a casual nature e.g. bus fares.

- 10.6 An officer responsible for an imprest shall on a regular basis as specified by the Chief Finance Officer, or at any other time if so requested, provide a certified statement as to the state of the account.
- 10.7 Whenever an officer who is an imprest holder leaves the employment of the Council, or ceases to be entitled to hold an imprest advance, the officer shall account to the Chief Finance Officer for the amount advanced to him.

11. Purchasing Cards

- 11.1 Where appropriate, a purchasing card will be issued to support the current Purchase to Pay invoice process and should not be considered as a replacement mechanism to bypass the formal requisition and approval process. Expenditure shall be made in accordance with the purchasing card guidelines.
- 11.2 Each card has an individual monthly expenditure limit, individual transaction limit and restricted category types for expenditure. The cardholder will be making financial commitments on behalf of the Council and will be responsible for obtaining value for money in accordance with Contract Procedure Rules and Corporate Contracts.
- 11.3 Except, as otherwise agreed with the Chief Finance Officer, payments by purchasing card shall be limited to approved disbursements and shall not include sums due to any tradesperson whose invoices should be paid via the Financial System. Travelling expenses, such as train fares, can be pre-booked and paid with the purchasing card, however, the purchasing card cannot be used to reimburse travelling expenses nor subsistence expenses other than those of a casual nature.
- 11.4 The cardholder is responsible for updating the Barclaycard Spend Management system with costing, VAT and narrative details of the expenditure in a timely manner and in accordance with the purchasing card guidelines.
- 11.5 Whenever a member of staff who is a purchasing card holder leaves the employment of the Council, or ceases to be entitled to hold a purchasing card, the member of staff must return the purchasing card immediately on cessation of entitlement to the Corporate Procurement Manager for cancellation. Any replacement member of staff who requires a purchasing card must apply for a new card via the Corporate Procurement Manager.
- 11.6 Any person holding a purchasing card shall be personally responsible to notify the Corporate Procurement Manager of any unauthorised / unrecognised spend made on the card. The cardholder shall be personally responsible for making good any unauthorised spend that they incur on the card.
- 11.7 Where appropriate, the Chief Finance Officer shall provide a purchasing card enabled for cash withdrawal to give services access to cash for the purpose of defraying petty expenditure. Such cards shall be maintained in accordance with the notes of guidance to card holders issued by the Corporate Procurement Manager. There is an administration charge for cash withdrawals. Detailed records of monies withdrawn, spending of this money, including VAT amount and costing information, must be kept and be available for examination on request.
- 11.8 Except as otherwise agreed with the Chief Finance Officer, payments out of the cash withdrawn from the bank by purchasing card shall be limited to petty disbursements and shall not include sums due to any tradesperson with whom the authority has an account, nor travelling or subsistence expenses.

- 11.9 A person responsible for the cash balance held shall, if so requested, give to the Chief Finance Officer certification as to the state of the funds.
- 11.10 Whenever a member of staff who is a cash balance administrator leaves the employment of the authority, or ceases to be entitled to administer the cash balance, the member of staff shall repay to the Chief Finance Officer the unexpended cash balance of the withdrawn amount, or shall transfer monies, records and vouchers relating to the account to the new cash administrator. When a purchasing card holder leaves, the card in their name must be returned to the Corporate Procurement Manager for cancellation and a new card applied for via the Corporate Procurement Manager unless the new cash administrator is not to be allocated a purchasing card.
- 11.11 Any person holding a cash balance obtained by a purchasing card cash withdrawal shall be personally responsible for making good any deficiencies in that account.

12. Business Cash Cards

- 12.1 Where appropriate a business cash card will be issued to support services which have a requirement for petty cash, to facilitate the withdrawal of cash from ATMs.
- 12.2 Each card is allocated to an individual named officer of the Council against a specific account, who is responsible for the safeguarding of the card and its appropriate use. Each card has an individual withdrawal and daily withdrawal limit and must be used only for the withdrawal of cash for the purposes of petty cash use for that service or other agreed purposes such as private funds.
- 12.3 Cash withdrawn from petty cash accounts must not be used for the purposes of paying sums due to tradesperson. Such invoices should be paid via the Financial System.
- 12.4 Where the card is related to a petty cash account, the cardholder is responsible for updating the petty cash system to record that cash has been withdrawn and must account for all cash withdrawals made.
- 12.5 Whenever a member of staff who holds a business cash card leaves the employment of the Council, or ceases to be entitled to a card, they must return the debit card immediately to the Chief Finance Officer for the card to be cancelled. The Cardholder is personally responsible for any shortfalls between the cash withdrawn and cash held in the petty cash records.

13. Construction Industry Scheme (CIS) – Tax Deduction

- 13.1 For certain types of construction work, the Council is obliged by HMRC's Construction Industry Scheme to deduct tax at source from sub-contractor payments, at the appropriate rate, from the invoiced amount. Those CIS sub-contractors paid under deduction must have the labour/material split shown on the invoice and entered into the Financial System. Further guidance can be obtained from the Purchase Ledger Team in Finance.

14. Salaries, wages and Members' allowances

- 14.1 The payment of all salaries, wages, allowances, expenses or other emoluments to all employees or members shall be made by, or under arrangements approved and controlled by, the Group Manager – Human Resources and Organisational Development.
- 14.2 Each Chief Officer shall notify the Group Manager – Human Resources and Organisational Development as soon as possible and in the prescribed form, of all matters affecting the payment of such emoluments and in particular:

- (a) appointments, resignations, dismissals, suspensions, secondments, and transfers;
 - (b) absences from duty for sickness or other reason, apart from approved leave with pay;
 - (c) changes in remuneration, other than normal increments and pay awards;
 - (d) information necessary to maintain records of service for superannuation, income tax, national insurance etc.;
 - (e) any failure to comply with Council or statutory regulations.
- 14.3 Appointments of all employees shall be made in accordance with the regulations of the Council and the approved establishment, gradings and rates of pay.
- 14.4 All time records and other pay documents shall be in a form prescribed or approved by the Group Manager – Human Resources and Organisational Development and shall be certified by or on behalf of the Chief Officer. The names of the officers authorised to certify such records shall be sent to the Group Manager – Human Resources and Organisational Development by each Chief Officer together with specimen signatures and shall be amended on the occasion of any change. Changes to on-line authorising officers shall be notified to the Chief Finance Officer immediately.
- 14.5 No payments to staff may be made other than through the normal payroll system without the specific approval of the Group Manager – Human Resources and Organisational Development.
- 14.6 Where an Officer is hiring or engaging a staff member who is not on the Council payroll there is a legal requirement to determine whether it is the responsibility of the Council to deduct tax and national insurance at source, in accordance with the requirements of the Social Security Contributions (Intermediaries) Regulations 2000, as amended (IR35).
- 15. Officers fees, travelling and subsistence allowances**
- 15.1 All claims for payment of fees, car allowances, subsistence allowances and travelling expenses shall be submitted, duly certified, in a format approved by the Group Manager – Human Resources and Organisational Development, to the appropriate Chief Officer in accordance with the timetable set down by the Group Manager – Human Resources and Organisational Development. A record of all officers authorised to approve such records shall be sent to the Group Manager – Human Resources and Organisational Development together with specimen signatures and shall be amended on the occasion of any change. This applies to both manual and electronic expenses systems.
- 15.2 The certification by, or on behalf of, the Chief Officer shall be taken to mean that the certifying officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred, the vehicle used had appropriate insurance cover, the necessary receipts of expenditure retained and that the fees and allowances are properly payable by the Council.
- 15.3 Claims submitted more than three months after the expenses were incurred must be accompanied by a letter of explanation for the delay and shall be paid only with the express approval of the Group Manager – Human Resources and Organisational Development who shall refer the matter to Cabinet if necessary.
- 15.4 All claims for payment of incidental expenses such as removal, lodging and disturbance allowances and training course fees etc. shall be made on the appropriate form and shall be in accordance with the appropriate scheme approved by the Council.

16. Banking arrangements and cheques

- 16.1 All arrangements with the Council's bankers shall be made by or under arrangements approved by the Chief Finance Officer, who shall be authorised to operate such bank accounts as considered necessary.
- 16.2 All cheques shall be ordered only on the authority of the Chief Finance Officer who shall make proper arrangements for their safe custody, including cheque books issued automatically by the bank.
- 16.3 Any such bank account opened in respect of monies held on behalf of the Council shall be arranged in consultation with or under the direction of the Chief Finance Officer. The Chief Finance Officer shall maintain a list of authorised signatories, along with specimen signatures, for all such accounts. Any change in signatory shall be reported to the Chief Finance Officer immediately.
- 16.4 No Standing Orders or Direct Debits from the Council's bank accounts shall be set up unless arranged in consultation with or under the direction of the Chief Finance Officer. The Chief Finance Officer shall maintain a list of all officers authorised to set up Direct Debits and Standing Orders.
- 16.5 The Chief Finance Officer shall be authorised to:
 - (a) nominate officers empowered to authorise payment out of these bank accounts;
 - (b) negotiate charges with the Council's bankers.
- 16.6 The Chief Finance Officer will be responsible for ensuring that there are adequate controls in place to ensure that all payment methods, whether physical or electronic, have appropriate authorisations, approvals and signatures as necessary.
- 16.7 The Chief Finance Officer shall ensure that appropriate arrangements are in place to facilitate the monthly reconciliation of the Council's Bank Accounts.

17. Income

- 17.1 Each Chief Officer will be responsible for the prompt and accurate billing, collection and banking of all income due to the Council in connection with the Directorate's activities, except where in the interests of efficiency or security it is agreed with the Chief Finance Officer that all or part of the duties should be discharged by some other Chief Officer.
- 17.2 Except as agreed between the Chief Finance Officer and the Chief Officer concerned, all receipt books and other such items shall be ordered and supplied to Directorates by the Chief Finance Officer, who shall be satisfied as to the arrangements for their control.
- 17.3 In carrying out this function, each Chief Officer shall ensure that any officer of the staff engaged in the collection of money:
 - (a) maintains a record of receipts and bankings in a form approved by the Chief Finance Officer;
 - (b) pays without delay any money collected either:

- i) to the approved officer;
 - ii) to a security firm employed by the Chief Finance Officer for this purpose; or
 - iii) to one of the Council's main bank accounts or via outlets of the nominated collector(s) as agreed by the Council.
 - (c) makes no deduction from monies collected, except with the specific and exceptional approval of the Chief Finance Officer;
 - (d) ensures income is correctly coded onto the financial system nominated by the Chief Finance Officer and satisfies VAT regulations;
 - (e) makes good any shortfalls in cash collected and identifies any surpluses;
 - (f) in the case of cheques received, enters on any paying-in slips details with the cheque or provides supporting evidence and a reference to the related debt.
- 17.4 Personal cheques shall not be cashed out of the money held on behalf of the Council.
- 17.5 Outstanding debts which are found to be irrecoverable may be written off by the Chief Finance Officer, except where it is considered that there are matters of principle or policy which should be referred to the Cabinet.
- 17.6 Any officer holding a cash float shall be personally responsible for making good any deficiencies in that account.
- 17.7 Where an officer takes cash for works, goods or services that is either:
- i. in excess of the level stipulated within the Council's Anti-Money Laundering Policy; or
 - ii. where there is anything suspicious regarding, but not limited to, multiple use of high denomination notes, multiple and frequent disaggregation of payment of a higher value outstanding debt;

then the officer must report it immediately to the Money Laundering Reporting Officer (MLRO) in accordance with that Policy.

18. Fees and Charges

- 18.1 The Council has a Fees and Charging Policy to support the Medium Term Financial Strategy. It is intended to provide a consistent and co-ordinated approach to charging across the Council, setting out the key principles for charging and for reviewing charges and must be adhered to by all Chief Officers and their staff.
- 18.2 When setting charges, there is recognition that where possible, the full cost of the service should be recovered. However, there is also a recognition that in some instances, there will be a conscious decision not to fully charge or a statutory charge or limit set, and the remaining cost will be met by the Council Tax payer.
- 18.3 In line with the Medium Term Financial Strategy, a review of fees and charges should be undertaken at least annually as a minimum and any new or increased charges must receive approval from Cabinet or delegated authority under the Scheme of Delegation, Scheme A paragraph 1.6. Where a proposal is made not to increase charges in a financial year, approval must be sought from the appropriate Chief Officer and Chief Finance Officer.

19. Value Added Tax

- 19.1 The Chief Finance Officer shall establish appropriate systems of control for the proper accounting of Value Added Tax (VAT) inputs and outputs. The Chief Finance Officer will produce and distribute a VAT guidance document to all Directorates and schools to enable officers to comply with HMRC VAT regulations.

Section C - Security and Assets

20. Security

- 20.1 The Chief Finance Officer shall have overall responsibility to the Council for security of Council property.
- 20.2 Each Chief Officer shall be responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash, title deeds, securities, etc. under their custody.
- 20.3 Maximum limits for cash holdings shall be agreed with the Chief Finance Officer.
- 20.4 Every transfer of official money from one member of staff to another will be evidenced in the records of the Directorate concerned by the signature of the receiving officer.
- 20.5 Keys to safes and similar receptacles for the safeguarding of money or other valuables are to be carried on the person of those responsible; the loss of any such keys must be reported to the Chief Finance Officer.

21. Data Protection

- 21.1 The Council's Data Protection Officer shall be responsible for undertaking the tasks set out in Section 71 of the Data Protection Act 2018 and Article 39 of the UK GDPR.
- 21.2 Each officer shall be responsible for maintaining proper security, privacy and compliance with the Data Protection Act 2018 and UK GDPR in respect of personal data held.
- 21.3 Each Chief Officer shall have a duty to notify the Data Protection Officer of any computer system in their Directorate which holds personal data.
- 21.4 Each Chief Officer shall have a duty to ensure the safekeeping and prevention of improper use of any personal data held in the Directorate, regardless of the media on which it is held.
- 21.5 The Chief Finance Officer, or an authorised representative of the Chief Finance Officer, shall have access to all computer systems and records and may require and receive such explanations as are necessary, for the purposes of the Data Protection Act 2018 and UK GDPR.
- 21.6 The security of financial systems, e.g. use of passwords, shall be maintained by adhering to instructions issued by the Chief Finance Officer and in line with the ICT Code of Conduct.

22. Stocks and stores

- 22.1 Each Chief Officer shall be responsible for the custody of the stocks and stores in the Directorate and shall have a duty to:

- (a) ensure that stocks are adequate but not excessive for the purpose envisaged;
 - (b) maintain accurate and up to date records of such stocks and stores and ensure that a stocktake is undertaken at year end and the certificate is submitted to Finance;
 - (c) provide the Chief Finance Officer with such information as they require in relation to stores for accounting, costing and financial records.
- 22.2 A Chief Officer shall arrange for periodical test examinations of stocks by persons other than storekeepers and shall ensure that all stocks are checked at least once in every year. Any surpluses or deficiencies revealed by such periodical test examinations shall be reported to the Chief Finance Officer and, after consultation with the Chief Officer, the Chief Finance Officer will decide what action to take.
- 22.3 Losses due to theft of stocks shall be reported to the Chief Finance Officer as soon as possible and, where found to be irrecoverable, shall be written off.
- 22.4 In all other instances write offs need the consent of the Chief Finance Officer following the submission of a report by the Chief Officer outlining the reasons for write off.
- 23. Investments, borrowings and trust funds**
- 23.1 The Council has adopted the Chartered Institute of Public Finance and Accountancy (CIPFA)'s Code of Practice on Treasury Management in the Public Services.
- 23.2 The Chief Finance Officer will be responsible for preparing and presenting an annual Treasury Management Strategy to the Governance and Audit Committee prior to submission to Council for approval in advance of the start of each financial year. The Strategy must include a Borrowing Strategy, Investment Strategy and set the Council's Treasury Management Indicators for the forthcoming financial year.
- 23.3 All investment and borrowing transactions shall be undertaken in accordance with the Treasury Management Strategy with due regard to the requirements of CIPFA's Code of Practice on Treasury Management in the Public Services.
- 23.4 All investments of money under its control shall be made in the name of the Council. Any borrowing activity must have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities and the Code of Practice on Treasury Management in the Public Services.
- 23.5 The Chief Finance Officer shall report quarterly to the Cabinet, summarising borrowing and investment activity, monitoring against the approved Treasury Management and other appropriate indicators, and indicating compliance with any statutory or Council approved guidelines together with a half yearly and an annual report to Council.
- 23.6 The Chief Finance Officer, or an agent nominated by the Chief Finance Officer, will be the Council's Registrar of loan instruments and shall maintain records of all borrowing of money by the Council.
- 23.7 The Chief Finance Officer will have a duty to ensure a proper, efficient and effective mix of borrowing and investments.
- 23.8 The Governance and Audit Committee is responsible for ensuring effective scrutiny of the Treasury Management policies and practices. The Committee will review the Half Year and

Annual Report on Treasury Management as well as the Treasury Management Strategy. The Committee will make any recommendations for improvements on treasury management to the Chief Finance Officer and raise any concerns that the Council is exceeding its legal powers with the Monitoring Officer.

24. Inventories

- 24.1 Each Chief Officer shall be responsible for the plant, vehicles, machinery, equipment, tools, furniture and other non-consumable property in the Directorate and shall have a duty to:
- (a) maintain an up to date inventory of such goods;
 - (b) carry out an annual physical check on goods listed in the inventory;
 - (c) as far as is practicable see that such goods are marked as Council property;
 - (d) ensure that such goods are not removed or used except in accordance with the ordinary course of the Council's business.
- 24.2 Every transfer of items contained in the inventory from one establishment to another shall be evidenced in the records of the establishment concerned by the signature of the receiving officer.

25. Insurances

- 25.1 The Chief Finance Officer shall have a duty to:
- (a) effect adequate insurance cover in accordance with the Council's Insurance Strategy contained in the Risk Management Policy. The Chief Finance Officer will arrange insurance for losses which would have a significant impact on budgets and the provision of services, where it must be bought by law and where the insurance provides additional benefits which enable an activity to take place;
 - (b) promptly claim any insurance loss the Council has suffered and liaise with the Council's Insurers to settle any claim brought by another party, if it is assessed that the Council has a legal liability to do so;
 - (c) ensure that sums insured and limits of indemnity are regularly reviewed;
 - (d) maintain comprehensive records of insurance including policy documents and understand what coverage they provide;
 - (e) employ the services of a professional insurance broking company who can provide expert advice;
 - (f) only transfer risks to Insurance Companies which are financially strong;
 - (g) comply with the "duty of fair presentation" contained in the Insurance Act 2015. The Council must disclose to its Insurers all information, facts and circumstances which are, or ought to be, known to it, which are material to the risk. A material circumstance is one which would influence the judgement of a prudent Underwriter in considering whether to provide insurance and, if so, on what basis and cost.
- 25.2 A Chief Officer will have a duty to:

- (a) promptly notify the Chief Finance Officer of any new risks, insurable assets or liabilities which are required to be insured under the Insurance Strategy.;
- (b) promptly notify the Chief Finance Officer in writing of any loss, liability, damage or any event likely to lead to a claim and where appropriate inform the Police;
- (c) promptly provide any information required by the Chief Finance Officer or the Council's Insurers to progress a claim;
- (d) assist the Chief Finance Officer to comply with the "duty of fair presentation contained in the Insurance Act 2015 by disclosing all relevant information.

25.3 The Chief Finance Officer shall review all insurances at least annually, in consultation with other Chief Officers as appropriate.

25.4 No indemnity shall be given in the name of the Council without the prior approval of the Chief Finance Officer.

26. Prevention of Theft, Fraud and Corruption

26.1 The Chief Finance Officer is responsible for advising on effective systems of internal control to prevent fraud and corruption.

26.2 The Chief Finance Officer is responsible for developing, maintaining and implementing an Anti-Fraud and Bribery Policy. If a Chief Officer suspects any irregularities concerning cash, stores or other property of the Council or held on trust by the Council, they will notify the Chief Finance Officer who will take such steps as considered necessary by way of investigation and report.

26.3 The Chief Finance Officer is responsible for developing, maintaining and implementing an Anti-Money Laundering Policy. The key message of this Policy is to make staff aware of their responsibilities and if they suspect that money laundering activity may be taking place or proposed, they must disclose those suspicions to the Council's Money Laundering Reporting Officer who is the Chief Finance Officer.

26.4 The Council employs a corporate Senior Fraud Investigator, so should any fraud or irregularity be identified, whilst it would still be reported to the 'Chief Finance Officer' initially, certain matters may be referred to the Senior Fraud Investigator for investigation where appropriate.

26.5 The Chief Finance Officer is also responsible for developing, maintaining and implementing the Anti-Tax Evasion Policy. The policy addresses the prevention of tax evasion and will provide a coherent and consistent approach for all employees and any person who performs services for and on behalf of Bridgend County Borough Council.

26.6 All Chief Officers are responsible for ensuring compliance with the Anti-Fraud and Bribery Policy, Anti-Money Laundering Policy and the Anti-Tax Evasion Policy and with systems of internal control.

27. Estates

27.1 The Chief Executive Officer shall maintain a register and appropriate records detailing all properties owned by the Council including:

- (a) purpose for which held;

- (b) location, extent, and plan reference;
- (c) particulars of nature of interest held;
- (d) purchase details;
- (e) rents payable;
- (f) particulars of tenancies granted.

27.2 The Chief Finance Officer will maintain an asset register of all Council assets.

27.3 Where land and/or buildings are found to be surplus to requirements the responsible Chief Officer shall, as soon as possible, submit a report to the appropriate Cabinet Member for appropriate action in accordance with the Schemes of Delegation.

28. Asset Disposal

28.1 Directors are responsible for ensuring that all property assets which are surplus to requirements are referred to the Corporate Landlord section, who will determine the appropriate action to be taken in conjunction with Directorates. In accordance with the Council's disposal strategy the following shall be considered:

- restrictions relating to the ownership of the asset;
- opportunities for using the asset elsewhere in the Council;
- market opportunities;
- appropriate use of tendering procedures for disposal;
- fairness in the disposal process;
- asset security;
- the costs of disposal in relation to the expected income.

28.2 All assets, including assets declared surplus where disposal is proposed must be notified to the Chief Finance Officer for approval and appropriate action in accordance with the Council's disposal strategy and Scheme of Delegation of Functions.

28.3 All assets, whether land, property, buildings, vehicles, plant or equipment, must be notified to the Capital Accountant to ensure their disposal is accurately recorded on the Council's Fixed Asset Register in a timely manner, and as soon after disposal as possible.

29. Protection of private property

29.1 The Chief Officer shall in any known case where steps are necessary to prevent or mitigate loss of or damage to moveable property, prepare in a form agreed with the Chief Finance Officer, an itemised inventory in each case prepared in the presence of two officers.

29.2 All valuables such as jewellery, watches and other small articles of a similar nature and documents of title deposited with the Council for safe custody shall be recorded in a form agreed by the Chief Finance Officer.

29.3 All monies deposited with the Council for safekeeping shall be dealt with in accordance with guidelines agreed by the Chief Officer and the Chief Finance Officer.

29.4 Where a Chief Officer is required as part of their duties to hold in trust any property, valuables or cash belonging to a third party they should do so in accordance with guidelines agreed with the Chief Finance Officer.

30. Risk Management

30.1 The Chief Finance Officer is responsible for preparing the Council's Risk Management Strategy and its promotion throughout the Council and for advising of strategic, financial and operational risks.

30.2 Chief Officers shall be responsible for the identification, classification and control of all risks falling within their areas of responsibility. The risks identified shall be incorporated into a Departmental Risk Register, and any risks that exceed the Council's risk threshold shall be notified to the Chief Finance Officer for incorporation into the Corporate Risk Assessment, which shall be subject to periodic review by the Governance and Audit Committee at no more than annual intervals.

30.3 Chief Officers shall take responsibility for risk management within their areas of responsibility, having regard to advice from the Chief Finance Officer and other specialist Officers (e.g. crime prevention, fire prevention, health and safety), and shall undertake regular reviews of risk within their own Directorates.

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FINANCIAL PROCEDURE RULES**Introduction****What are Financial Procedure Rules?**

Financial Procedure Rules provide the framework for managing the Council's financial affairs. They are supported by more detailed specific guidance and procedure notes in a range of areas. The procedures identify the financial responsibilities of the Full Council, the Cabinet and Officers.

Why are they important?

- (a) To conduct its business effectively, the Council needs to ensure that sound financial management arrangements are in place and that they are strictly adhered to in practice. Part of this process is the establishment of Financial Procedure Rules which set out the financial responsibilities of the Council. These procedure rules have been devised as a control to help the Council manage its financial matters properly in compliance with all necessary requirements.
- (b) Good, sound financial management is a key element of the Council's Corporate Governance framework which helps to ensure that the Council is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.
- (c) Good financial management secures value for money, controls spending, ensures due probity of transactions and allows decisions to be informed by accurate accounting information.
- (d) Good financial management requires secure and reliable records and systems to process transactions and information and substantiate the effective use of public money.
- (e) Financial Procedure Rules should not be seen in isolation, but rather as part of the overall regulatory framework of the Council as set out in this Constitution.

Who do Financial Procedure Rules apply to?

- (f) Financial Procedure Rules apply to every Member and Officer of the Council and anyone acting on its behalf. Members and Officers have a general responsibility for taking reasonable action to provide for the security and use of the resources and assets under their control, and for ensuring that the use of such resources and assets is legal, is consistent with Council policies and priorities, is properly authorised, provides value for money and achieves best value.
- (g) Separate financial procedure rules have been incorporated into the Council's Financial Scheme for Schools and relate to those matters where decisions have been delegated to school governing bodies.

- (h) These Financial Procedure Rules shall apply in relation to any partnership for which the Council is the accountable body, unless the Council expressly agrees otherwise.
- (i) Failure to observe Financial Procedure Rules may result in action under the Council's disciplinary procedures.

Who is responsible for ensuring that they are applied?

- (j) Chief Officers and Heads of Service are ultimately responsible to the Council for ensuring that Financial Procedure Rules are applied and observed by their staff and contractors providing services on the Council's behalf and for reporting to the Chief Finance Officer any known or suspected breaches of the procedures.
- (k) The Chief Finance Officer is responsible for maintaining a continuous review of the Financial Procedure Rules and submitting any additions or changes necessary to Council for approval. The Chief Finance Officer is also responsible for reporting, where appropriate, breaches of the Financial Procedures to Council and/or to Cabinet Members.
- (l) The Chief Finance Officer is responsible for issuing advice and guidance to underpin the Financial Procedure Rules which Members, Chief Officers and others acting on behalf of the Council are required to follow.
- (m) Where any Chief Officer considers that complying with Financial Procedure Rules in a particular situation might conflict with the achievement of value for money or the principles of Best Value or the best interests of the Council, they shall raise the issue with the Chief Finance Officer who will, if they consider necessary and appropriate, seek formal approval from the Council for a specific waiver of the procedures, or an amendment to the procedures themselves.

Section A - Financial Control

1. General

1.1 For the purposes of these Rules:

- (a) "the Chief Executive Officer" means the officer designated by the Council as Head of Paid Service under Section 4 of the Local Government & Housing Act 1989.
- (b) "the Chief Finance Officer" means the officer designated by the Council as the officer responsible for the administration of its financial affairs under Section 151 of the Local Government Act 1972.
- (c) "Chief Officer" means any of the following:
 - The Chief Executive Officer;
 - The Corporate Director - Social Services and Wellbeing;
 - The Corporate Director – Education, Early Years and Young People;
 - The Corporate Director - Communities;
 - Chief Officer – Legal and Regulatory Services, Human Resources and Corporate Policy.
 - Chief Officer – Finance, Housing and Change.

- (d) "the Monitoring Officer" means the officer designated as such by the Council under Section 5 of the Local Government & Housing Act 1989.
 - (e) "the Cabinet" means the Executive established under Part II of the Local Government Act 2000.
 - (f) "Cabinet Member" means the Leader and any of the members of the Cabinet.
 - (g) "Budget Head" means the budget for a particular service/services.
- 1.2 A Chief Officer may nominate any suitably qualified officer in their Directorate to undertake any of the duties placed upon him or exercise any power granted to him by these Rules.
- 1.3 Each Chief Officer shall consult with the Chief Finance Officer on any matter which is liable to materially affect the finances of the Council before any commitment is incurred and before reporting thereon to the Cabinet or the Council.
- 1.4 (a) Chief Officers shall be responsible for bringing these Financial Procedure Rules to the attention of staff and for ensuring the observance of these Rules throughout their respective Directorates;
- (b) Staff who fail to observe these Rules may be subject to disciplinary action.
- 1.5 Each Chief Officer shall be responsible for the accountability of staff, and the security, custody and control of all other resources including plant, buildings, materials, cash and stores appertaining to their individual Directorates in accordance with the procedures agreed with the Chief Finance Officer.
- 1.6 Each Chief Officer shall have a duty to endeavour to maximise the value for money obtained in running the activities within their purview.
- 1.7 Each Chief Officer shall have a duty to consult the Chief Finance Officer if they have reason to believe that any matter within their purview may result in:
- (a) The Council incurring expenditure in excess of its approved budget;
 - (b) The Council incurring expenditure for which it has no statutory power to incur;
 - (c) The Council failing to comply with the financially related provisions of any relevant European and UK legislation;
 - (d) The Council failing to comply with the financially related provisions of any code of practice adopted by the Council.
- 1.8 Whenever any matter arises which involves or is thought to involve irregularities concerning cash, stores or other property of the Council or held on trust by the Council, the Chief Officer concerned shall notify the Chief Finance Officer who shall take such steps as they consider necessary by way of investigation and report.
- 1.9 Each Chief Officer shall have a duty to inform the Chief Finance Officer and the Monitoring Officer if they suspect that the Council or its officers are exceeding the Council's statutory powers.

- 1.10 No Chief Officer may recommend to the Council or the Cabinet that expenditure be incurred or any other action taken on the assumption that sufficient statutory power is provided by either Sections 137 of the Local Government Act 1972 and Section 2 of the Local Government Act 2000, without prior approval of the Chief Finance Officer and the Monitoring Officer.
- 1.11 The Chief Finance Officer in consultation with the Monitoring Officer shall be authorised to vary from time to time any amount included in the Rules, but any alteration shall be reported to the next meeting of Council.
- 1.12 Separate Financial Rules shall be issued by the Chief Finance Officer for use by the Council's schools, drawing on, and supplementing this document, as appropriate.

2. Accounting Systems

- 2.1 All accounting procedures and accounting records of the Council and its Officers shall be subject to the approval of the Chief Finance Officer.
- 2.2 All accounts and accounting records of the Council shall be compiled by, or under the direction of, the Chief Finance Officer.
- 2.3 The following principles shall be observed in the allocation of accounting duties:
 - (a) The duties of providing information regarding sums due to or from the Council and of calculating, checking and recording these sums, shall be separated as completely as possible from the duty of collecting or disbursing them;
 - (b) Officers charged with the duty of examining and checking the accounts of cash transactions shall not themselves be engaged in any of these transactions.
- 2.4 A Chief Officer shall be responsible for the financial management and audit of any private fund entrusted to him as part of their duties and will apply regulations to such funds as stipulated by the Chief Finance Officer.
- 2.5 Notwithstanding the duties of a Chief Officer in Rule 2.4, the Chief Finance Officer shall have the right to audit any private fund at any time.
- 2.6 For the purposes of these Rules "private fund" shall mean any fund in the management of which a Chief Officer of the Council is concerned and which may affect any person or property for which the Council has a responsibility, notwithstanding that contributions towards such fund shall have been made by another party other than the Council.

3. Budgeting and budgetary control

3.1 Council's Budget

- 3.1.1 The Budget shall be approved by the Council in accordance with the Budget and Policy Framework Procedure Rules (Section 16);
- 3.1.2 In referring the Cabinet's Budget Proposals to Council the proper officer will forward to the Council a report of the Chief Finance Officer incorporating the recommendations of the Cabinet and detailing for approval of the Council:
 - (a) a probable out-turn for the current year;

- (b) a revenue budget for the forthcoming year detailing the Budget Heads over which that budget is allocated to specific services and service programme areas;
- (c) a forward indication of the medium term financial strategy which will comprise the revenue budget for the first year and indicative budgets for the subsequent three years and a capital budget for the forthcoming year incorporating a capital programme of at least three years, but no more than ten years;
- (d) an assessment of any major financial risks which may impact on the budget;
- (e) an analysis of reserves and balances and movements over the forthcoming financial year;
- (f) the proposed increase in fees and charges for the forthcoming year;
- (g) a recommendation of the level of Council Tax to be levied for the forthcoming year.

3.1.3 The detailed form of the Budget will be determined by the Chief Finance Officer within the general direction of the Council and Cabinet after consultation with Chief Officers.

3.2 Amendments to the agreed budget (virements and technical adjustments)

- 3.2.1. Each Chief Officer shall have the authority to incur expenditure on any activity under their control up to the amounts specified in respect of that activity in the revenue or capital budgets approved by the Council for the financial year, unless directed otherwise by the Chief Finance Officer.
- 3.2.2 Each Chief Officer, subject to the agreement of the Chief Finance Officer, may approve virements between specific revenue Budget Heads, as set out in the Medium Term Financial Strategy, which do not amend any individual Budget Head by more than £100,000 from that approved by the Council. The relevant Chief Officer and Chief Finance Officer must jointly report to Cabinet on any virements which amend individual Budget Heads by more than £100,000.
- 3.2.3 Cabinet may, following a report of the appropriate Chief Officer in consultation with the Chief Finance Officer, approve virements between individual revenue Budget Heads which do not amend any individual budget head by more than £500,000 from that approved by the Council.
- 3.2.4 All approved virements over £100,000 must be reported to the Council for information as soon as reasonably practicable after their approval.
- 3.2.5 Any variations to the capital programme, other than those permitted under paragraph 3.4.6, shall require the approval of the Council following a report of the Chief Finance Officer after taking into consideration the recommendations of the Cabinet.
- 3.2.6 All proposals for revenue and capital budget virements that exceed the above limits will need to be approved by the Council on receipt of a report of the appropriate Chief Officer in consultation with the Chief Finance Officer following consideration by the Cabinet. Virement proposals must also be approved by the Council if they:

- a) imply a change in a plan, policy or strategy which would be contrary to the existing policy framework;
- b) have a major operational impact on existing service provision;
- c) are contrary to or not wholly in accordance with the Budget;
- d) imply any additional revenue commitment in future years.

3.2.7 There are also technical adjustments to budgets as a result of the Council adhering to the Chartered Institute of Public Finance and Accountancy's Code of Practice on Local Authority Accounting. These could include, but are not limited to, the reallocation of centrally held pay and price budgets to other areas within the Council or the allocation of capital charges across the Council, and necessary year end accounting adjustments in line with accepted accounting practices. These are not subject to the authorisation limits of budget virements and the Chief Finance Officer or nominated representative can authorise these.

3.3 Budgetary control

- 3.3.1 The Chief Finance Officer shall provide each Chief Officer with regular information relating to income and expenditure under each approved budget head and any other relevant information available. Each Chief Officer shall be responsible for ensuring control of expenditure and income against the approved budget (attention is drawn to Rule 6.1).
- 3.3.2 A Chief Officer in consultation with the Cabinet Member responsible for the function in respect of which the service is provided will be 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. A Chief Officer or Cabinet Member may not incur expenditure or forego income if this will result in the approved budget being exceeded. Where a Directorate does overspend, the provisions of para 3.3.5 will take effect.
- 3.3.3 A Chief Officer may delegate responsibility for management of budgets within their control to other senior officers within their Directorate. Such delegation shall be within defined parameters and shall be recorded in writing as determined by the Chief Finance Officer.
- 3.3.4 At year end, consideration will be given to the overall financial position of the Council including the final outturn, net council tax income, the Council's reserve levels and any new pressures or risks that need to be provided for. At that time, and dependent on that financial position, in line with the Council's Reserves and Balances Protocol, a Chief Officer will be invited to submit earmarked reserve requests to meet any specific unfunded one-off expenditure that they expect to arise in the following financial year and these will be considered by the Chief Finance Officer in the context of the Directorate outturn position as well as that of the Council as a whole. Chief Officers will be notified of successful earmarked reserves.
- 3.3.5 Any directorate over-spending against budget may be carried forward at the discretion of the Chief Finance Officer, either against the specific directorate or Council wide budgets. In no circumstances should this provision be seen as giving a Chief Officer power to overspend against approved budgets. Any such overspend will be treated as a breach of the Financial Procedure Rules and the respective Chief Officer held accountable. No Chief Officer or Cabinet Member may budget for a deficit. Where a

net Council-wide overspend occurs this will need to be met from existing usable reserves, including draw down from the Council Fund.

- 3.3.6 Urgent expenditure not included in any budget approval may only be incurred with the approval of the Chief Finance Officer.
- 3.3.7 The cash limited budget for a Chief Officer only relates to the “controllable” elements of their budget and excludes, amongst other things:
- Central capital charges
 - Central support service charges
 - Centrally controlled office accommodation budgets
 - Joint Committee precepts and levies

3.4 Capital programme

- 3.4.1 As part of the budget process the Chief Finance Officer or appropriate Cabinet Member will annually present to the Council a capital programme which shall include:
- (a) those capital expenditure items proposed to commence during the next three years as a minimum;
 - (b) an estimate of the capital costs of those schemes together with the associated proposed funding.
- 3.4.2 Schemes for which external funding has been approved (specific grants and section 106 funding) will be added to the capital programme once the funding has been accepted, and included in the next capital programme report to Council.
- 3.4.3 A Chief Officer, in conjunction with the Chief Finance Officer, before submitting a scheme for inclusion in the capital programme, shall satisfy himself that the scheme is in line with the Council’s Capital Strategy, and that:
- (a) land purchases, design planning consents and relevant studies are sufficiently advanced to ensure that the proposed year of start of a scheme is feasible;
 - (b) the level of expenditure envisaged is realistic, following a full feasibility assessment, and taking into account the Chief Finance Officer’s forecast of capital resources available and the ability of each directorate to meet the consequential costs resulting from prudential borrowing, if applicable, and any on-going maintenance costs;
 - (c) each scheme in the programme has been fully appraised to ensure it is the most economic method of satisfying an identified need.
- 3.4.4 The Capital Programme upon approval by the Council shall:
- (a) confer authorisation upon the Chief Officer concerned to take steps to enable design work to be completed and land to be acquired in due time;
 - (b) form the basis of the annual capital estimates.

- 3.4.5 The inclusion of any item in the approved capital estimates shall not confer authority to incur any expenditure (except on design work and land acquisition) until:
- (a) all necessary statutory approvals have been obtained;
 - (b) any external funding contribution to the project has been secured; and
 - (c) a tender or quotation has been received and accepted in accordance with the Contract Procedure Rules, which does not exceed that part of the total cost included in the capital estimate in respect of the main contract work for the project by more than 10% or £100,000, whichever is lower.
- 3.4.6 If the tender or quotation exceeds the criteria in 3.4.5(c) above, its acceptance will be subject to the approval of the Chief Finance Officer, in consultation with the Cabinet Member(s) responsible for the function in respect of which the decision is required, to a diversion of money from other approved schemes within the appropriate Chief Officer's control sufficient to meet any additional costs.
- 3.4.7 Chief Officers shall monitor both the progress of schemes and the totality of capital expenditure with the aim of avoiding under or overspending against the approved capital estimates. Should such a situation appear likely, a Chief Officer in conjunction with the Chief Finance Officer shall recommend to the Council the remedial action necessary to mitigate the overspend, which could include accelerating or delaying existing schemes within the approved capital programme, the allocation of additional, uncommitted, capital funding, or a revenue contribution to capital, where funds allow.
- 3.4.8 Remedial action which necessitates the delaying or deletion of a scheme within the capital programme shall be subject to the prior approval of the Council based on a joint report of the Chief Finance Officer and Chief Officer.
- 3.4.9 The Chief Finance Officer shall give Chief Officers information relating to actual payments made for each scheme in such detail and at such time as arranged between them in order that they may carry out their responsibilities under paragraph 3.4.7.
- 3.4.10 The capital programme includes an annual allocation for capital minor works. Allocation of this funding to individual schemes is the responsibility of the Corporate Landlord section and approval on individual schemes will not be sought from Council insofar as the overall funding allocated to schemes does not exceed the funding agreed by Council in the capital programme for that financial year.
- 3.4.11 Any additional capital expenditure from within the capital programme for new or existing schemes which, for reasons of urgency, cannot await the next meeting of Council, may only be incurred with the approval of the Chief Executive Officer in consultation with the Chief Finance Officer, subject to a maximum value of £100,000, under the Scheme of Delegation of Functions, Scheme B1 paragraph 2.2.
- 3.4.12 Urgent expenditure over £100,000 or not included in any budget approval or delegated power, which needs to be agreed prior to the next meeting of Council, may only be incurred with the approval of the Chief Finance Officer. Any such decision requires approval by either the Chief Executive Officer or Solicitor to the Council under the Scheme of Delegation of Functions, Scheme B1 paragraph 2.1.
- 3.4.13 The Chief Finance Officer shall report quarterly to Cabinet and Council with an update on the Capital Programme.

3.5 Capital Strategy

- 3.5.1 The Chief Finance Officer will be responsible for preparing a Capital Strategy for submission to Council for approval prior to the start of each financial year. The Strategy must demonstrate that capital expenditure and investment decisions are in line with service objectives and properly take account of stewardship, value for money, prudence, sustainability and affordability.
- 3.5.2 The Capital Strategy will need to comply with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA)'s Prudential Code for Capital Finance in Local Authorities. It will incorporate the Prudential Indicators that will need to be approved by Council.
- 3.5.3 The Chief Finance Officer shall report quarterly to Cabinet and Council with an update on the Capital Strategy and the Prudential Indicators.

4. Internal audit

- 4.1 The Chief Finance Officer shall have a duty to maintain an effective internal audit of the Council's operations in order to review, evaluate and test the adequacy of the Council's systems of internal control as contributions to the proper, economic, efficient and effective use of resources.
- 4.2 The Chief Finance Officer shall have the responsibility to review, appraise and report to Council, the Governance and Audit Committee, Cabinet, Cabinet Member, or Chief Officer as appropriate upon:
 - 4.2.1 The soundness, adequacy and application of financial and other related operations of the Council.
 - 4.2.2 The extent of compliance with, and financial effect of, established policies, plans and procedures.
 - 4.2.3 The extent to which the Council's assets and interests are accounted for and safeguarded from losses of all kinds arising from:
 - (a) fraud and other offences;
 - (b) waste, extravagance, poor value for money or other cause.
 - 4.2.4 The suitability and reliability of financial and other related management data developed within the Council.
- 4.3 The Chief Finance Officer or an authorised representative of the Chief Finance Officer shall have the authority to require any officer to:
 - 4.3.1 Provide access to any Council premises or land under their control. Where sites are in the possession of a contractor or subject to any tenancy or licence to occupy, such entry will be governed by the conditions of the contract or other legal agreement.
 - 4.3.2 Produce any records, documents and correspondence in their possession.
 - 4.3.3 Provide explanations of matters arising from an audit.

- 4.3.4 Produce and account for any cash, stores or other Council property under their control.
- 4.4 The Chief Finance Officer shall have the authority to request the immediate suspension from duty of any officers who:
- (a) they have reasonable grounds to suspect of misappropriation of Council funds or other property;
 - (b) they believe present a threat of further misappropriation or hindering of any investigation.
- 4.5 Notwithstanding the duty of the Chief Finance Officer for the control and direction of Internal Audit, it shall be the duty of the Chief Internal Auditor to report direct to the Chief Executive Officer and to the Cabinet Member for Resources on any matter in which the Chief Finance Officer appears to be personally involved.
- 5. Contracts of building, construction or engineering work**
- 5.1 Contracts for the execution of capital works shall only be entered into for those schemes which are included in the approved Capital Programme.
- 5.2 Each Chief Officer will maintain contract registers showing for each contract under their control which has a value greater than £50,000:
- (a) the contract sum;
 - (b) the value of any extras or variations to the contract;
 - (c) the amounts and dates of any instalments made;
 - (d) the amount of any retentions held or bonds taken under any contract;
 - (e) the balance outstanding to the Contractor.
- 5.3 Payments to contractors on account of contracts shall be made only on a certificate issued by the responsible officer.
- 5.4 When authorising any extra or variation to a contract the appropriate Chief Officer shall:
- (a) estimate the cost of the variation;
 - (b) issue written instructions to the Contractor to carry out the work, except in cases of urgency where a Chief Officer may issue verbal instructions but shall confirm them in writing as soon as possible, but in any case within 7 days; and
 - (c) ensure that such variation is in accordance with the Council's Contract Procedure Rules.
- 5.5 The Chief Finance Officer may, at their discretion, decide to audit the final account of a contract, before certifying the final payment.
- 5.6 Claims from contractors in respect of matters not clearly within the terms of any existing contract shall be referred to the Solicitor to the Council for consideration of the Council's legal

liability and, where necessary, to the Chief Finance Officer for financial consideration before a settlement is reached.

- 5.7 Each Chief Officer shall, as soon as practical, report to Cabinet the total of extras or variations to any contract which exceeds 10% of the original contract sum (subject to a maximum of £500,000), or £100,000 whichever is the greater.
- 5.8 If the final account of any contract has not been agreed within eighteen months of the completion of works, then the Chief Officer controlling that contract shall report to the Cabinet on the outstanding items. Any report under this regulation shall include a comparison of the final or likely cost with the original contract sum together with reasons for any differences.

6. Orders for work, goods and services

- 6.1 Each Chief Officer has a duty to issue official orders for all works and services to be carried out, and all goods supplied, within their Directorate with the exception of:
- (a) public utilities;
 - (b) periodical payments;
 - (c) petty cash purchases;
 - (d) purchases made using Purchasing Cards;
 - (e) works, goods and services subject to formal written contracts, or excepted from this requirement by the Chief Finance Officer.
 - (f) Framework contracts.

Before issuing official orders, Officers authorising them must be satisfied that there is provision in the estimates and that the Contract Procedure Rules have been complied with.

- 6.2 Each official order shall be in a form prescribed and approved by the Chief Finance Officer and shall include:
- (a) a description of the works, goods and services ordered;
 - (b) the name and address of the supplier;
 - (c) an estimate of the cost;
 - (d) the financial code to which the cost is to be charged;
 - (e) name of the authorising officer.
- 6.3 Verbal orders may only be placed in exceptional circumstances the details of which must be confirmed by e-mail or other appropriate means on the same day and confirmed by written official order within 3 working days.
- 6.4 Electronic orders will be treated in the same way as other official orders. Changes to on-line authorising officers shall be notified to the Chief Finance Officer immediately.

7. Leasing

- 7.1 The Chief Finance Officer shall be responsible for making leasing arrangements for the use of buildings, plant, vehicles and equipment. No officer other than the Chief Finance Officer may enter into any type of leasing arrangements.
- 7.2 Due to complex capital accounting requirements regarding expenditure in relation to leases, all leases, hire, rental, hire purchase agreements, deferred purchase agreements and other arrangements where the use of an asset is being acquired without the ownership of it must be referred to the Chief Finance Officer in advance of entering any agreement.
- 7.3 Provision within revenue estimates to cover the annual costs of leasing should be made only following consultation with the Chief Finance Officer.

8. Grant Funding and Third Party Funding

- 8.1 It is essential that proper management of external funding or grants received, or funding awarded by the Council, is undertaken in order to safeguard the financial position of the Council and also to maximise the benefits to service delivery from the receipt of these additional funds.
- 8.2 The Council has a Grants Financial Management Policy which all Chief Officers and their staff must adhere to in order to ensure the proper management of grant funding and other internal and external funds. Failure to comply could result in funding being withheld by the funding body or recovered at a later date. Any failure to comply with the Grants Financial Management Policy, which results in funding being reduced to the Council, may be reported to the Governance and Audit Committee, and any shortfall in the funding borne by the responsible directorate.

Section B - Expenditure and Income

9. Payment of accounts

- 9.1 Excluding payments in the form of petty cash from imprest accounts, the preferred method of payment of money due from the Council shall be by automated transfers from the Council's bank accounts overseen by the Chief Finance Officer.
- 9.2 The Chief Finance Officer shall be the authorised signatory of any joint bank account opened in the name of the Council and any other party and will be responsible for the payment of any cheques from that joint bank account.
- 9.3 Each Chief Officer is responsible for examining, verifying and authorising invoices and any other payment vouchers or accounts arising from sources in their Directorate including the use of purchasing cards. Authorised officers can discharge this responsibility on behalf of the Chief Officer. Each Chief Officer will supply the names and specimen signatures for authorised officers together with authorisation limits to the Business Support Manager and will need to confirm the list on an annual basis. Any changes to authorisation limits should be notified to the Business Support Manager within a month.

Payments in advance

- 9.4 All payments for goods and services must be paid in arrears on presentation of an invoice or appropriate document to support the payment. The Chief Finance Officer, in consultation with

a Cabinet Member, can give approval for payment in advance of goods or services in exceptional circumstances and on request from a Chief Officer. Approval must be given in writing via email to the appropriate officer, with the relevant Cabinet Member copied in, for audit purposes. There are a small number of exceptions where some payments are permitted to be paid in advance without prior approval. These include:

- Travel, such as rail tickets which are paid via a purchasing card
- Subscriptions, which are usually paid at the start, or in advance of, the subscription period
- Licences – such as software licences
- Necessary expenditure incurred in the normal course of business not exceeding £1,000. Note, the total value of the purchase needs to be considered rather than a monthly or recurring amount.
- Advance payments to Third Sector organisations will be considered in line with the Welsh Government Third Sector Scheme and guidance set out in the Code of Practice for Funding the Third Sector, where financial hardship can be evidenced.

9.5 Before authorising an account, the authorising officer shall be satisfied that:

- (a) the work, goods or services to which the account relates have been received, carried out, examined and approved;
- (b) the invoice satisfies VAT and Construction Industry Scheme (CIS) regulations and that prices, extensions, calculations, trade discounts, other allowances and credits are correct;
- (c) the relevant expenditure has been properly incurred and is within the relevant estimate provision;
- (d) the financial code to which the expenditure is to be charged is correct and sufficient budget is available;
- (e) the account or invoice indicates the official order number relating to the goods or services provided, or if there is no such order the reason for the omission unless it relates to services not subject to orders such as care contracts;
- (f) appropriate entries have been made in inventories, stores records or stock books as required;
- (g) the account has not been previously passed for payment and is a proper liability of the Council;
- (h) in the case of accounts for the supply of public utility services and other periodic payments, relevant expenditure, and where appropriate, units of energy consumed, have been entered in records approved by the Chief Finance Officer.

9.6 Accounts should be authorised via EDRM online, or other agreed means. Any accounts not authorised via EDRM should be manually authorised and passed to Business Support for processing, or in the case of feeder files passed to the Chief Finance Officer for processing. All payments should be processed within 30 days.

9.7 Where payments are electronically uploaded into the financial system via a feeder file, appropriate controls, including standardising of files and validity checks, are put in place to

ensure their integrity. For any new feeder files, Internal Audit will be asked to review and give assurance on the process for authorisation before use.

- 9.8 For the Council to reclaim VAT on individual payments, the Council is required under VAT Regulations to obtain the supplier's VAT registration number and invoice to be addressed to Bridgend County Borough Council.
- 9.9 The Chief Finance Officer shall set down procedures for the retention of financial documentation. Such documentation must not be disposed of without the specific approval of the Chief Finance Officer. All invoices shall be retained for at least 6 years plus the current financial year. In the case of invoices relating to grant claims, these must be kept until after the grant claim has been audited even if this exceeds 6 years. It is the responsibility of the Chief Officer of the grant to ensure the correct retention period is maintained. The same retention periods apply to electronic copies of all original invoices.
- 9.10 Changes to on-line authorising officers shall be notified to the Business Support Manager immediately.
- 9.11 Each Chief Officer shall, no later than a date specified at the financial year end, notify the Chief Finance Officer of any outstanding expenditure relating to the previous financial year to be accrued in the Statement of Accounts.

10. Imprest accounts

- 10.1 Where appropriate, the Chief Finance Officer shall provide imprest accounts for such officers of the Council as may need them for the purpose of defraying petty cash and other expenses. Such accounts shall be maintained in accordance with the notes of guidance issued to imprest holders by the Chief Finance Officer.
- 10.2 Where petty cash is required, the Chief Finance Officer shall open an account with the Council's bankers for use by the imprest holder, who shall not deliberately cause the account to be overdrawn. Any prolonged overdrawn balance on an imprest holder's bank account shall be reported to the Chief Finance Officer. It will also prevent the use of any business ATM cash card as they cannot be used on an overdrawn account. Where an officer holds a cheque book or business ATM cash card in respect of any account they must ensure that it is securely stored and all cancelled cheques are crossed and retained with the counterfoils of the original cheque book. Receipts for withdrawals must be retained.
- 10.3 Any officer responsible for an imprest account shall be personally responsible for making good any deficiencies in that account.
- 10.4 No income received on behalf of the Council may be paid into an imprest account but must be dealt with in accordance with paragraph 15.3.
- 10.5 Except as otherwise agreed between the Chief Finance Officer and the Chief Officer concerned, payments out of the accounts shall be limited to petty disbursements and shall not include sums due to any tradesperson with whom the Council has an account for the supply of goods and services, or who can establish an account, nor any account for goods exceeding in value a sum to be agreed from time to time by the Chief Finance Officer, nor travelling expenses other than those of a casual nature e.g. bus fares.
- 10.6 An officer responsible for an imprest shall on a regular basis as specified by the Chief Finance Officer, or at any other time if so requested, provide a certified statement as to the state of the account.

10.7 Whenever an officer who is an imprest holder leaves the employment of the Council, or ceases to be entitled to hold an imprest advance, the officer shall account to the Chief Finance Officer for the amount advanced to him.

11. Purchasing Cards

11.1 Where appropriate, a purchasing card will be issued to support the current Purchase to Pay invoice process and should not be considered as a replacement mechanism to bypass the formal requisition and approval process. Expenditure shall be made in accordance with the purchasing card guidelines.

11.2 Each card has an individual monthly expenditure limit, individual transaction limit and restricted category types for expenditure. The cardholder will be making financial commitments on behalf of the Council and will be responsible for obtaining value for money in accordance with Contract Procedure Rules and Corporate Contracts.

11.3 Except, as otherwise agreed with the Chief Finance Officer, payments by purchasing card shall be limited to approved disbursements and shall not include sums due to any tradesperson whose invoices should be paid via the Financial System. Travelling expenses, such as train fares, can be pre-booked and paid with the purchasing card, however, the purchasing card cannot be used to reimburse travelling expenses nor subsistence expenses other than those of a casual nature.

11.4 The cardholder is responsible for updating the Barclaycard Spend Management system with costing, VAT and narrative details of the expenditure in a timely manner and in accordance with the purchasing card guidelines.

11.5 Whenever a member of staff who is a purchasing card holder leaves the employment of the Council, or ceases to be entitled to hold a purchasing card, the member of staff must return the purchasing card immediately on cessation of entitlement to the Corporate Procurement Manager for cancellation. Any replacement member of staff who requires a purchasing card must apply for a new card via the Corporate Procurement Manager.

11.6 Any person holding a purchasing card shall be personally responsible to notify the Corporate Procurement Manager of any unauthorised / unrecognised spend made on the card. The cardholder shall be personally responsible for making good any unauthorised spend that they incur on the card.

11.7 Where appropriate, the Chief Finance Officer shall provide a purchasing card enabled for cash withdrawal to give services access to cash for the purpose of defraying petty expenditure. Such cards shall be maintained in accordance with the notes of guidance to card holders issued by the Corporate Procurement Manager. There is an administration charge for cash withdrawals. Detailed records of monies withdrawn, spending of this money, including VAT amount and costing information, must be kept and be available for examination on request.

11.8 Except as otherwise agreed with the Chief Finance Officer, payments out of the cash withdrawn from the bank by purchasing card shall be limited to petty disbursements and shall not include sums due to any tradesperson with whom the authority has an account, nor travelling or subsistence expenses.

11.9 A person responsible for the cash balance held shall, if so requested, give to the Chief Finance Officer certification as to the state of the funds.

- 11.10 Whenever a member of staff who is a cash balance administrator leaves the employment of the authority, or ceases to be entitled to administer the cash balance, the member of staff shall repay to the Chief Finance Officer the unexpended cash balance of the withdrawn amount, or shall transfer monies, records and vouchers relating to the account to the new cash administrator. When a purchasing card holder leaves, the card in their name must be returned to the Corporate Procurement Manager for cancellation and a new card applied for via the Corporate Procurement Manager unless the new cash administrator is not to be allocated a purchasing card.
- 11.11 Any person holding a cash balance obtained by a purchasing card cash withdrawal shall be personally responsible for making good any deficiencies in that account.

12. Business Cash Cards

- 12.1 Where appropriate a business cash card will be issued to support services which have a requirement for petty cash, to facilitate the withdrawal of cash from ATMs.
- 12.2 Each card is allocated to an individual named officer of the Council against a specific account, who is responsible for the safeguarding of the card and its appropriate use. Each card has an individual withdrawal and daily withdrawal limit and must be used only for the withdrawal of cash for the purposes of petty cash use for that service or other agreed purposes such as private funds.
- 12.3 Cash withdrawn from petty cash accounts must not be used for the purposes of paying sums due to tradesperson. Such invoices should be paid via the Financial System.
- 12.4 Where the card is related to a petty cash account, the cardholder is responsible for updating the petty cash system to record that cash has been withdrawn and must account for all cash withdrawals made.
- 12.5 Whenever a member of staff who holds a business cash card leaves the employment of the Council, or ceases to be entitled to a card, they must return the debit card immediately to the Chief Finance Officer for the card to be cancelled. The Cardholder is personally responsible for any shortfalls between the cash withdrawn and cash held in the petty cash records.

13. Construction Industry Scheme (CIS) – Tax Deduction

- 13.1 For certain types of construction work, the Council is obliged by HMRC's Construction Industry Scheme to deduct tax at source from sub-contractor payments, at the appropriate rate, from the invoiced amount. Those CIS sub-contractors paid under deduction must have the labour/material split shown on the invoice and entered into the Financial System. Further guidance can be obtained from the Purchase Ledger Team in Finance.

14. Salaries, wages and Members' allowances

- 14.1 The payment of all salaries, wages, allowances, expenses or other emoluments to all employees or members shall be made by, or under arrangements approved and controlled by, the Group Manager – Human Resources and Organisational Development.
- 14.2 Each Chief Officer shall notify the Group Manager – Human Resources and Organisational Development as soon as possible and in the prescribed form, of all matters affecting the payment of such emoluments and in particular:
- (a) appointments, resignations, dismissals, suspensions, secondments, and transfers;

- (b) absences from duty for sickness or other reason, apart from approved leave with pay;
 - (c) changes in remuneration, other than normal increments and pay awards;
 - (d) information necessary to maintain records of service for superannuation, income tax, national insurance etc.;
 - (e) any failure to comply with Council or statutory regulations.
- 14.3 Appointments of all employees shall be made in accordance with the regulations of the Council and the approved establishment, gradings and rates of pay.
- 14.4 All time records and other pay documents shall be in a form prescribed or approved by the Group Manager – Human Resources and Organisational Development and shall be certified by or on behalf of the Chief Officer. The names of the officers authorised to certify such records shall be sent to the Group Manager – Human Resources and Organisational Development by each Chief Officer together with specimen signatures and shall be amended on the occasion of any change. Changes to on-line authorising officers shall be notified to the Chief Finance Officer immediately.
- 14.5 No payments to staff may be made other than through the normal payroll system without the specific approval of the Group Manager – Human Resources and Organisational Development.
- 14.6 Where an Officer is hiring or engaging a staff member who is not on the Council payroll there is a legal requirement to determine whether it is the responsibility of the Council to deduct tax and national insurance at source, in accordance with the requirements of the Social Security Contributions (Intermediaries) Regulations 2000, as amended (IR35).

15. Officers fees, travelling and subsistence allowances

- 15.1 All claims for payment of fees, car allowances, subsistence allowances and travelling expenses shall be submitted, duly certified, in a format approved by the Group Manager – Human Resources and Organisational Development, to the appropriate Chief Officer in accordance with the timetable set down by the Group Manager – Human Resources and Organisational Development. A record of all officers authorised to approve such records shall be sent to the Group Manager – Human Resources and Organisational Development together with specimen signatures and shall be amended on the occasion of any change. This applies to both manual and electronic expenses systems.
- 15.2 The certification by, or on behalf of, the Chief Officer shall be taken to mean that the certifying officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred, the vehicle used had appropriate insurance cover, the necessary receipts of expenditure retained and that the fees and allowances are properly payable by the Council.
- 15.3 Claims submitted more than three months after the expenses were incurred must be accompanied by a letter of explanation for the delay and shall be paid only with the express approval of the Group Manager – Human Resources and Organisational Development who shall refer the matter to Cabinet if necessary.
- 15.4 All claims for payment of incidental expenses such as removal, lodging and disturbance allowances and training course fees etc. shall be made on the appropriate form and shall be in accordance with the appropriate scheme approved by the Council.

16. Banking arrangements and cheques

- 16.1 All arrangements with the Council's bankers shall be made by or under arrangements approved by the Chief Finance Officer, who shall be authorised to operate such bank accounts as considered necessary.
- 16.2 All cheques shall be ordered only on the authority of the Chief Finance Officer who shall make proper arrangements for their safe custody, including cheque books issued automatically by the bank.
- 16.3 Any such bank account opened in respect of monies held on behalf of the Council shall be arranged in consultation with or under the direction of the Chief Finance Officer. The Chief Finance Officer shall maintain a list of authorised signatories, along with specimen signatures, for all such accounts. Any change in signatory shall be reported to the Chief Finance Officer immediately.
- 16.4 No Standing Orders or Direct Debits from the Council's bank accounts shall be set up unless arranged in consultation with or under the direction of the Chief Finance Officer. The Chief Finance Officer shall maintain a list of all officers authorised to set up Direct Debits and Standing Orders.
- 16.5 The Chief Finance Officer shall be authorised to:
- (a) nominate officers empowered to authorise payment out of these bank accounts;
 - (b) negotiate charges with the Council's bankers.
- 16.6 The Chief Finance Officer will be responsible for ensuring that there are adequate controls in place to ensure that all payment methods, whether physical or electronic, have appropriate authorisations, approvals and signatures as necessary.
- 16.7 The Chief Finance Officer shall ensure that appropriate arrangements are in place to facilitate the monthly reconciliation of the Council's Bank Accounts.

17. Income

- 17.1 Each Chief Officer will be responsible for the prompt and accurate billing, collection and banking of all income due to the Council in connection with the Directorate's activities, except where in the interests of efficiency or security it is agreed with the Chief Finance Officer that all or part of the duties should be discharged by some other Chief Officer.
- 17.2 Except as agreed between the Chief Finance Officer and the Chief Officer concerned, all receipt books and other such items shall be ordered and supplied to Directorates by the Chief Finance Officer, who shall be satisfied as to the arrangements for their control.
- 17.3 In carrying out this function, each Chief Officer shall ensure that any officer of the staff engaged in the collection of money:
- (a) maintains a record of receipts and bankings in a form approved by the Chief Finance Officer;
 - (b) pays without delay any money collected either:
 - i) to the approved officer;
 - ii) to a security firm employed by the Chief Finance Officer for this purpose; or

- iii) to one of the Council's main bank accounts or via outlets of the nominated collector(s) as agreed by the Council.
 - (c) makes no deduction from monies collected, except with the specific and exceptional approval of the Chief Finance Officer;
 - (d) ensures income is correctly coded onto the financial system nominated by the Chief Finance Officer and satisfies VAT regulations;
 - (e) makes good any shortfalls in cash collected and identifies any surpluses;
 - (f) in the case of cheques received, enters on any paying-in slips details with the cheque or provides supporting evidence and a reference to the related debt.
- 17.4 Personal cheques shall not be cashed out of the money held on behalf of the Council.
- 17.5 Outstanding debts which are found to be irrecoverable may be written off by the Chief Finance Officer, except where it is considered that there are matters of principle or policy which should be referred to the Cabinet.
- 17.6 Any officer holding a cash float shall be personally responsible for making good any deficiencies in that account.
- 17.7 Where an officer takes cash for works, goods or services that is either:
- i. in excess of the level stipulated within the Council's Anti-Money Laundering Policy; or
 - ii. where there is anything suspicious regarding, but not limited to, multiple use of high denomination notes, multiple and frequent disaggregation of payment of a higher value outstanding debt;

then the officer must report it immediately to the Money Laundering Reporting Officer (MLRO) in accordance with that Policy.

18. Fees and Charges

- 18.1 The Council has a Fees and Charging Policy to support the Medium Term Financial Strategy. It is intended to provide a consistent and co-ordinated approach to charging across the Council, setting out the key principles for charging and for reviewing charges and must be adhered to by all Chief Officers and their staff.
- 18.2 When setting charges, there is recognition that where possible, the full cost of the service should be recovered. However, there is also a recognition that in some instances, there will be a conscious decision not to fully charge or a statutory charge or limit set, and the remaining cost will be met by the Council Tax payer.
- 18.3 In line with the Medium Term Financial Strategy, a review of fees and charges should be undertaken at least annually as a minimum and any new or increased charges must receive approval from Cabinet or delegated authority under the Scheme of Delegation, Scheme A paragraph 1.6. Where a proposal is made not to increase charges in a financial year, approval must be sought from the appropriate Chief Officer and Chief Finance Officer.

19. Value Added Tax

- 19.1 The Chief Finance Officer shall establish appropriate systems of control for the proper accounting of Value Added Tax (VAT) inputs and outputs. The Chief Finance Officer will produce and distribute a VAT guidance document to all Directorates and schools to enable officers to comply with HMRC VAT regulations.

Section C - Security and Assets

20. Security

- 20.1 The Chief Finance Officer shall have overall responsibility to the Council for security of Council property.
- 20.2 Each Chief Officer shall be responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash, title deeds, securities, etc. under their custody.
- 20.3 Maximum limits for cash holdings shall be agreed with the Chief Finance Officer.
- 20.4 Every transfer of official money from one member of staff to another will be evidenced in the records of the Directorate concerned by the signature of the receiving officer.
- 20.5 Keys to safes and similar receptacles for the safeguarding of money or other valuables are to be carried on the person of those responsible; the loss of any such keys must be reported to the Chief Finance Officer.

21. Data Protection

- 21.1 The Council's Data Protection Officer shall be responsible for undertaking the tasks set out in Section 71 of the Data Protection Act 2018 and Article 39 of the UK GDPR.
- 21.2 Each officer shall be responsible for maintaining proper security, privacy and compliance with the Data Protection Act 2018 and UK GDPR in respect of personal data held.
- 21.3 Each Chief Officer shall have a duty to notify the Data Protection Officer of any computer system in their Directorate which holds personal data.
- 21.4 Each Chief Officer shall have a duty to ensure the safekeeping and prevention of improper use of any personal data held in the Directorate, regardless of the media on which it is held.
- 21.5 The Chief Finance Officer, or an authorised representative of the Chief Finance Officer, shall have access to all computer systems and records and may require and receive such explanations as are necessary, for the purposes of the Data Protection Act 2018 and UK GDPR.
- 21.6 The security of financial systems, e.g. use of passwords, shall be maintained by adhering to instructions issued by the Chief Finance Officer and in line with the ICT Code of Conduct.

22. Stocks and stores

- 22.1 Each Chief Officer shall be responsible for the custody of the stocks and stores in the Directorate and shall have a duty to:

- (a) ensure that stocks are adequate but not excessive for the purpose envisaged;
 - (b) maintain accurate and up to date records of such stocks and stores and ensure that a stocktake is undertaken at year end and the certificate is submitted to Finance;
 - (c) provide the Chief Finance Officer with such information as they require in relation to stores for accounting, costing and financial records.
- 22.2 A Chief Officer shall arrange for periodical test examinations of stocks by persons other than storekeepers and shall ensure that all stocks are checked at least once in every year. Any surpluses or deficiencies revealed by such periodical test examinations shall be reported to the Chief Finance Officer and, after consultation with the Chief Officer, the Chief Finance Officer will decide what action to take.
- 22.3 Losses due to theft of stocks shall be reported to the Chief Finance Officer as soon as possible and, where found to be irrecoverable, shall be written off.
- 22.4 In all other instances write offs need the consent of the Chief Finance Officer following the submission of a report by the Chief Officer outlining the reasons for write off.
- 23. Investments, borrowings and trust funds**
- 23.1 The Council has adopted the Chartered Institute of Public Finance and Accountancy (CIPFA)'s Code of Practice on Treasury Management in the Public Services.
- 23.2 The Chief Finance Officer will be responsible for preparing and presenting an annual Treasury Management Strategy to the Governance and Audit Committee prior to submission to Council for approval in advance of the start of each financial year. The Strategy must include a Borrowing Strategy, Investment Strategy and set the Council's Treasury Management Indicators for the forthcoming financial year.
- 23.3 All investment and borrowing transactions shall be undertaken in accordance with the Treasury Management Strategy with due regard to the requirements of CIPFA's Code of Practice on Treasury Management in the Public Services.
- 23.4 All investments of money under its control shall be made in the name of the Council. Any borrowing activity must have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities and the Code of Practice on Treasury Management in the Public Services.
- 23.5 The Chief Finance Officer shall report quarterly to the Cabinet, summarising borrowing and investment activity, monitoring against the approved Treasury Management and other appropriate indicators, and indicating compliance with any statutory or Council approved guidelines together with a half yearly and an annual report to Council.
- 23.6 The Chief Finance Officer, or an agent nominated by the Chief Finance Officer, will be the Council's Registrar of loan instruments and shall maintain records of all borrowing of money by the Council.
- 23.7 The Chief Finance Officer will have a duty to ensure a proper, efficient and effective mix of borrowing and investments.
- 23.8 The Governance and Audit Committee is responsible for ensuring effective scrutiny of the Treasury Management policies and practices. The Committee will review the Half Year and

Annual Report on Treasury Management as well as the Treasury Management Strategy. The Committee will make any recommendations for improvements on treasury management to the Chief Finance Officer and raise any concerns that the Council is exceeding its legal powers with the Monitoring Officer.

24. Inventories

- 24.1 Each Chief Officer shall be responsible for the plant, vehicles, machinery, equipment, tools, furniture and other non-consumable property in the Directorate and shall have a duty to:
- (a) maintain an up to date inventory of such goods;
 - (b) carry out an annual physical check on goods listed in the inventory;
 - (c) as far as is practicable see that such goods are marked as Council property;
 - (d) ensure that such goods are not removed or used except in accordance with the ordinary course of the Council's business.
- 24.2 Every transfer of items contained in the inventory from one establishment to another shall be evidenced in the records of the establishment concerned by the signature of the receiving officer.

25. Insurances

- 25.1 The Chief Finance Officer shall have a duty to:
- (a) effect adequate insurance cover in accordance with the Council's Insurance Strategy contained in the Risk Management Policy. The Chief Finance Officer will arrange insurance for losses which would have a significant impact on budgets and the provision of services, where it must be bought by law and where the insurance provides additional benefits which enable an activity to take place;
 - (b) promptly claim any insurance loss the Council has suffered and liaise with the Council's Insurers to settle any claim brought by another party, if it is assessed that the Council has a legal liability to do so;
 - (c) ensure that sums insured and limits of indemnity are regularly reviewed;
 - (d) maintain comprehensive records of insurance including policy documents and understand what coverage they provide;
 - (e) employ the services of a professional insurance broking company who can provide expert advice;
 - (f) only transfer risks to Insurance Companies which are financially strong;
 - (g) comply with the "duty of fair presentation" contained in the Insurance Act 2015. The Council must disclose to its Insurers all information, facts and circumstances which are, or ought to be, known to it, which are material to the risk. A material circumstance is one which would influence the judgement of a prudent Underwriter in considering whether to provide insurance and, if so, on what basis and cost.
- 25.2 A Chief Officer will have a duty to:

- (a) promptly notify the Chief Finance Officer of any new risks, insurable assets or liabilities which are required to be insured under the Insurance Strategy.;
- (b) promptly notify the Chief Finance Officer in writing of any loss, liability, damage or any event likely to lead to a claim and where appropriate inform the Police;
- (c) promptly provide any information required by the Chief Finance Officer or the Council's Insurers to progress a claim;
- (d) assist the Chief Finance Officer to comply with the "duty of fair presentation contained in the Insurance Act 2015 by disclosing all relevant information.

25.3 The Chief Finance Officer shall review all insurances at least annually, in consultation with other Chief Officers as appropriate.

25.4 No indemnity shall be given in the name of the Council without the prior approval of the Chief Finance Officer.

26. Prevention of Theft, Fraud and Corruption

26.1 The Chief Finance Officer is responsible for advising on effective systems of internal control to prevent fraud and corruption.

26.2 The Chief Finance Officer is responsible for developing, maintaining and implementing an Anti-Fraud and Bribery Policy. If a Chief Officer suspects any irregularities concerning cash, stores or other property of the Council or held on trust by the Council, they will notify the Chief Finance Officer who will take such steps as considered necessary by way of investigation and report.

26.3 The Chief Finance Officer is responsible for developing, maintaining and implementing an Anti-Money Laundering Policy. The key message of this Policy is to make staff aware of their responsibilities and if they suspect that money laundering activity may be taking place or proposed, they must disclose those suspicions to the Council's Money Laundering Reporting Officer who is the Chief Finance Officer.

26.4 The Council employs a corporate Senior Fraud Investigator, so should any fraud or irregularity be identified, whilst it would still be reported to the 'Chief Finance Officer' initially, certain matters may be referred to the Senior Fraud Investigator for investigation where appropriate.

26.5 The Chief Finance Officer is also responsible for developing, maintaining and implementing the Anti-Tax Evasion Policy. The policy addresses the prevention of tax evasion and will provide a coherent and consistent approach for all employees and any person who performs services for and on behalf of Bridgend County Borough Council.

26.6 All Chief Officers are responsible for ensuring compliance with the Anti-Fraud and Bribery Policy, Anti-Money Laundering Policy and the Anti-Tax Evasion Policy and with systems of internal control.

27. Estates

27.1 The Chief Executive Officer shall maintain a register and appropriate records detailing all properties owned by the Council including:

- (a) purpose for which held;

- (b) location, extent, and plan reference;
- (c) particulars of nature of interest held;
- (d) purchase details;
- (e) rents payable;
- (f) particulars of tenancies granted.

27.2 The Chief Finance Officer will maintain an asset register of all Council assets.

27.3 Where land and/or buildings are found to be surplus to requirements the responsible Chief Officer shall, as soon as possible, submit a report to the appropriate Cabinet Member for appropriate action in accordance with the Schemes of Delegation.

28. Asset Disposal

28.1 Directors are responsible for ensuring that all property assets which are surplus to requirements are referred to the Corporate Landlord section, who will determine the appropriate action to be taken in conjunction with Directorates. In accordance with the Council's disposal strategy the following shall be considered:

- restrictions relating to the ownership of the asset;
- opportunities for using the asset elsewhere in the Council;
- market opportunities;
- appropriate use of tendering procedures for disposal;
- fairness in the disposal process;
- asset security;
- the costs of disposal in relation to the expected income.

28.2 All assets, including assets declared surplus where disposal is proposed must be notified to the Chief Finance Officer for approval and appropriate action in accordance with the Council's disposal strategy and Scheme of Delegation of Functions.

28.3 All assets, whether land, property, buildings, vehicles, plant or equipment, must be notified to the Capital Accountant to ensure their disposal is accurately recorded on the Council's Fixed Asset Register in a timely manner, and as soon after disposal as possible.

29. Protection of private property

29.1 The Chief Officer shall in any known case where steps are necessary to prevent or mitigate loss of or damage to moveable property, prepare in a form agreed with the Chief Finance Officer, an itemised inventory in each case prepared in the presence of two officers.

29.2 All valuables such as jewellery, watches and other small articles of a similar nature and documents of title deposited with the Council for safe custody shall be recorded in a form agreed by the Chief Finance Officer.

29.3 All monies deposited with the Council for safekeeping shall be dealt with in accordance with guidelines agreed by the Chief Officer and the Chief Finance Officer.

29.4 Where a Chief Officer is required as part of their duties to hold in trust any property, valuables or cash belonging to a third party they should do so in accordance with guidelines agreed with the Chief Finance Officer.

30. Risk Management

30.1 The Chief Finance Officer is responsible for preparing the Council's Risk Management Strategy and its promotion throughout the Council and for advising of strategic, financial and operational risks.

30.2 Chief Officers shall be responsible for the identification, classification and control of all risks falling within their areas of responsibility. The risks identified shall be incorporated into a Departmental Risk Register, and any risks that exceed the Council's risk threshold shall be notified to the Chief Finance Officer for incorporation into the Corporate Risk Assessment, which shall be subject to periodic review by the Governance and Audit Committee at no more than annual intervals.

30.3 Chief Officers shall take responsibility for risk management within their areas of responsibility, having regard to advice from the Chief Finance Officer and other specialist Officers (e.g. crime prevention, fire prevention, health and safety), and shall undertake regular reviews of risk within their own Directorates.

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Meeting of:	CABINET
Date of Meeting:	14 JANUARY 2025
Report Title:	URGENT/EMERGENCY WORKS TO CULVERT AT A4061 BWLCH-Y-CLAWDD ROAD, NANTYMOEL FOLLOWING LANDSLIDE DURING STORM BERT, 24TH NOVEMBER 2024
Report Owner / Corporate Director:	CORPORATE DIRECTOR - COMMUNITIES
Responsible Officer:	KEVIN MULCAHY GROUP MANAGER HIGHWAYS AND GREEN SPACES
Policy Framework and Procedure Rules:	Exemption from the requirement to seek quotes, in accordance with Rule 3.1.6 of the Contract Procedure Rules
Executive Summary:	To notify Cabinet of authorisation and award of a works order to undertake urgent/emergency works to culvert and slope on the A4061 Bwlch-y-Clawdd road, Nantymoel, in the interests of public safety following a storm event that caused a landslip.

1. Purpose of Report

- 1.1 The purpose of this report is to notify Cabinet of the authorisation and award of a works order to contractors to undertake urgent/emergency works to culvert at A4061 Bwlch-y-Clawdd road, Nantymoel, in the interests of public safety and maintenance of highway for an exemption under Rule 3.1.6 of the Council's Contract Procedure Rules.

2. Background

- 2.1 On 24th November 2024, Storm Bert caused widespread issues throughout the County Borough and around South Wales.
- 2.2 On the A4061 Bwlch-y-Clawdd road, Nantymoel, a culvert collapsed resulting in water flows washing large deposits of material from the surrounding ground becoming unstable and falling onto the highway. Following a call from the emergency services Bridgend County Borough Council (BCBC) staff attended and arranged for the road to be closed.
- 2.3 On Monday 25th November 2024, when the storm had abated engineers were able to commence assessment of the damage and extent of repair that would be necessary.

Clearance of the highway debris was completed on the 26th November 2024, and the road re-opened to traffic albeit under traffic control and temporary protective structures to mitigate the risk of further falling debris.

- 2.4 Review of the extent of damage and works required to rectify the collapse/landslide identified that the appropriate skills and experience to undertake the works was not held by the internal work force of BCBC and specialist contractors needed to be engaged. Due to the ongoing risk of instability caused by the damage it was considered that expediting of the repairs and associated slope stabilisation should not be delayed.
- 2.5 Fortunately, a contractor had recently been awarded a contract with BCBC to undertake remedial works to culverted and open watercourses on a coal tip in Nantymoel, and were contacted to discuss possible solutions and availability.
- 2.6 After some discussions they confirmed that they were able to undertake the proposed solution and had the experience of working in this type of environment (i.e steep sided mountain). Furthermore they confirmed that as they were working in the vicinity they could reduce some of the normal overhead associated with such a scheme.
- 2.7 By delegated decision (decision reference CMM-HW-24-137) the Corporate Director Communities approved the award of the works contract in accordance with an exemption under paragraph 3.1.6 of the Council's Contract Procedure Rules.

3. Current situation / proposal

- 3.1 The exemption used in delegated power CMM-HW-24-137 is contained in paragraph 3.1.6 of the Council's Contract Procedure Rules which state that the Contract Procedure Rules do not apply:

'In an emergency situation in which injury or damage to persons or property is threatened in which case the Appropriate Chief Officer may take any necessary action but must report the circumstances and the action taken to the next meeting of the Appropriate Body.'

- 3.2 The exemption was enacted following the need to undertake the urgent and emergency action to prevent a further landslide and remove the traffic management to fully open up the highway to all users. But for the exemption the Council's Contract Procedure Rules would have required quotations be sought from a minimum of five prospective tenderers with Safety Schemes in Procurement (SSIP) accreditation and registered and verified on Constructionline.

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 as a result of this report.

6. Climate Change Implications

6.1 There are no Climate Change in relation to this report.

7. Safeguarding and Corporate Parent Implications

7.1 There are no Safeguarding and Corporate Parent Implications from this report.

8. Financial Implications

8.1 The estimated costs for the works to be undertaken is £131,000 and will be subject of an application to Welsh Government for emergency funding as part of their Emergency Financial Assistance Scheme (EFAS) to assist local Authorities following the recent storm events.

8.2 If this application is not successful then the cost of these works will need to be funded from within the Communities Directorate budgets.

9. Recommendation

9.1 It is recommended that Cabinet notes the exemption from the requirement to seek quotes, in accordance with Rule 3.1.6 of the Contract Procedure Rules.

Background documents

None

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Meeting of:	CABINET
Date of Meeting:	14 JANUARY 2025
Report Title:	THE PROVISION OF BEACH AND WATER SAFETY SERVICES IN PARTNERSHIP WITH THE ROYAL NATIONAL LIFEBOAT INSTITUTION (RNLI).
Report Owner / Corporate Director:	CORPORATE DIRECTOR - COMMUNITIES
Responsible Officer:	ZAK SHELL – HEAD OF OPERATIONS, COMMUNITIES
Policy Framework and Procedure Rules:	There is no effect upon the Council’s policy framework or procedure rules as a result of this report.
Executive Summary:	The purpose of the report is to request approval to establish a new long-term partnership arrangement with the Royal National Lifeboat Institution (RNLI) to operate a seasonal beach lifeguarding service at local beaches and in doing so seek a waiver under paragraph 3.2.3 of the Council’s Contract Procedure Rules from the requirement to obtain quotes or tenders by open competition and agreement to enter a contract with the RNLI.

1. Purpose of Report

- 1.1 The purpose of the report is to request approval to establish a new long-term partnership arrangement with the Royal National Lifeboat Institution (RNLI) to operate a seasonal beach lifeguarding service at local beaches and in doing so seek a waiver under paragraph 3.2.3 of the Council’s Contract Procedure Rules from the requirement to obtain quotes or tenders by open competition and agreement to enter a contract with the RNLI.

2. Background

- 2.1 There is a long-standing and successful partnership approach between Bridgend County Borough Council (BCBC) and the RNLI in relation to the provision of beach and water safety services in Bridgend County Borough. Two previous partnership agreements have existed, with the current one ending in 2024. These agreements have provided value for money, been delivered successfully, and provided a level of safety for beach visitors which would otherwise not have been available. It is considered that the service has become a core element of the offer for tourists to the area and assisted the County Borough in maintaining two Blue Flag beaches.
- 2.2 The beaches included in the agreements are Rest Bay, Coney/Sandy Bay and Trecco Bay, with cover of Pink Bay being delivered by the team based at Rest Bay.
- 2.3 Table 1 details the current service level and the resources provided by the RNLI for each season, showing the dates between which each beach is guarded, and the number of lifeguards required on each shift.

Table 1 Current provision

Beach Name	Early Season	Main Season Start	No. of Lifeguards - Main Season	Peak Season Start	No. of Lifeguards - Peak Season	Peak Finish	Main Season Finish	Full Finish	Comments
Coney/Sandy Bay	Yes	4th May	2	29th June	3		1st Sept		Easter Bank Holiday Only until Main Season Start
Rest Bay	No	25th May	4			1st Sept	15th Sept		Weekends Only After Peak Finish
Trecco Bay	Yes	4th May	2				1st Sept	29th Sept	Easter Bank Holiday Only until Main Season Start. Weekends Only Between Main Season Finish and Full Finish

2.4 Over the past 5 years the RNLI have dealt with 686 incidents on County beaches, resulting in 949 people being aided. Of this total, 149 people were rescued. Additionally, a total of 267 people were provided with medical aid, including trauma care and/or minor first aid. In total, the RNLI report that 12 lives have been saved over the period. It is to be noted that the terms used in this report have been taken from the RNLI's definitions used in their own reports, and the context of these definitions can be found in Table 2 below. This is a common framework used by the RNLI across all the beaches on which they provide a service.

Table 2 RNLI definitions

Definition	Context
Rescue	Where a lifeguard responds to a person at risk and physically returns them to shore or transfers them to another rescue craft
Assistance	Where a lifeguard aids a person in the sea who is at low risk but, if left, would be at risk
Casualty Care	Where a lifeguard formally assesses and/or treats a casualty according to RNLI casualty care protocols
Minor First Aid	Where a lifeguard treats a casualty due to sickness or injury who is at low or no risk but who requires treatment to ensure the risk does not increase
Search	An organised search, with other search and rescue units, for a missing person either at sea or on land
Missing/Found	Where a lifeguard assists in the location of children who have become separated parents/guardians, or other people who have been found or reported missing, including those who are known to be missing as a result of an incident in or on the water
Non-Aquatic Assist	When a lifeguard assists a person that was not in the water, or clears a sandbank of people who are at risk and ensures they return to shore

2.5 Table 3 shows incidents recorded over a 5-year period; Table 4 shows incidents by beach; Table 5 shows incidents by definition; Table 6 shows lives saved.

Table 3 Incidents recorded over a 5 year period

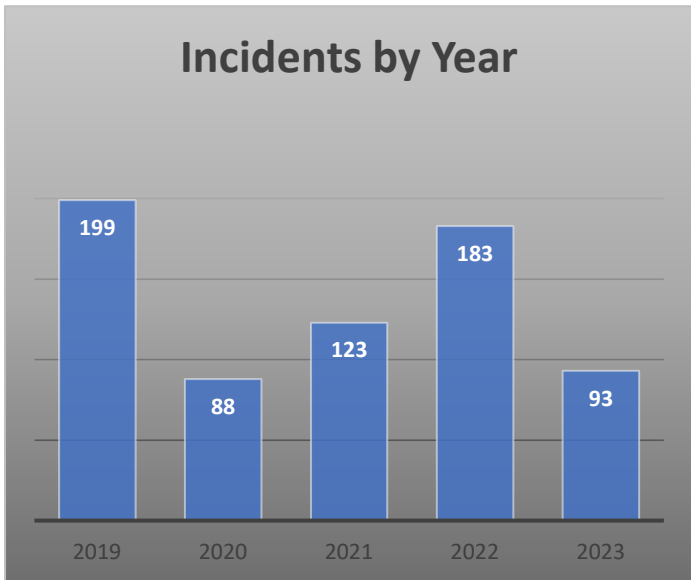


Table 4 Incidents by beach

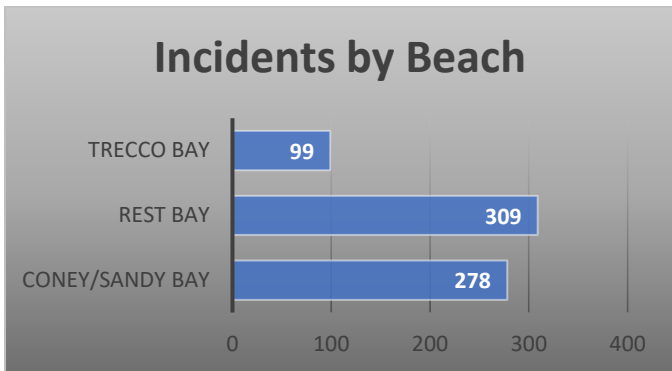


Table 5 Incidents by definition

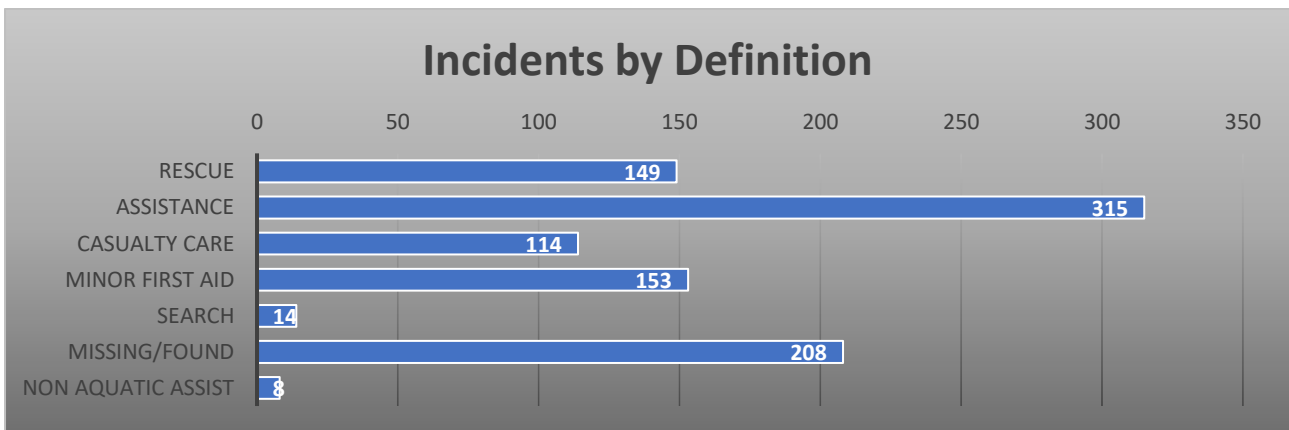
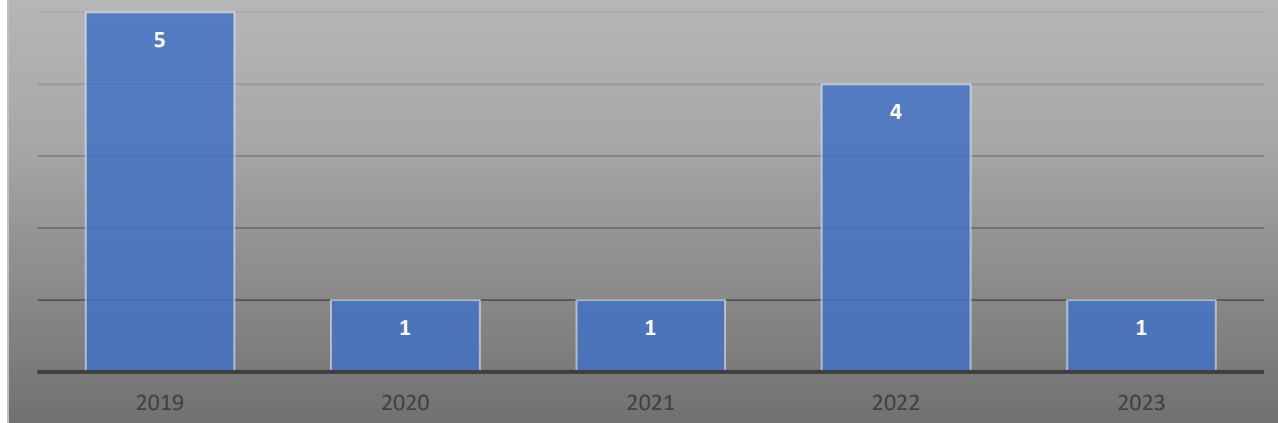


Table 6 Lives saved over a 5-year period

Lives Saved



3. Current situation / proposal

3.1 With the end of the current agreement between BCBC and the RNLI approaching, officers have been engaging in discussions with RNLI in relation to future options.

3.2 These discussions have been based on the following principles:

- High Profile Beaches: A potential lifeguard service prioritising cover on high profile beaches.
- Risk Based Priority: A potential lifeguard service developed on a risk-based approach, involving a review combined with an analysis of statistical information collected by lifeguards to help determine future options.
- Seasonality: Most incidents dealt with occur in July and August. Therefore, a potential lifeguard service that responds to this.
- Geography: A potential lifeguarded beach for the highest number of people, providing a spread of locations across Porthcawl's beaches.
- Resource availability: A potential lifeguard service based on the resource availability at this time, but cognisant of inflationary pressures.

3.3 Following discussions, four options are presented here for Cabinet consideration.

Option 1 – Cease financial commitment entirely. The 'do-nothing' option.

3.4 BCBC could decide to no longer provide a financial commitment towards the provision of a lifeguarding service on the beaches in Bridgend County Borough. This would create the expectation that the RNLI, as a charity, would continue to provide the service.

3.5 Option 1 would create a potential annual revenue saving for BCBC of £38,000

3.6 The following have been identified as points to consider regarding option 1:

- RNLI Response – Although they are a charitable organisation, the RNLI have stated that they will not be able to continue to provide lifeguarding services if BCBC do not provide a financial commitment in the future. They have around 50 other clients in the UK, including

other Local Authorities, that all make a financial contribution towards the lifeguarding services they receive.

- Public Safety – As can be seen from the statistical information earlier in this report, the lifeguarding supplied by the RNLI has had a measurable positive impact on the safety of beachgoers over the life of the agreement.
- Reputational – The provision of lifeguarding is required for a beach to be considered for a Blue Flag award. Without lifeguarding services, Blue Flag status will be lost.

Option 2 – Enter into a new agreement with fixed base financial commitment plus CPI uplift each year. The ‘maintain resource, with CPI uplift, but reduce service’ option.

- 3.7 Option 2 would keep the financial commitment at its current level, but would however include an CPI increase each year, but with no additional financial commitment other than that made available to respond to RNLI requests for further resources.
- 3.8 Option 2 would effectively freeze BCBC’s ongoing financial commitment at the current amount plus CPI, ensuring a known annual cost going forward.
- 3.9 In this scenario, the RNLI would still require that the BCBC contribution percentage increase and have indicated that if this option were chosen by Cabinet, it would be achieved via service level reductions.
- 3.10 Using a hypothetical 2025 season as an example, Table 7 shows the service reductions required to achieve the necessary percentage resource increase that has been requested by the RNLI.

Table 7 Option 2 potential service

Beach Name	Easter Bank Holiday?	Main Season Start	No. of Lifeguards - Main Season	Peak Season Start	No. of Lifeguards - Peak Season	Peak Finish	Main Season Finish	Full Finish	Comments
Coney/Sandy Bay	No	25th May	2	12th July	3		1st Sept		Main & Peak Season Only
Rest Bay	No	25th May	3			1st Sept	15th Sept		Weekends Only After Peak Finish
Trecco Bay	Yes	4th May	2				1st Sept	29th Sept	Easter Bank Holiday Only until Main Season Start. Weekends Only Between Main Season Finish and Full Finish

3.11 When comparing Table 7 to Table 1 the following should be noted:

- Trecco Bay – Service and staffing levels to remain unchanged.
- Rest Bay – The length of the service would remain the same as in 2024 but the total number of lifeguards would drop from 4 to 3 for the entire season.
- Coney Bay – No lifeguard service for Easter Bank Holiday, no lifeguard service from Early May Bank Holiday, with the service to start full-time from the late May Bank Holiday instead. The peak service would start 2 weeks later, moving from 28th June to 12th July, when staffing levels go up from 2 to 3 lifeguards.

3.12 These reductions are operationally significant and would occur on the busiest beaches; the cover provided on Trecco Bay is separately funded outside of BCBC and would not be reduced.

- 3.13 It could be considered that this potential reduction in service may come with similar non-financial costs to those discussed in option 1, with further reductions anticipated in future years due to the fixed financial commitment provided.

Option 3 – Enter into a new agreement with fixed annual financial commitment. The ‘maintain resource, with no CPI uplift, but reduce service’ option.

- 3.14 Option 3 would maintain the financial commitment at its current level, with no allowance for CPI and no increase to meet the RNLI’s request for a higher percentage contribution. This would effectively freeze BCBC’s ongoing financial commitment at the current amount, ensuring a fixed annual cost going forward.
- 3.15 This option would require an estimated further 3.5% (CPI assumption) cost reduction via service reductions on top of those described in Option 2.

Option 4 – Enter into a new agreement with an increased financial commitment. The ‘increase resource to maintain current service’ option.

- 3.16 To maintain service provision at the current 2024 season level for all beaches, as can be seen in Table 1, the RNLI have requested an annual increase of 4% to our total contribution on top of the CPI uplift, which equates to around £3,000 additional cost per year.
- 3.17 The option of maintaining the same level of resource and still maintaining the same level of service, the ‘same resource, same service’ option, is not something the RNLI are able to provide and therefore has not been presented as an option for Cabinet consideration.
- 3.18 It is proposed that if Cabinet choose either option 2, 3 or 4 that any further agreement would be based on the following requirements:
- The RNLI would generate investment towards the total costs of operations, which will be supplemented through the arrangement with BCBC.
 - The provision for each season will be based on a recommendation from the RNLI, developed following a risk assessment of each of the beaches covered. RNLI will seek agreement from landowners for this provision.
 - The RNLI will manage the recruitment, training, event cover, equipment, uniforms, supervision and management of lifeguards and ensure the shared use of facilities and joint working arrangements with local clubs within the parameters of the agreed resources.
 - The RNLI will work with local stakeholders to consider options for additional services beyond those agreed within the parameters of the core service, provide cost estimates for such additional services and support local stakeholders to consider alternative additional resources required.
 - Throughout each season regular update meetings will take place between BCBC and RNLI and the RNLI will produce an end of season report each year.

- 3.19 It is therefore proposed that Cabinet advise officers of their chosen option of those set out in this report.
- 3.20 If Cabinet chose either option 2, 3 or 4 then any future associated agreement will require a waiver of the Contract Procedure Rules relating to the requirement to obtain quotes or tenders by open competition for the provision of the services on the basis that the services can be provided by only one tenderer in accordance with rule 3.2.3. In proposing such an action, it

is highlighted that the RNLI is a unique organisation in respect of such services due to its core focus on coastal safety. What is proposed here currently operates successfully in other Local Authority areas, such as Swansea, Neath Port Talbot and the Vale of Glamorgan.

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

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

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

5.1 The Well-being of Future Generations (Wales) Act 2015 Assessment Template has been completed and a summary of the implications from the assessment relating to the five ways of working is outlined below in respect of the proposal:

- Long-term: The elements that make up the proposed delivery for a new three year agreement with the RNLI have been identified following discussion with key stakeholders and in relation to current understanding of the potential long term challenges and opportunities.
- Prevention: A clear process, based on research and evidence has been undertaken to develop a service provision that seeks to provide a level of beach and water safety service appropriate for the proposed period.
- Integration: The proposed service delivery has been based on previous approaches taken within Bridgend County Borough, as well as approaches being undertaken in other areas.
- Collaboration: The proposed service delivery is based on collaboration between BCBC and its range of service areas and the RNLI.
- Involvement: The proposed service will be delivered in close partnership with a range of local stakeholders through existing engagement mechanisms. The delivery will be closely monitored with information for review sought from partners. The proposed future agreement will be based on involvement of local landowners and other service providers.

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 issues as a result of this report.

8. Financial Implications

8.1 The annual budget currently available for BCBC to contribute towards the overall cost of delivering the seasonal lifeguarding service is £38,000.

8.2 The financial commitment implications of the 4 options set out in section 3 of this report over a proposed 3-year agreement are presented in Table 8 below.

Table 8 3 year agreement proposals

	<u>Description</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Option 1	Cease financial commitment entirely	£0	£0	£0
Option 2	Enter into a new agreement with fixed base financial commitment (+ CPI)	£39,330	£40,707	£42,131
Option 3	Enter into a new agreement with fixed annual financial commitment (No CPI)	£38,000	£38,000	£38,000
Option 4	Enter into a new agreement with an increased financial commitment. (4% + CPI)	£40,903	£44,028	£47,392

8.3 The impact of these options, when compared to the current level of financial commitment, are set out in table 9 below:

Table 9 Impact comparison

	<u>Description</u>	<u>Impact in 2025</u>	<u>Impact in 2026</u>	<u>Impact in 2027</u>	<u>Total Impact</u>
Option 1	Cease financial commitment entirely	£38,000	£38,000	£38,000	£114,000
Option 2	Enter into a new agreement with fixed base financial commitment (+ CPI)	-£1,330	-£1,377	-£1,425	-£4,131
Option 3	Enter into a new agreement with fixed annual financial commitment (No CPI)	£0	£0	£0	£0
Option 4	Enter into a new agreement with an increased financial commitment. (4% + CPI)	-£2,903	-£3,125	-£3,364	-£9,392

8.4 If Cabinet chose Option 1, there is a recurrent budget saving of £38,000 per annum. If Cabinet chose Option 2, an application to the centrally held price inflation budget would be considered on an annual basis. If Cabinet chose Option 4, the additional cost pressure over and above CPI inflationary increases would have to be met from within the Communities Directorate existing budgets.

9. Recommendations

9.1 It is proposed that Cabinet:

- Advise officers of their choice of option on the way forward from those set out in section 3 of this report;
- note that if either option 2, 3 or 4 then any future associated agreement will require a waiver of the Contract Procedure Rules relating to the requirement to obtain quotes or tenders by open competition for the provision of the services on the basis that the services can be provided by only one tenderer in accordance with rule 3.2.3. In proposing such an action, it is highlighted that the RNLI is a unique organisation in respect of such services due to its core focus on coastal safety;

- note the financial implications of each option and how any increase in financial commitment would be funded;
- delegate authority to the Corporate Director, Communities, if either option 2, 3 or 4 are chosen, to finalise negotiations with the RNLI and enter into a three year partnership arrangement and associated service level agreement and any further deeds and documents which are supplemental to the agreement, and any subsequently required amendments, with the RNLI and in doing so agree a waiver under paragraph 3.2.3 of the Council's Contract Procedure Rules.

Background documents

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