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Bridgend County Borough Council

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

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

Dyddiad/Date: Tuesday, 15 July 2026

Dear Councillor,

CABINET

A meeting of the Cabinet will be held Remotely via Microsoft Teams on **Tuesday, 21 July 2026** at **14:30**.

AGENDA

1 Apologies for Absence

To receive apologies for absence from Members.

2 Declarations of interest

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

3 Approval of Minutes — 3 - 10

To receive for approval the Minutes of 23/06/2026.

4 Provision of General Supported Living Services — 11 - 18

5 Outcomes of Estyn Inspections of Schools in Bridgend From Summer Term 2025 to the End of Spring Term 2026 — 19 - 44

6 Federation of Tynyrheol Primary School and the Garw Valley Federation — 45 - 52

By receiving this Agenda Pack electronically you will save the Authority approx. £3.96 in printing costs

10 Urgent Items

To consider any items of business that by reason of special circumstances the chairperson is of the opinion should be considered at the meeting as a matter of urgency in accordance with paragraph 2.4 (e) of the Cabinet Procedure Rules within the Constitution.

11 Exclusion of the Public

The reports relating to the following items are not for publication as they contain exempt information as defined in Paragraph 12 of Part 4 and/or Paragraph 21 of Part 5 of Schedule 12A of the Local Government Act 1972 as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. If following the application of the public interest test the Committee resolves pursuant to the Act to consider these items in private, the public will be excluded from the meeting during such consideration.

Note: This will be a Remote meeting and Members and Officers will be attending Remotely via Microsoft Teams. The meeting will be recorded for subsequent transmission via the Council's internet site which will be available as soon as practicable after the meeting. If you would like to view this meeting live, please contact cabinet_committee@bridgend.gov.uk or tel. 01656 643148 / 643694 / 643513 / 643159.

Yours faithfully
K Watson
Chief Officer Legal, Regulatory and Electoral Services

Councillors:
E L P Caparros
C Davies
M J Evans
J Gebbie
GC Haines
M Jones
JC Spanswick
HM Williams

MINUTES OF A MEETING OF THE CABINET HELD HYBRID IN THE COUNCIL CHAMBER - CIVIC OFFICES, ANGEL STREET, BRIDGEND, CF31 4WB ON TUESDAY, 23 JUNE 2026 AT 14:30

Present

Councillor JC Spanswick – Chairperson

GC Haines	HM Williams	E L P Caparros	M J Evans
M Jones	C Davies		

Present Virtually

J Gebbie

Officers:

Jake Morgan	Chief Executive
Kelly Watson	Chief Officer - Legal, Regulatory and Electoral Services
Claire Marchant	Corporate Director - Social Services and Wellbeing
Carys Lord	Corporate Director – Finance and Transformation
Martin Morgans	Head of Service - Public Realm
Gayle Shenton	Head of Learning
Kate Pask	Corporate Policy and Performance Manager
Stephen Griffiths	Democratic Services Officer - Committees
Oscar Roberts	Democratic Services Officer - Committees

639. Apologies for Absence

Decision Made	Apologies were received from the Corporate Director – Education, Early Years and Young People and the Corporate Director – Communities.

Date Decision Made	23 June 2026

640. Declarations of Interest

Decision Made	The following declarations of interest were received: Councillor J Spanswick declared a personal interest in item 5, as a family member is working in the service area.
Date Decision Made	23 June 2026

641. Approval of Minutes

Decision Made	RESOLVED: That the minutes of a meeting of Cabinet dated 19/05/2026 be approved as a true and accurate record.
Date Decision Made	23 June 2026

642. Panel Performance Assessment Response

Decision Made	The purpose of this report, presented by the Chief Executive and the Leader of the Council, was to present Cabinet with the Council's draft response to the recommendations of the Panel Performance Assessment that took place between 16-19 September 2025 for consideration. It was acknowledged that the Council is fundamentally in a good state but has untapped potential that can only be realized if acted on at pace. Members posed questions on: • Tight deadlines on actions to be taken within the report.

	These questions were addressed by the Chief Executive. RESOLVED: That Cabinet: 1. Approved the draft Response to the Panel Performance Assessment Report (Appendix 2 of the report) to be submitted for approval by Council on 24 June 2026. 2. Approved publication of the Panel Performance Assessment Report September 2025 (Appendix 1 to the report) and Response to the Panel Performance Assessment Report (Appendix 2 to the report) and circulation to the recipients detailed in paragraph 3.5, subject to Council approval being given. Cabinet further thanked the Corporate Policy and Performance Manager and their team for their work in preparing the report.
Date Decision Made	23 June 2026

643. Remodelling of Domestic Abuse Services

Decision Made	The purpose of this report, presented by the Deputy Leader / Cabinet Member Social Services, Health and Wellbeing, was to seek approval from Cabinet to suspend the relevant parts of the Council's Contract Procedure Rules (CPRs) in relation to the requirement to tender for the provision of domestic abuse support services; and to delegate authority to the Head of Service, Children and Family Support Services, to enter into a 12-month contract, with the option to extend for a further 12 months, with the current commissioned provider of domestic abuse services to ensure continuity of provision whilst a wider service review into future delivery models is undertaken. RESOLVED: That Cabinet: 1. Approved the suspension of the relevant parts of the Council's Contract Procedure Rules to enable the award of a further 12-month contract to Safer Merthyr Tydfil, with the option to extend

	for an additional 12 months if required. 2. Delegated authority to the Head of Children and Family Services, to approve the final terms of the Contract on behalf of the Council. 3. Noted that an options appraisal will be developed, with any future decisions subject to further approval in accordance with the Council's governance processes.
Date Decision Made	23 June 2026

644. Revenue Budget Outturn 2025-26

Decision Made	The purpose of this report, presented by the Cabinet Member for Finance and Transformation and the Corporate Director – Finance and Transformation, was to provide Cabinet with an update on the Council's revenue financial position for the year ended 31st March 2026. <u>RESOLVED:</u> That Cabinet noted the revenue outturn position for 2025-26.
Date Decision Made	23 June 2026

645. Representation on Outside Bodies, Joint Committees and Cabinet Committees

Decision Made	The purpose of this report, presented by the Chief Officer - Legal, Regulatory and Electoral Services, was to provide Cabinet with an update on the Council's revenue financial position for the year ended 31st March 2026. <u>RESOLVED:</u> That Cabinet appointed the requisite number of Members to the Joint Committees, Cabinet Committees and other outside bodies as listed in Appendix 1 of the report.

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

Date Decision Made	23 June 2026

646. Amendments to the Scheme of Delegations of Functions and the Contract Procedure Rules

Decision Made	The purpose of this report, presented by the Cabinet Member for Corporate Services, was to seek Cabinet approval for the amendment of Executive functions within the Scheme of Delegation of Functions and the Contract Procedure Rules. RESOLVED: That Cabinet: 1. Approved the amended Scheme of Delegation of Functions in relation to the Executive functions (Appendix 1 of the report) and the amended Contract Procedure Rules (Appendix 2 of the report); subject to the following amendment to Scheme A, paragraph 1.10: Subject to the prior written approval of the MO and in consultation with the Cabinet Member Finance & Transformation, to authorise the suspension of the requirements to competitively procure set out in rules 7 and 8 of the Contract Procedure Rules and enter into a contract relying on such a suspension providing the value of the contract does not exceed £1m. Such approval shall only be exercised in exceptional and fully justified circumstances where compliance is demonstrably impracticable and where appropriate procurement advice has also been obtained and followed. 2. Authorised the Monitoring Officer to make minor textual changes and amendments to the Scheme of Delegation of Functions to take account of changes in legislation and changes to Officer and Member titles and responsibilities; 3. Noted that a report will be presented to Council to amend the Constitution to incorporate the revised Contract Procedure Rules and to seek approval to approve the amendments to the Scheme

		of Delegation of Functions in relation to Council functions.
Date Decision Made	23 June 2026	

647. Urgent Items

Decision Made	There were no urgent items.
Date Decision Made	23 June 2026

648. Exclusion of the Public

Decision Made	RESOLVED:	The following items are not for publication as they contain exempt information as defined in Paragraphs 14 and/or 16 of Part 4 and Paragraph 21 of Part 5, Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007. Following the application of the public interest test, Cabinet resolved pursuant to the Act to consider these items in private, with the public being excluded from the meeting during such consideration.
Date Decision Made	23 June 2026	

649. Approval of Exempt Minutes

Decision Made	RESOLVED:	That the exempt minutes of a meeting of Cabinet dated 19/05/2026 be approved as a true and accurate record.

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

Date Decision Made	23 June 2026

To observe further debate that took place on the above items, please click this link

The meeting closed at 15:21.

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Meeting of:	**CABINET**
Date of Meeting:	**21 JULY 2026**
Report Title:	**PROVISION OF GENERAL SUPPORTED LIVING SERVICES**
Report Owner: Responsible Chief Officer / Cabinet Member	**CLLR JANE GEBBIE CABINET MEMBER FOR SOCIAL SERVICES AND WELLBEING CLAIRE MARCHANT CORPORATE DIRECTOR OF SOCIAL SERVICES AND WELLBEING**
Responsible Officer:	**RICHARD THOMAS STRATEGIC PLANNING AND COMMISSIONING OFFICER**
Policy Framework and Procedure Rules:	**THE TENDER PROCESS WILL BE UNDERTAKEN IN LINE WITH THE COUNCIL'S CONTRACT PROCEDURE RULES.**
Executive Summary:	**This report seeks Cabinet approval to commence the tender process in respect of the General Supported Living Service, which needs to commence during 2026 as current contract arrangements with commissioned providers end on 31st March 2027. The report highlights the work that has been undertaken in preparation for the tender and sets out how these services are to be delivered moving forward.**

1. Purpose of Report

1.1 The purpose of this report is to highlight the current and proposed future arrangements for Bridgend County Borough Council's (BCBC) commissioned General Supported Living Services and to seek Cabinet's approval to commence the tender for the recommissioning of General Supported Living Services across Bridgend County Borough.

2. Background

2.1 In March 2020, Cabinet approved the commissioning of a 'locality' model for Supported Living Services for people with a Learning Disability, where providers deliver person-centred, localised support for people that enables them to engage in their local community and helps to promote their own journey towards independence.

2.2 Current contractual arrangements with commissioned providers will end on 31st March 2027. These services currently operate under 7 x Local Area Contracts as follows:

Lot 1 Pencoed
Lot 2 Maesteg
Lot 3 Tondu/Aberkenfig
Lot 4 Bridgend Town (West)
Lot 5 Bridgend Town (East)
Lot 6 Pyle & Kenfig Hill
Lot 7 Porthcawl

2.3 Commissioned Supported Living Services are currently delivered by Third Sector and/or Not-for-Profit organisations which account for approximately 80% of the market share of these services. The Council also delivers internal Supported Living schemes accounting for the remaining 20%, which are not in scope for this tender.

3. Current situation/Proposal

3.1 The current commissioning arrangement and contracts end in March 2027. The Council is looking to engage with high quality providers who can demonstrate their experience of delivering Supported Living Services.

3.2 Providers will be required to work with the Council to implement sustainable and flexible models of support that enable individuals to become active members of their local communities. Delivering a 'locality' model enables providers to respond flexibly to needs where they arise, utilises resources efficiently, and supports collaborative working with the broader community. The service must be available 24 hours a day, 365 days per year in line with the assessed needs of individuals.

3.3 As part of the tender exercise, it is proposed to continue with the locality-based/Lots approach, where each Local Area Service Contract will include a number of Supported Living schemes within that area. The contracts will be procured in accordance with the requirements for above-threshold Light Touch Regime services, in line with the requirements of the Procurement Act 2023.

General Supported Living Contracts* (x 7 localities):

		Houses /Units	**People**	**Weekly Hours**	**Cost pa**
Supported Living Lots 1 - 7	Lot 1 Pencoed	2	5	261.00	£303,492
	Lot 2 Maesteg	3	11 (2 voids)	1,151.43	£1,280,596
	Lot 3 Tondu	8	21 (1 void)	2,466.70	£2,946,409
	Lot 4 B'end W.	6	12 (1 void)	1,245.50	£1,341,481
	Lot 5 B'end E.	6	15 (3 voids)	1,503.36	£1,678,255
	Lot 6 P&K	7	17 (1 void)	1,836.50	£2,050,560
	Lot 7 P'cwl	2	8	514.54	£570,617
TOTAL		*34*	*89*	*8979.03*	*£10,171,410*

**The information above is current at the time of drafting this report. The service costs cover regulated care and support funded by Adult Social Care, and tenancy and housing related support funded via the Housing Support Grant. Full financial* *information relating to the proposed 8 year contract period can be found in section 8 of this report.*

Proposed Recommissioning of 7 x Locality Contracts

3.4 Pre-Market Engagement was undertaken during May and June 2026, which indicated a high level of provider interest in the services proposed to be commissioned. Twenty-seven representatives from seventeen different providers attended a Pre-Market Engagement Event with an open opportunity for other potential providers to make enquiries through the Procurement Portal. Very positive feedback has been received from potential providers to the proposed service model.

3.5 The value of the new tendered contracts will be capped on the basis of a block of baseline hours, aggregated from service hours within each locality. These hours have been determined following Outcomes Review work undertaken by social workers, which established the most appropriate level of care and support for the relevant individuals. The new contracts will allow for a periodic review of service hours, should the needs of individuals change considerably during the term of the contract.

3.6 The anticipated benefit of this will fix costs within a known budget envelope and allow providers to work flexibly within known capacity, enabling them to support individuals in a more outcomes focused way. This approach has already been adopted by other Local Authorities across the Cwm Taf Morgannwg (CTM) region.

3.7 Current contracts are specifically identified as supporting people with a Learning Disability. While this will remain the focus for most placements into the service, recommissioning as a ‘General Supported Living Service’ will allow scope for other client groups to be considered, based on support needs rather than ‘diagnosis’.

3.8 The scope of the current and intended new contracts also allow for new Supported Living schemes to be brought on-stream within the lifetime of the contract, meaning the service can adjust to pressures and demands and changes in relevant policy during the term of the contract, where strategic analysis outlines the need for expanding capacity, increasing accessibility for wider client groups (particularly those of transition age), and increasing flow through the service. This will be achieved by working closely with Housing teams to develop better access to move-on, step-down or general housing, and subsequently allow the Supported Living service to become more dynamic than previously.

3.9 In keeping with approaches both nationally and within the CTM region, it is proposed to recommission these contracts on a slightly longer-term basis to allow for stability within services. Therefore a 4-year contract period, with an option to extend for a further two plus two years (4 years total extension option) is recommended.

Procurement Activity

3.10 There is proposed to be a strong focus on ‘quality’ as part of the tender, where 80% of the total score will be based on quality aspects. The remaining 20% links to costs, but any potential financial risks with the lower weighting on price will be mitigated by ‘capping’ the financial part of the tender, linked to agreed and available budgets.

3.10.1 Pricing Schedule Requirements (20% of total score)

- Providers must submit capped hourly rates within budget ceiling
- All-inclusive: staffing, overheads, nights, management
- Provision for rates to be uplifted on an annual basis linked to cost analysis, to account for Real Living Wage (RLW) and inflationary pressures

3.10.2 Tender Evaluation Framework – Quality components (80%)

- Service Model
- Outcomes & Evidence
- Mobilisation, Workforce & Stability
- Integration & Partnership
- Social Value and Carbon Reduction

3.10.3 Key Performance Measures & Contract Management

- Independence progression metrics
- Reduction in care dependency
- Tenancy sustainment
- Staff turnover
- Periodic performance review meetings

3.10.4 TUPE & Mobilisation

- Full TUPE compliance required
- Continuity of care guaranteed
- Data transfer and workforce engagement required

Indicative Procurement Milestones:

3.11 The table below highlights the key planned procurement activity:

Pre-Market Engagement	June 2026
Cabinet approval to proceed to tender	July 2026
Procurement request for TUPE info	August 2026
Publication and Tender Invitation	
Place notice (UK4) Sell2Wales	September 2026
Closing Date for Clarification Questions	Week before closing date (tbc)
Evaluation & Selection Period	
Close of tenders (potentially staggered)	Oct/Nov 2026
Evaluation	Nov/Dec 2026
Cabinet to award (call-in and standstill required)	**January Cabinet Meeting**
Award & Mobilisation Period	
Issue award letters	January 2027
Mobilisation	Jan-Mar 2027
Contract Commencement	1.4.2027

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

4.1 An Equality Impact Assessment (EIA) screening was undertaken in September 2019, prior to commencement of the Locality service model, which found that a full EIA was not required as individuals within the service continued to receive the same level of service to meet their assessed needs within their Supported Living schemes.

4.2 There are no operational service changes to occur from this re-commissioning exercise, and an initial Equality Impact Assessment (EIA) screening carried out 23/06/2026 has identified that there would be no negative impact on those with one or more of the projected characteristics, on socio-economic disadvantage or the use of the Welsh Language. It is therefore not necessary to carry out a full EIA on this policy or proposal.

5. Well-being of Future Generations (Wales) Act 2015 Implications

5.1 The commissioned Supported Living service aims to ensure that individuals living within the service schemes can live as independently as possible and to build their resilience with links to social networks in their own community. As such, the wellbeing goals of a healthier Wales; a more equal Wales; and a Wales of cohesive communities are supported through these services.

5.2 The re-commissioning of the Supported Living Service supports the five ways of working under the Wellbeing of Future Generations (Wales) Act 2015, as follows:

Long Term – reinforcing a 'locality-based' service model enables providers to establish closer and longer-term working relationships with other local community groups, agencies, and residents. This is a more sustainable approach to ensuring people are better supported in maintaining their independence and wellbeing and follows a 'community development' approach that enables the Provider to become more established in the longer-term. Allowing contract extensions beyond the initial term of contract also allows for longer-term continuity of care.

Prevention – the Supported Living Service aims to support the progression of individuals towards independence with some potential to reduce the level of support needs they have and to prevent the escalation of needs by offering a stable living environment and maintaining their tenancy support through appropriate housing related support.

Integration – the service providers will need to work with a wide range of stakeholder groups to help Individuals to integrate into their local community.

Collaboration – The 'locality' service model is predicated on close collaboration between the service provider and with social services teams and other support agencies. The service model requires providers to demonstrate collaboration between staff within the local schemes they manage and between providers in other localities to identify and support the needs and aspirations of the individuals they support.

Involvement – Co-production is a key element of the Service Specification and providers will need to ensure that each person supported is able to be as involved as possible in the planning and delivery of their care and support

6. Climate Change and Nature Implications

6.1 There are no specific implications of this report on climate change or nature, although the procurement process will seek to identify opportunities from providers to make positive impacts to social value, decarbonisation and environmental sustainability.

7. Safeguarding and Corporate Parent Implications

7.1 A multi-disciplinary approach will reduce risk and enhance safeguarding for people within the service.

8. Financial Implications

8.1 A cumulative 8-year budget profile, based on current-year costs, would be:

	Per annum	**2 yrs**	**3 yrs**	**4 yrs**
Lot 1 Pencoed	£303,492	£606,984	£910,476	£1,213,968
Lot 2 Maesteg	£1,280,596	£2,561,192	£3,841,788	£5,122,384
Lot 3 Tondu	£2,946,409	£5,892,818	£8,839,227	£11,785,636
Lot 4 B'end W.	£1,341,481	£2,682,962	£4,024,443	£5,365,924
Lot 5 B'end E.	£1,678,255	£3,356,510	£5,034,765	£6,713,020
Lot 6 P&K	£2,050,560	£4,101,120	£6,151,680	£8,202,240
Lot 7 P'cwl	£570,617	£1,141,234	£1,711,851	£2,282,468
TOTAL	***£10,171,410***	***£20,342,820***	***£30,514,230***	***£40,685,640***

Cont.	**5 yrs**	**6 yrs**	**7 yrs**	**8 yrs**
Lot 1 Pencoed	£1,517,460	£1,820,952	£2,124,444	£2,427,936
Lot 2 Maesteg	£6,402,980	£7,683,576	£8,964,172	£10,244,768
Lot 3 Tondu	£14,732,045	£17,678,454	£20,624,863	£23,571,272
Lot 4 B'end W.	£6,707,405	£8,048,886	£9,390,367	£10,731,848
Lot 5 B'end E.	£8,391,275	£10,069,530	£11,747,785	£13,426,040
Lot 6 P&K	£10,252,800	£12,303,360	£14,353,920	£16,404,480
Lot 7 P'cwl	£2,853,085	£3,423,702	£3,994,319	£4,564,936
TOTAL	***£50,857,050***	***£61,028,460***	***£71,199,870***	***£81,371,280***

8.2 As part of the tender process, bidders will be required to submit a pricing schedule to provide their hourly rates for delivering daytime care and support (including Housing Related Support) and for providing additional outreach support in the community; as well as over-night rates for sleep-in and waking-night cover.

8.3 These unit prices will be capped within wider total contract value amounts – which will also be capped by the Council based on known costs and available budgets – with provision to adjust these fixed amounts being at the sole discretion of the Council.

8.4 While the annual budget will be capped (with providers working within a known budget envelope), tendered rates will be subject to annual uplifts, in accordance with contract provision linked to increases in the Real Living Wage (RLW) and inflationary pressures.

8.5 The amount of Housing Support Grant (HSG) allocated to the service moving forward will be determined as part of the annual budget allocation process for this grant.

8.6 It is recognised that HSG allocations received from Welsh Government may be subject to change in the future. Based on this, contractual documentation will highlight the potential funding risks.

9. Recommendation

9.1 It is recommended that Cabinet approve the recommissioning of a ‘General Supported Living Service’ as outlined in this report.

Background documents
None

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Meeting of:	**CABINET**
Date of Meeting:	**21 JULY 2026**
Report Title:	**OUTCOMES OF ESTYN INSPECTIONS OF SCHOOLS IN BRIDGEND FROM SUMMER TERM 2025 TO THE END OF SPRING TERM 2026**
Report Owner: Responsible Chief Officer / Cabinet Member	**CABINET MEMBER FOR EDUCATION AND YOUTH SERVICES** **CORPORATE DIRECTOR - EDUCATION, EARLY YEARS AND YOUNG PEOPLE**
Responsible Officer:	**GAYLE SHENTON HEAD OF LEARNING** **DARREN JONES GROUP MANAGER (SCHOOL IMPROVEMENT)**
Policy Framework and Procedure Rules:	**There is no impact on the Council's policy framework or procedure rules.**
Executive Summary:	**This report contains information about the core inspections of eight primary schools, one secondary school and one special school that took place from summer term 2025 to end of spring term 2026.** **Additionally, the report provides information on interim visits to 11 primary schools and 3 secondary schools during the same period. There is also information on the removal of Blaengarw Primary School from Estyn review category and Bryncethin Primary School from the list of schools requiring special measures.**

1. Purpose of Report

1.1 The purpose of this report is to inform Cabinet of the outcomes of the Estyn core inspection visits from summer term 2025 to the end of spring term 2026 for the following schools (in order of inspection date):

- Ysgol y Ferch o'r Sgêr;
- Ysgol Gynradd Gymraeg Calon y Cymoedd;
- Litchard Primary School;

- Tremains Primary School;
- Llangynwyd Primary School;
- Tynyrheol Primary School;
- Ysgol Bryn Castell;
- Ysgol Cynwyd Sant;
- Penybont Primary School; and
- Cynffig Comprehensive School.

1.2 The report will also inform Cabinet of the outcomes of the Estyn interim visits from summer term 2025 to summer term 2026 to the following schools (in order of visit date):

- Cwmfelin Primary School;
- Garth Primary School;
- Nantymoel Primary School;
- St Mary's and St Patrick's Catholic Primary School;
- Brynmenyn Primary School;
- Corneli Primary School;
- Maesteg School;
- Cefn Glas Infant School;
- Afon y Felin Primary School;
- Porthcawl Primary School;
- Brackla Primary School;
- Ysgol Gyfun Gymraeg Llangynwyd;
- Archbishop McGrath Catholic High School; and
- St Mary's Catholic Primary School.

1.3 The report contains information on Estyn's follow-up visits to Blaengarw Primary School and Bryncethin Primary School, and their removal from Estyn follow-up categories.

2. Background

2.1 From September 2024, new inspection arrangements were introduced by Estyn, which would allow for more regular visits to primary, secondary, and all-age schools as well as pupil referral units (PRUs).

2.2 Maintained schools and PRUs will now have a core inspection and an interim visit within the six-year inspection period. Core inspections will be led by an Estyn HMI (His Majesty's Inspector) or a registered inspector.

2.3 During a core inspection, inspection teams will not give overall grades for each inspection area. However, they will make a robust and thorough evaluation of the school or PRU's provision and its impact on pupils' learning and well-being.

2.4 The three inspection areas (IA) are set out below:

- IA1: Teaching and learning;
- IA2: Well-being, care, support and guidance; and
- IA3: Leading and improving.

2.5 Following an inspection, each provider will receive a report. The provider will also receive a parent and carer version of the report.

2.6 The key elements of a core inspection report include the following:

- an overview of the school or PRU;
- a summary of the main points of the inspection report;
- recommendations that identify what needs to improve;
- a main evaluation of the three inspection areas; and
- additional information on safeguarding arrangements, healthy eating and drinking, school funding, and health and safety issues (safety on the site).

2.7 Some reports may also contain one or more 'spotlights'. A spotlight is a short paragraph that highlights an innovative practice or area worth sharing.

2.8 The purpose of interim visits is to support providers with their self-evaluation and improvement plans, to ensure the best outcomes for learners. Interim visits will be led by an Estyn HMI.

2.9 An interim visit can last up to two days depending on the sector. For example, an interim visit will be a single day for most primary schools and for most secondary schools the visit will last two days. For larger primary schools, this can be extended up to two days.

2.10 Interim visits are not intended to draw overall conclusions about the effectiveness of the school, but they will support leaders to review progress since the last core inspection and consider their next steps for improvement.

3. Current situation/ proposal

3.1 From the summer term 2025 to the end of the spring term 2026, there were eight primary schools, one secondary school and one special school in Bridgend who received an Estyn core inspection. The full text of these reports is available on the Estyn website: www.estyn.gov.uk.

Ysgol y Ferch o'r Sgêr

3.2 Ysgol y Ferch o'r Sgêr was inspected by Estyn in May 2025, and the report was published on 22 July 2025.

3.3 Estyn identified the following spotlight:

Developing pupils' understanding of their local area

What is characteristic of Prosiect Cynefin, which is based on enriching pupils' understanding of their local area, heritage and culture, is that it starts with the pupils themselves. Pupils consider their own experiences in relation to a specific theme or area of learning. It then expands to consider the differences between individuals in the classroom, the school, the local community and Wales, before learning about the cultures of the wider world.

3.4 Estyn also noted the following as positive attributes of the school:

- The extremely supportive working relationships between pupils, teachers, assistants and the administrative staff are a clear strength. Teachers assess and evaluate pupils' progress effectively and track their development purposefully. As a result, they have thorough knowledge of pupils' progress, which enables them to support them successfully.

- Pupils' oral skills develop soundly and quickly and, by the time they reach the top of the school, most communicate confidently in both languages and discuss their work intelligently and maturely. Pupils' positive attitude to the Welsh language is notable and the swift progress they make from their starting points is excellent.

- Teachers and other adults have high expectations of pupils' behaviour. This contributes to the fact that the behaviour of nearly all pupils is exceptionally good across the school.

3.5 Ysgol y Ferch o'r Sgêr's Estyn inspection report included the following recommendations:

Recommendation number	Recommendation
Recommendation 1	Ensure that the main improvement priorities are clear and that it is easy to evaluate their effect on pupils' progress or well-being
Recommendation 2	Ensure that pupils are given varied and purposeful opportunities to write at length
Recommendation 3	Ensure that pupils are given regular and purposeful opportunities to apply their numeracy skills in rich contexts

3.6 Estyn inspectors concluded that Ysgol y Ferch o'r Sgêr is making sufficient progress, and no follow-up action is required. The local authority will continue to support Ysgol y Ferch o'r Sgêr in addressing its recommendations.

Ysgol Gynradd Gymraeg Calon y Cymoedd

3.7 Ysgol Gynradd Gymraeg Calon y Cymoedd was inspected by Estyn in June 2025, and the report was published on 11 August 2025.

3.8 Estyn identified the following spotlight:

Effective support to promote pupils' well-being and willingness to attend school regularly and to be ready to learn

Vulnerable pupils are given the opportunity to attend Hwb Hafan at the beginning of the day. This is a safe and welcoming room that enables them to settle down and prepare mentally for the day's activities. In addition, staff are available throughout the day to support and re-engage with these pupils to ensure that they are happy and ready to continue with their learning.

3.9 Estyn also noted the following as positive attributes of the school:

- One of the school’s best features is the way in which leaders have improved pupils' behaviour, attendance and mindset so that they are in a good place to learn.

- Teachers and teaching assistants work together successfully to develop positive working relationships with pupils by creating an exciting learning ethos, which supports pupils to make sound progress from their starting points, particularly in acquiring the Welsh language.

- By tracking their progress regularly, teachers know pupils’ needs well, including those with additional learning needs (ALN). They work with teaching assistants to ensure that they offer the best additional support to those who need it to challenge them consistently to make good progress.

3.10 Ysgol Gynradd Gymraeg Calon y Cymoedd’s Estyn inspection report included the following recommendations:

Recommendation number	Recommendation
Recommendation 1	Improve the accuracy of pupils' Welsh writing, particularly at the top of the school
Recommendation 2	Ensure that pupils present their work neatly

3.11 Estyn inspectors concluded that the school is making sufficient progress, and no follow-up action is required. The local authority will continue to support Ysgol Gynradd Gymraeg Calon y Cymoedd in addressing its recommendations.

Litchard Primary School

3.12 Litchard Primary School was inspected by Estyn in June 2025, and the report was published on 2 September 2025.

3.13 Estyn identified the following spotlights:

Effective targeted support through rigorous pupil monitoring

Senior leaders have developed a highly effective system for assessing and monitoring the progress and well-being of all pupils. The holistic approach to collating information enables staff to quickly identify pupils in need of learning and well-being support. Regular ‘pupil surgeries’ ensure staff carefully evaluate the impact of the additional support they provide. These allow staff to make timely and useful adaptations that enable them to reduce the impact of barriers to learning.

A strong culture of partnership working

The school places effective partnership working at the heart of its vision. Strong communication fosters trust across the community, and leaders listen actively to the views of others to enhance pupils’ experiences. This approach strengthens relationships with parents, pupils, and the wider community. Parents feel well-informed and involved in their child’s learning. Governors, as strategic partners, know the school exceptionally well and provide valuable insight and challenge to support continuous improvement. Leaders collaborate constructively with other schools and professionals, increasing the school's capacity for innovation and growth.

3.14 Estyn also noted the following as positive attributes of the school:

- Litchard Primary School is a happy, safe and highly inclusive learning environment. The school's ethos is built on a strong culture of collective trust and open communication. Pupils are friendly and enthusiastic about their learning. There is a strong sense of teamwork and positivity across the school.
- The school provides a literature rich environment. Staff model topic-related vocabulary and language associated with different text types well. Most pupils talk confidently about their work and learning experiences using an increasing range of relevant vocabulary. The school's positive reading culture fosters a love of reading.
- The school's provision for additional learning needs (ALN) is highly effective. Most pupils with ALN, including those in the learning resource class and from low-income households, make good progress. Staff implement a wide range of purposeful interventions to improve pupils' literacy and numeracy skills and to enhance their emotional well-being.

3.15 Litchard Primary School's Estyn inspection report included the following recommendations:

Recommendation number	Recommendation
Recommendation 1	Refine teaching to provide appropriate challenge and support for all learners and to develop pupils' independent learning skills
Recommendation 2	Ensure that pupils develop and apply a broader range of digital skills

3.16 Estyn inspectors concluded that the school is making sufficient progress, and no follow-up action is required. The local authority will continue to support Litchard Primary School in addressing its recommendations.

Tremains Primary School

3.17 Tremains Primary School was inspected by Estyn in November 2025, and the report was published on 8 January 2026.

3.18 Estyn identified the following spotlight:

Removing barriers to improve attendance

Leaders have a strong understanding of the barriers that poverty can create for pupils' learning and well-being. They use funding, such as the Pupil Development Grant, purposefully to promote equity and inclusion. The appointment of a family engagement officer has strengthened communication with parents and carers. The school council and pupil attendance ambassadors promote good attendance, for example by creating a video encouraging pupils to attend school every day. These initiatives and the priority that leaders have placed on regular attendance, have improved the attendance of many pupils, particularly those pupils eligible for free school meals.

3.19 Estyn also noted the following as positive attributes of the school:

- Tremains Primary School is a happy and caring community that provides effective support for its pupils and families. The headteacher offers clear and purposeful leadership rooted in a strong vision of inclusive education. This vision is well understood and shared by staff and stakeholders, creating a positive school culture that promotes belonging and mutual respect.

- Provision for pupils with ALN, including those in the learning resource centres (LRCs), is an effective feature of the school. Staff know these pupils well and create nurturing environments that promote inclusion, engagement, and well-being. Systems for identifying and reviewing pupils' needs are purposeful and responsive. Teachers provide purposeful opportunities for pupils in the learning resource centres to take part in lessons and activities across the school. This contributes positively to their well-being and progress.

- Provision for reading, writing, and mathematics is systematic and effective. As pupils move through the school, they become confident, fluent readers who apply their reading skills purposefully across the curriculum. They make good progress in writing and develop secure mathematical skills, which they apply increasingly well in practical and problem-solving contexts.

3.20 Tremains Primary School's Estyn inspection report included the following recommendations:

Recommendation number	**Recommendation**
Recommendation 1	Strengthen self-evaluation and school improvement processes to focus more precisely on the quality of teaching and its impact on learning
Recommendation 2	Focus professional learning on reducing variation in the quality of teaching, ensuring that pupils experience effective challenge and have regular opportunities to develop independent learning skills

3.21 Estyn inspectors concluded that the school is making sufficient progress, and no follow-up action is required. The local authority will continue to support Tremains Primary School in addressing its recommendations.

Llangynwyd Primary School

3.22 Llangynwyd Primary School was inspected by Estyn in November 2025, and the report was published on 15 January 2026.

3.23 Estyn identified the following spotlight:

Governing body, self-evaluation and improvement planning

Leaders works closely with the governing body to develop a strong and professional partnership. The governing body is highly effective and demonstrates a deep understanding of the school's strengths and areas for development. Through regular engagement in monitoring activities including learning walks and meetings with pupils, governors gather first hand evidence about the school's curriculum and pupils' progress and use this information to contribute to the school's self-evaluation processes. This knowledge helps governors fulfil their roles and responsibilities effectively and develop meaningful dialogue to provide support and challenge to leaders.

3.24 Estyn also noted the following as positive attributes of the school:

- At Llangynwyd Primary School, staff work effectively to create a welcoming and inclusive environment. Strong relationships across the school promote a team ethos and reflect the school's shared values of inclusion and equity. Staff share a clear vision that supports a holistic approach to meeting pupils' learning and emotional needs well.

- Leaders use assessment information effectively to identify pupils with ALN and those who require support. They use this information well to plan bespoke interventions that enable targeted pupils to make good progress towards meeting their individual targets. Staff in the school's care base classes work closely with mainstream colleagues to implement strategies that support pupils' social and communication needs and this promotes successful inclusion across the school.

- The school implements robust systems for monitoring the quality of teaching and learning. They use information well to identify the school's strengths and areas for improvement.

3.25 Llangynwyd Primary School's Estyn inspection report included the following recommendations:

Recommendation number	Recommendation
Recommendation 1	Address the inconsistencies in teaching to ensure that all pupils are challenged appropriately to become effective independent learners
Recommendation 2	Improve pupils' Welsh language skills
Recommendation 3	Address the persistent absenteeism affecting pupils' attendance

3.26 Estyn inspectors concluded that the school is making sufficient progress, and no follow-up action is required. The local authority will continue to support Llangynwyd Primary School in addressing its recommendations.

Tynyrheol Primary School

3.27 Tynyrheol Primary School was inspected by Estyn in November 2025, and the report was published on 22 January 2026.

3.28 Estyn noted the following as positive attributes of the school:

- Relationships between all staff and pupils across the school are positive and nurturing. Nearly all pupils behave well in class, around the school and at playtimes. Nearly all are polite, welcoming and respectful to each other and adults in the school. They are confident that any problems they bring to the attention of adults will be dealt with effectively and sensitively.

- Across the school, staff are good language role models and place a high priority on enhancing pupils' listening and speaking skills. This has a positive impact, and many pupils make appropriate progress in developing their communication skills as they move through the school. By Year 6, most pupils speak confidently, using extended sentences and a wide range of vocabulary.

- Since September 2025, the school has benefited from a clearer leadership structure with defined roles, responsibilities and expectations. Leaders are beginning to work supportively to establish a team ethos at the school. The interim executive headteacher and interim head of school set high expectations for themselves and their colleagues.

3.29 Tynyrheol Primary School's Estyn inspection report included the following recommendations:

Recommendation number	Recommendation
Recommendation 1	Establish, implement and maintain an effective safeguarding culture and reduce rates of persistent absence amongst pupils
Recommendation 2	Provide stable and effective strategic leadership and governance
Recommendation 3	Improve teaching and assessment
Recommendation 4	Improve the curriculum and provision for the progressive development of pupils' skills

3.30 In accordance with the Education Act 2005, HMCI was of the opinion that special measures are required in relation to Tynyrheol Primary School.

3.31 The local authority supported the school in drawing up an action plan to show how it is going to address the recommendations, containing a range of support including school to school support, local authority officers and Central South Consortium professional learning advisers. The plan has been approved by Estyn, and they will monitor the school's progress every four to six months.

3.32 Local authority-led reviews, involving school leaders and a governor representative, indicate that the school has made appropriate progress against recommendations since the inspection. Notable improvements include strengthened safeguarding arrangements and the establishment of stable and effective strategic leadership and governance.

Ysgol Bryn Castell

3.33 Ysgol Bryn Castell was inspected by Estyn in January 2026, and the report was published on 30 March 2026.

3.34 Estyn identified the following spotlight:

Developing a committed staff team

Leaders have worked effectively with the staff team to develop leadership capacity across the school whilst also ensuring an improvement in staff well-being. Leaders have used a range of purposeful professional learning as well as targeted coaching and mentoring sessions to strengthen leadership capacity.

As a result, they have developed a team of enthusiastic middle leaders who support with evaluating and improving practice at the school. Further, leaders have planned activities and provision to ensure the well-being of the staff team. They have developed both internal and external mechanisms to support staff wellbeing, with access to services such as physiotherapy, counselling and healthcare.

Other beneficial activities include visits from well-being providers such as reflexology. As a result, most staff feel well supported by leaders and feel that they take their wellbeing and workload into account.

3.35 Estyn also noted the following as positive attributes of the school:

- Ysgol Bryn Castell is an inclusive, caring school where pupils are valued. The work of the school is underpinned by strong, trusting relationships founded on compassion, acceptance and respect. The swift establishment of these secure relationships is a strength. As nearly all pupils join the school having previously experienced considerable challenges in education, these relationships form a vital foundation for improving pupils' well-being, confidence, engagement and social skills.

- Teaching is purposefully planned and informed by effective assessment and tracking systems. The school's assessment processes are a strength. Leaders continually review these processes to ensure that they remain beneficial and relevant. As a result, assessment approaches are becoming embedded and provide accurate and detailed information on pupils' progress across all areas of learning and well-being.

- Curriculum planning is a strength of the school. Staff at all levels have contributed meaningfully to the school's curriculum development, while also incorporating pupil voice. This ensures statutory entitlement while maintaining flexibility to meet pupils' diverse needs and starting points.

3.36 Ysgol Bryn Castell's Estyn inspection report included the following recommendations:

Recommendation number	Recommendation
Recommendation 1	Improve attendance
Recommendation 2	Strengthen teaching, building on best practice, to provide a consistent level of challenge for all pupils

Recommendation 3	Continue to work with the local authority to ensure that the school’s learning environments are suitably adapted to meet the growing number of pupils and the increasingly complex range of need

3.37 Estyn inspectors concluded that the school is making sufficient progress, and no follow-up action is required. The local authority will continue to support Ysgol Bryn Castell in addressing its recommendations.

Ysgol Cynwyd Sant

3.38 Ysgol Cynwyd Sant was inspected by Estyn in February 2026, and the report was published on 15 April 2026.

3.39 Estyn identified the following spotlights:

Developing natural and mature Welsh speakers

The provision for developing pupils as natural Welsh speakers is a strength. The leadership of the school’s leaders promotes a deep love for the Welsh language and Welshness, which fosters pupils' strong pride in the language. Oracy is a clear priority across the school and the daily opportunities to develop correct language patterns and syntax foster fluent, polished Welsh speakers from an early age. The progress is clear and there is robust progression in pupils' language skills, with most showing linguistic maturity and richness by the time they reach the top of the school.

Supporting the wellbeing of pupils and their families

Leaders value the school’s families as key partners by recognising the effect of a supportive home on pupils' wellbeing and learning. They make extremely effective use of the family engagement officer who offers a purposeful menu of weekly workshops to support parents. Through sessions on how to establish sleep patterns, for example, there is a positive effect on pupils' punctuality and attendance levels. In addition, a purposeful plan that supports close family members who are not at home for a certain period of time is very effective. As a result, parents and carers feel that someone listens to them, without prejudice, and the support ensures that pupils are more stable, happy and ready to learn.

3.40 Estyn also noted the following as positive attributes of the school:

- The warm and welcoming atmosphere at Ysgol Cynwyd Sant is the basis for a happy and inclusive learning community. The headteacher is an excellent role model who engenders the respect of almost every member of the school community. She has high expectations of herself, staff and pupils. She works diligently with staff, governors and the wider community to set a robust strategic direction and provide consistent education, care and support to pupils.

- The provision for supporting pupils' wellbeing is a strength. All staff develop positive relationships with the pupils. As a result, the behaviour and attitudes of almost all pupils in lessons and around the school are excellent. In addition, pupils’ pride towards their school is very evident, with a strong sense of belonging to one family. They show respect, courtesy and kindness towards each other, adults and visitors.

- The school has robust arrangements to support pupils from low-income households and those with ALN, including pupils in the moderate needs class. Staff monitor and track pupils' progress thoroughly from their starting points and provide a comprehensive timetable of purposeful support programmes that respond to pupils' requirements beneficially.

3.41 Ysgol Cynwyd Sant’s Estyn inspection report included the following recommendation:

Recommendation number	Recommendation
Recommendation 1	Strengthen the opportunities for pupils to develop as independent learners

3.42 Estyn inspectors concluded that the school is making sufficient progress, and no follow-up action is required. The local authority will continue to support Ysgol Cynwyd Sant in addressing its recommendation.

Penybont Primary School

3.43 Penybont Primary School was inspected by Estyn in February 2026, and the report was published on 15 April 2026.

3.44 Estyn noted the following as positive attributes of the school:

- Leaders establish a strong, inclusive ethos that places pupils and their families at the heart of the school’s work. Staff work collaboratively with parents and carers to build trusting relationships that strengthen the sense of community. This culture is evident in the day-to day life of the school, where pupils feel safe and respected.

- The school values the voice of learners. Pupils have meaningful opportunities to share their ideas about learning and reflect on what they already know and what they want to find out. Teachers use this information to plan activities that respond appropriately to pupils’ interests. The ‘Penybont Pioneers’, a pupil leadership group, give older pupils a strong platform to influence school life. This enables learners, including those with ALN, to make authentic choices, and take on responsibility effectively.

- The school’s provision for pupils with ALN is a notable strength. Staff identify needs early, monitor progress carefully and work closely with parents and external professionals to strengthen support. This helps most pupils with ALN to make good progress towards their individual targets.

3.45 Penybont Primary School’s Estyn inspection report included the following recommendations:

Recommendation number	Recommendation
Recommendation 1	Sharpen self-evaluation and improvement processes to focus more precisely on the quality of teaching and its impact on pupils' progress
Recommendation 2	Strengthen teaching and learning experiences to ensure all pupils make the progress they should
Recommendation 3	Reduce persistent absence
Recommendation 4	Improve pupils' Welsh oracy skills

3.46 Estyn inspectors concluded that the school is making sufficient progress, and no follow-up action is required. The local authority will continue to support Penybont Primary School in addressing its recommendations.

Cynffig Comprehensive School

3.47 Cynffig Comprehensive School was inspected by Estyn in March 2026, and the report was published on 21 May 2026.

3.48 Estyn identified the following spotlight:

Alleviating the impact of poverty through reading

All pupils, including pupils eligible for free school meals and those from low-income households, benefit greatly from the school's strong, whole-school emphasis on reading. This approach is embedded through activities such as shared class novels during registration, engaging World Book Day events, and accessible book swap opportunities. This consistent focus, alongside the use of well-planned reading strategies across lessons, supports pupils' engagement and helps to strengthen their literacy skills and broaden their vocabulary and wider knowledge.

3.49 Estyn also noted the following as positive attributes of the school:

- The strong, respectful relationships between staff and pupils are a notable feature of Cynffig Comprehensive School. This contributes well to its welcoming, inclusive ethos that is underpinned by the 'Cynffig Culture'.

- Pastoral transition is a strength of the school. Learning Leaders and pastoral staff visit pupils in their primary schools to build relationships and support a smooth transition so that pupils and parents feel supported. Additional visits, including to the school production and enhanced transition days, provide further opportunities for pupils to experience school life.

- Leaders demonstrate a strong commitment to supporting pupils with additional learning needs (ALN). Individual Development Plans (IDPs) and one-page profiles take suitable account of the views of pupils and their parents. The ALN team works well with mainstream staff to provide appropriate professional learning to enable them support pupils' progress across the curriculum.

3.50 Cynffig Comprehensive School's Estyn inspection report included the following recommendations:

Recommendation number	Recommendation
Recommendation 1	Refine self-evaluation and improvement planning processes so that leaders focus precisely on the impact of teaching and provision on pupil progress
Recommendation 2	Strengthen the quality of teaching so that pupils are consistently challenged to make stronger progress in a minority of lessons
Recommendation 3	Improve the quality and coordination of the provision to develop pupils' numeracy skills

3.51 Estyn inspectors concluded that the school is making sufficient progress, and no follow-up action is required. The local authority will continue to support Cynffig Comprehensive School in addressing its recommendations.

3.52 From the summer term 2025 to the end of spring term 2026, there were 11 primary schools and 3 secondary schools in Bridgend who received an Estyn interim visit. A summary of the visit is provided through a letter to each school, which are available to view on the Estyn website: [www.estyn.gov.uk.](www.estyn.gov.uk)

Cwmfelin Primary School

3.53 On Wednesday 11 June 2025, a team of Estyn inspectors visited Cwmfelin Primary School to consider how the school has progressed in addressing two recommendations from its previous core inspection.

3.54 Below is a summary of the findings of the progress in relation to the two recommendations:

- **Writing has improved significantly**

  Clear planning, structured progression, and professional learning have strengthened teaching, leading to more confident pupils (especially older ones) who write effectively, enjoy writing, and see meaningful opportunities to apply these skills across the curriculum.

- **Welsh language development is positive**

  The school promotes Welsh positively through bilingual environments and well-led daily sessions, with most pupils showing enthusiasm, using a growing range of vocabulary, and making steady progress in their speaking skills.

- Overall, Estyn noted that the school has made progress against both recommendations since the last inspection and has a clear understanding of the next steps for development.

Garth Primary School

3.55 On Thursday 12 June 2026, a team of Estyn inspectors visited Garth Primary School to consider how the school has progressed in addressing two recommendations from its previous core inspection.

3.56 Below is a summary of the findings of the progress in relation to the two recommendations:

- **Self-evaluation processes are strong and increasingly impactful**

  Leaders draw on a wide range of evidence to reflect on the school's work and are beginning to focus more sharply on improving learning, with particularly effective work in developing pupils' oracy skills and confidence. The school will continue to develop this area of provision.

- **Writing provision is improving, with early impact**

  Professional learning is strengthening teaching and supporting progress, particularly in pupils' understanding of writing and early skills. Leaders are aware there is further development required to important aspects of writing and are beginning to consider ways to make the necessary improvements.

- Overall, Estyn noted that the school has made progress against both recommendations since the last inspection and has a clear understanding of the next steps for development.

Nantymoel Primary School

3.57 On Wednesday 17 September 2025, a team of inspectors visited Nantymoel Primary School to consider how the school has progressed in addressing two of the recommendations from its previous core inspection.

3.58 Below is a summary of the findings of the progress in relation to the two recommendations:

- **Leadership is strengthening with clearer roles and growing impact**

  The headteacher has successfully developed leadership capacity, including middle leaders, improved accountability, and effective use of evidence to evaluate provision, with professional learning beginning to influence classroom practice positively.

- **Curriculum development is progressing with increasing opportunities for meaningful learning**

  Leaders are shaping a more engaging, well-matched curriculum, with effective independent learning opportunities, particularly for younger pupils, though opportunities for older pupils to apply skills across the curriculum are still developing.

- Overall, Estyn noted that the school has made progress against both recommendations since the last inspection and has a clear understanding of the next steps for development.

St Mary's and St Patrick's Catholic Primary School

3.59 On Wednesday 17 September 2025, a team of inspectors visited St Mary's and St Patrick's Catholic Primary School to consider how the school has progressed in addressing two of the recommendations from its previous core inspection.

3.60 Below is a summary of the findings of the progress in relation to the two recommendations:

- **Leadership and monitoring are strengthening teaching consistency**

  Clearer systems, shared responsibilities, and improved performance management are giving leaders and staff a better understanding of teaching quality, leading to more consistent practice and positive impacts on pupil progress.

- **Feedback is becoming more effective in supporting learning**

  A revised whole-school approach, supported by professional learning, is helping teachers provide clearer guidance on next steps, with many pupils responding well and increasingly taking responsibility for improving their work.

- Overall, Estyn noted that the school has made progress against both recommendations since the last inspection and has a clear understanding of the next steps for development.

Brynmenyn Primary School

3.61 On Wednesday 15 October 2025, a team of inspectors visited Brynmenyn Primary School to consider how the school has progressed in addressing two of the recommendations from its previous core inspection.

3.62 Below is a summary of the findings of the progress in relation to the two recommendations:

- **Stronger monitoring and improvement systems are in place**

  Leaders and staff have developed effective, well-understood processes to evaluate teaching and learning, leading to improvements (for example, in pace and questioning). Governors are also beginning to develop their understanding of how they can further support self-evaluation processes.

- **Good progress in developing pupil independence**

  Teaching provides meaningful opportunities for pupils to take responsibility for their learning, with improved environments and effective questioning supporting independence. Feedback practices are developing positively overall, with growing consistency in supporting pupils to respond and improve their work, while further enhancement of the outdoor learning provision remains a priority.

- Overall, leaders and staff have a good understanding of the school's current strengths and areas for improvement and have effective plans in place to continue to move the school forward.

Corneli Primary School

3.63 On Thursday 16 October 2025, a team of inspectors visited Corneli Primary School to consider how the school has progressed in addressing two of the recommendations from its previous core inspection.

3.64 Below is a summary of the findings of the progress in relation to the two recommendations:

- **Leadership and monitoring have strengthened teaching quality**

  Improved monitoring systems, clearer roles, and effective performance management are giving leaders and staff a shared, accurate understanding of teaching, leading to greater consistency and positive impacts on pupil progress.

- **A strong focus on independence is enhancing pupils' learning**

  Effective professional learning, well-matched tasks, and supportive classroom environments are helping pupils develop confidence and independence, with a positive whole-school culture reinforcing these skills.

- Overall, Estyn noted that the school has made progress against both recommendations since the last inspection and has a clear understanding of the next steps for development.

. **Maesteg School**

3.65 On Wednesday 22 and Thursday 23 October 2025, a team of inspectors visited Maesteg School to consider how the school has progressed in addressing two of the recommendations from its previous core inspection.

3.66 Below is a summary of the findings of the progress in relation to the two recommendations:

- **Self-evaluation is well established and increasingly effective**

  Leaders use a wide range of evidence and collaborative processes to evaluate teaching and identify priorities, with growing consistency and strong professional dialogue supporting improvement.

- **Teaching and feedback are improving, with a stronger shared approach**

  Whole-school frameworks and professional learning are supporting more effective teaching and useful feedback, helping pupils make progress, although consistency in practice and maximising impact across all areas continue to develop.

- Overall, leaders and staff have a good understanding of the school's current strengths and areas for improvement and have effective plans in place to continue to move the school forward.

Cefn Glas Infant School

3.67 On Wednesday 14 January 2026, a team of inspectors visited Cefn Glas Infant School to consider how the school has progressed in addressing two of the recommendations from its previous core inspection.

3.68 Below is a summary of the findings of the progress in relation to the two recommendations:

- **Strong progress in developing pupil independence**

  Staff have improved routines, environments, and opportunities that enable most pupils to take responsibility, choose resources confidently, and build resilience. The next step is to extend child-led learning so pupils can explore ideas more freely and deepen skills.

- **Effective improvements in digital learning provision**

  Leaders have strengthened planning, progression, and staff expertise, resulting in engaging and purposeful digital activities; most pupils, particularly by Year 2, now use technology confidently and make good progress.

- Overall, Estyn noted that the school has made progress against both recommendations since the last inspection and has a clear understanding of the next steps for development.

Afon y Felin Primary School

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3.69 On Thursday 15 January 2026, a team of inspectors visited Afon y Felin Primary School to consider how the school has progressed in addressing two of the recommendations from its previous core inspection.

3.70 Below is a summary of the findings of the progress in relation to the two recommendations:

- **Self-evaluation processes are becoming more robust and impactful**

  Leaders and staff have strengthened monitoring arrangements, leading to a clearer understanding of strengths and priorities and improved consistency in teaching. Further refinement of assessment and feedback approaches will provide a valuable opportunity to build on this positive progress.

- **Assessment and feedback practices are developing positively**

  Professional learning has improved teachers' skills and the use of strategies such as verbal and 'live' feedback is supporting pupils' progress. Practice is continuing to become more consistent, particularly in written feedback and in helping pupils respond effectively.

- Overall, Estyn noted that the school has made progress against both recommendations since the last inspection and has a clear understanding of the next steps for development.

Porthcawl Primary School

3.71 On Wednesday 28 January 2026, a team of inspectors visited Porthcawl Primary School to consider how the school has progressed in addressing two of the recommendations from its previous core inspection.

3.72 Below is a summary of the findings of the progress in relation to the two recommendations:

- **Consistent challenge and independence are strengthening across the school**

  Teachers use assessment effectively to match tasks to pupils' next steps, provide clear guidance, and encourage pupils (particularly older learners) to take ownership, reflect on progress, and set targets, resulting in most pupils being appropriately challenged.

- **Clear learning intentions and purposeful early years provision**

  Staff now communicate learning intentions effectively in younger classes, using questioning and well-planned environments to support engagement, independence, and skill development, with ongoing improvements to assessment and provision further enhancing outcomes.

- Overall, Estyn noted that the school has made progress against both recommendations since the last inspection and has a clear understanding of the next steps for development.

Brackla Primary School

3.73 On Thursday 29 January 2026, a team of inspectors visited Brackla Primary School to consider how the school has progressed in addressing recommendation from its previous core inspection and one focus area from the school's current improvement plan.

3.74 Below is a summary of the findings of the progress in relation to the recommendation and focus area:

- **Highly effective feedback systems support strong pupil progress**

  A consistent, whole-school approach to feedback, including clear success criteria, purposeful dialogue, and reflective practices, enables most pupils to understand how to improve their work and make strong progress.

- **Strong and improving writing provision across the school**

A clear vision, collaborative practice, and engaging learning environments promote high-quality writing, with most pupils making strong progress and demonstrating increasing confidence, while further opportunities are being developed to apply skills independently across the curriculum.

- Overall, Estyn noted that the school has made progress against the recommendation and focus area and has a clear understanding of the next steps for development.

Ysgol Gyfun Gymraeg Llangynwyd

3.75 On Thursday 29 and Friday 30 January 2026, a team of inspectors visited Ysgol Gyfun Gymraeg Llangynwyd to consider how the school has progressed in its improvement work since the previous core inspection.

3.76 Below is a summary of the findings of the progress in relation to the improvement work:

- **Strong and embedded self-evaluation processes support improvement**

  Leaders use a wide range of evidence effectively, with strong involvement of middle leaders, fostering a collaborative culture and clear links between evaluation, accountability and improvement planning, while continuing to refine the focus on impact.

- **Well-planned reading provision is improving pupils' skills and engagement**

  The school has a clear focus on developing reading, with effective strategies, targeted support and increasing pupil confidence and resilience, while continuing to refine consistency and build on strong transition links with partner primaries.

- Overall, Estyn noted that the school has made progress with their improvement work and has a clear understanding of the next steps for development.

Archbishop McGrath Catholic High School

3.77 On Wednesday 4 and Thursday 5 March 2026, a team of inspectors visited Archbishop McGrath Catholic High School to consider how the school has progressed in the improvement work that has been undertaken since the previous core inspection.

3.78 Below is a summary of the findings of the progress in relation to the two recommendations:

- **Self-evaluation processes are strengthening and becoming more collaborative**

  Leaders have developed a supportive culture of reflection, with middle leaders gaining confidence through activities like learning walks and “Standards

Weeks," leading to improved teaching practices, while there is growing consistency, leaders are continuing to refine how sharply evaluation focuses on pupil outcomes and how effectively it informs improvement planning.

- **Provision for numeracy is well planned and purposeful**

  The school integrates numeracy effectively across subjects with meaningful, progressive opportunities and targeted support for weaker pupils, and there is increasing focus on developing consistent use of formative assessment to further strengthen how well teachers check pupils' understanding during lessons.

- Overall, leaders and staff have a good understanding of the school's current strengths and areas for improvement and have effective plans in place to continue to move the school forward.

St Mary's Catholic Primary School

3.79 On Thursday 19 March 2026, a team of inspectors visited St Mary's Catholic Primary School to consider how the school has progressed in addressing two of the recommendations from its previous core inspection.

3.80 Below is a summary of the findings of the progress in relation to the two recommendations:

- **Strong progress in Welsh language provision**

  Pupils show positive attitudes and generally make suitable progress in Welsh, supported by improved teacher confidence, high visibility of Welsh across the school, and engaging lessons, with ongoing work to ensure activities build progressively to further sustain and deepen pupils' engagement.

- **Improvement in self-evaluation**

  Leaders have introduced a clear framework and use a wide range of evidence to evaluate teaching, which is beginning to strengthen practice, with continued development focused on enhancing the impact of feedback and further sharpening improvement planning.

- Overall, Estyn noted that the school has made progress against both recommendations since the last inspection and has a clear understanding of the next steps for development.

3.81 Estyn conducted follow-up visits to Blaengarw Primary School and Bryncethin Primary School to assess whether they would be removed from the list of schools requiring Estyn review and special measures.

Blaengarw Primary School

3.82 Blaengarw Primary School was inspected by Estyn in January 2024, and the report was published on 3 April 2024. At that time, Estyn inspectors concluded the school was not making sufficient progress and would be subject to a follow-up review.

3.83 The Blaengarw Primary School report included the following recommendations:

Recommendation number	Recommendation
Recommendation 1	Use evaluation processes more effectively to inform school improvement work
Recommendation 2	Improve teaching to ensure that pupils receive the right level of challenge and develop positive attitudes to their learning
Recommendation 3	Improve provision to develop pupils' writing, Welsh language and digital skills and ensure that they have opportunities to use the full range of skills in their work across the curriculum

3.84 The local authority supported the school in drawing up an action plan to show how the recommendations would be addressed and held regular progress review meetings over the course of the year.

3.85 On 17 July 2025, Estyn judged that Blaengarw Primary School had made sufficient progress in addressing the recommendations from the section 28 inspection.

3.86 The school has been removed from the list of schools requiring Estyn review and there will be no further monitoring activity in relation to this inspection.

Bryncethin Primary School

3.87 Bryncethin Primary School was inspected by Estyn in November 2024, and the report was published on 9 January 2025. At that time, Estyn inspectors concluded the school was not making sufficient progress and in accordance with the Education Act 2005, HMCI was of the opinion that 'special measures' was required in relation to this school.

3.88 The Bryncethin Primary School report included the following recommendations:

Recommendation number	Recommendation
Recommendation 1	Improve leadership at all levels
Recommendation 2	Ensure that monitoring and evaluation processes identify precisely the strengths and areas for development of the school's work most in need of improvement and contribute effectively to school improvement planning
Recommendation 3	Improve the quality of teaching to ensure that pupils make good progress with their literacy, numeracy, digital and independent learning
Recommendation 4	Improve rates of attendance

3.89 The school were supported in drawing up an action plan to show how the recommendations would be addressed and held regular progress review meetings with officers.

3.90 In May 2026, Estyn conducted a follow-up review of the school's progress and judged that Bryncethin Primary School had made sufficient progress in relation to the recommendations following the most recent core inspection.

3.91 Estyn noted the following findings when reviewing the recommendations:

- Leaders have developed an effective distributed leadership structure across the school. They have worked with staff to review and clearly define their roles and responsibilities. As a result, all staff now understand their role in leading learning and share responsibility for supporting pupils to make progress. Leaders have benefited from a range of purposeful professional learning activities. These have supported them to develop their leadership skills. They work successfully with other schools and outside agencies to gain an understanding of effective practice in teaching and learning. They apply what they learn well in their own school.

- Leaders have developed a clear and focused cycle for monitoring the work of the school. This includes a wide range of activities related to their specific responsibilities. They communicate high expectations for teaching and learning clearly to staff, and these underpin all monitoring activities. Leaders are developing effective monitoring and evaluation skills to ensure their findings are precise, informative and support improvements in teaching and learning. This work undergoes robust quality assurance by the headteacher, who has created a positive culture of respectful critical analysis. Leaders now share their evaluations with the governing body who are becoming increasingly confident when holding the school to account.

- Across the school, the quality of teaching continues to improve. This is having a positive impact on pupils' progress in literacy, numeracy, digital skills and independent learning. Leaders continue to provide beneficial professional learning opportunities for staff to support improvements in teaching and learning. Recently, they have focused on developing the structure of lessons and the use of success criteria. This is helping teachers to plan lessons effectively. In lessons, nearly all teachers identify clear learning intentions and revisit them regularly with pupils. Teachers have an improved understanding of what pupils need to be able to do for learning to be successful. This is having a positive impact on pupil progress.

- Overall, rates of attendance across the school are improving. Leaders and staff analyse data rigorously to identify pupils and families at risk of low attendance. Leaders monitor the attendance of vulnerable groups carefully and take appropriate action to reduce barriers to regular attendance. They are aware the school is at an early stage in embedding these improvement strategies and understand the need for continuous monitoring of this important work.

3.92 As a result, His Majesty's Chief Inspector of Education and Training in Wales removed the school from the list of schools requiring special measures.

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

Long-term	Supports the improvement of standards and outcomes in schools.
Prevention	Development of post-inspection action plans or refinement of school improvement plans helped to ensure that recommendations identified are addressed and acted upon to secure school improvement, preventing standards from slipping. The local authority and Central South Consortium will continue to monitor the school's progress.
Integration	Monitoring and acting upon school inspection reports is key to ensuring that outcomes for schools are achieved thus helping to support a successful economy**.**
Collaboration	The local authority works closely with schools, Estyn and with Central South Consortium to deliver the well-being objectives related to school improvement. The local authority receives the school inspection reports from Estyn, and this informs the work conducted by Central South Consortium to deliver the support for school improvement services.
Involvement	This area of work involves all stakeholders in school improvement. Schools work closely with Improvement Partners from Central South Consortium to refine their improvement plans or post-inspection action plans and to identify strategic support from the local authority, Central South Consortium and elsewhere (as required) reflecting the diversity of stakeholders involved in aspects of school improvement.

6. Climate Change and Nature Implications

6.1 There are no climate change and nature implications arising directly from this information report.

7. Safeguarding and Corporate Parent Implications

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

8. Financial Implications

8.1 There are no financial implications arising directly from this information report.

9. Recommendation

9.1 It is recommended that Cabinet notes the content of this report.

Background documents

None.

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Meeting of:	**CABINET**
Date of Meeting:	**21 JULY 2026**
Report Title:	**FEDERATION OF TYNYRHEOL PRIMARY SCHOOL AND THE GARW VALLEY FEDERATION**
Report Owner: Responsible Chief Officer / Cabinet Member	**CABINET MEMBER EDUCATION AND YOUTH SERVICES** **CORPORATE DIRECTOR EDUCATION, EARLY YEARS AND YOUNG PEOPLE**
Responsible Officer:	**GAYLE SHENTON HEAD OF LEARNING** **DARREN JONES GROUP MANAGER SCHOOL IMPROVEMENT**
Policy Framework and Procedure Rules:	**There is no impact on the Council's Policy Framework and Procedure Rules.**
Executive Summary:	**The Garw Valley Federation has developed since 2019 to strengthen leadership, improve outcomes and ensure sustainability across primary schools in the Garw Valley. The Garw Valley Federation currently consists of Betws Primary School, Blaengarw Primary School and Ffaldau Primary School.** **After a period of shared leadership with Llangynwyd Primary School that came to an end in August 2025, Tynyrheol Primary School sought further support, particularly after being placed in special measures by Estyn in November 2025. In response, it pursued formal federation with the Garw Valley Federation.** **A full consultation in early 2026 received no objections, and the Garw Valley Federation and Tynyrheol Primary School governing bodies approved the proposal. From 1 September 2026, a single governing body will oversee the expanded federation.** **This model strengthens leadership, improves consistency in teaching and learning, enhances access to specialist**

	support and delivers financial efficiencies, supporting sustained improvement and better outcomes for all pupils.

1. Purpose of Report

1.1 The purpose of the report is to support the governing bodies of the Garw Valley Federation and Tynyrheol Primary School in progressing a joint proposal to establish a formal federation, to be known as the Garw Valley Federation, with effect from 1 September 2026.

2. Background

2.1 Betws Primary School and Blaengarw Primary School federated in 2019 under a single governing body and executive headteacher, strengthening leadership capacity across both schools.

2.2 In September 2021, Ffaldau Primary School entered into a collaborative arrangement with the federation.

2.3 Following a successful consultation process, the Garw Valley Federation, comprising Betws, Ffaldau and Blaengarw Primary Schools, was formally established in September 2024, further securing a sustainable, shared leadership model.

2.4 From November 2022 until August 2025, Tynyrheol Primary School and Llangynwyd Primary School operated within a shared leadership model after the headteacher of Tynyrheol Primary School left the school in October 2022.

2.5 During this period of collaboration, the headteacher of Llangynwyd Primary School undertook executive headteacher responsibilities across both settings, while deputy headteachers assumed interim head of school roles. This approach secured financial efficiencies and provided a more sustainable leadership structure during the period of collaboration.

2.6 In May 2025, the governing body of Llangynwyd Primary School formally notified the governing body of Tynyrheol Primary School of its intention to conclude the joint working arrangement at the end of the academic year (August 2025).

2.7 Supported by the local authority, the governing body of Tynyrheol Primary School approached the Garw Valley Federation to explore a collaborative, shared leadership arrangement. This proposal was approved by both governing bodies, and the collaboration commenced in September 2026.

2.8 Under this model, the executive headteacher of the Garw Valley Federation assumed the role of interim executive headteacher across both the federation and Tynyrheol Primary School, with head of school responsibilities being fulfilled by a senior leader from the Garw Valley Federation.

3. Current situation/ proposal

3.1 In November 2025, Tynyrheol Primary School was inspected by Estyn and was placed in special measures. A key recommendation was to strengthen strategic leadership and governance by ensuring it is stable and effective.

3.2 In response, the governing body of Tynyrheol Primary School sought to formalise joint working arrangements by requesting to join the Garw Valley Federation at the earliest opportunity.

3.3 The aim of the Federation is to enable schools to work collaboratively to develop and embed effective shared practice that improves outcomes and broadens opportunities for pupils and staff, while establishing common goals and reflective approaches to teaching and learning to ensure equitable access to high-quality education across all communities. This strategic approach is intended to secure sustained improvement in standards and outcomes for all learners.

3.4 Tynyrheol Primary School has already benefitted from the increased leadership capacity within the federation, which has supported improvements in the provision for additional learning needs, curriculum design and the quality of teaching and learning at the school.

3.5 The consultation followed the statutory process under the Federation of Maintained Schools (Wales) Regulations 2014, including the publication of a consultation document on Monday 9 February 2026; notification to parents/carers, staff, trade unions, neighbouring schools and other stakeholders; a minimum six-week consultation period; and the holding of staff consultation meetings, parent/carer information meetings and pupil meetings. The local authority was also consulted during the development of this proposal.

3.6 In addition to these formal arrangements, a range of further engagement activities was undertaken, including the distribution of the consultation document via email, the provision of paper copies upon request, social media updates and drop-in sessions.

3.7 There were no responses received during the consultation period.

3.8 Following consideration of all consultation feedback, the governing bodies of the Garw Valley Federation and Tynyrheol Primary School met separately on Tuesday 28 April 2026. At these meetings, both governing bodies resolved to proceed with the proposal to formally federate, with the Garw Valley Federation agreeing to federate with Tynyrheol Primary School and Tynyrheol Primary School agreeing to join the Garw Valley Federation. Consequently, both governing bodies have agreed to establish a single governing body for the federation from 1 September 2026.

3.9 Enhanced collaboration between schools supports greater consistency in teaching, planning and assessment practices. Staff share expertise, co-develop curriculum resources and promote a coherent learning journey across all key stages. This continuity benefits pupils who move between settings or require sustained support, as interventions are better aligned and pupil progress can be monitored more effectively.

3.10 The new combined governing body will operate under an Instrument of Government, attached at **Appendix 1**. This document sets out the size of the governing body and the allocation of the different categories of governors.

3.11 The federation model enables the schools to share access to specialist teachers, additional learning needs coordinators (ALNCos) and pastoral staff, which may not be financially viable for individual schools. This shared provision strengthens the breadth of the curriculum and supports the early identification of pupils' needs. Access to specialist expertise also enhances professional learning for staff, contributing to improvements in the quality of teaching across the federation.

3.12 The combined leadership structure supports strategic alignment across schools, reducing duplication and enabling leaders to focus on long-term improvement. A shared vision promotes consistency in policies, behaviour expectations, safeguarding practices and quality assurance processes. This results in stronger oversight of teaching standards, improved staff accountability and a more coherent approach to school improvement planning.

3.13 The schools can reduce operational costs by sharing administrative functions, site management, digital infrastructure, procurement processes and support services. Joint commissioning further improves value for money and enhances efficiency in service delivery. Over time, this enables the schools to release resources for reinvestment in teaching and learning.

3.14 Pooling budgets and aligning spending priorities enable schools to plan more strategically. Joint purchasing of curriculum resources, staff training and digital tools delivers economies of scale. A coordinated approach to financial management supports sustainability, reduces the risk of deficit budgets and strengthens the overall financial resilience of the schools involved.

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 because of this report.

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

5.1 The well-being goals and principles prescribed for within the Well-being of Future Generations (Wales) Act 2015 connect directly to the approach to supporting children, young people and their families. The approach is consistent with the five ways of working as defined within the sustainable development principle and more specifically as follows:

Long term	The approach to teaching and learning focuses on meeting the needs of children and young people from the age of 4 to 11 to maximise their potential.

Prevention	The focus of teaching and learning is upon identification of needs of young people and ensuring that there is appropriate learning provision in place to meet individual needs.
Integration	The approach to teaching and learning addresses the need for a coherent delivery of economic, social, environmental, and cultural outcomes.
Collaboration	A fundamental principle of the approach to teaching and learning focuses on improving collaboration within schools, between schools, with officers and school stakeholders create a unified system.
Involvement	Ensuring that children and young people, parents and carers are at the heart of the system and that needs are discussed and met in a person-centred way.

6. Climate Change and Nature Implications

6.1 There are no climate change or nature implications resulting from this report. However, we are committed to supporting the implementation of the local authority's 'Bridgend 2030 – Net Zero Carbon Strategy' and Welsh Government's carbon reduction commitments.

7. Safeguarding and Corporate Parent Implications

7.1 The directorate has a robust approach to safeguarding, and this is detailed within the directorate's strategic plan. The Education, Early Years and Young People Directorate Strategic Plan 2023-2026 is aligned with Bridgend County Borough Council's (BCBC's) Corporate Parenting Strategy.

8. Financial Implications

8.1 The federation model offers improved financial efficiency and sustainability through the sharing of resources, staffing and operational functions. By pooling budgets and aligning spending priorities, schools can achieve economies of scale in areas such as staffing, procurement, training and digital infrastructure. This reduces duplication of costs and strengthens value for money.

8.2 Shared access to specialist staff, including teachers, ALNCos and pastoral support, enables provision that would not be affordable for individual schools, supporting early identification of need and enhancing the quality of teaching and learning.

8.3 Joint commissioning and coordinated financial planning reduce the risk of deficit budgets and improve overall financial resilience. Over time, these efficiencies enable schools to reinvest resources into frontline provision, contributing to improved outcomes for learners.

9. Recommendation

9.1 It is recommended that Cabinet note the proposal progressed by the governing bodies under the statutory federation process.

Background documents

None

Appendix 1

Instrument of Government

The Garw Valley Federation

1. The name of the federation is: The Garw Valley Federation
2. The names and categories of the schools in the federation are:

Name	Category
1. Betws Primary School	Community
2. Blaengarw Primary School	Community
3. Ffaldau Primary School	Community
4. Tynyrheol Primary School	Community

3. The name of the governing body is: The Garw Valley Federation

4. The governing body shall consist of the following:

Category of governor	**Number of governors**
Parent governors Number per school	8 in total (2 per school)
Executive headteacher	1
Staff governors Teacher governors	2 2
Local authority governors	2
Community governors Additional community governors (where a primary school in a federation is situated in a community council area)	4 Community 1 Community Council

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Meeting of:	**CABINET**
Date of Meeting:	**21 JULY 2026**
Report Title:	**BUDGET MONITORING 2026-27 – QUARTER 1 REVENUE FORECAST**
Report Owner/ Responsible Chief Officer / Cabinet Member:	**CABINET MEMBER FOR FINANCE AND TRANSFORMATION** **CORPORATE DIRECTOR – FINANCE AND TRANSFORMATION**
Responsible Officer:	**EILISH THOMAS** **INTERIM GROUP MANAGER – BUDGET MANAGEMENT**
Policy Framework and Procedure Rules:	**As required by section 3 (budgetary control) of the Financial Procedure Rules; Chief Officers in consultation with the appropriate Cabinet Member are expected to manage their services within the approved cash limited budget and to provide the Chief Finance Officer with such information as is required to facilitate and monitor budgetary control.**
Executive Summary:	• **The net revenue budget for 2026-27 is £408.149 million. The overall projected position at 30th June 2026 is a net over spend of £606,000.** • **The projected over spend is primarily due to pressures within the Social Services and Wellbeing Directorate, and the Education, Early Years and Young People Directorate.** • **The budget approved for 2026-27 included budget reduction proposals totalling £2.348 million. The current position is a projected shortfall on the savings target of £536,000, or 22.83% of the overall reduction target.**

1. Purpose of Report

1.1 The purpose of this report is to provide Cabinet with an update on the Council's revenue financial position as at 30th June 2026.

2. Background

2.1 On 25th February 2026, Council approved a net revenue budget of £408.149 million for 2026-27. As part of the Performance Management Framework, budget projections are reviewed regularly and reported to Cabinet on a quarterly basis. The delivery of agreed budget reductions is also kept under review and reported to Cabinet as part of this process.

3. Current situation / proposal

3.1 Summary financial position at 30th June 2026

3.1.1 The Council's net revenue budget and projected outturn for 2026-27 is shown in Table 1 below.

Table 1- Comparison of budget against projected outturn at 30th June 2026

Directorate/Budget Area	Original Budget 2026-27 £'000	Revised Budget 2026-27 £'000	Projected Outturn Q1 2026-27 £'000	Projected Over / (Under) Spend 2026-27 £'000	Projected Over / (Under) Spend Qtr 1 2025-26 £'000
Directorate					
Education, Early Years and Young People	163,622	163,690	164,401	711	(572)
Social Services and Wellbeing	124,237	124,207	125,709	1,502	626
Communities	36,825	36,955	36,705	(250)	(185)
Chief Executive's	28,724	29,080	28,733	(347)	858
Total Directorate Budgets	**353,408**	**353,932**	**355,548**	**1,616**	**727**
Council Wide Budgets					
Capital Financing	5,907	5,861	4,849	(1,012)	(87)
Levies	10,483	10,483	10,483	0	0
Apprenticeship Levy	869	869	869	0	92
Council Tax Reduction Scheme	17,804	17,804	17,955	151	221
Insurance Premiums	1,363	1,363	1,241	(122)	0
Repairs & Maintenance	670	670	670	0	0
Pension Related Costs	430	430	456	26	0
Other Council Wide Budgets	17,215	16,737	16,684	(53)	(55)
Total Council Wide Budgets	**54,741**	**54,217**	**53,207**	**(1,010)**	**171**
Total	**408,149**	**408,149**	**408,755**	**606**	**898**

3.1.2 The overall projected position at 30th June 2026 is a net over spend of £606,000 comprising £1.616 million net over spend on directorates and a net under spend of £1.010 million on Council wide budgets. A detailed analysis of the more significant projected under and over spends is set out in section 3.3.

3.1.3 The main financial pressures are currently in the Education, Early Years and Young People (EEYYP) Directorate and the Social Services and Wellbeing (SSWB) Directorate.

3.1.4 Council approved budget pressures of £6.608 million for the SSWB Directorate in February 2026 as part of the Medium Term Financial Strategy.

3.1.5 As noted in the revenue outturn report, reported to Cabinet in June 2026, there continues to be pressures in Older People and Physical Disability/Sensory Impairment services driven by the complexity of need and demand across these services. The Social Services Improvement Board is overseeing a number of actions to address the pressures in the adult services budget, including accelerating the work to transform Learning Disabilities.

3.1.6 The projected net over spend for the EEYYP Directorate is mainly due to continuing significant demand for Additional Learning Needs support at schools. The demand is high in particular for pupils requiring neurodevelopmental, behavioural, communication and complex medical support.

3.1.7 It is too early in the financial year to provide a realistic indication of projected council tax income for this financial year, and whether the Council is likely to see a reduction in council tax income over the 2026-27 financial year as more people have suffered financial hardship due to the cost of living crisis, or whether additional income will be collected from council tax premiums on empty properties and second homes. A 1% reduction in the council tax income collection rate could result in an additional pressure to the Council of around £1 million. Council tax collection rates will be monitored continuously throughout the year and reported accordingly.

Budget virements/technical adjustments

3.1.8 There have been a number of budget virements and technical adjustments between budgets since the Medium Term Financial Strategy (MTFS) was approved by Council in February 2026. The budget position is reported on the assumption that these virements will be approved.

3.1.9 The main virements and technical adjustments are outlined below:

Budget Virements

Service vired from / to	Amount
One off transfer of funding from Corporate Contingency to the Chief Executive’s Directorate for one off costs associated with moving and storing BCBCs Modern.gov data into the cloud environment	£12,567
One off transfer of funding from Corporate Contingency to the Chief Executive’s Directorate for Emergency Planning business review and training	£20,000
One off transfer of funding from Corporate Contingency to the Chief Executive’s Directorate for the procurement of Policy in Practice’s Low-income Family Tracker (LIFT) – a data analysis tool which can be used to improve take-up of entitlement to means-tested devolved and reserved benefits.	£33,000
Transfer of part of budget pressure approved by Council in February 2026 – SSW8 – from Social Services and Wellbeing Directorate to the Chief Executive’s Directorate to support veterans in local communities	£30,000
Transfer of funding from the Capital Financing budget to the Communities Directorate to cover the cost of prudential borrowing for highways maintenance schemes.	£46,235

Technical Adjustments

Service vired from / to	Amount
Transfer of inflationary uplifts not confirmed when the Medium Term Financial Strategy was agreed that are held centrally until evidence of the uplift is provided by the service areas (detailed in paragraph 3.1.11).	£126,859
Allocation of funding retained centrally in respect of Soulbury pay award - full year effect adjustment in 2026-27.	£49,820
Allocation of funding retained centrally in respect of the financial implications of the Independent Remuneration Panel for Wales Annual Report	£100,709

Pay/Price Inflation

3.1.10 When the budget was set, very little funding was allocated to directorates for pay and price inflation, as most had not been determined for the forthcoming year. The majority of the provision has been retained centrally within Council wide budgets, to be allocated as further information is known about specific contractual price increases. Amounts released during quarter 1 are shown in 3.1.9 and mainly relate to uplifts to ICT software budgets in line with the Consumer Price Index (CPI) increase.

3.1.11 There are ongoing discussions regarding pay claims for Teachers' pay from September 2026 onwards and National Joint Council (NJC) workers for 2026-27. The total salary bill for the Council is around £230 million so every 1% average increase in pay costs the Council an additional £2.3 million.

3.1.12 Inflation rates have decreased slightly from 3.0% when the budget was set to 2.8% in May 2026. However, the end of February saw the start of the war between US/Israel and Iran. The conflict caused oil and other commodity prices to rise sharply and there is uncertainty over its impact on inflation going forward. Inflation is expected to rise, but how quickly and by how much depends on how long commodity prices remain elevated. There is a risk that there may not be sufficient funding available within these budgets for any unexpected major pay/price inflation increases. With this uncertainty the budget will need to be monitored closely during the remainder of the year.

Budget Reduction Proposals

3.1.13 The net budget for the financial year has been set assuming full implementation of the current year budget reduction requirements across the Council's budget, which amount to £2.348 million. Where proposals to meet this requirement have been delayed or are not achievable directorates have been tasked with identifying alternative proposals to meet their requirements such as holding additional vacancies, or bringing forward alternative budget reduction proposals.

3.1.14 In February 2026 Council approved the Medium Term Financial Strategy for 2026-27 to 2029-30. This identified the need to develop recurrent budget reduction proposals, based on the most likely scenario, amounting to £32.740 million over the next four years. Against that background it is essential that expenditure is kept within the overall approved budget and that longer term proposals continue to be developed so that the Council has as much flexibility as possible to meet the challenges which lie ahead.

3.1.15 At year end consideration will be given to any budget over spends to determine whether these should be carried forward as a first call on the directorate budget for the following year. Similarly, consideration will be given to requests from directors to carry forward any planned directorate under spends for specific purposes into the following year, in line with the Council's Reserves and Balances Protocol, as long as these can be met from within the Council's cash limited budget for 2026-27. This is in line with the reports to Cabinet and Council on the MTFS, and the Council's Financial Procedure Rules.

3.2 Monitoring of Budget Reduction Proposals

Prior Year Budget Reductions

3.2.1 The Revenue Budget Outturn report was presented to Cabinet on 23rd June 2026. In the report it was highlighted that there were £2.823 million of prior year budget reduction proposals that were not met in full, with a total outstanding balance to be met of £889,000. In addition, of the 2025-26 budget reduction proposals of £8.379 million, it was reported that there was a total outstanding balance to be met of £1.134 million. Directors have been asked to identify if any of these proposals are still not likely to be achieved in full during the 2026-27 financial year, and to identify mitigating actions that will be undertaken to achieve them. All remaining outstanding prior year budget reductions are summarised in **Appendix 1** with a summary per directorate provided in Table 2.

Table 2 – Outstanding Prior Year Budget Reductions

	Total Budget Reductions Required	**Total Budget Reductions Likely to be Achieved**	**Shortfall**
DIRECTORATE /BUDGET REDUCTION AREA	**£'000**	**£'000**	**£'000**
Education, Early Years and Young People	548	434	114
Social Services and Wellbeing	815	263	552
Communities	570	451	119
Chief Executives	1,016	886	130
TOTAL	**2,949**	**2,034**	**915**

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

3.2.2 Table 2 shows that of the £2.949 million outstanding reductions, £2,034 million is likely to be achieved in 2026-27 leaving a shortfall of £915,000. Proposals still not likely to be achieved include:

- EDFS19 – Communication and Relationships Team (£114,000 shortfall). High demand for service may be difficult to meet the saving. Will be closely monitored throughout the year with alternative savings having to be identified by the Directorate if shortfall is not reduced.
- SSW13 (2024-25) Council to reduce its investment into cultural services (£295,000 shortfall). The shortfall will be covered by earmarked reserve funding in 2026-27 whilst the long term plan to achieve the shortfall is explored for the saving to be met in 2027-28. Work is currently underway to review the current contract.
- SSW2 (2025-26) Redevelop the indoor bowls arena space and explore redevelopment for other purposes that offer increased income generation (£10,000 shortfall). It has been determined that this saving proposal is no longer deliverable. Work is underway by the service to identify alternative budgets for this proposal to be offset against with updates provided to Cabinet in future revenue monitoring reports.
- SSW8 (2025-26) – Reduction in provision of number of Supported Living Accommodation units (£190,000 shortfall). It has been determined that this saving proposal is no longer deliverable. Work is under way to identify alternative budgets for this proposal to be offset against. Updates will be provided in future revenue monitoring reports.
- SSW13 (2025-26) – Removal of Safeguarding Capacity (£57,000 shortfall). Recent reviews across Wales have demonstrated the need to strengthen corporate safeguarding responsibilities. Therefore work is under way to identify alternative budgets for this proposal to be offset against with updates to be provided to Cabinet in future revenue monitoring reports.
- CEX23 (2024-25) – review the provision of Partnerships and Customer Services (£61,000 shortfall). Delays in confirmation of funding with the Public Services Board (PSB) resulted in a shortfall against this savings target in 2025-26. The Service are continuing to follow up with the PSB and further updates will be provided in future revenue monitoring reports.

3.2.3 As outlined in the MTFS reports to Cabinet and Council, MTFS Principle 7 states that *"Savings proposals are fully developed and include realistic delivery timescales prior to inclusion in the annual budget. An MTFS Budget Reduction Contingency Reserve will be maintained to mitigate against unforeseen delays".* An MTFS Budget Reduction Contingency reserve is in place to offset shortfalls on specific budget reduction proposals on a one-off basis where circumstances to achieving them are outside of the directorate's control. During the financial year, the Section 151 Officer will consider applications from Directorates to the MTFS Budget Reduction Contingency reserve to mitigate some of the shortfalls.

<u>Budget Reductions 2026-27</u>

3.2.4 The budget approved for 2026-27 included budget reduction proposals totalling £2.348 million, which is broken down in **Appendix 2** and summarised in Table 3 below. The current position is that £378,000 has been achieved to date with £1.812 million projected to be achieved by year end, leading to an overall projected shortfall on the savings target by year end of £536,000, or 22.83% of the overall reduction target.

Table 3 – Monitoring of Budget Reductions 2026-27

	Total Budget Reductions Required	Total Budget Reductions Achieved to date	Total Budget Reductions Likely to be Achieved	Shortfall
DIRECTORATE /BUDGET REDUCTION AREA	**£'000**	**£'000**	**£'000**	**£'000**
Education, Early Years and Young People	717	105	481	236
Social Services and Wellbeing	1,041	198	1,031	10
Communities	340	75	300	40
Chief Executive's	250	0	0	250
TOTAL	**2,348**	**378**	**1,812**	**536**

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

- EEYYP1 – Review of Home to School Transport (£236,000 shortfall). The new Home to School Transport Policy was implemented on 1 September 2025. The efficiency savings are ongoing and contracts have been adjusted to take into account the change of eligibility for pupils. Close monitoring of the projected spend on this budget will continue throughout 2026-27 with further updates provided to Cabinet in future monitoring reports.
- CEX1 – Review provision of the CCTV service (£250,000 shortfall). Discussions are underway with partners to explore the potential financial contributions, but nothing agreed yet. Updates will be provided to Cabinet in future revenue monitoring reports.

3.2.6 **Appendix 2** identifies the projected amount of saving against these proposals in detail and action to be taken by the directorate to mitigate the shortfall. Directors continue to work with their staff to deliver their proposals or alternatives and this is reflected in the forecast outturn for the year. During the financial year the Section 151 Officer will also consider applications from directorates to the MTFS Budget Reduction Contingency reserve to mitigate some of the shortfalls.

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

3.3 Commentary on the financial position at 30th June 2026

Financial position at 30th June 2026

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

3.3.1 Education, Early Years and Young People Directorate

The net budget for the Education, Early Years and Young People Directorate, including school delegated budgets, for 2026-27 is £163.690 million. Current projections indicate an over spend of £711,000 at year end. The main variances are:

EDUCATION, EARLY YEARS AND YOUNG PEOPLE DIRECTORATE	Net Budget £'000	Projected Outturn £'000	Projected Variance Over/(under) budget £'000	% Variance
Inclusion Group	9,532	10,060	528	5.54%
Home To School Transport	10,471	10,707	236	2.25%
Catering Services	1,669	1,645	(24)	-1.44%

Schools' delegated budgets

Total funding delegated to schools at quarter 1 in 2026-27 is £130.551 million.

The schools' delegated budget is reported as balanced as any under spend or over spend is automatically carried forward into the new financial year before being considered by the Corporate Director - Education, Early Years and Young People in line with the 'Guidance and Procedures on Managing Surplus School Balances'. The Financial Scheme for Schools requires schools to obtain permission from both the Corporate Director – Education, Early Years and Young People and the Section 151 Officer to set a deficit budget. Schools with deficits of greater than £50,000 in a primary school or greater than £150,000 in a secondary or special school are requested to attend termly support and challenge meetings with senior Local Authority officers. In addition, any unplanned deficits that occur within the financial year due to unforeseen circumstances must be reported as soon as they become known to the school.

Total school balances decreased by £2.996 million during 2025-26 to a negative balance of £3.615 million at the end of the financial year. At the start of 2026-27, projections indicate an overall deficit balance for school delegated budgets of £6.529 million at year end. There are 40 primary schools, 5 secondary schools and 1 special school (78% of all schools) projecting a deficit balance (£7.611 million) at year end. There are 8 primary schools, 2 secondary schools and 1 special school (19% of all schools) projecting a surplus balance (£1.082 million) at year end. 2 secondary schools (3% of all schools) are projecting a breakeven position.

Central Education, Early Years and Young People Directorate budgets

Inclusion Group

- There is a projected net over spend of £528,000 across Inclusion Group budgets compared to a net over spend of £823,000 in 2025-26.
- Council approved £800,000 in budget growth for 2026-27 to support Additional Learning needs pressures. This included £181,000 which has been allocated to the Early Years budget to support Early Years ALN pressures (Early Years budgets form part of the Early Years and Young People service and does not sit under the Inclusion Group budget heading), £385,000 was allocated against ALN pressures in Heronsbridge and £234,000 to support additional resource bases in schools.
- BCBC has been awarded an ALN grant of £1.1 million in 2026-27 (£1.157 million in 2025-26). This is being utilised to support the work of the Communication and Relationships Team (CART) Ancillary Support Service. This Service provides 1 to 1 support for children with additional learning needs where there are no places available in special schools in order to prevent high cost external placements. Despite the support of the grant, the CART service is projecting an over spend of £341,000 due to the complexity of support provided and the use of agency staff to meet the increase in demand.
- The projected over spend on the CART service demonstrates continuing significant demand for ALN support at schools. The demand is high in particular for pupils requiring neurodevelopmental, behavioural, communication and complex medical support. The number of pupils supported in the spring term was 357, decreasing to 322 in the summer term. Whilst the number of pupils supported may have decreased the number of hours of support provided remains high due to the complexity of support required.
- Recoupment expenditure is projecting an over spend of £194,000 compared to an over spend of £163,000 in 2025-26. This is despite the additional budget growth of £250,000 approved by Council as part of the MTFS. The summer term projections are based on 22 Out of Authority placements compared with 19 in Spring 2026, with additional mainstream support costs being funded, including 16 at Ysgol Bryn Castell and 6 Heronsbridge additional 1 to 1 support. This approach prevents higher costs than would have been incurred with external providers.

Home-to-school transport (HtST)

- There is a projected over spend of £236,000 on the HtST budget at quarter 1.
- Whilst the revenue outturn report for 2025-26 highlighted a £213,000 under spend on the HtST budget the MTFS for 2026-27 has a budget reduction of £417,000 against the HtST budget.
- The saving is linked to the new Home to School Transport policy that was implemented on 1st September 2025. As noted in Appendix 2 it is currently anticipated that this will be partly achieved in 2026-27 with current projections indicating a shortfall of £236,000. The budget will require close monitoring as we progress through the year.

Catering Services

- Catering Services is projecting an under spend of £24,000 compared with the under spend of £598,000 reported in 2025-26.
- Council approved an MTFS budget reduction proposal for 2026-27 of £300,000 against the Catering budget which is projected to be achieved in full.

- The projected under spend continues to be based on the full implementation of the Universal Primary Free School Meals (UPFSM) by Welsh Government and the accompanying grant funding to support the initiative.
- The provision of UPFSM in 2026-27 will continue to be monitored closely as we progress through the year.
- There is a projected over spend on the Free Breakfast Initiative budgets of £82,000 due to more demand for the service including uptake by additional schools.

3.3.2 **Social Services and Wellbeing Directorate**

The Directorate's net budget for 2026-27 is £124.207 million. Current projections indicate an over spend of £1.502 million at year end.

Council approved budget pressures of £6.608 million for 2026-27 as part of the Medium Term Financial Strategy (MTFS). These included £3 million - implications of Real Living Wage uplifts on commissioned contracts, £1.498 million - Childrens Services Residential Homes, £800,000 - Transition Learning Disabilities Residential, £250,000 - Adult Social Care residential pressures, £250,000 - Children's Supported Accommodation, £250,000 – Directorate Wide Accommodation Unit similar to the school modernisation team, £183,000 - Community Sports Development and £151,000 - Transition Independent Domiciliary Care.

As noted in the revenue outturn report, there continues to be pressures in Older People and Physical Disability/Sensory Impairment services driven by the complexity of need and demand across these services. The Social Services Improvement Board is overseeing a number of actions to address the pressure in the adult services budget, including accelerating the work to transform learning disabilities.

The most significant variances for the directorate are:

SOCIAL SERVICES AND WELLBEING DIRECTORATE	Net Budget £'000	Projected Outturn £'000	Projected Variance Over/(under) budget £'000	% Variance
Adult Social Care	81,966	83,694	1,728	2.11%
Prevention and Wellbeing	6,161	6,062	(99)	-1.61%
Childrens and Family Services	36,080	35,953	(127)	-0.35%

Adult Social Care

There is a projected net overspend of £1.728 million on the Adult Social Care budget.

The most significant variances contributing to the over spend are:

ADULT SOCIAL CARE	Projected Variance Over/(under) budget £'000
Older People Home care	1,878
Physical Disability/Sensory Impairment Homecare	213
Learning Disabilities Day Opportunities	122
Mental Health Residential Care	121
Learning Disabilities Residential Care	(138)
Mental Health Supported Accommodation	(216)
Homes for Older People	(288)

- Older People Homecare – there is a projected over spend of £1.878 million within this area compared to an over spend of £59,000 in 2025-26. During 2025-26 there was an increase in placements throughout the year, from 628 at quarter 3 up to 732 at year end. These placements have increased further in quarter 1 of 2026-27 up to 749. The projected over spend reflects the impact of these additional placements for a full 12 months in 2026-27. The service area is undertaking an exercise to help address trends and to mitigate against further pressures and updates will be provided in future revenue monitoring reports.

- Physical Disability/Sensory Impairment Home Care - there is a projected over spend of £213,000 which is comparable to the £221,000 over spend reported in 2025-26. This continues to be based on the current demand for the service (92 packages of support) and increased costs for existing placements, due to changing needs.

- Learning Disabilities Day Opportunities – there is a projected over spend of £122,000 compared to an under spend of £80,000 in 2025-26. External day services and associated transport costs are projecting to over spend by £219,000 due to the current volume of demand for the service. There is also an MTFS saving proposal (SSW7 – review of day opportunity placements) of £50,000 which is not yet achieved. This has been offset by a £100,000 under spend at Bridgend Resource Centre due to staff vacancies.

- Mental Health Residential Care – there is a projected over spend of £121,000 compared to the £101,000 under spend reported in 2025-26. While placement numbers have remained the same as at quarter 4 in 2025-26 there has been an increase in the costs for existing placements due to changing needs.

- Learning Disabilities Residential Care – there is a projected under spend of £138,000 compared to the £40,000 over spend in 2025-26. The outturn for 2025-26 included an allocation of £400,000 from the Social Care Workforce grant, without which the service would have over spent by £360,000. Council approved £1.050 million budget pressures as part of the 2026-27 MTFS - BP2 – increased costs due to changing needs and SSW4 – increased demand for high cost residential care for young people with complex needs transitioning to adult social care at 18.

- Mental Health Supported Accommodation – there is a projected under spend of £216,000 compared to an under spend of £252,000 in 2025-26. This is a result of ongoing staffing vacancies within the service. Close monitoring of this under spend will continue throughout 2026-27 due to the uncertainties in grant funding in this service area going forward.

- Homes for Older People – there is a projected under spend of £288,000 compared to an over spend of £664,000 in 2025-26. This is primarily due to projected under spends on external residential nursing placements due to increases in client contributions (£76,000) and joint financing (£337,000). All contributions towards residential care are financially assessed in accordance with the Social Services and Well-being (Wales) Act 2014 but the average income received each year will vary in total depending on the financial position of the people needing care during the financial year – e.g. if there are a large number of people who have savings or assets and are therefore not reliant on the local authority paying their contribution in full, then this will increase the overall average income received per person.

Children and Family Services

There is a projected net under spend of £127,000 on the Children and Family Service budget. The most significant variances contributing to this overspend are noted in the table below: -

CHILDREN AND FAMILY SERVICES'S	**Projected Variance Over/(under) budget £'000**
Commissioning & Social Work	111
Management & administration	112
Care Experienced Children	(83)
Children and Families Support Service	(200)

- Commissioning and Social Work – There is a projected over spend of £111,000 compared to an under spend of £289,000 in 2025-26. The movement from the under spend reported in 2025-26 is due to the service area receiving one off Childrens and Communities grant (£129,000) in 2025-26 and staff vacancies giving rise to £186,000 further under spend. The 2026-27 projected over spend is due to care support and placement costs across the service area – the majority of which relate to Care Experienced Children (£221,000).

- Management & Administration – there is a projected over spend of £112,000 This is primarily due to the 2025-26 MTFS Saving SSW13 – Removal of Safeguarding Capacity - projected not to be achieved (£57,000) with the balance due to increased staffing costs due to interim sickness cover arrangements and historic vacancy control MTFS savings also not being achieved in the service.

- The projected under spend position of £83,000 for Care Experienced Children has improved from the £524,000 over spend reported in 2025-26. This is mainly due to the £1.748 million budget pressure approved by Council for 2026-27 (BB3 - £250,000 for supported accommodation and SSW1 - £1.498 million for new Children's residential homes to support the Council's Placement Commissioning Strategy). The projected under spend is due to a combination of factors:-

  - The Independent Residential Care budget has a projected over spend of £460,000 (2025-26 - £603,000 over spend). This is based on the same number of care experienced children currently in independent residential placements compared with the end of 2025-26 (27 placements). In addition, there continues to be insufficient foster carer placements to meet needs and children requiring specialist provision, sometimes with high staffing ratios to keep them safe and protected. It should be noted that this budget area can be volatile and small changes in demand can result in relatively high costs being incurred.

  - Children's Internal Residential Care has a projected net under spend of £383,000 compared to an over spend of £101,000 in 2025-26. Council approved a £1.498 million budget pressure for 2026-27 linked to the opening of two additional Children's residential homes. The under spend is mainly due to vacancies across the service pending the homes being opened later in the year.

  - Fostering - There is a projected under spend in this area of £307,000 which is comparable to the £387,000 under spend in 2025-26. This is mainly due to under spends on general fostering based on 83 current placements. Cabinet approved the implementation of a revised Special Guardianship Order Financial Policy on 19 May 2026 and that the under spend within Fostering budgets would meet any additional costs arising from the revised model. Overall, the revised approach is financially sustainable and represents an invest-to-save model with the potential to reduce longer-term costs through increased permanence, reduced reliance on higher-cost placements and improved placement stability.

  - Children's Supported Living – There is a projected over spend of £281,000 which is comparable to the £282,000 over spend reported in 2025-26. While this area benefitted from one off Housing Support grant in 2025-26 this is not anticipated for the current financial year. However Council approved £250,000 budget pressure to support with ongoing demands in this area. Placement numbers have remained at 28.

- Children and Families Support Service – There is projected under spend of £200,000 in this area. This is due to a projected under spend of £37,000 on staffing and £110,000 on running costs across the service while a review of the service is progressed.

3.3.3 **Communities Directorate**

The net budget for the Directorate for 2026-27 is £36.955 million. The current projection is an anticipated under spend of £250,000. The main variances are:

COMMUNITIES DIRECTORATE	**Net Budget** **£'000**	**Projected Outturn** **£'000**	**Projected Variance Over/(under) budget** **£'000**	**% Variance**
Traffic and Transport	1,330	1,070	(260)	-19.55%
Parks, Playing Fields and Bereavement	4,370	4,505	135	3.09%
Corporate Landlord	3,636	3,511	(125)	-3.44%

Traffic and Transport

- There is a projected under spend of £260,000 across Traffic and Transport budgets compared to the reported under spend of £489,000 in 2025-26. The under spend in 2025-26 was due to temporary income raised from Salt Lake Car Park, maximisation of grant funding, staff vacancies and under spends on non-staffing budgets.
- Council approved a MTFS budget reduction of £100,000 for 2026-27 relating to the provision of Car Parking. This is anticipated to be achieved in full.
- The projected under spend is based on similar projections for car park income to that achieved in 2025-26, recognising that the Council continues to benefit from the temporary income raised from the Salt Lake Care Park in Porthcawl. This will be closely monitored as we progress through the year.

Parks, Playing Fields and Bereavement

- There is a projected over spend of £135,000 on Parks, Playing Fields and Bereavement budgets. This is primarily due a projected shortfall on Bereavement Services income budgets. As set out in Appendix 1, there is a projected shortfall against the 2025-26 MTFS budget reduction proposal based on a projected reduction in demand for burials. This will be closely monitored as we progress through the year and further updates provided to Cabinet in future monitoring reports.

Corporate Landlord

- There is a projected under spend of £125,000 against Corporate Landlord budgets. This has reduced from the £277,000 under spend reported in the revenue outturn report for 2025-26. The under spend is primarily due to staff vacancies as the service continues to experience recruitment difficulties. Recruitment exercises are ongoing and it is anticipated that the vacant posts will be appointed to and there will be a reduction in the staffing under spend for 2026-27.

3.3.4 **Chief Executive's**

The net budget for the Chief Executive Directorate for 2026-27 is £29.080 million. Current projections anticipate an under spend against this budget of £347,000. The main variances are:-

CHIEF EXECUTIVE'S	Net Budget £'000	Projected outturn £'000	Projected Variance Over/(under) budget £'000	% Variance
Partnerships	3,596	3,905	309	8.59%
ICT	5,234	5,161	(73)	-1.39%
Legal, Democratic and Regulatory Services	6,707	6,864	157	2.34%
Housing & Homelessness	4,944	4,295	(649)	-13.13%

Partnerships

- There is a net projected over spend of £309,000 across Partnerships budgets, compared to an over spend of £250,000 in 2025-26. This is mainly due to a projected over spend against the CCTV budget of £317,000.
- Council approved a £250,000 budget reduction for 2026-27 (CEX1) as part of the Medium Term Financial Strategy for the CCTV service area which is not yet achieved. The service is seeking financial support from Partners (i.e. South Wales Police), which has not yet been confirmed. In addition there is a reduction in projected income because of the contract for CCTV services with the Vale of Glamorgan ending as reported in the revenue outturn for 2025-26 (£71,000).

ICT

- There is a projected net under spend of £73,000 across ICT budgets which is comparable to the £66,000 net under spend for 2025-26.
- The Medium Term Financial Strategy for 2026-27 to 2029-30 approved by Council, includes £181,000 for this area to reinstate savings not achieved in respect of historic Budget Reduction Proposals and £177,000 for shortfalls in historic service level agreement income from schools. These were mitigated in 2025-26 with maximisation of one off Connecting Care grant of £254,000.
  The current projected under spend is mainly due to projected under spends on ICT software costs.

Legal, Democratic and Regulatory Services

- There is a projected net over spend of £157,000 across Legal Services compared to an under spend of £38,000 for 2025-26.
- There are over spends projected on Shared Regulatory Services which is due to a projected under achievement of income (£80,000) from taxi and other licensing services and the Registrars Service (£61,000) due to a reduction in Registration Fee income based on current demand (Appendix 1 sets out a shortfall of £29,000 against CEX 12 (2024-25) – Increased income from Registrars' Ceremonies).
- Council approved £274,000 Budget Pressure for this area as part of the Medium Term Financial Strategy, including BP8 - £58,000 – shortfall on income against

property transactions, S106 Agreements and Highway Agreements, CEX2 - £36,000 – ongoing support for Elected Members on digital initiatives, CEX3 - £50,000 – capacity in Democratic Services to assist with policy advice, support and development, CEX4 - £65,000 – capacity for internal legal services to support S106 agreements and CEX14 - £65,000 – planning lawyer. There is a small projected under spend against the budget growth due to the timing of recruitment to these posts (£25,000).

Housing & Homelessness

- There is a projected net under spend of £649,000 on Housing & Homelessness which is comparable to the £648,000 revenue outturn position for 2025-26.
- The Medium Term Financial Strategy for 2026-2027 approved an additional £150,000 for Housing Services, to increase the staffing capacity within the service to deal with the level of referrals to ensure individuals are not waiting for the support required. There is currently a £167,000 projected under spend on salaries, pending a review of the service.
- The projected spend on Homelessness accommodation in 2026-27 is £4 million, which is comparable to the outturn position for 2025-2026. As well as the core budget for 2026-27 (£3.274 million) the service has also seen an increase in rental income relating to Housing Benefits claimed by tenants who have been supported with homelessness accommodation (£680,000). The net impact is a projected over spend on accommodation of £46,000.
- There are projected under spends on the Brynmenyn Homeless Centre (£162,000) and the four new Houses in Multiple Occupation (HMO) properties (£127,000) relating to increases in Housing Benefit income.
- The service are also maximising grant funding from the Leasing Scheme Wales grant (£134,000).
- Further projected under spends include grant funding received for Asylum Seekers(£116,000).

3.3.5 **Council Wide budgets**

This section includes budgets, provisions and services which are council wide, and not managed by an individual directorate. The net budget for 2026-27 is £54.217 million. Current projections anticipate an under spend against this budget of £1.010 million. The main variances are:-

COUNCIL WIDE BUDGETS	Net Budget £'000	Projected Outturn £'000	Projected Variance Over/(under) budget £'000	% Variance
Capital Financing	5,861	4,849	(1,012)	-17.27%
Council Tax Reduction Scheme	17,804	17,955	151	0.85%

Capital Financing

- There is currently a projected under spend of £1.012 million on the Capital Financing budgets which relates to projected additional interest from current investments. This is a reduction compared with the under spend reported in 2025-26 of £2.249 million, due to the uncertain trajectory for interest rates in 2026-27 as whilst interest rate reductions are expected, the timing of these are uncertain and are subject to economic factors, in particular the position of inflation against the Bank of England's 2% target.

Council Tax Reduction Scheme

- There is currently a projected over spend of £151,000 on the Council Tax Reduction Scheme. This is a demand led budget and take-up is difficult to predict. The projected take-up for 2026-27 is higher than in 2025-26 when the gross spend in this budget area was £17.018 million. This is partly due to the increase in council tax in 2026-27 of 4.7%, plus work undertaken by the Benefits Team to ensure citizens are aware of and claiming the benefits they are entitled to. The budget will be closely monitored in 2026-27 as there could be additional calls on the scheme with the ongoing cost of living crisis with the potential for an increase in the number of benefit claimants.

Other Council wide budgets

- As referred to in paragraph 3.1.11 and 3.1.12, due to the ongoing discussions regarding pay claims and the risk on price inflation increases, at this point in the financial year, it is prudent to assume that the majority of Other Council wide budgets will be fully spent by the year end. Close monitoring of these budgets will be required for the remainder of 2026-27 with further updates provided in future revenue monitoring reports.

3.3.6 **Earmarked Reserves**

Earmarked reserves will continue to be thoroughly reviewed by Corporate Management Team (CMT) during 2026-27, including assessments of the draw down profile and re-profiling of existing earmarked reserves. Where earmarked reserves are identified to be unwound, these will be used to fund emerging risks for the Council as a whole during 2026-27. Further detail will be provided on the outcome of CMT reviews in future revenue monitoring reports.

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

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

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

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

6. Climate Change and Nature Implications

6.1 There are no direct implications arising from this report.

7. Safeguarding and Corporate Parent Implications

7.1 There are no direct implications arising from this report.

8. Financial Implications

8.1 These are reflected in the body of the report.

9. Recommendations

9.1 Cabinet is recommended to:

- note the projected revenue position for 2026-27

Background documents: Individual Directorate Monitoring Reports

PRIOR YEAR BUDGET REDUCTIONS CARRIED FORWARD INTO 2026-27

Ref.	Budget Reduction Proposal	Original Reduction and RAG £000	Total amount of saving likely to be achieved in 2026-27 £000	Reason why not achievable	Proposed Action in 2026-27 to achieve

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

EDUCATION, EARLY YEARS AND YOUNG PEOPLE

Ref.	Budget Reduction Proposal	Original Reduction and RAG £000	Total amount of saving likely to be achieved in 2026-27 £000	Reason why not achievable	Proposed Action in 2026-27 to achieve
EDFS19 (2024-25)	Communication and Relationships Team - Referrals only accepted for pupils who are at risk of permanent exclusion and placement breaking down. No longer completing observations for the ND Pathway	142	28	Saving not met in 2025-26 due to the delay in the consultation.	High demand for service may be difficult to meet the saving. Will be closely monitored throughout the year with alternative savings having to be identified by the Directorate if shortfall is not reduced
EEYYP1 2025-26)	Cessation of the Meals-at-Home Service	56	56	The service has now terminated. There were some residual costs in 2025-26 in relation to termination costs for vehicles and staffing costs for the first part of the year.	None required - saving will be made in full in 2026-27
EEYYP5 (2025-26)	Reduction in Strategy, Performance and Support Group	146	146	Saving partly achieved in 2025-26 due to the timing of the implementation of the restructure	None required - saving will be made in full in 2026-27
EEYYP6 (2025-26)	Reduction in Pupil Services	35	35	Saving partly achieved in 2025-26 due to the timing of the implementation of the restructure	None required - saving will be made in full in 2026-27
EEYYP7 (2025-26)	Reduction in the Corporate Health and Safety Unit	76	76	Saving partly achieved in 2025-26 due to the timing of the implementation of the restructure	None required - saving will be made in full in 2026-27
EEYYP8 (2025-26)	Reduction in Business Support	93	93	Saving partly achieved in 2025-26 due to the timing of the implementation of the restructure	None required - saving will be made in full in 2026-27
	Total Education, Early Years and Young People	**548**	**434**		

SOCIAL SERVICES AND WELLBEING

Ref.	Budget Reduction Proposal	Original Reduction and RAG £000	Total amount of saving likely to be achieved in 2026-27 £000	Reason why not achievable	Proposed Action in 2026-27 to achieve
SSW13 (2024-25)	Council to reduce its investment into cultural services including the availability of buildings, services or resources relating to its libraries, supported employment, community venues and arts programmes	360	65	Cabinet report in May 2024 approved reductions of £65K, along with public engagement over how future savings can be achieved. Further reports will be presented to Cabinet to enable the outcome of consultation exercises to be taken into account when finalising any proposed changes.	The saving of the remaining £295,000 will be covered by earmarked reserve funding for 2026-27. However a long term plan to achieve the shortfall needs to be explored for the saving to be met in 2027-28. Work is underway to review the current contract. An update will be provided in future monitoring reports.
SSW2 (2025-26)	Redevelop the indoor bowls arena space and explore redevelopment for other purposes that offer increased income generation	10	0	The feasibility study and capital works linked to external funding are in their final stages. The savings were therefore not delivered in 2025-26.	Work is underway by the service to identify alternative budgets for this proposal to be offset against with updates provided to Cabinet in future revenue monitoring reports.
SSW7 (2025-26)	Implementation of the Home remodelling programme across adult services	198	198	Saving not met pending a review of the Support at Home Service.	Full Saving is anticipated to be met in 2026-27 once service review has been complete.

Ref.	Budget Reduction Proposal	Original Reduction and RAG £000	Total amount of saving likely to be achieved in 2026-27 £000	Reason why not achievable	Proposed Action in 2026-27 to achieve
SSW8 (2025-26)	Reduction in provision of number of Supported Living Accommodation units	190	0	It has been determined that this saving proposal is no longer deliverable	Work is underway by the service to identify alternative budgets for this proposal to be offset against with updates provided to Cabinet in future revenue monitoring reports.
SSW13 (2025-26)	Removal of Safeguarding capacity	57	0	Whilst it was considered during 2025-26 that this saving would be made in full, recent reviews across Wales have demonstrated the need to strengthen corporate safeguarding responsibilities rather than reducing them.	Work is underway by the service to identify alternative budgets for this proposal to be offset against with updates provided to Cabinet in future revenue monitoring reports.
	Total Social Services and Wellbeing Directorate	**815**	**263**		

COMMUNITIES

COM2 (2021-22)	Re-location of Community Recycling Centre from Tythegston to Pyle resulting in cessation of lease payments at existing site	60	60	The new site opened during quarter 4 of 2023-24. As the exit terms of the lease were still being worked through in 2025-26 the saving was not achieved.	No further lease payments anticipated in 2026-27 therefore full saving anticipated to be achieved in 2026-27.
COM4 (2022-23)	Remove Business in Focus from running Enterprise Centres in Bridgend	20	20	Review of Business in Focus operating model was explored to identify operating efficiencies with a view to restructuring the management agreement with Business in Focus to deliver this saving.	Full saving is anticipated to be met in 2026-27
COM2 (2023-24)	Charging Blue Badge Holders for parking	40	40	The Traffic and Transport Team are progressing with the order making process and have carried out an initial engagement on the proposal which is currently being evaluated prior to progressing.	Following the recent consultation, this budget reduction is no longer achievable. The saving will be met from parking income generated, based on historic levels achieved in the service, and therefore will be met in 2026-27.
COM10 (2024-25)	Review of Porthcawl Marina berthing fees with a view to it operating on a full cost recovery basis	32	32	The shortfall against the savings target in 2025-26 was due to one-off costs incurred to cover sickness within the service.	Full saving is anticipated to be met in 2026-27
COM28 (2024-25)	Letting of former Woodmat Property, Brynmenyn Estate	35	26	Opportunities were sought to achieve this budget reduction proposal, but let not agreed by end of 2025-26.	Delays due to the finalisation of the contract for the lease . Saving will be partly achieved in 2026-27, then fully achieved in 2027-28.
COM1 (2025-26)	Reduction in staff mileage budgets	32	32	There was a similar budget reduction proposal in 2024-25 which was not met in full and was been carried forward into 2025-26. This historic target was met in full, however there was a shortfall against the 2025-26 proposal.	Full saving is anticipated to be met in 2026-27

Ref.	Budget Reduction Proposal	Original Reduction and RAG £000	Total amount of saving likely to be achieved in 2026-27 £000	Reason why not achievable	Proposed Action in 2026-27 to achieve
COM3 (2025-26)	Further review of cyclical servicing and maintenance contracts dialling back maintenance items to safety critical and statutory compliance only.	45	30	Due to ongoing pressures on the property revenue maintenance budgets the budget reduction proposal was not achieved in full in 2025-26. However, savings from staff vacancies in Corporate Landlord have supported the shortfall against this specific proposal.	The Directorate will continue to review these arrangements and associated expenditure with a view to identifying and maximising achievable savings whilst ensuring compliance obligations and essential service standards are maintained.
COM9 (2025-26)	Increase fees on Bereavement services, i.e. burial charges by 20%	100	30	The failure to achieve the anticipated fee income is primarily due to a continued reduction in the number of full burials. There was a reduction of 35 full burials in 2024–25 compared with 2023–24, followed by a further reduction of 39 full burials in 2025–26.	The service area will continue to closely monitor the income for Bereavement Services in 2026-27. If the reduction in the number of full burials continues, the service area will have to identify alternative budget reduction proposals to mitigate any permanent shortfalls.
COM10 (2025-26)	Reduction in the size of the waste enforcement team.	156	156	Saving partly achieved in 2025-26 due to the timing of the implementation of the restructure	None required - saving will be made in full in 2026-27
COM11 (2025-26)	Commercially let Pandy Depot	50	25	Ongoing opportunities were sought to achieve this budget reduction proposal, but let not agreed by end of 2025-26 Savings on staff vacancies across Corporate Landlord mitigated the shortfall on this proposal.	In view of operational requirements resulting in delaying the letting decision this proposal will be partly achieved in 2026-27, then fully achieved in 2027-28
	Total Communities Directorate	**570**	**451**		

Chief Executives

CEX8 (2024-25)	Charging the public for Pest Control Services	67	67	Due to the continued reduced uptake of the domestic pest control service in 2025-26, the decision was taken to cease the provision of this service by BCBC from 31st October 2025 therefore this saving was not achieved in full in 2025-26.	Alternative budgets to mitigate the underlying net budget of £3,950 for the service have been identified.
CEX12 (2024-25)	Increased income from Registrars' Ceremonies	43	14	Due to reduced uptake of the service in 2025-26, partly linked to the closure of the Princess Of Wales maternity ward resulting in birth registrations taking place in other Local Authorities, the saving remained partly achieved in 2025-26.	Registration income is heavily reliant on external influences under no control of the registration service. Advertising and awareness of what we offer will be explored further to mitigate the shortfall.
CEX15 (2024-25)	Increase income generated from legal fees for property transactions, S106 Agreements and Highway Agreements	20	20	The Medium Term Financial Strategy for 2026-27 to 2029-30 includes a budget pressure of £58,000 to mitigate the shortfall in income generated from legal fees from property transactions, S106 Agreements and Highway Agreements.	None required - saving will be made in full in 2026-27
CEX17 (2024-25)	Household Canvas - Reduction / Limited Canvass Door Knocking	9	0	Saving not achieved due to increased costs associated with canvassing.	The Service is currently reviewing potential efficiencies for 2026-27 to enable this to be met. Further updates will be provided in future revenue monitoring reports.

Ref.	Budget Reduction Proposal	Original Reduction and RAG £000	Total amount of saving likely to be achieved in 2026-27 £000	Reason why not achievable	Proposed Action in 2026-27 to achieve
CEX22 (2024-25)	Review of ICT Services	398	398	Following the re-procurement exercise on telephony budgets across the Council, the savings target was not met in full. The Medium Term Financial Strategy for 2026-27 to 2029-30 includes a budget pressure of £181,000 which includes the mitigation of the shortfall of £75,000 following the review of ICT services.	None required - saving will be made in full in 2026-27
CEX23 (2024-25)	Review the provision of Partnerships and Customer Services	216	155	Delays in confirmation of funding with the Public Services Board resulted in a shortfall in the saving target for 2025-26.	The service are continuing to follow up with the Public Services Board and further updates will be provided in future revenue monitoring reports.
CEX25 (2024-25)	Staff savings from Finance senior management team	70	70	The Medium Term Financial Strategy for 2026-27 to 2029-30 includes a budget pressure of £70,000 to reinstate this budget reduction proposal as the restructure was consulted on but it did not proceed.	None required - saving will be made in full in 2026-27
CEX3 (2025-26)	Review of the current Learning and Development provision	84	84	The Medium Term Financial Strategy for 2026-27 to 2029-30 includes a budget pressure of £57,000 (CEX6) to mitigate this saving as the vacancies now need to be filled to ensure operational payroll deadlines are met.	None required - saving will be made in full in 2026-27
CEX5 (2025-26)	Review support capacity across finance	31	0	Shortfall in savings target due to timing of implementation of restructure.	Options are being considered with further updates to be provided to Cabinet in future revenue monitoring reports.
CEX10	Restructure the ICT service	78	78	The Medium Term Financial Strategy for 2026-27 to 2029-30 includes a budget pressure of £181,000 for ICT services to mitigate shortfalls against MTFS savings following the completion of the review.	None required - saving will be made in full in 2026-27
	Total Chief Executives Directorate	**1,016**	**886**		
	GRAND TOTAL OUTSTANDING REDUCTIONS	**2,949**	**2,034**		
	REDUCTIONS SHORTFALL		**915**		

Budget Reduction Proposals 2026-27

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Well-being of Future Generations Act	Proposed 2026-27 £'000	Value achieved to date 2026-27 £'000	Value likely to be achieved 2026-27 £'000	Reason why not likely to be achievable
EDUCATION, EARLY YEARS AND YOUNG PEOPLE						
CENTRAL EDUCATION, EARLY YEARS AND YOUNG PEOPLE						
EEYYP1	Review of Home to School Transport	The new Home to School Transport Policy was implemented on 1 September 2025. The Budget reduction proposal was split over two financial years. The efficiency savings are ongoing and contracts have been adjusted to take into account the change of eligibility of pupils.	417	30	181	The new Home-to-School Transport Policy was implemented on 1 September 2025. The efficiency savings are ongoing and contracts have been adjusted to take into account the change of eligibility for pupils. Close monitoring of the projected spend on this budget will continue throughout 2026-27 with further updates provided to Cabinet in future monitoring reports.
EEYYP2	Efficiencies in Catering Budget	The efficiency saving will be met through a reduction in the Catering Service's core budget across a number of areas, including non-staffing costs, procurement etc. Little impact is envisaged on front line services.	300	75	300	Full saving should be achieved in 2026-27
	Total Education, Early Years and Young People		**717**	**105**	**481**	
SOCIAL SERVICES AND WELLBEING						
SSW2	Redevelop the indoor bowls arena space and explore redevelopment for other purposes that offer increased income generation	The operation of the indoor bowls hall at Bridgend Life Centre generates operating costs that are difficult to cover based on the seasonal usage by the indoor bowls club. Any changes to indoor bowling would not be popular and may have a negative impact on the Council's wellbeing goals. The development of the wellbeing hub inside the bowls hall has improved usage by downsizing the number of bowling rinks already. With investment there may be possibilities for seasonal increased income generation. Potential need for alternative community venue for indoor bowls.	10	0	0	Work is underway by the service to identify alternative budgets for this proposal to be offset against with updates provided to Cabinet in future revenue monitoring reports.
SSW4	Business efficiencies in support services through reviewing structures in business support, performance and commissioning.	The commissioning team is at full capacity with all colleagues on permanent contracts, so any MTFS saving / restructure will result in redundancy costs. The team are also driving forward key transformational change linked to MTFS savings, so any reduction on capacity will impact our ability to deliver targeted savings elsewhere in the MTFS. There is also a risk that we will not be able to meet essential requirements of the newly implemented WG Code of Practice for commissioning care and support, nor our own internal Contract Procedure Rules, where there is a risk that tenders cannot be undertaken within required timescales. Business support has been restructured to provide a support office model which ensures that statutory minutes linked to safeguarding are completed and distributed in a timely manner and to ensure social work tasks are carried out by support officers, thus maximising the amount of time that social workers spend with children, adults, families and carers. Reduction in this resource will increase the administrative burden on social work staff. Any reduction in the performance team will impact on the ability to complete statutory performance returns. There is a high probability reductions in these teams will result in compulsory redundancies.	129	77	129	Full saving should be achieved in 2026-27

Budget Reduction Proposals 2026-27

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Well-being of Future Generations Act	Proposed 2026-27 £'000	Value achieved to date 2026-27 £'000	Value likely to be achieved 2026-27 £'000	Reason why not likely to be achievable
SSW5	Adult Social Care Placements - Review the level of support provided within supported living and residential placements across ASC to ensure that we focus on people's strengths and maximise their independence.	As well as 'right sizing' of support we will also 'step down' where it is possible from residential placements to more independent options such as Supported Living and 'Shared Lives.' The delivery of these savings will only be achieved if there is permanent funding secured for the commissioning for complex needs team. It is important that they are focussed on delivering improved outcomes for individuals by supporting more independent living.	370	0	370	Work is progressing by the Commissioning for Complex Needs Team to achieve this budget reduction proposal. Currently anticipate full saving to be achieved in 2026-27
SSW6	Review the levels of support provided through direct payments for all adult groups to ensure that we focus on people's strengths, maximise their independence and reduce their reliance on formal care in line with direct payments policy.	The delivery of these savings will only be achieved if there is permanent funding secured for the commissioning for complex needs team. It is important that they are focussed on delivering improved outcomes for individuals by supporting more independent living.	250	63	250	Full saving should be achieved in 2026-27
SSW7	Day Service Placements - Review the day opportunity placements we commission with independent providers for people with a learning disability and re-provide this within our in-house services.	It is important that there is a positive, outcome focussed, progressive offer from in-house services which maximises independence and supports individuals to achieve their personal outcomes. This should also represent better value for money.	50	0	50	Business Case is currently being completed for this proposal. Anticipate full saving to be achieved in 2026-27
SSW8	Residential and Non Residential Charging - In line with Fairer Charging regulations, apply a 10% increase in both residential and non-residential charges so we continue to move towards full cost recovery.	As any charges levied are in line with Welsh Government Fairer Charging Regulations the impact on individuals is mitigated. The increase is in line with the MTFS principle to move towards full cost recovery across all service areas.	232	58	232	Full saving should be achieved in 2026-27
	Total Social Services and Wellbeing		**1,041**	**198**	**1,031**	

COMMUNITIES

COM1	Review of cleaning specifications and frequencies on BCBC Operational assets.	Will impact cleaning standards and visibility of cleaning frequencies but change is considered feasible. Will need to review cleaning staff numbers, however the aim will be to implement changes through staff redeployment and recruitment changes across the wider cleaning contract thus avoiding redundancy issues.	35	9	35	Full saving should be achieved in 2026-27

Budget Reduction Proposals 2026-27

APPENDIX 2

Ref.	Budget Reduction Proposal	Impact, including on 5 Ways of Working as set out in the Well-being of Future Generations Act	Proposed 2026-27 £'000	Value achieved to date 2026-27 £'000	Value likely to be achieved 2026-27 £'000	Reason why not likely to be achievable
COM2	Review of cyclical servicing and maintenance contracts dialling back maintenance items to safety critical and statutory compliance only.	Reduction of cyclical maintenance activity counter productive for long term asset operation. Potential for reduction in Business Support staff as a result of the reduction in cyclical orders.	40	0	0	The Directorate will continue to review these arrangements and associated expenditure with a view to identifying and maximising achievable savings whilst ensuring compliance obligations and essential service standards are maintained. Updates will be provided to Cabinet in future revenue monitoring reports.
COM3	Increase income across the commercial property portfolio	Change will take time to implement and require additional surveyor resource over time.	15	4	15	Full saving should be achieved in 2026-27
COM5	Reduce the budget available for the Climate Emergency Response Programme, including Ultra Low Emission Vehicles (ULEV) implementation	The Climate Emergency Programme will have to be remodelled. This will impact on the Welsh Government's net zero 2030 target and will now require additional grant funding from external sources or joint working with partners to achieve our ambitious targets.	50	13	50	Full saving should be achieved in 2026-27
COM6	Reduce available property maintenance budgets in Corporate Landlord by up to 10% per asset	Reduction of maintenance activity counter productive for long term asset operation. This reduction would be limited to assets where non essential maintenance items can be removed. Will have a resulting negative affect on teams delivering maintenance functions with reduction	100	25	100	Full saving should be achieved in 2026-27
COM7	Reduction in Traffic & Transportation Budget with relation to the provision of Car Parking	This saving could be realised by looking to increase the opening hours at the Rhiw Car Park to encourage use during the night time economy, which could increase fee income and reduce operating costs by moving to a pay & display operation.	100	25	100	Full saving should be achieved in 2026-27
	Total Communities Directorate		**340**	**75**	**300**	

CHIEF EXECUTIVES

CEX1	Review provision of the CCTV service.	This is a non statutory service, provided by the Council, the main benefit of which is felt by other public sector bodies. The saving will be achieved by requesting contributions from South Wales Police or the Community Safety Partnership, or by reducing the specification of live coverage. Discussions are already underway.	250	0	0	Discussions are underway with partners to explore the potential financial contributions but nothing agreed yet. Updates to be provided to Cabinet in future revenue monitoring reports.
	Total Chief Executive's Directorate		**250**	**0**	**0**	

	GRAND TOTAL REDUCTIONS		**2,348**	**378**	**1,812**	
	REDUCTION SHORTFALL				**536**	

832	**0**	**1,631**
1,136	**1,628**	**417**
380	**720**	**300**
2,348	**2,348**	**2,348**

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REVENUE BUDGET MONITORING TO 30TH JUNE 2026 - QUARTER 1 APPENDIX 3

	Budget 2026-27					
BRIDGEND COUNTY BOROUGH COUNCIL	Expenditure Budget £'000	Income Budget £'000	Net Budget £'000	Projected Outturn £'000	Projected Variance Over/(under) budget £'000	% Variance
EDUCATION, EARLY YEARS AND YOUNG PEOPLE						
School Delegated Budgets	151,925	(21,374)	130,551	130,551	-	0.0%
Inclusion Group	10,749	(1,217)	9,532	10,060	528	5.5%
Early Years and Young People	3,779	(491)	3,288	3,329	41	1.2%
Strategic Performance and Support	17,657	(4,447)	13,210	13,488	278	2.1%
Schools Support	2,475	(1,340)	1,135	1,135	-	0.0%
Sustainable Communities For Learning	4,034	-	4,034	3,999	(35)	-0.9%
Other Education, Early Years and Young People	2,000	(60)	1,940	1,839	(101)	-5.2%
TOTAL EDUCATION, EARLY YEARS AND YOUNG PEOPLE	**192,619**	**(28,929)**	**163,690**	**164,401**	**711**	**0.4%**
SOCIAL SERVICES AND WELLBEING						
Adult Social Care	111,459	(29,493)	81,966	83,694	1,728	2.11%
Prevention and Wellbeing	7,308	(1,147)	6,161	6,062	(99)	-1.61%
Children and Family Services	37,128	(1,048)	36,080	35,953	(127)	-0.35%
TOTAL SOCIAL SERVICES AND WELLBEING	**155,895**	**(31,688)**	**124,207**	**125,709**	**1,502**	**1.2%**
COMMUNITIES DIRECTORATE						
Planning & Development Services	3,496	(2,658)	838	838	-	0.0%
Strategic Regeneration	1,941	(863)	1,078	1,078	-	0.0%
Economy, Natural Resources and Sustainability	3,432	(1,865)	1,567	1,567	-	0.0%
Cleaner Streets and Waste Management	17,092	(2,846)	14,246	14,246	-	0.0%
Highways and Green Spaces	28,489	(13,184)	15,305	15,180	(125)	-0.8%
Director and Head of Operations - Communities	412	(128)	284	284	-	0.0%
Corporate Landlord	15,321	(11,684)	3,637	3,512	(125)	-3.4%
TOTAL COMMUNITIES	**70,183**	**(33,228)**	**36,955**	**36,705**	**(250)**	**-0.7%**
CHIEF EXECUTIVE'S						
Chief Executive Unit	520	-	520	520	-	0.0%
Finance	39,943	(35,229)	4,714	4,758	44	0.9%
HR/OD	2,571	(398)	2,173	2,098	(75)	-3.5%
Partnerships	5,296	(1,700)	3,596	3,905	309	8.6%
Legal, Democratic & Regulatory	7,650	(943)	6,707	6,864	157	2.3%
Elections	185	-	185	221	36	19.5%
ICT	6,125	(891)	5,234	5,161	(73)	-1.4%
Housing & Homelessness	12,739	(7,795)	4,944	4,295	(649)	-13.1%
Business Support	1,115	(108)	1,007	911	(96)	-9.5%
TOTAL CHIEF EXECUTIVE'S	**76,144**	**(47,064)**	**29,080**	**28,733**	**(347)**	**-1.2%**
TOTAL DIRECTORATE BUDGETS	**494,841**	**(140,909)**	**353,932**	**355,548**	**1,616**	**0.5%**
Council Wide Budgets	55,618	(1,401)	54,217	53,207	(1,010)	-1.9%
NET BRIDGEND CBC	**550,459**	**(142,310)**	**408,149**	**408,755**	**606**	**0.1%**

NB: Differences due to rounding of £000's

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Meeting of:	**CABINET**
Date of Meeting:	**21 JULY 2026**
Report Title:	**TREASURY MANAGEMENT OUTTURN REPORT 2025-26**
Report Owner: Responsible Chief Officer / Cabinet Member	**CABINET MEMBER FOR FINANCE AND TRANSFORMATION** **CORPORATE DIRECTOR – FINANCE AND TRANSFORMATION**
Responsible Officer:	**NIGEL SMITH, GROUP MANAGER – CHIEF ACCOUNTANT**
Policy Framework and Procedure Rules:	**Paragraph 23.5 of the Council's Financial Procedure Rules require the Chief Finance Officer to report quarterly to Cabinet, summarising borrowing and investment activity and indicating compliance with any statutory or Council approved guidelines together with a half yearly and an annual report to Council.**
Executive Summary:	**The report provides an update of Treasury Management activity for the year 1 April 2025 – 31 March 2026.** **As at 31 March 2025 the Council had £99.72 million of long term debt, £12.87 million of other long term liabilities and an overall net debt position of £68.09 million.** **The average interest rate for debt was 4.63% and for investments it was 4.73%.** **The Council has a manageable maturity structure of borrowing, with its current debt repayable at various points over the next 30 years.** **The Council has complied with the Chartered Institute of Public Finance and Accountancy's Treasury Management Code and Welsh Government Investment Guidance.**

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 2025-26.

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 (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 (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 2025-26 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 26 February 2025.

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 Prior to the start of the US/Israel and Iran war, headline UK consumer price inflation (CPI) inflation had generally been trending downwards, albeit the 3% in February 2026 was unchanged from January 2026. CPI then rose to 3.3% in the 12 months to March 2026. Core CPI (CPI excluding energy, food, alcohol and tobacco) rose by 3.1% in the 12 months to March 2026, down from 3.2% in the 12 months to February 2026. Inflation was expected to fall further over the coming months to the Bank of England's 2% target, but the war changed this. Inflation is expected to continue to rise, but how quickly and by how much depends on how long commodity prices remain elevated.

3.1.2 After cutting Bank Rate to 3.75% in December 2025, the Bank of England's Monetary Policy Committee (MPC) voted 5-4 to hold rates in February 2026 and then unanimously chose to hold it again in March 2026. Until the war started, financial markets were expecting Bank Rate to be cut to 3.5% at the March meeting. However, the conflict in the Middle East quickly changed this. The MPC noted the risks to both inflation and growth and indicated they could move rates either up or down depending on the conditions. Financial markets quickly responded to this by pricing in rate hikes.

3.1.3 Following the March MPC meeting, Arlingclose, the authority's treasury adviser, revised its central interest rate view and now predicts Bank Rate will be held at 3.75%. However, the conflict makes the outlook for rates highly uncertain. In the short-term the risks are to the upside with the chance of higher Bank Rate should the MPC decide it wishes to quickly quash potential second-round effects from higher inflation. Further out, if Bank Rate is increased quickly, the pace and magnitude of subsequent cuts could take it far lower than was previously anticipated as policymakers add significant stimulus to a much weaker economic growth outlook.

3.1.4 While the most recent labour market figures were slightly better than expected, the general trend has been one of persistent weakness. In the three months to January 2026, the unemployment rate rose to 5.2% (from 5.1%), while the employment rate held at 75.1% and is estimated at 75% for the February to April quarter. Despite inflation being expected to rise in the coming months, labour market conditions remain loose and so any upward pressure on wages from general inflation is likely to be tempered by the weaker labour market environment.

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 2025-26 financial year.

3.3 Treasury Management update for the year ending 31 March 2026

3.3.1 The Council has complied with its legislative and regulatory requirements during the year. The Treasury Management Strategy 2025-26 was approved by Council on 26 February 2025.

3.3.2 A summary of the treasury management activities is shown in the Treasury Management Outturn 2025-26 at **Appendix A**. The Council's external debt and investment position on 31 March 2026 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 for a duration of 16 months to replace some maturing debt, £3.709 million of borrowing was repaid during the year, £2.790 million on 30 September 2025 and £0.919 million on 31 March 2026.

3.3.3 The balance on investments held on 31 March 2026 was £44.50 million, with an average interest rate of 4.73%. The total balance of investments has increased compared to those at the end of last financial year, 31 March 2025, when the balance held was £36.75 million, at an average interest rate of 4.39%.

Table 1: Council's external debt and investment position as of 31 March 2026

Investments for Treasury Purposes	Principal as at 31/03/2025 £m	Principal as at 31/03/2026 £m	Average Rate 31/03/2026 %
External Long-Term Borrowing			
Public Works Loan Board	77.04	78.33	4.75
Lender's Option Borrower's Option	19.25	19.25	4.65
Salix Loans (interest Free)	2.51	2.12	NIL
Salix Loans (Other)	NIL	0.02	2.15
Short Term Borrowing	5.00	NIL	NIL
Total External Long-Term Borrowing	**103.80**	**99.72**	**4.63**
Other Long-Term Liabilities			
Private Finance Initiative**	11.97	10.89	
IFRS 16 Leases	3.69	1.98	
Total Other Long-Term Liabilities	**15.66**	**12.87**	
Total Gross Debt	**119.46**	**112.59**	
Investments for treasury management purposes			
Local Authorities	NIL	30.00	5.50
Money Market Funds (instant access)	12.75	6.50	3.82
Banks	6.00	8.00	2.59
Debt Management Office	18.00	NIL	NIL
Total Treasury Investments	**36.75**	**44.50**	**4.73**
Net Debt	**82.71**	**68.09**	

** (PFI) arrangement for the provision of a Secondary School in Maesteg with* a remaining term to 30 September 2033

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, although shown as maturing in 2054, the £19.25 million of Lender's Option Borrower's Option loans is likely to be called sooner than this, the next call date being 22 July 2026.

3.3.4 The Total Other Long Term Liabilities figure of £12.87 million at 31 March 2026 includes £10.89 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 Council's 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 investments (original duration of 12 months or more) outstanding as at 31 March 2026. All investments at 31 March 2026 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 2025-26 set out in the Council's Treasury Management Strategy compared to the actual at 31 March 2026 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 Cabinet:

- Note the treasury management activities for the 2025-26 financial year.
- Note the Treasury Management Indicators for the period year ending 31 March 2026 against those approved in the Treasury Management Strategy 2025-26.

Background documents

None

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Treasury Management Outturn Report to 31 March 2026

Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr
BRIDGEND County Borough Council

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 2025-26 was approved by Council on 26 February 2025.
- UK consumer price inflation (CPI) rose by 3.3% in the 12 months to March 2026, up from 3.0% in the 12 months to February 2026. On a monthly basis, CPI rose by 0.7% in March 2026, compared with a rise of 0.3% in March 2025. Core CPI (CPI excluding energy, food, alcohol and tobacco) rose by 3.1% in the 12 months to March 2026, down from 3.2% in the 12 months to February 2026. The CPI goods annual rate rose to 2.1% in the 12 months to March 2026, up from 1.6% in February, while the CPI services annual rate rose from 4.3% to 4.5% in the same period.
- The Bank of England's Monetary Policy Committee (MPC) voted 5-4 to hold the Bank Rate at 3.75% in February 2026, and then unanimously to do so again in March 2026.
- Total external borrowing at 31 March 2026 was £99.72 million, an increase from the previous quarter at £95.65 million due to further borrowing of £5 million from the Public Works Loan Board (PWLB) and offset slightly by the repayment of one smaller PWLB loan and scheduled repayments of several Salix loans.
- Total investments at 31 March 2026 were £44.50 million, a reduction from £56.95 million at the previous quarter.
- Average interest rates on investments as at 31 March 2026 were 4.73%, an increase from those at 31 December 2025 of 3.66%. This increase is the result of several short term loans to other Local Authorities (LAs) over the end of year period when interest rates tend to peak within the LA to LA market. The average interest rate on external borrowings has increased very slightly to 4.63% from those at 31 December 2025 of 4.62%.
- The Council's investments are diversified across a number of institutions, including Local Authorities, Money Market Funds, Debt Management Office and banks. Security of the Council's cash resources is always the primary factor when investing cash resources.
- The Council had to borrow in 2025-26, to replace long term borrowings repaid, and this was taken out over a 16-month term. The Council may have an additional borrowing need during 2026-27, although this is dependent on the expenditure required on capital projects and the use of earmarked reserves. In the short term the Council uses the cash available from earmarked reserves to finance capital expenditure, known as internal borrowing. This is prudent whilst the Council has resources available, but these will need to be replaced with borrowing as the reserves are used.
- The liability benchmark indicates the Council may need to borrow £30.37 million during 2026-27, however this will be subject to the level of capital expenditure during the year and the level of reserves held and will be monitored on a regular basis.
- The Council has operated within the approved limits set out in the Treasury Management Strategy 2025-26.

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 (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 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

The end of February 2026 saw the start of the war between US/Israel and Iran. The conflict caused oil and other commodity prices to rise sharply as the shipping lanes in the region became effectively closed, restricting global oil supply. At the end of the period, the economic outlook remained highly uncertain in terms of its impact on inflation as well as countries' fiscal and monetary policy conditions around the globe.

Prior to the start of the war, headline UK consumer price inflation (CPI) inflation had generally been trending downwards, albeit the 3% in February 2026 was unchanged from January 2026. Core CPI also stayed put at 3.1%. Inflation was expected to fall further over the coming months to the Bank of England's 2% target, but the war changed this. CPI was 3.3% in the 12 months to March 2026. Inflation is expected to continue to rise, but how quickly and by how much depends on how long commodity prices remain elevated.

The Office for National Statistics (ONS) reported the UK economy expanded by 0.1% in Quarter 4 2025. This followed previous modest gains of 0.2% in Quarter 2 and by 0.1% in Quarter 3. Of the subsequent monthly figures, the ONS estimated that GDP (Gross Domestic Product) showed no growth in January 2026. As this is from before the war started the impact on growth will not be seen formally in the data for a couple more months.

While the most recent labour market figures were slightly better than expected, the general trend has been one of persistent weakness. In the three months to January 2026, the unemployment rate rose to 5.2% (from 5.1%), while the employment rate held at 75.1% and is estimated at 75% for the February to April quarter. Despite inflation being expected to rise in the coming months, labour market conditions remain loose and so any upward pressure on wages from general inflation is likely to be tempered by the weaker labour market environment.

After cutting Bank Rate to 3.75% in December 2025, the Bank of England's Monetary Policy Committee (MPC) voted 5-4 to hold rates in February 2026 and then unanimously chose to hold it again in March 2026. Until the war started, financial markets were expecting Bank Rate to be cut to 3.5% at the March meeting. However, the conflict in the Middle East quickly changed this. The MPC noted the risks to both inflation and growth and indicated they could move rates either up or down depending on the conditions. Financial markets quickly responded to this by pricing in rate hikes.

Following the March MPC meeting, Arlingclose, the authority's treasury adviser, revised its central interest rate view and now predicts Bank Rate will be held at 3.75%. However, the conflict makes the outlook for rates highly uncertain. In the short-term the risks are to the upside with the chance of higher Bank Rate should the MPC decide it wishes to quickly quash potential second-round effects from higher inflation. Further out, if Bank Rate is increased quickly, the pace and magnitude of subsequent cuts could take it far lower than was previously anticipated as policymakers add significant stimulus to a much weaker economic growth outlook.

3.0 EXTERNAL DEBT AND INVESTMENT POSITION

The Council's external debt and investments at 31 March 2026 is set out in Table 1 below. The Council held £99.72 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 2026)
- £2.12 million of Salix interest-free loans and £0.02 million of Salix loans at a rate of 2.15%

The Council has previously raised the majority of its long-term borrowing from the Public Works Loan Board (PWLB), and this was the case when the Council borrowed £5 million for a duration of 16 months in January 2026. The Council will however consider long term loans from other sources including banks, pension funds and other local authorities if appropriate. The Council may 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 if appropriate.

At 31 March 2026 the Council had £44.50 million of investments for treasury management purposes and £4.755 million of investments for commercial purposes.

Table 1: Council's external debt and investment position as of 31 March 2026

Investments for Treasury Purposes	Principal as at 31/03/2025 £m	Principal as at 31/03/2026 £m	Average Rate 31/03/2026 %
External Long Term Borrowing			
Public Works Loan Board (PWLB)	77.04	78.33	4.75
Lenders Option Borrowers Option (LOBO)	19.25	19.25	4.65
Salix Loans (Interest Free)	2.51	2.12	NIL
Salix Loans (Other)	NIL	0.02	2.15
Short Term Borrowing	5.00	NIL	NIL
Total External Borrowing	**103.80**	**99.72**	**4.63**
Other Long Term Liabilities			
Private Finance Initiative*	11.97	10.89	
IFRS 16 Leases	3.69	1.98	
Total Other Long Term Liabilities	**15.66**	**12.87**	
Total Gross Debt	**119.46**	**112.59**	
Investments for treasury management purposes			
Debt Management Office	18.00	NIL	NIL
Money Market Funds (instant access)	12.75	6.50	3.82
Banks	6.00	8.00	2.59
Local Authorities	NIL	30.00	5.50
Total Treasury Investments	**36.75**	**44.50**	**4.73**
Net Debt	**82.71**	**68.09**	

Investments for Commercial Purposes	Fair Value as at 31/03/2026 £m	Actual return 31/03/2026 £m
Investments	4.755	0.606

* *(PFI) arrangement for the provision of a Secondary School in Maesteg with* a remaining term to 30 September 2033

The current profile of repayment of the Council's long-term debt is set out in the Liability Benchmark chart below. The table 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 is likely to be called sooner than this, the next call date being 22 July 2026.

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 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). MRP for the year was £6.508 million, which included supported and unsupported borrowing, the PFI for Maesteg School and leases recognised on the balance sheet as from 1 April 2025.

Liability benchmark

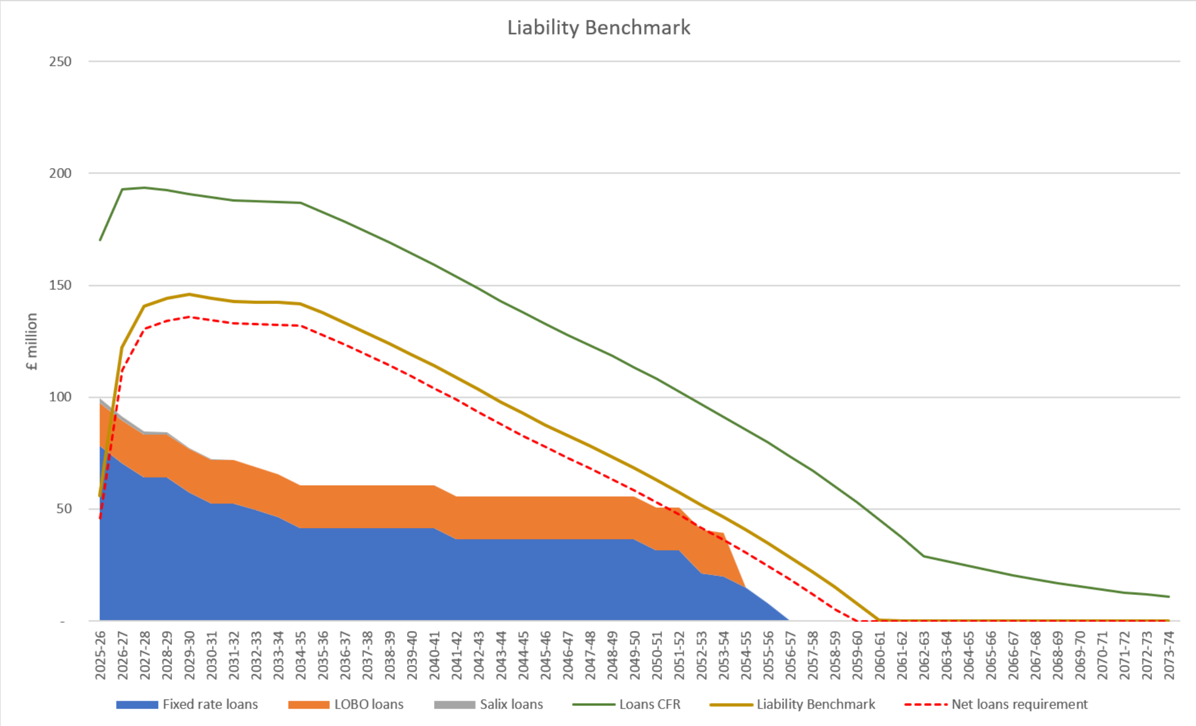
The liability benchmark is a tool which helps to assess the lowest level of borrowing the Council needs, taking into account available cash resources to fund capital expenditure in the short term. A minimum level of investments is factored into the calculation, set at £10 million, which are held as reasonably 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 usable 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 therewith. Any new schemes which require debt financing will increase the CFR and loans requirement.

Table 2: Liability benchmark

	31 March 2025 actual £m	31 March 2026 estimate (TMS) £m	31 March 2026 actual £m	31 March 2027 forecast £m	31 March 2028 forecast £m
Capital Financing Requirement	181.09	183.22	182.56	203.77	203.11
Less: Other debt liabilities	(15.65)	(15.12)	(12.87)	(11.41)	(9.85)
Loans Capital Financing Requirement	***165.44***	***168.10***	***169.69***	***192.36***	***193.26***
Less: Balance Sheet Resources	(108.44)	(58.52)	(124.24)	(80.46)	(63.19)
Plus: Liquidity allowance	10.00	10.00	10.00	10.00	10.00
Liability Benchmark	**67.00**	**119.58**	**55.45**	**121.90**	**140.07**

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.



The Council may need to borrow during 2026-27 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 2026 the Council held £99.72 million of Long-Term Borrowing, £97.58 million of which is fixed long term loans as part of its strategy for funding previous years' capital programmes.

The Council has previously raised the majority of its long-term borrowing from the Public Works Loan Board (PWLB), and this was the case when the Council borrowed

£5 million for a duration of 16 months in January 2026. The Council will however consider long term loans from other sources including banks, pension funds and other local authorities if appropriate. The Council will seek to minimise interest costs and reduce over-reliance on one source of funding where appropriate 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. Given the anticipated level of expenditure within the capital programme over the current and next financial years, it is likely that new borrowing will be required to replace these maturing loans. The value of the loans due to be repaid over the next 3 years is shown in Table 3.

Table 3: Value of maturing debt

	2026-27 £ million	2027-28 £ million	2028-29 £ million
Value of maturing PWLB debt	7.790	6.395	0.00
Value of maturing Salix debt	0.398	0.398	0.398
Total maturing debt	**8.188**	**6.793**	**0.398**

During 2025-26, £3.709 million of borrowing was repaid, £2.790 million on 30 September 2025 and £0.919 million on 31 March 2026. There will be £7.790 million PWLB debt maturing in financial year 2026-27, £5 million due for repayment on 5 June 2026 and £2.790 million on 31 March 2027. It is likely that the Council will need to borrow to replenish these funds over the forthcoming periods. The Salix debt includes mostly interest free funding for several schemes with varying maturity dates, ranging between financial year 2028-29 and 2033-34. These schemes have two repayments per year at 6 monthly equal instalments.

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 repayable in 2026-27.

Table 4: Maturity Structure of Borrowing

Maturity structure of borrowing	Upper limit	lower limit	£ million	As at 31 March 2026
Under 12 months	50%	0%	27.24	27.32%
12 months and within 24 months	25%	0%	6.79	6.82%
24 months and within 5 years	25%	0%	12.69	12.72%
5 years and within 10 years	40%	0%	11.61	11.64%
10 years and within 20 years	50%	0%	5.00	5.01%
20 years and above	60%	25%	36.39	36.49%

As can be seen from the above table the maturity structure remains within the limits approved as part of the Treasury Management Strategy 2025-26. The following chart provides the maturity profile of the Council's long term debt.

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. It is anticipated that this right may be exercised at the next call date, July 2026, and whilst the Council currently has sufficient funds to repay the loans, it will need to consider taking out new debt to replace them.

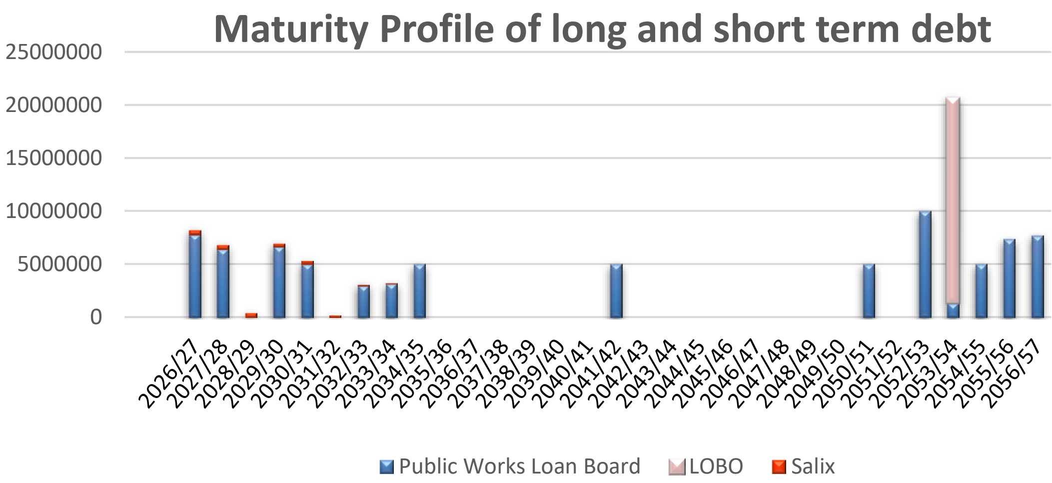
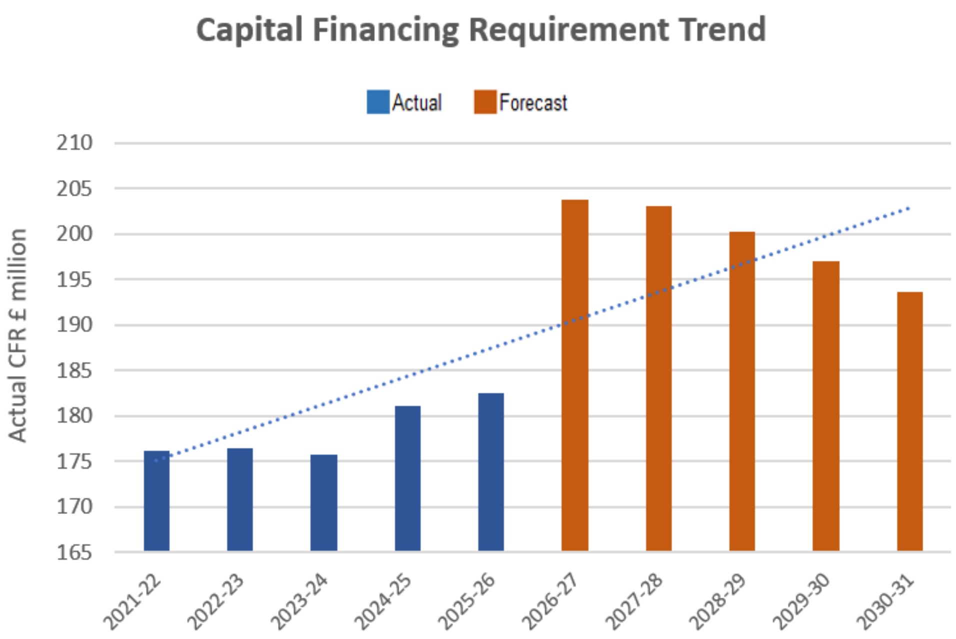


Table 5: LOBO loans

Commencement date	Loan value £m	Potential repayment date	Option frequency	Full term maturity
22 January 2004	4.00	22 July 2026	6 months	22 January 2054
22 January 2004	5.00	22 July 2026	6 months	22 January 2054
22 January 2004	10.25	22 July 2026	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. Internal borrowing was £69.97 million as at 31 March 2026. 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 CFR as at 31 March 2026 was £182.56 million, external borrowing £99.72 million and other long term debt liabilities £12.87 million, which is primarily the PFI Maesteg School scheme plus the lease commitments of right of use assets.

The chart below shows the trend in the CFR based on **current** capital commitments within the approved capital programme. The CFR is anticipated to increase in the next year assuming capital expenditure is incurred as currently anticipated. The CFR in future years shows a marginal reduction, however, this is on the assumption that there will be no new schemes added to the capital programme which require debt financing. If new schemes requiring debt financing are added, the CFR will continue to increase.



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, 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 with any proposed changes being presented to Council for 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 2026, the Council held £44.50 million of investments, with a weighted average return (based on the rate of return of each investment over the 3 month period) of 3.98% (£56.95 million at 4.00% as at 31 December 2025). This compares to the average interest rate of investments as at 31 March 2026 of 4.73%, as shown in Table 1.

Table 6 below shows the investment profile as at 31 March 2026.

Table 6: Investments by counterparty type

Investment Category	Balance 1 April 2025 £m	Investments made in period £m	Investments repaid in period £m	Balance 31 Mar 2026 £m	Weighted interest rate 1 Jan 2026 to 31 Mar 2026 %
Government DMO	18.00	670.50	(688.50)	0.00	4.00
Money Market Funds	12.75	44.50	(50.75)	6.50	4.09
Banks (instant access/notice accounts)	6.00	45.90	(43.90)	8.00	3.04
Local Authorities	0.00	30.00	0.00	30.00	5.29
TOTAL	**36.75**	**790.90**	**(783.15)**	**44.50**	**3.98**

The following should be noted:

- During the period to 31 March 2026 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 AA- and above as per the approved criteria or with a public body.
- The weighted average rates are for all investments made during 1 April 2025 to 31 March 2026.

The overall interest receivable from treasury investments for the period 1 April 2025 to 31 March 2026 was £4.396 million. The Bank of England base rate has remained unchanged at 3.75% since the last reduction on 18 December 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 will be sought as necessary. All investments as at 31 March 2026 were short term of less than one year duration, as shown in Table 7 below.

Table 7: Sums invested for periods longer than a year

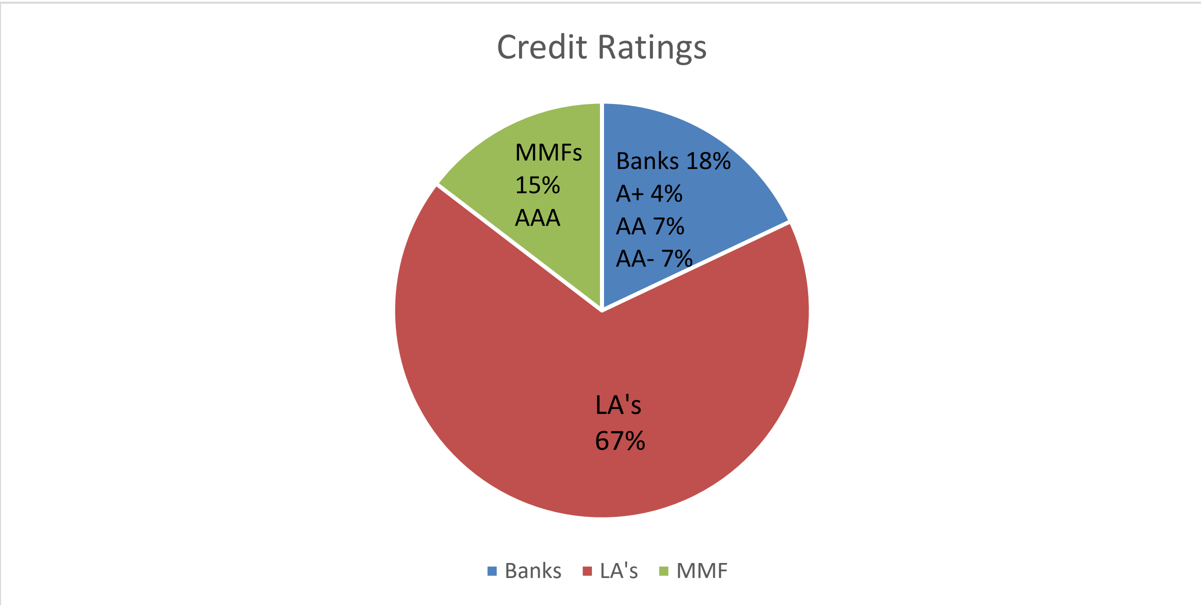
Price risk indicator	TMS 2025-26 £m	Actual £m	Full term maturity
Limit on principal invested beyond financial year end	10	NIL	NIL

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	Deposits maturing within 4-12 months £m	TOTAL £m
Government DMO	0.00	0.00	0.00	0.00	0.00
Local Authorities	0	20.00	10.00	0.00	30.00
Money Market Funds	6.50	0.00	0.00	0.00	6.50
Banks	8.00	0.00	0.00	0.00	8.00
Total	**14.50**	**20.00**	**10.00**	**0.00**	**44.50**

The pie chart below summarises the distribution of the Council's investments by credit ratings. Most local authorities do not have credit ratings but are considered secure investment counterparties. Although the Council did not have deposits with the Government DMO at 31 March 2026 it did use them during the period. These are UK government 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 2026.

Table 9: Interest Rate Exposure

Interest rate risk indicator	£ million
One year revenue impact of a 1% rise in interest rates	(0.432)
One year revenue impact of a 1% fall in interest rates	0.239

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 payable on borrowings excluding other long term liabilities (PFI and lease interest), and interest income due for the period 1 April 2025 to 31 March 2026 is shown below.

Table 10: Interest

	Financial Year 2025-26 £m	2025-26 Interest to 31 March 2026 £m
Interest expenditure payable on long term borrowing	(6.100)	(5.851)
Interest income receivable in period	4.771	4.396
Net Interest cost	(1.329)	(1.455)

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 below. Recent 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 primarily 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	£ million
Bridgend Science Park - Units 1 & 2	3.000
Waterton Cross Land	0.530
Brynmenyn Industrial Estate Plot 53	0.630
Village Farm Plots 32,119 & 120	0.395
Tyrewise Bridgend	0.200
Total at Fair Value	**4.755**
Annual return 2025-26	**0.606**

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 addition, the value of these investments has increased from the previous year.

In accordance with Welsh Government Investment Guidance these are classified as non-treasury investments.

Schedule A – Credit Rating Equivalence Table

Credit Rating Equivalence Table

	Description	Fitch Long	Fitch Short	Moody's Long	Moody's Short	Standard & Poor's Long	Standard & Poor's 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+		A1		A+	A-1
		A	F1	A2		A	
		A-		A3		A-	A-2
	Adequate	BBB+	F2	Baa1	P-2	BBB+	
		BBB		Baa2		BBB	
		BBB-	F3	Baa3	P-3	BBB-	A-3
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-	
	Vulnerable	CCC+	C	Caa1		CCC+	C
		CCC		Caa2		CCC	
		CCC-		Caa3		CCC-	
		CC		Ca		CC	
		C				C	
	Defaulting	D	D	C		D	D

Schedule B – Arlingclose Economic & Interest Rate Forecast – March 2026

Arlingclose expects Bank Rate to be held at 3.75% for the foreseeable future. There are a range of possible scenarios outside this central case, dependent on the duration of the Iran war, post-war conduct, and temporary or lasting damage to energy infrastructure.

In the short term, the forecast is heavily weighted to the upside – i.e. there may be Bank Rate hikes. This largely reflects policymakers' desire to avoid Ukraine-war style secondary outcomes, at the expense of activity. The current membership of the MPC suggests that this could happen as early as the next meeting – the Governor could again be the deciding vote.

Gilt yields/swap rates will remain high without early monetary tightening, or signs of deteriorating activity, which would argue against the need for rate increases. The risks around Arlingclose's gilt yield forecasts are weighted to the upside given the risks around Bank Rate.

Meeting of:	**CABINET**
Date of Meeting:	**21 JULY 2026**
Report Title:	**CAPITAL PROGRAMME OUTTURN 2025-26 AND QUARTER 1 UPDATE 2026-27**
Report Owner / Responsible Chief Officer / Cabinet Member	**CABINET MEMBER FOR FINANCE AND TRANSFORMATION** **CORPORATE DIRECTOR – FINANCE AND TRANSFORMATION**
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:	• **The report provides an update on the capital programme outturn position for 2025-26, the quarter 1 spend and projected spend for 2026-27 as at 30 June 2026, the revised capital programme for 2026-27 to 2035-36 and the projected Prudential and Other Indicators for 2026-27.** • **Appendix A shows the budgets and spend for the individual schemes for 2025-26.** • **Appendix B shows the budgets, spend to date and projected year end spend as at 30 June 2026 for the individual schemes in 2026-27.** • **Appendix C shows the revised capital programme for 2026-27 to 2035-36.** • **Appendix D provides details of the actual Prudential and other Indicators for 2025-26 and projected Prudential and Other Indicators for 2026-27.**

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 Cabinet on the capital programme outturn for 2025-26 **(Appendix A)**.
- Provide an update to Cabinet on the capital programme position for 2026-27 as at 30 June 2026 **(Appendix B)**.
- Seek agreement from Cabinet to delegate authority to the Director of Communities, in consultation with the Chief Officer – Legal, Regulatory & Electoral Services and the Corporate Director – Finance and Transformation, in consultation with the relevant Cabinet Member to finalise the programme and delivery mechanisms of the Community Impact Fund.
- Seek agreement from Cabinet to present a report to Council for approval of a revised capital programme for 2026-27 to 2035-36 **(Appendix C)**.
- Ask Cabinet to note the actual Prudential and Other Indicators for 2025-26 and the projected Prudential and Other Indicators for 2026-27 **(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 2026-27, incorporating the Prudential Indicators for 2026-27, was approved by Council on 25 February 2026.

2.4 On 26 February 2025 Council approved a capital budget of £124.863 million for 2025-26 as part of a capital programme covering the period 2025-26 to 2034-35. The programme was last updated and approved by Council on 25 February 2026.

3. Current situation / proposal

3.1 Capital Programme Outturn 2025-26

3.1.1 The original budget approved by Council on 26 February 2025 has been revised and approved by Council during the year to incorporate budgets brought forward from 2024-25 and any new schemes and grant approvals during 2025-26. The revised programme for 2025-26, approved by Council on 25 February 2026 totalled £75.367 million, of which £37.140 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 £38.227 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 2025-26 compared to the actual spend. Since the last report presented to Council on 25 February 2026 there have been a few amendments to the 2025-26 programme. The main changes are:

- New approvals of £3.064 million, as a result of additional grant funding awards including £0.681 million for the School Maintenance Grant, £0.672 million for the CESP/Arbed scheme, £0.678m for the Porthcawl Grand Pavilion and £0.263 million for the Disabled Facilities Grant, as well as £0.165 million of s106 funding for Highways and £0.301 million from an earmarked reserve for the acquisition of the Rhiw shopping centre.

- These additions are offset by reductions of £0.254 million in the programme due to expenditure on the Public Rights of Way Improvement (£0.013 million) and Local Places for Nature (£0.241 million) grant funded schemes being deemed to be revenue in nature. This expenditure as well as the equivalent amount of funding has been transferred to the revenue budget.

- £5.196 million of funding has been brought forward from 2026-27 to reflect revised spend profiles.

This brings the revised budget for 2025-26 to £83.373 million.

3.1.3 Total expenditure as at 31 March 2026 was £44.919 million which, after slippage of £37.559 million into 2026-27, and adjustments to grant funded schemes of £0.512 million, results in a total under spend of £0.383 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.

3.1.4 The slippage of £37.559 million is forecast to be spent in 2026-27, the main schemes being:

- £2.011 million Land Purchase Band B Schools. The programme for Heronsbridge School has slipped, and land will be acquired to deliver the project in line with revised programme. Therefore £2.011 million has been slipped to 2026-27.

- £0.531 million Heronsbridge Replacement. Due to additional design and technical work being needed before progressing to the next stage of the project, £0.531 million has been slipped to 2026-27.

- £0.504 million Y G Bro Ogwr Replacement. Ecological mitigation requirements have resulted in a delay in the progression of the planning application, therefore £0.504 million has been slipped to 2026-27.

- £2.551 million Bridgend West. Additional site investigations and design development were required to satisfy planning approval requirements and associated conditions. In addition, agreement of the proposed land swap with the site owner has taken longer than anticipated. As a result, the start of works on site has been delayed and £2.551 million has been slipped to 2026-27.

- £3.334 million School Capital Maintenance Grant. There have been a number of delays on the individual projects within the scheme due to capacity and timing issues, plus an additional £0.681 million was awarded by Welsh Government in February 2026 for use in 2025-26 which increased the available budget. The remaining budget has been slipped forward for use in 2026-27.

- £1.243 million Community Focused Schools Grant. Projects approved for completion in 2025-26 are at various stages of development, delivery and completion. The remaining budget has been slipped forward to 2026-27 to ensure the approved projects are completed.

- £1.227 million Addition Learning Needs Grant. Projects approved for completion in 2025-26 are at various stages of development, delivery and completion. The remaining budget has been slipped forward to 2026-27 to ensure the approved projects are completed.

- £0.543 million Nantymoel Flying Start. The tender documents are currently being reviewed by Procurement and will be issued shortly. The budget has been slipped forward to fund the works which will commence once the tender process has been concluded.

- £0.540 million Bryntirion Comprehensive 3G Pitch. Works have commenced at Bryntirion Comprehensive on the replacement 3G pitch, and the grant funding from Cymru Football Foundation and Sport Wales has been slipped forward to fund the remaining works in 2026-27.

- £1.238 million Community Play Areas. The refurbishment of Community Play Areas is progressing well, with works at sites included in phase 5 of the programme now being undertaken. £1.238m has been slipped forward to 2026-27 to fund the completion of phases 5 and 6.

- £0.741 million Parks/Pavilions/Other Community Asset Transfers. £0.741 million has been slipped forward to fund approved Community Asset Transfer requests received in 2026-27.

- £1.179 million Fleet Vehicles. Following a report to Council on 12 March 2025, the fleet budget was increase to £1.971 million to recommence the fleet replacement programme. £1.179 million has been slipped to 2026-27 to continue the replacement of fleet vehicles.

- £1.970 million Porthcawl Regeneration Project. The £1.970 million budget has been slipped forward to support the on-going regeneration works in Porthcawl.

- £1.633 million Porthcawl Grand Pavilion. The addition and use of the Arts Council funding of £2.178m was prioritised in the 2025-26 financial year as the funding had to be spent by 31 March 2026. Therefore, £1.633m of funding has slipped forward into the 2026-27 financial year. The project is progressing well, with completion anticipated Winter 2027-28.

- £1.500 million Pride In Place. The Pride in Place funding application and funding award process is now nearing completion and the total grant allocation of £3.000 million has been allocated to projects from both BCBC and local groups/organisations. The funding award is for the period 2025-27 and £1.500 million has been slipped to 2026-27 to fund the approved projects.

- £0.912 million Hillsboro South Public Realm. The contractor was appointed in March 2026, and the scheme is progressing well. The works are anticipated to be completed in Winter 2026-27.

- £1.510 million Minor Works. Due to delays in completing a number of minor works schemes across all directorates, funding has been slipped for use in 2026-27.

- £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.

- £0.773 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 Team approval. This will be monitored during 2026-27 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.

3.2 Capital Programme Quarter 1 Update 2026-27

3.2.1 This section of the report provides Members with an update on the Council's capital programme for 2026-27 since the budget was last approved by Council and incorporates any new schemes and grant approvals. The revised programme for 2026-27 currently totals £102.161 million, of which £52.687 million is met from

Bridgend County Borough Council (BCBC) resources, including capital receipts, revenue contributions from earmarked reserves and borrowing, with the remaining £49.474 million coming from external resources, including Welsh Government General Capital Grant. **Table 1** below shows the capital programme for each Directorate from the February 2026 approved Council position to Quarter 1:

Table 1 – Capital Programme per Directorate 2026-27

Directorate	Approved Council February 2026 £'000	Net Slippage (to) / from 2025-26 £'000	New Approvals/ (Reductions) £'000	Virements £'000	Slippage to future years £'000	Revised Budget 2026-27 £'000
Education, Early Years and Young People (EEYYP)	76,046	14,980	4,137	(249)	(67,101)	27,813
Social Services and Wellbeing	2,000	745	98	-	-	2,843
Communities	39,639	13,062	10,252	249	-	63,202
Chief Executive's	2,950	2,707	590	-	-	6,247
Council Wide	1,187	869	-	-	-	2,056
Total	**121,822**	**32,363**	**15,077**	**-**	**(67,101)**	**102,161**

3.2.2 **Table 2** below summarises the current funding assumptions for the capital programme for 2026-27. 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 2026-27 Resources

CAPITAL RESOURCES	£'000
BCBC Resources:	
Capital Receipts	18,186
Earmarked Reserves	18,410
Unsupported Borrowing	9,456
Supported Borrowing	3,849
Other Loans	2,370
Revenue Contribution	416
Total BCBC Resources	**52,687**

External Resources:	
S106	1,751
Grants	47,723
Total External Resources	**49,474**
TOTAL RESOURCES	**102,161**

3.2.3 **Appendix B** provides details of the individual schemes within the capital programme, showing the budget available in 2026-27 compared to the projected year end spend at 30 June 2026. 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 (2027-28 and beyond).

<u>Highways/Other Offsite Works Sustainable Communities for Learning Band B Schools (£3.300 million)</u>
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 £3.300 million has been slipped forward over the years 2027-28 to 2029-30.

<u>Heronsbridge Replacement (£17.686 million)</u>
The spend profile has slipped due to additional design and technical work being needed before progressing to the next stage of the project and further transport assessment work has been undertaken to support the planning process. As a result, some project activities have taken longer than originally planned and the budget has been realigned to reflect the programme.

<u>Mynydd Cynffig Replacement (£7.766 million)</u>
There has been a delay to the planning process due to ecological mitigation requirements, including measures relating to protected species. The planning application is scheduled to be considered by the Development Control Committee on 23 July 2026. As a result, the project programme has been extended. Subject to the outcome of the tender process, works are anticipated to commence on site in late spring 2027, and the budget profile has been updated to reflect the revised programme.

<u>YG Bro Ogwr Replacement (£6.395 million)</u>
Ecological mitigation requirements have resulted in a delay in the progression of the planning application. Good progress is being made, with reptile translocation works currently underway and site investigation works scheduled to follow. The statutory pre-application consultation will commence shortly, and the planning application is expected to be submitted in September 2026. Subject to approval, construction is anticipated to begin in late spring 2027. The budget profile has been updated to reflect the revised programme.

<u>Bridgend West (£30.369 million)</u>
Additional site investigations and design development were required to satisfy planning approval requirements and associated conditions. These activities were undertaken by the contractor through a Pre-Construction Services Agreement. In

addition, agreement of the proposed land swap with the site owner has taken longer than anticipated. As a result, the start of works on site has been delayed. Updated cost forecasts prepared by the project consultants indicate that the majority of expenditure will now be incurred during 2027–28, and the budget profile has been revised accordingly.

Coety Primary School Extension (£1.585 million)
The Local Planning Authority requested additional information regarding the potential highway impacts of the proposed classroom extension, which has delayed progress of the planning application. Consultants are currently developing and assessing highway design options to support the application, and this work is expected to be completed shortly. As a result, the project programme has been extended and the spend profile has been updated to reflect the revised timescales.

3.2.5 There are a number of amendments to the capital programme for 2026-27, such as new and amended schemes, since the capital programme was last approved, including:

Bridgend West (£0.616 million)
An additional £0.616 million of Council funding is required in order to progress the Bridgend West scheme, due to a revised contract sum being received from the contractor. This is predicated on Welsh Government's approval of a funding variation increase request for their scheme contribution.

Schools Capital Maintenance Grant (£1.094 million)
Welsh Government have awarded the Council £1.094 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.

Welsh Medium Childcare Provision - Bridgend (£0.555 million)
Welsh Government have awarded the Council an additional £0.555 million to fund the provision of a new Welsh medium childcare facility in the Bridgend town area. This brings the total grant award to £1.105 million, and the new facility will be co-located with the replacement Ysgol Gymraeg Bro Ogwr on land off Ffordd Cadfan, Brackla.

Community Focused Schools (£0.912 million)
The Council have been awarded £0.912 million from Welsh Government's Sustainable Communities for Learning Community Focused Schools Grant for 2026-27. The funding will be used to support the use of education assets out of normal school hours and will enable schools to build strong partnerships with families, engage with the wider community and collaborate effectively with other sectors and services.

Additional Learning Needs (ALN) Capital Grant (£0.912 million)
Welsh Government have awarded the Council £0.912 million from the Additional Learning Needs Grant for 2026-27. The purpose of the grant is to optimise learning environments for disabled children and young people, and those with additional learning needs, to increase accessibility, promote inclusive practice, support learning and pupil wellbeing. This will support the objectives of ALNET (Additional Leaning Needs and Educational Tribunal) and ALN reform, to create a unified bilingual system

for supporting children and young people from 0 to 25 with ALN, and the delivery of the Curriculum for Wales in school settings.

Cefn Cribwr Primary School Garden (£0.048 million)
A former pupil of Cefn Cribwr Primary school has donated £0.048 million to the school to fund the creation of a memorial garden in memory of his late grandmother. The works include the creation of an outdoor environment with flooring, fencing and a timber/ recycled material out building.

Harwood House Replacement (£0.100 million)
The Harwood House Replacement will deliver new fit fit-for-purpose accommodation at the new Heronsbridge site, offering 3 beds to children with disabilities. It is anticipated that new facility will be funded through Cwm Taf Morgannwg's Housing with Care fund (HCF) and the bidding process for this grant will open shortly. In order to progress the scheme, it is proposed to underwrite the scheme with Bridgend Council funding until a grant submission can be progressed, with a total of £2.000 million underwritten from 2026-27 to 2029-30.

Brackla Sports Centre (£0.038 million)
Due to an increase in the projected cost of the existing scheme at Brackla Sports Centre, Sport Wales have awarded an additional grant of £0.034 million to enable the works to be completed. A revenue contribution of £0.004 million has also been added to provide the required match funding.

Community Play Areas (£0.298 million)
£0.298 million of s106 contributions have been added to the Community Play Areas budget to fund the ongoing refurbishment works at play areas across the County Borough.

Gerddi Castell Play Areas (£0.156 million)
A brand-new play area will be installed at Gerddi Castell in Coety, with the £0.156 million budget for the works being fully funded from s106 contributions.

Coychurch Crematorium (£0.060 million)
The capital work at Coychurch Crematorium in 2026-27 will focus on the pathways within the grounds. The addition of £0.060 million will be funded from the Crematorium's accumulated balance.

Road Signs 20 mph Default Speed (£0.200 million)
Welsh Government have awarded the Council £0.200 million to support the 20 mph default speed limit, and will fund enhanced gateway features such as roundels, dragon's teeth, high-viz signing and vehicle activated signage.

Fleet Vehicles (£0.022 million)
Due to failing the MOT, Ysgol Bryn Castell has disposed of their current vehicle for transporting pupils and will source a replacement via Fleet Services at a cost of £0.028 million. The cost of the vehicle is to be met by £0.014 million of Prudential Borrowing and a revenue contribution of £0.008 million from the school. The remainder of the cost is to be met from an Earmarked Reserve used to fund the differential between an electric and fossil fuel vehicle.

Cemeteries (£0.500 million)
Capital investment is required to support the planned improvements of cemeteries across the County Borough. The £0.500 million of earmarked reserves funding will be added to the existing budget and be used to address priority infrastructure works ensuring cemeteries remain safe, meeting the needs of current and future communities.

S106 Highways Small Schemes (£0.025m)
£0.025m of Highways s106 contributions have been added to the programme to fund highways costs relating to traffic orders and small-scale works.

Unadopted Roads (£0.016 million)
Welsh Government have awarded the Council £0.016 million from their Unadopted Roads grant, which will fund works in the Porthcawl area of the County Borough.

Coal Tip Safety (£0.675 million)
The council have been awarded a total of £2.825 million from Welsh Government's Coal Tip Safety Grant to undertake works to improve and maintain coal tip land and consequently mitigate against future potential failures. The grant offer covers a 3-year period, with £1.860 million awarded for 2027-28 and £0.290 million awarded for 2028-29.

Blackmill Road Bridge (£3.500 million)
Welsh Government have awarded £3.500 million from their Regional Transport Fund for the replacement of the Blackmill road bridge deck. The replacement of the bridge deck will cost a total of £5.000 million and following the completion of a delegated power in May 2026, £1.500 million of Bridgend Council funding has been added in 2027-28 as contingency match funding subject to a further application being made to the Regional Transport Fund in 2027-28.

Penyfai to Bridgend Active Travel Route £1.696 million
Welsh Government have awarded £1.696 million from their Regional Transport Fund for the delivery of phase 1 of the Penyfai to Bridgend active travel route, creating a safe walking, wheeling and cycle route to Bridgend town centre.

Sarn Boardwalk (£0.300 million)
The Sarn boardwalk has been in place for circa 25 years and during this period has had minimal works undertaken. However, in recent years the frequency with which the deck boards on the boardwalk need to be replaced has increased substantially. Whilst currently open, it will be the case that unless addressed, the path will need to be closed in the near future. Due to the strategic nature of the boardwalk, any unplanned/sudden closure would cause significant disruption for pedestrians and cyclists using the boardwalk not only for leisure purposes but also as access to employment, educational and retail facilities within Bridgend and the gateway area to the valleys. £0.300 million has been added to replace the wooden boardwalk with elements of recycled plastic to reduce the risk of deterioration.

Road Safety Improvements (£1.250 million)
The addition of £1.250 million will support the development of road safety improvement schemes, including junction improvements, pedestrian crossing points on busy roads and safety improvements at crossing locations near schools.

Maesteg Bus Station (£0.095 million)
Welsh Government have awarded £0.095 million from their Regional Transport Fund to fund the upgrading of bus shelters at Maesteg bus station, including the installation of solar powered information boards.

Shared Prosperity Fund (SPF) (£0.185 million)
Local Authorities have been given the opportunity to carry forward into 2026-27 any underspend within the SPF budgets allocated in 2025-26. As a result, £0.185 million of revenue budget underspend in 2025-26 has been carried forward into capital to complete ongoing projects.

Low Carbon Heat (£1.909 million)
The Council has been awarded £1.909 million from Welsh Government's Energy Service to replace end-of-life gas heating systems with heat pumps at Brynteg Comprehensive School, Archdeacon John Lewis Primary School, and Ysgol Cynwyd Sant. Match funding of £0.249 million is required to complete the works, which will be funded by a virement from the Schools Capital Maintenance Grant.

Community Impact Fund (£1.500 million)
The Pride in Place Fund (PiPIF) issued by UK Government already included in the Capital Programme aims to restore pride in local communities, support community cohesion and stimulate economic activity. Interest by local community organisations and the breadth of projects that were identified across the Strategic Investment in Town Centre's and the Community Infrastructure Fund demonstrated that there were a significant number of projects, and the interest far exceeded the value of the PiPIF capital allocation. The purpose of the Community Impact Fund is to respond to the demand for community projects to support community-based clubs and organisations that contribute positively to residents' lives within the Borough.

Subject to Council approval of the scheme being added to the Capital Programme on the 22 July 2026, in line with the process for the PiPIF, Cabinet are asked to delegate authority to the Director of Communities, in consultation with the Chief Officer – Legal, Regulatory & Electoral Services and the Corporate Director – Finance and Transformation, in consultation with the relevant Cabinet Member to finalise the programme and delivery mechanisms of the Community Impact Fund.

Local Growth Framework (£1.130 million)
Village Farm phase 1 which was funded through Shared Prosperity Fund (2023-25) established 8 industrial units which corporate landlord will lease to private tenants, generating rental income for BCBC of £55,000 per annum. Planning permission is in place for the commencement of phase 2, which will create a further 4 double units which are also expected to generate £55,000 rental income per year. The original proposal was to fund the works funded through Local Growth Framework (LGF), which replaced Shared Prosperity Funding in 2026-27. However, due to delays in the receipt of the award letters, there are now risks associated with the scheme not being completed within the financial year. The solution is to underwrite the value of the contract with Council funding to enable to commencement of the contract. Award letters for the LGF are to be issued imminently and once received, the Councils funding will be removed and replaced with the LGF funding.

Enable Grant (£0.390 million)
Welsh Government have awarded the Council £0.390 million from the Enable – Support for Independent Living 2026-27 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.

HWB Schools IT (£0.200 million)
£0.200 million has been added to Hwb Schools IT in relation to a range of planned ICT purchases in 2026-27. These will be funded from an existing earmarked reserve established for the purchase of ICT equipment by schools from their annual ICT Service Level Agreement contributions.

In addition to the above schemes, two schemes have been removed from the capital programme. These are shown as negative approvals:

Bryn Y Cae (£0.040 million)
Works at Bryn y Cae are complete and the remaining budget of £0.040 million has been removed from the programme.

Bridgend Heat (£3.265 million)
The heat network as originally designed is no longer considered to be a viable scheme. Progress has been hampered by inflationary and interest rate pressures, changing scope and potential off takers progressing alternate options. Market testing has indicated that whilst interest may exist for private investment, without further feasibility work it is unclear, and based on current information the scheme is unlikely to attract investment. £3.265 million has been removed from the programme, with £1.000 million of capital funding being returned to the UK Government Heat Network Investment Programme.

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

3.3 Prudential and Other Indicators – 2025-26 Outturn and 2026-27 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 (Corporate Director – Finance and Transformation) is required to establish procedures to monitor both performance against all forward-looking prudential indicators and the requirement specified.

3.3.2 In February 2026, Council approved the Capital Strategy for 2026-27, which included the Prudential Indicators for 2026-27.

3.3.3 **Appendix D** details the actual indicators for 2025-26, the estimated indicators for 2026-27 set out in the Council's Capital Strategy and the projected indicators for

2026-27 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 Cabinet:

- notes the Council's Capital Programme Outturn for 2025-26 **(Appendix A)**.
- notes the Council's Capital Programme 2026-27 Quarter 1 update to 30 June 2026 **(Appendix B)**
- agrees to delegate authority to the Director of Communities, in consultation with the Chief Officer – Legal, Regulatory & Electoral Services and the Corporate Director – Finance and Transformation, in consultation with the relevant Cabinet Member to finalise the programme and delivery mechanisms of the Community Impact Fund, subject to Council approval of the fund to the Capital Programme.
- agrees that the revised Capital Programme **(Appendix C)** be submitted to Council for approval.

- notes the actual Prudential and Other Indicators for 2025-26 and the projected indicators for 2026-27 **(Appendix D)**.

Background documents

None

Bridgend County Borough Council

APPENDIX A

CAPITAL MONITORING REPORT **2025-26 OUTTURN REPORT**

	Budget 25-26 (Council Feb 26) £'000	New Approvals and Adjustments £'000	Virement £'000	Brought Forward from 2026-27 £'000	Revised Budget 2025-26 £'000	Total Expenditure 2025-26 £'000	Over / (Under) Spend £'000	Slippage to 2026-27 £'000	Impact on Grant Funding £'000	Impact on BCBC Resources £'000
Education, Early Years and Young People										
HIGHWAYS SCHEMES BAND B SCHOOL	100	-	66	-	166	58	(108)	108	-	-
HERONSBRIDGE REPLACEMENT	1,733	-	-	-	1,733	1,202	(531)	531	-	-
MYNYDD CYNFFIG REPLACEMENT	227	-	-	-	227	149	(78)	78	-	-
Y G BRO OGWR REPLACEMENT	725	-	-	-	725	221	(504)	504	-	-
BRIDGEND WEST	2,976	-	-	-	2,976	425	(2,551)	2,551	-	-
YSGOL GYFYN GYMRAEG LLANGYNWYD	94	-	150	-	244	4	(240)	240	-	-
LAND PURCHASE BAND B SCHOOLS	2,026	-	-	-	2,026	15	(2,011)	2,011	-	-
GARW VALLEY SOUTH PRIMARY PROVISION	61	-	-	-	61	-	(61)	61	-	-
PENCOED PRIMARY SCHOOL BAND A	51	-	-	-	51	-	(51)	51	-	-
ABERCERDIN PRIMARY HUB	276	-	-	-	276	5	(271)	271	-	-
BRYNTEG COMPREHENSIVE ALL WEATHER PITCH	26	-	-	-	26	5	(21)	-	-	(21)
EEYYP MINOR WORKS	567	-	46	-	613	477	(136)	125	(11)	-
SCHOOLS TRAFFIC SAFETY	50	-	-	-	50	2	(48)	48	-	-
SCHOOL MODERNISATION	333	-	-	-	333	-	(333)	333	-	-
PENCOED PRIMARY SCHOOL EXTENSION	-	-	-	-	-	(58)	(58)	-	-	(58)
COETY PRIMARY SCHOOL EXTENSION	126	-	-	-	126	91	(35)	35	-	-
BRYNTIRION COMPREHENSIVE NEW CLASSROOMS	695	-	-	-	695	681	(14)	-	-	(14)
BRYNTIRION COMP HIGHWAYS	66	-	(66)	-	-	-	-	-	-	-
SCHOOLS CAPITAL MAINTENANCE GRANT	4,906	730	225	-	5,861	2,527	(3,334)	3,334	-	-
WELSH MEDIUM GRANT - BRIDGEND	550	-	-	-	550	-	(550)	550	-	-
WELSH MEDIUM GRANT - PORTHCAWL	550	-	-	-	550	-	(550)	550	-	-
FREE SCHOOL MEALS	575	-	-	-	575	376	(199)	10	-	(189)
COMMUNITY FOCUSED SCHOOLS	1,663	-	(40)	-	1,623	380	(1,243)	1,243	-	-
ALN CAPITAL GRANT	1,580	-	(64)	-	1,516	289	(1,227)	1,227	-	-
YSGOL GYMRAEG BRO OGWR MOBILE CLASSROOMS	436	-	-	-	436	436	-	-	-	-
PORTHCAWL WELSH MEDIUM SEEDLING SCHOOL	181	61	-	-	242	242	-	-	-	-
FLYING START EXTENSION - NANTYMOEL PRIMARY	569	-	-	-	569	26	(543)	543	-	-
FLYING START HIGHWAYS	36	-	-	-	36	-	(36)	36	-	-
BRYNTIRION COMPREHENSIVE 3G PITCH	740	-	(140)	-	600	60	(540)	540		
TOTAL Education, Early Years and Young People	**21,918**	**791**	**177**	**-**	**22,886**	**7,613**	**(15,273)**	**14,980**	**(11)**	**(282)**
Social Services and Wellbeing										
BRYN Y CAE - UPGRADE HFE'S	40	-	-	-	40	-	(40)	40	-	-
TY CWM OGWR	23	-	-	-	23	-	(23)	23	-	-
WELLBEING MINOR WORKS	242	-	20	-	262	87	(175)	175	-	-
BAKERS WAY MINOR WORKS	10	-	-	-	10	-	(10)	10	-	-
CHILDRENS RESIDENTIAL HUB	18	-	-	-	18	16	(2)	-	-	(2)
CHILDRENS RESIDENTIAL HOME	1,120	-	-	-	1,120	1,097	(23)	23	-	-
COMMUNITY CENTRES	117	-	-	-	117	(2)	(119)	119	-	-
BRYNGARW HOUSE	8	-	-	-	8	-	(8)	8	-	-
ALL WALES PLAY OPPORTUNITIES	231	-	-	-	231	231	-	-	-	-

	Budget 25-26 (Council Feb 26) £'000	New Approvals and Adjustments £'000	Virement £'000	Brought Forward from 2026-27 £'000	Revised Budget 2025-26 £'000	Total Expenditure 2025-26 £'000	Over / (Under) Spend £'000	Slippage to 2026-27 £'000	Impact on Grant Funding £'000	Impact on BCBC Resources £'000
BRIDGEND LIFE CENTRE	272	-	-	-	272	-	(272)	272	-	-
BRACKLA SPORTS CENTRE	75	-	-	-	75	-	(75)	75	-	-
TOTAL Social Services & Wellbeing	**2,156**	**-**	**20**	**-**	**2,176**	**1,429**	**(747)**	**745**	**-**	**(2)**
Communities										
Street Scene										
COMMUNITY PLAY AREAS	2,743	-	-	-	2,743	1,505	(1,238)	1,238	-	-
PARKS/PAVILIONS/OTHER COMMUNITY ASSET TRANSFERS	1,054	-	-	-	1,054	313	(741)	741	-	-
ABERFIELDS PLAYFIELDS	11	-	-	-	11	-	(11)	11	-	-
CITY DEAL	-	-	-	-	-	-	-	-	-	-
COYCHURCH CREM WORKS	22	12	-	-	34	34	-	-	-	-
REMEDIAL MEASURES - CAR PARKS	135	-	-	-	135	12	(123)	123	-	-
CIVIL PARKING ENFORCEMENT CAR	54	-	-	-	54	54	-	-	-	-
20 MPH DEFAULT SPEED	209	-	-	-	209	172	(37)	-	(37)	-
ROAD SAFETY SCHEMES	3	1	-	-	4	4	-	-	-	-
HIGHWAYS STRUCTURAL WORKS	394	-	-	-	394	293	(101)	101	-	-
CARRIAGEWAY CAPITAL WORKS	302	-	-	-	302	254	(48)	48	-	-
PROW CAPITAL IMPROVEMENT STRUCTURES	50	(13)	-	-	37	37	-	-	-	-
HIGHWAYS REFURBISHMENT	1,014	-	(9)	-	1,005	993	(12)	12	-	-
REPLACEMENT OF STREET LIGHTING	519	-	-	-	519	396	(123)	123	-	-
RIVER BRIDGE PROTECTION MEASURES	22	-	-	-	22	-	(22)	22	-	-
COMMUNITIES MINOR WORKS	582	-	200	-	782	535	(247)	247	-	-
ULEV TRANSFORMATION FUND 2	111	-	-	-	111	-	(111)	7	(104)	-
FLEET TRANSITION-ULEV	54	-	-	-	54	38	(16)	16	-	-
NET ZERO CARBON FLEET	147	-	-	-	147	30	(117)	117	-	-
EV CHARGING INFRASTRUCTURE	118	-	-	-	118	101	(17)	-	(16)	(1)
PORTHCAWL METRO LINK (CCR)	19	-	-	-	19	6	(13)	-	-	(13)
RESIDENTS PARKING BRIDGEND TOWN CENTRE	109	-	-	-	109	20	(89)	89	-	-
FLEET VEHICLES	1,971	25	-	-	1,996	817	(1,179)	1,179	-	-
CEMETERIES	314	-	-	-	314	24	(290)	290	-	-
S106 HIGHWAYS SMALL SCHEMES	35	165	-	-	200	200	-	-	-	-
ROAD SAFETY IMPROVEMENTS	67	-	-	-	67	30	(37)	37	-	-
COAL TIP SAFETY	1,795	-	-	-	1,795	1,466	(329)	-	(329)	-
GRASS CUTTING EQUIPMENT	101	-	-	-	101	30	(71)	71	-	-
WASTE VEHICLES	-	-	-	1,351	1,351	1,351	-	-	-	-
HIGHWAYS MAINTENANCE LGBI	2,908	-	9	-	2,917	2,917	-	-	-	-
RESILIENT ROADS	494	-	-	-	494	494	-	-	-	-
BRIDGEND BUS STATION	186	17	-	-	203	203	-	-	-	-
TOTAL Streetscene	15,543	207	200	1,351	17,301	12,329	(4,972)	4,472	(486)	(14)
Regeneration & Development										
EU CONVERGANCE SRF BUDGET	436	-	-	-	436	18	(418)	418	-	-
PORTHCAWL REGENERATION PROJECT	2,224	-	-	-	2,224	254	(1,970)	1,970	-	-
ECONOMIC STIMULUS GRANT	315	5	-	-	320	89	(231)	231	-	-
COASTAL RISK MANAGEMENT PROGRAM	184	-	-	-	184	19	(165)	165	-	-
EWENNY ROAD INDUSTRIAL ESTATE	3,485	1	-	-	3,486	3,486	-	-	-	-
CESP/ARBED PHASE 1	2,123	672	-	-	2,795	2,315	(480)	480	-	-

	Budget 25-26 (Council Feb 26) £'000	New Approvals and Adjustments £'000	Virement £'000	Brought Forward from 2026-27 £'000	Revised Budget 2025-26 £'000	Total Expenditure 2025-26 £'000	Over / (Under) Spend £'000	Slippage to 2026-27 £'000	Impact on Grant Funding £'000	Impact on BCBC Resources £'000
BRIDGEND HEAT SCHEME	3,265	-	-	-	3,265	-	(3,265)	3,265	-	-
MAESTEG TOWN HALL CULTURAL HUB	61	-	-	-	61	12	(49)	-	(11)	(38)
TOWN & COMMUNITY COUNCIL FUND	183	-	-	-	183	21	(162)	162	-	-
PORTHCAWL TOWNSCAPE HERITAGE INITIATIVE	89	-	-	-	89	-	(89)	89	-	-
COMMERCIAL PROPERTY ENHANCEMENT FUND	134	-	-	-	134	-	(134)	134	-	-
URBAN CENTRE PROPERTY ENHANCE	650	122	-	-	772	772	-	-	-	-
2030 DECARBONISATION	573	6	-	-	579	296	(283)	283	-	-
SHARED PROSPERITY FRAMEWORK	3,077	-	-	-	3,077	2,990	(87)	83	(4)	-
LOCAL PLACES FOR NATURE	367	(241)	-	-	126	126	-	-	-	-
PORTHCAWL GRAND PAVILION	4,500	678	-	-	5,178	3,545	(1,633)	1,633	-	-
PRIDE IN PLACE IMPACT FUND	1,500	-	-	-	1,500	-	(1,500)	1,500	-	-
HILLSBORO SOUTH PUBLIC REALM	1,203	-	-	-	1,203	291	(912)	912	-	-
TRANSFORMING TOWNS TOWN CENTRE PROPERTY ACQUISITION	-	301	-	3,500	3,801	3,801	-	-	-	-
TRANSFORMING TOWNS WYNDHAM HOUSE	1,042	-	-	345	1,387	1,387	-	-	-	-
LOW CARBON HEAT	200	-	-	-	200	200	-	-	-	-
TOTAL Regeneration & Development	25,611	1,544	-	3,845	31,000	19,622	(11,378)	11,325	- 15	- 38
Corporate Landlord										
DDA WORKS	198	-	-	-	198	37	(161)	161	-	-
MINOR WORKS	2,192	-	(497)	-	1,695	185	(1,510)	1,510	-	-
FIRE PRECAUTIONS MINOR WORKS	107	-	100	-	207	140	(67)	67	-	-
BRYNCETHIN DEPOT FACILITIES	272	-	-	-	272	3	(269)	269	-	-
WATERTON UPGRADE	490	-	-	-	490	36	(454)	454	-	-
INVESTING IN COMMUNITIES	47	-	-	-	47	-	(47)	-	-	(47)
TOTAL Corporate Landlord	3,306	-	(397)	-	2,909	401	(2,508)	2,461	-	(47)
TOTAL Communities	**44,460**	**1,751**	**(197)**	**5,196**	**51,210**	**32,352**	**(18,858)**	**18,258**	**(501)**	**(99)**
Chief Executive										
MANDATORY DFG RELATED EXPEND	1,750	263	-	-	2,013	2,004	(9)	9	-	-
DISCRETIONARY HOUSING GRANTS	200	-	(1)	-	199	38	(161)	161	-	-
HOUSING RENEWAL AREA	100	-	-	-	100	97	(3)	3	-	-
ENABLE GRANT	382	-	1	-	383	383	-	-	-	-
HOMELESSNESS AND HOUSING	530	-	-	-	530	-	(530)	530	-	-
HEALTH & WELLBEING VILLAGE	480	-	-	-	480	-	(480)	480	-	-
AFFORDABLE HOUSING	802	-	-	-	802	353	(449)	449	-	-
ENFORCEMENT FUND 1	250	-	-	-	250	6	(244)	244	-	-
ENFORCEMENT FUND 2	22	-	-	-	22	-	(22)	22	-	-
ENFORCEMENT FUND 3	75	-	-	-	75	10	(65)	65	-	-
MULTI PROJECT ENFORCEMENT FUND	100	-	-	-	100	-	(100)	100	-	-
TOTAL Housing/Homelessness	4,691	263	-	-	4,954	2,891	(2,063)	2,063	-	-
ICT INFRA SUPPORT	452	-	-	-	452	443	(9)	9	-	-
DIGITAL TRANSFORMATION	597	-	-	-	597	1	(596)	596	-	-
CCTV SYSTEMS REPLACEMENT	-	-	-	-	-	-	-	-	-	-
ICT DATA CENTRE REPLACEMENT	39	-	-	-	39	-	(39)	39	-	-

	Budget 25-26 (Council Feb 26) £'000	New Approvals and Adjustments £'000	Virement £'000	Brought Forward from 2026-27 £'000	Revised Budget 2025-26 £'000	Total Expenditure 2025-26 £'000	Over / (Under) Spend £'000	Slippage to 2026-27 £'000	Impact on Grant Funding £'000	Impact on BCBC Resources £'000
HWB SCHOOLS IT	185	5	-	-	190	190	-	-	-	-
TOTAL ICT	1,273	5	-	-	1,278	634	(644)	644	-	-
TOTAL Chief Executive	**5,964**	**268**	**-**	**-**	**6,232**	**3,525**	**(2,707)**	**2,707**	**-**	**-**
Council Wide Capital Budgets										
CORPORATE CAPITAL FUND	773	-	-	-	773	-	(773)	773	-	-
UNALLOCATED	96	-	-	-	96	-	(96)	96	-	-
	869	-	-	-	869	-	(869)	869	-	-
GRAND TOTAL	**75,367**	**2,810**	**-**	**5,196**	**83,373**	**44,919**	**(38,454)**	**37,559**	**(512)**	**(383)**

Bridgend County Borough Council

APPENDIX B

CAPITAL MONITORING REPORT

QUARTER 1 TO 30 JUNE 2026

Education, Early Years and Young People

		Budget 26-27 (Council Feb 26) £'000	Net Slippage (to) / from 2025-26 £'000	New Approvals and Adjustments £'000	Virement £'000	Slipped (to)/ from Future Years £'000	Revised Budget 2026-27 £'000	Total Expenditure to Date £'000	Projected Spend £'000	Over / (Under) Spend £'000	Impact on BCBC Resources £'000
1	HIGHWAYS SCHEMES BAND B SCHOOL	3,292	108	-	-	(3,300)	100	6	100	-	-
2	HERONSBRIDGE REPLACEMENT	19,000	531	-	-	(17,686)	1,845	357	1,845	-	-
3	MYNYDD CYNFFIG REPLACEMENT	7,828	78	-	-	(7,766)	140	(3)	140	-	-
4	Y G BRO OGWR REPLACEMENT	6,291	504	-	-	(6,395)	400	2	400	-	-
5	BRIDGEND WEST	37,285	2,551	616	-	(30,369)	10,083	136	10,083	-	-
6	YSGOL GYFYN GYMRAEG LLANGYNWYD	-	240	-	-	-	240	1	240	-	-
7	LAND PURCHASE BAND B SCHOOLS	-	2,011	-	-	-	2,011	-	2,011	-	-
8	GARW VALLEY SOUTH PRIMARY PROVISION	-	61	-	-	-	61	-	61	-	-
9	PENCOED PRIMARY SCHOOL BAND A	-	51	-	-	-	51	-	51	-	-
10	ABERCERDIN PRIMARY HUB	-	271	-	-	-	271	-	271	-	-
11	EEYYP MINOR WORKS	-	125	-	-	-	125	-	125	-	-
12	SCHOOLS TRAFFIC SAFETY	-	48	-	-	-	48	16	48	-	-
13	SCHOOL MODERNISATION	-	333	-	-	-	333	-	333	-	-
14	COETY PRIMARY SCHOOL EXTENSION	2,350	35	-	-	(1,585)	800	12	800	-	-
15	SCHOOLS CAPITAL MAINTENANCE GRANT	-	3,334	1,094	(249)	-	4,179	37	4,179	-	-
16	WELSH MEDIUM GRANT - BRIDGEND	-	550	555	-	-	1,105	-	1,105	-	-
17	WELSH MEDIUM GRANT - PORTHCAWL	-	550	-	-	-	550	-	550	-	-
18	FREE SCHOOL MEALS	-	10	-	-	-	10	1	10	-	-
19	COMMUNITY FOCUSED SCHOOLS	-	1,243	912	-	-	2,155	4	2,155	-	-
20	ALN CAPITAL GRANT	-	1,227	912	-	-	2,139	(6)	2,139	-	-
21	PORTHCAWL WELSH MEDIUM SEEDLING SCHOOL	-	-	-	-	-	-	-	-	-	-
22	FLYING START EXTENSION - NANTYMOEL PRIMARY	-	543	-	-	-	543	2	543	-	-
23	FLYING START HIGHWAYS	-	36	-	-	-	36	-	36	-	-
24	BRYNTIRION COMPREHENSIVE 3G PITCH	-	540	-	-	-	540	164	540	-	-
25	CEFN CRIBWR PRIMARY SCHOOL GARDEN	-	-	48	-	-	48	-	48	-	-
	TOTAL Education, Early Years and Young People	**76,046**	**14,980**	**4,137**	**(249)**	**(67,101)**	**27,813**	**729**	**27,813**	**-**	**-**

Social Services and Wellbeing

		Budget 26-27 (Council Feb 26) £'000	Net Slippage (to) / from 2025-26 £'000	New Approvals and Adjustments £'000	Virement £'000	Slipped (to)/ from Future Years £'000	Revised Budget 2026-27 £'000	Total Expenditure to Date £'000	Projected Spend £'000	Over / (Under) Spend £'000	Impact on BCBC Resources £'000
26	BRYN Y CAE - UPGRADE HFE'S	-	40	(40)	-	-	-	-		-	-
27	TY CWM OGWR	-	23	-	-	-	23	-	23	-	-
28	WELLBEING MINOR WORKS	-	175	-	-	-	175	-	175	-	-
29	BAKERS WAY MINOR WORKS	-	10	-	-	-	10	-	10	-	-
30	CHILDRENS RESIDENTIAL HOME	500	23	-	-	-	523	-	523	-	-
31	HARWOOD HOUSE REPLACEMENT	-	-	100	-	-	100	-	100	-	-
32	COMMUNITY CENTRES	-	119	-	-	-	119	-	119	-	-
33	BRYNGARW HOUSE	-	8	-	-	-	8	-	8	-	-
34	BRIDGEND LIFE CENTRE	-	272	-	-	-	272	-	272	-	-
35	BRACKLA SPORTS CENTRE	-	75	38	-	-	113	-	113	-	-
36	COMMUNITY SPORTS FACILITIES	1,500	-	-	-	-	1,500	-	1,500	-	-
	TOTAL Social Services & Wellbeing	**2,000**	**745**	**98**	**-**	**-**	**2,843**	**-**	**2,843**	**-**	**-**

		Budget 26-27 (Council Feb 26) £'000	Net Slippage (to) / from 2025-26 £'000	New Approvals and Adjustments £'000	Virement £'000	Slipped (to)/ from Future Years £'000	Revised Budget 2026-27 £'000	Total Expenditure to Date £'000	Projected Spend £'000	Over / (Under) Spend £'000	Impact on BCBC Resources £'000
	Communities										
	Street Scene										
37	COMMUNITY PLAY AREAS	1,457	1,238	298	-	-	2,993	122	2,993	-	-
38	GERDDI CASTELL PLAY AREA	-	-	156	-	-	156	-	156	-	-
39	PARKS/PAVILIONS/OTHER COMMUNITY ASSET TRANSFERS	-	741	-	-	-	741	(12)	741	-	-
40	ABERFIELDS PLAYFIELDS	-	11	-	-	-	11	-	11	-	-
41	CITY DEAL	488	-	-	-	-	488	488	488	-	-
42	COYCHURCH CREM WORKS	-	-	60	-	-	60	-	60	-	-
43	REMEDIAL MEASURES - CAR PARKS	-	123	-	-	-	123	-	123	-	-
44	20 MPH DEFAULT SPEED	-	-	200	-	-	200	9	200	-	-
45	HIGHWAYS STRUCTURAL WORKS	340	101	-	-	-	441	-	441	-	-
46	CARRIAGEWAY CAPITAL WORKS	250	48	-	-	-	298	44	298	-	-
47	PROW CAPITAL IMPROVEMENT STRUCTURES	66	-	-	-	-	66	5	66	-	-
48	HIGHWAYS REFURBISHMENT	2,500	12	-	-	-	2,512	(298)	2,512	-	-
49	REPLACEMENT OF STREET LIGHTING	400	123	-	-	-	523	39	523	-	-
50	RIVER BRIDGE PROTECTION MEASURES	-	22	-	-	-	22	-	22	-	-
51	COMMUNITIES MINOR WORKS	-	247	-	-	-	247	(53)	247	-	-
52	ULEV TRANSFORMATION FUND 2	-	7	-	-	-	7	-	7	-	-
53	FLEET TRANSITION-ULEV	-	16	-	-	-	16	(13)	16	-	-
54	NET ZERO CARBON FLEET	-	117	-	-	-	117	-	117	-	-
55	RESIDENTS PARKING BRIDGEND TOWN CENTRE	-	89	-	-	-	89	-	89	-	-
56	FLEET VEHICLES	-	1,179	22	-	-	1,201	130	1,201	-	-
57	CEMETERIES	-	290	500	-	-	790	1	790	-	-
58	S106 HIGHWAYS SMALL SCHEMES	-	-	25	-	-	25	1	25	-	-
59	UNADOPTED ROADS	-	37	16	-	-	53	(30)	53	-	-
60	COAL TIP SAFETY	-	-	675	-	-	675	(752)	675	-	-
61	GRASS CUTTING EQUIPMENT	-	71	-	-	-	71	-	71	-	-
62	WASTE VEHICLES	6,000	(1,351)	-	-	-	4,649	-	4,649	-	-
63	HIGHWAYS MAINTENANCE LGBI	1,939	-	-	-	-	1,939	226	1,939	-	-
64	BLACKMILL ROAD BRIDGE	-	-	3,500	-	-	3,500	59	3,500	-	-
65	PENYFAI TO BRIDGEND ATR	-	-	1,696	-	-	1,696	2	1,696	-	-
66	SARN BOARDWALK	-	-	300	-	-	300	-	300	-	-
67	ROAD SAFETY IMPROVEMENTS	-	-	1,250	-	-	1,250	-	1,250	-	-
68	MAESTEG BUS STATION		-	95	-	-	95	-	95	-	-
	TOTAL Streetscene	13,440	3,121	8,793	-	-	25,354	(32)	25,354	-	-
	Regeneration & Development										
69	EU CONVERGANCE SRF BUDGET	-	418	-	-	-	418	-	418	-	-
70	PORTHCAWL REGENERATION PROJECT	-	1,970	-	-	-	1,970	60	1,970	-	-
71	ECONOMIC STIMULUS GRANT	-	231	-	-	-	231	29	231	-	-
72	COASTAL RISK MANAGEMENT PROGRAM	-	165	-	-	-	165	165	165	-	-
73	CESP/ARBED PHASE 1	-	480	-	-	-	480	(959)	480	-	-
74	BRIDGEND HEAT SCHEME	-	3,265	(3,265)	-	-	-	-	-	-	-
75	TOWN & COMMUNITY COUNCIL FUND	50	162	-	-	-	212	-	212	-	-
76	PORTHCAWL TOWNSCAPE HERITAGE INITIATIVE	-	89	-	-	-	89	-	89	-	-

		Budget 26-27 (Council Feb 26) £'000	Net Slippage (to) / from 2025-26 £'000	New Approvals and Adjustments £'000	Virement £'000	Slipped (to)/ from Future Years £'000	Revised Budget 2026-27 £'000	Total Expenditure to Date £'000	Projected Spend £'000	Over / (Under) Spend £'000	Impact on BCBC Resources £'000
77	COMMERCIAL PROPERTY ENHANCEMENT FUND	-	134	-	-	-	134	-	134	-	-
78	URBAN CENTRE PROPERTY ENHANCE	650	-	-	-	-	650	57	650	-	-
79	2030 DECARBONISATION	150	283	-	-	-	433	21	433	-	-
80	SHARED PROSPERITY FRAMEWORK	-	83	185	-	-	268	79	268	-	-
81	LOCAL PLACES FOR NATURE	367	-	-	-	-	367	-	367	-	-
82	PORTHCAWL GRAND PAVILION	15,007	1,633	-	-	-	16,640	1,055	16,640	-	-
83	PRIDE IN PLACE IMPACT FUND	1,500	1,500	-	-	-	3,000	-	3,000	-	-
84	HILLSBORO SOUTH PUBLIC REALM	-	912	-	-	-	912	34	912	-	-
85	LOW CARBON HEAT	-	-	1,909	249	-	2,158	(128)	2,158	-	-
86	TRANSFORMING TOWNS TOWN CENTRE PROPERTY ACQUISITION	3,500	(3,500)	-	-	-	-	-	-	-	-
87	TRANSFORMING TOWNS WYNDHAM HOUSE	744	(345)	-	-	-	399	-	399	-	-
88	COMMUNITY IMPACT FUND	-	-	1,500	-	-	1,500	-	1,500	-	-
89	LOCAL GROWTH FRAMEWORK	-	-	1,130	-	-	1,130	-	1,130	-	-
	TOTAL Regeneration & Development	21,968	7,480	1,459	249	-	31,156	413	31,156	-	-
	Corporate Landlord										
90	DDA WORKS	-	161	-	-	-	161	5	161	-	-
91	MINOR WORKS	1,130	1,510	-	-	-	2,640	49	2,640	-	-
92	FIRE PRECAUTIONS MINOR WORKS	-	67	-	-	-	67	6	67	-	-
93	BRYNCETHIN DEPOT FACILITIES	-	269	-	-	-	269	-	269	-	-
94	WATERTON UPGRADE	3,101	454	-	-	-	3,555	13	3,555	-	-
	TOTAL Corporate Landlord	4,231	2,461	-	-	-	6,692	73	6,692	-	-
	TOTAL Communities	**39,639**	**13,062**	**10,252**	**249**	**-**	**63,202**	**454**	**63,202**	**-**	**-**
	Chief Executive										
95	MANDATORY DFG RELATED EXPEND	2,250	9	-	-	-	2,259	292	2,259	-	-
96	DISCRETIONARY HOUSING GRANTS	200	161	-	-	-	361	-	361	-	-
97	HOUSING RENEWAL AREA	100	3	-	-	-	103	-	103	-	-
98	ENABLE GRANT	-		390	-	-	390	-	390	-	-
99	HOMELESSNESS AND HOUSING	-	530	-	-	-	530	-	530	-	-
100	HEALTH & WELLBEING VILLAGE	-	480	-	-	-	480	-	480	-	-
101	AFFORDABLE HOUSING	-	449	-	-	-	449	-	449	-	-
102	ENFORCEMENT FUND 1	-	244	-	-	-	244	4	244	-	-
103	ENFORCEMENT FUND 2	-	22	-	-	-	22	-	22	-	-
104	ENFORCEMENT FUND 3	-	65	-	-	-	65	2	65	-	-
105	MULTI PROJECT ENFORCEMENT FUND	-	100	-	-	-	100	-	100	-	-
	TOTAL Housing/Homelessness	2,550	2,063	390	-	-	5,003	298	5,003	-	-
106	ICT INFRA SUPPORT	400	9	-	-	-	409	-	409	-	-
107	DIGITAL TRANSFORMATION	-	596	-	-	-	596	55	596	-	-
108	ICT DATA CENTRE REPLACEMENT	-	39	-	-	-	39	-	39	-	-
109	HWB SCHOOLS IT	-	-	200	-	-	200	-	200	-	-
	TOTAL ICT	400	644	200	-	-	1,244	55	1,244	-	-
	TOTAL Chief Executive	**2,950**	**2,707**	**590**	**-**	**-**	**6,247**	**353**	**6,247**	**-**	**-**

		Budget 26-27 (Council Feb 26) £'000	Net Slippage (to) / from 2025-26 £'000	New Approvals and Adjustments £'000	Virement £'000	Slipped (to)/ from Future Years £'000	Revised Budget 2026-27 £'000	Total Expenditure to Date £'000	Projected Spend £'000	Over / (Under) Spend £'000	Impact on BCBC Resources £'000
	Council Wide Capital Budgets										
110	CORPORATE CAPITAL FUND	-	773	-	-	-	773	-	773	-	-
111	UNALLOCATED	1,187	96	-	-	-	1,283	-	1,283	-	-
		1,187	869	-	-	-	2,056	-	2,056	-	-
	GRAND TOTAL	**121,822**	**32,363**	**15,077**	**-**	**(67,101)**	**102,161**	**1,536**	**102,161**	**-**	**-**

CAPITAL PROGRAMME 2026-2036 **APPENDIX C**

		Date Approved	Total 2026-2036 Total Cost £'000	BCBC Funding £'000	External Funding £'000	2026-27 Council Feb 26 2026-27 £'000	Net Slippage (to) / from 2025-26 £'000	New Approvals / Reductions £'000	Virement £'000	Slipped (to)/from Future Years £'000	Revised 2026-27 £'000	FUTURE YEARS 2027-2028 £'000	2028-2029 £'000	2029-2030 £'000	2030-2031 £'000	2031-2032 £'000	2032-2033 £'000	2033-2034 £'000	2034-2035 £'000	2035-36 £'000	CUMULATIVE Total 2026 - 2036 £'000
Education, Early Years and Young People																					
1	Highways / Other Offsite Works Band B Schools	20/21	3,400	3,400	-	3,292	108			(3,300)	100	2,000	1,000	300							3,400
2	Heronsbridge Replacement	22/23	39,257	12,600	26,657	19,000	531			(17,686)	1,845	21,984	15,428								39,257
3	Mynydd Cynffig Replacement	22/23	13,531	5,426	8,105	7,828	78			(7,766)	140	9,356	3,809	226							13,531
4	Y G Bro Ogwr Replacement	22/23	15,276	3,185	12,091	6,291	504			(6,395)	400	10,410	4,218	248							15,276
5	Bridgend West	22/23	42,838	13,174	29,664	37,285	2,551	616		(30,369)	10,083	32,755									42,838
6	Ysgol Gyfun Gymraeg Llangynwyd	21/22	240	240	-		240				240										240
7	Land Purchase Band B	21/22	2,011	2,011	-		2,011				2,011										2,011
8	Garw Valley South Primary Provision	14/15	61	61	-		61				61										61
9	Pencoed Primary School - Band A	14/15	51	51	-		51				51										51
10	Abercerdin Primary School Hub	21/22	271	271	-		271				271										271
11	EEYYP Minor Works	RECURRENT	125	125			125				125										125
12	Schools Traffic Safety	16/17	48	48	-		48				48										48
13	School Modernisation	14/15	333	333	-		333				333										333
14	Coety Primary School - Extension	22/23	2,385	2,057	328	2,350	35			(1,585)	800	1,535	50								2,385
15	School's Capital Maintenance Grant	19/20	4,179	3,302	877		3,334	1,094	(249)		4,179										4,179
16	Welsh Medium Childcare Provision - Bridgend	19/20	1,105	-	1,105		550	555			1,105										1,105
17	Welsh Medium Childcare Provision - Porthcawl	19/20	550	-	550		550				550										550
18	Free School Meals	22/23	10	10	-		10				10										10
19	Community Focused Schools	22/23	2,155	1,243	912		1,243	912			2,155										2,155
20	ALN Capital Grant	22/23	2,139	1,227	912		1,227	912			2,139										2,139
21	Porthcawl Welsh Medium Seedling School	22/23	-	-							-										-
22	Flying Start Extension - Nantymoel Primary	23/24	543	-	543		543				543										543
23	Flying Start Highways	24/25	36	22	14		36				36										36
24	Bryntirion Comprehensive 3G Pitch	25/26	540	-	540		540				540										540
25	Cefn Cribwr Primary School Garden	26/27	48	48				48			48										48
Total Education, Early Years and Young People			**131,132**	**48,834**	**82,298**	**76,046**	**14,980**	**4,137**	**(249)**	**(67,101)**	**27,813**	**78,040**	**24,505**	**774**	**-**	**-**	**-**	**-**	**-**	**-**	**131,132**
Social Services and Well-being																					
Adult Social Care																					
26	Bryn Y Cae	19/20	-	-	-		40	(40)			-										-
27	Ty Cwm Ogwr Care Home	21/22	23	23	-		23				23										23
28	Wellbeing Minor Works	RECURRENT	175	175	-		175				175										175
29	Bakers Way	17/18	10	10	-		10				10										10
30	Children's Residential Home	25/26	523	523		500	23				523										523
31	Harwood House Replacement	26/27	2,000	2,000				100			100	100	1,050	750							2,000
Culture																					
32	Community Centres	20/21	119	119	-		119				119										119
33	Bryngarw House	20/21	8	8	-		8				8										8
34	Bridgend Life Centre	25/26	272	32	240		272				272										272
35	Brackla Sports Centre	25/26	113	14	99		75	38			113										113
36	Community Sports Facilities	25/26	1,500	1,500		1,500					1,500										1,500
Total Social Services and Well-being			**4,743**	**4,404**	**339**	**2,000**	**745**	**98**	**-**	**-**	**2,843**	**100**	**1,050**	**750**	**-**	**-**	**-**	**-**	**-**	**-**	**4,743**
Communities																					
Street Scene																					
37	Community Play Areas	20/21	2,993	2,313	680	1,457	1,238	298			2,993										2,993
38	Gerddi Castell Play Area	26/27	156	-	156			156			156										
39	Parks/Pavilions/Community Centres CAT	14/15	741	741	-		741				741										741
40	Aber Playing Fields	19/20	11	11	-		11				11										11
41	Cardiff Capital Region City Deal	17/18	7,691	7,691	-	488					488	848	3,689	2,666							7,691
42	Coychurch Crem Works	RECURRENT	60	-	60			60			60										60
43	Remedial Measures - Car Parks	17/18	123	123	-		123				123										123
44	Road Signs 20mph Default Speed	26/27	200	-	200			200			200										200
45	Highways Structural Works	RECURRENT	3,501	3,501	-	340	101				441	340	340	340	340	340	340	340	340	340	3,501
46	Carriageway Capital Works	RECURRENT	2,548	2,548	-	250	48				298	250	250	250	250	250	250	250	250	250	2,548
47	Prow Capital Improvement Programme	25/26	66		66	66					66										66
48	Highways Refurbishment	19/20	2,512	2,512	-	2,500	12				2,512										2,512
49	Replacement of Street Lighting Columns/ River Bridge Protection Measures	RECURRENT	4,123	4,123	-	400	123				523	400	400	400	400	400	400	400	400	400	4,123
50	River Bridge Protection Measures	16/17	22	22	-		22				22										22
51	Communities Minor Works	RECURRENT	247	247	-		247				247										247
52	Ultra Low Emissions Vehicle Transformation Fund 2	22/23	7	-	7		7				7										7
53	Fleet Transition Ultra Low Emmissions Vehicles	21/22	16	-	16		16				16										16
54	Net Zero Carbon Fleet	21/22	111	111	-		117		(6)		111										111
55	Residents Parking Bridgend Town Centre	14/15	89	89	-		89				89										89
56	Fleet Vehicles	14/15	1,207	1,207	-		1,179	22	6		1,207										1,207
57	Cemeteries	18/19	790	790	-		290	500			790										790
58	S106 Highways Small Schemes	14/15	25	-	25			25			25										25
59	Unadopted Roads	14/15	53	37	16		37	16			53										53
60	Coal Tip Safety	23/24	2,825	-	2,825			675			675	1,860	290								2,825
61	Grass Cutting Equipment	24/25	71	71	-		71				71										71
62	Waste Vehicles	24/25	6,649	6,649	-	6,000	(1,351)				4,649	2,000									6,649
63	Highways Maintenance LGBI	25/26	1,939	1,939	-	1,939					1,939										1,939
64	Blackmill Road Bridge	26/27	5,000	1,500	3,500			3,500			3,500	1,500									5,000

	Date Approved	Total 2026-2036: Total Cost £'000	BCBC Funding £'000	External Funding £'000	2026-27: Council Feb 26 2026-27 £'000	Net Slippage (to) / from 2025-26 £'000	New Approvals / Reductions £'000	Virement £'000	Slipped (to)/from Future Years £'000	Revised 2026-27 £'000	FUTURE YEARS: 2027-2028 £'000	2028-2029 £'000	2029-2030 £'000	2030-2031 £'000	2031-2032 £'000	2032-2033 £'000	2033-2034 £'000	2034-2035 £'000	2035-36 £'000	CUMULATIVE: Total 2026 - 2036 £'000
65 Penyfai to Bridgend ATR	26/27	1,696	-	1,696			1,696			1,696										1,696
66 Sarn Boardwalk	26/27	300	300	-			300			300										300
67 Road Safety Improvements	26/27	1,250	1,250				1,250			1,250										1,250
68 Maesteg Bus Station	26/27	95	-	95			95			95										95
Regeneration & Development																				
69 Special Regeneration Funding	17/18	418	418			418				418										418
70 Porthcawl Regeneration	20/21	1,970	1,970	-		1,970				1,970										1,970
71 Economic Stimulus Grant	19/20	231	231	-		231				231										231
72 Coastal Risk Management Programme	20/21	165	165	-		165				165										165
73 CESP/Arbed Phase 1	21/22	480	480	-		480				480										480
74 Bridgend Heat Scheme	16/17	-	-	-		3,265	(3,265)			-										-
75 Town & Community Council Fund	RECURRENT	662	662	-	50	162				212	50	50	50	50	50	50	50	50	50	662
76 Porthcawl Townscape Heritage Initiative	14/15	89	89	-		89				89										89
77 Commercial Property Enhancement Fund	21/22	134	134			134				134										134
78 Urban Centre Property Enhancement	19/20	650		650	650					650										650
79 2030 Decarbonisation	RECURRENT	1,033	1,033		150	283				433	150	150	150	150						1,033
80 Shared Prosperity Fund	22/23	268	83	185		83	185			268										268
81 Local Places for Nature	23/24	367		367	367					367										367
82 Porthcawl Grand Pavilion	22/23	21,007	5,867	15,140	15,007	1,633				16,640	4,367									21,007
83 Pride In Place Impact Fund	25/26	3,000		3,000	1,500	1,500				3,000										3,000
84 Hillsboro South Public Realm	25/26	912	603	309		912				912										912
85 Low Carbon Heat	26/27	2,158	-	2,158			1,909	249		2,158										2,158
86 Transforming Towns Town Centre Property Acquisition	25/26	-			3,500	(3,500)				-										-
87 Transforming Towns Wyndham House	25/26	399	-	399	744	(345)				399										399
88 Community Impact Fund	26/27	1,500	1,500				1,500			1,500										
89 Local Growth Framework	26/27	1,400	1,400				1,130			1,130	270									
Corporate Landlord										-										
90 DDA Works	14/15	161	161	-		161				161										161
91 Minor Works Asset Management	RECURRENT	12,810	12,810	-	1,130	1,510				2,640	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	12,810
92 Fire Precautions	14/15	67	67	-		67				67										67
93 Bryncethin Depot Facilities	14/15	269	269	-		269				269										269
94 Waterton Upgrade	18/19	3,555	3,555	-	3,101	454				3,555										3,555
Total Communities		100,822	69,272	31,550	39,639	13,062	10,252	249	-	63,202	13,165	6,299	4,986	2,320	2,170	2,170	2,170	2,170	2,170	97,766
Chief Executive's																				
Housing / Homelessness																				
95 Disabled Facilities Grants (DFG)	RECURRENT	22,509	22,509	-	2,250	9				2,259	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	22,509
96 Discretionary Housing Grants	RECURRENT	2,161	2,161		200	161				361	200	200	200	200	200	200	200	200	200	2,161
97 Housing Renewal / Empty Properties	RECURRENT	1,003	1,003	-	100	3				103	100	100	100	100	100	100	100	100	100	1,003
98 Enable Grant	26/27	390	-	390			390			390										390
99 Homelessness and Housing	22/23	530	-	530		530				530										530
100 Health and Wellbeing Village	21/22	480	-	480		480				480										480
101 Affordable Housing	23/24	449	449	-		449				449										449
102 Enforcement Fund 1	25/26	244	244			244				244										244
103 Enforcement Fund 2	25/26	22	22			22				22										22
104 Enforcement Fund 3	25/26	65	65			65				65										65
105 Multi Project Enforcement Fund	25/26	100	100			100				100										100
ICT																				
106 Investment in ICT	RECURRENT	4,009	4,009	-	400	9				409	400	400	400	400	400	400	400	400	400	4,009
107 Digital Transformation	22/23	596	596	-		596				596										596
108 ICT Datacentre Replacement	22/23	39	39	-		39				39										39
109 HWB Schools IT	21/22	200	200	-			200			200										200
Total Chief Executive's		32,797	31,397	1,400	2,950	2,707	590	-	-	6,247	2,950	2,950	2,950	2,950	2,950	2,950	2,950	2,950	2,950	32,797
Council Wide Capital Budgets																				
110 Corporate Capital Fund	RECURRENT	773	773			773				773										773
111 Unallocated	RECURRENT	32,288	32,288	-	1,187	96				1,283	1,687	3,571	3,571	3,571	3,721	3,721	3,721	3,721	3,721	32,288
Total Council Wide Capital budgets		33,061	33,061	-	1,187	869	-	-	-	2,056	1,687	3,571	3,571	3,571	3,721	3,721	3,721	3,721	3,721	33,061
Total Expenditure		302,555	186,968	115,587	121,822	32,363	15,077	-	(67,101)	102,161	95,942	38,375	13,031	8,841	8,841	8,841	8,841	8,841	8,841	302,555
Expected Capital Resources																				
General Capital Funding																				
General Capital Funding - General Capital Grant		49,920	49,920	-	4,992					4,992	4,992	4,992	4,992	4,992	4,992	4,992	4,992	4,992	4,992	49,920
General Capital Funding - Supported Borrowing		38,490	38,490	-	3,849					3,849	3,849	3,849	3,849	3,849	3,849	3,849	3,849	3,849	3,849	38,490
Capital Receipts		30,087	30,087	-	7,887	9,865	2,372		(1,938)	18,186	9,172	2,155	574							30,087
Earmarked Reserves		43,182	43,182	-	16,639	6,693	2,731		(7,653)	18,410	11,824	9,632	3,316							43,182
Revenue Contribution		416	416	-		357	59			416										416
Prudential Borrowing (Directorate Funded)		1,356	1,356	-		3,164	(1,808)			1,356										1,356
Prudential Borrowing (Corporately Funded)		21,147	21,147	-	15,954	3,065			(10,919)	8,100	10,365	2,382	300							21,147
Local Govt Borrowing Initiative (Highways Infrastructure)		1,939	1,939	-	1,939					1,939										1,939
Local Govt Borrowing Initiative (Coastal defence)		-	-	-						-										-
Empty Property Enforcement Loan (RCT)		431	431			431				431										431
SALIX Interest Free Loan - WG		-	-							-										-
Sub-Total General Capital Funding		186,968	186,968	-	51,260	23,575	3,354	-	(20,510)	57,679	40,202	23,010	13,031	8,841	8,841	8,841	8,841	8,841	8,841	186,968

	Date Approved	Total 2026-2036			2026-27						FUTURE YEARS									CUMULATIVE
		Total Cost	BCBC Funding	External Funding	Council Feb 26 2026-27	Net Slippage (to) / from 2025-26	New Approvals / Reductions	Virement	Slipped (to)/from Future Years	Revised 2026-27	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035	2035-36	Total 2026 - 2036
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
External Funding Approvals																				
WG - Other		10,134	-	10,134	4,277	(1,906)	5,613			**7,984**	1,860	290								**10,134**
WG - 21st Century Schools		74,010	-	74,010	50,950	3,167			(46,591)	**7,526**	51,409	15,075								**74,010**
WG - Enable Grant		390	-	390			390			**390**										**390**
WG - Integrated Care Fund (ICF)		480	-	480		480				**480**										**480**
WG - Welsh Medium Capital Grant		1,655	-	1,655		1,100	555			**1,655**										**1,655**
WG - Regional Transport Grant		5,396	-	5,396			5,396			**5,396**										**5,396**
Loan (RCT)		-	-	-						**-**										**-**
Westminster		18,325	-	18,325	15,007	4,055	(737)			**18,325**										**18,325**
Cwm Taf Morgannwg (HCF)		36	-	36		36				**36**										**36**
National Resources Wales		-	-	-						**-**										**-**
S106		4,222	-	4,222	328	944	479			**1,751**	2,471									**4,222**
Cardiff Capital Region (CCR)		-	-	-						**-**										**-**
Heritage Lottery Fund (HLF)		-	-	-						**-**										**-**
Arts Council of Wales		-		-						**-**										**-**
Sport Wales		479		479		445	34			**479**										**479**
EU		-	-	-						**-**										**-**
Other		460	-	460		467	(7)			**460**										**460**
Sub-Total External Funding Approvals		**115,587**	**-**	**115,587**	**70,562**	**8,788**	**11,723**	**-**	**(46,591)**	**44,482**	**55,740**	**15,365**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**115,587**
Total Funding Available		**302,555**	**186,968**	**115,587**	**121,822**	**32,363**	**15,077**	**-**	**(67,101)**	**102,161**	**95,942**	**38,375**	**13,031**	**8,841**	**8,841**	**8,841**	**8,841**	**8,841**	**8,841**	**302,555**
Funding Shortfall/(Surplus)		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**

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APPENDIX D

PRUDENTIAL AND OTHER INDICATORS 2025-26 and 2026-27

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 2025-26 actual capital expenditure, the capital programme approved by Council on 25 February 2026 and the projected capital expenditure for the current financial year which has incorporated slippage of schemes from 2025-26 together with any new grants and contributions or changes in the profile of funding for 2026-27.

Table 1: Prudential Indicator: Estimates of Capital Expenditure

	2025-26 Actual £m	2026-27 Estimate (Council Feb 26) £m	2026-27 Projection £m
Council Fund services	44.919	121.822	102.161
Right of Use Assets	0.391	-	-
TOTAL	**45.310**	**121.822**	**102.161**

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

	2025-26 Actual £m	2026-27 Estimate (Council Feb 26) £m	2026-27 Projection £m
External sources	34.444	75.554	49.474
Own resources	2.904	24.526	37.012
Net Financing Requirement	7.962	21.742	15.675
TOTAL	**45.310**	**121.822**	**102.161**

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

	2025-26 Actual £m	2026-27 Estimate (Council Feb 26) £m	2026-27 Projection £m
Minimum Revenue Provision (MRP)	3.098	1.281	1.281
Additional Voluntary Revenue Provision (VRP)	2.069	2.687	2.621
Total MRP & VRP	**5.167**	**3.969**	**3.902**
Other MRP on Long term Liabilities	3.180	1.459	1.462
Total Own Resources	**8.347**	**5.428**	**5.364**

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

	2025-26 Actual £m	2026-27 Estimate – Capital Strategy £m	2026-27 Projection £m
Capital Financing Requirement			
Opening CFR excluding PFI & other liabilities	165.442	176.396	169.683
Opening PFI CFR	15.662	14.316	12.873
Total opening CFR	**181.104**	**190.712**	**182.556**
Movement in CFR excluding PFI & other liabilities	4.242	17.773	22.678
Movement in PFI and other long term leases CFR	(2.789)	(1.459)	(1.462)
Total movement in CFR	**1.453**	**16.314**	**21.216**
Closing CFR	**182.557**	**207.026**	**203.772**
Movement in CFR represented by:			
Net financing need for year (Table 2 above)	7.962	21.742	26.580
Minimum and voluntary revenue provisions	(3.329)	(3.969)	(3.902)
MRP on PFI and other long term leases (Table 3)	(3.180)	(1.459)	(1.462)
Total movement	**1.453**	**16.314**	**21.216**

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

	2025-26 Actual £m	2026-27 Estimate (Council Feb 25) £m	2026-27 Projection £m
Debt (incl. PFI & leases)	**112.572**	**107.516**	**102.929**
Capital Financing Requirement	**182.557**	**207.026**	**203.772**

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

	2025-26 Actual £m	2026-27 Estimate (Council Feb 25) £m	2025-26 Projection £m
Authorised limit – borrowing Authorised limit – other long term liabilities	170.000 25.000	170.000 25.000	170.000 25.000
Authorised Limit Total	**195.000**	**195.000**	**195.000**
Operational boundary – borrowing Operational boundary – other long term liabilities	140.000 20.000	150.000 20.000	150.000 20.000
Operational Boundary Limit Total	**160.000**	**170.000**	**170.000**
Total Borrowing and Long Term Liabilities	**112.572**	**107.516**	**102.929**

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

	2025-26 Actual £m	**2026-27 Estimate (Council Feb 26) £m**	**2026-27 Projection £m**
Capital Financing Central	7.001	8.259	8.259
Other Financing costs	1.078	1.161	1.161
TOTAL FINANCING COSTS	**8.079**	**9.420**	**9.420**
Proportion of net revenue stream	2.11%	2.46%	2.46%

This shows that in 2026-27, it is forecast that 2.46% 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

	2025-26 Actual £m	**2026-27 Estimate £m**	**2026-27 Projection £m**
Net Revenue Budget	384.000	408.149	408.149
Income from Commercial Investments	0.459	0.459	0.459
% Ratio	0.12%	0.11%	0.11%

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.

By virtue of paragraph(s) 14, 16 of Part 4 of Schedule 12A
of the Local Government Act 1972.

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