



BROMSGROVE DISTRICT COUNCIL

MEETING OF THE COUNCIL

WEDNESDAY 22ND JANUARY 2020, AT 6.00 P.M.

PARKSIDE SUITE - PARKSIDE

SUPPLEMENTARY DOCUMENTATION 2

The attached papers were specified as "to follow" on the Agenda previously distributed relating to the above mentioned meeting.

9. Recommendations from the Cabinet - 4th December 2019 (Pages 1 - 4)

To consider the recommendations from the meetings of the Cabinet held on 4th December 2019 and 15th January 2020.

The recommendations from 15th January 2020 will be provided as soon as they are available.

10. To note the minutes of the meetings of the Cabinet held on 4th December 2019 and 15th January 2020 (Pages 5 - 26)

The minutes from the meeting on 15th January will follow in a supplementary agenda once finalised.

K. DICKS
Chief Executive

Parkside
Market Street
BROMSGROVE
Worcestershire
B61 8DA

20th January 2020

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CABINET RECOMMENDATIONS TO THE COUNCIL

On 22nd January 2020

Cabinet meeting 15th January 2020

Cofton Hackett & Lickey and Blackwell Neighbourhood Plan

Members considered a report in respect of the Cofton Hackett & Lickey and Blackwell Neighbourhood Plan.

RECOMMENDED TO COUNCIL that the Lickey and Blackwell and Cofton Hackett Neighbourhood Development Plan be 'made' (formally adopted) immediately in accordance with the relevant legislation.

BDC Response to South Worcestershire Development Plan

Members considered the Council's response to the South Worcestershire Development Plan.

RECOMMENDED TO COUNCIL that the officer response to the South Worcestershire Development Plan preferred option consultation be approved by Council as its formal response and that it is confirmed with the South Worcestershire Councils as such.

South Staffs Local Plan Preferred Options

Members considered a report in respect of the South Staffordshire Local Plan Preferred Options.

RECOMMENDED TO COUNCIL that the officer response to the Spatial Housing Strategy and Infrastructure Delivery consultation be approved by Council as its formal response and that it is confirmed with South Staffordshire as such.

Market Hall Site – Meanwhile Uses

Members considered a report which set out the options for meanwhile use of the old market hall site.

RECOMMENDED TO COUNCIL:

- a) that the approval of Option 1 as the preferred option be implemented and a release of £110k from balances to meet the required remaining funding for 2019/20; and
- b) that delegated authority to the Chief Executive, following consultation with the Portfolio Holder for Economic Development, the Town Centre and Strategic Partnerships to implement Option 1 be approved.

Agenda Item 9

Worcestershire Regulatory Services Joint Board

The minutes and supporting documentation for the meeting of the WRS Joint Board meeting held on 28th November 2019 were considered by Members.

RECOMMENDED that Council approve the following for 2020/21:

a) the base revenue partner contributions for 2020/21-2022/23;

Bromsgrove District Council	£439k
Malvern Hills District Council	£386k
Redditch Borough Council	£529k
Worcester City Council	£499k
Wychavon District Council	£701k
Wyre Forest District Council	£463k

b) the partner percentage allocations for 2020/21 onwards;

	%
Bromsgrove District Council	14.55
Malvern Hills District Council	12.79
Redditch Borough Council	17.53
Worcester City Council	16.54
Wychavon District Council	23.24
Wyre Forest District Council	15.35

c) the additional partner liabilities for 2020/21 in relation to unavoidable salary pressure and increase in WRS pension forward funding rate;

Bromsgrove District Council	£13k
Malvern Hills District Council	£11k
Redditch Borough Council	£16k
Worcester City	£15k

Agenda Item 9

Council	
Wychavon District Council	£21k
Wyre Forest District Council	£14k
Total	£90k

- d) the additional partner liabilities for 2020/21 in relation to three additional Technical Officers;

Council	Tech Officer Primary Authority – 3 Months £000	Tech Officer Animal Activity £000	Tech Officer Gull Control £000
Bromsgrove District Council	1	6	
Malvern Hills District Council	1	9	
Redditch Borough Council	1	1	
Worcester City Council	1	4	30
Wychavon District Council	2	9	
Wyre Forest District Council	1	4	
Total	7	33	30

- e) the 2020/21 gross expenditure budget of £3,547k as shown in Appendix 1 to the report; and
- f) the 2020/21 income budget of £530k as shown in Appendix 3 to the report.

Quarter 2 Finance Monitoring Report

Members considered the Quarter 2 Finance Monitoring Report.

RECOMMENDED TO COUNCIL:

- a) that an increase in the 2019-20 revenue budget of £50k for Development Management due to receipt of a planning enforcement grant from the Ministry of Housing, Communities and Local Government be approved; and
- b) the reprofiling of the capital programme due to officers completing a full review of the Capital Budget for 2019/20 – 2022/23 as detailed in appendix 4 of the report be approved.

Management Review

Members received a report in respect of the proposed management review.

RECOMMENDED TO COUNCIL that the proposed changes to the Single Management Structure attached at Appendix C and the formal consultation with the affected staff and Trades Unions be agreed.

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

15TH JANUARY 2020, AT 6.00 P.M.

PRESENT: Councillors K.J. May (Leader), G. N. Denaro (Deputy Leader), A. D. Kent, M. A. Sherrey, P.L. Thomas and S. A. Webb

Observers: Councillor S. P. Douglas, Councillor A. B. L. English, Councillor C. A. Hotham and Councillor M. Thompson

Officers: Mr. K. Dicks, Mrs. S. Hanley, Mr. D. Allen, Mr. M. Dunphy, Ms. C. Flanagan, Mr C. Forrester, Mr. M. Hanwell, Ms K. Manning and Ms. A. Scarce

52/19 **TO RECEIVE APOLOGIES FOR ABSENCE**

There were no apologies for absence.

53/19 **DECLARATIONS OF INTEREST**

There were no declarations of interest on this occasion.

54/19 **TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING OF THE CABINET HELD ON 4TH DECEMBER 2019**

The minutes of the Cabinet meeting held on 4th December 2019 were submitted.

RESOLVED that the minutes of the Cabinet meeting held on 4th December 2019 be approved as a correct record.

55/19 **MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 2ND DECEMBER 2019**

The Leader welcomed Councillor M. Thompson, as Chairman of the Overview and Scrutiny Board to the meeting. There were no recommendations arising from the Overview and Scrutiny Board meeting held on 2nd December 2019. However, Councillor Thompson explained that there were a number of recommendations from the Overview and Scrutiny Board meeting held on 13th January and from the Finance and Budget Working Group. These were in respect of the Heat Network project (an appendix to the Medium Term Financial Plan Report), The Homelessness Grant and Flexible Homelessness Support Grants awards 2020/21 and the Market Hall site, Meanwhile Use reports. It was

agreed that these would be considered within the relevant items on the Cabinet meeting agenda.

RESOLVED that the minutes of the Overview and Scrutiny Board meeting held on 2nd December 2019 be noted.

56/19

COFTON HACKETT & LICKEY AND BLACKWELL NEIGHBOURHOOD PLAN

The Strategic Planning and Conservation Manager introduced the report and reminded Members that this had been before them previously and that the proposal was now for this to be adopted, following the referendum which had been held in December. The plan would be useful for both Lickey and Blackwell and would support the Council's officers as part of the Development Pan when making decisions and allowing them to respond more positively.

The Leader thanked the Strategic Planning and Conservation Manager and his team for the support given to this process, which was reiterated by the Portfolio Holder for Planning and Regulatory Services.

RESOLVED that the result of the referendum on the Lickey & Blackwell and Cofton Hackett Neighbourhood Development Plan held on 12th December 2019 be noted.

RECOMMENDED that the Lickey & Blackwell and Cofton Hackett Neighbourhood Development Plan be 'made' (formally adopted) immediately in accordance with the relevant legislation.

57/19

BDC RESPONSE TO SOUTH WORCS DEVELOPMENT PLAN

The Portfolio Holder for Planning and Regulatory Services highlighted that a number of these consultations were now being received, which was interesting to see and confirmed that they would be responded to appropriately.

The Strategic Planning and Conservation Manager provided an overview of the report, whilst confirming that this was not the final opportunity for the Council to have input. There was nothing which immediately impacted on the District, but this may change as South Worcestershire's Plan was developed further. South Worcestershire greenbelt was not comparable to the exceptional amount that the Council had and therefore the Council needed to ensure that dialogue was ongoing should it need to speak to them in respect of the local plan review process. There was also a need to understand the view of South Worcestershire in respect of housing and employment and the impact of the transport infrastructure, all of which could impact on this District. The duty to co-operate would provide the opportunity to engage in order to have those discussions.

RESOLVED that the Officer response to the South Worcestershire Development Plan Preferred option (as attached at appendix A to the report) be endorsed.

RECOMMENDED that the officer response to the South Worcestershire Development Plan Preferred option consultation be approved by Council as its formal response and that it is confirmed with the South Worcestershire Councils as such.

58/19

SOUTH STAFFS LOCAL PLAN PREFERRED OPTIONS

The Portfolio Holder for Planning and Regeneration again referred to the previous items and highlighted that a number of these documents would be coming through to Cabinet and/or Council in the future.

The Strategic Planning and Conservation Manager introduced the report and explained that this was very similar to the previous item in that there would be further opportunity to comment through the duty to co-operate. He went on to highlight the strong relationships that South Staffordshire had with the Black Country and surrounding areas and some of the issues raised which needed further evidence to support them. The process for South Staffordshire was at a slightly more detailed stage and it was noted that the issues and options plan did not deal with employment issues and that more substantial discussions needed to be held with them as the Council went through its process as some areas could potentially impact on it. Input would be done through the wider duty to co-operate discussions taking place and it was important that the Council engaged in more detail to ensure the best outcome.

RESOLVED that the officer response to the Spatial Housing Strategy and Infrastructure Delivery (as attached at appendix A) of the report be endorsed.

RECOMMENDED that the officer response to the Spatial Housing Strategy and Infrastructure Delivery consultation be approved by Council as its formal response and that it is confirmed with South Staffordshire Council as such.

59/19

HOMELESSNESS GRANT AND FLEXIBLE HOMELESSNESS SUPPORT GRANTS AWARDS 2020/21

The Portfolio Holder for Strategic Housing and Health and Wellbeing introduced the report and explained that it sought Members approval to award three grants to specific schemes and delegated authority to the Head of Community Services, in consultation with her to allocate any underspend in order to deal with and prevent homelessness. Members were reminded that, unfortunately the physical count of rough sleepers had not taken place due to the general election. However, it was hoped that this would now take place February/March.

The recommendation from the Overview and Scrutiny Board which asked Cabinet to make a statement *“that homelessness and rough sleeping are an issue in the District and hope that the Homelessness Grant and Flexible Homelessness Support Grant Awards will help to eradicate homelessness and rough sleeping in the District. We are also concerned with the way that homelessness and rough sleepers are only counted on one night a year”* was noted.

It was questioned whether the Street Pastors could provide more information on the number of rough sleepers and Officers advised that, regardless of whether the count was done on an annual or more regular basis, work was constantly being carried out to address the matter and monitor the numbers, as it was accepted that it could change on a daily basis. The annual count was simply to provide central government with a snap shot at any one time.

It was confirmed that the relevant contact numbers in respect of support for rough sleepers had been provided to all Members and that this should be sent out again to ensure that it was available to everyone.

RESOLVED:

- a) That the initiatives detailed at 3.8, 3.11 and 3.12 of the report be approved to receive allocation of funding for 2020/21; and
- b) Delegated authority be granted to the Head of Community Services following consultation with the Portfolio Holder for Strategic Housing to use any unallocated grant during the year or make further adjustments as necessary to ensure full utilisation of the grants for 2020/21 in support of existing or new schemes.

60/19

NORTH WORCESTERSHIRE ECONOMIC GROWTH STRATEGY

The Head of North Worcestershire Economic Development and Regeneration (NWEDR) introduced the report and in so doing provided an overview of the North Worcestershire Economic Growth Strategy. This included the following:

- Background information, including the stance taken by Central Government in respect of the role of the LEPs and legislative changes which had taken place in recent years.
- Local Industrial Strategies and the UK Prosperity Fund.
- Key data used in preparing the strategy.
- The four pillars of Growth – Talent, infrastructure, Technology and Creativity and how each of these impacted on the District in particular and could be addressed.
- Strategic Priorities and the key strengths and competitive advantages to build on together with the challenges faced and how these could be addressed going forward.

Following presentation of the report Members discussed a number of areas in more detail and the Leader invited those Members observing the meeting to also take part in the discussions as she was aware that the matter had also been considered and pre-scrutinised at the Overview and Scrutiny Board meeting held on 13th January 2020. The following areas were debated:

- Concerns around the number of employment opportunities in comparison to the number of new houses. It was noted that there would be a number of jobs arising following the development of the Eastern Gateway project, which, whilst in Redditch was also bordering on this District and had not been included in the strategy.
- There had been a detailed discussion at the Overview and Scrutiny Board with regards to manufacturing in particular.
- Superfast Broadband and its availability – it was noted that Worcestershire County took a lead on this but County Councillors were encourage to lobby WCC to take this matter forward in areas where it was needed. It was noted that this had been done successfully in a number of areas in the District.
- The availability of land for businesses to grow and develop within the District, or for the Council to be able to acquire land for development under its Acquisition Strategy.
- The ability of the Council to be able to invest in projects within the parameters it had set for itself and whether these were to restrictive. It was confirmed that the Acquisition Strategy was currently been reviewed in order to address this and would be brought before Members for consideration in due course.
- The industrial Strategy and whether it had been aligned with the LEPs - it was confirmed that this had been done before the LEPs involvement, however it highlighted that NWEDR was on the right track in how it anticipated this would work.

RESOLVED that the North Worcestershire Economic Strategy, its strategic priorities and interventions be agreed

61/19

MARKET HALL SITE - MEANWHILE USES

The Leader introduced the report and highlighted to Members that the Overview and Scrutiny Board has also pre-scrutinised this report and put forward the following recommendation, which Members should consider, *“that option 1 – Bird Box high quality is approved with the caveat that Cabinet reconsider the temporary nature of the project and make it a permanent feature on the Market Hall site.”*

The Head of North Worcestershire Economic Development and Regeneration (NWEDR) introduced the report and highlighted the following areas within the report:

- Background information in respect of the site and the circumstances leading to the current position.

- The report contained a number of temporary and permanent solutions.
- Examples of similar interventions and the types of events that the pop up units could be used for.
- The engagement of a professional team to look at the permanent use for this site and the old Dolphin Centre site.
- The rationale had been to provide a number of options for Members to consider in order for the site to be development in line with the Council's strategic objectives, whilst generating an income stream.

Again, the Leader invited those Members observing the meeting to join in the debate which followed, when a number of areas were discussed in more detail, including:

- As the previous item considered by the Cabinet had highlighted the lack of land for development, why this site could not be used for such purposes.
- Whether temporary use would impact and disadvantage current premises in the High Street, and what impact temporary use had on rent and Council tax paid. It was confirmed that a pop up unit would not impact on Council tax.
- It was not possible to give an estimate of the income that may be generated from such the pop ups at this stage.
- The idea would be for the pop up units to be used for a weekend or a few days not as a permanent feature for a number of months.
- They would provide creative spaces for people to use for a variety of events and were not expected to be seen as "competition" to the current premises in the High Street, but more as something which would complement the current provision.
- It was hoped that the units would be used to promote small local businesses and encourage them to develop.
- Work would begin shortly and it was hoped it would be up and running by 2020, depending on the option chosen.
- The potential to review the matter further down the line should it be successful.

In respect of the recommendation from the Overview and Scrutiny Board, following the debate, Members were of the view that it would not be appropriate at this stage to make the preferred option a permanent feature on the site.

RESOLVED:

- a) that the report and the three options appraised in it for the temporary use of the former Market Hall site be noted; and
- b) that the recommendation from the Overview and Scrutiny Board be noted.

RECOMMENDED:

- a) that the approval of Option 1 as the preferred option be implemented and a release of £110k from balances to meet the required remaining funding for 2019/20; and
- b) that delegated authority to the Chief Executive, following consultation with the Portfolio Holder for Economic Development, the Town Centre and Strategic Partnerships to implement Option 1 be approved.

62/19

MEMBERS ICT POLICIES

The ICT Information Manager introduced the report and he explained that the two policies were interlinked and that Members were being asked to consider a change to the Member ICT policy which covered the ability to access electronic information. The proposed policy offered three options for the type of equipment available to provide this access, with an indication of the financial implications.

In respect of the Bring Your Own Device policy it was highlighted that the Council would retain ownership of its data and associated software, but would not be responsible for the device itself. It would be able to delete any Council data remotely should the device be lost or damaged.

Following presentation of the report Members discussed a number of areas in more detail, including:

- The introduction of Office365 and its impact on the policies. Officers advised that this roll out had been slightly delayed but should take place in the Spring. Its rollout did not impact on either of these policies as these were merely in respect of the devices to be used by Members.
- Office 365 was a separate project to those being discussed.
- The impact on those Members who were “dual hatters” at Worcestershire County Council (WCC). It was confirmed that for those who wished to use their WCC equipment only, then they would be able to access BDC information on it, with the appropriate software installed.
- With the introduction of Office 365, the Outlook Calendar function of those dual hatters would also be able to be interlinked.

RESOLVED:

- a) that the proposed Member ICT Policy be agreed and implemented for all Members and the options within it made available to Members; and
- b) that Members chose the appropriate individual option for themselves from the policy, as the current kit provided becomes obsolete.

63/19

WRS JOINT BOARD RECOMMENDATIONS

The Portfolio Holder for Planning and Regulatory Services presented the report and explained to Members were being asked to agree the budget for the service for 2020/21 as detailed in the attached minutes, from the meeting of the Worcestershire Regulatory Services Board held on 28th November and the associated reports. Members' attention was also drawn to the detailed breakdown of this provided at pages 155 to 157 of their agenda pack.

RECOMMENDED that Council approve the following for 2020/21:

a) the base revenue partner contributions for 2020/21-2022/23;

Bromsgrove District Council	£439k
Malvern Hills District Council	£386k
Redditch Borough Council	£529k
Worcester City Council	£499k
Wychavon District Council	£701k
Wyre Forest District Council	£463k

b) the partner percentage allocations for 2020/21 onwards;

	%
Bromsgrove District Council	14.55
Malvern Hills District Council	12.79
Redditch Borough Council	17.53
Worcester City Council	16.54
Wychavon District Council	23.24
Wyre Forest District Council	15.35

c) the additional partner liabilities for 2020/21 in relation to unavoidable salary pressure and increase in WRS pension forward funding rate;

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Bromsgrove District Council	£13k
Malvern Hills District Council	£11k
Redditch Borough Council	£16k
Worcester City Council	£15k
Wychavon District Council	£21k
Wyre Forest District Council	£14k
Total	£90k

- d) the additional partner liabilities for 2020/21 in relation to three additional Technical Officers;

Council	Tech Officer Primary Authority – 3 Months £000	Tech Officer Animal Activity £000	Tech Officer Gull Control £000
Bromsgrove District Council	1	6	
Malvern Hills District Council	1	9	
Redditch Borough Council	1	1	
Worcester City Council	1	4	30
Wychavon District Council	2	9	
Wyre Forest District Council	1	4	
Total	7	33	30

- e) the 2020/21 gross expenditure budget of £3,547k as shown in Appendix 1 to the report; and
- f) the 2020/21 income budget of £530k as shown in Appendix 3 to the report.

64/19

ESSENTIAL LIVING FUND POLICY REPORT

The Portfolio Holder for Finance and Enabling introduced the report and advised Members that the policy would be introduced from 1st April 2020 and would provide greater clarity on the operation of the ELF scheme. The Financial Services Manager advised that the revised policy enabled decision makers to provide targeted support to those that most required it as well as ensuring that this support was appropriate and helped them to work towards long term financial stability.

RESOLVED:

- a) that the Essential Living Fund (ELF) policy be approved; and
- b) the policy be implemented from 1st April 2020.

65/19

COUNCIL TAX BASE 2020/21

The Portfolio Holder for Finance and Enabling introduced the report and advised Members that this was an annual report which detailed the calculation of the District's tax base for Council Tax setting purposes.

RESOLVED that the amount calculated by Bromsgrove District Council as the Council Tax Base for the whole area for 2020/21 be approved at £37,208/98 as detailed in appendix 1 of the report to include the individual parish elements.

66/19

QUARTER 2 FINANCE MONITORING REPORT

The Financial Services Manager presented the report to Members and highlighted a number of areas including the underspend within the Keep My Place Safe and Looking Good strategic purpose. The savings were due to a number reasons including Development Control receiving a number of large applications during the first half of the financial year and receipt of additional monies for prior years claims for the town centre development service.

There had also been reprofiling of the Capital Programme further details of which would be given within the next item of agenda, the Medium Term Financial Plan.

Concerns were raised in respect of the significant underspend for Development Control and it was explained that it was difficult to forecast effectively as to people bringing forward applications and this should be considered as good news for the Council.

Members also discussed the Council's short term borrowings and it was noted that currently a budget had been set for interest payable for 2019/20.

RESOLVED that the current financial position in relation to revenue and capital budgets for the period April 2019 to September 2019 be detailed in the report be noted.

RECOMMENDED:

- a) that an increase in the 2019-20 revenue budget of £50k for Development Management due to receipt of a planning enforcement grant from the Ministry of Housing, Communities and Local Government be approved; and
- b) the reprofiling of the capital programme due to officers completing a full review of the Capital Budget for 2019/20 – 2022/23 as detailed in appendix 4 of the report be approved.

67/19

MEDIUM TERM FINANCIAL PLAN

Members received a presentation from the Climate Change Officer and Mr Rob Clarke, consultant from Greenfield Nordic, who had carried out the initial piece of work in respect of the Heat Network project. It was noted that this had also been discussed at the Overview and Scrutiny Board's Finance and Budget Working Group and there were a number of recommendations made from that meeting. In this regard the Leader invited those Members observing the meeting to participate in the discussions which took place during the presentation from Mr. Clarke and the Climate Change Officer.

The presentation (attached at appendix 1 to these minutes) covered a number of areas including the challenge of decarbonising heat and what the project would mean to Bromsgrove, the carbon saving climate change response, inward investment; reputational benefit and return on invest from the Council and/or other investors. The proposed energy network was discussed in detail together with the details of the indicative arrangements in respect of the GSHP. The conclusions of the piece of work Mr. Clarke had carried out were that there was a credible economic and environmental case for a heat network in Bromsgrove, which required more detailed project development, a timetable for this and funding breakdown were included within the presentation.

During the presentation the following areas were discussed in more detail between Members, officers and Mr. Clarke.

- The proposed site of the energy network at Bromsgrove School and why this site had been chosen – it was confirmed that a number of other sites had been considered but this was the most appropriate.
- The contribution from Bromsgrove School towards the project was also discussed.
- Details around the boreholes and where these would be across the site.

- The amount of pipework involved in the project – this was estimated at 7.5 kilometres. The loss of heat from the pipes was also discussed.
- Other authorities who were using Heat Network systems.
- The systems overall efficiency and that that it was also around reducing the carbon footprint and using an alternative source of energy.
- Any work on existing systems that were not suitable – it was confirmed that this would be assessed at stage 2 of the project. The network has been designed at temperatures compatible with existing heating systems in general, but the details for each individual building would be confirmed at stage 2.
- The largest consumers were Bromsgrove School, the NHS Trust, the Council owned buildings and BDHT, who had expressed an interest in the project.
- The importance of support for the project from the public sector.
- Any plans to recycle heat within buildings and the linking of new developments to the system, which would need the support of any relevant developers.
- Examples of similar projects were given, however the full extent of the costs of these were not currently available. Members were keen to receive details around costings and the potential commercial and revenue aspect of the project moving forward.
- Part of the next stage of the study would be to identify its viability and more detailed costings.
- The impact on the Council's carbon footprint from such a scheme which was estimated at between 30 and 60%.
- Technical details in respect of the network heat density, the pipe size and water temperature (and how it was heated up) were discussed.
- The project development stage including commercial structure of the project, key stakeholders and legal agreement.
- It was confirmed that BDHT and the Hospital Trust were currently in a similar position to this Council in agreeing funds to contribute towards the project.
- The availability of grant funding of the project from Central Government and the associated deadlines. This was a open rolling programme with a budget agreed every 12 months by the Treasury, an application was submitted by this year's deadline of 3rd January. Unfortunately all the 2019/20 funding had been allocated so if the project was accepted it would be funded in the 2020/21 financial year subject to Treasury approval.
- Members questioned what would be the impact if the funding from Central Government was not received.

Following the presentation and the detailed discussion it was agreed as there were a number of pertinent questions which remained unanswered, that any decision in respect of the Heat Network Business Case would be deferred, pending further information. This included

consideration of the recommendations from the Overview and Scrutiny Board.

The Financial Services Manager introduced the Medium Term Financial Plan 2020/21 – 2023/24 and highlighted the following:

- The budget gap was smaller and more manageable, which was positive news and the Council was currently in a healthy position.
- There were still challenges in the next four years, with the lack of clarity from Central Government being a contributing factor. There was the option to use balances but this was not ideal and officers were being encouraged to be more commercial and make further efficiencies.

The Leader appreciated the work that had been carried out and reiterated that the Council needed to become more commercial in its work.

Members discussed a number of areas in more detail, including the pension deficit and the reserve for pension – the reserve had been put in place as it was clear that this was an area which could fluctuate significantly and therefore it was felt prudent to prepare for this.

The Deputy Leader and Portfolio Holder for Finance and Enabling advised Members that following discussions with the Valuation Office he was pleased to report that a £225k refund in respect of the Burcot Lane site had been agreed.

RESOLVED that the current Medium Term Financial Plan gap be noted and that officers continue to review the position to enable a balanced budget to be presented to Council on 26th February 2020.

68/19

MANAGEMENT REVIEW

The Chief Executive introduced the report and reminded Members that a review of the Management Structure had been suggested in the Efficiency Statement which had been prepared back in 2016. This had been delayed due to a number of Human Resources issues. It was highlighted that appendix C of the report showed the proposed structure moving forward and which had been tweaked following discussions with the Leaders at both Councils. The capacity and capability of those affected had also been considered in order to deliver the Councils' strategic purposes and priorities. With this in mind it was proposed that the position of Head of Financial Services be reintroduced into the structure. This would allow the Executive Director, Finance and Resources to take a more strategic role, which currently she was unable to do to her full potential.

It was acknowledged that the interim management team had already been taking on additional duties and this would now formalise that structure. The costs had been split appropriately between the two

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Councils. Leisure services would now be the responsibility of the Head of Planning and Regeneration and the Head of Legal and Democratic would formally take over Property.

It was anticipated that a fundamental review of fourth and fifth tier managers would take place in due course. Further detail in respect of the two Executive Directors roles was provided.

Following presentation of the report a number of areas were discussed in more detail by Members, this included, concerns around the workload of offices, as this had previously been mentioned under other items within this agenda. It was confirmed that by reviewing the fourth and fifth tier managers the resilience mentioned, particularly in respect of the Climate Change area would be considered. In respect of the work of the NWEDR it was confirmed that regular meetings were held with officers to ensure that sufficient resources were in place to meet the needs of the Council.

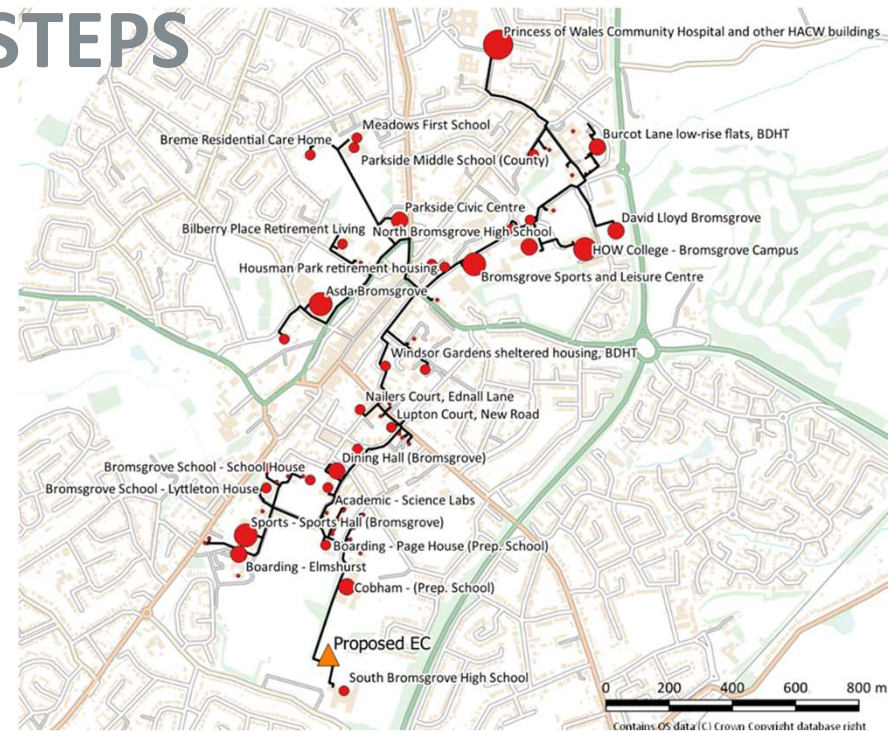
RECOMMENDED that the proposed changes to the Single Management Structure attached at Appendix C and the formal consultation with the affected staff and Trades Unions be agreed.

The meeting closed at 8.57 p.m.

Chairman



BROMSGROVE HEAT NETWORK: VIABILITY, CONCLUSIONS & NEXT STEPS



Decarbonising heat – a critical challenge

- Heat is a key part of the UK Climate Change response in the net zero carbon 2050 target
- CCC estimates 18% of heat will need to come from heat networks by 2050
- Various policy & support in place, e.g.
 - Oct 2019 Consultation on “Future Homes Standards” (precursor to non-housing).....big jump towards a no-gas solution through heat networks and heat pumps

“Heat networks can decarbonise more easily.....new technologies can be added to the system with little disruption.....

.....unique opportunity to exploit larger scale, renewable and recovered heat sources [not possible at building-level]

..... also provide system benefits such as thermal storage and reducing [grid] demand at peak times.”
 - BEIS Heat Network Development Unit
 - Heat Network Investment Project (HNIP) - £320m capital programme
- Growing market response from investors and heat network suppliers
- At local level Bromsgrove is leading heat network exploration and other initiatives in response to Climate Emergency policy

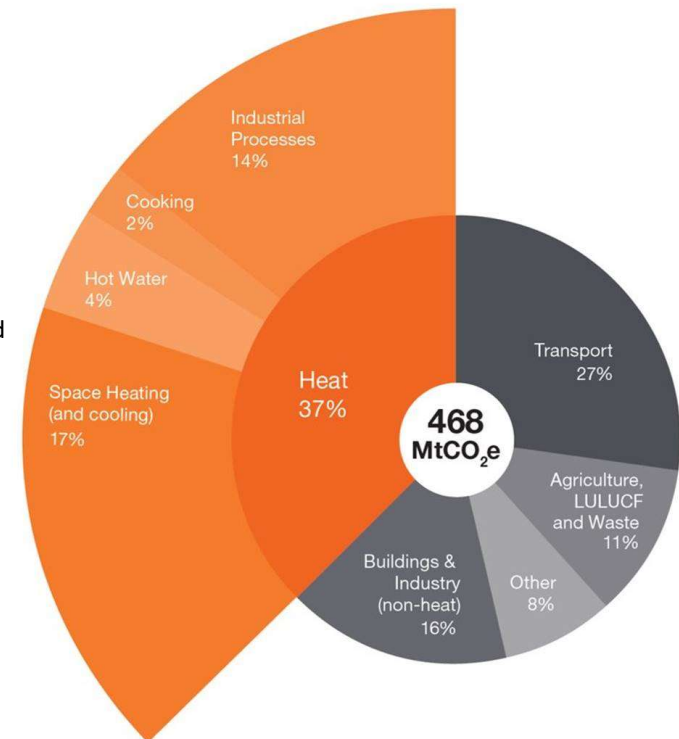


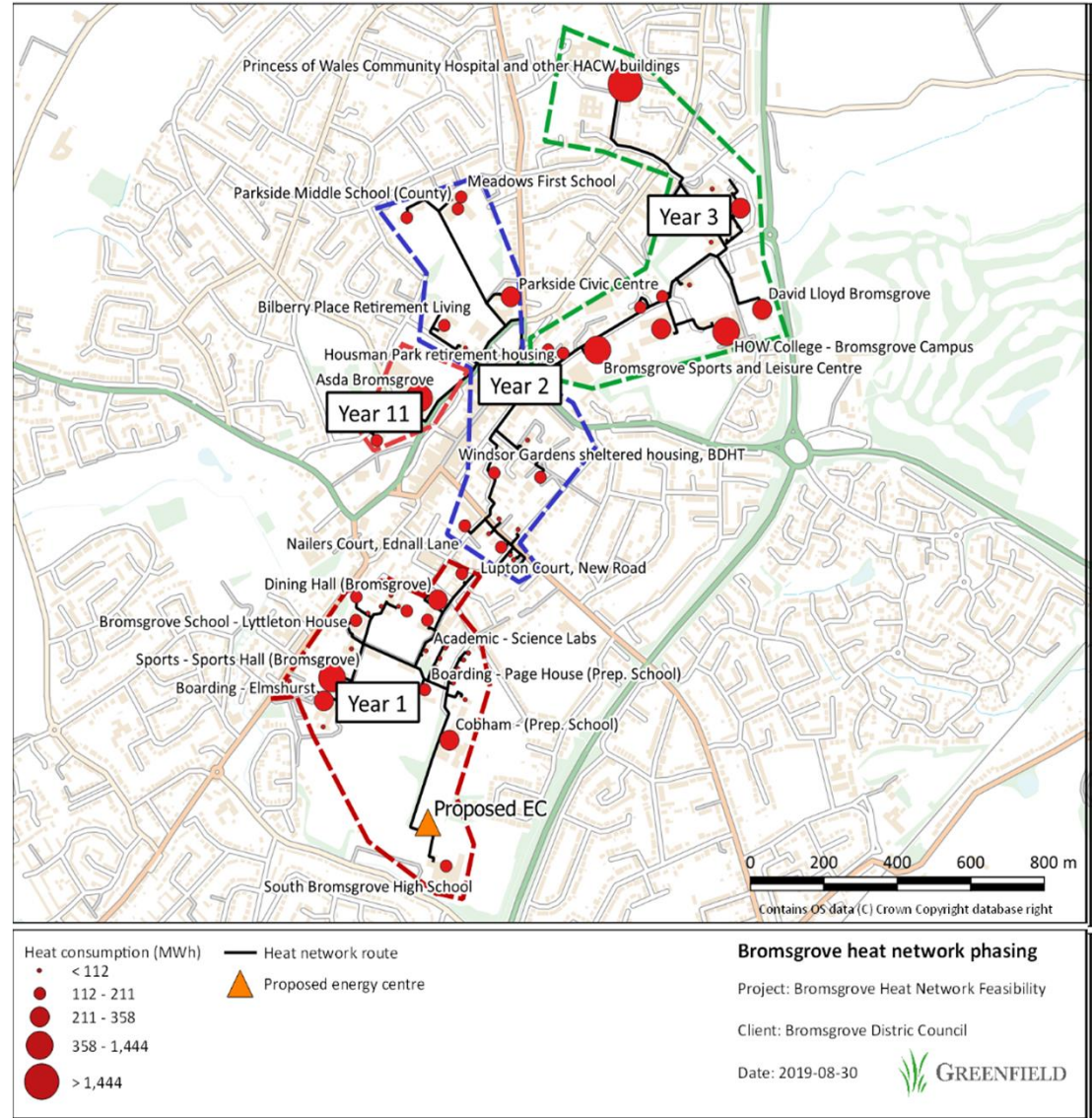
Figure 2.1 UK emissions in 2016 across different sectors⁴

What could it mean for Bromsgrove?

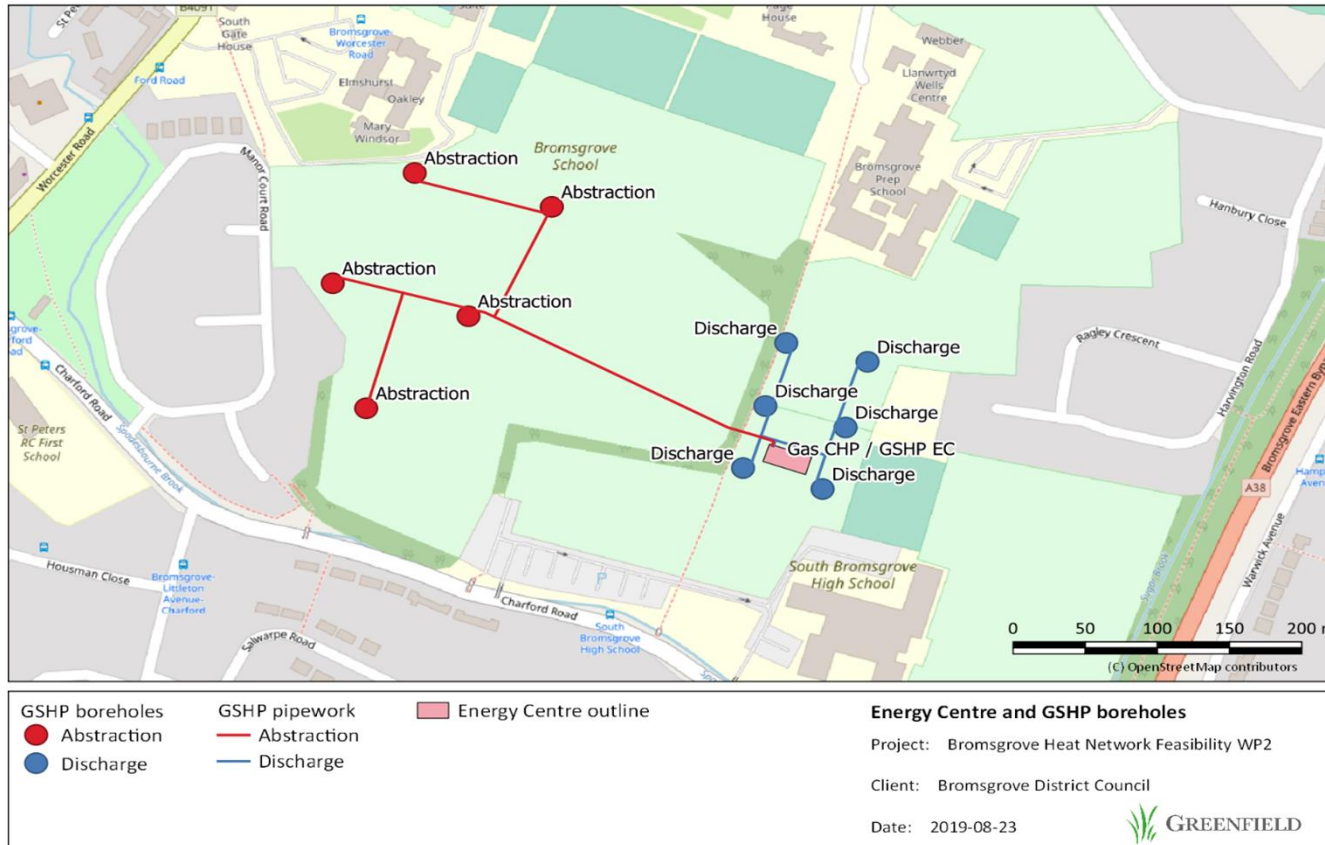
- **Cost of living / doing business :**
 - Energy cost
 - ❖ 5% reduction modelled (depends on economic performance of final solution, investment strategy and cost of finance)
 - ❖ Locally set e.g. could support local 'fuel poverty' aims
 - ❖ Could help manage energy cost volatility
 - Reduced property-level liability (i.e. boilers) and release of internal property space
 - Land rent for energy centre
- **Carbon saving / climate change response**
 - A solution for existing properties and new-build
 - Direct carbon reduction to connected consumers 32% - 61% in modelled option for connected properties
 - Potential to expand as town-wide heat decarbonisation strategy
- **Inward investment (c. £15m-£20m – current scheme)**
- **Reputational benefit**
- **Return on investment for council and/or other investors**

Proposed energy network

	Units	
Demand		
Heat demand	GWh/yr	19.3
Peak demand	MW	9.7
Number of connections		
Non-residential	No.	38
Residential (dwellings)	No.	601
Total	No.	639
Network		
Network trench length	km	7.5
Linear heat density	GWh/yr/km	2.6
Main pipe size	DN	250
Heat losses	%	11 %
Design temperatures (Flow / Return)	°C	90 / 55
Soft dig / Hard dig	%	34 / 66



GSHP indicative arrangement

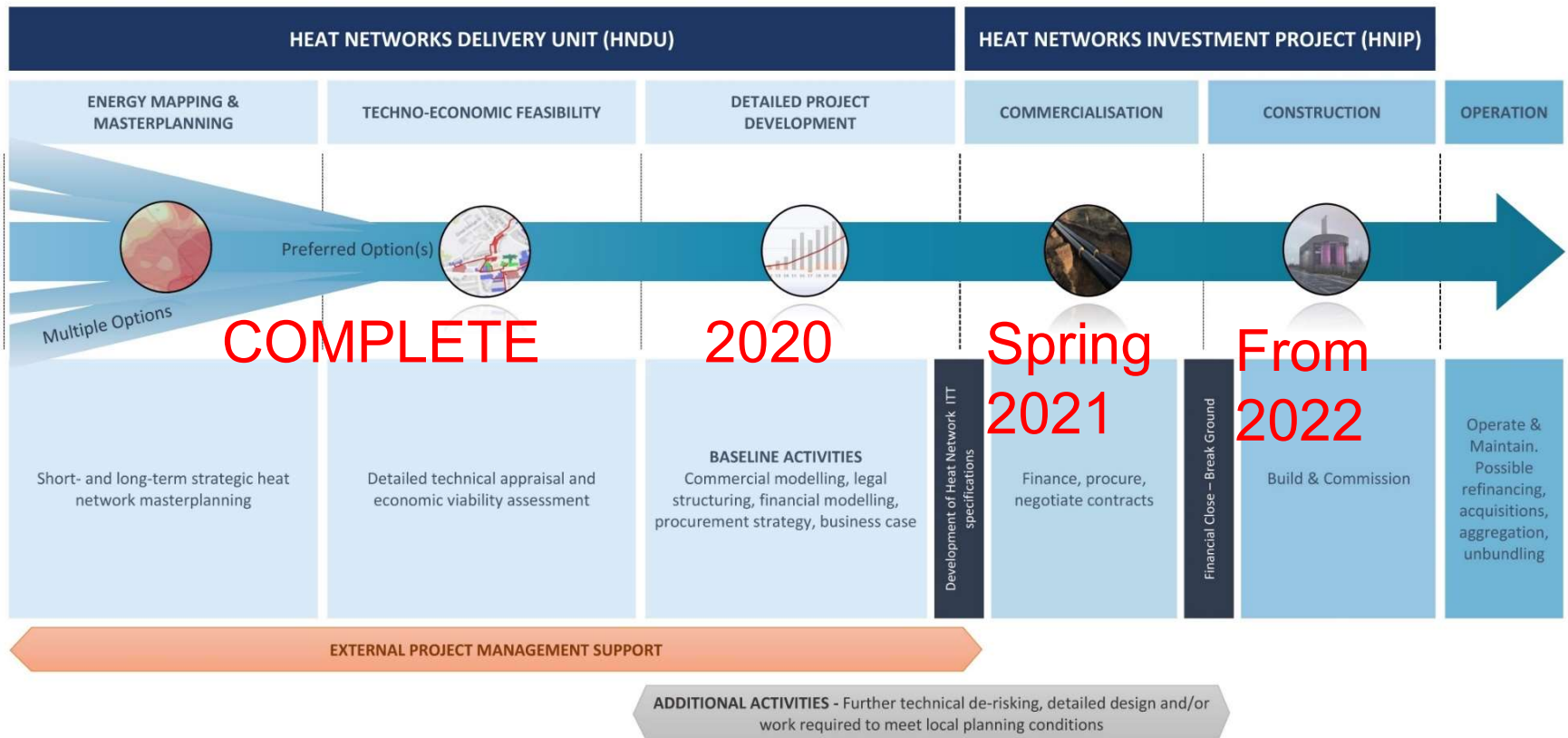


- Design and cost uncertainty:
 - Requires further hydro-geological analysis + test boreholes
 - Borehole lining - Sandstone rock?
- Gas-fired CHP supplies power to Heat Pump + school properties (private wire)
- Renewable Heat Incentive income potentially available (COP > 2.9)

Conclusions

1. Credible economic and environmental case a heat network in Bromsgrove
 - Key stakeholders generally supportive (at this early stage)
 - Reasonable ROI could be delivered (with typical risks / uncertainties and requiring suitable grant)
2. Requires “Detailed Project Development”:

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Agenda Item 10

FUNDING BREAKDOWN

Item	Cost
Project Management	Fully funded by HNDU
Test Borehole	£100K
DPD	£150K
Total	£250K
Funding from HNDU@ 66%	£165K
Funding from Bromsgrove School	£10K
Funding from NHS Trust	to be determined
Funding from BDHT	to be determined
Remainder to Fund	£75K

Agenda Item 10

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