

<b>Meeting of:</b>	<b>CABINET</b>
<b>Date of Meeting:</b>	<b>3 FEBRUARY 2026</b>
<b>Report Title:</b>	<b>MEDIUM TERM FINANCIAL STRATEGY 2026-27 TO 2029-30 AND DRAFT BUDGET CONSULTATION PROCESS</b>
<b>Report Owner: Responsible Chief Officer / Cabinet Member</b>	<b>CORPORATE OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>Responsible Officer:</b>	<b>MERYL LAWRENCE SENIOR DEMOCRATIC SERVICES OFFICER – SCRUTINY</b>
<b>Policy Framework and Procedure Rules:</b>	<b>The report relates to the role of the Corporate Overview and Scrutiny Committee as Consultee in respect of the budget setting process in line with the Budget Policy and Framework Procedure Rules.</b>
<b>Executive Summary:</b>	<p><b>The report presents Cabinet with the findings and recommendations of the Corporate Overview and Scrutiny Committee (COSC) as the Scrutiny Committee with overall responsibility for budget scrutiny, in relation to the draft Medium Term Financial Strategy (MTFS) including the proposed budget pressures, budget reduction proposals and the proposals for spending the additional funding announced by Welsh Government in December.</b></p> <p><b>Cabinet is requested to consider and respond to the Recommendations of the Corporate Overview and Scrutiny Committee, through the MTFS 2026-27 to 2029-30.</b></p>

## **1. Purpose of Report**

- 1.1 The purpose of this report is to present Cabinet with the findings and recommendations of the Corporate Overview and Scrutiny Committee (COSC), as the Scrutiny Committee with overall responsibility for budget scrutiny, in relation to the draft Medium Term Financial Strategy (MTFS) including the proposed budget pressures and budget reduction proposals the proposals for spending the additional funding announced by Welsh Government in.

## **2. Background**

### Scrutiny Budget Working Group

- 2.1 On 9 April 2025, Council approved that a working group be established with representatives from all Scrutiny Committees and chaired by the Chair of the Corporate Overview and Scrutiny Committee, to feed back to COSC, as the Scrutiny Committee with overall responsibility for budget scrutiny.
- 2.2 On 24 July 2025, COSC considered a report on the work undertaken in consultation with Scrutiny Chairs on the proposed arrangements for the Scrutiny Budget Working Group and any comments received following consultation with Groups and individual Independent Members and agreed the:
  - a. Size, composition, and nominations process for the Working Group;
  - b. Draft Terms of Reference;
  - c. Proposed Structure of the Scrutiny Budget Working Group and Draft outline of schedule of meetings.
- 2.3 Four Deep Dive Groups were established to scrutinise each of the Directorates and met once each in September and October and the Chairs presented findings to the Scrutiny Budget Working Group on 4 November 2025. The consolidated recommendations were then presented to the Steering Group on 17 November 2025.
- 2.4 On 16 December 2025, Cabinet was asked to consider and respond to the Recommendations of the Scrutiny Budget Working Group as agreed by COSC at their meeting of 11 December 2025 and to consider them during the development of the draft budget proposals and MTFS.

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

- 3.1 At its meeting on 27 January 2026, COSC considered the draft Medium Term Financial Strategy 2026-27 to 2029-30, which sets out the spending priorities of the Council, key investment objectives and budget areas targeted for necessary savings which included a financial forecast for 2026-2030, a detailed draft revenue budget for 2026-27, the proposals for spending the additional funding announced by Welsh Government.
- 3.2 The Committee agreed Recommendations to submit to Cabinet, as part of the budget consultation process 2026-27 and a table of the Recommendations are attached in **Appendix A** for Cabinet's response.

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

- 4.1 A high level Equality Impact Assessment (EIA) will be carried out and included within the Final MTFS in February 2026. The high level EIA considers the impact of the strategy, policy or proposal on the nine protected characteristics, the Socio-economic Duty and the use of the Welsh Language.

- 4.2 The proposals contained within this report cover a wide range of services and it is inevitable that the necessary budget reductions will impact on the local population in different ways. In developing these proposals, consideration has been given to their potential impact on protected groups within the community and on how to avoid a disproportionate impact on people within these groups.

## **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 provides a framework for embedding sustainable development principles within the activities of Council and has major implications for the long-term planning of finances and service provision. The 7 well-being goals identified in the Act have driven the Council's 4 well-being objectives.

- 5.2 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 following is a summary to show how the 5 ways of working to achieve the well-being goals have been used to formulate the recommendations within this report:

- Long-term - The consideration and approval of this report will assist in the budget setting process for both the short-term and in the long-term.
- Prevention - The consideration and approval of this report will assist in the budget setting process by approving and shaping preventative measures provided by Directorates to generate savings.
- Integration - The Medium Term Financial Strategy links to the Corporate Plan and well-being objectives.
- Collaboration - The consideration and approval of this report will assist in the budget setting process by approving and shaping collaboration and integrated working to generate savings.
- Involvement - Publication of the report ensures that the public and stakeholders can view the work that has been undertaken by Scrutiny members.

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

- 6.1 The local authority's 'Bridgend 2030 – Net Zero Carbon Strategy' and Welsh Government's carbon reduction commitments will also be addressed through the Medium Term Financial Strategy, where funding allows, particularly through capital investment. Specifically, they will be addressed through a number of schemes, including the School Modernisation Programme, Ultra Low Emission Vehicles, and a recurrent 2030 decarbonisation capital budget, amongst others. However, due to financial constraints, the ambition to achieve Net Zero 2030 may be compromised.

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

- 7.1 The Medium Term Financial Strategy is aligned with Bridgend County Borough Council's Corporate Parenting Strategy and provides substantial investment in children's services through revenue budget pressures.

## **8. Financial Implications**

- 8.1 The report relates to Scrutiny responses to the draft MTFS, the budget setting process and the financial implications associated with that.

## **9. Recommendation**

- 9.1 Cabinet is requested to consider and respond to the Recommendations of the Corporate Overview and Scrutiny Committee, through the Medium Term Financial Strategy 2026-27 to 2029-30.

## **Background documents**

None.