

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

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



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

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



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

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

Dyddiad/Date: Wednesday 16 July 2025

Dear Councillor,

COUNCIL

A meeting of the Council will be held as Hybrid in the Council Chamber Civic Offices, Angel Street, Bridgend, CF31 4WB on **Wednesday, 23 July 2025 at 16:00**.

AGENDA

1 Apologies for absence

To receive apologies for absence from Members.

2 Declarations of Interest

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

3 Approval of Minutes

To receive for approval the minutes of 25/06/2025

7 - 18

4 To receive announcements from:

- (i) Mayor (or person presiding)
- (ii) Chief Executive

5 To receive announcements by the Leader

By receiving this Agenda Pack electronically you will save the Authority approx. £1.72 in printing costs

6	<u>Healthy Travel Charter</u>	19 - 24
7	<u>Capital Programme Outturn 2024-25 and Quarter 1 Update 2025-26</u>	25 - 52
8	<u>Treasury Management Outturn Report 2024-25</u>	53 - 78
9	<u>Electoral Registration Officer and Returning Officer</u>	79 - 82
10	<u>Appointments to the Standards Committee</u>	83 - 86

11 To receive the following Question from:

Councillor Colin Davies to the Cabinet Member – Education and Youth Services

Can the Cabinet Member update the Council on the latest phase of the roll-out of the Welsh Government-funded Flying Start provision in the Bridgend County Borough Council area?

12 Notice of Motion Proposed by Councillor Martin Williams

This council recognises the challenges we face in recruiting operatives to cut grass following the decision to bring it in house and the impact it is having on our communities.

Under the One Council ethos of working collaboratively we therefore resolve to ask the cabinet to consider contacting all town & community councils at the earliest opportunity and offer to pay them to carry out the service in their areas as an interim measure if they are willing and able.

13 Notice of Motion Proposed by Councillor Ian Spiller

This month marks the ninth anniversary of the tragic loss of Rhys Rubery on the A48 at the junctions of Merthyr Mawr road. Rhys was crossing the road on his way home from celebrating the end of his exams with friends, he was a keen sportsman and a member of the Air Cadets. The blue ribbons tied to the bridge at the River Ogmore are an ongoing reminder for all of us in this chamber of that tragic day.

Merthyr Mawr and the dipping bridge remain a go to spot for youngsters, in the last few weeks the weather has meant more children crossing the A48, celebrating the end of their exams in the same way Rhys did nine years ago.

The current footpath and cycle path runs from the Broadlands roundabout, to Newbridge Fields over the River Ogmore bridge. Meaning children walking/cycling on their way to school from Broadlands to Brynteg comprehensive school need to cross the A48 twice.

The Newbridge field extension was acquired by Bridgend County Borough Council under the s106 agreement for Broadlands on 23rd May 1997, which runs from the end of the current cycle/footpath to Merthyr Mawr road. The freehold from Merthyr Mawr road to Ewenny roundabout is also owned by Bridgend County Borough Council (Title number CYM481820), meaning the entire length of the highway verge is under this authorities control.

Following the adoption of the new Bridgend Local Development Plan, and the consultation between officers and members, this council has committed to plan under PLA8 (8) which includes provision for improvements at the Ewenny and Broadlands roundabouts on the A48. The major development at Island Farm (land south of Bridgend) and Craig y Parcau will mean the A48 materially changes, and the speed limit will be lowered to reflect this.

I would therefore move that this council requests that cabinet resolves to ensure that active travel routes linking Broadlands with Brynteg are prioritised and designed. To include safe crossing points at between Pandy Farm/Newbridge fields, at Broadlands, and at Merthyr Mawr road. Furthermore, that as the no right turn signs are frequently ignored that consideration is given to a physical barrier at Merthyr Mawr road to ensure that the traffic order is enforced to protect vulnerable road users.

14 Notice of Motion Proposed by Councillor Tim Thomas

This Council:

1. Notes the recent U-turn announced by the UK Government regarding proposed welfare reforms that would have adversely affected disabled residents across the country, including within Bridgend County Borough.

2. Recognises the significant and disproportionate negative impact these welfare changes would have had on the wellbeing, financial security, and dignity of local disabled people and their families.

3. Welcomes the Government's decision to reverse these welfare reforms as a positive step in protecting the rights and livelihoods of disabled residents in Bridgend.

4. Acknowledges the hard work of disability advocacy groups, campaigners, and residents who have voiced their concerns and influenced this decision.

5. Calls on the Leader of Bridgend County Borough Council to write to the Prime Minister to:

Welcome the U-turn on welfare policy.

Emphasise the importance of continued support and protection for disabled residents.

Urge the Government to engage closely with local councils, disabled people's organisations, and communities in developing future welfare policies.

6 Reaffirms the Council's commitment to supporting disabled residents by ensuring local services are accessible, inclusive, and adequately resourced.

15 Urgent Items

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

Note: This will be a Hybrid meeting and Members and Officers will be attending in the Council Chamber, Civic Offices, Angel Street Bridgend / Remotely via Microsoft Teams. The meeting will be recorded live and for subsequent transmission to the Council's internet site. If you would like to view this meeting live, please contact cabinet_committee@bridgend.gov.uk or tel. 01656 643148 / 643694 / 643513 / 643159.

Yours faithfully

K Watson

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

Distribution:

All Members

MINUTES OF A MEETING OF THE COUNCIL HELD HYBRID IN THE COUNCIL CHAMBER CIVIC OFFICES, ANGEL STREET, BRIDGEND, CF31 4WB ON WEDNESDAY, 25 JUNE 2025 AT 16:00

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Present

Councillor HJ David – Chairperson

H T Bennett
JPD Blundell
C Davies
N Farr
H Griffiths
M L Hughes
M Jones
RL Penhale-Thomas
JH Tildesley MBE
MJ Williams

A R Berrow
E L P Caparros
P Davies
J Gebbie
S J Griffiths
D M Hughes
W J Kendall
J E Pratt
A Wathan
E D Winstanley

F D Bletsoe
O Clatworthy
S Easterbrook
W R Goode
GH Haines
P W Jenkins
M Lewis
JC Spanswick
HM Williams
T Wood

S J Bletsoe
RJ Collins
M J Evans
RM Granville
D T Harrison
M R John
J Llewellyn-Hopkins
T Thomas
I Williams

Present Virtually

S Aspey
I M Spiller
R Williams

N Clarke
A Ulberini-Williams

C L C Davies
G Walter

R J Smith
AJ Williams

Officers:

Mark Galvin
Lindsay Harvey
Rachel Keepins
Carys Lord
Claire Marchant
Janine Nightingale
Michael Pitman
Oscar Roberts

Senior Democratic Services Officer - Committees
Corporate Director - Education, Early Years & Young People
Democratic Services Manager
Chief Officer - Finance, Housing & Change
Corporate Director - Social Services and Wellbeing
Corporate Director - Communities
Technical Support Officer – Democratic Services
Business Administrative Apprentice - Democratic Services

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

Mark Shephard
Kelly Watson
Jonathan Parsons
Richard Matthams
Adam Provoost

Chief Executive
Chief Officer - Legal & Regulatory Services, HR & Corporate Policy
Group Manager Planning and Development Services
Strategic Planning and Transportation Manager
Strategic Planning Policy Team Leader

149. Apologies for absence

Decision Made	Apologies for absence were received from Councillors P Ford and RM James
Date Decision Made	25 June 2025

150. Declarations of Interest

Decision Made	<p>Councillor Steven Bletsoe declared a prejudicial interest in Agenda item 7. Councillor Bletsoe left the meeting whilst this report was being considered.</p> <p>Councillor Elaine Winstanley declared a personal interest in Agenda item 9., as her employer was affected by some of the contents detailed within the report.</p>
Date Decision Made	25 June 2025

151. Approval of Minutes

Decision Made	<p><u>RESOLVED:</u> That the minutes of meetings of Council dated 2 April, 9 April and 14 May 2025, be approved as true and accurate records:-</p> <p>The Democratic Services Manager in relation to Minute no. of 14 May meeting, stated that having checked with the South-East Wales Corporate Joint Committee, Councillor Simon Griffiths cannot now sit on this body as a member, nor was he able to sit on the Audit Sub-Committee. Therefore, it was noted that he has relinquished his membership on both and, at the time of writing, Councillor Graham Walter has been appointed instead on the South East Wales Corporate Joint Committee.</p>
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Date Decision Made	25 June 2025

152. Presentation to Council by representatives of Valleys To Coast (V2C)

Decision Made	<p>The Chief Executive presented a report that introduced Jo Oak, Chief Executive Officer of Valleys to Coast alongside colleagues from the Senior Executive team, who gave a resume and summary of the work of the organisation in providing housing for residents within Bridgend County Borough.</p> <p>She advised that the presentation would give a summary of priorities and performance delivery for the previous financial year as well as looking forward towards the future. The presentation also outlined successes of the last year to include new levels of investment into homes and ensuring that investment is as impactful as possible. Complaint reduction has also been a priority through proactive service improvement and increasing employment to improve service delivery.</p> <p>Also included was a survey undertaken with residents about various service areas of Valleys to Coast, with eight areas showing a satisfaction improvement and four showing a reduction.</p> <p>Following Ms Oak's submission, the Mayor opened up questions, examples of which were as follows:</p> <ul style="list-style-type: none"> • Management of void properties. • The effect of the Employment Rights Bill on V2C's workforce. • Access to EV charging points. • Details of V2C's homebuilding statistics. • V2C's strategy on complex ASB or drug use/dealing cases. • Expansion plans to cope with development progress and needs. <p>The questions and queries raised above (as well as any others) that Ms Oak and her colleagues could not sufficiently respond to, she confirmed that she would follow-up and respond to outside of the meeting.</p> <p><u>RESOLVED:</u> That the report of the Chief Executive and the presentation by the Chief Executive of Valleys to Coast be noted.</p>
Date Decision Made	25 June 2025

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153. To receive announcements from:

Decision Made	<p>Announcements were received from the following dignitaries (no decisions required or made):-</p> <ul style="list-style-type: none">• Mayor;• Chief Executive <p>The Chief Executive wished to say a few words as this was his last meeting of Council, prior to him retiring from local government at the end of this month.</p> <p>He had been in BCBC and its predecessor authority Ogwr Borough Council for over 30 years during which team he and colleagues had faced some challenging times, not least of these being the Covid pandemic.</p> <p>He extended his thanks to fellow Officers he had worked with during his career in Bridgend and also thanked members including the Cabinet, the current Leader, the previous Leader (now Mayor) and the group Leaders of the Bridgend County Independents (BCI's) and Democratic Alliance (DA) for their support.</p> <p>The Leader, Group Leaders of the BCI's and DA and the Mayor in turn, extended their thanks to the Chief Executive for his contributions during his working career in Bridgend.</p>
Date Decision Made	25 June 2025

154. To receive announcements by the Leader

Decision Made	Announcements were received from the Leader (no decisions required or made).
Date Decision Made	25 June 2025

6. Amendment to the Scheme of Delegation of Functions

Decision Made	<p>The Monitoring Officer submitted a report, in order to seek Council approval for a series of amendments to the Schemes of Delegation of Functions.</p> <p>More specifically, the changes were required to allow named Officers within the Communities Directorate the legal right to enter land as part of their duties. The list of named officers will be updated on an annual basis and will include Officers from Planning, Enforcement, Building Control, Building Conservation and Design, Highways, Countryside and Public Rights of Way sections.</p> <p>Paragraph 3.1 of the report, proposed that the delegated function given to the Corporate Director Communities at Scheme B2 paragraph 6.1(d) in relation to the issuing of written authorisation to appropriate officers to enable them to exercise powers of entry, be updated to include legislation as referred to in that section of the report.</p> <p>A member asked the following questions:-</p> <ul style="list-style-type: none"> • In respect of paragraph 3.1 of the report, I acknowledge that Council officers would require delegated authority to enter into certain properties, particularly on occasions at short notice. He asked however why Section 106 of the Infrastructure Wales Act 2024 is referred to in this section of the report, ie is there something in that particular Act which relates to the entry of buildings? • Is there a policy and/or process relating to the report in respect of officers entering dangerous buildings or buildings that contain within them hazardous substances, in accordance with health and safety regulations and is there also training for these officers and, for example, special equipment provided for them before entry? <p>These points were responded to in turn by the Group Manager Planning and Development Services, Corporate Director Communities and the Monitoring Officer.</p> <p><u>RESOLVED:</u> That Council:</p> <p>(1) Approved the amendments to the Scheme of Delegation of Functions as set out at paragraphs 3.1 and 3.2 of the report.</p> <p>(2) Delegated authority to the Monitoring Officer to make amendments to the Scheme of Delegation of</p>
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	Functions where such amendment is required to be made, so as to comply with any legislative provision. Such amendments shall take effect when the Monitoring Officer decides or the legislation (where relevant), so provides.
Date Decision Made	25 June 2025

157. Revenue Budget Outturn 2024-25

Decision Made	<p>The Chief Officer – Finance, Housing and Change presented a report, the purpose of which, was to provide Council with an update on the Authority’s revenue financial position for the year ended 31st March 2025.</p> <p>The report indicated a net underspend on the Council’s budget for the 2024-25 financial year of approximately £300k. It was noted however that whilst this was positive news, it did mask some underlying budget pressures, as a result of the receipt of Welsh Government grants awarded late in the above year, towards the teachers’ pay award and a further £2.024m to contribute towards revenue cost pressures.</p> <p>There were also further financial pressures including overspends from Directorate budgets, with continued pressures being experienced in the service areas of home to school transport, children’s social care and additional learning needs.</p> <p>The Council had seen a £1.5m reduction in its overall insurance fund liability after a number of claims had been repudiated or discontinued, with additional council tax premiums on long-term empty properties and second homes having boosted council tax revenue by some £611k. If some of these premiums had not been collected however, the expected council tax income may have fallen short by some £99k.</p> <p>The Chief Officer – Finance, Housing and Change stated that the Council would have to continue to work hard in the coming financial year in order to maintain spending within allocated limits, highlighting a shortfall in targeted savings of just over £1.5m.</p> <p>A member stated that with budget pressures being felt across Wales, the Council should continue to lobby for multi-year funding settlements for local authorities, in order to allow them to better plan ahead and be able to have further opportunity to consider their financial commitments and obligations more longer term.</p> <p>The Cabinet Member for Finance and Performance advised that the report would be considered in more</p>
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	depth at a meeting of the Corporate Overview and Scrutiny Committee on Monday 30 June 2025. Members asked a number of questions of officers, following which it was <u>RESOLVED:</u> That Council noted the Revenue Outturn position for 2024-25.
Date Decision Made	25 June 2025

158. To receive the following Question from:

Decision Made	Councillor Colin Davies to the Cabinet Member – Education and Youth Services (response circulated previously to members). A supplementary question was asked by Councillor Davies which was responded to at the meeting.
Date Decision Made	25 June 2025

159. To receive the following Question from:

Decision Made	Councillor Martin Williams to the Cabinet Member – Education and Youth Services (response circulated previously to members). A supplementary question was asked by Councillor Williams which was responded to at the meeting.
Date Decision Made	25 June 2025

160. To receive the following Question from:

Decision Made	Councillor Tim Thomas to the Cabinet Member – Regeneration, Economic Development and Housing (response circulated previously to members).
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	A supplementary question was asked by Councillor Thomas which was responded to at the meeting.
Date Decision Made	25 June 2025

161. Notice of Motion Proposed by Councillor Jon-Paul Blundell

Decision Made	Members debated the Notice of Motion as detailed at Agenda item 13. on today's meeting agenda.		
	While members were generally in agreement with the motion aside of a small minority, Councillor Tim Thomas moved an additional paragraph to be added to the motion, as follows:-		
	‘As soon as the Bill has been given Royal Assent and has the competency to be legislation in Wales, businesses are signposted to the relevant guidance in both a cost effective and by an appropriate method, to ensure that such businesses avoid any unnecessary sanctions.’		
	This amendment was duly seconded.		
	Members therefore voted on the amendment on-line via the new Mod.Gov voting app., with a minority of members voting verbally. The total result of vote was as follows:-		
	<u>For (the amendment)</u>	<u>Against</u>	<u>Abstentions</u>
	37	4	0
	Therefore, the amendment carried.		
	Members then voted by the same method as above, on the substantive motion, with the result being as follows:-		
	<u>For (the motion)</u>	<u>Against</u>	<u>Abstentions</u>
37	2	0	
RESOLVED:			
That the Motion as detailed on the meeting agenda (item 13) be			

	approved by Council together with the additional wording to be added to this, as shown in bold print above.
Date Decision Made	25 June 2025

162. Notice of Motion Proposed by Councillor Martin Williams

Decision Made	<u>RESOLVED:</u> Members agreed to defer this Notice of Motion to the next meeting of Council dated 23 July 2025.
Date Decision Made	25 June 2025

163. Urgent Items

Decision Made	There were no urgent items
Date Decision Made	25 June 2025

164. Exclusion of the Public

Decision Made	<u>RESOLVED:</u> The minutes relating to the following item were not for publication as they contained exempt information as defined in Paragraphs 12 and 13 of Part 4 and Paragraph 21 of Part 5 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007. Following the application of the public interest test Council resolved pursuant to the Act to consider this item in private, therefore, the public were excluded from the meeting during such consideration.
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Date Decision Made	25 June 2025
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15. Approval of Exempt Minutes

Decision Made	<u>RESOLVED:</u> That the exempt minutes of Council dated 2 April 2025, be approved as a true and accurate record.
Date Decision Made	25 June 2025

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

The meeting closed at 19:15.

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Meeting of:	COUNCIL
Date of Meeting:	23 JULY 2025
Report Title:	HEALTHY TRAVEL CHARTER
Report Owner / Corporate Director:	REPORT OF THE CHIEF OFFICER – FINANCE, HOUSING AND CHANGE
Responsible Officer:	HELEN HAMMOND, PUBLIC SERVICES BOARD OFFICER KIRSTY WILLIAMS, PARTNERSHIPS AND COMMUNITY SAFETY PARTNERSHIP MANAGER
Policy Framework and Procedure Rules:	THERE IS NO IMPACT ON POLICY FRAMEWORK AND PROCEDURE RULES
Executive Summary:	<ul style="list-style-type: none"> • Cwm Taf Morgannwg Public Services Board (CTM PSB) have developed a Healthy Travel Charter to bring about far-reaching positive impacts on both health and the environment. • The Charter was formerly signed at the July 2025 PSB meeting. • An Active Travel User Group has been involved in the work from Bridgend County Borough Council (BCBC) and can be further expanded to take the Charter forward and ensure continuity. • The Corporate Director - Communities is the lead officer for BCBC in relation to the Charter.

1. Purpose of Report

- 1.1 The purpose of this report is to update Council on the work of the Cwm Taf Morgannwg Public Services Board (CTM PSB) on a Healthy Travel Charter.

2. Background

- 2.1 Healthy Travel Charters have been developed and supported across Wales by Healthy Travel Wales and Public Health Wales. Across Wales, Public Services Boards (PSBs) are creating their own charters to promote and facilitate healthy travel.
- 2.2 Cwm Taf Morgannwg University Health Board (CTMUHB) are leading the development of the charter for the PSB in Cwm Taf Morgannwg (CTM). The charter links to their whole system approach to healthy weight by encouraging more

physical activity and also delivery of the PSB Well-being Plan's commitment to promoting active travel as part of the Objective on 'Sustainable and Resilient Local Neighbourhoods'.

- 2.3 Research shows that reducing levels of physical activity, increasing levels of obesity, air pollution, social isolation, and worsening health inequalities are all pressing public health issues. How we travel has a wide reaching impact. In Cwm Taf Morgannwg:
- 38% of people report being active for less than 30 minutes per week.
 - 67% of people are overweight or obese.
 - The most common cause of death for children aged 5-14 years is being hit by a vehicle
- 2.4 There are real benefits to be gained from helping people to use more healthy travel such as increasing levels of physical exercise, increasing contact within communities, reduced car use affecting decarbonation and air quality and promoting walkable communities.
- 2.5 Climate change presents a significant risk to our communities. Reducing carbon emissions as an organisation and in our communities is critical. Providing an environment that enables active travel in the course of daily life is one way we can work towards our net zero goals.
- 2.6 At the December 2023 meeting, PSB members agreed to work together on a CTM Healthy Travel Charter. A workshop was held in March 2024 with PSB member organisation leads and PSB members to work in more detail on the draft charter.
- 2.7 A CTM-wide Healthy Travel Network made up of active travel leads from partner organisations has been established and is supported by CTMUHB Public Health Team and PSB Officers. The work is supported by Sustrans who work with local authorities across Wales to monitor the outcomes of active travel and safe routes to schools. Sustrans also support the implementation of charters across Wales by providing resources, engagement events and activities and advice. This will be available to help partner organisations in CTM achieve the commitments in the charter.
- 2.8 The Network enables organisations to
- Work together on common areas
 - Learn from good practice across CTM
 - Learn from and receive support from Healthy Travel Wales.
 - Contribute to the shared work plan
 - Collectively feed into the PSB on progress and seek support for challenges.

3. Current situation/ proposal

- 3.1 The draft plan for delivering the charter includes a wide range of objectives for PSB organisations to work on, recognising that different organisations are able to respond in different ways across their staff or services.
- 3.2 The Charter, attached as **Appendix 1**, focuses on changes that we can make to the way we work as an organisation that can enable more active healthy travel. A number of the elements relate to staff, and across CTM nearly a third of people of

working age are employed in the public sector. Working together to promote healthy lifestyles in our staff can also bring wider benefits to their families and communities.

- 3.3 There are challenges in public transport provision in CTM and there are limited resources available beyond our Active Travel Grant for improving infrastructure. The charter looks for action on areas where we can change our ways of working by collaborating across our organisation and with others in the region to enable more active and healthy travel.
- 3.4 BCBC is already working on many of the elements of the charter such as cycle to work schemes, providing facilities for staff to actively travel to workplaces, incentives such as earning mileage allowance for cycling for work purposes, flexible working arrangements and changing our Council fleet to electric vehicles.
- 3.5 Operating the charter should cut across all the services in BCBC that develop, implement and oversee well-being and healthy living such as: active school travel, active travel infrastructure, travel plans, rights of way, resilient communities programme, promoting walking for well-being, staff well-being and decarbonisation. It will be important that all these teams feed in to the achievement of the Charter.
- 3.6 A Cabinet Corporate Management Board (CCMB) meeting in March 2025 were informed that each organisation on the Public Services Board was asked to
 - Formally agree to work towards the charter
 - Establish arrangements to undertake that work within the organisation
 - Identify a contact to the task group to lead the work in their organisation and provide an update on progress via the scoring system spreadsheet.
- 3.7 The Leader, Cllr Spanswick, signed the CTM Active Travel Charter at the PSB meeting on 10 July 2025.
- 3.8 BCBC have a small Active Travel User Group administered by the Transportation Team that includes officers from across the organisation. This can be developed further to be a network to drive this work across the organisation. This group will also be extended for community champions for active travel and encourage local groups to be formed
- 3.9 The Corporate Director – Communities will be the lead BCBC officer for the work.
- 3.10 It is important to build this work into organisational structures and objectives in order to ensure continuity over time.

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 PSB Well-being Plan is prepared in line with the statutory guidance for Public Services Boards for the Well-being of Future Generations Act. It sets out the Well-being Objectives and how the PSB will work towards the national Well-being goals.
- **Long term** – the Charter seeks to understand and mitigate the long-term implications of poor health and physical inactivity, and reduce emissions linked to vehicle usage as more journeys are completed by active travel.
 - **Prevention** – promoting healthy travel will work to prevent health challenges seen in CTM communities from getting worse, alongside preventing further deterioration in air quality.
 - **Integration** – the work contributes to the Well-being goals: a Healthier Wales, a globally responsible Wales, a resilient Wales and Wales of Cohesive communities, and to the Well-being Objectives. There are already existing areas of work across council directorates which will be integrated through delivering the Charter.
 - **Collaboration** – the Charter is being brought about through the PSB partnership and its range of partners.
 - **Involvement** – officers from across BCBC and other PSB partners have been involved in producing the Healthy Travel Charter.

6. Climate Change and Nature Implications

- 6.1 Adopting the Healthy Travel Charter will have positive implications on climate change and on our local nature environment.

7. Safeguarding and Corporate Parent Implications

- 7.1 This work promotes the wellbeing of all children, young people and adults across the County Borough. Reduced vehicle usage and safe active travel routes safeguards from the risks of being hit by vehicles.

8. Financial Implications

- 8.1 There are no financial implications resulting from this information report.

9. Recommendation

- 9.1 It is recommended that Council notes the content of this update report.
- 9.2 It is recommended that Council consider how to deliver the proposed activities contained within the Charter (Appendix 1)

Background documents

None



Communications and leadership

Establish a healthy travel network

Establish a network of healthy travel champions across our organisations who routinely promote and model active and sustainable travel behaviour

Use consistent communication messages

Agree on and use consistent communication messages with the public, visitors and staff on healthy travel and reducing unnecessary travel

Consider healthy travel across our wider functions

Promote and consider healthy travel options and benefits across wider functions such as procurement, conferences, planning of workplace and office accommodation, and when advertising roles in our organisations

Provide strategic leadership on healthy travel

Collaborate with partners and provide strategic leadership and planning on healthy and sustainable travel, for example scoping the feasibility of partnership Park and Ride services

Involve our staff

Regularly involve staff in discussing what measures would help them shift to sustainable modes of travel, through travel surveys (at least an initial baseline and annual survey) and other initiatives, e.g. staff competitions and awards to encourage healthy travel

Support staff driving fleet vehicles to be responsible road users

Support staff driving fleet vehicles to be responsible and considerate road users (e.g. driving within speed limits and not parking in cycle lanes), to enable safe walking and cycling

Walking, cycling and public transport

Promote public transport discounts

Explore discounts on public transport for staff with local transport providers

Contribute to the interactive healthy travel map

Contribute to an interactive map showing, where relevant, our walking and cycling infrastructure and public transport links within our main sites in CTM

Provide staff with facilities and accessories to encourage active travel

Assess and provide secure and accessible cycle storage, showers and lockers where possible at suitable sites

Promote an 'active wear for active travel' approach

Promote an 'active wear for active travel' approach to work clothing and footwear, for example, allowing staff to wear trainers if their commute involves walking or cycling (where appropriate)

Enable staff to access bicycles more easily at work

Improve access to bicycles at work e.g. Pool bikes or cycle hire (where appropriate)

Promote cycle training and maintenance sessions

Explore and promote opportunities for offering cycle training and maintenance sessions

Engage with the cycle to work scheme

Explore and promote opportunities for offering the cycle to work scheme to all staff (including e-bikes)

Working Practices and agile working

Support flexible working

Provide flexible working options where possible, including home and/or local hub working, and develop a culture of agile working

Explore options for hot-desking between organisations

Explore opportunities to enable staff to hot-desk between partner organisations and facilities across CTM, where appropriate

Encourage sustainable travel through our expenses policies

Review our travel expenses policies together, to encourage the uptake of sustainable travel

Ultra-low emission vehicles

Review the provision of electric vehicle charging facilities on our sites

Review the current and future need for electric vehicle (EV) charging infrastructure on our sites, and explore the potential for making charging infrastructure available to other partners in the area

Review our fleet and procurement arrangements

Review our fleet and procurement arrangements (where applicable) for introduction of ultra-low emission vehicles, including e-bikes and e-cargo bikes, where relevant



Meeting of:	COUNCIL
Date of Meeting:	23 JULY 2025
Report Title:	CAPITAL PROGRAMME OUTTURN 2024-25 AND QUARTER 1 UPDATE 2025-26
Report Owner / Corporate Director:	CHIEF OFFICER – FINANCE, HOUSING AND CHANGE
Responsible Officer:	HUW POWELL CAPITAL ACCOUNTANT
Policy Framework and Procedure Rules:	Paragraph 3.5.3 of the Financial Procedure Rules requires that the Chief Finance Officer shall report quarterly to Cabinet and Council with an update on the Capital Strategy and the Prudential Indicators. This report fulfils that requirement. There is no impact on the policy framework or procedure rules.
Executive Summary:	<ul style="list-style-type: none"> • The report provides an update on the capital programme outturn position for 2024-25, the quarter 1 spend and projected spend for 2025-26 as at 30 June 2025, the revised capital programme for 2025-26 to 2034-35 and the projected Prudential and Other Indicators for 2025-26. • Appendix A shows the budgets and spend for the individual schemes in 2024-25. • Appendix B shows the budgets, spend to date and projected year end spend as at 30 June 2025 for the individual schemes in 2025-26. • Appendix C shows the revised capital programme for 2025-26 to 2033-35. • Appendix D provides details of the actual Prudential and other Indicators for 2024-25 and projected Prudential and Other Indicators for 2025-26.

1. Purpose of Report

1.1 The purpose of this report is to:

- Comply with the Chartered Institute of Public Finance and Accountancy's (CIPFA) 'The Prudential Code for Capital Finance in Local Authorities' requirement to report performance against all forward looking indicators on a quarterly basis.

- Provide an update to Council on the capital programme outturn for 2024-25 (**Appendix A**).
- Provide an update to Council on the capital programme position for 2025-26 as at 30 June 2025 (**Appendix B**).
- Ask Council to note the net slippage of £25.370million into 2025-26 as detailed in **Appendix C**.
- Seek Council's approval for the virements between schemes as detailed in **Appendix C**.
Seek Council's approval of the new schemes/additions to the capital programme totalling £44.485 million as outlined in **Appendix C**.
- Ask Council to note the actual Prudential and Other Indicators for 2024-25 and the projected Prudential and Other Indicators for 2025-26 (**Appendix D**).

2. Background

- 2.1 The Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 as amended, contain detailed provisions for the capital finance and accounting controls, including the rules on the use of capital receipts and what is to be treated as capital expenditure. They modify accounting practice in various ways to prevent adverse impacts on authorities' revenue resources.
- 2.2 As well as the legislation, the Council manages its Treasury Management and Capital activities in accordance with the following associated guidance: -
 - CIPFA's Treasury Management in the Public Services: Code of Practice
 - CIPFA's The Prudential Code for Capital Finance in Local Authorities
 - Welsh Government (WG) revised Guidance on Local Authority Investments
- 2.3 The Prudential Code for Capital Finance in Local Authorities requires Local Authorities to have in place a Capital Strategy which demonstrates that the Authority takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability, and affordability. To demonstrate that the Council has fulfilled these objectives, the Prudential Code sets out a number of Indicators that must be set and monitored each year. The Council's Capital Strategy 2025-26, incorporating the Prudential Indicators for 2025-26, was approved by Council on 26 February 2025.
- 2.4 On 28 February 2024 Council approved a capital budget of £110.537 million for 2024-25 as part of a capital programme covering the period 2024-25 to 2033-34. The programme was last updated and approved by Council on 26 February 2025.

3. Current situation / proposal

3.1 Capital Programme Outturn 2024-25

- 3.1.1 The original budget approved by Council on 28 February 2024 has been revised and approved by Council during the year to incorporate budgets brought forward from 2023-24 and any new schemes and grant approvals during 2024-25. The revised programme for 2024-25, approved by Council on 26 February 2025 totalled £56.110 million, of which £27.343 million was to be met from Bridgend County Borough Council (BCBC) resources, including capital receipts, revenue contributions from

earmarked reserves and borrowing, with the remaining £28.767 million coming from external resources.

3.1.2 **Appendix A** provides details of the individual schemes within the capital programme, showing the budget available in 2024-25 compared to the actual spend. Since the last report presented to Council on 26 February 2025 there have been a few minor amendments to the 2024-25 programme. The main changes are:

- New approvals of £0.491 million, as a result of additional Housing with Care funding of £0.091 million and a revenue contribution of £0.391m for Disabled Facilities, as well as £0.009 million revenue contributions for Breakaway and Bridgend Business Support Network as a result of revised expenditure profiles.
- These additions are offset by reductions of £0.115 million in the programme, including £0.100 million for the Bryntirion Comprehensive scheme. Due to the school's current budget position, they are unable to contribute their funding as originally planned. Although the schools funding has been removed from the programme, the overall budget for the scheme is unaltered and the funding has been replaced by a virement from the Schools Capital Maintenance Grant. £0.015 million for the community Focused Schools Grant has also been removed from the programme as some items of expenditure on the scheme were deemed to be revenue in nature. This expenditure as well as the equivalent amount of funding has been transferred to the revenue budget.
- £1.895 million of funding has been brought forward from 2025-26 to reflect revised spend profiles.

This brings the revised budget for 2024-25 to £58.381 million.

3.1.3 Total expenditure as at 31 March 2025 was £29.331 million which, after slippage of £27.265 million into 2025-26, and adjustments to grant funded schemes of £1.768 million, results in a total under spend of £0.017 million. Slippage has arisen for a number of reasons, including delays in starting projects due to the need to undertake more detailed survey works, supply chain issues and ongoing discussions with funding bodies and other general programme delays.

3.1.4 The slippage of £27.265 million is forecast to be spent in 2025-26, the main schemes being:

- £0.695 million Bryntirion Comprehensive New Classrooms. Construction is now complete and the final snagging issues are being addressed. The handover of the building from the contractor is scheduled for July 2025 and the budget has been slipped to 2025-26 to fund the remaining costs of the scheme.
- £3.061 million School Capital Maintenance Grant. There have been a number of delays on the individual projects within the scheme due to capacity issues, plus an additional £0.730 million was awarded by Welsh Government in January 2025 for use in 2024-25 which increased the available budget. The remaining budget has been slipped forward for use in 2025-26.

- £0.953 million Community Focused Schools Grant. Projects approved for completion in 2024-25 are at various stages of development, delivery and completion. The remaining budget has been slipped forward to 2025-26 to ensure the approved projects are completed.
- £0.672 million Addition Learning Needs Grant. Projects approved for completion in 2024-25 are at various stages of development, delivery and completion. The remaining budget has been slipped forward to 2025-26 to ensure the approved projects are completed.
- £0.771 million Fleet Vehicles. The delivery of 3 vehicles expected in 2024-25 has been delayed until 2025-26. One recycling vehicle was delivered in April 2025 and two Highways vehicles are now expected by September 2025. £0.771m has been slipped to 2025-26 to fund the new vehicles.
- £1.268 million CESP/Arbed Phase 1. Remedial works are progressing with work ongoing on all homes enrolled in the scheme to remove all original insulation material. Installation of new insulation or cement render has been delayed by walls taking longer to dry out than initially expected and the delivery plan provided by the main contractor has been updated to adjust for this. £1.268 million has therefore been slipped to fund the works to be completed in 2025-26.
- £0.929 million Shared Prosperity Fund. There have been delays in the construction of the industrial starter units at Village Farm industrial estate due to poor weather conditions and ecological issues at the site. The construction phase is almost complete, and the units are expected to be transferred from the contractor to the Council at the end of August 2025.
- £0.989 million Grand Pavilion. The initial tender process for the project undertaken in June 2024 was unsuccessful, with the only bid received being considerably above the budget available. This led to a value engineering exercise, which reduced the scheme delivery scope to align the delivery with available budget. A second tender process has now been completed and the main construction contract has been awarded. The contractor is now on site, and £0.989 million has been slipped to 2025-26 to fund the works being undertaken.
- £0.530 million Homelessness and Housing. In July 2022 Council approved £0.530 million to match fund Welsh Government grant monies received by V2C to bring long term void properties back into use to assist with the increase demand for social housing. Due to technicalities with the Welsh Government funding, V2C were unable to utilise the funding for the properties originally identified, therefore, in July 2024 Council approved that the allocation should be refocused to fund other works undertaken by V2C to manage voids and to bring houses back into use. Work is ongoing with V2C to identify how this funding can be allocated.
- £0.802 million Affordable Housing. The Council was successful in purchasing a property on Coity Road in July 2024, adding to the property purchased on Park Street in 2023-24. The remaining budget has been slipped to 2025-26 to purchase additional properties, and the suitability of two properties is currently being assessed.

- £0.773 million Corporate Capital Fund. The Corporate Capital Fund was established in 2019, and was intended to be used to provide, amongst other things, match funding for new grant schemes, ICT and equipment replacement and to meet unanticipated pressures. It was included in the capital programme as an annual allocation of £0.200 million. However, in November 2024, Council agreed to cease this annual allocation from 2025-26 as very little had been spent from it. The balance at that time from previous years was retained in the capital programme. Allocation of this funding is subject to Corporate Management Board approval. This will be monitored during 2025-26 and, if it is deemed that it is not needed in part or full, an element of this budget could be allocated to other capital schemes.
- £2.998 million Minor Works. Due to delays in completing a number of minor works schemes across all directorates, funding has been slipped for use in 2025-26.

3.2 Capital Programme Quarter 1 Update 2025-26

3.2.1 This section of the report provides Members with an update on the Council's capital programme for 2025-26 since the budget was last approved by Council and incorporates any new schemes and grant approvals. The revised programme for 2025-26 currently totals £156.643 million, of which £71.279 million is met from Bridgend County Borough Council (BCBC) resources, including capital receipts, revenue contributions from earmarked reserves and borrowing, with the remaining £85.364 million coming from external resources, including Welsh Government General Capital Grant. Table 1 below shows the capital programme for each Directorate from the February 2025 approved Council position to Quarter 1:

Table 1 – Capital Programme per Directorate 2025-26

Directorate	Approved Council February 2025 £'000	Net Slippage (to) / from 2024-25 £'000	New Approvals/ (Reductions) £'000	Slippage to future years £'000	Revised Budget 2025-26 £'000
Education, Early Years and Young People (EEYYP)	82,781	9,247	29,491	(22,093)	99,426
Social Services and Wellbeing	-	458	503	-	961
Communities	37,724	13,037	13,837	(15,982)	48,616
Chief Executive's	2,930	1,567	654		5,151
Council Wide	1,428	1,061	-		2,489
Total	124,863	25,370	44,485	(38,075)	156,643

- 3.2.2 Table 2 below summarises the current funding assumptions for the capital programme for 2025-26. The capital resources are managed to ensure that maximum financial benefit for the Council is achieved. This may include the realignment of funding to maximise government grants.

Table 2 – Capital Programme 2025-26 Resources

CAPITAL RESOURCES	£'000
<i>BCBC Resources:</i>	
Capital Receipts	23,898
Earmarked Reserves	26,700
Unsupported Borrowing	13,384
Supported Borrowing	3,810
Other Loans	3,180
Revenue Contribution	307
Total BCBC Resources	71,279
<i>External Resources:</i>	
S106	4,241
Grants	81,123
Total External Resources	85,364
TOTAL RESOURCES	156,643

- 3.2.3 **Appendix B** provides details of the individual schemes within the capital programme, showing the budget available in 2025-26 compared to the projected year end spend at 30 June 2025. There are currently no projected under or over spends on any of the schemes at year end.
- 3.2.4 However, a number of schemes have been identified as requiring slippage of budget to future years (2026-27 and beyond).

Highways/Other Offsite Works Sustainable Communities for Learning Band B Schools (£2.392 million)

The highways budget in relation to Band B schemes will be expended once works have been designed and commissioned. It is anticipated that the majority of costs will be incurred in future years and therefore £2.392 million has been slipped to 2026-27.

Bridgend West (£19.701 million)

Confirmation of Welsh Government's funding for the Bridgend West scheme has now been received, has been added to the programme and is referenced in paragraph 3.2.5. The latest cost projections from the scheme's consultants show that the majority of costs will be incurred in 2025-26 and 2026-27. Therefore £19.701 million has been slipped to fund expenditure in 2026-27.

Grand Pavilion (£15.982 million)

Following a successful tender process, the contractor is now on-site, and they have provided a projected cashflow for the scheme through to completion. Therefore, £15.982 million has been slipped forward to fund the costs incurred in future years.

- 3.2.5 There are a number of amendments to the capital programme for 2025-26, such as new and amended schemes, since the capital programme was last approved, including:

Bridgend West (£28.628 million)

Following submission of the Full Business Case, Welsh Government have confirmed that the application for funding from the Sustainable Communities for Learning programme for Bridgend West has been successful. £28.628 million and has been added to the previously approved funding in the programme.

Coety Primary School Extension / Pencoed Primary School Extension (£0.616 million) virement

Capital Programme Board recently considered the anticipated £0.180 million funding shortfall in respect of the proposed two-classroom extension at Pencoed Primary School and determined that committing an additional £0.180 million to the £0.900 million approved by Council in 2022 for the scheme does not represent the most efficient use of resources. The nearby Croesty Primary School currently has a significant surplus of available pupil places (2 entire classrooms unused). As such, it is considered that it would be a more efficient use of resources to explore the possibility of using the s106 funding towards improving facilities at Croesty Primary School and/or Pencoed Comprehensive rather than to progress the Pencoed extension scheme. The removal of the £0.226 million s106 funding is shown as a negative approval in Appendix B. The s106 funding will be reinstated in the capital programme once confirmation is received that it can be used for future schemes at Croesty Primary School and/or Pencoed Comprehensive.

Following a pre-tender costing exercise, it has become evident that the current budget allocated in the capital programme in respect of the proposed Coety four-classroom extension approved by Council in 2022 is insufficient. Consequently, there is currently an anticipated shortfall of £0.711 million. The BCBC element of the funding for Pencoed Primary, £0.616 million, has been vired to the Coety extension budget and a value engineering exercise is being undertaken to reduce the scope of the scheme and reduce the cost of the scheme to fall within the revised budget.

Schools Capital Maintenance Grant (£1.089 million)

Welsh Government have awarded the Council £1.089 million from the Sustainable Communities for Learning Programme Repairs and Maintenance Grant. The funding will support capital maintenance work and will assist in reducing revenue costs by improving energy efficiency and performance of the school buildings.

All Wales Play Opportunities (£0.231 million)

The Council have been awarded £0.231 million from Welsh Government's All Wales Play Opportunities grant for 2025-26. The purpose of the funding is to respond to shortfalls identified within the Council's Play Sufficiency Assessment 2025 and allows the flexibility to purchase large scale items to improve the quality of play spaces, refurbish playgrounds and to also support the creation of inclusive and accessible

play spaces. The funding will be used to upgrade the playground facilities at Bryngarw Park.

Bridgend Life Centre (£0.272 million)

Sport Wales have awarded the Council a grant of £0.240 million to part fund the installation of flexible, moveable floor space in the bowls hall at Bridgend Life Centre, as well as the upgrading of the lighting to LED. The total cost of the scheme is £0.272 million, with BCBC's match funding of £0.032 million coming from the Sports Development team's revenue budget.

Civil Parking Enforcement (£0.045 million)

The civil parking enforcement car camera equipment has been in use since 2018 and is no longer being supported by the manufacturer. £0.045 million has been added to the capital programme to upgrade the camera equipment allowing the enforcement car to continue monitoring road safety across the borough. The new camera equipment will be funded from the existing Civil Parking Enforcement earmarked reserve.

Road Signs 20mph Default Speed (£0.209 million)

Welsh Government have awarded the Council £0.209 million to support the implementation of the 20mph default speed limit on restricted roads across the County Borough, which came in to force on 17 September 2023.

Public Rights of Way (£0.050 million)

Welsh Government have awarded the Council £0.050 million from the Access Improvement Grant, for use in 2025-26. The purpose of the Access Improvement Grant (AIG) is to support improving access to/on the Public Rights of Way network, open access land, green and blue space in Wales. As well as the grant award for 2025-26, a further £0.066 million has been awarded for use in 2026-27.

Ultra Low Emissions Vehicle Transformation Fund 2 (£0.104 million)

The Council have been awarded £0.104 million from Welsh Government's Ultra Low Emissions Vehicle Transformation Fund, to promote electric vehicle charging infrastructure projects in alignment with Welsh Government's electric vehicle charging strategy. The funding will be used for a residential charge point pilot scheme, installing electric vehicle chargers in four streets with approximately four chargers in each street.

Fleet Vehicles (£1.200 million)

On 12 March 2025, Council approved an additional £1.200 million funding for the Fleet Vehicles budget. Due to the reallocation of capital funding to the procurement of waste fleet in June 2024 the programme for general vehicle replacement had to be temporarily halted, and this has led to issues in vehicle and plant reliability as the backlog of vehicles due for replacement increases. The additional budget will be used to purchase vehicles for Highways, Green Spaces and Building Maintenance and will be funded by prudential borrowing, with the repayments met from the directorate's revenue budget.

Coal Tip Safety (£1.795 million)

Following a grant funding application submitted by officers in January 2025, £1.795 million has been awarded by Welsh Government from 2025-26 Coal Tip Safety Grant. The funding will allow the Council to undertake the appropriate inspections, surveys

and any necessary maintenance / remediation works on coal tips within the county borough.

Highways Maintenance LGBI (£2.908 million)

As outlined in the Medium-Term Financial Strategy 2025-2029 Welsh Government has introduced a Local Government Borrowing Initiative (LGBI), aimed at accelerating highways repairs and improvements. The initiative allows local councils to borrow money to fix deteriorating roads and pavements, with the Welsh Government funding being used to fund the costs of borrowing. The LGBI scheme enables the Council to deliver £2.908 million of capital investment in 2025-26 and £1.939 million in 2026-27 to address the backlog of highways maintenance, helping to fix local roads and in doing so, delivering against Welsh Government's Connecting Communities priority.

Resilient Roads (£0.494 million)

Welsh Government have awarded the Council £0.494 million to support transport projects that mitigate and adapt to the effects of climate change, including addressing disruptions caused on the highway network by severe weather. The grant will fund works on the A4061 from Junction 36 of the M4 to Heol Canola in Sarn, and on the A4064, King Edward Street in Blaengarw.

Urban Centre Property Enhancement (£0.650 million)

Welsh Government have approved the extension of the Transforming Towns Placemaking Grant to March 2027, and have awarded the Council £0.650 million for 2025-26 and a further £0.650 million for 2026-27. Property owners can apply for the funding via the BCBC website and it can be used to enhance commercial buildings and residential accommodation above commercial units in Maesteg, Porthcawl and Bridgend town centres.

Shared Prosperity Fund (£2.148 million)

As announced in the 2024 Autumn Budget, the UK Shared Prosperity Fund has been extended for 2025-26, and Bridgend CBC has been allocated £2.148 million of capital funding from the UK Government's Ministry of Housing, Communities and Local Government. This will enable the existing projects supporting local businesses and communities funded by the Shared Prosperity Fund to continue for a further 12 months.

Local Places for Nature (£0.367 million)

The Wales Council for Voluntary Action have awarded the Council £0.367 million for 2025-26 and a further £0.367 million for 2026-27 from the Local Place for Nature Grant. The Bridgend Local Nature Partnership (LNP) is part of a nature recovery network across all of Wales. The grant is distributed directly to LNP's and their host organisations (in this case, BCBC) to enable them to plan and deliver large nature projects that will have a greater impact on the area's biodiversity. In collaboration with other members of the Bridgend LNP, the funding will help deliver nature enhancement and creation projects across Bridgend where people live, work and access public services.

Porthcawl Grand Pavilion (£3.867 million)

On the 12 March 2025, Council approved an additional £3.867 million funding for the Porthcawl Grand Pavilion scheme. Costs for this project have increased since the original designs were costed in 2022. Despite an exercise in value engineering, two separate tender exercises have demonstrated that the market in 2025 has changed

significantly and, due to market inflation and significant changes to material costs, the baseline cost of this project has changed. The additional budget will be funded from capital receipts, which have been received from Welsh Government as a result of the revised Owners Agreement for the land at Salt Lake and Hillsboro North.

Enable Grant (£0.382 million)

Welsh Government have awarded the Council £0.382 million from the Enable – Support for Independent Living 2025-26 grant. The purpose of the grant is to help older, disabled and vulnerable people by improving individual's ability to maintain independence at home, tackling preventable accidents within the home and promoting their all-round wellbeing. Priorities for expenditure and the implementation of the scheme will have regard to the views of local partners, including the Local Health Board, Registered Social Landlords, local Care & Repair agencies, the Regional Partnership Board, and service users.

Empty Property Enforcement Fund (£0.272 million)

Following Cabinet approval on 22 October 2024, officers have accessed Welsh Government's Transforming Towns Empty Property Enforcement Fund by entering into loan agreements with Rhondda Cynon Taf County Borough Council, who are the Authority responsible for the management of the enforcement fund. The Council will undertake enforcement action on two long term empty properties, to bring them back into beneficial use. The first loan of £0.250 million will fund the compulsory purchase of a long-term empty property, and the second loan of £0.022 million will fund remedial works at a different long term empty property.

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

3.3 Prudential and Other Indicators - 2024-25 Outturn and 2025-26 Monitoring

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

3.3.2 In February 2025, Council approved the Capital Strategy for 2025-26, which included the Prudential Indicators for 2025-26.

3.3.3 **Appendix D** details the actual indicators for 2024-25, the estimated indicators for 2025-26 set out in the Council's Capital Strategy and the projected indicators for 2025-26 based on the revised Capital Programme. These show that the Council is operating in line with the approved indicators.

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

4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty, and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies,

strategies, services, and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

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

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

6. Climate Change and Nature Implications

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

7. Safeguarding and Corporate Parent Implications

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

8. Financial Implications

- 8.1 These are reflected within the report.

9. Recommendations

- 9.1 It is recommended that Council:
- notes the Council's Capital Programme Outturn for 2024-25 (**Appendix A**).
 - notes the Council's Capital Programme 2025-26 Quarter 1 update to 30 June 2025 (**Appendix B**)
 - approves the revised Capital Programme, noting the slippage into 205-26 of £25.370 million, and approves the virements between schemes and new schemes/additions of £44.485 million to the capital programme (**Appendix C**).
 - notes the actual Prudential and Other Indicators for 2024-25 and the projected indicators for 2025-26 (**Appendix D**).

Background documents

None

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Bridgend County Borough Council

CAPITAL MONITORING REPORT

2024-25 OUTTURN REPORT

APPENDIX A

	Budget 24-25 (Council Feb 25) £'000	New Approvals and Adjustments £'000	Virement £'000	Brought Forward from 2025-26 £'000	Revised Budget 2024-25 £'000	Total Expenditure to Date £'000	Over / (Under) Spend £'000	Slipped to 2025-26 £'000	Impact on Grant Funding £'000	Impact on BCBC Resources £'000
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Education, Early Years and Young People

1	HIGHWAYS SCHEMES BAND B SCHOOL	100			100	8	(92)	92	-	-
2	HERONSBRIDGE REPLACEMENT	138			138	27	(111)	111	-	-
3	MYNYDD CYNFFIG REPLACEMENT	512			512	337	(175)	175	-	-
4	Y G BRO OGWR REPLACEMENT	411			411	312	(99)	99	-	-
5	BRIDGEND WEST	-		1,893	1,893	1,893	-	-	-	-
6	YSGOL GYFYN GYMRAEG LLANGYNWYD	97			97	3	(94)	94	-	-
7	LAND PURCHASE BAND B SCHOOLS	-		2	2	2	-	-	-	-
8	GARW VALLEY SOUTH PRIMARY PROVISION	61			61	-	(61)	61	-	-
9	PENCOED PRIMARY SCHOOL BAND A	51			51	-	(51)	51	-	-
10	PENCOED PRIMARY SCHOOL HIGHWAYS WORKS	56			56	-	(56)	56	-	-
11	ABERCERDIN PRIMARY HUB	277			277	1	(276)	276	-	-
12	BRYNTEG COMPREHENSIVE ALL WEATHER PITCH	38			38	12	(26)	26	-	-
13	EEYYP MINOR WORKS	462		290	752	185	(567)	567	-	-
14	SCHOOLS TRAFFIC SAFETY	56			56	6	(50)	50	-	-
15	SCHOOL MODERNISATION	336			336	3	(333)	333	-	-
16	PENCOED PRIMARY CLASSROOM EXTENSION	862			862	20	(842)	842	-	-
17	COETY PRIMARY SCHOOL EXTENSION	138			138	108	(30)	30	-	-
18	BRYNTIRION COMPREHENSIVE NEW CLASSROOMS	1,660	(100)	100	1,660	965	(695)	695	-	-
19	BRYNTIRION COMP HIGHWAYS	134			134	68	(66)	66	-	-
20	SCHOOLS CAPITAL MAINTENANCE GRANT	4,255		(100)	4,155	1,094	(3,061)	3,061	-	-
21	WELSH MEDIUM GRANT - BRIDGEND	550			550	-	(550)	550	-	-
22	WELSH MEDIUM GRANT - PORTHCAWL	550			550	-	(550)	550	-	-
23	FREE SCHOOL MEALS	1,444			1,444	869	(575)	575	-	-
24	COMMUNITY FOCUSED SCHOOLS	2,328	(15)	30	2,343	1,390	(953)	953	-	-
25	ALN CAPITAL GRANT	1,229		(30)	1,199	527	(672)	672	-	-
26	YSGOL GYMRAEG BRO OGWR MOBILE CLASSROOMS	437			437	1	(436)	436	-	-
27	PORTHCAWL WELSH MEDIUM SEEDLING SCHOOL	370			370	189	(181)	181	-	-
28	FLYING START EXTENSION - NANTYMOEL PRIMARY	563			563	59	(504)	504	-	-
29	FLYING START HIGHWAYS	36			36	-	(36)	36	-	-
TOTAL Education, Early Years and Young People		17,151	(115)	290	1,895	19,221	8,079	(11,142)	11,142	-

Social Services and Wellbeing

30	BRYN Y CAE - UPGRADE HFE'S	40			40	-	(40)	40		-
31	TY CWM OGWR	23			23	-	(23)	23		-
32	WELLBEING MINOR WORKS	212		83	295	53	(242)	242		-
33	BAKERS WAY MINOR WORKS	10			10	-	(10)	10		-
34	CHILDRENS RESIDENTIAL HUB	74			74	56	(18)	18		-
35	BREAKAWAY	98	4		102	102	-	-		-
36	COMMUNITY CENTRES	167			167	50	(117)	117		-
37	BRYNGARW HOUSE	8			8	-	(8)	8		-
38	YSGOL BRYN CASTELL HARD COURT	99			99	93	(6)		(6)	-
39	OGMORE VALLEY LIFE CENTRE	108			108	97	(11)			(11)
TOTAL Social Services & Wellbeing		839	4	83	-	926	451	(475)	458	(6)

	Budget 24-25 (Council Feb 25)	New Approvals and Adjustments	Virement	Brought Forward from 2025-26	Revised Budget 2024-25	Total Expenditure to Date	Over / (Under) Spend	Slipped to 2025-26	Impact on Grant Funding	Impact on BCBC Resources
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000

Communities**Street Scene**

Street Scene										
40	COMMUNITY PLAY AREAS	1,851				1,851	1,490	(361)	361	
41	PARKS/PAVILIONS/OTHER COMMUNITY ASSET TRANSFERS	436				436	382	(54)	54	
42	ABERFIELDS PLAYFIELDS	11				11	-	(11)	11	
43	COYCHURCH CREM WORKS	75				75	53	(22)	22	
44	REMEDIAL MEASURES - CAR PARKS	135				135	-	(135)	135	
45	CIVIL PARKING ENFORCEMENT CAR	20				20	11	(9)	9	
46	20 MPH DEFAULT SPEED	521				521	186	(335)		(335)
47	ROAD SAFETY SCHEMES	6				6	3	(3)	3	
48	HIGHWAYS STRUCTURAL WORKS	494				494	440	(54)	54	
49	CARRIAGEWAY CAPITAL WORKS	250				250	198	(52)	52	
50	PROW CAPITAL IMPROVEMENT STRUCTURES	65				65	44	(21)		(21)
51	HIGHWAYS REFURBISHMENT	1,000				1,000	986	(14)	14	
52	REPLACEMENT OF STREET LIGHTING	496				496	377	(119)	119	
53	RIVER BRIDGE PROTECTION MEASURES	22				22	-	(22)	22	
54	COMMUNITIES MINOR WORKS	762		(23)		739	157	(582)	582	
55	ULEV TRANSFORMATION FUND 2	23				23	16	(7)	7	
56	FLEET TRANSITION-ULEV	155				155	101	(54)	54	
57	NET ZERO CARBON FLEET	147				147	-	(147)	147	
58	EV CHARGING INFRASTRUCTURE	454		71		525	525	-	-	
59	PORTHCAWL METRO LINK (CCR)	948				948	929	(19)	19	
60	RESIDENTS PARKING BRIDGEND TOWN CENTRE	109				109	-	(109)	109	
61	FLEET VEHICLES	1,864				1,864	1,093	(771)	771	
62	CORNELLY CEMETERY EXTENSION	5				5	5	-	-	
63	PORTHCAWL CEMETERY EXTENSION	35				35	35	-	-	
64	CEMETERIES	314				314	-	(314)	314	
65	S106 HIGHWAYS SMALL SCHEMES	39				39	4	(35)	35	
66	ROAD SAFETY IMPROVEMENTS	380				380	313	(67)	67	
67	PUFFIN CROSSING KENFIG HILL	6				6	-	(6)		(6)
68	COAL TIP SAFETY	457				457	379	(78)		(78)
69	TRAFFIC SIGNAL REPLACEMENT	290		(66)		224	224	-	-	
70	GRASS CUTTING EQUIPMENT	340				340	239	(101)	101	
TOTAL Streetscene		11,710	0	-18	0	11,692	8,190	-3,502	3,062	-434
										-6

Regeneration & Development

71	EU CONVERGANCE SRF BUDGET	436			436	-	(436)	436		
72	PORTHCAWL REGENERATION PROJECT	2,866			2,866	39	(2,827)	2,827		
73	ECONOMIC STIMULUS GRANT	417		(102)	315	-	(315)	315		
74	COASTAL RISK MANAGEMENT PROGRAM	210			210	26	(184)	184		
75	EWENNY ROAD INDUSTRIAL ESTATE	493			493	8	(485)	485		
76	CESP/ARBED PHASE 1	1,378			1,378	110	(1,268)	1,268		
77	MAESTEG TOWN HALL CULTURAL HUB	1,547		33	1,580	1,519	(61)	61		
78	TOWN & COMMUNITY COUNCIL FUND	219			219	86	(133)	133		
79	PORTHCAWL TOWNSCAPE HERITAGE INITIATIVE	124		23	147	58	(89)	89		
80	BRIDGEND BUSINESS SUPPPORT NETWORK	-	5	102	107	107	-	-		
81	COMMERCIAL PROPERTY ENHANCEMENT FUND	134			134	-	(134)	134		
82	URBAN CENTRE PROPERTY ENHANCE	1,024			1,024	475	(549)		(549)	
83	2030 DECARBONISATION	715		(107)	608	169	(439)	439		

	Budget 24-25 (Council Feb 25) £'000	New Approvals and Adjustments £'000	Virement £'000	Brought Forward from 2025-26 £'000	Revised Budget 2024-25 £'000	Total Expenditure to Date £'000	Over / (Under) Spend £'000	Slipped to 2025-26 £'000	Impact on Grant Funding £'000	Impact on BCBC Resources £'000
84 SHARED PROSPERITY FRAMEWORK	4,931		(184)		4,747	3,101	(1,646)	929	(717)	
85 LOCAL PLACES FOR NATURE	110				110	48	(62)		(62)	
86 PORTHCAWL GRAND PAVILION	1,675		132		1,807	818	(989)	989		
87 LOW CARBON HEAT GRANT	1,089		55		1,144	1,144	-	-		
TOTAL Regeneration & Development	17,368	5	48	-	17,325	7,708	(9,617)	8,289	(1,328)	-

Corporate Landlord

88 DDA WORKS	206				206	8	(198)	198		
89 MINOR WORKS	1,601		(373)		1,228	166	(1,062)	1,062		
90 FIRE PRECAUTIONS MINOR WORKS	177				177	70	(107)	107		
91 BRYNCETHIN DEPOT FACILITIES	517				517	245	(272)	272		
92 EVERGREEN HALL	60				60	60	-	-		
93 INVESTING IN COMMUNITIES	47				47	-	(47)	47		
TOTAL Corporate Landlord	2,608	-	(373)	-	2,235	549	(1,686)	1,686	-	-

TOTAL Communities

TOTAL Communities	31,686	5	(439)	-	31,252	16,447	(14,805)	13,037	(1,762)	(6)
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Chief Executive

94 MANDATORY DFG RELATED EXPEND	1,947	482			2,429	2,429	-	-		
95 DISCRETIONARY HOUSING GRANTS	200		55		255	255	-	-		
96 HOUSING RENEWAL AREA	73		(56)		17	17	-	-		
97 ENABLE GRANT	270		1		271	271	-	-		
98 HOMELESSNESS AND HOUSING	530				530	-	(530)	530		
99 AFFORDABLE HOUSING	1,066				1,066	264	(802)	802		
TOTAL Housing/Homelessness	4,086	482	-	-	4,568	3,236	(1,332)	1,332	-	-

100 ICT INFRA SUPPORT	795				795	743	(52)	52		
101 DIGITAL TRANSFORMATION	102				102	5	(97)	97		
102 CCTV SYSTEMS REPLACEMENT	38				38	9	(29)	29		
103 ICT DATA CENTRE REPLACEMENT	238				238	199	(39)	39		
104 HWB SCHOOLS IT	180				180	162	(18)	18		
TOTAL ICT	1,353	-	-	-	1,353	1,118	(235)	235	-	-

TOTAL Chief Executive

TOTAL Chief Executive	5,439	482	-	-	5,921	4,354	(1,567)	1,567	-	-
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Council Wide Capital Budgets

105 CORPORATE CAPITAL FUND	773				773	-	(773)	773		
106 UNALLOCATED	222		66		288	-	(288)	288		
	995	-	66	-	1,061	-	(1,061)	1,061	-	-

GRAND TOTAL	56,110	376	-	1,895	58,381	29,331	(29,050)	27,265	(1,768)	(17)
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Bridgend County Borough Council

CAPITAL MONITORING REPORT

QUARTER 1 to 30 JUNE 2025

APPENDIX B

	Budget 25-26 (Council Feb 25)	Brought Forward from 2024-25	New Approvals and Adjustments	Virement	Slipped (to)/ from Future Years	Revised Budget 2025-26	Total Expenditure to Date	Projected Spend	Over / (Under) Spend	Impact on BCBC Resources
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000

Education, Early Years and Young People

1	HIGHWAYS SCHEMES BAND B SCHOOL	3,300	92			(2,392)	1,000	-	1,000	-	-
2	HERONSBRIDGE REPLACEMENT	39,410	111				39,521	16	39,521	-	-
3	MYNYDD CYNFFIG REPLACEMENT	13,215	175				13,390	17	13,390	-	-
4	Y G BRO OGWR REPLACEMENT	15,056	99				15,155	20	15,155	-	-
5	BRIDGEND WEST	7,942	(1,893)	28,628		(19,701)	14,976	-	14,976	-	-
6	YSGOL GYFYN GYMRAEG LLANGYNWYD	-	94				94	-	94	-	-
7	LAND PURCHASE BAND B SCHOOLS	2,028	(2)				2,026	-	2,026	-	-
8	GARW VALLEY SOUTH PRIMARY PROVISION	-	61				61	-	61	-	-
9	PENCOED PRIMARY SCHOOL BAND A	-	51				51	-	51	-	-
10	PENCOED PRIMARY SCHOOL HIGHWAYS WORKS	-	56				56	-	56	-	-
11	ABERCERDIN PRIMARY HUB	-	276				276	3	276	-	-
12	BRYNTEG COMPREHENSIVE ALL WEATHER PITCH	-	26				26	(12)	26	-	-
13	EEYYP MINOR WORKS	-	567				567	93	567	-	-
14	SCHOOLS TRAFFIC SAFETY	-	50				50	-	50	-	-
15	SCHOOL MODERNISATION	-	333				333	-	333	-	-
16	PENCOED PRIMARY CLASSROOM EXTENSION	-	842	(226)	(616)		-	-	-	-	-
17	COETY PRIMARY SCHOOL EXTENSION	1,830	30		616		2,476	53	2,476	-	-
18	BRYNTIRION COMPREHENSIVE NEW CLASSROOMS	-	695				695	527	695	-	-
19	BRYNTIRION COMP HIGHWAYS	-	66				66	(3)	66	-	-
20	SCHOOLS CAPITAL MAINTENANCE GRANT	-	3,061	1,089			4,150	129	4,150	-	-
21	WELSH MEDIUM GRANT - BRIDGEND	-	550				550	-	550	-	-
22	WELSH MEDIUM GRANT - PORTHCAWL	-	550				550	-	550	-	-
23	FREE SCHOOL MEALS	-	575				575	87	575	-	-
24	COMMUNITY FOCUSED SCHOOLS	-	953				953	57	953	-	-
25	ALN CAPITAL GRANT	-	672				672	38	672	-	-
26	YSGOL GYMRAEG BRO OGWR MOBILE CLASSROOMS	-	436				436	-	436	-	-
27	PORTHCAWL WELSH MEDIUM SEEDLING SCHOOL	-	181				181	56	181	-	-
28	FLYING START EXTENSION - NANTYMOEL PRIMARY	-	504				504	4	504	-	-
29	FLYING START HIGHWAYS	-	36				36	-	36	-	-
TOTAL Education, Early Years and Young People		82,781	9,247	29,491	-	(22,093)	99,426	1,085	99,426	-	-

Social Services and Wellbeing

30	BRYN Y CAE - UPGRADE HFE'S	-	40				40	-	40	-	-
31	TY CWM OGWR	-	23				23	-	23	-	-
32	WELLBEING MINOR WORKS	-	242				242	52	242	-	-
33	BAKERS WAY MINOR WORKS	-	10				10	-	10	-	-
34	CHILDRENS RESIDENTIAL HUB	-	18				18	4	18	-	-
35	COMMUNITY CENTRES	-	117				117	(15)	117	-	-
36	BRYNGARW HOUSE	-	8				8	-	8	-	-
37	ALL WALES PLAY OPPORTUNITIES	-		231		-	231	-	231	-	-
38	BRIDGEND LIFE CENTRE	-		272			272	-	272	-	-
TOTAL Social Services & Wellbeing		-	458	503	-	-	961	41	961	-	-

	Budget 25-26 (Council Feb 25)	Brought Forward from 2024-25	New Approvals and Adjustments	Virement	Slipped (to)/ from Future Years	Revised Budget 2025-26	Total Expenditure to Date	Projected Spend	Over / (Under) Spend	Impact on BCBC Resources
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000

Communities**Street Scene**

39	COMMUNITY PLAY AREAS	2,000	361			2,361	1	2,361	-	
40	PARKS/PAVILIONS/OTHER COMMUNITY ASSET TRANSFERS	1,000	54			1,054	9	1,054	-	
41	ABERFIELDS PLAYFIELDS	-	11			11	-	11	-	
42	CITY DEAL	175				175	-	175	-	
43	COYCHURCH CREM WORKS	-	22			22	-	22	-	
44	REMEDIAL MEASURES - CAR PARKS	-	135			135	-	135	-	
45	CIVIL PARKING ENFORCEMENT CAR	-	9	45		54	-	54	-	
46	20 MPH DEFAULT SPEED	-		209		209	-	209	-	
47	ROAD SAFETY SCHEMES	-	3			3	(6)	3	-	
48	HIGHWAYS STRUCTURAL WORKS	340	54			394	(20)	394	-	
49	CARRIAGEWAY CAPITAL WORKS	250	52			302	26	302	-	
50	PROW CAPITAL IMPROVEMENT STRUCTURES	-		50		50	-	50	-	
51	HIGHWAYS REFURBISHMENT	1,000	14			1,014	(58)	1,014	-	
52	REPLACEMENT OF STREET LIGHTING	400	119			519	30	519	-	
53	RIVER BRIDGE PROTECTION MEASURES	-	22			22	-	22	-	
54	COMMUNITIES MINOR WORKS	-	582			582	19	582	-	
55	ULEV TRANSFORMATION FUND 2	-	7	104		111	-	111	-	
56	FLEET TRANSITION-ULEV	-	54			54	4	54	-	
57	NET ZERO CARBON FLEET	-	147			147	-	147	-	
58	PORTHCAWL METRO LINK (CCR)	-	19			19	(51)	19	-	
59	RESIDENTS PARKING BRIDGEND TOWN CENTRE	-	109			109	-	109	-	
60	FLEET VEHICLES	-	771	1,200		1,971	190	1,971	-	
61	CEMETERIES	-	314			314	2	314	-	
62	S106 HIGHWAYS SMALL SCHEMES	-	35			35	1	35	-	
63	ROAD SAFETY IMPROVEMENTS	-	67			67	(9)	67	-	
64	COAL TIP SAFETY	-		1,795		1,795	(6)	1,795	-	
65	GRASS CUTTING EQUIPMENT	-	101			101	30	101	-	
66	WASTE VEHICLES	3,000				3,000	-	3,000	-	
67	HIGHWAYS MAINTENANCE LGBI			2,908		2,908	-	2,908	-	
68	RESILIENT ROADS			494		494	-	494	-	
TOTAL Streetscene		8,165	3,062	6,805	-	18,032	162	18,032	-	-

Regeneration & Development

69	EU CONVERGANCE SRF BUDGET	-	436			436	-	436	-	
70	PORTHCAWL REGENERATION PROJECT	-	2,827			2,827	153	2,827	-	
71	ECONOMIC STIMULUS GRANT	-	315			315	27	315	-	
72	COASTAL RISK MANAGEMENT PROGRAM	-	184			184	-	184	-	
73	EWENNY ROAD INDUSTRIAL ESTATE	3,000	485			3,485	605	3,485	-	
74	CESP/ARBED PHASE 1	855	1,268			2,123	11	2,123	-	
75	BRIDGEND HEAT SCHEME	3,265				3,265	-	3,265	-	
76	MAESTEG TOWN HALL CULTURAL HUB	-	61			61	(152)	61	-	
77	TOWN & COMMUNITY COUNCIL FUND	50	133			183	-	183	-	
78	PORTHCAWL TOWNSCAPE HERITAGE INITIATIVE	-	89			89	-	89	-	
79	COMMERCIAL PROPERTY ENHANCEMENT FUND	-	134			134	-	134	-	

	Budget 25-26 (Council Feb 25)	Brought Forward from 2024-25	New Approvals and Adjustments	Virement	Slipped (to)/ from Future Years	Revised Budget 2025-26	Total Expenditure to Date	Projected Spend	Over / (Under) Spend	Impact on BCBC Resources
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
80 URBAN CENTRE PROPERTY ENHANCE	-		650			650	18	650	-	
81 2030 DECARBONISATION	150	439				589	39	589	-	
82 SHARED PROSPERITY FRAMEWORK	-	929	2,148			3,077	513	3,077	-	
83 LOCAL PLACES FOR NATURE	-		367			367	9	367	-	
84 PORTHCAWL GRAND PAVILION	17,518	989	3,867		(15,982)	6,392	81	6,392	-	
TOTAL Regeneration & Development	24,838	8,289	7,032	-	(15,982)	24,177	1,304	24,177	-	-

Corporate Landlord

85 DDA WORKS	-	198				198	-	198	-	
86 MINOR WORKS	1,130	1,062				2,192	3	2,192	-	
87 FIRE PRECAUTIONS MINOR WORKS	-	107				107	17	107	-	
88 BRYNCETHIN DEPOT FACILITIES	-	272				272	-	272	-	
89 WATERTON UPGRADE	3,591					3,591	-	3,591	-	
90 INVESTING IN COMMUNITIES	-	47				47	-	47	-	
TOTAL Corporate Landlord	4,721	1,686	-	-	-	6,407	20	6,407	-	-

TOTAL Communities**Chief Executive**

91 MANDATORY DFG RELATED EXPEND	1,750					1,750	217	1,750	-	
92 DISCRETIONARY HOUSING GRANTS	200					200	8	200	-	
93 HOUSING RENEWAL AREA	100					100	1	100	-	
94 ENABLE GRANT	-		382			382	-	382	-	
95 HOMELESSNESS AND HOUSING	-	530				530	-	530	-	
96 HEALTH & WELLBEING VILLAGE	480					480	-	480	-	
97 AFFORDABLE HOUSING	-	802				802	-	802	-	
98 ENFORCEMENT FUND 1			250			250	-	250	-	
99 ENFORCEMENT FUND 2			22			22	-	22	-	
TOTAL Housing/Homelessness	2,530	1,332	654	-	-	4,516	226	4,516	-	-

100 ICT INFRA SUPPORT	400	52				452	24	452	-	
101 DIGITAL TRANSFORMATION	-	97				97	-	97	-	
102 CCTV SYSTEMS REPLACEMENT	-	29				29	-	29	-	
103 ICT DATA CENTRE REPLACEMENT	-	39				39	-	39	-	
104 HWB SCHOOLS IT	-	18				18	6	18	-	
TOTAL ICT	400	235	-	-	-	635	30	635	-	-

TOTAL Chief Executive**Council Wide Capital Budgets**

105 CORPORATE CAPITAL FUND	-	773				773	-	773	-	
106 UNALLOCATED	1,428	288				1,716	-	1,716	-	
	1,428	1,061	-	-	-	2,489	-	2,489	-	-

GRAND TOTAL	124,863	25,370	44,485	-	(38,075)	156,643	2,868	156,643	-	-
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		Date Approved	Total 2025-2035			2025-26						FUTURE YEARS										CUMULATIVE
			Total Cost £'000	BCBC Funding £'000	External Funding £'000	Council MTFS Feb 25 2025-26 £'000	Brought Forward from 2024-25 £'000	New Approvals / Reductions £'000	Virement £'000	Slipped (to)/from Future Years £'000	Revised 2025-26 £'000	2026-2027 £'000	2027-2028 £'000	2028-2029 £'000	2029-2030 £'000	2030-2031 £'000	2031-2032 £'000	2032-2033 £'000	2033-2034 £'000	2034-2035 £'000	Total 2024 - 2035 £'000	
66	Waste Vehicles	24/25	8,000	8,000		3,000					3,000	3,000	2,000								8,000	
67	Highways Maintenance LGBI	25/26	4,847	4,847				2,908			2,908	1,939									4,847	
68	Resilient Roads	25/26	494		494			494			494										494	
Regeneration & Development																						
69	Special Regeneration Funding	17/18	436	436			436				436										436	
70	Porthcawl Regeneration	20/21	2,827	2,827	-		2,827				2,827										2,827	
71	Economic Stimulus Grant	19/20	315	315	-		315				315										315	
72	Coastal Risk Management Programme	20/21	184	184	-		184				184										184	
73	Ewenny Road Industrial Estate	21/22	3,485	-	3,485	3,000	485				3,485										3,485	
74	CESP/Arbed Phase 1	21/22	2,123	855	1,268	855	1,268				2,123										2,123	
75	Bridgend Heat Scheme	16/17	3,265	2,276	989	3,265					3,265										3,265	
76	Maesteg Town Hall Cultural Hub	17/18	61	38	23		61				61										61	
77	Town & Community Council Fund	RECURRENT	633	633	-	50	133				183	50	50	50	50	50	50	50	50	50	633	
78	Porthcawl Townscape Heritage Initiative	14/15	89	89	-		89				89										89	
79	Commercial Property Enhancement Fund	21/22	134	134			134				134										134	
80	Urban Centre Property Enhancement	19/20	1,300		1,300			650			650	650									1,300	
81	2030 Decarbonisation	RECURRENT	1,339	1,339		150	439				589	150	150	150	150						1,339	
82	Shared Prosperity Fund	22/23	3,077	929	2,148		929	2,148			3,077										3,077	
83	Local Places for Nature	23/24	734		734			367			367	367									734	
84	Porthcawl Grand Pavilion	22/23	22,374	5,867	16,507	17,518	989	3,867	(15,982)		6,392	14,782	1,200								22,374	
Corporate Landlord																						
85	DDA Works	14/15	198	198	-		198				198										198	
86	Minor Works Asset Management	RECURRENT	12,362	12,362	-	1,130	1,062				2,192	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	12,362	
87	Fire Precautions	14/15	107	107	-		107				107										107	
88	Bryncethin Depot Facilities	14/15	272	272	-		272				272										272	
89	Waterton Upgrade	18/19	3,591	3,591	-	3,591					3,591										3,591	
90	Investing in Communities	19/20	47	47	-		47				47										47	
Total Communities			100,416	71,126	29,290	37,724	13,037	13,837	-	(15,982)	48,616	23,595	6,210	6,009	4,986	2,320	2,170	2,170	2,170	2,170	100,416	
Chief Executive's																						
Housing / Homelessness																						
91	Disabled Facilities Grants (DFG)	RECURRENT	22,000	22,000	-	1,750					1,750	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	22,000	
92	Discretionary Housing Grants	RECURRENT	2,000	2,000		200					200	200	200	200	200	200	200	200	200	200	2,000	
93	Housing Renewal / Empty Properties	RECURRENT	1,000	1,000	-	100					100	100	100	100	100	100	100	100	100	100	1,000	
94	Enable Grant	25/26	382	-	382			382			382										382	
95	Homelessness and Housing	22/23	530		530		530				530										530	
96	Health and Wellbeing Village	21/22	480	-	480	480					480										480	
97	Affordable Housing	23/24	802	530	272		802				802										802	
98	Enforcement Fund 1	25/26	250	250				250			250										250	
99	Enforcement Fund 2	25/26	22	22				22			22										22	
ICT																						
100	Investment in ICT	RECURRENT	4,052	4,052	-	400	52				452	400	400	400	400	400	400	400	400	400	4,052	
101	Digital Transformation	22/23	97	97	-		97				97										97	
102	Replacement CCTV	21/22	29	29	-		29				29										29	
103	ICT Datacentre Replacement	22/23	39	39			39				39										39	
104	HWB Schools IT	21/22	18	18	-		18				18										18	
Total Chief Executive's			31,701	30,037	1,664	2,930	1,567	654	-	-	5,151	2,950	2,950	2,950	2,950	2,950	2,950	2,950	2,950	2,950	31,701	
Council Wide Capital Budgets																						
105	Corporate Capital Fund	RECURRENT	773	773			773				773										773	
106	Unallocated	RECURRENT	28,356	28,356	-	1,428	288				1,716	1,428	1,428	3,312	3,312	3,312	3,462	3,462	3,462	3,462	28,356	
Total Council Wide Capital budgets			29,129	29,129	-	1,428	1,061	-	-		2,489	1,428	1,428	3,312	3,312	3,312	3,462	3,462	3,462	3,462	25,667	
Total Expenditure			293,133	180,457	112,676	124,863	25,370	44,485	-	(38,075)	156,643	57,087	12,974	12,271	11,248	8,582	8,582	8,582	8,582	8,582	293,133	
Expected Capital Resources																						
General Capital Funding																						
General Capital Funding - General Capital Grant			47,720	47,720	-	4,772					4,772	4,772	4,772	4,772	4,772	4,772	4,772	4,772	4,772	4,772	47,720	
General Capital Funding - Supported Borrowing			38,100	38,100	-	3,810					3,810	3,810	3,810	3,810	3,810	3,810	3,810	3,810	3,810	3,810	38,100	
Capital Receipts			28,821	28,821	-	14,239	9,659	3,867	(3,867)		23,898	4,388		535							28,821	
Earmarked Reserves			35,273	35,273	-	20,667	7,580	45	(1,592)		26,700	863	1,890	3,154	2,666						35,273	
Revenue Contribution			307	307	-	1	274	32			307										307	
Prudential Borrowing (Directorate Funded)			3,956	3,956	-	1,822	934	1,200	-		3,956										3,956	
Prudential Borrowing (Corporately Funded)			21,161	21,161	-	11,714	14		(2,300)		9,428	10,987	746								21,161	
Local Govt Borrowing Initiative (Highways Infrastructure)			4,847	4,847	-			2,908			2,908	1,939									4,847	
Empty Property Enforcement Loan (RCT)			272	272				272			272										272	
SALIX Interest Free Loan - WG			-	-							-										-	
Sub-Total General Capital Funding			180,457	180,457	-	57,025	18,461	8,324	-	(7,759)	76,051	26,759	11,218	12,271	11,248	8,582	8,582	8,582	8,582	8,582	180,457	
External Funding Approvals																						
WG - Other			8,277	-	8,277		2,205	4,989			7,194	1,083									8,277	
WG - 21st Century Schools			74,346	-	74,346	45,033		28,628	(19,701)		53,960	18,630	1,756								74,346	
WG - Enable Grant			382	-	382			382			382										382	
WG - Integrated Care Fund (ICF)			480	-	480	480					480										480	
WG - Welsh Medium Capital Grant			1,536	-	1,536		1,536				1,536										1,536	
Loan (RCT)			-	-	-						-										-	
Westminster			19,577	-	19,577	16,440	989	2,148	(10,615)		8,962	10,615									19,577	

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PRUDENTIAL AND OTHER INDICATORS 2024-25 and 2025-26

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

Table 1 shows the 2024-25 actual capital expenditure, the capital programme approved by Council on 26 February 2025 and the projected capital expenditure for the current financial year which has incorporated slippage of schemes from 2024-25 together with any new grants and contributions or changes in the profile of funding for 2025-26.

Table 1: Prudential Indicator: Estimates of Capital Expenditure

	2024-25	2025-26	2025-26
	Actual	Estimate	Projection
	£m	(Council Feb 25)	£m
Council Fund services	29.331	124.863	156.643
Right of Use Assets	3.837	3.149	3.464
TOTAL	33.168	128.012	160.107

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

Table 2: Capital financing

	2024-25	2025-26	2025-26
	Actual	Estimate	Projection
	£m	(Council Feb 25)	£m
External sources	20.706	72.610	85.364
Own resources	2.858	38.717	54.715
Net Financing Requirement	9.604	16.685	20.028
TOTAL	33.168	128.012	160.107

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

Table 3: Replacement of debt finance

	2024-25 Actual £m	2025-26 Estimate (Council Feb 25) £m	2025-26 Projection £m
Minimum Revenue Provision (MRP)	1.200	1.149	1.198
Additional Voluntary Revenue Provision (VRP)	1.870	2.243	2.127
Total MRP & VRP	3.070	3.392	3.325
Other MRP on Long term Liabilities	1.159	1.232	1.293
Total Own Resources	4.229	4.624	4.618

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

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement

	2024-25 Actual £m	2025-26 Estimate – Capital Strategy £m	2025-26 Projection £m
Capital Financing Requirement			
Opening CFR excluding PFI & other liabilities	162.745	166.329	165.442
Opening PFI CFR	12.974	14.975	15.652
Total opening CFR	175.719	181.304	181.094
Movement in CFR excluding PFI & other liabilities	(0.981)	13.954	17.049
Movement in PFI and other long term leases CFR	6.356	(1.232)	(1.293)
Total movement in CFR	5.375	12.722	15.756
Closing CFR	181.094	194.026	196.850
Movement in CFR represented by:			
Net financing need for year (Table 2 above)	9.604	17.346	20.374
Minimum and voluntary revenue provisions	(3.070)	(3.392)	(3.325)
MRP on PFI and other long term leases (Table 3)	(1.159)	(1.232)	(1.293)
Total movement	5.375	12.722	15.756

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

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

	2024-25	2025-26	2025-26
	Actual	Estimate	Projection
	£m	(Council Feb 25)	£m
Debt (incl. PFI & leases)	119.412	103.428	109.044
Capital Financing Requirement	181.094	194.026	196.850

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

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

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

	2024-25	2025-26	2025-26
	Actual	Estimate	Projection
	£m	(Council Feb 25)	£m
Authorised limit – borrowing	170.000	170.000	170.000
Authorised limit – other long term liabilities	25.000	25.000	25.000
Authorised Limit Total	195.000	195.000	195.000
Operational boundary – borrowing	120.000	140.000	140.000
Operational boundary – other long term liabilities	20.000	20.000	20.000
Operational Boundary Limit Total	140.000	160.000	160.000
Total Borrowing and Long Term Liabilities	119.460	103.428	109.044

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

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

	2024-25 Actual £m	2025-26 Estimate (Council Feb 25) £m	2025-26 Projection £m
Capital Financing Central	5.142	5.065	5.065
Other Financing costs	0.945	0.869	0.869
TOTAL FINANCING COSTS	6.087	5.934	5.934
Proportion of net revenue stream	1.94%	1.55%	1.55%

This shows that in 2025-26, it is forecast that 1.55% of the Council's net revenue income will be spent on paying back the costs of capital expenditure.

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

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

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

	2024-25 Actual £m	2025-26 Estimate £m	2025-26 Projection £m
Net Revenue Budget	361.283	383.226	386.651
Income from Commercial Investments	0.459	0.459	0.459
% Ratio	0.13%	0.12%	0.12%

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

Agenda Item 8

Meeting of:	COUNCIL
Date of Meeting:	23 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 require the Chief Finance Officer to prepare an annual report to Council, summarising borrowing and investment activity and indicating compliance with any statutory or Council approved guidelines.
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 Council:

- Note the treasury management activities for 2024-25 for the year 1 April 2024 to 31 March 2025.
- 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

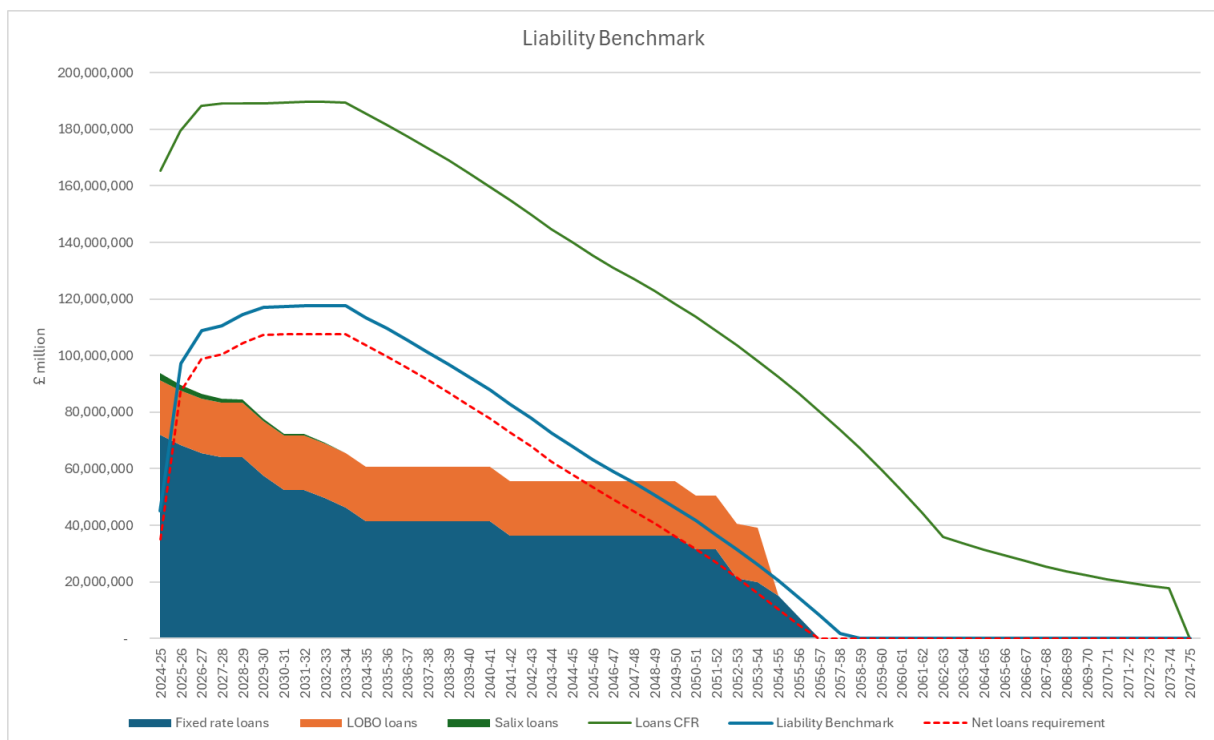
The liability benchmark is a tool which helps to assess the lowest level of borrowing the Council needs, taking into account available cash resources to fund capital expenditure in the short term. A minimum level of investments is factored into the calculation, set at £10 million, which are held as reasonably 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

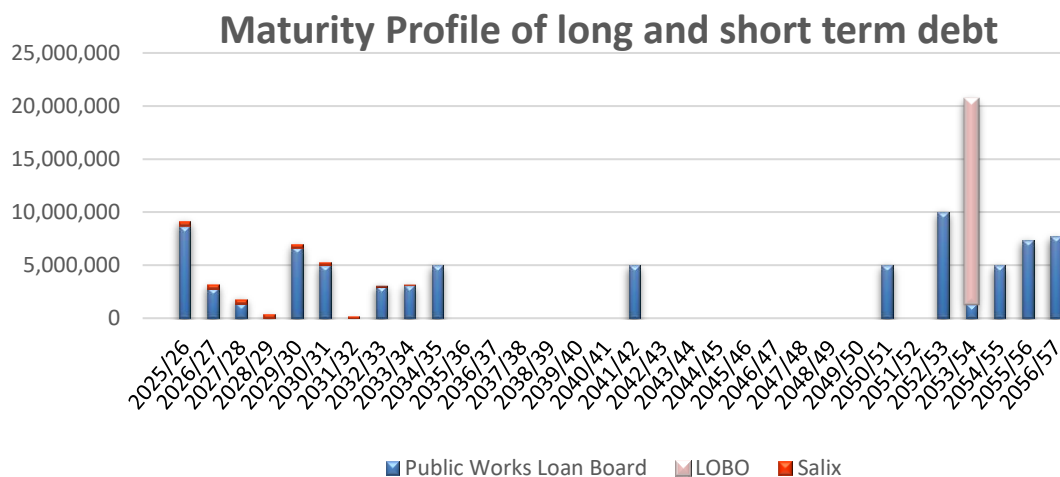
The maturity structure of borrowing indicator is set to control the Council's exposure to refinancing risk with respect to the maturity of the Council's external borrowing. The limits are set to avoid having large amounts of debt maturing in a short space of time and is the amount of projected borrowing 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.



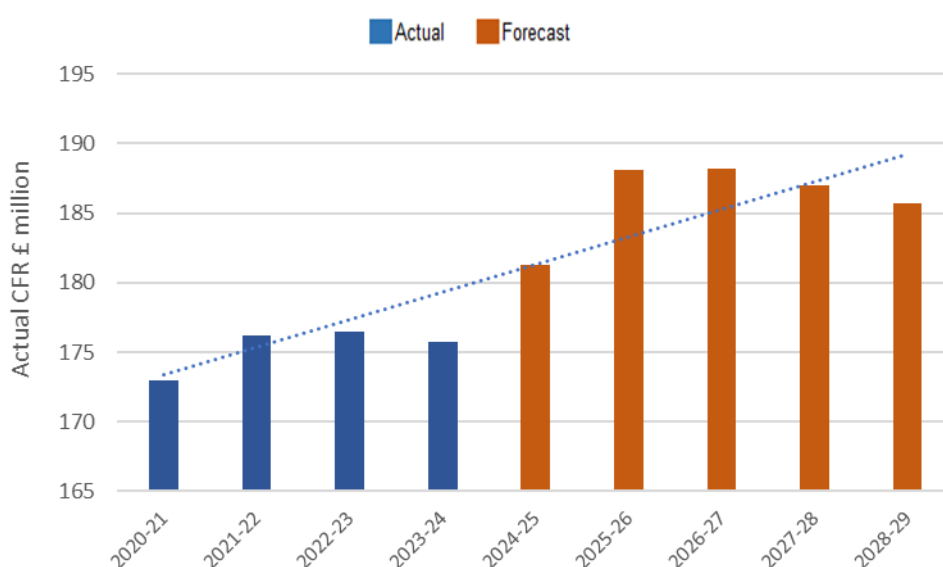
The LOBO loans are subject to the lender having the right to change the rate of interest payable during the financial year at either of two trigger points - January and July, with the Council having the right to refuse the change, triggering early repayment and the need to re-finance. Whilst the Council 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

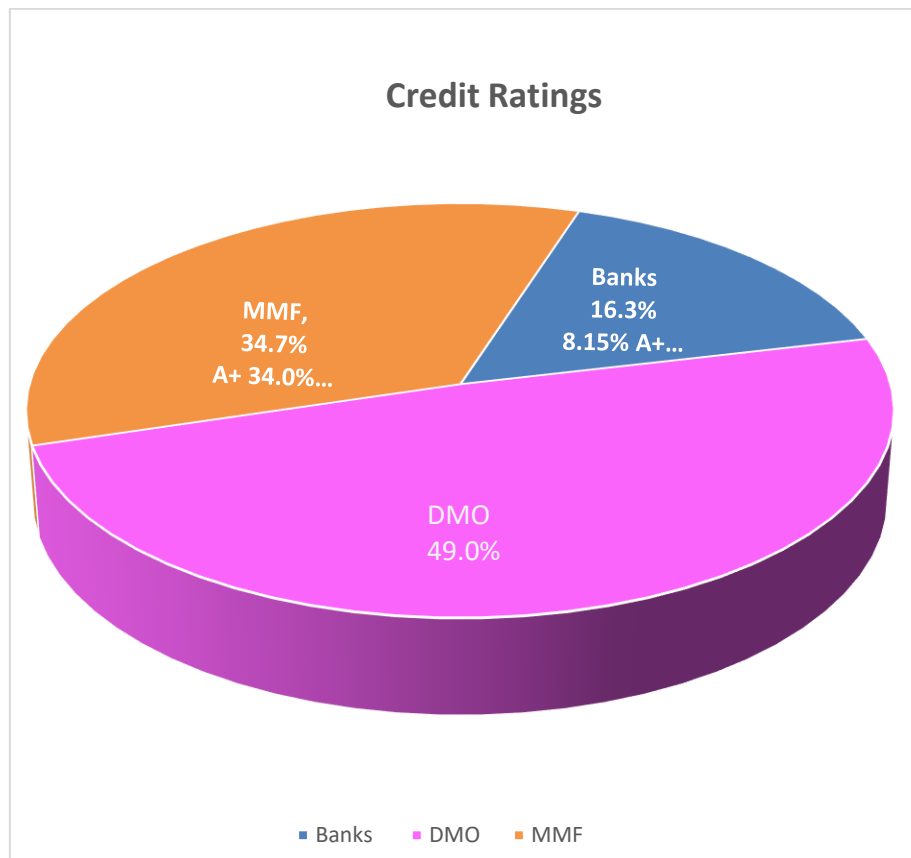
Price risk indicator	TMS 2024-25 £m	Actual £m
Limit on principal invested beyond financial year end	15	NIL

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	
		B-		B3		B-	C
	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:	COUNCIL
Date of Meeting:	23 JULY 2025
Report Title:	ELECTORAL REGISTRATION OFFICER AND RETURNING OFFICER
Report Owner / Corporate Director:	MONITORING OFFICER
Responsible Officer:	LAURA GRIFFITHS GROUP MANAGER LEGAL AND DEMOCRATIC SERVICES
Policy Framework and Procedure Rules:	There is no effect upon the policy framework and procedure rules.
Executive Summary:	To consider the appointment of the Electoral Registration Officer and Returning Officer.

1. Purpose of Report

- 1.1 The purpose of the report is to seek Council approval to appoint the Electoral Registration Officer (ERO), Returning Officer and the Deputy ERO.

2. Background

- 2.1 It is a requirement of section 8 of the Representation of the People Act 1983 that the Council appoints an Electoral Registration Officer. The Act also requires the Council to appoint an officer of the Council to be the Returning Officer in local elections. This role is usually carried out by the ERO. Failure to appoint to the roles could lead to the Council being challenged in failing to meet its statutory duties. The ERO is the person with statutory responsibility amongst other things for the creation and maintenance of the register of electors and the absent voters list. This person takes responsibility for publishing a revised electoral register and issuing monthly alterations notices.

3. Current situation / proposal

- 3.1 At its meeting on 2 April 2025, Council appointed Jake Morgan as the Chief Executive and Head of Paid Service of the Council. The Council is required to comply with the requirements under the Representation of the People Act 1983, in relation to the appointment of the Council's Returning Officer, and Electoral Registration Officer. These are statutory roles which the Council is obliged to appoint to. These roles are included in the Job Description of the Chief Executive and it is therefore recommended that the new Chief Executive, be formally appointed to undertake these roles.

- 3.2 The appointment of a Deputy ERO Electoral Registration Officer is also a function of the Council and is required to ensure that the necessary electoral decisions can be implemented when the ERO is not available. Without such an appointment there is a risk that electors may be disadvantaged. It is recommended that the Chief Officer – Legal and Regulatory Services, HR and Corporate Policy be appointed as the Deputy ERO with full powers, enabling her to act in the incapacity or absence of the ERO as necessary.
- 3.3 To allow for further flexibility, it is proposed that delegated authority be given to the Chief Executive to appoint more deputies and to revoke or vary the appointments as necessary.

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

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

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

- 5.1 The 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 and nature implications.

7. Safeguarding and Corporate Parent Implications

- 7.1 There are no safeguarding and corporate parent implications.

8. Financial Implications

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

9. Recommendations

It is recommended that Council:

- 9.1 approve the appointment of the Chief Executive as the Electoral Registration Officer and Returning Officer;
- 9.2 approve the appointment of the Chief Officer – Legal and Regulatory Services, HR and Corporate Policy as the Deputy Electoral Registration Officer;

- 9.3 delegate authority to the Chief Executive to appoint more deputies and to revoke or vary such appointments as necessary.

Background documents:

None

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Meeting of:	COUNCIL
Date of Meeting:	23 JULY 2025
Report Title:	APPOINTMENTS TO THE STANDARDS COMMITTEE
Report Owner / Corporate Director:	MONITORING OFFICER
Responsible Officer:	LAURA GRIFFITHS GROUP MANAGER LEGAL AND DEMOCRATIC SERVICES
Policy Framework and Procedure Rules:	There is no effect upon the policy framework and procedure rules; however the Standards Committee contributes to the maintenance of probity in the Council.
Executive Summary:	To advise Council of recent appointments to the Standards Committee.

1. Purpose of Report

- 1.1 The purpose of this report is to advise Council of two Independent Member (co-opted) appointments to the Standards Committee.

2. Background

- 2.1 The membership of Standards Committees shall consist of not less than five nor more than nine members in accordance with the Standards Committees (Wales) Regulations 2001, and shall not consist of persons other than members of the relevant authority, independent members (co-opted) or community committee members.
- 2.2 The Council's Standards Committee consists of five Independent Members, two County Borough Council Members and one Town and Community Council Member.
- 2.3 As prescribed by Regulations, where the total number of members of the committee is an even number at least half that number shall be independent members or if an odd number, a majority of that number shall be independent members.
- 2.4 Independent Members are appointed for a period of not less than four and not more than six years and may be reappointed for a consecutive term. Members of local authorities who are Members of the Standards Committee will have a term of office until the next ordinary local government election following their appointment. They

may be reappointed for one further consecutive term.

- 2.5 A meeting of the Standards Committee will only be quorate when at least three Members, including the Chairperson, are present; and at least half the Members present (including the Chairperson) are Independent Members. A quorum of the committee cannot therefore be constituted by the County Borough Members and Town and Community Council Member themselves as the majority should rest with the Independent Members. This places an unduly heavy burden on the Independent Members, and the committee being in danger of not having adequate or required numbers (a quorum) for meetings. On 20 July 2022, Council approved that the membership of the Committee be increased to eight Members and an additional Independent Member (co-opted) be appointed to the Committee.
- 2.6 The Council has previously provided delegated authority to the Monitoring Officer to oversee recruitment processes and appointments to the Standards Committee, and to report back to Council any successful appointment.

3. Current situation / proposal

- 3.1 Following the resignation of Mr Shawn Cullen and Mr Philip Clarke's term of office ceasing, the Monitoring Officer has gone through the usual process of advertising the vacancies in two newspapers circulating in the area. In accordance with the Standards Committee (Wales) Regulations 2001, a Panel (consisting of not more than five Members and at least one Independent Member and one Town and Community Council Member) was convened to consider the applications received and conduct interviews. Following interviews on 1st July 2025, the Panel made the following recommendations on appointments and reported to the Standards Committee at its meeting on 22 July 2025:

- Ms Janet Evans
- Mr Martyn Daley

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

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

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

- 5.1 The 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. This report also assists in the achievement of the following well-being objective under the Well-being of Future Generations (Wales) Act 2015:-

A county borough where people feel valued, heard and part of their community.

- 5.2 The Standards Committee is responsible for promoting and maintaining high standards of conduct by members and co-opted members. Standards are an implicit requirement in the successful implementation of the corporate well-being objectives.

6. Climate Change and Nature Implications

- 6.1 There are no climate change and nature implications.

7. Safeguarding and Corporate Parent Implications

- 7.1 There are no safeguarding and corporate parent implications.

8. Financial Implications

- 8.1 In accordance with the Independent Remuneration Panel for Wales Annual Report for 2025-26, the remuneration for Chairs of Standards Committees is £268 (4 hours and over), £134 (up to 4 hours) and for ordinary members of the Committee - £210 (4 hours and over) and £105 (up to 4 hours).
- 8.2 The changes to the remuneration of Elected Members for the financial year 2025/26 increased the financial commitment required from this Authority. Some of the cost may be negated by members electing to forgo some or all of their salaries or choosing not to opt into the Local Government Pension Scheme. The additional costs are being met from the centrally held provision for pay and price increases during the 2025/26 financial year.

9. Recommendations

- 9.1 It is recommended that Council approve the appointments of Janet Evans and Martyn Daley to the Standards Committee.

Background documents:

None

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