



## **BROMSGROVE DISTRICT COUNCIL**

### **MEETING OF THE CABINET**

**WEDNESDAY 12TH JULY 2017 AT 6.00 P.M.**

### **PARKSIDE SUITE - PARKSIDE**

**MEMBERS:** Councillors G. N. Denaro (Leader), K.J. May (Deputy Leader),  
B. T. Cooper, M. A. Sherrey, C. B. Taylor and P. J. Whittaker

### **AGENDA**

1. To receive apologies for absence
2. Declarations of Interest  
  
To invite Councillors to declare any Disclosable Pecuniary Interests or Other Disclosable Interests they may have in items on the agenda, and to confirm the nature of those interests.
3. To confirm the accuracy of the minutes of the meeting of the Cabinet held on 14th June 2017 (Pages 1 - 10)
4. Minutes of the Meeting of the Worcestershire Regulatory Service Board held on 22nd June 2017 (Pages 11 - 16)
  - (a) To receive and note the minutes
  - (b) To consider any recommendations contained within the minutes
5. Application for Registration as an Asset of Community Value - Fairfield Stores, Stourbridge Road, Fairfield (To follow)
6. Financial Outturn 2016/17 and Reserves (Pages 17 - 32)
7. To consider any other business, details of which have been notified to the Head of Legal, Equalities and Democratic Services prior to the commencement of the meeting and which the Chairman, by reason of special

circumstances, considers to be of so urgent a nature that it cannot wait until the next meeting

8. To consider, and if considered appropriate, to pass the following resolution to exclude the public from the meeting during the consideration of items of business containing exempt information:-

**"RESOLVED:** that under Section 100 I of the Local Government Act 1972, as amended, the public be excluded from the meeting during the consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A to the Act, as amended, the relevant paragraph of that part, in each case, being as set out below, and that it is in the public interest to do so:-

<u>Item No.</u>	<u>Paragraph(s)</u>	
8	4	
9	4	"

9. Minutes of the meeting of the Shared Services Board held on 6th July 2017 (To Follow)
10. Planning Policy and Conservation Shared Service Business Case (Pages 33 - 52)

K. DICKS  
Chief Executive

Parkside  
Market Street  
BROMSGROVE  
Worcestershire  
B61 8DA

4th July 2017

## BROMSGROVE DISTRICT COUNCIL

### MEETING OF THE CABINET

14TH JUNE 2017, AT 6.00 P.M.

PRESENT: Councillors G. N. Denaro (Leader), K.J. May (Deputy Leader),  
M. A. Sherrey, C. B. Taylor and P. J. Whittaker

Officers: Mr K. Dicks, Ms S. Hanley, Mrs C. Felton, Ms D. Poole, Mr J.  
Godwin, Mr P. Field and Ms R. Cole (up until Minute 12/17)

1/17 **APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor B. T. Cooper.

2/17 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

3/17 **MINUTES**

The minutes of the meeting of the Cabinet held on 5th April 2017 were submitted.

**RESOLVED** that the minutes of the meeting of the Cabinet held on 5th April 2017 be approved as a correct record.

4/17 **OVERVIEW AND SCRUTINY BOARD**

The minutes of the meetings of the Overview and Scrutiny Board held on 27th March 2017 and 24th April 2017 were submitted.

It was noted that that the recommendation contained in Minute 109/16 had been considered and approved at Cabinet on 5th April 2017.

**RESOLVED** that the minutes of the meetings of the Overview and Scrutiny Board held on 27th March 2017 and 24th April 2017 be noted.

5/17 **OUTSIDE BODIES 2017/18 - APPOINTMENTS BY CABINET**

The Cabinet considered a report on the appointment of Members to a number of Outside Bodies for 2017/18 which were executive functions and therefore made by Cabinet.

**RESOLVED** that appointments be made to the Outside Bodies as listed in the Appendix attached.

6/17

## **COMMUNITY ENGAGEMENT STRATEGY**

Members considered a revised Community Engagement Strategy. It was noted that the Portfolio Holder had been consulted on the Strategy which had been drawn up following with service managers and the Communications Team.

It was reported that the Strategy was intended to assist all staff and Members to design and deliver appropriate services to meet the needs of local communities. It covered both statutory and non-statutory consultations.

The Strategy set out the Council's approach to enabling residents and customers to be informed and involved and to allow them to share opinions and have an impact on decision making. This was particularly important as the transformation of the Council's services requires looking at what is done from the perspective of the residents or customers.

It was reported that there was an Action Plan to sit under the Strategy containing operational details for the use of officers. This would include appropriate measures so progress and effectiveness could be understood. It was also intended that the Strategy be reviewed on a regular basis.

Following discussion it was

**RESOLVED** that the Community Engagement Strategy as set out in appendix 1 to the report be approved.

7/17

## **EQUALITY STRATEGY AND EQUAL OPPORTUNITIES POLICY**

The Cabinet considered a report on an amended Equality Strategy and Equal Opportunities Policy. It was noted that the Portfolio Holder had been consulted together with the Trade Unions.

It was noted that the Strategy related directly to how the Authority approaches Equality and Diversity and formed overarching principles for engagement with all members of the community and the provision of support and empowerment.

It was reported that the Strategy would assist the Council in considering equalities issues both as an employer and in delivering services. The Strategy would contribute to how the Authority meets the Public Sector Equality Duty established in the Equality Act 2010.

Following discussion it was

**RESOLVED:**

- (a) that the Equality Strategy attached at appendix 1 to the report be approved; and
- (b) that the Equal Opportunity Policy attached at appendix 2 to the report be approved.

8/17

**ANTI-FRAUD AND CORRUPTION POLICY**

Members considered a report on an updated Anti-Fraud and Corruption Policy.

It was noted that the amended Policy contained sections on the importance of Members and officers maintaining the culture of preventing and detecting any fraud and corruption within the Authority; responsibilities of Members and officers at different levels; and detection and investigation.

Following discussion it was

**RESOLVED** that the Anti-Fraud and Corruption Policy attached as an appendix to the report be approved.

9/17

**REVISED TREASURY MANAGEMENT STRATEGY 2017/18 - 2019/20**

Members considered a report on a proposal to revise the Treasury Management Strategy Statement and Investment Strategy to increase the Council's authorised and operational borrowing limit by £6m.

Members were reminded that the authorised and operational borrowing limits for 2017/18 had been approved by Council in March 2017 at £15m and £12m respectively as part of the Treasury Management Strategy Statement and Investment Strategy. There was an option to amend the limits during the financial year if necessary.

It was noted that the Council had entered into an agreement to pay Worcestershire Pension Fund pension payments for the next three years in advance. This would mean the Council would receive a discount which, after allowing for any temporary borrowing costs would result in a saving of £137k per annum for three years. Therefore in order to enable cash flow to be managed during 2017/18 it would be necessary to increase the Operational and Authorised borrowing limits by £6m.

Cabinet were in support of the proposal and requested that a breakdown of the cost of borrowing and discount for each year be provided for Members.

Officers also reported that potentially there may be further proposals during the year to amend the Treasury Strategy as part of Business Cases to be considered by Members in order to meet the requirements of the Council's Commercialism agenda.

**RECOMMENDED:**

- (a) that the Authorised Limit for borrowing be increased from £15million to £21million for 2017/18;
- (b) that the Operational Limit for borrowing be increased from £12million to £18million for 2017/18

10/17

**LOCAL GOVERNMENT ACT 1972**

That under Section 100 I of the Local Government Act 1972, as amended, the public be excluded from the meeting during the consideration of the items of business the subject of the following minutes on the grounds that they involve the disclosure of "Exempt Information" as defined in Part 1 of Schedule 12A to the Act, the relevant part being as set out below and that it is in the public interest to do so.

<u>Minute No</u>	<u>Paragraph</u>
11 /17	4
12 /17	4
13 /17	4

11/17

**FACILITY MANAGEMENT AND CLEANING REVIEW BUSINESS CASE**

Cabinet considered the Business Case for a shared Facility Management (Caretaking) and Cleaning Service in Bromsgrove DC and Redditch BC. The Business Case had been recommended for approval by the Shared Services Board.

It was noted that the Overview and Scrutiny Board had requested additional information in the form of a breakdown of costs in relation to Parkside. The Cabinet endorsed this request.

Following discussion it was

**RECOMMENDED** that the proposals as set out in the Facility Management and Cleaning Review Business Case be approved and implemented.

12/17

**PARKS AND OPEN SPACES REVIEW BUSINESS CASE**

The Cabinet considered a Business Case for a shared Parks and Green Space Stewardship Team in Bromsgrove DC and Redditch BC. The proposal had been recommended for approval by the Shared Services Board. A brief addendum was circulated containing a summary of total savings and an amended section of the risk matrix.

Following discussion it was

**RECOMMENDED** that the proposals set out in the Parks and Green Space Stewardship Team Business Case be approved and implemented.

13/17

**LEGAL, EQUALITIES AND DEMOCRATIC SERVICES REVIEW BUSINESS CASE**

The Cabinet considered the Legal and Democratic Services Service Review Business Case.

Following discussion it was

**RECOMMENDED** that the Legal and Democratic Services Service Review Business Case be approved.

The meeting closed at 6.45 p.m.

Chairman

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## Outside Bodies By Office (Cabinet appointments)

Organisation	Number of representatives and length of term	Representation 2016-17	Nominations 2017-18
Age UK  <b>Bromsgrove, Redditch and Wyre Forest branches have recently combined to create a new charity. Details of nominations are awaited and we are asked not to appoint to the charity in the meantime.</b>	Portfolio holder with responsibility for older people	None to be made; await clarification from Age UK	
Greater Birmingham and Solihull Local Enterprise Partnership (LEP)	One Leader and one Substitute nominated from 3 North Worcestershire Councils	Cllr G. Chance, Redditch BC  Sub: Cllr T Ian Hardiman, Wyre Forest DC	Cllr G. Chance Redditch BC  Sub: Cllr I. Hardiman Wyre Forest DC
Greater Birmingham and Solihull LEP Supervisory Board	Leader by office  Substitute – Deputy Leader Check each year	Councillor Denaro  Substitute Councillor Taylor	Cllr G. Denaro  Sub: Cllr K. May
Greater Birmingham and Solihull LEP Area EU Structural and Investment Fund (ESIF) Committee	One representative and one substitute to represent the 3 North Worcestershire Districts	Cllr J Fisher, Redditch BC  Sub: Dean Piper, North Worcs Economic Development	Cllr I. Hardiman WFDC  Sub: Dean Piper North Worcs Economic Development
Bromsgrove Partnership (Local Strategic Partnership)	Leader (Portfolio holder)  Substitute – Deputy Leader	Councillor May  Councillor Taylor	Cllr K. May  Cllr C. Taylor
District Councils Network	Leader  Substitute – Deputy Leader	Councillor Denaro  Councillor Taylor	Cllr G. Denaro  Sub: Cllr K. May

# Agenda Item 3

Cabinet 14<sup>th</sup> June 2017

Organisation	Number of representatives and length of term	Representation 2016-17	Nominations 2017-18
Local Government Association General Assembly	Leader  Substitute – Deputy Leader	Councillor Denaro  Councillor Taylor	Cllr G. Denaro  Sub: Cllr k. May
North Worcestershire Community Safety Partnership	Cabinet member	(Councillor Smith)	Cllr M. Sherrey
PATROL (Parking And Traffic Regulations Outside London) Adjudication Joint Committee	Portfolio Holder for Environmental Services  Substitute:	(Councillor Smith)  Sub:	Cllr P. Whittaker
West Midlands Employers (previously West Midlands Councils)	Portfolio Holder for Human Resources	Councillor Denaro  Sub: Councillor May	Cllr G. Denaro  Sub: Cllr K. May
Shared Services Members Board ( by office and 2 further representatives appointed at Council)	Leader Deputy Leader	Councillor Denaro  Councillor Taylor	Cllr G. Denaro  Cllr K. May (Cllrs R. Deeming and S. Baxter were appointed at Cll)
Worcestershire Health and Wellbeing Board	1 rep for North Worcestershire and 1 substitute	Cllr Sherrey  Sub: Cllr P Witherspoon, Redditch BC	Cllr M. Sherrey  Sub: Cllr C. Rogers, WFDC
Health Improvement Group (HIG – a sub group of the Worcestershire Health and Wellbeing Board)	1 rep for North Worcestershire	Cllr Sherrey	Cllr M. Sherrey
Worcestershire Intermediate Body to Deliver European Structural Investment	One representative and one substitute to represent the 3 North	Cllr J Fisher (Redditch BC)  Sub: Dean Piper,	Cllr I. Hardiman WFDC  Sub: Dean Piper

# Agenda Item 3

Cabinet 14<sup>th</sup> June 2017

<b>Organisation</b>	<b>Number of representatives and length of term</b>	<b>Representation 2016-17</b>	<b>Nominations 2017-18</b>
Funds (ESIF)	Worcestershire Districts	(NWEDR)	NWEDR
Worcestershire Local Enterprise Partnership	One representative on behalf of the 3 North Worcestershire Councils – required by LEP constitution	Cllr May  Sub: Leader from Wyre Forest (Cllr Marcus Hart) or Redditch (Cllr Bill Hartnett)	Cllr K. May  Sub: Leader or relevant Cabinet Member from WFDC or RBC
Worcestershire Local Strategic Partnership	Leader Nominated substitute of the Deputy Leader	Councillor Denaro  Councillor Taylor	Cllr K. May  Councillor C. Taylor
Worcestershire Local Transport Board	Two representatives and one substitute from the North Worcestershire authorities	Cllr G Chance, Redditch BC  (Cllr T Onslow) Wyre Forest DC  Substitute: Councillor R Laight	Cllr I. Hardiman WFDC  Cllr G. Chance RBC

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## WORCESTERSHIRE DISTRICT COUNCILS

### MEETING OF THE WORCESTERSHIRE REGULATORY SERVICES BOARD

THURSDAY, 22ND JUNE 2017, AT 5:00 P.M.

PRESENT: Councillors R. J. Laight, B. Behan, J. Baker, B. Clayton, J. Squires, A. Feeney, E. Stokes, M. King and J. Hart

**Partner Officers:** Mr. D. Sutton, Worcester City Council, Mr. V. Allison, Wychavon District Council, Mr. P. Merrick, Malvern Hills District Council and Mr. M. Parker, Wyre Forest District Council

Officers: Mr. S. Wilkes, Ms. C. Flanagan, Mr. P. Field, Mr M. Cox, Ms. S. Garratt, Ms. K. Lahel, Mr. D. Mellors and Mrs. P. Ross

### PREVIOUS CHAIRMAN'S REPORT - THE FIRST TWELVE MONTHS OF THE OPERATION OF THE NEW PARTNERSHIP

(Note: Due to the late commencement of the meeting, Members agreed to alter the running order of the agenda).

Councillor B. Behan, Malvern Hills District Council, presented her report on the first twelve months of the operation of the newly constituted partnership.

Councillor B. Behan commented that Members might be wondering why she had submitted a Chairman's report. Partner officers of the Worcestershire Regulatory Services (WRS) Board had thought it would be appropriate that a review of the new operating arrangements be presented by the Chairman of the WRS Board, who had overseen the new operating arrangements.

The new Service Level Agreement had come into effect on 1st April 2016. It was agreed that the new operating arrangements for the partnership would be reviewed at the end of a twelve month period to ensure that the arrangement was working as envisaged.

This was not a formal review, as the shared Service Level Agreement required a formal review of the operation and effectiveness of the shared service arrangements every two years.

The report gave an overview of what the Board had covered during the first twelve months of operation under the new arrangements. Councillor B. Behan commented that she had hoped that Board Members would be

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22nd June 2017

in agreement that it had been a fairly seamless transition from seven partner authorities to six.

Bromsgrove District Council as the host authority had provided the Board with timely and concise budget information so that the Board could ensure the financial probity of the operational delivery.

Councillor B. Behan gave her sincere thanks to the Head of Regulatory Services and officers for their advice and support during her role as Chairman of the Worcestershire Regulatory Services Board.

**RESOLVED** that Members note the report, as presented by the Chairman of the Worcestershire Regulatory Services Board for the municipal year 2016/2017.

1/17

## **ELECTION OF CHAIRMAN**

A nomination for Chairman was received in respect of Councillor E. Stokes, Wychavon District Council.

**RESOLVED** that Councillor E. Stokes, Wychavon District Council be elected as Chairman for the ensuing municipal year.

The Chairman took the opportunity to express her sincere thanks to Councillor B. Behan, Malvern Hills District Council as the previous Chairman of the Worcestershire Regulatory Services Board, and commented that it was interesting to read her report from a Board Member perspective.

Councillor E. Stokes then welcomed Members and nominated officers to the meeting.

2/17

## **ELECTION OF VICE-CHAIRMAN**

A nomination for Vice-Chairman was received in respect of Councillor J. Baker, Redditch Borough Council.

**RESOLVED** that Councillor J. Baker, Redditch Borough Council, be elected as Vice-Chairman for the ensuing municipal year.

3/17

## **APOLOGIES**

Apologies for absence were received from Councillors H. Campbell, Malvern Hills District Council and J. Smith, Wyre Forest District Council.

Apologies for absence were also received from Ms. J. Pickering, Bromsgrove District Council and Redditch Borough Council.

4/17

## **DECLARATIONS OF INTEREST**

No declarations of interest were received.

5/17

## **MINUTES**

The minutes of the meeting of the Worcestershire Regulatory Services Board held on 16th February 2017 were submitted.

**RESOLVED** that the minutes of the Worcestershire Regulatory Services Board held on 16th February 2017 be approved as a correct record.

6/17

## **WORCESTERSHIRE REGULATORY SERVICES ANNUAL REPORT 2016/2017**

The Board considered a report which detailed the Worcestershire Regulatory Services (WRS) Annual Report 2016 / 2017. The report covered the performance of the service for the period 1st April 2016 to 31st March 2017.

The Head of Regulatory Services, WRS, informed Members that the report detailed both Key Performance Indicators (KPIs) and highlights of activity, with a short summary activity report, as detailed at Appendix 5 to the report. Appendix 5 to the report had been reduced since the Board now received a separate Activity and Performance Data report which provided more detail.

The Annual Report also gave a summary of the financial position, key achievements and covered issues relating to human resources, risk management and equalities.

In response to Councillor B. Clayton, Redditch Borough Council, the Head of Regulatory Services, WRS, informed the Board that notices had been served on the operators at the site referred to by Councillor Clayton, in order to address the dust issues raised by those living in proximity to the development.

The WRS (3 year) Business Plan 2017/2020, as presented to the Board in February 2017, showed at this point that staffing levels were roughly around the minimum service level required for the service to discharge the partner's duties. Staff were stretched in being able to deliver against the large volumes of work faced by the service. To help support staff, WRS would continue to look at technical solutions that would support investigative processes. Investment had been made in updating and expanding the range of noise monitoring equipment available to support this work and, in the case as raised by Councillor Clayton, equipment had been hired to monitor dust and other particulate matter. By investing in equipment that monitored activities, the time officers had to spend at sites under investigation was reduced. The approach would continue with the idea being to invest wisely to help maintain the service's capacity to deal with issues. However, the use of technology could not fully replace the need for officers to witness nuisance activities before issuing abatement notices.

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The Business Support Officer, Bromsgrove District Council informed the Board that, the Annual Return as detailed at Appendix 2 to the report, was presented in the prescribed format as required by the accounting regulations service for small bodies which WRS were now classed as. There was no requirement for small bodies to be audited by external auditors, but there was still a requirement to conduct internal audits on internal systems.

The Chairman thanked officers for an excellent report and commented that she was unaware that officers conducted interviews following Police and Criminal Evidence Act (PACE) guidelines, interviews conducted under caution. She was also pleased to note that the officer who transcribed PACE tapes was now delivering the transcribing of PACE tapes for client authorities.

## **RESOLVED:**

- (a) that the Worcestershire Regulatory Services Annual Report 2016/2017 be noted; and
- (b) that a copy of the Worcestershire Regulatory Services Annual Report 2016/2017 be forwarded to the Chief Executive, Managing Director and Members of each partner authority and Worcestershire County Council.

7/17

## **WORCESTERSHIRE REGULATORY SERVICES REVENUE MONITORING APRIL - MARCH 2017 & ANNUAL RETURN**

The Board considered a report which detailed the financial position for the period 1st April 2016 to 31st March 2017 and the Annual Return.

The Business Support Officer, Bromsgrove District Council (BDC), introduced the report and in doing so informed the Board that the report presented the final financial position for Worcestershire Regulatory Services (WRS) for the period 1st April 2016 to 31st March 2017.

Members were further informed that, as stated earlier during the course of the meeting, the Annual Return as detailed at Appendix 2 to the report was presented in the prescribed format as required by the accounting regulations service for small bodies.

The Business Support Officer, BDC, drew Members' attention to the information as detailed in the report on the Pension Deficit for 2016/2017 and that this had been absorbed in the financial projections. There had been a payment of £26,370 from Worcestershire County Council for their share of the deficit.

An income budget target of £215,000 was set by WRS Managers for 2016/2017. But through hard work and the successes achieved by WRS, the total income generated from all sources was £461,000. The Business Support Officer, BDC, took the opportunity to congratulate WRS officers on their achievement.



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22nd June 2017

## **RESOLVED:**

- (a) that the final financial position for the period 1st April 2016 to 31st March 2017 be noted; and
- (b) that the refund of the 2016/2017 underspend of £39,000 to the participating Councils be approved as follows:

<b>Council</b>	<b>Refund of Savings £'000</b>
Bromsgrove	6
Malvern Hills	5
Redditch	7
City of Worcester	6
Wychavon	9
Wyre Forest	6
	39

8/17

## **ACTIVITY AND PERFORMANCE DATA QUARTERS 1, 2, 3, AND 4**

The Board considered a report that detailed Worcestershire Regulatory Services Activity and Performance Data for Quarters 1, 2, 3 and 4, 2016/2017.

The Chairman requested that Members focussed on the strategic information detailed in the Activity and Performance Data report; and that she would request that any questions with regard to individual partner authorities, be raised by Members outside of the meeting with the relevant officers.

The Environmental Health & Trading Standards Manager, Worcestershire Regulatory Services (WRS) introduced the report and in doing so informed Members that following the spike in food safety and hygiene complaints in the third quarter, numbers remained high in quarter 4, exceeding the numbers in previous years. A problem profile of this area had been commissioned from the Intelligence Team for quarter, 2017/2018 so that officers could better understand this development.

At the WRS Board meeting held on 16th February 2017, Members were advised that officers would look to make up the volume of food inspection work in the final quarter of the year. Officers had succeeded in achieving this, with some 600 inspections being carried out across the County for the year.

The Environmental Health & Trading Standards Manager, WRS, drew Members' attention to the WRS Headlines, as detailed on pages 77 to 88 in the report.

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22nd June 2017

**RESOLVED** that the Activity and Performance Data report for Quarters 1, 2, 3 and 4, 2016/2017 be noted.

9/17

## **FOOD STANDARDS AGENCY'S AUDIT - VERBAL UPDATE**

The Head of Regulatory Services, Worcestershire Regulatory Services (WRS) provided the Board with a brief verbal update on the recent Food Standards Agency audit.

There had been some changes as to the way food enforcement was carried out in Worcestershire. Food enforcement was being carried out, but not to the Food Standards Agency, prescriptive agreed framework for local authorities.

Senior officers were nervous as to how this would be received by the auditors. The audit could not be conducted specifically on WRS, since they provided a countywide service. The auditors had requested to look at Wyre Forest District Council and Redditch Borough Council. Once the audit team had seen the relevant data for Wyre Forest District Council, they determined that this was all that was required, since the same food enforcement was conducted for each partner authority.

WRS officers operated on the principal that visits were tailor made for businesses and decisions made upon those visits, less time was spent with good food businesses, thus enabling officers more time with risky businesses that required additional support.

A formal report from the Food Standards Agency would be issued to the Head of Regulatory Services, WRS and the Chief Executive, Wyre Forest District Council. The Head of Regulatory Services, WRS, would provide a report on the findings of the Food Standard Agency audit to the next meeting of the Board.

The meeting closed at 5.35 p.m.

Chairman

**CABINET**

12<sup>th</sup> July 2017

**FINANCE MONITORING REPORT OUTTURN 2016/17**

<b>Relevant Portfolio Holder</b>	Councillor Brian Cooper, Portfolio Holder for Finance and Enabling Services
<b>Relevant Head of Service</b>	Jayne Pickering, Executive Director Finance and Corporate Resources
<b>Non-Key Decision</b>	

**1. SUMMARY OF PROPOSALS**

To report to Cabinet on the Council's financial position for Revenue and Capital for the Financial Year April – March 2016/17.

**2. RECOMMENDATIONS**

**That Cabinet recommend to Council:**

- 2.1 That Cabinet note the outturn financial position on Revenue and Capital as detailed in the report and transfer to balances of £238k
- 2.2 approval of the movements of £549k in existing reserves as included in Appendix 3 which reflects the approval required for April 2016 - March 2017.
- 2.3 approval of the addition of new reserves of £899k as included in Appendix 3. This reflects the approval required for April 2016 - March 2017.

**3. KEY ISSUES**

- 3.1 This report provides details of the financial information across the Council. The aim is to ensure officers and members can make informed and considered judgement of the overall position of the Council. The report reflects the financial position across the Strategic Purposes to enable Members to be aware of the level of funding attributed to these areas.
- 3.2 This report includes both a summary for revenue and capital expenditure with a summary for the Council followed by the departmental analysis of expenditure detailed appendices showing the areas that link to the Strategic Purposes.

**Revenue Budget summary  
Financial Year 2016/17 – Overall Council**

Please note figures have been rounded

Strategic Purpose	Original Budget £'000	Annual £'000	Actuals £'000	Variance £'000
Keep my place safe and looking good	4,948	4,939	4,850	-89
Help me run a successful business	-592	-614	-539	75
Help me be financially independent	263	534	416	-118
Help me to live my life independently	593	-532	-619	-87
Help me find somewhere to live in my locality	1,082	907	859	-48
Provide Good things for me to see, do and visit	1,388	1,749	1,659	-91
Enable others to work/do what they need to do (to meet their purpose)	5,783	5,612	5,299	-312
<b>Total</b>	<b>13,465</b>	<b>12,595</b>	<b>11,925</b>	<b>-671</b>
Corporate Financing	-13,465	-12,595	-12,163	432
<b>Grand Total</b>	<b>0</b>	<b>0</b>	<b>-238</b>	<b>-238</b>

**Financial Commentary:**

**Keep my place safe and looking good**

Additional income has been generated from cesspool emptying, trade and garden waste, bulky collections, planning applications and other external work as a result of increased demand on service together with large planning applications. This total additional income generated for 2016/17 was £416k actual compared to budget.

This has been partially offset by a transfer to reserves for vehicle replacement and shortfall on building control income.

**Help me run a successful business**

There is a shortfall on Car Parking and Civil Enforcement income as compliance has improved and there has been a reduction in car parking usage. Licences have generated additional income of £20k which has helped to support the deficits in the other services.

**Help me be financially independent**

There have been a number of staff vacancies within revenues and benefits in preparation for the restructure. Any resulting savings have been reflected in the 2017/18 budget.

**Help me to live my life independently**

A number of new contracts have been secured by the lifeline team which have generated additional income of £69k.

**Help me find somewhere to live in my locality**

Increased funding for Disabled Facilities Grants have enabled savings to be made in relation to fees paid together with savings resulting from a temporary vacancy.

**Provide Good things for me to see, do and visit**

Additional income was realised at the bonfire and savings have been made on procurement of services.

**Enable others to work/do what they need to do (to meet their purpose)**

Additional legal services external income has been generated together with funding received for elections posts. In addition the adjustments made for prepayment of IT contracts have resulted in savings together with a saving on corporate training whilst the staff survey and staff skills matrix is developed to ensure that staff have the required training to meet their needs. The additional income generated with Enabling services in 2016/17 is £60k.

**Corporate Financing**

Corporate Financing includes the savings resulting from a reduction in borrowing costs as a result of slippage in the capital programme (£286k), net additional income from the Business Rates and collection fund (£124k). A number of transfers to reserves to enable specific projects to be undertaken in the future have been made within corporate that have resulted in a net deficit position of £432k. The reserves proposed are all included in Appendix 3.

<p><b>Capital Budget summary</b> <b>Financial Year 2016/17 – Overall Council</b></p>
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Please note figures have been rounded

Strategic Purpose	Annual budget £'000	Actuals £'000	Variance £'000
<b>Keep my place safe and looking good</b>	3,309	1,415	-1,894
<b>Help me be financially independent</b>	17	11	-6
<b>Help me to live my life independently</b>	1,120	638	-482
<b>Help me find somewhere to live in my locality</b>	40	40	0
<b>Provide Good things for me to see, do and visit</b>	7,021	6,223	-798
<b>Enable others to work/do what they need to do (to meet their purpose)</b>	109	62	-47
<b>Totals</b>	<b>11,616</b>	<b>8,389</b>	<b>-3,227</b>

**Financial Commentary:**

The significant projected saving in 'keep my place safe and looking good' is due to the Fleet replacement programme. There has been a delay for vehicles from suppliers due to their demand. It is proposed that the saving will be carried forward to 2017/18.

In 'Help me live my life independently' the saving is due to the Disabled Facilities Grants. The funding is given by Worcester County Council and has been ringfenced for this purpose.

The Dolphin centre redevelopment with the strategic purpose of 'provide good things for me to see do and visit' will carry forward into 2017/18. This is as projected at Quarter 3.

**4. TREASURY MANAGEMENT**

4.1 The Council's Treasury Management Strategy has been developed in accordance with the Prudential Code for Capital Finance prudential indicators and is used to manage risks arising from financial instruments. Additionally treasury management practices are followed on a day to day basis.

4.2 The Council receives credit rating details from its Treasury Management advisers on a daily basis and any counterparty falling below the criteria is removed from the list of approved institutions.

## **CABINET**

12<sup>th</sup> July 2017

4.3 Due to market conditions the Council has reduced its credit risk for all new investments by only investing in the highest rated instruments and has shortened the allowable length of investments in order to reduce risk.

4.4 At 31<sup>st</sup> March 2017 there were no short term investments held.

### **Income from investments and other interest**

4.5 An investment income target of £93k has been set for 2016/17 using a projected return rate of 0.5%. During the past financial year bank base rates have remained 0.25% and current indications are projecting minimal upward movement for the short term.

## **5. REVENUE BALANCES**

### **5.1 Revenue Balances**

The addition of the 2016/17 saving will increase the balances to £4.314m.

## **6. Legal Implications**

None.

## **7. Service/Operational Implications**

All included in financial implications.

## **8. Customer / Equalities and Diversity Implications**

None as a direct result of this report

## **9. RISK MANAGEMENT**

9.1 Risk considerations covered in the report. There are no Health & Safety considerations

## **10. APPENDICES**

Appendix 1 – Strategic Purposes  
Appendix 2 – Revenue Reconciliation  
Appendix 3 – Revenue Reserves

## **11. BACKGROUND PAPERS**

Available from Financial Services

## **AUTHORS OF REPORT**

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# Agenda Item 6

Please note figures have been rounded.

Appendix 1

Keep my place safe and looking good.

Department		Annual budget £'000	2016/17 Actuals £'000	2016/17 Variance £'000
WRS Reg Client	Exp	488	442	-46
	Inc	-100	-100	0
	Net	388	342	-46
Bereavement Services	Exp	354	348	-6
	Inc	-388	-370	17
	Net	-33	-22	11
Building Control	Exp	504	486	-18
	Inc	-513	-475	38
	Net	-9	12	20
Climate Change	Exp	12	15	3
	Inc	0	-6	-6
	Net	12	8	-3
Community Safety	Exp	469	424	-45
	Inc	-50	-55	-5
	Net	419	369	-50
Core Environmental Operations	Exp	450	526	76
	Inc	-248	-344	-96
	Net	202	182	-20
Core Waste	Exp	3,283	3,237	-47
	Inc	-1,906	-1,874	33
	Net	1,377	1,363	-14
Depot	Exp	1,244	1,203	-41
	Inc	-651	-532	120
	Net	592	671	79
Development Control	Exp	640	702	62
	Inc	-609	-640	-32
	Net	31	61	30
Engineering	Exp	531	488	-42
	Inc	-189	-173	16
	Net	341	315	-26
Environmental Health / Protection / Enforcement	Exp	1	8	7
	Inc	-7	-8	-0
	Net	-6	0	6
Highways	Exp	13	13	0
	Inc	0	0	0
	Net	13	13	0
Land Drainage	Exp	70	78	8
	Inc	0	0	0
	Net	70	78	8
LSP/P'ships	Exp	102	101	-1
	Inc	-50	-50	-0
	Net	51	50	-1
Pest & Dog control	Exp	0	0	0
	Inc	0	-4	-4
	Net	0	-4	-4
Place Teams	Exp	1,972	1,938	-34
	Inc	-1,085	-1,107	-23
	Net	887	830	-57
Public Conveniences	Exp	100	106	6
	Inc	-0	0	0
	Net	99	106	6
Strategic Housing	Exp	18	18	0
	Inc	-11	-11	0
	Net	7	7	0
Strategic Planning	Exp	331	322	-9
	Inc	-0	-34	-34
	Net	331	289	-43
Town Centre Development	Exp	115	365	249
	Inc	-37	-268	-232
	Net	79	96	17
Transport	Exp	482	448	-34
	Inc	-493	-464	29
	Net	-11	-16	-5
Trees & Woodland Management	Exp	375	365	-10
	Inc	-277	-271	6
	Net	98	94	-4
Waste Management Policy	Exp	10	10	0
	Inc	-9	-4	5
	Net	1	6	5
<b>Totals:</b>		<b>4,939</b>	<b>4,850</b>	<b>-89</b>

# Agenda Item 6

## Financial commentary:

BDC Reg Client - The savings relate to additional income received by Worcestershire Regulatory Services (WRS) which have enabled pension deficit to be funded together with a refund back to Bromsgrove District Council.

Bereavement Services - the variance is due to necessary works to control badger activity within the Cemeteries and fewer burials in the fourth quarter.

Community safety - the savings are due to the CCTV team procuring new contracts and increasing recharging and the community safety team have had some temporary vacancies.

Core Waste and Environmental Operations - income from cesspool emptying, trade and garden waste has increased and additional income has been achieved from external work, however there were unexpected increases in tipping costs, hire charges and maintenance costs for the tanker.

Depot - a transfer to reserves has been made of £148k in relation to vehicle replacement.

Development Control - the income is significantly higher than originally anticipated

Engineering - had savings from a vacant post which is now filled and on fixtures and fittings within the Town Centre as a result of the work carried out in the capital program.

Land Drainage - additional expenditure has occurred due to essential work around Brook Road recreation ground.

Place Teams - have achieved increased income from bulky collections and other external work and savings on fuel.

Strategic Planning - the majority of the underspend is due to salary savings from maternity leave or reduced hours requests following a return from maternity leave.

Waste Management Policy - variance is due to the loss of the bring banks which have been removed following misuse of the sites and ongoing costs to maintain.

## Help me run a successful business

Department		Annual budget £'000	Actuals to date £'000	Variance to date £'000
Business Development - Business	Exp	19	130	112
	Inc	-1	-51	-50
	Net	18	79	61
Car Parks / Civil Enforcement	Exp	609	547	-61
	Inc	-1,236	-1,119	118
	Net	-628	-571	56
Economic & Tourism Development	Exp	206	156	-50
	Inc	-39	-12	27
	Net	167	144	-23
Licences (all)	Exp	0	0	0
	Inc	-171	-191	-20
	Net	-171	-191	-20
<b>Totals:</b>		<b>-614</b>	<b>-539</b>	<b>75</b>

## Financial commentary:

Car Parks /Civil Enforcement - fewer people are parking within the Town and there has been a higher level of compliance resulting in a shortfall in income on Car Parks/Civil Enforcement due to the impact of development works. However this has been partly offset by a refund of Business Rates on those car parks under development and savings on maintenance costs.

Licences (all) - there has been an increase in Licensing of £20k, which has been reflected in the 2017/18 budget.

## Help me to be financially independent

Department		Annual budget £'000	2016/17 Actuals £'000	2016/17 Variance £'000
Revenues & Benefits	Exp	1,273	1,154	-119
	Inc	-522	-513	9
	Net	751	642	-110
Benefit Payments	Exp	15,912	16,510	598
	Inc	-16,130	-16,736	-606
	Net	-218	-226	-9
<b>Totals:</b>		<b>534</b>	<b>416</b>	<b>-118</b>

## Financial commentary:

Revenues & Benefits - the underspends across these budgets relate to staff vacancies and are higher than projected as we could not be sure what agency backfill we might need to put in place to manage demand in the last quarter. This will be reflected in 17/18 through the restructure within the Service.

Benefit Payments have a net impact of £9k however the expenditure and income variances reflect the difference between the estimated payments level and the level actually claimed.

Department		Annual budget £'000	2016/17 Actuals £'000	2016/17 Variance £'000
Community Safety - lifeline	Exp	232	210	-22
	Inc	-230	-291	-61
	Net	2	-81	-83
Community Transport / Dial a ride	Exp	28	33	5
	Inc	0	-8	-8
	Net	28	25	-4
Disabled Facilities grants	Exp	0	0	0
	Inc	-563	-563	0
	Net	-563	-563	0
<b>Totals:</b>		<b>-532</b>	<b>-619</b>	<b>-87</b>

**Financial commentary:**

Lifeline - the Lifeline team has been working to attract new customers and has achieved additional income this has been reflected in the budgets for 2017/18.

Help me to find somewhere to live in my locality
--

Department		Annual budget £'000	2016/17 Actuals £'000	2016/17 Variance £'000
Housing Strategy & Enabling	Exp	1,100	1,050	-50
	Inc	-233	-245	-12
	Net	867	805	-62
Private Sector Housing	Exp	40	54	14
	Inc	0	0	0
	Net	40	54	14
<b>Totals:</b>		<b>907</b>	<b>859</b>	<b>-48</b>

**Financial commentary:**

Housing Strategy & Enabling - there is a saving on Housing strategy due to the disabled facilities grant management fees being paid from the capital scheme due to increased funding now given. There are also some salary savings due to temporary vacancy.

Provide things for me to do, see and visit
--

Department		Annual budget £'000	2016/17 Actuals £'000	2016/17 Variance £'000
Business Development - Cultural	Exp	41	31	-10
	Inc	-31	-21	10
	Net	10	10	-0
Community Cohesion (older and young people) social inclusion	Exp	28	3	-25
	Inc	0	0	0
	Net	28	3	-25
Cultural Services	Exp	252	240	-11
	Inc	-26	-28	-2
	Net	226	212	-13
Grants & Donations	Exp	108	81	-27
	Inc	0	0	0
	Net	108	81	-27
Parks & Green Space	Exp	437	412	-25
	Inc	-95	-53	43
	Net	342	359	17
Shopmobility	Exp	6	5	-1
	Inc	0	-0	-0
	Net	6	5	-1
Sports Services	Exp	1,127	1,078	-50
	Inc	-98	-90	8
	Net	1,029	988	-41
<b>Totals:</b>		<b>1,749</b>	<b>1,659</b>	<b>-91</b>

**Financial commentary.**

Cultural services - arts and events have generated additional income on the bonfire event and made savings on expenditure through more effective procurement of services.

Grants & Donations - The budget to fund appeals in relation to Assets of Community Value was not utilised and therefore savings is realised.

Parks and green spaces - have an overspend due to vandalism costs and the need to replace equipment..

Sports services have generated additional funding from community classes and made savings on their expenditure by improved cost management .

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Enable others to work/do what they need to do (to meet purpose)

Department		Annual budget £'000	2016/17 Actuals £'000	2016/17 Variance £'000
Accounts & Financial Management	Exp	508	447	-61
	Inc	0	7	7
	Net	508	453	-55
Business Development	Exp	496	807	310
	Inc	-46	-223	-177
	Net	451	584	133
Central Overheads	Exp	1,253	1,220	-33
	Inc	-3	-2	1
	Net	1,250	1,218	-32
CMT	Exp	400	388	-12
	Inc	-148	-137	11
	Net	252	251	-1
Communications	Exp	151	118	-33
	Inc	-63	-57	6
	Net	88	61	-27
Corporate	Exp	137	119	-18
	Inc	-0	-18	-18
	Net	137	100	-36
Corporate Administration / Central Post Opening	Exp	205	218	12
	Inc	-5	-5	0
	Net	200	213	13
Customer service centre	Exp	334	303	-31
	Inc	-22	-31	-9
	Net	312	272	-40
Democratic Services & Member Support	Exp	576	551	-25
	Inc	-167	-171	-3
	Net	409	380	-29
Election & Electoral Services	Exp	520	705	185
	Inc	-430	-679	-249
	Net	90	25	-64
Emergency Planning / Business Continuity	Exp	14	14	0
	Inc	0	0	0
	Net	14	14	0
Equalities	Exp	49	41	-8
	Inc	-19	-16	3
	Net	30	25	-5
Human Resources & Welfare	Exp	251	151	-100
	Inc	0	53	53
	Net	251	204	-47
ICT	Exp	1,858	1,668	-191
	Inc	-914	-814	100
	Net	944	854	-90
Land Charges	Exp	89	66	-23
	Inc	-170	-112	58
	Net	-81	-46	35
Leisure & Cultural Mgt	Exp	100	100	0
	Inc	-50	-52	-3
	Net	50	48	-2
Policy	Exp	134	89	-45
	Inc	-67	-44	23
	Net	67	45	-22
Printing & Reprographics	Exp	179	164	-14
	Inc	-72	-70	3
	Net	106	95	-11
Professional Legal Advice & Services	Exp	542	514	-27
	Inc	-269	-271	-3
	Net	273	243	-30
SMT	Exp	358	360	2
	Inc	-144	-146	-2
	Net	214	214	0
Transformation	Exp	113	102	-11
	Inc	-64	-55	9
	Net	49	47	-2
<b>Totals:</b>		<b>5,612</b>	<b>5,299</b>	<b>-312</b>

# Agenda Item 6

**Financial commentary:**

Accounts & Financial Management - Customer Services savings due to not requiring agency backfill, this will be reflected in 17/18 through the restructure. There is a net saving as a result of Internal Audit efficiencies from Worcester City contract.

Business Development - this variance is due to the costs associated with the ongoing costs of the Burcot Lane Council House.

Central Overheads - the insurance charges were also less than anticipated resulting in a saving

Communications - additional Income from Better Bromsgrove together with savings from on-line Together Bromsgrove. These savings have been reflected in 2017/18 budgets.

Democratic Services - the savings relate to the difference between the estimated IRP recommended figure and the amount finally approved in Feb 2017. This saving has been reflected in the 2017/18 budget. In addition there are a number of other service budgets in relation to car mileage and other unclaimed allowances.

Elections - as already reported the timing of election payments from Central Government make it difficult to project on an accurate basis the financial outturn. For 2016/17 there has been savings on postal charges due to a new contract being let, software licences, additional income from the sales of the register and income received to fund an interim post, 18 months after the post was used within the Council.

Printing & Reprographics - a review within the print contract has been undertaken generating savings, these savings have been reflected in the 2017/18 budgets.

Human Resources & Welfare - the underspend relates to corporate training and medical fees.

ICT - The majority of the variance between the forecast position and the final outturn is due to prepaid invoices in full in 2016/17. This masked a potential total underspend. Contracts are re-negotiated when they become due for renewal, opportunities have been presented for savings to be made.

Land Charges - as previously reported the income in land charges has not been achieved as it is not possible to accurately predict the number of search requests. The income target has been adjusted down for 17/18.

Legal Services - more contract income has been received than originally anticipated and again this has been reflected into the 2017/18 budget.

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## BROMSGROVE 2016/17

## Appendix 2

Please note figures have been rounded

	2016-17
	£000
Departmental Expenditure (Starting Position)	11,381
Incremental Progression/Inflation on Utilities	281
Unavoidables	507
Savings and Additional income	-401
Release of reserves no longer required	-553
Release of reserves to fund shortfall	-296
<b>Net Service Expenditure</b>	<b>10,918</b>
Add back original transfer to reserves	-222
Add back release of reserves no longer required	553
Add back release of reserves to fund shortfall	296
Add back capital charges that are removed	1,886
Changes to Council Tax Admin Subsidy and Cost of Collection - below the line	35
<b>Total Services/Original Budget</b>	<b>13,465</b>
Use of Community Reserves	46
Use of Single System Reserve	362
Use of BDHT SLA Reserve	14
Use of Legal Reserves	51
Use of Arts and sports development Reserves	38
Use of Building Control reserve	38
Transfer to Benefits Reserve	-52
Transfer to Hardship Fund Reserve	-56
Transfer to IT Reserve	-148
Transfer to Community Reserves	-33
Transfer to Election Reserves	-87
Transfer to Regulatory Services Reserve	-19
Transfer to Planning and Regeneration Reserve	-100
Changes to Depreciation & Insurance budgets (incl capital financing on revenue)	-924
<b>Total Revised Budget</b>	<b>12,595</b>

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FINANCIAL RESERVES STATEMENT 2016/17

Description	Balance b/fwd 1/04/2016	Movement in Reserve 2016/17	New Reserve 2016/17	C/fwd 31/03/2017	Comment
	£'000	£'000	£'000	£'000	
Building Control	-7	0	0	-7	To Fund the mobile working project
Building Control Partnership	-73	29	0	-44	Partnership income has to be reinvested in the service behalf of the shared service
Business Transformation	-11	0	0	-11	Towards organisational development following the staff survey
Commercialism	0	0	-50	-50	To help fund costs in relation to commercialism projects
Community Safety	-43	10	0	-33	Grant funding received to fund associated community projects
Community Services	-40	0	0	-40	To help towards a district network feasibility study
Economic Regeneration	-5	4	-500	-501	To fund the Economic Development opportunities across the District
Election Services	-112	-91	0	-203	To support the delivery of individual electoral registration and to set aside a reserve for potential refunds to government
Environmental Services	0	0	-15	-15	To help towards the unauthorised trespass prevention scheme and Tree works within the district
Financial Services	-821	235	0	-586	The reserve includes the small business rate relief grant that will offset the costs in future years. In addition a number of reserves / grants have been set aside to support residents through the changes to welfare reform
Housing Schemes	-169	2	-200	-367	To support the feasibility and implementation of housing schemes across the district
ICT/Systems	-266	55	-11	-222	To provide for replacement ICT systems
Leisure/Community Safety	-380	113	0	-267	Grant received and reserves set aside to support a number of leisure and well being schemes across the District
Litigation Reserve	-248	243	0	-5	To provide funding for any potential legal challenges
Local Development Framework	-142	0	0	-142	To fund the costs associated with the local plan enquiry
Local Neighbourhood Partnerships	-16	0	0	-16	Grant received in relation to liveability schemes
Other	-88	12	-23	-99	To support apprentices, set up costs and other general reserves
Planning & Regeneration	0	0	-100	-100	Support for a review of Transport, Highways & Infrastructure implications
Regulatory Services (Partner Share)	-13	-20	0	-33	To fund WRS potential redundancy and other shared costs
Replacement Reserve	-590	34	0	-556	To fund replacement vehicles and plant
Shared Services Agenda incl Joint CE	-234	-77	0	-311	To fund potential redundancy and other shared costs
<b>Grand Total</b>	<b>-3,258</b>	<b>549</b>	<b>-899</b>	<b>-3,608</b>	

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