

**Report of the Budget Research and Evaluation Panel in respect of the Medium Term Financial Strategy 2022-23 to 2025-26**

- 1.1. The Budget Research and Evaluation Panel (BREP) has considered the draft budget proposals for the year 2022-23.
- 1.2. The Panel met on seven occasions and were supported by the Scrutiny Officer, Senior Democratic Officer – Scrutiny, Interim Chief Officer Finance, Performance and Change, Deputy Head of Finance and the Deputy Leader.
- 1.3. At the first meeting of BREP in July 2021, the Interim Chief Officer, Finance, Performance and Change presented some principles around the role and operation of the BREP following discussions with Cabinet and Corporate Management Board, to facilitate a discussion regarding reviewing the role of BREP. The Interim Chief Officer Finance, Performance and Change took Members through the suggestions, in terms of how BREP might revisit its purpose, its objectives and its workings for comment and for COSC to subsequently endorse.
- 1.4. The Interim Chief Officer Finance, Performance and Change also set out the financial position, including the Revenue Budget Outturn 2020-21 and appendices, which provided an update on the Council's revenue financial performance for the year ended 31 March 2021. The 2020-21 financial year had been a unique and complex year in managing the financial position of the Council primarily as a result of the pandemic. Significant changes had occurred throughout the year as circumstances altered and services were supported in different ways to deliver outcomes in the best way possible.
- 1.5. At the second meeting in August, BREP Members considered their Forward Work Programme and invited the Corporate Director Education & Family Support to the meetings in September and October, and Corporate Director Social Services & Wellbeing and the Corporate Director – Communities, to the meetings in October.
- 1.6. The Consultation Engagement and Equalities Manager took Members briefly through the Shaping Bridgend's Future consultation 2021 report, along with the timeline for the consultation.
- 1.7. At the third meeting in September, BREP Members considered the Fees and Charges Policy and heard from the Corporate Director - Education and Family Support who provided an overview of the budget in relation to Home to School Transport and School budgets. In addition, the Corporate Director – Education and Family Support attended the reconvened meeting in November in respect of Nursery Education.
- 1.8. The BREP recognised that a cut in the education budget would be unpalatable at the present time, particularly following the pandemic, but were concerned about schools that consistently underspend which provided a surplus balance and felt that governing bodies had a key role to play in terms of good financial management providing a consistent approach.

**Recommendation 1**

**Cabinet to review how school budgets are being used and how does the local authority demonstrate value for money in how schools are funded, taking an evidenced base approach.**

**Recommendation 2**

**Cabinet to review Fees and Charges annually going forward.**

- 1.9. The BREP recognised the difficulties for those outside of Bridgend Town Centre, who would be required to travel in order to attend the local college, particularly those from low-income families and how those young people would maintain an education, although it was acknowledged that this was discretionary Post 16 funding. The BREP recognised that the WG were exploring the option of a Post 16 travel pass.

**Recommendation 3**

**Cabinet to seek clarification from Welsh Government in relation to Post 16 bus passes and who is paying for them, ensuring that any cut to Post 16 Transport would not disadvantage those learning in more than one environment, due to the availability of courses.**

- 1.10. The BREP acknowledged there was a legal duty on the local authority to make sure the maintenance of nursery transport provision was safe and was able to accommodate the small number of young learners through the option of smaller vehicles however it was acknowledged that this was costly and ultimately nursery provision was non-statutory and there wasn't a statutory requirement to provide the education, hence there was no requirement to provide the transport.

**Recommendation 4**

**Cabinet to consider the cost of Nursery transportation given the small numbers of children using the facility and the high costs per pupil.**

**Recommendation 5**

**Cabinet to review the cost of nursery provision.**

- 1.11. The BREP accepted that the costs of providing the Additional Learning Needs (ALN) service, were not yet known and how this was going to impact on schools and the local authority, especially with a wider range of learners. This was not just an early years' issue; this was going to impact on the local authority with the service providing pre-birth all the way up to 25. This has been a part of a considerable debate through the Association of Directors of Education in Wales (ADEW) with Welsh Government because it was felt that if the Bill was going to work going forward it had to be funded accordingly, although it was believed the nucleus of the Bill was a very positive one.

**Recommendation 6**

**Cabinet lobbies Welsh Government, through the Welsh Local Government Association to ensure that additional legislation, in terms of the ALN bill, comes with the consequential funding.**

- 1.12. The BREP identified that a piece of work needed to be done on the catchment areas when the local authority was putting in new 21st Century Schools, particularly on new estates, to ensure young people were not getting transport as a consequence of old catchment areas, e.g., part of Brackla, still in the catchment for Coity, when there were already 2 schools in Brackla, although it was recognised that this long-term solution.

**Recommendation 7**

**Cabinet reviews the School catchment areas to ensure that recent housing developments are taken into consideration.**

- 1.13. At the fourth meeting in October, BREP Members heard from the Corporate Director – Social Services & Wellbeing, and Officers, who provided an overview of the budget in relation to Commissioned Services v In-house.
- 1.14. The BREP identified that due to the ageing population and the impact of Covid and long Covid, social care costs were increasing and there would be a potential budget pressure and proposed budget savings would have to be found in other ways, by looking more strategically across the whole Council and to explore what could be streamlined and still fulfil statutory duties.

**Recommendation 8**

**BREP acknowledges that due to ageing population and the impact of Covid and long Covid, social care costs are increasing and there will be a potential budget pressure and so proposed budget savings will have to be found in other ways, by looking more strategically across the whole Council and to explore what can be streamlined and still fulfil statutory duties.**

**Specifically, Cabinet is recommended to take a one-Council approach and look at areas of duplication of functions across the Council and scope for close integration to work smarter e.g., in back office administration, complaints, customer service, referrals and business support in Education and Social Services which was recommended last year.**

- 1.15. The BREP acknowledged that in terms of sustained investment, most parts of the budget benefited from significant short-term funding which presented difficulties in terms of contractual arrangements or making significant shifts in the market and doing that sustainably, especially if money was only received for one financial year or halfway through a financial year. The need for sustained investment in order to make significant changes a reality, was really important, given the impact on the workforce, the ability to retain and recruit, in the sector.

**Recommendation 9**

**Cabinet is requested to put forward a motion to Welsh Government and Westminster to fund wholesale reform of the social care system with the strategic aim to fund social care fit for the future.**

- 1.16. The BREP heard from Social Services and Wellbeing in terms of the cost comparisons between commissioned adult social care services and services provided internally as a Council in respect of adult social care. The BREP acknowledged the growth pressure on the increased costs for Commissioned Services, and wanted to see a more balanced approach, with the need for fair treatment for all staff in all care sectors. Further BREP understood that WG was bringing in new legislation in relation to procurement in the next 12-18 months, which would put obligations on public sector employers to ensure that certain standards were met by commissioned employers.

### **Recommendation 10**

**Cabinet explores re-balancing the market between commissioned and in-house services in the future and how best that suits the needs of the county borough of Bridgend whilst considering Ethical procurement of services as well.**

- 1.17. The BREP welcomed that the updated fees and charges policy would go to Cabinet and Directors and would come back with any fees and charges and what they intended to do with them for the MTFS for the next year. They would be expected to either put them up by inflation or explain why not, and there had to be a valid reason why they were not being put up, although legislation dictated many of the fees and charges, which were set by the Welsh Government or even Westminster.

### **Recommendation 11**

**Cabinet explores potential for increasing charges in Social Services.**

- 1.18. At the fourth meeting in October, BREP Members also heard from the Corporate Director – Communities who provided an overview which covered Strategic Context to the Directorate, Communities MTFS Position, Potential Savings 2021 onwards and Service Area Budget Pressures.
- 1.19. The BREP welcomed the removal of biodegradable food waste bags and acknowledged that the process meant the bags were removed separately from the process but felt that going back to plastic whilst acknowledging that this would be an efficiency saving, felt like a backward step to the way society was going towards 2030, and therefore acknowledged that there was a need to remove food waste bags completely.

### **Recommendation 12**

**Cabinet consider the removal of food waste bags completely.**

- 1.20. The BREP noted that one area that had been consulted on previously was in relation to closing the Bus Station but acknowledged that this was not palatable given the local authority was trying to encourage the use of public transport and delivering a new Metro Link in Porthcawl. If the local authority was looking to have an integrated transport hub at the railway station, then perhaps it should explore having a transport hub there, which would integrate both bus and rail transport, linking the two together.

**Recommendation 13**

**Cabinet explores the opportunity of merging Bridgend Bus Station with Bridgend Railway Station into a transport hub, fit for the County as a whole.**

- 1.21. Whilst Members were minded not to charge Blue Badge holders for parking it was felt that the authority could explore the option of charging for the processing and administration of blue badges, in relation to the issuing and the potential reissuing of blue badges, if they are lost.

**Recommendation 14**

**Cabinet to explore the potential for charging in relation to the administration fee for the issuing and reissuing of Blue Badges.**

- 1.22. The BREP recognised that Covid-19 had changed the way people lived, worked, travelled and socialised. Many people have worked away from the office during lockdown and WG want to work with organisations to support a long-term shift to more people working remotely, which could mean the footprint of the Council could reduce to one major building, although it was recognised that this would be in the long term.

**Recommendation 15**

**Cabinet explore the options with regards to the future of Ravens Court.**

- 1.23. The BREP recognised that some Town and Community Councils (TCCs) provided additional services, perhaps having their own gardeners, who removed weeds or providing grass cutting, which may also be sprayed or cut by the Council and was therefore a duplication of work. Although it was recognised that not all TCC's would have the budget to provide these services, it was felt that a link was needed, in terms of a dedicated Officer to work with TCC's, providing appropriate PR to gain support and to better understand what they do in each area and what they would be able to do.

**Recommendation 16**

**Cabinet to explore options for a dedicated Officer, with flexible hours, to liaise with Town and Community Council's (TCC's) to check if there is any duplication between work done by the local authority and TCC's to see if there are savings in relation to weed spraying, additional grass cutting, etc.**

- 1.24. The BREP acknowledged that parks bins and bins on highways currently had separate regimes but felt that greater co-ordination was needed in terms of collections and looking at the number of times they are emptied. The BREP was pleased to hear about the electronic compression compacting bins, being trialled in Porthcawl, that composted the waste and could take much more volume. In terms of the bin emptying regimes this would be more efficient and be better for the environment although BREP recognised there wouldn't be huge savings from this.

**Recommendation 17**

**Cabinet to explore the use of compacting bins in parks and review the frequency of collection and duplication of services e.g., Park and Street Scene both collecting bins and Highways and Parks both cutting grass.**

- 1.25. The BREP noted that Cabinet and Corporate Management Board (CCMB) had agreed to establish a £1 million Covid-19 Recovery Fund in 2020-21 to provide funding for decisions aimed at boosting recovery that were unlikely to be paid for by WG. However, it was recognised that the Authority was now expected to be recovering and income levels back up to pre-Covid levels by March 2022, and any local decisions taken on subsidising anything, e.g., car parking, would be an impact on the budget, although it was recognised that it was unlikely the footfall would return by March. It was further noted that car park next to Wilkinson's wasn't free but was nearly always full, so there was an appetite for car parking in Bridgend, but only two car parks affected by free car parking.

**Recommendation 18**

**Cabinet to review and simplify the charging structure for car parking and taper the free parking facility.**

- 1.26. The BREP were concerned about the amount of black plastic that went directly into bins and noted that there were companies out there that would buy black plastic and so there was a potential to make money on black plastic recycling.

**Recommendation 19**

**Cabinet to explore the option for recycling black plastic and other products not currently recycled.**

- 1.27. At the fifth meeting in November, BREP Members heard from the Head of Partnership Services, and Officers, in relation to the homelessness position in Bridgend.
- 1.28. The BREP felt that the local authority was shouldering a lot of the burden, in relation to homelessness, with what the pandemic had presented. There was a need to work closely with more Registered Social Landlords (RSLs) to avoid as focussing on a single larger one. There was a need to address renegotiation of the 25% housing stock that should be brought into mainstream to be available to Housing Officers to allocate.

**Recommendation 20**

**Cabinet to revisit the relationships with Registered Social Landlords (RSLs) across the county borough to broaden the scope of partnerships with the local authority to be able to fit different models and provide different solutions with multiple RSLs.**

**Recommendation 21**

**Cabinet to revisit the relationship with V2C and renegotiate access to the 25% housing stock that is not currently available for allocation by the local authority housing officers, who manage the common housing register.**

- 1.29. The BREP felt it was frustrated by the local authority's inability to build any housing, rather than only allocating through Registered Social Landlords (RSLs), that Housing Officers had little control over and perhaps it was time to review the way forward for the next 20 years, with BCBC building their own economic model of some social housing and having direct control of it.

**Recommendation 22**

**Cabinet to consider future social housing being provided by the local authority including the options for the next 20 years and exploring a new model.**

- 1.30. The BREP acknowledged that for many organisations that applied for grant funding, it was something that took time and effort. The BREP felt that the local authority would benefit from doing a cost analysis of time spent on grant funding, as the Authority was responsible for administering grants worth £80m and this would cost the Authority in administering these, over and above normal staffing running costs.

**Recommendation 23**

**Cabinet to press the Welsh Government to transfer money currently provided on a grant basis directly into the RSG, to save on the significant time/costs of administering, monitoring, and reporting upon grants and the lack of ability to plan ahead for schemes from short term grant funding.**

- 1.31. In terms of staffing, the BREP noted that the service was working to try and expand, but there were significant issues, not just in housing, but across all sectors of the Authority. Getting skilled people in and growing their own, was going to take time. There had been successes with apprenticeships across other areas of the authority in terms of business administration and ICT and that was something that could be considered.

**Recommendation 24**

**Consideration be given to the training / recruitment of apprentices in the Housing service and the use of the market supplement to retain staff.**

- 1.32. The BREP noted that the pandemic had identified the significant issue of homelessness and lack of suitable housing across the county borough, and felt it was time to go back to the corporate plan, look at the priorities and review the role of housing, as part of the Chief Executives Directorate within that plan.

**Recommendation 25**

**Cabinet to look at the priorities within the corporate plan with a view to Housing within the Chief Executive's Directorate being included as a priority in the Plan, due to the significant increase in homelessness and the lack of resources.**

- 1.33. At the sixth meeting in November, BREP Members also heard from the Consultation Engagement and Equalities Manager, who provided an update to the Members of BREP on the Budget Consultation.
- 1.34. The BREP noted that the budget consultation had received a total of 1,115 interactions from a combination of survey completions, engagement at various meetings, social media engagement and via the authority's Citizens' Panel although this represented a decrease of 39% on previous year's overall interactions and felt it was therefore time to take stock of the whole consultation process as perhaps the public felt there were too many separate consultations and the challenge was to attract the public interest.

**Recommendation 26**

**Cabinet to renew where the local authority is in terms of the consultation process and whether there are opportunities to improve public engagement, taking into consideration experiences from other local authorities or the public and private sectors.**

- 1.36 At the final meeting of BREP held on 17 December 2021 BREP Members received updates on the Budget Consultation following its closure and the Fees and Charges work undertaken, following which the Panel reviewed and agreed the draft recommendations made to date, subject to the following amendments to draft recommendations 20 and 22, as underlined below:

**Recommendation 20**

**Cabinet to revisit the relationships with Registered Social Landlords (RSLs) across the county borough to broaden the scope of partnerships and improve the consistency of the operation seen by the public, with the local authority to be able to fit different models and provide different solutions with multiple RSLs.**

**Recommendation 22**

**Cabinet to consider future social housing being provided by the local authority including the options for the next 20 years and exploring a new model, and where developers are granted permission the social housing element is prioritised.**

- 1.37 The Panel endorsed its Recommendations 1 to 26, subject to the above two amendments and made the following further two Recommendations below:

**Recommendation 27**

**Cabinet and the Corporate Management Board reinforce the "One Council" approach and go further to develop a "One Bridgend" approach when working with key partners to deliver community based services. Key partners that can be identified to include but not exclusive to the Police, Health, Social Landlords, Awen, Halo, and Kier.**

**Recommendation 28:**

**Cabinet and the Corporate Management Board consider a review of the corporate communication strategy to highlight the specific responsibilities that Bridgend County Borough Council has for the delivery of public services. This may well improve the public's knowledge and understanding of the Council's responsibilities and provide clarity for key stakeholders intrinsically linked to community based services.**

- 1.38 This BREP final report was reported to the Corporate Overview and Scrutiny Committee on 1 February 2022 for consideration as part of the Medium Term Financial Strategy consultation process, and the Recommendations endorsed for onward reporting to Cabinet on 8 February 2022, subject to the following amendments made to strengthen the wording of Recommendations 3, 7, 11, 12 and 22 as underlined below, and the addition of a further two recommendations 29 and 30 below:

**Recommendation 3**

**Cabinet to seek clarification from Welsh Government in relation to Post 16 bus passes and who is paying for them, ensuring that any cut to Post 16 Transport would not disadvantage those learning in more than one environment, due to the availability of courses.**

**BREP also asks what the Authority has done to explore cost benefit options and arrangements for alternative routes, whilst awaiting the clarification.**

**Recommendation 7**

**Cabinet urgently reviews school catchment areas to ensure that recent housing developments are taken into consideration, in order to also help identify financial, carbon and environmental savings on transport, so at the end they are taken into consideration to also identify financial savings on transport costs.**

**Recommendation 11**

**Cabinet explores potential for increasing charges in Social Services, and provides BREP with a breakdown of the cost and quantum of support to local residents of the community.**

**Recommendation 12**

**Cabinet investigates all new forms of food waste bags, having regard to the environmental impact and to lower the financial cost to the Authority.**

**Recommendation 22**

**Cabinet to consider future social housing being provided by the local authority including the options for the next 20 years and exploring a new model, and where developers are granted permission the social housing element is prioritised.**

**BREP further asks what exploration the Authority has undertaken on providing local authority housing.**

**Recommendation 29**

**BREP requests clarity upon how its Recommendations have been incorporated into the draft Medium Term Financial Strategy, and these particular budget proposals and for the medium term, what Corporate Directors have done to take account of BREP Recommendations, and any that have been rejected, to enable a transparent debate on the recommendations put forward, and that future BREP recommendations ought to inform the budget process from an earlier stage and a written response to each of its Recommendations be provided earlier to enable those considerations to be built into its final Recommendations to Cabinet.**

**Recommendation 30**

**BREP is looking ahead to the next Council term and the next five years, given the likelihood that the settlement for the next financial year is a one-off and there are likely to be significant cuts needed in the next Council Term, BREP requests a breakdown of which services in each Directorate are discretionary and clear differentiation between statutory services, to provide clarity to BREP Members.**

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