

Public Document Pack  
Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr  
Bridgend County Borough Council



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

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

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



**Cyfarwyddiaeth y Prif Weithredwr / Chief Executive's Directorate**  
Deialu uniongyrchol / Direct line /: 01656 643148 / 643694 / 643513  
Gofynnwch am / Ask for: Democratic Services

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

**Dyddiad/Date:** Monday, 13 January 2025

Dear Councillor,

**SUBJECT OVERVIEW AND SCRUTINY COMMITTEE 3**

A meeting of the Subject Overview and Scrutiny Committee 3 will be held Hybrid in the Council Chamber - Civic Offices, Angel Street, Bridgend, CF31 4WB/ remotely via Microsoft Teams on **Monday, 20 January 2025 at 16:00.**

**AGENDA**

1 Apologies for Absence

To receive apologies for absence from Members.

2 Declarations of Interest

To receive declarations of personal and prejudicial interest (if any) from Members/Officers in accordance with the provisions of the Members Code of Conduct adopted by Council from 1 September 2008 (including whipping declarations).

3 Approval of Minutes

3 - 8

To receive for approval the minutes of the meeting of the 02/12/24.

4 Medium Term Financial Strategy 2025-26 to 2028-29

9 - 74

Invitees:

Councillor John Spanswick – Leader of Council  
Councillor Jane Gebbie - Deputy Leader of Council and Cabinet Member for Social Services, Health and Wellbeing

**By receiving this Agenda Pack electronically you will save the Authority approx. £01.92 in printing costs**

Councillor Hywel Williams - Cabinet Member for Finance and Performance  
Councillor Paul Davies – Cabinet Member for Climate Change and the Environment  
Councillor Neelo Farr – Cabinet Member for Regeneration, Economic Development and Housing

Mark Shephard - Chief Executive  
Carys Lord - Chief Officer Finance, Performance and Change  
Janine Nightingale - Corporate Director – Communities  
Deborah Exton – Deputy Head of Finance  
Victoria Adams – Finance Manager – Communities, Education and Family Support

5 Conclusions and Recommendations

6 Forward Work Programme Update 75 - 96

7 Urgent Items

To consider any item(s) of business in respect of which notice has been given in accordance with Part 4 (paragraph 4) of the Council Procedure Rules and which the person presiding at the meeting is of the opinion should by reason of special circumstances be transacted at the meeting as a matter of urgency.

**Note: This will be a Hybrid meeting and Members and Officers will be attending in the Council Chamber, Civic Offices, Angel Street Bridgend / Remotely via Microsoft Teams. The meeting will be recorded for subsequent transmission via the Council's internet site which will be available as soon as practicable after the meeting. If you would like to view this meeting live, please contact [cabinet\\_committee@bridgend.gov.uk](mailto:cabinet_committee@bridgend.gov.uk) or tel. 01656 643148 / 643694 / 643513 / 643159.**

Yours faithfully

**K Watson**

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

Councillors:

S J Bletsoe  
JPD Blundell  
N Clarke  
RJ Collins  
C Davies  
P W Jenkins  
MJ Kearn  
W J Kendall  
J E Pratt  
G Walter  
I Williams  
MJ Williams

Present

Councillor JPD Blundell – Chairperson

S J Bletsoe

C Davies

J E Pratt

Present Virtually

P W Jenkins

G Walter

MJ Williams

Apologies for Absence

N Clarke, RJ Collins, MJ Kearn, W J Kendall and I Williams

Invitees:

Councillor Neelo Farr

Cabinet Member for Regeneration, Economic Development & Housing

Carys Lord

Chief Officer - Finance, Housing and Change

Martin Morgans

Head of Performance and Partnerships

Ryan Jones

Strategic Housing Commissioning Manager

Adam Provoost

Strategic Planning Policy Team Leader

Joanne Ginn

Housing Solutions Manager

Georgina Wayman

Environmental Health Officer

Helen Pembridge – Team Manager – Bridgend & Vale (Housing Enforcement & Pollution Control)

Officers:

Lucy Beard

Scrutiny Officer

Stephen Griffiths

Democratic Services Officer - Committees

**This document is available in Welsh / Mae'r ddogfen hon ar gael yn Gymraeg**

Declarations of Interest

Councillor Steven Bletsoe - Personal – item 5 – Head of Training and Business Development and the Operations Manager for Wales at the National Residential Landlords Association which is a membership organisation representing private sector landlords.

Councillor Jonathan Pratt - Personal – item 6 – An elected Member of Porthcawl Town Council who have been in receipt of UK Shared Prosperity Funding.

Councillor Martin Williams - Personal – An elected Member of Coity Higher Community Council who have been in receipt of UK Shared Prosperity Funding.

Councillor Colin Davies - Personal – item 6 – worked on regional Shared Prosperity Funding bid for another local authority.

**86. Approval of Minutes**

Decision Made	<u>RESOLVED:</u> That the minutes of the meeting of Subject Overview and Scrutiny Committee 3 dated 30 September 2024 were approved as a true and accurate record.
Date Decision Made	2 December 2024

**87. Housing and Homelessness Update**

Decision Made	<u>RESOLVED:</u> The Committee praised the hard work of the Housing Team highlighting that they deal with some of the most vulnerable in the Community and acknowledged the pressures that they had been under over the last couple of years.  Following detailed consideration and discussion with the Cabinet Member and Officers, the Committee made the following comments and Recommendations:  <b>Recommendations</b>  1. Members discussed how vital the Welsh Government Housing Support Grant funding had been, the freezing of the Grant had applied significant pressure across Wales and 18 months
---------------	---

ago regular meetings between the 22 Welsh local authorities regarding Homelessness had ceased, which had previously been attended by a network of individuals who could provide operational feedback to Welsh Government.

The Committee requested information regarding the nature and title of the previously held meetings and **recommended** that following receipt of the information requested, that a letter be sent from the Committee to Welsh Government to request the reasons for discontinuing the meetings, whether there were plans to restart them and if not, the reason why.

2. The Committee discussed the issue of vacant and derelict buildings in the borough and enquired whether there were any schemes or strategies that could potentially enable the Local Authority to take control of such empty buildings to turn them into social housing.

The Committee **recommended** that when a Council owned property becomes vacant, all options should be explored including whether it could be utilised by another part of the Authority e.g. for repurposing as housing accommodation, prior to consideration of whether it is declared surplus, marketed for sale, or disposed of otherwise.

The Committee highlighted the importance of the Authority looking at inventive ways of working with partners to bring properties back in to use which could inevitably reduce the costs.

3. The Committee expressed concern that the proposed level of social housing would only address 50% of the current waiting list and asked whether there was an opportunity to review the figures and submit another bid in the Local Development Plan (LDP) process.

Members were advised that following the Local Development Plan (LDP) being adopted this year, a local housing and marketing assessment would be undertaken every two to three years which would provide up to date figures to enable negotiation for the right mix and type of housing, however the actual review for the LDP would be 4 years from its adoption.

The Committee **recommended** that Members be encouraged to examine the updated figures from the Local Housing and Marketing Assessment when considering the review of the LDP in 4 years' time, and that given Members' concern at hearing in the meeting of a development

	<p>not meeting all of its percentage target to build social housing, that the proposed housing percentage targets be adhered to rigorously throughout the Planning process.</p> <p><b><u>Additional information:</u></b></p> <p>Following detailed consideration and discussion with the Cabinet Member and Officers, the Committee made the following requests for information:</p> <p>4. The Committee requested further information regarding the primary capital funding stream for the development of affordable housing, the Social Housing Grant, including the following:</p> <ul style="list-style-type: none"> <li>a. Details of the local SHG partners worked with;</li> <li>b. A breakdown of the allocation of costs;</li> <li>c. What the costs were used for;</li> <li>d. Details of how the Council looks at the developments bid for;</li> <li>e. Whether the developments bid for were delivered on time and at the original contract price.</li> </ul>
Date Decision Made	2 December 2024

**88. Information report - United Kingdom Shared Prosperity Fund Grant Funds**

Decision Made	<p><b><u>RESOLVED:</u></b></p> <p>Following discussion regarding the report being an Information Report, the Committee requested that the United Kingdom Shared Prosperity Fund Grant Information Report be discussed at the next Forward Work Programme planning meeting with the objective that it be scheduled at a future meeting to enable Committee Members to ask and receive a response to their questions.</p>
Date Decision Made	2 December 2024

**Forward Work Programme Update**

Decision Made	<p><u>RESOLVED:</u></p> <p>That the Committee approved the Forward Work Programme (FWP) in Appendix A subject to the inclusion of the items below, noted the Recommendations Monitoring Action Sheet in Appendix B and noted that the FWP as approved by the Committee would be reported to the next meeting of the Corporate Overview and Scrutiny Committee.</p> <p>The Committee requested:</p> <ol style="list-style-type: none"> <li>i. That the United Kingdom Shared Prosperity Fund Grant Information Report be scheduled at a future meeting to enable Committee Members to ask and receive a response to their questions.</li> <li>ii. That consideration be given at the next FWP planning meeting to bringing forward a report on the Regeneration of Bridgend Town Centre for the Committee to consider the master plan, scrutinise what has been delivered and progress of the medium and long term proposals.</li> <li>iii. An all Member Briefing on the development of Sunnyside.</li> <li>iv. That the following information be included in the scope of the Maesteg Town Hall report, scheduled on the FWP:             <ul style="list-style-type: none"> <li>- Justification of the money spent;</li> <li>- Inner detail of what occurred;</li> <li>- Details of the challenges encountered;</li> <li>- Details of the lessons learnt;</li> <li>- A possible presentation from Officers;</li> <li>- An honest appraisal of what could have changed or been done differently.</li> </ul> </li> </ol>
Date Decision Made	2 December 2024

**Urgent Items**

Decision Made	None.
Date Decision Made	2 December 2024

To observe further debate that took place on the above items, please click this [link](#).

The meeting closed at 18:17.



# Agenda Item 4

<b>Meeting of:</b>	<b>SUBJECT OVERVIEW AND SCRUTINY COMMITTEE 3</b>
<b>Date of Meeting:</b>	<b>20 JANUARY 2025</b>
<b>Report Title:</b>	<b>MEDIUM TERM FINANCIAL STRATEGY 2025-26 TO 2028-29</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, HOUSING AND CHANGE</b>
<b>Responsible Officer:</b>	<b>DEBORAH EXTON DEPUTY HEAD OF FINANCE</b>
<b>Policy Framework and Procedure Rules:</b>	The budget setting process is outlined within the Council's Constitution and Financial Procedure Rules.
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• The proposed MTFS is driven by the Council's 13 MTFS principles and has been developed by Cabinet and Corporate Management Board.</li> <li>• Welsh Government announced its draft budget on 10 December 2024 before the announcement of the provisional local government settlement on 11 December 2024.</li> <li>• 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%.</li> <li>• No information was provided on future years' funding although indications are it will still be extremely challenging.</li> <li>• There were a number of transfers of specific grants into and out of the settlement.</li> <li>• 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</li> </ul>

	<p><b>a council tax increase of 4.5%. The breakdown of the budget for 2025-26 is set out in Table 5.</b></p> <ul style="list-style-type: none"> <li>• <b>The MTFS sets out a most likely savings target of £40.242 million over the next 4 financial years.</b></li> <li>• <b>The Council’s general capital funding increased by £602,000 to £8.582 million.</b></li> <li>• <b>The Section 151 officer has a statutory duty to set a balanced and robust budget.</b></li> <li>• <b>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.</b></li> </ul>
--	---

## **1. Purpose of Report**

- 1.1 The purpose of this report is to present the Subject Overview and Scrutiny Committee 1 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:

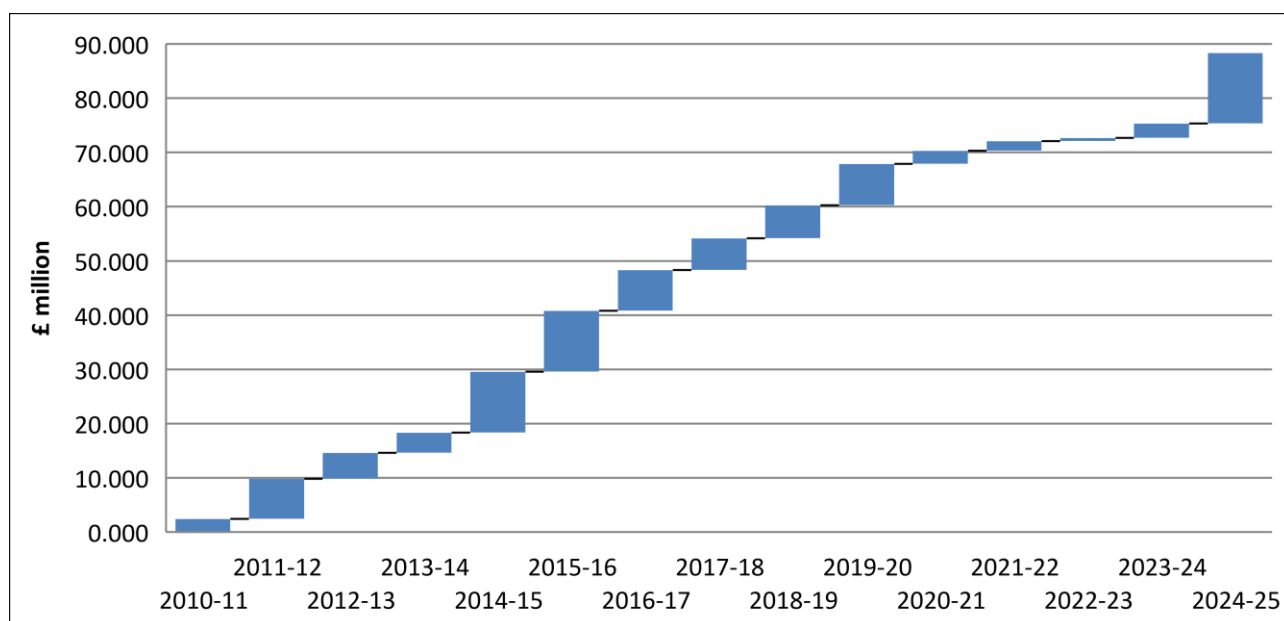
- The Council will seek to safeguard and protect the most vulnerable people in our communities;
- The Council will encourage residents and communities to support themselves and provide advice to enable this to happen;
- The Council will seek to limit service growth in the coming financial year;
- All 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 21<sup>st</sup> 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.

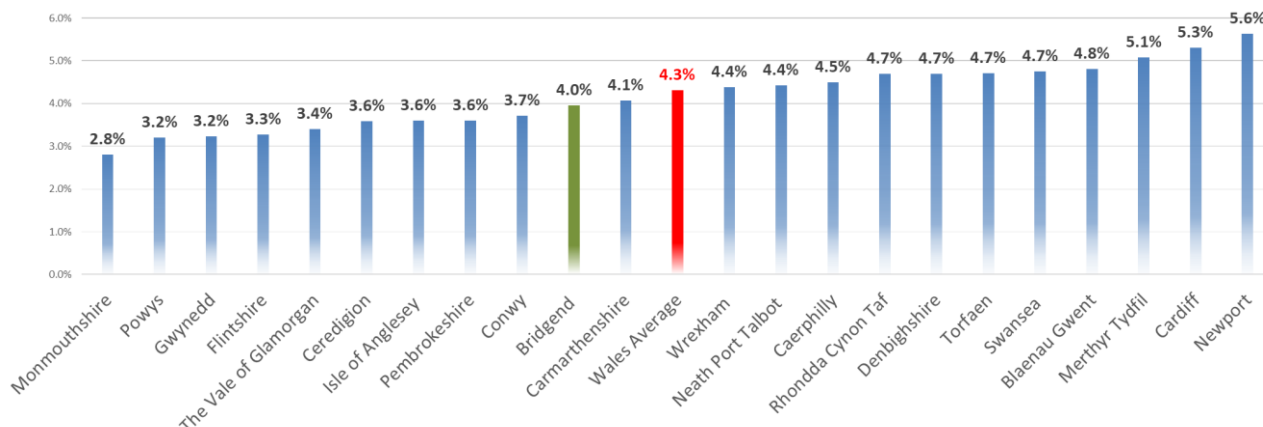
- 3.2.6 In response to the Autumn Budget the Welsh Government Cabinet Secretary for Finance and Welsh Language said, “*This is a Budget focused on fixing the foundations; rebuilding public services and creating a pathway of investment for growth*”. Referring to the £1.7 billion of extra funding for public 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
<b>Directorate</b>					
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
<b>Total Directorate Budgets</b>	<b>301,189</b>	<b>314,634</b>	<b>321,599</b>	<b>6,965</b>	<b>8,801</b>
<b>Council Wide Budgets</b>					
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)
<b>Total Council Wide Budgets</b>	<b>59,482</b>	<b>46,037</b>	<b>32,285</b>	<b>(13,752)</b>	<b>(2,004)</b>
<b>Total</b>	<b>360,671</b>	<b>360,671</b>	<b>353,884</b>	<b>(6,787)</b>	<b>6,797</b>

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**

	<b>2025-26 % Change</b>	<b>2026-27 % Change</b>	<b>2027-28 % Change</b>	<b>2028-29 % Change</b>
Best Scenario	+4.0%	+1.0%	+1.0%	+1.0%
<b>Most Likely Scenario</b>	<b>+4.0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
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**

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

### 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
<b>Total</b>	<b>2,002</b>	<b>2,121</b>	<b>8,854</b>	<b>12,977</b>	<b>27,265</b>	<b>40,242</b>
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
<b>Service Directorate Budgets:</b>									
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
<b>Education, Early Years and Young People</b>	<b>148,785</b>	<b>3,650</b>	<b>144</b>	<b>2,177</b>	<b>2,708</b>	<b>-3,340</b>	<b>150,474</b>	<b>4,414</b>	<b>158,538</b>
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
<b>Total Directorate Budgets</b>	<b>314,210</b>	<b>4,554</b>	<b>144</b>	<b>2,193</b>	<b>14,063</b>	<b>-6,562</b>	<b>328,602</b>	<b>10,072</b>	<b>338,674</b>
<b>Council Wide Budgets:</b>									
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
<b>Total Council Wide Budgets</b>	<b>46,461</b>	<b>2,526</b>	<b>-144</b>	<b>8,045</b>	<b>391</b>	<b>-2,543</b>	<b>54,736</b>	<b>-10,072</b>	<b>44,664</b>
<b>Net Budget Requirement</b>	<b>360,671</b>	<b>7,080</b>	<b>0</b>	<b>10,238</b>	<b>14,454</b>	<b>-9,105</b>	<b>383,338</b>	<b>0</b>	<b>383,338</b>

\* 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
<b>Total</b>	<b>383,338,259</b>	<b>100%</b>

### 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**

<b>Ref</b>	<b>Proposal</b>	<b>£'000</b>	<b>Approval Date</b>
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	
	<b>Corporate Reserves:</b>				
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
<b>50,917</b>	<b>Total Corporate Reserves</b>	<b>472</b>	<b>(799)</b>	<b>(1,255)</b>	<b>49,335</b>
	<b>Directorate Reserves:</b>				
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
<b>6,669</b>	<b>Total Directorate Reserves</b>	<b>3,432</b>	<b>(1,968)</b>	<b>(1,547)</b>	<b>6,586</b>
	<b>Equalisation &amp; Grant Reserves:</b>				
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
<b>4,006</b>	<b>Equalisation &amp; Grant Reserves:</b>	<b>(911)</b>	<b>(88)</b>	<b>(188)</b>	<b>2,819</b>
2,405	School Balances	-	-	-	2,405
<b>63,997</b>	<b>TOTAL RESERVES</b>	<b>2,993</b>	<b>(2,855)</b>	<b>(2,990)</b>	<b>61,145</b>

### 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**

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

### **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:

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

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

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. Recommendations**

It is recommended that the Committee:

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

## **Background documents**

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

This page is intentionally left blank

## 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			
<b>Total Budget Pressures</b>			<b>9,409</b>	<b>0</b>	<b>0</b>	<b>0</b>

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			
<b>Total Budget Pressures</b>			<b>5,045</b>	<b>2,783</b>	<b>500</b>	<b>0</b>

<b>TOTAL ALL BUDGET PRESSURES</b>	<b>14,454</b>	<b>2,783</b>	<b>500</b>	<b>0</b>
-----------------------------------	---------------	--------------	------------	----------

**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

<b>14,454</b>	<b>2,783</b>	<b>500</b>	<b>0</b>
---------------	--------------	------------	----------

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
------	---------------------------	---	-------------------------	---	------------------------------------	-----------------------------	-----------------------------	-----------------------------	-----------------------------

RAG STATUS KEY	
<b>RED</b>	Proposals not fully developed and include high delivery risk
<b>AMBER</b>	Proposal in development but includes delivery risk
<b>GREEN</b>	Proposal developed and deliverable

**EDUCATION, 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 <ul style="list-style-type: none"> <li>• quality assure childcare providers in the community (with associated safeguarding risks);</li> <li>• complete the statutory childcare sufficiency assessments and associated statutory work; and</li> <li>• (with the proposed removal of nursery provision, an inability to) support and develop childcare within the community.</li> </ul>	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 56 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"> <li>•The team's ability to promote a positive health and safety culture would likely be compromised.</li> <li>•Significant reduction in proactive work and active monitoring, mentoring and coaching for the "responsible person"</li> <li>•Significant increased pressure on managers at all levels with more limited advice available and less time from the CHSU to support</li> <li>•Significant increased reactive work.</li> <li>•Inability to offer training without support from the private sector (at cost)</li> <li>•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)</li> <li>•Increased in costs to cover work would normally be completed by the CHSU but will likely require contractors to provide</li> <li>•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)</li> <li>•A poorer health and safety culture across the organisation in general</li> <li>•Poorer health and safety systems</li> <li>•Increase level of criticism from services users, members of public and elected members</li> </ul> <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 57 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 (YJS) 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 58 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			
<b>Total Education and Family Support</b>						<b>1,510</b>	<b>417</b>	<b>0</b>	<b>0</b>

**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	
------	---	--	---------------------------	--	-------	-------	-------	-------	--

**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 59  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			
<b>Total Schools</b>						<b>1,830</b>	<b>1,186</b>	<b>1,186</b>	<b>0</b>
<b>Total Education &amp; Family Support Directorate</b>						<b>3,340</b>	<b>1,603</b>	<b>1,186</b>	<b>0</b>

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
<b>SOCIAL SERVICES AND WELLBEING</b>									
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 61 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 62 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 63 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			
<b>Total Social Services and Wellbeing</b>						<b>1,817</b>	<b>139</b>	<b>410</b>	<b>0</b>

**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

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 364 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			
<b>Total Communities Directorate</b>						<b>717</b>	<b>90</b>	<b>0</b>	<b>0</b>



**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
<b>CHIEF EXECUTIVES</b>									
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			
<b>Total Chief Executive's Directorate</b>						<b>688</b>	<b>444</b>	<b>0</b>	<b>0</b>

**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
<b>CORPORATE / COUNCIL WIDE</b>									
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			
<b>Total Corporate / Council Wide</b>						2,543	0	0	0

<b>GRAND TOTAL REDUCTIONS</b>						9,105	2,276	1,596	0
<b>ESTIMATED BUDGET REDUCTION REQUIREMENT (MOST LIKELY)</b>						9,105	10,598	10,382	10,157
<b>REDUCTION SHORTFALL</b>						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.**

<b>Long-term</b>	<p data-bbox="383 399 2022 512"><b>1. How does your project / activity balance short-term need with the long-term and planning for the future?</b></p> <p data-bbox="383 512 2022 975">The development of the MTFS aims to balance short-term needs in terms of meeting savings targets, while safeguarding the ability to meet longer-term objectives. It provides a financial basis for decision making and aims to ensure that the Council's finances can be as healthy as they can be for future generations. It does this by:</p> <ul data-bbox="383 624 2022 975" style="list-style-type: none"> <li>• Outlining the impact of a number of different funding scenarios (Best, Most Likely and Worst) to provide an element of flexibility to the Council.</li> <li>• Adhering to a clear set of MTFS principles and annual budget principles that drive expenditure decisions.</li> <li>• 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.</li> <li>• 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.</li> <li>• Protecting front line services as far as possible.</li> </ul>
<b>Prevention</b>	<p data-bbox="383 975 2022 1046"><b>2. How does your project / activity put resources into preventing problems occurring or getting worse?</b></p> <p data-bbox="383 1046 2022 1375">The MTFS attempts to balance investment in preventative measures against costs of reacting to unanticipated situations in statutory services. Each budget reduction proposal is weighed in terms of the impact on other areas of the Council, on the public and on the Well-being of Future Generations. Where a budget cut in one area of non-statutory prevention would lead to increased costs in another, this is not considered to be good financial management. A number of budget pressures target investment in preventative services, and budget reductions are achieved through remodelling of existing service provision to prevent more costly long term pressures. In addition, the Council's capital programme targets significant investment in refurbishing or replacing highways, buildings and other infrastructure to prevent longer term maintenance costs.</p>

<b>Integration</b>	<b>3. How does your project / activity deliver economic, social, environmental &amp; cultural outcomes together?</b>
	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.
<b>Collaboration</b>	<b>4. How does your project / activity involve working together with partners (internal and external) to deliver well-being objectives?</b>
	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.
<b>Involvement</b>	<b>5. How does your project / activity involve stakeholders with an interest in achieving the well-being goals? How do those stakeholders reflect the diversity of the area?</b>
	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.

<b>Section 2 Assess how well your project / activity will result in multiple benefits for our communities and contribute to the national well-being goals</b>		
<b>Description of the Well-being goals</b>	<b>How will your project / activity deliver benefits to our communities under the national well-being goals?</b>	<b>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)?</b>

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

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

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

<b>Section 3 Will your project / activity affect people or groups of people with protected characteristics? Explain what will be done to maximise any positive impacts or minimise any negative impacts</b>			
Protected characteristics	Will your project / activity have any positive impacts on those with a protected characteristic?	Will your project / activity have any negative impacts on those with a protected characteristic?	Is there any way to maximise any positive impacts or minimise any negative impacts?
Age:	Unknown - The impact, positive or negative, will depend on the nature of the service delivered, the specific budget reduction proposed or budget pressure funded and the service user.		This will vary according to the service provided and will be considered through individual Equality Impact Assessments (EIAs).
Gender reassignment:	See above		This will vary according to the service provided and will be considered through individual EIAs.
Marriage or civil partnership:	See above		This will vary according to the service provided and will be considered through individual EIAs.
Pregnancy or maternity:	See above		This will vary according to the service provided and will be considered through individual EIAs.
Race:	See above		This will vary according to the service provided and will be considered through individual EIAs.



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

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

This page is intentionally left blank

# Agenda Item 6

<b>Meeting of:</b>	<b>SUBJECT OVERVIEW AND SCRUTINY COMMITTEE 3</b>
<b>Date of Meeting:</b>	<b>20 JANUARY 2025</b>
<b>Report Title:</b>	<b>FORWARD WORK PROGRAMME UPDATE</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – LEGAL &amp; REGULATORY SERVICES, HR &amp; CORPORATE POLICY</b>
<b>Responsible Officer:</b>	<b>MERYL LAWRENCE SENIOR DEMOCRATIC SERVICES OFFICER – SCRUTINY</b>
<b>Policy Framework and Procedure Rules:</b>	<b>The work of the Overview &amp; Scrutiny Committees relates to the review and development of plans, policy or strategy that form part of the Council’s Policy Framework and consideration of plans, policy or strategy relating to the power to promote or improve economic, social or environmental wellbeing in the County Borough of Bridgend. Any changes to the structure of the Scrutiny Committees and the procedures relating to them would require the Bridgend County Borough Council Constitution to be updated.</b>
<b>Executive Summary:</b>	<p><b>The Council’s Constitution requires the Corporate Overview and Scrutiny Committee to develop and implement a Forward Work Programme for the Committee.</b></p> <p><b>The Council’s Constitution also provides for each Subject Overview and Scrutiny Committee to propose items for the Forward Work Programme having regard for the Council’s Corporate Priorities and Risk Management framework, for the Corporate Overview and Scrutiny Committee to have oversight and refer any cross-cutting topics to a Committee or Research and Evaluation Panel.</b></p> <p><b>The Committee is asked to consider and agree its Forward Work Programme, identify any specific information it wishes to be included in and any invitees they wish to attend for the reports for the next two Committee meetings, identify any further items for consideration on the Forward Work Programme having regard to the criteria set out in the report, consider the Recommendations Monitoring Action Sheet and note that the Forward Work Programmes for the Subject Overview and Scrutiny Committees will be reported to the next meeting of COSC.</b></p>

## 1. Purpose of Report

1.1 The purpose of this report is to:

- a) Present the Committee with the Forward Work Programme updated at the previous Committee meeting (**Appendix A**) for discussion and consideration;
- b) Request any specific information the Committee identifies to be included in the items for the next two meetings, including invitees they wish to attend;
- c) Request the Committee to identify whether there are presently any further items for consideration on the Forward Work Programme having regard to the selection criteria in paragraph 3.6 of this report;
- d) Present the Recommendations Monitoring Action Sheet (**Appendix B**) to track responses to the Committee's recommendations made at previous meetings;
- e) Advise that the Committee's Forward Work Programme as updated by the Committee will be reported to the next meeting of Corporate Overview and Scrutiny Committee (COSC), with those from each respective Subject Overview and Scrutiny Committee (SOSC), following their consideration in this cycle of Committee meetings.

## 2. Background

2.1 The Council's Constitution requires the Corporate Overview and Scrutiny Committee to develop and implement a Forward Work Programme for the Committee.

2.2 The Council's Constitution also provides for each Subject Overview and Scrutiny Committee to propose items for the Forward Work Programme having regard for the Council's Corporate Priorities and Risk Management framework, for the Corporate Overview and Scrutiny Committee to have oversight and refer any cross-cutting topics to a Committee or Research and Evaluation Panel.

### Best Practice / Guidance

2.3 The Centre for Governance and Scrutiny's (CfGS) Good Scrutiny Guide recognises the importance of the Forward Work Programme. In order to 'lead and own the process', it states that Councillors should have ownership of their Committee's work programme, and be involved in developing, monitoring and evaluating it. The Good Scrutiny Guide also states that, in order to make an impact, the scrutiny workload should be coordinated and integrated into corporate processes, to ensure that it contributes to the delivery of corporate objectives, and that work can be undertaken in a timely and well-planned manner.

2.4 Forward Work Programmes need to be manageable to maximize the effective use of the limited time and resources of Scrutiny Committees. It is not possible to include every topic proposed. Successful Scrutiny is about looking at the right topic in the right way and Members need to be selective, while also being able to demonstrate clear arguments for including or excluding topics.

- 2.5 The CfGS's guide to effective work programming 'A Cunning Plan?' makes the following reference to the importance of good work programming:

*'Effective work programming is the bedrock of an effective scrutiny function. Done well it can help lay the foundations for targeted, incisive and timely work on issues of local importance, where scrutiny can add value. Done badly, scrutiny can end up wasting time and resources on issues where the impact of any work done is likely to be minimal.'*

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

#### Forward Work Programme

- 3.1 Following the approval of the schedule of Scrutiny Committee meeting dates at the Annual Meeting of Council on 15 May 2024, the standing statutory reports to Scrutiny Committees of: the Corporate Plan, the Medium Term Financial Strategy (MTFS) and Budget, Performance and Budget Monitoring, etc. have been mapped to the appropriate timely meeting dates into a Forward Work Programme.
- 3.2 The Forward Work Programmes for each Scrutiny Committee have been prepared using a number of difference sources, including:
- Corporate Risk Assessment;
  - Directorate Business Plans;
  - Previous Scrutiny Committee Forward Work Programme report topics / minutes;
  - Committee / Member proposed topics;
  - Policy Framework;
  - Cabinet Work Programme;
  - Discussions with Corporate Directors;
  - Performance Team regarding the timing of performance information.
- 3.3 There are items where there is a statutory duty for Policy Framework documents to be considered by Scrutiny, e.g., the MTFS including draft budget proposals scheduled for consideration in January 2025, following which COSC will coordinate the conclusions and recommendations from each of the Subject Overview and Scrutiny Committees in a report on the overall strategic overview of Cabinet's draft Budget proposals to the meeting of Cabinet in February 2025.
- 3.4 An effective Forward Work Programme will identify the issues that the Committee wishes to focus on during the year and provide a clear plan. However, at each meeting the Committee will have an opportunity to review this as the Forward Work Programme Update will be a standing item on the Agenda, detailing which items are scheduled for future meetings and be requested to clarify any information to be included in reports and the list of invitees. The Forward Work Programme will remain flexible and will be revisited at each COSC meeting with input from each Subject Overview and Scrutiny Committee reported and any updated information gathered from Forward Work Programme meetings with Corporate Directors.
- 3.5 The Subject Overview and Scrutiny Committee Forward Work Programmes will be reported to the next meeting of COSC, with the comments from each respective Subject Overview and Scrutiny Committee for coordination and oversight of the

overall Forward Work Programme. The SOSC Forward Work Programmes will be included in the standing Forward Work Programme Update report from then on with any feedback from each SOSC meeting included.

### Identification of Further Items

- 3.6 The Committee are reminded of the Criteria Form which Members can use to propose further items for the FWP which the Committee can then consider for prioritisation at a future meeting. The Criteria Form emphasises the need to consider issues such as impact, risk, performance, budget and community perception when identifying topics for investigation and to maximise the impact scrutiny can have on a topic and the outcomes for people. Criteria which can help the Committee come to a decision on whether to include a referred topic, are set out below:

#### Recommended Criteria for Selecting Scrutiny Topics:

PUBLIC INTEREST:	The concerns of local people should influence the issues chosen for scrutiny;
ABILITY TO CHANGE:	Priority should be given to issues that the Committee can realistically influence, and add value to;
PERFORMANCE:	Priority should be given to the areas in which the Council is not performing well;
EXTENT:	Priority should be given to issues that are relevant to all or large parts of the County Borough, or a large number of the Authority's service users or its population;
REPLICATION:	Work programmes must take account of what else is happening in the areas being considered to avoid duplication or wasted effort.

#### Reasons to Reject Scrutiny Topics:

- The issue is already being addressed / being examined elsewhere and change is imminent.
- The topic would be better addressed elsewhere (and can be referred there).
- Scrutiny involvement would have limited / no impact upon outcomes.
- The topic may be sub-judice or prejudicial.
- The topic is too broad to make a review realistic and needs refining / scoping.
- New legislation or guidance relating to the topic is expected within the next year.
- The topic area is currently subject to inspection or has recently undergone substantial change / reconfiguration.

### Corporate Parenting

- 3.7 Corporate Parenting is the term used to describe the responsibility of a local authority towards care experienced children and young people. This is a legal responsibility given to local authorities by the Children Act 1989 and the Children Act 2004. The role of the Corporate Parent is to seek for children in public care the

outcomes every good parent would want for their own children. The Council as a whole is the 'Corporate Parent', therefore all Members have a level of responsibility for care experienced children and young people in Bridgend.

- 3.8 In this role, it is suggested that Members consider how each item they consider affects care experienced children and young people, and in what way can the Committee assist in these areas.
- 3.9 Scrutiny Champions can greatly support the Committee in this by advising them of the ongoing work of the Cabinet Committee Corporate Parenting and particularly any decisions or changes which they should be aware of as Corporate Parents.
- 3.10 The Forward Work Programme for the Committee is attached as **Appendix A** for the Committee's consideration.
- 3.11 The Recommendations Monitoring Action Sheet to track responses to the Committee's recommendations made at previous meetings is attached as **Appendix B**.

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

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

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

- 5.1 The Act provides the basis for driving a different kind of public service in Wales, with 5 Ways of Working to guide how public services should work to deliver for people. The following is a summary to show how the 5 Ways of Working to achieve the well-being goals have been used to formulate the recommendations within this report:
  - Long-term - The approval of this report will assist in the planning of Scrutiny business in both the short-term and in the long-term on its policies, budget and service delivery.
  - Prevention - The early preparation of the Forward Work Programme allows for the advance planning of Scrutiny business where Members are provided an opportunity to influence and improve decisions before they are made by Cabinet.
  - Integration - The report supports all the wellbeing objectives.
  - Collaboration - Consultation on the content of the Forward Work Programme has taken place with the Corporate Management Board, Heads of Service and Elected Members.

- Involvement - Advanced publication of the Forward Work Programme ensures that stakeholders can view topics that will be discussed in Committee meetings and are provided with the opportunity to engage.

5.2 When setting its Forward Work Programme, the Committee should consider how each item they propose to scrutinise assists in the achievement of the Council's 7 Wellbeing Objectives under the **Well-being of Future Generations (Wales) Act 2015** as follows :-

1. A County Borough where we protect our most vulnerable
2. A County Borough with fair work, skilled, high-quality jobs and thriving towns
3. A County Borough with thriving valleys communities
4. A County Borough where we help people meet their potential
5. A County Borough that is responding to the climate and nature emergency
6. A County Borough where people feel valued, heard and part of their community
7. A County Borough where we support people to live healthy and happy lives

## 6. **Climate Change Implications**

6.1 The Committee should consider how each item they scrutinise affects climate change, the Council's Net Zero Carbon 2030 target and how it meets the Council's commitments to protect and sustain the environment over the long term. There are no Climate Change Implications arising from this report.

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

7.1 The Committee should consider how each item they scrutinise affects care experienced children and young people, and in what way the Committee can assist in these areas. Safeguarding is everyone's business and means protecting peoples' health, wellbeing and human rights, and enabling them to live free from harm, abuse and neglect. There are no Safeguarding and Corporate Parent Implications arising from this report.

## 8. **Financial Implications**

8.1 There are no financial implications arising from this report.

## 9. **Recommendation**

9.1 The Committee is recommended to:

- a) Consider and approve the Forward Work Programme for the Committee in **Appendix A**.
- b) Identify any specific information the Committee wishes to be included in the items for the next two meetings, including invitees they wish to attend;



- c) Identify whether there are presently any further items for consideration on the Forward Work Programme having regard to the selection criteria in paragraph 3.6 of this report.
- d) Note the Recommendations Monitoring Action Sheet in **Appendix B** to track outstanding responses to the Committee's recommendations made at previous meetings;
- e) Note that the Committee's Forward Work Programme as approved by the Committee will be reported to the next meeting of Corporate Overview and Scrutiny Committee (COSC), with those from each respective Subject Overview and Scrutiny Committee (SOSC), following their consideration in this cycle of Committee meetings.

### **Background documents**

None.

This page is intentionally left blank

**Subject Overview and Scrutiny Committee 3**  
**2024-25 Forward Work Programme**

<b>Monday 16 July 2024 4.00pm</b>		
<b>Report Topic</b>	<b>Information Required / Committee's Role</b>	<b>Invitees</b>
Valleys Regeneration Strategy	<p>The development of a commercial property enhancement grant for the Valley high streets to make them look better and bring properties back into commercial use.</p> <p>The development of funding bids for Valleys to enhance the economy and stimulate new job opportunities.</p> <p>The increase in the amount of land and premises available for businesses including industrial starter units, in the Valleys.</p> <p>Accessibility for people from the Valleys to wider public transport.</p>	<p><b><u>Cabinet Members</u></b> Cabinet Member for Regeneration, Economic Development and Housing</p> <p><b><u>Officers</u></b> Corporate Director Communities</p> <p><b><u>External</u></b></p>

<b>Monday 30 September 2024 4.00pm</b>		
<b>Report Topics</b>	<b>Information Required / Committee's Role</b>	<b>Invitees</b>
Future Waste	<p>Setting out of future direction. What is going to be done. How the future service will look. Outcome of consultation.</p>	<p><b><u>Cabinet Members</u></b> Cabinet Member for Housing, Planning and Regeneration</p> <p><b><u>Officers</u></b> Chief Officer – Finance, Housing and Change Head of Partnerships</p> <p><b><u>External</u></b></p>

**APPENDIX A**

<b>Monday 2 December 2024 4.00pm</b>		
<b>Report Topics</b>	<b>Information Required / Committee's Role</b>	<b>Invitees</b>
<p>Housing and Homelessness Update</p> <p>And</p> <p>Information Report: Update on the Shared Prosperity Funding</p>	<p>Affordable; Accessible; Social; Energy efficiency housing; Registered Social Landlords</p> <p>Progress on Empty homes in the County Borough, including the number, the Empty Homes Policy and Grants available – as requested by Members of SOSC 3 at 22 April meeting.</p> <p>The Committee requested the above to also include churches and chapels – asked for by Members of SOSC 3 at 16 July meeting.</p> <p>How grants are progressing in terms of spend, who the recipients are, feedback on the process.</p>	<p><b><u>Cabinet Members</u></b>                      Leader of the Council                      Cabinet Member for Climate Change and the Environment</p> <p><b><u>Officers</u></b>                      Corporate Director Communities                      Head of Operations - Community Services</p> <p><b><u>External</u></b></p>

<b>Monday 20 January 2025 4.00pm</b>		
<b>Report Topics</b>	<b>Information Required / Committee's Role</b>	<b>Invitees</b>
<p>Medium Term Financial Strategy 2025-26 to 2028-29</p>		<p><b><u>Cabinet Members</u></b>                      Leader of the Council                      Deputy Leader of Council and Cabinet Member of Social Services and Health                      Cabinet Member for Finance, Resources and Legal                      Cabinet Member for Climate Change and Environment                      Cabinet Member for Community Safety and Wellbeing                      Cabinet Member for Housing, Planning and Regeneration</p> <p><b><u>Officers</u></b></p>

**APPENDIX A**

		Chief Executive Chief Officer Finance, Performance and Change Corporate Director Communities
--	--	--

<b>Monday 17 February 2025 4.00pm</b>		
<b>Report Topics</b>	<b>Information Required / Committee's Role</b>	<b>Invitees</b>
Climate Change Decarbonisation	Update on progress and future priorities given current and future budget implications  Electric charging points update	<b><u>Cabinet Members</u></b> Cabinet Member for Housing, Planning and Regeneration Cabinet Member for Community Safety and Wellbeing  <b><u>Officers</u></b> Corporate Director Communities Decarbonisation Programme Manager  <b><u>External</u></b>

<b>Monday 7 April 2025 4.00pm</b>		
<b>Report Topics</b>	<b>Information Required / Committee's Role</b>	<b>Invitees</b>
Maesteg Town Hall Review	Lessons Learned - COSC delegated the Lessons Learned report to SOSC 3 to consider, when the project has been completed. (Possible information report or member briefing)  To be included in scope: <ul style="list-style-type: none"> <li>- Justification of the money spent;</li> <li>- Inner detail of what occurred;</li> <li>- Details of the challenges encountered;</li> <li>- Details of the lessons learnt;</li> <li>- A possible presentation from Officers;</li> <li>- An honest appraisal of what could have changed or been done differently.</li> </ul>	<b><u>Cabinet Members</u></b> Cabinet Member for Climate Change and the Environment  <b><u>Officers</u></b> Corporate Director Communities  <b><u>External</u></b>

### Member Briefing sessions

- Porthcawl Regeneration
- Infrastructure Delivery - including specifically condition of the highways in include; repairs and maintenance, road resurfacing and potholes, network management of utilities, and the development of internal metrics for repairs and closing referrals – all Members Briefing
- Corporate Joint Committees Regional Responsibilities – all Members Briefing
- Community Transfers (CAT) - Position Update
- Development of Sunnyside (all Member)

### Information reports

- Audit Wales 'Springing Forward Asset Management Inspection Report' – including associated Action Plan

### Potential Items

- Members have requested that the Porthcawl Regeneration and Pavilion Update, be scheduled alongside meeting alongside the Maesteg Town Hall report.
- United Kingdom Shared Prosperity Fund Grant
- Communities Directorate Target Operating Model (TOM) - Summer 2025
- Bridgend Town Centre Masterplan and Regeneration
- Sickness levels in the Authority and its effect on decision-making in the Directorate
- Major parks in the Borough
- Valley to Coast

### Referred from COSC as potential items

- The Committee discussed the Council's response to the recent storm, Darragh, expressing concern about the increasing pattern of storms hitting the UK and **recommended** that the Subject Overview and Scrutiny Committee 3 request a report to explore the Council's preparedness to respond to storms and adverse weather, preventative measures against foreseeable damage and the impact of adverse weather and any fallout (e.g. loss of power) on vulnerable residents The Committee **recommended** that the report should have invitees from Communities and Social Services.

**Subject Overview and Scrutiny Committee 3**

**RECOMMENDATIONS MONITORING ACTION SHEET 2024-2025**

Date of Meeting	Agenda Item	Action	Responsibility	Outcome	Response
22 April 2024	Caerau Heat Scheme	Members discussed the financial implications, what the final cost of the scheme had been spent on over the lift of the project and requested the break down/summary on the funding spent on the project, that the Corporate Director of Communities had advised could be shared with Members.	Corporate Director of Communities	<b>ACTIONED:</b> Response and information circulated 26 November 2024.	<a href="https://democratic.bridgend.gov.uk/documents/s33980/CaerauHeatSchemeSOSC3financialsummary.pdf">https://democratic.bridgend.gov.uk/documents/s33980/CaerauHeatSchemeSOSC3financialsummary.pdf</a>
16 July 2024	Valleys Regeneration Strategy	The public consultation to inform the strategy asked respondents to rate a list of elements within the Valleys area(s) from excellent to very poor, respondents were also given the opportunity to provide comments on other elements in the area, and the comments received were collated by theme in a table in the report. Members discussed various elements and the funding that would be needed to progress them in the future and going forward the Committee recommended that when looking at the Corporate Plan the elements identified to inform the Strategy be filtered into that process, and that their funding is considered when looking at the budget process.	Corporate Director of Communities / Group Manager, Strategic Regeneration	<b>ACTIONED:</b> Response and information circulated 24 September 2024.	<a href="https://democratic.bridgend.gov.uk/ecSD/DisplayClassic.aspx?NAME=SD959&amp;ID=959&amp;RPID=23330943&amp;sch=doc&amp;cat=13526&amp;path=13490%2c13494%2c13502%2c13526&amp;LLL=0&amp;LLL=0">https://democratic.bridgend.gov.uk/ecSD/DisplayClassic.aspx?NAME=SD959&amp;ID=959&amp;RPID=23330943&amp;sch=doc&amp;cat=13526&amp;path=13490%2c13494%2c13502%2c13526&amp;LLL=0&amp;LLL=0</a>

**APPENDIX B**

Date of Meeting	Agenda Item	Action	Responsibility	Outcome	Response
16 July 2024	Valleys Regeneration Strategy	Members expressed concern regarding managing expectations and the need to be mindful of not creating false hope within the Valleys, and balancing that with what the Council was able to deliver. Officers agreed it was a challenge, to manage what the Council could deliver on work on the strategy and elements that could be delivered in the Valleys. The Committee recommended that the draft strategy be reported to SOSC 3 for pre-decision scrutiny before it is reported to Cabinet later in the municipal year and that local members who do not sit on the Committee be invited to the meeting for that report.	Corporate Director of Communities / Group Manager, Strategic Regeneration / Scrutiny	<b>ACTIONED:</b> Response and information circulated 24 September 2024.	<a href="https://democratic.bridgend.gov.uk/ecSD/DisplayClassic.aspx?NAME=SD959&amp;ID=959&amp;RPID=23330943&amp;sch=doc&amp;cat=13526&amp;path=13490%2c13494%2c13502%2c13526&amp;LLL=0&amp;LLL=0">https://democratic.bridgend.gov.uk/ecSD/DisplayClassic.aspx?NAME=SD959&amp;ID=959&amp;RPID=23330943&amp;sch=doc&amp;cat=13526&amp;path=13490%2c13494%2c13502%2c13526&amp;LLL=0&amp;LLL=0</a>
16 July 2024	Valleys Regeneration Strategy	The Committee reflected that the report received was the basic framework of what was to come and felt they had the opportunity to shape the Valley Regeneration Strategy going forward. The Committee recommended that the draft strategy should be meaningful and deliverable, taking into consideration that although it was one strategy there were three distinct valleys and the identities of each should be maintained and reflecting on experiences from other Regeneration strategies it was important going forward with the Valleys Regeneration Strategy to	Corporate Director of Communities / Group Manager, Strategic Regeneration	<b>ACTIONED:</b> Response and information circulated 24 September 2024.	<a href="https://democratic.bridgend.gov.uk/ecSD/DisplayClassic.aspx?NAME=SD959&amp;ID=959&amp;RPID=23330943&amp;sch=doc&amp;cat=13526&amp;path=13490%2c13494%2c13502%2c13526&amp;LLL=0&amp;LLL=0">https://democratic.bridgend.gov.uk/ecSD/DisplayClassic.aspx?NAME=SD959&amp;ID=959&amp;RPID=23330943&amp;sch=doc&amp;cat=13526&amp;path=13490%2c13494%2c13502%2c13526&amp;LLL=0&amp;LLL=0</a>



Date of Meeting	Agenda Item	Action	Responsibility	Outcome	Response
		<p>establish a simple road map that could be articulated, under which smaller improvements could be recognised and achieved, maintaining a little and often approach, balancing managing residents' expectations with delivering what is proposed in the Strategy.</p>			
<p>16 July 2024</p>	<p>Valleys Regeneration Strategy</p>	<p>Members discussed the role of the Consultants and the depth of questioning included in the consultation to inform the Strategy and the Committee recommended that consideration be given in future to whether information and data could be gathered in house, or by someone brought in to gather and maintain data/information, to enable if and when consultants are used the data to be looked at and insights drawn to help get a corporate understanding of the areas and better establish a baseline , as well as potentially getting better value for money from any use of consultants.</p>	<p>Corporate Director of Communities / Group Manager, Strategic Regeneration</p>	<p><b>ACTIONED:</b> Response and information circulated 24 September 2024.</p>	<p><a href="https://democratic.bridgend.gov.uk/ecSD/DisplayClassic.aspx?NAME=SD959&amp;ID=959&amp;RPID=23330943&amp;sch=doc&amp;cat=13526&amp;path=13490%2c13494%2c13502%2c13526&amp;LLL=0&amp;LLL=0">https://democratic.bridgend.gov.uk/ecSD/DisplayClassic.aspx?NAME=SD959&amp;ID=959&amp;RPID=23330943&amp;sch=doc&amp;cat=13526&amp;path=13490%2c13494%2c13502%2c13526&amp;LLL=0&amp;LLL=0</a></p>
<p>16 July 2024</p>	<p>Valleys Regeneration Strategy</p>	<p>The Committee recommended that the draft strategy should include graphics for the areas which Local Members could share in their Valleys communities which could assist with raising awareness of the draft strategy and could potentially</p>	<p>Corporate Director of Communities / Group Manager, Strategic Regeneration</p>	<p><b>ACTIONED:</b> Response and information circulated 24 September 2024.</p>	<p><a href="https://democratic.bridgend.gov.uk/ecSD/DisplayClassic.aspx?NAME=SD959&amp;ID=959&amp;RPID=23330943&amp;sch=doc&amp;cat=13526&amp;path=13490%2c13494%2c13502%2c13526&amp;LLL=0&amp;LLL=0">https://democratic.bridgend.gov.uk/ecSD/DisplayClassic.aspx?NAME=SD959&amp;ID=959&amp;RPID=23330943&amp;sch=doc&amp;cat=13526&amp;path=13490%2c13494%2c13502%2c13526&amp;LLL=0&amp;LLL=0</a></p>

**APPENDIX B**

Date of Meeting	Agenda Item	Action	Responsibility	Outcome	Response
		increase the number of consultation responses.			<a href="#">3494%2c13502%2c13526&amp;LLL=0&amp;LLL=0</a>
16 July 2024	Valleys Regeneration Strategy	Information regarding the Bus Network Grant (BNG), how the Grant was received, how the additional money was had been spent and how it was allocated. Officers advised in the meeting they would speak to the Public Transport Officer to gain the information for circulation to Members of the Committee.	Corporate Director Communities	<b>ACTIONED:</b> Response and information circulated confidentially 2 October 2024.	
16 July 2024	Valleys Regeneration Strategy	The Consultants used and the cost of the work. Officers advised in the meeting that they could provide this information for circulation to members of the Committee from the tender assessment.	Corporate Director of Communities / Group Manager, Strategic Regeneration	<b>ACTIONED:</b> Response and information circulated 24 September 2024.	<a href="https://democratic.bridgend.gov.uk/ecSDDisplayClassic.aspx?NAME=SD959&amp;ID=959&amp;RPID=23330943&amp;sch=doc&amp;cat=13526&amp;path=13490%2c13494%2c13502%2c13526&amp;LLL=0&amp;LLL=0">https://democratic.bridgend.gov.uk/ecSDDisplayClassic.aspx?NAME=SD959&amp;ID=959&amp;RPID=23330943&amp;sch=doc&amp;cat=13526&amp;path=13490%2c13494%2c13502%2c13526&amp;LLL=0&amp;LLL=0</a>
30 September 2024	Future Waste Service Options	Following consideration of the report on the options for delivering Waste Service post 2026 Members felt that more investigation was still needed to provide further information on the LATCo. and In-house options, in particular more detail on the following including the impact and associated risks:	Cabinet Member for Climate Change and the Environment, Corporate Director of Communities / Head of Operations Community	<b>ACTIONED:</b> Response and information circulated 13 January 2025.	<a href="https://democratic.bridgend.gov.uk/ecSDDisplayClassic.aspx?NAME=SD971&amp;ID=971&amp;RPID=28211294&amp;sch=doc&amp;cat=13530&amp;path=13490%2c13494%2c13502%2c13530&amp;LLL=0&amp;LLL=0">https://democratic.bridgend.gov.uk/ecSDDisplayClassic.aspx?NAME=SD971&amp;ID=971&amp;RPID=28211294&amp;sch=doc&amp;cat=13530&amp;path=13490%2c13494%2c13502%2c13530&amp;LLL=0&amp;LLL=0</a>

Date of Meeting	Agenda Item	Action	Responsibility	Outcome	Response
		<ul style="list-style-type: none"> <li>- Staff recruitment;</li> <li>- Profit and loss to be expected;</li> <li>- Pay scales – protection of employees;</li> <li>- Commercial Waste and the Competitive market;</li> <li>- The IT system and the advantages and disadvantages of one system in place;</li> <li>- The control, challenge and flexibility of the options.</li> </ul> <p>Members expressed that more time was required to explore with local authorities closer to home that had followed one of these options, whether successfully or unsuccessfully, particularly the LATCo. option, as either option would be a big change for the Authority and a fully informed decision would be required.</p> <p><b>The Committee recommended that there be a year’s extension to the current contract with Plan B, to allow more time for work to be done to really understand the LATCo and In-House options, the extent of risk and the full impact on resources.</b></p>	<p>Services / Cleaner Streets and Waste Contracts Manager</p>		

Date of Meeting	Agenda Item	Action	Responsibility	Outcome	Response
2 December 2024	Housing and Homelessness	<p>Members discussed how vital the Welsh Government Housing Support Grant funding had been, the freezing of the Grant had applied significant pressure across Wales and 18 months ago regular meetings between the 22 Welsh local authorities regarding Homelessness had ceased, which had previously been attended by a network of individuals who could provide operational feedback to Welsh Government.</p> <p>The Committee requested information regarding the nature and title of the previously held meetings and <b>recommended</b> that following receipt of the information requested, that a letter be sent from the Committee to Welsh Government to request the reasons for discontinuing the meetings, whether there were plans to restart them and if not, the reason why.</p>	Head of Performance and Partnerships	Recommendations circulated requesting response – to be provided.	
2 December 2024	Housing and Homelessness	The Committee discussed the issue of vacant and derelict buildings in the borough and enquired whether there were any schemes or strategies that could potentially enable the Local Authority to take control of such empty buildings to turn them into social housing.	Head of Performance and Partnerships	Recommendations circulated requesting response – to be provided.	

Date of Meeting	Agenda Item	Action	Responsibility	Outcome	Response
		<p>The Committee <b>recommended</b> that when a Council owned property becomes vacant, all options should be explored including whether it could be utilised by another part of the Authority e.g. for repurposing as housing accommodation, prior to consideration of whether it is declared surplus, marketed for sale, or disposed of otherwise.</p> <p>The Committee highlighted the importance of the Authority looking at inventive ways of working with partners to bring properties back in to use which could inevitably reduce the costs.</p>			
2 December 2024	Housing and Homelessness	<p>The Committee expressed concern that the proposed level of social housing would only address 50% of the current waiting list and asked whether there was an opportunity to review the figures and submit another bid in the Local Development Plan (LDP) process.</p> <p>Members were advised that following the Local Development Plan (LDP) being adopted this year, a local housing and marketing assessment would be</p>	Head of Performance and Partnerships	Recommendations circulated requesting response – to be provided.	

Date of Meeting	Agenda Item	Action	Responsibility	Outcome	Response
		<p>undertaken every two to three years which would provide up to date figures to enable negotiation for the right mix and type of housing, however the actual review for the LDP would be 4 years from its adoption.</p> <p>The Committee <b>recommended</b> that Members be encouraged to examine the updated figures from the Local Housing and Marketing Assessment when considering the review of the LDP in 4 years' time, and that given Members' concern at hearing in the meeting of a development not meeting all of its percentage target to build social housing, that the proposed housing percentage targets be adhered to rigorously throughout the Planning process.</p>			
2 December 2024	Housing and Homelessness	<p>The Committee requested further information regarding the primary capital funding stream for the development of affordable housing, the Social Housing Grant, including the following:</p> <ul style="list-style-type: none"> <li>a. Details of the local SHG partners worked with;</li> <li>b. A breakdown of the allocation of costs;</li> <li>c. What the costs were used for;</li> </ul>	Head of Performance and Partnerships	Recommendations circulated requesting response – to be provided.	

<b>Date of Meeting</b>	<b>Agenda Item</b>	<b>Action</b>	<b>Responsibility</b>	<b>Outcome</b>	<b>Response</b>
		d. Details of how the Council looks at the developments bid for; e. Whether the developments bid for were delivered on time and at the original contract price.			

This page is intentionally left blank