

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

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



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

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



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

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

**Dyddiad/Date:** Wednesday, 18 June 2025

Dear Councillor,

**CABINET**

A meeting of the Cabinet will be held Hybrid in the Council Chamber - Civic Offices, Angel Street, Bridgend, CF31 4WB on **Tuesday, 24 June 2025 at 14:30**.

**AGENDA**

1 Apologies for Absence

To receive apologies for absence from Members.

2 Declarations of Interest

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

3 Approval of Minutes

5 - 10

To receive for approval the Minutes of 13/05/2025

4 Anti Tax Evasion Policy

11 - 36

5 Fraud Strategy and Framework 2025-26 to 2027-28

37 - 62

**By receiving this Agenda Pack electronically you will save the Authority approx. £2.80 in printing costs**

6	<u>Revenue Budget Outturn 2024-25</u>	63 - 110
7	<u>Representation on Outside Bodies, Joint Committees and Cabinet Committees</u>	111 - 120
8	<u>School Modernisation Programme - Enlargement of Ysgol Gymraeg Bro Ogwr - Modification to the Implementation Date</u>	121 - 126
9	<u>Urgent Items</u>	
	To consider any items of business that by reason of special circumstances the chairperson is of the opinion should be considered at the meeting as a matter of urgency in accordance with paragraph 2.4 (e) of the Cabinet Procedure Rules within the Constitution.	
10	<u>Exclusion of the Public</u>	
	The following items are not for publication as they contain exempt information as defined in Paragraphs 12 and 14 of Part 4 and Paragraph 21 of Part 5, Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.	
	If following the application of the public interest test Cabinet resolves pursuant to the Act to consider these items in private, the public will be excluded from the meeting during such consideration.	
11	<u>School Modernisation Programme - Bridgend West Primary Schools</u>	127 - 132
12	<u>School Modernisation Programme : Heronsbridge School and Harwood House - Procurement</u>	133 - 140

**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:

E L P Caparros

P Davies

M J Evans

N Farr

J Gebbie

M Jones

JC Spanswick

HM Williams

**MINUTES OF A MEETING OF THE CABINET HELD HYBRID IN THE COUNCIL CHAMBER - CIVIC OFFICES, ANGEL STREET, BRIDGEND, CF31 4WB ON TUESDAY, 13 MAY 2025 AT 14:30**

Page 3

**Present**

Councillor JC Spanswick – Chairperson

N Farr  
M J Evans

J Gebbie  
M Jones

E L P Caparros

P Davies

**Present Virtually**

HM Williams

**Apologies for Absence**

Corporate Director - Communities.

**Declarations of Interest**

Councillor J Gebbie declared a prejudicial interest in Agenda item 6. and left the meeting whilst this item was being considered

**Officers:**

Nimi Chandrasena  
Carys Lord  
Claire Marchant  
Kelly Watson  
Mark Shephard  
Mark Galvin  
Lindsay Harvey

Democratic Services Officer - Support  
Chief Officer - Finance, Housing & Change  
Corporate Director - Social Services and Wellbeing  
Chief Officer - Legal & Regulatory Services, HR & Corporate Policy  
Chief Executive  
Senior Democratic Services Officer - Committees  
Corporate Director - Education, Early Years & Young People

**439. Approval of Minutes**

Decision Made	<u>RESOLVED:</u> That the Minutes of a meeting dated 8 April 2025, be approved as a true and accurate record.
Date Decision Made	13 May 2025

**480. Draft Outdoor Recreation Facilities Supplementary Planning Guidance**

Decision Made	<p>The Corporate Director – Communities submitted a report, the purpose of which was to seek Cabinet approval to consult on the Draft Outdoor Recreation Facilities Supplementary Planning Guidance (SPG) document. Subsequent adoption of this SPG would enable effective implementation of the Outdoor Recreation Facilities Policy within the adopted Replacement Local Development Plan (RLDP), the Council's statutory land-use Planning document.</p> <p>Cabinet raised the following points on the SPG:-</p> <ul style="list-style-type: none"> <li>• Does the current policy allow BCBC to utilise Section 106 monies to use off-site?</li> <li>• In terms of additional funding contributions to ensure that open spaces are maintained, will that funding be ring-fenced for those particular sites?</li> <li>• Open spaces will be appropriately designed to cater for the differing needs of individuals, such as those with ALN and disabilities. This and other associated proposals will promote and support equality, including any gender balance requirements, for example, multi-use game areas.</li> <li>• Individuals managing allotment sites need to adhere to the terms of the agreement or lease affecting such areas, in order to assist in the reduction of complaints regarding allotments not being suitably maintained, etc.</li> <li>• Who will be responsible for the maintenance of open spaces as part of the SPG</li> <li>• The consultation period specified in the report is for 6 weeks. Will this be a targeted approach in line with the areas outlined in the Local Development Plan (LDP) and also, could this consultation period be extended, if deemed necessary.</li> </ul> <p><u>RESOLVED:</u> That Cabinet:</p>
---------------	---

	<p>(1) Approved the Draft Outdoor Recreation Facilities SPG (Appendix 1 to the report) as the basis for a public consultation period of 6 weeks;</p> <p>(2) Authorised the Corporate Director - Communities and Group Manager - Planning and Development Services to make minor presentational changes, typographical or factual corrections as necessary prior to public consultation; and</p> <p>(3) Authorised the Corporate Director - Communities and Group Manager - Planning and Development Services to undertake the public consultation for a period of 6 weeks and to report the results of the public consultation back to Cabinet for approval to send the Report to Council and seek adoption of the final SPG.</p>
Date Decision Made	13 May 2025

#### **481. Affordable Housing Supplementary Planning Guidance**

Decision Made	<p>The Strategic Planning Policy Team Leader presented a report, in order to provide Cabinet with an overview of the public consultation exercise on the draft Affordable Housing Supplementary Planning Guidance (SPG) document. It also sought Cabinet approval to present the final Affordable Housing SPG to Council to seek its adoption. The Officer confirmed, that the adoption of the SPG will enable effective implementation of the Affordable Housing Policies within the adopted Replacement Local Development Plan (RLDP), the Council's statutory land-use Planning document.</p> <p>Members raised amongst others, the following questions on the report:-</p> <ul style="list-style-type: none"> <li>• Could consideration be given to compiling some guidance on what the definition is of 'Affordable Housing', in order to provide further clarity within the SPG document.</li> <li>• Regarding the nomination and allocation process referred to in the report and specifically on page 77, which specifically bears reference to the onus and/or responsibility of Registered Social Landlords (RSL's) to certain aspects of the SPG Policy, what reassurance is there for the local authority that RSL's are supportive of the policy when considering only one RSL responded to the consultation.</li> <li>• In response to a question, it was confirmed that all affordable homes secured through the planning system, would be subject to the Council's Housing Allocation Policy, so therefore in effect,</li> </ul>
---------------	--

	households will be referred from the Common Housing Register.
	<p><u>RESOLVED:</u> That Cabinet:</p> <p>(1) Noted the contents of the report and the consultation responses received on the draft Affordable Housing SPG, together with resultant amendments, attached as Appendix 2 to the report.</p> <p>(2) Approved presenting the final Affordable Housing SPG (Appendix 1 of the report) to Council to seek its adoption.</p>
Date Decision Made	13 May 2025

**482. School Modernisation Programme Replacement Mynydd Cynffig  
Primary School -Procurement And Modification To School Opening  
Date**

Decision Made	<p>The Corporate Director – Education, Early Years and Young People submitted a report to Cabinet, to seek its approval to:</p> <ul style="list-style-type: none"> <li>• modify the implementation date of the replacement Mynydd Cynffig Primary School; and</li> <li>• undertake a tender process for the construction of the replacement Mynydd Cynffig Primary School.</li> </ul> <p>With regards to the report's financial implications, the Officer confirmed that in 2021, Welsh Government approved the OBC to replace Mynydd Cynffig Primary School. However, since receiving approval the construction industry has seen costs escalate due to COVID-19, the war in Ukraine, costs of incorporating de-carbonisation measures and energy price increases. This has resulted in the projected cost of the scheme significantly increasing from £12.8m to £17.5m.</p> <p>He added that a revised OBC detailing the increased budget has recently been approved by the Cabinet Secretary for Education, and in November 2024, the additional Council funding of £1.7m required to deliver the scheme received Council approval, meaning the scheme can be progressed to the FBC stage. The total BCBC capital funding allocation for the scheme was £6.434m.</p>
---------------	---

	<p>Cabinet members asked a number of questions or comments in relation to the report, including:-</p> <ul style="list-style-type: none"> <li>• Reference is made in the report of there being a price cap of £15m for the project, though the cost of the project has now however increased with time, from £12.8m to £17.5m. Will this increase still allow for the delivery of the project on time and are there now sufficient resources having been made available for the school to be completed by September 2027;</li> <li>• When are the associated highway works to be scheduled to be tendered and what impact will this have, if any, to the delivery of the substantive project;</li> <li>• The Leader noted that it may be possible that there would be a modest saving in the total revenue cost for the project, given that the proposed building will be constructed so that it is ‘energy efficient’ which may in turn, reduce energy costs.</li> </ul> <p>The Leader concluded debate on this item, by reminding that the replacement school was part of a wider project commitment in education facilities across the Bridgend County Borough, that amounted to almost £100m.</p> <p><b><u>RESOLVED:</u></b>    That Cabinet approved:-</p> <p>(1)     The modification of the implementation date of the replacement Mynydd Cynffig Primary School to September 2027; and</p> <p>(2)     The invitation of tenders for the construction of the replacement Mynydd Cynffig Primary School.</p>
Date Decision Made	13 May 2025

### 483. Proposed Dates for Meetings of Cabinet and Cabinet Committees

Decision Made	<p>The Monitoring Officer presented a report, the purpose being, to seek approval of the programme of meeting dates for Cabinet and Cabinet Committees, for the municipal year May 2025 to April 2026.</p> <p>Cabinet was also requested to note that following a desktop review, the Terms of Reference of the Cabinet Committee Equalities have been amended together with the name of the Committee to take effect following the Annual General Meeting of Council (AGM) on 14 May 2025. The updated Terms of Reference were attached at Appendix 1 to the report.</p>
---------------	---

	<b><u>RESOLVED:</u></b> That Cabinet:  (1) Approved the programme of meetings as outlined in paragraph 3.1 of this report, subject to the meeting of Cabinet Committee Corporate Parenting dated 7 January 2026 being moved to 28 January 2026. (2) Noted that the Constitution will be updated to include the revised Terms of Reference for the Cabinet Committee Equalities and Employee Relations (Appendix 1 of the report referred) to take effect from the Council AGM.
Date Decision Made	13 May 2025

**484. Urgent Items**

Decision Made	There were no urgent items
Date Decision Made	13 May 2025

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

The meeting closed at 16:57



<b>Meeting of:</b>	<b>CABINET</b>
<b>Date of Meeting:</b>	<b>24 JUNE 2025</b>
<b>Report Title:</b>	<b>ANTI-TAX EVASION POLICY</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, HOUSING AND CHANGE</b>
<b>Responsible Officer:</b>	<b>NIGEL SMITH, GROUP MANAGER – CHIEF ACCOUNTANT</b>
<b>Policy Framework and Procedure Rules:</b>	<b>Paragraph 26.5 of the Financial Procedure Rules sets out that the Chief Finance Officer is responsible for developing, maintaining and implementing the Anti-Tax Evasion Policy. All Chief Officers are responsible for ensuring compliance with the Policy.</b>
<b>Executive Summary:</b>	<b>The Anti-Tax Evasion Policy addresses the prevention of tax evasion and provides a coherent and consistent approach for all employees and any person who performs services for and on behalf of Bridgend County Borough Council. The Policy was last updated in 2023 and has been further updated to reflect minor grammatical, numbering and officer title changes.</b>

## 1. Purpose of Report

- 1.1 The purpose of the report is to present the updated Anti-tax Evasion Policy to Cabinet for approval.

## 2. Background

- 2.1 The Criminal Finances Act 2017 (the '2017 Act') became law in the summer of 2017 and Part 3 of the 2017 Act sets out how those organisations categorised as 'relevant bodies' under the Act will be considered criminally liable where they fail to prevent those who act for, or on their behalf, from criminally facilitating tax evasion.
- 2.2 The 2017 Act introduced new offences that will be committed where a relevant body fails to have taken appropriate steps to prevent an associated person criminally facilitating the evasion of tax, and this will be the case whether the tax evaded is owed in the UK or in a foreign country.
- 2.3 '**Relevant bodies**' include corporate or partnerships (wherever incorporated or formed), local authorities and fire authorities.
- 2.4 An '**associated person**', as set out in the legislation, is an employee, agent or other person who performs services for or on behalf of the Council.

- 2.5 **‘Tax evasion’** can be described as any fraudulent activity that intends to divert funds from the public revenue and constitutes the common law offence of cheating the public revenue.
- 2.6 Organisations, including local authorities, could be liable to severe penalties if they fail to put in place adequate procedures to prevent tax evasion.
- 2.7 In order for the corporate charges to be brought there must first be two offences that have taken place. There must be a criminal offence by the tax payer and an associated person must deliberately and dishonestly take action to facilitate the taxpayer’s evasion. To accidentally, ignorantly or negligently facilitate the evasion of tax will not result in the corporate offence.
- 2.8 If both offences have been committed then the Council will have committed the corporate offence of “failure to prevent the facilitation of tax evasion” unless it can demonstrate that it had reasonable preventative procedures in place.
- 2.9 The penalty for this offence includes unlimited fines and ancillary orders such as confiscation orders or serious crime prevention orders, as well as reputational damage to the Council. Tax based fraud or evasion is generally investigated by Her Majesty’s Customs and Revenue (HMRC) with prosecutions brought by the Crown Prosecution Service (CPS).
- 2.10 HMRC issued guidance for relevant bodies formulated around the following six guiding principles:
- a) Risk assessment
  - b) Proportionality of risk-based prevention procedures
  - c) Top level commitment
  - d) Due diligence
  - e) Communication (including training)
  - f) Monitoring and review.
- 2.11 As at 31 December 2024 HMRC had 11 live Corporate Criminal Offence cases underway where no charging decisions had yet to be made; and a further 28 live opportunities under review. These investigations spanned 10 different business sectors including software providers, labour provision, accountancy and legal services and transport.

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

- 3.1 The Council is committed to establishing and maintaining effective arrangements to prevent and detect acts of bribery, corruption and tax evasion in relation to Council services. The Council requires all Elected Members and employees to demonstrate the highest standards of honesty and integrity and this includes compliance with the relevant legislation.
- 3.2 The Anti-tax evasion policy was developed in 2021 to address the prevention of tax evasion and provide a coherent and consistent approach for all employees and any person who performs services for and on behalf of Bridgend County Borough Council. It was last updated in 2023. There have been some minor changes that need to be

reflected within the policy which is attached at **Appendix A**. This incorporates the following changes:

- Effective date amended to June 2025 (subject to Cabinet approval)
- Minor grammatical amendments on pages 8, 15, 16, 17, 18 & 19
- Amendment of the Chief Officer's title to Chief Officer – Finance, Housing and Change
- Correction of paragraph numbering.

3.3 The Governance and Audit Committee reviewed and endorsed the updated Anti-tax Evasion Policy on 24 April 2025.

3.4 No instances of Anti-Tax Evasion have been reported to the Council.

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

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

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

5.1 The well-being goals identified in the Act were considered in the preparation of this report. 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:

- |  |   |
|--|---|
| <ul style="list-style-type: none"><li>• <b>Long Term</b></li></ul>   | The Anti-Tax Evasion Policy, Procedure and Reporting Arrangements will assist in the long term to support officers and Members in the successful execution of their duties by meeting the legal obligations in the course of business activities.   |
| <ul style="list-style-type: none"><li>• <b>Prevention</b></li></ul>  | The purpose of the procedure is to prevent the facilitation of Tax Evasion under the Criminal Finances Act 2017.  |
| <ul style="list-style-type: none"><li>• <b>Integration</b></li></ul> | The outcomes that the procedure supports is that implementation of the policy will help in the prevention of the facilitation of tax evasion by persons associated with the Council and in doing so prevent fraudulent activity that intends to divert funds from the public revenue. This objective links with the Government objective to tackle tax evasion. |

- **Collaboration**                      An 'associated person' or person who performs services on behalf of the Council will be required to adhere to this policy.
  
- **Involvement**                        The persons mainly involved in the procedure will be BCBC staff. However any agent or other person who performs services for or on behalf of the Council will be included, this may involve a diverse range of stakeholders.

## **6.      Climate Change Implications**

- 6.1      There are no climate change implications arising as a result of this report.

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

- 7.1      There are no safeguarding or corporate parent implications arising as a result of this report.

## **8.      Financial Implications**

- 8.1      There are no financial implications arising as a result of this report.

## **9.      Recommendation**

- 9.1      It is recommended that Cabinet approves the updated Anti-tax Evasion Policy.

**Background documents:** None



## ANTI-TAX EVASION POLICY



June 2025

## ANTI-TAX EVASION POLICY

CONTENTS	PAGE
1 Introduction	3
2. Scope of the policy	4
3. What is the facilitation of tax evasion?	4
4. Examples of tax evasion	6
5. Defences	6
6. Responsibilities of staff & other associated persons	8
7. Risk assessment	10
8. Senior management commitment	10
9. Due diligence	11
10. How to raise a concern	12
11. What happens if an officer prefers not to report their suspicions?	12
12. Self reporting	13
13. Communication & training	13
14. Monitoring & review	13
15. Other relevant policies	13
Appendix A – Example of risk exposure within the Council in relation to the facilitation of tax evasion & how the risk is managed	15
Appendix B - Report of tax evasion activity	21

---

## 1. Introduction

---

- 1.1 The Government believes that relevant bodies should be criminally liable where they fail to prevent those who act for, or on their behalf, from criminally facilitating Tax Evasion.
- 1.2 The Criminal Finances Act 2017 (the '2017 Act') became law in the summer of 2017 and Part 3 of the 2017 Act introduced new offences which sets out how those organisations categorised as 'relevant bodies' under the Act will be considered criminally liable where they fail to prevent those who act for, or on their behalf from criminally facilitating Tax Evasion. The act applies to both tax evaded which is owed in the UK or in a foreign country.
- 1.3 This statement sets out Bridgend County Borough Council's (the Council) policy in relation to anti-tax evasion and sets out the procedures that must be followed to enable the Council to comply with its legal obligation.
- 1.4 This policy statement is supplementary to the Council's wider Anti-Fraud and Bribery Strategy which sets out the key responsibilities with regard to fraud prevention and what to do if fraud or financial irregularity is suspected and the action that will be taken by management.
- 1.5 The Council aims to conduct its financial affairs in a law abiding way and does not tolerate either the commitment or facilitation of Tax Evasion. The Council has a zero tolerance approach to all forms of Tax Evasion, whether under UK law or under the law of any foreign country.
- 1.6 The Council already has a range of policies, procedures and guidance that underpins its financial activities including the Anti-Money Laundering Policy and Anti-Fraud and Bribery Policy.
- 1.7 We request all our officers and all who have, or seek to have, a business relationship with the Council, to familiarise themselves with our Anti-Tax Evasion Policy and to act at all times in a way which is consistent with the procedures and reporting arrangements therein.

---

## 2. Scope of the policy

---

- 2.1 This policy applies to Members and officers working for the Council or any subsidiary, including employees at all levels, directors, officers and associates (as defined below), including, but not limited to, agency workers, seconded workers, volunteers, apprentices, contractors, external consultants, third party representatives and business partners, sponsors or any other person associated with us, wherever located.
- 2.2 This policy is adopted by the Council. Officers in leadership positions are responsible for ensuring those reporting to them understand and comply with the policy.

---

## 3. What is the facilitation of tax evasion?

---

- 3.1 Part 3 of the Criminal Finances Act 2017 (“the Act”) created the corporate criminal offence of failure to prevent the facilitation of Tax Evasion. Under this offence the Council, if found to be facilitating Tax Evasion, could face an unlimited fine and consequent damage to reputation. The Council could be found guilty if a third party committed Tax Evasion which a member of Council staff or an associate helped to assist in any way.
- 3.2 This legislation aims to overcome the difficulties in attributing criminal liability to relevant bodies for the criminal acts of employees, agents or those that provide services for or on their behalf. Under the Act the new offence does not radically alter what is criminal, it simply focuses on who is held to account for acts contrary to the current criminal law. It does this by focussing on the failure to prevent the crimes of those who act for or on behalf of a corporation, rather than trying to attribute criminal acts to that corporation.
- 3.3 The legislation applies to any form of tax including employment taxes and indirect taxes such as VAT, national insurance, landfill tax, custom tax and excise duties e.g. road fund licence and tax on the sale of alcohol and tobacco, capital gains and employment taxes. This list is not exhaustive.
- 3.4 A person is “**associated**” with a relevant body if that person is an employee, agent or other person who performs services for or on behalf of the relevant body e.g. contractors, professional advisors and back office outsourced service suppliers such as IT or payroll providers.
- 3.5 Only a “**relevant body**” can commit the offences contained in the ‘2017 Act’. This means that only incorporated bodies (typically companies) and partnerships can commit the new offences, including local authorities. Individuals cannot commit these offences.



- 3.6 **Tax Evasion** is the illegal non-payment or under-payment of taxes, usually as the result of making a false declaration (or no declaration) of taxes due to the relevant tax authorities, which results in legal penalties if the perpetrator is caught.
- 3.7 **Tax Avoidance**, by contrast, is seeking to minimise the payment of taxes without deliberate deception. This is often legitimate but is sometimes contrary to the spirit of the law, e.g. involving the exploitation of loopholes. Importantly the corporate criminal offence of facilitation only applies to Tax Evasion.
- 3.8 There are two stages to assessing whether an offence has been committed under the Act and these apply to both UK and overseas Tax Evasion offences:

**Stage 1:** A criminal Tax Evasion by the taxpayer (either by an individual or legal entity) must have occurred under existing law. A prosecution is not a pre-requisite for tax evasion, however where there is no criminal conviction of the taxpayer, the prosecution in respect of the corporate offence would still have to prove to the criminal standard of beyond reasonable doubt that the taxpayer's offence had been committed.

**Stage 2:** The criminal facilitation of the offence by a person associated with the Council with a view to aiding, abetting, counselling or procuring the evasion of tax by the taxpayer.

- 3.9 Liability is strict – if stages 1 and 2 are satisfied, the Council will have committed an offence unless it shows that it has put in place reasonable measures and procedures to prevent the criminal facilitation of Tax Evasion or that it was not reasonable in the circumstances to expect it to have prevention procedures in place.
- 3.10 If a relevant body is found guilty of a facilitation of Tax Evasion it could face unlimited financial penalties. Tax based fraud or evasion is generally investigated by Her Majesty's Revenue and Customs (HMRC) with prosecutions brought by the Crown Prosecution Service (CPS).
- 3.11 The foreign Tax Evasion facilitation offence can only be committed by an organisation that has a connection with the UK, namely:
- it is a body incorporated, or partnership formed, within the UK, or;
  - it carries on business, or part of a business, within the UK, or;
  - through any conduct constituting part of the foreign Tax Evasion facilitation offence takes place in the UK.

## 4. Examples of tax evasion

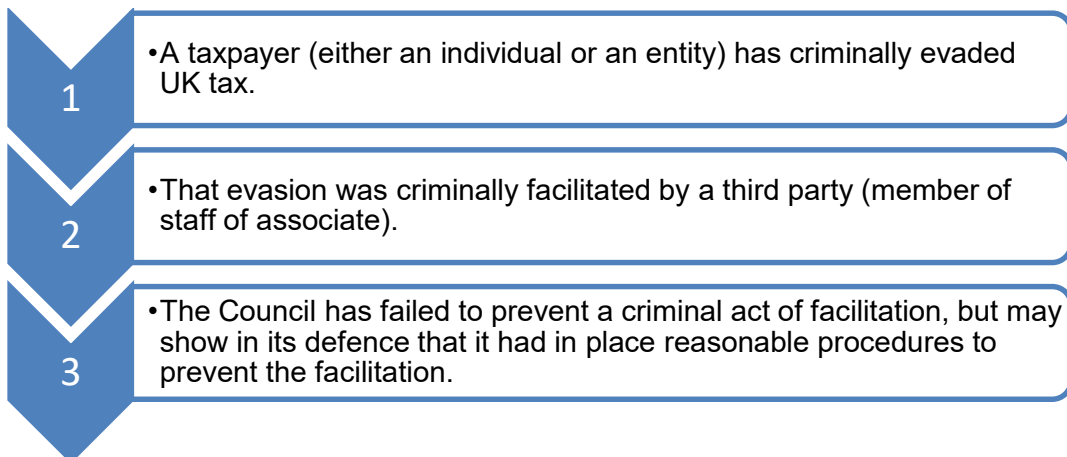
- 4.1 It is not possible to give examples covering every possible scenario, however, some 'red flag' indicators are detailed below to give a flavour of the scope of the legislation:

<i>INDICATORS OF POSSIBLE TAX EVASION:</i>
<i>You become aware, in the course of your work, that a third party has made or intends to make a false statement relating to tax; has failed to disclose income or gains to, or to register with, HMRC; has delivered or intends to deliver a false document relating to tax; or has set up or intends to set up a structure to try to hide income, gains or assets from a tax authority.</i>
<i>You become aware, in the course of your work that a third party has deliberately failed to register for VAT or failed to account for VAT.</i>
<i>Someone who works for a third party supplier offering you what seems like a discount because they tell you they don't need to charge you VAT – without giving a reason.</i>
<i>Someone asking you to do something that does not match up or 'feel right' and does not adhere to policy documentation – for example, paying into a different account than that which is specified on the invoice.</i>
<i>A third party requests payment in cash and/or refuses to provide an invoice or receipt for a payment made.</i>
<i>You become aware, in the course of your work that a third party working for us as an employee asks to be treated as a self-employed contractor, but without any material changes to their working conditions.</i>

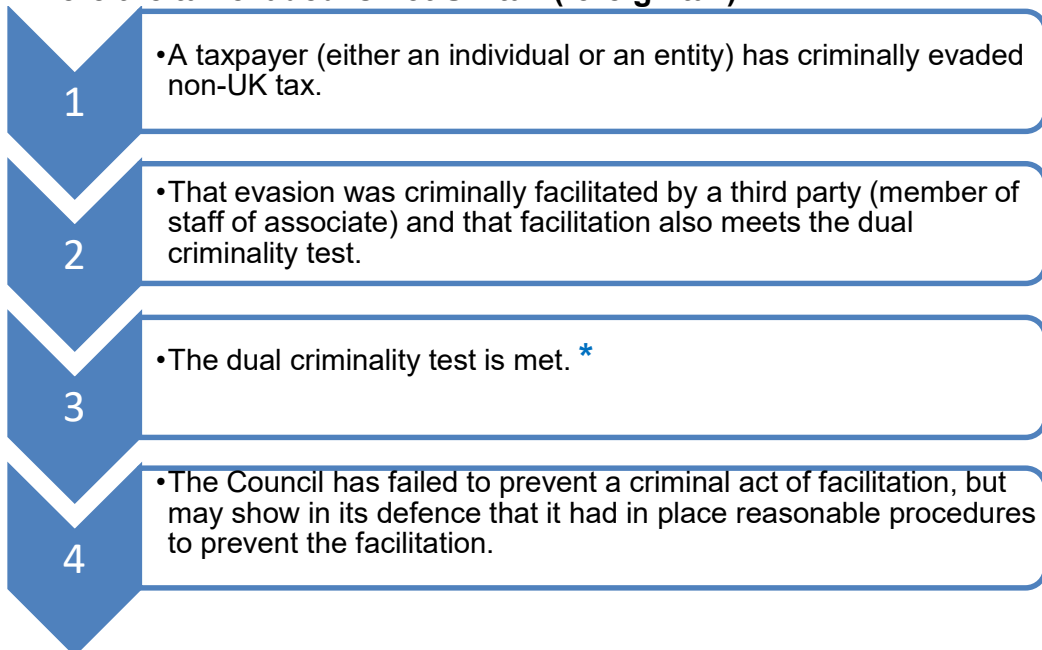
## 5. Defences

- 5.1 For the corporate offence to be committed there must be criminal facilitation of the taxpayer evasion by a person acting in the capacity of a person associated with the relevant body. The associated person must deliberately and dishonestly take action to facilitate the taxpayer-level evasion. If the associated person is only proved to have accidentally, ignorantly or even negligently facilitated the Tax Evasion offence then the offence is not committed by the relevant body.
- 5.2 It is a defence to the corporate criminal offence of facilitating Tax Evasion if the Council can prove that it has in place such prevention procedures as it is reasonable to expect in the circumstances. The diagram below summarises the stages of the offence for both UK and foreign Tax Evasion:

### Where the tax evaded is UK tax



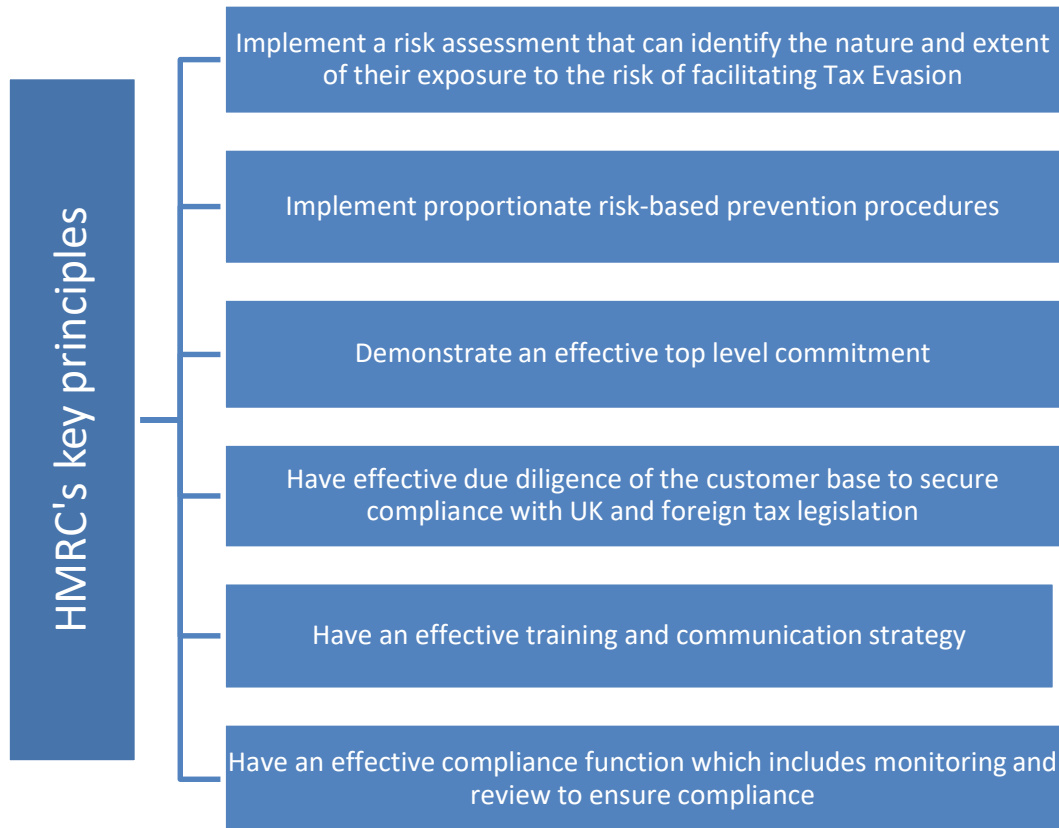
### Where the tax evaded is not UK tax (foreign tax)



\* *An organisation must have a connection with the UK and there must also be so-called “dual criminality”. In effect this broadly means equivalence between both the taxpayer’s Tax Evasion offence and the “associated person” facilitator’s offence with regard to the UK and the foreign jurisdiction:*

- For the taxpayer Tax Evasion offence: e.g. a French taxpayer evades French income tax (i.e. this is an offence in France) – Income Tax Evasion is a criminal offence in the UK, so there is “dual criminality”;
- For the “associated person” facilitator’s offence: e.g. an “associated person” commits a French offence of aiding and abetting Tax Evasion – aiding and abetting Income Tax Evasion is a criminal offence in the UK, so there is “dual criminality”.

- 5.3 HMRC has produced guidance on the appropriate set of prevention measures (six core principles) which could be put in place by a relevant body to prevent associated persons from criminally facilitating Tax Evasion:



## 6. Responsibilities of staff & other associated persons

- 6.1 The prevention, detection and reporting of all forms of financial irregularity, including suspected Tax Evasion, are the responsibility of all those working for the organisation or under its control ("associated person"). All staff are required to avoid activity that breaches this policy.
- 6.2 To prevent Tax Evasion, Council staff (and associates, so far as relevant) should:
- always follow Council policies, procedures and guidance;
  - tell management if any criminal activity is suspected;
  - attend any appropriate training offered.
- 6.3 Failure to comply with these policies, procedures and guidance, including in particular failure to comply with the obligations detailed in this policy, may result in disciplinary action for staff and the termination of arrangements with associates.

- 6.4 Should staff or associates be concerned that another employee or associate is facilitating a third party's Tax Evasion, they should report this (*see section 10 on how to raise your concerns*).
- 6.5 Specifically, staff and associates must not knowingly do anything that helps someone else to evade tax. Note in this context that the Council is only responsible for the actions of associates in respect of things they do for, or on behalf of, the Council. Other than this the Council is not responsible for the way associates manage their business.
- 6.6 It is not acceptable for officers and associates to:
- engage in any form of facilitating Tax Evasion or Foreign Tax Evasion;
  - aid, abet, counsel or procure the commission of a Tax Evasion offence or Foreign Tax Evasion offence by another person;
  - fail to promptly report any request or demand from any third party to facilitate the fraudulent Evasion of Tax by another person, in accordance with this policy;
  - engage in any other activity that might lead to a breach of this policy;
  - threaten or retaliate against another individual who has refused to commit a Tax Evasion offence or a Foreign Tax Evasion offence or who has raised concerns under this policy;
  - commit an offence under the law of any part of the UK consisting of being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of tax.

---

## 7. Risk assessment

---

- 7.1 The Council should assess the nature and extent of its exposure to the risk of those who act for or on its behalf engaging in activity during the course of business to criminally facilitate Tax Evasion, analysing whether they have the motive, opportunity and means to do so and how that risk might be managed. The Council should keep the risks under review.
- 7.2 The Council's systems of control are designed to aid compliance. In addition, the Council's Internal Audit Team conducts regular compliance checks paying specific attention to areas of high risk and providing reports to Governance and Audit Committee.
- 7.3 Examples of the type of exposure the Council faces in relation to the prevention of the facilitation of Tax Evasion and how the risk is managed is attached as **Appendix A**.
- 7.4 The Council has governance processes and procedures to address specific risks. This includes both this policy and a "whistle blowing" policy. The Council also has procedures in place on the segregation of duties, budget holder's guidance, Anti Money Laundering Policy and Anti-Fraud and Bribery Strategy.
- 7.5 There is not an exhaustive list of Tax Evasion opportunities. At a more general level, the best defence of Tax Evasion and facilitation of Tax Evasion remains the vigilance of our officers and the adoption of a common sense approach supported by our clear whistleblowing procedures.

---

## 8. Senior management commitment

---

- 8.1 The top-level management of a relevant body should be committed to preventing persons associated with it from engaging in the criminal facilitation of Tax Evasion. Those at the most senior levels of a relevant body are best placed to foster a culture where actions intended to facilitate Tax Evasion are considered unacceptable.
- 8.2 This policy has been approved by Cabinet and complements the Anti-Fraud and Corruption Strategy.
- 8.3 Once adopted the policy will be reported to the Governance and Audit Committee for monitoring and review.

---

## 9. Due diligence

---

- 9.1 A relevant body should apply due diligence procedures, taking an appropriate risk based approach, to identify the risk of criminal facilitation of Tax Evasion by associated persons, in order to mitigate such risks.
- 9.2 Reasonable care and caution is exercised when processing all transactions particularly high value/high risk area payments. Regular monitoring takes place and particular caution is exercised when making payment to new suppliers.
- 9.3 In applying a common sense approach, officers must be aware of the following:
- Is there anything unusual about the manner in which an associate of the Council is conducting their relationship with the third party (usually a customer)?
  - Is there anything unusual about the customer's or associate's conduct or behaviour?
  - Are there unusual payment methods?
- 9.4 An example of high risk factors are listed below:
- Private banking.
  - Anonymous transactions (which may include cash).
  - Non face-to-face business relationships or transactions.
  - Payment received from unknown or associated third parties.
  - The business relationship is conducted in unusual circumstances.
  - Non-resident customers.
  - Businesses that are cash intensive.
  - The ownership structure of the company appears unusual or excessively complex.
  - Countries identified by credible sources as not having adequate anti-money laundering and counter-terrorism financing approaches.
  - Countries subject to sanctions, embargoes, or similar measures issued by, for example, the UN
  - Countries identified by credible sources as providing support for terrorist activities, or that have designated terrorist organisations operating within their country
- 9.5 Unusual payment methods and unusual conduct of third parties with Council associates can be indicative that a transaction may not be as it seems – please refer to section 5 of the Council's 'Anti-money Laundering Policy' for further guidance on unusual payment methods and unusual conduct. Likewise, the Council procedures outlined in the aforementioned policy for identifying the customer are also an important part of the Councils' policy against Tax Evasion.

---

## 10. How to raise a concern

---

- 10.1 The Council is committed to ensuring that there is a safe, reliable, and confidential way of reporting any suspicious activity, and wants each and every member of staff to know how they can raise concerns.
- 10.2 All have a responsibility to help detect, prevent and report instances of Tax Evasion. If you have a concern regarding a suspected instance of Tax Evasion please speak up – your information and assistance will help. The sooner it is brought to attention, the sooner it can be resolved. You do NOT need to be certain that Tax Evasion is taking place to report it.
- 10.3 The Council has clear guidance in its Whistleblowing Policy in relation to how employees can raise their concern. However as this policy relates specifically to Tax Evasion any concerns or suspicions should be directed to the:
- Chief Officer – Finance, Housing and Change, and/or
  - Deputy Head of Finance
- 10.4 Officers are encouraged to raise concerns about any issue or suspicion of Tax Evasion as soon as possible. If there is any suspicions of any intention that a staff member, associate or third party is attempting to commit Tax Evasion, the details of the parties and the transaction must be reported to the Chief Officer – Finance, Housing and Change using the confidential form at **Appendix B**, who may report the circumstances to HMRC.
- 10.5 Concerns expressed anonymously may, at the Council's discretion, be considered but are much less powerful. It is better to raise your concerns in writing but you may equally express your concerns verbally and have the detail recorded for you. Whilst you will not be expected to prove the truth of any allegations you make, you will need to demonstrate sufficient grounds for your concerns.
- 10.6 In the event that an incident of suspected wrong doing is reported, the Council will act as soon as possible to evaluate the situation. It has clearly defined procedures for investigating fraud, misconduct and non-compliance issues and these will be followed in any investigation of this kind. This is easier and quicker if concerns raised are not anonymous.

---

## 11. What happens if an officer prefers not to report their suspicions?

---

- 11.1 This should never happen. If there is any suspicion of any intention to evade tax and the transaction is nevertheless finalised, the Council can be criminally prosecuted, subject to a large fine and be publicly named and shamed.



---

## **12. Self reporting**

---

- 12.1 If an organisation suspects that one of the two offences may have taken place it may wish to undertake an internal investigation and (voluntarily) self-report; self-reporting can be done via an online form. The official UK HM Revenue & Customs guidance states that “In order to encourage relevant bodies to disclose wrongdoing, timely self-reporting will be viewed as an indicator that a relevant body has reasonable procedures in place” (so an organisation may have a defence).

---

## **13. Communication & training**

---

- 13.1 To ensure that the policy against engaging in activities to help clients commit tax fraud is communicated, embedded and understood throughout the organisation to help deter those providing services on behalf of the relevant body from engaging in such activities, all new staff, especially those involved in processing and approving financial transactions, will be made aware of this policy via their induction.
- 13.2 All staff will also be able to access this information on the Council’s intranet.
- 13.3 It will be the responsibility of Chief Officers for ensuring compliance with the policy.

---

## **14. Monitoring & review**

---

- 14.1 Monitoring and reviews of the Council’s prevention procedures will form part of audit programmes with regular reports to the Governance and Audit Committee.
- 14.2 The Chief Officer – Finance, Housing and Change will be responsible for the continuous review and amendment of this policy document, to ensure that it remains compliant with good practice and legislative requirements. The policy was reviewed in January 2025 and will be reviewed biennially thereafter.

---

## **15. Other relevant policies**

---

- 15.1 Further information on the relevant Council policy and practice can be found in the following internal documents:

- The Council's [Constitution](#), incorporating the Members' Code of Conduct, Officers' Code of Conduct, Contract Procedure Rules, Financial Procedure Rules;
- [Anti-Money Laundering Policy](#);
- [Anti-Fraud and Bribery Policy](#);
- [Whistleblowing Policy](#);
- [Gifts & Hospitality Policy for Officers](#);

## APPENDIX A

### Example of risk exposure within the Council in relation to the facilitation of tax evasion & how the risk is managed

#### 1. Construction Industry Scheme

- 1.1 There is a risk of suppliers purposely submitting artificially low labour breakdowns on their invoices to avoid tax being deducted on the labour element or no tax being deducted at all.
- 1.2 There is a risk that staff have a lack of understanding as to what work comes within the scope of the scheme or the implications of not applying the scheme.
- 1.3 The member of staff would have had to act deliberately and dishonestly to facilitate the taxpayer-level evasion for the Council to be considered as having committed a criminal offence in assisting in a third party in Criminal Tax Evasion.
- 1.4 The Council has in place adequate Construction Industry Scheme (CIS) procedure documents, and undertakes a daily check of all CIS payments input into the financial information system to ensure that they have been correctly included or excluded from the CIS scheme and that labour has been recorded and flagged as such, if expected. In addition all new data entry inputters receive full training about the scheme and their responsibilities, and are provided with the rules of the scheme on an annual basis. All staff centrally supporting the payment of CIS transactions have also received internal training and are familiar with the HMRC guidance on CIS.

#### 2. Direct Payments (for Care & Support Services)

- 2.1 There is a risk that there is a deliberate failure to ensure deduction of Income Tax and National Insurance from payments made to personal assistants by recipients of Direct Care Payments.
- 2.2 There is a risk that the Council makes payments to people who have over-stated their requirements at the needs assessment stage.
- 2.3 A member of staff would have had to act deliberately and dishonestly to facilitate the taxpayer-level evasion for the Council to be considered as having committed a criminal offence in assisting a third party in Criminal Tax Evasion. To achieve such evasion, it would require collusion by a number of parties involved in the Direct Payments process.
- 2.4 The Council has adequate Direct Payments Protocol and Guidance documents in place. The Council has a contract in place with a Direct Payments Support Organisation, who offer support to Direct Payment recipients, by providing a fully comprehensive payroll service in accordance with HMRC regulations. Direct Payments bank accounts are monitored and reconciled, to ensure that the money

is being used appropriately. All payments calculated by the Council to Direct Payment recipients are checked and authorised by a second member of staff.

3. Grants

- 3.1 There is a risk that an organisation purposely fails to ensure that grant funding provided by the Council is used for its intended purpose.
- 3.2 There is a risk that the Council gives a grant to an organisation for a specific project or service which may include the employment of staff. Staff are paid without the appropriate deduction of Income Tax and National Insurance.
- 3.3 The member of staff would have had to act deliberately and dishonestly to facilitate the taxpayer-level evasion for the Council to be considered as having committed a criminal offence in assisting a third party in Criminal Tax Evasion.
- 3.4 The Council has in place a number of controls to mitigate the risk including a robust process in place in relation to the financial management of grants via its grant procedure rules, strong segregation of duties, due diligence and financial procedure rules which assists in mitigating the risk of collusion.

4. Off Payroll Working – IR35

- 4.1 There is a risk that a member of staff fails to identify workers and associates that should be paid via the payroll system rather than the creditors system. If the member of staff did not deliberately and dishonestly take action to facilitate the taxpayer-level evasion and are proved to have accidentally, ignorantly or even negligently facilitated the Tax Evasion offence then an offence has not been committed by the Council.
- 4.2 There is a risk that a supplier wishes to be treated as a self-employed contractor so that payments to them are paid gross and they can evade paying the appropriate income tax and national insurance liabilities. There is a risk that a Council officer helps the supplier by deliberately falsifying information on the Employment Status Questionnaire so the worker is treated as a contractor rather than deducting PAYE at source. By supplying false information in this way, the Council employee is committing a criminal offence as they have assisted a third party in Criminal Tax Evasion.
- 4.3 The Council has in place a number of controls to mitigate risk. Control procedures are in place so that all new suppliers are set up centrally and are reviewed to ensure that off payroll working is identified and treated appropriately. All sundry suppliers are reviewed daily and investigated where necessary to identify if they meet the criteria for off payroll working. Although there are central controls to diligently review that off payroll working is identified, it does rely on the manager completing the IR35 self-assessment correctly.

## 5. PAYE- Income Tax & National Insurance

- 5.1 There is a risk that a member of staff fails to deduct the tax and NI at the correct rate. If there is no collusion and the member of staff did not deliberately and dishonestly take action to facilitate the taxpayer-level evasion and are proved to have accidentally, ignorantly or even negligently facilitated the Tax Evasion offence then an offence has not been committed by the Council.
- 5.2 The Council has in place a number of controls to mitigate this risk, Tax and National Insurance details are system generated on the payroll system so the only potential issue could be where these are manually overwritten. If this should happen then this would be picked up in the monthly real time submission to HMRC which provides information about tax and other deductions under the PAYE system.

## 6. Value Added Tax (VAT)

- 6.1 There is a risk of suppliers adding VAT to their invoices when they are not registered for VAT. Payment would be made to the supplier and recovered from HMRC. The expense would not fall as a cost to anyone's budget so would be difficult to spot.
- 6.2 There is a risk that an officer pays a fraudulent VAT only invoice. The expense would not fall as a cost to anyone's budget as the money would be recovered from HMRC.
- 6.3 Both instances would have to be in collusion with officers for there to be an offence of assisting a third party in Criminal Tax Evasion.
- 6.4 The Council has in place a number of controls to mitigate risk. The Council's Constitution - Part 4 Rules of Procedure requires that each Chief Officer be responsible for examining, verifying and authorising invoices and any other payment vouchers or accounts arising from sources in their Directorate. Before authorising an account, the authorising officer shall be satisfied that invoices satisfy VAT regulations and that prices, extension, calculations etc. are correct. A similar requirement exists for schools where the checking of invoices for accuracy and that VAT has correctly been charged is the responsibility of the Finance Officer or Bursar. Additionally, VAT only invoices are costed separately and are easily identifiable and as such are reviewed by a member of the VAT team to ensure VAT has correctly been applied.

## 7 Payment To Suppliers

- 7.1 There is a risk that a supplier seeks to evade tax by asking to be paid into an offshore account, to deliberately and dishonestly hide their income which will not

be declared in the UK for UK tax purposes, and that they send an invoice to the Council asking to be paid into this bank account which is not the same as the one set up within our supplier database.

- 7.2 There is a risk that an officer of the Council (who in this example is the 'associated person') facilitates this Tax Evasion by deliberately and dishonestly paying this invoice into the offshore account at the request of the supplier. This could be as a result of collusion (such as taking a bribe), or could be simply turning a blind eye to the Tax Evasion of which they are aware.
- 7.3 Both instances would have to be in collusion with officers for there to be an offence of assisting a third party in Criminal Tax Evasion
- 7.4 The Council has in place controls to reduce the risk and prevent the facilitation of Tax Evasion including managing all supplier creation at a central point, a verification process for changing supplier bank details, the on-line authorisation of invoices and all supplier transactions must be supported by relevant invoice(s)/documentation and independently signed off as approved to pay. For payments over a certain financial value there is an additional tier of authorisation before payment is processed. Financial Procedure Rules also apply to all payments made by Corporate Purchasing Cards which should mitigate the risk of fraud and error. Planned Internal Audit reviews of payments also ensure that procedures are in place and being followed.

## 8 Cash

- 8.1 There is a risk that cash received from a supplier or service recipient by a member of staff is retained by the individual and not paid into the Authority's bank account.
- 8.2 Whilst this would be considered a criminal activity, for a Criminal Tax Evasion Offence to be committed under the Act collusion would also have had to have taken place.
- 8.3 The Council has in place controls to reduce the risk of the theft or facilitation of tax evasion in respect of cash transactions including financial procedure rules. Cash high risk areas also have additional controls in place to ensure the safety of cash as it progresses internally to the point of collection by our external secure cash collection service providers. For example all our metric car parking machines can be interrogated from the back office system to establish which machines need emptying, two officers are allocated for collection and counting of the cash and there is dual supervision when counting monies. Receipt of cash is supported by a full audit trail and coins bagged in readiness for collection by our courier service is reconciled back to machine receipts which is then signed for by the cash collection courier before onward transmission to a specialist sorting office for banking. The system supporting metric car parking also has functionality which can identify any discrepancies very early so we can check machines to minimise and protect potential financial losses. A number of newer machines also have card payment facilities and as a result the use of coin is falling considerably; additionally, most car parks have a paybyphone system and this usage has also increased.

## 9 Outsourcing

- 9.1 There is a risk that an outsourced service provider colludes with a member of staff to facilitate tax evasion.
- 9.2 The Council has in place controls to mitigate this risk of staff colluding with outsourced services as officers have to adhere to internal rules such as contract procedure rules and financial procedure rules. Additionally outsourced service providers have other rules that they need to comply with. For example:
- I. The Council's leisure services provider is a registered charity and a company limited by guarantee and therefore must comply with company law as well as charity law and are required to submit externally audited accounts and statutory reports to both annually. The leisure services provider has in place financial procedures and controls that support budget setting, financial performance reviews and operational controls that would be expected of an established charity, as well as an internal audit function. Financial performance is scrutinised at their board level and discussed as part of the client monitoring process. An advisory board mechanism is in place and quarterly reports present financial and other performance information. The leisure services provider provides their accounts to the Charity Commissioners and shares the details with Bridgend County Borough Council. They also manage any food and beverage related services themselves – there is no outsourcing – which falls under the internal controls and processes established by the leisure services provider.
  - II. The Council's cultural trust services provider also has in place financial procedures and controls that support budget setting, financial performance review and operational controls that would be expected of an established charity. Financial performance is scrutinised at the cultural trust services board level and discussed as part of client monitoring approaches. An Advisory Board is in place to better support the partnership and contractual monitoring arrangements between the cultural trust and the Council as approved by Cabinet on 18 October 2022. The cultural trust provides their accounts to the charity commissioners and shares the details with Bridgend County Borough Council. Cultural Trust Services Trading is in place to operate services that have a level of commerciality (Bryngarw House, Bryngarw Café, Pavilion Café and bars) and to donate any profits to the Trust as the parent organisation in line with standard practice for Trust based models. The services referenced such as food and beverage are now directly operated by the Trust as opposed to being subcontracted. As well as the external audit, the Trust also have an internal audit function which assists in creating financial controls, ensuring they are adhered to, indicating where they need improving and ensuring that those improvements are actioned as required.

**APPENDIX B****Report of tax evasion activity****Report to the Chief Officer – Finance, Performance and Change**

To: Chief Officer – Finance, Performance and Change

From: \_\_\_\_\_  
[Insert name of employee]

Directorate: \_\_\_\_\_

[Insert post title and team]

Ext/Tel No: \_\_\_\_\_

**Urgent**      Yes/No

Date by which response needed: \_\_\_\_\_

**Details of suspected offence:**

<b>Name(s) and address(es) of person(s) involved:</b>
[If a company/public body please include details of nature of business, please supply as many details as possible]

<b>Nature, value and timing of activity involved:</b>
[Please include full details e.g. what, when, where, how. Continue on a separate sheet if necessary]

<b>Nature of suspicions regarding such activity:</b>
[Please continue on a separate sheet if necessary]



**Has any investigation been undertaken (as far as you are aware)? [Delete as appropriate]**

Yes / No

**If yes, please include details below:**

**Have you discussed your suspicions with anyone else? [Delete as appropriate]**

Yes / No

**If yes, please specify below, explaining why such discussion was necessary:**

**Please set out below any other information you feel is relevant:**

**Signed: \_\_\_\_\_ Dated: \_\_\_\_\_**

**Please do not discuss the content of this report with anyone and particularly those you believe to be involved in the suspected tax evasion activity described.**

This page is intentionally left blank

<b>Meeting of:</b>	<b>CABINET</b>
<b>Date of Meeting:</b>	<b>24 JUNE 2025</b>
<b>Report Title:</b>	<b>FRAUD STRATEGY AND FRAMEWORK 2025/26 to 2027/28</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER FINANCE, HOUSING AND CHANGE AND HEAD OF THE REGIONAL INTERNAL AUDIT SERVICE</b>
<b>Responsible Officer:</b>	<b>SIMON ROBERTS – SENIOR FRAUD INVESTIGATOR AND JOAN DAVIES – DEPUTY HEAD OF REGIONAL INTERNAL AUDIT SERVICE</b>
<b>Policy Framework and Procedure Rules:</b>	<b>There is no impact on the policy framework and procedure rules.</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• The Council's Fraud Strategy and Framework 2022/23 to 2024/25 was a 3-year strategy which required review and updating to ensure the Council maintains a suite of strategies and policies to support the effective management of the prevention, detection, and investigation of fraud, corruption, and bribery.</li> <li>• The updated Fraud Strategy and Framework 2025/26 to 2027/28 has been reviewed by the Governance and Audit Committee and is now presented to Cabinet for approval and is included at Appendix A.</li> <li>• The Council's Fraud Strategy and Framework outlines the aims and objectives of the strategy, identifies fraud risks and includes steps to support the Council's improvement and resilience to fraud, bribery, and corruption.</li> <li>• The strategy contributes to the Council's commitment to developing a culture of honesty, integrity and opposition to fraud, corruption, and bribery.</li> </ul>

## 1. Purpose of Report

- 1.1 The purpose of this report is to present to Cabinet for approval the Fraud Strategy and Framework 2025/26 to 2027/28, attached at **Appendix A**, following its review

by the Governance and Audit Committee. The strategy outlines the overarching structure and approach to fraud risk management.

## **2. Background**

- 2.1 The Council's Fraud Strategy and Framework 2022/23 to 2024/25 was a 3-year strategy to provide a framework for the Council in respect of fraud by identifying roles and responsibilities, aims and objectives, fraud risks, an action plan and a fraud response plan flowchart. Counter fraud policies are also in place to support the strategy.
- 2.2 This strategy required reviewing and updating to ensure the Council maintained a suite of strategies and policies to support the effective management of the prevention, detection, and investigation of fraud, corruption and bribery.
- 2.3 The Fraud Strategy and Framework outlines the strategic approach to tackling fraud across the organisation. It seeks to develop and maintain a culture in which fraud, bribery and corruption are understood across the organisation as unacceptable, for which firm action is and will be taken to prevent and detect fraud loss, bring fraudsters to account quickly and efficiently, and to recover any losses.
- 2.4 Based on the Public Sector Fraud Authority's (PSFA) methodology, it is estimated that fraud and error cost the UK taxpayer £55 billion to £81 billion in 2023-24. It is reported that only a fraction of this is detected and known about to enable investigation and recovery.
- 2.5 The updated Fraud Strategy and Framework 2025/26 to 2027/28 was presented to the Governance and Audit Committee on 24 April 2025 for consideration, prior to submission to Cabinet for approval. No changes were recommended by the Committee prior to it being submitted to Cabinet.

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

- 3.1 The Fraud Strategy and Framework 2022/23 to 2024/25 has been reviewed by the Fraud Investigation Team, alongside officers from Internal Audit and finance, and a number of amendments have been made to bring the document up to date to reflect changes such as:
  - updates to officer titles and lines of responsibility
  - new section on the Failure to Prevent Fraud offence and tax evasion.
  - refreshed and updated steps to support continual improvement.
  - updates to the ways in which the Council keeps abreast of changes to the fraud landscape and associated risks.
- 3.2 The Council's updated Fraud Strategy and Framework at **Appendix A** outlines the aims and objectives of the strategy, identifies fraud risks and includes steps to support continual improvement to the Council's resilience to fraud, bribery and corruption.
- 3.3 The strategy identifies roles and responsibilities, aims and objectives, and fraud risks. Measures of success and a flow chart demonstrating the Council's approach to a suspected fraud is also included.

- 3.4 Updates on fraud are reported to the Governance and Audit Committee on an annual basis via the Annual Corporate Fraud Report, or ad hoc as necessary. The Council's Fraud Risk Register is monitored by the Corporate Management Board on a quarterly basis and any significant risks identified are escalated to the Corporate Risk Register and reported to the Governance and Audit Committee where necessary.
- 3.5 Supporting this Strategy are existing key policies such as the Anti-Fraud and Bribery Policy, Whistleblowing Policy, Anti-Money Laundering Policy and the Anti-Tax Evasion Policy. These all assist in developing a culture of honesty, integrity and opposition to fraud, corruption and bribery.
- 4. Equality implications (including Socio-economic Duty and Welsh Language)**
- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.
- 5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**
- 5.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.
- 6. Climate Change Implications**
- 6.1 There are no climate change implications arising from this report.
- 7. Safeguarding and Corporate Parent Implications**
- 7.1 There are no safeguarding or corporate parent implications arising from this report.
- 8. Financial Implications**
- 8.1 The financial implications are reflected within this report as any fraud impacts on the resources available to the Council.
- 9. Recommendation**
- 9.1 Cabinet is recommended to approve the Fraud Strategy and Framework 2025/26 to 2027/28 attached at **Appendix A**.

## **Background documents**

None

This page is intentionally left blank



# **Fraud Strategy and Framework 2025/26 – 2027/28**

<b>Contents</b>	<b>Page</b>
<b>1. Introduction</b>	<b>3</b>
<b>2. Aims &amp; Objectives</b>	<b>6</b>
<b>3. Roles &amp; Responsibilities</b>	<b>7</b>
<b>4. Definitions</b>	<b>9</b>
<b>5. Fraud Risks</b>	<b>11</b>
<b>6. Current Fraud Landscape &amp; Risks</b>	<b>13</b>
<b>7. Managing the Risk of Fraud, Bribery &amp; Corruption</b>	<b>17</b>
<b>8. Steps to Support Continual Improvement</b>	<b>18</b>
<b>9. Measures of Success</b>	<b>19</b>
<b>10. Reporting &amp; Review</b>	<b>19</b>
<b>Appendix 1 – Fraud Response Plan/Flowchart</b>	<b>21</b>



## 1. Introduction

The challenge presented to councils by fraud is significant. The Fighting Fraud and Corruption Locally Strategy 'A Strategy for the 2020's', produced by local government for local government, states that local authorities continue to face a significant fraud challenge. The Annual Fraud Indicator 2023, produced by Crowe Clark Whitehill, states that fraud in local government increased from an estimated £7.8bn in 2017, to £8.8bn in 2021-2022. Based on the Public Sector Fraud Authority's (PSFA) methodology, it is estimated that fraud and error cost the taxpayer £55 billion to £81 billion in 2023-24. It is reported that only a fraction of this is detected and known about – enabling investigation and recovery. Latest crime in England and Wales figures from the Office for National Statistics have revealed that fraud offences have increased by 19% (to 3.9 million offences) in the year ending September 2024.

Bridgend County Borough Council has a zero-tolerance culture to fraud, bribery, and corruption.

"In carrying out its functions and responsibilities, the Council encourages a culture of openness and fairness and expects Elected Members and employees at all levels to adopt the highest standards of propriety and accountability. The Council seeks to demonstrate clearly that it is firmly committed to dealing with fraud, corruption and bribery and will deal equally with perpetrators from inside (Members and employees) and outside the Council. In addition, there will be no distinction made in investigation and action between cases that generate financial benefit and those that do not."

"The Council's culture is one of honesty and zero tolerance to fraud and corruption. The prevention or detection of fraud and corruption and the protection of public money are everyone's responsibility. There is an expectation and requirement that all individuals, businesses and organisations dealing in any way with the Council will act with high standards of probity, openness and integrity and that Council employees or its agent(s) will lead by example in these matters".

*(Bridgend County Borough Council – Anti-Fraud and Bribery Policy).*

The Council takes its responsibilities for the stewardship of public finances very seriously and is committed to the highest standards of transparency and accountability in order to ensure appropriate use of public funds and assets. It has a duty to prevent fraud and corruption, whether it is attempted by someone within or outside of the Council such as another organisation, a resident, an employee, contractor or Councillor. The Council is committed to creating and maintaining an effective anti-fraud and corruption culture, by promoting high ethical standards and encouraging the prevention and detection of fraudulent activities.

The Council maintains a suite of strategies and policies to support the effective management of the prevention, detection and investigation of fraud, corruption and bribery. These include:

- Anti-Fraud and Bribery Policy
- Whistleblowing Policy
- Anti-Money Laundering Policy
- Anti-Tax Evasion Policy

This overarching Strategy supports the Council's existing policies affording a framework of reactive and proactive initiatives to detect fraud and/or demonstrate assurance that fraud has not taken place.

In all its dealings, the Council will adhere to the seven principles of public life set out in the Nolan Committee report on *Standards in Public Life*.

***Selflessness***

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their families or their friends.

***Integrity***

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

***Objectivity***

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

***Accountability***

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

***Openness***

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands. Openness requires an inclusive approach, an outward focus and a commitment to partnership

***Honesty***

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

***Leadership***

Holders of public office should promote and support these principles by leadership and example.

The Council will not tolerate fraud or corruption by its Councillors, employees, suppliers, contractors, customers or any other attacks on its resources by criminals. We will take all necessary steps to investigate all allegations of fraud or corruption and pursue sanctions available in each case, including removal from office, dismissal, prosecution and robust recovery of losses through both civil and criminal means.

To fulfil the steps to support continual improvement, as contained within the Fraud Strategy and Framework 2025/26 - 2027/28, the Council must ensure that fraud, bribery, corruption, and misappropriation is minimised. Every pound lost to fraud and corruption is a reduction in resources and negatively influences the Council's ability to deliver its objectives.

Our strategy is based upon five key principles: Govern, Acknowledge, Prevent, Pursue and Protect.



Accompanying the five principles are six overarching themes to assist the organisation and ensure that our counter fraud response is comprehensive and effective. These are often referred to as the six Cs.

- **Culture**

Create a culture in which beating fraud and corruption is part of normal business

- **Capability**

Ensuring that the range of counter fraud measures deployed is appropriate to the fraud risks

- **Capacity**

Deploying the right level of resources to deal with the level of fraud risk

- **Competence**

Having the right skills and standards in place

- **Communication**

Raising awareness, deterring fraudsters sharing information and celebrating success

- **Collaboration**

Working together across internal and external boundaries with colleagues and other agencies, sharing resources, information skills and learning

## 2. Aims and Objectives

The aims and objectives of the Fraud Strategy and Framework are to: -

**A.** Protect the Council's valuable resources by ensuring they are not lost through fraud and corruption but are used for improving the delivery of services to Bridgend County Borough residents through the successful implementation of the ongoing measures to reduce fraud.

**B.** Gain a better understanding of local fraud and corruption risks influencing the Council's ability to deliver its objectives.

**C.** Create an 'anti-fraud' culture that highlights the Council's zero tolerance of fraud, corruption and bribery, which defines roles and responsibilities and actively engages the public, Councillors and employees, by raising awareness of fraud both internally and externally.

**D.** Actively seek to increase the Council's resilience to fraud and corruption through the raising of fraud awareness.

**E.** Provide a best practice counter-fraud service which:

- Proactively deters, prevents and detects fraud, corruption and bribery.
- Investigates suspected or detected fraud, corruption and bribery.
- Enables the Council to apply appropriate sanctions and recover losses.
- Provides management reports and recommendations to inform policy, systems, and control improvements, thereby reducing the Council's exposure to fraudulent activity.

**F.** Create an environment that enables the reporting of any genuine suspicions of fraudulent activity. However, we will not tolerate malicious or vexatious allegations or those motivated by personal gain and, if proven, we may take disciplinary or legal action; and

**G.** Work with our partners and other investigative bodies in collaboration to strengthen and continuously improve our arrangements to prevent fraud and corruption.

### 3. Roles & Responsibilities

The Anti-Fraud and Bribery Policy deals with fraud, corruption and bribery internally and externally, it applies to:

- Employees
- Councillors
- Contractors
- Consultants
- Suppliers
- Service Users

Key roles and responsibilities are as follows:

Stakeholder Responsibilities	Specific Responsibilities
<b>Chief Executive</b>	Ultimately accountable for the effectiveness of the Council's arrangements for countering fraud corruption and bribery.
<b>Chief Finance Officer (Section 151 Officer)</b>	To ensure the Council has adopted an appropriate fraud strategy and framework, there is an effective internal control environment in place and there is an adequately resourced and effective Counter-Fraud Team.
<b>Monitoring Officer</b>	To advise Councillors and Officers on ethical issues, standards and powers to ensure that the Council operates within the law and statutory Codes of Practice.
<b>The Governance and Audit Committee</b>	To monitor on a regular basis the Council's approach to tackling fraud and corruption and promote an anti-fraud culture.
<b>Councillors</b>	To comply with the Code of Conduct and related Council policies and procedures, to be aware of the possibility of fraud, corruption and bribery and to report any genuine concerns accordingly.
<b>Internal Audit</b>	Internal Audit are responsible for evaluating the potential for the occurrence of fraud and how the organisation manages fraud risk.
<b>Senior Fraud Investigator</b>	Responsible for the co-ordination of the Council's Fraud Strategy and Framework, including the measures in place to

	<p>acknowledge, prevent and pursue fraud and corruption activity. This also includes the key co-ordination role in the National Fraud Initiative (NFI), which is a fraud prevention and detection exercise based around bulk data matching that is led by the Cabinet Office, every two years.</p>
<p><b>Chief Executive, Chief Officers and Group Managers</b></p>	<p>Manage the risk of fraud, corruption and bribery. To promote staff awareness and ensure that all suspected or reported irregularities are immediately referred to the Senior Fraud Investigator or Internal Audit. To ensure that there are mechanisms in place within their service areas to assess the risk of fraud, corruption and bribery and to reduce these risks by implementing strong internal controls. It is vital that this group show leadership in supporting investigations into fraud and corruption and that they are responsive to implementing actions arising from this work. Their role in the NFI exercise is to provide data for matching and to analyse the outputs from the matching exercise and take appropriate action.</p>
<p><b>Employees</b></p>	<p>Our employees are the first line of defence against fraud, corruption and bribery. They are expected to conduct themselves in ways which are beyond reproach, above suspicion and fully accountable. Also responsible for reporting malpractice through the established 'Whistleblowing' procedures. Employees are expected to adhere to the Employee Code of Conduct Protocol and Financial Regulations and Contract Procedure Rules.</p>

## 4. Definitions

### What is Fraud?

The **Fraud Act 2006** details the legal definitions of fraud and is used for the criminal prosecution of fraud offences. The Council also deals with fraud in non-criminal disciplinary matters.

For the purposes of this document, fraud is defined as,

*‘the intentional distortion of financial statements, or other records by a person or persons internal or external to the Council, which is carried out to conceal the misappropriation of assets or otherwise for gain’.*

This includes deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion.

The definition covers various offences including deception, forgery, theft, misappropriation, collusion and misrepresentation. However, use in this context is not intended to limit the full use of the Fraud Act 2006 in the investigation and prosecution by the Council of any offences.

### What is Corruption?

Corruption is the offering or acceptance of inducements designed to influence official action or decision making. These inducements can take many forms including cash, holidays, event tickets or meals.

### Bribery Act 2010

The **Bribery Act 2010** reformed criminal law to provide a new, modern and comprehensive scheme of bribery offences that will enable courts and prosecutors to respond more effectively to bribery at home or abroad.

**Bribery** - ‘the offering, promising giving, soliciting, agreement to accept or acceptance of a financial or other advantage which may induce or reward a person to perform improperly a relevant function under ‘The Bribery Act 2010.’

### Bribery Act Offences

The Act creates the following offences relevant to the Council:

- Offences of bribing another person,
- Offences relating to being bribed; and
- Offences relating to the bribery of foreign public officials.

Furthermore, if the offence is proved to have been committed with the consent or connivance of a senior officer of the organisation, then the senior officer may be personally liable.

Further guidance is available from the Ministry of Justice to explain to organisations what action is required to ensure they are compliant.

### **What is Theft?**

Theft is stealing any property belonging to the Council or which has been entrusted to it (i.e., client funds), including cash, equipment, vehicles and data.

Theft does not necessarily require fraud to be committed. Theft can also include the stealing of property belonging to our staff or members whilst on Council property.

### **What is Money Laundering?**

Money laundering is the process by which criminals attempt to 'recycle' the proceeds of their criminal activities to conceal its origins and ownership and which leaves them with money that cannot be traced back. All employees are instructed to be aware of the increasing possibility of receiving requests that could be used for money laundering and illicit requests for money through e-mails. Detailed guidance is set out in the Council's Anti-Money Laundering Policy.

Any service that receives money from an external person or body is potentially vulnerable to a money laundering operation. The need for vigilance is vital and if there is any suspicion concerning the appropriateness of the transaction then the Council's Anti-Money Laundering Policy should be followed. The Council's Money Laundering Reporting Officer (MLRO) is the Chief Finance Officer / Section 151 Officer.

### **Tax Evasion**

The Criminal Finance Act 2017 introduced two new criminal offences; one relating to UK tax evasion, one relating to foreign tax evasion. The new offences, which came into force on 30 September 2017, are designed to help the Government counter circumstances where a body's employees facilitate tax evasion by their customers or suppliers. Although tax evasion does not have a direct impact on the Council, under the new legislation there is a strict liability for failing to prevent the facilitation of tax evasion by one of its associates, such as an employee or contractor. This could arise, for example, if a Council employee conspired with a supplier to falsify the amount paid on an invoice so that the supplier evaded paying income or corporate taxes.

### **Failure to Prevent Fraud Offence**

This regulation holds large organisations accountable for failing to prevent fraud committed by their employees, agents, contractors, or other "associated persons" acting for the organisation's benefit, whether directly or indirectly. Non-compliance could lead to unlimited fines, legal exposure, and irreparable reputational damage. To comply, organisations must demonstrate reasonable fraud prevention procedures. In the event of



prosecution, an organisation would have to demonstrate to the court that it had reasonable fraud prevention measures in place at the time that the fraud was committed.

The offence is intended to encourage organisations to build an anti-fraud culture, in the same way that failure to prevent bribery legislation has helped reshape corporate culture since its introduction in 2010.

Failure to prevent fraud will come into force on 1 September 2025.

## 5. Fraud Risks

The Council seeks to fulfil its responsibility to reduce fraud and protect its resources by a strategic approach consistent with that outlined in both The Chartered Institute of Public Finance and Accountancy (CIPFA's) Code of Practice on Managing the Risk of Fraud and Corruption and in the Local Government Fighting Fraud & Corruption Strategy for the 2020's, and its five key themes of Govern, Acknowledge, Prevent, Pursue & Protect. Fraud risks are corporate risks faced by all our services and, as with other risks, they are the responsibility of the Directorates to manage and mitigate.

The Senior Fraud Investigator and Internal Audit, however, provide advice, knowledge, and support to the Directorates in the managements of these risks.

<b>Committing Support</b>	The Council's commitment to tackling fraud threats is clear. We have whistleblowing procedures and support those who come forward to report suspected fraud. All reports will be treated seriously and acted upon. Staff awareness of fraud risks will be gained through e-learning, face-to-face development sessions, reports from the Senior Fraud Investigator and Internal Audit and general consultation and advice provided.
<b>Assessing Risks</b>	We will continuously assess those areas most vulnerable to the risk of fraud as part of our risk management arrangements. The Fraud Risk Register is monitored by the Corporate Management Board on a quarterly basis and any significant risks identified are escalated to the Corporate Risk Register. Any relevant information is filtered down through directorates where necessary. These risk assessments along with known fraud risks identified by investigation work and national reports and fraud patterns will inform our annual programme of works for both Internal Audit and the Senior Fraud Investigator.
<b>Robust Response</b>	We will strengthen measures to prevent fraud. Internal Audit and the Senior Fraud Investigator will work with management and our internal partners such as Human Resources, Finance and Legal to ensure new and existing systems and policy initiatives are adequately fraud proofed.

<b>Better use of Information Technology</b>	We will explore the use of data and analytical software to prevent and detect fraudulent activity. We will always look for opportunities to share data and fraud intelligence to increase our capability to uncover potential and actual fraud as we have done in becoming members of the Welsh Fraud Officers Group. We will continue to play an active part in the National Fraud Initiative (NFI) data matching exercise. Whilst the Senior Fraud Investigator plays a co-ordination and support role in this exercise, management is responsible for processing the actual matches. The Senior Fraud Investigator will ensure there is a robust follow up process to ensure that high risk matches are pursued where appropriate.
<b>Enhancing fraud controls and processes</b>	We will educate managers regarding their responsibilities for operating effective internal controls within their service areas. We will promote strong management and good governance that provides scrutiny and independent challenge to risks and management controls. Internal Audit reviews will seek to highlight vulnerabilities in the control environment and make recommendations for improvement. The Senior Fraud Investigator's investigations and reports will also provide management with actions to improve controls to reduce fraud risks.
<b>Anti-fraud culture</b>	We will promote and develop a strong anti-fraud culture, raise awareness, provide a fraud e-learning module, and provide information and guidance on all aspects of our counter fraud work.
<b>Fraud Recovery</b>	A crucial element of our response to tackling fraud is recovering any monies lost through fraud. This is an important part of our strategy and will be rigorously pursued, where possible.
<b>Punishing Fraudsters</b>	We will apply realistic and effective sanctions for individuals or organisations where an investigation reveals fraudulent activity. This may include legal action, criminal and/or disciplinary action. We will also seek to publicise successes to act as a deterrent to those seeking to commit fraud.
<b>Enforcement</b>	We will investigate instances of suspected fraud detected through the planned proactive work and cases of suspected fraud referred from internal or external stakeholders or received via the whistleblowing procedures. These will be prioritised on a fraud risk basis. We will work with internal/external partners/organisations, including law enforcement agencies where common ground exists or where intelligence can be lawfully shared.

## 6. Current Fraud Landscape & Risks

The fraud landscape is ever changing and requires constant review. The cost-of-living crisis has provided a further challenge in this area. The Council keeps abreast of these changes in a number of ways.

- Membership of the National Anti-Fraud Network (NAFN), which provides the Council with a legal gateway to a wide range of information providers, best practice and legislation updates. It also enables the sharing of fraud intelligence bulletins of local and national interest which potentially affect the organisation.
- Membership of the Welsh Fraud Officers Group to discuss current fraud work and associated risks, trends and emerging fraud risks developing across Wales.
- Membership of the Welsh Chief Auditors Group, whose aim is to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.
- Membership of The Chartered Institute of Public Finance and Accountancy (CIPFA), which provides training courses and webinars in respect of fraud to include new and emerging threats likely to impact Local Authorities.
- Attendance at relevant counter fraud conferences.
- Reviewing of National Fraud Reports such as Protecting the Public Purse and the Annual Fraud Indicator Report.
- Contributors to the National Fraud Initiative (NFI) exercise led by the Cabinet Office and co-ordinators of the output reports analysis from the exercise.
- Constant review of incoming fraud referrals informing patterns and/or concerns affecting the fraud risk in specific areas.
- Fraud investigation and Internal Audit outcome reports to management highlighting fraud risk control weaknesses with recommendations to strengthen.
- Quarterly monitoring of the Fraud Risk Register by the Corporate Management Board with any significant risks identified escalated to the Corporate Risk Register. Relevant information is filtered down through directorates where necessary.

The Council can be exposed to fraud, corruption and bribery through a variety of internal and external sources. These include:

	<b>Fraud Risk Area</b>	<b>Overview</b>
<b>1</b>	<b>Housing Benefit &amp; Council Tax Reduction</b>	A claimant makes a claim based on information known to be inaccurate or fails to inform the council about a change in circumstances that would reduce the award
<b>2</b>	<b>Council Tax Single Person Discount (SPD) / Other Council Tax Discounts</b>	A claimant claims a discount when more than one person actually lives in the household, falsely claims to be a student or claims a property is empty and unfurnished.
<b>3</b>	<b>Cyber Fraud</b>	The use of technology specifically is used to take advantage of system weaknesses for gain. This could include ransomware/malware attacks, hacking or use of council systems to test stolen account details ("checker fraud"). Staff/clients could fall victim to scams and frauds, including executive impersonation, advanced fee and funds transfer. It could also include "cyber-enabled" frauds (i.e., use of the internet to commit fraud). Remote working can increase risk leaving users more vulnerable to fraudulent attacks. This is due to reduced checks.
<b>4</b>	<b>Direct Payments</b>	A recipient falsely claims Direct Payments, e.g. by misrepresenting their care needs or failing to disclose receipt of other benefits. There is also a risk of abuse of position by personal assistants, carers or parents, leading to monies not being spent for the recipients benefit. There is an additional risk that a family member misuses the direct payments meant for the person they are caring for and becomes dependant on the income.
<b>5</b>	<b>Procurement Fraud</b>	There are activities including price-fixing, bid rigging and cover pricing, to maximise profit margins or share out contracts. In addition, this risk also overlaps with bribery and corruption internal risks. There is a risk that claims are made to defraud the council by claiming payment for goods/services not provided; delivering goods/services of substandard quality; overpricing or duplicate invoicing
<b>6</b>	<b>National Non-Domestic Rates (NNDR)</b>	A business makes a claim for rate relief based on false information, e.g., stating that a property is no longer in use; not declaring the location of a business or falsely claiming relief, e.g., by claiming to be occupied by a charity; intermittent occupation or the use of "phoenix

		companies” to avoid liability (although not technically illegal)
<b>7</b>	<b>Internal Fraud by Officers and Members</b>	Officers or Members may abuse their position for private gain or misuse council assets for personal gain, including computer hardware and software, plant, machinery and equipment and intellectual property. Theft of cash or portable items belonging to the Council, employees or Members. Receipt of financial or other rewards as an inducement to perform their duties improperly or seek to influence a decision-maker. Also, a risk of failing to declare an interest in a company or organisation.
<b>8</b>	<b>Client Finances</b>	The management of clients’ finances, where clients lack capacity, are fraudulently managed. This covers appointeeship, court of protection and any other management of client’s finances
<b>9</b>	<b>Election Fraud</b>	There is voter registration fraud; impersonation (at polling stations); postal vote fraud, phishing and hacking, denial of service and ransomware (particularly at the time of an election).
<b>10</b>	<b>Cash Handling</b>	Theft or false accounting occurs with officers responsible for handling cash, either as income or expenditure (e.g., petty cash). This could include accounting for cash (and other income) security and banking.
<b>11</b>	<b>Organised Crime/ Money Laundering</b>	Council systems are used to launder money or there is abuse of council systems and they are used by organised crime gangs, e.g., sham marriages. Also, there is a risk that properties are used within the area as fronts for illegal activity (illicit tobacco/alcohol, money laundering).
<b>12</b>	<b>Schools</b>	Although most schools’ frauds are covered elsewhere (e.g., payroll, staffing, cash handling, procurement), nationally schools are the largest source of internal referrals. The delegated nature of their budgets also requires a specific counter fraud response with each pound spent decided by the school themselves.
<b>13</b>	<b>Insurance Fraud</b>	Bogus claims are made with serial claimants across authorities. Also organised “crash for cash” or “slip and trip” frauds and any insurance claim that is proved to be false, made against the organisation or the organisations insurers.

<b>14</b>	<b>Blue Badges</b>	Abuse of the scheme occurs, including an individual using a badge holder's badge when the badge holder is not part of the journey or continues to use it or applies for a new badge after the badge holder's death. Also, the use of counterfeited badges or applications for a blue badge using inaccurate information or failing to report a change.
<b>15</b>	<b>Payment to suppliers (including payment by Purchasing Cards)</b>	There is misuse of procurement cards, creation of bogus suppliers / invoices. Offences include fraud by abuse of position, false accounting and corruption.
<b>16</b>	<b>Employment / Payroll</b>	There are submissions of claims for duties not carried out, inflation of expenses claims, claiming sick pay when fit to work and failing to work contracted hours. Also, the creation of ghost employees and generating payments and false overtime claims. Offences include fraud by false representation, failure to disclose information and false accounting.
<b>17</b>	<b>Grants</b>	Grant payments are obtained from the Council under false pretences or that grants are claimed from different sources for the same purpose or that the recipient fails to deliver outputs stated in the grant conditions. In addition, there is a risk of bogus companies or individuals making a claim perpetrating to be someone else. This also overlaps with the internal risk of corruption. There is additional risk where there is a requirement to process and pay grants at speed where sufficient checks may not be completed.
<b>18</b>	<b>Licensing</b>	There is an abuse of a license (e.g., assigning to someone else). There is also a risk of a fraudulent application for a license, such as a taxi license, where an applicant does not declare a relevant fact or fails to declare a change posing a potential risk to the public.
<b>19</b>	<b>Recruitment</b>	Applicants submit bogus qualifications or references or have no right to work or fail to disclose income for benefit purposes. There is also a risk of offences which could include fraud by false representation or failure to disclose information.
<b>20</b>	<b>False Applications</b>	There is a risk that the Council is supplied with false documentation in support of applications / registrations in respect of services provided e.g., declaration of intention to marry from persons subject

		to immigration control, applications for housing and planning applications.
--	--	---

These areas can be regularly subject to attack by individuals / groups intent on committing fraud, which, if successful, means that there is less money and resources available for those in genuine need.

## 7. Managing the Risk of Fraud, Bribery & Corruption

Whilst all stakeholders have a part to play in reducing the risk of fraud, Elected Members and Senior Management are ideally positioned to influence the ethical tone of the organisation and play a crucial role in fostering a culture of high ethical standards and integrity.

As with any risk faced by the Council, it is the responsibility of managers to ensure that fraud risk is adequately considered within their individual service areas and in support of achieving strategic priorities, business plans, project and programme objectives and outcomes. In making this assessment, it is important to consider the risk of fraud occurring (i.e., proactive) rather than the actual incidence of fraud that has occurred in the past (reactive).

Once the fraud risk has been evaluated, appropriate action will be taken by management to mitigate those risks on an on-going basis, for example through introducing and operating effective systems of internal control.

Adequate supervision, recruitment and selection, scrutiny and healthy scepticism will not be seen as distrust, but simply as good management practice, shaping attitudes and creating an environment opposed to fraudulent activity.

Good corporate governance procedures are a strong safeguard against fraud, corruption and bribery.

The Council's Governance and Audit Committee plays a key role in scrutinising the Council's approach to fraud, its system of controls and risk management, and its wider resiliency to financial irregularity in general.

Internal Audit undertakes a risk-based assurance programme of work each year developed with input from management and agreed by the Governance and Audit Committee. This assurance work involves an independent review of systems and procedures, including a review of the management of risk (of both fraud and other types of risk) whereby system weaknesses are brought to the attention of management along with recommendations to strengthen controls within procedures.

## 8. Steps to Support Continual Improvement

This Fraud Strategy and Framework sets out the developments and actions the Council proposes to take over the medium-term future to further improve its resilience to fraud, bribery and corruption. These developments include the following actions:

	Action
1	Maintain a fraud risk register, which is reviewed quarterly by the Corporate Management Board. Any significant risks identified will be escalated to the Corporate Risk Register and reported to the Governance and Audit Committee
2	Ensure there is a comprehensive and up-to-date set of policies and procedures which together represent a cohesive strategy for identifying, managing, and responding to fraud risks.
3	To be an active participant in the bi-annual National Fraud Initiative (NFI) exercise and to robustly investigate suspected cases of fraud identified through NFI. The Senior Fraud Investigator is responsible for the co-ordination of the exercise including ensuring that the data sets comply with specification and are securely uploaded to the Cabinet Office. Management is responsible for the review of matches that are returned and for referring suspicions of fraud and corruption to the Senior Fraud Investigator.
4	Raise awareness of fraud, bribery, and corruption by delivering a fraud awareness training programme for Members and Officers and provide ongoing fraud awareness training as required.
5	Produce an annual Corporate Fraud report to those charged with governance covering all reactive and proactive fraud initiatives.
6	Undertake welfare benefit investigations (including joint cases with the Department for Work and Pensions (DWP)), recommend the relevant sanction and the recovery of overpaid benefit.
7	To maximise the use of data analytics and data matching to review electronic data to detect and prevent fraud.
8	To provide alerts to staff and Members across the Council when notification of a potential fraud, relevant to their service area, is received. When notification of a potential fraud is received that may impact the public, details are passed to the Communications Team to arrange suitable media coverage
9	To actively maintain the Council's membership of the Welsh Fraud Officers Group and The Chartered Institute of Public Finance and Accountancy (CIPFA), which provides training and intelligence regarding new and emerging fraud risks. Also to maintain all other links to enforcement partners including the Police, DWP and HM Revenue & Customs, and to be open to new and innovative anti-fraud projects.



10	To produce fraud investigation outcome reports for management which highlight the action taken to investigate the fraud risks, the outcome of the investigations e.g., sanction, and recommendations to minimise future risk of fraud.
11	To provide a clear and concise point of reference for necessary information on fraud, maximising the potential of digital, to enhance the user experience. To maintain the fraud internet/intranet pages and ensure they are kept up to date and provide a means to refer cases of suspected fraud directly to the Fraud Investigation department.

## 9. Measures of Success

The successful implementation of this strategy will be measured by the following:

- Successful implementation of the actions contained within the strategy.
- Increased awareness of fraud, corruption and bribery risks by Members, managers and employees.
- Evidence that fraud risks are being actively managed across the Council.
- Increased fraud risk resilience across the Council to protect the Council's assets and resources.
- An anti-fraud, bribery, and corruption culture where employees feel able to identify and report concerns relating to potential fraud, corruption, and bribery.

## 10. Reporting and Review

The Council's approach to suspected fraud can be demonstrated in its Fraud Response Plan/Flowchart - **see Appendix 1.**

The Council recognises that the primary responsibility for the prevention and detection of fraud rests with management. If anyone believes that someone is committing a fraud or suspects corrupt practices, these concerns should be raised in the first instance directly with line management then the Senior Fraud Investigator or Internal Audit.

Where managers are made aware of suspected fraud by employees, they have responsibilities for passing on those concerns to the Senior Fraud Investigator, Internal Audit and Chief Finance Officer (Section 151 Officer).

In the event of a whistleblowing allegation the Monitoring Officer should also be updated. Managers should react urgently to suspicion of potential internal fraud, bribery or corruption.

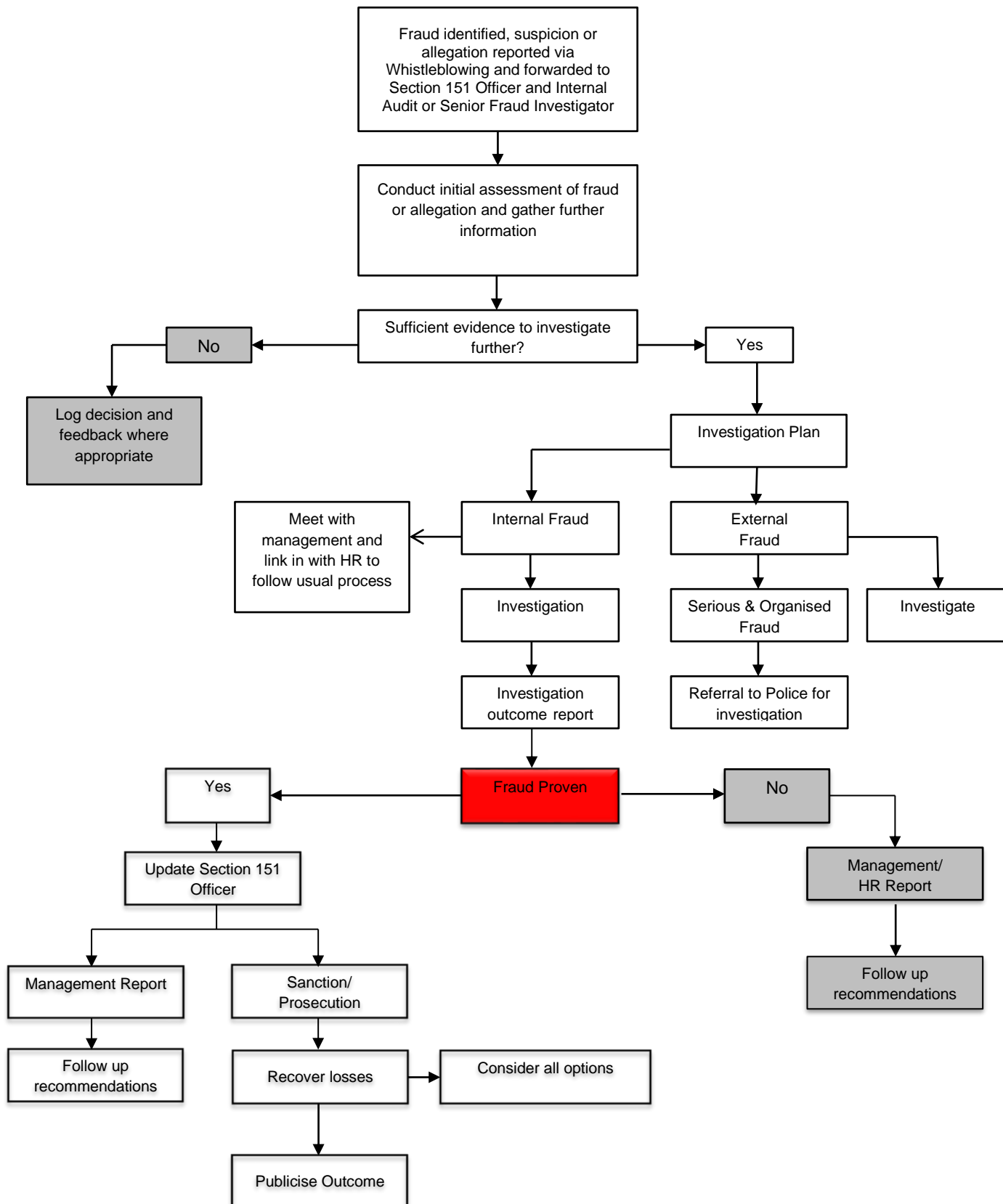
Headteachers of Local Authority-maintained schools should, in addition to above, also notify their Chair of Governors. Notifications must be treated with the utmost confidentiality. Any person that is implicated in the alleged offence should not be included in the notification procedure.

The Chief Finance Officer (Section 151 Officer), Monitoring Officer and the Head of the Regional Internal Audit Service has responsibility for ensuring the Council has a robust anti-fraud, bribery, and corruption response.

Fraud updates and results are reported to the Governance and Audit Committee on an annual basis via the Annual Corporate Fraud Report or ad hoc as necessary. The Fraud Risk Register will be monitored by the Corporate Management Board on a quarterly basis and any significant risks identified will be escalated to the Corporate Risk Register and reported to the Governance and Audit Committee where necessary. The Governance and Audit Committee will also ensure the continuous review and amendment of this strategy and the steps to support continual improvement, contained within it. This will ensure that this fraud strategy remains compliant with good practice national public sector standards, primarily CIPFA's Code of Practice on Managing the Risk of Fraud, Bribery and Corruption and the Local Government Fighting Fraud & Corruption Strategy for the 2020's and that it continues to meet the needs of Bridgend County Borough Council.

This document will be reviewed and updated every 3 years.

## Appendix 1. Fraud Response Plan/Flowchart



This page is intentionally left blank

<b>Meeting of:</b>	<b>CABINET</b>
<b>Date of Meeting:</b>	<b>24 JUNE 2025</b>
<b>Report Title:</b>	<b>REVENUE BUDGET OUTTURN 2024-25</b>
<b>Report Owner/ Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, HOUSING AND CHANGE</b>
<b>Responsible Officer:</b>	<b>JOANNE NORMAN GROUP MANAGER – BUDGET MANAGEMENT</b>
<b>Policy Framework and Procedure Rules:</b>	As required by section 3 (budgetary control) of the Financial Procedure Rules; Chief Officers in consultation with the appropriate Cabinet Member are expected to manage their services within the approved cash limited budget and to provide the Chief Finance Officer with such information as is required to facilitate and monitor budgetary control.
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• The net revenue budget for 2024-25 was £360.671 million. The overall outturn at 31st March 2025 is a net under spend of £300,000 which has been transferred to the Council Fund.</li> <li>• This takes into account the establishment of a net £13.063 million of new earmarked reserves in 2024-25 to enable investment into services and facilities for residents and to mitigate future risks and expenditure commitments.</li> <li>• Total Directorate budgets provided a net over spend of £2.376 million and Council Wide budgets a net underspend of £15.128 million.</li> <li>• The outturn position also takes into account additional council tax income collected over budget of £611,000 during the financial year.</li> <li>• The overall under spend on the Council budget significantly masks underlying budget pressures in Additional Learning Needs services, Home to School Transport, and Children's social care.</li> <li>• The main reasons for the overall under spend in 2024-25 are:- <ul style="list-style-type: none"> <li>➤ Unanticipated Welsh Government grant of £3.290 million towards the teachers' pay award for 2024-25 and NJC pay pressures.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>➤ A £2.044 million saving from Council agreeing a change in the Minimum Revenue Provision Policy on 23 October 2024.</li> <li>➤ Unanticipated Welsh Government grant of £2.024 million towards revenue cost pressures.</li> <li>➤ Not needing to utilise the £1.558 million that was built into the Medium Term Financial Strategy 2024-28 towards emerging budget pressures and as a contingency against non-deliverability of budget reduction proposals.</li> <li>• The budget approved for 2024-25 included budget reduction proposals totalling £13.045 million. At 31st March 2025 there was a shortfall on the savings target of £1.569 million, or 12.03% of the overall reduction target.</li> <li>• During 2024-25 Directorates drew down funding from specific earmarked reserves. The final revenue draw down from reserves was £5.397 million.</li> </ul>
--	---

## **1. Purpose of Report**

- 1.1 The purpose of this report is to provide Cabinet with an update on the Council's revenue financial position for the year ended 31st March 2025.

## **2. Background**

- 2.1 On 28th February 2024, Council approved a net revenue budget of £359.725 million for 2024-25 based on the provisional local government settlement received from Welsh Government (WG) in December 2023. The Welsh Government announced its final settlement on the 27th February 2024 which included an increase in the Revenue Support Grant (RSG) for the Council of £649,540 along with three grants transferring into the settlement totalling £296,723, increasing the net revenue budget for 2024-25 to £360.671 million. The reasons for this increase were outlined in a report to Council on 13th March 2024, but were mainly in respect of an additional £14.4 million (across Wales) included in the Final Local Government Settlement to support pressures in both social care and education, including teachers' pay.
- 2.2 As part of the Performance Management Framework, budget projections are reviewed regularly and reported to Cabinet on a quarterly basis. The delivery of agreed budget reductions is also kept under review and reported to Cabinet as part of this process.

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

### **3.1 Summary financial position at 31st March 2025**

- 3.1.1 The 2024-25 financial year has continued to be a complex year in managing the Council's budget.

3.1.2 A significant number of grants were received in the last quarter of the financial year, the majority of which were unanticipated, including £2.637 million of Welsh Government revenue directorate grants and £3.358 million for schools, resulting in a change in the financial position between quarter 3 and quarter 4.

3.1.3 The most significant changes between quarter 3 and quarter 4 were:-

Directorate budgets

- Welsh Government revenue cost pressures grant - £2.024 million – allocated to Additional Learning Needs (ALN) services (£549K), Adult Social Care (£435K), Children's Services (£500K) and Home to School Transport (£540K)
- A £1.570 million reduction in the overall Insurance fund liability following a number of claims being repudiated or discontinued
- Rates rebate on Council buildings - £682,000
- Additional Welsh Government Homelessness Prevention grant - £254,000
- Additional Welsh Government ALN grant funding - £209,000
- Additional Welsh Government Afghan Resettlement grant - £198,000

Schools delegated budgets

- Additional Welsh Government School Standards grant - £1.594 million
- Welsh Government Teacher's pay and pension grant allocated to schools - £1.215 million
- Additional Welsh Government Reform ALN Coordinator grant - £234,000
- Additional Welsh Government Schools Causing Concern grant - £199,000

3.1.4 Given the changes that have occurred which have resulted in a better financial position at the end of 2024-25, the Council is able to earmark some of this funding to investments to support its residents. A more detailed review of Earmarked reserves is provided in section 4.4 of the report and **Appendix 4**.

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

**Table 1- Comparison of budget against actual outturn at 31st March 2025**

Directorate/Budget Area	Original Budget 2024-25 £'000	Current Budget 2024-25 £'000	Final Outturn Q4 2024-25 £'000	Final Over / (Under) Spend 2024-25 £'000	Projected Over / (Under) Spend Qtr 3 2024-25 £'000
<b>Directorate</b>					
Education, Early Years and Young People	143,485	148,823	148,477	(346)	1,422
Social Services and Wellbeing	104,575	109,463	109,952	489	2,796
Communities	30,704	33,271	33,590	319	825
Chief Executive's	22,425	23,578	25,492	1,914	1,922
<b>Total Directorate Budgets</b>	<b>301,189</b>	<b>315,135</b>	<b>317,511</b>	<b>2,376</b>	<b>6,965</b>
<b>Council Wide Budgets</b>					
Capital Financing	7,052	6,907	1,351	(5,556)	(4,699)
Levies	9,635	9,645	9,549	(96)	(76)
Apprenticeship Levy	750	750	889	139	120
Council Tax Reduction Scheme	16,054	16,054	16,326	272	461
Insurance Premiums	1,363	1,363	(426)	(1,789)	(210)
Repairs & Maintenance	670	364	0	(364)	0
Pension Related Costs	430	430	465	35	41
Other Corporate Budgets	23,528	10,023	2,254	(7,769)	(9,389)
<b>Total Council Wide Budgets</b>	<b>59,482</b>	<b>45,536</b>	<b>30,408</b>	<b>(15,128)</b>	<b>(13,752)</b>
<b>Net Council Tax Collection</b>			<b>(611)</b>	<b>(611)</b>	<b>0</b>
<b>Appropriations to Earmarked Reserves</b>			<b>13,063</b>	<b>13,063</b>	<b>0</b>
<b>Transfer to Council Fund</b>			<b>300</b>	<b>300</b>	<b>0</b>
<b>Total</b>	<b>360,671</b>	<b>360,671</b>	<b>360,671</b>	<b>0</b>	<b>(6,787)</b>

3.1.6 The overall outturn at 31st March 2025 is a net under spend of £300,000 which has been transferred to the Council Fund, bringing the total Fund balance to £10.030 million. Total Directorate budgets provided a net over spend of £2.376 million and Council wide budgets a net under spend of £15.128 million. The outturn position also takes into account additional council tax income collected over budget totalling £611,000 during the financial year.

3.1.7 Further detail is provided on the more significant under and over spends and movements since quarter 3 in section 3.3.

3.1.8 The main financial pressures are in the service areas of Additional Learning Needs (ALN), Home to School Transport (HtST), and Children's Social Care.

3.1.9 The Schools additional learning needs budget benefitted from £549,000 additional Welsh Government grant to support revenue cost pressures during quarter 4, along with additional ALN grant funding of £494,000. There continues to be an increase in demand for ALN support at schools resulting in an over spend of £180,000 (£1.223 million if the one-off funding had not been received from Welsh Government). Council have approved a £1.330 million budget pressure for 2025-26 to mitigate the increased demand for ALN 1:1 support in schools.



- 3.1.10 There is an over spend on Home to School Transport (HtST) of £80,000. This is despite Council approving growth of £1.2 million in the 2024-25 budget to address increased costs being experienced following re-tenders, mainly as a consequence of a shortage of drivers and increased fuel costs, and £540,000 of funding allocated in quarter 4 from the WG cost pressure grant. The service has seen an increase in demand for transporting pupils individually due to challenging behaviour and an increase in Additional Learning Needs (ALN) pupils requiring transport provision based on the learner's needs assessment. The pressures have been partly mitigated by the introduction of price caps on in-year tenders resulting in a significant cost saving for the service area. Council have approved a £519,000 budget pressure for 2025-26 for the underlying increased learner transport costs.
- 3.1.11 A 3 year sustainability plan to improve outcomes for Children and Family Services was approved by Council on 20th September 2023, funded through a recurrent revenue budget growth of £3.5 million. Progress is being made with implementing the plan, particularly to progress the steady and safe reduction in the use of agency staff, through improved retention and recruitment of a permanent workforce, including a successful grow your own scheme and international recruits.
- 3.1.12 The outturn for Children's Services for 2024-25 is an over spend of £1.198 million, primarily due to an over spend of £3.699 million on the Care Experienced Children budget. Council have approved a budget pressure of £3.250 million for 2025-26 to mitigate the ongoing pressures of Care Experienced Children and insufficient numbers of foster carers.
- 3.1.13 There continues to be pressures in learning disabilities and physical disability/sensory impairment services driven by the complexity of need and demand across these services. The Social Services Improvement Board is overseeing a number of actions to address the pressures in the adult services budget, including accelerating the work to transform learning disabilities. Council approved £1.970 million towards the increased costs of home care for adults with learning disabilities and £1 million towards additional residential/nursing placement costs due to new admissions for older people and older people with mental health needs as part of the MTFs 2024-25 to 2027-28. Further actions for 2024-25 have been developed into a 3 year Plan for Sustainable Care and Support for Adults in Bridgend County Borough Council (BCBC) that was approved by Cabinet on 19th November 2024. This plan sits alongside the 3 year strategic plan for children and family services which was approved by Cabinet in September 2023. Council have approved budget pressures for 2025-26 of £1.282 million for learning disabilities services, £679,000 for mental health services and £540,000 for Physical Disability/Sensory Impairment services.
- 3.1.14 Going forward, there are increased pressures on council tax collection (see paragraph 3.3.6) and an increase in eligibility for council tax support through the Council Tax Reduction Scheme (see paragraph 3.3.5) due to the continuing cost of living crisis.

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

3.1.15 There have been a number of budget virements and technical adjustments between budgets since the quarter 3 Revenue Forecast was presented to Cabinet in January 2025.

3.1.16 The main virements and technical adjustments since quarter 3 are outlined below:

#### **Budget Virements**

<b>Service vired from / to</b>	<b>Amount</b>
Transfer of funding from the Capital Financing budget to Directorate budgets in relation to the change in Minimum Revenue Provision Policy as approved by Council on 23 October 2024.	£50,241

#### **Technical Adjustments**

<b>Service vired from / to</b>	<b>Amount</b>
In-year transfer of funding for inflation	£117,928
Allocation of funding retained centrally in respect of Joint Negotiating Committee (JNC) pay award for 2024-25 for Youth and Community Workers – confirmed in December 2024.	£12,356
Allocation of corporately held funding for Feasibility works in line with spend	£170,439
Allocation of corporately held funding for Revenue minor works in line with spend	£135,656

### **Budget Reduction Proposals**

#### **3.2 Monitoring of Budget Reduction Proposals**

##### **Prior Year Budget Reductions**

3.2.1 As outlined in previous monitoring reports during the year, there were still £415,000 of outstanding prior year budget reduction proposals that have not been met in full. Directors have been working to realise these savings during the 2024-25 financial year. The position at year end is summarised in **Appendix 1** with a summary per directorate provided in **Table 2**.

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

	<b>Total Budget Reductions Required</b>	<b>Total Budget Reductions Achieved</b>	<b>Shortfall</b>
<b>DIRECTORATE /BUDGET REDUCTION AREA</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Education, Early Years and Young People	40	40	0
Communities	375	85	290
<b>TOTAL</b>	<b>415</b>	<b>125</b>	<b>290</b>

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

3.2.2 **Table 2** shows that of the £415,000 prior year proposals outstanding, £125,000 have been realised, leaving a shortfall of £290,000. Proposals still not achieved include:

- COM 2 2021-22 – Re-location of Community Recycling Centre from Tythegston to Pyle (£60,000). The new site in Pyle opened in quarter 4 of 2023-24. The timing of the opening meant that exit terms of the lease were being finalised in 2024-25. Once these have been finalised the full saving will be made.
- COM 4 2022-23 – Remove Business in Focus from running Enterprise Centres in Bridgend (£20,000). The review of the Business in Focus operating model to identify operating efficiencies is ongoing at the start of 2025-26. Any shortfall in the saving achieved in 2025-26 will be mitigated by savings within the wider Corporate Landlord service area.
- COM 5 2022-23 (£50,000) and COM3 2023-24 (£120,000) – Commercially let wings of Ravens Court to a partner organisation or business (£50,000). The building was not commercially let during 2024-25 however sale of the freehold took place in the final quarter of 2024-25 which will enable the savings to be realised in full going into 2025-26.
- COM 2 2023-24 – Charging Blue Badge Holders for parking (£40,000). The traffic management team were engaged in the introduction of the default national speed limit in built up areas in 2023-24. A staff member commenced work on this proposal in 2024-25 and it is currently at initial consultation stage. It requires a full order making process, which is typically 6-9 months.

### **Budget Reductions 2024-25**

3.2.3 The budget approved for 2024-25 included budget reduction proposals totalling £13.045 million, which is broken down in **Appendix 2** and summarised in **Table 3** below. The year end position is that £11.476 million has been achieved, leading to an overall shortfall on the savings target of £1.569 million, or 12.03% of the overall reduction target.

**Table 3 – Monitoring of Budget Reductions 2024-25**

	Total Budget Reductions Required	Total Budget Reductions Achieved	Shortfall
DIRECTORATE /BUDGET REDUCTION AREA	£'000	£'000	£'000
Education, Early Years and Young People	1,560	1,269	291
Schools	3,441	3,441	0
Social Services and Wellbeing	2,248	1,891	357
Communities	2,460	2,311	149
Chief Executive's	3,246	2,474	772
Corporate/Council Wide	90	90	0
<b>TOTAL</b>	<b>13,045</b>	<b>11,476</b>	<b>1,569</b>

3.2.4 The most significant (> £100,000 shortfall) budget reduction proposals not achieved in full are:-

- EDFS9 – Cessation of Adult Community Learning provision (£149,000). The shortfall is due to the timing of the required restructure with the consultation process finalised during quarter 3. Savings will be achieved in full from 2025-26.
- EDFS19 – Communications and Relationships Team (£142,000). Saving not met in 2024-25 due to the overall increase in the number of pupils needing the service. Consultation is due to start soon with the outcome of the consultation determining next steps.
- SCH1 – Efficiency saving against School Delegated Budgets – 3% in 2024-25 (£3.441 million). Saving is referenced as having been achieved due to the overall reduction in Individual Schools Budget (ISB), however as referenced in 3.3.1, the reduced budgets have resulted in an overall deficit balance for schools at year end of £619,000. Close monitoring of school budgets will continue in 2025-26 with a further 1% efficiency saving to be achieved on school delegated budgets and officers continue to work with schools to bring this overall deficit down.
- SSW13 – Council to reduce its investment into cultural services (£360,000). There was a shortfall of £295,000 against the proposal in 2024-25. On 14th May 2024 Cabinet approved a £50,000 reduction to the book fund and removal of the £15,000 subsidy for the Youth Theatre. Cabinet also approved public engagement over how future savings can be achieved and further reports will be presented to Cabinet to enable the outcome of consultation exercises to be taken into account when finalising any proposed changes. The service will also continue to maximise grant funding opportunities throughout 2025-26.
- CEX22 – Review of ICT Services (£398,000). There was a shortfall of £339,000 against this proposal in 2024-25. Further work is to be carried out on a review of the telephony budgets across the Council following a re-procurement exercise, with the full saving anticipated to be met in 2025-26.

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

- 3.2.6 As outlined in the MTFS reports to Cabinet and Council, MTFS Principle 7 states that “Savings proposals are fully developed and include realistic delivery timescales prior to inclusion in the annual budget. An MTFS Budget Reduction Contingency Reserve will be maintained to mitigate against unforeseen delays”. An MTFS Budget Reduction Contingency reserve was established in 2016-17. This reserve has been used to meet specific budget reduction proposals in previous years on a one-off basis pending alternative measures. It has not been used in 2024-25 to mitigate shortfalls as service areas were committed to identifying alternative one-off under spends in the service areas affected. This approach has also enabled the MTFS Budget Reduction Contingency reserve to be maintained for 2025-26 where the level of savings required to be made is £8.379 million.

### 3.3 Commentary on the financial position at 31st March 2025

#### **Financial position at 31st March 2025**

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

#### 3.3.1 **Education, Early Years and Young People Directorate**

The net budget for the Education, Early Years and Young People Directorate for 2024-25, including school delegated budgets, was £148.823 million and the actual outturn was £148.477 million, following draw down of £577,000 from earmarked reserves, resulting in an under spend of £346,000.

The main variances are:

<b>EDUCATION, EARLY YEARS AND YOUNG PEOPLE DIRECTORATE</b>	<b>Net Budget</b>	<b>Projected Outturn</b>	<b>Projected Variance Over/(under) budget</b>	<b>% Variance</b>
	<b>£'000</b>		<b>£'000</b>	
Learner Support	6,991	7,263	272	3.9%
Early Years and Young People	2,939	2,411	(528)	-18.0%
Home to School Transport	10,929	10,849	(80)	-0.7%
Catering	1,806	1,145	(661)	-36.6%

#### **Schools' delegated budgets**

Total funding delegated to schools in 2024-25 was £126.445 million (including Post-16 grant funding of £7.736 million).

The schools' delegated budget is reported as balanced in any one year as any under spend or over spend is automatically carried forward, in line with Welsh Government legislation, into the new financial year before being considered by the Corporate Director – Education, Early Years and Young People in line with the requirements for managing surplus and deficit balances as set out in the Financial Scheme for Schools.

The year-end position for 2024-25 was:-

- Net overall school balances totalled £2.405 million at the start of the financial year. During 2024-25 school balances decreased by £3.023 million to a negative balance of £619,000 at the end of the financial year. Whilst this is an improved outturn position from the projected deficit of £4.989 million reported at quarter 3, it is the first time the Council has ended the financial year with an overall net deficit balance. The position would have been worse if we had not received additional grant funding of £3.358 million from Welsh Government in the final quarter of 2024-25 and maximised existing grant funding for schools at year end (£847,000).
- Out of a total of 59 schools, there are 31 schools with a deficit balance (26 primary, 4 secondary and 1 special school) and 18 schools (14 primary and 4 secondary) that have balances in excess of the statutory limits (£50,000 primary and £100,000 for secondary and special schools) in line with the School Funding (Wales) Regulations 2010. These balances will be analysed in line with the Council's agreed 'Guidance and Procedures on Managing Surplus School Balances'.
- Council approved an MTFs efficiency savings target against School Delegated Budgets of 1% in 2025-26, with an indicative 1% for 2026-27 and 2027-28. The 1% target in 2025-26 equates to £1.186 million, therefore the school delegated budgets will require close monitoring throughout 2025-26. The Financial Scheme for Schools requires schools to obtain permission from both the Corporate Director – Education, Early Years and Young People and the Section 151 Officer to set a deficit budget. Schools with deficits of greater than £50,000 in a primary school or greater than £150,000 in a secondary or special school are requested to attend termly support and challenge meetings with senior Local Authority officers. In addition, any unplanned deficits that occur within the financial year due to unforeseen circumstances must be reported as soon as they become known to the school.
- A summary of the position for each sector and overall for 2024-25 is provided below:-

	<b>Balance brought forward</b>	<b>Funding allocated in 2024-25</b>	<b>Total Funding available</b>	<b>Actual Spend</b>	<b>Balance at year end</b>
	£'000	£'000	£'000	£'000	£'000
Primary	283	54,386	54,669	55,413	(744)
Secondary	2,588	58,688	61,276	60,925	351
Special	(466)	13,370	12,904	13,130	(226)
<b>Total</b>	<b>2,405</b>	<b>126,444</b>	<b>128,849</b>	<b>129,468</b>	<b>(619)</b>

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

The under spend for 2024-25 for the Central Education, Early Years and Young People Directorate was £346,000. This is compared to a projected over spend position of £1.325 million at quarter 3. The main reason for the improved position in ALN services is due to the allocation of £549,000 of Welsh Government grant funding to support revenue cost pressures and an additional £494,000 ALN funding received since quarter 3. The improved position in Home to School Transport is due to the allocation of £540,000 from the Welsh Government grant funding to support revenue cost pressures. Without this additional one-off funding, the Directorate would have over spent by £1.237 million.

### **Learner Support Group**

- There is a net over spend of £272,000 in Learner Support Group budgets, which has improved by £849,000 from the projected net over spend of £1.121 million at quarter 3.
- The Schools additional learning needs budget benefitted from £549,000 additional Welsh Government grant to support revenue cost pressures during quarter 4, along with additional ALN grant funding of £494,000.
- There continues to be an increase in demand for ALN support at schools resulting in an over spend of £180,000 (£1.223 million if the one-off funding had not been received from Welsh Government). The underlying over spend remains in the areas of sensory support and communication, complex medical needs, and relationship support. The number of pupils supported in these three areas in 2022-23 was 174, increasing to 277 in 2023-24, further increasing to 302 in the summer term, 340 in the autumn term and 364 in the spring term of 2024-25.
- Council have approved a £1.330 million budget pressure for 2025-26 to mitigate the increased demand for ALN 1:1 support in schools.
- The directorate has been proactive in devolving funding to schools to prevent the use of agency costs for 1:1 support. 19 pupils were supported in the autumn term and 18 in the spring term. This is in addition to 5 pupils in Heronsbridge and 19 pupils in Ysgol Bryn Castell. It is estimated that the preventive costs of this approach equated to £715,571 in 2024-25.
- The inter-authority recoupment budget over spent in 2024-25 by £167,000. There continues to be an increase in demand for Bridgend pupils to use out-of-county placements as there were insufficient spaces at Heronsbridge School and Ysgol Bryn Castell. Out-of-county placements initially reduced from 21 (spring 2024) to 19 in the summer term, and then there was a further reduction to 14 in the autumn term, but this increased to 21 in the Spring term 2025.
- There was a projected £200,000 over spend on the Adult Community Learning budget at quarter 3 which was primarily due to the shortfall on the MTFS saving of £149,000 against the service. The shortfall was due to the timing of the finalised restructure which took place in November 2024. In quarter 4, due to maximisation of grant funding, the over spend reduced to £56,000. The MTFS saving will be made in full in 2025-26.
- The Education Other Than at School budget had an under spend of £97,000, mainly due to staff vacancies.

#### Early Years and Young People Group

- There is an under spend of £528,000 which has improved by £320,000 from the projected under spend of £208,000 reported at quarter 3.
- The quarter 3 under spend primarily related to a restructure within the Education Welfare Service (£136,000) combined with staff vacancies being held across the Bridgend Youth Service and Education Engagement Team budgets. These posts are being recruited to in 2025-26.
- The improved position is primarily due to additional grant funding - Local Authority Standards Early Years Non-maintained Settings (£49,000), Local Authority Reform ALN (£14,000), Whole School grant (£230,000), Attendance grant (£130,000) and Youth Endowment Fund (YEF) (£14,000) and maximisation of grant funding (Youth Justice Board (£23,000), YEF (£36,076) and Whole School grant (£54,000) in quarter 4.
- Council approved a budget pressure of £141,000 for 2025-26 to assist the youth justice service to reduce youth offending and provide vital support to young people affected by trauma.

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

- Council approved a £1.2 million budget pressure for 2024-25 as part of the Medium Term Financial Strategy to address the increased HtST costs experienced in 2023-24.
- Despite this budget growth in 2024-25, further retendering exercises in September 2023 resulted in additional costs of £572,000 on HtST budgets in 2024-25.
- The service has also seen an increase in demand for transporting pupils individually due to challenging behaviour and an increase in pupils with ALN requiring transport provision based on the learner's needs assessment. Along with a number of contractors handing back contracts and having to re-tender at higher cost, these pressures have added a further increase in costs in 2024-25 of £244,000.
- These pressures were partly mitigated due to in-year tenders being issued with a price cap resulting in a significant cost saving for the service area, which saw the overall projected over spend decreasing from £1.277 million at quarter 1 to £571,000 at quarter 3.
- The improved position at year end to an overall under spend on the HtST budgets of £80,000 is primarily due to £540,000 of funding being allocated in quarter 4 from the WG cost pressures grant. Without this one-off funding the service would have been over spent by £460,000.
- Council has approved a budget pressure of £539,000 for HtST for 2025-26 as part of the MTFS.

#### Catering Services

- There is an under spend of £661,000 on catering services in 2024-25. This is primarily due to the continued roll out of the Universal Primary Free School Meals (UPFSM) by Welsh Government and the accompanying grant funding to support the initiative.
- The second half of 2024-25 saw a significant increase in the number of UPFSM provided with year 6 being introduced to the scheme from September onwards which positively impacted on the outturn position. 397,171 meals were served in the first six months, increasing to 624,765 in the last six months of 2025-26.
- The service also benefited from an administration element of the grant (£85,196).
- The provision of UPFSM in 2025-26 will continue to be monitored closely to determine whether the positive outturn position achieved in 2024-25 could be proposed as a future MTFS budget reduction proposal.



#### Historic pension and redundancy costs

- The £736,000 over spend is primarily due to the cost of redundancies in schools being met centrally where they met current or future MTFS savings targets.
- In 2024-25 10 Primary schools were supported with 23 redundancies (£540,000) and 2 secondary schools were supported with 7 redundancies (£259,000)
- There has been a small offsetting reduction in these costs from historic employee pension costs – there will be an incremental reduction each year as members pass away.

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

The net budget for the Directorate for 2024-25 was £109.463 million and the actual outturn was £109.952 million following draw down of £1.512 million from earmarked reserves, resulting in an over spend of £489,000. This is compared to a projected over spend position of £2.796 million at quarter 3. The main reasons for the reduction in the over spend include a number of one-off grants awarded since quarter 3 and maximisation of existing grants across the service including WG grant to support additional revenue cost pressures (£935,000), Children and Communities grant (£349,000), Housing Support grant (£265,000), 50 Day Winter Challenge grant (£428,000) and a further £176,000 of Shared Prosperity Funding (SPF). Without this additional funding, the Directorate would have over spent by £2.642 million.

The most significant variances for the directorate are:

<b>SOCIAL SERVICES AND WELLBEING DIRECTORATE</b>	<b>Net Budget</b>	<b>Actual Outturn</b>	<b>Actual Variance Over/(under) budget</b>	<b>% Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Adult Social Care	72,730	72,541	(189)	-0.26%
Prevention and Wellbeing	6,547	6,027	(520)	-7.94%
Childrens Social Care	30,186	31,384	1,198	3.97%

#### **Adult Social Care**

There is a net under spend of £189,000 on the Adult Social Care budget, an improvement of £938,000 from the £749,000 over spend projected at quarter 3.

The most significant variances contributing to the under spend are:

<b>ADULT SOCIAL CARE</b>	<b>Actual Variance Over/(under) 2024-25 £'000</b>
Mental Health Homecare	559
Learning Disabilities Residential Care	448
Physical Disability/Sensory Impairment Home Care	312
Older People Direct Payments	193
Physical Disability/Sensory Equipment	195
Learning Disabilities Homecare	172
Learning Disabilities Day Opportunities	171
Older People Supported Accommodation	163
Physical Disability/Sensory Impairment Residential Care	100
Homes for Older People	72
Mental Health Supported Accommodation	(193)
Assessment and Care Management	(194)
Learning Disabilities Direct Payment	(364)
Older People Home Care	(1,199)

- Mental Health Homecare – this includes supported living, short breaks and domiciliary care, with the service experiencing increased needs of people with supported living packages of care. There has been a slight reduction in the over spend reported at quarter 3, from £579,000 to £559,000 at quarter 4. A budget pressure of £697,000 has been approved by Council for 2025-26 to mitigate this pressure.
- Learning Disabilities Residential Care – there is an over spend of £448,000, which is comparable to the £454,000 over spend projected at quarter 3. The underlying reason for the over spend is increased costs for existing placements within the residential and nursing service due to changing needs. A budget pressure of £438,000 has been approved by Council as part of the MTFS for this service for 2025-26.
- Physical Disability/Sensory Impairment Home Care - there is an over spend of £312,000, which has increased from the £167,000 projected over spend at quarter 3. Following clarification of terms and conditions of funding, £107,000 of one-off grant from the 50 Day Winter Challenge Funding originally allocated against this service area in quarter 3, has now been moved to Older People services. The over spend is based on the current demand for the service, which is 100 packages of support at the end of March 2025. A budget pressure of £274,000 has been approved by Council as part of the MTFS for 2025-26 to mitigate this pressure.
- Older People Direct Payments – there is an over spend of £193,000 across the Direct Payments budgets in this area. The main reason for the over spend is the increasing complexity of cases that impact on the average cost of direct payments support. The over spend has reduced by £101,000 since quarter 3 due to further packages being removed from projections where activity had ceased for longer than six months, along with increases in account reimbursements received. A budget pressure of £369,000 has been approved by Council as part of the MTFS for 2025-

26 with ongoing close monitoring of account reimbursements to ensure the full budget pressure is required.

- Physical Disability/Sensory Equipment – there is an over spend of £195,000, a reduction of £42,000 from the quarter 3 projected over spend of £237,000. The over spend is partly due to an increase in the expected contribution to the community equipment pooled fund (£84,000) with the remainder being due to increases in demand for small works and adaptations and aids to daily living. This is a fluctuating demand led budget which varies month by month and for which a budget pressure of £266,000 has been approved by Council for 2025-26.
- Learning Disabilities Homecare – there is an over spend of £172,000, compared to the projected over spend of £218,000 at quarter 3. While the over spend is mainly due to increases in staffing costs for the internal Homecare service due to having to cover staff sickness (£243,000), this is partly offset by under spends in the external Homecare service (£56,000). A budget pressure of £325,000 has been approved by Council for 2025-26.
- Learning Disabilities Day Opportunities - the over spend of £171,000 has reduced by £488,000 since quarter 3. This is due to additional Welsh Government revenue cost pressure grant awarded since quarter 3 of £435,000. Without the additional grant income, the over spend would have been £530,000. The over spend relates mainly to placement numbers exceeding the available budget for external day services in addition to increased transport costs (£157,589) which remain at a comparable level to quarter 3. The underlying reason for the over spend continues to be that whilst the learning disabilities home care budget continues to over spend as people have not returned to internal day services, older people are taking up the vacant day services placements. The service cannot be reduced until alternative models of day time support and occupation have been developed following a review which is underway. The new transport policy was approved by Cabinet in April 2025 and went live on 1st May 2025 which should impact positively on the increased transport costs incurred in 2024-25. A £438,000 budget pressure has been approved by Council for 2025-26 for this service as part of the MTFS.
- Older People Supported Accommodation – there is an over spend of £163,000 compared to a projected over spend of £190,000 at quarter 3. This over spend is based on the current demand for the service. For 2025-26 a budget pressure of £201,000 has been approved by Council as part of the MTFS.
- Physical Disability/Sensory Impairment Residential care – there is an over spend of £100,000 which is comparable to the projected over spend of £109,000 at quarter 3. The overspend is due to higher placement numbers than budget.
- Homes for Older People – There is an overspend of £72,000 compared to a projected under spend of £524,000 at quarter 3. The over spend is mainly due to increased residential/nursing placement costs which has increased by £678,000 since quarter 3.
- Mental Health Supported Accommodation – The under spend of £193,000 primarily relates to under spends on staffing budgets. The under spend is comparable to the projected underspend at quarter 3, which was mainly due to staff vacancies being held for the short term.

- Assessment and Care Management – there is a under spend of £194,000 on directorate wide assessment and care management budgets, an increase from the quarter 3 projected under spend of £69,000. Since quarter 3 there has been a reduction in staffing costs of £80,000 plus an additional £52,000 grant received due to maximisation of grants – including the 50 day Winter challenge, Social Care Workforce grant and Integration and Rebalancing Care funding. There continues to be a need for agency cover across this area due to demands in the system particularly linked to supporting the acute hospital and timely discharges and the complexity of court protection work in learning disabilities. A plan to permanently recruit and step down agency in a timely way is being implemented.
- Learning Disabilities Direct Payments – there is a under spend of £364,000 across the Direct Payments budgets in this area compared to a projected under spend of £58,000 at quarter 3. Detailed reviews are being undertaken of all direct payment cases, with packages being removed from projections where support has ceased for longer than six months. Account reimbursements have also exceeded budget.
- Older People Home Care – There is a under spend of £1.119 million, an increase from the quarter 3 projected under spend of £852,000. Since quarter 3, this area has received £336,000 of additional grant income, mainly £298,000 of the Welsh Government 50 day Winter Challenge funding. The under spend still primarily relates to under spends on staffing budgets as a result of the remodelling of the Support at Home services into locality based areas and the increase in numbers of people supported through short term reablement packages. Agency staff have been utilised to supplement the workforce where available. However, this has been offset by an over spend on external domiciliary care placements due to complexities of people's needs and increased packages of support.

### **Prevention and Wellbeing**

- There is an overall under spend of £520,000 within Prevention and Wellbeing. This has increased by £131,000 since quarter 3. The underspend is mainly due to maximisation of grant funding from the Shared Prosperity Fund (£427,000) and other smaller grants across the service (£80,000).
- The following MTFS savings were not fully achieved in 2024-25:
  - SSW7 – review opportunities to amend the current energy payment arrangements for the leisure contract - £45,000 shortfall.
  - SSW13 – Council to reduce its investment into cultural services - £295,000 shortfall. While the saving was only partly achieved the shortfall was mitigated with Shared Prosperity funding so that the saving was met in the short term. Further reports will be presented to Cabinet to enable the outcome of consultation exercises to be taken into account when finalising any proposed changes to investment into cultural services to meet the MTFS saving.

## **Children's Social Care**

There is a net over spend of £1.198 million on the Children's Social Care budget which is a decrease on the projected net over spend of £2.436 million at quarter 3. The improved position is due primarily to the additional one off grant funding received in quarter 4 - Welsh Government revenue cost pressure (£500,000) and maximisation of Housing Support grant (£169,000).

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

<b>CHILDREN'S SOCIAL CARE</b>	<b>Actual Variance Over/(under) 2024-25 £'000</b>
Care Experienced Children	3,699
Commissioning & Social Work	(855)
Early Help & Edge of Care	(828)
Other Child & Family Support Services	(387)
Family Support Services	(260)
Management and Admin	(172)

- The over spend of £3.699 million for Care Experienced Children is due to a combination of factors:-
  - The Independent Residential Care budget has an over spend of £3.326 million which has decreased by £369,000 since quarter 3. The over spend is based on the number of care experienced children in independent residential placements which is currently 24 placements (including 38 week residential and Operating Without Registration (OWR) placements), an increase of 1 since quarter 3. The underlying over spend position is due to the number in independent residential placements exceeding the budget which covers between 6-8 placements depending on the unit cost. In addition there continues to be insufficient in-house foster carer placements to meet needs and children requiring specialist provision, sometimes with high staffing ratios to keep them safe and protected. It should be noted that this budget area can be volatile and small changes in demand can result in very high costs being incurred. Since quarter 3 there has been additional one off revenue grant awarded from WG to support additional cost pressures of £500,000, plus an additional £136,000 of Social Care Workforce Grant. Without these grants the over spend would have been £3.962 million. Council approved £3.250 million budget pressure for 2025-26 as part of the Medium Term Financial Strategy, to address ongoing pressures of Care Experienced Children and insufficient numbers of foster carers.
  - There is an over spend of £8,938 on the Independent Fostering Agency (IFA) budget, compared to the quarter 3 projected underspend of £135,000. The reason for the move to an over spend position is an increase of 3 placements since quarter 3. This is due to alternative, lower cost, placement options being fully utilised, including Special Guardianship Orders. It should be noted, however, that some of the children in costly independent residential provision would ideally be with foster carers who can manage complex

needs. There is insufficient capacity in-house and in IFAs which means that some children's needs are being met in a higher, more expensive, tier of service.

- Children's Internal Residential Care has an over spend of £220,000, which is an increase of £32,000 since quarter 3. This is due to increased usage of agency workers to address safeguarding issues which require additional staffing across the service. Since quarter 3, £72,000 additional Eliminating Profit grant has been awarded specifically for the Hillsboro residence.
  - Other Looked After Children's Services has an over spend of £167,000, which is a decrease of £245,000 from the projected over spend of £411,00 at quarter 3 due to maximisation of the Housing Support Grant in quarter 4 (£198,000).
- Commissioning and Social Work – There is an under spend of £855,000 which has improved since the quarter 3 projected under spend of £678,000. The increase in under spend is mainly due to additional grant funding being received - Shared Prosperity Fund (£83,000) and Eliminating Profit grant (£107,000). There has also been a reduction in spend on agency staff by £39,000. In addition, there has been further reductions in staffing costs due to the current vacancies across the service (£94,000).

There remains an over spend in care and support and placement costs across the service area of £215,000 – this has reduced from the projected over spend of £338,000 at quarter 3. The majority of the over spend relates to Care Experienced Children/care support spend such as court mandated drug testing, assessments, reports, travel and therapy costs over which the service has no discretion but to secure against a very limited budget.

- Early Help & Edge of Care – During quarter 3, £1.773 million of the Early Help Services budget was transferred from EEYYP to the SSWB directorate in line with the 3 year sustainability plan approved by Council to improve outcomes for Children and Family Services in Bridgend. £500,000 of this budget related to a budget pressure approved by Council in February 2024 to strengthen the Council's statutory safeguarding accountabilities, specifically for Early Help and Edge of Care. At quarter 3 there was a projected under spend of £266,000 against this budget pressure as a review of the service is currently underway. In addition, during quarter 4 additional Regional Integration Funding was received (£81,000) and the Children and Communities grant was also maximised (£382,000), increasing the under spend at year end to £828,000.
- Other Child & Family Support Services – There is a under spend of £387,000 which is due to reduced costs for the Regional Adoption service based on current placements made across the region.
- Family Support Services has an underspend of £260,000 compared to a projected under spend of £134,000 at quarter 3. Direct payment reimbursements during 2024-25 have exceeded budget.
- Management & Administration – there is an under spend of £172,000 which is comparable to what was reported at quarter 3. The underlying under spend is primarily due to other staff vacancies in this service area which are contributing to the 2024-25 MTFS vacancy management factor of £255,000 for the SSWB directorate.

### 3.3.3 Communities Directorate

The net budget for the Directorate for 2024-25 was £33.271 million and the actual outturn was £33.590 million following draw down of £1.771 million from earmarked reserves, resulting in an over spend of £319,000. This is compared to a projected over spend position of £825,000 at quarter 3. The main reason for the reduction in over spend since quarter 3 is a one-off rates rebate within Corporate Landlord (£682,000) and maximisation of SPF grant (£182,000).

The main variances are:

COMMUNITIES DIRECTORATE	Net Budget	Actual Outturn	Actual Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Fleet Services	180	744	564	313.33%
Highways Services (DSO)	3,366	3,768	402	11.94%
Waste Collection & Disposal	11,181	11,385	204	1.82%
Planning and Development	706	871	165	23.37%
Strategic Regeneration	962	745	(217)	-22.56%
Economy, Natural Resources and Sustainability	1,489	1,242	(247)	-16.59%
Corporate Landlord	3,355	2,830	(525)	-15.65%

#### Fleet Services

- There is an over spend of £564,000 on Fleet Services which is slightly worse than the £500,000 projected over spend at quarter 3.
- As previously reported the fleet services team operate on a break-even basis with re-charges for work undertaken on directorates, South Wales Police (SWP) and the general public's vehicles, generating income to support staffing and overhead costs. Productivity levels have been further impacted by long term sickness and ongoing difficulties with recruitment and retention. A market supplement has been introduced for HGV technicians, in line with the corporate Market Supplement Policy, following comparisons with neighbouring authorities, which has only seen limited success in filling vacancies. A review outlining options for service operating models to mitigate the budget position of fleet services had been delayed due to officer availability but is now proceeding.

#### Highways Services

- The over spend of £402,000 is partly due to storm damage costs incurred in responding to Storm Bert and Darragh (£160,000). Transport costs have also been higher (£150,000) due to the service having to hire vehicles on a short term basis whilst consideration was given to longer term capital purchases. On 12 March 2025, Council approved a capital budget of £1.2 million to be included in the Capital programme, to be funded from prudential borrowing, to enable the Fleet Replacement Programme to continue.

#### Waste Collection and Disposal

- There is a net over spend on the Waste Collection and Disposal budget of £204,000 which has improved marginally from the net projected over spend of £216,000 reported at quarter 3. The main underlying pressures on the waste budget include:-

- The continued delay in the achievement of the 2022-23 MTFS saving, COM 2 – Relocation of Community Recycling Centre from Tythegston to Pyle resulting in cessation of lease payments at the existing site. Whilst the new site opened in quarter 4 of 2023-24 the timing of the opening meant that the full saving could not be achieved in 2024-25 as the exit terms of the lease needed to be finalised (£60,000 shortfall).
- Increase in subscribers for the Absorbent Hygiene Products (AHP) service. The AHP service has been promoted to further improve the recycling levels achieved in Bridgend which also mitigates the risk of fines imposed by WG if local authorities do not meet their recycling targets. It has seen an increase of 35% since the start of the 2022-23 financial year. Council have approved a £66,000 budget pressure for the AHP service for 2025-26.
- Decrease in income due to the reduction in the price of recycled materials since quarter 2 (£42,000).
- Shortfall of £129,000 on Trade Waste black bag income due to increased recycling being undertaken by businesses due to the change in law in Wales in April 2024 for all businesses, charities and public organisations to sort their waste for recycling.

#### Planning and Development

- The over spend of £165,000 is primarily due to a downturn in planning application income. Fee income is subject to considerable fluctuations between years, depending on number and types of applications.

#### Strategic Regeneration

- The under spend of £218,000 has improved since the projected under spend of £86,000 reported at quarter 3. This is primarily due to maximisation of SPF grant funding (£53,000), and additional Welsh Government Transforming Towns grant (£29,000) with the remainder due to ongoing staff vacancies.

#### Economy, Natural Resources and Sustainability

- The under spend of £247,000 has improved since the projected under spend of £98,000 reported at quarter 3. This is primarily due to maximisation of SPF grant funding (£129,000) and an under spend on non-staffing budgets (£40,000).

#### Corporate Landlord

- There is a net under spend of £525,000 against Corporate Landlord which has improved from the projected over spend of £252,000 reported at quarter 3.
- The main reason for the improved position is a one-off rates rebate on Council buildings of £682,000 due to backdated revaluations undertaken by the Valuation Office Agency. Without the rebate, Corporate Landlord would have over spent by £157,000 in 2024-25.
- There continues to be shortfalls in income (£405,000) generated from properties run by the Council that relate to occupancy shortfalls which have continued into 2024-25.
- The shortfall against Bridgend Market of £253,000 is due to the identification of Reinforced Autoclaved Aerated Concrete (RAAC) and the subsequent closure of the market and loss of rental income.
- There is also a shortfall in income of £146,000 for the Innovation Centre.
- Council approved a budget pressure of £405,000 for 2025-26 to address shortfalls in income on the property portfolio as part of the MTFS.



- As noted in section 3.2.2 the £50,000 target for 2022-23 and the £120,000 target for 2023-24 in relation to MTFS proposals to seek to commercially let out wings of Ravens Court were not achieved. In addition, there was a further £73,000 MTFS saving across the estate budgets for 2024-25 in relation to office rationalisation which has also not been achieved. The shortfall against the savings targets added a further £243,000 pressure on the Corporate Landlord estates' budget in 2024-25.
- Corporate Landlord sold the Freehold of Ravens Court in the final quarter of 2024-25 which will mitigate these MTFS shortfalls going into 2025-26.
- The over spend in Corporate Landlord has been partially mitigated in 2024-25 by staff vacancies of £230,000.

### 3.3.4 **Chief Executive's**

The net budget for the Directorate for 2024-25 was £23.578 million and the actual outturn was £25.492 million following draw down of £1.537 million from earmarked reserves, resulting in an over spend of £1.914 million. This is comparable to the projected over spend of £1.922 million reported at quarter 3. Since quarter 3 there has been additional grant funding confirmed for ICT Connecting Care grant (£304,000) and Housing and Homelessness (Ukrainian grant - £255,000 and Afghan Resettlement grant - £198,000). Without this additional funding, the Directorate over spend would have been £2.671 million.

The main variances are:

CHIEF EXECUTIVE'S	Net Budget £'000	Actual Outturn £'000	Actual Variance Over/ (under) budget £'000	% Variance
ICT	4,074	4,786	712	17.5%
Legal, Democratic & Regulatory	5,851	6,194	343	5.9%
Housing & Homelessness	3,552	3,826	274	7.7%
Partnerships	2,275	2,502	227	10.0%
Finance	4,076	4,300	224	5.5%

#### ICT

- There is an over spend of £712,000 across ICT budgets which has increased by £420,000 since quarter 3.
- The over spend is primarily due to the shortfall of £339,000 against the MTFS saving CEX 22 – Review of ICT services. The full saving is anticipated to be met in 2025-26 due to a re-procurement exercise that has been undertaken on telephony services. An exercise is due to be undertaken based on the outturn position of service department telephone budgets to permanently re-align budgets which will partly mitigate the over spend in ICT in 2025-26.
- In addition, due to reduced printing activity ICT have been unable to recover the fixed costs of printers and photocopiers through the re-charge to service departments. Consequently reduced spend has been incurred on printing budgets across the service departments and the ICT service has received less income. An exercise is due to be undertaken based on the outturn position of service department print budgets to permanently re-align budgets which will further mitigate the over spend in ICT in 2025-26.

- There has been additional one-off grant income received from WG in quarter 4 to support the replacement costs for the WCCIS system project called Connecting Care (£304,000). Without this grant the ICT over spend would have been £1.016 million.

#### Legal

- There is an over spend of £343,000 across Legal, Democratic and Regulatory services, which has reduced by £274,000 since quarter 3.
- There is an over spend on staffing budgets within Legal services of £98,000, which is partly due to the timing of the implementation of the MTFS proposal CEX13 – restructure of Legal Services (£60,000) and also due to use of agency staff to cover vacant posts across the service.
- The Registrars service has an over spend of £34,000 due to the MTFS saving proposal CEX12 being partly achieved (£28,000 shortfall) due to a reduction in the number of ceremonies delivered in 2024-25.
- Regulatory Services (Licencing, Public Health) has an over spend of £92,000 which has reduced since the quarter 3 projected over spend of £142,000. This over spend is primarily due to the under recoupment of income for taxi examination, licence fees and environmental health recharges (£68,000). Whilst a similar shortfall was experienced in 2023-24 it was offset by a £74,000 refund being received in relation to the Shared Regulatory Service.
- The balance of the over spend is due to legal fees. Whilst Council approved £300,000 in 2024-25 to support the increase in legal fees being experienced, the complex cases requiring King's Counsel have continued. Council has approved a further budget pressure of £200,000 for 2025-26, as part of the MTFS to address ongoing pressures on litigation cases.

#### Housing & Homelessness

- There is a net over spend of £274,000 on Housing & Homelessness which is a reduction of £136,000 compared with the projected over spend of £411,000 reported at quarter 3.
- The overall budget for housing and homelessness was reduced by £645,000 in 2024-25 due to MTFS budget reduction proposals. **Appendix 2** highlights that all of these were achieved in 2024-25.
- For 2024-25, Welsh Government (WG) initially provided grant funding of £915,000 for accommodation under the “No One Left Out” funding stream, £198,000 under a Discretionary Homelessness Prevention Grant, £60,000 Strategic Coordinator grant and £86,000 Ukrainian grant. During quarter 4 WG increased the Ukrainian grant funding by £255,000. The total revised grant funding confirmed from WG for housing and homelessness services for 2024-25 was £1.514 million which is comparable to the total grant allocation of £1.505 million received in 2023-24. £1.369 million of the grant funding covers homelessness accommodation costs and £145,000 is utilised towards Homeless Spend to Save support, e.g. funding bonds for rental properties.
- Spend on Homelessness accommodation for 2024-25 was £4.3 million, a reduction of £100,000 since the £4.4 million projected at quarter 3. The key factor in this reduction is the purchase of Houses in Multiple Occupation (HMO) stock as well as utilising an existing BCBC property with the opening of Maple Tree House (previously Children’s Residential Home), enabling a reduction in the use of more expensive options such as tourism style properties.
- As well as the core budget (£2.174 million) and total WG accommodation grant funding (£1.514 million), the service has also seen an increase in rental income

relating to Housing Benefits claimed by tenants who have been supported with homelessness accommodation (£519,000). The net impact is an overall under spend on accommodation in 2024-25 of £93,000.

- The Council has seen a significant increase in the provision of temporary accommodation. At the end of 2019-20, the Council was providing temporary accommodation to 83 households. At the end of March 2025 this had increased to 261 households, representing a 214% increase over this period. The wider demand for social housing from those in housing need has also increased. At the end of 2019-20 there were 816 households registered on Bridgend's Common Housing Register. At the end of March 2025 this number had increased to 3,284 households.
- Due to the uncertainty of levels of WG grant funding going forward, Council approved a £400,000 budget pressure for Housing and Homelessness for 2025-26 as part of the MTFS.
- There is an over spend of £756,000 on Disabled Facility grants. This over spend has increased by £530,000 since quarter 3 due to a revenue contribution to capital to fund an over spend on capital works due to the high number of schemes completed in 2024-25. This has been offset by under spends on the Brynmenyn Homeless Centre (£129,000) due to an increase in Housing Benefit income levels, staff vacancies (£40,000), maximisation of Supporting People grant (£82,000) and additional grant funding received during quarter 4 from the Home Office for the Afghan Resettlement scheme (£198,000).

#### Partnerships

- There is an over spend of £227,000 in Partnerships. This is mainly due to MTFS saving proposals for 2024-25 not being fully achieved.
- CEX 8 Charging for PEST control services – shortfall of £32,000. This is due to a reduced uptake of the service which has resulted in a reduction in income received for 2024-25.
- CEX 23 Review the provision of Partnerships and Customer Services shortfall of £61,000 due to delays in confirmation of alternative funding for two posts.
- The remainder is due to an over spend in the Community Safety Partnerships team due to additional staffing costs to support the Assia Domestic Abuse Service team (£77,000).

#### Finance

- There is a net over spend of £224,000 across Finance, a reduction of £27,000 since quarter 3. The over spend is primarily due to a reduction in court cost income and a shortfall in the Department for Work and Pension (DWP) subsidy contributions towards housing benefit payments in Bridgend. Any Housing Benefit award paid over the subsidy level is borne by the Council as the DWP does not fully fund all Housing Benefit expenditure – for example there are a number of tenancy arrangements whereby the subsidy is limited to historic local housing allowance rates or restricted by rent officer determinations. Council have approved a budget pressure of £158,000 towards the shortfall in DWP subsidy contributions for 2025-26 as part of the MTFS.
- The balance is mainly due to the shortfall against CEX 25 – staff savings from Finance senior management (£70,000).

### 3.3.5 Council Wide budgets

This section includes budgets, provisions and services which are council wide, and not managed by an individual directorate. The net budget for 2024-25 was £45.536 million and the actual outturn was £30.408 million, resulting in an under spend of £15.128 million.

The most significant variances were:-

<b>COUNCIL WIDE BUDGETS</b>	<b>Net Budget  £'000</b>	<b>Actual Outturn  £'000</b>	<b>Actual Variance Over/(under) budget £'000</b>	<b>% Variance</b>
Capital Financing	6,907	1,351	(5,556)	-80.4%
Council Tax Reduction Scheme	16,054	16,326	272	1.69%
Insurance	1,363	(426)	(1,789)	131.3%
Other Corporate Budgets	10,023	2,254	(7,769)	-77.5%

#### Capital Financing

- The under spend of £5.556 million mainly relates to a change in the Minimum Revenue Provision Policy approved by Council on 23rd October 2024. The impact in the current year is an under spend on the MRP budget of £2.054 million.
- The balance of the under spend is due to additional interest earned on our investments due to higher interest rates experienced in recent years. Rates started to fall from the high of 5% in November 2024 and have fallen again since, to the current rate of 4.25%. Further interest rate reductions are expected, however the timing of these are uncertain and are subject to economic factors and in particular the position of inflation against the Bank of England's 2% target.

#### Council Tax Reduction Scheme

- There is an over spend of £272,000 on the Council Tax Reduction Scheme. This is a demand led budget and take-up is difficult to predict. Take-up for 2024-25 is higher than in 2023-24 when the gross spend in this budget area was £15.566 million, which is mainly as a consequence of the 9.5% increase in council tax in 2024-25.
- Council approved a £1 million budget pressure for 2025-26 as part of the MTFS taking the budget up to £17.054 million.

#### Insurance

- There is an under spend of £1.789 million on the insurance budget. This primarily relates to a £1.517 million reduction in the overall fund liability following a number of claims being repudiated or discontinued, particularly in relation to Japanese Knotweed, as well as those settled at a lower amount or claims won. In addition, as part of the Maesteg School Partnership PFI, the annual Insurance Review has resulted in a one-off exceptional saving of £264,146 which has been refunded to the Council. The outturn for 2024-25 is considered to be a one-off under spend, as it is an adjustment to the fund liability provision required and has not impacted the annual premiums, however the budget will continue to be reviewed going forward to determine if there are any permanent budget reduction opportunities.

### Council Wide Budgets

- There is an under spend of £7.769 million on Council wide budgets. The main areas contributing to this under spend are:-
  - During quarter 3 Welsh Government provided a grant of £937,539 towards the teachers' pay award 2024-25 and £2,352,854 toward NJC pay pressures that were not anticipated at budget setting. This has released centrally held funding and positively impacted on the outturn for Council wide budgets by £3.290 million.
  - Inflation rates remained low throughout 2024-25, and remained below the 3.8% rate when the budget was set. In addition, energy prices reduced further than anticipated in 2024-25. Consequently there is an under spend on the price inflation budget due to a reduction in requirements to allocate price inflation to service areas in-year. There is ongoing uncertainty on energy cost increases in 2025-26 and the general trajectory of CPI, therefore it is prudent to maintain a similar level of price inflation funding for 2025-26.
  - As part of the MTFS 2024-28, £1.558 million was set aside towards emerging budget pressures and as a contingency against non-deliverability of budget reduction proposals. Only £87,000 was allocated during 2024-25, resulting in an under spend of £1.543 million. This was agreed as a Council wide budget reduction proposal for 2025-26 as part of the MTFS.

### 3.3.6 Council Tax Collection

- The outturn for 2024-25 shows additional income of £611,208 has been collected compared to the budget (+ 0.17%). In respect of income collected from the levying of premiums on long term empty properties and second homes, £547,253 was collected from the premium charge for long-term empty properties and £163,080 was collected from premiums on second homes. Without this additional funding the core Council tax collected in 2024-25 fell short of the budgeted income by £99,125.

### 3.4 Review of Earmarked Reserves

- 3.4.1 The Council is required to maintain adequate financial reserves to meet the needs of the organisation. The MTFS includes the Council's Reserves and Balances Protocol which sets out how the Council will determine and review the level of its Council Fund balance and earmarked reserves. During 2024-25 Directorates drew down funding from specific earmarked reserves and these were reported to Cabinet through the quarterly monitoring reports. The final draw down from revenue reserves was £5.397 million and is summarised in **Table 4** below. A more detailed breakdown of the movement on all reserves is outlined in **Appendix 4**.

**Table 4 – Revenue draw down from Earmarked Reserves during 2024-25**

	Revenue draw down from Earmarked Reserves 2024-25 £'000
Education, Early Years and Young People	577
Social Services & Wellbeing	1,512
Communities	1,771
Chief Executives	1,537
<b>Total</b>	<b>5,397</b>

- 3.4.2 The net under spend position of £13.363 million for 2024-25, as set out in **Table 1** and 3.1.6, has enabled new net earmarked reserves of £13.063 million to be created at year end along with a transfer of £300,000 to the Council Fund (see paragraph 3.4.5).
- 3.4.3 The most significant new earmarked reserves were:- £6.875 million to fund new capital projects (details of schemes to be determined), £1.5 million to support Change Management initiatives to support future invest to save projects, including digital transformation projects, £1 million to provide support for behavioural issues in schools, £150,000 to provide additional capacity to manage planning applications and £150,000 to support youth services.
- 3.4.4 **Table 5** below summarises the final position on all revenue useable reserves for the year, including the Council Fund. In addition there are currently £46.038 million of other earmarked reserves funding schemes within the capital programme.

**Table 5 – Summary of Movement on Revenue Earmarked Reserves 2024-25**

Opening Balance 01-Apr-24 £'000	Reserve	Movement at Quarter 4			Closing Balance 31 March 2025 £'000
		Additions £'000	Reclassification £'000	Drawdown/Unwound £'000	
9,730	<b>Council Fund Balance</b>	<b>300</b>	<b>0</b>	<b>0</b>	<b>10,030</b>
10,695	Corporate Reserves	4,241	(568)	(2,382)	11,986
6,668	Directorate Reserves	4,789	942	(4,822)	7,577
4,005	Equalisation & Grant Reserves	687	(914)	(890)	2,888
2,405	School Balances	0	0	(3,024)	(619)
<b>23,773</b>	<b>Total Earmarked Reserve</b>	<b>9,717</b>	<b>(540)</b>	<b>(11,118)</b>	<b>21,832</b>
<b>33,503</b>	<b>Total Useable Reserves</b>	<b>10,017</b>	<b>(540)</b>	<b>(11,118)</b>	<b>31,862</b>

- 3.4.5 In terms of financial reserves, the Council Fund balance has been increased by £300,000 and now represents 2.78% of the net revenue budget for 2024-25, or 4.0% of the net revenue budget excluding schools. As budgets incrementally increase annually, it is challenging to keep the Council Fund balance in line with MTFS Principle 9 which states that:-

*The Council Fund balance should be set at a prudent but not excessive level. This will normally be maintained at a level of 5% of the Council's net budget, excluding schools.*

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

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

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

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

#### **6. Climate Change Implications**

- 6.1 There are no direct implications arising from this report.

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

- 7.1 There are no direct implications arising from this report.

#### **8. Financial Implications**

- 8.1 These are reflected in the body of the report.

#### **9. Recommendation**

- 9.1 Cabinet is recommended to:

- note the revenue outturn position for 2024-25.

**Background documents:** Individual Directorate Monitoring Reports

This page is intentionally left blank



## PRIOR YEAR BUDGET REDUCTIONS CARRIED FORWARD INTO 2024-25

Ref.	Budget Reduction Proposal		Original Reduction and RAG £000	Revised RAG £000	Total amount of saving achieved in 24-25 £000	Reason why not achieved	Proposed Action in 2025-26 to achieve
------	---------------------------	--	---------------------------------	------------------	---	-------------------------	---------------------------------------

## RAG STATUS KEY

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

## EDUCATION, EARLY YEARS AND YOUNG PEOPLE

EDFS1 (2023-24)	Delegate some school transport responsibilities to The Bridge Pupil Referral Unit under a new delivery model to deliver efficiency savings		40		40	During 2023-24 officers investigated the practicalities and implications of a bespoke transport arrangement for the Bridge Alternative Provision. It was determined that without capital investment to purchase a vehicle and additional staff resources that the proposal was not possible to be delivered. The transport budget for The Bridge was re-instated to 2022-23 levels. Since September 2023, the approach taken in relation to supporting Post 16 learners with college passes has been changed, with the £40K savings now made on the Post 16 transport budget.	No further action required in 2025-26.
<b>Total Education, Early Years and Young People</b>			<b>40</b>		<b>40</b>		

## COMMUNITIES

COM 2 (2021-22)	Re-location of Community Recycling Centre from Tythegston to Pyle resulting in cessation of lease payments at existing site		60		0	The new site opened during quarter 4 of 2023-24. The timing of the opening meant that exit terms of the lease were being finalised in 2024-25. Once these have been finalised, the full saving will be made.	Once the exit terms have been finalised, the full saving will be made. The service will endeavour to meet any shortfall in the saving through alternative one off efficiencies in 2025-26 to deliver a balanced budget position.
COM 3 (2022-23)	Change the composition of Household Food Waste Bags		35		35	The budget reduction proposal was delayed in 2023-24 until the outcome of national research had been completed to ensure any potential changes in legislation did not impact on this proposal. The new waste contractors from 1st April 2024 implemented the change of composition, therefore the saving was made in full during 2024-25.	No action required - saving made in full in 2024-25
COM 4 (2022-23)	Remove Business in Focus from running Enterprise Centres in Bridgend		20		0	Review of Business in Focus operating model explored to identify operating efficiencies with a view to restructuring the management agreement with Business in Focus to deliver this saving.	Review ongoing at the start of 2025-26. Any shortfall in the saving achieved in 2025-26 will be mitigated by savings within the wider Corporate Landlord service area.
COM 5 (2022-23)	Commercially let a wing of Ravens court to a partner organisation or business		50		0	Building was not commercially let during 2024-25.	Sale of the freehold took place in the final quarter of 2024-25 which will enable the savings to be realised in full going into 2025-26.
COM 1 (2023-24)	Closure of each of the Community Recycling Centre sites for one weekday per week		50		50	Public consultation on this proposal was held between 30 June and 12 September 2023, with the outcome reported to Cabinet on 21 November 2023, when the proposal was approved. A marginal saving was made in 2023-24 with the full saving being realised in 2024-25.	No action required - saving made in full in 2024-25
COM 2 (2023-24)	Charging Blue Badge Holders for parking		40		0	The traffic management team were engaged in the introduction of the default national speed limit in built up areas in 2023-24. A staff member commenced work on this proposal in 2024-25 and it is currently at initial consultation stage. It requires a full order making process which is typically 6-9 months.	Shortfalls against this savings target will be met through one off efficiencies in 2025-26 to deliver a balanced budget position.
COM 3 (2023-24)	Commercially let two wings of Ravens court to a partner organisation or business		120		0	Building was not commercially let during 2024-25.	Sale of the freehold took place in the final quarter of 2024-25 which will enable the savings to be realised in full going into 2025-26.
<b>Total Communities Directorate</b>			<b>375</b>		<b>85</b>		
<b>GRAND TOTAL OUTSTANDING REDUCTIONS</b>			<b>415</b>		<b>125</b>		
<b>REDUCTIONS SHORTFALL</b>					<b>290</b>		

This page is intentionally left blank

MONITORING OF 2024-25 BUDGET REDUCTIONS

Page 91

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
<b>EDUCATION, EARLY YEARS AND YOUNG PEOPLE (FORMERLY EDUCATION AND FAMILY SUPPORT)</b>						
<b>CENTRAL EDUCATION, EARLY YEARS AND YOUNG PEOPLE</b>						
EDFS1	Reduction in staff mileage budgets	During the pandemic, most meetings were arranged virtually, instead of in person. This arrangement has continued in part with hybrid working, although there are clear cases where in-person meetings are essential. The result is that spend on mileage is less than pre-pandemic levels, and budgets can be reduced accordingly with limited impact on service provision, but positive benefits for achieving net carbon zero.	18	18	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
EDFS2	Directorate Vacancy Management Factor	The introduction of an average 3% vacancy factor across the directorate - excluding schools, front-line services and grant-funded and income-generating posts. Recruitment has been an issue across the Council in recent years and there have been underspends in many services which cannot recruit to vacant posts. This target will need to be managed carefully and reviewed to ensure it is achievable.	342	342	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
EDFS7	Income generation opportunities within the Music Service	Interest in developing a training function for schools provided by the Bridgend Music Service but this has not been costed and at a time when schools are looking to manage their service level agreements (SLAs) very carefully, this might not be possible. The national music service grant is subsidising this at the moment.	3	3	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
EDFS8	Increase price of school meals by 30p (saving is limited due to the roll out of the universal primary free school meals (UPFSM) initiative)	The cost of school meal in Bridgend is currently one of the lowest in Wales. It is anticipated that an increase of 30p per meal would still see Bridgend as being in the bottom quartile of school meal cost across Wales. It is worth noting that there may be a decline in the take-up of a school meal following previous price increases and this may negate any savings.	30	30	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
EDFS9	Cessation of Adult Community Learning (ACL) provision	This would result in staff redundancies. There could be alternative options available via external partners. This saving could lead to the partnership being weakened. There will also be a loss of presence felt within local communities.	149	0	The outcome of the consultation process for the cessation of the ACL service was finalised in quarter 3 of 2024-25. Savings will be achieved in full from 2025-26.	None required - saving will be made in full in 2025-26
EDFS11	Reduction in contribution to Central South Consortium	Welsh Government is currently reviewing school improvement arrangements in Wales. The review is due to report in late spring/early summer 2024. We would look to reduce some of the central administrative functions rather than frontline services (improvement partners/principal improvement partners).	35	35	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25

# MONITORING OF 2024-25 BUDGET REDUCTIONS

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
EDFS12	Educational Psychology Service - Reduction in equipment, mileage and staff	This may result in educational psychologists not using latest test materials for their assessments which may mean results are invalid. This could also result in a potential reduction in in-person visits to schools and an increase in online sessions. This could result in the local authority being unable to meet its statutory duties under legislation, as the statutory role of educational psychologists could not be met due to reduced capacity. The local authority could be open to legal and tribunal challenge due to missed timescales and failure to meet its statutory duties. Unidentified needs of learners and significant placement breakdowns could lead to an increase in out-of-county specialist placements requested at additional cost.	38	38	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
EDFS13	ALN Statutory Team - reduction to staffing structure	The local authority could be unable to meet its statutory duties. The local authority could be open to legal and tribunal challenge due to missed timescales.	17	17	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
EDFS14	Early Years ALN, Cognition and Learning and Complex Medical and Motor Impairment - review of pay grades, reduction in staffing numbers	There could be a reduction in training offered to schools. The team may be unable to oversee the Observation and Learning Resource Centres at the current level. The early identification of needs of pupils may not be identified as quickly as desired. Schools may not have expertise to support pupils and needs escalate.	50	50	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
EDFS15	The Bridge Alternative Provision - staffing reductions and charging schools for hospital education	The setting may be unable to offer pupils the option to continue their studies through the medium of Welsh (previous Estyn recommendation). There could be insufficient staff to pupil ratios which could have potential safeguarding risks and limit the number of pupils The Bridge is able to accommodate.	81	81	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
EDFS16	Learner Support - staffing reductions	There is a statutory requirement to support young people with additional learning needs up to the age of 25. This saving could result in schools being unable to effectively manage additional learning provision, therefore potentially causing more local authority individual development plans which could cost the local authority more. This could result in an increased risk of tribunals.	16	16	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
EDFS17	School Modernisation budgets - review of staffing and non-staffing budgets	This could result in challenges in respect of site maintenance. This could also impact on the delivery of some capital projects.	22	22	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
EDFS18	Sensory Team - Hearing and visual impairment - review of staffing and non staffing budgets	This could result in a failure to meet statutory duties for hearing impaired (HI) and visually impaired (VI) learners. Learners with a HI and VI may be unable to access visits and in class support, modified resources and the school curriculum. This could result in the Learning Resource Centre not being staffed fully.	35	35	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25

MONITORING OF 2024-25 BUDGET REDUCTIONS

Page 93	Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
	EDFS19	Communication and Relationships Team - Referrals only accepted for pupils who are at risk of permanent exclusion and placement breaking down. No longer completing observations for the ND Pathway	This could result in schools not following the local authority graduated response due to waiting times of support being implemented. Pupils placed on reduced timetables while schools await action plans could increase. This could result in pupils not progressing on the Neurodevelopmental Pathway due to specialist teachers being unable to complete professional recommendations.	142	0	Saving not met in 2024-25 due to the overall increase in pupils needing service.  There has been a significant increase in the number of pupils receiving both fixed term and permanent exclusions across Bridgend. This has resulted in additional requests for 1:1 support, to maintain their education provision. In addition to this where a pupil has been identified as requiring a specialist class or provision and there is no available space an ancillary package of support is put in place to meet the Additional Learning Needs Provision identified in the pupils Individual Development Plan (IDP) as per the ALN Code for Wales 2021. We currently have waiting lists at every key stage and across provisions.	Consultation is due to start soon with the outcome of the consultation determining the next steps. Shortfalls against this savings target will be met through one off efficiencies in 2025-26 to deliver a balanced budget position.
	EDFS20	Welsh in Education Strategic Plan (WESP) - reduction in translation services and review of staffing	This could result in a less co-ordinated approach to increasing Welsh-medium education and seeking opportunities to engage in activities through the Welsh-medium. WESP Coordinator to translate which would impact the ability to meet targets set within the WESP and could lead to a failure in meeting Welsh Government targets to increase Welsh-medium education.	10	10	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
	EDFS21	School Music Service - cease payments of all Four counties ensemble financial commitments, cease all hire of vehicles for concerts etc	No offer of collaborative Four Counties activities to learners.	7	7	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
	EDFS23	Reduction in Catering Services maintenance budget	This could mean a reduction in the purchase of replacement equipment for kitchens and an inability to comply with new refuse legislation from April 2024 for food recycling. This could have an impact on the local authority's resilience to maintain school kitchens effectively.	154	154	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
	EDFS24	Review of staffing structure within the Education Directorate Support Unit (EDSU)	This could result in several challenges within the directorate's business function arm including the ability to coordinate correspondence, respond to Welsh Government requests and support administrative activity.	63	63	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
	EDFS25	Review of staffing structures and non-staffing budgets within the Corporate Health and Safety Unit (CHSU)	This could result in less specialist health and safety support available across the organisation and may require the local authority to purchase additional external support if required at a later date.	40	40	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
	EDFS26	Review of staffing structure within Pupil Services	This could result in the directorate having less ability to discharge statutory functions (that is, school admissions, child performance licensing, chaperone licensing, child employment and the appointment of local authority governors).	18	18	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
	EDFS27	Review of staffing structures within Early Help	This could result in increased referrals to statutory services such as Social Care, and Child and Adolescent Mental Health Services (CAMHS). This could result in reduced support for learners, parents and carers.	132	132	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25

MONITORING OF 2024-25 BUDGET REDUCTIONS

Page 94

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
EDFS28	Youth Support - redistribution of resources including the provision of a mobile youth support facility	This could result in a lack of appropriate spaces for young people to socialise can lead to them becoming isolated which in turn has a negative impact on their emotional wellbeing and mental health. This impact could be mitigated by the use of the new mobile youth provision vehicle.	26	26	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
EDFS29	Early Years and Childcare Team - reduction to project delivery budget (for example, training and grants available to childcare settings)	This could result in reduced training opportunities for the sector and the possibility of the team being unable to meet statutory requirements.	14	14	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
EDFS30	Edge of Care Services - staffing restructure	This could result in a reduction of services to children and families.	84	84	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
EDFS31	Youth Justice Service - review of staffing and non-staffing budgets	Loss of external provision could mean that the Bridgend Youth Justice Service would need to deploy an alternative operating model which may result in a decreased offer to young people.	34	34	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
	<b>Total Education, Early Years and Young People</b>		<b>1,560</b>	<b>1,269</b>		

SCHOOLS

SCH1	Efficiency savings against School Delegated Budgets - 3% in 2024-2025 then 2% for 2025-26 and 1% thereafter.	It is important to note that some of this impact may be mitigated by the financial support provided to schools from the local authority in assisting schools to meet cost pressures in relation to pay and pensions, and energy. Further to discussion with headteachers, the following potential impacts have been identified: 1. Risk of increased school deficit positions; 2. Potential to result in some teacher and other staff redundancies; 3. Increase in class sizes; 4. Loss of interventions; 5. Increase in staff absence; 6. Low staff morale; 7. Increased workload; 8. Reduced curriculum offer; 9. Reduced leadership/strategic thinking time; 10. Potential inability to meet statutory requirements; 11. Decrease in adult support in classrooms; 12. Increase in pupil exclusions; 13. Decline in standards; 14. Reduction in ability maintain school buildings; 15. Limited extra-curricular activity; 16. Increase in referrals for behaviour support; 17. Reduced support for learners with additional needs; 18. Reduction in professional learning opportunities; 19. Loss of expertise due to teachers and senior leaders leaving the profession.	3,441	3,441	Savings achieved due to overall reduction in Individual Schools Budget (ISB). However, reduced budgets have resulted in an overall deficit balance for schools at year end of £619,000.	Close monitoring of school budgets will continue going into 2025-26 with a further 1% efficiency saving to be achieved on school delegated budgets and officers continue to work with schools to bring this overall deficit down.
	<b>Total Schools</b>		<b>3,441</b>	<b>3,441</b>		
	<b>Total Education, Early Years and Young People Directorate</b>		<b>5,001</b>	<b>4,710</b>		



MONITORING OF 2024-25 BUDGET REDUCTIONS

Page 9

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
------	---------------------------	--	---------------------------------	--	-------------------------	---------------------------------------

SOCIAL SERVICES AND WELLBEING

SSW1	Reduction in staff mileage budgets	During the pandemic most meetings were arranged virtually, instead of in person. This arrangement has continued in the main since then with hybrid working, although there are clear cases where in-person meetings are essential, with the result that spend on mileage is less than pre-pandemic levels, and budgets can be reduced accordingly with no impact on service provision, but positive benefits for achieving net carbon zero.	128	128	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
SSW2	Directorate Vacancy Management Factor	The introduction of an average 3% vacancy factor across the directorate - excluding front line services and grant funded and income generating posts. Recruitment has been an issue across the Council in recent years and there have been underspends in many services which cannot recruit to vacant posts. This target will need to be managed carefully and reviewed to ensure it is achievable.	255	255	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
SSW3	Non Residential Charges Income Generation	Review of the service pricing model and increasing unit costs with a view to generating additional income. Based on unit cost increase of 7.5%. Services are provided to vulnerable adults following an assessment of need. There is risk that individuals will cancel care packages and not have their needs met which could result in higher packages of care required in the future cost and/or an increase in debt recovery. Welsh Government has set a maximum charge of £100 per week that can be charged to an individual for non-residential care, so for those people already paying the maximum amount no additional income will be generated. In terms of flat rate charges such as Transport and Meals, no additional income can be generated under the current regulations.	75	75	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
SSW4	Remodelling Day Opportunities	As part of the wider prevention and wellbeing agenda the service is reviewing all daytime opportunities to create environments in vibrant and compassionate communities that offer a wide and diverse opportunity. This will enable the department to review how the localised community hubs are operated and managed. This will include transport arrangements, management structures and overall operation and service that is delivered. The review will include a rebalance of who operate day time services in Bridgend but could reduce the numbers attending and /or a reduction in current service provision.	200	200	The saving has been met in 2024-25 through freezing vacant posts on a temporary basis while the review of Day Services is complete.	None required - saving made in full in 2024-25
SSW5	Direct Payments Reimbursements	Invest to save proposal approved to fund a staff member to manage individual direct payment cases and action surplus fund reclaims to reduce overall spend. The savings target is net of the costs of implementing this proposal.	250	250	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
SSW7	Review opportunities to amend the current energy payment arrangements for the leisure contract	A formal review and extension of contract could enable a change to how energy is paid for within the partnership with a positive impact on costs. Halo currently pay their energy bills directly but if BCBC were to pay there is greater economies of scale and potential tax savings. It would likely need a contract extension and review of the contract to justify such a change.	45	0	Advice received as to steps required to amend the partnership agreement to support the savings proposal.	On 22 October 2024, Cabinet approved modification of the existing contractual terms to vary the expiry date from 31 March 2027 to 31 March 2032. Work is ongoing to enter into a variation agreement with this budget reduction being the first call on any efficiencies identified.

# MONITORING OF 2024-25 BUDGET REDUCTIONS

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
SSW8	Review the full repairing lease aspect of the Health Living Partnership Programme contract and opportunities to invest differently or less within the leisure estate	The poor condition and need for investment of the leisure assets was a key driver in the development of the healthy living partnership and there have been improvements and scheduled maintenance at all venues since 2012. Council may wish to review how much funding it wishes to be spent on asset repairs and maintenance and whether the full repairing lease can be reviewed. Some small reductions may be possible by reviewing options for investment. The impact would be increased pressure on the capital/minor works programme to cover repair and replacement requirements and potentially not all investment needs would be met. The contractual implications of the outcome of the review will need to be considered.	50	50	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
SSW9	Review the operating costs of leisure facilities	The operating costs of the leisure buildings have progressively improved since 2012 and as such the financial savings from building closures have reduced. A review of opening hours will deliver some efficiencies in 2024. A broader leisure strategy is being developed which will inform the remodelling of leisure in the county borough for future years.	30	30	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
SSW11	BCBC to waive protections on concessionary pricing and discounted rates for the more vulnerable in leisure settings	These categories of user have been developed in line with the terms of the leisure contract seeking to support our most vulnerable by reducing cost as a barrier to accessing services that support wellbeing. There has been success in this and large numbers of people benefit from concessions including the means tested access to leisure scheme. This subsidy could be removed but risks would include levels of participation reducing and also related income. Many of the beneficiaries in this category are means tested. This may challenge the socio economic duty. These individuals are part of communities which have the lowest mortality rates and the highest burden of chronic disease in the county borough.	15	15	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
SSW13	Council to reduce its investment into cultural services including the availability of buildings, services or resources relating to its libraries, supported employment, community venues and arts programmes	Will include consideration of a reduction in library opening hours, library resources, community centres, supported employment for people with disabilities, arts activity and resources (for BCBC to determine) and other services or venues managed on behalf of the Council. It will be for Council to determine the contractual changes it requires and the related changes to the partnership agreement. For some services there will potentially be the need for public engagement or consultation.	360	65	Cabinet report in May 2024 approved £50K reduction to book fund and removal of £15K subsidy for the Youth Theatre, along with public engagement over how future savings can be achieved. Maximisation of Shared Prosperity Fund mitigated the shortfall against this proposal in 2024-25.	Further reports will be presented to Cabinet to enable the outcome of consultation exercises to be taken into account when finalising any proposed changes. The service will also continue to maximise grant funding opportunities throughout 2025-26.
SSW14	Dual use facilities operated in partnership with schools to increase income generation in line with fees and charging policy	Sites are operated on a shared usage basis with management agreements. They benefit schools during the day and community beyond. In a number of instances external investment has developed facilities. An opportunity to increase charges and deliver a small saving. Operating costs have increased in recent times and no uplift. We would be looking to increase charges by a further 10%.	8	8	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
SSW15	BCBC to withdraw or reduce its commitment to older persons strategy, ageing well in Bridgend and becoming an age friendly community	This would see a reduction to the older persons strategy budget which would limit BCBC to lead on Age Friendly Communities workstreams going forward. This is currently in the corporate plan. If agreed, this would require the policy to be changed. The grant to Cruse is also currently funded from this cost centre so a £20k reduction applicable overall.	15	15	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25



# MONITORING OF 2024-25 BUDGET REDUCTIONS

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
SSW17	BCBC consider efficiency savings from Third Sector Contracts - bereavement services	Annual grant payment which is a small contribution to larger scale service providing bereavement support for a range of circumstances. Will have been in demand during the pandemic period in particular. Would remove an important support service for those experiencing bereavement.	5	4	Notice served covering a 10 months saving in 2024-25.	None required - saving will be made in full in 2025-26
SSW18	BCBC consider efficiency savings from Third Sector Contracts - dementia services	Annual grant payment, for which we are currently reviewing the specification, its need and how services to support people awaiting or receiving diagnosis fit within overall support available locally and regionally. Numbers of people experiencing dementia predicted to grow and reducing the resource would create demand for alternative support or services.	57	47	Notice served covering a 10 months saving in 2024-25.	None required - saving will be made in full in 2025-26
SSW19	BCBC consider efficiency savings from Third Sector Contracts - stroke services	The service is commissioned by health, where BCBC made a 20% funding contribution. This reduction would impact directly on people who receive these services. The individual impact assessments are in development.	20	20	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
SSW21	Reduction to the Healthy Living Partnership Management Fee from 2024-25	The saving will be achieved due to re-profiling the management fee and successfully securing funding from other sources to undertake improvement works/maintenance works that HALO would have otherwise undertaken. Extending the contract would support further potential for savings (SSW6). £164k of this saving relates to Management Fee and £36k relates to Leisure Client budget.	200	200	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
SSW22	BCBC consider efficiency savings from Third Sector Contracts - substance misuse services	This is an annual grant payment, which has the potential to be ceased. An impact assessment will need to be completed as no new referrals from BCBC have been made this year, there is a potential that people receiving this service will need ongoing care and support and result in higher packages.	34	28	Notice served covering a 10 months saving in 2024-25.	None required - saving will be made in full in 2025-26
SSW23	Reduction of the BCBC contribution towards the regional Western Bay adoption service	Based on the recent levels of refunds experienced since 2020-21, a reduction appears reasonable. The main risk is that the service may have an increase in cases where children should be placed for adoption and this will increase the usage of the regional service and associated costs.	250	250	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
SSW24	SCWDWP Training Reductions 1. Reduction in use of external venues for training delivery. 2. Increase offer of hybrid learning opportunities e.g., on-line resources, e-learning and on-line training. 3. External training courses / conferences to be supported only where there is an identified need that cannot be met by in-house resources. 4. Use of internal staff to facilitate training workshops. 5. Reduce the impact of non-attendance at training by introducing a non-attendance charge.	Insufficient availability of internal venues suitable to hold training events. Certain training requires physical attendance and specialist resources. Requires ICT equipment and skills to access on-line activities. External trainers bring specialist knowledge and skills that internal trainers could not replicate.	50	50	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
SSW25	Review of support staffing structure	Redundancy costs would have to be paid, risks in service delivery and compliance agenda which could result in poor regulatory judgements.	55	55	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
SSW26	Increasing Charges for in-house care homes	Aim for full cost recovery on in-house care home charges	140	140	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25

MONITORING OF 2024-25 BUDGET REDUCTIONS

Page 98

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
SSW27	Reduction of contribution to BAVO SLA by 10%	Financial pressure on BAVO and reduced service provision for citizens of Bridgend	6	6	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
	Total Social Services and Wellbeing		2,248	1,891		

COMMUNITIES

COM1	Reduction in staff mileage budgets	During the pandemic most meetings were arranged virtually, instead of in person. This arrangement has continued in the main since then with hybrid working, although there are clear cases where in-person meetings are essential, with the result that spend on mileage is less than pre-pandemic levels, and budgets can be reduced accordingly with no impact on service provision, but positive benefits for achieving net carbon zero.	34	20	Achieved 58.8% of budget reduction proposal in 2024-25 - a £3,000 increase from the £17,000 achieved up to quarter 3.	Close monitoring of staff mileage budgets will be undertaken throughout 2025-26, with alternative budget reduction proposals to be identified if shortfall continues into the next financial year.
COM2	Directorate Vacancy Management Factor	The introduction of an average 5% vacancy factor across the directorate - excluding front line services and grant funded and income generating posts. Recruitment has been an issue across the Council in recent years and there have been underspends in many services which cannot recruit to vacant posts. This target will need to be managed carefully and reviewed to ensure it is achievable.	500	500	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM3	Increase garden waste subscription cost to £50 per household and £45 for pensioners (Currently £46 per household or £42 for pensioners)	Potential increase in fly tipping. Loss of subscribers especially as it is the second year the subscription has been increased. Increase would not result in full cost recovery under the current contract, but recyclable tonnages contribute to an improved recycling level against Welsh Government targets to reduce the likelihood of penalties.	13	13	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM4	Increase bulky waste charges from £25 for 3 items to £30	Potential increase in fly tipping especially as it is the second year the charge has been increased. Increase would not result in full cost recovery under the current contract, but recyclable tonnages contribute to an improved recycling level against Welsh Government targets to reduce the likelihood of penalties.	10	10	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM5	Removal of revenue budget used to fund the Council's Cardiff Capital Region City Deal (CCRCD) capital contribution	When the CCRCD was approved by the Council it was agreed that the Council's capital contribution (circa £11.3m) would be funded from revenue contributions and a recurrent budget pressure of £598k was included in the 2017-18 revenue budget. The total funding required is now almost complete which will enable the revenue budget to be reduced accordingly.	598	598	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM6	Increase fees on Bereavement services, i.e. burial charges by 20%	Income target has been based on historic income levels achieved and the application of a 20% increase to current charges. There is a risk to achieving the income target if there is a reduction in burials compared with the last two years if they return to pre-pandemic levels, or if relatives seek alternative services from neighbouring authorities.	96	96	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25

# MONITORING OF 2024-25 BUDGET REDUCTIONS

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
COM7	Review of charging mechanism for the Major Projects Team within Corporate Landlord (Architects) to ensure full cost-recovery	Fees to be aligned to industry standard charge out rates to ensure continued competitive rates reflective of the fair and reasonable costs of providing the service compared to an outsourced solution. Such charge out rates to factor in total costs of the major projects team as a whole. Schemes within the capital programme that are using the services of the Major Projects Team will see an increase in the rates charged to them.	97	97	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM9	Cessation of Shopmobility Scheme	Non statutory service and has ceased since October 2022 following the closure of Brackla 1 Car Park.	21	21	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM10	Review of Porthcawl Marina berthing fees with a view to it operating on a full cost recovery basis	This would involve a review of the berth fees and other operational costs to enable full cost recovery.	32	5	The service was subject to unforeseen maintenance costs for the harbour gate and infrastructure.	A review of berthing fees will be undertaken with the results to be presented to the Harbour Board in October 2025.
COM11	Cessation of the Parks & Playing Fields Development Fund	In the MTFS 2020-21 to 2023-24 Council approved £75,000 of funding, for a period of two financial years, to support voluntary sports clubs based within the county of Bridgend. This funding period has now come to an end so the funding will be removed.	75	75	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM12	Removal of non-staffing budget within Economic Development	Budget previously used to support delivery of events, pop up business schools e.g. "rebel business school". The reduction in budget will impact on the economic support able to be provided by BCBC for similar events in the future. Will now source external grant funding for this initiative.	13	13	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM13	Reduce the budget available for the Climate Emergency Response Programme, including ULEV implementation	The Climate Emergency Programme will have to be remodelled. This will impact on the Welsh Government's net zero 2030 target and will now require additional grant funding from external sources or joint working with partners to achieve our ambitious targets.	55	55	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM14	Office Rationalisation to include closing Raven's Court and the Innovation Centre and sharing accommodation in Civic Offices with the MASH and SWP.	Opportunity to close underused buildings & save running costs. Also to increase close working relations with South Wales Police and MASH and utilise largely unused area of the Civic Offices. Will also be an opportunity to cover 190K of unrealised savings on accommodation from previous years.	73	0	Raven's Court was not commercially let during 2024-25. Sharing of accommodation in Civic Offices did not take place until the final quarter of 2024-25.	Sharing of accommodation at Civic Offices along with the sale of the freehold of Raven's Court in the final quarter of 2024-25 will enable the savings to be realised in full going into 2025-26.
COM15	Reduce weed spray from 3 times to 2 times a year, reversal to former MTFS cut.	Will impact on the perceived visual amenity of the Borough, need to look at this with grass cutting and through biodiversity measures.	12	12	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM17	Removal of Sponsorship for Major Events Fund	Removal of ability to sponsor major Event in 2024/2025 & receive the benefits that accrue from the global marketing opportunities that events provides. Will need to focus increased marketing activities through partnerships in future years.	25	25	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM18	Reduction in County Wide Strategic Regeneration Funds	Will significantly impact regeneration initiatives & remove the ability to match fund external grants and undertake feasibility studies, parking studies etc. Will impact on both by restricting the ability to match fund external grant schemes and provide regeneration opportunities in our towns centres and valleys. No town centre management activities funded in the future, including summer fayres & events.	300	300	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25

# MONITORING OF 2024-25 BUDGET REDUCTIONS

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
COM19	Reduction in size of strategic regeneration team to release core funding	Redundancy and restructure required. Will reduce the capacity of the team to deliver regeneration schemes, will involve cessation/ omitting of projects and reprioritisation of work. Corporate Plan Obj's 2 & 3 will be impacted by the reduced resourcing so a reduction in the regeneration that can be achieved and the resulting economic benefits. Following commitment will be at risk of not be realised: 1. Deliver a regeneration strategy for the Ogmore and Garw Valleys. 2. Develop funding bids for our valleys, to enhance the economy and stimulate new job opportunities 3. Deliver a commercial property enhancement grant for all valleys high streets, to make them look better and bring properties back into commercial use. 4. Redevelop Bridgend Central Station, including improving the front public area with a transport interchange at the rear, providing links between bus services and trains, in partnership with Welsh Government and Network Rail.	42	42	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM22	Removal of Trainee Surveyor Post (Currently Vacant)	Reduction in number of posts within the structure will impact on the effectiveness and efficiency of the service area. Removal of succession planning. Will impact posts around it who will have to pick up functions of this role. Possible impact on line manager grade and partial service restructure required	33	33	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM23	Reduce available property maintenance budgets in Corporate Landlord by up to 10% per asset	Risk to safety and statutory building compliance. Reduction of maintenance activity counter productive for long term asset operation. This reduction would be limited to assets where non essential maintenance items can be removed. Will have a resulting negative affect on teams delivering maintenance functions with reduction in volume of orders, but these reductions have been taken previously and could be taken again if required	100	100	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM26	Cessation of provision of hard copy recycling calendar to all residents	Item is non-provisional so negotiation would be required with the contractor. Portal allows residents to check their collection day online but may cause some issues for those without access to internet.	45	45	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM28	Letting of former Woodmat Property, Brynmenyn Estate	Would maximise income but result in loss of use of asset for future depot or CRC relocation. Also, Loss of significant power supply at site for future ULEV charging facilities	35	0	Opportunities were sought to achieve this budget reduction proposal, but let not agreed by end of 2024-25.	Corporate Landlord are currently finalising the terms to lease this unit.
COM29	Removal of Estimator & Cost Control Manager – DLO (Currently Vacant)	Removal of post would require supervisor to undertake duties of cost control.	45	45	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
COM30	Switch Waste collection vehicles from HVO fuel to Diesel	Green deliverability as implementation is straightforward. But would represent a backwards step environmentally switching from green vegetable derived fuel back to a fossil fuel, albeit in WG Co2 reporting mechanisms minor variance.	136	136	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25



# MONITORING OF 2024-25 BUDGET REDUCTIONS

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
COM31	Release of 2 x vacant strategic transport planning posts	No further work on statutory active travel programme and on development of active travel network and other highway infrastructure improvements impacting viability and future development. Council will not be able to fulfil the Local Development Plan policy requirements and loss of S106 contributions Inability to commit to planning performance agreements for large scale schemes/development resulting in a loss of financial contributions No submission of bids for future transport funding under Levelling Up Fund or Shared Prosperity Fund No further work on current Bridgend strategic transport priorities Failure to comply with statutory duties under the Active Travel Act and national planning policy.	70	70	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
Total Communities Directorate			2,460	2,311		

## CHIEF EXECUTIVES

CEX1	Reduction in staff mileage budgets	During the pandemic most meetings were arranged virtually, instead of in person. This arrangement has continued in the main since then with hybrid working, although there are clear cases where in-person meetings are essential, with the result that spend on mileage is less than pre-pandemic levels, and budgets can be reduced accordingly with no impact on service provision, but positive benefits for achieving net carbon zero.	18	18	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX2	Directorate Vacancy Management Factor	The introduction of an average 3% vacancy factor across the directorate - excluding front line services and grant funded and income generating posts. Recruitment has been an issue across the Council in recent years and there have been underspends in many services which cannot recruit to vacant posts. This target will need to be managed carefully and reviewed to ensure it is achievable.	510	510	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX3	Removal of the security patrols at Brynmenyn House - Homelessness hostel	There have been significant challenges since Covid-19. Numerous Community Safety Partnership meetings have been held with ward Councillors and local residents. The security, alongside additional CCTV cameras and lighting, have been part of a package of measures to support the community cohesion. The removal / reduction of the service, would reduce visibility and ability to react to situations, and potentially increase police presence, as these were reduced due to the presence of the security.	150	150	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX4	Efficiency saving target targeting supplies and services budgets within Housing Solutions	Limited impact as review has identified small historic under spends against this budget category	35	35	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX5	Increase Rental income budget at Brynmenyn House - Homelessness hostel	Limited impact as proposal reflects income levels consistently achieved since the Covid-19 pandemic.	63	63	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX6	Staffing saving in Finance Section	Staff saving in finance section achieved through removal of vacant posts and potential restructuring. This will place additional pressure on remaining staff, putting deadlines for grant returns and accounts closure at risk, impacting on levels of grant income achievable.	71	71	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25

# MONITORING OF 2024-25 BUDGET REDUCTIONS

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
CEX7	Reduced contribution to the Regional Internal Audit Service (RIAS)	Requirement for Head of Internal Audit to provide an annual audit opinion on the Council's control environment in relation to governance, risk management and internal control, which may be more difficult if less audit work undertaken. Consultation on the budget also required with other RIAS partners.	27	27	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX8	Charging the public for Pest Control Services	Look to implement a full cost recovery model for this service	67	35	Due to reduced uptake of the service, the saving was only partly achieved in 2024-25.	Close monitoring of the income budgets for Pest Control Services will be undertaken throughout 2025-26, with alternative budget reduction proposals to be identified if shortfall continues into the next financial year.
CEX9	Reduction of ICT Printing costs	Due to the increase in working from home across the authority, savings can be explored in the ICT Print Strategy areas when the printing framework contract is considered for renewal in January 2024. The tender will be designed to be in line with the cultural shifts towards the paperless office agenda.	5	5	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX10	Amend the Disclosure and Barring Service (DBS) Policy to only recheck every three years for employees governed by the Care Standards Act 2000, not for all employees who require a DBS.	This approach is being followed in neighbouring authorities, but the impact will be that the employees (outside the Care Standards Act 2000) will only have a DBS on appointment.	30	30	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX11	Increase in various Registrars income budgets	Limited impact as proposal reflects income levels consistently achieved since the Covid-19 pandemic.	50	50	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX12	Increased income from Registrars' Ceremonies	Increasing the fees charged for Marriages and other ceremonies by 15%. We are currently charging below the Welsh average. The increased cost could potentially reduce demand, however the Registrar's fee is a small percentage of the overall cost of the average wedding budget. It is also an essential requirement for a wedding and it is therefore anticipated that this increase in fee will have minimal impact on demand.	43	15	Due to reduced uptake of the service, the saving was only partly achieved in 2024-25	Full saving is anticipated to be met in 2025-26 as early part of year has seen an increase in bookings.
CEX13	Restructure of Legal Services	Reduction in capacity, reduction in service delivery, and impact on staffing levels. If the whole saving is agreed this will be the equivalent of 4 posts.	154	94	Saving partly achieved in 2024-25 due to timing of Legal restructure	The restructure of Legal Services has been completed therefore the savings will be made in full from 2025-26.
CEX14	Reconfiguration of Business Support	Significant reduction in business support management and resilience, creating a single point of failure. Business Support is pivotal to managing the central business support to the Chief Executive, Communities and Education and Family Support Directorates. It will create a significant capacity risk in day-to-day management and add to workload pressure and stress down through the structure. The reconfiguration will look at making additional savings across the teams, but this will impact on such things as providing management information to services, particularly Corporate Landlord, supporting Legal Services accreditation to LEXEL, the ability to support minute taking of HR disciplinary and other such investigations, family support services, Youth Justice Services and performance management.	160	112	Shortfall in savings target due to timing of implementation of restructure, mitigated partly by under spends on vacant posts.	Phase 2 of Restructure anticipated to be completed in 2025-26 so remainder of saving will be met.
CEX15	Increase income generated from legal fees for property transactions, S106 Agreements and Highway Agreements	Currently the Service charge a set fee of £2k for the S106 process and highway agreements are based on a percentage of the estimated cost of the works for a highway scheme which is currently 1%. An estimate figure of potential increase in income has been given but this is subject to take up of the service and could be more or less.	20	0	Legal Services are reliant on the instructions that come through from Directorates. Due to reduced uptake of the service, the saving was not achieved in 2024-25	This will require close monitoring in 2025-26 and if not achieved alternative budgets will be identified to mitigate any shortfalls.

# MONITORING OF 2024-25 BUDGET REDUCTIONS

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
CEX16	Restructure of HR Service	Reduction in capacity, reduction in service delivery, and impact on staffing levels. If the whole saving is agreed this will be the equivalent of 7 posts.	289	228	Shortfall in savings target due to timing of implementation of restructure, mitigated partly by under spends on vacant posts.	The restructure of HR has been completed therefore the savings will be made in full from 2025-26.
CEX17	Household Canvas - Reduction / Limited Canvass Door Knocking	Will focus on poor response areas but will draw criticism from Electoral Commission.	9	0	Saving not achieved due to increased costs associated with canvassing.	This will require close monitoring in 2025-26 and if not achieved alternative budgets will be identified to mitigate any shortfalls.
CEX18	Restructure of Procurement Team	Reduction in capacity, reduction in service delivery, and impact on staffing levels. If the whole saving is agreed this will be the equivalent of 2 posts.	62	62	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX19	Restructure of Democratic Services	Reduction in capacity, reduction in service delivery, and impact on staffing levels. If the whole saving is agreed this will be the equivalent of 2 posts.	96	73	Shortfall in savings target due to timing of implementation of restructure	The restructure of Democratic Services has been completed therefore the savings will be made in full from 2025-26.
CEX20	Restructure of Corporate Policy and Public Affairs Team	Service could not expand and develop as proposed. Graduates could assist until their contract expires (Nov 2024)	45	24	Shortfall in savings target due to timing of implementation of restructure	The restructure of Corporate Policy and Public Affairs has been completed therefore the savings will be made in full from 2025-26.
CEX21	Review of provision of Homelessness Service	Review the options for providing accommodation to those who are homeless by reducing reliance on hotel and private provision	397	397	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX22	Review of ICT Services	Review the contract for telephony services to commence from April 2024. Review the use of teams in the Authority to reduce software costs. Consider partnership working to support and enhance the ICT provision	398	59	Further work to be carried out on a review of the telephony budget across the Council following a re-procurement exercise. Update to be provided to Cabinet in future revenue monitoring reports.	Full saving is anticipated to be met in 2025-26 due to re-procurement exercise undertaken on telephony services
CEX23	Review the provision of Partnerships and Customer Services	Reduction in capacity, reduction in service delivery, and impact on staffing levels. Review input from partners where appropriate	216	155	Saving partly achieved due to delays in confirmation of alternative external funding towards 2 posts.	Confirmation of funding has now been finalised - Full saving now anticipated to be met in 2025-26.
CEX24	Reduce subsidy to Citizens Advice Bureau by 10%	Financial pressure on CAB and reduced service provision for citizens of Bridgend	22	22	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX25	Staff savings from Finance senior management team	This will require a restructure of the Finance senior management team, and potential redundancies, reducing senior leadership capacity and knowledge and experience, at a time of increasing focus and pressure on council finances. This will place additional pressure on remaining staff.	70	0	Shortfall in savings target due to timing of implementation of restructure.	Full saving now anticipated to be met in 2025-26 once restructure is complete.
CEX26	Increase in Finance income budgets	Increase in charges to the Finance Section's clients, including schools and other services / organisations where the finance team provide support e.g. Consortium of Local Authorities in Wales (CLAW).	28	28	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX27	Restructure of the Council's Benefits and Assessment Team	This will require a restructure and potential redundancies. This would be exacerbated by annual reductions to the Housing Benefits Administration Grant, which is £20k in 2024-25. The impact will be longer times taken to process housing benefits and council tax reduction claims, and undertake assessments, and more likelihood of error and fraud.	90	90	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
CEX28	Reduction of staffing in the Council Tax section	This proposal will mean the reduction of staffing, resulting in additional pressure on remaining staff, delays in processing council tax queries, and the real likelihood of reductions in the amount of council tax income being collected. The team is already dealing with additional work as a result of the introduction of council tax premiums for empty properties and the forthcoming introduction of premiums for second homes.	63	63	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25

MONITORING OF 2024-25 BUDGET REDUCTIONS

Page 104

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Wellbeing of Future Generations Act	Budget Reductions 2024-25 £'000	Value of saving achieved 2024-25 £'000	Reason why not achieved	Proposed action in 2025-26 to achieve
CEX29	Reduction to the Shared Regulatory Service budget	Reduction in capacity, reduction in service delivery, and impact on staffing levels. Service has been asked to identify savings by three partner Councils and decision will be made by Joint Committee.	58	58	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
	Total Chief Executive's Directorate		3,246	2,474		

CORPORATE/COUNCIL WIDE

CW1	Increased income receivable from investments and loans	No impact in the short term as current income is significantly higher than budget. However, if interest rates fall below pre-pandemic levels then the level of income will fall. The council's cashflow is managed carefully to ensure security, liquidity and yield, so funding is not placed at risk. As reserves are drawn down there will be less funding available for investing and this level of income may not be achievable.	90	90	Full saving achieved in 2024-25.	None required - saving made in full in 2024-25
	Total Corporate/Council Wide		90	90		

GRAND TOTAL REDUCTIONS	13,045	11,476
------------------------	--------	--------

REDUCTION SHORTFALL		1,569
---------------------	--	-------

6,415	7,071
2,243	1,560
4,387	4,414
13,045	13,045



BRIDGEND COUNTY BOROUGH COUNCIL	Budget 2024-25			Actual Outturn	Actual Variance Over/(under) budget	% Variance
	Expenditure Budget	Income Budget	Net Budget			
	£'000	£'000	£'000	£'000	£'000	
<b>EDUCATION, EARLY YEARS AND YOUNG PEOPLE</b>						
School Delegated Budgets	140,011	(21,302)	118,709	118,709	-	0.0%
Learner Support Group	7,995	(1,004)	6,991	7,263	272	3.9%
Early Years and Young People Group	7,072	(4,133)	2,939	2,411	(528)	-18.0%
Strategic Performance and Support	18,339	(4,428)	13,911	13,063	(848)	-6.1%
Schools Support	1,431	(838)	593	591	(2)	-0.3%
Sustainable Communities For Learning	3,972	-	3,972	3,976	4	0.1%
Other Education and Family Support	1,768	(60)	1,708	2,464	756	44.3%
<b>TOTAL EDUCATION, EARLY YEARS AND YOUNG PEOPLE</b>	<b>180,588</b>	<b>(31,765)</b>	<b>148,823</b>	<b>148,477</b>	<b>(346)</b>	<b>-0.2%</b>
<b>SOCIAL SERVICES AND WELLBEING</b>						
Adult Social Care	97,465	(24,735)	72,730	72,541	(189)	-0.26%
Prevention and Wellbeing	7,586	(1,039)	6,547	6,027	(520)	-7.94%
Childrens Social Care	31,365	(1,179)	30,186	31,384	1,198	3.97%
<b>TOTAL SOCIAL SERVICES AND WELLBEING</b>	<b>136,416</b>	<b>(26,953)</b>	<b>109,463</b>	<b>109,952</b>	<b>489</b>	<b>0.4%</b>
<b>COMMUNITIES DIRECTORATE</b>						
Planning & Development Services	2,327	(1,621)	706	871	165	23.4%
Strategic Regeneration	2,111	(1,149)	962	745	(217)	-22.6%
Economy, Natural Resources and Sustainability	13,742	(12,253)	1,489	1,242	(247)	-16.6%
Cleaner Streets and Waste Management	15,242	(1,773)	13,469	13,723	254	1.9%
Highways and Green Spaces	26,516	(13,512)	13,004	13,882	878	6.8%
Director and Head of Operations - Communities	286	-	286	297	11	3.8%
Corporate Landlord	15,862	(12,507)	3,355	2,830	(525)	-15.6%
<b>TOTAL COMMUNITIES</b>	<b>76,086</b>	<b>(42,815)</b>	<b>33,271</b>	<b>33,590</b>	<b>319</b>	<b>1.0%</b>
<b>CHIEF EXECUTIVE'S</b>						
Chief Executive Unit	494	-	494	526	32	6.5%
Finance	39,360	(35,284)	4,076	4,300	224	5.5%
HR/OD	2,345	(398)	1,947	2,008	61	3.1%
Partnerships	3,578	(1,303)	2,275	2,502	227	10.0%
Legal, Democratic & Regulatory	6,920	(1,069)	5,851	6,194	343	5.9%
Elections	181	-	181	189	8	4.4%
ICT	5,333	(1,259)	4,074	4,786	712	17.5%
Housing & Homelessness	11,473	(7,921)	3,552	3,826	274	7.7%
Business Support	1,244	(116)	1,128	1,161	33	2.9%
<b>TOTAL CHIEF EXECUTIVE'S</b>	<b>70,928</b>	<b>(47,350)</b>	<b>23,578</b>	<b>25,492</b>	<b>1,914</b>	<b>8.1%</b>
<b>TOTAL DIRECTORATE BUDGETS</b>	<b>464,018</b>	<b>(148,883)</b>	<b>315,135</b>	<b>317,511</b>	<b>2,376</b>	<b>0.8%</b>
Council Wide Budgets	46,911	(1,375)	45,536	30,408	(15,128)	-33.2%
Net Council Tax Collection				(611)	(611)	0.0%
Appropriations to Earmarked Reserves				13,063	13,063	0.0%
Transfer to Council Fund				300	300	0.0%
<b>NET BRIDGEND CBC</b>	<b>510,929</b>	<b>(150,258)</b>	<b>360,671</b>	<b>360,671</b>	<b>-</b>	<b>0.0%</b>

NB: Differences due to rounding of £000's

This page is intentionally left blank

## APPENDIX 4

**TOTAL MOVEMENT ON REVENUE AND CAPITAL EARMARKED RESERVES AS AT 31<sup>ST</sup> MARCH  
2025**

Opening Balance 01 Apr 24 £'000	Reserve	Movement as at 31 March 2025		Closing Balance 31 Mar 25 £'000
		Net Additions/ Reclassification £'000	Draw-down/ unwound £'000	
	<b>Corporate Reserves:</b>			
430	Asset Management Plan	-	(127)	303
1,856	Building Maintenance Reserve	-	(650)	1,206
123	Capital Asset Management & Asbestos Fund	-	(123)	-
349	Capital Feasibility Fund	611	(180)	780
349	Change Management	1,500	(22)	1,827
1,446	Digital Transformation, ICT & Finance Systems	(438)	(541)	467
500	Economic and Future Resilience Fund	-	-	500
830	Insurance Reserve	-	-	830
500	Major Claims Reserve	1,000	(500)	1,000
2,406	MTFS Budget Contingency	1,000	(226)	3,180
13	Property Disposal Strategy	-	(13)	-
1,893	Service Reconfiguration	-	-	1,893
<b>10,695</b>	<b>Total Corporate Reserves</b>	<b>3,673</b>	<b>(2,382)</b>	<b>11,986</b>
	<b>Directorate Reserves:</b>			
6,356	Directorate Issues	5,731	(4,533)	7,554
186	Looked After Children	-	(186)	-
103	Porthcawl Regeneration	-	(103)	-
23	Wellbeing Projects	-	-	23
<b>6,668</b>	<b>Total Directorate Reserves</b>	<b>5,731</b>	<b>(4,822)</b>	<b>7,577</b>
	<b>Equalisation &amp; Grant Reserves:</b>			
63	Civil Parking Enforcement	142	(8)	197
914	HWB Schools Infrastructure	(914)	-	-
2,095	IFRS Grants	412	(734)	1,773
137	Local Development Plan	37	-	174
752	Special Regeneration Fund	76	(147)	681
44	Rest Bay	19	-	63
<b>4,005</b>	<b>Equalisation &amp; Grant Reserves:</b>	<b>(228)</b>	<b>(889)</b>	<b>2,888</b>
2,405	School Balances	-	(3,024)	(619)
40,223	Capital Programme Contribution	8,507	(2,692)	46,038
9,730	Council Fund Balance	300	-	10,030
<b>73,726</b>	<b>TOTAL RESERVES</b>	<b>17,983</b>	<b>(13,809)</b>	<b>77,900</b>

NB: Differences due to rounding of £000's

This page is intentionally left blank

<b>Meeting of:</b>	<b>CABINET</b>
<b>Date of Meeting:</b>	<b>24 JUNE 2025</b>
<b>Report Title:</b>	<b>REPRESENTATION ON OUTSIDE BODIES, JOINT COMMITTEES AND CABINET COMMITTEES</b>
<b>Report Owner / Corporate Director:</b>	<b>REPORT OF THE MONITORING OFFICER</b>
<b>Responsible Officer:</b>	<b>RUTH RONAN, SENIOR DEMOCRATIC SERVICES OFFICER</b>
<b>Policy Framework and Procedure Rules:</b>	<b>There will be no effect on the policy framework and procedure rules.</b>
<b>Executive Summary:</b>	<b>To appoint and nominate the requisite number of elected members to outside bodies and Joint Committees and Cabinet Committees. This is required on an annual basis.</b>

## 1. Purpose of Report

- 1.1 The purpose of this report is to seek Cabinet's approval for the appointment of Members to Joint Committees, Cabinet Committees and the nomination of Members to outside bodies. A list is appended to this report at **Appendix 1**.

## 2. Background

- 2.1 The Authority is represented on a number of outside bodies and Joint Committees as listed in **Appendix 1**.
- 2.2 Outside bodies are external organisations and partnerships which have requested that the Council appoint a representative to them. Outside bodies have separate governance structures to the Council. Appointments to outside bodies can be an important mechanism within the County Borough for: community leadership, partnership and joint working and knowledge and information sharing. The appointment of County Borough Councillors to serve on outside bodies is intended to be a mutually beneficial act for both the Council and the bodies listed. The implications associated with the appointments are considered to be positive.
- 2.3 With regard to making appointments, the Cabinet should first consider whether it is appropriate for an appointment to be of a specific office holder either by reference to the constitution of the outside body concerned or in the light of any other circumstances as Cabinet may determine.

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

- 3.1 It is proposed that Members be appointed for a term of one year except where earlier revocation of appointment is appropriate.
- 3.2 It is proposed that where Cabinet nominates on the basis of a Member's role within the Authority the appointment be attached to the role and not to the individual Member, e.g. Scrutiny Chair, Cabinet Member.
- 3.3 All appointments are made with the assumption that appointees represent Bridgend County Borough Council. Should any appointee cease to be a Bridgend County Borough Councillor, they will cease to represent this Authority and are expected to relinquish their appointments as necessary.

### **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 following is a summary of the implications to show how the 5 ways of working have been used to formulate the recommendation:
  - Long-term - The approval of this report will assist in the long term planning of the business of the Council by the continuation of effective relationships with other organisations.
  - Prevention - Continued and relevant representation supports the Council by enhancing its current and future relationships.
  - Integration - The report supports all the well-being objectives.
  - Collaboration - This report supports partnership working with other organisations both locally and regionally.
  - Involvement - This report will maintain a relationship with other organisations through effective partnership working.

### **6. Climate Change and Nature Implications**

- 6.1 There are no climate change and nature implications associated with these appointments.

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

7.1 There are no safeguarding implications associated with these appointments.

## **8. Financial Implications**

8.1 There are no financial implications associated with these appointments.

## **9. Recommendation**

9.1 Cabinet is recommended to: -

Appoint the requisite number of Members to the Joint Committees, Cabinet Committees and other outside bodies as listed in **Appendix 1**.

## **Background documents**

None.

This page is intentionally left blank



**JOINT COMMITTEES -CABINET**

Page 113

SERIAL	ORGANISATION	REQUIRED REPRESENTATION	CURRENT/PROPOSED REPRESENTATION
a.	Coychurch Crematorium Joint Committee	One Cabinet Member and five other County Borough Councillors	<ol style="list-style-type: none"> <li>1. Cabinet Member – Climate Change &amp; the Environment</li> <li>2. Cllr John Spanswick</li> <li>3. Cllr Simon Griffiths</li> <li>4. Cllr Eugene Caparros</li> <li>5. Cllr Heidi Bennett</li> <li>6. Cllr Heather Griffiths</li> </ol>
b.	Glamorgan Archives Joint Committee	One Cabinet Member and one other County Borough Councillor	<ol style="list-style-type: none"> <li>1. Cabinet Member – Education &amp; Youth Services</li> <li>2. Cllr Elaine Winstanley</li> </ol>
c.	Capita Glamorgan Ltd. Joint Venture Committee	Two Cabinet Members and three other County Borough Councillors	<ol style="list-style-type: none"> <li>1. Cabinet Member – Climate Change &amp; the Environment</li> <li>2. Deputy Leader &amp; Cabinet Member Social Services, Health &amp; Wellbeing</li> <li>3. Chairperson – Communities, Environment and Housing Overview and Scrutiny Committee</li> <li>4. Cllr Richard Granville</li> <li>5. Cllr Hywel Williams</li> </ol>

d.	Central South Consortium Joint Education Committee	Cabinet Member – Education, and Youth Services	1. Cabinet Member – Education & Youth Services
e.	Margam Crematorium Joint Committee	Two County Borough Councillors	1. Cllr Paul Davies 2. Cllr Huw David
f.	Shared Regulatory Services Joint Committee	One Cabinet Member and one other County Borough Councillor	1. Cabinet Member – Finance and Performance 2. Cllr Maxine Lewis
g.	Cabinet Committee – Equalities and Employee Relations	All Cabinet Members plus ten County Borough Councillors	1. Leader 2. Deputy Leader & Cabinet Member Social Services, Health & Wellbeing 3. Cabinet Member – Regeneration, Economic Development & Housing 4. Cabinet Member - Climate Change & the Environment 5. Cabinet Member – Finance and Performance 6. Cabinet Member – Education & Youth Services 7. Cabinet Member – Resources 8. Cllr A Berrow 9. Cllr. R. Goode 10. Cllr P Ford 11. Cllr D Hughes 12. Cllr M Lewis 13. Cllr J Llewellyn-Hopkins 14. Cllr R Penhale-Thomas 15. Cllr A Wathan 16. Cllr Amanda Williams 17. Cllr E Winstanley

h.	Cabinet Committee – Corporate Parenting	All Cabinet Members plus five County Borough Councillors	<ol style="list-style-type: none"> <li>1. Leader</li> <li>2. Deputy Leader &amp; Cabinet Member Social Services, Health &amp; Wellbeing</li> <li>3. Cabinet Member – Regeneration, Economic Development &amp; Housing</li> <li>4. Cabinet Member - Climate Change &amp; the Environment</li> <li>5. Cabinet Member – Finance and Performance</li> <li>6. Cabinet Member – Education &amp; Youth Services</li> <li>7. Cabinet Member – Resources</li> <li>8. Cllr F Bletsoe</li> <li>9. Cllr J Pratt</li> <li>10. Cllr T Thomas</li> <li>11. Cllr A Wathan</li> <li>12. Cllr Amanda Williams</li> </ol> <p>(Plus scrutiny champions to be nominated at next Scrutiny Meetings)</p>
----	---	--	---

## OUTSIDE BODIES -CABINET

Page 1 of 6

SERIAL	ORGANISATION	REQUIRED REPRESENTATION	CURRENT/PROPOSED REPRESENTATION
1.	Adoption Panel	1 Member	Deputy Leader & Cabinet Member Social Services, Health & Wellbeing
2.	National Joint Committee for the National Adoption Service and Foster Wales	1 Member	Deputy Leader & Cabinet Member Social Services, Health & Wellbeing Leader as substitute
3.	South Wales Aggregates Working Party	1 Member	Cabinet Member - Climate Change & the Environment
4.	The Alliance (formerly Coalfields Communities Campaign)	1 Member	Cabinet Member – Regeneration, Economic Development & Housing
5.	Bridgend Care Partnership	3 Members	1. Leader 2. Deputy Leader & Cabinet Member Social Services, Health & Wellbeing 3. Cabinet Member – Regeneration, Economic Development & Housing
6.	Bridgend Care and Repair	2 Members	1. Cllr Amanda Williams 2. Cllr Jane Gebbie
7.	Bridgend & Maesteg Citizens Advice Bureau	2 Members	1. Cllr PA Davies 2. Cabinet Member - Resources
8.	Bridgend County Tourism Destination Management Group	1 Member	Cabinet Member – Regeneration, Economic Development & Housing
9.	Bridgend Town Hall Trust	4 Members	1. Cllr Ian Williams 2. Cllr Freya Bletsoe 3. Cllr Timothy Woods 4. Cllr Steve Bletsoe
10.	Bridgend Youth Justice Management Board	1 Member	Cabinet Member – Education & Youth Services
11.	Cardiff International Airport Consultative Committee	2 Members	Cabinet Member – Climate Change & the Environment Cabinet Member – Regeneration, Economic Development & Housing
12.	C.L.A.W. (Consortium of Local Authorities in Wales)	1 (or 2) Member(s) (Most Councils have 1)	Cabinet Member – Resources
13.	Coity Wallia Board of Conservators	2 Members	1. Cllr Paula Ford 2. Cllr Melanie Evans

SERIAL	ORGANISATION	REQUIRED REPRESENTATION	CURRENT/PROPOSED REPRESENTATION
14.	Cwm Taf Morgannwg Public Services Board	1 Member (plus 1 substitute)	Leader Cabinet Member – Regeneration, Economic Development & Housing
15.	Cwm Taf Morgannwg Regional Partnership Board	Leader and two other members	1 Leader 2 Deputy Leader Cabinet Member – Social Service, Health & Wellbeing 3 Cabinet Member – Regeneration, Economic Development & Housing
16.	Fostering Panel	1 Member	Deputy Leader & Cabinet Member – Social Services, Health & Wellbeing
17.	Four Counties Youth Music Steering Group	1 Member	Cabinet Member – Education & Youth Services
18.	Glamorgan Heritage Coast Advisory Panel	1 Member	Cabinet Member – Regeneration, Economic Development & Housing
19.	Local Access Forum	1 Member	Councillor R Granville
20.	PATROL - Adjudication Joint Committee	1 Member	Cabinet Member – Climate Change & the Environment
21.	Joint Council for Wales	1 Members	Cabinet Member – Resources
22.	Coastal Partnership	1 Member	Cabinet Member – Regeneration, Economic Development & Housing
23.	SACRE	5 Members	1. Cabinet Member – Education & Youth Services 2. Cllr Martin Hughes 3. Cllr Elaine Winstanley 4. Cllr Jeff Tildesley 5. Cllr Johanna Llewelyn-Hopkins

SERIAL	ORGANISATION	REQUIRED REPRESENTATION	PROPOSED REPRESENTATION
24.	Swansea Bay Port Health Authority	2 Members	1. Cabinet Member – Regeneration, Economic Development & Housing 2. Cllr Richard Williams
25.	Reserve Forces' and Cadets' Associations (RFCA) (Formerly the Territorial Auxiliary and Volunteer Reserve Association)	1 Member	Cllr Martyn Jones
26.	University of Swansea Court of Governors	1 Member	Cllr Martyn Jones
27.	South Wales Valuation Tribunal - Appointments Committee	2 Members	Cllr Jane Gebbie Cllr Hywel Williams
28.	WLGA Council	3 Members (two substitutions)	Leader Deputy Leader Cabinet Member – Resources
29.	WLGA Executive Board	1 Member	Leader
30.	South East Wales Corporate Joint Committee	1 Member	Leader
31.	South East Wales Corporate Joint Committee Regional Sub-Committee	1 Member	Cabinet Member – Regeneration, Economic Development & Housing
32.	South East Wales Corporate Joint Committee Strategic Development Sub-Committee	1 Member	Cabinet Member – Regeneration, Economic Development & Housing
33.	CCR Energy Strategic Steering Group	1 Member	Cabinet Member – Climate Change & the Environment

<b>Meeting of:</b>	<b>CABINET</b>
<b>Date of Meeting:</b>	<b>24 JUNE 2025</b>
<b>Report Title:</b>	<b>SCHOOL MODERNISATION PROGRAMME ENLARGEMENT OF YSGOL GYMRAEG BRO OGWR MODIFICATION TO THE IMPLEMENTATION DATE</b>
<b>Report Owner / Corporate Director:</b>	<b>CORPORATE DIRECTOR EDUCATION, EARLY YEARS AND YOUNG PEOPLE</b>
<b>Responsible Officer:</b>	<b>GAYNOR THOMAS MANAGER, SUSTAINABLE COMMUNITIES FOR LEARNING</b>
<b>Policy Framework and Procedure Rules:</b>	<b>There is no effect upon policy framework or procedure rules.</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li><b>Approval is sought to modify the implementation date of the replacement Ysgol Gymraeg Bro Ogwr.</b></li> </ul>

## 1. Purpose of Report

- 1.1 The purpose of this report is to seek Cabinet approval to modify the implementation date of the replacement Ysgol Gymraeg Bro Ogwr to September 2027.

## 2. Background

- 2.1 In November 2021, Cabinet received a joint report from the then Corporate Director Education and Family Support, and the Corporate Director Communities, which detailed the outcome of a feasibility study in respect of the land off Ffordd Cadfan and confirmed the site's suitability for development. At the same meeting, Cabinet approval was received to proceed with the acquisition of the site.
- 2.2 In November 2021, the Strategic Outline Case (SOC) received Ministerial approval.
- 2.3 On 18 January 2022, Cabinet approval was received to commence a statutory consultation process to make a regulated alteration to enlarge Ysgol Gymraeg Bro Ogwr to a 2.5-form-entry school, with a 90-place full-time-equivalent Nursery plus an 8-place observation and assessment class on land off Ffordd Cadfan. Childcare provision will be co-located at the school site.
- 2.4 In order to progress the proposal, consultation exercises were conducted between February 2022 and March 2022 in accordance with the statutory School

Organisation Code, 2018, the outcome of which was reported to Cabinet in June 2022.

- 2.5 The statutory public notice was published in June 2022 for a period of 28 days and formal written objections were invited during this time.
- 2.6 In October 2022, a report to Cabinet detailed the outcome of the statutory notice in respect of the proposed enlargement of Ysgol Gymraeg Bro Ogwr. Cabinet approval was given to implement the proposal with effect from September 2025.

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

- 3.1 The internal and external layouts of the replacement school have been agreed in consultation with the school. Architectural design is progressing through Royal Institute of British Architects stages, and mechanical and electrical design work is ongoing. WSP (UK) Limited is currently reviewing and finalising the transport assessment to support the planning application.
- 3.2 Certain professional services have been procured to support the design development (for example, drainage, civils, and structures). The design has been informed by site surveys (for example, site investigation, drainage, transport impact assessment), and is based on a Bridgend County Borough Council (BCBC) standardised approach to primary school layouts. While the school is a bespoke design to suit site constraints, the design approach provides consistency throughout different projects, in terms of the general arrangement for teaching elements and building and services specification.
- 3.3 There are ecology issues at the Ffordd Cadfan site and part of the site has been cleared of scrub and bramble. However, the consultant ecologist has delayed further work from being undertaken due to the presence of reptiles. The ecologist is currently assessing suitable receptor sites for reptile translocation (which will take place during the summer 2025 period), after which the remainder of the site can be cleared. Further site investigation works (for example, boreholes and trial pits) are required to inform the sub-structure design and the ecology issues are impacting on the timing of these works. The site investigation can begin once the ecology work has concluded, and the reptiles have been relocated.
- 3.4 The development of the scheme has been challenging due to the ecology issues which has prevented clearance of the Ffordd Cadfan site. This has impacted on the original planned implementation date (that is, September 2025). The Major Projects Team has developed a revised programme for delivering the replacement school. However, the planned implementation date, as approved by Cabinet is no longer achievable. Cabinet approval to modify the implementation date to September 2027 is required to coincide with the beginning of the 2027-2028 school year. The local authority has consulted with Ysgol Gymraeg Bro Ogwr's Governing Body regarding the modification and there is no objection to the proposed revised date.
- 3.5 Ahead of submitting a formal planning application for the replacement school, a pre-application consultation (PAC) will be undertaken. A planning consultant has been appointed and information to inform the PAC process, including computer-generated imagery, is currently being finalised. Following the PAC process and



subject to obtaining the necessary planning consent, the local authority will then be in a position to tender the scheme, subject to Cabinet approval.

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

- 4.1 A full equality impact assessment (EIA) has been conducted as part of the development of this proposal. The full EIA considers the impact of the proposal on the nine protected characteristics, the Socio-economic Duty, and the use of the Welsh Language.
- 4.2 The EIA has identified that there would be no negative impact on those with one or more of the protected characteristics, on socio-economic disadvantage or the use of the Welsh Language.

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

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

##### **Long term**

- Fulfils the Council's statutory duty to provide sufficient pupil places and will allow teaching and learning to take place in a building and site which is suited to the needs of the learners and staff.
- Supports the day-to-day management and operation of the school.
- Increases the number of Welsh-medium primary school places in the county borough and promotes the Welsh language.

##### **Prevention**

- Safeguards the Council's position in terms of any potential legal challenge regarding the supply of school places.
- Commitment to Cymraeg 2050.

##### **Integration**

- Ensures that the curriculum can be delivered from a purpose-built facility that meets social, environmental, and cultural objectives.

##### **Collaboration**

- Works effectively with schools and many internal and external partners to ensure that the building meets the short-term and future needs of users and the community that it will serve.

##### **Involvement**

- Engagement of potential stakeholders including Cabinet, members, governors, staff, pupils, community, internal and external partners.

#### **6. Climate Change and Nature 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 School Modernisation Programme, as all new provision will be designed to ensure that it is Net Zero Carbon 'in operation' and embodied carbon targets are achieved.

## 7. Safeguarding and Corporate Parent Implications

- 7.1 BCBC is committed to promoting equality and valuing diversity through all our services and dedicated to treating all citizens, employees and visitors with respect, while providing services which respond to people's individual needs.
- 7.2 The Education, Early Years and Young People Directorate Strategic Plan 2023-2026 ensures that equality and fairness remain firmly at the heart of how the council plans, provides, and delivers important services to the people of Bridgend County Borough.

## 8. Financial Implications

- 8.1 In 2021, Welsh Government approved the Outline Business Case (OBC) to replace Ysgol Gymraeg Bro Ogwr at a cost of £12.6m. The funding breakdown is detailed in Table 1.

**Table 1**

<b>BCBC</b>	<b>Welsh Government</b>	<b>Total</b>
£4.858m	£7.742m	£12.6m

- 8.2 However, since that time, the construction industry has seen costs escalate due to COVID-19, the war in Ukraine, costs of incorporating decarbonisation measures and energy price increases. Consequently, in August 2024, a revised OBC was submitted to Welsh Government detailing the increased cost of the project. On 31 October 2024, the Cabinet Secretary for Education gave approval to progress the scheme to Full Business Case (FBC) stage based on the revised costs submitted. In November 2024, Council approved additional funding to deliver the scheme, as part of the Capital Programme. Table 2 sets out the total cost of the scheme, and the approved budget allocations/funding streams required to deliver the project.

**Table 2**

<b>BCBC / Section 106</b>	<b>Welsh Government</b>	<b>Total (excluding highways and childcare)</b>	<b>Welsh Government capital grant (childcare)</b>	<b>BCBC (off-site/highways)</b>	<b>Total</b>
£6.325m	£11.464m	£17.789m	£550k	£261k	£18.6m

- 8.3 As detailed in Table 2, Welsh Government grant funding approval for £550k has been secured to co-locate the proposed Bridgend Town Welsh-medium childcare provision with the replacement Ysgol Gymraeg Bro Ogwr at Ffordd Cadfan. However, given the cost increases experienced by industry since the original funding approval was received, Welsh Government has recently requested that the local authority submits a revised Business Justification Case detailing any increase in costs for the childcare provision. The outcome of the submission will be detailed in a future Cabinet report.
- 8.4 Once the scheme has been tendered and construction costs are known, the information will be presented to Welsh Government in a cost plan as part of the FBC. It is at that point in the process that Welsh Government funding approval will be secured. The local authority will not enter into a construction contract until the necessary approvals are in place.
- 8.5 Any revenue implications arising from the replacement school will be calculated based on the final design and any increased funding required as a consequence of this (for example, increased premises funding for the school from changes in business rates, energy) will be treated as a budget pressure and considered as part of the Medium-Term Financial Strategy process going forward.
- 9. Recommendation**
- 9.1 Cabinet approval is sought to modify the implementation date of the replacement Ysgol Gymraeg Bro Ogwr to September 2027.

**Background documents:** None

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 14 of Part 4 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank