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Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr

Bridgend County Borough Council

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



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

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: Gwasanaethau Democrataidd

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

Dyddiad/Date: Dydd Iau, 10 Gorffennaf 2025

Annwyl Cyngorydd,

PWYLLGOR LLYWODRAETHU AC ARCHWILIO

Cynhelir Cyfarfod Pwyllgor Llywodraethu ac Archwilio Hybrid yn Siambr y Cyngor - Swyddfeydd Dinesig, Stryd yr Angel, Pen-y-bont ar Ogwr, CF31 4WB / O Bell Trwy Timau Microsoft ar **Dydd Iau, 17 Gorffennaf 2025 am 10:00.**

AGENDA

- 1 Ymddiheuriadau am absenoldeb
Derbyn ymddiheuriadau am absenoldeb gan Aelodau.
- 2 Datganiadau o fuddiant
Derbyn datganiadau o ddiddordeb personol a rhagfarnol (os o gwbl) gan Aelodau / Swyddogion yn unol â darpariaethau'r Cod Ymddygiad Aelodau a fabwysiadwyd gan y Cyngor o 1 Medi 2008.
- 3 Cymeradwyaeth Cofnodion 5 - 18
I dderbyn am gymeradwyaeth y Cofnodion cyfarfod y 19/06/25.
- 4 Cofnod Gweithredu'r Pwyllgor Llywodraethu ac Archwilio 19 - 22
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I ystyried unrhyw eitemau o fusnes y, oherwydd amgylchiadau arbennig y cadeirydd o'r farn y dylid eu hystyried yn y cyfarfod fel mater o frys yn unol â Rhan 4 (pharagraff 4) o'r Rheolau Trefn y Cyngor yn y Cyfansoddiad.

Nodyn: Bydd hwn yn gyfarfod Hybrid a bydd Aelodau a Swyddogion mynychu trwy Siambr y Cyngor, Swyddfeydd Dinesig, Stryd yr Angel, Pen-y-bont ar Ogwr / o bell Trwy Timau Microsoft. Bydd y cyfarfod cael ei recordio i'w drosglwyddo drwy wefan y Cyngor. Os oes gennych unrhyw gwestiwn am hyn, cysylltwch â cabinet_committee@bridgend.gov.uk neu ffoniwch 01656 643148 / 643694 / 643513 / 643159.

Yn ddiffuant

K Watson

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

Dosbarthiad:

Cynghorwr:

O Clatworthy
C Davies
S Easterbrook
RM Granville
S J Griffiths
M L Hughes
RL Penhale-Thomas
MJ Williams

Aelodau Lleyg:

D Austin
A Bagley
G Chapman
B Olorunnisola

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PWYLLGOR LLYWODRAETHU AC ARCHWILIO - DYDD IAU, 19 MEHEFIN 2025

COFNODION CYFARFOD Y PWYLLGOR LLYWODRAETHU AC ARCHWILIO A GYNHALIWDYD YN HYBRID YN SIAMBR Y CYNGOR, Y SWYDDFEYDD DINESIG, STRYD YR ANGEL PEN-Y-BONT AR OGWR CF31 4WB DDYDD IAU, 19 MEHEFIN 2025 AM 10:00

Presennol

G Chapman – Cadeirydd (Aelod Lleyg – Presennol yn rhithwir)

C Davies

S Easterbrook

M L Hughes

RM Granville

Presennol yn rhithwir

MJ Williams

S J Griffiths

O Clatworthy

RL Penhale-Thomas

Aelodau Lleyg – Presennol yn rhithwir

D Austin

A Bagley

B Olorunnisola

Yn bresennol:

P Davies

Ymddiheuriadau am Absenoldeb

Dim

Datganiadau o Fuddiannau

PWYLLGOR LLYWODRAETHU AC ARCHWILIO - DYDD IAU, 19 MEHEFIN 2025

Dim
Swyddogion:

Carys Lord
Janine Nightingale
Kelly Watson
Deborah Exton
Nigel Smith
Rachel Keepins
Simon Roberts
David Williams
Andrew Wathan
Joan Davies
Martin Morgans
Philip O'Brien
Stephen Griffiths
Nimi Chandrasena

Prif Swyddog – Cyllid, Tai a Newid
Cyfarwyddwr Corfforaethol y Cymunedau
Prif Swyddog – Gwasanaethau Cyfreithiol a Rheoleiddiol, AD a Pholisi Corfforaethol
Dirprwy Bennaeth Cyllid
Rheolwr Grŵp – Prif Gyfrifydd
Rheolwr y Gwasanaethau Democrataidd
Uwch Ymchwilydd Twyll
Archwilio Cymru
Pennaeth y Gwasanaeth Archwilio Mewnol Rhanbarthol
Dirprwy Bennaeth y Gwasanaeth Archwilio Mewnol Rhanbarthol
Pennaeth Gweithrediadau Dros Dro – Gwasanaethau Cymunedol
Rheolwr Trawsnewid Digidol a Gwasanaethau Cwsmeriaid
Swyddog Craffu Dros Dro
Swyddog y Gwasanaethau Democrataidd - Cefnogi

218. Ethol Cadeirydd

Y Penderfyniad Wnaed	<u>PENDERFYNWYD:</u> Etholwyd G Chapman yn Gadeirydd.
Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025

219. Ethol Is-gadeirydd

Y Penderfyniad Wnaed	<u>PENDERFYNWYD:</u> Etholwyd A Bagley yn Is-gadeirydd.
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PWYLLGOR LLYWODRAETHU AC ARCHWILIO - DYDD IAU, 19 MEHEFIN 2025

Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025
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220. Cymeradwyo'r Cofnodion

Y Penderfyniad Wnaed	Cymeradwyo Cofnodion y cyfarfod ar 24 Ebrill 2025 fel cofnod gwir a chywir.
Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025

221. Cofnod Gweithredu'r Pwyllgor Llywodraethu ac Archwilio

Y Penderfyniad Wnaed	<p>Diben yr adroddiad hwn oedd rhoi'r wybodaeth ddiweddaraf i'r Aelodau ar Gofnod Gweithredu'r Pwyllgor Llywodraethu ac Archwilio.</p> <p>Roedd Cyfarwyddwr Corfforaethol y Cymunedau yn bresennol yn y cyfarfod i ateb cwestiynau ac ymateb i faterion penodol y tynnwyd sylw atynt yn Atodiad A.</p> <p>Mewn ymateb i'r adroddiad, cododd yr Aelodau nifer o faterion a'u trafod:</p> <ul style="list-style-type: none"> Partneriaeth Prosesu Cosbau Cymru (WPPP). Nododd Aelod ei bod yn galonogol bod y bartneriaeth yn darparu gwerth am arian i'w haelodau ond gofynnodd a fyddai'n bosibl cael matrices, o safbwynt ffioedd a refeniw, fyddai'n dangos ein safle o'i gymharu ag aelodau eraill y consortiwm. Ychwanegodd y Cadeirydd ei fod yn ddiolchgar i'r Pwyllgor Craffu am edrych i mewn i'r mater hwn ond ei fod o'r farn y dylid profi'r gwasanaeth yn y farchnad, o ystyried bod pedair blynedd ar ddeg ers i hynny ddigwydd ddiwethaf. Dim ond yn dilyn hynny y byddai gan y Cyngor feinchnod a fyddai'n ei gwneud hi'n bosibl dod i gasgliad pendant bod y gwasanaeth yn darparu gwerth am arian. Bod angen cael eglurder mewn papur byr i'r Aelodau ar y materion ynghylch gorfodi parcio a'r strategaeth barcio. Bod angen egluro gweithrediadau Harbwr (a'r Marina) Porthcawl (gan gynnwys cyfansoddiad y
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	<p>Bwrdd a dosbarthu ei gofnodion) mewn papur byr i'r Aelodau.</p> <ul style="list-style-type: none">Y byddai'r Aelodau'n gwerthfawrogi derbyn, waeth beth fo'r adolygiad fflyd parhaus, arwydd o pryd y câi'r argymhellion mewn perthynas â Milltiroedd o'r Cartref i'r Gwaith yng Ngherbydau'r Cyngor eu gweithredu'n llawn. <p><u>PENDERFYNWYD:</u></p> <p>Nododd y Pwyllgor y Cofnod Gweithredu a gwnaeth sylwadau, fel oedd yn briodol.</p> <p>Gofynnodd y Pwyllgor am i dri adroddiad byr gael eu cyflwyno i'r cyfarfod nesaf ar 17 Gorffennaf yn egluro statws yr holl argymhellion sy'n weddill, ac yn darparu'r wybodaeth ychwanegol y gofynnwyd amdani yn ystod y drafodaeth, mewn perthynas â'r materion canlynol:</p> <ul style="list-style-type: none">Milltiroedd o'r Cartref i'r Gwaith yng Ngherbydau'r Cyngor.Gorfodi Parcio (a Strategaeth).Harbwr Porthcawl (gan gynnwys gweithrediadau'r Bwrdd).
Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025

222. Asesiad Busnes Byw

Y Penderfyniad Wnaed	<p>Roedd yr adroddiad hwn yn rhoi gwybodaeth i'r Pwyllgor am asesiad y Swyddog Adran 151 (a151) (Prif Swyddog – Cyllid, Tai a Newid) o'r Cyngor fel 'Busnes Byw' i'r diben o gynhyrchu Datganiad Cyfrifon 2024-25.</p> <p>Mewn ymateb i'r adroddiad, bu'r Aelodau'n tafod un neu ddau o faterion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none">Bod yr alldro cyffredinol ar 31 Mawrth 2025 yn danwariant net. Mewn ymateb, nododd y Prif Swyddog - Cyllid, Tai a Newid y câi adroddiad cynhwysfawr ar Alldro Cyllideb Refeniw 2024-25 ei ystyried gan y Cabinet ar 24 Mehefin 2025 a chan y Cyngor drannoeth.A oedd balansau ysgolion yn rhan o'r ystyriaethau ynghylch y Cyngor fel 'Busnes Byw' i'r diben o
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	<p>gynhyrchu Datganiad Cyfrifon 2024-25. Mewn ymateb, nododd Rheolwr Grŵp – y Prif Gyfrifydd mai felly yr oedd hi.</p> <p>PENDERFYNWYD: Bod y Pwyllgor Llywodraethu ac Archwilio yn derbyn canlyniad yr asesiad o statws y Cyngor fel busnes byw i'r diben o baratoi Datganiad Cyfrifon 2024-25.</p>
Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025

223. ‘Ymholiadau Archwilio i’r Rhai sy’n Gyfrifol am Lywodraethu a Rheoli’
gan Archwilio Cymru ar gyfer Archwiliad 2024-25

Y Penderfyniad Wnaed	<p>Roedd yr adroddiad hwn yn rhoi llythyr ‘Ymholiadau archwilio i’r rhai sy’n gyfrifol am lywodraethu a rheoli’ gan Archwilio Cymru i’r Pwyllgor, oedd yn gofyn nifer o gwestiynau ynghylch trefniadau llywodraethu’r Cyngor i’w cwblhau erbyn 30 Mehefin 2025. Roedd y llythyr ynghlwm yn Atodiad A a gofynnwyd i’r Pwyllgor Llywodraethu ac Archwilio ystyried a chadarnhau’r atebion a chymeradwyo ei ddychwelyd i Archwilio Cymru.</p> <p>Mewn ymateb i’r adroddiad, bu’r Aelodau’n trafod nifer o faterion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none">• Bod llythyr archwilio gan Archwilio Cymru wedi nodi un argymhelliad yn dilyn cwblhau archwiliad Datganiad Cyfrifon 2023-24. Roedd hyn i ystyried defnyddio System Rheoli Asedau’r Cyngor (Cofrestr Asedau Sefydlog CIPFA) yn llawn yn hytrach na’r taenlenni presennol ar gyfer gwerthuso. Gofynnodd Aelod a ellid rhoi syniad o faint o waith fyddai hyn yn ei olygu a beth fyddai’r amserlen debygol ar gyfer cwblhau’r gwaith i weithredu system rheoli asedau benodol ar gyfer y dyfodol. Mewn ymateb, nododd y Rheolwr Grŵp - y Prif Gyfrifydd mai’r gobaith oedd y byddai’r prosiect yn gwneud cynnydd yn ystod 2025/26, ond na fyddai’n ateb cyflym.• Gofynnodd y Cadeirydd am ragor o wybodaeth p’un a oedd y prosiect wedi’i gostio’n llawn yn y gyllideb i ddod ac a oedd arian wedi cael ei neilltuo i’w ariannu. Mewn ymateb, nododd y Dirprwy Bennaeth Cyllid fod rhywfaint o gyllid ar gael fel rhan o’r cronfeydd wrth gefn a glustnodwyd ar gyfer y Trawsnewid Digidol, ond y byddai angen rhoi ystyriaeth lawn sut i ariannu’r prosiect ar ôl gwneud penderfyniad ynghylch pa system i’w phrynu.• Gofynnodd Aelod am ragor o wybodaeth ynglŷn â phrynu cynhwysydd llongau nad oedd wedi
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	<p>cyrraedd. Talodd y Cyngor 50% ymlaen llaw. Canfuwyd mai twyll oedd hwn a gwrthodwyd cais am y taliad olaf o 50%. Mewn ymateb, nododd y Rheolwr Grŵp – y Prif Gyfrifydd fod y taliad wedi mynd drwy'r system arferol a bod ymdrechion i gysylltu â'r cwmni i adennill y swm a dalwyd wedi bod yn aflwyddiannus. Nododd y Cadeirydd y byddai'n ddefnyddiol gwybod pam roedd y Cyngor wedi ceisio prynu cynhwysydd llongau.</p> <ul style="list-style-type: none"> Gofynnodd Aelod Lleyg a oedd y taliad ymlaen llaw wedi cael ei wneud heb gymeradwyaeth Swyddog adran 151, ac os felly a oedd proses ddisgyblu wedi digwydd am dorri proses neu bolisi. Mewn ymateb, nododd y Rheolwr Grŵp – y Prif Gyfrifydd fod y taliad wedi'i wneud heb gymeradwyaeth. Nododd y Prif Swyddog – Cyllid, Tai a Newid fod angen edrych yn fanwl i mewn i'r mater. Nododd y Cadeirydd, os mai digwyddiad untro ydoedd, yna felly bydded, ond bod Archwilio Mewnol ar gael i edrych yn fanylach os oedd yna broblem fwy cyffredinol. Nododd Aelod, yn gyffredinol, nad oedd yn bosibl i swyddog unigol weithredu ar ei ben ei hun ond gofynnodd sut yr oedd Polisiâu a gweithdrefnau'r Cyngor megis y Polisi Gwrth-dwyll a Llwgrwobrwy, y Polisi Gwyngalchu Arian, y Polisi Gwrth-osgoi Treth, a'r Strategaeth a'r Fframwaith Twyll yn cael eu lledaenu. Mewn ymateb, nododd y Rheolwr Grŵp – y Prif Gyfrifydd fod modiwlau e-ddysgu ar dwyll a bod disgwyliad cyffredinol y byddai staff perthnasol yn adnewyddu eu gwybodaeth am bolisiâu a gweithdrefnau'r Cyngor yn rheolaidd. Dilynodd y Cadeirydd hyn drwy ofyn am anfon e-bost at yr holl staff i ofyn iddynt ddiweddarau eu gwybodaeth am dwyll a bod canlyniadau yn dilyn methiant i ddilyn prosesau a gweithdrefnau. Mewn ymateb, nododd y Prif Swyddog – Cyllid, Tai a Newid fod e-bost wedi cael ei anfon yn ddiweddar ond y byddai'r swyddogion yn gweithredu'n unol â chais y Pwyllgor. <p><u>PENDERFYNWYD:</u></p> <p>Bod y Cyngor:</p> <ul style="list-style-type: none"> Wedi cytuno ar yr atebion i'r llythyr 'Ymholiadau archwilio i'r rhai sy'n gyfrifol am lywodraethu a rheoli' gan Archwilio Cymru fel y'i hatodwyd yn Atodiad A; ac Yn nodi y byddai'r atebion i lythyr ymholiadau Archwilio Cymru yn destun adolygiad a chymeradwyaeth derfynol gan y Swyddog Adran 151 a'r Swyddog Monitro ac y byddent efallai yn cael eu diwygio cyn eu cyflwyno.
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Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025
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224. Adroddiad Archwilio Mewnol Blynnyddol 2024-25

Y Penderfyniad Wnaed	<p>Diben yr adroddiad hwn oedd rhoi Barn Flynyddol Pennaeth Archwilio Mewnol i'r Pwyllgor Llywodraethu ac Archwilio ar amgylchedd rheoli'r Cyngor mewn perthynas â llywodraethu, rheoli risg a rheolaeth fewnol a hysbysu'r Pwyllgor am waith a pherfformiad Archwilio Mewnol ar gyfer blwyddyn ariannol 2024-25.</p> <p>Mewn ymateb i'r adroddiad, cododd yr Aelodau nifer o faterion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none">Bod yr adroddiad yn amlinellu nifer o faterion mewn dwy ysgol: Ysgol Gynradd Penybont ac Ysgol Maesteg. Mewn ymateb, nododd y Cadeirydd y byddai'n briodol gofyn am sicrwydd gan y Cyfarwyddwr Corfforaethol - Addysg, y Blynnyddoedd Cynnar a Phobl Ifanc bod y materion yn cael eu trin. Nododd Pennaeth y Gwasanaeth Archwilio Mewnol Rhanbarthol (RIAS), lle'r oedd barn gyfyngedig, fod proses ar waith oedd yn rhoi cyfle i ddarparu'r y gwasanaeth (y Pennaeth, ar yr achlysur hwn) unioni pethau cyn archwiliad dilynol a fyddai, gobeithio, yn cadarnhau canlyniad cadarnhaol, a phe bai yna unrhyw faterion heb eu datrys, yr adroddid yn ôl i'r Pwyllgor Llywodraethu ac Archwilio am y rhain maes o law. Dywedodd Aelod arall fod y prosesau archwilio wedi canfod y materion, a bod hyn yn dangos pwysigrwydd a gwerth y gwasanaeth.Nododd Aelod fod y trefniadau partneriaeth newydd ar gyfer y gwasanaeth archwilio rhanbarthol yn ymddangos fel pe baent yn gweithio'n dda er gwaethaf y ffaith fod Cyngor Rhondda Cynon Taf wedi gadael ond holodd a oedd unrhyw ganlyniadau wedi bod o ran costau cyffredinol. Mewn ymateb, nododd Pennaeth RIAS fod tua 93% o'r costau'n gysylltiedig â staff ac o ran rheoli, lle'r arferai fod Pennaeth y gwasanaeth a dau reolwr archwilio yn delio â phedwar sefydliad, yn awr roedd y Pennaeth ac un rheolwr archwilio yn delio â thri. Ymylol oedd y costau cyffredinol ond adroddid amdanynt wrth y Bwrdd (oedd yn cynnwys y tri swyddog adran 151 perthnasol).Llongyfarchodd Aelod arall y tîm am y gwasanaeth rhagorol yr oeddent yn ei ddarparu i'r tri awdurdod lleol. Mewn ymateb, cynigiodd y Cadeirydd y dylai swyddogion archwilio i weld a oedd gwobrau y gellid enwebu RIAS ar eu cyfer, er mwyn ennill cydnabyddiaeth genedlaethol iddynt.
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	<ul style="list-style-type: none">Gofynnodd y Cadeirydd i'r Prif Swyddog - Cyllid, Tai a Newid anfon y dogfennau perthnasol, oedd yn ymwneud â Milltiroedd o'r Cartref i'r Gwaith yng Ngherbydau'r Cyngor, Gorfodi/Strategaeth Parcio a Ffurflen Flynyddol Harbwr Porthcawl, at Gyfarwyddwr Corfforaethol y Cymunedau fel y gallai weld beth wnaeth ysgogi camau gweithredu'r Pwyllgor mewn perthynas â'r materion hyn. Mewn ymateb, nododd y Prif Swyddog - Cyllid, Tai a Newid y byddai'n cysylltu â RIAS i sicrhau eglurder llwyr ynghylch y gwaith oedd wedi cael ei wneud ac a oedd unrhyw gamau gweithredu heb eu cymryd cyn cyfarfod nesaf y Pwyllgor ar 17 Gorffennaf. <p><u>PENDERFYNWYD:</u></p> <p>Ystyriodd a nododd y Pwyllgor yr Adroddiad Archwilio Mewnol Blynyddol ar gyfer blwyddyn ariannol 2024-25, gan gynnwys Barn Flynyddol Pennaeth Archwilio Mewnol ar ddigonolrwydd ac effeithiolrwydd fframwaith llywodraethu, rheoli risg a rheolaeth fewnol y Cyngor.</p> <p>Gofynnwyd i'r Cyfarwyddwr Corfforaethol - Addysg, y Blynyddoedd Cynnar a Phobl Ifanc ddarparu adroddiad ysgrifenedig i gyfarfod nesaf y Pwyllgor ar 17 Gorffennaf oedd yn ymateb i'r camau gweithredu a nodwyd yn yr archwiliad mewnol ac a amlinellwyd yn yr Adroddiad Archwilio Mewnol Blynyddol 2024/25 mewn perthynas ag Ysgol Gynradd Penybont ac Ysgol Maesteg.</p>
Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025

225. Strategaeth Archwilio Fewnol a'r Cynllun Seiliedig ar Risg ar gyfer 2025-26

Y Penderfyniad Wnaed	<p>Diben yr adroddiad hwn oedd rhoi'r Strategaeth Archwilio Fewnol Flynyddol a'r Cynllun Seiliedig ar Risg ar gyfer 2025-26 i Aelodau'r Pwyllgor Llywodraethu ac Archwilio iddynt gael eu cymeradwyo.</p> <p>Mewn ymateb i'r adroddiad, bu'r Aelodau yn trafod rhai materion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none">Nododd Aelod Lleyg y gallai fod yn ddefnyddiol i'r pwyllgor gael gweld yr archwiliadau uchel eu blaenoriaeth a nifer y diwrnodiau a ddyrannwyd yn eu herbyn. Mewn ymateb, nododd Dirprwy Bennaeth RIAS, er bod yna gynllun manylach y tu ôl i'r hyn oedd yn yr adroddiad, fod pob un a amlinellwyd yn flaenoriaeth uchel ac o'r un pwysigrwydd o ran ei gyflawni yn 2025/26.
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PWYLLGOR LLYWODRAETHU AC ARCHWILIO - DYDD IAU, 19 MEHEFIN 2025

	<ul style="list-style-type: none">Gofynnodd Aelod a oedd yr archwiliadau oedd yn weddill o 2024/25 wedi cael eu cario drosodd i 2025/26. Cadarnhaodd Dirprwy Bennaeth RIAS mai felly yr oedd hi, ac wrth ateb cwestiwn dilynol gan Aelod Lleyg eu bod yn cael eu cario drosodd am eu bod yn parhau i fod yn flaenoriaeth uchel. Yn y gorffennol, roedd rhai archwiliadau oedd yn weddill heb gael eu cario drosodd oherwydd nad oeddent yn cael eu hystyried yn flaenoriaeth uchel mwyach. <p><u>PENDERFYNWYD:</u></p> <p>Fe wnaeth y Pwyllgor ystyried a chymeradwyo'r Strategaeth Archwilio Fewnol ddrafft (Atodiad A) a'r Cynllun Archwilio Blynyddol Seiliedig ar Risg drafft ar gyfer 2025-26 (Atodiad B)</p>
Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025

226. Siarter Gwasanaeth Archwilio Mewnol Rhanbarthol 2025-26

Y Penderfyniad Wnaed	<p>Pwrpas yr adroddiad hwn oedd cyflwyno'r Siarter Gwasanaeth Archwilio Mewnol Rhanbarthol ar gyfer 2025-26 oedd ynghlwm yn Atodiad A i Aelodau'r Pwyllgor Llywodraethu ac Archwilio i'w gymeradwyo.</p> <p>Mewn ymateb i'r adroddiad, gofynnodd Aelod sut dderbyniad gafodd y tîm wrth gyfarfod â rheolwyr mewn gwahanol feysydd gwasanaeth ac o ystyried bod gwahanol feysydd gwasanaeth yn mesur eu perfformiad a'u darpariaeth mewn gwahanol ffyrdd, a oedd diffyg cysondeb ar draws y Cyngor. O ganlyniad, tybed a ddylai fod mwy o hyfforddiant ar draws y Cyngor ynghylch y broses archwilio. Mewn ymateb, nododd Pennaeth RIAS ei bod yn anodd ymateb gan eu bod yn archwilio gwahanol feysydd gwasanaeth bob blwyddyn. Eu nod oedd sicrhau bod y broses archwilio yn gyson. Cydnabu fod canfyddiad o archwilio mewnol a allai fod yn negyddol a bod y tîm wedi gweithio'n galed i godi eu proffil yn gadarnhaol, a bod mynychu'r Bwrdd Rheoli Corfforaethol (CMB) a chyfarfod â Chyfarwyddwyr yn unigol wedi cyfrannu at yr ymdrech honno.</p> <p><u>PENDERFYNWYD:</u></p> <p>Fe wnaeth Aelodau'r Pwyllgor Llywodraethu ac Archwilio ystyried a chymeradwyo Siarter y Gwasanaeth Archwilio Mewnol Rhanbarthol ar gyfer 2025-26 fel yr oedd ynghlwm yn Atodiad A i'r adroddiad.</p>
Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025

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227. Polisi Gwrth-dwyll, Llwgwrwobrwyo a Llygredd

Y Penderfyniad Wnaed	<p>Diben yr adroddiad oedd cyflwyno'r Polisi Gwrth-dwyll, Llwgwrwobrwyo a Llygredd wedi'i ddiweddarau i'r Pwyllgor Llywodraethu ac Archwilio i'w adolygu a rhoi sylwadau arno, cyn ei gyflwyno i'r Cabinet i'w gymeradwyo.</p> <p>Mewn ymateb i'r adroddiad, bu'r Aelodau'n trafod rhai materion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none">• Y gallai pob Aelod elwa o ddigwyddiad hyfforddi fyddai'n diweddarau eu gwybodaeth am yr holl feysydd polisi hyn. Mewn ymateb, nodwyd bod sesiwn hyfforddi ar ymwybyddiaeth o dwyll, gwrth-osgoi trethi a gwyngalchu arian wrthi'n cael ei threfnu ar gyfer mis Medi 2025. Câi'r Aelodau Lleyg hefyd eu gwahodd i fynychu'r sesiwn.• Nad oedd y paragraff newydd a fewnosodwyd yn dilyn yn rhesymegol yr hyn oedd o'i flaen a bod angen diwygio paragraff 2.3 yn unol â hynny.• Y dylai'r ddogfen bolisi amlinellu enghreifftiau o'r hyn a allai ddigwydd i'r rhai oedd yn twyllo'r Cyngor, neu oedd yn llygredig, lle bu camymddygiad ariannol (4.7). Yn yr un modd, byddai'r ddogfen yn elwa o rai enghreifftiau o'r camau posibl, yn gymesur â'r hyn oedd wedi digwydd, y gallai'r Cyngor eu cymryd i adennill unrhyw golledion oedd yn deillio o dwyll.• O ran diwylliant y Cyngor (Adran 4) o onestrwydd a dim goddefgarwch i dwyll a llygredd, roedd yn angenrheidiol, trwy hyfforddiant a chodi ymwybyddiaeth, sicrhau bod yr holl unigolion, busnesau a sefydliadau oedd yn ceisio gwneud busnes gyda'r Cyngor yn cael eu hystyried drwy 'brism twyll' o ran gwneud penderfyniadau ynghylch a ddylid gwario arian cyhoeddus ai peidio. Mewn ymateb, nodwyd bod hyn yn ddilys iawn ac, fel rhan o godi ymwybyddiaeth, y byddai'r holl bolisiâu wedi eu diweddarau a'r cysylltiadau rhyngddynt yn cael eu hamlinellu mewn bwletinâu staff ac Aelodau.• Y dylai pob uwch reolwr orfod mynychu hyfforddiant yn y meysydd polisi hyn. Mewn ymateb, nodwyd bod y Bwrdd Rheoli Corfforaethol (CMB) yn ystyried pa hyfforddiant ddylai fod yn orfodol, ac y câi'r maes hwn ei gynnwys ar y rhestr o feysydd i'w hystyried.
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PWYLLGOR LLYWODRAETHU AC ARCHWILIO - DYDD IAU, 19 MEHEFIN 2025

	<ul style="list-style-type: none"> Bod angen egluro a ddylai pob contractwr allanol orfod cydymffurfio â'n holl bolisiâu a gweithdrefnau fel rhan o'r telerau ac amodau ar gyfer gwneud busnes gyda'r Cyngor, ynteu na ellid mynnu cydymffurfiaeth ond â'r rheiny sy'n cael eu cefnogi gan ddeddfwriaeth. Bod angen i'r polisi ddatgan yn eglur ei fod yn cynnwys Aelodau Lleyg yn ogystal ag Aelodau Etholedig. Y dylai'r ddogfen gyfeirio at y 'Pwyllgor Llywodraethu ac Archwilio' ac nid y 'Pwyllgor Archwilio' yn unig (8.2). <p><u>PENDERFYNWYD:</u></p> <p>Bu'r Pwyllgor yn ystyried y Polisi Gwrth-dwyll, Llwgrobwrwyo a Llygredd wedi ei ddiweddarau yn Atodiad A a nododd, yn amodol ar y gwelliannau y gofynnwyd amdanynt gan y Pwyllgor, y câi'r Polisi diwygiedig yn Atodiad B ei gyflwyno i'r Cabinet i'w gymeradwyo.</p>
Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025

228. Adolygiad o'r Polisi Gwrth-wyngalchu Arian Anti-Money

229.

Y Penderfyniad Wnaed	<p>Diben yr adroddiad hwn oedd cyflwyno'r Polisi Gwrth-Wyngalchu Arian wedi ei ddiweddarau i'r Pwyllgor Llywodraethu ac Archwilio i'w adolygu ac i wneud sylwadau arno, cyn i'r Polisi gael ei gyflwyno i'r Cabinet i'w gymeradwyo.</p> <p>Mewn ymateb i'r adroddiad, cododd Aelod y mater ynghylch a fyddai'r polisi hwn yn cael ei ystyried gan y Bwrdd Rheoli Corfforaethol, ochr yn ochr â'r dogfennau polisi eraill a ystyriwyd gan y pwyllgor yn y cyfarfod hwn a'r un olaf ym mis Ebrill, fel rhan o'r rhestr o bynciau ar gyfer hyfforddiant gorfodol. Mewn ymateb, nodwyd y byddai'n cael ei ystyried ochr yn ochr â'r meysydd polisi eraill ac y gallai hefyd fod yn rhan o seminar yn ymdrin â'r holl feysydd polisi ar gyfer yr holl uwch reolwyr.</p> <p><u>PENDERFYNWYD:</u></p> <p>Ystyriodd y Pwyllgor y gwelliannau i'r Polisi Gwrth-Wyngalchu Arian yn Atodiad A a nododd y câi'r Polisi</p>
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PWYLLGOR LLYWODRAETHU AC ARCHWILIO - DYDD IAU, 19 MEHEFIN 2025

	diwygiedig oedd ynghlwm yn Atodiad B ei gyflwyno i'r Cabinet i'w gymeradwyo.
Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025

229. Cwynion a Chanmoliaeth Gorfforaethol

Y Penderfyniad Wnaed	<p>Diben yr adroddiad hwn oedd rhoi diweddariad pellach i'r Pwyllgor Llywodraethu ac Archwilio ar y broses bresennol o ymdrin â chwynion ynghyd â chynnig ynglŷn â'r ffordd y caiff pob cwyn a chanmoliaeth gorfforaethol ei monitro, ei chofnodi ac adrodd amdani yn y dyfodol.</p> <p>Mewn ymateb i'r adroddiad, bu'r Aelodau'n trafod nifer o faterion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none"> Ei bod yn hanfodol bod y ddogfen yn cynnwys dyddiad cwblhau cyffredinol a cherrig milltir ar gyfer y prosiect. Mewn ymateb, nodwyd y câi cynllun y prosiect ei ystyried eto ac y câi dyddiadau rhesymol eu cynnwys. Roedd yn hanfodol, o ystyried cymhlethdod nodi anghenion gwasanaeth o ran cwynion corfforaethol, y rhai mewn addysg a gwasanaethau cymdeithasol, nad oedd rheolwyr yn 'gor-addo ac yn tangyflawni' wrth lunio cynllun prosiect ymarferol. A oedd ystyriaeth wedi cael ei rhoi ar ddechrau'r prosiect i'w ddatblygu mewn rhannau y gellid eu rheoli a'u cyflawni. Roedd hefyd yn angenrheidiol ystyried faint o flaenoriaeth oedd y prosiect o'i gymharu â'r holl alwadau corfforaethol oedd yn cystadlu am adnoddau ac amser yn y Cyngor. <p><u>PENDERFYNWYD:</u></p> <p>Nododd y Pwyllgor y diweddariad ar y broses gwynion a chanmoliaeth gorfforaethol a'r ateb digidol.</p>
Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025

230. Blaenraglen Waith 2025-26

PWYLLGOR LLYWODRAETHU AC ARCHWILIO - DYDD IAU, 19 MEHEFIN 2025

Y Penderfyniad Wnaed	<p>Pwrpas yr adroddiad hwn oedd gofyn am gymeradwyaeth ar gyfer y Flaenraglen Waith wedi ei diweddaru ar gyfer 2025-26.</p> <p><u>PENDERFYNWYD:</u></p> <p>Ystyriodd a chymeradwyodd y Pwyllgor y Flaenraglen Waith wedi ei diweddaru ar gyfer 2025-26, yn amodol ar y gwelliannau canlynol mewn perthynas â'r cyfarfod nesaf ar 17 Gorffennaf 2025:</p> <ul style="list-style-type: none"> Adroddiad gan y Cyfarwyddwr Corfforaethol - Addysg, y Blynyddoedd Cynnar a Phobl Ifanc ar y ffordd y mae'r materion a nodwyd gan RIAS mewn dwy ysgol, Ysgol Gynradd Penybont a Maesteg, yn cael eu trin. Tri adroddiad gan Gyfarwyddwr Corfforaethol y Cymunedau ar Filtiroedd o'r Cartref i'r Gwaith yng Ngherbydau'r Cyngor, Gorfodi Parcio (a Strategaeth), a Harbwr Porthcawl (gan gynnwys gweithrediadau'r Bwrdd).
Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025

231. Eitemau Brys

Y Penderfyniad Wnaed	Dim
Dyddiad Gwneud y Penderfyniad	19 Mehefin 2025

Er mwyn gweld rhagor o'r drafodaeth a gynhaliwyd ar yr eitemau uchod, cliciwch y [ddolen](#) yma.

Daeth y cyfarfod i ben am 13:11.

Meeting of:	GOVERNANCE AND AUDIT COMMITTEE
Date of Meeting:	17 JULY 2025
Report Title:	GOVERNANCE AND AUDIT COMMITTEE ACTION RECORD
Report Owner / Corporate Director:	CHIEF OFFICER – LEGAL AND REGULATORY SERVICES, HR AND CORPORATE POLICY
Responsible Officer:	STEPHEN GRIFFITHS INTERIM SCRUTINY OFFICER
Policy Framework and Procedure Rules:	There is no impact on the policy framework and procedure rules.
Executive Summary:	This report seeks to update Members of the Governance and Audit Committee on follow-up actions or further information requested on reports considered by Members and/or requested by Committee, including any other related information in relation to previous agenda items.

1. Purpose of Report

- 1.1 The purpose of this report is to provide Members with an update on the Governance and Audit Committee Action Record.

2. Background

- 2.1 An Action Record has been devised to assist the Committee in tracking the decisions made by the Committee in the exercise of its functions.

3. Current situation / proposal

- 3.1 In order to assist the Governance and Audit Committee in ensuring that decisions made by the Committee are actioned and implemented, the Action Record is attached at **Appendix A**. The Action Record will be presented to each meeting of the Committee for approval.

4. Equality Impact Assessment (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 and Nature Implications

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

7. Safeguarding and Corporate Parent Implications

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

8. Financial Implications

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

9. Recommendation

- 9.1 The Committee is recommended to note the Action Record and provide any comments, as appropriate.

Background documents

None.

Number	Date of Committee	Item	Lead	Target Date	Action	Date for action to be brought to GAC.	Response
1.	6 Jun 24	Regional Internal Audit Service Charter 2024-25	Chief Officer - Finance, Housing & Change Head of Regional Internal Audit Service (RIAS) Democratic Services Manager	Jul 24	Members requested a training event to include, if possible, representatives from Audit Wales.	Jul 25	ACTIONED – A date/ time for the training event has been agreed: 8 September 2025 at 10am . As previously noted, the focus of the event will be on the following: <ul style="list-style-type: none"> • TOR for GAC. • Role of Internal Audit. • Role of Audit Wales • Role of the Lay Member. • Discussion re future training requirements. Further details will be sent to Members in due course.
2.	19 Jun 25	Internal Audit Recommendation Monitoring/ Governance and Audit Committee Action Record	Head of RIAS Chief Officer - Finance, Housing & Change	Jul 25	The Committee requested that three short reports be submitted to the next meeting on 17 July clarifying the status of all outstanding recommendations, and providing the additional information requested during the discussion, in respect of the following issues: <ul style="list-style-type: none"> • Home to Work Mileage in Council Vehicles. • Parking Enforcement (and Strategy). • Porthcawl Harbour (including the workings of the Board). 	Jul 25	ACTIONED – An Internal Audit Recommendation Monitoring Report clarifying the status of all outstanding recommendations, and as far as possible providing the additional information requested, will be submitted to the meeting of the Committee on 17 July.
3.	19 Jun 25	Annual Internal Audit Report 2024-25	Head of RIAS Corporate Director - Education, Early Years & Young People	Jul 25	The Corporate Director - Education, Early Years & Young People was asked to provide a written report to the next meeting of the Committee on 17 July that responds to the actions identified in the internal audit and outlined in the Annual Internal Audit Report 2024/25 in respect of Penybont Primary School and Maesteg School.	Jul 25	ACTIONED – An Internal Audit Recommendation Monitoring Report clarifying the status of all outstanding recommendations will be submitted to the meeting of the Committee on 17 July.
4.	19 Jun 25	Audit Wales' 'Audit Enquiries to Those Charged with Governance and Management' for the 2024-25 Audit	Chief Officer - Finance, Housing & Change	Oct 25	A Member requested more information about the purchase of a shipping container which did not arrive. The Chair noted that it would be useful to know why the Council had sought to purchase a shipping container.	Oct 25	ACTIONED – A detailed investigation is being carried out to determine what took place and why the Council purchases shipping containers. Members will be updated in due course.

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Meeting of:	GOVERNANCE AND AUDIT COMMITTEE
Date of Meeting:	17 JULY 2025
Report Title:	AUDIT WALES GOVERNANCE AND AUDIT COMMITTEE REPORTS
Report Owner / Corporate Director:	CHIEF OFFICER – FINANCE, HOUSING AND CHANGE
Responsible Officer:	DEBORAH EXTON DEPUTY HEAD OF FINANCE
Policy Framework and Procedure Rules:	There is no impact on the policy framework and procedure rules.
Executive Summary:	<ul style="list-style-type: none"> • The Council's external auditors, Audit Wales, undertake a range of financial and performance audit work during the financial year. • They publish a number of reports in respect of the audit work undertaken. Some of the reports are national across all local authorities and others are local and specific to Bridgend. • Audit Wales also present a quarterly work programme and timetable to the Governance and Audit Committee to outline work completed, audits in progress and those still due to be undertaken. • This report provides details of Audit Wales' report 'Arrangements for Commissioning Services – Bridgend County Borough Council'.

1. Purpose of Report

- 1.1 The purpose of this report is to submit to the Committee one report from Audit Wales.

2. Background

- 2.1 Audit Wales undertakes a programme of work during the year to help the Auditor General discharge his duties under the Public Audit (Wales) Act 2004. The Auditor General's functions include auditing accounts and undertaking local performance audit work at a broad range of public bodies, alongside conducting a programme of national value for money examinations and studies. The Auditor General also assesses the extent to which public bodies are complying with the

sustainable development principle when setting and taking steps to meet their well-being objectives.

- 2.2 Part 2 of the 2004 Act sets out the powers and duties of the Auditor General to undertake studies in relation to local government bodies in Wales. The most widely used of these provisions is section 41, which requires the Auditor General to undertake studies designed to enable him to make recommendations for, among other things, improving the value for money in the provision of services.
- 2.3 In accordance with Section 89 of the Local Government and Elections (Wales) Act 2021 the Authority is required to keep under review the extent to which it is exercising its functions effectively, using its resources economically, efficiently and effectively and ensuring its governance is effective for securing these performance requirements.

3. Current situation / proposal

- 3.1 Audit Wales has produced one report for the Governance and Audit Committee to consider:-
 - **Arrangements for Commissioning Services – Bridgend County Borough Council - (Appendix A)** – the purpose of this report was to provide assurance that councils have proper arrangements for commissioning services to secure value for money in the use of resources, provide assurance that councils are acting in accordance with the sustainable development principle in commissioning services, and explain how councils approach the commissioning of services and inspire and empower councils and other public sector bodies by identifying and sharing examples of notable practice/approaches where relevant. The Council's Management Response Form is attached at **Appendix B**.

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

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

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

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

6. Climate Change and Nature Implications

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

7. Safeguarding and Corporate Parent Implications

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

8. Financial Implications

8.1 There are no financial implications arising from this report.

9. Recommendation

9.1 That the Committee notes the Audit Wales Governance and Audit Committee Report at **Appendix A** along with the Council's Management Response Form to the report at **Appendix B**.

Background documents

None

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Arrangements for Commissioning Services – Bridgend County Borough Council

Audit year: 2023-24

Date issued: June 2025

Document reference: 4958A2025

This document has been prepared as part of work performed in accordance with statutory functions.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

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Summary report

Why we did this audit

Our audit duties

- 1 We are carrying out this audit under the duties contained within:
 - section 17 of the Public Audit (Wales) Act 2004 (the 2004 Act) to help enable the Auditor General to be satisfied (or not) that the Council has put in place proper arrangements to secure value for money in the use of its resources; and
 - section 15 of the Well-being of Future Generations (Wales) Act 2015 to help enable the Auditor General to assess the extent to which the Council is acting in accordance with the sustainable development principle in taking steps to meet its well-being objectives.
- 2 This audit may also inform a study for improving value for money under section 41 of the 2004 Act.

Our objectives for this audit

- 3 Our objectives for this audit are to:
 - provide assurance that councils have proper arrangements for commissioning services to secure value for money in the use of resources;
 - provide assurance that councils are acting in accordance with the sustainable development principle in commissioning services; and
 - explain how councils approach the commissioning of services and inspire and empower councils and other public sector bodies by identifying and sharing examples of notable practice/approaches where relevant.
- 4 We are undertaking this audit at each of the 22 principal councils in Wales.

Why commissioning is important

- 5 Commissioning is the process by which the Council designs services it intends to deliver. It starts with defining the service and the desired outputs and outcomes and ends when the Council organises its method of delivery. For example, by establishing a delivery team internally, or through procuring an external supplier.
- 6 Commissioning arrangements can help to ensure services are delivered economically, efficiently and effectively. Conversely, weaknesses in commissioning arrangements can reduce both the impact and value for money of services, even if the processes which follow, such as procurement and contract management are robust.



What we looked at and what does good look like¹

- 7 We reviewed the Council's arrangements for commissioning services and specifically the extent to which this has been developed in accordance with the sustainable development principle; and that it will help to secure value for money in the use of the Council's resources.
- 8 This audit did not cover procurement arrangements or the Council's contract management arrangements.
- 9 The audit sought to answer the overall question: **In commissioning services does the Council put in place proper arrangements to secure value for money in the use of its resources?**
- 10 We used the audit criteria set out in **Appendix 1**, which also shows how the criteria relate to the audit questions. This has been informed by our cumulative knowledge as well as the question hierarchy and positive indicators we have developed to support our Sustainable Development Principle examinations.



Our audit methods and when we undertook the audit

- 11 Our findings are based on document reviews, and interviews with the senior officer(s) responsible for the development of the Council's strategic approach to commissioning. We also interviewed senior officers with responsibility for services that the Council has commissioned externally.
- 12 Given the wide range of council services, we undertook sample testing of the arrangements the Council has put in place to commission services. To do this, we selected several services where the Council has taken the decision to commission services externally and examined the commissioning arrangements the Council has put in place. The sample of service areas we reviewed in the Council were:
 - Housing Related Support Service at Maple Tree House
 - Housing Related Support Service at Brynmenyn House
 - Extension to the Waste Collection Services contract
 - We also received some evidence about commissioning arrangements in social services and the decision-making process regarding waste services, after the contract extension

¹ Defined as 'what should be' according to laws or regulations, 'what is expected' according to best practice, or 'what could be', given better conditions.

- 13 The evidence we used to inform our findings is limited to these sources. We undertook this work during November to December 2024.
- 14 We are undertaking this work at each of the 22 principal councils in Wales and, as well as reporting locally to each council, we also intend to produce a national report.



What we found

- 15 Overall, we found that **the Council does not have arrangements to assure itself that it consistently secures value for money when it commissions services.** We set out below why we reached this conclusion.
- 16 The Council's corporate approach to commissioning is set out in its Commissioning Form. The Form's purpose is to guide service areas when they are procuring services from an external service supplier. The Council does not have any corporate arrangements in place earlier in the commissioning process at the stage when the Council would decide if and how it will commission services.
- 17 The Council's commissioning arrangements require a clear definition of the service to be commissioned. But they do not require a clear rationale for the service or the intended outcomes of the service. However, for the services we examined, the Council had both defined, and explained the need, for the service, together with the intended outcomes. Consistently ensuring that there is an understanding of services to be commissioned, including their intended outcomes, is important to enable the Council to subsequently monitor if it is securing value for money.
- 18 All the services we examined had clear monitoring arrangements for the intended outcomes of the services and also set out how their value for money will be assessed. However, the Council's commissioning arrangements do not require service areas to do this. It is therefore difficult for the Council to assure itself that commissioned services are consistently securing value for money.
- 19 The Council does not have arrangements to ensure that it always conducts a comprehensive options appraisal before commissioning services. Only one of the services we examined considered a range of options for service delivery, including a risk assessment of each option. The options appraisal was informed by a broad range of information, which would help the Council understand a range of factors that could affect the service being commissioned. Not always conducting an options appraisal means that the Council's arrangements do not ensure that it is consistently considering all options for service delivery. This increases the risk that the Council may choose options that do not provide the best value for money. This is particularly important at a time when the Council is experiencing significant

financial challenges with a medium-term funding gap of £44.9 million between 2024-25 to 2027-28².

- 20 The Council's commissioning arrangements do not require service areas to consider what long term means in the context of different services. Nor do they require service areas to consider how they will balance long and short-term need. The Council could only demonstrate that it had done this for one of the service areas we examined. However, because the Council does not consistently consider both the short and the longer term when commissioning services, it risks choosing approaches that do not secure value for money over the longer term. Longer-term considerations could include, for example, providing stability to service providers or delivering longer-term objectives that can be achieved beyond potentially short-term grant funding cycles.
- 21 The Council does not have arrangements to consistently ensure that it understands the full costs of commissioned services. The Council understood the costs of the sample of commissioned services we examined. It had also included mitigating arrangements should funding reduce in the future. However, the Council does not have arrangements to systematically ensure that it understands the full-life costs of all commissioned services, or that contract management costs are included in these costs. By not ensuring that all commissioning decisions are based on comprehensive financial information, the Council risks making commissioning decisions that do not secure value for money.
- 22 The Council's commissioning arrangements do not consistently ensure that the wider impacts that commissioned services could have are considered as part of the commissioning process. Commissioning decisions for services valued over £5 million are taken by the Council's Cabinet. All Cabinet reports require consideration of the Council's own wellbeing objectives. Commissioned services valued less than £5 million do not have to be reported to Cabinet. The examples we looked at were less than the £5 million threshold. For these services, we did not find any evidence that the Council has considered how they could contribute to its well-being objectives as part of the commissioning process. The Council's commissioning arrangements also do not require services to consider the well-being objectives of other public sector bodies or the impact on the national well-being goals. By not taking into account the wider implications of commissioning decisions, the Council increases the risk of duplication and of failing to identify opportunities to secure multiple benefits.
- 23 The Council does not ensure that commissioning decisions are consistently informed by those who will be directly and indirectly affected by commissioned services. We found examples of service areas involving partners and service users when commissioning their services. For example, the Housing Support projects we looked at are informed by a needs assessment and the service providers are

² Audit Wales, Bridgend County Borough Council, Financial Sustainability Review, September 2024

required to seek service users' views. However, the Council's corporate arrangements do not require service areas to systematically consider the full range of people who may be affected by, and who should be involved in, commissioning decisions.

- 24 The Council's commissioning arrangements require service areas to think about which partners and potential partners they could work with to commission services. The services we looked at were able to provide examples where they had pursued joint working and partnership opportunities. Working with the right people and partners can help the Council ensure that its services meet the needs of its communities, and that those services are delivered in a way that maximise value for money.
- 25 As the Council does not have a consistent corporate approach to commissioning across the organisation, it cannot regularly review that approach or ensure that it is used by all service areas.
- 26 The Council does not routinely share lessons learned from its approach to commissioning. It does not have a corporate approach or requirement for service areas to share lessons learned. The services we examined had not undertaken any formal evaluation of the commissioning activity. While some service areas undertake lots of commissioning, other areas of the Council are less experienced. By not regularly reviewing its arrangements for commissioning services and sharing lessons learned, the Council risks missing opportunities to improve both the value for money and impact of its approach.



Our recommendations for the Council

Exhibit 1: our recommendations for the Council

Recommendations

R1 Establish commissioning arrangements

The Council should strengthen and formalise current practice, to assure itself that the decisions it makes to commission services are consistently shaped by:

- an understanding of the service to be commissioned and its intended outcomes (para 17);
- setting out how it will assess and monitor the value for money of commissioned services over the short to longer term (para 18);
- an appraisal of all the options to deliver the service from the perspective of economy, efficiency and effectiveness over the short to longer term (para 19);
- planning over an appropriate timescale (para 20);
- an understanding of long-term resource implications (para 21);
- ensuring that wider impacts of the service are maximised (para 22);
- working with the right people and partners to design and deliver the service (para 23); and
- sharing lessons across the organisation (para 25).

R2 Strengthen compliance with its commissioning arrangements

To ensure that the Council's corporate approach to commissioning is consistently used across service areas, the Council should introduce arrangements to monitor compliance with its corporate approach to commissioning (para 25).

R3 Introduce regular review of the Council's commissioning arrangements

To ensure the Council identifies opportunities to improve value for money, it should routinely evaluate the effectiveness of its corporate commissioning arrangements across the organisation (para 25).

Appendix 1

Audit questions and criteria

Overall question: In commissioning services does the Council put in place proper arrangements to secure value for money in the use of its resources?

Level 2 questions	Level 3 questions	Criteria
Does the Council have a clear rationale for commissioning services?	Does the Council clearly define the services it intends to commission and why?	<ul style="list-style-type: none"> • The Council sets out a clear definition of the services it intends to commission. • The Council sets out 'why' it needs to commission the services including: <ul style="list-style-type: none"> – the intended outcomes/impact of delivering the service; and – if/how the service helps the Council meet its statutory duties.
	Does the Council conduct a comprehensive options appraisal of commissioning options before deciding to commission a service?	<ul style="list-style-type: none"> • The Council considers the full range of commissioning options for providing the service – options might include for example: <ul style="list-style-type: none"> – in-house provision; – partnership arrangements or approaches to commissioning within and across sectors; – externalising the service to another provider through a trust or other arrangement; and – contracting the service through a tender process. • The Council considers the cost-benefits of the options from the perspective of economy, efficiency and effectiveness – including over the short, medium and long term. • The Council includes the costs of contract management within its assessment of commissioning options. • The Council includes an assessment of risk for each commissioning option as part of the assessment of cost-benefits. • The Council uses a broad range of information from internal and external sources to develop an understanding of the current and long-term factors that are likely to impact on commissioned services.
Is the Council planning over an appropriate timescale?	Does the Council consider what long-term means when commissioning services?	<ul style="list-style-type: none"> • The Council considers what long term means in planning its approach to

Level 2 questions	Level 3 questions	Criteria
		<p>commissioning services – ie how far ahead it can/should plan and why.</p> <ul style="list-style-type: none"> • The Council considers how it will balance short and long-term needs when planning the commissioning of services, including, for example, when determining the timeframe for contracts or other commissioning arrangements.
	Does the Council understand long-term resource implications when commissioning services?	<ul style="list-style-type: none"> • The Council thinks about the resources it will need over the medium and longer term (whole life costs) to deliver commissioned services. • The Council considers how a range of future budget reduction scenarios could be implemented to commissioned services.
	Does the Council set out how it will monitor the value for money of commissioned services over the short, medium and long term?	<ul style="list-style-type: none"> • The Council sets out the monitoring arrangements it will follow for the commissioned service. • The Council should set out how value for money of commissioned services will be assessed and monitored including: <ul style="list-style-type: none"> – costs and benefits; and – progress towards short, medium and longer-term milestones and measures.
Has the Council thought about the wider impacts its commissioned service could have?	In commissioning services, does the Council consider how it can maximise their contribution to the Council's well-being objectives?	<ul style="list-style-type: none"> • The Council considers how commissioned services will impact on all of its own well-being objectives to secure multiple benefits, avoid duplication or any unintended consequences. Eg consideration of longer-term objectives, local supply chain, market resilience and impact of contract length of time, bio-diversity, carbon reduction.
	In commissioning services, does the Council consider how services can maximise their contribution to the well-being objectives of other public sector bodies?	<ul style="list-style-type: none"> • The Council considers how commissioned services will impact on the well-being objectives of other public sector bodies to secure multiple benefits and avoid duplication or any unintended consequences.
	In commissioning services, does the Council consider how services can maximise their contribution to the National Well-being Goals?	<ul style="list-style-type: none"> • The Council considers how commissioned services will impact on the national well-being goals to secure multiple benefits and avoid duplication or any unintended consequences.

Level 2 questions	Level 3 questions	Criteria
Is the Council working with the right people and partners to design and deliver its commissioned services?	Has the Council identified who it needs to involve?	<ul style="list-style-type: none"> The Council understands who will be directly and indirectly affected by commissioned services. This has been informed by a stakeholder analysis or similar.
	Is the Council involving the full diversity of people?	<ul style="list-style-type: none"> The Council involves the full diversity of views in deciding how to commission services. The Council uses the results of involvement activity to inform how it will commission services, including its impact on groups who share protected characteristics.
	Is the Council collaborating with the right partners?	<ul style="list-style-type: none"> The Council has a good understanding of which partners and potential partners it could work with to commission services to improve value for money. This has been informed by comprehensive analysis of potential partners and their priorities. Where opportunities to improve value for money by commissioning of services in partnership are identified, the Council pursues them.
Does the Council have arrangements in place to evaluate the value for money of its approach to commissioning?	Does the Council routinely evaluate the effectiveness of commissioning arrangements?	<ul style="list-style-type: none"> The Council regularly reviews the effectiveness of its approach to commissioning including: <ul style="list-style-type: none"> the extent to which commissioned services meet the objectives the Council has set; and the value for money of chosen commissioning models including consideration of inputs, outputs and outcomes.
	Does the Council routinely share any lessons learned to inform future commissioning exercises?	<ul style="list-style-type: none"> The Council shares and applies any lessons learned from its approach to commissioning widely across the organisation, and with partners where relevant.



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Management response form



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Audited body	Bridgend County Borough Council
Audit name	Commissioning Arrangements
Issue date	05.06.25

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
R1	<p>Establish commissioning arrangements</p> <p>The Council should strengthen and formalise current practice, to assure itself that the decisions it makes to commission services are consistently shaped by:</p> <ul style="list-style-type: none"> an understanding of the service to be commissioned 	Good practice guidelines will be produced to ensure that the existing practice highlighted in the report is standardised across all service areas	December 2025	Chief Executive / CMB	

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
	<p>and its intended outcomes (para 17);</p> <ul style="list-style-type: none"> • setting out how it will assess and monitor the value for money of commissioned services over the short to longer term (para 18); • an appraisal of all the options to deliver the service from the perspective of economy, efficiency and effectiveness over the short to longer term (para 19); • planning over an appropriate timescale (para 20); • an understanding of long-term resource implications (para 21); 				

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
	<ul style="list-style-type: none"> ensuring that wider impacts of the service are maximised (para 22); working with the right people and partners to design and deliver the service (para 23); and sharing lessons across the organisation (para 25). 				
R2	<p>Strengthen compliance with its commissioning arrangements</p> <p>To ensure that the Council's corporate approach to commissioning is consistently used across service areas, the Council should introduce</p>	Directors will bring bi-annual reports to CMB to monitor arrangements and ensure the corporate approach is being consistently applied.	December 2025	Chief Executive / CMB	

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
	arrangements to monitor compliance with its corporate approach to commissioning. (Para 25).				
R3	<p>Introduce regular review of the Council's commissioning arrangements</p> <p>To ensure the Council identifies opportunities to improve value for money it should routinely evaluate the effectiveness of its corporate commissioning arrangements across the organisation. (Para 25).</p>	The commissioning arrangements will be reviewed annually and amended if considered appropriate.	March 2026	Chief Executive / CMB	

Meeting of:	GOVERNANCE AND AUDIT COMMITTEE
Date of Meeting:	17 JULY 2025
Report Title:	INTERNAL AUDIT RECOMMENDATION MONITORING
Report Owner / Corporate Director:	CHIEF OFFICER – FINANCE, HOUSING & CHANGE
Responsible Officer:	ANDREW WATHAN HEAD OF REGIONAL INTERNAL AUDIT SERVICE
Policy Framework and Procedure Rules:	The proposals in this report are in accordance with the policy framework and procedure rules.
Executive Summary:	<ul style="list-style-type: none"> • This report provides members of the Governance and Audit Committee with a position statement on the status of internal audit recommendations as at 30th June 2025. This is attached at Appendix A. • A recommendation is made to enhance a control to mitigate the identified risk; until the recommendation is implemented the risk remains. • As at 30th June 2025, 1 high recommendation made during 2023-24 is overdue and 7 high priority and 51 medium priority recommendations have future implementation dates. All have been agreed. • Details of the overdue recommendation, which relates to Parking Enforcement, is included in Appendix B. • The 5 medium priority recommendations made in audits completed in 2022-23 or 2023-24 are included in Appendix C. • In response to the Governance and Audit Committee's request at the meeting on 19th June 2025, details of the findings, risk and the status of the recommendations in respect of Parking Enforcement, Home to Work Mileage in Council Vehicles and Porthcawl Harbour have been included. Additional comments have been provided by the Interim Head of Operations (Communities). • In addition, details of the recommendations made following audits at Penybont Primary school and Maesteg Comprehensive school have been included in the report together with additional comments from the Corporate Director – Education, Early Years and Young People.

- | | |
|--|---|
| | <ul style="list-style-type: none"> • The monitoring of recommendations is undertaken regularly by the Audit team and any undue delays or issues are highlighted to Senior Management and ultimately this Committee. |
|--|---|

1. Purpose of Report

- 1.1 To provide members of the Committee with a position statement on internal audit recommendations made, implemented and outstanding as at 30th June 2025 and consider the information provided in respect of the status of the high and medium priority recommendations made by the Regional Internal Audit Service.

2. Background

- 2.1 In accordance with the Global Internal Audit Standards, the internal audit activity must assess and make appropriate recommendations to improve the Council's governance, risk management and internal control. The Regional Internal Audit Service (RIAS) Strategy states that the implementation of agreed recommendations will be monitored.
- 2.2 Recommendations are made at the conclusion of an audit review if it is felt that improvements should be made to mitigate risk and strengthen controls. Recommendations are included, if appropriate, in the final audit report and recipients are asked to provide responses to indicate whether they agree with the recommendations and how and when they plan to implement them. To assist managers in focusing their attention, each recommendation is classified as being either high, medium or low priority.
- 2.3 Table 1 shows the recommendation categorisation as follows:

Table 1 – Recommendation Categorisation	
Risk may be viewed as the chance, or probability, of one or more of the organisation's objectives not being met. It refers both to unwanted outcomes which might arise, and to the potential failure to realise desired results. The criticality of each recommendation is as follows:	
High Priority	Action that is considered imperative to ensure that the organisation is not exposed to high risks.
Medium Priority	Action that is considered necessary to avoid exposure to significant risks.
Low Priority	Action that is considered desirable and should result in enhanced control.

- 2.4 To ensure maximum coverage of the annual plan based on the capacity available within the team, the RIAS monitors the implementation of the high and medium priority recommendations, but the low priority recommendations are left to management to successfully implement.
- 2.5 Once the target date for implementation has been reached the relevant Officers will be contacted and asked to provide feedback on the status of each agreed high and

medium priority recommendation. The implementation of these recommendations is monitored using internal audit software to ensure that improvements are being made.

- 2.6 Any audits concluded with a *No Assurance or Limited Assurance* opinion will also be subject to a follow up audit.

3. Current situation / proposal

- 3.1 **Appendix A** provides the status of the high and medium priority internal audit recommendations made as at 30th June 2025. To date, no high or medium priority recommendations have been made following completed 2025-26 audits.
- 3.2 The status of the recommendations made but currently not implemented is summarised in **Table 2** below. It illustrates that 70 out of 129 (54%) recommendations have been implemented, 1 is overdue and 58 have future dates.

Table 2 – Summary of the Recommendation Status

	No. Made	Not Agreed	Imp.	Overdue			Future Target Date		
				High	Med.	Total	High	Med.	Total
2022-23	4	0	2	0	0	0	0	2	2
2023-24	17	0	13	1	0	1	0	3	3
2024-25	108	0	55	0	0	0	7	46	53
Total	129	0	70	1	0	1	7	51	58

Parking Enforcement

- 3.3 The 1 high priority overdue recommendation is in respect of Parking Enforcement, this is detailed at **Appendix B**. This recommendation, made in January 2024, was that the Council puts an overarching strategy or policy in place to outline the key duties, powers and objectives of the Parking Enforcement Team. This recommendation was made as the Council's Joint Working Agreement with the Vale of Glamorgan Council ceased in April 2020 and no such document had been put in place to replace previous arrangements. Without such a document there could be inconsistencies in approach and potential revenue loss which could cause public frustration.
- 3.4 This recommendation was discussed in the last Governance and Audit Committee meeting on 19th June 2025 as the revised target date for implementation had not been met.
- 3.5 Update from the Interim Head of Operations (Communities)

A Parking Enforcement policy document is being drafted, it will outline the key duties, powers and objectives of the Parking Enforcement Team. The policy will be ready for review by 31/08/2025.

- 3.6 Therefore the agreed implementation date will be changed to 31st August 2025, and the progress will be monitored and reported back to the next Governance and Audit Committee.

- 3.7 **Table 2** also illustrates that 7 high priority, and 51 medium priority recommendations made in audits undertaken prior to this financial year still have a future implementation date, therefore the identified risk remains. Details of the 5 medium priority recommendations made in the audits completed in 2022-23 or 2023-24 are included in **Appendix C**.

Home to Work Mileage in Council Vehicles

- 3.8 Two of these recommendations are in respect of a Home to Work Mileage in Council Vehicles audit issued in January 2023. The Governance and Audit Committee discussed this audit during the last meeting on 19th June 2025 and requested an indication of when these recommendations would be fully implemented. One recommendation was that a corporate policy, for the use of Council vehicles, is developed which should consider the financial cost of home to work journeys, potential financial contributions from employees, HMRC implications if used for private use and specific guidance for electric vehicles. The audit found that during the pandemic informal procedures and arrangements were in place which resulted in an inconsistent approach across services of the Council. The second recommendation was that a business case should be presented and authorised if there was a requirement to take a Council vehicle home. A corporate policy and the requirement of approved business cases would ensure consistency across all employees of the Council.

- 3.9 Update from the Interim Head of Operations (Communities)

A review will be undertaken which will cover the overall usage and maintenance of the Council Fleet, this will include the development of a policy that will cover the use of Council vehicles. The anticipated completion date for the review will be 01/08/2026. As an interim, while undertaking the fleet review, an exercise will be carried out to review all vehicles that are taken home alongside the necessary supporting narrative which can be presented to audit. The completion date will be 30/09/2025.

- 3.10 Therefore the implementation dates for these 2 recommendations will be updated to 1st August 2026 and 30th September 2025. The progress of the implementation will be monitored and reported to the Governance and Audit Committee.

Porthcawl Harbour Return 2023-24

- 3.11 During the previous Governance and Audit meeting on 19th June 2025, members of the Committee also discussed the recommendation made in respect of the audit of the Porthcawl Harbour Return 2023-24 which was issued in July 2024. The recommendation was that the Harbour Board should receive and agree the annual accounts, and this should be clearly documented in meeting minutes. Additionally, in line with the Harbour Engagement Strategy, a business plan should be provided to the Harbour Board and regularly monitored. This recommendation has been partially completed, and details are included in **Appendix C**.

- 3.12 Update from the Interim Head of Operations (Communities)

An overview has been added to the annual accounts outlining the Council as being the Harbour Authority with the undertakings associated with the Harbour being vested in the Council. Since 2013 Porthcawl Harbour has also been home to Porthcawl Marina.

The Harbour Board, chaired by the Corporate Director Communities, exists to provide overall governance and management of Porthcawl Harbour. It will meet twice in 2025/26 – September 2025 and January 2026. The Harbour Stakeholder Group, Chaired by the Harbour Master, exists to ensure the safe and effective operation of the marina facility and advise the Harbour Board on matters of importance. It will also meet twice in 2025/26 – September 2025 and January 2026. The Operational Group will meet before the Harbour board to allow issues to be reported and escalated as appropriate.

To fully implement the internal audit recommendation, a business plan will be provided to the Harbour Board at the September meeting.

Penybont Primary School and Maesteg Comprehensive School

- 3.13 The Annual Internal Audit Report 2024-25, presented to the Governance and Audit Committee on 19th June 2025, identified that 2 schools had been given a *Limited Assurance* audit opinion, these were Penybont Primary School and Maesteg Comprehensive School. Members of this Committee requested further details on the actions identified in those internal audit reports. These 2 schools have been highlighted in **Appendix A**, which shows Penybont Primary School received 15 recommendations, all were agreed, 11 have been implemented and 4 have a future date. Maesteg Comprehensive School received 14 recommendations, all were agreed with 9 implemented and 5 have a future date. An analysis of the audit areas which these recommendations relate to is in Table 3 below.

Table 3 – Analysis of Recommendations Made

Audit Area	Penybont		Maesteg	
	High	Medium	High	Medium
Budgetary Control	0	0	0	1
Governance	0	1	1	0
Private/ Unofficial Fund	0	4	0	2
Purchasing (inc Pcard)	0	7	1	3
Safeguarding	1	1	0	2
School Income	0	1	0	4
Total	1	14	2	12

- 3.14 These 2 internal audit reports were issued in March 2025 and May 2025 respectively and implementation dates for the recommendations have been agreed with each school. As per the internal audit process a follow up audit will be undertaken at each school during 2025-26 and the respective audit opinions will be reported to the Governance and Audit Committee. If the *Limited Assurance* opinions remain the Governance and Audit Committee will be asked if they would like to invite the relevant Headteacher in to discuss the areas of concern further.
- 3.15 The monitoring of recommendations is undertaken regularly by the Audit team and any delays or issues are highlighted to the Council's Corporate Management Board and ultimately to this Committee.
- 3.16 Comments from the Director Corporate Director – Education, Early Years and Young People

Bridgend County Borough Council's Cabinet is responsible for determining the Financial Scheme for Schools in accordance with the School Standards and Framework Act 1998 and the Education Act 2002. The Section 151 Officer, for the purpose of section 151 of the Local Government Act 1972, is responsible for the proper administration of the authority's financial affairs. The scope of the duties of the Section 151 Officer under section 151 includes all aspects of the financial management undertaken by a governing body.

Governing bodies are required to provide the local authority with details of anticipated and actual expenditure and income in a form and at times determined by the local authority. The governing body is:

- responsible for the observance of the financial regulations throughout the school;*
- required to bring financial regulations to the attention of all relevant staff within the school; and*
- responsible for the accountability of staff and control of all resources in accordance with agreed policies and procedures.*

The local authority, through its Finance Department, Internal Audit Service and Schools Group will monitor schools to ensure correct procedures are followed and recommendations are observed.

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 and Nature Implications

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

7. Safeguarding and Corporate Parent Implications

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

8. Financial Implications

- 8.1 There are no direct financial implications arising from this report however effective audit planning and monitoring are key contributors in ensuring that the Council's assets and interests are properly accounted for and safeguarded.

9. Recommendation

- 9.1 That members of the Governance and Audit Committee note the content of the report and consider the information provided in respect of the status of the high and medium priority recommendations made by the Regional Internal Audit Service.

Background documents

None

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Bridgend County Borough Council - Recommendation Monitoring Position Statement

Audit Name	Directorate	Audit Opinion	Final Report Date	Number Made			Not Agreed	Implemented			Overdue			Future Target Date
				High	Medium	Total		High	Medium	Total	High	Medium	Total	Total
2022-23														
Home To Work Mileage in Council Vehicles	Communities	REASONABLE	27-01-23	0	4	4	0	0	2	2	0	0	0	2
Total				0	4	4	0	0	2	2	0	0	0	2
2023-24														
Rights of Way	Communities	REASONABLE	18-09-23	0	3	3	0	0	2	2	0	0	0	1
Parking Enforcement	Communities	REASONABLE	10-01-24	1	1	2	0	0	1	1	1	0	1	0
Welsh Language Standards	Cross Cutting	REASONABLE	23-02-24	0	4	4	0	0	3	3	0	0	0	1
Procurement	Chief Executives	LIMITED	11-06-24	5	3	8	0	5	2	7	0	0	0	1
Total				6	11	17	0	5	8	13	1	0	1	3
2024-25														
Porthcawl Harbour Annual Return	Cross Cutting	REASONABLE	15-07-24	0	1	1	0	0	0	0	0	0	0	1
Business Continuity Planning	Cross Cutting	LIMITED	28-01-25	2	3	5	0	0	0	0	0	0	0	5
Bottomline PTX BACS Payments	Chief Executives	REASONABLE	30-01-25	0	2	2	0	0	1	1	0	0	0	1
Health & Safety Arrangements	Education & Family Support	REASONABLE	10-02-25	0	3	3	0	0	0	0	0	0	0	3
Adult Placements/ Shared Lives Follow Up	Social Services & Wellbeing	REASONABLE	26-02-25	0	3	3	0	0	1	1	0	0	0	2
Bridge Alternative Provision	Education & Family Support	REASONABLE	03-03-25	0	5	5	0	0	3	3	0	0	0	2
Penybont Primary School (including purchasing card)	Education & Family Support	LIMITED	10-03-25	1	14	15	0	0	11	11	0	0	0	4
Agency Staff	Chief Executives	REASONABLE	10-03-25	1	2	3	0	0	0	0	0	0	0	3
Consultants	Cross Cutting	REASONABLE	31-03-25	0	6	6	0	0	3	3	0	0	0	3
Corporate Safeguarding	Cross Cutting	REASONABLE	04-04-25	0	4	4	0	0	2	2	0	0	0	2
Foster Carer Payments	Social Services & Wellbeing	REASONABLE	04-04-25	1	5	6	0	0	4	4	0	0	0	2
School Vehicles Follow Up	Education & Family Support	REASONABLE	04-04-25	2	4	6	0	2	3	5	0	0	0	1
Major Project Team	Communities	REASONABLE	08-04-25	0	1	1	0	0	0	0	0	0	0	1
Tondu Primary School	Education & Family Support	REASONABLE	08-04-25	1	15	16	0	0	9	9	0	0	0	7
Fees and Charges	Chief Executives	REASONABLE	11-04-25	0	3	3	0	0	0	0	0	0	0	3
Debtors	Chief Executives	REASONABLE	16-04-25	0	4	4	0	0	0	0	0	0	0	4
Community Asset Transfers	Communities	SUBSTANTIAL	30-04-25	0	2	2	0	0	0	0	0	0	0	2
Croesty Primary	Education & Family Support	REASONABLE	15-05-25	1	6	7	0	1	5	6	0	0	0	1
Maesteg Comprehensive School	Education & Family Support	LIMITED	15-05-25	2	12	14	0	1	8	9	0	0	0	5
Flying Start	Chief Executives	REASONABLE	27-05-25	0	2	2	0	0	1	1	0	0	0	1
Total				11	97	108	0	4	51	55	0	0	0	53

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Bridgend County Borough Council –Recommendation Monitoring

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Overdue Recommendations

Audit	Final Report Date	Recommendation	Category	Agreed Action	Agreed Date	Current Position	Responsible Officer
Parking Enforcement <i>Reasonable Opinion</i>	10-01-24	The Council puts in place an overarching strategy or policy to outline the key duties, powers and objectives of the Parking Enforcement Team.	High	The existing Bridgend County Borough Council parking strategy was produced in 2014 and refreshed in 2017.	31/01/24 Revised 31/03/25	<u>Update April 2025</u> Duties of and responsibilities updated in annual report format, currently being produced 90% complete just awaiting financial information to be inserted. Expected within the next few weeks. <u>Update June 2025</u> The policy will be ready by 31/08/2025.	Parking Services Manager, & Traffic Management & Parking Team Leader

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Bridgend County Borough Council –Recommendation Monitoring

Recommendations Made with a Future Implementation Date

Audit	Final Report Date	Recommendation	Category	Agreed Action	Agreed Date	Current Position	Responsible Officer
Home To Work Mileage in Council Vehicles <i>Reasonable Opinion</i>	27/01/23	A corporate policy is developed in relation to the use of Council vehicles	Medium	Agreed that a Corporate Policy is to be developed on the use of corporate vehicles. This task will require support from Human Resources, Fleet Services as well as the representative departments of BCBC. The process will involve research, drafting, sign off, consultation and approval. As such any timescale is speculative but could be deliverable in 7 months	30/09/23 <u>Revised</u> 31/03/24 31/03/25 31/07/25	<u>Update July 2025</u> A review will be undertaken which will cover the overall usage and maintenance of the Council Fleet, this will include the development of a policy that will cover the use of Council vehicles. The anticipated completion date for the review will be 01/08/2026.	Group Manager Highways and Green Spaces as Lead officer
		Where there is a possible requirement to take a vehicle home, a business case should be presented and authorised at the appropriate level.	Medium	This should be addressed within the policy referenced above	30/09/23 <u>Revised</u> 31/03/24 31/03/25 31/07/25	<u>Update July 2025</u> As an interim while undertaking the fleet review, an exercise will be carried out to review all vehicles that are taken home alongside the necessary supporting narrative which can be presented to audit. The completion date will be 30/09/2025.	As above
Rights of Way <i>Reasonable Opinion</i>	18/09/23	Seek to introduce and publicise a single automated method of reporting and recording maintenance issues and seek to utilise the CAMS systems functionality to record data, help maximise	Medium	As there are many ways the team currently receives information it will be problematic to develop a single portal in the first instance. However, this can be worked towards by	31/12/23 Revised 30/06/25 30/09/25	<u>Update June 2025</u> Partial implementation with business cases and IT technical issues delaying full implementation. Extension to Sept 2025 should allow for full implementation of recommendation	Rights of Way Manager

Audit	Final Report Date	Recommendation	Category	Agreed Action	Agreed Date	Current Position	Responsible Officer
		efficiencies and increase monitoring capabilities.		utilising the CAMS system as the first point of entry.			
Welsh Language Standards <i>Reasonable Opinion</i>	23/02/24	In line with Welsh Language Standard 122 & 126 (Operational), the text of the homepage of the intranet, interface and menus must be available in Welsh and fully functional.	Medium	Work is underway to ensure there is an option of a bilingual staff intranet.	30/04/24 <u>Revised</u> 30/04/26	<u>Update November 2024</u> The intranet project was put on hold due to our website CMS provider pulling support, the intranet is next in line, and it has been agreed we can start the transfer of the old intranet once the website transfer is complete. This new site will be bilingual in the same way the website is. The extremely long target date was challenged and informed that this risk has been escalated to managers to try and bring this date forward.	Digital and Social Media Officer
Procurement <i>Limited Opinion</i>	11/06/24	The Council implements a system to easily identify supplier spend for which there is no established contract between the Council and the supplier.	Medium	Procurement and finance have been looking into this and agree that a system is necessary. It has been identified that the finance system has the capabilities but would need the host of the system to provide advice on the functionalities, this would be at a cost of £2,000.	30/07/24 <u>Revised</u> 31/07/25	<u>Update February 2025</u> An upgrade to the Financial System in July 2025. Given the timeframe, the interim measures are that any alternative to this would be a very intensive manual task	Group Manager, Chief Accountant / Corporate Procurement Manager
Porthcawl Harbour Return 2023-24 <i>Reasonable Opinion</i>	15/07/25	The Harbour Board should receive and agree the annual accounts, and this should be clearly documented in meeting minutes. Additionally, in line with the Harbour Engagement Strategy, a business plan should be provided to the Harbour	Medium	Agreed, accounts will be signed off and business plan agreed during the next Harbour Board meeting in October.	31/10/24 <u>Revised</u> 31/12/24 30/09/25	<u>Update – June 2025</u> Partially complete – the Harbour Board meeting minutes dated 09/05/2025 evidence that the 2022/23 and 2023/24 accounts have been signed off by the Board. The Business Plan is due to be completed and presented to the Harbour Board in the September 2025 meeting.	Harbour Master

Audit	Final Report Date	Recommendation	Category	Agreed Action	Agreed Date	Current Position	Responsible Officer
		Board and regularly monitored.					

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Meeting of:	GOVERNANCE AND AUDIT COMMITTEE
Date of Meeting:	17 JULY 2025
Report Title:	DRAFT STATEMENT OF ACCOUNTS 2024-25
Report Owner / Corporate Director:	CHIEF OFFICER – FINANCE, HOUSING & CHANGE
Responsible Officer:	NIGEL SMITH GROUP MANAGER – CHIEF ACCOUNTANT
Policy Framework and Procedure Rules:	There is a legal requirement for the Statement of Accounts to be prepared and authorised by the responsible financial officer prior to submission to Audit Wales to be audited. As the accounts were not completed by 31 May 2025 a notice was published explaining this in accordance with Regulation 10 of the Accounts and Audit (Wales) Regulations 2014.
Executive Summary:	<ul style="list-style-type: none"> • The draft Statement of Accounts for 2024-25 have been completed in accordance with the Accounts and Audit (Wales) Regulations 2014. • The draft Accounts are now subject to audit by Audit Wales and it is intended to present for approval the final audited accounts to the Governance and Audit Committee in October 2025.

1. Purpose of Report

- 1.1 The purpose of the report is to present to the Governance and Audit Committee the unaudited Statement of Accounts for 2024-25 attached at **Appendix A** for noting.

2. Background

- 2.1 The preparation of the Statement of Accounts is a requirement of the Accounts and Audit (Wales) Regulations 2014 and its content is defined by the Chartered Institute of Public Finance and Accountancy's 'Code of Practice on Local Authority Accounting in the United Kingdom' (the Code). The Statement of Accounts are complex and must meet a number of requirements as set out in the Code.
- 2.2 In accordance with these Regulations, the annual unaudited Statement of Accounts are required to be approved and signed by the responsible financial officer by 31 May following the year ending 31 March to which the accounts relate, certifying that they present a true and fair view of the financial position of the Council. The audited Statement of Accounts then has to be approved by 31 July of that year by the Governance and Audit Committee, in accordance with the Committee's Terms of

Reference. If the accounts are not able to be signed and published by this date then the Council must publish a Regulation 10 notice setting out the reasons why.

- 2.3 Welsh Government has set out its expectations of when the accounts should be published and audited. For the current year the expectation is that the draft accounts will be published by 30 June 2025, and the audited accounts by 31 October 2025. The Council, in following these dates, did not meet the 31 May 2025 deadline and, therefore, in line with the requirements of the Regulations, issued a notice advising of this.
- 2.4 It should be noted that the publication of the Cardiff Capital Region City Deal (CCRCD) draft Statement of Accounts 2024-25 have yet to be published, so the Council's draft accounts do not contain its share of the CCRCD income, expenditure, assets and liabilities for 2024-25.

3. Current situation / proposal

- 3.1 The Council's unaudited Statement of Accounts for the financial year ended 31 March 2025 is attached at **Appendix A**. The Statement of Accounts comprise a number of different statements relating to financial performance and reserves. Whilst the final document will include the Annual Governance Statement, it is being presented as a separate report to this Committee. The Annual Governance Statement will be signed by the Leader of the Council and Chief Executive once the audit has been completed.
- 3.2 The unaudited Statement of Accounts 2024-25 was signed by the responsible financial officer on 30 June 2025 and provided to Audit Wales also on 30 June 2025 for audit. The accounts were placed on the Council's website as Draft and subject to public inspection for the period 4 August 2025 to 29 August 2025. A date of 30 August 2025 has been set for the external auditor to be available to answer questions from any local government elector or their representative for the area to which the accounts relate. The timescale for completion of the audit, approval of the accounts by the Governance and Audit Committee, sign off by the Auditor General and publication of the final accounts is expected to be 31 October 2025.
- 3.3 The Accounts include the following core Financial Statements:
- Comprehensive Income and Expenditure Statement
 - Movement in Reserves Statement
 - Balance Sheet
 - Cash Flow Statement

These are produced in accordance with International Financial Reporting Standards (IFRS) rather than the amount to be funded in cash terms when the budget is set, therefore these statements include items such as depreciation on property, plant and equipment, the estimated cost of the shortfall on the pension scheme and other technical accounting adjustments.

- 3.4 The Council had a small underspend of £0.300 million for the financial year, after allowing for capital financing and contingency costs, transfers to and from earmarked reserves and additional council tax income. As a result, the Council Fund balance increased from £9.730 million as at 31 March 2024 to £10.030 million as at 31 March 2025.

- 3.5 In addition to spending money providing services on a day-to-day basis, the Council also spends money providing new facilities, enhancing assets within the Council's portfolio or providing capital grants to others. The total capital spending during 2024-25 was £29.331 million.
- 3.6 There are various notes within the Accounts that provide more detailed information in relation to specific areas of the core Financial Statements. Attached at **Appendix B** is a document prepared by CIPFA – Understanding Local Authority Financial Statements – which may be useful information to members of the Committee to support their role in reviewing the Council's Statement of Accounts.
- 3.7 The unaudited Statement of Accounts will be reviewed by Audit Wales. A final version of the Accounts will be brought back to the Governance and Audit Committee in October 2025, subject to the completion of the audit, which will need Governance and Audit Committee approval, in accordance with the Accounts and Audit (Wales) Regulations 2014, and to be signed by the Chair of the Governance and Audit Committee.
- 4. Equality implications (including Socio-economic Duty and Welsh Language)**
- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. This is an information report therefore it is 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. 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 and Nature Implications**
- 6.1 There are no climate change or nature implications as a result of this report.
- 7. Safeguarding and Corporate Parent Implications**
- 7.1 There are no Safeguarding or Corporate Parent implications as a result of this report.
- 8. Financial Implications**
- 8.1 The Statement of Accounts reflects the financial performance of the Council for the financial year 1 April 2024 to 31 March 2025. The Statement of Accounts are

presented for information so there are no direct financial implications arising from this report.

9. Recommendation

- 9.1 It is recommended that the Governance and Audit Committee notes the unaudited Statement of Accounts 2024-25 at **Appendix A**.

Background documents

None

Draft Statement of Accounts

Bridgend County Borough Council • 2024-25



**Bridgend County Borough Council
Civic Offices
Angel Street
BRIDGEND
CF31 4WB
(01656) 643643**

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Narrative report

Introduction

Bridgend County Borough Council's (BCBC) Statement of Accounts provides a record of the Council's financial position for the year. The Council produces its Statement of Accounts to explain the Council's finances, to give assurance that public money has been properly accounted for, and that the financial standing of the Council is on a secure basis. The Statement of Accounts must provide a 'true and fair' view of the Council's financial position as at 31 March 2025, and of its income and expenditure for the 2024-25 financial year.

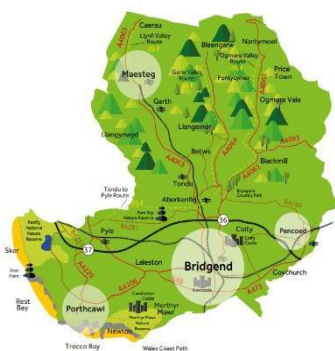
When preparing these accounts consideration is given to the materiality of information. Materiality is a concept that determines whether an omission or misstatement of information in a financial report would impact a reasonable user's decision-making. If information is significant, it is material. If the information is insignificant or irrelevant, it is said to be immaterial. Audit Wales calculate materiality using 1% of the Council's gross expenditure. Audit Wales will also calculate a trivial level above which any misstatements are reported to those charged with governance, in particular the Governance and Audit Committee. The trivial level is set at 5% of the material level. Some areas of the accounts have a much lower level of materiality, in particular the remuneration disclosures, where materiality is set at £1,000; and related party disclosures, where materiality is set at £10,000 for individual's interests. The Council's overall materiality level is in the region of £5.85 million and any notes to the accounts below this value, which are not statutorily required, and where the Council believes they do not aid understanding, have been excluded. The different materiality thresholds are summarised in the table below:

Materiality	Based on 1% Gross expenditure of 2024/25 draft financial statements	£5.85 million
Reporting threshold ('trivial' level)	5% of materiality	£0.29 million
Areas of specific interest:		
Remuneration report	Based on significance of area	£1,000
Related party disclosures	£10,000 (per individuals)	£10,000

The Council's services will continue to be delivered by the public sector therefore the accounts are prepared on a 'going-concern' basis. The level of usable reserves excluding schools and Cardiff Capital Region City Deal (£124m) is sufficient to meet the cost of the provision of Council services over the medium term.

About Bridgend

The county borough of Bridgend

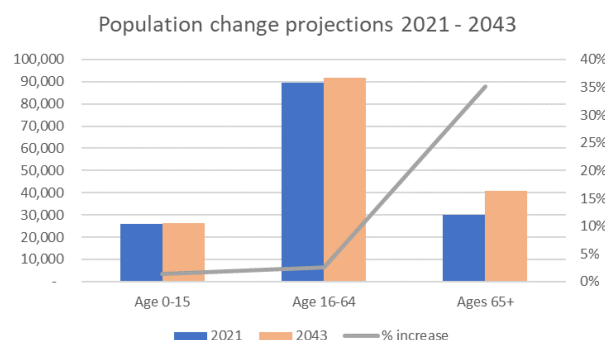


The county borough of Bridgend lies in South Wales and is conveniently situated between Wales' capital city, Cardiff, to the east and the city of Swansea to the west, approximately 20 miles from each. It is bordered by the counties of Neath Port Talbot, Rhondda Cynon Taf and the Vale of Glamorgan with a coastline to the Bristol Channel and covers an area of 98.5 miles². The County has a diverse geography with valleys in the north and 12.5 miles of coastline and beaches to the south. The M4 runs through the centre of the county borough, and there are main-line rail links to Cardiff, London and Swansea. Bridgend County Borough is at the heart of the South Wales industrial and coastal belt. To the north is the residential town of Maesteg, to the southwest is the coastal town of Porthcawl and to the east is Pencoed. Bridgend is one of 22 Councils in Wales, and accounts for approximately 4.7% of the country's population.

Demographic profile of Bridgend

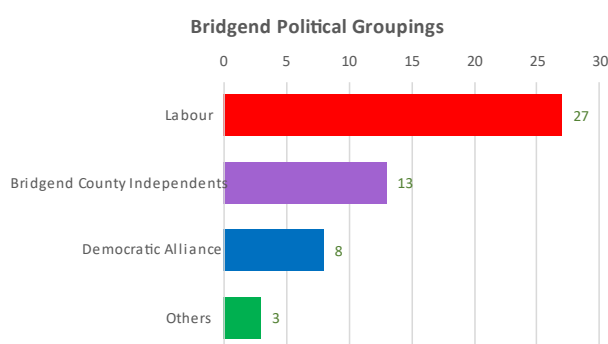
The census 2021 for Bridgend showed that there were 145,500 people living in the county. The population is projected to increase to 158,717 by 2043, with significant increases forecast in the population aged over 65, according to the 2018 principal population projections for local authorities. This will place increased pressure on the Council's budget if no additional funding is provided, particularly in terms of school places, waste collection, adult social care, infrastructure and transportation.

The profile of the population is an important determinant of the demand for services provided by the Council such as the need for adult and children's social care. The population change projections highlight the potential pressures facing the Council with a forecast increasing proportion of older people aged 65+.



Political and management structure

Council Democracy



As at 31 March 2025 the Council had 51 Councillors elected by the community to decide how the Council should carry out its various activities. They represent public interest as well as individuals living within the ward in which they have been elected to serve a term of office. They represent the people of Bridgend and set the overall Council strategy and budget framework.

The constitution sets out how the Council operates, how decisions are made and the procedures to be followed to ensure decisions are effective, transparent and accountable to local people. Council elects a Mayor annually to perform a civic role and promote the County. Council also appoints a leader of the Council who appoints Cabinet Members, each with a responsibility for a specific portfolio of services.

The role of the Cabinet is to be responsible for most major decisions, provide leadership, and propose the budget framework and budget.

Overview and Scrutiny Committees support the work of the Cabinet and Council by:

- scrutinising decisions of the Cabinet;
- considering service provision, planning, management and performance of service areas;
- allowing all Councillors, citizens and stakeholders to have a say in matters concerning the Council;
- considering policies, protocols and plans and producing reports and recommendations thereon;
- contributing to the annual budget consultation process;
- having the opportunity to influence future Cabinet and Council decisions through pre-decision meetings; and
- having the ability to review a decision which has been made but not yet implemented.

Regulatory and other committees support the delivery of Council services. Council has given the Governance and Audit Committee the responsibility to review and approve the Financial Statements of the Council.

The Council's Corporate Management Board is led by the Chief Executive and includes the 3 Corporate Directors, the Monitoring Officer and Chief Finance Officer.

Bridgend County Borough Council Organisational Structure

The Council's operations are organised into Directorates, each of which report into the Chief Executive. The Chief Executive also manages the Chief Executive's Directorate. The Directorates are:

Education, Early Years and Young People: Schools, Learner Support, Early Years and Young People, Strategic Performance, Schools Support, and Sustainable Communities for Learning.

Social Services & Wellbeing: Adult Social Care - Residential Care, Domiciliary Care, Day Opportunities; Prevention and Wellbeing – Leisure Centres, Community Centres, Cultural Trust Partnership; Children's Social Care – Care Experienced Children, Family Support Services, Adoption, Early Help, Edge of Care and Social Work.

Communities: Planning & Development, Corporate Landlord, Strategic Regeneration, Economy, Natural Resources and Sustainability, Cleaner Streets & Waste Management, Highways & Green Spaces.

Chief Executives: Finance, Human Resources, Partnerships, Legal, Democratic and Regulatory Services, ICT, Elections, Housing & Homelessness, and Business Support.

Objectives and performance

Our ambition – How we will work differently for our communities

During the period 2023-28, the Council wants to invest in the right things, the things that make the biggest difference and are the most valued by our communities. We are faced with difficult choices about how we prioritise spending, we will not be able to do everything for everyone. Since the pandemic, and in the current economic crisis, what people want has changed. The Council has agreed how it will work differently to adapt to these changes as set out (right).



Better and more targeted use of resources



One council, working well together and with partners



Improving communication, engagement and responsiveness



Supporting and empowering communities



Protecting the services that matter to you the most

The Council's 7 Wellbeing Objectives

The Well-being of Future Generations (Wales) Act 2015 says that public bodies, including the Council, must work to improve the wellbeing of Wales. The Council has published a set of wellbeing objectives to demonstrate how the Council will contribute to the national wellbeing goals. The wellbeing objectives below are set out in the Council's [Corporate Plan 2023-28 – 'Delivering Together'](#).

Wellbeing Objective 1: A County Borough where we protect our most vulnerable

The main ways we will achieve this are:

- Providing high-quality children's and adult social services and early help services to people who need them
 - Supporting people in poverty to get the support they need or help they are entitled to
 - Supporting people facing homelessness to find a place to live
 - Supporting children with additional learning needs to get the best from their education
 - Safeguarding and protecting people who are at risk of harm
-

Wellbeing Objective 2: A County Borough with fair work, skilled, high-quality jobs and thriving towns

The main ways we will achieve this are:

- Helping our residents get the skills they need for work
 - Making sure our young people find jobs or are in education or training
 - Improving our town centres, making them safer and more attractive
 - Attracting investment and supporting new and existing local businesses
-

Wellbeing Objective 3: A County Borough with thriving valleys communities

The main ways we will achieve this are:

- Investing in Maesteg town centre and creating more jobs in the valleys
 - Improving community facilities and making them more accessible
 - Improving education and skills in the valleys
 - Investing in our parks and supporting tourism to the valleys
-

Wellbeing Objective 4: A County Borough where we help people meet their potential

The main ways we will achieve this are:

- Providing safe, supportive schools with high quality teaching
 - Expanding Welsh medium education opportunities
 - Modernising our school buildings
 - Supporting and encouraging lifelong learning
 - Being the best parents we can to our care experienced children
 - Offering youth services and school holiday programmes for our young people
-

Wellbeing Objective 5: A County Borough that is responding to the climate and nature emergency

The main ways we will achieve this are:

- Moving towards net zero carbon
 - Improving the energy efficiency of our buildings and services
 - Protecting our landscapes and open spaces and planting more trees
 - Reducing, reusing or recycling as much of our waste as possible
 - Improving flood defences and schemes to reduce flooding of our homes and businesses
-

Wellbeing Objective 6: A County Borough where people feel valued, heard and part of their community

The main ways we will achieve this are:

- Improving the way we engage with local people, including young people, listening to their views and acting on them
- Offering more information and advice online and in your libraries and community buildings, not just in Civic Offices
- Helping clubs and community groups to take control of and improve their facilities and protect them for the future
- Making sure you can talk to us and hear from us in Welsh
- Celebrating and supporting diversity and inclusion and tackling discrimination

Wellbeing Objective 7: A County Borough where we support people to live healthy and happy lives

The main ways we will achieve this are:

- Improving active travel routes and facilities so people can walk and cycle
- Offering attractive leisure and cultural activities
- Improving children's play facilities and opportunities
- Providing free school meals and expanding free childcare provision
- Integrating our social care services with health services so people are supported seamlessly
- Improve the supply of affordable housing

Every year the Council must publish a Corporate self-assessment report. This report assures the public, Welsh Government and other regulators, that the Council is performing well, making decisions in a sensible, open way and using its money and other resources properly. Most importantly, the report tells local residents, businesses and stakeholders how the Council is performing. The Council's Corporate Self-Assessment 2024-25 will be published in due course and will outline how the Council has performed against each of its objectives as set out above.

Governance and risk

Governance

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards. This includes ensuring that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The Council also has a duty under the Local Government (Wales) Measure 2009 to make arrangements to secure continuous improvement in delivering its functions in terms of strategic effectiveness, service quality, service availability, fairness, sustainability, efficiency and innovation. The Annual Governance Statement included at the end of the Statement of Accounts document, sets out in detail the Council's governance arrangements.

Risk management

In delivering services, the Council is faced with a range of risks, which can threaten the quality and availability of the services the Council provides. The Corporate Risk Register is regularly reviewed by the Corporate Management Board and is presented to Council as part of the Medium Term Financial Strategy and twice-yearly to the Governance and Audit Committee. Some of the most significant risks, and mitigating actions to deal with these, are listed below.

Risk description	Possible consequences	Mitigating actions
The Council is unable to deliver a balanced budget and sustain services into the medium term.	The more difficult decisions to cut or reduce service levels must be made or the Council will not deliver the changes necessary to achieve a balanced budget, which will result in the Council being in breach of its legal responsibilities.	The Council manages this risk through existing budget and business planning processes, which include early identification of savings targets and development of options for Cabinet, challenge from Scrutiny and formal and informal briefings of members and political groupings.
The Council is unable to identify and deliver infrastructure improvements required in the medium to longer term due to the cessation of external grants, the increased cost of borrowing and the increased costs of construction and building works.	If the Council does not have sufficient capital to maintain, improve and replace infrastructure, including roads, street lights, school buildings and technology then they will deteriorate bringing financial and safety risks which could lead to adverse incidents, reports, publicity, fines and ultimately prosecution.	The Council has a 10-year capital programme. The development of this programme and arrangements for its review and updating are well established. The Council has identified scope to improve upon this to ensure that these needs are balanced with other demand for capital through the development of the new Capital Programme Board.
The Council fails to meet statutory responsibilities to respond to situations where individuals are at risk of neglect or abuse. This would include children, adults in need of social care, homeless individuals and others.	There is a risk that, without adequate budgets and due to the lack of a sufficiently experienced workforce, the Council's safeguarding arrangements will not be effective, and that children and adults at risk will not be kept safe and will experience harm. The demand for services continues to increase, which places additional pressures on services.	The Council continues to prioritise this area of work. Additional staff have been employed to ensure the service is able to meet the increasing demand for services; the Council's Market Supplement Policy has been invoked to support the recruitment of staff to the childcare teams; resource has been found to support increased numbers of staff accessing the social work training scheme and work has been done to establish an overseas recruitment programme. Working practices in the service are being reviewed and the Council continues to work effectively with key partners.
The Council is unable to attract, develop or retain a workforce with the necessary skills to meet the demands placed upon the authority and its services.	If there is a continued reduction in the number of suitably skilled and experienced staff then there will not be the expertise in the workforce to deliver services and protect the interests of the Council. This could lead to the wellbeing of citizens suffering, a reduction in service quality, a delay to service provision and a loss of morale amongst the remaining staff if they feel unsupported and therefore seek to work elsewhere.	Measures have been taken to seek to mitigate and treat the risks including the Market Supplement Policy and further development of international recruitment. Use of agency staff continues to be high in some areas and direct work is being undertaken to improve this position.

Risk description	Possible consequences	Mitigating actions
Significant service pressures in the health and social care services could impact on the ability of services to support vulnerable individuals.	The health and social care system is not able to meet the health and care needs of people in a timely way resulting in harm and excess deaths. The immediate risk is that there is not sufficient capacity in community health and social care services to prevent hospital admissions and support timely discharge from hospital.	There are regular meetings at senior levels across Health and the Council to understand the current position and to agree the joint actions required to try to address the issues.
There is an increase in the financial fragility of schools in the Borough.	Whilst the Council seeks to mitigate the impact of the overall financial positions for schools, current financial planning includes the need to reduce the level of support previously given to schools. The consequences of this include schools having to use their balances to fund activity with increased risk of schools going into deficit. It is a requirement that schools address a deficit within 3 years, 5 years in exceptional circumstances. This will be more difficult as funding to schools reduces.	There are structures in place to escalate issues to senior officers and Members. There is a School Budget Forum in place that is a consultative body in relation to the schools funding formula and overall finance issues for schools. School governors are responsible for monitoring and reporting school finance positions. Schools are supported with the development and monitoring of individual school budgets by the central finance team.
There is a threat to business continuity if the Council is unable to procure and implement major ICT systems which support critical services such as a replacement system for Care Director (WCCIS) and the Capita One system for Education.	In social care the failure to procure and implement a new system by January 2026 will result in the Council having to rely on an unsupported database or a complex interim solution. Operating social care case management and safeguarding services without a functional system is not safe or viable option. Without a system the Council cannot fulfil its statutory safeguarding obligations and there is a risk to life of children and adults at risk of failing to do so. The Capita One system will provide a single comprehensive record for each child which supports the Council to manage education efficiently by connecting data securely resulting in more informed decisions and early intervention.	<p>The Council is working with:</p> <ul style="list-style-type: none"> - Association of Directors of Social Services (ADSS Cymru), the Welsh Local Government Association (WLGA) and a national programme to progress a national approach to contingency planning, procurement strategy, data migration and scoring resources from Welsh Government via a clear business case - The Cwm Taf Morgannwg Region Councils and the Vale of Glamorgan have formed a regional consortium to manage evaluation and implementation of a new supplier - A national or regional approach to procurement will enable better market management and should secure better value for money - The WCCIS regional team provide some capacity to support system change - The Council have formed a cross-directorate group to provide governance within the Council Education is working with schools and the ICT service to implement the new system.

Decarbonisation Programme

Welsh Government declared a Climate Emergency in April 2019. Following this the Welsh Government committed to achieving a carbon neutral public sector by 2030. In June 2020 Bridgend County Borough Council's Cabinet approved a report that set out the crucial role the Council has to play through the management of its own resources, organisations and businesses and the Council declared its own climate emergency in June 2020. Cabinet approved the Council's 2030 Net Zero Carbon Strategy on 13 December 2022. The Strategy includes six priority actions aimed at reducing the organisation's greenhouse gas emissions to achieve a net zero position by 1 April 2030. The Action Plans include carbon management, buildings, transport, procurement, land use and waste. This strategy will be an integral part of the Council's Corporate Plan, whilst policies, strategies and ongoing plans will all reflect the commitment to Net Zero. This will ensure it is fully embraced across the organisation. The Net Zero strategy was reviewed in 2024 and an updated version will be presented for public consultation in July 2025. Whilst Council agreed £0.4 million capital allocation to 2024-25 and £0.15 million annually from 2025-26 to 2030-31, the level of resources to deliver the strategy will be substantially more than this and, due to financial constraints, the Council's ambition to achieve Net Zero 2030 may be difficult to deliver.

The Council has already progressed schemes including:

- Energy efficient LED lighting in 17 buildings, including the Council's Civic Offices.
- Electric vehicle charging points across the Borough.
- Replacement of approximately 15% of the BCBC vehicle fleet with battery electric vehicles.
- The Council's Re:fit programme, which has been run in partnership with energy experts Ameresco, has seen schools and public buildings fitted with a range of measures including LED lighting, lighting controls, Building Management Systems and solar PV systems.
- Improved insulation levels on Council buildings
- Replacement of gas-fired boilers with Air Source Heat Pumps and installation of solar PV at two Council buildings – Bridgend Resource Centre and Bryn-y-Cae Residential Home.
- Installation of rooftop solar PV and ground-mounted battery storage at Bryncethin Depot in order to reduce electricity costs and reduce carbon emissions.

Future opportunities

The Council will continue to work towards achieving net zero carbon and has secured funding to progress the following schemes:

- Solar PV systems on 9 non-school buildings
- Replacement of direct electric heating systems with more efficient air source heat pumps
- Installation of a heat pump to provide hot water at the Civic Offices

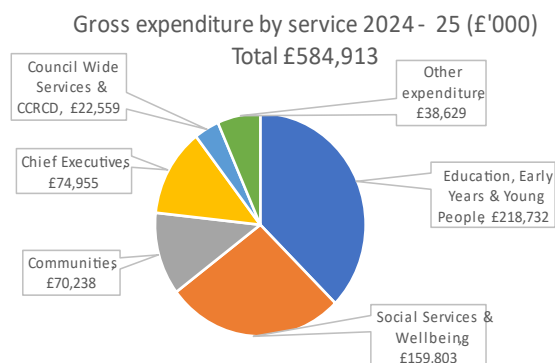
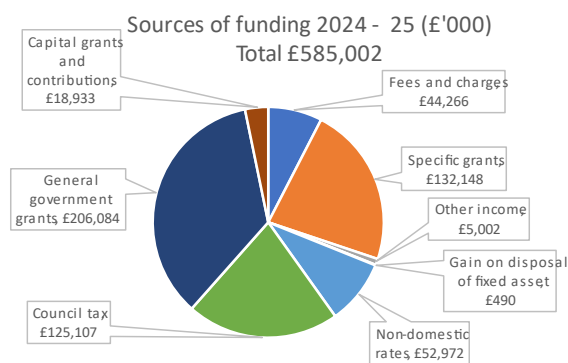
Financial Performance

Income and Expenditure

The Council receives funding from three main sources:

- Government grants, including the Welsh Government core funding to the Council, the Revenue Support Grant (RSG);
- Council tax; and
- Its share of business (non-domestic) rates

The Council also generates income from fees and charges for services it provides. The charts below show the funding received in 2024-25 and how it was spent on services and other expenditure, which includes precepts and levies and interest payable. The difference of £0.086 million is the surplus on the provision of services as shown in the Comprehensive Income and Expenditure Statement.

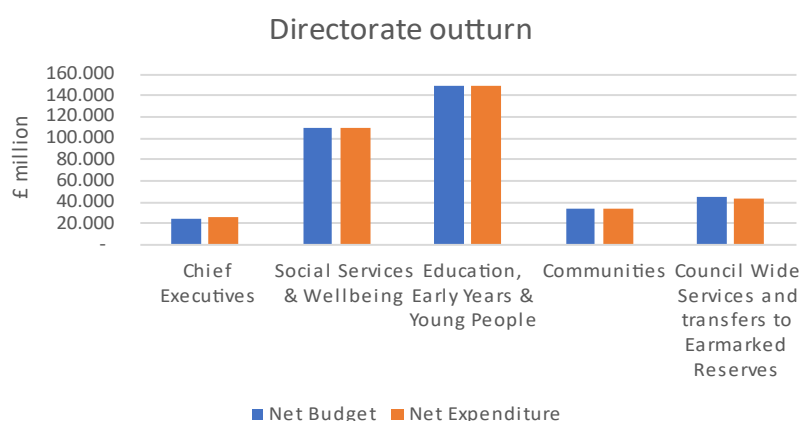


Revenue outturn

In February 2024 the Council approved a net revenue budget of £359.725 million based on the provisional local government settlement received from Welsh Government in December 2023. The Welsh Government announced its final settlement on 27 February 2024 which included an increase in the Revenue Support Grant for the Council of £0.650 million along with three grants being transferred (£0.297 million) into the final settlement, resulting in a net budget of £360.671 million for the year. The revenue budget shows the annual cost of delivering the Council's duties and responsibilities to the community, many of which are provided under statute. The Council's annual revenue budget covers the day-to-day running costs of the Council including staff, waste collection, schools, care workers, foster carers and leisure services. The final revenue outturn was a net underspend of £0.300 million which has been transferred to the Council Fund, leaving the Council Fund at £10.030 million as at 31 March 2025. The outturn position is shown below.

Directorate	Net Budget £ million	Net Expenditure £ million	(Under)/ overspend £ million	(Under)/ overspend %
Chief Executives	23.578	25.492	1.914	8.10%
Social Services & Wellbeing	109.463	109.952	0.489	0.40%
Education, Early Years and Young People	148.823	148.477	(0.346)	(0.20)%
Communities	33.271	33.590	0.319	1.00%
Council Wide Services and transfers to Earmarked Reserves	45.536	43.472	(2.064)	(33.2)%
Outturn subtotal	360.671	360.983	0.312	0.50%
Funding and Financing		(361.283)	(0.612)	(0.20)%
Total Council outturn	-	(0.300)	(0.300)	0.00%

The Council's net budget and net expenditure by Directorate is shown in the table below.



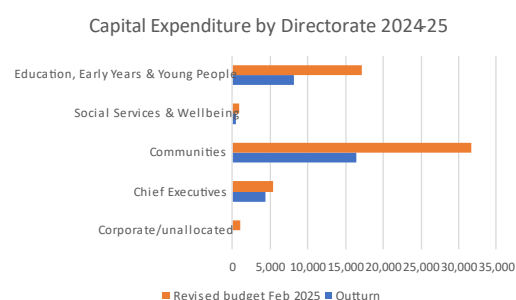
The Council received Revenue Support Grant from the Welsh Government of £205.953 million. The net Non-Domestic Rates (NDR) collectable on behalf of Welsh Government by the Council for the year was £45.043 million. The Council's share of NDR due for the year from Welsh Government was £52.972 million.

2024-25 has been a complex year for the council's finances. The Council made additions/reclassifications to revenue earmarked reserves of £17.685 million and drew down or unwound £13.811 million, a net increase in reserves of £3.874 million. The Council Fund increased by £0.300 million to £10.030 million. The Council's outturn report for the year can be found on the Council's website [here](#).

Capital Expenditure and Funding

Capital investment forms a large part of the Council's spending. The Council's original capital programme for 2024-25, approved by Council on 28 February 2024, was £66.058 million.

Budget adjustments take place during the year to reflect new schemes added to the Capital Programme, removal or reductions in schemes and slippage of schemes to future years. The final approved budget for the year was £56.110 million and the total expenditure was £29.331 million. Of the variance below, £25.370 million will be slipped into future years.

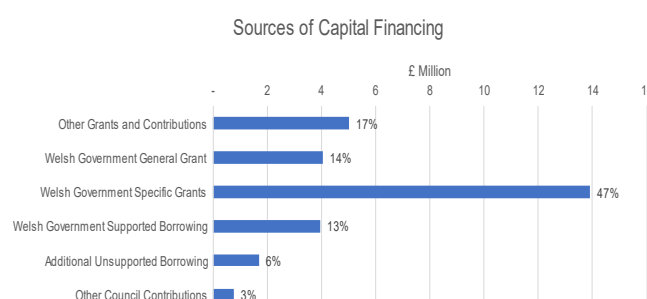


Directorate	Original approved budget £'000	Revised budget £'000	Outturn £'000	Variance (Under)/over £'000
Education, Early Years and Young People	18,895	17,151	8,079	(9,072)
Social Services and Wellbeing	839	839	451	(388)
Communities	39,499	31,686	16,447	(15,239)
Chief Executives	5,830	5,439	4,354	(1,085)
Corporate/unallocated	995	995	-	(995)
TOTAL	66,058	56,110	29,331	(26,779)

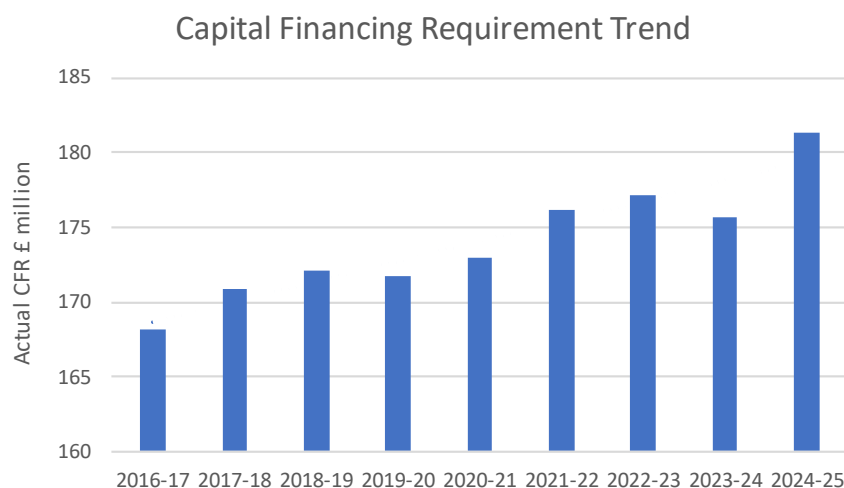
The total expenditure for the year represents 52% of the final approved capital programme, and key projects included:

- Maesteg Town Hall
- Sustainable Communities for Learning Programme
- Bryntirion Comprehensive Classroom Extension
- Grand Pavilion in Porthcawl
- Porthcawl Metrolink
- Community Play Areas
- Disabled Facility Grants for adaptations to people's homes to support individuals to continue to live at home.

The Council pays for its capital expenditure from a number of sources. The local government capital settlement for 2024-25 provided the Council with £7.980 million of capital funding, of which £3.937 million was supported borrowing and £4.043 million was capital grant. An analysis of the capital funding is shown to the right.



Capital expenditure incurred historically by borrowing, but to be paid for from future revenue or capital income, is termed the Capital Financing Requirement (CFR). The CFR over the last 7 years is shown below with the dotted line representing the trend over that period. Revenue amounts are set aside each year to repay the borrowing known as Minimum Revenue Provision (MRP) and is put aside over a 45-year period in line with the Minimum Revenue Provision Policy. During the year the Council changed the way in which it calculates the MRP from a straight line method to an annuity method. The annuity method is considered more prudent as it matches the benefit from the assets with the cost over time.



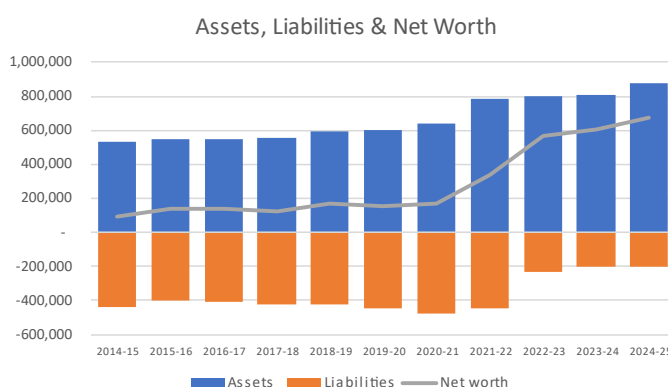
Assets and Liabilities

The balance sheet summarises the Council's financial position at the year-end, and reports the assets, liabilities and reserves of the Council, which shows how much the Council owns and how much it owes. The net assets of the Council have increased by £57.775 million from £607.437 million at 31 March 2024 to £665.212 million at 31 March 2025.

The key movements over the year are shown below:

	31 March 2024 £'000	31 March 2025 £'000	Movement £'000
What we own – assets	807,386	861,838	54,452
What we owe – liabilities	(199,584)	(200,920)	2,958
Net financial position – assets less liabilities	607,802	665,212	57,410
<i>The net financial position is held in reserves as follows:</i>			
General reserves held by the Council, including earmarked reserves – usable reserves	104,020	115,644	11,624
Other reserves held for statutory or specific purposes – unusable reserves	503,782	549,568	45,786
Total reserves	607,802	665,212	57,410

The Council's assets and liabilities can be used to show a 'net worth', as in the chart below. The major reduction in liabilities relates primarily to the pension fund liability, which is discussed later in the report.



Long term assets

Property, plant and equipment are revalued on a 3-year rotation. This is a shorter period than the Chartered Institute of Public Finance and Accountancy's 'Code of Practice on Local Authority Accounting' suggests but enables the Council to ensure values recorded in the accounts are materially correct. The valuation of assets involves a number of assumptions, however movements in asset values as well as accounting charges such as depreciation have no impact on council tax, as these charges are required to be reversed out from unusable reserves. Details of the movements in assets, capital expenditure and its financing are included at note 21.

- Assets revalued during 2024-25 as part of the Council's rolling programme included schools, enterprise and business centres, depots, sport centres, day care centres and public conveniences.
- Investment properties, surplus assets and assets held for sale are revalued annually.

Short term assets & liabilities

Short term assets include investments made in line with the approved [Treasury Management Strategy](#), to support the short term cash flow needs of the Council. The total investments and cash balances held for Treasury Management purposes was £36.75 million at 31 March 2025 and is primarily temporary cash balances deposited with financial institutions and Central Government Debt Management Office. The average rate of interest earned for the year was 4.81%.

Borrowing

The Council has long-term borrowing outstanding as at 31 March 2025 of £95.193 million including its share of Cardiff Capital Region City Deal (CCRCD) long-term borrowing of £0.06 million. The Council's borrowing of £95.186 million is a mixture of Public Works Loan Board (PWL) loans of £73.328 million, Lender Option Borrower Options (LOBOs) of £19.736 million, and £2.12 million of Salix loans to finance capital expenditure. More detail in relation to borrowing is provided in note 31. The borrowing should be seen in the context of the total value of the Council's long-term assets, which are shown in the Balance Sheet at £750 million. Borrowing is permitted in line with the CIPFA (Chartered Institute of Public Finance and Accountancy) Prudential Code for Capital Finance in Local Authorities as long as, in the opinion of the Chief Finance Officer, the revenue costs are capable of being met and are in keeping with prudential indicators and guidelines. Should the opportunity arise for the Council to repay its LOBOs at a benefit to the Council, then it will look to do so.

Raising debt to finance Council investment

The Council has a borrowing requirement arising from current and past years' capital programmes. This is met via a mixture of long- and short-term borrowing, the balance of which can vary year on year depending upon investment and debt maturities and market conditions. Decisions made on borrowing will also affect investment levels. Councils can borrow to invest in property, plant or equipment or other infrastructure that supports the delivery of services, but they must ensure that they can pay this amount back. The Council sets out its approach

to borrowing and investment in its annual Treasury Management Strategy, approved by Council in advance of each financial year, and monitored throughout the year by the Governance and Audit Committee, with advice from external treasury management advisors as appropriate. The Council took out new borrowing during the year of £10 million, £5m short term (3 months duration) and £5m for 16 months. Public Works Loan Board (PWLb) loans of £5.580 million were repaid in 2024-25.

Pensions Liability: £5.84 million

The requirements of International Accounting Standards 19 (IAS19) in relation to post-employment benefits – i.e., pensions, have been fully incorporated into the Comprehensive Income and Expenditure Statement, with actuarial gains and losses being recognised in Other Comprehensive Income and Expenditure, as note 30 explains in detail. The Local Government Pension Scheme (LGPS) is a funded defined benefit plan with benefits earned up to 31 March 2014 being linked to final salary. Benefits after 31 March 2014 are based on a Career Average Revalued Earnings (CARE) scheme. The Council is part of the Rhondda Cynon Taff Pension Fund. The fund is revalued every 3 years by an independent firm of actuaries. The last valuation of the pension fund was 31 March 2025, and this is due to be completed by 31 March 2026.

A pensions reserve and a pension liability are incorporated within the Council's accounts, reflecting the amount by which the Bridgend element of the Rhondda Cynon Taf Pension Fund is under-funded compared with the assessed payment liabilities to pensioners now and in the future. The cost to the Council during the year for pension liabilities was £22.74 million. The overall pensions' liability of the Council at 31 March 2025 was £5.84 million, a reduction of £0.900 million from 31 March 2024 when the liability was £6.74 million. This takes into account the underpin liability following the McCloud remedy and the outcome of the McCloud/Sargeant case that the impact of transitional protection arrangements put in place when firefighters' and judges' pension schemes were reformed were age discriminatory.

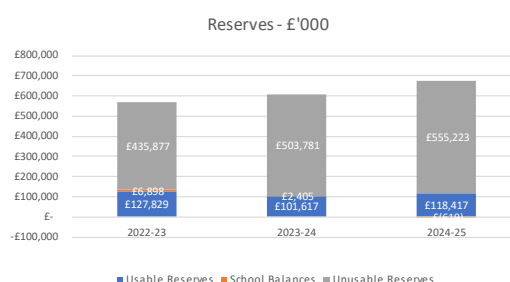
In June 2023 the High Court found in the Virgin Media case that changes to member benefits in contracted out defined benefit pension schemes between 1996 and 2016 required an actuarial certificate in line with Section 37 of the Pensions Act 1993, and that changes without this certification are to be considered void. It is anticipated that there will not be any pension liability changes as a result of this case for the Council. Further information can be found in Note 30 to the accounts.

Reserves

The reserves of the Council represent the net worth of the Council and are split into usable and unusable amounts.

Usable reserves are sums of money put aside for specific purposes or for general contingencies and cash flow management. Their use, creation and assessment of sufficiency also considers risks to financial resilience. The net under spend position of £13.363 million has enabled the establishment of a net of £13.063 million of new earmarked reserves in 2024-25 along with a transfer of £0.300 million to the Council Fund. Earmarked reserves and other usable reserves are detailed in note 28 of the accounts, whilst unusable reserves are shown in note 29.

Unusable reserves have increased as a result of an increase in the valuation of assets in the current year (£57.6 million) and a reduction in the net liability of the pension fund (£0.9 million). As these are unusable, they represent accounting adjustments rather than actual cash flows.



Addressing future challenges

The Council faces significant challenges moving forward. It has in place a Medium Term Financial Strategy (MTFS) approved by Council which shows the required savings for the forthcoming year and indicative savings for the following three years. The key medium-term financial risks facing the Council are:

- Population growth and an ageing population, increasing dementia rates and an increased number of young people with complex disabilities living into adulthood.
- High numbers of children in care and the significant service and financial pressures within Children's Social Care services, as well as the financial impact of Welsh Government's legislative changes such as the eradication of profit from children's social care.
- Housing, in particular homelessness prevention duties and meeting the Welsh Government's commitment to eradicate homelessness.
- Safeguarding the financial position of the Council. Whilst the Council has an agreed budget for 2024-25 and has in place a Medium Term Financial Strategy for the period 2025-26 to 2028-29, the level of expected savings the Council will need to make over that period is significant. Not all savings targets for future years are fully developed, and the Council will need to ensure it can meet those targets, looking at ways to improve efficiency through delivering services in different ways.
- The Council's outturn for 2024-25 is an underspend of £13.363 million before transfers to earmarked reserves of £13.063 million. This was due to a number of factors, namely receipt of unanticipated Welsh Government Grants, savings resulting from Minimum Revenue Provision Policy changes, and not needing to utilise budget built into the MTFS towards emerging budget pressures and as a contingency against non-deliverability of budget reduction proposals. These are one-off items which are not likely to reoccur in future years. The economic outlook going forward remains challenging for Local Authorities.

Whilst the Council continues to face increasing pressures on its budget, it approved a balanced budget for 2025-26 on 26 February 2025. The uncertain economic climate will require the Council to continually review its priorities and budgets.

The Financial Statements

The Statement of Accounts are included in this document, and consist of the following financial statements:

Statement of Responsibilities for the Statement of Accounts

This sets out the respective responsibilities of the Council and the Section 151 officer for the preparation and approval of the Statement of Accounts.

The Comprehensive Income and Expenditure Statement (CIES)

This records the Council's income and expenditure in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Councils raise taxation to cover expenditure in accordance with statutory requirements, which may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

Movement in Reserves Statement (MiRS)

The Movement in Reserves Statement shows the movement from the start of the year to the end of the year on the different reserves held by the Council, analysed into 'usable reserves' - those that can be used to fund expenditure - and 'unusable' reserves, which must be set aside for specific purposes. Unusable reserves would include unrealised gains and losses (such as the Revaluation Reserve), where amounts would only become available if the assets are sold, and reserves that reflect 'adjustments between accounting basis and funding under regulations'. The surplus or deficit on the Provision of Services line shows the true economic cost of providing the Council's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the Council Fund Balance for council tax setting purposes. The Net Increase/Decrease line shows the statutory Council Fund balance

movements in the year following those adjustments.

Balance Sheet

This records a snapshot of the Council's assets, liabilities, cash balances and reserves at the year-end date. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council.

Cash Flow Statement

The Cash Flow Statement shows the reason for changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from the recipients of services provided by the Council. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council.

Notes to the Financial Statements

These set out the Accounting Policies adopted for the Statement of Accounts and disclosures relating to the financial statements and include pensions and financial instruments disclosures. These include the Expenditure and Funding Analysis which shows how annual expenditure is used and funded from resources (government grants, fees and charges, council tax and business rates) by the Council in comparison with those resources consumed or earned by the Council in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's Directorates and Council wide areas. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Annual Governance Statement

The Annual Governance Statement sets out the governance structures of the Council and its key internal controls.

The Statement of Responsibilities for the Statement of Accounts

The Council's responsibilities

The Council is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Council that officer is the Chief Finance Officer.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Approve the Statement of Accounts.

Signed:

October 2025

Chair of Governance and Audit Committee

The Chief Financial Officer's Responsibilities

The Chief Financial Officer is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom* (the Code).

In preparing this Statement of Accounts, the Chief Financial Officer has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent
- complied with the local authority Code.

The Chief Financial Officer has also:

- kept proper accounting records which were up to date
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Chief Financial Officer's Certificate

I certify that the Statement of Accounts presents a true and fair view of the financial position of Bridgend County Borough Council as at 31 March 2025 and of its income and expenditure for the year ended 31 March 2025



Signed:

27 June 2025



Comprehensive Income and Expenditure Statement

2023-24					2024-25				Notes
Gross Expenditure £'000	Govt Grants £'000	Other Income £'000	Net Expenditure £'000		Gross Expenditure £'000	Govt Grants £'000	Other Income £'000	Net Expenditure £'000	
206,960	(40,024)	(7,863)	159,073	Education, Early Years and Young People	218,732	(49,086)	(8,067)	161,579	
156,544	(11,811)	(24,060)	120,673	Social Services and Wellbeing	159,803	(16,531)	(26,296)	116,976	
65,948	(10,019)	(7,545)	48,384	Communities	70,238	(18,832)	(7,381)	44,025	
77,560	(46,761)	(2,426)	28,373	Chief Executives	74,955	(44,977)	(2,547)	27,431	
21,154	(669)	(901)	19,584	Council Wide Services	22,559	(2,722)	25	19,862	
125	(38)	(100)	(13)	Cardiff Capital Region City Deal (CCRCD)	-	-	-	-	
528,291	(109,322)	(42,895)	376,074	Cost Of Services	546,287	(132,148)	(44,266)	369,873	
				Other Operating Expenditure					
20,746			20,746	Precepts payable	22,749			22,749	7
9,181			9,181	Levies payable	9,680	(131)		9,549	7
459			459	(Gain) / loss on disposal of non current assets	-		(490)	(490)	
30,386	-	-	30,386	Other Operating Expenditure	32,429	(131)	(490)	31,808	
				Financing and Investment Income and Expenditure					
4,851			4,851	Interest payable on debt	4,963			4,963	31
11			11	Interest element of finance leases (lessee)	191			191	31
1,018			1,018	Interest payable on PFI unitary payments	946			946	13
1,190			1,190	Net Interest on Net Defined Benefit Liability	(220)			(220)	30
		(5,108)	(5,108)	Investment Income & Other Interest Receivable	-		(4,771)	(4,771)	31
855			855	Changes in fair value of investment properties	100			100	22
				Interest & Investment Income CCRCD					
				Change in Fair Value of Investment Properties CCRCD					
7,925	-	(5,108)	2,817	Financing and Investment Income and Expenditure	5,980	-	(4,771)	1,209	
				Taxation and Non-Specific Grant Income					
	(202,556)		(202,556)	Revenue Support Grant		(205,953)	-	(205,953)	8
		(47,626)	(47,626)	National Non-Domestic Rates			(52,972)	(52,972)	9
	(10,871)	(114,405)	(114,405)	Council Tax			(125,107)	(125,107)	10
			(10,871)	Recognised capital grants and contributions		(18,933)		(18,933)	11
				Non service related government grants		(11)		(11)	
	38		38	Recognised capital grants and contributions CCRCD					
		19	19	Tax Expenses CCRCD					
-	(213,389)	(162,012)	(375,401)	Taxation and Non-Specific Grant Income	-	(224,897)	(178,079)	(402,976)	
566,602	(322,711)	(210,015)	33,876	(Surplus) or Deficit on Provision of Services	584,696	(357,176)	(227,606)	(86)	

5,330		(45,926)	(45,926)	(Surplus) or deficit on revaluation of Property, Plant and Equipment			(72,337)	(72,337)	29a
			5,330	Impairment losses on non-current assets charged to the Revaluation reserve				5,774	29a
		(30,070)	(30,070)	Actuarial (gains) / losses on pension liabilities				1,430	30
		(408)	(408)	Change in fair value of equity investments - CCRCD					
			(71,074)	Other Comprehensive (Income) and Expenditure				(65,133)	
			(37,198)	Total Comprehensive (Income) and Expenditure				(65,219)	

Movement in Reserves Statement

	Council Fund Balance	Earmarked Reserves	Capital Receipts Reserves	Capital Grants Unapplied	CCRCD Usable Reserves	Total Usable Reserves	CCRCD Unusable Reserves	Total Unusable Reserves	Total Council Reserves Restated £'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2023 brought forward	9,832	92,496	25,728	4,511	2,160	134,727	5,284	435,877	570,604
<u>Movement in Reserves during 2023-24</u>									
(Surplus)/deficit on the provision of services	(33,833)				(44)	(33,876)	410	71,074	37,200
Adjustments between accounting basis & funding basis under regulations (Note 20)	5,232		257	(2,356)	38	3,169	(38)	(3,172)	(3)
Transfers to Earmarked Reserves (Note 28)	28,499	(28,499)							
Increase/(Decrease) in 2023-24	(102)	(28,498)	257	(2,356)	(6)	(30,707)	372	67,902	37,197
Balance at 31 March 2024 carried forward	9,730	63,998	25,985	2,155	2,154	104,020	5,656	503,779	607,801

	Council Fund Balance	Earmarked Reserves	Capital Receipts Reserves	Capital Grants Unapplied	CCRCD Usable Reserves	Total Usable Reserves	CCRCD Unusable Reserves	Total Unusable Reserves	Total Council Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2024 brought forward	9,730	63,998	25,985	2,155	2,154	104,020	5,656	503,779	607,801
<u>Movement in Reserves during 2024-25</u>									
(Surplus)/deficit on the provision of services	86					86		65,134	65,220
Adjustments between accounting basis & funding basis under regulations (Note 20)	4,086		6,036	3,568		13,690		(13,690)	
Transfers to Earmarked Reserves (Note 28)	(3,872)	3,872							
Increase/(Decrease) in 2024-25	300	3,872	6,036	3,568	-	13,776	-	51,444	65,220
Balance at 31 March 2025 carried forward	10,030	67,870	32,021	5,723	2,154	117,798	5,656	555,223	673,021

Balance Sheet

31 March 2024 £'000		31 March 2025 £'000	Notes
679,344	Property, Plant & Equipment	735,588	21c/12
220	Heritage Assets	220	
4,990	Investment Property	4,890	22
6,003	CCRCD Investment Property	6,003	31
1,118	CCRCD Equity	1,118	
946	Intangible Assets	472	21d
-	Long term Investments	-	31
1,529	CCRCD Long Term Debtors	1,529	
694,150	Long Term Assets	749,820	
45,027	Short Term Investments	-	31
65	Assets Held for Sale	375	24
1,013	Inventories	799	
55,741	Short Term Debtors	84,156	23
63	Short Term Loans CCRCD	63	
6,018	Cash and Cash Equivalents	36,879	31
4,854	Cash CCRCD	4,854	31
170	Deferred Tax CCRCD	170	
284	Financial Assets CCRCD	284	31
113,236	Current Assets	127,580	
(618)	Bank overdraft	(2,664)	31
(13,636)	Short Term Borrowing	(10,152)	31
(53,724)	Short Term Creditors	(59,224)	25
(638)	Provisions due in 1 year	(517)	26
(68,617)	Current Liabilities	(72,557)	
(6,404)	Provisions due after 1 year	(4,658)	26
(94,120)	Long Term Borrowing	(95,193)	31
	Other Long Term Liabilities		
(11,973)	PFI & Other Long Term Liabilities	(14,362)	27
(1,630)	Long term creditors (CCRCD)	(1,630)	27
(6,740)	Net Pensions Liability	(5,840)	30
(10,100)	Capital Receipts in Advance	(10,139)	21h
(130,967)	Long Term Liabilities	(131,822)	
607,802	Net Assets	673,021	
	Usable reserves		
9,730	Council Fund	10,030	28b
63,996	Earmarked reserves	67,870	28b
25,985	Capital Receipts Reserve	32,021	28a
2,155	Capital Grants Unapplied	5,723	21i
2,154	Usable Reserves CCRCD	2,154	
	Unusable Reserves		
257,114	Revaluation Reserve	314,751	29a
(6,740)	Pensions Reserve	(5,840)	29b
257,836	Capital Adjustment Account	250,791	29c
(666)	Financial Instruments Adjustment Account	(655)	
(3,760)	Short-term Accumulating Compensated Absences Account	(3,822)	
(2)	Unusable Reserves CCRCD	(2)	
607,802	Total Reserves	673,021	

Cash Flow Statement

2023-24 £'000		2024-25 £'000	
33,876	Net (surplus)/deficit on the Provision of Services	(86)	
(29,823)	Adjustments to net deficit on the provision of services for non-cash movements	(13,311)	34
11,128	Adjustments for Items included in the net deficit on the provision of services that are investing and financing activities	25,275	
15,181	Net Cash Flows from Operating Activities	11,878	35
17,345	Investing Activities	(24,134)	36
(19,278)	Financing Activities	(16,559)	37
13,248	Net (Increase) / Decrease in Cash & Cash Equivalents	(28,815)	
(23,786)	Cash & Cash Equivalent at the beginning of the Reporting Period	(10,538)	
(10,538)	Cash & Cash Equivalent at the end of the Reporting Period	(39,353)	

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.



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1. Accounting Policies

1.1 General principles

The Statement of Accounts summarises the Council's transactions for the 2024-25 financial year and its position at the year end of 31 March 2025. The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit (Wales) Regulations 2014 and the Accounts and Audit (Wales) (Amendments) Regulations 2018, in accordance with proper accounting practices. These practices comprise the *Code of Practice on Local Authority Accounting in the United Kingdom* (the Code) 2024-25 and the *Service Reporting Code of Practice 2024-25* supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

1.2 Standards that have been issued but not yet adopted

The Code of Practice on Local Authority Accounting in the United Kingdom 2024-25 requires that the Council discloses information relating to the anticipated impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. At the balance sheet date there are no new relevant standards or amendments to existing standards that have been published but not yet adopted by the Code that will have any impact on the financial statements. However, the following details are provided for information purposes.

Standard	Effective date	Further details
IAS 21	01 January 2025	IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability) issued in August 2023. The amendments to IAS 21 clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking, as well as require the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.
IFRS 17	01 January 2025	IFRS 17 Insurance Contracts was issued in May 2017. IFRS 17 replaces IFRS 4 and sets out principles for recognition, measurement, presentation and disclosure of insurance contracts.
IAS 16 IAS 38	01 January 2025	The changes to the measurement of non-investment assets within the 2025/26 Code include adaptations and interpretations of IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets. These include setting out three revaluation processes for operational property, plant and equipment, requiring indexation for tangible non-investment assets and a requirement to value intangible assets using the historical cost approach. These have the same effect as requiring a change in accounting policy due to an amendment to standards, which would normally be disclosed under IAS 8. However, the adaptations also include a relief from the requirements of IAS 8 following a change in accounting policy as confirmed in paragraph 3.3.1.4 of the CIPFA Code.

1.3 Accruals of income and expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods is recognised when the Council transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Council.
- Revenue from the provision of services is recognised when the Council can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Council.

- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Investment income and interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may be impaired, the balance of debtors is written down by the difference between the carrying amount and revised future cash flows and a charge made for the impairment to revenue.

1.4 Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For example, the Council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council becomes aware of the obligation and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year and where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

1.5 Reserves

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the Council Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the Council Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, employee and retirement benefits and are 'Unusable' reserves as set out in Note 29 to the accounts.

1.6 Government grants and contributions

Whether paid on account, by instalments or in arrears, government grants and third-party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments, and
- the grant / contribution will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ringfenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the Council Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

1.7 Employee benefits

Benefits Payable during Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave, paid sick leave and bonuses for current employees. These are recognised as an expense for services in the year in which employees render service to the Council. An accrual is made for the cost of holiday entitlement earned by employees but not taken before the financial year-end which employees can carry forward into the next financial year. The accrual is charged to the relevant Service Cost line in the Comprehensive Income and Expenditure Statement, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an Officer's employment before the normal retirement date or an Officer's decision to accept voluntary redundancy and are charged on an accruals basis to the relevant Service Cost line in the Comprehensive Income and Expenditure Statement, when the Council is demonstrably committed to the termination of the employment of an Officer or group of Officers or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the Council Fund

balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post-Employment Benefits

Employees of the Council are members of two separate pension schemes. Both schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees working for the Council.

The *Teachers' Pension Scheme*, administered by Teachers' Pensions on behalf of the Department for Education (DfE). The arrangements for this scheme mean that liabilities for benefits cannot ordinarily be identified specifically to the Council. The scheme is therefore accounted for as if it were a defined contributions scheme and no liability for future payment of benefits is recognised in the Balance Sheet. The Education and Family Support line in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to Teachers' Pensions in the year.

The *Local Government Pension Scheme* - other employees are entitled to be members of the Rhondda Cynon Taf County Borough Council Pension Fund. The Local Government Scheme is accounted for as a defined benefit scheme:

- The liabilities of the pension scheme attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, and projections of projected earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate.
- The assets of the pension fund attributable to the Council are included in the Balance Sheet at their fair value:
 - Quoted securities – current bid price
 - Unquoted securities – professional estimate
 - Property – market value
- The change in the net pensions liability is analysed into the following components:
 - Current service cost – the increase in liabilities as result of the number of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked
 - Past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to the number of years of service earned in earlier years – debited to Central Services in the Comprehensive Income and Expenditure Statement
 - Net interest on the net defined benefit liability (asset), i.e. net interest expense for the Council – the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.
 - Re-measurements comprising:
- The return on plan assets – excluding amounts included in the net interest on the net defined benefit liability (asset) – charged to the Pensions Reserve and Other Comprehensive Income and Expenditure

- Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions reserve and Other Comprehensive Income and Expenditure:
 - Contributions to the pension fund – cash paid as employer's contribution to the pension fund in settlement of liabilities; not accounted for as an expense.
- In relation to retirement benefits, statutory provisions require the Council Fund balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners for any amounts payable to the fund but unpaid at the year end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the Council Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits earned by employees.
- The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

1.8 VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

1.9 Overheads and Support Services

In line with the Code of Practice on Local Authority Accounting overheads and support services are shown in the relevant service where they are incurred and are not recharged out to supported service areas. Any internal income as a result of transactions between departments is shown in the supplying service line with the corresponding charge being shown in the recipient service line.

1.10 Intangible Assets

The Council accounts for software as intangible assets to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment. The most significant intangible asset is the Wales Community Care Information System (WCCIS) software development costs and licence.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Council. The useful life used by the Council for the WCCIS is 8 years. Amortisation of the intangible asset is charged on a straight line basis over the useful life and is charged to the Social Services and Wellbeing line in the Comprehensive Income and Expenditure Statement.

1.11 Property, Plant and Equipment

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

All expenditure on Property, Plant and Equipment is recognised irrespective of value. Expenditure below £40,000 is considered non-enhancing and is immediately impaired unless cumulatively over more than one year the expenditure would amount to more than this value.

Measurement

Assets are initially measured at cost, comprising its purchase price and all expenditure that is directly attributable to bringing the asset into working condition for its intended use. Assets are then carried in the balance sheet using the following measurement bases:

- **Land and buildings** – current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV)
- **Non-specialised operational properties** – existing use value (EUV)
- **Specialised operational properties (such as schools)** – depreciated replacement cost (DRC)
- **Vehicles, plant and equipment** – depreciated historical cost
- **Community assets** – historical cost
- **Assets under construction** – historical cost (until they become operational)
- **Infrastructure assets** – depreciated historical cost
- **Surplus assets and investment properties** – fair value
- **Assets held for sale** – lower of carrying amount and fair value less costs of sale

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flow of the Council). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Council. The Council does not capitalise borrowing costs incurred whilst assets are under construction.

Revaluations

Assets included in the Balance Sheet at fair value or current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value or current value at the year-end. Revaluations of the Council's property assets are undertaken on a 3 year rolling programme basis. Additional asset valuations have been undertaken in 2024-25 to ensure that the values held in the balance sheet are materially correct. Revaluation gains since 1 April 2007 only are recognised in the Revaluation Reserve, the date of its inception. Previous revaluation gains have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end to determine whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall. Where there have been previous revaluation gains against the asset held in the Revaluation Reserve, any subsequent loss is firstly written out against the accumulated Revaluation Reserve with any balance being charged against the Comprehensive Income and Expenditure Statement.

Depreciation

Depreciation is provided for on Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. Exceptions are made for:

- Heritage assets
- Assets without a determinable finite useful life such as freehold land
- Assets that are not yet available for use i.e. assets under construction, and assets held for sale.

Depreciation is calculated on the value of the asset at the start of the year and on the following bases:

Asset	Policy	Life
Land	No depreciation charged	N/A
Buildings	Straight line depreciation on estimated remaining life	As advised by Valuer (between 1 - 79 years)
Vehicles, plant and equipment	Straight line depreciation on estimated remaining life	3 - 10 years
Infrastructure - Bridges	Straight line depreciation on estimated remaining life	30 years
Infrastructure - Roads	Straight line depreciation on estimated remaining life	15 years
Infrastructure - Other	Straight line depreciation on estimated remaining life	1 - 30 years

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Componentisation

Assets purchased or revalued during the year are reviewed to confirm whether any part of the asset will have a significantly different useful life and a material impact on depreciation. Where this is the case the asset will be componentised and the differing parts will be depreciated over their respective useful lives. Within the Council's asset portfolio there are a number of asset classes where componentisation is not considered, including:

- Equipment – as this is considered immaterial.
- Asset classes which are not depreciated – such as land, investment property, heritage assets, community assets and assets held for sale.

Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The criteria for recognising assets as being held for sale are:

- Available for immediate sale in present condition
- Sale highly probable
- Actively marketed
- Sale completion expected within 12 months.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts.

1.12 Heritage Assets

Heritage Assets are those assets that are intended to be preserved in trust for future generations because of their cultural, environmental or historical worth. Heritage Assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Council's accounting policies on property, plant and equipment. The Council recognises its Civic Regalia and a number of paintings in the Balance Sheet at insurance value. The value of the paintings were added to the Balance Sheet during 2017-18 based on an insurance valuation carried out by professional valuers during the year. According to the Code there is no prescribed minimum period between valuations and the Council does not intend to revalue its Heritage Assets in the near future unless there is evidence of impairment such as physical deterioration or damage, or doubts to their authenticity arise.

1.13 Charges to revenue for non-current assets

Services are debited with the following amounts to record the real cost of holding non-current assets during the year:

- Depreciation attributable to the assets used by the relevant service
- Revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.

The Council is not required to raise council tax to fund depreciation, revaluation or impairment losses or amortisation. However, it is required to make an annual prudent provision from revenue to contribute towards the reduction in its overall borrowing requirement. This is detailed in the Council's annual Minimum Revenue Provision Policy, and differentiates between supported capital expenditure, unsupported capital expenditure, and Finance Leases / PFI. Depreciation, revaluation and impairment losses and amortisations are therefore replaced by this *Minimum Revenue Provision* (MRP) by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two. The Council previously charged MRP on a straight line basis over 45 years, but from 2024-25 onwards, adopted an annuity basis. This ensures that the costs of supported capital expenditure are spread evenly over the lifetime of assets, and that the debt is fully extinguished within forty-five years.

1.14 Revenue Expenditure Funded from Capital Under Statute (REFCUS)

Expenditure incurred during the year that may be capitalised under statutory provisions but does not result in the creation of non-current assets has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Examples of such expenditure include home improvement grants, such as Disabled Facilities Grants, town improvement grants and land feasibility studies. Where the Council has determined to meet the cost of these from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the Council Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so there is no impact on the level of council tax. Where this expenditure is funded by grants or contributions, this is also taken to the relevant service area where the expenditure has been charged.

1.15 Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Council as a Lessee

Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefitting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. if there is a rent-free period at the commencement of the lease).

The Council as a Lessor

Operating Leases

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

The Council adopted IFRS 16 (Leases) with effect from 1 April 2024, having elected not to take the option of early implementation but rather implementing from 1 April 2024 when it became a mandatory requirement. The main impact of the requirements of IFRS 16 is that, for arrangements previously accounted for as operating leases (i.e. without recognising the leased vehicles, plant, equipment, property and land as an asset, and future rents as a liability), a right-of-use asset and a lease liability are now included on the balance sheet from 1 April 2024. The Council has elected to apply recognition exemptions to low value assets (below £10,000 when new) and to short-term leases i.e. existing leases that expire on or before 31 March 2026, and new leases with a duration of less than 12 months. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

1.16 Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-exchange transactions, such as those relating to taxes and government grants, do not give rise to financial instruments.

Financial Assets

A financial asset is a right to future economic benefits controlled by the Council that is represented by cash, equity instruments or a contractual right to receive cash or other financial assets or a right to exchange financial assets and liabilities with another entity that is potentially favourable to the Council. Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash-flow characteristics. There are three main classes of financial assets measured at:

- amortised cost
- fair value through profit or loss (FVPL), and
- fair value through other comprehensive income (FVOCI).

The Council's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified at amortised cost as they are held solely for payment of principal and interest.

Financial Assets held at Amortised Cost

Financial assets measured at amortised cost are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value, which is normally the transaction cost. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement (CIES) represent investment and interest income receivable. This means for the financial assets held by the Council, the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued investment and interest income).

Any gains or losses that arise on derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

Expected Credit Loss Model

The Council recognises expected credit losses on all its financial assets held at amortised cost, either on a 12 month or lifetime basis. Only lifetime losses are recognised for trade receivables (debtors) held by the Council.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assumed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

Financial Liabilities

A financial liability is an obligation to transfer economic benefits controlled by the Council and can be represented by a contractual obligation to deliver cash or financial assets or an obligation to exchange financial assets and liabilities with another entity that is potentially unfavourable to the Council. Financial liabilities are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure Section of the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. For most of the borrowings that the Council has, the amount presented in the Balance Sheet is the outstanding principal repayable together with any accrued interest and interest charged to the Comprehensive Income and Expenditure Statement for the year according to the loan agreement.

The Council has three Lender's Option Borrower's Option loans (LOBOs) with stepped interest rates. An effective interest rate has been used for these so that these are re-measured amounts for the LOBOs on the Balance Sheet.

The Council does not hold any financial assets or liabilities at Fair Value, however it is required to provide fair value information as appropriate. The inputs to the measurement techniques are categorised in accordance with the following three levels:

- Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council can access at the measurement date.
- Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs – unobservable inputs.

1.17 Inventories and Long Term Contracts

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. Work in progress is subject to an interim valuation at the year end and recorded in the Balance Sheet at cost plus any profit reasonably attributable to the works.

Long term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works and services received under the contract during the financial year.

1.18 Private Finance Initiatives (PFI)

PFI contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. As the Council is deemed to control the services that are provided under the PFI scheme and as ownership of the property, plant and equipment will pass to the Council at the end of the contracts for no additional charge, the Council carries the assets used under these contracts on its Balance Sheet as part of Property, Plant and Equipment.

The original recognition of these assets was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment.

Non-current Assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Council.

The amounts payable to the PFI operators each year are analysed as follows:-

- fair value of the services received during the year – debited to the relevant service in the Comprehensive Income and Expenditure Statement
- finance cost – an interest charge on the outstanding Balance Sheet liability, debited to Financing and Investment Income and Expenditure section of the Comprehensive Income and Expenditure Statement
- payment towards the liability – applied to write down the Balance Sheet liability towards the PFI operator

PFI assets are subject to MRP. The Annual MRP Policy for the Council has deemed this charge to be equivalent to the finance lease liability written down for the year.

1.19 Joint Arrangements

The Council is part of a number of joint arrangements including the Joint Committee for the Cardiff Capital Region City Deal (CCRCDD) which consists of 10 Partner Authorities: Blaenau Gwent; Caerphilly; Cardiff; Merthyr Tydfil; Monmouthshire; Newport; Rhondda-Cynon-Taf; Torfaen; the Vale of Glamorgan and Bridgend. The Joint Committee has been established to oversee delivery of a range of programmes designed to secure sustainable economic growth for the region in order to improve the lives of all in the community, including increasing connectivity and improving physical and digital infrastructure. The contributions to the Joint Committee are classified as Revenue Expenditure Funded from Capital Under Statute (REFCUS). The Council has consolidated its share of the income and expenditure, and the assets and liabilities of the Joint Committee. The Council continues to have administrative responsibilities for Coychurch Crematorium and independent financial statements continue to be prepared and reviewed for this joint committee. The activities of the Coychurch Crematorium joint arrangement are excluded from the Council's single entity financial statements on the basis of materiality of both assets and population.

1.20 Council Tax Income

All Council Tax income is shown in the Comprehensive Income and Expenditure Statement of the Council with the major preceptors' precepts (principally Police and Crime Commissioner for South Wales) being included as expenditure. Council Tax Income is shown gross in the Comprehensive Income and Expenditure Statement with any amounts allocated as a result of the Council Tax Reduction Scheme recognised as an expense within net costs of services.

1.21 Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment. Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period. Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

1.22 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty of notice of not more than 24 hours. Cash equivalents are investments that mature in no more than a month or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

1.23 Events after the Balance Sheet date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events.
- those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

1.24 Investment Property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale. Investment properties are measured initially at cost and subsequently at fair value, based on the amount at which the asset could be exchanged between knowledgeable parties at arm's-length. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

The Council instructed external valuers Cooke & Arkwright to provide valuations annually as at 31 December for all of the Council's investment portfolio in line with IFRS13. When the fair values of Investment Properties, Surplus Assets and Assets Held for Sale cannot be measured based on quoted prices in active markets (that is **Level 1 inputs**), their fair value is measured using the following valuation techniques:

Level 2 inputs: quoted prices for similar assets or liabilities in active markets at the valuation date

Level 3 inputs: based on most recent valuations, adjusted if necessary through the use of indexation and impairment review

The majority of the investment properties were valued at Level 2 inputs with a number valued at Level 3 inputs.

Rentals received in relation to investment properties are credited to the net Cost of Services and result in a gain for the Council Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the Council Fund Balance. The gains and losses are therefore reversed out of the Council Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

1.25 Local Authority Schools

The Code of Practice on Local Authority Accounting confirms that the balance of control for local Council maintained schools (i.e. those categories of school identified in the School Standards and Framework Act 1998, as amended) lies with the Council. The Code also stipulates that those schools' assets, liabilities and cash flows are recognised in the Council's financial statements (and not the Group Accounts). Therefore, schools' transactions, cash flows and balances are recognised in each of the financial statements as if they were of the Council.

2. Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out above, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

There is a high degree of uncertainty about future levels of funding for local government and the final level of funding to the Council will not be known until nearer the end of the financial year. However, the Council has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities and reduce levels of service provision.

The Council is deemed to control the services provided under the outsourcing agreement for the provision of a Comprehensive School in Maesteg and also to control the residual value of the school at the end of the agreement. The accounting policies for PFI schemes and similar contracts have been applied to the arrangement and the School has been recognised as Property, Plant and Equipment on the Council's Balance Sheet and is separately identified under note 21c. The school is the Council's only PFI asset.

The Council has a number of interests in other entities however these are not sufficiently material to include within the consolidated financial statements when reviewing both quantitative and qualitative information. In order to ensure compliance with the Code, a range of narrative disclosures have been made in other sections of the accounts.

3. Assumptions made about the future and other major sources of estimated uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Plant, Property and Equipment

Revaluation of the Council's assets is undertaken on a 3-year rolling programme. The value of those assets is based upon calculations and estimation techniques following the Royal Institute of Chartered Surveyors (RICS) guidance, and in accordance with IFRS. Revaluation takes account of the value and condition of the asset, relevant components and also de-recognition where appropriate. Additional valuations have been undertaken in the current year to ensure that the assets in the balance sheet are materially correct.

Depreciation of Property, Plant and Equipment

Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate may result in spending on repairs and maintenance having to be reduced thus bringing into doubt the useful lives assigned to assets. If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets will fall.

Investment Properties, Surplus Assets and Assets Held for Sale

Fair Value estimations:

The Council instructed external valuers Cooke & Arkwright to provide valuations as at 31 December 2024 for all of the Council's investment portfolio and these were valued in line with IFRS13.

When the fair values of Investment Properties, Surplus Assets and Assets Held for Sale cannot be measured based on quoted prices in active markets (**Level 1 inputs**), their fair value is measured using the following valuation techniques:

Level 2 inputs: quoted prices for similar assets or liabilities in active markets at the balance sheet date;

Level 3 inputs: valuations based on the most recent valuations adjusted to current valuation by the use of indexation and impairment review.

Where possible, the inputs to these valuation techniques are based on observable data, but where this is not possible judgement is required in establishing fair values. These judgements typically include considerations such as uncertainty and risk. Changes in assumptions used could affect the fair value. The external valuers used the most appropriate valuation techniques to determine fair value.

Pensions Liability

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.

4. Expenditure and Funding Analysis

The expenditure and funding analysis shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) by the Council in comparison with those resources consumed or earned by the Council in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's directorates. Income and expenditure accounted for under generally accepted accounting practices are presented more fully in the Comprehensive Income and Expenditure Statement.

2023-24				2024-25		
Net Expenditure Chargeable to the Council Fund	Adjustments between the Funding and Accounting Basis & transfers to Earmarked Reserves (Note 5)	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure Chargeable to the Council Fund	Adjustments between the Funding and Accounting Basis & transfers to Earmarked Reserves (Note 5)	Net Expenditure in the Comprehensive Income and Expenditure Statement
£'000	£'000	£'000		£'000	£'000	£'000
147,213	11,860	159,073	Education, Early Years and Young People	148,476	13,103	161,579
111,792	8,881	120,673	Social Services & Wellbeing	110,479	6,497	116,976
34,504	13,881	48,384	Communities	33,526	10,499	44,025
25,371	3,002	28,373	Chief Executives	24,777	2,654	27,431
16,117	3,466	19,584	Council Wide Services	33,782	(13,290)	19,862
			Cardiff Capital Region City Deal (CCRCDD)			
	(13)	(13)		-	-	-
334,996	41,077	376,073	Net Cost Of Services	351,040	18,833	369,873
(334,894)	(7,360)	(342,254)	Other income and Expenditure	(351,340)	(18,619)	(369,959)
	57	57	Cardiff Capital Region City Deal (CCRCDD)			
102	33,774	33,876	Surplus or Deficit	(300)	214	(86)
9,832			Opening Council Fund Balance	9,730		
(102)			Surplus or (Deficit) on Council Fund for year	300		
9,730			Closing Council Fund Balance as at 31 March	10,030		

5. Note to the Expenditure and Funding Analysis

Adjustments between Funding and Accounting Basis 2023-24				
Adjustments from Council Fund to arrive at the Comprehensive Income and Expenditure Statements amounts	Adjustments for Capital Purposes (Note 1)	Net change for the Pensions Adjustments (Note 2)	Other Differences (Note 3)	Total Adjustments
	£'000	£'000	£'000	£'000
Education, Early Years and Young People	3,213	(90)	8,737	11,860
Social Services & Wellbeing	2,292	(69)	6,658	8,881
Communities	10,935	(32)	2,978	13,881
Chief Executives	1,362	(39)	1,679	3,002
Council Wide Services	(3,269)	-	6,735	3,466
Cardiff Capital Region City Deal (CCRCD)				
Net cost of services	14,533	(230)	26,787	41,090
Other income and expenditure from the Expenditure and Funding Analysis	(9,557)	1,190	1,007	(7,360)
Cardiff Capital Region City Deal (CCRCD)			44	44
Difference between Council Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	4,976	960	27,838	33,774

Adjustments between Funding and Accounting Basis 2024-25				
Adjustments from Council Fund to arrive at the Comprehensive Income and Expenditure Statements amounts	Adjustments for Capital Purposes (Note 1)	Net change for the Pensions Adjustments (Note 2)	Other Differences (Note 3)	Total Adjustments
	£'000	£'000	£'000	£'000
Education, Early Years and Young People	9,363	(788)	4,527	13,102
Social Services & Wellbeing	5,916	(710)	1,291	6,496
Communities	9,426	(312)	1,385	10,499
Chief Executives	1,923	(300)	1,031	2,654
Council Wide Services	(929)		(12,990)	(13,919)
Cardiff Capital Region City Deal (CCRCD)				
Net cost of services	25,699	(2,110)	(4,758)	18,833
Other income and expenditure from the Expenditure and Funding Analysis	(19,323)	(220)	924	(18,619)
Cardiff Capital Region City Deal (CCRCD)				
Difference between Council Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	6,376	(2,330)	(3,832)	214

Note 1 - Adjustments for Capital Purposes

The adjustments for capital purposes column adds in depreciation and impairment, revaluation gains and losses and Revenue Expenditure Funded by Capital under Statute (REFCUS) in the services line, and for:

- Other operating expenditure – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.
- Financing and investment income and expenditure – the statutory charges for capital financing (i.e. the Minimum Revenue Provision) and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.
- Taxation and non-specific grant income and expenditure – capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

Note 2 - Net Change for the Pensions Adjustments

The net change for the removal of pension contributions and the addition of IAS19 Employee Benefits pension related expenditure and income:

- For services this represents the removal of the employer pension contributions made by the authority as allowed by statute and the replacement with current service costs and past service costs
- For Financing and Investment Income and Expenditure – the net interest on the defined benefit liability is charged to the CIES.

Note 3 - Other Differences

Other differences between amounts debited / credited to the Comprehensive Income and Expenditure Statement and amounts payable / receivable to be recognised under statute:

- For financing and investment income and expenditure the other differences column recognises adjustments to the Council Fund for the timing differences for premiums and discounts.
- The charge under Taxation and Non-Specific Grant Income represents the difference between what is chargeable under statutory regulations for council tax and NNDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices.

6. Expenditure and Income Analysed by Nature

This table sets out how the funding to the Council has been used in providing services in line with generally accepted accounting practices. This will include cash and non-cash transactions including accounting adjustments in line with International Financial Reporting Standards. **A segmental analysis of fees, charges and other service income is presented on the face of the Comprehensive Income and Expenditure Statement.**

2023-24 £'000		2024-25 £'000
	Expenditure	
253,337	Employee expenses	259,777
246,866	Other services expenses	254,834
28,088	Depreciation, amortisation, impairment	31,675
7,071	Interest payments	6,100
29,926	Precepts and levies	32,428
459	(Gain)/Loss on disposal of assets	-
874	Other expenditure	100
566,619	Total expenditure	584,914
	Income	
(42,894)	Fees, charges and other service income	(44,266)
(162,030)	Income from council tax, non-domestic rates	(178,078)
(322,711)	Government grants and contributions	(357,164)
(5,108)	Investment Income and other Interest Receivable	(4,991)
-	(Gain)/Loss on disposal of assets	(490)
-	Other income	(11)
(532,743)	Total income	(585,000)
33,876	(Surplus) or Deficit on the provision of services	(86)

Notes to the Comprehensive Income and Expenditure Statement

7. Precepts and Levies

Precepts are the amounts collected on behalf of, and paid to, non-billing authorities (e.g. community councils) by billing authorities so that they can cover their expenses. Levies are the amounts payable when services are operated over areas covering more than one Council, either on a joint service basis, where one Council administers the service and other Councils contribute to the costs, or by external bodies who levy on the appropriate Councils. The amounts paid were as follows:

2023-24 £'000		2024-25 £'000
	Precepts	
17,848	Police and Crime Commissioner for South Wales	19,561
2,898	Community Councils	3,188
20,746	Total Precepts	22,749
	Levies	
8,523	South Wales Fire and Rescue Authority	9,089
513	Coroners Service	446
126	Archive Service	127
19	Swansea Bay Port Authority	18
9,181	Total Levies	9,680
29,927	Total Precepts and Levies	32,429

The Council received a grant from Welsh Government of £130,678 in 2024/25 towards the cost of the Fire and Rescue Authority SCAPE pension costs.

8. Revenue Support Grant (RSG)

This is the principal source of finance towards revenue expenditure received from Welsh Government. The amount received in 2024-25 was £205.953 million (£202.556 million for 2023-24).

9. National Non-Domestic Rates (NNDR)

NNDR is organized on a national basis. The Welsh Government (WG) specifies the rate in the pound to be charged (the multiplier) and, subject to the effects of transition arrangements, local businesses pay rates calculated by multiplying their rateable value by the rate in the pound (the multiplier). The multiplier was 56.2p in 2024-25 (53.5p in 2023-24). The total rateable value of the Council equaled £94,775,195 on 31 March 2025 (£97,831,709 on 31 March 2024). The Council is responsible for collecting rates due from ratepayers in its area but pays the proceeds into the NNDR pool administered by WG. WG then redistributes the sums payable back to local authorities pro rata to adult population in each Council's area.

The Council receives a contribution directly from the NNDR pool. The income from this is reflected separately in the Comprehensive Income and Expenditure Statement. This amount was £52.972 million in 2024-25 (£47.626 million in 2023-24).

10. Council Tax

Council Tax Income derives from charges raised from residential properties, which have been classified into ten valuation bands based on the value the property is estimated to have been on 1 April 2003. Charges are calculated by taking the amount of income required for Bridgend County Borough Council, each Community Council and the Police and Crime Commissioner for South Wales (PCC) and dividing this by the Council Tax base. The Council Tax base is the total number of properties in each band adjusted by a factor to convert the number to a Band D equivalent, which is then adjusted for discounts. The gross tax base is then multiplied by the estimated collection rate to give the net tax base on which the budget is set – this was 55,465.69 Band D equivalents for 2024-25 (55,007.82 in 2023-24). The average charge for a Band D property, (including PCC and community council

precepts) is £2,244.55 in 2024-25 (£2,052.40 in 2023-24)

and this is multiplied by the factor specified for the band to give the individual amount due for each band.

Council Tax bills were based on the following multipliers for bands A* to I and the number of properties in each band were as follows:

Band	A*	A	B	C	D	E	F	G	H	I
Factor	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	21/9
Chargeable Dwellings	30	10,282	15,028	14,514	10,930	7,788	4,335	1,440	291	91

A* - in Band A but affected by disability reduction. Analysis of the net proceeds from Council Tax is as follows:

2023-24 £'000		2024-25 £'000
(114,405)	Council Tax Collectable	(125,107)
	Less:	
2,898	Payable to Community Councils	3,188
17,848	Payable to Police and Crime Commissioner for South Wales	19,561
1,368	Provision for non-payment of Council Tax increase/(decrease)	1,607
(92,291)		(100,751)

11. Grants

In addition to the Revenue Support Grant, the Council credited the following grants and contributions to the Comprehensive Income and Expenditure Statement.

2023-24 £'000	Specific Grants credited to Services	2024-25 £'000
(32,320)	Housing Benefit Subsidy	(31,305)
(8,192)	Post 16 Grant	(8,719)
(5,056)	Education Improvement Grant	-
(6,424)	Pupil Development Grant	-
(8,003)	Housing Support Grant	(8,591)
(2,516)	Shared Prosperity Fund	(11,434)
(1,686)	Local Authority Education*	(29,502)
(1,666)	Universal Primary Free School Meals	-
(1,203)	Eliminating Profit	(1,586)
(8,745)	Other Education, Early Years and Young People	(3,823)
(3,991)	Other Social Services & Wellbeing	(5,204)
(7,762)	Others	(9,227)
(1,293)	Homelessness Prevention – No one left behind	(1,454)
(2,069)	Concessionary Fares Grant	(2,185)
(3,654)	Flying Start	(4,932)
(1,946)	Recruit Recover & Raise Standards (inc. Accelerated Learning Programme)	-
(2,001)	Social Care Workforce Grant (previously Sustainability Grant)	(2,006)
(488)	Housing/Council Tax Benefit Administration	(429)
(1,506)	Regional Integrated Fund (previously Integrated Care Fund)	(1,589)
(2,655)	Families First	(2,230)
(658)	Home for Refugees - Ukraine	(238)
-	Pay Pressures	(2,353)
(3,172)	General Capital Grant	(2,349)
(2,278)	Other Capital Grants	(2,992)
-	Cardiff Capital Region City Deal (CCRCDD)	-
(109,284)	Total Specific Grants Credited to Services	(132,148)

2022-23 £'000	Other Government Grants credited to Taxation and Non-specific Grant Income	2024-25 £'000
(10,871)	Capital Grants and Contributions	(18,933)
-	CCRCD	-
(10,871)	Total Other	(18,933)
(120,155)	Total Grants	(151,081)

*The Local Authority Education Grant (LAEG) now encompasses a number of grants that were previously treated separately. They include the Pupil Development grant, the Education Improvement grant and a number of other grants that were previously categorised as Other Education & Family Support.

12. Leases

In 2024/25, the authority applied IFRS 16 Leases as required by the Code of Practice for Local Authority Accounting in the United Kingdom. The main impact of the new requirements is that for arrangements previously accounted for as operating leases (ie without recognising the leased property as an asset and future rents as a liability) a right-of-use asset and a lease liability are to be brought into the Balance Sheet at 1 April 2024. Leases for items of low value and leases that expire on or before 31 March 2025 are exempt from the new arrangements.

IFRS 16 has been applied retrospectively, but with the cumulative effect recognised at 1 April 2024. This means that right-of-use assets and lease liabilities have been calculated as if IFRS 16 had always applied but recognised in 2024/25 and not by adjusting prior year figures. However, some practical expedients have been applied as required or permitted by the Code:

- lease liabilities are measured at the present value of the remaining lease payments at 1 April 2024, discounted by the authority's incremental borrowing rate at that date
- a single discount rate has been applied to portfolios of leases with reasonably similar characteristics
- the weighted average of the incremental borrowing rates used to discount liabilities was 5.15%
- right-of-use assets are measured at the amount of the lease liability, adjusted for any prepaid or accrued lease payments that were in the balance sheet on 31 March 2024 – any initial direct costs have been excluded
- all leases were assessed as to whether they were onerous at 31 March 2024, so right-of-use assets have not been subject to an impairment review – carrying amounts have been reduced by any provisions for onerous contracts that were in the 31 March 2024 Balance Sheet.

This has resulted in the following additions to the Balance Sheet:

- £3,511,834 Property, plant and equipment – land and buildings (right-of-use assets)
- £3,355,379 Non-current creditors (lease liabilities)
- £145,548 Current creditors (lease liabilities)

The difference of £10,907 relates to peppercorn leases recognised in the balance sheet as per IFRS16.

The newly recognised lease liabilities of £3,500,927 compare with the operating lease commitments of £7,286,000 at 31 March 2024 disclosed in the notes to the 2023/24 financial statements. When these are discounted to their present value of £3,511,834 (using the incremental borrowing rate at 1 April 2024), there is a difference of £3,774,166 from the newly recognised lease liabilities. This is explained by the fact that the lease liabilities exclude amounts for leases of low value items and leases that will expire before 31 March 2025 and Peppercorn/Nil Consideration leases recognised in the balance sheet as per IFRS16.

Authority as lessee

The authority's lease contracts comprise leases of operational land and buildings, plant and equipment and motor vehicles. Most are individually immaterial or are short term not exceeding 12 months so have remained as originally treated.

Right-of-use assets

This table shows the change in the value of right-of-use assets held under leases by the authority:

	Land and buildings £000's	Motor Vehicles £000's	Total £000's
Balance at 1 April 2024	3,512	-	3,512
Additions	314	42	356
Total Cost 31 March 2025	3,826	42	3,868
Balance at 1 April 2024	-	-	-
Depreciation charge	(248)	(5)	(253)
Total depreciation 31 March 2025	(248)	(5)	(253)
Balance at 31 March 2025	3,578	37	3,615

Transactions under leases

The authority incurred the following expenses and cash flows in relation to leases:

	2024/25 £000's
Comprehensive income and expenditure statement	
Interest expense on lease liabilities	191
Expense relating to short-term leases	72
Expense relating to exempt leases of low-value items	264
Cash flow statement	
Minimum lease payments	360

Maturity analysis of lease liabilities

The lease liabilities are due to be settled over the following time bands (measured at the undiscounted amounts of expected cash payments):

	2024/25 £000's
Less than one year	(222)
One to five years	(876)
More than five years	(2,591)
Total undiscounted liabilities	(3,689)

Authority as lessor

The authority leases out property and equipment under operating leases for the following purposes:

- for the provision of community services, such as sports facilities, tourism services and community centres
- for economic development purposes to provide suitable affordable accommodation for local business

Maturity analysis of lease receivables

The lease receivables are due to be collected over the following time bands (measured at the undiscounted amounts of expected cash receipts):

	2024/25 £000's	2023/24 £000's
Operating leases		
Less than one year	(108)	(105)
One to two years	(39)	(38)
Two to three years	(39)	(39)
Three to four years	(39)	(39)
Four to five years	(39)	(39)
More than five years	(1,781)	(1,792)
Total undiscounted receivables	(2,045)	(2,052)

13. Private Finance Initiative (PFI)

During the 2008-09 financial year, the Council commenced payment under a Private Finance Initiative (PFI) arrangement for the provision of a Secondary School in Maesteg – this contract was entered into in 2007-08 and will run until August 2033 with a commitment of £30.5 million (Net Present Value) over the duration of the contract, the costs being charged to the Education, Early Years and Young People Directorate and school delegated budget.

The total unitary payment is divided into the service charge element, the repayment of the liability element and the interest element. The charges are shown below:

2023-24 £'000	Unitary Charge	2024-25 £'000
870	Service Charge Element	907
1,018	Interest Element	946
929	Finance Lease Liability	1,001
2,817	Total	2,854

These payments will be made over the life of the PFI contract and estimates for subsequent years are as detailed below at current prices.

Unitary Charge	2025-26 £'000	2026-27 to 2030-31 £'000	2031-32 to 2033-34 £'000	TOTAL £'000
Service Charge Element	502	2,511	1,500	4,513
Interest Element	869	2,959	409	4,237
Finance Lease Liability	1,078	6,775	4,119	11,972
Total	2,449	12,245	6,028	20,722

14. Pooled Fund Arrangements

There are a number of formal pooled budget arrangements between the Council and Cwm Taf Morgannwg University Health Board under Section 33 NHS (Wales) Act 2006.

Purpose of Partnership	Partner	Year	Gross Income Of Partnership £'000	Gross Expenditure of Partnership £'000	Council's Contribution £'000
Provision of day opportunities for people recovering from mental health problems.	Cwm Taf-Morgannwg University Health Board	2023-24	(748)	748	374
		2024-25	(775)	775	388
Provision of specified community equipment for service users to enable them to continue to live in their own homes. Rhondda Cynon Taf are the lead partner	Rhondda Cynon Taff CBC Merthyr Tydfil CBC Cwm Taf Morgannwg University Health Board	2023-24	(3,444)	3,433	815
		2024-25	(3,510)	3,644	890
Provision of integrated community support services	Cwm Taf-Morgannwg University Health Board	2023-24	(5,529)	5,529	2,611
		2024-25	(5,124)	5,124	2,212
Cwm Taf Morgannwg Care Home Accommodation	Rhondda Cynon Taff CBC Merthyr Tydfil CBC Cwm Taf Morgannwg University Health Board	2023-24	(70,242)	60,991	16,381
		2024-25	(76,690)	76,258	17,107

15. Officers' Remuneration

Four separate disclosures are required to ensure compliance with the Accounts and Audit (Wales) Regulations 2014, the Accounts and Audit (Wales) (Amendments) Regulations 2018 and the CIPFA Code.

Disclosure 1 – Ratio of the Remuneration of the Chief Executive to the median remuneration of all the Council's employees

The ratio of the remuneration of the Chief Executive to the median remuneration of all the Council's employees was 5.45 (2023-24 5.57). The median remuneration of all employees was £28,624 (2023-24: £27,334).

Disclosure 2 – Table of Officers' Remuneration over £60,000

The number of employees (including teachers) whose remuneration, excluding pension contributions, was £60,000 or more for the year is as follows.

2023-24 including Redundancy Costs	Remuneration Band	Number of Employees			
		2024-25 inc Redundancy Costs (Note 1,3-4)	2024-25 exc Redundancy Costs (Note 2)	Number of Teachers inc in figures exc Redundancy (Note 2)	Number of Non-Teachers inc in figures exc Redundancy (Note 2)
52	£60,000 - £64,999	81	79	70	9
42	£65,000 - £69,999	51	42	33	9
26	£70,000 - £74,999	34	32	26	6
19	£75,000 - £79,999	26	23	20	3
17	£80,000 - £84,999	16	12	11	1
8	£85,000 - £89,999	11	10	10	-
4	£90,000 - £94,999	3	3	2	1
2	£95,000 - £99,999	3	3	2	1
2	£100,000 - £104,999	1	1	1	-
4	£105,000 - £109,999	1	-	-	-
-	£110,000 - £114,999	5	5	5	-
2	£115,000 - £119,999	1	1	1	-
4	£120,000 - £124,999	4	4	4	-
1	£125,000 - £129,999	1	-	-	-
-	£130,000 - £134,999	-	-	-	-
-	£135,000 - £139,999	1	1	1	-
-	£140,000 - £144,999	-	-	-	-
-	£145,000 - £149,999	-	-	-	-
-	£150,000 - £154,999	-	-	-	-
-	£155,000 - £159,999	1	-	-	-
-	£160,000 - £164,999	-	-	-	-
-	£165,000 - £169,999	-	-	-	-
-	£170,000 - £174,999	-	-	-	-
-	£175,000 - £179,999	-	-	-	-
-	£180,000 - £184,999	-	-	-	-
-	£185,000 - £189,999	1	-	-	-
-	£190,000 - £194,999	1	-	-	-
183		242	216	186	30

Note 1: These costs include redundancy costs and payments in lieu of notice at time of departure as well as any applicable pension strain costs, which are the costs of the early payment of benefit payable by the Council to the Pension Fund when a member of staff over 55 is made redundant.

Note 2: These are officers still in post, of which there are 216 individuals with remuneration of £60,000 or more, including:

- a) 186 Headteachers, Deputy Headteachers and Assistant Headteachers
- b) 30 Senior Managers of the Council, including the Senior Officers shown in Disclosure 3 below, and Heads of Service.

Note 3: The above includes 4 instances of there being two people for one role which has occurred due to the post becoming vacant and being filled during the year.

Note 4: The above includes employees from Voluntary-aided and Voluntary-controlled Schools.

Disclosure 3 – Table of Senior Officers' Remuneration (including Pensions Contributions)

Job Title	Salary		Pension Contributions (note 1)		Total Remuneration including Pension Contributions	
	2023-24 £	2024-25 £	2023-24 £	2024-25 £	2023-24 £	2024-25 £
Chief Executive Officer & Head of Paid Service (Note 2)	152,170	155,974	29,521	30,259	181,691	186,233
Corporate Director – Education, Early Years and Young People (Note 3)	121,212	124,243	23,515	24,103	144,727	148,346
Corporate Director - Communities	121,212	124,243	23,515	24,103	144,727	148,346
Corporate Director - Social Services & Wellbeing	121,212	124,243	23,515	24,103	144,727	148,346
Chief Officer – Finance, Housing and Change	104,866	109,882	20,344	21,317	125,210	131,199
Chief Officer – Legal and Regulatory Services, Human Resources and Corporate Policy	104,866	109,882	20,344	21,317	125,210	131,199

Notes

- Note 1 No 'Taxable Expenses' or 'Benefits in kind' were paid in the year. Pension Contributions relate to actual payments made.
- Note 2 The Chief Executive Officer figures excludes payment for Election Duties which amounted to £10,112 in total, of which, £621 relates to Bridgend County local elections, £4,313 for national general elections and £5,178 for Bridgend County by-elections in 2024-25.
- Note 3 The title changed from "Corporate Director - Education and Family Support" to "Corporate Director - Education, Early Years and Young People" during the year.

Disclosure 4 – Table on Exit Packages

The number of exit packages approved in the year with total cost per band and total cost of compulsory and other redundancies are set out in the table below:

Exit Package Cost Band (including Special Payments)	Number of Compulsory Redundancies		Number of Other Departures Agreed		Total Number of Exit Packages by Cost Band		Total Cost of Exit Packages in Each Band	
	2023-24 £	2024-25 £	2023-24 £	2024-25 £	2023-24 £	2024-25 £	2023-24 £	2024-25 £
£0 - £20,000	7	29	5	8	12	37	57,021	266,080
£20,001 - £40,000	3	19	1	7	4	26	115,721	761,490
£40,001 - £60,000	1	8	-	8	1	16	45,661	799,048
£60,001 - £80,000	-	2	-	1	-	3	-	208,181
£80,000 – £100,000	-	-	-	-	-	-	-	-
£100,001 - £150,000	-	2	-	-	-	2	-	241,203
£150,001 - £200,000	-	2	-	-	-	2	-	328,751
	11	62	6	24	17	86	218,403	2,604,753

16. Members' Allowances

The allowances for Councillors are shown in the table below.

2023-24 £'000		2024-25 £'000
688	Basic Salary (all Members)	720
601	Senior Salary	656
58	Civic Salary	60
1,347	Total	1,436

Full details of the 'salary' arrangements are available on the Council's website, and details of all Member earnings are also published annually on the Council's website.

<https://www.bridgend.gov.uk/my-council/democracy-and-elections/councillors-remuneration/>

17. External Audit Costs

Bridgend County Borough Council incurred the following fees relating to external audit and inspection.

2023-24 £'000		2024-25 £'000
231	Financial Statement Audit	224
112	Performance Audit	114
343	External Audit Services	338
42	Grant Claims and Returns	48
385	Total	386

18. Participation in Joint Committees and Joint Arrangements

The Council participated in a number of Joint Committees and Joint Arrangements during the year. The amounts contributed by the Council are set out below.

	2023-24 £'000	2024-25 £'000
Cardiff Capital Region City Deal (CCRCD)	121	121
Central South Consortium Joint Education Service	535	499
Joint Adoption Service	949	699
Shared Regulatory Service	1,840	1,917
Shared Internal Audit Service	288	262
Glamorgan Archives	126	127
Joint Vehicle Maintenance	125	127
Coychurch Crematorium	-	-
Margam Crematorium	-	-
Total	3,984	3,752

The Council participated in Joint Committee's for Coychurch and Margam Crematorium and received a cash payment from Margam Crematoria in 2024-25 of £45,000 (£44,700 2023-24).

19. Related Party Transactions

The Council is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have been able to limit another party's ability to bargain freely with the Council.

Welsh Government

Welsh Government has significant influence over the general operations of the Council – it is responsible for providing the statutory framework within which the Council operates; provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. council tax bills). Grants received from government departments are set out in Notes 8 and 9 above.

Members

Members of the Council have direct control over the Council's financial and operating policies. Members' external interests are maintained in a register, which is available for inspection on the Council's website. The total of members' allowances paid is shown in Note 16. Payments made to organisations where Members had an interest included Care and Repair (Bridgend) £1,171,731 (£1,637,503 in 2023-24), Bridgend Association of Voluntary Organisations £478,723 (£568,365 in 2023-24) and Bridgend Citizens Advice Bureau £393,042 (£100,470 2023-24). In all instances, the grants were made with proper consideration of declarations of interest. The relevant members did not take part in any discussion or decision relating to the grants. Other payments made to organisations where members declared interests totalled £691,678 (£558,917 in 2023-24) as shown in the table below:

	2024-25 £
Cefn Cribwr Community Association	10,336
Peter Wood & Sons Butchers Ltd	10,908
ADSS Cymru	12,269
The Bridge Mentoring Plus Scheme	14,435
Caerau Development Trust	14,849
Coity Higher Community Council	16,297
Pyle Community Council	20,799
Bridgend Ravens Rugby Club Ltd	24,817
Bridgend Town Council	42,629
Garw Valley Community Council	56,447
Nantymoel Boys & Girls Club	58,529
Porthcawl Town Council	84,370
Maesteg Town Council	100,424
Welsh Local Government Association (WLGA)	157,764
Various less than £10,000	66,805
Total	691,678

Balances owed by the Council as at 31 March 2025 included Care & Repair £Nil (£279,286 in 2023-24), Bridgend Association Voluntary Organisation £Nil (£13,256 for 2023-24) and Bridgend Lifesavers Credit Union Ltd £Nil (£9,623 in 2023-24). Amounts owed to the Council as at 31 March 2025 included Cwm Taf Morgannwg University Health Board £1,748,198 (£1,912,373 2023-24) and Welsh Local Government Association £95,674 (£49,813 in 2023-24).

Chief Officers

During 2024-25 the Head of Adult Social Care sat on the Board of WSP Glamorgan Consultancy (previously known as Capita Glamorgan Consultancy Ltd). The Council owns 14.7% of the shares of the company and holds voting rights to this value on the Board. During 2024-25 the Council was charged £691,969 (2023-24: £532,470) in respect of goods, services and capital works. The balance owed by the Council at the 31 March 2025 was £Nil (£28,843 in 2023-24). In addition the Head of Operations Community Services sits on the Board of CSC Foundry

Ltd, a special purpose vehicle which is a wholly owned subsidiary of the City Deal Joint Committee. Details of the payments made to the Cardiff Capital Region City Deal are included in note 18 to the accounts.

Other Joint Committees

Details of the amounts paid under Joint Committees is shown in Note 18.

Glamorgan Archives Joint Committee

The Glamorgan Record Office is managed and administered by the Glamorgan Archives Joint Committee under powers conferred by the Local Government (Wales) Act 1994.

Coychurch Crematorium

Coychurch Crematorium is subject to the control of a Joint Committee of Members from Bridgend CBC, Rhondda Cynon Taf CBC and the Vale of Glamorgan CBC. Financial statements for this Joint Committee are available on the Bridgend CBC website (www.bridgend.gov.uk).

Margam Crematorium

Margam Crematorium is subject to the control of a Joint Committee of Members from Neath Port Talbot County Borough Council, who manage the Crematorium. Financial Statements for this Joint Committee are available on the Neath Port Talbot CBC website (www.npt.gov.uk)

Other Public Bodies

The Council has a number of pooled budget arrangements with Cwm Taf Morgannwg University Health Board as detailed in Note 14. It also pays a management fee to the Awen Trust for cultural related services which is a not for profit organisation. The amount paid to Awen in 2024-25 was £4,704,875 (2023-24: £4,359,852). The balance owed by the Council to Awen as at 31 March 2025 is £Nil (2023-24 - £64,567) and a balance outstanding of £55,730 was owed to the Council at the 31 March 2025 (2023-24 - £20,519).

Notes to the Movement in Reserves Statement

20. Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total Comprehensive Income and Expenditure recognised by the Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

The following sets out a description of the reserves that the adjustments are made against.

Council Fund Balance

This is the statutory fund into which all the receipts of the Council are required to be paid and out of which all liabilities of the Council are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the Council Fund Balance, which is not necessarily in accordance with proper accounting practice. The Council Fund Balance therefore summarises the resources that the Council is statutorily empowered to spend on its services or on capital investment (or the deficit or resources that the Council is required to recover) at the end of the financial year.

Capital Receipts Reserve

The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure, or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at the year-end.

Capital Grants Unapplied

The Capital Grants Unapplied Account holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies, but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

Unusable Reserves

This includes the Revaluation Reserve which contains the gains made by the Council arising from increases in the value of its Property, Plant and Equipment; the Pensions Reserve which absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions; the Capital Adjustment Account which absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing and acquisition, construction or enhancement of those assets under statutory provisions; the Financial Instruments Adjustment Account which absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefitting from gains per statutory provisions; and the Short-term Accumulated Compensated Absences Account which absorbs the differences that would otherwise arise on the Council Fund Balance from accruing holiday entitlements earned but not taken in the year.

The tables below detail the adjustments for 2023-24 for comparative purposes and the adjustments for 2024-25.

2023-24	Usable Reserves			Unusable Reserves
	Council Fund Balance £'000	Capital Receipts Reserve £'000	Capital Grants Unapplied £'000	
Adjustment to the Revenue Resources				
<i>Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:</i>				
Pensions costs (transferred to (or from) the Pensions Reserve)	960			(960)
Financial Instruments (transferred to the Financial Instruments Adjustment Account)	(11)			11
Holiday Pay (transferred to the Accumulated Absences Reserve)	(693)			693
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (those items are charged to the Capital Adjustment Account)	30,025			(30,025)
Total Adjustments to Revenue Resources	30,281			(30,281)
Adjustments between Revenue and Capital Resources				
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	(257)	257		-
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	(6,500)			6,500
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(7,421)			7,421
Total adjustments between Revenue and Capital Resource	(14,178)	257		13,291
Adjustments to Capital Resources				
Use of the Capital Receipts Reserve to finance capital expenditure				
Application of capital grants to finance capital expenditure	(10,871)			10,871
Cash payments in relation to deferred capital receipts			(2,356)	2,356
Other amounts				
Total adjustments to Capital Reserves	(10,871)		(2,356)	13,227
CCRC	-			(38)
Total Adjustments	5,232	257	(2,356)	(3,171)

2024-25	Usable Reserves			Unusable Reserves
	Council Fund Balance £'000	Capital Receipts Reserve £'000	Capital Grants Unapplied £'000	
Adjustment to the Revenue Resources				
<i>Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:</i>				
Pensions costs (transferred to (or from) the Pensions Reserve)	(2,330)			2,330
Financial Instruments (transferred to the Financial Instruments Adjustment Account)	(11)			11
Holiday Pay (transferred to the Accumulated Absences Reserve)	62			(62)
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (those items are charged to the Capital Adjustment Account)	38,442			(38,442)
Total Adjustments to Revenue Resources	36,163	-	-	(36,163)
Adjustments between Revenue and Capital Resources				
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	(6,342)	6,342		
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	(4,239)			4,239
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(2,552)			2,552
Total adjustments between Revenue and Capital Resource	(13,133)	6,343	-	6,791
Adjustments to Capital Resources				
Use of the Capital Receipts Reserve to finance capital expenditure		(306)		307
Application of capital grants to finance capital expenditure	(18,933)			18,933
Cash payments in relation to deferred capital receipts			3,568	(3,568)
Other amounts	(11)			11
Total adjustments to Capital Reserves	(18,944)	(306)	3,568	15,682
CCRC				
Total Adjustments	4,086	6,036	3,568	(13,690)

Notes to the Balance Sheet

21. Non-current Assets

a) Capital commitments

As at 31 March the Council had the following material capital commitments.

2023-24 £'000		2024-25 £'000
791	Porthcawl Metrolink	-
397	Maesteg Town Hall	-
1,188	Total	-

b) Notes on Non-current Assets

Voluntary-aided & Voluntary-controlled Schools

The Council recognises the only Voluntary-controlled School on its Balance Sheet. This is Pen-y-Fai Church in Wales Primary School. The four voluntary-aided primary schools and one voluntary-aided comprehensive school are not assets of the Council and therefore not included in the Balance Sheet.

c) Non-current Assets valuation

Non-current Assets are included in the Balance Sheet on the valuation basis set out in the Statement of Accounting Policies. All assets are valued on a rolling 3-year basis as at 31 December with a review to 31 March, which confirmed no significant changes in value during that period. For 2024-25 additional valuations were carried out to ensure that the assets as stated in the Balance Sheet are materially correct. These valuations were undertaken by Council Surveyors in accordance with the Statements of Asset Valuation, Practice and Guidance Notes of the Royal Institution of Chartered Surveyors for non-investment assets, investment assets being valued independently by Cooke & Arkwright. Cooke & Arkwright also valued a number of surplus assets.

Summary of Property, Plant & Equipment (PPE) Restated	Other Land and Buildings £'000	Vehicle, Plant and Equipment £'000	Community Assets £'000	Surplus Assets £'000	Assets Under Construction £'000	Total PPE Assets £'000	PFI Assets Included in PPE £'000
Cost or Valuation							
At 1 April 2023	523,372	18,580	5,010	12,422	16,263	575,647	27,090
Additions	8,648	3,080	40		9,520	21,288	
Accumulated Depreciation and Impairment written out to Gross Carrying Amount	(13,457)					(13,457)	(1,354)
Revaluation increases/(decreases) recognised in the Revaluation Reserve	40,545			50		40,595	3,731
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	(5,229)		(10)			(5,239)	
Derecognition - Disposals	(740)	(395)				(1,135)	
Derecognition - other	(2,080)	(91)				(2,171)	
Assets reclassified (to)/from Held for Sale							
Other Movements in Cost or Valuation	5,952			151	(6,103)		
CCRCDC Assets							
At 31 March 2024	557,011	21,174	5,040	12,623	19,680	615,528	29,467
Accumulated Depreciation and Impairments							
At 1 April 2023	(5,687)	(10,973)	(42)		(42)	(16,744)	(7)
Depreciation Charge for the year	(12,559)	(1,975)	(3)			(14,537)	(1,316)
Accumulated Depreciation and Impairment written out to Gross Carrying Amount	13,457					13,457	1,316
Accumulated impairment written off (where no account balance at 1 April)							
Acc. Depreciation WO to GCA							
Impairment Losses/(Reversals) recognised in the Revaluation Reserve							
Impairment Losses/(Reversals) recognised in the Surplus/Deficit on the Provision of Services							
Derecognition - disposals	24	395				419	
Derecognition - other							
Other Movements	62				(62)		
CCRCDC Depreciation							
At 31 March 2024	(4,703)	(12,553)	(46)	0	(104)	(17,406)	(7)
NBV as at 1 April 2023	517,685	7,607	4,968	12,422	16,221	558,903	27,083
NBV as at 31 March 2024	552,308	8,621	4,994	12,623	19,576	598,122	29,460

Summary of Property, Plant & Equipment (PPE)	Other Land and Buildings £'000	Vehicle, Plant and Equipment £'000	Community Assets £'000	Surplus Assets £'000	Assets Under Construction £'000	Right of Use Assets £'000	Total PPE Assets £'000	PFI Assets Included in PPE £'000
Cost or Valuation								
At 1 April 2024	557,011	21,174	5,040	12,623	19,680	3,512	619,040	29,468
Additions	5,853	4,233			9,271	357	19,714	
Accumulated Depreciation and Impairment written out to Gross Carrying Amount	(13,754)						(13,754)	(1,422)
Revaluation increases/(decreases) recognised in the Revaluation Reserve	62,206			4,358			66,564	5,508
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	(7,065)						(7,065)	401
Derecognition - Disposals	(2,567)	(93)		(3,250)			(5,910)	
Derecognition - other	(2,156)	(94)					(2,250)	
Assets reclassified (to)/from Held for Sale				(311)			(311)	
Other Movements in Cost or Valuation	17,644				(17,644)			
CCRCDC Assets								
At 31 March 2025	617,172	25,220	5,040	13,420	11,307	3,869	676,028	33,955
Accumulated Depreciation and Impairments								
At 1 April 2024	(4,703)	(12,553)	(46)	0	(104)		(17,406)	(7)
Depreciation Charge for the year	(13,543)	(2,259)	(3)			(253)	(16,058)	(1,424)
Accumulated Depreciation and Impairment written out to Gross Carrying Amount	13,754						13,754	1,422
Accumulated impairment written off (where no account balance at 1 April)								
Acc. Depreciation WO to GCA								
Impairment Losses/(Reversals) recognised in the Revaluation Reserve								
Impairment Losses/(Reversals) recognised in the Surplus/Deficit on the Provision of Services								
Derecognition - disposals		57					57	
Derecognition - other								
Other Movements	(62)				62			
CCRCDC Depreciation								
At 31 March 2025	(4,554)	(14,755)	(49)	0	(42)	(253)	(19,653)	(9)
NBV as at 1 April 2024	552,308	8,621	4,994	12,623	19,576	0	598,122	29,460
NBV as at 31 March 2025	612,618	10,465	4,991	13,420	11,265	3,616	656,375	33,946

In accordance with the Temporary Relief offered by the Update to the Code on infrastructure assets this note does not include disclosure of gross cost and accumulated depreciation for infrastructure assets because historical reporting practices and resultant information deficits mean that this would not faithfully represent the asset position to the users of the financial statements.

The Council has chosen not to disclose this information as the previously reported practices and resultant information deficits mean that gross cost and accumulated depreciation are not measured accurately and would not provide the basis for the users of the financial statements to take economic or other decisions relating to infrastructure assets.

2023-24 £'000	Infrastructure	2024-25 £'000
82,171	Net Book Value at 1 April	81,222
4,709	Additions	4,010
(59)	Derecognition	(304)
(5,599)	Depreciation	(5,715)
-	Impairment	-
81,222	Net Book Value at 31 March	79,213

The Council has determined in accordance with Regulation 24L of the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 (as amended) that the carrying amounts to be derecognised for infrastructure assets when there is replacement expenditure is nil.

Summary of Property, Plant & Equipment (PPE)

2023-24 £'000	Property, Plant & Equipment (PPE) Reconciliation	2024-25 £'000
81,222	Infrastructure Assets	79,213
598,122	Other PPE assets	656,375
679,344	Total PPE Assets	735,588

d) Intangible Assets.

The Intangible asset refers to the Wales Community Care Information System, WCCIS. As at 31 March 2025 the remaining life of the asset was 1 year.

2023-24 £'000		2024-25 £'000
	Cost or valuation	
6,040	At 1 April	6,040
6,040	At 31 March	6,040
	Accumulated amortisation and impairments	
(4,612)	At 1 April	(5,094)
(482)	Amortisation for year	(474)
(5,094)	At 31 March	(5,568)
1,428	Net Book Value at 1 April	946
946	Net Book Value at 31 March	472

e) Sources of finance for Capital Expenditure

2023-24 £'000		2024-25 £'000
(5,716)	Loans	(5,767)
(17,072)	Government grants	(19,375)
-	Capital Receipts	(306)
(7,420)	Revenue contribution	(2,552)
(1,605)	Other contributions	(1,331)
(31,813)	Total	(29,331)

f) Revenue Expenditure Funded from Capital under Statute

These relate to capital expenditure that does not result in a tangible non-current asset. They include renovation grants and contributions towards capital expenditure incurred by other parties.

2023-24 £'000	2023-24 CCRCD £'000	2023-24 Total £'000		2024-25 £'000	2024-25 CCRCD £'000	2024-25 Total £'000
5,816	38	5,854	Revenue Expenditure Funded from Capital Under Statute	5,964		5,964
(5,450)	(38)	(5,488)	Grants and Contributions	(5,341)		(5,341)
366	-	366	Total	623		623

g) Capital financing requirement and the financing of capital expenditure

2023-24 £'000	Capital Financing Requirement	2024-25 £'000
176,503	Opening Capital Financing Requirement	175,719
	Capital Investment	
25,997	Property, Plant and Equipment and Intangible Assets	23,367
5,816	Revenue Expenditure Funded from Capital under Statute	5,964
	Right of Use Assets recognised in year	3,838
	Sources of Finance	
(18,677)	Grants & Contributions	(20,706)
	Capital receipts applied	(306)
(7,420)	Revenue Contributions	(2,552)
(3,298)	Minimum Revenue Provision	(1,200)
(2,273)	Unsupported Borrowing MRP	(1,870)
(929)	PFI School MRP	(1,001)
	Right of Use Assets MRP	(158)
175,719	Closing Capital Financing Requirement	181,095
	Explanation for Movements in Year	
653	Increase/(Decrease) in Underlying Need to Borrow (supported by government financial assistance)	2,737
(508)	Increase/(Decrease) in Underlying Need to Borrow (unsupported by government financial assistance)	(40)
	Right of Use Assets	(158)
(929)	Assets acquired under PFI Contract	(1,001)
	Assets acquired under Finance Lease	3,838
(784)	Increase/(Decrease) in Capital Financing Requirement	5,376

h) Capital Receipts In Advance

This includes a combination of capital grants received in advance in respect of proposed capital schemes for 2024-25, which was £0.887 million (2023-24: £0.844 million) plus section 106 contributions received from developers which will be committed and used to fund current and future schemes in line with the specific requirements of the agreements of £9.252 million (2023-24: £9.256 million).

i) Capital Grants Unapplied

This includes a combination of capital grants received where the expenditure to be financed from the grants has yet to be incurred, therefore it is held for future use. This value of grants held is £5.723 million 2024-25 (£2.155 million 2023- 24).

22. Investment Properties

The following table summarises the movement in the fair value of investment properties over the year:

2023-24 £'000	CCRCD £'000	Total £'000		2024-25 £'000	CCRCD £'000	Total £'000
5,845	6,002	11,847	Opening Balance at 1 April	4,990	6,002	10,992
(855)	-	(855)	Net gain / (loss) from fair value adjustments	(100)	-	(100)
4,990	6,002	10,992	Balance as at 31 March	4,890	6,002	10,892

23. Short Term Debtors

These represent the monies owed to the Council after making provision for debts that might not be recovered and are analysed as follows;

2023-24 £'000		2024-25 £'000
9,236	Trade Receivables	14,819
3,047	Prepayments	2,403
42,472	Other Receivable Amounts	65,949
986	CCRCD	
55,741	Balance as at 31 March	83,171

The Council collects NNDR payments on behalf of Welsh Government. As at 31 March 2025, the Council had paid over more cash than it collected, this excess was included in the Balance Sheet as a debtor of £6.412 million. The equivalent for 2023-24 was a debtor of £2.207 million. This figure is included in the Other Receivable Amounts figure above.

24. Assets Held for Sale

2023-24 £'000		2024-25 £'000
65	Balance at 1 April	65
-	Assets newly classified as held for sale: Property, Plant & Equipment	310
-	Assets Sold	-
65	Balance as at 31 March	375

25. Short Term Creditors

These represent monies owed by the Council and are analysed as follows:

2023-24 £'000		2024-25 £'000
(6,702)	Trade Payables	(3,155)
(43,815)	Other Payables	(52,861)
(3,207)	CCRCD	
(53,724)	Balance as at 31 March	(56,016)

26. Provisions

The Council has provisions as detailed below:

	Insurance £'000	Other Provisions £'000	Total £'000
Balance at 1 April 2024	4,133	2,909	7,042
Movement of provision during year	(1,129)		(1,129)
Amounts used/released in 2024-25 CCRCD	(737)		(737)
Balance at 31 March 2025	2,266	2,909	5,175

Provisions < 1 yr	517	2,909	3,426
Provisions > 1 yr	1,749		1,749
Balance at 31 March 2025	2,266	2,909	5,175

Insurance Provision (Self-funding / MMI)

Self-Fund

The Council has a self-insurance fund. This Insurance Provision has been set aside to meet the estimated cost to the Council of outstanding liability for policy years up to 2024-25 for Employer's Liability, Public Liability and Property. However, the actual cost of individual claims and the timing of payments is uncertain. The Council also has an earmarked reserve for Insurance which acts as an additional contingency for the fund, over and above the total outstanding liability, to allow for unexpected events, worse than anticipated deterioration in the current reserves and higher than anticipated future losses both in frequency and cost.

27. PFI and Other Long Term Liabilities

2023-24 £'000		Movement in year £'000	Moved to Short Term Creditors £'000	2024-25 £'000
11,973	Maesteg School PFI Lease		(1,078)	10,895
1,630	CCRCD	-		1,630
13,603	Balance as at 31 March	-	(1,078)	12,525

The PFI Finance Lease Liability matches the fair value of the fixed asset for the PFI School as at the date the asset came onto the Council's Balance Sheet being £21.898 million (July 2008). This will be written down over the life of the PFI contract by the value of the unitary payment deemed to be the finance lease element each year. For 2024-25, the amount written down was £1.001 million and £1.078 million has been transferred to Short Term Creditors leaving an outstanding long term liability of £10.894 million on the PFI scheme at year end.

28. Usable Reserves

The following notes detail the Usable Reserves of the Council:

a) Usable Capital Receipts Reserve

This represents capital receipts available to finance capital expenditure in future years.

2023-24 £'000		2024-25 £'000
25,728	Balance at 1st April	25,985
257	Capital Receipts Received	6,343
-	Receipts Used to Finance Capital Expenditure	(307)
25,985	Balance as at 31 March	32,021

b) Earmarked Reserves

The Earmarked Reserves in the Balance Sheet as at 31 March 2025 are detailed below:

Opening Balance 2023-24 £'000	Reserve	Movement during 2024-25		Closing Balance 2024-25 £'000
		Additions/ Re-classification £'000	Drawdown/ unwound £'000	
9,730	Council Fund	300	-	10,030
40,055	Corporate Reserves:			
500	Capital Programme Contribution	8,675	(2,692)	46,038
1,892	Major Claims Reserve	-	(500)	-
8,472	Service Reconfiguration	-	-	1,892
	Other Corporate Reserves	3,506	(1,882)	10,095
50,919	Total Corporate Reserves	12,181	(5,073)	58,025
	Other Reserves:			
6,668	Directorate Reserves	5,731	(4,822)	7,577
6,668	Total Directorate Reserves	5,731	(4,822)	7,577
2,405	Delegated Schools Balance	-	(3,024)	(619)
	Total Reserves excluding Equalisation Reserves	17,912	(12,920)	(64,982)
59,992	Equalisation and Grant Reserves	(228)	(890)	2,887
4,005	TOTAL EXCLUDING COUNCIL FUND	17,684	(13,810)	67,870
63,997				
	TOTAL INCLUDING COUNCIL FUND	17,984	(13,810)	77,900
73,727				

Council Fund

The transfer to the Council Fund for 2024-25 was £0.300 million. This has resulted in the balance on the fund being £10.030 million at 31 March 2025 (£9.730 million at 31 March 2024).

Other Earmarked Reserves

The balance on Earmarked Reserves excluding the Council Fund was a net increase of £3,874 million in 2024- 25 (net decrease of £28.499 million in 2023-24). An overview of each earmarked reserve is explained below.

Corporate Reserves**Capital Programme Contribution**

This earmarked reserve has been set up as a revenue contribution to the capital programme, to enable schemes to be progressed more quickly to alleviate pressure on the revenue budget and accelerate the realisation of capital receipts.

Major Claims Earmarked Reserve

This reserve has been created to mainly cover major capital contractual claims and mitigate against potential other claims against the Council.

Service Reconfiguration / Severance Costs

This reserve has been established to meet potential costs relating to service remodelling and consequential severance costs.

Directorate Reserves

These reserves relate to specific Directorate issues anticipated in 2025-26. Examples include reserves to support pressures within Social Services and Care Experienced Children, and wider regeneration investment.

Delegated School Balances

These balances represent the cumulative effect of over and under-spending on school delegated budgets not available to the Council.

Analysis of Delegated Schools Balance

2023-24 Closing Balance £'000	School Types	No's in Category	2024-25 Funding Available £'000	2024-25 Spend £'000	2024-25 Closing Balance £'000
283	Primary Schools	48	54,669	55,413	(744)
2,588	Secondary Schools	9	61,276	60,925	351
(466)	Special Schools	2	12,904	13,130	(226)
2,405	Total	59	128,849	129,468	(619)

The 2023-24 Closing Balance figure is included within the 2024-25 Budget. This accounting treatment of including the prior year's closing balance in the current year's 'Funding Available' applies solely to Schools and does not apply in any other area of the accounts.

Equalisation and Grant Reserves

This includes grant reserves where under proper accounting practice, all grants and contributions should be analysed to see whether there are specific conditions attached to them. When the conditions are actually satisfied, the grant is credited to the Comprehensive Income and Expenditure Statement regardless of whether the actual expenditure has been incurred. In these cases, the Council can decide to transfer the grant monies to an earmarked reserve to fund future expenditure. In 2024-25 there was a reduction of £0.228 million transfers to/from grant earmarked reserves (2023-24 - £0.756 million increase). In addition to grant reserves there are a small number of equalisation reserves that ensures expenditure that is incurred in a particular future year is

smoothed over the period of the Medium Term Financial Strategy. These include the costs of elections, the Special Regeneration Fund, the preparation of the Local Development Plan and the Building Control Earmarked Reserves.

29. Unusable Reserves

The following notes detail the Unusable Reserves of the Council.

a) Revaluation Reserve (RR)

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- Revalued downwards or impaired and the gains are lost;
- Used in the provision of services and the gains are consumed through depreciation; or
- Disposed of and the gains are realised.

The Revaluation Reserve contains only revaluation gains accumulated since 1 April 2007. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2023-24			2024-25	
£'000	£'000		£'000	£'000
45,925	222,430	Balance at 1 April	72,337	257,114
(5,330)		Upward Revaluation of Assets		
		Downward Revaluation of Assets and Impairment Losses not charged to the Surplus/Deficit on the Provision of Services	(5,774)	
	40,595	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of services		66,563
(5,870)		Difference between fair value depreciation and historical cost depreciation (charged to the Capital Adjustment Account)	(6,844)	
(41)		Accumulated gains on assets sold or scrapped	(2,082)	
	(5,911)	Amount written off to the Capital Adjustment Account		(8,926)
	257,114	Balance as at 31 March		314,751

b) Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Council makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2023-24 £'000		2024-25 £'000
(35,850)	Balance at 1 April	(6,740)
30,070	Actuarial gains or losses on pensions assets and liabilities	(1,430)
(22,360)	Reversal of Items relating to Retirement Benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(20,410)
21,400	Employer's Pensions Contributions and Direct Payments to Pensioners Payable in the Year	22,740
(6,740)	Balance as at 31 March	(5,840)

c) Capital Adjustment Account (CAA)

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains going forward.

2023-24			2024-25	
£'000	£'000		£'000	£'000
	249,143	Opening Balance		252,178
	5,286	CCRCD Balance		5,658
	254,429	Total Balance at 1 April		257,836
		Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:		
(20,619)		Charges for depreciation and impairment of non-current assets	(22,250)	
(7,469)		Revaluation gain/(losses) on Property, Plant and Equipment	(9,619)	
(366)		Revenue Expenditure funded from Capital Under Statute	(623)	
		Other amounts including Mortgage Payments		
		Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement		
(675)			(3,770)	
	(29,129)			(36,262)
	5,870	Adjusting amounts written out to the Revaluation Reserve		6,844
	(23,259)	Net written out amount of the cost of non-current assets consumed in the year		(29,418)
		Capital financing applied in the year:		
-		Use of the Capital Receipts Reserve to finance capital expenditure	306	
13,228		Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that has been applied to capital financing	15,365	
6,500		Statutory provision for the financing of capital investment charged against the Council Fund	4,229	
7,421		Donated Asset IFRS16	11	
		Capital expenditure charged against the Council Fund	2,552	
	27,149			22,473
	(855)	Movement in the market value of Investment Properties credited to the Comprehensive Income and Expenditure Statement		(100)
	372	Movement in CCRCD Capital Adjustment Account balance		0
	257,836	Balance as at 31 March		250,791

30. Pensions Liabilities, IAS 19 disclosures

As part of the terms and conditions of employment of its officers, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments (for those benefits) and to disclose them at the time that employees earn their future entitlement.

This Council participates in the Rhondda Cynon Taf County Borough Council Pension Fund, which is administered under the Regulations governing the Local Government Pension Scheme. This is a defined benefit scheme, meaning that the Council and employees pay contributions into a fund, at a rate determined by the Fund's Actuary based on triennial actuarial valuations, which aims to balance 100% of pension liabilities with investment assets. The last triennial valuation was on 31 March 2025, and this is due to be completed by 31 March 2026.

Further information can be found in Rhondda Cynon Taf CBC Pension Fund's Annual Report which is available upon request from the Director of Finance, Rhondda Cynon Taf County Borough Council, Bronwydd, Porth, Rhondda, Rhondda Cynon Taf. Information is also available at: <http://www.rctpensions.org.uk>

Any award of discretionary post-retirement benefits upon early retirement is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. No investment assets are built up to meet these pension liabilities, and cash has to be generated to meet the actual pension payments as they fall due.

The principal risks to the Council of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large scale withdrawals from the scheme), changes to inflation, bond yields, and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge the Council Fund with the amounts required by statute as described in the accounting policies note.

The disclosures required for 2024-25 include information provided by the pension administrators, Rhondda Cynon Taff CBC and Aon Hewitt Associates Limited as the pension fund scheme's actuary.

All mortality assumptions are based on an analysis of the Fund's recent mortality experience that was carried out in advance of the 2022 Valuation.

McCloud Judgement

In December 2018, the Court of Appeal held that transitional protection provisions contained in reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, amounted to direct age discrimination and were therefore unlawful. On 27 June 2019 the Supreme Court denied the Government's application for leave to appeal the decisions. The calculation of the liability incorporates the impact of the 'McCloud' judgement.

Section 37 Legal Case

In June 2023 the High Court found in the Virgin Media case that changes to member benefits in contracted out defined benefit pension schemes between 1996 and 2016 required an actuarial certificate in line with section 37 of the Pensions Schemes Act 1993, and that changes without this certification are to be considered void. This requirement applies to past service rights and future service rights, and to changes to the detriment or benefit of scheme members. The judgment was appealed in June 2024 but the appeal was dismissed.

For the Local Government scheme GAD do not believe that there are any absent actuarial confirmations. Therefore, they do not expect any liability changes to arise following this judgement. GAD will confirm that actuarial confirmations are available in due course.

Transactions Relating to Post-employment Benefits

The cost of retirement benefits is recognised in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge required to be made against Council Tax is based on the cash payable in the year, so the real cost of post-employment benefits is reversed out of the Council Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the Council Fund balance via the Movement in Reserves Statement during the year.

Restated Local Govt Pension Scheme	LGPS Unfunded Benefits	Teachers' Unfunded Benefits	Restated Total	Comprehensive Income & Expenditure Statement	Local Govt Pension Scheme	LGPS Unfunded Benefits	Teachers' Unfunded Benefits	Total
2023-24 £m	2023-24 £m	2023-24 £m	2023-24 £m		2024-25 £m	2024-25 £m	2024-25 £m	2024-25 £m
				Cost of Services :				
21.05	-	-	21.05	Service cost comprising:	19.94	-	-	19.94
-	-	-	-	Current service cost (Employer)	0.02	-	-	0.02
0.07	0.03	0.02	0.12	Current service cost (Passthrough)	0.67	-	-	0.67
				Past service costs				
				Financing & Investment Income & Expenditure :-				
0.85	0.24	0.10	1.19	Net interest expense	(0.52)	0.21	0.09	(0.22)
				Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services	20.11	0.21	0.09	20.41
				Other Post Employment Benefit Charged to the Comprehensive Income & Expenditure Statement				
				<i>Remeasurements of the net defined benefit liability comprising:</i>				
(47.21)	-	-	(47.21)	Return on plan assets (excluding the amount included in the net interest expense)	31.23	-	-	31.23
(25.99)	(0.06)	(0.02)	(26.07)	Actuarial (gains) / losses due to changes in financial assumptions	(127.61)	(0.30)	(0.09)	(128.00)
(11.89)	(0.10)	(0.04)	(12.03)	Actuarial (gains) / losses due to changes in demographic assumptions	(5.49)	(0.03)	(0.01)	(5.53)
8.68	(0.14)	(0.05)	8.49	Actuarial (gains) / losses due to liability experience	1.31	0.02	-	1.33
46.75	-	-	46.75	Adjustment loss (gain) due to restriction of surplus	102.4	-	-	102.4
				Total Post-employment Benefits charged to the Comprehensive Income and Expenditure Statement	1.84	(0.31)	(0.10)	1.43
				Movement in Reserves Statement:-				
21.97	0.27	0.12	22.36	Reversal of net charges made for retirement benefits in accordance with IAS 19	20.11	0.21	0.09	20.41
				Actual amount charged against the Council Fund Balance for pensions in the year				
20.62	0.50	0.28	21.40	Employer's Contributions payable to the scheme	21.95	0.51	0.28	22.74
(29.83)	(0.50)	(0.28)	(30.61)	Retirement Benefits Paid Out	(30.58)	(0.51)	(0.28)	(31.37)

Pensions Assets and Liabilities Recognised in the Balance Sheet

The amounts included in the Balance sheet arising from the Council's obligation in respect of its defined benefit plan are as follows:-

Local Govt Pension Scheme	LGPS Unfunded Benefits	Teachers' Unfunded Benefits	Total		Local Govt Pension Scheme	LGPS Unfunded Benefits	Teachers' Unfunded Benefits	Total
2023-24 £m	2023-24 £m	2023-24 £m	2023-24 £m		2024-25 £m	2024-25 £m	2024-25 £m	2024-25 £m
(761.28)	(4.83)	(1.91)	(768.02)	Present value of defined benefit obligation	(662.27)	(4.22)	(1.62)	(668.11)
808.03	-	-	808.03	Fair Value of Plan Assets	813.66	-	-	813.66
(46.75)	-	-	(46.75)	Unrecognised Assets	(151.39)	-	-	(151.39)
-	(4.83)	(1.91)	(6.74)	Net liability arising from defined benefit obligation	-	(4.22)	(1.62)	(5.84)

Reconciliation of the Movements in the Fair Value of the Scheme (Plan) Assets

2023-24 £m		2024-25 £m
729.33	Opening fair value of scheme assets at 1 April	808.03
34.23	Interest income on assets	38.75
47.21	The return on plan assets, excluding the amount included in the net interest expense	(31.23)
21.40	Contributions by Employer	21.95
6.47	Contributions by Participants	6.74
(30.61)	Net Benefits Paid Out	(30.58)
808.03	Balance as at 31 March	813.66

Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)

Local Govt Pension Scheme	LGPS Unfunded Benefits	Teachers' Unfunded Benefits	Total		Local Govt Pension Scheme	LGPS Unfunded Benefits	Teachers' Unfunded Benefits	Total
2023-24	2023-24	2023-24	2023-24		2024-25	2024-25	2024-25	2024-25
£m	£m	£m	£m		£m	£m	£m	£m
757.64	5.36	2.18	765.18	Opening balance at 1 April	761.28	4.83	1.91	768.02
21.05	-	-	21.05	Current Service Cost	19.96	-	-	19.96
35.08	0.24	0.10	35.42	Interest Cost	35.99	0.21	0.09	36.29
6.47	-	-	6.47	Contributions from scheme participants	6.74	-	-	6.74
				<i>Remeasurement (gains) and losses:</i>				
(25.99)	(0.06)	(0.02)	(26.07)	Actuarial gains / losses arising from changes in financial assumptions	(127.61)	(0.3)	(0.09)	(128)
(11.89)	(0.10)	(0.04)	(12.03)	Actuarial gains / losses arising from changes in demographic assumptions	(5.49)	(0.03)	(0.01)	(5.53)
8.68	(0.14)	(0.05)	8.49	Actuarial gains / losses arising from changes in liability experience	1.31	0.02	-	1.33
0.07	0.03	0.02	0.12	Past Service Cost	0.67	-	-	0.67
(29.83)	(0.50)	(0.28)	(30.61)	Benefits Paid	(30.58)	(0.51)	(0.28)	(31.37)
-	-	-	-	Liabilities extinguished on settlements	-	-	-	-
761.28	4.83	1.91	768.02	Balance as at 31 March	662.27	4.22	1.62	668.11

Local Government Pension Scheme assets comprised:

Fair Value of Scheme Assets 2023-24 £m	Asset Split 2023-24 %		Fair Value of Scheme Assets 2024-25 £m	Asset Split 2024-25 %
517.14	64.00	Equities	529.69	65.10
52.52	6.50	Property	49.63	6.10
98.58	12.20	Government bonds	88.69	10.90
126.05	15.60	Corporate bonds	119.61	14.70
13.74	1.70	Cash and cash equivalents	26.04	3.20
808.03	100.00	Total assets	813.66	100.00

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc. Both the Local Government Pension Scheme (LGPS) and discretionary benefits liabilities have been estimated by Aon Hewitt, an independent firm of actuaries, in accordance with IAS 19.

The significant assumptions used by the Actuary were:

2023-24 % pa		2024-25 % pa
4.8	Discount rate	5.8
2.6	CPI Inflation	2.5
2.6	Rate of pension increases	2.5
3.85	Rate of salary increases	3.75
	<i>Mortality Assumptions:</i>	
	Longevity at 65 for current pensioners :-	
21.0	Men	20.9
23.8	Women	23.7
	Longevity at 65 for future pensioners :-	
22.3	Men	21.8
25.2	Women	24.8

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies of the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Increase in Assumption 2023-24 £m	Decrease in Assumption 2023-24 £m		Increase in Assumption 2024-25 £m	Decrease in Assumption 2024-25 £m
(12.94)	12.94	Rate for discounting scheme liabilities (increase or decrease by 0.1%)	(9.93)	9.93
0.76	(0.76)	Rate of increase in salaries (increase or decrease by 0.1%)	0.66	(0.66)
12.18	(11.42)	Rate of increase in pensions (increase or decrease by 0.1%)	9.27	(9.27)
19.79	(19.03)	Longevity (increase or decrease in 1 year)	14.57	(14.57)

Impact on the Council's Cash Flows

The funded nature of the LGPS requires the Employer and its employees to pay contributions into the fund, calculated at a level intended to balance the pension liabilities with investment assets. The current Employer's contribution rate to achieve a funding level of 100% of scheme liabilities will be reviewed at this point. Consequently, whilst there is a significant shortfall (liability) between the benefits earned by past and current employees and the resources the Council has set aside to meet them, the statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

The expected employer's contributions to the Local Government Pension Scheme for the accounting period ending 31 March 2025 are:

	2025-26 £m
Local Government Pension Scheme	12.87
LGPS Unfunded	0.23
Teachers Unfunded	0.09
Total	13.19

The weighted average duration of the defined benefit obligation for the scheme members is 13.19 years.

Teachers

In 2024-25, the Council paid £18.738 million (£15.075 million for 2023-24) to the Teachers Pensions Agency in respect of teachers' pension costs. The increase was due to the pensions increase from 23.68% to 28.68% in 2024-25. In addition, the Council is responsible for all pension payments relating to added years awarded, together with the related increases. In 2024-25, these amounted to £0.686 million (£0.330 million for 2023-24).

31. Financial Instruments Disclosures

Categories of Financial Instruments

The following categories of financial instruments are carried in the Balance Sheet:

Financial Assets

31 March 2024				Total £'000		31 March 2025				
Current		Non-current				Current		Non-current		
Investments £'000	Debtors £'000	Investments £'000				Debtors £'000	Investments £'000	Debtors £'000	Investments £'000	
50,426	9,236			59,662	Amortised Cost	34,215	14,819			49,034
5,138			1,529	6,667	CCRCD					0
55,564	9.236	0	1,529	66,329	Total financial assets	34,125	14,819	0	0	49,034
		4,990		4,990	Non-financial assets			4,890		4,890
		6,002		6,002	CCRCD			6,002		6,002
0	0	10,992	0	10,992	Total Non-financial assets	0	0	10,992	0	10,992
55.564	9.236	10.992	1,529	77,321	Total	34,125	14.819	10,992	0	60.026

The current investments figure above includes accrued income receivable for long term investments in addition to short term interest.

The £14.819 million (2023-24: £9.236 million) debtors figure in the table above relates to trade debtors for goods and services delivered and is included in the overall debtors figure of £83.491 million (2023-24: £55.930 million) included in the balance sheet. More information in relation to debtors can be found at note 23.

Financial Liabilities

31 March 2024					31 March 2025			
Current		Non-current			Current		Non-current	
Borrowing £'000	Creditors £'000	Borrowing & Other Long-Term Liabilities £'000	Total £'000		Borrowing £'000	Creditors £'000	Borrowing & Other Long-Term Liabilities £'000	Total £'000
(13,636)	(7,875)	(106,086)	(127,597)	Amortised Cost	(10,152)	(3,155)	(107,158)	(120,465)
		(1,637)	(1,637)	CCRCD			(1,637)	(1,637)
(13,636)	(7,875)	(107,723)	(129,234)	Total	(10,152)	(3,155)	(108,795)	(122,102)

The current borrowings figure above includes £1.848 million of accrued interest payable for the year.

The current creditors figure of £3.155 million (2023-24: £7.875 million) relates to trade creditors for goods and services received of £3.155 million (2023-24: £6.702 million) and £1.174 million (2023-24: £1.174 million) monies held by the Council on behalf of third parties and is included in the overall creditors figure of £56.115 million (2023-24: £54.107 million) on the balance sheet. More information in relation to creditors can be found at note 25.

Offsetting financial assets and liabilities

Financial assets and liabilities are set off against each other where the Council has a legally enforceable right to set off and it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The table below shows those instruments that have been offset on the balance sheet.

31 March 2024 Gross Assets (Liabilities) £'000	Offsetting of Financial Assets and Liabilities	31 March 2025 Gross Assets (Liabilities) £'000
2,948	Bank Accounts in Credit	3,333
2,948	Total Financial Assets	3,333
(3,812)	Bank Overdrafts	(5,826)
(3,812)	Total Financial Liabilities	(5,826)
(864)	Net Position	(2,493)
246	Bank uncleared amounts	(171)
(618)	Net position in Balance Sheet	(2,664)

Income, expense, gains and losses

The income, expense, gains and losses recognised in the Comprehensive Income and Expenditure Statement for financial instruments are shown below:

31 March 2024				31 March 2025		
Financial Liabilities Amortised Cost £'000	Financial Assets Amortised Cost £'000	Total £'000		Financial Liabilities Amortised Cost £'000	Financial Assets Amortised Cost £'000	Total £'000
5,881		5,881	Interest Expense	5,803		5,803
	(5,108)	(5,108)	Investment Income and Other Interest Receivable		(4,233)	(4,233)
	-	-	CCRC		-	-
5,881	(5,108)	773	Net (gain)/loss for the year	5,803	(4,233)	1,570

Fair Values of Financial Assets and Liabilities that are not measured at Fair Value

The Council does not have any financial assets or liabilities that are carried at fair value. In addition, there are no assets held at amortised cost for 2024-25.

31 March 2023		Financial Liabilities	31 March 2024	
Carrying amount £'000	Fair Value £'000		Carrying amount £'000	Fair Value £'000
(77,617)	(76,376)	Financial liabilities held at amortised cost:	(73,328)	(66,385)
(19,745)	(22,222)	PWLB	(19,736)	(21,037)
(2,735)	(2,291)	LOBOs	(2,122)	(2,031)
(11,973)	(14,642)	Salix Loans	(10,895)	N/A
		PFI and other long term liabilities		
(112,070)	(115,531)	Total	(103,959)	(89,453)

The fair value of **Financial Liabilities** is higher than the carrying amount because the Council's portfolio of loans includes a number of loans where the interest rate payable is higher than the prevailing rates at the Balance Sheet date.

The fair value of liabilities is calculated using other significant observable inputs (Level 2) as follows:

- PWLB – Public Works Loan Board – market rates for local authority loans of the same remaining term to maturity as at the Balance Sheet date
- LOBO – Lender's Option Borrower's Option – increased by the value of the embedded options. Lender's options to propose an increase to the interest rate on the loan have been valued according to a proprietary model for Bermudian cancellable swaps. Borrower's contingent options to accept the increased rate or repay the loan have been valued at zero, on the assumption that lenders will only exercise their options when market rates have risen above the contractual rate.

Nature and extent of risks arising from Financial Instruments

The Council's activities expose it to a variety of financial risks including:

- **Credit risk** – the possibility that other parties may fail to pay amounts due to the Council;
- **Liquidity risk** – the possibility that the Council might not have funds available to meet its commitments to make payments;
- **Market risk** - the possibility that unplanned financial loss may arise for the Council as a result of changes in such measures as interest rates movements.

The Council's overall risk management strategy is approved by Council and set out within its annual Treasury Management Strategy. The Strategy sets out the parameters for the management of risks associated with financial instruments which covers specific areas such as interest rate risk, credit risk and the investment of surplus cash.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers. The risk is minimised through the Annual Investment Strategy included in the Council's [Treasury Management Strategy](#).

The Council's credit risk management practices are set out within the Investment Strategy. In determining whether the credit risk of financial instruments has increased since initial recognition, the Council has reviewed the creditworthiness of its investments and has concluded that there has not been a significant increase in credit risk.

The Council's primary objective is to give priority to security and liquidity prior to consideration of yield. Counterparty limits are constantly reviewed and where market conditions dictated, limits are reduced. During the year there were no changes that required the Council to consider any investments having an increased credit risk.

Credit risk exposure

As at 31 March 2025 the Council had the following exposure to credit risk. £18 million of the £36.750 million investments outstanding at 31 March 2025 were invested with DMO, where an expected loss allowance is not required. For those financial assets where a 12-month expected credit loss is calculable, the calculated credit loss is £1,021. This has been calculated by reference to historic default data published by credit rating agencies as advised by our Treasury Management Advisors. Due to the immateriality of the expected credit loss, no adjustment has been made in the accounts for this.

	Credit risk rating (as used by the Council)	Gross carrying amount £'000
12 month expected credit losses	AAA	18.00
	AA+	-
	AA-	3.00
	AA	-
	A+	15.50
	A	0.25
Simplified approach	LA	-
TOTAL		36.75

Council does not generally allow credit for its customers (trade debtors) such that all the trade debtors are recognised as short term, however, £4.667 million balance of debtors is past due date for payment. These are not included in the credit risk table above.

Liquidity Risk

The Council manages its liquidity risk through its cash-flow management to ensure that cash is available when required. It has ready access to instant access deposit accounts, overdraft facilities and borrowing from the Money Markets or other local authorities to cover any day-to-day cash flow need. In addition, the Council can access Public Works Loan Board (PWLB) borrowing. The Council arranges fixed term loans and investments with a range of maturity dates within the framework and indicators approved each year. There is no perceived risk that the Council will be unable to raise finance to meet its commitments, instead the risk relates to replenishing a significant proportion of its borrowings at a time of unfavourable interest rates. The Council sets limits on the maturity structure of fixed rate borrowing such that no more than 50% of loans are due to mature in any one year through careful planning of new loans taken out and (where it is beneficial to do so) making early repayments. The maturity analysis of financial liabilities is as follows:

31 March 2024 £'000	Maturity Analysis Financial Liabilities	31 March 2024 £'000
(14,351)	Less than 1 year	(14,074)
(5,529)	Between 1 and 2 years	(9,342)
(8,974)	Between 2 and 5 years	(13,190)
(25,471)	Between 5 and 10 years	(22,423)
(10,000)	Between 10 and 20 years	(5,000)
(36,389)	More than 20 years	(36,389)
(19,745)	Uncertain date*	(19,736)
(120,459)	Total Financial Liabilities	(120,154)

* This refers to the Lender's Options Borrower's Options which may be rescheduled in advance of their maturity date of 2054, however, the Council does not anticipate this will occur due to the current low interest rates.

All trade and other payables are due to be paid in less than one year.

Market Risk

The Council is exposed to the risk that financial loss could potentially occur as a result of changes in such measures as interest rate movements, market prices or foreign currency exchange rates.

Interest Rate Risk

The Council is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council. For instance, a rise in interest rates would have the following effects:

- borrowings at variable rates – the interest expense charged to the Surplus or Deficit on the Provision of Services will rise
- borrowings at fixed rates – the fixed rate protects the Council from increased interest charges as an equivalent loan would now cost more. The fair value of the borrowing (liability) will fall
- investments at variable rates – the interest income credited to the Surplus or Deficit on the Provision of Services will rise
- investments at fixed rates – the fixed rate prevents the Council from receiving higher investment income from the same principal invested. The fair value of the asset will fall

Borrowings are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investment will be posted to the Surplus or Deficit on the Provision of Services and affect the Council Fund Balance.

The Council monitors market and forecast interest rates within the year to adjust exposures appropriately, to allow any adverse changes to be accommodated. For instance, during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate loans may be repaid early to limit exposure to losses. According to this strategy, at 31 March 2025, if there had been a 1% change in interest rates with all other variables held constant, the financial effect would be approximately:

	Estimated £'000 + 1%	Estimated £'000 -1%
Interest payable on variable rate borrowings	133	0
Interest receivable on variable rate investments	(368)	(368)
Impact on Surplus or Deficit on Provision of Services	(235)	(368)

The figures for an approximate impact of a 1% fall in interest rates for borrowing are not the same figures as the 1% increase (but reversed) as the variable rate borrowing relates to our LOBO loans where it is assumed that the lender would not exercise their option if there was a fall in interest rates.

Price risk

As the Council has not invested in instruments that are subject to price risk, such as bank certificates of deposit and Government Bonds, it is not subject to price risk.

Foreign Exchange Risk

The Council has no financial assets or liabilities denominated in foreign currencies and thus has no exposure to loss arising from movements in exchange rates.

Transition to IFRS9 Financial Instruments

The Council adopted the IFRS9 Financial Instruments accounting standard with effect from 1 April 2018. The main changes include the reclassification and re-measurement of financial assets and the earlier recognition of the impairment of financial assets.

The nature of the Council's financial instruments has meant no changes to the Council's balance sheet on transition.

32. Events after the Reporting Period

Where an event or information arises after the reporting period (i.e. after 31 March 2025) that relates to conditions existing at 31 March 2025, certain figures in the financial statements and notes would be adjusted if necessary, in all material respects, in order to reflect the impact of the event or information. There have been no such events after 31 March 2025 that required reporting.

33. Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

Reinforced Autoclaved Aerated Concrete (RAAC) is a lightweight form of concrete used in many public buildings from the mid-1950s to the mid-1990s. During August 2023 the UK Government announced new guidance on RAAC as a result of heightened safety risks. As a result, the Council commenced surveys of its estate to determine the existence of RAAC. To date the presence of RAAC has been confirmed at one asset – Bridgend Indoor Market – that the Council leases on a long-term arrangement. As a result, the Council closed the Indoor Market and commissioned a surveyor to determine the extent of the RAAC at the market and the associated estimated cost of remedial works. A report has been received by the Council. The Council is considering options and at this time it is not possible to measure any potential obligation with sufficient reliability and as such a contingent liability exists.

Notes to the Cash Flow Statement

34. Adjustments for Non-cash Movements

2023-24 £'000		2024-25 £'000
(28,088)	Depreciation & Impairment of Assets	(31,866)
(3,538)	Movement in Inventories, Debtors & Creditors	20,312
(960)	Pension Fund Adjustments	2,330
4,378	Provisions	1,866
(716)	Disposal of Non Current Asset	(5,853)
(855)	Changes in Fair Value of Investment Property	(100)
(44)	CCRCD Revenue and Capital contributions recognised in CIES	
(29,823)	Adjustments to net deficit on the provision of services for non-cash movements	(13,311)

35. Operating Activities

The cash flows for operating activities include the following items:

2023-24 £'000		2024-25 £'000
15,456	Cash Flow on Revenue Activities	9,823
3,154	Interest Paid	6,571
1,029	Interest element of finance lease and PFI rental payments	1,138
(4,458)	Interest Received	(5,654)
-	CCRCD	
15,181	Net Cash Flows from Operating Activities	11,878

36. Investing Activities

The cash flows for investing activities include the following items:

2023-24 £'000		2024-25 £'000
25,997	Purchase of Property, Plant and Equipment and Intangibles	27,236
(8,395)	Purchase / (Proceeds) from Short Term Investments	(45,027)
(256)	Proceeds from sale of Property, Plant and Equipment and Investment Property	(6,343)
	CCRCD Long Term Debtors/Investments	
17,345	Net Cash Flows from Investing Activities	(24,134)

37. Financing Activities

The cash flows for financing activities include the following items:

2023-24 £'000		2024-25 £'000
(6,383)	Cash Receipts of short and long term borrowing	(8,167)
(12,895)	Other Receipts from financing activities	(18,972)
	Repayments of short and long term borrowing	10,580
	CCRCD – HMT and other grants received	
(19,278)	Net Cash Flows from Financing Activities	(16,559)

The report of the Auditor General for Wales to the Members of Bridgend County Borough Council

Opinion on financial statements

I have audited the financial statements of Bridgend County Borough Council for the year ended 31 March 2025 under the Public Audit (Wales) Act 2004.

Bridgend County Borough Council's financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and the related notes, including the material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of Bridgend County Borough Council as at 31 March 2025 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of Bridgend County Borough Council in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Bridgend County Borough Council's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25;
- The information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of Bridgend County Borough Council and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team; or
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

- the preparation of the statement of accounts, which gives a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error;
- assessing the Bridgend County Borough Council's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by Bridgend County Borough Council will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or

error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Bridgend County Borough Council's policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified posting of unusual journals, bias in accounting estimates and significant transaction outside the normal course of business;
- Obtaining an understanding of Bridgend County Borough Council's framework of authority as well as other legal and regulatory frameworks that the Council operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Bridgend County Borough Council.
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Governance and Audit Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of Bridgend County Borough Council's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Bridgend County Borough Council in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Adrian Crompton
Auditor General for Wales
October 2025

1 Capital Quarter
Tyndall Street
Cardiff, CF10 4BZ

The maintenance and integrity of Bridgend County Borough Council's website is the responsibility of the Accounting Officer/Client Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Glossary Of Terms

Accrual

An accrual is a sum shown in the accounts representing income or expenditure for the accounting period but which was not actually received or paid as at the date of the balance sheet.

Actuary

An actuary is a person who works out insurance and pension premiums, taking into account factors such as life expectancy.

Amortisation

Reduction in value of capital expenditure which has not created an asset, through charges to revenue.

Audit

An audit is an independent examination of the Council's accounts.

Balance Sheet

This is a statement of our assets, liabilities and other balances at the date of the end of the financial year, 31 March.

Budget

A budget (or estimate) is a plan of income and spending, based upon which council tax is set. Actual expenditure and income is subsequently monitored against this plan.

Capital expenditure

Capital expenditure is spending on fixed assets. These are assets that will be used for several years in the provision of services and are items such as buildings, equipment and vehicles.

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions.

Capital receipt

Capital receipts are proceeds from the sale of fixed assets such as land or buildings.

Cash flow Statement

This is a statement that summarises the movements in cash during the year.

Comprehensive Income and Expenditure Statement

This account records day-to-day spending and income on items such as salaries and wages, running costs of services and the financing of capital expenditure.

Contingent liabilities

A Contingent Liability is a possible obligation that arises from past events and whose existence will be confirmed by the occurrence of uncertain future events.

Corporate and Democratic Core (CDC)

CDC is a service defined by the Best Value Accounting Code of Practice representing costs relating to Member activity (Democratic Representation and Management) and costs that provide the infrastructure to ensure that services can be provided (Corporate Management).

Creditor

A creditor is an organisation / someone owed money by the Council at the end of the financial year for goods / services received during the financial year or previous years.

Current assets

These are short-term assets that are available for the Council to use in the following accounting year.

Current liabilities

These are short-term liabilities that are due for payment by the Council in the following accounting year.

Debtor

A debtor is an organisation / someone who owed the Council money at the end of the financial year for goods / services received during the financial year or previous years.

Delegated schools balances

Under the Local Management of Schools provisions, any balances accrued at year end are delegated to individual schools. These funds are held outside of the Council's Council Fund balances.

Depreciation

Depreciation is the estimated loss in value of fixed assets that are presented in the Balance Sheet.

Earmarked reserves

These are reserves set aside for a specific purpose.

Escrow account

Escrow is a legal arrangement whereby money is delivered to a third party (called an escrow agent) to be held in trust pending a contingency or the fulfillment of a condition or conditions in a contract.

Expenditure and Funding Statement

This statement brings together local authority performance reported on the basis of expenditure measured under proper accounting practices with statutorily defined charges to the Council Fund.

Financial Year

This is the accounting period. For local authorities it starts on 1 April and finishes on 31 March of the following year.

Finance leases

Finance leases are used to finance purchases where the Council takes on most of the risks associated with owning the asset.

Government grants

Assistance by government and inter-government agencies and similar bodies, whether local, national or international, in form of cash or transfers of assets to a Council in return for past or future compliance with certain conditions relating to the activities of the Council.

International Financial Reporting Standard (IFRS)

Financial regulations to be followed as set by the Accounting Standards Board (ASB).

International Financial Reporting Standards Interpretations Committee (IFRICs)

The interpretative body of the International Accounting Standards Board (IASB) designed to help the IASB improve financial reporting through timely identification, discussion and resolution of financial reporting issues within the framework of IFRS.

Inventories

Inventories are raw materials purchased for day to day use. The value of these items that have not been used at the end of the financial year are shown as current assets in the balance sheet.

Leasing

This is a method of financing capital expenditure by paying the owner to use property or equipment for a number of years.

Liability

A liability is an amount payable at some time in the future.

Minimum Revenue Provision (MRP)

This is an amount that has been set aside to repay loans. This should be a prudent amount.

Movement in Reserves Statement (MIRS)

This statement shows the movement in the year on different reserves held by the Council.

National Non-Domestic Rates (NNDR)

The NNDR, or Business Rate, is the charge to occupiers of business premises. The money collected is paid to the Welsh Government and redistributed to individual authorities in proportion to their adult population.

Net Realisable Value

The selling price of an asset, reduced by the relevant (direct) cost of selling it.

Non Distributable Costs (NDC)

NDC is a category of costs defined by the Best Value Accounting Code of Practice and cannot be allocated to specific services. It represents:

- costs of unused I.T. facilities,
- costs of long term unused, unrealisable assets,
- certain pension fund costs

Open Market Value in Existing Use (OMVEU)

OMVEU is a basis for valuation of fixed assets.

Operating assets

These are assets used in the running / provision of services.

Operating leases

These are leases where risks of ownership of the asset remain with the owner.

Post balance sheet events

Post balance sheet items are those that arise after the Balance Sheet date. These are items that did not exist at the time the Balance Sheet was prepared but should be disclosed if they are relevant to the fair presentation of the accounts.

Precepts

This is the amount paid to a non-billing Council (for example a community council) so that it can cover its expenses (after allowing for its income).

Prior year adjustment

Those material adjustments applicable to prior years arising from changes in accounting policies or from the correction of material errors.

Provision

A provision is an amount we set aside in our accounts for expected liabilities which we cannot measure accurately.

Private Finance Initiative (PFI) – a central government initiative which aims to increase the levels of funding available for public services by attracting private sources of finance. The PFI is supported by a number of incentives to encourage authorities' participation.

Public Works Loan Board (PWLb)

This is a loan facility provided by the Government Debt Management Office (DMO), which provides longer term loans to local authorities.

Related party transactions

These are the transfer of assets or liabilities or the performance of services by, to or for a related party no matter whether a charge is made.

Revaluation Reserve

This represents the non-distributable increase/decrease in the valuation of fixed assets.

Revenue account

This is an account which records our day to day spending and income on items such as salaries and wages, running costs of services and the financing of capital expenditure.

Service Reporting Code of Practice (SeRCOP)

The Service Reporting Code of Practice provides a consistent framework for reporting local authority data. SeRCOP is reviewed annually by the appropriate regulating body to ensure that it develops in line with the needs of modern local government, Transparency, Best Value and public services reform.

Temporary borrowing or investment

This is money borrowed or invested for an initial period of less than one year.

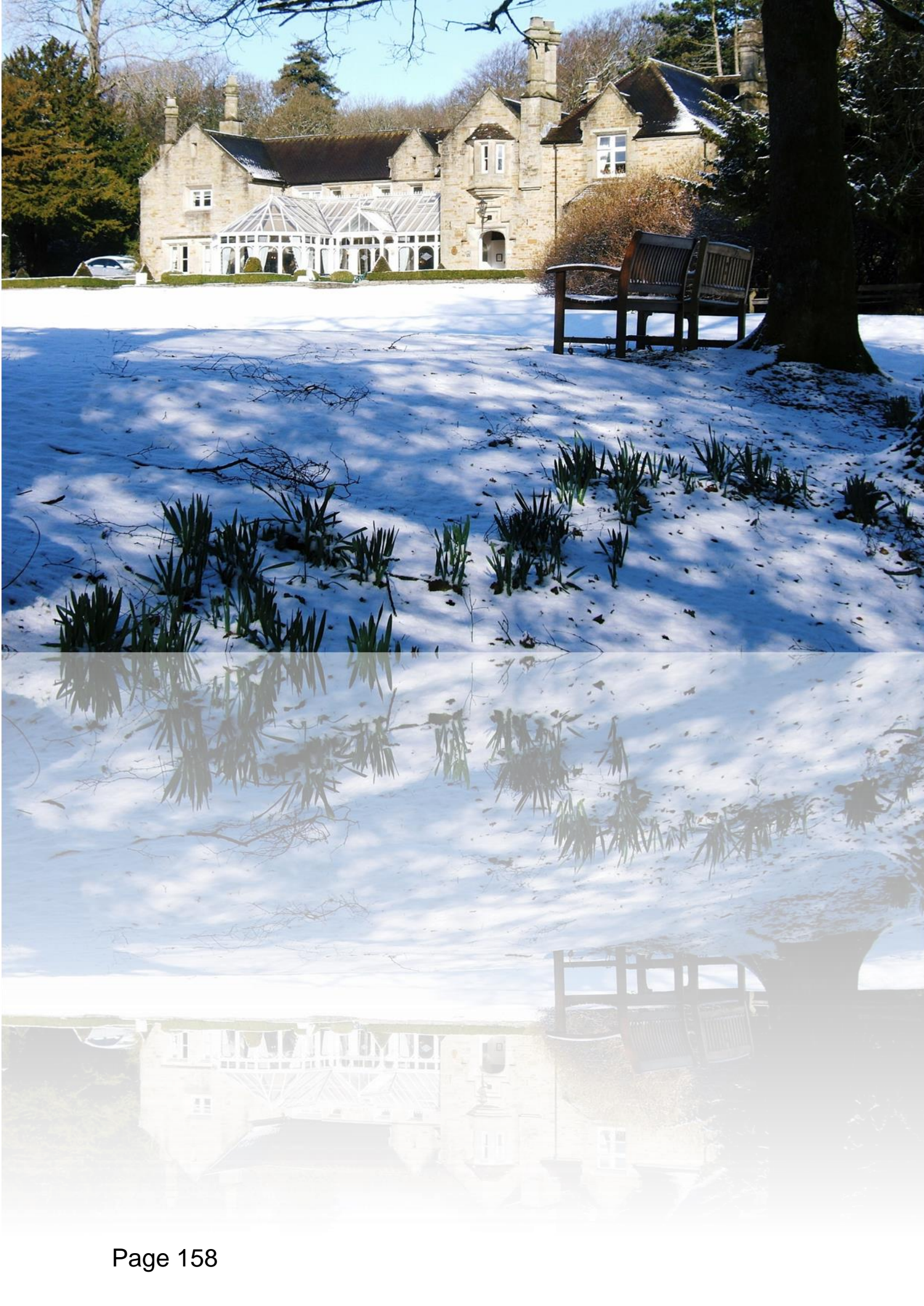
Trust fund

Trust funds hold money on behalf of an individual or organisation. Trustees administer the funds for the owners.

Work in progress (WIP)

Work in progress is the value of work undertaken on an unfinished project at the end of the financial year, which has not yet been charged to the revenue account.

Picture back cover: Bryngarw Country Park



understanding local authority financial statements

2016

\ introduction

Local authority financial statements have a key part to play in accountability to taxpayers and other stakeholders as to how public money is used. However, the complexity of the financial statements has not always helped this accountability, particularly allowing the amounts in the statements to be easily reconciled to management accounting and in-year monitoring of budgets.

The introduction of the Expenditure and Funding Analysis to the 2016/17 Code is intended to allow a clear link to be made between in-year monitoring and General Fund information and final outturn as set out in the audited financial statements, thus closing the accountability loop from budgets through to outturn.

A key to achieving the aims of the changes will be to use the information not just in the narrative section of the financial statements to explain performance during the year, but more widely to all stakeholders, including elected members as citizens' representatives, in a range of formats and media to provide a definitive position on financial performance. Local authorities are also urged to look to their balance sheets as a part of this explanation and the key messages that can be drawn out.

At the same time it is important that opportunities are taken to cut the clutter and remove immaterial disclosures or through the use of technical appendices to separate out the more complex disclosures. Working in partnership CIPFA/LASAAC will itself continue to review opportunities for improvement and explore links with other published information to ensure that the definitive position remains clear.

This briefing note is intended to help chief financial officers and other senior staff to present the financial statements to members and other stakeholders by explaining how the formats can be used to convey key information. It is also designed to give elected members and stakeholders an introduction to the format of the accounts and provide them with key questions on the financial statements.

An important element of financial reporting which will assist local authorities to tell the story of their financial performance is the narrative report (management commentary in Scotland). This report accompanies the financial statements and should provide a commentary on how the authority has used its resources to achieve desired outcomes in line with its objectives and strategies. It should provide an explanation of the main messages of financial performance, financial position and cash flows in the financial statements.

This publication includes extract financial statements to demonstrate key issues. It is important to note that the Code sets out the minimum requirements for the financial statements of the authority, but authorities are free to include more detail if they think it will help them to explain the accounts to members and other stakeholders.

This publication also highlights the opportunities to simplify presentation and make the messages clearer in a number of areas:

- comparisons with budgets (General Fund and Housing Revenue Account performance)
- reserves position, and
- cash flows.

comparisons with budgets

For members, probably the most important issue will be whether the authority has a surplus or deficit on General Fund or Housing Revenue Account (HRA) balances against its budget for the year.

The financial statements will enable individual authorities to demonstrate performance both in the way in which they organise themselves and, more importantly, in how they budget against the General Fund to provide services.

The introduction of the new expenditure and funding analysis

The financial statements primarily follow accounting standards rather than local government legislation. Although some information is provided on General Fund and HRA balances this hasn't always been easy to identify in the past. However, the new Expenditure and Funding Analysis provides users of the financial statements with more information to make that analysis (for example, by comparison with their budget reports).

The Expenditure and Funding Analysis brings together local authority performance reported on the basis of expenditure measured under proper accounting practices with statutorily defined charges to the General Fund (including the HRA).

Proper accounting practices measure the resources that have been generated and consumed in the year including such things as the use of property (depreciation) and the value of pensions benefits earned by the employees. Statutory provisions determine how much of the authority's expenditure needs to be met from council tax each year.

The Expenditure and Funding Analysis:

- shows for each of the authority's services or directorates a comparison of the net resources applied and the net charge against council tax, and
- provides an opportunity to explain significant differences between the two within the authority's framework for accountability.

The Expenditure and Funding Analysis promotes accountability and stewardship by providing a more direct link with the annual decision making process of the authority and its budget ie the General Fund. The changes are more transparent and follow the performance framework of the authority.

The Expenditure and Funding Analysis takes the net expenditure that is chargeable to taxation and rents and reconciles it to the Comprehensive Income and Expenditure Statement. To demonstrate accountability and to meet segmental reporting requirements it is necessary to reconcile to the statutory position on the General Fund balance. The service analysis for both the Expenditure and Funding Analysis and the Comprehensive Income and Expenditure Statement are now both provided in the way in which an authority organises itself and manages financial performance.

The Expenditure and Funding Analysis needs to be positioned in the financial statements where it is most accessible and relevant to its users. This means it could be placed before the main statements, to accompany the Comprehensive Income and Expenditure Statement, or even included as the first note. An authority will be able to decide for itself.

Expenditure and Funding Analysis (extract)

The Expenditure and Funding Analysis analysis shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the council's directorates/services/departments. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

20X0/20X1	Net Expenditure Chargeable to the General Fund and HRA Balances £000	Adjustments between the Funding and Accounting Basis £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000
People Directorate	47,385	898	48,283
Neighbourhoods	5,929	13,608	19,537
Business Change	30	224	254
Corporate and Central Services	19,358	833	20,191
Net Cost of Services	72,702	15,563	88,265
Other Income and Expenditure	(72,658)	(1,019)	(73,677)
Surplus or Deficit	44	14,544	14,588
Opening General Fund and HRA Balance at 31 March 20X0	(25,247)		
Less Deficit on General Fund and HRA Balance in Year	44		
Closing General Fund and HRA Balance at 31 March 20x1*	(25,203)		

*for a split of this balance between the General Fund and the HRA – see the Movement in Reserves Statement

comprehensive income and expenditure statement

The Comprehensive Income and Expenditure Statement shows how resources have been generated and expended in accordance with International Financial Reporting Standards. It shows whether the authority's operations resulted in a surplus or deficit. The key lines that summarise performance are highlighted below.

Comprehensive Income and Expenditure Statement (extract)

The Comprehensive Income and Expenditure Statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation [or rents]. Authorities raise taxation [and rents] to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

Comprehensive Income and Expenditure Statement 20X0/X1	Gross Expenditure £000	Gross Income £000	Net Expenditure £000	
People Directorate	74,297	(26,014)	48,283	Expenditure of continuing operations, analysed by service segment, these lines are reconciled to the General Fund in the Expenditure and Funding Analysis
Neighbourhoods	58,225	(38,688)	19,537	
Business Change	11,624	(11,370)	254	
Corporate and Central Services	24,021	(3,830)	20,191	
Cost of Services	168,167	(79,902)	88,265	Operational costs of providing the services of the authority.
Other Operating Expenditure (Note 9)	2,218	–	2,218	
Financing and Investment Income and Expenditure (Note 10)	11,340	(2,359)	8,981	
Taxation and Non-specific Grant Income and Expenditure (Note 11)	–	(84,876)	(84,876)	Total income and expenditure of the authority for the year, this line is also reconciled to the General Fund in the Expenditure and Funding Analysis
(Surplus) or Deficit on Provision of Services			14,588	
(Surplus) or Deficit on Revaluation of Property, Plant and Equipment Assets			(36,597)	
(Surplus) or Deficit on Revaluation of Available-for-Sale Financial Assets			(101)	
Remeasurement of the Net Defined Benefit Liability (Asset)			(8,444)	
Other Comprehensive Income and Expenditure			(45,142)	
Total Comprehensive Income and Expenditure			(30,554)	

From 2016/17 local authorities are required to report their service segments based on the way in which they operate and manage services. There is no longer a requirement for that service analysis to be based on the definition of total cost or the service expenditure analysis in the *Service Reporting Code of Practice* in the financial statements. This new format means that the service section of the Comprehensive Income and Expenditure Statement supports accountability and transparency as it reflects the way in which services operate and performance is managed.

Where an authority uses alternative service reporting formats it will need to select the presentation most commonly used by the individual or group within the authority who has the most significant role in allocating resources and assessing performance of services when considering the allocation of resources.

This format of the Comprehensive Income and Expenditure Statement is also more meaningful for both local authority members and users of the financial statements as it follows their budget and performance monitoring and other key documents such as their council tax leaflets.

Treatment of overheads will depend on an authority's arrangements for accountability. If an authority operates and manages some or all of its corporate and support services separately then these service segments would be shown separately on the face of the Comprehensive Income and Expenditure Statement and not apportioned.

The test is whether the expenditure relating to these activities is reported to key decision makers as separate activities or spread across services as overheads for the financial statements. Therefore, there is no longer an absolute requirement to apportion support service overheads to services. However, local authorities will not need to change any of their financial reporting requirements for internal management processes. Whatever you are doing internally determines the structure for external reporting statements.

The Comprehensive Income and Expenditure Statement is then split into two parts.

The first part reflects the full economic cost of providing the services of the authority with the results summarised at the Surplus or Deficit on the Provision of Services line, highlighted above. It represents the operating costs of providing the services of the authority in the year. In the private sector this would be equivalent to the profit or loss of a company.

The second part, other comprehensive income and expenditure, shows the gains or losses in the measurement of the assets and liabilities of the authority. These gains or losses arise as a result of changes in market valuations, interest rates or changes in measurement assumptions in relation to pensions assets and liabilities.

movement in reserves statement

The Comprehensive Income and Expenditure Statement shows the income and expenditure on the authority's services in the year in accordance with International Financial Reporting Standards as adopted by the Code. However, the amount chargeable to council tax and an authority's General Fund is limited by statutory requirements and requires a number of adjustments. The statutory adjustments largely relate to arrangements for funding local authority capital expenditure or the timing with which some items are charged to council tax. The reserves of the authority represent its net worth; the usable reserves show the resources currently available to spend on services.

The movements in the financial position of the authority are summarised in the Movement in Reserves Statement.

The Movement in Reserves Statement shows how:

- the authority has generated and expended resources in the year; and
- the resourcing position is adjusted under statutory rules to show the funds available to be spent at year end.

The Movement in Reserves Statement prescriptions have been reduced to the absolute minimum in the Code. Authorities can provide additional rows to these minimum requirements if they consider that they need to do so to provide a true and fair presentation of their reserves.

Movement in Reserves Statement (extract)

The Movement in Reserves Statement shows the movement from the start of the year to the end on the different reserves held by the authority, analysed into 'usable reserves' (ie those that can currently be used to fund expenditure or reduce local taxation) and other 'unusable' reserves. It shows how the movements in year of the authority's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax [or rents] for the year. The Net Increase/Decrease line shows the statutory General Fund balance and Housing Revenue Account balance movements in the year following those adjustments.

	General Fund Balance £000	Housing Revenue Account £000	Capital Receipts Reserve* £000	Major Repairs Reserve** £000	Capital Grants Unapplied Account £000	Total Usable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
Balance at 31 March 20X0	22,118	3,129	10,065	1,600	450	37,362	1,350,567	1,387,929
Movement in reserves during 20X0/X1								
Total Comprehensive Income and Expenditure	(14,983)	395	–	–	–	(14,588)	45,142	30,554
Adjustments from income & expenditure charged under the accounting basis to the funding basis	14,835	(291)	(750)	–	–	13,794	(13,794)	–
Increase or (decrease) in 20X0/X1	(148)	104	(750)	–	–	(794)	31,348	30,554
Balance at 31 March 20X1 carried forward	21,970	3,233	9,315	1,600	450	36,568	1,381,915	1,418,483

* Capital Fund Scotland

** Applicable in England Only

An overall increase in usable reserves can arise despite a loss being shown in the Comprehensive Income and Expenditure Statement where statutory provisions allow a different charge to revenue from the authority expenditure incurred (eg replacement of depreciation by minimum revenue provision (MRP)). The adjustment to usable reserves is balanced by a movement in unusable reserves.

Unusable reserves such as the Capital Adjustment Account and the Pensions Reserve with debit balances will need to be funded in the future, even if it is over a long period, so increases in these balances show an increasing burden on future taxpayers.

balance sheet

The balance sheet in local authorities is very similar to other public sector or private sector balance sheets. The balance sheet presents an authority's financial position, ie its net resources at the financial year end. The balance sheet is composed of two main balancing parts: its net assets and its total reserves. The net assets part shows the assets the authority would have control of after settling all its liabilities. The balance of these assets and liabilities is then shown as being attributable to the various reserves of the authority.

For local authorities balance sheet presentation is split between the usable reserves and unusable reserves. Usable reserves are those which the authority can utilise to support future service provision. Unusable reserves cannot be used to support services and include gains and losses where amounts can only become available to support services if the assets are sold. These gains and losses are referred to as unrealised.

Balance sheet (extract)

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the authority. The net assets of the authority (assets less liabilities) are matched by the reserves held by the authority. Reserves are reported in two categories. The first category of reserves are usable reserves, ie those reserves that the authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves represents those that the authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

Balance Sheet	Notes	31 March 20X1 £000	
Property, plant and equipment	12	628,924	The authority's property portfolio
Highways Network Asset	13	1,028,700	The Highways Network Asset (not applicable to district councils). This will be the largest asset balance in a local highways authority balance sheet
Heritage assets	14	3,379	
Investment property	15	4,020	
Intangible assets	16	709	
Long-term investments	17	948	Long term assets ie those expected to provide benefits to the authority beyond 12 months
Long-term debtors	17	3,798	
Long-term assets		1,670,478	
Short-term investments	17	24,060	Current assets ie those anticipated to be consumed in 12 months – the normal operating cycle for the authority
Assets held for sale	22	1,409	
Inventories	18	1,769	
Short-term debtors	20	15,351	
Current assets		42,589	Reconciles to the cash and cash equivalents balance in the cash flow statement
Bank overdraft		(13,767)	
Short-term borrowing	17	(9,500)	Current liabilities ie those liabilities anticipated to be settled within 12 months
Short-term creditors	23	(21,960)	
Current liabilities		(45,227)	
Provisions	24	(4,297)	Long-term liabilities ie those liabilities that are anticipated to be settled beyond 12 months
Long-term borrowing	17	(89,733)	
Other long-term liabilities	17	(155,327)	
Long-term liabilities		(249,357)	
Net assets		1,418,483	Total assets less total liabilities

\ reserves

Reserves – including the General Fund and (where relevant) the Housing Revenue Account – are an indication of the resources available to an authority to deliver services at the balance sheet date. The key messages that members will be looking for in terms of reserves – especially the General Fund and the HRA – are how the balances have changed over the year, whether the balances are still adequate, and what the balances mean in terms of future budgets and services.

Information on the level of reserves can be found in the balance sheet and related notes, and in the Movement in Reserves Statement (and related notes). This latter statement will be more useful in explaining the changes that have taken place during the year.

	Notes	31 March 20X1 £'000
Usable reserves	24	36,568
Unusable Reserves	25	1,381,915
		<u>1,418,483</u>

The minimum requirement in presenting resources is to include only two lines – usable reserves (such as General Fund) and unusable reserves (such as the Revaluation Reserve and the Capital Adjustment Account).

If there are some reserves you do want to show on the balance sheet, that's fine, as long as these totals are shown.

While the balance sheet aims to show those reserves over which members have control, don't forget that some of the unusable reserves will become a charge against the revenue account – or usable reserves – over time. And in some cases, such as the Unequal Pay Back Pay Account, this might be within a year or two.

As indicated above, not all reserves can be used to deliver services, and the Code reflects this by reporting reserves in two groups – 'usable' and 'unusable' reserves. Usable reserves such as the General Fund are those where members will be involved in deciding on the levels maintained, and their use. Unusable reserves such as the Revaluation Reserve and the Capital Adjustment Account are not subject to such member influence.

cash flows

The final statement required by the Code is the cash flow statement.¹ The cash flow statement shows changes in cash flows of the authority during the financial year. It shows net cash flows split into three activities: operating, investing and financing. The cash flow statement shows the resulting movement in the authority's cash and cash equivalents. Cash and cash equivalents include short term investments that are readily convertible and which are subject to only insignificant risk of changes in value.

Cash Flow Statement (extract)

The Cash Flow Statement shows the changes in cash and cash equivalents of the authority during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the authority are funded by way of taxation and grant income or from the recipients of services provided by the authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (ie borrowing) to the authority.

	20X0/X1 £000	
Net (surplus) or deficit on the provision of services	14,588	Surplus or deficit taken from the Comprehensive Income and Expenditure Statement
Adjustments to net surplus or deficit on the provision of services for non-cash movements	(36,267)	
Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	11,523	
Net cash flows from Operating Activities (Note 26)	(10,156)	Three groups of transactions: ■ Operating ■ Investing ■ Financing
Investing Activities (Note 27)	(24,585)	
Financing Activities (Note 28)	35,140	
Net increase or decrease in cash and cash equivalents	399	
Cash and cash equivalents at the beginning of the reporting period	(14,166)	
Cash and cash equivalents at the end of the reporting period (Note 19)	(13,767)	Cash and cash equivalents figure in the balance sheet

¹ Note the format of the cash flow statement shown is produced under the indirect method.

a checklist of questions to ask about a local authority's financial statements

To assist with the understanding of local authority financial statements a checklist about the core financial statements and the Expenditure and Funding Analysis has been included below.

Checklist	
Expenditure and Funding Analysis	
1	Have any significant differences between budget reports and net expenditure chargeable to General Fund and Housing Revenue Account balances been explained?
2	Are the major statutory adjustments clearly explained and easily understood?
Comprehensive Income and Expenditure Statement	
3	Is the purpose of the Comprehensive Income and Expenditure Statement clear (ie does it show actual financial performance under accounting standards before fiscal adjustments)?
4	Do the service net expenditure figures clearly demonstrate the financial performance of the services on the face of the Comprehensive Income and Expenditure Statement during the year?
5	Are the material items of income and expenditure in the Comprehensive Income and Expenditure Statement presented separately on the face of the Statement or explained in the notes?
6	Do the notes to the Comprehensive Income and Expenditure Statement provide easily understandable information relating to the Statement (or lines within the Statement)?
7	Are there any unexplained significant variances between current and previous year information?
Movement in Reserves Statement	
8	Can the major movements in net worth that occur within the Movement in Reserves Statement be easily identified? Are these explained within the financial statements or Narrative Report?
9	Do the opening balances in the Movement in Reserves Statement match with the closing balances of the preceding year? Are any adjustments to opening balances explained on the face of the Statement and/or in the notes?
10	Is there a clear explanation of the statutory adjustments in the adjustments from income and expenditure charged under the accounting basis to the funding basis line in the Movement in Reserves Statement? (Note this may be linked with the Expenditure and Funding Analysis.)
11	Do the entries on the statutory adjustment line net to nil?
12	Do the related notes on reserves clearly explain the line or columnar items not explained in the Statement?

Checklist

13	Does the Total Comprehensive Income and Expenditure line in the Movement in Reserves Statement agree with the information in the Comprehensive Income and Expenditure Statement?
14	How have the balances of usable reserves moved during the year? Are these balances sufficient to support an authority's financial plans in the immediate future and over the medium term?

Balance Sheet

15	Does the property, plant and equipment information tell the story of the authority's property portfolio during the year (including the major movements in that portfolio ie major disposals and acquisitions)? Do these balances reflect the authority's asset management strategy? (Note the same question can be asked for local authorities with substantial portfolios of investment properties.)
16	For highways authorities – do the movements in the Highways Network Asset represent the transport management/investment decisions of the authority?
17	Has there been any substantial movement in the pension asset or liability? If yes, has the reason for such a movement been explained and the subsequent consequences described in the financial statements or the Narrative Report?
18	Have there been any new provisions or significant movements in provisions in the year? If yes, have the reasons for making these provisions been set out in the financial statements or any material movements been explained?
19	Have there been any significant movements in the authority's borrowings during the year? Are these movements reflected in your council's borrowing strategy and what impact will this have on the prudential indicators or future investment plans?
20	Are there any significant movements in an authority's investment portfolio? Do these agree with the plans in the authority's treasury management strategies and statutory investment plans?
21	Are there any other significant movements in balances in the balance sheet that are not clearly explained?
22	Do the balance sheet reserves agree with the totals in the Movement in Reserves Statement?

Cash Flow Statement

23	Do the cash balances in the cash flow statement agree with the relevant balances in the balance sheet?
24	Are the council's cash balances reflected adequately in the council's treasury management strategies?

reminders and questions raised on the IFRS-based code

IFRS – what is it?

International Financial Reporting Standards (IFRSs) are a suite of accounting standards used across the world. The Code of Practice on Local Authority Accounting is based on IFRS standards as adapted or interpreted for local authority circumstances.

The pension deficit is meaningless – why do we have to show it?

The deficit doesn't have to be funded from this year's budget, but it's still a true cost estimated by actuaries – it represents the amount that will need to be found from future budgets to pay for pension entitlements already incurred in delivering services. So it's a real call on future funding arising from past activity. Not showing this would hide the liability that the authority has incurred.

This also applies to other reserves. Like the Pension Reserve, the Capital Adjustment Account, the Unequal Pay Back Pay Account and similar reserves all do one thing: they hold expenditure that the authority has incurred but not yet financed. Think of them as being a bit like a credit card balance – these amounts will have to be funded in future, either from taxation or from usable reserves.

Concerns have been expressed that all these reserves make the balance sheet incomprehensible. But all that needs to be shown on the balance sheet itself are 'usable reserves' and 'unusable reserves' – the details can all go in a note. This will help to declutter the balance sheet.

The financial statements do not clearly demonstrate traditional measures of local authority performance ie General Fund and HRA balances

The IFRS-based Code sets out that local authority financial statements are intended to be used for assessing the stewardship of local authority resources and for making economic decisions. Thus the information is intended for two purposes. The Comprehensive Income and Expenditure Statement presents information on the real economic cost of providing services in the year and it does not show the movement in General Fund and HRA balances. This reconciliation is provided in the Movement in Reserves Statement, whose bottom line shows the General Fund and HRA resources available at year end. CIPFA has reviewed options for making this even clearer. The new Expenditure and Funding Analysis brings together both the accounting measures of performance and the performance against General Fund for council tax setting purposes.

The accounts are too long!

Yes, the accounts can be long, but local authorities have a complex story to tell. But notes only need to be produced if they are material – leaving out notes that aren't material or required by legislation is a good start. CIPFA/LASAAC as standard setter is continuously challenging the need to introduce disclosures and reporting requirements for local government.

What changes were made to the 2016/17 Code?

CIPFA and CIPFA/LASAAC consulted widely in preparation for these changes, particularly the Telling the Story consultation in the summer of 2015. CIPFA also engaged a working group to consider a wide range of proposals for change. Following feedback from consultations from local authority accounts preparers and the work of the Working Group, the Telling the Story consultation set out proposals for change that CIPFA/LASAAC considers will reconnect the financial statements of local authorities with the way those authorities are both organised and funded.

The changes to the 2016/17 Code therefore have two main strands:

- to allow local authorities to report on the same basis as they are organised by breaking the formal link between the Service Reporting Code of Practice (SeRCOP) and the Comprehensive Income and Expenditure Statement
- to introduce a new Expenditure and Funding Analysis which provides a direct reconciliation between the way local authorities are funded and prepare their budget and the Comprehensive Income and Expenditure Statement in a way that is accessible to the lay reader. This analysis is supported by a streamlined Movement in Reserves Statement and replaces the current segmental reporting note.

The changes to the Code will for the first time allow local authorities to bring together the funding framework and the accounting framework in one analysis.

further reading

Financial Statements: A Good Practice Guide for Local Authorities (CIPFA, 2013)

Clear out the Clutter (Public Finance, April 2014)

Simplified Accounts: Small Isn't Always Beautiful (Public Finance, September 2015)

Code of Practice on Local Authority Accounting in the United Kingdom (CIPFA, issued annually)

Code of Practice on Local Authority Accounting in the United Kingdom: Guidance Notes for Practitioners
(CIPFA, issued annually)



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Meeting of:	GOVERNANCE AND AUDIT COMMITTEE
Date of Meeting:	17 JULY 2025
Report Title:	PORTHCAWL HARBOUR RETURN 2024-25
Report Owner / Corporate Director:	CHIEF OFFICER – FINANCE, HOUSING & CHANGE
Responsible Officer:	NIGEL SMITH GROUP MANAGER – CHIEF ACCOUNTANT
Policy Framework and Procedure Rules:	The preparation of the Porthcawl Harbour Return is a requirement of the Accounts and Audit (Wales) Regulations 2014 (as amended 2018).
Executive Summary:	<ul style="list-style-type: none"> • The Porthcawl Harbour Return has been completed and reviewed by Internal Audit. • The Return is produced in accordance with International Financial Reporting Standards. • The Harbour achieved a balanced position as at 31 March 2025. • The Return is required to be signed by the Responsible Financial Officer and the Chair of the Governance and Audit Committee prior to submission to Audit Wales for the annual audit of the Statement.

1. Purpose of Report

- 1.1 The purpose of the report is to present to the Governance and Audit Committee the unaudited Porthcawl Harbour Return for 2024-25, attached at **Appendix A** for approval.

2. Background

- 2.1 The preparation of the Harbour Return is a requirement of the Accounts and Audit (Wales) Regulations 2014 (as amended 2018) and its content is defined by the Chartered Institute of Public Finance and Accountancy's '*Code of Practice on Local Authority Accounting in the United Kingdom*' (the Code). In addition, Section 42(1) of the Harbours Act 1964 sets out that statutory harbour undertakings, such as local authorities that have functions of maintaining, improving or managing a harbour ("harbour authorities") are required to prepare an annual statement of accounts relating to harbour activities.

- 2.2 In accordance with these regulations, the Porthcawl Harbour Return 2024-25 requires certification by the responsible finance officer and approval by the Governance and Audit Committee, by 31 May 2025, certifying that it presents a true and fair view of the financial position of the Harbour finances. If the Return is not able to be signed and published by this date, then the Council must publish a Regulation 10 notice setting out the reasons why. If no amendments are identified during the audit, no further approval is needed. However, should any amendments be needed, the audited Porthcawl Harbour Return should be reapproved by 31 July 2025 by the Governance and Audit Committee in accordance with the Committee's Terms of Reference.
- 2.3 Welsh Government has set out its expectations of when the accounting returns should be published and audited. For the current year the expectation is that the returns will be published by 30 June 2025, and the audited accounts by 31 October 2025. The Council, in following these dates, did not meet the 31 May 2024 deadline and, therefore, in line with the requirements of the Regulations, issued a notice advising of this.
- 2.4 Should any amendments be needed as a result of the audit then the Porthcawl Harbour Return will be presented to the next Governance and Audit meeting following completion of the audit for further approval. The audit of the Return is unlikely to be completed by 31 July 2024 so a further Regulation 10 notice will be published in line with the Accounts and Audit (Wales) Regulations.

3. Current situation / proposal

- 3.1 The Council's unaudited Porthcawl Harbour Return for the financial year ended 31 March 2025 is attached at **Appendix A**.
- 3.2 The Return is produced in accordance with International Financial Reporting Standards (IFRS) rather than the amount to be funded in cash terms when the budget is set. Therefore, these statements include items such as depreciation on property, plant and equipment, the estimated cost of the shortfall on the pension scheme and other technical adjustments.
- 3.3 The terms "Marina" and "Harbour" are both used interchangeably for the facilities in Porthcawl; however they are distinct entities. The "Marina" refers to the specific section of the harbour that provides berths and facilities for recreational boating, while the "Harbour Authority" encompasses the overall management and administration of the entire harbour area. The Marina is essentially a specific part of the larger harbour, focused on leisure craft, whereas the Harbour Authority oversees all aspects, including commercial activity, navigation, and safety within the harbour limits. The Porthcawl Harbour Return relates to the wider Harbour Authority responsibilities.
- 3.4 The Harbour achieved a balanced position as at 31 March 2025. Income of £332,262 included fees, primarily for boat berthing/mooring, and Council funding. The main items of expenditure are staffing costs (£73,779) and depreciation of the Harbour assets (£113,518). The value of the Harbour and associated assets, including the kiosk and slipway, as at 31 March 2025 was £2,602,707.
- 3.5 The Porthcawl Harbour Return has been reviewed by Internal Audit and no amendments were identified.

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

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

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

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

6. Climate Change and Nature Implications

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

7. Safeguarding and Corporate Parent Implications

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

8. Financial Implications

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

9. Recommendation

- 9.1 It is recommended that the Governance and Audit Committee approves the unaudited Porthcawl Harbour Return 2024-25 at **Appendix A**.

Background documents

None

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Minor Joint Committees in Wales

Annual Return for the Year Ended 31 March 2025

Accounting statements 2024-25 for:

Name of
Committee:

PORTHCAWL HARBOUR

	Year ending		Notes and guidance
	31 March 2024 (£)	31 March 2025 (£)	Please round all figures to nearest £. Do not leave any boxes blank and report £0 or nil balances. All figures must agree to the underlying financial records for the relevant year.
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	0	0	Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year.
2. (+) Income from local taxation/levy	211,448	148,027	Total amount of income received/receivable in the year from levy/contribution from principal bodies.
3. (+) Total other receipts	98,124	184,235	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	(85,834)	(73,779)	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, taxable allowances, PAYE and NI (employees and employers), pension contributions and termination costs. Exclude reimbursement of out-of-pocket expenses.
5. (-) Loan interest/capital repayments	(113,518)	(113,518)	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	(110,220)	(144,965)	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	0	0	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
Statement of balances			
8. (+) Debtors	0	0	Income and expenditure accounts only: Enter the value of debts owed to the Committee at the year-end.
9. (+) Total cash and investments	0	0	All accounts: The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.
10. (-) Creditors	0	0	Income and expenditure accounts only: Enter the value of monies owed by the Committee (except borrowing) at the year-end.
11. (=) Balances carried forward	0	0	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	2,716,226	2,602,707	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

Annual Governance Statement

We acknowledge as the members of the Committee, our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2025, that:

	Agreed?		'YES' means that the Committee:	PG Ref
	Yes	No*		
1. We have put in place arrangements for: <ul style="list-style-type: none"> • effective financial management during the year; and • the preparation and approval of the accounting statements. 	√		Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.	6, 12
2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.	√		Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7
3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Committee to conduct its business or on its finances.	√		Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.	6
4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014.	√		Has given all persons interested the opportunity to inspect the committee's accounts as set out in the notice of audit.	6, 23
5. We have carried out an assessment of the risks facing the Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	√		Considered the financial and other risks it faces in the operation of the Committee and has dealt with them properly.	6, 9
6. We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor.	√		Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the Committee.	6, 8
7. We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Committee and, where appropriate, have included them on the accounting statements.	√		Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6
8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.	√		Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors.	6, 8, 23

* Please provide explanations to the external auditor on a separate sheet for each 'no' response given; and describe what action is being taken to address the weaknesses identified.

Additional disclosure notes*


The following information is provided to assist the reader to understand the accounting statement and/or the Annual Governance Statement

1. Section 42 (1) of the Harbours Act 1964 sets out that statutory harbour undertakings, such as local authorities that have functions of maintaining, improving or managing a harbour (harbour authorities) are required to prepare an annual statement of accounts relating to harbour activities. Section 42 (3) of the Act states that this requirement is not met by the preparation of accounts that covers matters in addition to harbour activities. The Council's external auditors have advised that the inclusion of the harbour's activities within the Council's Statement of Accounts will not suffice and that a standalone annual statement of accounts for the harbour authority is required. This return is to comply with that requirement, in line with external audit guidance.
2. Porthcawl Harbour is not run as a separate venture within the Council's accounts, it is within the Communities Directorate budget and does not have its own separate bank account, consequently there are no separate cash balances or reserves held for this facility. The Harbour is currently run through a small subsidy provided by the Council, to offset the difference between expenditure on staff, maintenance and other running costs, and income generated through berthing fees and contributions to utility costs.
3. In terms of the return, the following provides additional detail in respect of the Statement of Income and Expenditure:
 Row 2 – This is the amount of income that is provided by the Council towards any shortfall between income and running costs – this is a subsidy by the Council. It also includes accounting adjustments in respect of depreciation of the facility plus a share of corporate overheads.
 Row 3 – This is the total income generated from berthing fees and other miscellaneous sales and contributions.
 Row 5 – This is the total amount charged to the accounts in respect of depreciation of the facility, and is offset in full in Row 2. The book value of the asset will reduce by the amount of depreciation charged, although this does not necessarily reflect a reduction in the market value of the asset.
 Row 6 – This is the total of running costs such as staffing, utilities and maintenance costs.

* Include here any additional disclosures the Committee considers necessary to aid the reader's understanding of the accounting statement and/or the annual governance statement.

Committee approval and certification

The Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

Certification by the RFO I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Committee, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2025.	Approval by the Committee I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:
RFO signature: 	Minute ref: Chair signature:
Name: Carys Lord	Name:
Date: 25.06.25	Date:

Annual internal audit report to:

Name of
Committee:

PORHCAWL HARBOUR

The Committee's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2025.

The internal audit has been carried out in accordance with the Committee's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Committee.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to the Committee)
	Yes	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	X				Porthcawl Harbour utilises the Council's main financial ledger system and no issues were identified relating to this during audit testing.
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	X				All payments are through the Council's financial system. Sample testing of payments on the ledger confirmed payments were supported by invoices, correctly authorised and VAT had been accounted for correctly.
3. The Committee assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	X				Corporate Risk Management Policy and a Corporate risk assessment is in place. Risk Assessment procedure guidance for risks available to all Council departments
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	X				No annual precept payment. Central monitoring of budget and reserves carried out.
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	X				Invoices raised and monitored on central system. Sample of invoices selected, and all had correctly charged VAT and were raised in line with the agreed fees and charges.
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.			X		No petty cash identified within financial reports for the year.
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.	X				Salaries are paid through Council's central payroll system on NJC agreed pay scales. Audit testing did not identify any issues.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to the Committee)
	Yes	No*	N/A	Not covered**	
8. Asset and investment registers were complete, accurate, and properly maintained.	X				The Harbour is recorded on the Council's asset register.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to Committee)
	Yes	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.	X				Council's main bank account and ledger used and subject to central checks.
10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded.	X				Centralised main accounting audit performed regularly, and no relevant issues identified.

For any risk areas identified by the Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed:

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to Committee)
	Yes	No*	N/A	Not covered**	
11.					
12.					
13.					

* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

** If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

[My detailed findings and recommendations which I draw to the attention of the Committee are included in my detailed report to the Committee dated _____.] * Delete if no report prepared.

Internal audit confirmation

I/we confirm that as the Committee's internal auditor, I/we have not been involved in a management or administrative role within the Committee (including preparation of the accounts) or as a member of the Committee during the financial years 2023-24 and 2024-25. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: Joan Davies

Signature of person who carried out the internal audit:

A handwritten signature in black ink, appearing to read 'Joan Davies', is written over a light gray rectangular background.

Date: 24th June 2025

Meeting of:	GOVERNANCE AND AUDIT COMMITTEE
Date of Meeting:	17 JULY 2025
Report Title:	ANNUAL GOVERNANCE STATEMENT 2024-25
Report Owner / Corporate Director:	CHIEF OFFICER – FINANCE, HOUSING & CHANGE
Responsible Officer:	NIGEL SMITH GROUP MANAGER – CHIEF ACCOUNTANT
Policy Framework and Procedure Rules:	The Annual Governance Statement (AGS) is prepared in line with the requirement of the Accounts and Audit (Wales) Regulations 2014 (as amended 2018), to review and report on the Council's Governance and internal controls.
Executive Summary:	<ul style="list-style-type: none"> • The draft AGS sets out officers' assessment of the Council's governance arrangements and of its internal controls. • The AGS has been reviewed by Corporate Management Board and the Leader of the Council. • The Head of Internal Audit's annual opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control for 2024-25 is one of reasonable assurance. • It will be reviewed as part of the external audit of the Statement of Accounts by Audit Wales and should reflect any governance issues up to the date the Auditor General for Wales signs the Statement of Accounts.

1. Purpose of Report

- 1.1 The purpose of the report is to present to the Governance and Audit Committee the Annual Governance Statement 2024-25 (AGS) for approval and inclusion within the unaudited Statement of Accounts 2024-25. The AGS is attached at **Appendix A**.

2. Background

- 2.1 Regulation 5 (2) of the Accounts and Audit (Wales) Regulations 2014 requires an authority to undertake, as part of its arrangements for corporate governance, an annual review of governance and report on internal control.
- 2.2 In 2016, the Chartered Institute of Public Finance and Accountancy (CIPFA) published its new '*Delivering Good Governance in Local Government: Framework (2016)*', which positions the attainment of sustainable economic, social and environmental outcomes

as a key focus of governance processes and structures. Guidance notes relating to the new framework were also published for Welsh Local Authorities. The Guidance has considered the requirements of the Well-being of Future Generations (Wales) Act 2015 and embedded the five ways of working into the CIPFA framework.

- 2.3 The CIPFA '*Code of Practice on Local Authority Accounting in the United Kingdom 2023/24*' (the Code) states that the preparation and publication of an Annual Governance Statement in accordance with '*Delivering Good Governance in Local Government: Framework (2016)*' would fulfil the statutory requirements across the UK for a local authority to conduct a review at least once in each financial year of the effectiveness of its system of internal control and to include a statement reporting on the review with its statement of accounts.

3. Current situation / proposal

- 3.1 Good corporate governance requires the active participation of Members and officers across the Council. These arrangements are reviewed on an annual basis and the findings used to update the AGS. This helps to ensure the continuous improvement of the Council's corporate governance culture. The inclusion of the AGS within the Statement of Accounts provides an overall appraisal of the controls in place to manage the Council's key risks and identifies where improvements need to be made.
- 3.2 The draft AGS 2024-25 has been reviewed by Corporate Management Board (CMB) and the Leader of the Council.
- 3.3 The AGS will be reviewed as part of the external audit on the Statement of Accounts and should reflect any governance issues right up to the date that the Auditor General for Wales signs off the Statement of Accounts 2024-25.

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

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

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

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

6. Climate Change and Nature Implications

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

7. Safeguarding and Corporate Parent Implications

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

8. Financial Implications

8.1 There are no financial implications arising from this report.

9. Recommendation

9.1 It is recommended that the Governance and Audit Committee approves the draft Annual Governance Statement at **Appendix A** and agrees its inclusion within the unaudited Statement of Accounts 2024-25.

Background documents

None

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Annual Governance Statement



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1 Foreword

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. It has a duty under the Local Government and Elections (Wales) Act 2021 to make arrangements and keep under review the extent to which it is exercising its functions effectively, using its resources economically, efficiently and effectively and to have in place effective governance for securing these requirements.

In discharging this overall responsibility, the Council must put in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and arrangements for the management of risk. It is necessary that our communities and those that use and pay for services, those who deliver services, and our partners and suppliers, have confidence in our governance arrangements. They must be assured that our services are provided effectively and efficiently and delivered on a consistent basis, that public money is safeguarded and properly accounted for, and that decisions are taken transparently and lawfully.

The Local Government and Elections (Wales) Act 2021 requires councils to undertake an annual assessment of performance, and answer the following questions:

- Is the Council exercising its functions effectively?
- Is the Council using its resources economically, efficiently and effectively?
- Does the Council have effective governance in place for securing the above?

The Council's [annual self-assessment](#) has been published and sets out responses to the questions above for the 2023-24 financial year - the self-assessment for 2024-25 will be reported in autumn 2025. The self-assessment confirms that the Council has good governance in place. This statement sets out the Council's assessment of its governance for 2024-25.

The Cabinet and Corporate Management Board are confident that the governance arrangements operated effectively in supporting the Council in meeting its obligations and responsibilities. There are always opportunities to make improvements, and these are set out within this statement and will be addressed during the forthcoming year.



Cllr John Spanswick
Leader of the Council



Mark Shephard
Chief Executive

2 Governance Framework

What is Corporate Governance?

The Council has a key role in governing and leading our community. Effective local government relies on public confidence in Elected Members and Council Officers. Corporate governance comprises the systems, processes, culture and values by which the Council is directed and controlled, led and held to account, and how it engages with stakeholders. It is also about the way that Councillors and employees think and act.

The Governance Framework enables the Council to monitor the achievement of its strategic objectives and to consider whether they have led to the delivery of appropriate, cost-effective services.

What this Statement tells you

This Statement describes the extent to which the Council has complied with its Code of Corporate Governance and the requirements of the Accounts and Audit (Wales) Regulations 2014 and the Accounts and Audit (Wales) (Amendment) Regulations 2018 for the year ended 31 March 2025.

It also sets out how the Council has responded to governance issues identified during 2024-25 and actions to be undertaken during 2025-26 following an annual review of the Governance Framework.

The Statement has been prepared in accordance with the 2016 guidance: '[Delivering Good Governance in Local Government Framework](#)' produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE).



Maesteg Town Hall

The Council's Governance Responsibilities

The Council must consider the longer-term impact of any decisions it makes and should work collaboratively with other public bodies to improve well-being in Wales.¹

As a public body the Council has to ensure it delivers sustainable social, cultural, environmental and economic outcomes as a key focus of its governance process and structures. This is achieved by:

- behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law; and
- ensuring openness and comprehensive stakeholder engagement.

The Council's Code of Corporate Governance sets out its commitment to, and responsibility for, ensuring that there is a sound system of governance in place. The [Code of Corporate Governance](#) is reviewed annually, and presented to the Governance and Audit Committee for approval, and is available on the Council's website.

The Council's Code of Corporate Governance sets out the seven principles of good governance in line with CIPFA's 'Delivering Good Governance in Local Government: Framework'.

	Bridgend County Borough Council Code of Corporate Governance The Council's Governance Principles are based on the following:
A	Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
B	Ensuring openness and comprehensive stakeholder engagement
C	Defining outcomes in terms of sustainable economic, social and environmental benefits
D	Determining the interventions necessary to optimise the achievement of the intended outcomes
E	Developing the entity's capacity, including the capability of its leadership and the individuals within it
F	Managing risks and performance through robust internal control and strong public financial management
G	Implementing good practice in transparency, reporting, and audit to deliver effective accountability

The Council's evaluation against these seven principles is detailed in the Code of Corporate Governance, highlighting the actions that demonstrate good governance and the evidence that supports these actions.

¹ Well-being of Future Generations (Wales) Act 2015

The Council's Governance Framework

The Governance Framework comprises the systems, processes and values by which the Council is directed and controlled and the means by which it accounts to, engages with and leads the local community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to make appropriate use of, and prevent loss of, public funds. It also assists with managing the risk of failure to achieve policies, aims and objectives. It does not eliminate all the risk; the system of internal control is designed to identify and prioritise risks, evaluate the likelihood of those risks materialising and manage their impact.

To review the effectiveness of the governance framework, assurances are provided to, and challenged by, the Governance and Audit Committee, Scrutiny Committees, Standards Committee, Council, Cabinet and Corporate Management Board as appropriate. In addition, the Section 151 Officer promotes and delivers good financial management, and the Monitoring Officer promotes and delivers legal and ethical assurance.

Decision Making and Responsibilities

The Council consists of 51 elected Members with an elected Leader and Cabinet who are supported and held to account by Scrutiny Committees. The Council's [constitution](#) sets out how the Council operates, how decisions are made and the procedures for ensuring that the Council is efficient, transparent and accountable to local people. It contains the basic rules governing the Council's business and sets out a list of functions and decisions exercisable by officers under delegated powers. It also contains the rules and protocols by which the Council, Members and officers operate.

Local Government and Elections (Wales) Act 2021

The Local Government and Elections (Wales) Act received Royal Assent on 20 January 2021. The Act is a substantial piece of legislation covering electoral reform, public participation, governance and performance and regional working. There are many reforms within the Act, however, in summary the Act introduced:

- Reform of electoral arrangements for local government, including extending the voting franchise to 16- and 17-year olds;
- Introduction of a general power of competence;
- Reforming public participation in local government;
- Reforms around democratic governance and leadership;
- Collaborative working;
- Reform of the performance and governance regime; and
- Powers to facilitate voluntary mergers of principal councils.

The Act continues to have a wide-ranging impact on the organisation, powers, performance measurement and governance of the Council. From May 2022 the composition of the Governance and Audit Committee changed, and one-third of its members are required to be lay members, including the Chair of the Committee. For the Council the Governance and Audit Committee now comprises 8 elected

members and 4 lay members. Responsibilities assumed by the Committee include:

- a role in reviewing the Council's self-assessment report and making any recommendations for change;
- consideration of the outcome and response to a panel performance assessment of the Council; and
- responsibility for making reports and recommendations in relation to the authority's ability to handle complaints effectively.

Role of the Governance and Audit Committee

The **Governance and Audit Committee** is a statutory Committee that provides independent assurance on the Council's internal control environment. It consists of 8 Councillors and 4 Lay Members. Its main functions are:

- Review, scrutinise and issue reports and recommendations in relation to the Council's financial affairs.
- Review, scrutinise and issue reports and recommendations on the appropriateness of the Council's risk management, internal control, arrangements to secure value for money and corporate governance arrangements.
- To consider the report on the annual risk assessment, any interim reports and the Corporate Risk Management Policy.
- Oversee the Council's internal and external audit arrangements (including the performance of external providers of Internal Audit) and review its financial statements.
- To approve the Internal Audit Charter.
- To approve the risk-based internal audit plan and to approve significant interim changes to the risk-based internal audit plan.
- To consider and approve the Head of Internal Audit's annual report and opinion, a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements.
- To consider reports from Internal Audit on agreed recommendations not implemented within a reasonable timescale and approve necessary remedial action.
- To be responsible for ensuring effective scrutiny of the Treasury Management function, Strategy and Policies.
- To monitor the Council's Anti-Fraud and Bribery Strategy, Anti-Money Laundering Policy and Anti-Tax Evasion Policy
- To review and approve the Council's Annual Governance Statement and Code of Corporate Governance.
- To review and approve the Annual Statement of Accounts and appropriateness of the accounting policies and whether they have been followed correctly, and to consider whether there are any concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
- To review and consider reports from the External Auditor on the Council's performance, financial probity and corporate governance, and to receive reports from other external regulators as appropriate.
- To review and assess the Council's ability to handle complaints effectively and make recommendations in this respect.
- To review the Council's draft self-assessment report on its performance and, if deemed necessary, make recommendations for changes to the conclusions.

3 Corporate Governance Arrangements

Bridgend County Borough Council is committed to ensuring good governance principles and management practices are adopted in all business activities to ensure public trust. The arrangements the Council has for Corporate Governance is set out below.

1	Bridgend County Borough Council Code of Corporate Governance	The Council's Code of Governance provides a public statement that sets out the way in which the Council meets and demonstrates compliance with the CIPFA Governance principles.
2	The Governance Framework	The Council's Code is underpinned by a Governance Framework which comprises the policies, procedures, behaviours and values by which the Council is governed and controlled.
3	The Annual Governance Statement	The Annual Governance Statement provides assurances regarding the Council's Governance arrangements, together with identifying areas of future focus and improvement. The purpose of the Annual Governance Statement is to report publicly on the extent to which the Council complies with its Code of Corporate Governance. It identifies those areas which have been identified as needing improvement following self-assessment.
4	Annual Governance Statement Action Plan	The Council continues to review the areas for improvement identified within the Governance statement which are monitored through the Annual Governance Statement Action Plan.

4 Governance Assessment

Sources of assurance for the Governance assessment are set out below.

Assurance required	Sources of assurance	Assurances received
Delivery of Corporate Plan priorities	Corporate Plan Directorate Business Plans Service Plans Corporate Performance Framework Corporate Plan Delivery Plan Panel Performance Assessment	Corporate Self-Assessment report
Services are delivered economically, efficiently and effectively	Quarterly Performance monitoring at Cabinet/Corporate Management Board Corporate Overview and Scrutiny Committee	Corporate Self-Assessment report Scrutiny Committees and reviews Annual Self-Assessment of the Governance & Audit

	Regulatory Tracker.	Committee Audit Wales thematic reviews
Management of risk	Risk Management Framework	Governance and Audit Committee review of risk Audit Wales external challenge
Effectiveness of internal controls	Constitution and Scheme of Delegation, including contract procedure rules and financial procedure rules Strategic Leadership Team – Cabinet & Corporate Management Board	External audit reports Internal audit reports
Community engagement & public accountability	Forward Work Programme Complaints Policy Participation and Engagement Strategy	Community Engagement Feedback Ombudsman Reports
Procurement processes	Contract Procedure Rules	Value for money
Roles & responsibilities of Members & Officers	Head of Paid Service Monitoring Officer & S151 Officer	External Inspections eg Estyn, Audit Wales, Care Inspectorate Wales.
Standards of conduct & behaviour	HR Policies & procedures Members' Code of Conduct Officers' Code of Conduct	Complaints and compliments received
Training & development of Members & Officers	Corporate Learning & Development Plan Member Development Plan	Staff survey Performance Development Reviews – appraisal process
Compliance with laws & regulations, internal policies & procedures	Constitution Council Policies Welsh Language Standards Health & Safety Policy Internal Audit reports Whistleblowing Policy Anti-Fraud and Bribery Strategy Anti Money Laundering Policy Anti-Tax Evasion Policy	External Audit reviews Internal Audit reviews Independent external reviews – Estyn, Care Inspectorate Wales.

Audit Wales have undertaken and reported on a number of reviews during the year and these have been reported to the Governance and Audit Committee. The key outcomes of the reviews are set out below.

Report	Key outcomes
Financial Sustainability Review – Bridgend County Borough Council (August 2024)	<p>The purpose of this report was to provide assurance that councils have proper arrangements to support their financial sustainability and to explain councils' financial position and the key budget pressures and risks to their financial sustainability.</p> <p>Overall, the audit found that the Council understands its financial position with good arrangements to support its financial sustainability which it flexes and adapts but is at the early stage of developing its long-term approach.</p> <p>Two recommendations were put forward in the report, and these were :-</p> <ul style="list-style-type: none"> • To strengthen the Council's approach to financial sustainability, the Council should develop a savings plan across the timescale of the Medium Term Financial Plan, to clearly show how the funding gap will be addressed or clearly communicate the challenge where this is not possible. • The Council should strengthen its arrangements to ensure the impact of its financial position and Medium Term Financial Plan on communities and on the delivery of its well-being objectives is reported to members to enable them to monitor and address any impacts.
Review of Decision Making Arrangements – Bridgend County Borough Council (September 2024)	<p>The purpose of this report was to gain assurance that the Council has proper decision-making arrangements to secure value for money in the use of its resources.</p> <p>Overall, the audit found that the Council generally has proper decision-making arrangements in place but weaknesses in forward planning and pre-decision scrutiny are undermining their effectiveness.</p> <p>Five recommendations were proposed :-</p> <ul style="list-style-type: none"> • The Council should ensure that its published forward work programme for committees is accessible, comprehensive, and covers a longer time frame than the current 4-month period to give more opportunity for robust pre-decision scrutiny and provide greater transparency around the decision-making process for both Members and the public. • The Council should ensure that its scheme of delegation is updated, to mitigate the risk of decisions being taken without the proper authority. • The Council should ensure that there is clarity on the role of scrutiny in the decision-making process. The lack of clarity on the role of the Overview & Scrutiny committees, particularly in relation to pre-decision scrutiny is limiting Overview & Scrutiny committees' ability to contribute fully and effectively to the decision-making process. • The Council should ensure that it provides greater transparency regarding the remit of the different Overview & Scrutiny committees. Naming the Overview & Scrutiny committees 1, 2

	<p>and 3 does not help with transparency of the remit of the committees, particularly from a public perspective. It is also a potential barrier to encouraging public involvement in the scrutiny process.</p> <ul style="list-style-type: none"> • The Council should ensure that Members receive, and are encouraged to access, a relevant training programme to ensure they are well equipped to understand and undertake their role. This should include focussed training for specific roles, e.g. chairing skills.
Setting of Wellbeing Objectives – Bridgend County Borough Council (September 2024)	<p>The purpose of this report was to assess the extent to which Bridgend County Borough Council has acted in accordance with the sustainable development principle when setting its well-being objectives.</p> <p>The audit found the Council has applied the sustainable development principle when setting its well-being objectives, but there are opportunities to build on how it involves citizens and how it intends to work with partners.</p> <p>There were three recommendations :-</p> <ul style="list-style-type: none"> • The Council should ensure that it covers the full range of statutory requirements when developing its next well-being statement, including: <ul style="list-style-type: none"> • how it considers it has set well-being objectives in accordance with the sustainable development principle; and • how it proposes to ensure resources are allocated annually for the purpose of taking steps to meet its well-being objectives. • The Council should build on its current approach to engagement by considering ways to: <ul style="list-style-type: none"> • draw on citizens' views to inform the development of the Well-being objectives at an early stage; and • ensure that it is involving the full diversity of the population. • The Council should clearly set out in the corporate plan how it intends to work with partners to support the delivery of its well-being objectives.

Managing Risk

The Council faces a range of risks as would be expected from the broad range of services it delivers and activities it is engaged with. On a day-to-day basis operational risk arises from the challenge of ensuring sufficient capacity and capability to advise on, and to deliver, the key policy objectives of the Council.

The Council has developed a robust approach to the management of risk. The Corporate Risk Management Policy is aligned with Directorate Business Plans and the Council's performance management framework. The Council defines risk as: 'Any potential development or occurrence which, if it came to fruition, would jeopardise the Council's ability to:

- achieve its well-being objectives;
- provide services as planned; or
- fulfil its statutory duties, including the duty to make arrangements to secure continuous

improvement.’

Risks are viewed from both a Service and Council-wide perspective which ensures the key risks are distilled in the [Corporate Risk Assessment](#). The Council has seen increasing uncertainty and risk, particularly in relation to the current economic climate and the financial challenges the Council faces. The Risk Assessment sets out how the Council is addressing these risks and the mitigating actions it will put in place to reduce them. It is regularly reviewed and challenged by both senior management and the Governance and Audit Committee. It is not possible to eliminate all risk of failure to meet the targets in the Council’s policies, aims and objectives and cannot therefore provide absolute assurance of effectiveness, but one of reasonable assurance.

The Council has in place Risk Management policies and guidance used by all departments. This enables staff to identify risks, prioritise them and implement actions to mitigate them, in a consistent and timely manner. Training was rolled out to all directorate management teams and the roles and responsibilities at each stage of the process outlined. Directorate Business Plans were revised to ensure that processes and actions are aligned with the corporate risk management process.

Changes at a corporate level places risk upon the Council. A new Chief Executive has been appointed and will take up his role in July 2025. There may be an impact on the Council as the new Chief Executive settles in the role over the forthcoming period.

Financial Management

The financial management of the Council is conducted in accordance with all relevant legislation and the Constitution. The Council has in place Financial Procedure Rules, Contract Procedure Rules, a specific Financial Scheme for Schools, and the scheme of delegation of functions also provides the framework for financial control. The Section 151 Officer is responsible for establishing a clear framework for the management of the Council’s financial affairs and for ensuring that arrangements are made for their proper administration.

The Council’s ability to deliver savings and contain its expenditure within its overall budget is well established. However, the Council faces significant challenges in the future in the face of uncertain funding levels and cost pressures, the ongoing impact of the cost-of-living crisis and the conflict in the Ukraine. The Council estimates that it will need to generate approximately £40 million of savings over the period 2025-26 to 2028-29. The Medium-Term Financial Strategy has taken account of known cost pressures and priority areas in line with the Corporate Plan and undertaken extensive consultation to ensure a robust process. To ensure greater involvement of stakeholders in the development of the Medium Term Financial Strategy a three week consultation ‘Time To Talk’ was undertaken between 6 January 2025 and 26 January 2025, the emphasis of which was to seek citizen’s views on how we should address the budget situation. It was recognised that the budget planning for 2025-26 was still extremely difficult, and the Council is facing even more cost pressures than experienced in previous years. The results were collated and used to further inform final decisions on the Medium Term Financial Strategy. The Medium Term Financial Strategy can be found on the Council’s website [here](#). Welsh Government has given no indication of funding levels for future years. Given this uncertainty, the Council has developed detailed budgets for 2025-26 but can only make assumptions for future years based on a range of funding scenarios.

The Council has in place robust arrangements for effective financial control through the Council’s accounting procedures, key financial systems and the Financial Procedure Rules. Arrangements in place to demonstrate good financial control include established budget planning procedures and regular budget monitoring reports to Cabinet and Corporate Overview and Scrutiny Committee, as well as

detailed information to budget holders. The Council prepares its Annual Accounts as required by the Accounts and Audit (Wales) Regulations and in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom.

Compliance with the CIPFA Financial Management Code of Practice

The Chartered Institute of Public Finance and Accountancy (CIPFA) launched the Financial Management Code of Practice (FM Code) in November 2019. The FM Code was developed in the context of increasing concerns about the financial resilience and sustainability of local authorities.

The FM Code sets out the principles by which authorities should be guided in managing their finances and the specific standards that they should, as a minimum, seek to achieve. It clarifies how Chief Finance Officers should satisfy their statutory responsibility for good financial administration as required in section 151 of the Local Government Act 1972 and emphasises the collective financial responsibility of the whole leadership including the relevant elected members.

Whilst the Code is designed to be flexible to the nature, needs and circumstances of individual authorities, it is up to each authority to determine the extent to which it complies with the FM Code and to identify what action it may wish to take to better meet the standards that the FM Code sets out. In its Guidance Bulletin 06 (*Application of the Good Governance Framework 2020/21*) CIPFA stated that the Annual Governance Statement should include the overall conclusion of an assessment of the organisation's compliance with the principles of the FM Code. Also, that where there are outstanding matters or areas for improvement, these should be included in the action plan. The Regional Internal Audit Service undertook a review of the Council's compliance with the FM Code during 2024-25 and provided an audit opinion of Substantial Assurance, and that a number of strengths and areas of good practice were evident.

The Council's assessment of its compliance with the 19 Standards outlined in the FM Code for 2024-25 identified that the Council could demonstrate compliance with all of the Standards, but that further actions could be taken to enhance compliance during 2025-26. These actions are included in the Annual Governance Statement Action Plan for 2025-26 and are to:

- Review and update the Council's Financial procedures and policies as required e.g. Financial Procedure Rules, Financial Scheme for Schools, Fees and Charges Policy, to reflect changing circumstances and processes as a result of the challenging financial climate;
- Provide additional training to full Council and schools, as required, on Budget Management, Capital Strategy and Earmarked Reserves;
- Continue to develop budget reduction proposals for the full life of the MTFS and a high level of monitoring of achievement of existing reductions; and
- Try to improve and widen the reach of the budget consultation process to ensure more meaningful, and specific responses.

Progress against these are included in Section 6 – Improving Governance.

5 Audit Assurance

Audit and Audit Assurances

The Council is audited externally by the Auditor General for Wales, supported by Audit Wales. The objectives of this are to obtain assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; that the accounts have been prepared in accordance with legislative requirements and

the Code of Practice on Local Authority Accounting in the United Kingdom; and to issue an opinion thereon. They also assess our arrangements for securing economy, efficiency and effectiveness in the use of resources.

In 2024 the External Auditor gave an unqualified audit opinion on the financial statements for 2023-24. Audit Wales also audit a number of grant claims and in the year completed 5 audits of grants and returns. In addition, Audit Wales undertake reviews of various services and also performance reviews throughout the year, the outcome of which are reported to the Governance and Audit Committee.

Internal Audit is a statutory requirement within Local Government. The Council's internal audit is undertaken by the Regional Internal Audit Service, a partnership shared service between Bridgend County Borough Council, Merthyr Tydfil County Borough Council hosted by the Vale of Glamorgan Council.

The Head of Internal Audit's annual opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control for 2024-25 is:

“Reasonable Assurance”

The opinion states that, based on the work completed by the Regional Internal Audit Shared Service for the financial year, no significant cross-cutting control issues have been identified that would impact on the Council's overall control environment. 86% of the agreed plan has been achieved indicating good internal audit coverage across all service areas. The weaknesses that have been identified are service specific. Audit opinions have been presented to Governance and Audit Committee throughout the year as summarised below.

Audit Opinion	Number	%
Substantial assurance	10	23
Reasonable assurance	29	68
Limited assurance	4	9
No assurance	0	0
Total	43	100

91% of Internal Audit opinions issued were positive which provided a good level of assurance on the effectiveness of the control environment; there were no 'No Assurance' opinions issued.

All of the 6 audits that were deferred from 2023-24 have been completed. There are 3 planned audits ongoing at the end of 2024-25 and a further 4 have been deferred to the 2025-26 audit plan. All recommendations made to improve governance, risk management and control during 2024-25 have been accepted by operational management and are at various stages of implementation. Progress on implementation of agreed Internal Audit recommendations and the progress of completion of the Internal Audit Plan was reported quarterly to Governance and Audit Committee.

The Governance and Audit Committee also receives a regulatory tracker twice-yearly. This was introduced to cover all regulators and all completed inspections and their recommendations for the Council. The tracker focuses on amber and red rated recommendations, being adequate and unsatisfactory rated recommendations, whilst the Subject and Overview Scrutiny Committees receive the report to include all recommendations irrespective of rating.

6 Improving Governance

A number of significant issues were identified in the Council's 2023-24 Annual Governance Statement. The progress made on the significant issues is shown below:

6.1 Progress on issues raised in 2023-24 that were addressed in 2024-25

Issue	Governance Principle	What the issue was	Outcome of actions taken
Medium to long term financial management	F	The impact of budget reductions is no longer sustainable through top-slicing of budgets, and the focus will need to turn to reductions in service delivery and the potential for the Council to cease providing some services.	<p>The budget setting process was completed at the Council meeting on 26 February 2025. Meetings were held with political groups in December enabling them to comment on the proposals as they were at that time.</p> <p>Two focused meetings were held with Budget Research Evaluation Panel in December looking at Education / Schools and Social Care and Wellbeing.</p>
Recruitment	E	Difficulties remain in certain areas for recruitment of staff.	There has been continued improvement with the recruitment of Childrens Social Workers as result of efforts by the service. The service will need to develop longer term proposals over the next 12 months. Some of the principles need to be considered by other areas that are experiencing difficulty in recruiting. This includes alternatives such growing their own via apprentices or graduates.
Decarbonisation (carried forward from 2023-24)	D	Whilst the Council has in place a Decarbonisation 2030 strategy, it has not fully identified the resources needed to implement the strategy nor how partners may help to deliver the strategy ambitions.	The Carbon Trust have been commissioned to review our progress towards the 2030 zero carbon objective, governance arrangements linked to this task and to provide a high level cost for the objective. The first draft of their report was presented to Subject Overview and Scrutiny Committee 3 on the 7th April 2025. Officers will now review the report and scrutiny feedback and in due course present a report to Cabinet with changes to the action plan and governance on the 2030 journey. Of note the broad cost of £59.2 million pounds to implement proposed initiatives has highlighted the scale of the task and high level of Welsh government financial support that will be needed.

Issue	Governance Principle	What the issue was	Outcome of actions taken
Use of performance information (service user perspective)	C	The Council's needs to ensure that performance information enables senior leaders to understand the service user perspective and to plan services accordingly.	We are participating in the new Welsh Council's Performance Information Community of Practice aimed at enhancing the quality of performance information (particularly focused on responding to the Audit Wales criticisms across Wales) and providing opportunities to review performance management arrangements, share best practice, and collaborate on data development. The National Resident Survey (WLGA/Data Cymru) ran in the Autumn and findings will now be analysed.
Improved Financial Management	G	The Council's assessment of its compliance with the 19 Standards outlined in the FM Code for 2023-24 identified that the Council could demonstrate compliance with all of the Standards, but that further actions could be taken to enhance compliance during 2024-25	<p>The revised Finance Procedure Rules were agreed by Cabinet and noted by Council in January 2025.</p> <p>The budget continues to be closely monitored and reported to Cabinet on a quarterly basis. More briefings for members have also been provided</p> <p>A series of social media posts were put out in the Autumn to raise awareness of the Council's budget position and explain how the money is spent in year. This preceded the full budget consultation which was completed in January 2025</p>
Digital Strategy	D	An Audit Wales review found weaknesses in the Council's strategic approach to managing and delivering its digital strategy. The Council's digital strategy 2020-24 is not expressed as a set of timebound measurable objectives and milestones. In the absence of clear objectives and measure of success, the Council cannot easily understand whether it is achieving its intended outcomes and value for money. The review also found that the Council has not consulted with all stakeholders, nor has costed the delivery of its digital strategy or savings achievable.	<p>The draft Digital Strategy is now complete and has taken account of the issues raised by Audit Wales together with the key priorities for the Council going forward.</p> <p>A consultation process on the document will start in May 2025</p>

6.2 Issues raised in 2024-25 that will be addressed in 2025-26

Based on a review of the governance framework, and an assessment of compliance with the CIPFA Financial Management Code, the following significant issues identified in 2024-25 will be addressed in 2025-26 with the links to the [Governance Principles](#) on page 5:

Issue	Governance Principle	What the issue was	Proposed actions to address issue
Value for Money	G	Update the Socially Responsible Procurement Strategy	<p>The Council has a Socially Responsible Procurement Strategy for 2021-2024, aimed at supporting the foundational economy, supporting implementation of the Council's 2030 Decarbonisation Strategy and the circular economy, maximising the delivery of social value and community benefits, and delivering value for money whilst considering the whole life cost, amongst others.</p> <p>The Strategy is being updated following the implementation of the Procurement Act 2023 to demonstrate how the Council will continue to secure value for money and manage demand. This will be finalised by the Autumn 2025. The strategy will be accompanied by a Development Plan with key milestones. This will be reviewed annually by CMB/CCMB.</p>
Waste	E	Transfer of Waste Service back to Council	<p>The Waste Service arrangements will transfer back into the Council in July 2027. This project will be resource intensive and a number of officers will be involved from across the Council. An Internal Governance Board and a Waste Transition Board have been established to ensure the project is delivered on time and within the budget envelope.</p>
Financial Management and Sustainability	E	Provide additional training to full Council and Governance and Audit Committee Members as required on Budget Management, Capital Strategy, Treasury Management and Earmarked Reserves.	<p>A wide range of financial training has previously been provided to members, but to ensure members, including new members, maintain and develop their understanding of key financial issues, it is important to provide training on a regular basis.</p> <p>Member briefings will be provided on subjects such as the medium term financial strategy, budget</p>

Issue	Governance Principle	What the issue was	Proposed actions to address issue
			<p>monitoring, treasury management and earmarked reserves as needed.</p> <p>The Local Management of Schools Officer provides a dedicated Finance training session to new School Governors. There is also a planned Professional Development training session scheduled for Summer 2025 covering 'Managing a Deficit Budget' which will be available for Head teachers, Governors and School Finance Officer.</p>
Monitoring Financial Performance	E	A full review of Budget Research and Evaluation Panel (BREP), including its terms of reference, is undertaken at the start of the financial year.	<p>The Regional Internal Audit Service (RIAS) undertook an audit of 'Budget Savings 2023/24' and published its final report in April 2024. The RIAS provided an audit opinion of Substantial Assurance. One of the low level recommendations, which were agreed by the Chief Officer – Finance, Housing and Change, and will be implemented going forward:</p> <p>In line with the recommendations accepted by Cabinet, a full review of BREP, including its terms of reference, is undertaken at the start of the financial year.</p> <p>In addition, the structure of the Scrutiny committees has been amended this year. This will result in COSC taking the lead on the budget scrutiny process.</p>
Recruitment	E	Difficulties remain in certain areas for recruitment of staff.	Targeted recruitment continues in certain key areas, with bespoke recruitment packages being developed as appropriate. We continue to work regionally and nationally to develop solutions that will not destabilise the job market

These issues will be monitored via a detailed action plan during 2025-26, with the responsible officer and deadline for implementation identified for each action and reported to Cabinet/Corporate Management Board and to the Governance and Audit Committee.

7 Assurance Statement

Governance arrangements have effectively supported the Council through the reporting period. Decisions are subject to effective external and internal scrutiny and where weaknesses are found, action plans are put in place and monitored. Based on this, subject to the above issues being resolved, we can provide an overall reasonable assurance that Bridgend County Borough Council's governance arrangements remain fit for purpose.

Steps to address the matters referred to above will be taken to further enhance our governance arrangements.

Signed: _____ Date: October 2025
(Leader)

Signed: _____ Date: October 2025
(Chief Executive)

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Meeting of:	GOVERNANCE AND AUDIT COMMITTEE
Date of Meeting:	17 JULY 2025
Report Title:	TREASURY MANAGEMENT OUTTURN REPORT 2024-25
Report Owner / Corporate Director:	CHIEF OFFICER – FINANCE, HOUSING AND CHANGE
Responsible Officer:	NIGEL SMITH, GROUP MANAGER – CHIEF ACCOUNTANT
Policy Framework and Procedure Rules:	Paragraph 22.5 of the Financial Procedure Rules notes that the Governance and Audit Committee is responsible for ensuring effective scrutiny of the Treasury Management policies and practice. This report supports this scrutiny function.
Executive Summary:	<p>The report provides an update of Treasury Management activity for the year 1 April 2024 – 31 March 2025.</p> <p>As at 31 March 2025 the Council had £103.80 million of long term debt, £15.66 million of other long term liabilities and an overall net debt position of £82.71 million.</p> <p>The average interest rate for debt was 4.73% (excluding Salix borrowing which is interest free) and for investments it was 4.39%.</p> <p>The Council has a manageable maturity structure of borrowing, with its current debt repayable at various points over the next 30 years.</p> <p>The Council has complied with the Chartered Institute of Public Finance and Accountancy's Treasury Management Code and Welsh Government Investment Guidance.</p>

1. Purpose of Report

1.1 The purpose of this report is to:

- comply with the requirement of the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Treasury Management in the Public Services: Code of Practice' (the TM Code) to report an overview of treasury activities for the preceding financial year.
- report the actual Treasury Management Indicators for 2024-25.

2. Background

2.1 Treasury Management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council is exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.

2.2 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 edition (the CIPFA TM Code), which requires the Council to approve a Treasury Management Strategy before the start of each financial year, and, as a minimum, a semi-annual and annual treasury outturn report. The CIPFA TM Code also requires the Council to set a number of Treasury Management Indicators, which are forward looking parameters, and enable the Council to measure and manage its exposure to treasury management risks, and these are included throughout this report. Welsh Government (WG) guidance issued in November 2019 on Local Authority Investments requires the Council to approve an Investment Strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA TM Code and the Welsh Government Guidance.

2.3 The CIPFA Prudential Code for Capital Finance in Local Authorities (2021 edition) (Prudential Code) includes a requirement for Local Authorities to provide a Capital Strategy, which is a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The definition of investments in the Prudential Code covers all the financial assets of the Council as well as other non-financial assets which the authority holds primarily for financial return. The Council's Capital Strategy 2024-25 complied with CIPFA's requirement and included the Prudential Indicators along with the details regarding the Council's non-treasury investments. The Capital Strategy and Treasury Management Strategy should be read in conjunction with each other as they are interlinked, as borrowing and investments are directly impacted upon by capital plans, and both were approved together by Council on 28 February 2024.

2.4 The Council's treasury management advisors are Arlingclose. The current services provided to the Council include:

- advice and guidance on relevant policies, strategies and reports
- advice on investment decisions
- notification of credit ratings and changes
- other information on credit quality
- advice on debt management decisions
- accounting advice
- reports on treasury performance
- forecasts of interest rates
- training courses

3. Current situation / proposal

3.1 External Context – Economic Background

3.1.1 UK annual Consumer Price Index (CPI) inflation remained above the 2% Bank of England (BoE) target in the later part of the period. The Office for National Statistics (ONS) reported headline consumer prices at 2.6% as at 31 March 2025, down from 2.8% in the previous month.

3.1.2 The BoE's Monetary Policy Committee (MPC) held Bank Rate at 4.5% at its March 2025 meeting, having reduced it in February from 4.75%. At the March MPC meeting, members voted 8-1 to maintain Bank Rate at 4.5%, with only one member preferring another 25 basis points cut. Arlingclose, the authority's treasury adviser, maintained its central view that Bank Rate would continue to fall throughout 2025. The first cut of 0.25 basis points was realised in May's MPC meeting taking the bank rate to 4.25% with further cuts expected in August and November, bringing the end of March 2026 forecast rate to 3.75%.

3.1.3 Financial market sentiment was reasonably positive over most of the period, but economic, financial and geopolitical issues meant the trend of market volatility remained. In the latter part of the period, volatility increased and bond yields started to fall following a January peak, as the economic uncertainty around likely US trade policy impacted financial markets. Yields in the UK and US started to diverge in the last month of the period, with the former rising around concerns over the fiscal implications on the UK government from weaker growth, business sentiment and higher rates, while the latter started falling on potential recession fears due to the unpredictable nature of policy announcements by the US President and their potential impact

3.2 Public Works Loan Board (PWLB) Lending Facility Advice

- 3.2.1 As the Council may need to borrow to support its capital programme, it continues to follow the PWLB requirement for borrowing to not invest in assets primarily for yield, or financial return, as this would prevent the Council from accessing funding from the PWLB except to refinance existing loans or externalise internal borrowing. Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, refinancing and treasury management.
- 3.2.2 The Council's treasury management activities are undertaken in line with CIPFA's Prudential Code for Capital Finance and CIPFA's TM Code. To comply with the Prudential Code authorities must not borrow to invest primarily for financial return. The Prudential Code also states it is not prudent for local authorities to make investment or spending decisions that will increase the Capital Financing Requirement (CFR) unless directly and primarily related to the functions of the authority. Existing commercial investments are not required to be sold, however, authorities with existing commercial investments who expect to need to borrow should review the options for exiting these investments. The Council has complied with the full requirements of both codes during the 2024-25 financial year.

3.3 Treasury Management update for the year ending 31 March 2025

- 3.3.1 The Council has complied with its legislative and regulatory requirements during the year. The Treasury Management Strategy 2024-25 was approved by Council on 28 February 2024.
- 3.3.2 A summary of the treasury management activities is shown in the Treasury Management Outturn 2024-25 at **Appendix A**. The Council's external debt and investment position on 31 March 2025 is shown in Table 1 below, and more detail is provided within the appendix. During the year an additional £5m long term borrowing was taken out from the PWLB to replace a £5.8m long term loan maturing 31 March 2025, although this was taken out over a 16 month period, maturing 6 June 2026.
- 3.3.3 The balance on investments held on 31 March 2025 was £36.75 million, with an average interest rate of 4.39%. The total balance of investments has reduced compared to those at the end of last financial year, 31 March 2024, when the balance held was £50.00 million, at an average interest rate of 5.02%. The short-term borrowing taken out for cashflow purposes at the end of the previous year was repaid in May 2024 but further short term borrowing of £5m was taken out on 31 January 2025, maturing 30 April 2025 for cashflow purposes.

Table 1: Council's external debt and investment position as of 31 March 2025

Investments for Treasury Purposes	Principal as at 31/03/2024 £m	Principal as at 31/03/2025 £m	Average Rate 31/03/2025 %
External Long-Term Borrowing			
Public Works Loan Board	77.62	77.04	4.70
Lender's Option Borrower's Option	19.25	19.25	4.65
Salix Loans (interest Free)	2.74	2.51	NIL
Short Term Borrowing	5.00	5.00	5.50
Total External Long-Term Borrowing	104.61	103.80	4.73*
Other Long-Term Liabilities			
Private Finance Initiative**	12.97	11.97	
IFRS 16 Leases	NIL	3.69	
Total Other Long-Term Liabilities	12.97	15.66	
Total Gross Debt	117.58	119.46	
Investments for treasury management purposes			
Local Authorities	44.00	NIL	NIL
Money Market Funds (instant access)	NIL	12.75	4.52
Banks	6.00	6.00	3.93
DMO	NIL	18.00	4.45
Total Treasury Investments	50.00	36.75	4.39
Net Debt	67.58	82.71	

* Excluding Salix loans which are interest free

** (PFI) arrangement for the provision of a Secondary School in Maesteg 9.50 years remaining term

- 3.3.3 The £19.25 million in Table 1 above relates to Lender's Option Borrower's Option (LOBO) loans which have a maturity date of 2054 though these may be rescheduled in advance of this maturity date with the lender having the ability to recall the debt at 2 intervals in the year, July and January. However, this is currently unlikely in the current interest climate and the option was not exercised on 22 January 2025.
- 3.3.4 The Total Other Long Term Liabilities figure of £15.66 million at 31 March 2025 includes £11.97 million for the Council's Private Finance initiative (PFI) arrangement for the provision of a Secondary School in Maesteg. The Other Long-Term Liabilities reflect leases required to be recognised under International Financial Reporting Standard 16 – Leases (IFRS 16).
- 3.3.5 Both the CIPFA TM Code and Welsh Government Guidance require the Council to invest its funds prudently and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return. Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard and Poor's to ensure that this lies within the Councils' agreed minimum credit rating.
- 3.3.6 The Council defines high credit quality as organisations and securities having a credit rating of A- (A3 for Moody's) or higher and the Council does not invest in any organisation below this level. Schedule A shows the equivalence table for credit ratings for Fitch, Moody's, and Standard and Poor's and explains the different investment grades.

- 3.3.7 There are no long-term investment (original duration of 12 months or more) outstanding as at 31 March 2025. All investments at 31 March 2025 are short term deposits including instant access and fixed term deposits.
- 3.3.8 The Treasury Management Code requires the Council to set and report on a number of Treasury Management Indicators. The indicators either summarise the expected activity or introduce limits upon the activity. Details of the estimates for 2024-25 set out in the Council's Treasury Management Strategy compared to the actual at 31 March 2025 are shown in **Appendix A** and these show that the Council operated within the approved limits throughout the period.
- 4. Equality implications (including Socio-economic Duty and Welsh Language)**
- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. This is an information report; therefore it is not necessary to carry out an Equality Impact assessment in the production of this report. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.
- 5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**
- 5.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives because of this report.
- 6. Climate Change and Nature Implications**
- 6.1 The Climate Change and nature implications were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the environment because of this report.
- 7. Safeguarding and Corporate Parent Implications**
- 7.1 The Safeguarding and Corporate Parenting implications were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon Safeguarding and Corporate parenting because of this report.
- 8. Financial Implications**
- 8.1 The financial implications are reflected within the report and attached **Appendix A**.

9. Recommendations

9.1 It is recommended that the Governance and Audit Committee:

- Note the treasury management activities for the 2024-25 financial year.
- Note the Treasury Management Indicators for the period year ending 31 March 2025 against those approved in the Treasury Management Strategy 2024-25.

Background documents

None

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Treasury Management Outturn Report to 31 March 2025

EXECUTIVE SUMMARY

- Treasury Management is the management of the Council's cash flows on a day-to-day basis and is carried out in accordance with legislation and Codes of Practice. The Treasury Management Strategy for 2024-25 was approved by Council on 28 February 2024.
- Inflation, at 31 March 2025, measured by the Consumer Prices Index (CPI), continued to stay above the Bank of England's target of 2% at 2.6%, down from 2.8% in the previous month.
- The Bank of England base rate was reduced to 4.50% in February and remained at this rate as at 31 March 2025.
- £5 million long-term debt was taken out during the period with Public Works Loan Board (PWLB). On the 31 March 2025 £5.58 million of PWLB debt was repaid. Interest rates on long term-debt remain unchanged at an average of 4.73%.
- Total external borrowing at 31 March 2025 was £98.80 million, a reduction of £0.81 million from the previous quarter due to the scheduled repayment of a PWLB loan of £5.58 million, offset by an additional short term PWLB loan of £5 million, and a slight reduction of £0.23m of Salix debt.
- Total investments as at 31 March 2025 were £36.75 million, a reduction of £6.15 million from the previous quarter and a £13.25 million reduction from 1 April 2024.
- Average interest rates on investments as at 31 March 2025 was 4.39%, a reduction from 31 March 2024 of 5.02% as a result of reductions in the bank rate and associated returns on short term investments.
- The Council's investments are split across a number of counterparties, including local authorities, money market funds and banks.
- Investments are made on the basis of security, liquidity and, only then, return, commensurate with the security and liquidity of the investment.
- Due to the current level of reserves, the Council is able to use short-term resources to fund capital expenditure in lieu of external borrowing. However, this is only a short-term position. The Council took out new borrowing during the year for cash flow purposes. The liability benchmark (Chart 1) suggests that the Council may need new borrowing of up to £61 million during 2025-26, and a further £20m in 2026-27.
- The Council may need to borrow for cash flow purposes. This may be short-term borrowing (less than 12 months) to manage day-to-day operational cash flow, or the Council may take out longer duration debt where there is a borrowing requirement or where it would be cost effective to do so. Short term borrowing of £5m was taken out at the end of January 2025 with a duration of 3 months, and a further £5m was borrowed from the PWLB in February 2025 for a duration of 16 months.
- Council approved a change to the method of setting aside resources to repay debt, known as Minimum Revenue Provision (MRP), on 23 October 2024. The impact of this change has been reflected within this report as it affects the Capital Financing Requirement.
- The Council has operated within the approved limits set out in the Treasury Management Strategy 2024-25.

1.0 INTRODUCTION

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

The definition of 'Investments' includes:

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

The CIPFA TM Code sets out that it is not prudent to invest purely for financial return and the PWLB have set a lending requirement that Councils do not invest purely for financial return in order to be able to access borrowing from the PWLB.

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

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

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

2.0 ECONOMIC CONTEXT

Both the UK and US elected new governments during the period, whose policy decisions impacted the economic outlook. The Chancellor of the Exchequer delivered her Spring Statement in March 2025, following her Budget in October 2024. Based on the plans announced, the Office for Budget Responsibility downgraded its predictions for UK growth in 2025 to 1% from 2%. The market reaction to the Spring Statement

was more muted compared to the Budget, with very recent market turbulence being driven more by US trade policy decisions and President Trump.

After revising its interest rate forecast in November following the Budget, the Council's treasury management advisor, Arlingclose, maintained its stance that Bank Rate will fall to 3.75% in 2025.

UK annual Consumer Price Index (CPI) inflation remained above the 2% Bank of England target in the later part of the period. The Office for National Statistics reported headline consumer prices at 2.6% in March 2025, down from 2.8% in the previous month and below expectations.

The Bank of England's Monetary Policy Committee held Bank Rate at 4.5% at its March 2025 meeting, having reduced it in February from 4.75%. At the March Monetary Policy Committee meeting, members voted 8-1 to maintain Bank Rate at 4.5%, with only one member preferring another 25 basis points cut.

The February Monetary Policy Report showed the BoE expected GDP growth in 2025 to be significantly weaker compared to the November Report. GDP is forecast to rise by 0.1% in Quarter 1 (January – March) 2025. The outlook for CPI inflation showed it remaining above the MPC's 2% target throughout 2025. It is expected to hit around 3.5% by June before peaking at 3.7% in Quarter 3 (July – September) 2025 and then easing towards the end of the year but staying above the 2% target. The unemployment rate was expected to rise steadily to around 4.75% by the end of the forecast horizon, above the assumed medium-term equilibrium unemployment rate of 4.5%.

Arlingclose, the authority's treasury adviser, maintained its view that Bank Rate would continue to fall throughout 2025. From the cuts in August and November 2024 and February 2025, which took Bank Rate to 4.50%, they predicted that May would be the likely month for the next reduction (which indeed the Monetary Policy Committee did reduce interest rates to 4.25%), with other cuts following in line with Monetary Policy Report months to take Bank Rate down to around 3.75% by the end of 2025.

3.0 EXTERNAL DEBT AND INVESTMENT POSITION

The Council's external debt and investments at 31 March 2025 are set out in Table 1 below. The Council held £98.80 million of Long Term Borrowing comprising:

- Public Works Loan Board (PWLB - UK government) at fixed rates and duration
- Lender's Option Borrower's Option (LOBO) which may be rescheduled ahead of their maturity of 22 July 2054 (no call was made in January 2025)
- £2.51 million of Salix interest-free loans

The Council borrowed £5 million for short term cash flow purposes in Quarter 4 in January for 3 months from Brentwood Borough Council, maturing 30 April 2025 and £5 million from PWLB over a slightly longer period in February 2025, maturing in June 2026.

At 31 March 2025 the Council had £36.75 million of investments for treasury management purposes and £4.89 million of investments for commercial purposes.

Table 1: Council's external debt and investment position as of 31 March 2025

Investments for Treasury Purposes	Principal as at 31/03/2024 £m	Principal as at 31/03/2025 £m	Average Rate 31/03/2025 %
External Long Term Borrowing			
Public Works Loan Board (PWLB)	77.62	77.04	4.70
Lenders Option Borrowers Option (LOBO)	19.25	19.25	4.65
Salix Loans (Interest Free)	2.74	2.51	NIL
Short Term Borrowing	5.00	5.00	5.50
Total External Borrowing	104.61	103.80	4.73*
Other Long Term Liabilities			
Private Finance Initiative (PFI)**	12.97	11.97	
IFRS 16 Leases	NIL	3.69	
Total Other Long Term Liabilities	12.97	15.66	
Total Gross Debt	117.58	119.46	
Investments for treasury management purposes			
DMO	NIL	18.00	4.45
Local Authorities	44.00	NIL	NIL
Money Market Funds (instant access)	NIL	12.75	4.52
Banks	6.00	6.00	3.93
Total Treasury Investments	50.00	36.75	4.39
Net Debt	67.58	82.71	

Investments for Commercial Purposes	Fair Value as at 31/03/2024 £m	Return 31/3/2025 £m
Investments	4.890	0.457

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

** (PFI) arrangement for the provision of a Secondary School in Maesteg 9.25 years remaining term

The current profile of repayment of the Council's long-term debt is set out in the Liability Benchmark chart below. The table below assumes that the Public Works Loan Board and Lender's Option Borrower's Option loans will be repayable on their maturity date. However, although shown as maturing in 2054 the £19.25 million of Lender's Option Borrower's Option loans can be called at 2 intervals in the year July and January however it is currently unlikely in the current interest climate. The option was not exercised on 22 January 2025.

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

All borrowing by the Council is undertaken as a single pool of debt rather than having loans specific to individual schemes. Where a Council finances capital expenditure by debt, it must put aside revenue to repay that debt in later years, known as Minimum Revenue Provision (MRP). Council approved a change to the MRP Policy at its meeting of 23 October 2024, to move from a straight line method of calculation of MRP to an annuity method. The annuity method of calculating MRP results in lower MRP charges in earlier years and higher charges in later years. However, when considering the total cost of MRP plus interest charges, the annuity method provides a more even cost each year. It is also considered more prudent as it takes into account the time value of money, so reflects the impact of having £100 now as being more valuable than £100 in one years' time.

Liability benchmark

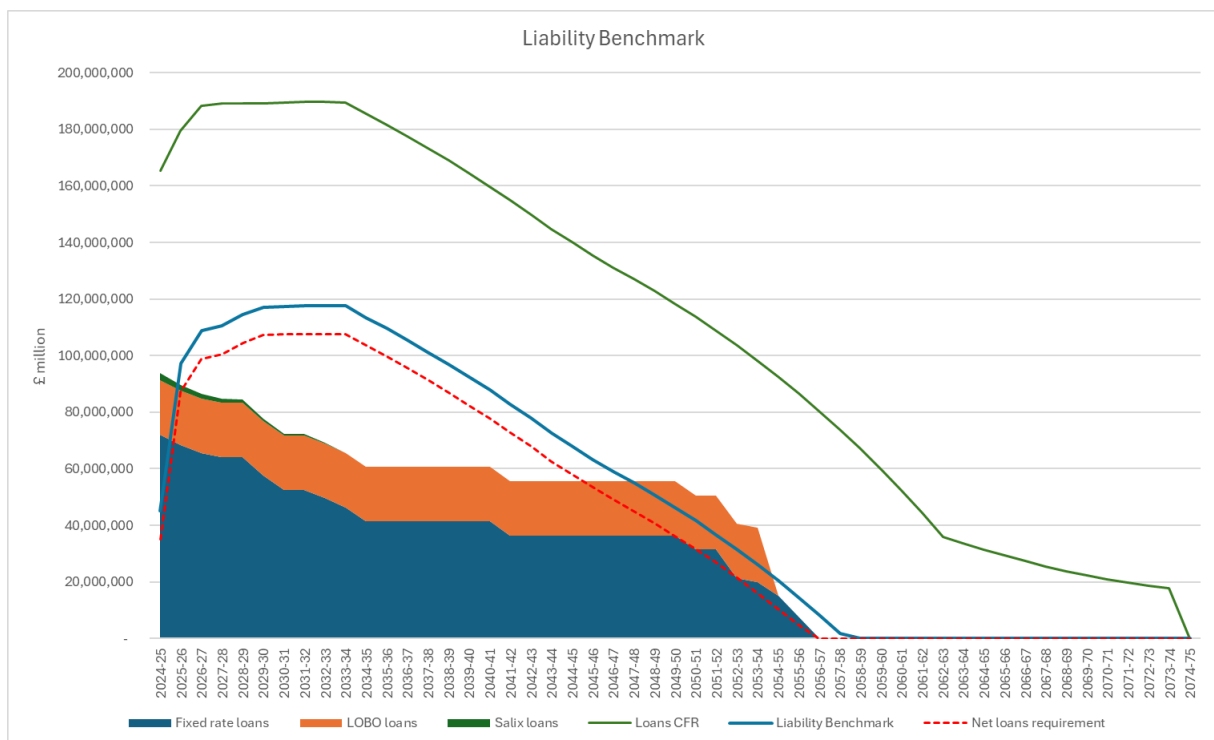
The liability benchmark is a tool which helps to assess the lowest level of borrowing the Council needs, taking into account available cash resources to fund capital expenditure in the short term. A minimum level of investments is factored into the calculation, set at £10 million, which are held as reasonably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

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

Table 2: Liability benchmark

	31 March 2024 actual	31 March 2025 estimate (TMS)	31 March 2025 actual	31 March 2026 forecast	31 March 2027 forecast
	£m	£m	£m	£m	£m
Capital Financing Requirement	175.72	181.30	181.09	193.82	201.29
Less: Other debt liabilities	(12.97)	(14.98)	(15.77)	(14.56)	(13.25)
Loans Capital Financing Requirement	162.75	166.33	165.32	179.27	188.04
Less: Balance Sheet Resources	(128.35)	(98.59)	(130.25)	(92.33)	(89.54)
Plus: Liquidity allowance	10.00	10.00	10.00	10.00	10.00
Liability Benchmark	44.40	77.74	45.07	96.93	108.50

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



It is forecast that the Council will likely need to borrow long term in 2025-26 although this is based on a number of assumptions including the forecast capital programme expenditure and the level and use of reserves.

The Section 151 Officer will monitor and update the liability benchmark assumptions on an on-going basis and report any significant changes within the treasury

management monitoring reports to Cabinet, the Governance and Audit Committee and Council as appropriate. This could be as a result of changes in the level of usable reserves at year end, slippage within the Capital Programme or changes within the working capital assumptions which may affect the Council's need to take new long-term borrowing.

4.0 BORROWING

As at 31 March 2025 the Council held £98.80 million of Long-Term Borrowing, £96.29 million of which is fixed long term loans as part of its strategy for funding previous years' capital programmes.

Based on current forecasts the anticipated need to borrow during 2025-26 is £61 million with further borrowing of £20 million in 2026-27. This includes the need to refinance borrowing to be repaid during 2025-26 and 2026-27 of £11.5 million. The gap between the shaded area and the blue line in the Liability Benchmark (Chart 1) above is the forecast need to borrow.

The Council has previously raised the majority of its long-term borrowing from the Public Works Loan Board (PWLb), and this was the source for the most recent borrowing of £5 million taken out on 6 February 2025. The Council will always consider long term loans from other sources including banks, pension funds and other local authorities if appropriate. The Council will also investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA TM Code.

The Council has loans from PWLB maturing within the next 3 financial years that it will need to repay. The value of the loans due to be repaid over the next 3 years is shown in Table 3.

Table 3: Value of PWLB maturing debt

	2025-26 £ million	2026-27 £ million	2027-28 £ million
Value of maturing debt	3.709	7.790	1.395

£5.58 million for 2024-25 was repaid on 31 March 2025. As noted above the Council may need to borrow during 2025-26 which would replace maturing loans.

Maturity structure of borrowing

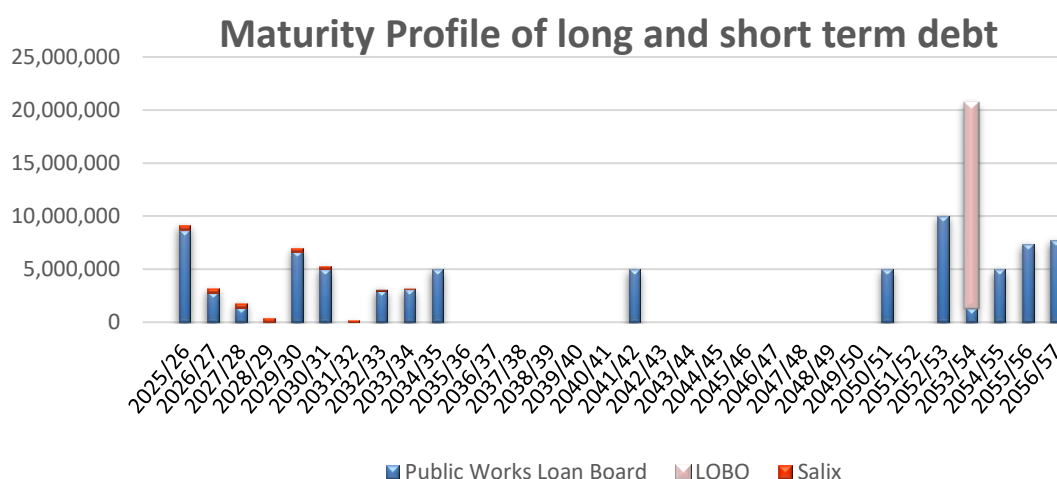
The maturity structure of borrowing indicator is set to control the Council's exposure to refinancing risk with respect to the maturity of the Council's external borrowing. The limits are set to avoid having large amounts of debt maturing in a short space of time and is the amount of projected borrowing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

loans has therefore been included in the 'Under 12 months' category. This table also reflects the PWLB loans repayable in 2025-26.

Table 4: Maturity Structure of Borrowing

Maturity structure of borrowing	Upper limit	lower limit	£ million	As at 31 Mar 2025
Under 12 months	50%	0%	23.35	23.64%
Over 12 months and within 24 months	25%	0%	8.18	8.28%
Over 2 years and within 5 years	25%	0%	9.14	9.25%
Over 5 years and within 10 years	40%	0%	16.74	16.94%
Over 10 years and within 20 years	50%	0%	5.00	5.06%
20 years and above	60%	25%	36.39	36.83%
Total	-	-	98.80	100%

As can be seen from the table above the maturity structure remains within the limits approved as part of the Treasury Management Strategy 2024-25. The following chart provides the maturity profile of the Council's debt. The chart shows that the Council's long term debt is well spread with a manageable maturity structure, with no single year having a disproportionately high level of debt repayment.



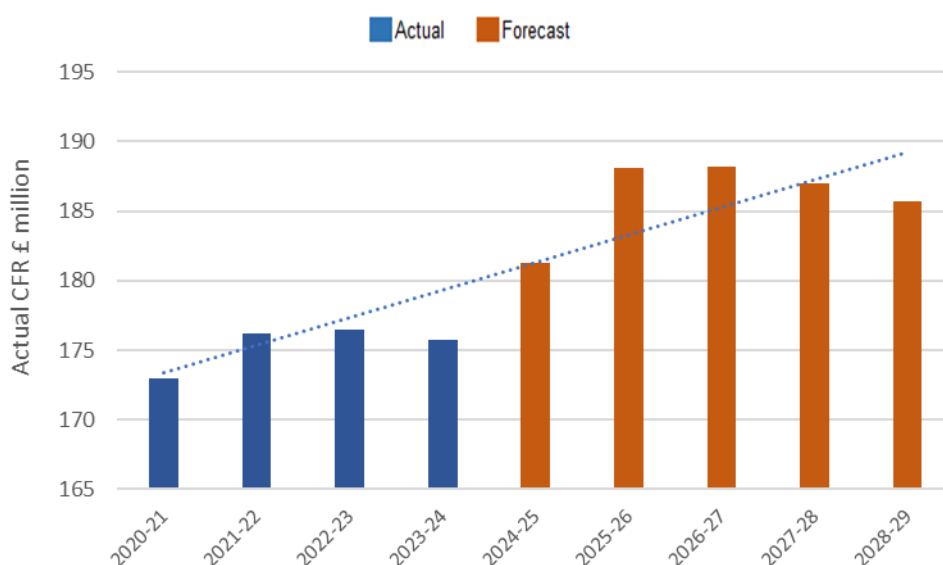
The LOBO loans are subject to the lender having the right to change the rate of interest payable during the financial year at either of two trigger points - January and July, with the Council having the right to refuse the change, triggering early repayment and the need to re-finance. Whilst the Council currently has sufficient funds to repay these loans and so the refinancing risk is manageable, it will, however, need to consider taking out new debt to replace these loans in future.

Table 5: LOBO loans

Commencement date	Loan value £m	Potential repayment date	Option frequency	Full term maturity
22 January 2004	4.00	22 July 2025	6 months	22 January 2054
22 January 2004	5.00	22 July 2025	6 months	22 January 2054
22 January 2004	10.25	22 July 2025	6 months	22 January 2054

In accordance with the Treasury Management Strategy, the Council is internally borrowing, which is when it uses temporary cash balances it holds in the short term instead of undertaking external borrowing. The current year's estimated level of internal borrowing is £72.61 million. This is shown by the Council's Capital Financing Requirement (CFR) net of its external level of debt including other long term debt liabilities. The Council's forecast CFR as at 31 March 2025 is £181.30 million, external borrowing forecast at 31 March 2025 is £93.71 million and other long term debt liabilities forecast to be £14.98 million, which is primarily the PFI Maesteg School scheme plus the lease commitments of right of use assets. These leases are included in line with the requirements of International Financial Reporting Standard 16 (IFRS16) which requires that right of use assets and the equivalent lease liabilities are recognised on the balance sheet as from 1 April 2024.

The chart below shows the trend in the CFR based on **current** capital commitments within the capital programme reported at quarter 3 – 2024-25. The CFR is anticipated to increase in the current year assuming capital expenditure is incurred as currently anticipated. Due to the increase in forecast capital expenditure and borrowing in the capital programme, the CFR is expected to further increase in 2025-26 before reducing from 2026-27. This is on the assumption that there will be no new schemes in future which require debt financing. If new schemes are added which require debt finance, the CFR will continue to increase.

Capital Financing Requirement Trend

5.0 TREASURY INVESTMENTS

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

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

Treasury investments are made primarily on the basis of ensuring security of the funds invested, whilst managing liquidity, and only then considering a commensurate return on the investment. As at 31 March 2025 the Council held £36.75 million of investments, with a weighted average return over the period of 4.81%.

Table 6 below shows the investment profile as at 31 March 2025.

Table 6: Investments by counterparty type

Investment Category	Balance 1 April 2024	Investments made in period	Investments repaid in period	Balance 31 March 2025	Weighted interest rate 1 April 2024 to 31 March 2025
	£m	£m	£m	£m	%
Government DMO	0.00	427.25	(409.25)	18.00	4.71
Local Authorities	44.00	0.00	(44.00)	0.00	4.91
Money Market Funds	NIL	112.35	(99.60)	12.75	4.93
Banks (instant access/notice accounts)	6.00	49.10	(49.10)	6.00	3.83
TOTAL	50.00	588.70	(601.95)	36.75	4.81

The following should be noted:

- During the period to 31 March 2025 all investments made were in line with the approved counterparties within the Treasury Management Strategy.
- Investments are diversified over a number of organisations across different sectors, demonstrating a diversified investment portfolio.
- All investments are in sterling and are rated A- and above as per the approved criteria or with a public body.

- The weighted average rates are for all investments made during 1 April 2024 to 31 March 2025.

The overall interest receivable from treasury investments for the period 1 April 2024 to 31 March 2025 was £4.337 million. Interest rates have continued to fall from their peak of 5.25%, from the first cut in August 2024 followed by a number of further cuts, the latest being in February 2025 taking the Bank Rate to 4.50%, which it was as at 31 March 2025. The Council will continue to take a cautious approach to investing to ensure as its primary concern the security of any investments made. The risk of default for investments held is considered negligible.

All investments longer than 364 days will be made with a cautious approach to cash flow requirements and advice from the Council's Treasury Management advisors as necessary. All investments as at 31 March 2025 were short term of less than one year duration and Table 7 shows the actual value of principal invested beyond 1 year as £Nil.

Table 7: Sums invested for periods longer than a year

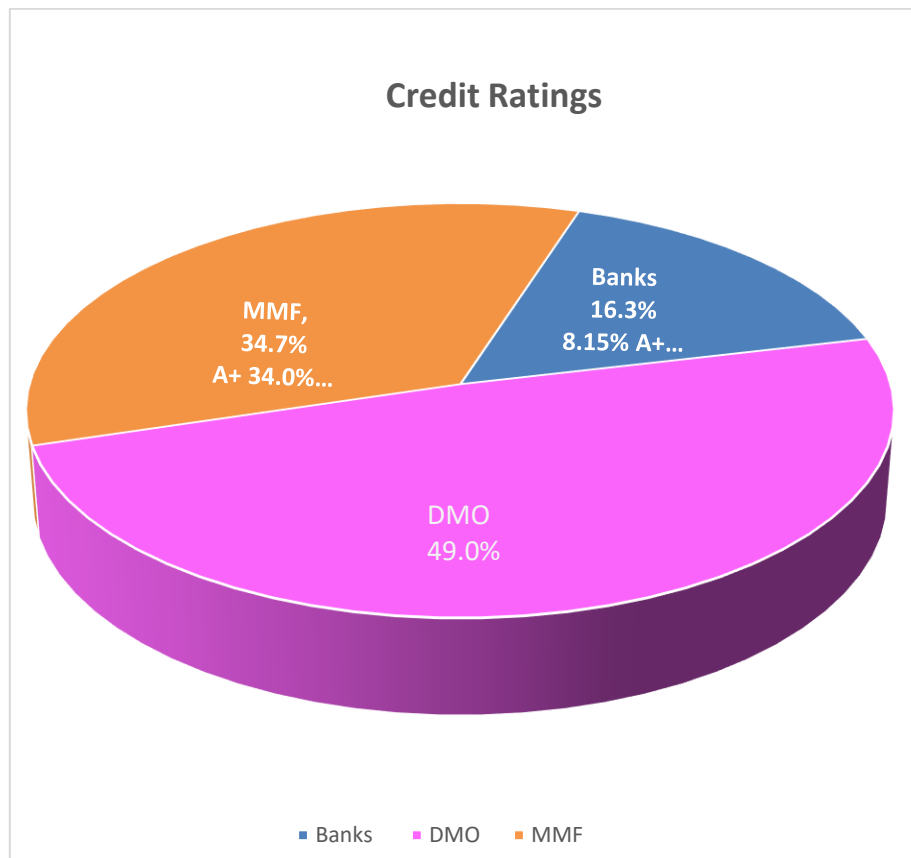
Price risk indicator	TMS 2024-25 £m	Actual £m
Limit on principal invested beyond financial year end	15	NIL

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

Table 8: Investments by maturity

Counterparty Category	Instant Access £m	Deposits maturing within 1 month £m	Deposits maturing within 2-3 months £m	TOTAL £m
Debt Management Office		18.00		18.00
Money Market Funds	12.75			12.75
Banks	6.00			6.00
Total	18.75	18.00		36.75

The pie chart below summarises the distribution of the Council's investments by credit ratings. The Council held £18 million with the Debt Management Office at 31 March 2025 which is the Executive Agency of the UK Treasury and rated AA.



6.0 INTEREST RATE EXPOSURES

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

The following Table is based on investments at 31 March 2025.

Table 9: Interest Rate Exposure

Interest rate risk indicator	£ million
One year revenue impact of a 1% rise in interest rates	(0.159)
One year revenue impact of a 1% fall in interest rates	0.352

It is important to note that this is an indicator, not a limit. It is calculated at a point in time on the assumption that maturing loans and investments would be replaced at rates 1% higher or lower than they are currently, and that the treasury investment and

borrowing portfolios remain unchanged over the next 12 months, which in practice is not the case. The figure for the 1% fall in interest rates indicator is not the same figure as the 1% increase (but reversed) as the borrowing relates to variable LOBO loans where it is assumed that the lender would only exercise their option if there was an increase in interest rates. All other borrowing does not have a rate reset in the next year and is with the PWLB at fixed rates. A comparison of interest expenditure and income due for the period 1 April 2024 to 31 March 2025 is shown below.

Table 10: Interest

	01 April 2024 – 31 March 2025 £ million
Interest expenditure payable on long term borrowing	(6.100)
Interest income received in period	4.771
Net interest cost	(1.329)

7.0 NON-TREASURY INVESTMENTS

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

Table 11: Non-treasury investments

Non-treasury investments Asset Value	£ million
Bridgend Science Park - Units 1 & 2	3.070
Waterton Cross Land	0.560
Brynmenyn Industrial Estate Plot 53	0.675
Village Farm Plots 32, 119 & 120	0.385
Tyrewise Bridgend	0.200
Total at Fair Value	4.890
Actual return 2024-25	0.458

The Council considers that the scale of its investment properties is proportionate to the resources of the Council as the investment represents less than 1% of its total long-term assets.

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

Schedule A – Credit Rating Equivalence Table

Credit Rating Equivalence Table

	Description	Fitch		Moody's		Standard & Poor's	
		Long	Short	Long	Short	Long	Short
INVESTMENT GRADE	Extremely strong	AAA	F1+	Aaa	P-1	AAA	A-1+
	Very strong	AA+		Aa1		AA+	
		AA		Aa2		AA	
		AA-		Aa3		AA-	
	Strong	A+	F1	A1	P-2	A+	A-1
		A		A2		A	
		A-	F2	A3		A-	A-2
	Adequate	BBB+		Baa1	P-3	BBB+	
		BBB		Baa2		BBB	A-3
		BBB-	F3	Baa3		BBB-	
SPECULATIVE GRADE	Speculative	BB+	B	Ba1	Not Prime (NP)	BB+	B
		BB		Ba2		BB	
		BB-		Ba3		BB-	
	Very speculative	B+		B1		B+	
		B		B2		B	C
		B-		B3		B-	
	Vulnerable	CCC+	C	Caa1		CCC+	
		CCC		Caa2		CCC	
		CCC-		Caa3		CCC-	
		CC		Ca		CC	
		C				C	
	Defaulting	D	D	C		D	D

Schedule B – Arlingclose Economic & Interest Rate Forecast –25 March 2025

	Current	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28
Official Bank Rate													
Upside risk	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central Case	4.50	4.25	4.00	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Downside risk	0.00	-0.25	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
3-month money market rate													
Upside risk	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central Case	4.90	4.35	4.10	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85
Downside risk	0.00	-0.25	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
5yr gilt yield													
Upside risk	0.00	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.33	4.25	4.15	4.05	3.95	3.95	3.95	4.00	4.05	4.10	4.10	4.10	4.10
Downside risk	0.00	-0.55	-0.60	-0.65	-0.70	-0.75	-0.80	-0.85	-0.90	-0.95	-1.00	-1.05	-1.10
10yr gilt yield													
Upside risk	0.00	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.70	4.50	4.35	4.30	4.30	4.30	4.30	4.30	4.30	4.35	4.35	4.35	4.35
Downside risk	0.00	-0.55	-0.60	-0.65	-0.70	-0.75	-0.80	-0.85	-0.90	-0.95	-1.00	-1.05	-1.10
20yr gilt yield													
Upside risk	0.00	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	5.22	4.95	4.85	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75
Downside risk	0.00	-0.55	-0.60	-0.65	-0.70	-0.75	-0.80	-0.85	-0.90	-0.90	-0.90	-0.90	-0.90
50yr gilt yield													
Upside risk	0.00	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.52	4.65	4.55	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45
Downside risk	0.00	-0.55	-0.60	-0.65	-0.70	-0.75	-0.80	-0.85	-0.90	-0.90	-0.90	-0.90	-0.90

Choosing to leave monetary policy unchanged in March, the Monetary Policy Committee (MPC) continues to walk the fine line between supporting an economy struggling to expand and counterbalancing rising inflation, amid increasing uncertainties due to fiscal and political uncertainty.

The messaging in the minutes was somewhat more hawkish. The 8-1 voting split and mentions of both elevated inflation commuting into second round effects and the need for policy to remain restrictive for as long as necessary suggests growing concerns on the inflationary front.

UK GDP growth is broadly flat. There appears little impetus in private sector activity, particularly in the manufacturing sector, but the upcoming boost arising from government spending should lift growth during 2025.

The MPC noted that weaker growth reflects both slower demand and supply; the household saving ratio remains elevated and consumer confidence is low, while business investment is being held back by rising employment costs and global uncertainties.

Private sector wage growth and services inflation remain elevated but underlying shorter-term wage pressures have eased and pay growth expectations remain steady just under 4%. Employment has peaked and employment growth is likely to remain weak over the near term.

CPI inflation rates are expected to rise during 2025-26. There are signs that business and household inflation expectations are already rising, possibly related

to rising food prices or fears around global trade wars, prompting a more hawkish attitude from the MPC.

Bond yields have been relatively volatile but have generally tracked upwards due to uncertainty and possible inflationary effects arising from the new US administration's fiscal, trade and foreign policy. One of the outcomes of US policy is a need for increased European defence spending, which is likely to lead to stronger growth and higher bond issuance.

The UK government is also facing fiscal credibility issues, with weaker growth forecasts and higher borrowing costs increasing the need for remedial fiscal policy, supporting an economy struggling to expand and counterbalancing rising inflation, amid increasing uncertainties due to fiscal and political uncertainty.

Meeting of:	GOVERNANCE AND AUDIT COMMITTEE
Date of Meeting:	17 JULY 2025
Report Title:	ANNUAL CORPORATE FRAUD REPORT 2024-25
Report Owner / Corporate Director:	CHIEF OFFICER FINANCE, HOUSING AND CHANGE AND HEAD OF THE REGIONAL INTERNAL AUDIT SERVICE
Responsible Officer:	SIMON ROBERTS – SENIOR FRAUD INVESTIGATOR AND JOAN DAVIES – DEPUTY HEAD OF REGIONAL INTERNAL AUDIT SERVICE
Policy Framework and Procedure Rules:	There is no impact on the policy framework and procedure rules.
Executive Summary:	<ul style="list-style-type: none"> • The Annual Corporate Fraud Report 2024-25 summarises the work undertaken in respect of counter fraud by the Council’s Fraud Department and the Regional Internal Audit Service. • It provides an update to the Governance and Audit Committee on the arrangements in place to manage the risk of fraud. • The developments and actions the Council proposes to take over the medium-term future, to further improve its resilience to fraud, are shown in this report as our steps to continual improvement. • The report provides an update on the National Fraud Initiative and includes a completed self-appraisal checklist issued by Audit Wales. • The report provides details on the monetary value of any fraud or error identified throughout 2024-25.

1. Purpose of Report

- 1.1 The purpose of this report is to present members of the Governance and Audit Committee with the Annual Corporate Fraud Report 2024-25, which summarises

the actions undertaken in respect of counter fraud. The report also provides an update on the National Fraud Initiative (NFI) exercise and includes a completed self-appraisal checklist that Audit Wales encouraged all participating bodies to complete.

2. Background

2.1 One of the core functions of an effective Governance and Audit Committee is:

- To consider the effectiveness of the Council's Risk Management arrangements, the control environment and associated anti-fraud and corruption arrangements.

2.2 This report updates the Committee on the arrangements in place for managing the risks of fraud with the aim of prevention, detection and subsequent investigation and reporting of fraud.

2.3 The impact of fraud should never be underestimated. Fraud leaves the Council with less money to spend on services for residents and costs taxpayers money. Fraud against a local council is not a victimless crime. There is not only the lost/stolen money to consider but also the loss of working time investigating and correcting issues, liaising with police and lawyers, any subsequent court costs, increased insurance premiums, reputational damage for individuals or the Council as a whole and poor staff morale.

2.4 The Council sets high standards for both Members and officers in the operation and administration of the Council's affairs and has always dealt with any allegations or suspicions of fraud, bribery, or corruption promptly. It has in place policies, procedures, and reporting mechanisms to prevent, detect, and report on fraud, bribery, and corruption. These include the Fraud Strategy and Framework, a Whistleblowing Policy, ICT Code of Conduct, Anti-Fraud, Bribery and Corruption Policy, Anti-Tax Evasion Policy, and Anti-Money Laundering Policy. A Fraud Risk Register is also in place.

2.5 The Fraud Strategy and Framework underpins the Council's commitment to prevent all forms of fraud, bribery, and corruption, whether it be attempted externally or from within.

3. Current situation / proposal

3.1 The Annual Corporate Fraud Report is attached at **Appendix A** and it summarises the counter fraud work undertaken within the Council during 2024-25.

3.2 The Council's Fraud Strategy and Framework includes reactive and proactive work and sets out the developments and actions the Council proposes to take over the medium-term to further improve its resilience to fraud, bribery, and corruption. The report at **Appendix A** outlines the progress made against these measures. For example, further significant improvements have been made to the external fraud webpages on the Council's internet site allowing members of the public and staff to refer various types of fraud directly to the Fraud Department. These webpages also contain a wealth of information for staff and members of the public to peruse relating to fraud and the work of the department. In addition, our Anti-Tax Evasion Policy, Anti-Money Laundering Policy and Anti-Fraud, Bribery and Corruption Policy

have recently been refreshed and updated. Fraud awareness training sessions also continue to be delivered and are available to both staff and Members as and when required. The steps to support continual improvement are shown at **Annex 1 of Appendix A**.

- 3.3 One activity included within these steps to support continual improvement is the National Fraud Initiative. This is a biennial exercise co-ordinated in Wales by Audit Wales whereby data is extracted from the Council's systems and reports. This data is then matched against data submitted from other bodies such as other Local Authorities, the Department for Work and Pensions (DWP), His Majesty's Revenue & Customs (HMRC), NHS & Trusts, Police and Housing Associations etc. It is important to note that, where a match is found, it is not in itself evidence of fraud, it may be an error or an inconsistency that requires further investigation.
- 3.4 **Appendix A** provides details of the most recent biennial data matching exercise which was based on data extracted in October 2024 with the matches released in December 2024. This exercise is still in the early stages of completion but, so far, a total of 8 fraud or errors have been identified equating to £8,017.23 of recoverable funds. This sum is currently only attributable to council tax reduction or housing benefit matches. The exercise has also resulted in the cancellation of 230 blue badges, where the holder was deceased, generating a notional saving, calculated by the Cabinet Office, of £182,620. More detailed results are included at **Annex 2 of Appendix A**. The next biennial data matching exercise will be due to commence towards the end of 2026 with data extracted in October 2026 and the new matches returned in the early part of 2027. **Appendix A** also provides details of the most recent annual Single Person Discount data matching exercise, which was based on data extracted at the end of 2023 for review in 2024. A total of 282 possible frauds or errors were identified equating to £138,135.59 of potentially recoverable funds. More detailed results relating to this exercise are included at **Annex 4 of Appendix A**.
- 3.5 In November 2024 Audit Wales issued a Self-Appraisal checklist to help participating bodies self-appraise how they are engaging with the NFI. Audit Wales encouraged all participating bodies to complete the checklist and present it to those charged with governance to support scrutiny of their NFI arrangements. The completed checklist is included at **Annex 5 of Appendix A**.
- 3.6 The Annual Report at **Appendix A** also provides detail of the internal counter fraud work undertaken by the Regional Internal Audit Service and the Council's Senior Fraud Investigator, including internal investigations, council tax reduction (CTR) investigations and blue badge investigations.
- 3.7 Council Tax Reduction and incidental housing benefit savings of £77,987.96 were achieved as a result of fraud investigations concluded during 2024-25. The fraud department also provides assistance to the DWP throughout their investigations where information and advice is given in respect of the Housing Benefit and Council Tax Reduction that has been claimed. During 2024-25 Housing Benefit savings of £55,674.43 and CTR savings of £12,053.37 were achieved as a result of these DWP investigations and the assistance provided.
- 3.8 Joint working was also undertaken during 2024-25 with Bridgend County Borough Council (BCBC) working with the Single Fraud Investigation Service (SFIS) on any appropriate benefit investigations. Local networking is also in place which has

enabled intelligence to be shared, particularly in respect of new scams that have materialised during the cost-of-living crisis.

- 3.9 The Council took part in a national study which was to review the effectiveness of counter fraud arrangements in the Welsh public sector. The resulting report was published in July 2020. The recommendations from this most recent report, made by Audit Wales, were considered when reviewing and updating the Fraud Strategy and Framework for 2025-26 to 2027-28. This updated strategy was recently reviewed by the Governance and Audit Committee in April 2025 and approved by Cabinet in June 2025 and has ensured that the work being undertaken in relation to counter fraud continually improves.

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

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

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

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

6. Climate Change Implications

- 6.1 There are no climate change 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. Recommendations

- 9.1 It is recommended that the Committee note the Annual Corporate Fraud Report 2024-25, the steps in place to support continual improvement, the work being undertaken to prevent and detect fraud and error and the update on the National Fraud Initiative to include the completed self-appraisal checklist.

Background documents

None

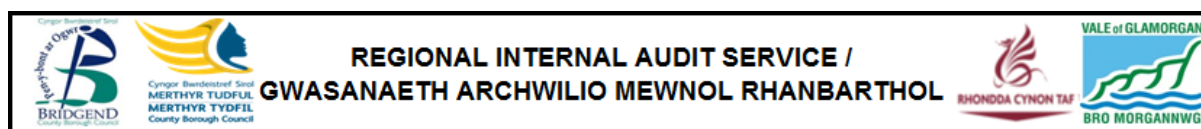
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ANNUAL CORPORATE FRAUD REPORT

2024-25

Simon Roberts – Senior Fraud Investigator
Joan Davies – Deputy Head of RIAS
July 2025



Section 1 – Introduction

- 1.1 This report was prepared by the Council's Senior Fraud Investigator in conjunction with the Regional Internal Audit Service (RIAS).
- 1.2 The challenge presented to councils by fraud is significant. The Fighting Fraud and Corruption Locally Strategy '*A Strategy for the 2020s*' 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. The Crime Survey for England and Wales recognises fraud as being one of the most prevalent crimes in society today, with 3.2 million incidents of fraud recorded between 2022-2023 and latest crime figures in England and Wales 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.
- 1.3 The impact of fraud should never be underestimated. Fraud leaves the Council with less money to spend on services for residents and costs taxpayers money. Fraud against a local council is not a victimless crime. There is not only the lost/stolen money to consider but also the loss of working time investigating and correcting issues, liaising with police and lawyers, any subsequent court costs, increased insurance premiums, reputational damage for individuals or the Council as a whole and poor staff morale.
- 1.4 The Council sets high standards for both Members and Officers in the operation and administration of the Council's affairs and has always dealt with any allegations or suspicions of fraud, bribery, or corruption promptly. It has in place policies, procedures, and reporting mechanisms to prevent, detect, and report on fraud, bribery, and corruption. These include the Fraud Strategy and Framework, a Whistleblowing Policy, ICT Code of Conduct, Anti-Fraud, Bribery and Corruption Policy, Anti-Tax Evasion Policy, and Anti Money Laundering Policy. A Fraud Risk Register is also in place.
- 1.5 The Fraud Strategy and Framework underpins the Council's commitment to prevent all forms of fraud, bribery, and corruption, whether it be attempted externally or from within. The updated strategy for 2025-26 to 2027-28 was reviewed by the Governance and Audit Committee in April 2025 and endorsed by Cabinet in June 2025.
- 1.6 The current cost of living crisis has continued to have a major impact on everyone during 2024-25. One consequence has been that many organisations, including councils, are being targeted by an increase in potential scams. This growing trend has placed more importance on the roll out of fraud awareness which aims to ensure that staff are equipped to identify such threats and avoid becoming a victim of fraud.

Section 2 – Proactive Work

- 2.1 The Fraud Strategy and Framework includes reactive and proactive work and sets out the developments and actions the Council proposes to take over the medium-term to further improve its resilience to fraud, bribery, and corruption. These steps to support continual improvement are shown at **Annex 1** and the progress that has been made against the headings is described below.

Fraud Risk Register

- 2.2 The Council can be exposed to fraud and corruption through a variety of internal and external sources. These include:
- Council Tax Reduction Scheme (including Discounts and Exemptions)
 - Housing benefits
 - Parking concessions (Blue Badge Scheme)
 - Grants
 - Procurement
 - Contract Management
 - Employees (For example: fraudulent claiming by employees of flexi, mileage expenses and misuse of corporate purchasing cards).
- 2.3 These areas and others can be regularly subject to attack by individuals / groups intent on committing fraud, which means that there is less money and resources available for those in genuine need. It is therefore important that the Council acknowledges the risk of fraud and undertakes an assessment on how it prevents, detects, and pursues monies or assets obtained fraudulently. Consideration should also be made as to how services that are more susceptible to fraud manage that risk.
- 2.4 A detailed fraud risk register has been produced which has been presented to the Governance and Audit Committee and was approved by Cabinet in March 2022. It provides a robust tool to assist in ensuring resources are targeted correctly. The Fraud Risk Register is monitored by the Corporate Management Board on a quarterly basis and any significant risks identified will be escalated to the Corporate Risk Register, scored accordingly, and reported to the Governance and Audit Committee where necessary.

Policies

- 2.5 There are a number of Council policies in place to assist and support the raising of fraud awareness and to help tackle fraud, bribery, and corruption within the Council. These policies will dovetail and ensure that the public, Members, and staff have clear guidance on how to identify and report suspected or known fraud, bribery, or corruption.
- 2.6 In January 2021 a new policy was drafted and added to the current suite to deal with Tax Evasion. The Governance and Audit Committee approved an updated

version of this policy in April 2025. The Anti-Money Laundering Policy and Anti-Fraud, Bribery and Corruption Policy were also reviewed and updated and approved by the Governance and Audit Committee in June 2025 prior to their approval by Cabinet.

2.7 Below are some of the relevant policies currently in operation which assist in the overall fraud awareness strategy.

- Whistleblowing Policy
- Anti-Fraud, Bribery and Corruption Policy
- Anti-Money Laundering Policy
- Anti-Tax Evasion Policy
- ICT Code of Conduct
- Financial Procedure Rules
- Grants Financial Management Policy
- Various HR policies

Develop Fraud Awareness

2.8 The Bridgend's intranet pages are in the process of being improved and updated and an increased amount of fraud information will be made available to staff. Significant improvements were also made to the Council's external website during 2024 to include a wealth of information relating to fraud and guidance on how fraud can be reported to the Council. The website also provides members of the public and staff with the ability to report instances of suspected fraud directly to the fraud department. Reports can also be made via My Account.

2.9 The steps to support continual improvement state that alerts will be provided to staff and Members across the Council, to raise awareness when notification of a potential fraud, relevant to their service area, is received. When warnings are received from the National Anti Fraud Network or other relevant organisations, they are shared with those departments affected, and schools where necessary, to ensure they are aware of any potential threats. In addition, when the Council receives information from outside organisations concerning potential fraud that may have a direct consequence to members of the public or staff, this information is shared with the Communications Team to ensure details are published on the Council's social media platforms.

2.10 Fraud awareness training continues to be delivered by the Senior Fraud Investigator. During 2024-25 training was delivered to staff within Benefits, Council Tax, Creditors, Payroll and Customer Services. Fraud awareness also continues to form part of the induction process for all new Benefits staff. A fraud awareness training session was presented to all existing Members in October 2023 with further training planned for September 2025.

Training

2.11 A Fraud Prevention e-learning module has been developed to support the Anti-Fraud, Bribery and Corruption, Anti-Money Laundering, and other relevant policies that have been approved by Cabinet. The Council promotes a zero-tolerance

approach to fraud and corruption and the training will enhance staff and Members' understanding of how fraud may occur, encourage prevention, and promote detection of suspicious activities. This will enable staff and Members to act with integrity and to respond effectively when incidents do occur. The e-Learning module has been rolled out across the Council and is a mandatory requirement for identified services and teams. The Council does however promote its completion by everyone.

Data Analytics

- 2.12 Data analytic tools and techniques continue to be developed to enable data held within the financial systems to be extracted and analysed. This enables increased testing within planned audits and has provided an opportunity to identify any trends that may be occurring.

Section 3 – National Fraud Initiative Data Matches 2024-25

- 3.1 The National Fraud Initiative (NFI) is included as one of the steps to support continual improvement to reduce fraud. This is a biennial exercise coordinated by the Cabinet Office across the UK, and by Audit Wales in Wales, whereby data is extracted from the Council's systems. This data is matched against data submitted from other bodies such as other Local Authorities, Department for Work and Pensions (DWP), His Majesty's Revenue & Customs (HMRC), NHS & Trusts, Police and Housing Associations etc. across the UK. It is important to note that where a match is found, it is not in itself evidence of a fraud; it may be an error or an inconsistency that requires further investigation.
- 3.2 Internal Audit, together with the Council's Senior Fraud Investigator, facilitate the upload of data and user account management and provide assistance, training and advice to officers reviewing the data matches.
- 3.3 The current data matching exercise began in October 2024 with data being extracted and forwarded to the Cabinet Office. The resulting matches were released to the Council in December 2024 and are due for finalisation and completion during October 2026. Initially a total of 8,196 matches across areas including housing benefit, council tax reduction scheme, payroll, blue badges, creditors, and licensing were identified. It is possible that further matches will be released to the Council as the exercise progresses.
- 3.4 Work on the matches released in December 2024 has only just started but, so far, a review of 585 of these data matches during the accounting year 2024-25 has resulted in 238 frauds or errors being identified with a value of £8,017.23, all of which is recoverable. Table 1 summarises the results and more details are provided in **Annex 2**.

Table 1 – National Fraud Initiative Data Matching Exercise Results 2024-25

Type	Fraud/ Error Number	Fraud/ Error Value	Recoverable	NFI Estimated Savings*
Housing Benefit	1	£1,097.09	£1,097.09	£364.99
Council Tax Reduction Scheme	7	£6,920.14	£6,920.14	£3,923.66
Blue Badge	230	£0.00	£0.00	£182,620.00
Total	238	£8,017.23	£8,017.23	£186,908.65

*Refer to paragraph 3.7

- 3.5 The exercise also resulted in the cancellation of 230 blue badges, where the holder was deceased, generating a notional Cabinet Office calculated savings figure of £182,620 based on potential lost revenue from parking charges and congestion charges (where applicable) as per Cabinet Office estimated savings methodology.
- 3.6 The next biennial NFI data matching exercise will be due to commence in October 2026 when data will once again be extracted and forwarded to the NFI. These new matches are due for release in January 2027.
- 3.7 NFI estimated savings are a Cabinet Office defined methodology, which predicts the potential or projected loss if the fraud/error had not been identified. Audit Wales also publish the estimated savings in their fraud related reports. It is not 'real' money to the Council and cannot be reflected in bottom line savings. **Annex 3** provides a summary of the Cabinet Office estimated savings methodology.

Single Person Discount (SPD)

- 3.8 The NFI also produce an annual exercise relating to SPD, generated from the Council Tax system. These matches highlight where there may be more than one adult at a property currently in receipt of SPD.
- 3.9 In total 1,872 households were produced for review during 2024. The review of these data matches resulted in 282 frauds or errors being identified. Table 2 summarises the results and more detail is provided in **Annex 4**.

Table 2 – NFI Single Person Discount Results 2024

Type	Fraud/ Error Number	Fraud/ Error Value	Potentially Recoverable	NFI Projected Savings
Single Person Discount	282	£138,135.59	£138,135.59	£205,183.46

- 3.10 Further SPD data was extracted and forwarded to the NFI in December 2024 and these matches were released for review in January 2025. In total a further 4,236 matches have been produced for investigation during 2025 and work has commenced on these. A further 4,823 matches were released later in 2025 as a

result of new projects undertaken by the NFI team where data was matched with additional organisations.

- 3.11 In November 2024 Audit Wales issued a Self-Appraisal checklist to help participating bodies self-appraise how they are engaging with the NFI. Audit Wales encouraged all participating bodies to complete the checklist and present it to those charged with governance to support scrutiny of their NFI arrangements. The completed checklist is included at **Annex 5**.

Section 4 – Counter Fraud & Corruption Work

- 4.1 Internal Audit is a statutory requirement within Local Government. The Council's internal audit provision is undertaken by the Regional Internal Audit Service, a partnership shared service between Bridgend County Borough Council, Merthyr Tydfil County Borough Council and the Vale of Glamorgan Council, which is the host authority.
- 4.2 Under the Public Sector Internal Audit Standards (PSIAS), internal audit is defined as an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. It is widely recognised that effective internal audit is good practice and provides support to the Council's Section 151 Officer in discharging their responsibilities as contained in legislation.
- 4.3 The Head of Internal Audit provides an annual report, which gives an overall opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control based on the audit work undertaken during 2024-25.
- 4.4 The Head of Internal Audit's annual opinion for 2024-25 for Bridgend was "Reasonable Assurance" with no significant cross-cutting control issues identified that would impact on the Council's overall control environment. The annual opinion was considered at the Governance and Audit Committee on 19th June 2025. This opinion statement is also included with the Council's Annual Governance Statement.
- 4.5 Suspected frauds can be referred directly to Internal Audit or the Senior Fraud Investigator for review during the year. This work can be generated in several ways, for example by whistleblowing, complaint referrals, by Managers who may have concerns over a certain issue or as a result of an audit review. No fraud referrals were referred to Internal Audit during 2024-25.
- 4.6 As a result of the current cost of living crisis, there has been an increase in the number of scams in existence. All staff, as well as residents, are made aware of these by information being circulated through the Council's Communication Team or via the Council's Senior Fraud Investigator. For example, information relating to fake invoices and purchase orders is sent to the Creditors and Procurement Team,

information relating to employment fraud is shared with the Council's Human Resources and Payroll Department and any potential fraud that could have a direct impact on schools is shared directly with them. Any information received relating to scams that could have a direct effect on the public, for example the recent fake QR codes displayed on parking payment machines in the Council's car parks, are publicised internally to staff, but also externally on the Council's social media channels and via the local media where necessary to ensure both staff and the public are aware and to remind them to remain vigilant.

Council Tax Reduction (CTR) Fraud

- 4.7 In 2015, investigation work for Housing and Council Tax Benefit transferred to the Department for Works and Pensions (DWP) Single Fraud Investigation Service (SFIS) but the responsibility to provide support for council tax, and the funding associated with it, was devolved to the Welsh Government.
- 4.8 The Council's Fraud Investigation department, based on information received regarding claimants' circumstances, undertakes investigations in respect of cases of fraud in CTR. Table 4 below, illustrates the source of fraud referrals received during the period 2024-25.

Table 4 – Source of Referrals 2024-25

Source of Referrals	2024-25
NFI	13
Benefit/Taxation Staff	13
HBMS* data match	0
Department of Work and Pensions (DWP)	6
Claim Review	8
Anonymous (letter/telephone/email)	28
Verify Earnings and Pensions (VEP) alerts**	1
Other organisation/department	3
BCBC Website	75
Total	147

*DWP Housing Benefit Matching Service

**A data match with HMRC

- 4.9 A large proportion of the referrals received related to DWP benefits or housing benefits, and consequently these were forwarded to DWP's Single Fraud Investigation Service (SFIS) to investigate. Fraud referrals are normally forwarded to SFIS in the following circumstances:
- The referral relates to the entitlement to a DWP benefit such as Income Support, Jobseeker's Allowance, Employment and Support Allowance or Universal Credit
 - The Housing Benefit overpayment is expected to exceed £5,000 (the DWP's threshold for criminal action)
 - It is in the public's interest that a prosecution should result.
- 4.10 During 2024-25 the Council's Fraud Investigation department referred 45 cases to DWP's Single Fraud Investigation Service (SFIS) to investigate.

- 4.11 Table 5 illustrates a breakdown of the types of allegations of council tax reduction / benefit fraud that were referred to the Fraud Investigation department during the period 2024-25.

Table 5 – Type of Allegation 2024-25

Type of Allegation	2024-25
Undeclared income	31
Undeclared increase in income	6
Undeclared capital/savings	15
Living together	45
Non-residency	12
Discrepancy – non-dependant	12
Discrepancy – household occupants (e.g., SPD*)	4
Other (e.g., DLA**/Tax Credits/Contrived)	22
Total	147

*Single person discount ** Disability Living Allowance

- 4.12 During 2024-25, 94 cases were closed. The closure categories are detailed in Table 6 below.

Table 6 – Reason for Closure 2024-25

Reason for closure	2024-25
No fraud	1
Not investigated	79
Fraud proven*	14
Total	94

*i.e., sufficient evidence to instigate legal proceedings

- 4.13 Cases closed but not investigated either lacked sufficient details to instigate an investigation, or there was no evidence of fraud (e.g. the person was not claiming benefits).
- 4.14 Table 7 below provides the Council Tax Reduction and incidental housing benefit savings that have been achieved as a result of the fraud investigations concluded during 2024-25.

Table 7 – Savings Achieved 2024-25

Savings	2024-25
CTR excess reduction	£31,370.97
Future CTR saving	£8,436.45
Housing Benefit	£38,180.54
Total	£77,987.96

- 4.15 Once a case has been closed as fraud proven and the CTR adjustment (known as an excess reduction) is calculated, the case is referred to the Benefits and Financial Assessments Manager to determine whether a sanction is appropriate. The sanctions available to the Council are prosecutions, issuing a financial penalty or a fine.

4.16 The level of a financial penalty, which is offered as an alternative to prosecution, is prescribed in the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (Wales) Regulations 2013. The amount of the penalty is 50% of the amount of the excess reduction subject to a minimum amount of £100, and a maximum amount of £1,000. As an alternative to this type of penalty fines may be issued as follows:

- £100 – may be offered as an alternative to prosecution for acts or omissions that could have led to an incorrect award of CTR.
- £70 – may be imposed for:
 - an incorrect statement, information or evidence that leads to a CTR award that is greater than entitlement; or
 - a failure to notify of a change in circumstances meaning that a CTR award is greater than entitlement.

4.17 Table 8 illustrates the penalties and fines issued in the relevant period. It also provides information on the number of successful prosecutions in 2024-25.

Table 8 – Successful Sanctions 2024-25

Successful sanctions	2024-25	Amount
Prosecutions	1	N/A
Penalties	10	£6,844.38
Fines	1	£70.00
Total	12	£6,914.38

4.18 In addition to the penalties and fines, administration penalties are raised on behalf of the DWP, following their investigations into claims for Housing Benefit and Council Tax Benefit. During 2024-25, £1,497.53 was raised as a result of these administration penalties. The fraud department also provides assistance to the DWP throughout their investigations. Information and advice is given in respect of the Housing benefit and CTR that has been claimed. During 2024-25 Housing benefit savings of £55,674.43 and CTR savings of £12,053.37 were generated as a result of these DWP investigations.

CTR Prosecutions 2024-25

4.19 One CTR investigation undertaken by the Senior Fraud Investigator led to a successful prosecution in 2024-25. The court imposed on the defendant a fine of £504 and ordered them to pay £650 in legal costs, £1,500 in investigation costs and a £202 victim surcharge.

Blue Badge Misuse

4.20 The Council's Fraud Department undertakes work on blue badge fraud and misuse and, during 2024-25, nineteen reports were received. Twelve of these reports involved people dishonestly displaying another person's badge or using a badge that they were not entitled to. Two reports related to a cancelled/expired badge still being used, two reports related to a deceased persons badge still in use, and three

related to false applications being made to apply for a badge. Lack of evidence in these cases resulted in twelve being closed, with no further enforcement action taken. Seven were taken forward for further investigation and, of these, five cases were closed following an official warning letter being issued to the badge holder and/or the person found to be misusing the badge, and one case was closed with no further enforcement action, with the badge permanently withdrawn from the person and securely destroyed. One case was taken forward for prosecution and more information in respect of this is provided in paragraph 4.23.

- 4.21 Specialist training was provided to the Council's Civil Enforcement Officers and Parking Manager in May 2023 with further training provided as and when required. This will enable them to correctly identify and deal with potential blue badge misuse at street level. It is the intention of the Council's Fraud Department to work jointly with the Parking Services Department to conduct regular enforcement days and fraud drives within the County Borough. The Council's Fraud Department, in conjunction with the Parking Services Department are also active participants in the Annual National Blue Badge Day of Action. Any cases of misuse identified are taken forward by the Fraud Department for investigation and, where appropriate, official warnings issued, and prosecutions instigated against offenders.
- 4.22 In response to an increase in Blue Badge misuse across Wales, Welsh Government has a vision for a consistent approach to blue badge enforcement and are actively looking into funding options to support local authorities in this work. The outcome of their research will help shape the progression of this area of work within Bridgend County Borough Council. Blue Badge training events, organised and paid for by Welsh Government, were arranged across Wales in 2024 with further training events planned for April 2026. Invitations will be sent to local authorities for both Parking Services and Fraud Investigation teams to attend, allowing them to refresh their knowledge in this area of work.

Blue Badge Prosecutions 2024-25

- 4.23 One Blue Badge investigation, undertaken by the Senior Fraud Investigator, led to a successful prosecution in 2024-25. The case originated following an enforcement day in June 2024 in Bridgend Town Centre and involved a person using a badge to obtain parking without the badge holder being present. The court imposed on the defendant a fine of £144 and ordered them to pay £75 in legal costs, £75 in investigation costs, and a £34 victim surcharge. As the defendant was also an employee of the authority, an internal disciplinary investigation followed.
- 4.24 A further Blue Badge investigation, undertaken by the Senior Fraud Investigator, was also prepared for review by the Council's legal team during 2024, and put forward for prosecution. The case involved the use of a blue badge by a person who was not the badge holder, where the badge had previously been reported lost and subsequently cancelled. The defendant entered a not guilty plea in Court in December 2024 and the case was listed for trial in June 2025. A successful prosecution was obtained in respect of this case, with the defendant pleading guilty to one charge under the Fraud Act 2006. Further details in respect of this outcome will be provided in the Annual Corporate Fraud Report 2025-26.

The Fraud Department

- 4.25 The Council will always publicise successful prosecutions undertaken by the Fraud Department via media release, and on our social media channels. This will both act as a deterrent and encourage people to come forward to report fraud.
- 4.26 The Fraud Department consists of two members of staff; the Senior Fraud Investigator and one Fraud Investigator. The team is responsible for dealing with fraud issues across the council and therefore has limited capacity. Despite this however, the team continues to produce positive results and savings for the council.

Section 5 – Joint Working & Partnerships

- 5.1 Bridgend County Borough Council became part of a joint counter fraud initiative with SFIS in April 2019. During 2024-25, there were no cases suitable for joint working that could be sent to SFIS by the Council.

During 2024-25, SFIS has referred a number of cases to the Council. Of these:

- Four cases were closed due to lack of evidence.
 - One case is still currently ongoing.
 - One case, referred to the Council in a prior year, is still being assessed by the Crown Prosecution Service (CPS) with a view to the case being put forward for prosecution action.
- 5.2 The Council is an active member of the Wales wide network of Local Authority Fraud Investigators, which provides the opportunity to share knowledge, intelligence, and best practice. The group has been meeting virtually during 2024-25 and various training sessions have also been arranged and provided to the group, by relevant organisations throughout this period. The Council is also an active member of the National Anti-Fraud Network who amongst other things, provide the Fraud Department with regular weekly bulletins on the latest fraud threats and trends.
- 5.3 The Council has a good working relationship with the Police and other outside agencies which all share information and intelligence. In addition, as new grants and emergency financial packages have become available, due to the current cost of living crisis, intelligence, procedures, local risks, and threats have been shared with other local authorities to actively try to prevent fraudulent claims.
- 5.4 In addition, a strong working relationship exists with fraud colleagues in Merthyr Tydfil and the Vale of Glamorgan Council, and this collaborative working is beneficial to all parties.

Section 6 – National Studies

- 6.1 During 2019-20, the Council took part in a national study, the objective being to review the effectiveness of counter fraud arrangements in the Welsh public sector. Information including policies, resources, and good practice in respect of counter fraud work was provided which was supplemented by more in-depth questioning and information gathering by Audit Wales.
- 6.2 The resulting Audit Wales report, *'Raising Our Game - Tackling Fraud in Wales'* was published in July 2020 and is the latest report that has been produced. The report and any recommendations, along with the *'Fighting Fraud and Corruption Locally a Strategy for the 2020's'* guidance has been fully considered and integrated into the new and updated Fraud Strategy and Framework for 2025-26 to 2027-28.

Annex 1**Steps to Support Continual Improvement**

	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.

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	Action
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.

Annex 2

National Fraud Initiative Data Matching Exercise Results Breakdown 2024-25

NFI	Type / Area	NFI	Frauds/ Errors	Fraud/Error Amount	Recoverable	NFI Projected Savings
2	Housing Benefit Claimants to Student Loans	Yes	1	£1,097.09	£1,097.09	£364.99
			1	£1,097.09	£1,097.09	£364.99
172.1	Blue Badge Parking Permit to DWP Deceased Persons	Yes	230	£0.00	£0.00	£182,620.00
			230	£0.00	£0.00	£182,620.00
436.1	Council Tax Reduction Scheme to Pensions	Yes	4	£1,064.10	£1,064.10	£360.69
440.1	Council Tax Reduction Scheme to Pensions	Yes	1	£397.68	£397.68	£699.60
482	Council Tax Reduction Scheme to DWP Deceased	Yes	1	£33.56	£33.56	£1,342.40
483.2	Council Tax Reduction Scheme to HMRC Household Composition	Yes	1	£5,424.80	£5,424.80	£1,520.97
			7	£6,920.14	£6,920.14	£3,923.66
		Totals	238	£8,017.23	£8,017.23	£186,908.65
Colour Coding:						
Recoverable by DWP over an undefined period.						
Recoverable by BCBC over an undefined period.						
Cabinet Office projected savings during financial year						

Annex 3

Cabinet Office Estimated Savings Methodology

Data Match	Estimated Savings Methodology
Housing Benefit	<p>Weekly benefit reduction multiplied by 29 weeks.</p> <p>Aligned with the DWP 'Future Overpayments Prevented' (FOP) methodology which utilises data from previous cases to calculate the average period of time an overpayment may continue undetected and takes into account detection and recovery rates.</p>
Council Tax Reduction	<p>Weekly benefit reduction multiplied by 40 weeks.</p> <p>Aligned with the DWP 'Future Overpayments Prevented' (FOP) methodology which utilises data from previous cases to calculate the average period of time an overpayment may continue undetected and takes into account detection and recovery rates.</p>
Welfare Benefits	<p>Weekly benefit reduction multiplied by 29 weeks.</p> <p>Aligned with the DWP 'Future Overpayments Prevented' (FOP) methodology which utilises data from previous cases to calculate the average period of time an overpayment may continue undetected and takes into account detection and recovery rates.</p>
Pensions	<p>Deceased Pensioners:</p> <p>Annual pension multiplied by the number of years until the pensioner would have reached the age of 85 (ONS life expectancy for an individual over 65). If the pensioner is 85, a one-year multiplier is applied.</p>
Blue Badges	<p>£794 per blue badge cancelled to reflect lost parking and congestion charge revenue.</p> <p>Estimate considers:</p> <ul style="list-style-type: none"> • the average reported cost per badge per year due to badge misuse • the prevalence of fraud - proportion of blue badges that are likely to be misused • the duration for which fraudulent use of the blue badge may continue undetected
Concessionary Travel	<p>£38 per concessionary pass cancelled, based on the cost of reimbursement to bus operators for journeys made under the concessionary pass scheme.</p> <p>Estimate considers:</p> <ul style="list-style-type: none"> • the cost of concessionary journeys made • costs associated with card administration • the duration for which fraudulent use of the pass may continue undetected

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	<ul style="list-style-type: none"> the prevalence of fraud - proportion of passes that are likely to be misused
Housing Tenancy	<p>£78,300 per property recovered. £51,460 per property recovered in Northern Ireland</p> <p>Estimate considers:</p> <ul style="list-style-type: none"> annual cost of temporary accommodation £12,000 (£7,670 for Northern Ireland) duration for which fraudulent tenancy may continue undetected - 6 years; this constitutes the fraud occurring for 3 years at point of detection and a further 3 years forward savings for the expected time it would have continued other non-recoverable costs including legal costs to recover property; re-let cost.
Right to Buy	<p>This estimate has the following regional variations:</p> <ul style="list-style-type: none"> England (excluding London) £102,400 per application withdrawn to reflect average house prices and the maximum value of Right to Buy discount available for properties in England. London: £136,400 per application withdrawn to reflect average house prices and the maximum value of Right to Buy discount available for London properties. Northern Ireland: £24,000 per application withdrawn based on average house prices and Right to Buy discounts in Northern Ireland
Housing Waiting Lists	<p>£4,283 per individual removed from the Housing Waiting List</p> <p>Estimate Considers:</p> <ul style="list-style-type: none"> the annual cost of housing a family in temporary accommodation (12.1K) the likelihood a waiting list case would have been provided a property the duration for which a fraudulent case may continue undetected
Council Tax Single Person Discount	Annual Council Tax discount multiplied by 2 years
Payroll	<p>£6,054 per standard case</p> <p>Estimates consider:</p> <ul style="list-style-type: none"> cost of individuals working at a different body while in receipt of sick pay from primary employer failure for an individual to meet contractual obligations at one body due to multiple employment and conflicting obligations.

Annex 4
Single Person Discount 2024

NFI	Type / Area	NFI	Frauds/ Errors	Fraud/Error Amount	Recoverable	Cabinet Office Projected Savings
801	Council Tax to Electoral Register (SPD)	Yes	181	£112,681.72	£112,681.72	£146,110.16
802	Council Tax rising 18s (SPD)	Yes	101	£25,453.87	£25,453.87	£59,073.30
		Totals	282	£138,135.59	£138,135.59	£205,183.46
	Colour Coding:					
	Recoverable by BCBC over an undefined period.					
	Cabinet Office projected savings during financial year (SPD saving based on 2 years) .					
Data Match	Basis of Calculation of Estimated Savings					
Council Tax SPD	Annual value of the discount cancelled multiplied by two years					

Annex 5**Self-appraisal checklist**

		Yes / Partly / No	Comments / action required	If action is required, who by and when?
Leadership, commitment, and communication				
1	Are we committed to the NFI? Has the council / board, those charged with governance and senior management expressed support for the exercise and has this been communicated to relevant staff?	Yes	<ul style="list-style-type: none"> Focus on prevention and detection and promotion of counter fraud culture across the Council. Updated Fraud Strategy and Framework with specific reference to NFI. Regular updates on progress provided to senior management via monthly Finance Managers Meetings Monthly meetings held by the Senior Fraud Investigator for all staff involved in the exercise to discuss progress and the way forward NFI results reported to Governance & Audit Committee via the Annual Corporate Fraud report and ad-hoc if necessary Email sent to all staff at the commencement of the exercise to advise on the importance of NFI and why we are taking part as an Authority Regular communication with Section 151 Officer in respect of NFI progress and updates 	
2	Have we committed specific resources to support the overall management of the NFI? If information is available, how much time was spent by the Key Contact on the last exercise, and how much has been allocated for the next exercise?	Yes	<ul style="list-style-type: none"> The Key Contact for the exercise is the Senior Fraud Investigator. Experience of fraud investigations and able to support and advise staff where required. One-hour monthly meetings held by Key Contact with all staff involved in NFI. Relevant departments allocate staff resource to look at their specific matches but there are no dedicated NFI staff, and this work is conducted in 	

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			<p>addition to their normal role.</p> <ul style="list-style-type: none"> The Key Contact is always available to assist with management of the exercise whenever this is required – no specifics available on time spent. 	
3	Is our NFI Key Contact the appropriate officer for that role, i.e. has sufficient authority to ensure the NFI exercise is delivered effectively?	Yes	<ul style="list-style-type: none"> The Key Contact is the Senior Fraud Investigator who has 22 years' experience of working within the Fraud Department. The Key Contact has a good working relationship with all department leads involved in the exercise 	
4	Does internal audit, or equivalent, monitor our approach to NFI and our main outcomes, ensuring that any weaknesses are addressed in relevant cases?	Yes	<ul style="list-style-type: none"> Good working relationship between the Senior Fraud Investigator and Internal Audit and any potential control weaknesses are highlighted to IA Audit presence at monthly NFI meetings when necessary Deputy Audit Manager heavily involved in upload of data and information provided to produce NFI matches. NFI results shared with Internal Audit as part of Annual Corporate Fraud Report and ad-hoc as required. 	
Planning and preparation				
5	Do we plan properly for all aspects of the NFI exercise and set our own internal deadlines?	Yes	<ul style="list-style-type: none"> Planning for data submission meetings undertaken by Key Contact and Service leads, including the data specifications, timetable, and data quality. Assistance is available from Audit Wales. Updates on the planning process provided to Senior Management All deadlines set by Audit Wales in respect of the exercise are met without exception Department leads are encouraged to set deadlines to progress their matches and make 	

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			progress before the next monthly meeting	
6	For the NFI 2024-25 exercise, did we provide all NFI data on time using the secure data file upload facility properly?	Yes	<ul style="list-style-type: none"> All data provided on time, as per the timetable provided by Audit Wales, via data file upload facility 	
7	For the NFI 2024-25 exercise, did we confirm promptly (using the online facility on the secure website) that we have met the fair processing notice requirements?	Yes	<ul style="list-style-type: none"> Email sent to all Service Leads prior to the exercise commencing seeking assurance and evidence that a suitable privacy notice was in place Privacy Notice Compliance declaration made via the secure website, ahead of the deadline date set 	
8	Do we review our Data Quality results before starting our investigations? ¹	Yes	<ul style="list-style-type: none"> Data Quality results reviewed in conjunction with Internal Audit both prior to data upload and following release of matches Discussions held with Internal Audit in respect of any issues raised and solutions implemented if possible – any issues identified for Bridgend are in respect of information not currently held – it has also been established that this has no detrimental effect on the data supplied to us. 	
9	Do staff take time to read the guidance that is provided on how to follow up the NFI matches (which are especially important for those users encountering the NFI for the first time), and do they consult the NFI team if they are unsure about how to record outcomes?	Yes	<ul style="list-style-type: none"> Service Leads and staff working on the matches are advised of the guidance available on the NFI site Experienced staff who have worked on NFI before are encouraged to refresh their knowledge by reviewing this guidance on a regular basis Training provided to all staff using the NFI site for the first time and to existing users on an annual basis or as and when required 	

¹ The Data Quality module could indicate that there are issues with the data submitted that may have affected some of the matches. The module can be accessed from the relevant National Exercise page of the web app.

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			<ul style="list-style-type: none"> NFI Helpdesk contact details communicated to all users and reminders issued during monthly meetings. 	
10a	Have we considered using the point of application data matching service offered by the NFI team (AppCheck) to improve internal controls and prevent fraud and error from happening?	Yes	<ul style="list-style-type: none"> Consideration given to using this service however the data held is 'out of date' in a relatively short space of time as data held by AppCheck is as provided by those contributing to NFI at the start of the exercise. Departments that receive most matches i.e. Benefits & Creditors, have other systems in place that provide a better assurance that fraud and error is not entering the system at application stage. 	
10b	If not using AppCheck, is there a clear rationale for this?	Yes	<ul style="list-style-type: none"> As above – alternative systems and process in place to safeguard the Authority from fraud and error 	
Effective follow-up of matches				
11	Have we documented our approach for risk assessing data match reports and investigating data matches? ²	Yes	<ul style="list-style-type: none"> All service leads are advised to deal with high risk matches with a score above 50% in the first instance where a high number of matches are received. In respect of reports containing a low number of matches, all data supplied would be investigated. High risk reports, (dependant on service area) i.e. deceased persons to benefit claims and undeclared student finance in respect of Benefit matches, or payroll matches indicating employment at two different organisations simultaneously, are dealt with first. 	

² We do not expect organisations to look at every data match or report. Instead, they should prioritise which matches to look at and the order in which they are followed up. They may want to assess your matches by fraud risk area and then by match risk scores. Alternatively, they may want to set up bespoke filters using the filter tool. Matches not investigated should be Closed – Not Selected for Investigation.

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12	Does our approach give priority to local fraud risks? ³	Yes	<ul style="list-style-type: none"> Historical information in respect of NFI shows that a higher proportion of fraud is found within matches supplied to the Benefits Department and those matches supplied to Customer Services in respect of Blue Badge. Blue badge matches are dealt with within two months of the data being released to the Authority. The Key Contact works closely with the Benefit Team Manager to ensure a dedicated resource is supplied by the Benefits Team to look at matches and regular meetings take place between this member of staff and the Senior Fraud Investigator (Key Contact). All high-risk matches supplied to the Benefits Department are reviewed as a priority. 	
13	Does our approach give priority to following up high-risk matches, those that become quickly out of date and those that could cause reputational damage if a fraud or error is not stopped quickly? ⁴	Yes	<ul style="list-style-type: none"> Filter and sort facility built into NFI system is utilised to help with this. As stated above, high risk matches are dealt with as a priority by all Service Leads. Matches provided in respect of Student Finance are dealt with first in respect of benefit matches as this information is often dated quickly and in addition to this, when the academic year ends, a student is likely to move out of area making it harder to recover funds wrongly paid. All matches involving members of staff i.e. those provided to Payroll, are dealt with quickly by a 	

³ We suggest that the NFI Key Contact (with support from Internal Audit/Counter Fraud) should review the organisation's overall control environment and systems. Existing internal audit reports and/or your organisation's risk register should assist this review. We advise prioritising data match reports that are linked to areas that have unknown or weak internal controls or areas that have had historical instances of fraud. Organisations should also look back to see which reports in a previous exercise gave them outcomes.

⁴ Use the tools within the web application, such as the filter and sort options or data analysis software, to help prioritise matches deemed the highest risk.

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			senior member of staff within HR.	
14	Are sufficient resources and expertise available at the right time to maximise the outcomes of the NFI exercise? ⁵	Partly	<ul style="list-style-type: none"> All matches are allocated to the most appropriate person, who holds the most knowledge and experience in the area to which they relate Resources are allocated within each service area where possible to deal with the matches relevant to that service Unfortunately, due to the volume of matches some service areas receive, it is not possible to review all matches, however, the filter and sort options built into NFI are utilised to that high priority and high-risk matches are dealt with first. 	
15	Does the Key Contact coordinate investigations across internal departments to prevent duplication of effort or delays in identifying overpayments and ensure all relevant actions are taken, for example, organising joint investigation of single person discount matches involving housing benefit?	Yes	<ul style="list-style-type: none"> All users are reminded in monthly meetings of the importance of working jointly on any matches that may impact another service area. Any matches identified that would impact another section would be discussed with the Key Contact so that adequate arrangements are made with the other party/service area to look at the information in co-ordination with each other. Where a match is identified that has additional information that relates to another service area, contact would be made with the relevant department at that stage so that outcomes could be recorded at the same time, therefore preventing un-necessary duplication. 	
16	(In health bodies) Are we drawing appropriately on the help and expertise available from NHS Counter Fraud Service	N/A	N/A	

⁵ When nominating users to investigate matches, organisations should choose the person with the most knowledge about the dataset. For example, trade creditors matches are best dealt with by a nominated person in internal audit or the accounts payable team. We also suggest assigning a user to act as lead dataset contact for each dataset your organisation submits, so that, if necessary, other NFI participants can contact the most suitable person to assist their investigation. If organisations do not nominate a lead dataset contact, the default contact will be the Key Contact.

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	Wales?			
17	Are we investigating the circumstances of matches adequately before reaching a 'no issue' outcome, in particular?	Yes	<ul style="list-style-type: none"> During training, they Key Contact advises users that it is essential they review both sides of the match. Users are advised to read the guidance and watch tutorial videos held within the NFI site which explain the reason for matches and what information the match is providing. The Key Contact informs all users that it is not sufficient to simply record a 'no issue' outcome. Users are advised that a note should be recorded to confirm why there is no issue and the reason for this status being selected as the closure reason. 	
18	Do we review how frauds and errors arose and use this information to improve our internal controls?	Yes	<ul style="list-style-type: none"> In instances where fraud and error are found a review is undertaken of the process to understand how it occurred. Should it be found that the reason is due to a weakness in our internal control, then Internal Audit would be informed and the necessary steps taken by them. 	
19	Are we taking appropriate action in cases where fraud is alleged (whether disciplinary action, penalties/cautions or reporting to the Police or NHS Counter Fraud Service Wales) or errors are identified, e.g. recovering funds?		<ul style="list-style-type: none"> Any cases identified involving members of staff would be referred to HR and the necessary disciplinary investigation would follow Any cases of theft or fraud by an employee would be reported to the Police Fraud cases found in Benefit matches are dealt with by the Senior Fraud Investigator via penalties and prosecutions where appropriate Any monies identified as being wrongly claimed/paid is recovered via the appropriate channels. 	

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20	Do we respond promptly to enquiries from other organisations that take part in the NFI? ⁶	Yes	<ul style="list-style-type: none"> The Key Contact is informed automatically via email of any new queries received from other organisations via the NFI portal. Contact is made promptly with the service to which the query relates to ensure a response is sent and contact is made with the querying party. This would usually happen on the day the query is received from the other organisation. 	
Recording and reporting				
21	Are we recording outcomes properly in the secure website and keeping it up to date?	Yes	<ul style="list-style-type: none"> All results are recorded as soon as an outcome is known via the secure website 	
22	Do we provide appropriate and regular feedback to senior management, board / council members and those charged with governance on NFI activity and outcomes?		<ul style="list-style-type: none"> NFI results reported to Governance and Audit Committee via the Annual Corporate Fraud Report Regular updates provided to Senior Management on the progress of NFI exercise Close working relationship with Internal Audit where progress and updates in respect of NFI is discussed 	
23	Do we provide those charged with governance assurances that the reasons for fraud and error happening are understood and that action is taken to address them and improve internal controls?	Yes	<ul style="list-style-type: none"> Annual Corporate Fraud Report provides information in respect of fraud and error Regular updates provided by Internal Audit together with assurances by way of outcome reports on any internal audits undertaken 	
24	Where we have not submitted data or not used the matches returned to us, e.g. Council tax single person discounts, are we satisfied that alternative fraud detection arrangements are in place and that we know	Yes	<ul style="list-style-type: none"> All data required from the Authority is submitted and on time All matches supplied are reviewed where resources allow 	

⁶ The web application shows the number of shared comments which require a response (Outstanding Actions). These responses should be prioritised if they relate to an ongoing investigation so that it can be progressed promptly.

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	how successful they are?			
25	Do we publish, as a deterrent, internally and externally the outcomes of the NFI exercise?	Yes	<ul style="list-style-type: none">Any outcomes achieved from NFI in respect of fraud would be publicised as a deterrent as per standard procedure and the commitment to do this in our latest Fraud Strategy. This information would then be available both internally and externally	
26	If, out of preference, we record some or all outcomes outside the secure website, have we made arrangements to inform the NFI team about these outcomes? ⁷	N/A	<ul style="list-style-type: none">All outcomes are recorded via the secure website as advised.	

⁷ Although preferable for all NFI work to be recorded within the secure web application, we appreciate there may be instances when organisations need to do work on the matches outside it. As soon as data is extracted from the secure NFI web application organisations are responsible for the security of the data, including avoiding inappropriate disclosure and ensuring it is destroyed when no longer needed. Therefore, we only advise exporting data when it is essential to do so.

Meeting of:	GOVERNANCE AND AUDIT COMMITTEE
Date of Meeting:	17 JULY 2025
Report Title:	CORPORATE RISK ASSESSMENT
Report Owner / Corporate Director:	CHIEF OFFICER – FINANCE, HOUSING & CHANGE
Responsible Officer:	CARYS LORD CHIEF OFFICER – FINANCE, HOUSING AND CHANGE
Policy Framework and Procedure Rules:	There is no impact on the policy framework or procedure rules.
Executive Summary:	<ul style="list-style-type: none"> • The Corporate Risk Assessment is reviewed by the Governance and Audit Committee as part of the Council's quarterly Corporate Performance Assessment framework. • The Corporate Risk Assessment has been considered and reviewed in consultation with Corporate Management Board. • All risks have been updated to reflect the current corporate risks being managed by the Authority.

1. Purpose of Report

- 1.1 The purpose of this report is to provide the Governance and Audit Committee with an updated Corporate Risk Assessment.

2. Background

- 2.1 Good governance requires the Council to develop effective risk management processes, including an assessment of corporate risks. The Terms of Reference of this committee require it to review, scrutinise and issue reports and recommendations on the appropriateness of the Council's risk management, internal controls and corporate governance arrangements.
- 2.2 The Corporate Risk Assessment is considered and reviewed by the Corporate Management Board (CMB) and the Governance and Audit Committee, as part of the Council's quarterly Corporate Performance Assessment framework and is used to inform the overview and scrutiny committees' forward work programme.

3. Current situation / proposal

- 3.1 The Corporate Risk Assessment at **Appendix A** is aligned with the Council's Medium Term Financial Strategy and Corporate Plan and has been reviewed in consultation with the Corporate Management Board. The document identifies the main risks facing the Council together with the likely impact of these risks on Council Services and the wider County Borough. It also identifies what actions are being taken to manage the risks and who is responsible for the Council's response.
- 3.2 There are 11 corporate risks identified on the register. The revised Assessment attached at **Appendix A** does not change the number, however all the risks and narratives have been reviewed. It is proposed that the following changes are considered and approved.

Risk Number	Identified Risk	Proposed Change from May 2024
COR – 2019 - 01	The Council is unable to deliver a balanced budget and sustain services into the medium term	The narrative has been updated to reflect the current financial position going forward and some proposed changes in the budget setting process for 2026-27.
COR - 2019 - 02	The council is unable to deliver transformation and major service change, including projects and agreed financial savings	The narrative has been updated to reflect the additional funding made available to support transformation going forward
CEX – 2019 - 01	The council is unable to identify and deliver infrastructure improvements required in the medium to longer term due to the cessation of external grants, the increased cost of borrowing and the increased costs of construction and building works	The narrative has been updated to reflect the additional funding made available to support capital works in the future
EDFS - 2024 - 01	There is an increase in the financial fragility of schools in the Borough	The narrative has been updated to reflect the current position with regards to school finances
COR – 2024 - 01	There is a threat to business continuity if the Council is unable to procure and implement major ICT systems which support critical services such as a replacement system for Care Director (WCCIS) and the Capita One system for education.	The risk score has been increased to reflect the tight timelines for the implementation of the new social care system

- 3.3 All of the risks on the Corporate Risk Assessment are in the High category.

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

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty, and the impact on the use of the Welsh Language have been considered in the

preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services, and functions. This is an information report, therefore, it is not necessary to conduct an Equality Impact assessment in the production of this report. It is considered that there will be no significant or unacceptable equality impacts because of this report.

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

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

6. Climate Change and Nature Implications

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

7. Safeguarding and Corporate Parent Implications

- 7.1 There are no Safeguarding or Corporate Parent implications as a result of this report.

8. Financial Implications

- 8.1 There are no financial implications directly associated with the Corporate Risk Assessment.

9. Recommendation

- 9.1 It is recommended that:
- the Committee consider the Corporate Risk Assessment (Appendix A); and
 - the Committee agrees to the changes proposed in paragraph 3.2.

Background documents

None

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Bridgend County Borough Council

Corporate Risk Assessment

July 2025

Risk Number	Identified Risk	Residual Risk Score	Direction of travel from previous report
COR - 2019 - 01	The council is unable to deliver a balanced budget and sustain services into the medium term	25	↔
COR - 2019 - 02	The council is unable to deliver transformation and major service change, including projects and agreed financial savings	20	↑
CEX – 2019 - 01	The council is unable to identify and deliver infrastructure improvements required in the medium to longer term due to the cessation of external grants, the increased cost of borrowing and the increased costs of construction and building works	25	↑
SS – 2019 - 01	The council fails to meet statutory responsibilities to respond to situations where individuals are at risk of neglect or abuse. This would include children, adults in need of social care, homeless individuals	20	↔
COR-2019-03	The council is unable to plan for and recover from major threats to service continuity such as civil emergencies, school failure, cyber attack and discontinuation of funding streams and major contracts	16	↔
COR-2019 - 04	The council is unable to attract, develop or retain a workforce with the necessary skills to meet the demands placed upon the authority and its services	20	↔
COR-2019-05	Important council services are compromised due to the failure of a key supplier	16	↔
COM - 2020 - 01	Invigorating the economy and economic recovery following the cost of living crisis, and local issues such as the closure of businesses in the area.	20	↑

SS- 2023- 01	Significant service pressures in the health and social care sectors could impact on the ability of services to support vulnerable individuals	25	↔
EDFS - 2024 - 01	There is an increase in the financial fragility of schools in the Borough	25	↑
COR -2024-01	There is a threat to business continuity if the Council is unable to procure and implement major ICT systems which support critical services such as a replacement system for Care Director (WCCIS) and the Capita One system for education.	25	↑

Identified Risk	The council is unable to deliver a balanced budget and sustain services into the medium term
Risk Number	COR - 2019 - 01
Impact of Risk	<p>The Council has been making budget reductions since 2010 and identified revenue savings of £88m in that time. As a result, it is harder each year to identify and deliver ongoing budget reductions. Some difficult decisions to cut or reduce service levels have been made, but more must be made if the Council is to deliver the changes necessary to achieve a balanced budget. A failure to do so will result in the council being in breach of its legal responsibilities.</p> <p>Careful planning and difficult choices will be key to ensuring that a balanced financial position is maintained. Due to funding shortages across the public sector, the longer term predictions with regards to funding received from Welsh Government are challenging. Whilst there was a better than expected settlement for 2025-26, challenging cash settlements are predicted for 2026-27 onwards. Inflationary pressure, most acutely in areas such as energy and pay awards, means that there is inevitably a greater focus on the "here and now". The increased demand for services due to demographic pressures and increased levels of need in our communities also put pressure on the financial resources that the Council has.</p> <p>In recent years, the Council has had to manage unprecedented in year financial pressures which has impacted on the financial resilience of the Council for future years. Ultimately if the Council fails to balance its budget or manage the increased pressures, the Sec 151 Officer would have to issue a Sec114 notice which could result in the management of the council being undertaken by Commissioners appointed by the government.</p>
Addressing the risk	<p>The council manages this risk through existing budget and business planning processes which include early identification of savings targets and development of options for cabinet, challenge from scrutiny and formal and informal briefings of members and political groupings. The in-year pressures since 2022/23 have been unprecedented due to inflationary pressures on both pay and non-pay costs. Elected members are now all briefed on the financial position during the year. In setting the 2025/2026 budget, difficult decisions had to be made re budget savings and approved growth across the budget.</p>
Actions to be established	<p>Continuously review the assumptions built into the MTFS to promote multiyear forecasting and longer-term financial planning. Keep elected members informed of updated position and re-align MTFS as appropriate. A Revenue Monitoring Board has been established in 2024-25 to enable a regular review of spend against budget.</p> <p>The budget planning process for 2026/2027 will be started earlier, with discussion with members on possible scenarios to get early buy in to the direction of travel. The work of the Budget Research and Evaluation Panel has been refocused for the 2026-27 budget setting process to ensure more rigorous challenge and the involvement of more elected members in the process.</p> <p>For MTFS going forward, there will be more focus on potential areas of saving,</p>

	<p>even if not currently proposed, rather than just proposed savings. Focus to be more deep dives into targeted areas, with the data from a number of sources being used to identify possible service areas for review.</p> <p>MTFS will consider longer term pressures and ensure these are fully considered beyond the life of the 4 year MTFS. In the short term there will need to be a concerted "One Council" approach to identify and agree the immediate priorities while continuing to try to put the right changes and measures in place to develop an effective and sustainable longer term financial plan for the organisation. The impact of grant fall out on individual services will be monitored to determine financial and service impact. In the longer term, difficult policy decisions will have to be made regarding future levels of service delivery to ensure that the Council is able to set a balanced budget going forward.</p> <p>Work will be done to ensure that during the period of significant change, robust governance is maintained to ensure all decisions are made on the basis of information, financial and service risk analysis and taking account of the long term impact of decisions made.</p> <p>In view of the finite and scarce resources it is important the Council makes the right decisions in terms of priorities and budget allocation to mitigate the biggest risks, being fully cognisant of the implications and also the opportunity cost of all budget decisions it makes.</p>
Risk Owner	CMB
Wellbeing Objective	All Wellbeing Objectives

Risk Score

	Likelihood	Impact	Total	Direction of travel since previous report
Raw Risk Score	5	5	25	
Residual Risk Score	5	5	25	↔

Identified Risk	The council is unable to deliver transformation and major service change, including projects and agreed financial savings
Risk Number	COR - 2019 - 02
Impact of Risk	<p>If the council is unable to change the way that staff work, including new roles, collaborations and the acquisition of new skills, it will be unsuccessful in delivering service transformation, which will lead to it not meeting its commitments within available budgets. Of particular importance here are the actions required to tackle service change to meet financial pressures and external requirements such as the Climate Emergency, the requirement to drive the more efficient use of resources, the Sustainable Communities for Learning Programme, and the process to bring some services back under the direct management of the Council, such as waste and grass cutting services. The consequences of which will have a detrimental impact on all areas of the Borough.</p> <p>Our ability to have the amount of resource and expertise to implement significant transformation programmes is compromised by a lack of senior management strategic capacity, more limited back office corporate support , and insufficient specialist skilled resource, as well as an increased and large number of service ' change ' programme requirements</p>
Addressing the risk	The council has a number of programmes and strategies in place that either directly support specific proposals for service improvement, deliver large scale capital regeneration projects, provide wider transformation opportunities and /or financial savings. Further transformation opportunities will be required to support a 'One Council' culture and support staff and managers through transformation. The Council does have programme boards in place to shape and deliver these programmes
Actions to be established	The Council has changed the way it operates in recent years. The new Service Delivery Programme and increased activity in areas such as "Grow Your own" together with helping to change the way the Council does its business and other strategically important projects such as our Digital Transformation Programme continue to progress. The current financial pressures will impact on priorities such as 2030 decarbonisation and areas where significant investment is required, so this will have to continue to be monitored and reviewed regularly. To ensure the key transformation priorities for the Council are delivered, the key priorities must be reviewed and agreed. The Council was able to provide funding to invest in this area when the 2024-25 accounts were closed investment in this area to ensure change is well planned and implemented in the coming years.
Risk Owner	CMB

Wellbeing Objective	All Wellbeing Objectives
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Risk Score

	Likelihood	Impact	Total	Direction of travel since previous report
Raw Risk Score	5	5	25	
Residual Risk Score	4	5	20	↔

Identified Risk	The council is unable to identify and deliver infrastructure improvements required in the medium to longer term due to the cessation of external grants, the increased cost of borrowing and the increased costs of construction and building works
Risk Number	CEX- 2019-01
Impact of Risk	<p>If the council does not have sufficient capital to maintain, improve and replace its infrastructure, including roads, streetlights, school buildings and technology then they will deteriorate bringing safety and financial risks which could lead to adverse incidents, reports, publicity, fines and ultimately prosecution. There is an increased risk that the Council will no longer be able to deliver capital investment to the same level making it more difficult for the Council to afford all of its ambitions around investing in its infrastructure to improve and enhance service delivery due to the impact on the revenue budget.</p> <p>Due to reduced capital finance, the Council will have to prioritise more effectively and there is a risk of reduced investment in important infrastructure moving forward.</p>
Addressing the risk	<p>The council has a ten year capital programme. The development of this programme and arrangements for its review and updating are well established. However, the council has identified scope to improve upon this to ensure that these needs are balanced with other demands for capital (such as new schools) through the development of the Capital Board. The capital programme is regularly reviewed, updated and reported to Members but it is evident that the costs of projects have risen, sometimes significantly, and the availability of contractors has often become more limited thereby reducing competition. The procurement process has been reviewed to reduce the number of returned tenders that exceed the budget available.</p>
Actions to be established	<p>The Council will continue to seek external and match funding for projects where possible, to maximise its capital programme spending capability. Where feasible the capital earmarked reserve will be replenished to mitigate the decline in available and potential new capital funds, although this will be challenging due to the financial pressures in the revenue budget. The Council will continue to operate a strategy where capital receipts are not ring-fenced, to ensure that maximum flexibility is available.</p> <p>All capital bids will be fully considered by CMB and CCMB in line with the Capital Strategy, before inclusion in the capital programme. Schemes must have been subject to a full feasibility assessment. These assessments will take account of the financial and supplier issues and manage the expectations of service users and managers at the planning stage. This should inform more accurate costings and profiling of spend to avoid potential overspends or delays in schemes. The procurement process will also be considered, and qualification criteria updated to try and avoid supplier issues. The establishment of the capital programme board will enhance the monitoring of the programme.</p>

	When closing the 2024-25 accounts, additional monies were earmarked for capital expenditure which will need to be allocated according to the agreed priorities for the Council and with a view to the longer term funding position for the Council
Risk Owner	CMB
Wellbeing Objective	All Wellbeing Objectives

Risk Score

	Likelihood	Impact	Total	Direction of travel since previous report
Raw Risk Score	5	5	25	
Residual Risk Score	5	5	25	↔

Identified Risk	The council fails to meet statutory responsibilities to respond to situations where individuals are at risk of neglect or abuse. This would include children, adults in need of social care and homeless individuals
Risk Number	SS-2019-01
Impact of Risk	Risks to the safety and wellbeing of children and adults at risk of neglect or abuse are significant and require an effective, highly skilled response from the multi-agency safeguarding partnership with leadership from the local authority. There is a risk that, without adequate budgets and the lack of a sufficiently experienced workforce, the Council's safeguarding arrangements will not be effective, and that children and adults at risk will not be kept safe and will experience harm. The demand for services continues to increase which is particularly evident in referrals into MASH/Information Advice and Assistance and the level of assessment activity. Numbers on the Child Protection Register remains high indicating the level of concern of partners in respect of safeguarding risks to children. Significant work has been done to strengthen staff teams in the past year. The Council has statutory duties to provide sufficient resources to safeguard children and adults as well as to set a balanced budget and could face intervention from Welsh Government if it fails in either duty
Addressing the risk	The Council continues to prioritise this area of work. A number of different actions are being taken to address these concerns. In relation to staffing matters additional staff have been employed to ensure the service is able to meet the increasing demand for services, the Council's Market Supplement Policy has been invoked to support the recruitment of staff to the childcare teams, resource has been found to support increased numbers of staff accessing the social work training scheme and positive work has been done to establish an overseas recruitment programme. Working practices in the service are being reviewed and the Council continues to work effectively with key partners. There is a reporting structure in the service to monitor the work required to address the range of issues and this feeds up to Social Services Improvement Board which consists of senior officers, the Leader and Deputy Leader of the Council and other elected members. Council approved a sustainability plan for children services and the over reliance on agency staff has been reduced significantly as a consequence of this work.
Actions to be established	The Corporate Safeguarding Officer enhances the support to corporate safeguarding arrangements. The Regional Safeguarding Board is developing common quality and performance reporting via the steering group to include clear trigger points of escalated action. A reflective lessons learned exercise has been undertaken into the issues which led to the critical incident in IAA services to ensure lessons have been learned and sustainable improvements made to reduce the risk of such an escalated position being required again. Work is being undertaken to develop a sustainable model for the service which includes practice, workforce and funding issues

Risk Owner	CMB
Wellbeing Objective	A County Borough where we protect our most vulnerable

Risk Score

	Likelihood	Impact	Total	Direction of travel since previous report
Raw Risk Score	4	5	20	
Residual Risk Score	4	5	20	↔

Identified Risk	The council is unable to plan for and recover from major threats to service continuity such as civil emergencies, school failure, cyber attack and discontinuation of funding streams and major contracts
Risk Number	COR-2019-03
Impact of Risk	If the council does not have the capacity and expertise to plan for and protect itself against major threats such as cyber-attack, civil emergencies, fragility in our schools and significant financial variations there may lead to a failure to deliver services, both in the short and long term. The consequence of this risk would include a threat to business continuity due to lack of key resources such as ICT, the closure of a key building or asset due to structural damage, loss of confidence in the public regarding the ability of the council to manage in a time of emergency and increased demand for support from those effected
Addressing the risk	<p>The council has established emergency planning arrangements including a Major Incident Plan and contributes to the South Wales Local Resilience Forum (SWLRF) and South Wales Resilience Team (SWRT). Training is being provided to staff who will be involved in any civil emergency activity, and this is updated on a regular basis. Contract conditions are included in relevant contracts. The terms of these conditions will vary depending on the nature of the contract, but will cover compliance with GDPR, security of personal information and general cyber security. Where contracts are awarded via a framework the necessary conditions will be imposed by the contracting agency for the framework.</p> <p>The council has anti virus software installed which is regularly updated. All critical data is backed up and located offsite. Software update processes exist that include the installation of patches. Security awareness training is provided to all employees. The council has responded swiftly and appropriately to the increased risk posed by increased reliance on ICT and the network. A number of changes have been made that has helped to mitigate the increased risk. This has included the procurement and implementation of a data centre refresh project which was completed in April 2024. Throughout the period the Council has stayed connected and resilient with many services being delivered remotely. The situation is being monitored on an ongoing basis.</p>
Actions to be established	<p>Ongoing work on resilience and business continuity will help mitigate the risks but keeping the Council services running effectively becomes more challenging.</p> <p>A review will be completed in relation to out of hours cover for the Council as a whole to ensure a timely and effective response can be made when required.</p>
Risk Owner	CMB
Wellbeing Objective	All Well-Being Objectives

Risk Score

	Likelihood	Impact	Total	Direction of travel since previous report
Raw Risk Score	4	5	20	
Residual Risk Score	4	4	16	↔

Identified Risk	The council is unable to attract, develop or retain a workforce with the necessary skills to meet the demands placed upon the authority and its services
Risk Number	COR-2019 - 04
Impact of Risk	If there is a continued reduction in the number of suitably skilled and experienced staff, then there will not be the expertise in the workforce to deliver services and protect the interests of the council. This could lead to the wellbeing of citizens suffering, a reduction in service quality, a delay in service provision and a loss of morale amongst the remaining staff if they feel unsupported and therefore seek to work elsewhere. In some service areas a reduced workforce may result in the service being unable to meet all of its statutory duties
Addressing the risk	<p>There remain recruitment difficulties in key areas of the organisation. This is being seen at a regional and national level and therefore is not unique to BCBC. Measures have been implemented to seek to mitigate and treat the risks including the use of the market supplement policy and further development of international recruitment. Use of agency staff continues to be high in certain areas and direct work is being undertaken to improve this position.</p> <p>The impact of the vacancies is evident in certain services, with additional pressure and demands being placed on those staff in post.</p> <p>There are impacts on the organisation's ability to deliver its objectives and continued frustration among the public and elected members about the pace of some responses and action.</p>
Actions to be established	<p>There is a need to continue to seek alternative approaches to recruit to service areas, acknowledging that one size does not fit all. The benefits of working for the Council will continue to be promoted alongside different methods of attracting staff.</p> <p>Action plans are in place and being developed to address challenges in the Social Services and Wellbeing Directorate</p>
Risk Owner	CMB
Wellbeing Objective	All Wellbeing Objectives

Risk Score

	Likelihood	Impact	Total	Direction of travel since previous report
Raw Risk Score	4	5	20	
Residual Risk Score	4	5	20	↔

Identified Risk	Important council services are compromised due to the failure of a key supplier
Risk Number	COR-2019-05
Impact of Risk	If the suppliers of council services are not resilient there is a risk that they may fail to deliver those services leading to disruption for citizens and the Council, which will be impacted as it seeks to restore provision and suffers a loss of reputation. There is increasing evidence that this risk is becoming more apparent and prevalent. In particular in areas such as Home to School Transport, but also in residential care and construction there are increasing numbers of cases of market failure, companies falling into administration and increased costs being demanded to provide services or contracts will be handed back, which are difficult to mitigate as often there are very limited options to provide services, some of which are statutory.
Addressing the risk	The council's strongest defence against this is through its procurement strategy and procurement processes. When tendering for services the Council requires contingency arrangements to be in place to allow for the eventuality of supplier failure (for example in the case of refuse and recycling collection contracts). The council also seeks to shape the market where possible to avoid over reliance on single suppliers (for example in social care). Where appropriate contract conditions are included to ensure the contractor has the appropriate level of security required for the service they provide. This will differ depending on the nature of the service and the legal requirements applicable. Services are also doing more work with providers to ensure an early dialogue when services are under pressure to work towards an agreed outcome.
Actions to be established	Social Services have quarterly forum meetings with providers where risks, issues and pressures are identified. There are regular contract monitoring visits to monitor performance and quality in social care and housing services.
Risk Owner	CMB
Wellbeing Objective	All Wellbeing Objectives

Risk Score

	Likelihood	Impact	Total	Direction of travel since previous report
Raw Risk Score	4	4	16	
Residual Risk Score	4	4	16	↔

Identified Risk	Invigorating the economy and economic recovery following the cost of living crisis, and local issues such as the closure of businesses in the area
Risk Number	COM - 2020 - 01
Impact of Risk	<p>The ongoing cost of living crisis and political and market / financial uncertainty is impacting both individuals and local businesses. There has been increased demand for financial support with increased applications for Council Tax reduction, reduced payment of Council Tax and business rates and a corresponding increase for other relevant Council advice and support services. May local businesses are particularly impacted by the huge inflationary increases particularly in energy costs meaning it is inevitable that there will be increased fragility in this sector.</p> <p>The closure of TATA, and the consequential impact on the supply chain, is likely to impact in the Bridgend area going forward</p>
Addressing the risk	The Council is seeking to support local businesses and individuals by signposting them to appropriate financial support, skills training and support services, and progressing schemes to develop opportunities to set up and establish new business. The Council continues to act on behalf of Welsh Government through the administration of small rates relief.
Actions to be established	Support the aims set out by the local economic recovery taskforce and identify and implement the recommended actions through the development of a new Economic Strategy. Liaise closely with colleagues in the Cardiff Capital Region and Welsh Government to identify and target opportunities for investment to add to investment provided by BCBC to stimulate and invigorate the economy. Seek to signpost opportunities for training, support and new jobs by targeting the work of the Council's Employability teams. Administer and target financial grant schemes and provide support to local businesses to adapt to new circumstances. Progress existing economic development schemes to provide more opportunities for business 'start up' by developing enterprise hubs throughout the County Borough. Implement proposals for the UK Government's Levelling Up Fund and the Shared Prosperity Fund which can be used to fund Employability/ skills based initiatives.
Risk Owner	CMB / Economic Recovery Panel
Wellbeing Objective	All Wellbeing Objectives

Risk Score

	Likelihood	Impact	Total	Direction of travel since previous report
Raw Risk Score	5	4	20	
Residual Risk Score	5	4	20	↔

Identified Risk	Significant service pressures in the health and social care sectors could impact on the ability of services to support vulnerable individuals
Risk Number	SS- 2023- 01
Impact of Risk	The health and social care system is not able to meet the health and care needs of people in a timely way resulting in harm and excess deaths. The immediate risk is that there is not sufficient capacity in community health and social care services to prevent hospital admissions and support timely discharge from hospital.
Addressing the risk	There are very regular meetings at senior levels across Health and the Local Authority to understand the current position and to agree the joint actions required to try to address the issues
Actions to be established	The Cwm Taf Morgannwg health and social care partners have developed a range of immediate, short, medium and long term actions to enhance community capacity and review pathways of care. The most immediate actions are the enhancement of community beds through additional care home capacity and the implementation of Discharge to Recover and Assess pathways of care. There are timescales attached to the actions agreed. There is also a comprehensive plan to address the capacity issues in care and support at home services. The system has experienced significant pressures so despite the actions the residual risk remains at a very high level and the service continues to evaluate whether immediate actions have impacted.
Risk Owner	CMB
Wellbeing Objective	All wellbeing objectives

Risk Score

	Likelihood	Impact	Total	Direction of travel
Raw Risk Score	5	5	25	
Residual Risk Score	5	5	25	↔

Identified Risk	There is an increase in the financial fragility of schools in the Borough
Risk Number	EDFS - 2024 - 01
Impact of Risk	Whilst the council seeks to mitigate the impact of the overall financial positions for schools, current financial planning includes the need to reduce the level of financial support previously given to schools. The consequences of this include schools having to use their balances to fund activity with increased risk of schools going into deficit. It is a requirement that schools address a deficit within 3 years, 5 in exceptional circumstances. This will be more difficult as funding to schools reduces. The overall school deficits were lower than anticipated at the end of 2024-25 due to in year support from Welsh Government. There is no guarantee that this will be available in the current year.
Addressing the risk	School governors are responsible for monitoring and reporting school finance positions. There are structures in place to escalate issues to senior officers and Members. There is a Schools Budget Forum in place that is a consultative body in relation to the schools funding formula and overall finance issues for schools. Schools are supported with the development and monitoring of individual school budgets by the central finance team
Actions to be established	Work is being done with schools to understand the impact on any budget reductions on individual schools. A Schools Deficit Budget Management Group (consisting of headteachers and officers) will be providing an update in respect of school budgets to Informal Cabinet in late June/early July 2025.
Risk Owner	CMB
Wellbeing Objective	All wellbeing objectives

Risk Score

	Likelihood	Impact	Total	Direction of travel
Raw Risk Score	5	5	25	
Residual Risk Score	5	5	25	↔

Identified Risk	There is a threat to business continuity if the Council is unable to procure and implement major ICT systems which support critical services such as a replacement system for Care Director (WCCIS) and the Capita One system for education.
Risk Number	COR -2024-01
Impact of Risk	<p>In social care the failure to procure and implement a new system by January 2026 will result in the Council having to rely on an unsupported database or a complex interim solution. Operating social care case management and safeguarding services without a functional system is not a safe or viable option. Without a system, the Council cannot fulfil its statutory safeguarding obligations and there is a risk to life of children and adults at risk of failing to so do. Failure to secure a new system increases risk to data security, regulatory compliance, system performance and functionality and workforce retention and recruitment. Without a fully supported case management system in place staff will lose core functionality such as the ease and speed at which current data and information is interrogated and monitored. Effective use of data and information sharing has been a learning theme in many child and adult practice reviews. The financial risks to the local authority from the system change are also significant. There is currently no budget identified to support the resource implications of changing system.</p> <p>Within education, the Capita One system will provide a single comprehensive record for each child which supports the Authority to manage education efficiently by connecting data securely resulting in more informed decisions and early intervention. Ongoing work is required to fully integrate this system with the Council's core ICT infrastructure.</p>
Addressing the risk	<p>The Council is working with:</p> <ul style="list-style-type: none"> • ADSS Cymru, WLGA and national programme to progress national approach to contingency planning, procurement strategy, data migration and scoring resources from Welsh Government via a clear business case • the Cwm Taf Morgannwg Region Councils and the Vale of Glamorgan have formed a regional consortium to manage evaluation and implementation of a new supplier. • a national or regional approach to procurement will enable better market management and should secure better value for money. • the WCCIS Regional Team provide some capacity to support system change. • BCBC have formed a cross directorate group to provide governance within the Council. • Education is working with schools and the ICT Service to implement the system
Actions to be established	Welsh Government to confirm funding allocation for Councils to support the Connecting Care Project.

	The national Connecting Care Programme to confirm if a single tender procurement on behalf of all Local Authority users is feasible. Contingency plan to be confirmed.
Risk Owner	CMB
Wellbeing Objective	All wellbeing objectives

Risk Score

	Likelihood	Impact	Total	Direction of travel
Raw Risk Score	5	5	25	
Residual Risk Score	5	5	25	↑

Risk Scores
1-9 - Green - Low
10-12 - Amber - Medium
15-25 - Red - High
Risk ID number follows the sequence Directorate - year identified - risk number
Directorate codes mentioned above are:
SS - Social Service
COR - Corporate
COM - Communities
CEX - Chief Executives
EDFS - Education and Family Services

Meeting of:	GOVERNANCE AND AUDIT COMMITTEE
Date of Meeting:	17 JULY 2025
Report Title:	REGULATORY TRACKER
Report Owner / Corporate Director:	CHIEF OFFICER - LEGAL AND REGULATORY SERVICES, HR AND CORPORATE POLICY
Responsible Officer:	ALEX RAWLIN POLICY AND PUBLIC AFFAIRS MANAGER
Policy Framework and Procedure Rules:	The regulatory tracker forms part of the Council's Performance Management Framework.
Executive Summary:	<p>The regulatory tracker has been updated to the end of quarter 4 of 2024-25. This report provides an update on recommendations awarded "red" status only. As at the end of quarter 4: –</p> <ul style="list-style-type: none"> • 15 audits/inspections with 89 regulator recommendations are on the tracker • There is one "red" recommendation on the tracker

1. Purpose of Report

- 1.1 The purpose of this report is to provide the Governance and Audit Committee with an update on any recommendations on the Regulatory Tracker that have been judged to have "red" status at quarter 4 (Q4) of 2024-25.

2. Background

- 2.1 A report to the Governance and Audit Committee (GAC) on 10 November 2022 proposed that a 'regulatory tracker' be created to monitor progress against recommendations from all inspections/audits completed by key regulators of local government services, including Audit Wales, Care Inspectorate Wales (CIW), and Estyn. An updated 'regulatory tracker' is considered at GAC twice yearly.
- 2.2 A report to the Governance and Audit Committee (GAC) on 24 April 2025 provided an update on the regulatory tracker up to the end of quarter 3 of 2024-25, and addressed issues raised by the Committee: to ensure the tracker is regularly reviewed and updated by Corporate Management Board,

the need to keep the revision of target dates for recommendations to a minimum, and to strengthen the process for referrals to the Scrutiny Committees.

- 2.3 The Committee discussed a number of issues including the following:
- That it would be helpful to have any revised target dates for actions recorded in a separate column to the original agreed date.
 - Whether a live document could be created to track progress on a more regular basis.
 - Commentary could be improved to provide greater clarity on why a recommendation has been given amber or red status.
 - Further discussion outside the meeting was required to consider and agree what is required to provide a rationale for a referral from the Governance and Audit Committee to Scrutiny, ideally involving consideration of value for money and quality of service delivery.
- 2.4 The Committee considered the updated process for Corporate Management Board consideration of the regulatory tracker, agreed to change regulatory tracker updates at GAC to April and October each year (and those with a red designation reported to meetings in between), and considered the scrutiny arrangements. In addition, GAC proposed that where two consecutive reds for any action are reported to the Committee, then the appropriate Cabinet Member and Director will be invited to the next meeting of the Committee to explore the reasons for the delay.
- 2.5 The performance judgements for recommendations on the tracker are awarded by applying the following key as prescribed within the Performance Management Framework, which provides clear definitions for the Blue, Red, Amber, Yellow, Green (BRAYG) statuses.

Status	What does this Status mean?
	Commitments, projects or regulatory improvements
COMPLETE (BLUE)	Project is completed
EXCELLENT (GREEN)	As planned - within timescales, on budget, achieving outcomes
GOOD (YELLOW)	Minor issues. One of the following applies – deadlines show slippage, project is going over budget or risk score increases
ADEQUATE (AMBER)	Issues – More than one of the following applies - deadlines show slippage, project is going over budget or risk score increases
UNSATISFACTORY (RED)	Significant issues – deadlines breached, project over budget, risk score up to critical or worse

3. Current situation / proposal

- 3.1 Suggested changes/improvements to the tracker have been considered and where appropriate will be incorporated in the next full analysis of the tracker due to be presented to GAC in October 2025.
- 3.2 Updates for the tracker for Q4 were collected as part of the Q4/year-end corporate performance data collection process. A full report on performance against the corporate plan and the updated regulatory tracker was presented to Cabinet and Corporate Management Board (CCMB) on 24 June 2025 and is due to be presented to Corporate Overview and Scrutiny Committee (COSC) on 24 July 2025.
- 3.3 The Q4 tracker content is summarised below with breakdown of BRAYG judgements. There are currently 89 regulator recommendations for the Council included on the full tracker report from 15 Audits/Inspections.

Audit/Inspection	Recommendations					
	Total	Blue	Green	Yellow	Amber	Red
Care Inspectorate Wales (CIW) Inspection of Sunny Bank (February 2025)	1				1	
CIW Inspection Report on Ty Ynysawdre (Residential) (January 2025)	1			1		
Audit Wales, Setting of Well-being Objectives	3	1	2			
Audit Wales, Review of Decision-Making Arrangements	5	5				
CIW Inspection of Golygfa'r Dolydd (September 2024)	5		4		1	
Audit Wales (AW), Financial Sustainability Review	2	2				
CIW Inspection of Harwood (June 2024)	2		2			
Audit Wales, Digital Strategy Review	3	1	2			
CIW Inspection Report on Foster Wales Bridgend	20	17	1	2		
AW, Use of Service User Perspective and Outcomes	3	2			1	
CIW Improvement Check Visit to Children's Social Care Services	10	7		2	1	
AW, Springing Forward, Strategic Workforce Management	3	2		1		
Transformational Leadership Programme Board, Baseline Governance Review Cwm Taf Morgannwg Regional Partnership Board	7	3	1	1	2	
CIW Performance Evaluation Inspection of Children's Services	21	19	1			1
AW, Review of Arrangements to Become a 'Digital Council'	3	2			1	
Total	89	61	13	7	7	1

- 3.4 This identifies one red recommendation. Details of this recommendation and current progress update provided by the service area are as follows:

Name of Audit / regulator	CIW, Performance Evaluation Inspection of Children's Services (May 2022)
Recommendation / proposal for improvement	PR3 - Placement sufficiency and support
Responsible Officer	HoS/GM Placements and Provider Services
Initial Delivery Date	March 2023
Action Update Q4 2024-25	<p>A Business Justification Case has been developed and approved by the relevant boards in respect of increasing capacity of provision of homes for children.</p> <p>A property has been identified for a multi-occupancy residential service and offer accepted. Search underway for the second home.</p> <p>We have continued to work closely with Foster Wales on recruiting and retaining foster carers. Our recruitment officer has supported national campaigns and led local activities such as information sessions and drop-ins. A new foster carer handbook and welcome pack for newly approved carers are nearly ready and awaiting final sign-off.</p> <p>We also held our latest Information and Communication Event (ICE), which was well attended and generated valuable ideas and feedback from carers and staff.</p> <p>A new front door process is now in place to strengthen the applicant journey—from the first enquiry right through to panel. This includes clearer communication with applicants, mid-point meetings to check progress and provide support, and a stronger quality assurance process of independent social worker assessments.</p> <p>We have also worked with regional groups to help shape national resources, including a Children's Guide that we will be adapting for our local area.</p>
Current Delivery Date	March 2030

- 3.5 The service has provided the following additional information to clarify the reason for the red judgement:

Children's placement sufficiency remains a significant risk to the local authority. The legislation to remove profit from children's social care is now on the statute books in Wales and Bridgend as all local authorities are managing a period of significant transition. There are insufficient numbers of in house foster carers to meet needs, a small number of children who are accommodated in settings operating without Care Inspectorate Wales registration and at the end of quarter 4 no certainty about the future of grant funding from Welsh Government. The Council has developed a comprehensive placement commissioning strategy which sets out the actions needed to meet the statutory timescales to remove profit from children's social care in Bridgend which includes development of additional in-house residential capacity and enhanced support for Bridgend foster carers. There

remains uncertainty regarding the future intentions of for-profit providers which is leading to increased cost and challenges in placement availability in the short term.

- 3.6 The progress of this recommendation has been scrutinised on a number of occasions since the regulator report was issued. Subject Overview and Scrutiny Committee (SOSC 2) received the Commissioning Strategy on 19 Feb 2024, as well as the Children and Family Services Placement Commissioning Strategy 2025-2030 on 13 March 2025 as a pre-decision item, and made recommendations for consideration prior to the report being presented to Cabinet in September 2025. The Scrutiny Committee consistently raise the subject of sufficiency of placements when considering any Safeguarding item as well as on receipt of the Director of Social Services' Annual Report which is next due for consideration by the Social Services, Health and Wellbeing Overview and Scrutiny Committee (formerly SOSC 2) on 11 September 2025.
- 3.7 SOSC 2 also received the Authority's 3 Year Sustainability Plan in Children's Services in July 2023, the focus of which was the safe reduction and usage of agency staff and growing our own social workforce and the Corporate Director Social Services and Wellbeing and Deputy Leader / Cabinet Member for Social Services, Health and Wellbeing have continued to provide regular updates on the progress of the Plan during most subsequent meetings of the Committee.
- 3.8 In addition, sufficiency of foster carers was discussed at the most recent meeting of the Corporate Overview and Scrutiny Committee on 30 June 2025 during scrutiny of the Revenue Budget Outturn 2024-25 report, in which it was reported that 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.
- 3.9 Placement sufficiency is a consistent priority for Scrutiny and is considered quarterly in Budget and Performance Monitoring reports and any other Social Services related reports.
- 4. Equality implications (including Socio-economic Duty / 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 This report forms part of the measurement of progress against the following corporate well-being objectives under the Well-being of Future Generations (Wales) Act 2015 that form part of the Council's Corporate Plan 2023-28:-

- A prosperous place with thriving communities
- Creating modern, seamless public services
- Enabling people to meet their potential
- Supporting our most vulnerable

6. Climate Change Implications

6.1 There are no specific implications of this report on climate change.

7. Safeguarding and Corporate Parent Implications

7.1 There are no specific implications of this report on safeguarding or corporate parenting.

8. Financial Implications

8.1 There are no financial implications associated with these arrangements.

9. Recommendation

9.1 The Governance and Audit Committee is recommended to consider the red recommendation and current position at Q4.

Background documents

None

Meeting of:	GOVERNANCE AND AUDIT COMMITTEE
Date of Meeting:	17 JULY 2025
Report Title:	SELF-ASSESSMENT 2024/25
Report Owner / Corporate Director:	CHIEF OFFICER – LEGAL AND REGULATORY SERVICES, HR AND CORPORATE POLICY
Responsible Officer:	ALEX RAWLIN POLICY AND PUBLIC AFFAIRS MANAGER
Policy Framework and Procedure Rules:	The Corporate Plan and Performance Framework (on which Self-Assessment is based) form part of the Policy Framework.
Executive Summary:	<p>This report seeks the Governance and Audit Committee’s views on the Council’s self-assessment 2024/25, particularly the draft scores and narrative. Key points are –</p> <ul style="list-style-type: none"> • This is the second year judging performance against the Council’s Corporate Plan 2023-28. • Judgements / scores are developed based on the objective methodology agreed by Cabinet / Corporate Management Board and the Governance and Audit Committee in 2024. • All Wellbeing Objective scores are yellow (good) and amber (adequate). • Use of resources score is amber (adequate). • Governance score is yellow (good).

1. Purpose of Report

- 2.1 The purpose of this report is to seek the Governance and Audit Committee’s views on the draft self-assessment for 2024/25.

2. Background

- 2.1 The Local Government and Elections (Wales) Act 2021 set out a new local government improvement regime. One of the requirements of the Act is for the council to make and publish a self-assessment report once each financial year. The self-assessment report has to set out conclusions on whether the council met the ‘performance requirements’ during that financial year, and actions needed to improve. The ‘performance requirements’ focus on –

- Are we exercising our functions effectively;
- Are we using our resources economically, efficiently and effectively;
- Is our governance strong.

- 2.2 The Council published its first self-assessment in October 2022 based on performance in 2021/22. The process was new, but based on existing data, reports and meeting fora where possible. Feedback on the report was generally positive in terms of the honesty and transparency of ratings, length of the report and simplicity of the language. Some members felt that annual performance data should have been published alongside the self-assessment.
- 2.3 The Council published its second self-assessment in December 2023 based on performance in 2022/23. Reflecting on the first self-assessment, some changes were made, including –
- Using information from the newly developed regulatory tracker,
 - Publishing performance information alongside the self-assessment,
 - Adding case studies to the document.
- 2.4 The Council published its third self-assessment in October 2024, based on performance in 2023/24. This was the first time self-assessment reviewed performance against the Council's new Corporate Plan 2023-28. Reflecting on the second self-assessment, further changes were made, including –
- Including more comprehensive information on major consultation and engagement activity around the Council throughout the year;
 - Scoring wellbeing objectives and aims using an objective and agreed process;
 - Including a section on how well the Council performed against improvement activities from the previous self-assessment;
 - Embedding self-assessment in the quarterly performance process so that large parts of the report write themselves and are familiar to senior officers and members.

3. Current situation / proposal

- 3.1 For 2024/25, the performance section of the self-assessment report followed the same process as in 2023/24. This section includes –
- A performance overview summarising performance against the whole corporate plan, using two graphs showing how are we doing on our commitments / projects and how are we doing on our performance indicators.
 - A performance section for each wellbeing objective to include a graph showing performance, a summary of performance against each aim with a Red Amber Yellow Green (RAYG) rating for each and a short narrative section, what we will we do to improve and a case study.
- 3.2 The same methodology was also used for developing a RAYG rating for each of the wellbeing objectives and aims. This means that the RAYG is objective and based on performance on the commitments and performance indicators (PIs). This would provide useful information to the public about how we are doing at a strategic level (but beyond the Wellbeing Objective level).

- 3.3 The approach gives a score to each commitment and performance indicator based on their RAYG rating. The individual scores are then combined to give an overall score for the aim (as a proportion of the maximum), using the approach provided in the performance framework. This methodology worked well last year, and improvements have been made to ensure it is more accurate this year. After a score for each aim is developed, a narrative for each aim will be developed pulling information on commitments and PIs directly from the end of year performance dashboards and testing this with Heads of Service and Corporate Management Board (CMB).
- 3.4 Since 1 April 2024 the Council has been subject to the Social Partnership duty under the Social Partnership and Public Procurement (Wales) Act 2023 (SPPP Act). The Council's first Social Partnership Annual Report is required to be reported to Welsh Government as soon as is possible after the end of financial year, explaining action to comply with the duty in the preceding 12 months. This information has also been included in the Corporate Self-Assessment as it is so closely aligned with existing content, particularly the consideration of consultation and engagement work completed in the year. This section has therefore been extended to cover –
- Evidence of work with staff and Trade Unions on how the council will achieve its wellbeing objectives in the year (particularly budget setting)
 - Evidence of how the council worked with staff and Trade Unions to agree last year's self-assessment
 - How frequently the Council met with Trade Unions as part of its Social Partnership duty
 - Any training provided to employees / trade union representatives on how the Social Partnership Duty is being implemented; and
 - Any interesting case studies of work related to the Social Partnership Duty.
- 3.5 The Council's assessment of progress against the second performance requirement on use of resources follows the same process as last year. Firstly, the 7 use of resources templates were reviewed and updated by the lead officers. All of the 7 areas have been included in the work of Audit Wales in the past three years, and in many cases reviewed, discussed and followed-up by the Governance and Audit Committee or Corporate Overview and Scrutiny Committee, so there is significant additional evidence to draw on. These 7 are then collated by the performance team for scrutiny and challenge.
- 3.6 The third performance requirement, on governance, is covered by the annual governance statement (AGS) which is scrutinised by the Governance and Audit Committee. This document has been summarised by the performance team as in previous years.
- 3.7 The draft findings from each of the three performance requirements has been brought together into a single presentation for officer scrutiny and challenge in the first instance. This was discussed and moderated by Heads of Service at their meeting on 17 June 2025 and CMB on 18 June 2025. It was then considered by CMB / Cabinet (CCMB) on 24 June 2025.

Judgements for 2024/25

3.8 The Council's proposed self-assessment judgements for 2024/25 are –

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

3.9 The Use of Resources judgement remains at 'Adequate'.

3.10 The Governance judgement remains at 'Good'.

Moderation process

3.11 To test the judgements generated by the new scoring system, each of the 41 individual aims were discussed by Heads of Service, CMB and CCMB. Each aim was subjected to a second test, comparing actions, progress against commitments and PI performance to the RAYG key in the council's agreed and published performance framework, outlined below.

EXCELLENT	Very strong, sustained performance and practice
GOOD	Strong features, minor aspects may need improvement
ADEQUATE	Needs improvement. Strengths outweigh weaknesses, but important aspects need improvement
UNSATISFACTORY	Needs urgent improvement. Weaknesses outweigh strengths.

3.12 Heads of Service, CMB and CCMB have proposed the following changes to 3 specific aims or 7% of the aims (worsening or downgrading the scores) -

Aim		System score	HoS / CMB proposal
2.3	Improving our town centres, making them safer and more attractive	Excellent	Good
5.5	Improving flood defences and schemes to reduce flooding of our homes and businesses	Excellent	Good
7.1	Improving active travel routes and facilities so people can walk and cycle	Excellent	Good

3.13 They proposed the following changes to 3 specific aims or 7% of the aims (improving or upgrading the scores) –

Aim		System score	HoS / CMB proposal
1.4	Supporting children with additional learning needs to get the best from their education	Unsatisfactory	Adequate
3.5	Investing in our parks and green spaces and supporting tourism to the valleys	Adequate	Good
5.3	Improve the quality of the public realm and built environment through good placemaking principles	Unsatisfactory	Adequate

3.14 The main reasons for the proposed changes are;

- For our proposed upgrades, some of the aims are currently insufficiently measured by the Commitments / PIs that underpin them. This means that the judgements are being skewed when compared with a more subjective, broader service view. So, for example, in relation to aim 3.5 'Investing in our parks and green spaces and supporting tourism to the valleys' the score is 'adequate' based on 1 commitment and no performance indicators. The actual range of investment (as well as business as usual work) is much broader than this would suggest. For this reason, it is proposed to increase the judgement from 'adequate' to 'good'. The same principal applies to aim 5.3 Placemaking.
- For our proposed downgrades, some of our aim scores feel out of sync with officer (and likely member / public) opinions. Again, this points to issues with the commitments / PIs under those aims, as well as a lack of service user perspective measures which is a longstanding and challenging issue we are tackling with councils across Wales. This particularly applies to aims 2.3 Town Centres, 5.5 Flooding and 7.1 Active Travel.

Next steps

- 3.15 The moderated findings have been brought together into a single draft self-assessment (included at **Appendix 1**).
- 3.16 The performance information that supports the self-assessment is included at **Appendix 2**. This will give GAC a better understanding of the Council's performance against each Wellbeing Objective, Aim, PI and Commitment that underpins the self-assessment judgements. This should give the Governance and Audit Committee additional reassurance about the fairness and accuracy of the process.
- 3.17 Following its consideration at the Governance and Audit Committee, the Council will discuss the draft document with –
- Trade unions through the Council's regular meeting programme.
 - Town and Community Councils at the Town and Community Council Forum (TCCF).

- Partners and neighbouring local authorities at the Public Services Board (PSB).
- 3.18 Following discussions at the Governance and Audit Committee, and later Corporate Overview and Scrutiny committee, the performance team will make improvements over the summer, translate and design the document and present the final draft self-assessment 2024/25 to Cabinet and Council in September 2025.
- 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. Wellbeing of Future Generations implications and connection to Corporate Wellbeing Objectives**
 - 5.1 This report reviews the following corporate wellbeing objectives under the Well-being of Future Generations (Wales) Act 2015 that form part of the Council's Corporate Plan 2023-28:-
 1. A county borough where we protect our most vulnerable
 2. A County Borough with fair work, skilled, high-quality jobs and thriving towns
 3. A County Borough with thriving valleys communities
 4. A County Borough where we help people meet their potential
 5. A County Borough that is responding to the climate and nature emergency
 6. A County Borough where people feel valued, heard, part of their community
 7. A County Borough where we support people to live healthy and happy lives
 - 5.2 The 5 ways of working set out in the Well-being of Future Generations (Wales) Act have also been included in the Council's wellbeing objectives. The ways of driving and measuring them is also contained in the Corporate Plan Delivery Plan.
- 6. Climate Change and Nature Implications**
 - 6.1 There are no specific implications of this report on climate change. However, the self-assessment considers the Council's performance on areas including climate change.
- 7. Safeguarding and Corporate Parent Implications**
 - 7.1 There are no specific implications of this report on safeguarding or corporate parenting. However, the self-assessment considers the Council's performance on areas including safeguarding and corporate parenting.
- 8. Financial Implications**
 - 8.1 There are no financial implications arising from this report.

9. Recommendations

9.1 It is recommended that the Governance and Audit Committee:-

- Consider and provide views on the draft Self-assessment 2024/25 report in **Appendix 1** supported by performance information in **Appendix 2**.

Background documents

None

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Bridgend County Borough Council Corporate Self-Assessment 2024/25**1. The purpose of this report**

In January 2021, the Welsh Parliament passed a new law that changed the way councils work. Every year, we must publish a self-assessment report. This report covers 6 April 2024 to 5 April 2025.

We want the report to assure Welsh Government that we are performing well. We also want it to tell them that we are using our money and other resources properly and making decisions in a sensible, open way. Most importantly, the report must tell local residents, businesses and all stakeholders how we are doing. Welsh Government and the Welsh Local Government Association published guidance that told us how to develop our self-assessment and what evidence to use to judge ourselves.

Our self-assessment also acts as our annual report, our wellbeing report and for the first time this year as our social partnership duty report.

2. The changing world for local government

The world is changing fast, and this is having a big impact on the way the Council works. Some of the hardest things we are dealing with in 2024/25 are -

- The ongoing cost-of-living crisis causing increased energy costs, changes to the cost and availability of goods and services, and impacts on residents that add demand to our services. Long term council funding is not increasing at the same rate so our funding can't keep up with our outgoings.
- Political changes both at home and abroad, including a new UK Labour Government. This means a changing financial situation and changing priorities and expectations of the council, for example increases to employer National Insurance Contributions likely to add significant costs for councils and our partners.
- New and far-reaching legislation from UK and Welsh Governments on issues including social partnerships, immigration, elimination of profit from social care, employment rights and procurement that affect large parts of our organisation.
- Exceptional demands across some of our key service areas including support for children with Additional Learning Needs, older people's care, complex children's placements and homelessness. Changing patterns of need in other service areas, for example behaviour in schools and attendance. And services struggling to meet expectations due to capacity / resilience issues following years of budget cuts.

Our progress against last year's areas for improvement

In our 2023/24 Annual Self-Assessment we identified a series of areas that needed specific improvements in 2024/25. Below is an update on the work we have undertaken in these areas. More detail is provided on actions to date, and those that are still planned in each detailed section of this report. In 2024/25 we have –

Wellbeing Objective One

- Mandatory E-Learning modules for staff have been reviewed and an updated process will be used going forward.

- We have significantly reduced the backlog of historical Disabled Facilities Grants. There are now 83 individual historic cases (2020/2023) awaiting allocation, compared to 268 cases at the end of 23/24.
- The Family Support Service has been reviewed and Integrated family support service and family group conferencing is in place.
- Prevention and wellbeing service have given support for 72 new young carers in primary school and 106 in secondary /higher education. Also provided support through 167 new young carers accessing a young carer ID card, 282 new young carers with a halo membership card (and 377 new household members).
- Brought in 'what matters' conversations and proportionate carers assessments. These can reduce the need for a full carer assessment through social workers.
- A young carers network event was held to get Young Carers meeting each other, sharing information, and getting away from responsibilities, caring and school.
- The children's services action plan is regularly reviewed, and good progress has been made on the priorities.
- The adult services 3-year strategic plan has been developed and adopted and implementation is underway.
- The future operating model for children's services is now in place and the underpinning processes / panels have been established.
- A 4-day training programme for strength-based practice to front-line social care staff has been developed and delivered. We are also working to support our partners to understand the Signs of Safety model.
- A draft Children and Families Placement Commissioning strategy has been developed and submitted to Welsh Government. There has also been a review of daytime opportunities in Bridgend which has been approved by Cabinet.
- The Corporate Safeguarding Board continues to oversee safeguarding practice across the Council. A reasonable assurance of corporate safeguarding arrangements has been given by internal audit.
- We have made good progress implementing the action plan from the housing support programme strategy, including mobilisation of Leasing Scheme Wales and development of additional accommodation models, including the Council purchasing HMO style accommodation. A review of Social Housing Allocation is now complete.
- We have provided regular safeguarding training to school governors both online and on a face-to-face basis.
- A Regional strategy for safeguarding and exploitation has been signed off and local plans developed for implementation in the Council.

Wellbeing Objective Two

- The Shared Prosperity Fund programme has been delivered successfully in 24/25 with 37 businesses receiving funding.
- The employability offer for people with care and support needs has signed up 1,778 participants in 2024/25. We have worked with partners to support with training, volunteering and employment. The Marketing and Engagement team is well established and successful with promoting employability.

- We are helping people with support needs overcome barriers to work. Bridgend Employability Network holds monthly meetings with partner organisations to inform and develop referral pathways and collaborative opportunities.
- The transforming town programme has awarded £340,307 to 5 schemes which contribute towards regenerating our town centres.
- A new procurement contract (to reflect the Procurement Act 2023) has been developed, published on the Intranet for staff and shared with suppliers.
- We have run focus groups to better understand the results of the 2024 staff survey and developed plans to address the issues / run staff surveys differently in future.
- We have identified 7 Real Living Wage employers in 24-25 that were awarded contracts, taking the total to 257. We have included a question in our tender documentation to help us identify Real Living Wage employers more easily.
- Learning and development to support social workers includes an introduction to the practice model, 2-day introductory training, 5-day advanced training, partnership workshops, manager workshops, practice intensive workshops for specific teams and the development of e-learning (awareness level) package.

Wellbeing Objective Three

- Consultation on the Placemaking Plan for Maesteg has been completed and the Plan is now ready for formal approval.
- The commercial property enhancement grant paid out £168,280 against 7 properties to enhance and consolidate the High Street in Commercial areas across our valley areas. This fund was supported by the Shared Prosperity Fund.
- The Community Asset Transfer (CAT) Programme has encountered challenges, and we have only achieved 2 against a target of 10, partly due to staffing issues.
- The development of 180 new homes is continuing on the Ewenny Road site. Sale of the former Ewenny Road Industrial Estate to a housing developer is being finalised.
- The Valley Regeneration Strategy is in final draft form. Once is formally adopted, we will use this as a tool to develop potential funding bids
- The Green Spaces Enhancement Project has been completed.
- We continue to work with Registered Social Landlords (RSLs), Welsh Government and other partners to resolve issues affecting the delivery of new affordable housing sites in the Valleys.
- We have secured funding for a feasibility study for new facilities for people with learning disabilities at Wood-B and B-Leaf.
- Capital investment via Sport Wales / SPF has added value to Ogmere Life Centre with the extension of the studio to allow the growth of older adult's activities.
- HALO Leisure have been working with schools / community groups to promote the use of the upgraded library facilities in Ogmere Life Centre.
- Feel good for Life wellbeing programme has supported 600 attendances. Super - agers community wellbeing activities have supported 163 individuals (2061 attendances - 126 opportunities). The National Exercise Referral Scheme has supported 1331 new referrals.
- The tender process for the Bettws Welsh-medium childcare facility has concluded and a preferred provider has accepted the opportunity. The tender process for the Blackmill provision will run through May 2025.

Wellbeing Objective Four

- We have implemented the mandatory requirements of the Curriculum for Wales in all Bridgend schools.
- The Trauma Recovery Model has been implemented, and we are creating a range of trauma interventions for Bridgend services and partners, adopting the trauma-based practice model with children.
- The Prevention and Diversion Panel has input from a range of stakeholders (including South Wales Police and Bridgend College), to help plan exit strategies from the earliest point possible. It also enables allocation of referrals that may not be suitable for support from Bridgend Youth Justice Service.
- Youth Support Services hold a multi-agency panel to review Year 11 pupils with less than 50% attendance and discuss support. The number of Year 11 leavers presenting as NEET in Bridgend remain below the Wales average.
- The 'Your Voice' digital forum has concluded and had 790 participants. Staff from the Children's Rights and Participation Team will work with Youth Councillors to identify the themes and issues raised.
- A governor skills audit was conducted in summer 2024, to collect information on the profession learning and skills training needs for school governors. Feedback has been used to identify areas of professional development needed.
- A total of 67 governors attended safeguarding training (Group A Safeguarding, Group B Safeguarding and Child Protection) between April 2024 and March 2025. Training is provided as in-person sessions or online.
- Schools have had additional digital learning training on topics such as, online safety, the use of the Digital Competence Framework 'Planning for Progression' resource, Adobe Express. Teachers and practitioners are now well-prepared to integrate these digital tools and frameworks into their curriculum.
- We are redeveloping the youth-led website. Youth Support Services are awaiting the outcome of a business proposal to trial for a corporate TikTok account.
- Our Welsh in Education Strategic Plan (WESP) communication and engagement plan has been finalised, with a vision, messaging and promotion of Welsh-medium education. The 'Comms Cymraeg Schedule' is finalised, which is a plan for targeted communication over the year. We also launched a Facebook campaign to promote Welsh-medium education.
- The school design for Ysgol Gymraeg Bro Ogwr has been progressed and Council approved extra capital funding needed. Ecological issues continue to affect the Ffordd Cadfan site, and the seasonal mitigation. This has impacted on the timing of a site investigation.
- Cabinet Secretary for Education gave approval to proceed the Heronsbridge School project to Full Business Case stage. Council approved the extra capital funding needed and a tender process is underway.
- The planning application for the replacement Mynydd Cynffig Primary School was submitted in November 2024. The detailed design and contract preliminaries have been progressed. Cabinet Secretary for Education gave approval to proceed to Full Business Case stage.

- Cabinet approval has been received to transition the Bridgend West scheme from Mutual Investment Model (MIM) funding to capital and the planning application has been submitted. The tender process started in February 2025.
- The Education Engagement Team have scheduled 'drop-in' sessions with the Care Experienced Children Team to ensure that our teams become aware of care-experienced children at the earliest opportunity to ensure smooth transitions into education and appropriate support is given.
- Performance framework and action plans have been developed on support for care-experienced children so the Corporate Parenting Board can hold partners to account on progress against the priorities they set.
- A Regional Accommodation Strategy for people with a Learning Disability and a Regional Report on transition for children with a Learning Disability have been completed - commissioned by the Regional Learning Disability Commissioning Group. An accommodation-based review has been completed in the Council.

Wellbeing Objective Five

- Work has begun on the development of a fleet transition strategy review.
- There are currently 6 electric vehicles in the Support at Home Service, Mobile Response Team, and at Trem-Y-Mor. Charging points are in operation.
- The final Air Quality Action Plan (AQAP). was approved by cabinet and submitted to Welsh Government in April 2024.
- We have completed energy efficiency improvements for council buildings by installing 220.8kWp (including the Resource Centre, Bryn y Cae, Bryncethin) In 2024-25.
- Planning have successfully updated their website to include additional information and guidance about the new Local Development Plan (LDP).
- The Local Nature Partnership (LNP) continues to be supported by the Climate Change Response Team. The team are developing projects with partners and community groups to include in our Local Places for Nature 25-27 application. A section has also been added to the Corporate Induction e-learning module on the Biodiversity Duty, what it is and what it means for BCBC employees.
- A decision was made at Cabinet to bring waste services in house. A Waste Transition Board meets fortnightly, Chaired by the Leader.
- The recycling centre at Tythegston has now been decommissioned and a new centre opened in Pyle Industrial Estate.

Wellbeing Objective Six

- The Strategic Equalities Plan (SEP) 2024-2028 Action Plan has now been completed and signed-off by Cabinet Committee Equalities. It has been published on the Council's website.
- 3 staff network groups have been established for Menopause, Disability and LGBTQ+. Terms of reference have been agreed and information on staff networks is promoted with staff. A Welsh Language Forum for staff of all proficiency levels has been established.
- A Participation and Engagement Strategy has been implemented and Published.

- The National Residents Survey was actively promoted and closed with over 3,000 responses. Results are being analysed.
- A draft Net Zero Strategy was completed in March 2025, feedback from officers and Scrutiny Committee has been provided to Carbon Trust and the revised strategy anticipated to be complete in May 2025. It will then be subject to a 12 week public consultation before formal adoption.
- We undertook a pilot in 2024 in Garw and Ogmore Valley libraries to provide extra support for residents in libraries. Demand was extremely low and a decision has been made to focus on how we improve performance across all the customer channels to improve the way we deal with customer demand.
- Community Navigators are based in BAVO, supported by Regional Integrated Fund Investment (RIF). BAVO are sustaining a range of community-based networks as part of a prevention and wellbeing within communities approach.
- We work closely with CTM partners / 3rd sector organisations, including the CTM WISE project, working on streamlining health services and social prescribing pathways. Support has been made to increase community resilience in dementia services. We celebrated older persons week with free activities including art workshops, cinema screenings and a silent disco run by our cultural trust Awen.

Wellbeing Objective Seven

- The Metrolink bus facility was made fully operational in November 2024.
- A Tender process to award the contract for the construction work for Porthcawl Grand Pavilion Redevelopment has been completed.
- 22 play area refurbishments were completed and handed back to the community
- For 2024-25 over £13 million was allocated through Social Housing Grant and Transitional Capital Programme Grant to deliver 108 houses.
- Active leisure membership has increased within Garw Valley life centre at just over 320 live members. Ogmore Valley life centre capital works will be finished soon allowing more structured use of facilities and extra investment in to change the main entrance and upgrade the sports hall have been secured
- External support has been commissioned to help us develop a plan for the long-term Active Bridgend Plan and leisure strategy and a lot of initial engagement has taken place. Discussions have taken place to address key policy areas including community focused schools, community asset transfer, active travel, play sufficiency and the population needs assessment.
- We have developed a draft play sufficiency assessment and action plan with a focus on policy / implementation across the whole council.
- Free School Meals roll out has finished so free school meals are now available for all Bridgend primary school pupils.
- There has been a small Welsh Government-funded expansion in Flying Start (26 additional places). Five new providers have been recruited to support the ongoing delivery of the Flying Start childcare programme.
- We have a new operating model for the multi-disciplinary team (MDT) which includes a screening and triage function based on urgency of need.

How is the council performing in 2024/25?

Every 5 years the council publishes a new Corporate Plan. A new Corporate Plan was published in April 2023 to cover a 5-year period. It describes the council's priorities, why they are important and how progress will be measured. The priorities, or well-being objectives, show our commitments to citizens and our contribution to Wales's seven well-being goals –

National Well-being Goal	Your Council's Well-being Objectives						
	Protecting our most vulnerable	Fair work, skilled, jobs and thriving towns	Creating thriving Valleys communities	Helping people meet their potential	Responding to the climate and nature emergency	Making people feel valued, heard and connected	Supporting people to be healthy and happy
A prosperous Wales							
A resilient Wales							
A healthier Wales							
A more equal Wales							
A Wales of cohesive communities							
Vibrant culture and thriving Welsh language							
A globally responsible Wales							

In line with the Future Generations Act and the sustainable development principle, when we developed this 5-year corporate plan, we thought hard about how we could work differently to respond to short- and medium-term issues, like the financial crisis, while protecting our natural environment and helping young people meet their potential for the long-term.

Each year, we allocate resources through the development of an annual budget. This is set in line with the priorities in the Corporate Plan. Alongside this, we publish a detailed delivery plan that sets out the specific priorities for the year and how we will measure them.

We have a process for measuring how we are doing on our priorities. We use –

- performance indicators,
- evidence on delivery of our projects,
- feedback from residents, businesses, and partners, and
- the views of our regulators and auditors.

Each part of the council pulls this information together and presents it to councillors who look at the data, check it and ask questions. This was done for the year 2024-25 in June and July 2025.

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We use all of this information to come to overall judgements on progress against each of our aims and wellbeing objectives using this scale -

	What does this Status mean?		
	Overall / self-assessment performance	Commitments, projects or improvement plans	Performance Indicators
COMPLETE (BLUE)	Not applicable	Project is completed	Not applicable
EXCELLENT (GREEN)	Very strong, sustained performance and practice	As planned - within timescales, on budget, achieving outcomes	On target and performance has improved / is at maximum
GOOD (YELLOW)	Strong features, minor aspects may need improvement	Minor issues. One of the following applies - deadlines show slippage, project is going over budget or risk score increases	On target
ADEQUATE (AMBER)	Needs improvement. Strengths outweigh weaknesses, but important aspects need improvement	Issues – More than one of the following applies - deadlines show slippage, project is going over budget or risk score increases	Off target (within 10% of target)
UNSATISFACTORY (RED)	Needs urgent improvement. Weaknesses outweigh strengths	Significant issues – deadlines breached, project over budget, risk score up to critical or worse	Off target (target missed by 10%+)

Performance Overview

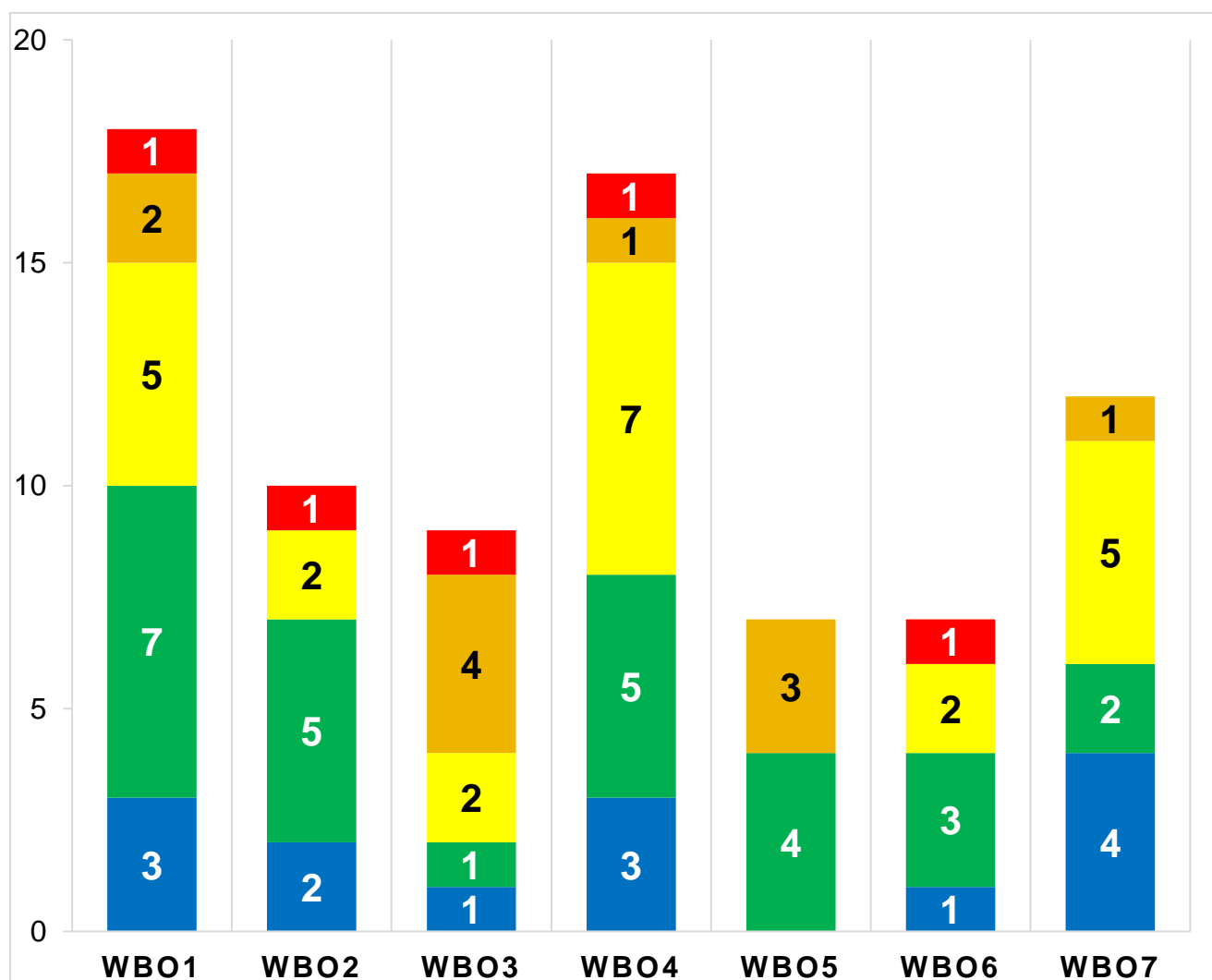
To support the new, 5-year Corporate Plan, we developed a 1-year delivery plan for 2024/25. The plan included –

- 80 commitments (projects) the council will do to help us achieve our aims, for example, opening a new metrolink bus facility in Porthcawl.
- 108 performance indicators to measure our day-to-day activities, for example, collecting and recycling your household waste.

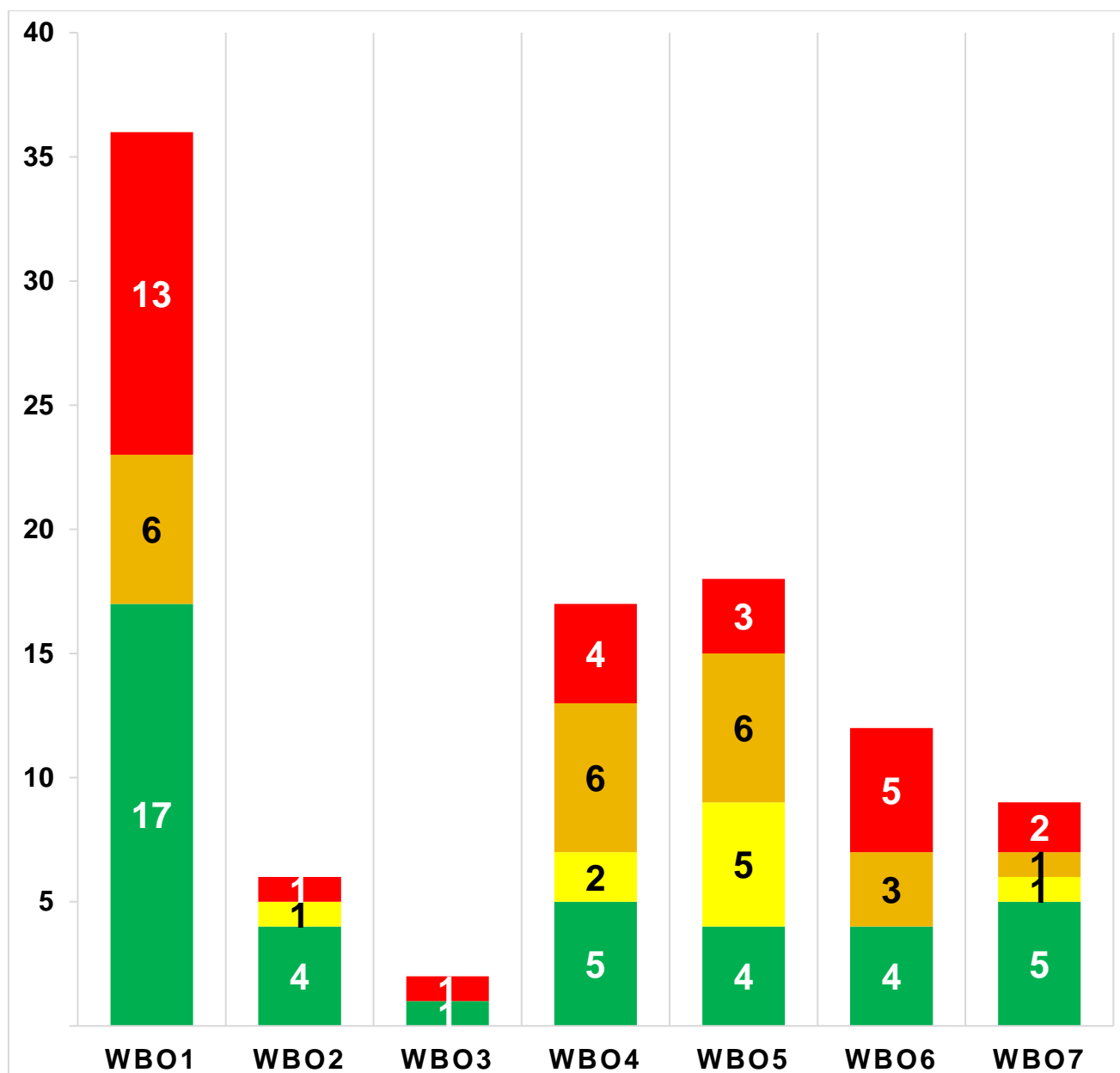
Each one of these has been given a blue, red, amber or green rating to show you whether they are completed, on target or if we are struggling to achieve them, and the two graphs below summarise these.

Alongside the self-assessment, we have published a separate, short performance document that details our progress against each PI and commitment.

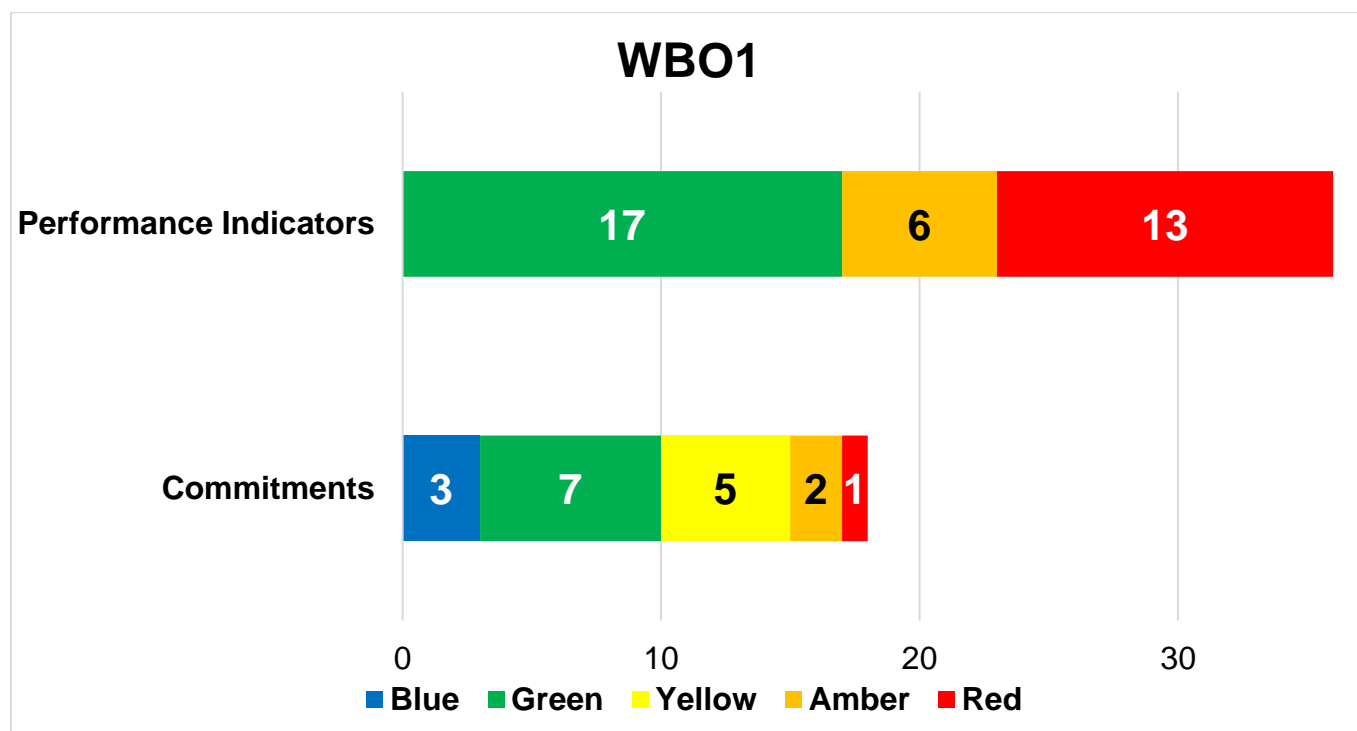
Graph 1 – How we are doing on our commitments / projects



Graph 2 – How we are doing on our performance indicators.



Wellbeing Objective	Score
1 - A County Borough where we protect our most vulnerable	Good



The information below gives you more detail on how we are doing on each aim under this wellbeing objective

Aim	Status	Description
Providing high-quality children's and adults social services and early help services to people who need them	Good	<p>Social Services continues to make good progress in delivering our priorities and commitments.</p> <p>We have a clear 3-year strategic plan for Children and Family Services, a significantly improved position in the children's workforce and reduction in the agency workforce. The Signs of Safety model of practice is embedding in the MASH and safeguarding. The number of children on the child protection register has steadily reduced and is on target. We have achieved a safe reduction in the number of care experienced children. 100% of carers (in children's services) have been offered a carer's assessment. There have been further improvements in the timeliness of visits to children who are care experienced and on the child protection register. Performance is more challenged in the care experienced children, placements and in house fostering. The children's placement spend is much higher than the budget allocated for the service. There have been positive regulatory inspections of children's residential care homes. Our biggest challenge is availability of fostering and residential placements which has led to a small number of</p>

		<p>children being supported in operating without registration (OWR) arrangements. A new placement commissioning strategy has been developed to address this.</p> <p>Adult social care also has a clear 3 year strategic plan. There have been positive regulatory inspections in adult social care. 509 reablement packages have been completed, supporting people to retain or regain their independence, although the percentage that mitigated the need for support has got worse. There are positive outcomes in tier 1 and tier 2 services but more challenges are challenges in tier 3 specialist services, particularly the community learning disability team where there are workforce challenges impacting on practice and performance. There have been some improvements in performance but still higher than Welsh average delayed pathways of care. There has been good progress in the commissioning with complex care project to undertake in depth reviews of care packages and commissioning arrangements. There have been detailed service reviews of regulated accommodation (care homes, extra care and supported living) and daytime opportunities. The percentage of enquiries to the Adult Social Care front door which result in information and advice only has increased again and met our target.</p> <p>Numbers of people accessing independent advocacy both in children's and adult's social care is well below target and we are working to improve capacity and provision.</p> <p>We have completed more team around the family support plans and the percentage of plans closing with a successful outcome is similar to last year at 82% There has been a 67% reduction in the number of cases stepping up to statutory services, a key outcome that highlights the effectiveness of our preventative work.</p>
Supporting people in poverty to get the support they need / help they are entitled to	Excellent	<p>Our Council Tax Reduction Scheme (CTRS) is efficient, with applications dealt with promptly. The average time taken to process a new claim for CTR is 19 days.</p> <p>We provide advice and support through our financial advice and assistance service (FASS). This service provides advice and support in managing or reducing household debt to 94% of the people who have contacted it. It is also helping people access benefits and allowances, and 96% of people using the service saw an increased income through claims for additional / increased benefits and allowances – a total of £1.7m in income gains this year.</p>
Supporting people facing homelessness	Adequate	<p>Changes to Welsh Government legislation means there is a crisis of housing supply and demand across Wales. Demand is very high for homelessness services and our</p>

to find a place to live		<p>supply of accommodation (particularly specific types of accommodation like large homes and accessible homes) is very low. This means we aren't able to help people as quickly as we should, and we are relying on temporary accommodation more than we would like. But a complex housing scheme was commissioned and is now operational. We've increased the use of, and built relationships, in the private rented sector by the adoption of the Welsh Government Leasing Scheme and are proactively bringing empty properties back into use. We have purchased accommodation to use as a more suitable form of temporary accommodation for those that are homeless. There has been a further 12% increase in homeless presentations in 2024/2025 since last year.</p> <p>Homelessness prevention has improved and we have met our target for the year. This is a result of the introduction of longer notice periods in the Renting Homes Act and work with RSL's to prevent homelessness by ensuring those who are facing homelessness are given priority for housing.</p>
Supporting children with additional learning needs to get the best from their education	Adequate	<p>The number of pupils on the waiting lists for specialist provision is a lot higher than our target. This includes previous referrals where support in mainstream schools has not been successful. This has resulted in a further increase in the number of pupils needing specialist placements.</p> <p>We have produced a five-year plan to meet increasing demand on ALN support services, specialist provision and schools. Extra finances have been found to meet demand for ALN places, and we are developing 3 new learning resource centres.</p> <p>We are bringing in an online IDP (Individual Development Plan) system, but it has been delayed due to issues found in testing. It is likely to be in place early in 2025/26.</p> <p>To comply with the ALN Code for Wales, all (100%) year 9 pupils with Additional Learning Needs with a transition plan in place, should have had an annual review by 31 March of each current school year. But we haven't hit this target, we have achieved 74.3% due to non-attendance of key stakeholders, rescheduling and ALN Coordinator (ALCo) capacity.</p> <p>Estyn has inspected Heronsbridge School and The Bridge and both have resulted in excellent outcomes.</p> <p>We have used the Welsh Government ALN Capital Grant effectively to improve provision (including sensory rooms / outdoor play areas) across schools and specialist settings.</p>
Safeguarding and protecting people who	Good	<p>A regional safeguarding strategy has been agreed and we have a local plan that reflects it.</p> <p>The Corporate Safeguarding Board continues to oversee safeguarding practice across the Council. A reasonable</p>

are at risk of harm		<p>assurance of corporate safeguarding arrangements has been given by internal audit.</p> <p>Almost all children's safeguarding referrals decisions are made within the 24-hour target, but our target is 100%. 84% of child protection investigations are completed within required timescales, so we have met this year's target. Average waiting time on the Deprivation of Liberty Safeguards (DoLS) waiting list has reduced again to 10 days and we are now meeting our target.</p> <p>But the percentage of adult safeguarding inquiries which receive initial response within 7 working days has improved but is below target. We have introduced a weekly monitoring system so we can escalate issues as needed. Not all staff are using the safeguarding e-learning module, although completion has increased to 88%, but we are changing the system to recognise prior learning.</p>
Help people to live safely at home through changes to their homes	Unsatisfactory	<p>The DFG process was taken in house in 2021. Historical cases with agents have now been cleared (often after many years) so this has had an impact on the average time to complete a DFG. Demand is still higher than we can manage within existing budgets. But the DFG procurement framework is now live, the budget was fully spent and an extra £90k was secured from the Regional Partnership Board, which allowed us to adapt a further 15 homes. A total of 238 adaptations were completed, a 5% rise on the previous year.</p> <p>99% of those receiving a service were satisfied with the adaptations to their homes and felt they helped them to remain in their own home independently and safely.</p>
Support partners to keep communities safe	Good	<p>The council's CCTV system and operatives have reported over 1,000 incidents to South Wales Police to help them deal with incidents and keep the public safe.</p> <p>The Cwm Taf Morgannwg Community Safety Partnership (CTMCSP) has been established; Terms of Reference have been developed; and the partnership has met.</p> <p>Almost all (99%) of Assia domestic abuse service users report increased feelings of safety at their exit evaluation. 100% of high-risk domestic abuse victims / public protection notices received by the service were contacted within 48 hours, and 100% of medium risk domestic abuse victims / public protection notices received by the service were contacted within 72 hours. This is in line with good practice.</p> <p>Bridgend Youth Justice Service (BYJS) has done presentations to schools, early help teams and Pupil Support Services to raise awareness of their prevention offer. Various activities have been held and played a role in diverting children who offend from being criminalised, significantly reducing the number of first-time entrants into the criminal justice system.</p>

		Around 76% of council staff have completed Violence Against Women training, which is below target.
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What will we do to improve?

- Continue implementation of the children's / adults' services 3-year strategic plans.
- Implement the early help commissioning strategy.
- Create a strategic carers group to ensure unpaid carers' views are heard
- Take part in Welsh Government's Local Authority Benefit Take-up Pilot to identify residents who are missing out on entitlements to financial support and undertake targeted campaigns to help them.
- Develop and consult on a new social housing allocation policy
- Maximise the budget for disabled facilities grants so that we can complete as many projects as possible in 2025/26
- Identify schools to host three new learning resource centres – a Foundation Phase observation class, a Foundation Phase Nurture Class for pupils with Emotional, Social and Behavioural Difficulties (ESBD) and a secondary Communication, Autism Resource Education (CARE) base. Open these provisions in September 2025.
- We are on track to meet the additional learning needs (ALN) commencement orders (moving statements of special education needs to IDPs) by 31 August 2025.
- Host a session on the online Individual Development Plan (IDP) system for ALNCoS at the next forum in May, testing the system before rollout in schools.
- Complete actions from Day Opportunities / Accommodation Based Service reviews
- Complete a deep dive into adult safeguarding

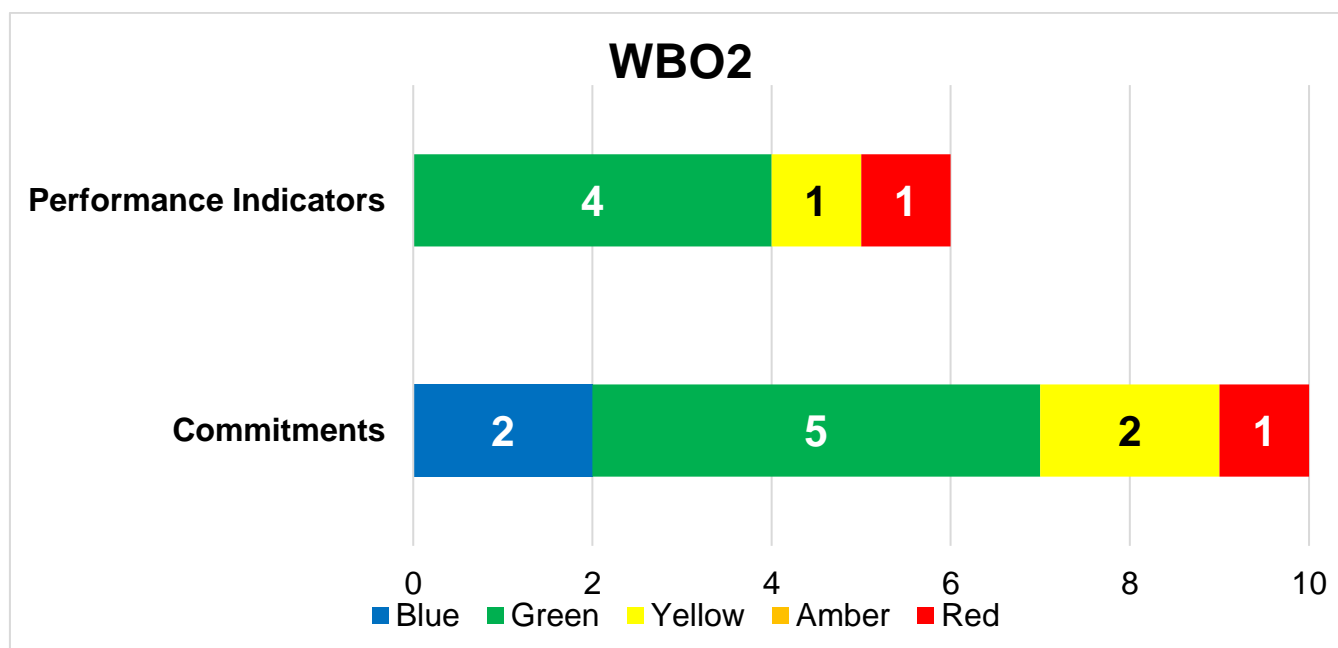
Case study – Early Help



In 2024/25 we integrated our Early Help services in our Social Services and Wellbeing directorate. Demand and referrals for Early Help have been increasing significantly. We have worked hard to strengthen the early help offer and improve outcomes for families. New front door arrangements have helped us with early identification of risk,

allowing teams to intervene before needs escalate. A mapping pilot in the North hub has been rolled out, helping us understand family needs and coordinating support. We have worked with partner agencies, and health services, to make sure families receive timely and appropriate support. Earlier identification has allowed teams to undertake preventative work rather than reacting to crises. As a result of all of this, there has been a 67% reduction in the number of cases stepping up to statutory services, which highlights the effectiveness of this early and preventative work. Impact measures have shown that 96% of families reported feeling more able to make positive lifestyle and behaviour changes, and 94% of families reported improved family resilience.

Wellbeing Objective	Score
2 - A County Borough with fair work, skilled, high-quality jobs and thriving towns	Good



The information below gives you more detail on how we are doing on each aim under this wellbeing objective.

Aim	RAYG	Performance this year
Helping our residents get the skills they need for work	Excellent	<p>Employability Bridgend provides support to unemployed people, and those in work but struggling with low skills or in-work poverty. This year, 453 people (above the target of 233) from the Employability Bridgend programme went into employment. Over the course of the year 1778 participants were signed up into the programme. We have worked with partners such as other BCBC departments, particularly the neurodivergence team in January for the Pathways conference, to support with training, volunteering and employment. We signpost as appropriate and collaborate with other services and projects as appropriate. The Marketing and Engagement team is well established and successful with promoting employability.</p> <p>The Shared Prosperity Fund (SPF) programme was completed in line with funder requirements and over 95% of targets were exceeded, overseen by the Economic Programme Board. All projects finished on time, but the programme had an 11% underspend.</p>
Making sure our young people find jobs, or are	Adequate	678 people on the Employability Bridgend programme have been supported into education or training (against a target of 409).

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in education or training		<p>The percentage of year 11 school leavers not in education, employment or training (NEET) is better than the Wales average, 5th in Wales but slightly worse than last year at 1.9%.</p> <p>Social Services staff have attended College careers events and open days and had input onto College Health and Social Care diploma programmes, giving presentations on working in social care, also provision of information on work pathways, apprenticeship programmes and careers in social care.</p>
Improving town centres, making them safer and more attractive	Good	<p>The £8m refurbishment project on Maesteg Town Hall has been completed and the building was opened in November 2024. This listed building was restored and extended to provide a community hub and arts and cultural centre for the Llynfi Valley.</p> <p>Five projects have been awarded grants totalling over £340,000 from Welsh Government's Transforming Towns Schemes, to contribute towards regenerating our town centres. The availability of commercial property grants has been marketed, with some feasibility finance available for projects in the Valley areas available throughout.</p> <p>Significant consultation has been undertaken on the new placemaking strategies and marketing continues on availability of funding.</p>
Attracting investment and supporting new and existing local businesses	Excellent	<p>94 business startups (compared with a target of 53) have been supported through advice, grant bids, web material, face to face networking and event opportunities. 37 (compared with a target of 21) businesses have received support through the shared prosperity fund, which is a higher demand than we expected.</p> <p>68 start up grants were awarded in 2024-25. Support has been provided from UK Steel Enterprises to enhance the start-up grant and it is expected that the grant will be of interest to former TATA, and TATA supply chain, employees. 27 business development grants and 10 business feasibility grants were supported in the year.</p> <p>The Corporate Joint Committee (CJC) has been formed. A draft Delivery Agreement for Cardiff Capital Region (CCR) was completed by September 2024, monitored by the Economic Directors Forum. Work with the CJC to produce a regional transport plan was completed in December 2024.</p>
Making the council an attractive place to work	Good	<p>This year we have been awarded the Disability Confident - Leader status. We continue to pay the Real Living Wage and promote a range of benefits such as Staff Discounts, Health & Wellbeing Platform and flexible employment options.</p>

		<p>The number of apprentices employed across the organisation during 2024-25 was 22. A workforce planning E-learning module has been written, and a toolkit for managers is being developed.</p> <p>The response rate to last year's staff survey was low. We have done focus groups to find out why and look at their concerns. We will use these to change the way we engage with staff. New communications channels have been introduced– a chief executive's quarterly message, a monthly managers' briefing note and managers forum.</p>
Ensuring employment is fair, equitable and pays the real living wage	Excellent	<p>We have worked with our supply chain, encouraging employers to offer training and working with our suppliers to find out if they are real living wage employers. 257 employers in the Borough are Real Living Wage accredited.</p> <p>We have implemented new contract procedure rules in line with the UK procurement Act. Social value and carbon reduction have been strengthened as a consideration in our tenders. Contractor safeguarding protocol has also been included to ensure suppliers are aware of their duties for safeguarding vulnerable people. We have developed an external website for tenders and procurement, including a corporate contracts register and a new 'selling to the council' guide to support suppliers do business with the council. We have developed and implemented a modern slavery statement and standard terms and conditions for use across the council.</p>

What will we do to improve?

- Continuing our comprehensive Employability programme
- Award grants from Welsh Government's Transforming Towns Schemes, to contribute towards regenerating our town centres.
- Further develop plans for Porthcawl waterfront regeneration area
- We are running business start ups grants and a series of business engagement events through Bridgend Business Forum
- Opportunities for short term, test trading through 'for a limited time only'
- A package of Shared Prosperity Fund (SPF) activity for the transition year, 2025-26, was agreed by Cabinet in January 2025.
- Bridgend Music Service will further develop links with partners to broaden the learning offer including members of the BBC National Orchestra of Wales visiting Bridgend in May 2025 to deliver two concerts to pupils.
- Complete the change to a biannual staff survey supported by surveys tailored to frontline staff at different times of the year.

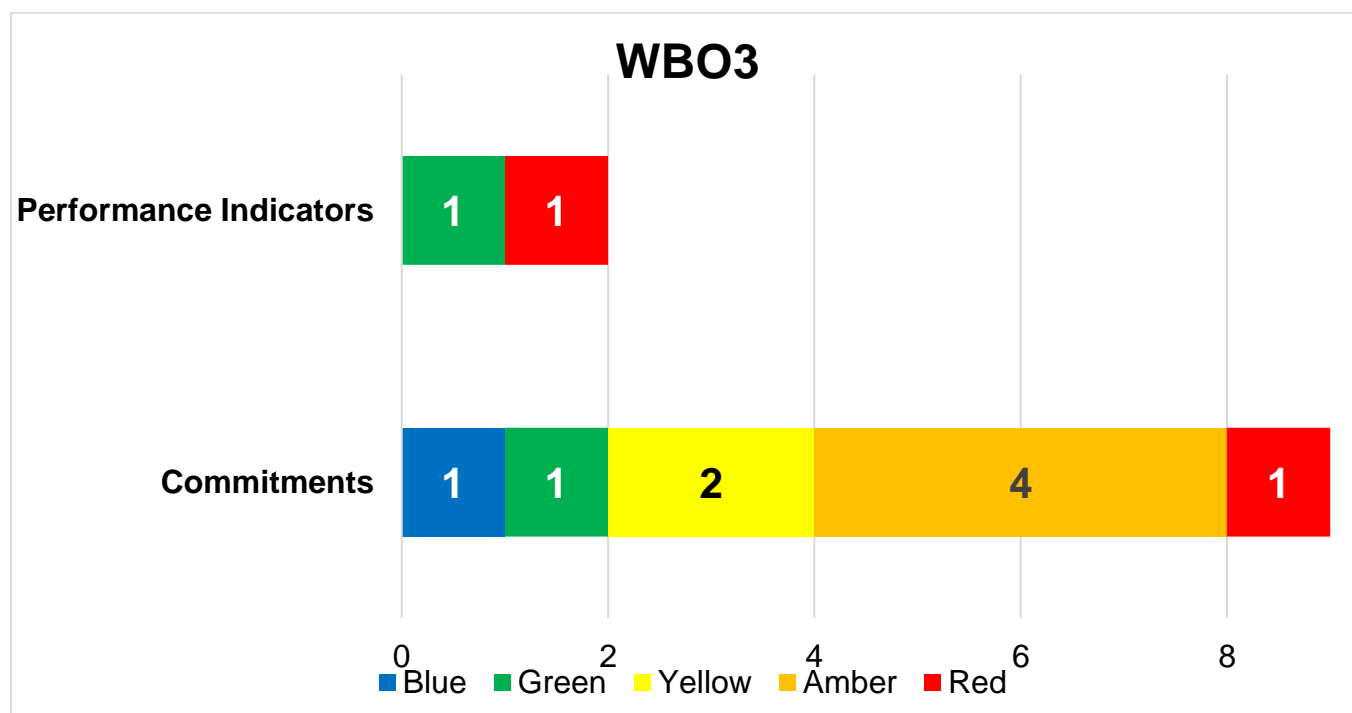
Case study – Reducing our agency workforce in Social Services



In 2024/25 we have used international recruitment and 'grow our own' to reduce our agency workforce. We have promoted careers in social care through schools and colleges, careers Wales, job centres and our own employability programmes.

We have defined and improved progression routes – including work placements and apprenticeships - and training and development – including a social work degree. We have also recruited 13 international social workers – winning a prestigious Social Care Wales Accolade for 'Developing and inspiring the workforce'. Together this work has seen us reduce our agency social worker workforce from over 40% in March 2023 to 9% in March 2025, as well as helping us retain staff and improve the experience of our workforce.

Wellbeing Objective	Score
3 - A County Borough with thriving valleys communities	Adequate



The information below gives you more detail on how we are doing on each aim under this wellbeing objective.

Aim	Status	Description
Investing in town centres, including Maesteg town centre	Excellent	<p>A Placemaking Plan for Maesteg has been developed and consulted on and is ready for approval. It will guide investment and policy decisions which will shape the town's future. It will support applications for project funding and to demonstrate need and opportunities for activity to support the town centre.</p> <p>The Commercial Property Enhancement Grant is underway with £168,280.96 paid out against 7 properties to enhance and consolidate the High Street in Commercial areas across our valley areas. Grants were awarded in Ogmore Vale, Garw, Llynfi, Pencoed and Pyle. Examples include Ogmore Valley Family Dental, and Ogmore Boxing Club; where support was given to maintain active frontages on the high street and retaining health services / benefits in the valley.</p>
Creating more jobs in the Valleys	Adequate	<p>Good progress has been made on the development of the Valley Regeneration Strategy. It is now in final draft form to be circulated for completion. Once formally adopted, we can use this as a tool to develop funding bids.</p> <p>Discussions are still on-going about the Northern Valleys Gateway Initiative (NVI) nearly 2 years after starting.</p>

		Funding still has not been released to develop much needed business units in the Valleys.
Improving education and skills in the Valleys	Adequate	Flying Start Nurseries at Pontcymmer, Nantymoel and Ogmore Vale are now operating. The tender process for the opportunity to open a Welsh-medium provision in Bettws has concluded and a preferred provider has been identified. The tender process for the Blackmill has been delayed and will run to May 2025.
Investing in green spaces and supporting tourism to the valleys	Good	Good progress has been made on the development of the Valley Regeneration Strategy. It is now in final draft form to be circulated for completion. Once formally adopted, we can use this as a tool to develop funding bids. We have invested in parks in the Valleys with 5 refurbished children's play areas with accessible facilities. There has also been significant investment in refurbishing tennis courts in partnership with the Lawn Tennis Association including at Maesteg Welfare Park and Caedu Park.
Encourage the development of new affordable homes in the valleys	Adequate	We meet Registered Social Landlords (RSLs) regularly to encourage new social housing in the valleys. Valley areas are considered in line with the Local Housing Market Assessment; Valley sites feature in the programme of development and future pipeline development. Only 2 (against a target of 20) additional affordable homes have been provided by Registered Social Landlords in the Valleys this year, although 13 have been built / acquired and will soon be ready for occupation. The development of 180 new homes on the former Ewenny Road Industrial Estate is continuing, but progress is slower than planned. The sale of the land to a housing developer is being finalised.

What will we do to improve?

- Approve and adopt the Placemaking plan for Maesteg
- Continue to award Commercial Property Enhancement Grants to enhance and consolidate the High Street in Commercial areas across our valley areas.
- Complete and adopt the Valleys Regeneration Strategy
- Keep working on the release of funds for business units in the valleys through the Northern Valleys Initiative (NVI)
- Implement the proposed delivery plan for the universal expansion of Flying Start childcare (phase three) from April 2025.
- Complete the tender process for Welsh medium provision in Blackmill
- Complete the sale of the Ewenny Rd site to a housing developer.

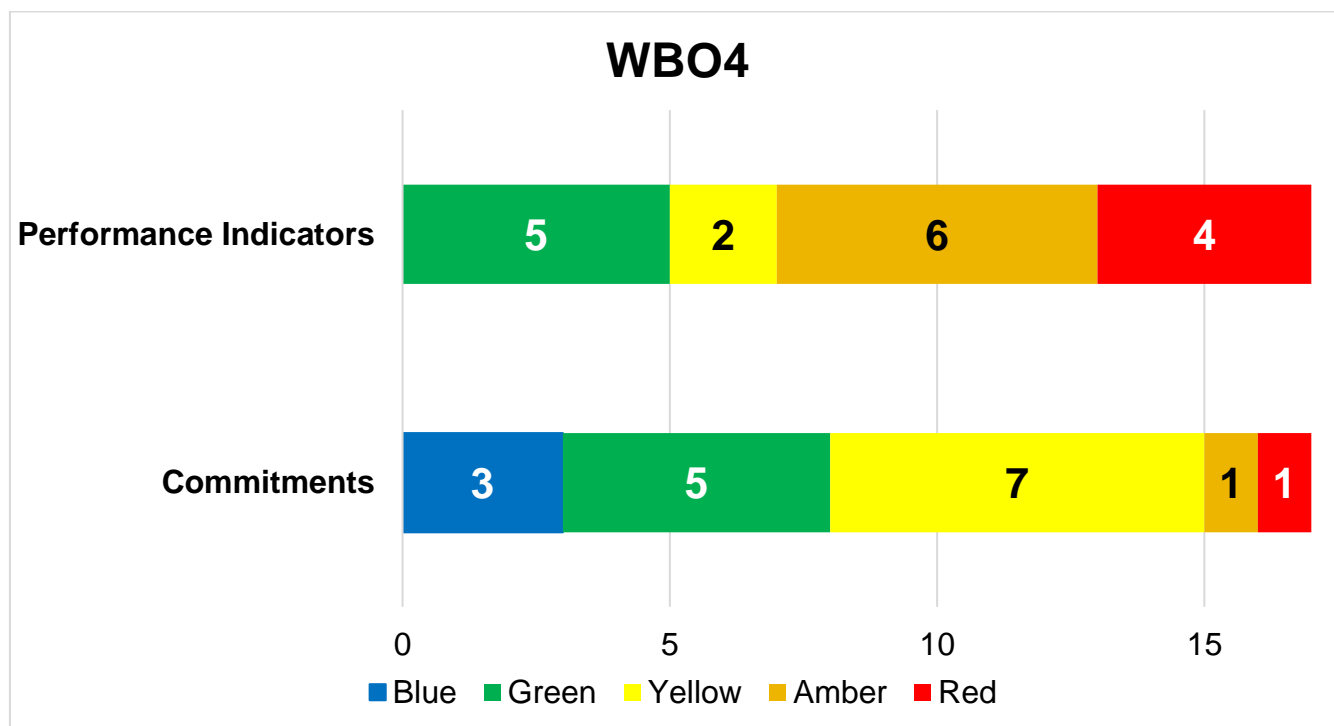
Case study – Maesteg Town Hall



On 20 November 2024 Maesteg Town Hall opened its doors to the public, following multi-million-pound redevelopment project delivered by the council and our partners at Awen Cultural Trust. The 140-year-old building has been returned to its former glory, but now boasts a new glass atrium, library and heritage centre, studio theatre and cinema space, café and mezzanine bar. The main auditorium is a multi-functional performing arts venue with a stage lift, dressing rooms and a bar. The balcony has been retained and refurbished. Historic paintings from Christopher Williams have been restored and are on display. We now have one of the finest cultural venues in Wales in the Llynfi Valley. The project was funded by the

Council, the European Regional Development Fund, the National Lottery Heritage Fund, Welsh Government including CADW, Awen Cultural Trust, Maesteg Town Council, the Garfield Weston Foundation, the Davies Trust, and the Pilgrim Trust.

Wellbeing Objective	Score
4 - A County Borough where we help people meet their potential	Good



The information below gives you more detail on how we are doing on each aim under this wellbeing objective.

Aim	Status	Description
Providing safe, supportive schools with high quality teaching	Adequate	<p>One school has been removed from Estyn 'special measures' category, while another school now requires special measures after an Estyn inspection. The post-inspection action plan was submitted and approved by Estyn in February 2025.</p> <p>All schools have completed safeguarding audits, with 93% rated as "green". Safeguarding will be an agenda item at student council meetings and we aim to increase governor engagement with safeguarding training.</p> <p>Fixed-term school exclusions are increasing due to behavioural changes and an increased complexity of needs, especially in primary schools. A group has been convened to identify trends and themes including areas of best practice to address violence in school.</p> <p>Pupil Attendance rates in primary schools continue to increase, but attendance in secondary school remains lower than that of primary pupils. We are supporting pupil attendance across all schools.</p>

		<p>The average capped 9 scores for pupils in year 11 (measuring GCSE results or equivalent) are below target but above Wales average, placing Bridgend in 9th compared to other local authorities in Wales.</p> <p>Throughout this year, schools have been supported with a variety of digital professional learning and skills training, and a Schools' Digital Learning Strategy 2025-2028 has been developed.</p> <p>The youth support social media presence is growing but we await the outcome of a proposal for a trial for a corporate TikTok account. Your Voice digital forum is completed and had 790 participants.</p>
Expanding Welsh medium education opportunities	Good	<p>There are a variety of groups, projects and initiatives in place to increase opportunities for children to use the Welsh language, but targets we have set have not been achieved in all areas.</p> <p>The percentage of year 1 learners taught through the medium of Welsh is 8.83% and continues to show an improving trend, and the percentage of learners studying for assessed qualifications through the medium of Welsh at the end of Key Stage 4 has also improved to 7.23%, indicating a higher proportion of children studying at a Welsh medium secondary school. The number of students who were entered for an A level examination in Welsh second language has reduced since last year and the target has been missed.</p> <p>There has been significant progress in delivering the actions in the Welsh in Education Strategic Plan (WESP). These include; Cymraeg i Blant sessions in Porthcawl to support readiness for the childcare hub and seedling school. Regular groups such as baby massage, baby yoga and Welsh Rhymetime in Maesteg, Y Sarn, Bridgend Town and Pyle, with 152 groups this year, and 1460 parents attending. 100% of schools are now engaged with Siarter Iaith and Siarter Iaith Cymraeg Campus. A communications plan will help celebrate schools that have received awards. A press release has been published to celebrate the Siarter Iaith awards ceremony in March 2025.</p>
Modernising our school buildings	Adequate	<p>Each of the five schemes are in design / development phases and significant progress has been made on their approvals, funding and in some cases tenders. Due to a variety of issues (including ecology issues, delays in Welsh Government reviews, planning approval and funding), the timescales for the five schemes have been impacted.</p> <p>The replacement Ysgol Gymraeg Bro Ogwr school design has been progressed. Cabinet Secretary for Education gave approval to proceed to Full Business Case stage. In November 2024, Council approved the extra capital funding</p>

		<p>needed for the scheme. Ecological issues continue to affect the site, and this has impacted on the site investigation.</p> <p>The Heronsbridge School has also received approval to proceed to Full Business Case stage. In November 2024, Council approved the extra capital funding needed for the scheme. The tender process commenced in March. A change to the school opening date will be needed.</p> <p>The replacement Mynydd Cynffig Primary School has also received approval to proceed to Full Business Case stage. In November 2024, Council approved the extra capital funding needed for the scheme. The planning application was submitted in November 2024. Challenges and delays mean a revised programme will be considered by Cabinet.</p> <p>Changes to the funding for Bridgend West (the replacement Ysgol y Ferch o'r Sgêr and the new English-medium school) have been approved and the opening date for the school has been changed to September 2026. The planning application has been submitted and the tender process commenced in February 2025.</p> <p>Changes to the funding for the new two-form entry English-medium school to replace the existing Afon Y Felin and Corneli Primary Schools has been approved, and the opening date for the school has been changed to September 2026. The planning application has been submitted and tender process commenced in Feb 2025.</p>
Attract and retain young people into BCBC employment	Adequate	<p>We have engaged with schools through the termly Director Reports and have attended job fairs, options and careers events to promote the apprenticeship offer, including specific roles, e.g. business admin, IT and multi-trade apprentices. Workshops have been delivered on applying for apprenticeship jobs and interview skills as well as "Dragon's Den" events and mock interviews.</p> <p>The number of apprentices employed by the council has reduced from 46 in 23-24 to 22 in 24-25, and this year only half of those concluding their apprenticeships have gone on to obtain a non-apprentice role due to budget constraints and the recruitment freeze.</p>
Offering youth services and school holiday programmes for our young people	Excellent	<p>540 young people took part in targeted activities for people with additional or diverse needs. This is much higher than last year, and better than our target.</p> <p>Participation in the national free-swimming initiative during school holidays and weekends was over 23,000 – higher than last year and better than target. The Healthy Living partnership has supported 119 vulnerable households to learn to swim based on referrals from children and families services.</p> <p>20 families have been referred and 63 individuals supported in our "step up and step down" approach for</p>

		<p>low level social care. The halo health and wellbeing membership card in partnership with the Council is supporting 173 foster children, 76 carer leavers, 5 individuals in a residential setting, 79 youth justice participants, 63 young adults and 142 children & young adults with a disability</p> <p>Six Food and Fun programmes operated in the summer holidays 2024 with 213 children benefitted from attending.</p>
Work with people to design and develop services	Excellent	<p>The Bridgend Inclusive Network Group (BING) network has supported 20 organisations, creating over 100 community opportunities, and assisting over 211 individuals living with disabilities in Bridgend.</p> <p>Our partnership with BAVO has supported 272 Third sector organisations, supported to develop or deliver prevention opportunities' focusing on "what matters". 137 individuals attending network meetings. 564 people have increased knowledge of the services available to them (locally). 587 people report increased social connections.</p>
Being the best parents we can to our care experienced children	Good	<p>The number of care leavers who experience homelessness is higher than last year but still met our target.</p> <p>The number of care leavers completing 12 months consecutive employment, education or training (EET) since leaving care has reduced to 59% and is off target. But those completing 13-24 months has increased to 82% and is on target.</p> <p>The corporate parenting board strengthens partnership work and monitors implementation of the corporate parenting strategy.</p> <p>The Youth forum to meets regularly with the support from Tros Gynnal Plant Cymru and their views are taken to Corporate Parenting for the board to consider. We are supporting 178 care experienced individuals and their households to access health and wellbeing opportunities. We are also supporting care experienced children to access training and development linked to leadership and volunteering with some sessions already held between services specifically 16+ team and Youth Support Services.</p>

What will we do to improve?

- Work to increase governor engagement with safeguarding training.
- Support the school in special-measures to enact the post-inspection action-plan
- Through the 'Weapons-Related Incidents in Bridgend Educational Settings Strategy Group' look at the use of violence and weapons within schools, to identify trends and themes including areas of best practice to address violence in school.
- Support schools to complete attendance audits to identify best practice / development needs.
- Complete work to improve persistent absence levels in primary schools.

- Work with school leaders to improve capped 9 scores, sharing effective practice, the role of improvement partners, brokering support, developing leadership capacity, local authority network groups, evaluating the quality of teaching and judging the impact of teaching on the outcomes for learners
- Continue to support / promote education through the medium of Welsh, with a variety of groups, projects and initiatives in place to increase opportunities for children to use the Welsh language.
- Continue to progress our plans for School Modernisation
- Work will be completed this school year to improve persistent absence levels in primary schools.
- We will complete an attendance audit with schools to identify areas of best practice and development.
- Food and fun - An options paper is being prepared to consider how barriers to schools' participation could be reduced.

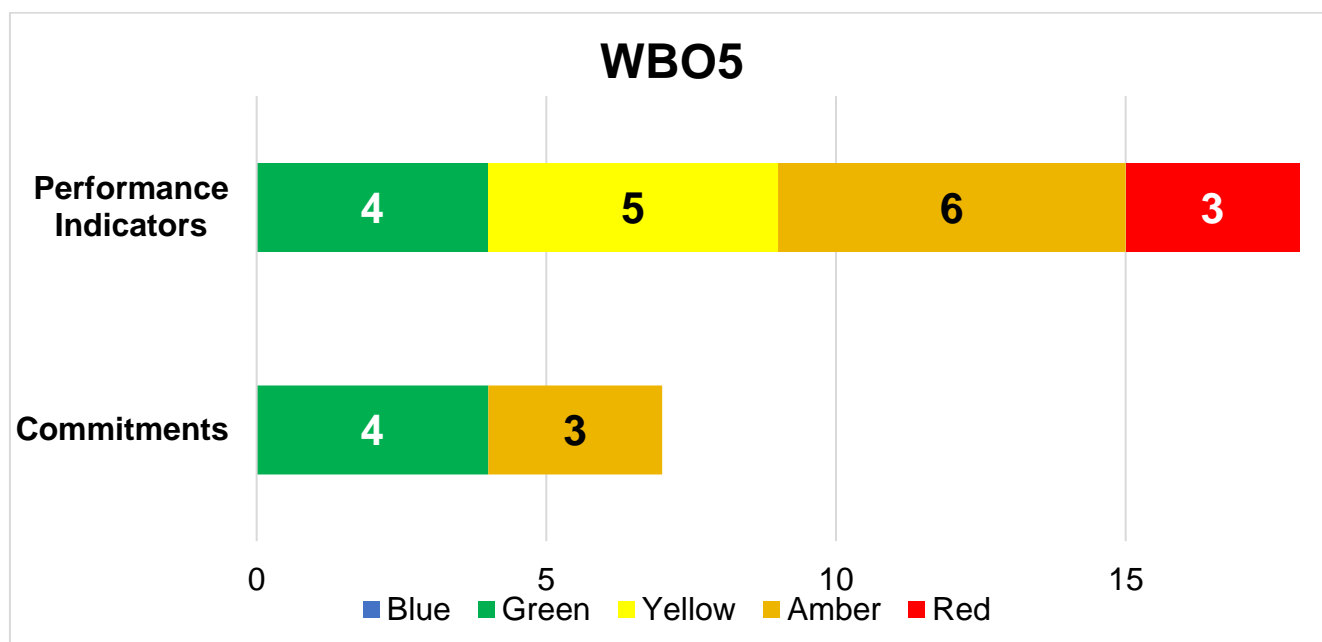
Case study - The Welsh in Education Strategic Plan (WESP) communications strategy



This year, we have worked hard on promoting, marketing and celebrating our Welsh in Education Strategy Plan (WESP) – developing a communication and engagement plan to support it. To deliver this, the WESP Co-ordinator has worked

closely with the Regional Welsh-medium Education Promotion Champion and members of the Welsh Education Forum (WEF) sub-group. This plan states our vision, messaging and promotion of Welsh-medium education. We have also finalised the 'Comms Cymraeg Schedule', which maps out targeted communication over the year to promote Welsh-medium provisions and education, the use of Welsh in English-medium schools and studying Welsh as a subject at A level. As part of this, we have developed a paid Facebook campaign using videos, posters and links to webpages.

Wellbeing Objective	Score
5 - A County Borough that is responding to the climate and nature emergency	Good



The information below gives you more detail on how we are doing on each aim under this wellbeing objective.

Aim	Status	Description
Moving towards net zero carbon, and improving our energy efficiency	Adequate	<p>Overall, a 1% reduction in emissions was achieved in 24-25, less than our 5% target but a positive step in our 2030 obligations, with reductions in electricity and gas consumption and CO2 related energy consumption across our buildings.</p> <p>Funding has been approved for a LED (Light Emitting Diode) replacement programme and solar PV (technology that converts sunlight directly into electricity using semiconductor materials) roll out on sites including schools. 17 buildings have had insulation levels improved and a further 5 have had new LED lighting to replace less efficient fittings. 220.8kWp of PV has been installed, 2 buildings have had gas heating systems replaced with more efficient heat pumps.</p> <p>Draft Net Zero Strategy delivered in March 2025, and feedback from officers and Scrutiny Committee has been provided to Carbon Trust.</p> <p>Air quality monitoring along Park street in the air quality management areas (AQMA) showed reducing NO2 levels for 2023, but still exceed the annual average air quality objective set at (40µg/m3).</p>

Protecting our landscapes and open spaces and planting more trees	Good	<p>The Local Nature Partnership (LNP) has continued to be supported by the Climate Change Response Team. We have done work to improve awareness and understanding of the LNP through a communication plan and a dedicated LNP webpage on Visit Bridgend.</p> <p>All Local Places for Nature (LPfN) 24-25 funding has been spent or committed, supporting a number of groups with equipment for surveying, nest boxes, tree planting etc. Biodiversity schemes at Coychurch Playing Fields, Tondy Post Office and Caerau Mens Shed have been developed.</p> <p>Guidance on the Biodiversity Duty has been added to the intranet, alongside links to the Bridgend Biodiversity Duty Plan and monitoring templates. A section has also been added to the Corporate Induction e-learning module on the Biodiversity Duty and what it means for staff.</p> <p>3 beaches at Rest Bay, Trecco Bay and Porthcawl Marina retained their blue flag status, and Coychurch crematorium and Maesteg Welfare Park maintained their status as green flag parks / green Spaces.</p>
Improve the public realm / built environment through good placemaking principles	Adequate	<p>Our percentage of planning appeals dismissed is slightly worse than last year (81% compared to 87%) but higher than in other authorities.</p> <p>The number of planning applications determined within 8 weeks is around the same as last year (67% compared to 68%) although this is still below target.</p> <p>There are not enough planning officers to deal with the increase of complex and major applications which is being addressed by a restructure and agency staff in the short term, with changes to funding and recruitment in the next 12 months</p> <p>We have consulted on a range of supplementary planning guidance to support our Local Development Plan that was adopted in 2024. The consultations on affordable housing and retail and commercial development have now closed.</p>
Reducing, reusing or recycling as much of our waste as possible	Good	<p>Our high standards in recycling have continued, with the percentage of street cleansing waste being recycled increased to 41.22%, the percentage of municipal waste collected that is prepared for re-use, recycled, or biowaste that is composted reducing slightly to 70.93% due to issues with processing wood and green waste at the onward destination facility. The amount of residual waste generated has decreased further to 117.8 kg per person.</p> <p>The percentage of highways land found to be of acceptable or high level of cleanliness is around the same at 99.35%.</p>

		Work is underway on our future waste services model, with a Cabinet decision to bring the waste service in house in November 2024. Work stream leads are in place and are feeding into this process with project support agency on board and feeding into waste transition board, which meets fortnightly, chaired by the Council Leader.
Improving flood defences and schemes to reduce flooding of our homes and businesses	Good	<p>Schemes have been completed in Adare Street, Ogmere Vale and Dinam Street, Nantymoel to repair damaged culvert and mitigate flood risk.</p> <p>Funding has been approved from WG FCERM (Flood and Coastal Erosion Risk Management) Capital Pipeline funding (feasibility) for a catchment wide study of the Nant Cefn Glas following the Bryntirion flooding event in September 2024.</p> <p>Improvements have been made to the statutory sustainable drainage systems (SUDs) application process, with 100% of applications being processed within 7 weeks.</p>

What will we do to improve?

- Complete and consult on the Nero Zero draft strategy
- Commence the REFIT2 scheme in Spring 2025 in line with the MTFS.
- Make a Local Places for Nature 25-27 application.
- Implement the catchment wide study of the Nant Cefn Glas following the Bryntirion flooding event in September 2024 with funding from WG FCERM (Flood and Coastal Erosion Risk Management) Capital Pipeline.
- Continue work on supplementary planning guidance to support the LDP.
- Continue work to bring the waste service in house

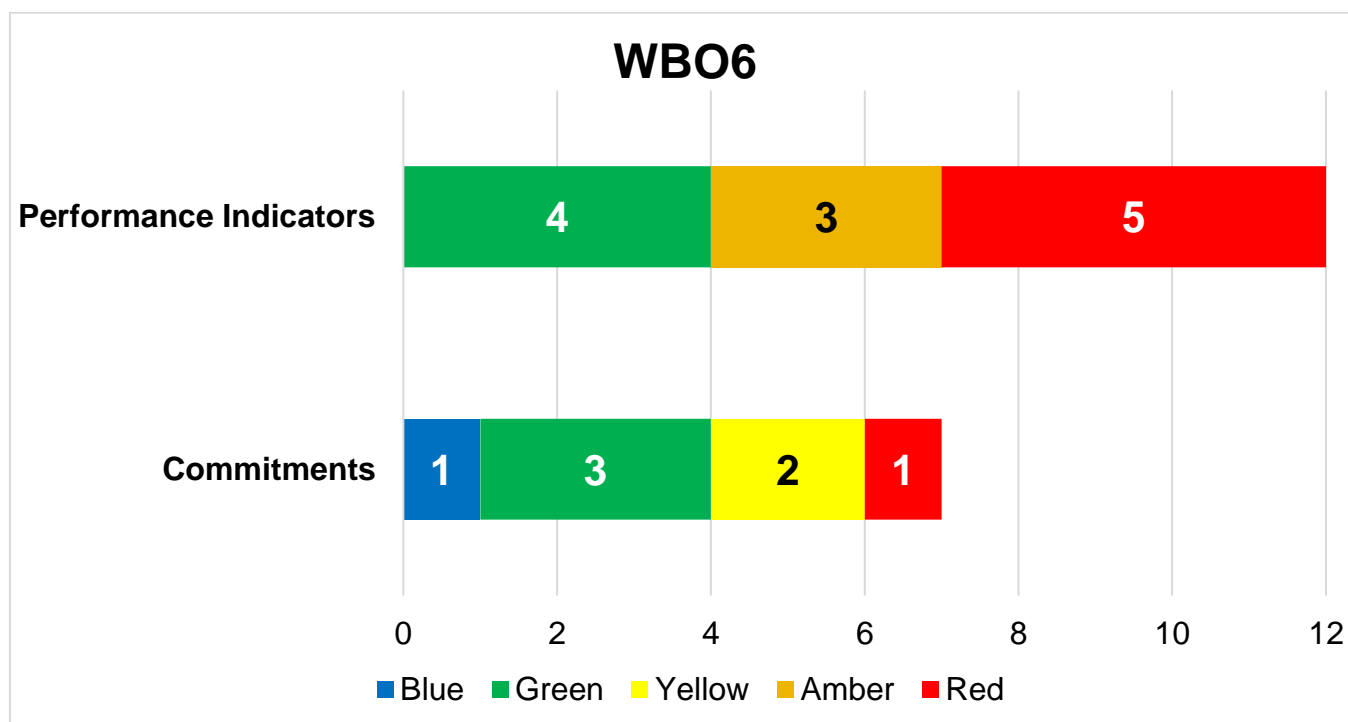
Case study – We are named top performing local authority in Wales for recycling



In November 2024 Bridgend County Borough was named as the best performing local authority in Wales for recycling (based on performance in 2023/24). The top spot with a recycling rate of 73%, statistics revealed that the county borough increased its performance by 17% over the last decade. In the previous 12 months, we recycled 39K tonnes of waste including nearly 5,000 tonnes of glass, 11,000 tonnes of organic waste

and 6,000 tonnes of paper, with over 9000 tonnes of waste processed at community recycling centres, including the new recycling centre in Pyle that opened in April 2024.

Wellbeing Objective	Score
6 - A County Borough where people feel valued, heard and part of their community	Adequate



The information below gives you more detail on how we are doing on each aim under this wellbeing objective.

Aim	Status	Description
Celebrating and supporting diversity and inclusion and tackling discrimination	Good	<p>A new Strategic Equality Plan 2024-2028 (SEP) was approved in July 2024 and is published on our website. An Action Plan that shows how we will achieve our aims was agreed in November 2024</p> <p>64% of council staff have completed introduction to Equality and Diversity training, higher than last year but below the target of 100%.</p> <p>There are now three staff network groups: menopause, disability and LGBTQ+. A Welsh Language Forum for staff of all proficiency levels has also been established.</p>
Improving the way we engage with local people, including young people, listening to their views and acting on them.	Adequate	<p>The percentage of consultation participants who believe we have been effective at meeting our aim of being citizen-focused over the last 12 months has fallen slightly to 44% against a target of 50%.</p> <p>An easy-read version of Budget Consultation 2025 was available on the consultation webpage. Improvements have been made to the online forms for planning consultations.</p> <p>The Participation and Engagement Strategy has been implemented and published.</p> <p>A National Residents Survey was carried out in Autumn 2024. The results of the survey will now be analysed.</p>

		<p>The level of engagement with residents, using the digital communications platform has increased and the targets have been achieved. But engagement across corporate social media accounts has fallen and the targets have been missed.</p> <p>The level of engagement on corporate consultations has increased but the target has been missed.</p>
Offering more information and advice online, and at local level, and making sure you can talk to us and hear from us in Welsh	Good	<p>We have not quite achieved our targets for first call resolutions but performance has increased from last year, to 73%. This shows the number of phonecalls handled by the customer services team at the first point of contact without having to transfer the caller on.</p> <p>The number of online transactions using the digital platform has increased and we have achieved our target.</p> <p>The number of hits/views on the corporate website has dropped compared to 23-24 and we have missed the target.</p> <p>The percentage of staff with Welsh language speaking skills has increased to 28.36% which achieves our target. 63% of council staff have completed Welsh Language Awareness E-Learning, more than last year but still below target.</p>
Helping clubs and community groups take control of and improve their facilities and protect them for the future	Unsatisfactory	<p>The Community Asset Transfer (CAT) Programme has encountered numerous challenges in the 2024-25, and we have only achieved 2 CATs against a target of 10, partly due to capacity issues. The two successful CAT completions were in Coytrahen Community Centre and Evanstown Welfare Park Bowling Green. Capacity has been addressed and we have made good progress, with 3 new leases signed and awaiting completion, 23 needing more work within the council, 7 awaiting planning outcomes and 13 awaiting club decisions.</p> <p>566 people have been supported to have their needs met in their communities by local community co-ordinators and community navigators. This is well above target for the new roles.</p>
Becoming an age friendly council	Good	<p>Bridgend is participating in an all-Wales programme supported by Welsh Government. We work closely with Cwm Taf Morgannwg (CTM) partners and Third sector organisations, working on streamlining health services and the social prescribing pathways, including National Exercise Referral Scheme and the 60+ Active Leisure Scheme. Support has been made to increase community resilience in dementia services. Over 10 voluntary organisations have been supported through grant applications for community projects active in dementia prevention. We celebrated older persons week with cultural and artistic opportunities including art workshops, cinema screenings and a silent disco run by our cultural trust Awen.</p>

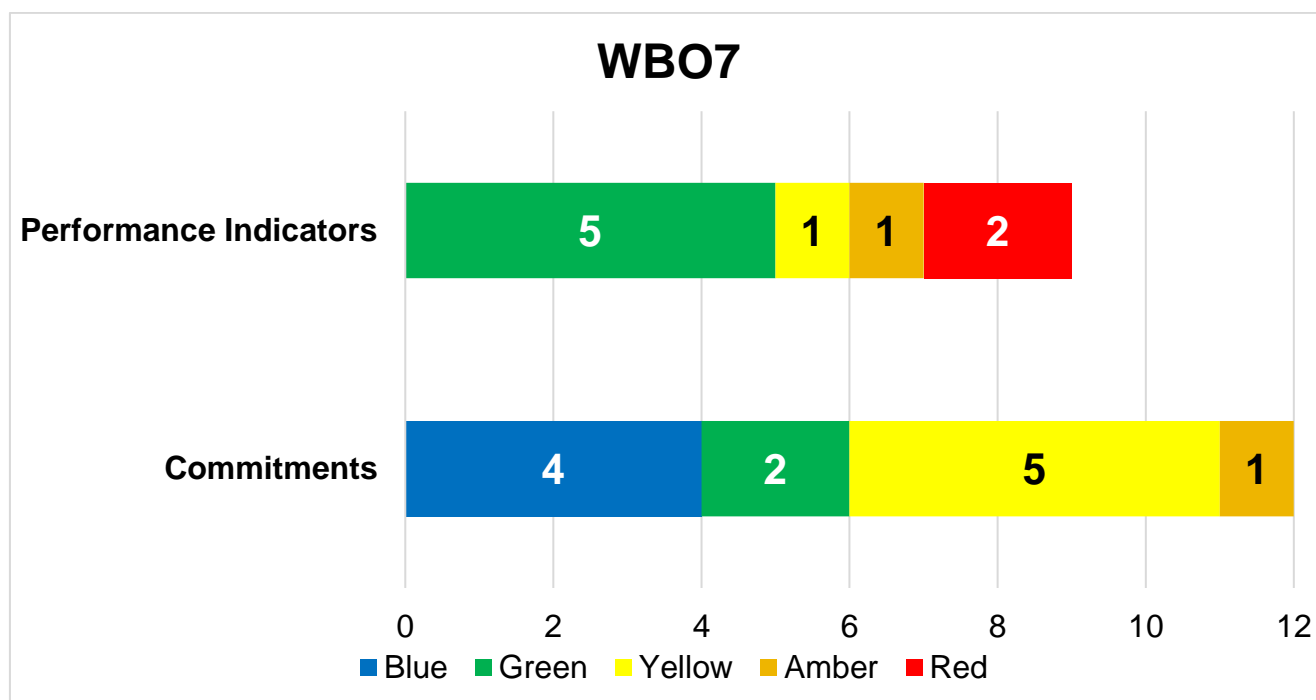
What will we do to improve?

- Implement the action plan for the Strategic Equalities Plan
- Approve and implement our new digital strategy
- Review and improve the corporate front door
- Reflect on findings from the National Residents survey and take action to address issues
- Start tracking transfers from short term leases to longer term leases (community asset transfers)

Case study - Artificial intelligence (AI) in schools PHOTO

AI technology is increasingly being introduced to schools in Bridgend County Borough. We have a clear and agreed policy direction which has been communicated to schools with guidance and skills training to support it. Headteacher and practitioner skills training for AI use has been provided. Training has been delivered on topics such as, online safety, the use of the Digital Competence Framework 'Planning for Progression' resource, Microsoft 365, Google for Education, Adobe Express and additional Hwb tools and services. Teachers and practitioners are now well-prepared to integrate these digital tools and frameworks into their curriculum. We also deliver online safety learning events that support parents and carers with their understanding of online safety and the means to better safeguard themselves and their children.

Wellbeing Objective	Score
7 - A County Borough where we support people to be healthy and happy	Good



The information below gives you more detail on how we are doing on each aim under this wellbeing objective.

Aim	Status	Description
Improving active travel so people can walk and cycle	Good	The Metrolink bus facility opened in November 2024. The active travel improvements work is now also complete with drop kerb installations installed throughout the borough.
Offering attractive leisure and cultural activities	Excellent	The Grand Pavilion refurbishment project is underway and a tender process to award the contract for the construction work has been completed. Enabling works at the site have been completed to prepare the site for the main contract work. The National Exercise Referral Scheme (NERS) operated beyond capacity with 1331 new referrals across 24,663 sessions. 473 participants completed a 16 week course. There were 157 referrals for carer support with 35 participants starting the course and 26 participants completing the course. For pulmonary rehabilitation 141 participants started and 117 completed the course. The Feel good for Life wellbeing programme has supported 600 attendances. Super-agers community

		<p>wellbeing activities have supported 163 individuals including 2061 attendances across 126 opportunities. Work has begun on a long-term strategy for libraries. A public engagement exercise has been developed for use next year. Library usage is monitored quarterly looking at events, borrowing and digital resources. There have been 73,068 attendances (supporting 33,727 junior issues and 3,704 ICT sessions).</p>
Improving children's play facilities and opportunities	Excellent	<p>The refurbishment of play areas has progressed as Planned. Investment in Play areas in 24-25 has reached £1,709,584, exceeding the target of £1,600,000. A total of 22 play areas were refurbished and handed over to the community.</p> <p>We are doing a play sufficiency assessment looking at what we have already and what we need for the future. 142 children and young adults with additional needs have had free HALO membership to support health and wellbeing.</p>
Providing free school meals and expanding free childcare provision	Good	<p>The roll out of universal primary free school meals (UPFSM) has been completed across the County Borough.</p> <p>There has been a further increase in children accessing Flying Start funded childcare with a total of 542 children now registered. This is slightly below target with falling birth rates in Flying Start areas believed to be impacting the numbers.</p> <p>The percentage of non-maintained settings judged by Care Inspectorate Wales as at least 'good' was 83% which was below the target of 100% we have set. We are awaiting reinspection of settings that received less than good judgements dating back to 2019. We provide extensive support to settings to prepare for inspections.</p>
Integrating our social care services with health services so people are supported seamlessly	Good	<p>70 people were delayed on the national pathway of care, which is much better than last year and slightly better than our target.</p> <p>We have used Welsh Government 50-day challenge grant money to support the remodelling of support at home. We are working with the health board around the enhanced community care model. We have fully embedded the strengths-based practice model. This has led to an increase in the overall number of people receiving reablement, and a reduction in the overall domiciliary care hours provided, in line with the Discharge to Recover and Assess model.</p>
Improving the supply of affordable housing	Adequate	<p>Only 77 (against a target of 110) additional affordable homes have been provided by Registered Social Landlords this year, although 92 have been built / acquired and will soon be ready for occupation.</p>

		<p>The Welsh Government Leasing scheme has been adopted with a growing portfolio of accommodation already in use and further properties in the pipeline. We have engaged with all RSL's and Welsh Government to discuss general housing needs, temporary accommodation and supported housing schemes.</p> <p>Over the last 12 months we have made progress with the top 20 priority empty properties. 5 properties have been sold; 7 properties have been subject to renovation works; 2 have been placed up for sale and 2 have become occupied. Enforcement action has been taken against 4 of the properties. 5 properties have been subject to informal action whereas 2 properties have received no intervention in this financial year. The Empty Property Loan Scheme is live and is generating interest.</p>
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What will we do to improve?

- Continue the redevelopment of Porthcawl Grand Pavilion
- Phase three expansion of Flying Start will target new areas in 2025-2026
- Complete the play sufficiency assessment looking at what we have already and what we need for the future
- Complete engagement on the long-term strategy for libraries
- Continue to target long term empty properties
- Support childcare settings to prepare for Care Inspectorate Wales inspections

Case study - Porthcawl's new Metrolink



The new Porthcawl Metrolink opened on 18 November 2024. It is a modern transport interchange, located on land in the Porthcawl regeneration area alongside the Portway and Salt Lake. It forms part of the wider Metro Plus programme, improving public transport links across south-east Wales. It will be used by all bus services currently operating within Porthcawl, can accommodate up to four buses at a time, and features a covered shelter and station building, space for a kiosk, outdoor seating areas, an environmentally friendly 'green' roof, and a rain garden. The facility was constructed using money from the Cardiff Capital Region city deal and UK Government as well as the council's own Porthcawl Regeneration budget.

3. How is the council using its resources?

We have always had to report how well we are using our resources. For example, telling Audit Wales about our spending, workforce and buildings. Until recently, we did not have a process for reviewing how we are managing all our different resources. To help us write this report, we developed a process to look at:

- Finances and risk management,
- Commissioning and procurement,
- corporate planning and performance management,
- workforce planning, and
- asset management.

To come to our judgements, we used:

- performance indicators e.g. staff vacancy levels and building maintenance,
- evidence on delivery of our projects and improvement plans,
- feedback from customers, staff and trade unions, and
- the views of regulators e.g. Audit Wales report on workforce planning

We asked questions based on the Well-being of Future Generations Act, including:

- Do we focus on prevention, not just putting things right when they go wrong?
- Are we making strong long-term plans?
- Do we share ideas, plans and resources with partner organisations?
- Are we making links and doing things consistently across the council?
- Are we involving the community and customers in key plans and decisions?

We presented findings to councillors who scrutinised them, checked and asked questions, and used the same judgement scale from excellent to unsatisfactory.

Overall judgement

<p>Use of resources</p>	<p>Adequate</p>	<p>For the fourth year in a row, our use of resources is adequate.</p> <p>Some things have got better – we have implemented almost all of our performance management improvement plan and reviewed our Corporate Plan Delivery Plan. Improvements have been made to the identification, management and reporting of risk and a review by internal audit found there is a generally sound system of governance, risk management and control in place. We have improved or automated some of our HR policies and procedures and reduced our use of agency workers. We have updated our Contract Procedure Rules to reflect new legislation and strengthened consideration of social value and carbon reduction in our tenders. Audit Wales have reviewed our Financial Sustainability and concluded that we ‘understand our financial position with good arrangements to support financial sustainability’. Our Financial Procedure Rules have been updated. We have reduced our asset management maintenance backlog, improved our management of Statutory Building Compliance with Big-5 Compliance at 95%, and made progress with the rationalisation of our estate</p> <p>Other things have stayed the same or got worse – Budget monitoring and outturn projections have been difficult with a large projected overspend changing to a large underspend within the year. Some agreed budget reductions were not achieved, and some base budget pressures remain. As reserves fall, there is a risk that this will put our financial sustainability at risk. Our financial position overall has become more challenging. Planned improvements on more consistent corporate commissioning, reviewing our performance framework, and workforce planning have not gone ahead as there is limited capacity in corporate teams.</p> <p>We have strong frameworks and robust processes for day-to-day management of resources, with clear and agreed working models and good working relationships between corporate teams and directorates. But longer-term planning, addressing capacity in corporate and directorate teams, improving proactiveness and developing our corporate services to meet changing demands will be difficult with the resource issues we face.</p>
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Theme judgements

Our overall judgement looks at use of resources of all types. We also have a specific judgement for each resource type, to help us with our improvement planning.

<p>Finances</p>	<p>Adequate</p>	<p>Financial Planning is adequate. This is based on generally positive judgements from regulators, success in balancing our budget every year, and unqualified Statements of Accounts signed off by the Auditor General for Wales.</p> <p>Budget monitoring and outturn projections have been difficult with a large projected overspend changing to a large underspend within the year. Some agreed budget reductions were not achieved, and some base budget pressures remain. As reserves fall, there is a risk to our financial sustainability. Our financial position has become more challenging, due to pay and price increases and service pressures and greater difficulty in collecting council tax. The challenges continue in 2025/6 and beyond. Strong financial planning will be crucial to setting balanced budgets in future.</p> <p>Audit Wales have reviewed our Financial Sustainability and concluded that we ‘understand our financial position with good arrangements to support financial sustainability’. It included 2 recommendations to strengthen financial sustainability. Our financial framework is robust, with strong governance arrangements which drive the budget, including Financial Procedure Rules which were updated this year, Treasury Management Strategy and Medium-Term Financial Strategy (MTFS) Principles, and budget principles, which drive the budget and spending, and investment and borrowing decisions of the Council. The financial position is set out in regular reports, for members and the public, and we demonstrate a high level of compliance with the CIPFA Financial Management Code, Principles and Standards.</p> <p>Areas for improvement include earlier longer-term planning, including work with Welsh Government towards sustainable funding, multi-year settlements, and flexibility around grants. We will focus on early engagement with Members to set a balanced budget for 2026-27 and supporting services to manage their budgets tightly to minimise overspends.</p>
<p>Corporate planning</p>	<p>Good</p>	<p>Corporate planning is good. We have reprioritised the corporate plan delivery plan (CPDP) to reflect the ambitions of elected members, staff and partners as well as challenges and limitations. The CPDP was agreed by Cabinet / Corporate Management Board on 4 March 2025 with directorate business plans to follow.</p> <p>In September 2024, Audit Wales published their review of our setting of wellbeing objectives (in the Corporate Plan), concluding, ‘The Council has applied the sustainable development principle when setting its well-being objectives, but there are opportunities to build on how it involves citizens and intends to work with partners.’</p> <p>Opportunities for improvement include starting the review process earlier and engaging better with staff / trade unions as part of the social partnership duty.</p>

<p>Risk management</p>	<p>Good</p>	<p>Risk management is good. Improvements have been made to the identification, management and reporting of risk in the past year. An updated Corporate Risk Assessment was developed at the start of 2025 and was positively received by Governance and Audit Committee in January 2025. Reports and the reporting process for risk are straightforward and accessible, including for members. A review by internal audit of the Council's Corporate Risk Management, completed in March 2024, reported reasonable assurance in relation to risk management. We will continue to support GAC to scrutinise the Corporate Risk Assessment, standardise risk reporting across directorates and integrate risk reporting with performance and finance across all service areas. We will also consider whether we are overly risk-averse at a corporate level.</p>
<p>Commissioning and Procurement</p>	<p>Adequate</p>	<p>Procurement and commissioning are adequate. The procurement element is good. A new, UK procurement Act 2023 came into force 24 February 2025 and a Welsh Social Partnership & Public Procurement (Wales) Act 2023 came into force April 2024. We have implemented new contract procedure rules in line with the UK Act and will develop and run training sessions on these. We are working on the development of a new strategy and delivery plan to reflect changes. Social value and carbon reduction have been strengthened as a consideration in our tenders. Contractor safeguarding protocol has also been included to ensure suppliers are aware of their duties for safeguarding vulnerable people. We have developed a website for tenders and procurement, including a corporate contracts register and a new 'selling to the council' guide to support suppliers / contractors do business with the council. We have developed and implemented a modern slavery statement and standard terms and conditions for use across the council. We made changes to our processes / procedures in light of the Council's financial position in 23/24 including a price cap and authorisations for purchasing card spending – these have continued as they have proved successful. The overall judgement is assessed as adequate based on the need for improved capacity in the corporate and directorate teams, particularly to focus on supplier relationships and reporting on social value, the need for an improved and more consistent approach to commissioning across directorates.</p>
<p>Performance management</p>	<p>Adequate</p>	<p>Performance management is adequate. Since our last self-assessment, we have made progress on our performance management improvement plan, closed the recommendations of the Audit Wales review of performance management and addressed the remaining recommendations of the internal audit of PIs. Main improvements include –</p> <ul style="list-style-type: none"> • More effective review of quarterly performance information through separate reporting to Cabinet / Scrutiny Committees.

		<ul style="list-style-type: none"> • Developed a whole council approach to performance reporting - presenting performance data under corporate wellbeing objectives rather than directorates. • Improved the regulatory tracker and better integrated this into our quarterly performance management. • Improved data quality and accuracy through PI audits and better use of supporting evidence. • Supported group managers and performance champions to improve data quality and reporting timescales. • Developed and implemented a more objective system to make judgements on our performance for self-assessment. • Improved our use of service user perspectives through the national resident survey and work with data Cymru. <p>Improvements are still needed, including improving challenge and effective use of performance information, building capacity in corporate and directorate teams, reviewing our performance framework and improving resilience of our performance system.</p>
Workforce planning	Adequate	<p>Workforce management is good.</p> <p>Feedback from employees, managers, trade union representatives and internal audits is generally positive. Managers are assisted to deal effectively with people issues through appropriate and timely support from the HR / Organisational Development service. The HR operating model aims to give managers an improved service focused on proactive and preventative HR services and an incremental reduction in the need for and provision of reactive support services.</p> <p>The overall judgement is good based on improvements to our Strategic Workforce Planning and further development of HR policies and procedures e.g. automation in the recruitment process. Managers have been supported to manage sickness absence. HR briefings on key workforce topics have provided support for managers. We have focused on reducing use of agency workers with success in social services including international recruitment and grow your own.</p> <p>We continue to focus on organisation wellbeing, supporting employees and managers where needed. We will continue to develop HR processes, where automation will be key. There is still the need for added capacity amongst managers and in the HR team, and an increased focus on strategic workforce planning across the council, including succession planning.</p>
Asset management	Adequate	<p>Asset management policy is good with good engagement internally from all directorates. The asset management strategy is dynamic and undergoes annual and bi-annual service, asset and market linked reviews with services and partners. The overall judgement is assessed as adequate, based on the need to address the continued workforce and resource challenges that are impacting on our ability to plan more strategically, and resulting in a continued reactive approach. Over the last year we have –</p> <ul style="list-style-type: none"> • Reduced our maintenance backlog

		<ul style="list-style-type: none">• Improved our management of Statutory Building Compliance. Overall compliance is now 78%, Big-5 Compliance at 95% and Legionella compliance 88%.• Started procuring an Integrated Works Management System (IWMS) and development of a new plant asset database.• Rationalised our estate with the sale of Ravenscourt to South Wales Police and vacating The Innovation Centre for disposal. Supported the move of MASH to Civic Offices.• Continued to develop the new Asset Management Plan.• Worked on a new condition survey commissioning specification to allow enhanced condition surveys in 25/26.• Completed an external Audit of our Major Projects Team to enhance work as we design and construct new schools. <p>But more improvements are still needed, including adopting the new strategic asset management plan, continuing improvements in the maintenance backlog and statutory building compliance, procuring and implementing the IWMS and focusing on our workforce capacity. We will also work closely with the decarbonisation team to enhance our asset management approach.</p>
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4. How good is the council's governance?

Organisations that have good governance use clear decision-making processes and communicate openly about what they are doing. They work well with their stakeholders, manage the risks they face, and take responsibility for their assets.

We have always had to report on our governance, to Audit Wales. There is a clear process for developing an 'Annual Governance Statement' (AGS) that has existed for many years. The information below summarises the Council's AGS for 2024/25.

What is our judgement?

Governance	Good
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Our governance arrangements are good, and work well.

Decision making

Our Governance Framework, Code of Corporate Governance explain how we work, how we are accountable and how decisions are made. In 2022 we developed a new constitution with a simple guide to help members of the public understand it. Through these documents (along with the Member's Code of Conduct, Standards Committee and role of Internal Audit) the Council operates with integrity, ethical values and within its legal powers.

Governance arrangements are reviewed each year and included within the Annual Governance Statement (AGS), which is reviewed and approved by the Governance and Audit Committee.

We are committed to ensuring we have good governance principles and management practices. These are used right across the councils to make sure we have the public's trust. The arrangements the Council has for Corporate Governance are set out below.

1	Bridgend County Borough Council Code of Corporate Governance	The Council's Code of Governance provides a public statement that sets out the way in which the Council meets and demonstrates compliance with the CIPFA Governance principles.
2	The Governance Framework	The Council's Code is underpinned by a Governance Framework which comprises the policies, procedures, behaviours and values by which the Council is governed and controlled.
3	The Annual Governance Statement	The Annual Governance Statement provides assurances regarding the Council's Governance arrangements, together with identifying areas of future focus and improvement. The purpose of the Annual Governance Statement is to report publicly on the extent to which the Council complies with its Code of Corporate Governance. It identifies

		those areas which have been identified as needing improvement following self-assessment.
4	Annual Governance Statement Action Plan	The Council continues to review the areas for improvement identified within the Governance statement which are monitored through the Annual Governance Statement Action Plan.

A number of significant issues were identified in the Council's 2023-24 AGS, to be taken forward during 2024-25, so in the past year we have made improvements including –

- Improvements to our medium to long-term financial management processes include holding early meetings with political groups so they could comment on budget proposals and two focused meetings with BREP looking at Education / Schools and Social Care and Wellbeing.
- Workforce planning activities including grow your own via apprentices / graduates and international recruitment have resulted in continued improvement with the recruitment of Childrens Social Workers. These principles need to be applied in other areas that are experiencing difficulty in recruiting.
- The Carbon Trust reviewed our progress towards the 2030 zero carbon objective, our governance arrangements and to provide approximate implementation costs for the objective. They presented initial findings to Overview and Scrutiny Committee in April 2025. We will review their findings and update Cabinet on the action plan and governance on the 2030 journey.
- We are participating in a Performance Information Community of Practice to help enhance the quality of performance information (particularly focused on responding to the Audit Wales criticisms) and provide opportunities to review performance management arrangements, share best practice, and collaborate on data development. A National Resident Survey (WLGA/Data Cymru) ran in the Autumn.
- Revised Finance Procedure Rules were agreed by Cabinet and noted by Council in January 2025. The budget continues to be closely monitored and reported to Cabinet on a quarterly basis. More briefings for members have also been provided. Social media posts were put out in the Autumn to raise awareness of the Council's budget position and explain how the money is spent. This preceded the full budget consultation which was completed in January 2025.
- A new draft Digital Strategy has been developed, reflecting on previous criticisms from Audit Wales and the key priorities for the Council. A consultation process on the document will start in May 2025.

Listening to the views of others

The council provides services to all residents of Bridgend. Some of our services are universal – used by all residents – like roads and pavements, and waste and recycling. When we are developing, reviewing and changing these services, we need to try and talk to the whole population of Bridgend to help us decide what to do. We have a range of different methods for doing this, from formal consultations on major changes, public drop-in sessions and discussions, and the regular, day-to-day engagement from our social media.

Other services are more specialist – and used by smaller numbers of residents – like school transport and services for people with learning disabilities or young people leaving care. When we are developing, reviewing and changing these services, we need to try and talk to the people who rely on those services and their families to help us decide what to do. We have a range of methods for doing this, from consultation and engagement sessions, to coproducing those services directly with the users and their families.

Over the last year, we have completed a huge range of activities to understand and use service user perspectives, and the opinions of our regulators. The main ones are summarised below.

Consultation and engagement

Corporate consultations are promoted bilingually to the council's social media channels, shared through weekly resident bulletins and weekly staff messages throughout the consultation period. Up to three consultations a year are shared with our citizen panel to raise awareness and encourage participation. Face to face engagement sessions are held where necessary and our Youth council are involved with relevant consultations.

We consulted on a number of our key strategies and reports, for example the Director of Social Services annual report. This year we also took part in the Data Cymru / WLGA supported 'National residents survey' in September to November 2024. This comprehensive consultation aimed to improve our understanding of residents' perceptions, priorities, and experiences on themes including quality of life, community safety, satisfaction with council services, and levels of public trust and engagement. We received over 3,000 responses. We are currently analysing the detail of the responses and the information gathered will help us shape our services and communications.

Other strategies and services are coproduced with service users and their families to help us create services that are more responsive, inclusive and effective. This has included the development of key strategies for carers such as the young carers network and the creation of Young Carer Ambassadors, ensuring that young carers influence the development of peer support, educational resources and policies that directly affect them, promoting awareness and engagement across communities.

We also consulted on some significant proposed changes to the way the council or our services work. Some of the main consultations in 2024/25 were –

- Our **Annual Budget consultation** included engagement with the Citizens Panel and took place in January 2025. Respondents were asked about budget principles, reducing / closing services, new charges, council tax and citizen focus. There were 1,637 interactions with the consultation from survey completions, social media engagement and via the Citizens' Panel. Participants largely opposed reductions in services for vulnerable people, education, and child protection. Lower priority was given to services like leisure facilities or nursery provision. Over 54% of respondents supported Council Tax increases of 4.5% or above.
- A **Childcare Sufficiency Assessment** was carried out in winter 2024 with surveys for parents and providers. The parent survey received a total of 984 responses and the provider received 30. This assessment will help us better understand parents / carers' use of childcare, the overall supply of childcare and any issues or changes that might have an impact on the demand of childcare over the next five years.
- A consultation on a new **Assisted Transport Policy** took place August-October 2024. It outlined our approach on the provision of transport for people accessing services meeting an assessed care / support need. The consultation raised concerns which were reflected in an amended policy then agreed by Cabinet.
- On the **Porthcawl Town Centre Placemaking plan** early engagement workshops with local / organisational stakeholders between September and December 2024.
- On the **Regeneration Masterplan for Salt Lake and Sandy Bay** engagement took place over a month between January and February 2025, to gain feedback to help guide the final redevelopment option. Over 900 people attended the public exhibition. In addition feedback was received via email, online feedback forms and hard copies at the exhibitions. This was supported by a project website and numerous stakeholder engagement sessions in schools and roundtables.
- We consulted on five proposed changes to **Home-to-School Transport** between April and July 2024 including four public consultation sessions and four pupil / youth sessions. In total, there were 1,308 responses to the survey. Responses received were mixed. Between 48 and 70% of respondents opposed each of the proposals, for reasons focused on child safety and wellbeing, environmental concerns, social and economic impact, and the effect on attendance and education. Cabinet reluctantly agreed to 4 of the 5 proposals due to the urgent need to save money, saying it has become impossible to offer what was previously one of the most generous levels of provision in Wales. Changes to proposal 5 which looked at transport for pupils with additional learning needs will be deferred until more research is completed. Starting from September 2025, these changes will be made:
 - Where a safe walking route has been identified, qualifying distances for school transport will change to the statutory limits set by Welsh Government of 2 miles for primary school pupils, and 3 miles for secondary school pupils.
 - In future, pupils who have had eligibility for free school transport passed on by an older sibling will no longer be entitled to receive the same provision.
 - Free transport for nursery / post-16 learners will no longer be available, but continues for those attending Welsh-medium / faith schools who live beyond qualifying distances.

Complaints and compliments

We have a clear and agreed two stage process for dealing with complaints -

- **Informal Complaint Stage**

Informal complaints should be dealt with quickly and where possible informally. It advises customers to contact the office responsible for the service to provide an opportunity to solve the problem. Informal complaints are logged in the Corporate Complaints office and we report on them every quarter to the Public Services Ombudsman. In 2024/25 we had the following informal complaints –

	Number	Resolved	Upheld	Discontinued / withdrawn	Ongoing
Adult Social Care					
Benefits Administration					
Children's Social Services					
Community Facilities					
Complaints handling					
Education					
Environment					
Finance & Council Tax					
Housing					
Planning / Building Control					
Roads & Transport					
Various/Other					
Waste & Refuse					

- **Formal Complaint Stage**

Formal complaints can be done by email, telephone, letter or online complaint form. All formal complaints with the exception of schools and social services (which have their own statutory procedures) are received, logged and acknowledged centrally by the Information Team within 5 working days. These complaints are sent to a Head of Service who appoints a senior officer e service to investigate the complaint and respond directly within 20 working days. The Information Team is provided with a copy of the response. We monitor numbers of complaints, time to respond, category of complaint, where in the Borough they come from, The Information Team has received, logged, acknowledged and referred a total of ?? formal complaints for the period for 2023/24 –

	Number	Resolved	Upheld	Discontinued / withdrawn	Ongoing
Adult Social Care					
Benefits Administration					
Children's Social Services					
Community Facilities					
Complaints Handling					
Education					
Environment					
Finance & Council Tax					
Housing					
Planning & Building Control					
Roads & Transport					
Various/Other					
Waste & Refuse					

There are separate processes for dealing with social services complaints, Elected Member conduct concerns and school-based complaints.

Following an internal audit of the corporate complaints process, and a review of the current complaints system and process, a range of improvements are underway including –

- E learning for all complaint handlers
- A more consistent way of working to collate, record and report complaints and compliments as well as documenting working procedures to support all Officers involved in the complaint's process
- Improving the process for customers to make both complaints and compliments (incorporating Stage 1 / 2 complaints in the same system)
- An improved triage and escalation process
- Improving customer feedback and communication
- Automating elements of the process where possible to streamline whole process from beginning to end
- Developing the process to ensure all feedback is captured and recorded, including whether the complaint was upheld or not, and any steps taken in relation to lessons learnt and allowing complaints data to be analysed as a means of identifying potential areas for improvement and from this to establish areas for further learning and development.
- Reviewing and developing monitoring reports.

Regulator views

Engagement with regulators is strong and systematic. Regular meetings take place between regulators and senior officers in the Council to discuss regulators' work and the council's improvement plans.

We regularly test our progress against the views and recommendations of our regulators, through a regulatory tracker. This regulatory tracker itself was a response to an Audit Wales recommendation that we needed to improve the way audit, inspection and regulation findings are logged, scrutinised and used to improve the Council's activities. The mechanism was developed to monitor progress against recommendations from all inspections/audits completed by key regulators of local government services. This is reported to Governance and Audit Committee (GAC) in January and July each year. The following new reviews were published in 2024/25.

- An Audit Wales review of our Digital Strategy was published in April 2024. It concluded there are weaknesses in the Council's approach to developing and delivering its digital strategy and provided 3 recommendations. A new Digital Strategy has now been developed and is under consultation.
- An Audit Wales review of Financial Sustainability was published in September 2024. It concluded 'the Council understands its financial position with good arrangements to support its financial sustainability which it flexes and adapts but is at the early stage of developing its long-term approach'. It provided 2 recommendations. Work is ongoing to ensure that elected members are fully briefed on the financial position of the Council and the BREP process is being reviewed to support longer term financial planning
- An Audit Wales review of decision-making arrangements was published in October 2024. It concluded 'the Council generally has proper decision-making arrangements in place but weaknesses in forward planning and pre-decision scrutiny are undermining their effectiveness'. It provided 5 recommendations. Actions were put in place to respond to the recommendations, including publishing a 6-month scrutiny forward work plan, updating our scheme of delegation, scrutiny training and the development of proposals for new scrutiny arrangements including the renaming of the Scrutiny Committees.
- An Audit Wales report on our setting of Well-being Objectives was published in October 2024. It concluded 'the Council has applied the sustainable development principle when setting its well-being objectives, but there are opportunities to build on how it involves citizens and how it intends to work with partner and provided 3 recommendations. One of the recommendations is addressed in this report and the other two will form part of the development of the next Corporate Plan.

Internal Audit is also a statutory requirement in Local Government. The Council's internal audit is undertaken by the Regional Internal Audit Service, a partnership shared service between Bridgend County Borough Council, Merthyr Tydfil County Borough Council and hosted by the Vale of Glamorgan Council. The Head of Internal Audit's annual opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control for 2024-25 is: "Reasonable Assurance". That means based on the work they have done, no significant cross-cutting control issues have been identified that would impact on the Council's overall control environment. Any weaknesses that have been identified are service specific.

Staff and Trade Union views - Social Partnership Reporting Duty 2024/25

Since 1 April 2024 the Council has been subject to the Social Partnership duty under the Social Partnership and Public Procurement (Wales) Act 2023. This means that we have to explain how we have worked with staff and trade unions within the year, and any areas for improvement we have identified.

Relations with the recognised Trade Unions are extremely positive at present and their support is welcomed to ensure we are working in a true social partnership

Regular work

There is a monthly meeting with Trade Unions, where a range of officers present on a variety of topics, trade union colleagues views are tested and any issues discussed. The Trade Unions involved in these regular meetings are both those for corporate teams – Unison, Unite, and GMB. Our teaching Trade Unions also take part in the monthly meetings – ASCL, NEU, NASUWT, NAHT and UCAC

In 2024/2025 we had 10 monthly meetings, usually avoiding January, April and August due to school holiday and general availability. The meetings in 2024/25 took place on 12th April, 14th May, 14th June, 14th July, 20th September, 18th October, 15th November and 13th December 2024, and 07th February and 21st March 2025.

In addition to these regular meetings, Trade Unions have direct access to HR officers and there is regular and open communication to work together. Trade Unions are involved regularly in workforce and other related meetings.

All policies, protocols and programmes are shared with the relevant Trade Unions at the earliest opportunity to include their views and thoughts. During the recent appointment of the new Chief Executive a Trade Union Officer sat on one of the stakeholder panels as part of the assessment centre.

Planning the year ahead

As part of the annual budget development process, the Chief Officer Finance, Housing and Change attended the regular Trade Union meetings in November 2024 and February 2025. She provided an update on the process, the approach, assumptions made (and later the draft settlement from Welsh Government) and savings proposals.

Trade Unions played an integral part in the development of the Council's 5-year, high level Corporate Plan 2023-28. They were involved at 3 key points – firstly, developing the approach, then developing, setting and agreeing the wellbeing objectives and finally at the draft report stage. To date, Trade Unions have not been directly involved in the development of the 1-yearly Corporate Plan Delivery Plan.

Reviewing the year behind

Each year since its inception, Trade Unions have been involved in the development of the Council's Corporate self-assessment. As part of the development of the corporate self-assessment 2023/24 the corporate policy and performance manager, attended the regular Trade Union meeting in on 14 July 2024. She presented the key points and judgements from the draft self-assessment and took views, areas for development and

any issues from the trade unions in attendance. The draft report itself was also circulated to Trade Unions for review and any additional comments or changes.

Areas for improvement

- Develop a more engaging / interactive process for involving Trade Union colleagues in the self-assessment process
- Develop a clear and agreed role for Trade Union colleagues as part of formal budget consultation
- Involve Trade Union colleagues in the development and review of the 1-year Corporate Plan Delivery Plan (every year rather than the current involvement every 5 years)
- Providing training or awareness raising to employees / Trade Union representatives on how the Social Partnership Duty is being implemented
- Working to confirm updated Trade Union facilities time agreements.

5. Our Strategic Equality Plan

Our new Strategic Equality Plan was developed and consulted on in early 2024 and outlined our six strategic equality objectives, which will shape how we plan, provide, and deliver our services to reflect the diversity of our communities.

We have developed a Strategic Equality Action Plan for 2024-2028 which was approved in July 2024 and has now been published on our website. Work towards achieving these actions will continue over the next 4-year lifespan of the SEP.

Progress on the plans is regularly reported to the Corporate Equality Network, and responsibility for operational delivery lies with all service areas and teams. Our Cabinet Committee Equalities monitors and scrutinises delivery against the objectives.

How do we identify and collect relevant information?

We are committed to collecting and using data to identify where some protected characteristic groups experience a disproportionate impact or where we could deliver services in a different way. We collect data on customers and residents via our consultation and engagement activities and on our employees via our own internal systems. We will collect and use the following equality data:

- Employment profile data for all protected characteristics;
- Service user data to understand the characteristics of our service users;
- Job applicants for all protected characteristics.

This data will be published annually as part of our Strategic Equality Plan annual reporting process (which will now include the full equality impact assessments undertaken). In addition we will publish annually:

- The Strategic Equality Plan action plan review;
- The Strategic Equality Plan annual report.
- Welsh language standards annual report

How effective are the council's arrangements for identifying and collecting relevant information?

Each year we try to improve the Equality Monitoring Data we hold for employees, revising the data capture to include more characteristics. We encourage employees to update information regularly through communications, appraisals and other methods.

What do our arrangements tell us regarding the equality of access to employment, training and pay?

Every year, we report our 'equalities in the workforce' report to Cabinet Committee Equalities. This tells us about a range of things including the numbers of employees with protected characteristics where declared. It also tells us about pay, recruitment and training of employees with protected characteristics. This is all put together and included in the strategic equality Plan. Areas for development are included in the strategic equality plan action Plan.

Performance against the Corporate Plan 2024-25

In March 2023 the Council published its new 5-year Corporate Plan 2023-28 and seven new wellbeing objectives. A 1 year Corporate Plan Delivery Plan for 2024-25 was agreed in April 2024 which defined 41 aims, with 80 commitments to deliver these objectives and 108 performance indicators (and sub indicators) to measure progress.

This document is intended to provide an overview of the Council's performance against the wellbeing objectives as set out in the Corporate Plan Delivery Plan at quarter 4 of 2024-25, which is the final year-end position.

The wellbeing objectives are:

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

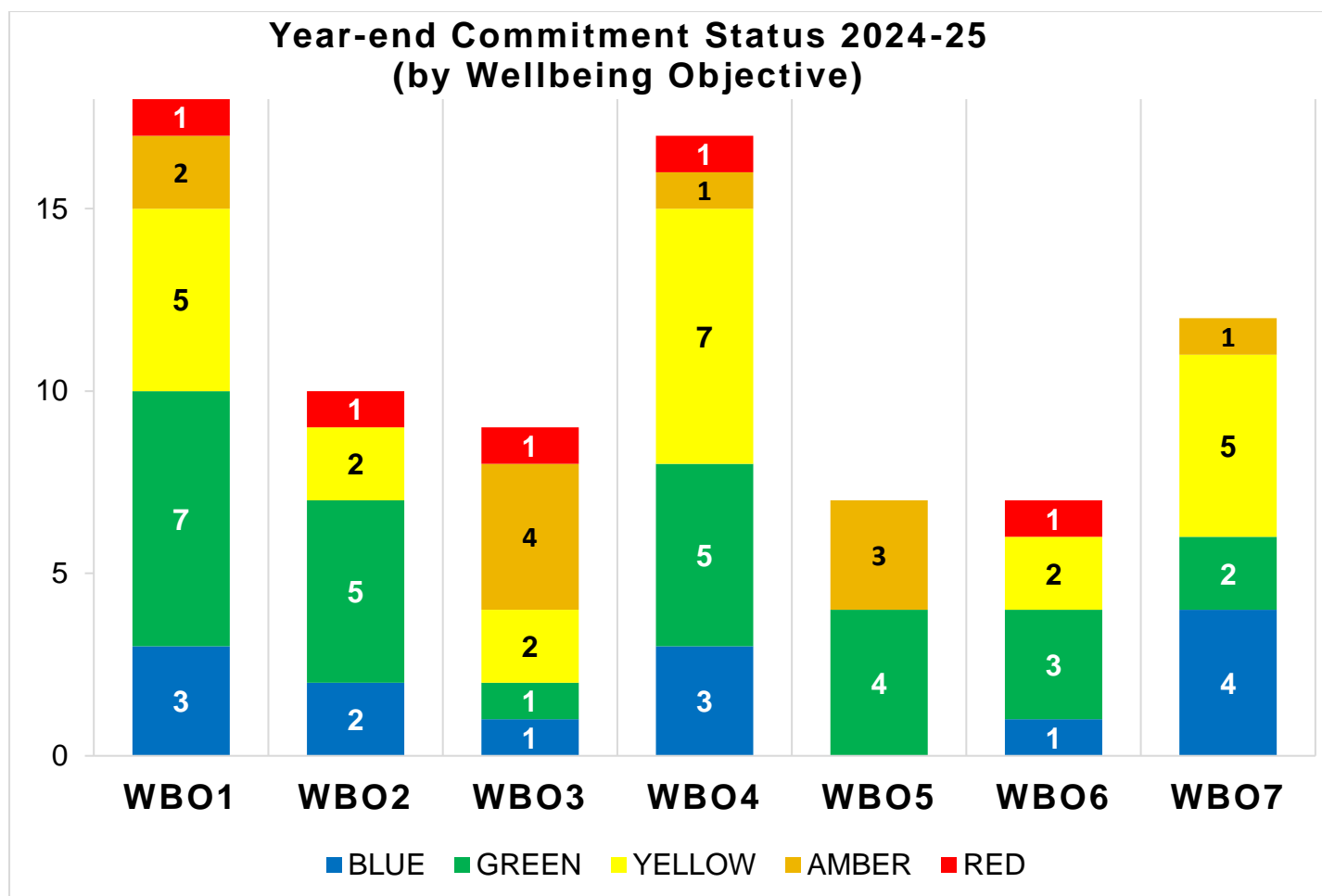
Summary of progress on Corporate Commitments

Each of the commitments has been awarded an appropriate Blue, Red, Amber, Yellow or Green (BRAYG) status at the end of quarter 4. Table 1 below shows a summary of the overall status of the 80 commitments with Chart 1 demonstrating this for each of the well-being objectives.

Table 1 – Commitments by BRAYG status

Status	Meaning of this status	Performance at year end	
		Number	%
COMPLETE (BLUE)	Project is completed	14	17.5%
EXCELLENT (GREEN)	As planned (within timescales, on budget, achieving outcomes)	27	33.75%
GOOD (YELLOW)	Minor issues. One of the following applies - deadlines show slippage, project is going over budget or risk score increases	23	28.75%
ADEQUATE (AMBER)	Issues. More than one of the following applies - deadlines show slippage, project is going over budget or risk score increases	11	13.75%
UNSATISFACTORY (RED)	Significant issues – deadlines breached, project over budget, risk score up to critical or worse	5	6.25%
	Total	80	100%

Chart 1 – Commitments by BRAYG status for each wellbeing objective



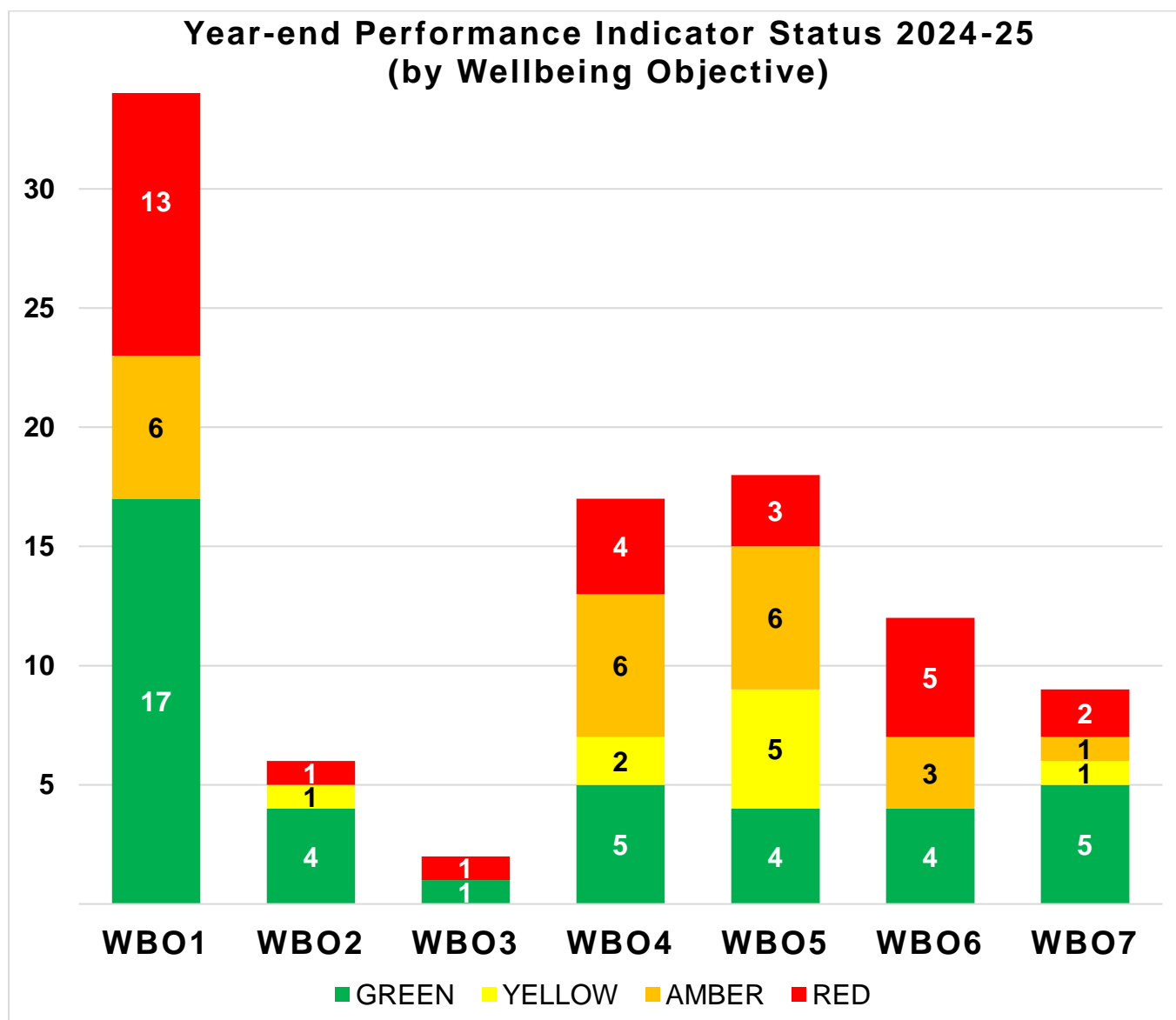
Summary of Performance Measures

Performance is being judged against the revised performance indicator (PI) targets approved in summer 2024. Of the 108 indicators (including all sub indicators), 100 could be compared against a target and awarded a Red, Amber, Yellow or Green (RAYG) status. Table 2 below shows a summary of performance by status, with Chart 2 providing this summary broken down by well-being objective.

Table 2 - PIs by RAYG status

Status	Meaning of this status	Performance at year end	
		Number	%
EXCELLENT (GREEN)	On target <u>and</u> improved or is at maximum	40	40%
GOOD (YELLOW)	On target	9	9%
ADEQUATE (AMBER)	Off target (within 10% of target)	22	22%
UNSATISFACTORY (RED)	Off target (target missed by 10%+)	29	29%
	Total	100	100%

Chart 2 - PIs by RAYG status for each wellbeing objective




Set out below is our performance for each of these performance indicators, or measures of success which we set ourselves for each well-being objective. This also shows performance trend, so you can see how this outturn position compares with the same period last year, where appropriate to do so.

Performance Indicators Trend Definition	
↑	Performance has improved compared to last year
↔	Performance has been maintained (this includes those at maximum)
↙	Performance has declined BUT within 10% of the last year
↓	Performance has declined by 10% or more compared to previous year

WBO 1 - A County Borough where we protect our most vulnerable



Aim 1.1 Providing high-quality children's and adults social services and early help services to people who need them

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of eligible carers who were offered a carer's assessment in: a) Children's Social Care. <i>(Quarterly Indicator, higher preferred)</i>	100%	100%	100% GREEN	↔
Percentage of eligible carers who were offered a carer's assessment in: b) Adult Social Care. <i>(Quarterly Indicator, higher preferred)</i>	Data not available	100%	92.78% AMBER	No trend
Timeliness of visits to a) children who are care experienced. <i>(Quarterly Indicator, higher preferred)</i>	85.31%	87%	88.28% GREEN	↑
Timeliness of visits to b) children on the child protection register. <i>(Quarterly Indicator, higher preferred)</i>	86.77%	87%	89.27% GREEN	↑
Safe reduction in the number of care experienced children <i>(Quarterly Indicator, lower preferred)</i>	370	350	333 GREEN	↑
Safe reduction in the number of children on the child protection register. <i>(Quarterly Indicator, lower preferred)</i>	189	175	75 GREEN	↑
Percentage of enquiries to the Adult Social Care front door which result in information and advice only. <i>(Quarterly Indicator, higher preferred)</i>	74.88%	75%	84.58% GREEN	↑
Total number of packages of reablement completed during the year. <i>(Quarterly Indicator, higher preferred)</i>	377	400	509 GREEN	↑
Percentage of reablement packages completed that a) reduced the need for support. <i>(Quarterly Indicator, higher preferred)</i>	14.32%	18%	17.49% AMBER	↑
Percentage of reablement packages completed that b) maintained the same level of support <i>(Quarterly Indicator, higher preferred)</i>	13.79%	14%	15.72% GREEN	↑
Percentage of reablement packages completed that c) mitigated need for support. <i>(Quarterly Indicator, higher preferred)</i>	66.58%	68%	55.99% RED	↓
Number of people who access independent advocacy to support their rights within: a) children's social care. <i>(Annual Indicator, higher preferred)</i>	64	130	39 RED	↓
Number of people who access independent advocacy to support their rights within: b) adult's social care. <i>(Annual Indicator, higher preferred)</i>	87	180	67 RED	↓



Percentage of completed Team Around the Family (TAF) plans closed with a successful outcome. <i>(Quarterly Indicator, higher preferred)</i>	83%	87%	82% AMBER	
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Aim 1.2 Supporting people in poverty to get the support they need / help they are entitled to

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of people supported through FASS (Financial Assistance and Support Service) where support has resulted in increased income through claims for additional/increased benefits and allowances. <i>(Quarterly Indicator, higher preferred)</i>	92%	85%	96% GREEN	
Percentage of people supported through FASS who have received advice and support in managing or reducing household debt. <i>(Quarterly Indicator, higher preferred)</i>	93%	85%	94% GREEN	

Aim 1.3 Supporting people facing homelessness to find a place to live

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of households threatened with homelessness successfully prevented from becoming homeless. <i>(Quarterly Indicator, higher preferred)</i>	11%	20%	31.2% GREEN	
Percentage of people presenting as homeless or potentially homeless for whom the Local Authority has a final legal duty to secure suitable accommodation. <i>(Quarterly Indicator, lower preferred)</i>	29%	10%	26.4% RED	

Aim 1.4 Supporting children with additional learning needs to get the best from their education

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2023-24 & RAYG	Trend
Percentage of new local authority individual development plans (IDPs) delivered using the online IDP system. <i>(Quarterly Indicator, higher preferred)</i>	New 2024-25	100%	0% RED	No trend
Number of pupils on the waiting lists for specialist provision. <i>(Quarterly Indicator, lower preferred)</i>	23	10	55 RED	
Percentage of year 9 pupils with Additional Learning Needs (ALN) with a transition plan in place, that have had an annual review by 31 March of each current school year. <i>(Annual Indicator, higher preferred)</i>	New 2024-25	100%	74.3% RED	No trend

Aim 1.5 Safeguarding and protecting people who are at risk of harm

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of council staff completing safeguarding awareness training (Quarterly Indicator, higher preferred)	82.73%	100%	85.77% RED	↑
Percentage of Adult safeguarding inquiries which receive initial response within 7 working days. (Quarterly Indicator, higher preferred)	81.85%	85%	83.08% AMBER	↑
Percentage of Childrens referrals where decision is made within 24 hours. (Quarterly Indicator, higher preferred)	99.69%	100%	99.97% AMBER	↑
Percentage of child protection investigations completed within required-timescales. (Annual Indicator, higher preferred)	77.78%	75%	84.4% GREEN	↑
Average waiting time on the Deprivation of Liberty Safeguards (DoLS) waiting list. (Quarterly Indicator, lower preferred)	16 days	16 days	10 days GREEN	↑

Aim 1.6 Help people to live safely at home through changes to their homes

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Average number of days taken to deliver a Disabled Facilities Grant (DFG) for: a) Low level access showers (Quarterly Indicator, lower preferred)	694 days	210 days	839 days RED	↓
Average number of days taken to deliver a DFG for: b) Stair lifts (Quarterly Indicator, lower preferred)	351 days	210 days	579 days RED	↓
Average number of days taken to deliver a DFG for: c) Ramps (Quarterly Indicator, lower preferred)	835 days	210 days	1,086 days RED	↓
Average number of days taken to deliver a DFG for: d) Extensions (Quarterly Indicator, lower preferred)	945 days	210 days	1,115 days RED	↓
Percentage of people who feel they can live more independently as a result of receiving a DFG in their home (Quarterly Indicator, higher preferred)	98%	98%	99.3% GREEN	↑

Aim 1.7 Support partners to keep communities safe

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of council staff completing Violence Against Women, Domestic Abuse and Sexual Violence (VAWDASV) training (Level 1) <i>(Quarterly Indicator, higher preferred)</i>	75.54%	100%	75.92% RED	↑
Number of instances where CCTV supports South Wales Police in monitoring incidents <i>(Quarterly Indicator, higher preferred)</i>	944	944	1,020 GREEN	↑
Percentage of Assia service users reporting increased feelings of safety at their exit evaluation <i>(Quarterly Indicator, higher preferred)</i>	New 2024-25	100%	99.12% AMBER	No trend
Percentage of high-risk domestic abuse victims / public protection notices received by the service contacted within 48 hours <i>(Quarterly Indicator, higher preferred)</i>	New 2024-25	100%	100% GREEN	No trend
Percentage of medium risk domestic abuse victims / public protection notices received by the service contacted within 72 hours <i>(Quarterly Indicator, higher preferred)</i>	New 2024-25	100%	100% GREEN	No trend

WBO 2 - County Borough with fair work, skilled, high-quality jobs and thriving towns

Aim 2.1 Helping our residents get the skills they need for work

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Number of participants in the Employability Bridgend programme going into employment <i>(Quarterly Indicator, higher preferred)</i>	366	233	453 GREEN	Trend not applicable

Aim 2.2 Making sure our young people find jobs, or are in education or training

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Number of participants in the Employability Bridgend programme supported into education or training. <i>(Quarterly Indicator, higher preferred)</i>	76	409	678 GREEN	Trend not applicable
Percentage of Year 11 leavers not in education, training, or employment (NEET) in the careers Wales annual destination statistics. <i>(Annual Indicator, lower preferred)</i>	1.4%	1.5%	1.9% RED	↓

Aim 2.4 Attracting investment and supporting new and existing local businesses

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Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Number of businesses receiving support through Shared Prosperity Funding (Quarterly Indicator, higher preferred)	25	21	37 GREEN	↑
Number of business start-ups assisted. (Annual Indicator, higher preferred)	219	53	94 YELLOW	↓

Aim 2.5 Making the council an attractive place to work

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of staff reporting through survey that they agree or strongly agree with the statement: a) I feel every department is working towards the same common goal. (Annual Indicator, higher preferred)	35%	42%	Data not available	No trend
Percentage of staff reporting through survey that they agree or strongly agree with the statement: b) I am satisfied with BCBC as an employer. (Annual Indicator, higher preferred)	66%	74%	Data not available	No trend
Percentage of staff reporting through survey that they agree or strongly agree with the statement: c) Working here makes me want to perform to the best of my ability. (Annual Indicator, higher preferred)	73%	79%	Data not available	No trend
Percentage of staff reporting through survey that they agree or strongly agree with the statement: d) I feel that BCBC values its employees' ideas and opinions. (Annual Indicator, higher preferred)	39%	48%	Data not available	No trend
Percentage of staff reporting through survey that they agree or strongly agree with the statement: e) Do you think there are opportunities for two-way communication to discuss and raise ideas and issues? (Annual Indicator, higher preferred)	85%	86%	Data not available	No trend
Percentage of staff reporting through survey that they agree or strongly agree with the statement: a) I feel supported to manage my personal wellbeing whilst in work: (Annual Indicator, higher preferred)	67%	71%	Data not available	No trend
Percentage of staff reporting through survey that they agree or strongly agree with the statement: b) The council is dedicated to taking positive action to support employees achieve a positive sense of wellbeing in their working lives. (Annual Indicator, higher preferred)	50%	54%	Data not available	No trend

Number of sign up of new subscribers to the staff extranet (Quarterly Indicator, higher preferred)	Data not available	Baseline Setting	Data not available	No trend
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Aim 2.6 Ensuring employment is fair, equitable and pays at least the real living wage

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Number of real living wage employers identified. (Annual Indicator, higher preferred)	250	255	257 GREEN	↑

WBO 3 - A County Borough with thriving valleys communities

Aim 3.1 Investing in town centres, including Maesteg town centre

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Number of commercial properties assisted through the enhancement grant scheme (Annual Indicator, higher preferred)	4	2	7 GREEN	↑

Aim 3.6 Encourage the development of new affordable homes in the valleys

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Number of additional affordable homes provided by Registered Social Landlords (RSLs) in the valleys. (Annual Indicator, higher preferred)	2	20	2 RED	↔

WBO 4 - A County Borough where we help people meet their potential

Aim 4.1 Providing safe, supportive schools, with high quality teaching

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Number of schools judged by Estyn to be in 'significant improvement' or 'special measures'. (Quarterly Indicator, lower preferred)	1	0	1 RED	↔
Average 'Capped 9' score for pupils in Year 11 (Annual Indicator, higher preferred)	361.5	363.0	357.40 AMBER	↙
Percentage pupil attendance in primary schools (Annual Indicator, higher preferred)	91.5%	93%	92.49% AMBER	↑
Percentage pupil attendance in secondary schools (Annual Indicator, higher preferred)	87.9%	90%	87.31% AMBER	↙
Percentage of school days lost due to fixed-term exclusions during the school year in primary schools. (Annual Indicator, lower preferred)	0.024%	0.03%	0.031% AMBER	↓
Percentage of school days lost due to fixed-term exclusions during the school year in secondary schools. (Annual Indicator, lower preferred)	0.165%	0.15%	0.152% AMBER	↑
Percentage of schools that have self-evaluated themselves as 'green' as part of their annual safeguarding audit. (Annual Indicator, higher preferred)	93%	100%	93% AMBER	↔

Aim 4.3 Expanding Welsh medium education opportunities

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of Year 1 pupils taught through the medium of Welsh. (Annual Indicator, higher preferred)	8.56%	8.7%	8.83% GREEN	↑
Percentage of learners studying for assessed qualifications through the medium of Welsh at the end of Key Stage 4. (Annual Indicator, higher preferred)	6.62%	7.16%	7.23% GREEN	↑
Number of learners studying for Welsh as a second language at AS Level and A Level (Annual Indicator, higher preferred)	29	20	17 RED	↓

Aim 4.5 Attract and retain young people into BCBC employment

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Number of apprentices employed across the organisation (Annual Indicator, higher preferred)	46	20	22 YELLOW	↓
Percentage of those concluding apprenticeships and obtaining a non-apprentice role (Annual Indicator, higher preferred)	90%	90%	55.56% RED	↓

Aim 4.6 Offering youth services and school holiday programmes for our young people

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Participation in targeted activities for people with additional or diverse needs (Quarterly Indicator, higher preferred)	357	400	540 GREEN	↑
Participation in the national free swimming initiative for 16 and under (Annual Indicator, higher preferred)	19,659	16,000	23,208 GREEN	↑

Aim 4.9 Being the best parents we can to our care experienced children

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of care leavers who have completed at least 3 consecutive months of employment, education or training in the a)12 months since leaving care. (Quarterly Indicator, higher preferred)	68.97%	70%	59.38% RED	↓
Percentage of care leavers who have completed at least 3 consecutive months of employment, education or training in the b)13- 24 months since leaving care. (Quarterly Indicator, higher preferred)	57.69%	65%	82.14% GREEN	↑
Percentage care leavers who have experienced homelessness during the year (Quarterly Indicator, lower preferred)	7.17%	10%	9.96% YELLOW	↓

WBO 5 - A County Borough that is responding to the climate and nature emergency

Aim 5.1 Moving towards net zero carbon, and improving our energy efficiency

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Reduction in emissions (across our buildings, fleet & equipment, streetlighting, business travel, commuting, homeworking, waste, procured goods and services) (Annual Indicator, higher preferred)	4.3%	5%	1% RED	↓
Annual Gas Consumption across the Authority (kWh) (Annual Indicator, lower preferred)	21,966,783 kWh	20,868,443 kWh	21,122,938 kWh AMBER	↑
Annual Electricity Consumption across the Authority (kWh) (Annual Indicator, lower preferred)	15,210,536 kWh	14,450,009 kWh	15,019,064 kWh AMBER	↑
Annual CO2 related to gas consumption across the Authority (tonnes) (Annual Indicator, lower preferred)	4,018 tonnes	3,817 tonnes	3,866 tonnes AMBER	↑
Annual CO2 related to electricity consumption across the Authority (tonnes) (Annual Indicator, lower preferred)	3,150 tonnes	2,925 tonnes	3,110 tonnes AMBER	↑
Levels of nitrogen dioxide (NO2) pollution in the air (micrograms per m3) (Annual Indicator, lower preferred)	43.80	40	43.60 AMBER	↑

Aim 5.2 Protecting our landscapes and open spaces and planting more trees

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Number of green flag parks and green spaces (Annual Indicator, higher preferred)	2	2	2 YELLOW	↔
Number of blue flag beaches (Annual Indicator, higher preferred)	3	3	3 YELLOW	↔

Aim 5.3 Improve the quality of the public realm and built environment through good placemaking principles

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of all planning applications determined within 8 weeks. (Quarterly Indicator, higher preferred)	68%	80%	67% RED	↙
Percentage of planning appeals dismissed. (Quarterly Indicator, higher preferred)	87%	80%	81% YELLOW	↙

Aim 5.4 Reducing, reusing or recycling as much of our waste as possible

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of street cleansing waste prepared for recycling. (Annual Indicator, higher preferred)	41.18%	40%	41.22% GREEN	↑
Percentage of waste reused, recycled or composted (Overall) (Quarterly Indicator, higher preferred)	72.78%	70%	70.93% YELLOW	↙
Percentage of waste a) reused (Quarterly Indicator, higher preferred)	1.43%	1%	0.54% RED	↓
Percentage of waste b) recycled. (Quarterly Indicator, higher preferred)	50.42%	49%	50.59% GREEN	↑
Percentage of waste c) composted (Quarterly Indicator, higher preferred)	20.14%	20%	19.8% AMBER	↙
Kilograms of residual waste generated per person. (Quarterly Indicator, lower preferred)	119.80kg	125kg	117.76kg GREEN	↑
Percentage of highways land inspected and found to be of a high / acceptable standard of cleanliness. (Quarterly Indicator, higher preferred)	99.8%	99%	99.35% YELLOW	↙

Aim 5.5 Improving flood defences and schemes to reduce flooding of our homes and businesses

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of statutory sustainable drainage systems (SuDS) applications processed within 7 weeks from receipt of appropriate scheme drawings. (Quarterly Indicator, higher preferred)	100%	95%	100% GREEN	↔

WBO 6 - A County Borough where people feel valued, heard, and part of their community**Aim 6.1 Celebrating and supporting diversity and inclusion and tackling discrimination**

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of council staff completing Introduction to Equality and Diversity E-Learning. (Quarterly Indicator, higher preferred)	47.61%	100%	64.25% RED	↑

Aim 6.2 Improving the way we engage with local people, including young people, listening to their views and acting on them

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of consultation participants who answered positively: How effective do you think we have been in meeting our aim of being citizen-focused over the last 12 months? (Annual Indicator, higher preferred)	49.4%	50%	44.2% RED	↓
Level of engagement (Welsh / English) a) across consultations (Annual Indicator, higher preferred)	7,946	8,300	8,050 AMBER	↑
Level of engagement (Welsh / English) b) with corporate communications to residents using the digital communications platform. (Annual Indicator, higher preferred)	972,384	972,500	1,203,706 GREEN	↑
Level of engagement (Welsh / English) c) across all corporate social media accounts (Annual Indicator, higher preferred)	1,715,802	1,715,900	1,488,712 RED	↓

Aim 6.3 Offering more information and advice online, and at local level, and making sure you can talk to us and hear from us in Welsh

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage first call resolutions (via Customer Contact Centre) (Quarterly Indicator, higher preferred)	69.17%	75.92%	72.67% AMBER	↑
Number of online transactions using the digital platform (Quarterly Indicator, higher preferred)	72,500	72,500	81,034 GREEN	↑
Number of hits on the corporate website (Quarterly Indicator, higher preferred)	3,415,000	3,415,000	3,267,538 AMBER	↙

Percentage of staff with Welsh language speaking skills (including schools) (Annual Indicator, higher preferred)	26.82%	28%	28.35% GREEN	↑
Percentage of council staff completing Welsh Language Awareness E-Learning (Quarterly Indicator, higher preferred)	47.61%	100%	63.12% RED	↑

Aim 6.4 Helping clubs and community groups take control of and improve their facilities and protect them for the future

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Number of council owned assets transferred to the community for running (CATs) (Annual Indicator, higher preferred)	7	10	2 RED	↓
Number of people supported to have their needs met in their communities by local community co-ordinators. (Annual Indicator, higher preferred)	395	450	566 GREEN	↑

WBO 7 - A County Borough where we support people to live healthy and happy lives

Aim 7.2 Offering attractive leisure and cultural activities

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Number of visits by older adults to physical activity opportunities supported (Annual Indicator, higher preferred)	23,308	23,500	24,663 GREEN	↑

Aim 7.3 Improving children's play facilities and opportunities

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Value of investment in play areas. (Annual Indicator, higher preferred)	£54,443	£1.6 million	£1,709,584 GREEN	↑
Number of play areas that have been refurbished. (Annual Indicator, higher preferred)	0	22	22 GREEN	↑

Aim 7.4 Providing free school meals and expanding free childcare provision

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Percentage of eligible learners offered a free school meal. (Quarterly Indicator, higher preferred)	100%	100%	100% GREEN	↔
Percentage of non-maintained settings that are judged by Care Inspectorate Wales as at least 'good'. (Quarterly Indicator, higher preferred)	76.5%	100%	83% RED	↑
Number of two-year-olds accessing childcare through the Flying Start programme. (Quarterly Indicator, higher preferred)	530	570	542 AMBER	↑

Aim 7.5 Integrating our social care services with health services so people are supported seamlessly

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Number of people recorded as delayed on the national pathway of care. (Quarterly Indicator, lower preferred)	104	71	70 GREEN	↑

Aim 7.6 Improving the supply of affordable housing

Performance Indicator Description	2023-24 Actual	2024-25 Target	Actual 2024-25 & RAYG	Trend
Number of additional affordable homes provided by Registered Social Landlords (RSLs) across the County Borough. (Annual Indicator, higher preferred)	64	110	77 RED	↑
Number of empty properties returned to use with local authority intervention. (Annual Indicator, higher preferred)	70	5	36 YELLOW	↓

Meeting of:	GOVERNANCE AND AUDIT COMMITTEE
Date of Meeting:	17 JULY 2025
Report Title:	PANEL PERFORMANCE ASSESSMENT (PPA)
Report Owner / Corporate Director:	CHIEF OFFICER – LEGAL AND REGULATORY SERVICES, HR AND CORPORATE POLICY
Responsible Officer:	ALEX RAWLIN POLICY AND PUBLIC AFFAIRS MANAGER
Policy Framework and Procedure Rules:	The Corporate Plan and Performance Framework (on which PPA is based) form part of the Policy Framework.
Executive Summary:	The purpose of this report is to inform the Governance and Audit Committee (GAC) of the requirement on the Council to commission and organise a panel performance assessment (PPA) before the next local government elections, and the role and responsibilities of GAC in this assessment.

1. Purpose of Report

- 1.1 The purpose of this report is to inform the Governance and Audit Committee (GAC) of the requirement on the Council to commission and organise a panel performance assessment (PPA) before the next local government elections, and the implications of this requirement. It provides information on governance and the role and responsibilities of GAC.

2. Background

- 2.1 The Local Government and Elections (Wales) Act 2021 ('The Act') set out a new local government improvement regime. One of the requirements of the Act is for the council to arrange for a panel to undertake a corporate, organisational level assessment of the extent to which the council is meeting its performance requirements, and to respond to the outcome of this assessment. This is called a Panel Performance Assessment (PPA). This must be done at least once during the period between two consecutive ordinary elections (May 2022 and anticipated May 2027) of councillors to the County Borough Council.
- 2.2 Councils can commission the Welsh Local Government Association (WLGA) to coordinate and facilitate the PPA on their behalf, and the first set of PPAs will be paid for in full by the WLGA. Bridgend County Borough Council (BCBC) has requested a PPA from the WLGA in September 2025. This was to avoid undertaking the PPA with a brand new Corporate Plan and Self-

Assessment Process (if PPA took place in Summer 2024) but also avoiding being too close to the likely Local Election date (if it took place later than Early 2026).

- 2.3 A number of PPAs in Wales have now been completed, and officers have used their lessons learned to inform the development of the process and scoping document for the Council.

3. Current situation / proposal

- 3.1 The PPA onsite work will take place in the week commencing 15 September 2025.

- 3.2 There are three stages for the PPA process, which are

- **Stage 1: Preparation** - This stage requires development of a scoping document, considering any challenges that have been highlighted in our Self-Assessment and / or in recent audit, inspection, or regulator reports. It should also be clear about the appointment of the PPA panel that would be needed (as determined by needs identified in the scoping document). This phase is led by the Council.
- **Stage 2: Assessment** – This stage starts with document reviews and then a hybrid of remote and onsite working, comprising of 1:1 interviews and focus groups. Following the format of historic corporate assessments by external regulators, this may typically take place over 4 days. Informal feedback would be provided at the end before a report is drafted. This phase is led by the panel.
- **Stage 3: Follow-up** - This stage requires a draft report to be checked for factual inaccuracies, the report to be made available to the Governance and Audit Committee, and a response made from the Council to the report. The Governance and Audit Committee may make recommendations for changes, but if those changes are not agreed by Cabinet, the Council's response must state the reasons why. The final response must be shared with the Panel. The report and Council's response must be published and shared with Audit Wales, ESTYN, Care Inspectorate Wales (CIW), and Welsh Ministers.

- 3.3 The scope of what the panel are expected to explore covers the same three performance requirements that are used in the Council's Corporate Self-Assessment:

Performance requirement	Areas of focus
Performance requirement 1: the extent to which the council is exercising its functions effectively, focuses on self-awareness, understanding of context the council is working in, identifying issues and making improvements.	<ul style="list-style-type: none"> • Leadership • Corporate and Service Planning • Risk and assurance. • Performance management.
Performance Requirement 2: The extent to which the council is using its resources economically, efficiently, and effectively,	<ul style="list-style-type: none"> • Digital and data • Financial planning • Workforce

focuses on whether resources are aligned to assist the council in delivering its objectives / statutory functions and provide value for money.	<ul style="list-style-type: none"> • Procurement • Risk management • Assets
Performance Requirement 3: The extent to which the council has effective governance in place: focuses on whether there are clear and robust governance arrangements, a transparent culture that welcomes scrutiny / challenge.	<ul style="list-style-type: none"> • Governance • Leadership • Organisational culture • Financial governance • Capacity to improve

- 3.4 The Council is required to produce a scoping document, setting out its own priorities for scrutiny and challenge based on the most recent self-assessment. This scoping document has been drafted and will be considered by Cabinet on 22 July 2025. Any further evidence for PPA will be requested by the peer panel in the form of a document request.
- 3.5 The panel will consist of the following (as a minimum – others may be invited)–
- An independent chair (i.e. not currently serving in an official or political capacity within local government)
 - A peer from the wider public, private, or voluntary sectors
 - A serving local government senior officer, likely to be equivalent to chief executive or director, from outside the council to be assessed
 - A senior elected member, from outside the council to be assessed
- 3.6 The WLGA will be on site alongside the peers in September. They will ensure the assessment is consistent with those in other authorities in Wales.
- 3.7 When onsite, the peers would wish to meet a selection of individuals and groups. For some it may be more efficient to hold remote sessions / phone calls (e.g. interviews with regulators and partners). The panel may use a combination of focus groups and web-based surveys / questionnaires to fulfil the consultation requirements. The council's self-assessment consultation process will be considered by the panel when determining their approach. The panel will interview the Chair of GAC and potentially other members of GAC.
- 3.8 Governance arrangements for the PPA are set out in The Act. Decisions can be made by Cabinet or Council on –
- The appointment of performance assessment panel,
 - The Council's response to the report of the panel performance assessment,
 - The Council's response to the recommendations of the panel.
- It is proposed that Cabinet make these decisions, and this will be considered by Cabinet on 22 July 2025.

- 3.10 There are also specific requirements on the Council working with the Governance and Audit Committee (GAC), including –
- Making the Panel's report available to GAC
 - Making a draft of the Council's response available to GAC
 - Determining whether GAC require any changes to the Council's response
 - Making those changes, or outlining why those changes have not been made
- 3.11 The Panel's report will be provided to GAC when it has been received by the Council. This is likely to be at the end of the year, likely at the November meeting. A response will then be drafted which should be considered by GAC and any changes or recommendations set out. This is likely to be in January 2026.
- 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. Wellbeing of Future Generations implications and connection to Corporate Wellbeing Objectives**
- 5.1 This report considers the work of the panel performance assessment which will assess the following corporate well-being objectives under the Well-being of Future Generations (Wales) Act 2015 that form part of the Council's Corporate Plan Delivery Plan 2025/26:-
1. A prosperous place with thriving communities
 2. Creating modern, seamless public services
 3. Enabling people to meet their potential
 4. Supporting our most vulnerable
- 5.2 The 5 ways of working set out in the Well-being of Future Generations (Wales) Act have also been included in the Council's wellbeing objectives. The ways of driving and measuring them is also contained in the Corporate Plan Delivery Plan.
- 6. Climate Change and Nature Implications**
- 6.1 There are no specific implications of this report on climate change or nature. However, the PPA will assess the Council's performance on areas including climate change.

7. Safeguarding and Corporate Parent Implications

- 7.1 There are no specific implications of this report on safeguarding or corporate parenting. However, the PPA will assess the Council's performance on areas including safeguarding and corporate parenting.

8. Financial Implications

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

9. Recommendations

- 9.1 It is recommended that the Governance and Audit Committee:-
- Consider their role and responsibilities in the Panel Performance Assessment process set out in paragraphs 3.10 and 3.11.

Background documents

None

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Meeting of:	GOVERNANCE AND AUDIT COMMITTEE
Date of Meeting:	17 JULY 2025
Report Title:	FORWARD WORK PROGRAMME 2025-26
Report Owner / Corporate Director:	CHIEF OFFICER – FINANCE, HOUSING AND CHANGE
Responsible Officer:	DEBORAH EXTON DEPUTY HEAD OF FINANCE
Policy Framework and Procedure Rules:	There is no impact on the policy framework and procedure rules.
Executive Summary:	<ul style="list-style-type: none"> • The Governance and Audit Committee has a number of core functions and responsibilities within its remit. • It receives a number of reports and presentations throughout the year to enable it to carry out those core functions and responsibilities effectively and to provide it with confidence in the financial governance of the Authority. • To enable the Committee to provide this assurance and to ensure it is covering its range of responsibilities, a Forward Work Programme (FWP) is presented at each meeting, setting out the reports to be presented at future meetings, for approval or amendment, as necessary. • The updated Forward Work Programme (FWP) for 2025-26 is at Appendix A. • Committee is requested to approve the updated FWP or request changes for future meetings.

1. Purpose of Report

- 1.1 The purpose of this report is to seek approval for the updated Forward Work Programme for 2025-26.

2. Background

- 2.1 The core functions of an effective Governance and Audit Committee include the responsibility to:
- review, scrutinise and issue reports and recommendations in relation to the Authority's financial affairs.

- consider the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting, governance processes, performance assessment and complaints arrangements.
- seek assurances that action is being taken on risk-related issues identified by auditors and inspectors.
- consider the effectiveness of the Council's anti-fraud and corruption arrangements.
- be satisfied that the Council's assurance statements properly reflect the risk environment and any actions required to improve it.
- oversee the work of internal audit (including the annual plan and strategy) and monitor performance.
- review summary internal audit reports and the main issues arising and seek assurance that action has been taken where necessary.
- receive the annual report of the Head of Internal Audit.
- consider the reports of external audit and inspection agencies, where applicable.
- ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted.
- review and approve the financial statements, external auditor's opinion and reports to Members, and monitor management action in response to the issues raised by external audit.
- review and make any recommendations for change to the Council's draft self-assessment report.
- consider panel performance assessment reports into how the Council is meeting its performance requirements.

2.2 Effective Governance and Audit Committees help to raise the profile of governance, internal control, risk management and financial reporting issues within an organisation, as well as providing a forum for the discussion of issues raised by internal and external auditors. They enhance public trust and confidence in the financial governance of an authority.

3. Current situation / proposal

3.1 In order to assist the Committee in ensuring that due consideration is given to all aspects of their core functions the updated Forward Work Programme for 2025-26 is attached at **Appendix A**. Committee Members are asked to endorse this schedule, confirm the list of people they would like to invite for each item (if appropriate), and indicate whether any additional information or research is required.

3.2 Shown below are the items scheduled to be presented at the next scheduled meeting, to be held on 30 October 2025.

Proposed Agenda Items – 30 October 2025	
1	Governance and Audit Committee Action Record
2	Audit Wales Governance and Audit Committee Reports

3	Audited Statement of Accounts (including Audit Wales Audit of Accounts Report)
4	Porthcawl Harbour Return (audit letter)
5	Self-Assessment of the Governance and Audit Committee
6	Internal Audit Progress Reports
7	Internal Audit Recommendation Monitoring Report
8	Governance and Audit Committee Annual Report
9	Regulatory Tracker
10	Updated Forward Work Programme

3.3 The schedule of items for discussion at specific meetings may be subject to change, to take into account other items that need to be considered, and operational factors.

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 and Nature Implications

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

7. Safeguarding and Corporate Parent Implications

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

8. Financial Implications

8.1 There are no financial implications arising from this report.

9. Recommendation

9.1 That the Committee considers and approves the updated Forward Work Programme for 2025-26.

Background documents

None

GOVERNANCE AND AUDIT COMMITTEE FORWARD WORK PROGRAMME 2025-26	Frequency	30 October 2025	27 November 2025	29 January 2026	23 April 2026
Standing Items					
Governance and Audit Committee Action Record	Each meeting	✓	✓	✓	✓
Audit Wales Governance and Audit Committee Reports	Each meeting	✓	✓	✓	✓
Updated Forward Work Programme	Each meeting	✓	✓	✓	✓
Annual Accounts					
Statement of Accounts 2024-25 (unaudited)	Annually				
Porthcawl Harbour Return 2024-25 (unaudited)	Annually				
Going Concern Assessment	Annually				
Audit Enquiries Letter	Annually				
Audit Wales Audit of Accounts Report <i>(included with Audited Statement of Accounts Report item)</i>	Annually	✓			
Audited Statement of Accounts <i>(including final Annual Governance Statement)</i>	Annually	✓			
Porthcawl Harbour Return (audit letter)	Annually	✓			
Governance					
Draft Annual Governance Statement	Annually				
Half Year Review of the Annual Governance Statement	Annually		✓		
Code of Corporate Governance	Annually				✓
Audit Wales Annual Audit Plan <i>(included in Audit Wales Governance and Audit Committee Reports item)</i>	Annually				✓
Annual Audit Summary <i>(included in Audit Wales Governance and Audit Committee Reports item)</i>	Annually			✓	
Internal Audit Reports					
Annual Internal Audit Report 2024-25	Annually				
Internal Audit Shared Service Charter	Annually				✓
Internal Audit Annual Strategy and Audit Plan 2025-26	Annually				
Self-Assessment of the Governance and Audit Committee	Annually	✓			
Internal Audit Progress Reports	Quarterly	✓	✓	✓	✓
Internal Audit Recommendation Monitoring Report	Quarterly	✓	✓	✓	✓
Governance and Audit Committee Annual Report	Annually (unless revised)	✓			
Treasury Management					
Treasury Management Outturn Report 2024-25	Annually				
Treasury Management Half Year Report 2025-26	Annually		✓		
Treasury Management Strategy 2026-27	Annually			✓	
Risk Assurance					
Corporate Risk Assessment	6 monthly			✓	
Corporate Risk Policy	Annually			✓	
Counter Fraud					
Corporate Fraud Report 2024-25	Annually				
Anti-Tax Evasion Policy (to be considered April 2025, then April 2027)	Biennially				
Anti-Fraud, Bribery and Corruption Policy (June 2025, then June 2027)	Biennially				
Anti-Money Laundering Policy (June 2025, then June 2027)	Biennially				
Performance Related					
Complaints Process	Annually		✓		
Regulatory Tracker (by exception only in January and July)	Quarterly	✓		✓	✓
Annual Self-Assessment of the Council's Performance (Corporate Self-Assessment)	Annually with approach report in April				✓

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