



BROMSGROVE DISTRICT COUNCIL

MEETING OF THE OVERVIEW AND SCRUTINY BOARD

MONDAY 21ST NOVEMBER 2011
AT 6.00 P.M.

COMMITTEE ROOM, THE COUNCIL HOUSE, BURCOT LANE, BROMSGROVE

MEMBERS: Councillors P. J. Whittaker (Chairman), P. Lammas (Vice-Chairman), C. J. Bloore, J. S. Brogan, Dr. B. T. Cooper, Mrs. R. L. Dent, K. A. Grant-Pearce, Mrs. J. M. L. A. Griffiths, R. J. Laight, P. M. McDonald, S. P. Shannon, Mrs. C. J. Spencer and L. J. Turner

AGENDA

1. Apologies for Absence
2. Declarations of Interest and Whipping Arrangements
3. To confirm the accuracy of the minutes of the meeting of the Overview and Scrutiny Board held on 24th October 2011 (Pages 1 - 6)
4. 12 Month Review of the Alvechurch Multi Use Games Area (MUGA) Investigation (Pages 7 - 16)
5. Planning Enforcement Board Investigation - Interim Report (to follow)
6. July to September (Quarter 2) Finance Monitoring Report 2011/12 (Pages 17 - 50)
7. Sickness Absence and Performance and Health Report (Pages 51 - 56)
8. Planning Policy Task Group - Verbal Update
9. WCC Health Overview and Scrutiny Committee - Update

10. Overview and Scrutiny Board Work Programme (Pages 57 - 60)
11. 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.

K. DICKS
Chief Executive

The Council House
Burcot Lane
BROMSGROVE
Worcestershire
B60 1AA

11th November 2011



Bromsgrove
District Council
www.bromsgrove.gov.uk

INFORMATION FOR THE PUBLIC

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Declaration of Interests - Explained

Definition of Interests

A Member has a **PERSONAL INTEREST** if the issue being discussed at a meeting affects the well-being or finances of the Member, the Member's family or a close associate more than most other people who live in the ward affected by the issue.

Personal interests are also things relating to an interest the Member must register, such as any outside bodies to which the Member has been appointed by the Council or membership of certain public bodies.

A personal interest is also a **PREJUDICIAL INTEREST** if it affects:

- The finances, or
- A regulatory function (such as licensing or planning)

Of the Member, the Member's family or a close associate **AND** which a reasonable member of the public with knowledge of the facts would believe likely to harm or impair the Member's ability to judge the public interest.

Declaring Interests

If a Member has an interest they must normally declare it at the start of the meeting or as soon as they realise they have the interest.

EXCEPTION:

If a Member has a **PERSONAL INTEREST** which arises because of membership of another public body the Member only needs to declare it if and when they speak on the matter.

If a Member has both a **PERSONAL AND PREJUDICIAL INTEREST** they must not debate or vote on the matter and must leave the room.

EXCEPTION:

If a Member has a prejudicial interest in a matter being discussed at a meeting at which members of the public are allowed to make representations, give evidence or answer questions about the matter, the Member has the same rights as the public and can also attend the meeting to make representations, give evidence or answer questions **BUT THE MEMBER MUST LEAVE THE ROOM ONCE THEY HAVE FINISHED AND CANNOT DEBATE OR VOTE.**

However, the Member must not use these rights to seek to improperly influence a decision in which they have a prejudicial interest.

For further information please contact Committee Services, Legal, Equalities and Democratic Services, Bromsgrove District Council, The Council House, Burcot Lane, Bromsgrove, B60 1AA

Tel: 01527 873232 Fax: 01527 881414

Web: www.bromsgrove.gov.uk email: committee@bromsgrove.gov.uk

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE OVERVIEW AND SCRUTINY BOARD

MONDAY, 24TH OCTOBER 2011 AT 6.00 P.M.

PRESENT: Councillors P. J. Whittaker (Chairman), P. Lammas (Vice-Chairman), C. J. Bloore, J. S. Brogan, Dr. B. T. Cooper, Mrs. R. L. Dent, K. A. Grant-Pearce, Mrs. J. M. L. A. Griffiths, R. J. Laight, Mrs. C. J. Spencer and L. J. Turner

Observers: Councillor S. R. Colella

Officers: Ms. J. Pickering, Mrs. A. Heighway, Mr. C. Santoriello-Smith and Ms. A. Scarce

52/11 **APOLOGIES**

An apology for absence was received from Councillor S. P. Shannon.

53/11 **DECLARATIONS OF INTEREST AND WHIPPING ARRANGEMENTS**

There were no declarations of interest or whipping arrangements.

54/11 **MINUTES - 27TH SEPTEMBER 2011**

The Minutes of the Overview and Scrutiny Board meeting held on 27th September 2011 were submitted.

Officers informed Members that in respect of Minute No. 36/11, the Cabinet had approved the Board's recommendation that the costs of consultancy fees be detailed separately for future monitoring reports.

RESOLVED that the minutes be approved as a correct record.

55/11 **MINUTES - 12TH OCTOBER 2011**

The Minutes of the Overview and Scrutiny Board meeting held on 12th October 2011 were submitted.

RESOLVED that the minutes be approved as a correct record.

56/11 **BURGLARY AND VEHICLE CRIME IN BROMSGROVE - REPORT FROM WEST MERCIA POLICE**

Officers gave a summary of a report on Burglary and Vehicle Crime in the District based on figures provided by West Mercia Police. The report had been

requested following receipt of a topic proposal form from Councillor S. R. Colella at its meeting held on 11th July 2011.

- Members heard that dwelling burglary figures tended to vary considerably on a month to month basis. This was attributed to various factors, including a historical tendency for increased burglary during longer nights in autumn and winter. Burglaries that took place in garages not connected to a house were no longer classed as dwelling burglaries.
- Burglary rates tended to be higher in Bromsgrove compared to other local authority areas in Worcestershire. It was explained that the area was particularly vulnerable to cross border crimes due to its close proximity to the Birmingham conurbation and motorway networks. Members also heard that a very small number of prolific offenders could account for a spike in offences. However, it was reported that West Mercia Police and West Midlands Police were in constant dialogue to help mitigate cross border crime.
- Members suggested that detection rates for dwelling burglary and vehicle crime appeared to be significantly low in Bromsgrove between April and October 2011. Officers confirmed that the detection rates were currently lower than most other areas in Worcestershire, however it was commented that there had been fewer offences to detect.
- Members discussed the possibility of any reduction in the number of frontline police officers and were advised by Officers that if the Board wished to take this issue further it should do so through its Police Authority representative.

Officers informed Members that it was difficult to accurately compare crime figures in Bromsgrove against that of other areas, as the district's close proximity to motorway networks made it easily accessible. It was not, however, thought that Bromsgrove could be classed as a hotspot crime area when compared to areas of high conurbations.

The Board was concerned that members of the public were increasingly being targeted for theft in popular retail areas. Officers informed the Board that local police were educating residents on this issue to make them more mindful of this particular crime. The police were also encouraging local superstores to take a more pro-active approach in tackling this. However, there was no evidence to suggest that this crime was common in Bromsgrove.

The Chairman invited Councillor Colella to comment on the Board's discussions and he thanked the Board for taking the issue forward, and relevant Officers for providing the report. He welcomed greater transparency through the availability of relevant data and suggested that a comparison of Bromsgrove's crime figures to other areas with similar characteristics could be suitable for further scrutiny.

Members commended Officers on their work and welcomed regular updates.

RESOLVED that an updated report be provided to the Board in six months.

57/11 **CABINET RESPONSE TO THE REDUCTION IN BUS SERVICES TASK GROUP REPORT**

The Chairman invited Councillor C. J. Bloore to introduce this item as Chairman of the Task Group. Councillor Bloore informed the Board that the Cabinet at its meeting on 5th October 2011 had approved the recommendations of the Reduction in Bus Services Task Group, subject to a revision of the wording regarding Corporate Delegations within the Constitution.

RECOMMENDED that the Constitution with regard to Corporate Delegations be amended to read as follows:

- “1.1 Where the Council is asked to respond to a consultation on a matter for which the local authority has a responsibility or where it affects the District of Bromsgrove and where the time scales for responding permit then they shall be a matter for the Full Council to consider.
- 1.2 In any event all consultations will pass automatically upon receipt to the Chief Executives Department and will either be managed in accordance with 1.1 above or where 1.1 does not apply will be passed to the Leader of the Council for comment and the relevant Head of Service or Director to provide a response as appropriate.

For the purposes of this delegation a consultation shall not be regarded as affecting the District of Bromsgrove if it relates to a national issue and would have no more effect on the District of Bromsgrove than it would on any other area; or

If it relates to actions taken by or statements made by a body or individual connected with the District, but those actions or statements are not specifically related to the District of Bromsgrove.”

58/11 **PLANNING POLICY TASK GROUP**

The Board was informed that the first meeting of the Planning Policy Task Group had been scheduled for 1st November 2011. Appointed Members would be required to agree the terms of reference of the Task Group, identify potential witnesses and areas to be investigated and set a timescale for completion of the investigation. Regular reports on the progress of the Task Group would be provided to the Board.

59/11 **WORCESTERSHIRE SCRUTINY CHAIRMEN/VICE CHAIRMEN NETWORK MEETING 3RD OCTOBER 2011**

The Chairman invited Councillor P. Lammas to introduce this item as he had attended the meeting. Councillor Lammas provided a verbal summary of the Worcestershire Scrutiny Chairmen and Vice Chairmen Network meeting held at Malvern District Council on 3rd October 2011. It was reported that the meeting had been well attended, with representatives present from the

majority of Worcestershire local authorities. The network had discussed the following areas:

- The current effectiveness of crime and disorder scrutiny
- The Worcestershire County Council Health Overview and Scrutiny Committee, of which Councillor Mrs. J. M. L. A. Griffiths was the Bromsgrove District Council representative.
- Potential issues for joint scrutiny working.

Members were invited to suggest possible agenda items ahead of the next network meeting, due to be held at Bromsgrove District Council in the New Year.

60/11 **QUARTERLY RECOMMENDATION TRACKER**

Officers provided a summary of the quarterly recommendation tracker. Members were advised that only outstanding actions were included in the tracker document.

A progress report on the recommendations of the Alvechurch Multi-Use Games Inquiry (MUGA) would be considered at the Board's next meeting on 21st November 2011. An update report on the issue of Fly Posting would be considered at the Board meeting on 23rd January 2012 as agreed by Members at the Board meeting held on 27th September 2011.

The Executive Director, Finance and Resources confirmed that actions that had been allocated to the Director of Policy, Performance and Partnerships regarding the Older People's Task Group would be re-allocated due to his period of continued absence.

RESOLVED that the quarterly recommendation tracker be noted.

61/11 **FORWARD PLAN OF KEY DECISIONS**

The Forward Plan of Key Decisions was considered by the Board. Members made reference to the Safeguarding Children and Vulnerable Adults Policy that was due to be considered by Cabinet on 2nd November 2011, and suggested that it would be beneficial if training that had been made available to Worcestershire County Councillors to give them a greater understanding of the issue could also be made available to Bromsgrove Councillors, especially given the issue's significance. Officers agreed to raise the suggestion with the relevant County Council Officers.

RESOLVED that the Forward Plan be noted.

62/11 **OVERVIEW AND SCRUTINY BOARD WORK PROGRAMME**

The Executive Director, Finance and Corporate Resources, informed Members that they would be provided with information on the Council's budget position and any budget bids submitted by senior Officers for inclusion in its 2012/13 budget ahead of the special Board meeting on 5th December 2011.

This would give Members the opportunity to consider the reports ahead of the meeting and to request further information if necessary.

It was explained that the Cabinet would start considering the budget bids at its meeting on 2nd November 2011. The information would therefore be publicly available. However, any sensitive information might need to be considered in confidential session at the meeting of the Board on 5th December 2011.

RESOLVED that the Work Programme be noted.

The meeting closed at 6.45 p.m.

Chairman

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OVERVIEW AND SCRUTINY BOARD 21st November 2011

Alvechurch Multi-Use Games Area Inquiry – 12 Month Review

Relevant Portfolio Holder	Councillor Mrs. M. Sherrey – Community Services, Older People, the Young and Vulnerable People.
Portfolio Holder Consulted	Yes
Relevant Head of Service	Ms. A. Heighway – Head of Community Services.
Wards Affected	Alvechurch
Ward Councillor Consulted	No
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 To provide the Overview and Scrutiny Board with an update following the 12 month review of the Alvechurch Multi-Use Games Area Inquiry.

2. RECOMMENDATIONS

- 2.1 **That the Board notes the report on the 12 month review of the Alvechurch Multi-Use Games Area Inquiry.**

3. KEY ISSUES

Financial Implications

- 3.1 There are no financial implications for the purpose of this report.

Legal Implications

- 3.2 There are no Legal implications for the purpose of this report.

Service / Operational Implications

- 3.3 The Alvechurch Multi-Use Games Area (MUGA) Inquiry was undertaken following the receipt of 3 petitions at the Joint Overview and Scrutiny Board (JOSB) meeting held on 15th June 2010. One petition called for the MUGA to be removed and claimed that it attracted anti-social behaviour into the local neighbourhood. The two others supported the MUGA facility as a community resource that should remain at its present location.
- 3.4 The JOSB resolved that an Inquiry should be held into the future of the MUGA facility to investigate the reported crime and disorder issues and the future options for the MUGA.

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- 3.5 The Inquiry considered evidence from local stakeholders, including local residents, the police, young people and youth services. The Inquiry received data for Anti-Social Behaviour (ASB) around the MUGA and the Alvechurch area and examined other possible sites identified for the relocation of the MUGA and the consultation carried out with local residents and young people on the location of the MUGA and the feasibility and risk assessments carried out by West Mercia Police and the Council. It also carried out site inspections of the Alvechurch MUGA and other MUGA facilities in the District in order to assess how the geographical and structural dimensions of the site might affect ASB.
- 3.6 The report on the investigation was approved by the JOSB at its meeting held on 5th October 2010 and considered by the Cabinet at its meeting held on 3rd November 2010. The 11 recommendations put forward were approved, with only slight amendments to the wording in some cases. These amendments together with a progress report on the implementation of each recommendation are detailed below.
- 3.7 **Recommendation 1**

<i>That the Alvechurch MUGA be left in situ.</i>
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The MUGA remains in situ.

3.8 **Recommendation 2**

<i>That the Community Safety Officers for Alvechurch make periodic house calls to vulnerable residents living in close proximity to the MUGA.</i>

Cabinet amended to: That the Community Support Officers be requested to continue to make periodic house calls to vulnerable residents living in close proximity to the MUGA.

Initially, contact details of the Community Safety Team and the Local Policing Team were made available to residents who lived around the MUGA location. Either the Community Safety Team or Local Policing Team responded to all reports of anti-social behaviour (ASB) through house calls or if deemed necessary care plans were implemented for residents that had been assessed as vulnerable.

Since April 2011 West Mercia Police have implemented new ASB reporting criteria and which involves a risk assessment to measure the vulnerability of each caller. This new way of receiving reports ensures that vulnerable residents receive the appropriate level of response and support.

OVERVIEW AND SCRUTINY BOARD 21st November 2011

3.9 Recommendation 3

That the Alvechurch Community Together (ACT) Trust consider extending the opening hours of the Alvechurch Youth Club until the later time of 10pm in the evening for the older teenagers to actively discourage young people from socialising around the MUGA area late in the evening.

Cabinet amended to: to relate to “the Lounge” Drop in Centre.

A response was received from ACT in January 2011 (Appendix 1). ACT has been invited to comment further as part of this review and a response is currently awaited.

3.10 Recommendation 4

That the Alvechurch Youth Club carry out targeted outreach work on the MUGA itself to engage with the young people who use the site as a social meeting point in the evening after dusk.

Cabinet amended to: “that ACT youth workers be requested to carry out targeted outreach work to positively engage young people and encourage them to join the youth club and that youth workers run organised activity sessions at the MUGA.”

As per Recommendation 3 above.

3.11 Recommendation 5

That the Performance Management Board monitor the levels and types of reported Anti-Social Behaviour at Swanslength over the next 12 months to assess the levels of reported ASB compared to the previous 12 months. This should also be compared to general ASB trends across the district.

Cabinet amended to: That the situation be monitored by the relevant Portfolio Holder rather than the Performance Management Board.

Two indicators were included on the 2010/11 performance report, levels of ASB in Alvechurch and levels of reported ASB at Swanslength (MUGA location). These indicators were reported on from November 2010 and back dated to April 2010. The indicators evidenced a 60% decrease in reported youth related ASB at Swanslength which was greater than the 45% decrease across Alvechurch Ward and greater than the 27% decrease across the district.

The purpose of this recommendation was to compare the level of ASB reporting to the previous year. Since April 2011 it has not been possible to report on levels of ASB as a direct comparison to the previous year, due to changes in the way ASB is recorded by West Mercia Police.

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It is possible to report that according to West Mercia Police's ASB records, from April 2011 to October 2011 there has been 160 reports of ASB across the Alvechurch Ward, 75 of these have been in the village of Alvechurch with 4 in the Swanslength area; a substantial reduction in previous years.

3.12 Recommendation 6

That Bromsgrove Community Safety Partnership monitor the levels of reported Anti-Social Behaviour around the MUGA to identify emerging issues of ASB and coordinate remedial action in partnership with the local police service and the Bromsgrove District Council Community Safety Team.

Cabinet amended to: "that Bromsgrove Community Safety Partnership continue to monitor..."

Bromsgrove has continually monitored levels of reported ASB at the MUGA location through the data reported to the Performance Monitoring Board and more recently due to changes in West Mercia ABS reporting through our own performance monitoring framework. As a result of large decreases in reported ASB, there has not been a requirement to tackle emerging issues at the MUGA location. However the Community Safety Partnership will continue to monitor levels of ASB over the coming months.

3.13 Recommendation 7

That West Mercia Police allocate a higher level of uniformed presence of the Swanslength area between 9pm and 1am at night.

Cabinet amended to: "that West Mercia Police be requested to continue monitoring the vicinity of the MUGA after 9pm in the way they did in the summer."

Chief Inspector Angela Burnet response to this recommendation was as follows:

"West Mercia Police will continue to Police the area and vicinity of the MUGA at Alvechurch as necessary, based on intelligence and information (i.e. in an intelligence led way). If this requires additional patrols and other interventions, as was the case in 2010 that is what will happen.

I am sure the panel will agree that the reductions in reported Anti Social Behaviour in that area have been considerable following the multi agency and partnership approach to the issues in 2010."

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3.14 Recommendation 8

That the street lighting located near to the MUGA facility be relocated further away from the MUGA site to discourage this area from being a social meeting point for people in the evening.

Bromsgrove CSP has funded the relocation of street lighting in Swanslength; this was achieved by using funding allocation to the CSP from Worcestershire County Council for street lighting improvements to improve community Safety.

Street lights which were bleeding light towards the MUGA facility have been relocated to the opposite side of the road creating a new safe pedestrian route through Swanslength, removing the light from the MUGA deterring use of the facility late into the night.

3.15 Recommendation 9

That the full length of the perimeter wall running alongside Swanslength be removed and the ground re-banked to remove the makeshift seating that the wall provides for people using the MUGA area as a social meeting point in the evenings.

During the investigation there was anecdotal evidence that the wall was providing a seating area for young people to loiter late into the evening; this wall was well lit by nearby lighting columns. Three quotes for the removal of this wall have been obtained; the cost of these works was estimated at between £3-4,000.

Since the removal of the lighting columns, the basket swing and in conjunction with other measures outlined within the recommendations, ABS in Swanslength has significantly reduced. The Parks and Recreation Department suggest that this may now not be required due to the reduction in ASB that has already been achieved and due to the financial implications of the work being carried out. However, should the position change at Swanslength then the removal of the wall would be reconsidered.

3.16 Recommendation 10

That a programme of landscaping be completed to create an open space recreation ground to increase visibility of the site and reduce the number of ASB acts that are obscured by undergrowth.

The Community Safety Team arranged for a work party from the West Mercia Probation Trust Community Payback scheme to remove all of the undergrowth between the MUGA and the highway to increase

OVERVIEW AND SCRUTINY BOARD 21st November 2011

visibility for policing; maintenance will be programmed into the work schedule.

3.17 Recommendation 11

That the seating panels provided as part of the MUGA facility be removed and replaced with blank panels and that the swing frame and seat be removed altogether.

The basket swing has been removed and only the frame remains – the Parks and Recreation Department will seek an alternative location within the district to relocate this piece of the equipment pending approval from the appropriate elected member.

Since the removal of the lighting columns, the basket swing and in conjunction with other measures outlined within these recommendations, ASB at Swanslength has significantly reduced. The Parks and Recreation Department have therefore suggested that the seating panels are not removed due to the reduction in ASB that has already been achieved and due to the financial implications of this work being carried out. However, should the position change at Swanslength then the removal of the seating panels would be reconsidered.

Customer / Equalities and Diversity Implications

3.18 None for the purpose of this report.

4. RISK MANAGEMENT

4.1 None for the purpose of this report.

5. APPENDICES

Appendix 1 – ACT Response January 2011

6. BACKGROUND PAPERS

JOSB Alvechurch MUGA Inquiry Report – October 2010

AUTHOR OF REPORT

Name: Chris Santoriello-Smith – Senior Community Safety Project Officer
E Mail: c.santoriello-smith@bromsgroveandredditch.gov.uk
Tel: 01527 881485

ACT : Working together for our communities

From: Kate Van der Plank on behalf of ACT Management committee, and Advisory Board

To: Scrutiny Officer, Bromsgrove District Council

Subject: Enquiry into Alvechurch MUGA

Overview

- ACT fully support the recommendation brought by the Scrutiny Committee to leave the MUGA in situ.
- We believe the MUGA provides a valuable resource for children of a variety of age groups, some of whom also attend youth club.
- The MUGA, like the Meadows, provides a useful venue for organized youth club activities during the summer months / dry weather and the youth club intends to extend the number of organized outdoor sessions next summer, now we have additional youth worker resources
- ACT are keen to contribute to, and support efforts to improve the situation at the MUGA, wherever possible and welcome the opportunity to work with the Council on this issue

Specific Responses to Board Recommendations

1. ACT request that Recommendation 3 is AMENDED to read:

'ACT review youth club opening hours and aim to extend youth club provision (either opening more evenings or for longer), if funding can be found'

2. ACT request that Recommendation 4 is AMENDED to read:

'ACT youth workers carry out targeted outreach to positively engage young people and encourage them to join the youth club. Youth workers to run organized activity sessions at the MUGA '

Recommendation 3: ACT extend youth club opening time to 10pm

- By the end of January, the youth club will open for three evenings per week (Tuesday, Wednesday and Thursday) from 6.30pm to 9pm at our new premises in The Square,



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A not-for-profit organisation supporting the communities of Alvechurch, Bordesley, Hopwood and Dodnash Green

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Alvechurch. This represents a recent increase of 275% in the youth club opening hours over the period of the MUGA enquiry.

- There are three barriers to extending the youth club opening hours further:
 - Cost - We need two qualified youth workers at every session and currently have sufficient funds to pay for two youth workers working 12 hours a week each. (This equates to 9 hours contact time and 3 hours planning). For budgeting purposes, each extra hour of youth club provision would cost an additional £40 in direct staff time plus some additional costs for heating, lighting etc. There would be no impact on rental costs. So as an example, to open one more evening a week, at the current hours of 6.30 – 9.00pm would require an additional £7,000 (approx)
 - Planning consent for the new premises – Planning consent was granted on the basis that the primary purpose of the new premises is for use as an Internet café.
 - Consideration of neighbouring residents – any extension to youth club opening hours will need to consider the needs of local residents and due consultation would be required to solicit their opinions
- ACT are very willing to explore options for extending youth club provision if funding were available and subject to compliance with planning consent. This could involve opening more evenings a week and/ or opening more hours / later hours each evening. A full review / needs analysis would need to be carried out to determine the most effective extension of services/ use of resources before a specific decision was made
- As above, further consultation would be required with the youth workers and young people, and local residents near to the youth club, as well as approval from the landlord who owns the youth club premises and the Bromsgrove District Council Planning Department before specific agreement could be given to the recommendation to open until 10pm

ACT therefore request Recommendation 3 is rewritten to read:

‘ACT review youth club opening hours and aim to extend youth club provision (either opening more evenings or for longer), if funding can be found’

Recommendation 4: Targeted outreach

- Part of the job role of the two youth workers is to do outreach work with young people as they get to know the area and build a rapport with the young people
- Some outreach work has, and will continue to be done in conjunction with the CSO's – the youth workers will accompany the CSO on their rounds and some outreach will be just the youth workers
- As well as outreach, the youth workers will continue to deliver some youth club sessions outdoors both at the MUGA and the Meadows. ACT have already run a number of outdoor



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sessions, both during the evenings and during the summer holidays and these have been well attended and well received (and with excellent behavior from the young people)

- From ACT's perspective, youth worker outreach can be an important tool in building positive relationships with young people and raising awareness of youth club.
- The whole ethos of the youth club is around positive citizenship and teaching young people to take responsibility for their actions and behaviors and this is something the youth workers reinforce both in their outreach work and at the club. We strongly believe that longer term, this approach and ethos will have a positive impact on ASB throughout the village
- However, whilst ACT support outreach as described above, we need to be clear of our definition of 'outreach'. **ACT are unable to support the full recommendation in this report, as we strongly believe it is not the role of our youth workers to:**

'Carry out targeted outreach, after dusk, to challenge anti-social behavior, alcohol misuse and rowdy behavior'

ACT wouldn't describe this activity above as 'outreach' we would describe it as 'policing' and as such, it is clearly the role of the police, who have training and experience in this area and also the remit and authority to take punitive action, should it be required. Under no circumstances could we ask ACT youth workers to intervene or try and tackle ASB as it puts both themselves and young people at risk

- ACT therefore request Recommendation 4 is rewritten to read:

'ACT youth workers carry out targeted outreach to positively engage young people and encourage them to join the youth club. Youth workers to run organized activity sessions at the MUGA '

David Shoesmith

On behalf of ACT Management Committee and Advisory Board

January 2011



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BROMSGROVE DISTRICT COUNCIL

Overview and Scrutiny Board

21st November 2011

APRIL – SEPTEMBER (QUARTER 2) FINANCE MONITORING REPORT 2011/12

Relevant Portfolio Holder	Roger Hollingworth
Portfolio Holder Consulted	Yes
Relevant Head of Service	Teresa Kristunas
Wards Affected	All
Ward Councillor Consulted	None specific

1. SUMMARY OF PROPOSALS

- 1.1 To report to the Overview and Scrutiny Board on the Council's financial position for the period April - September 2011 (Quarter 2 – 2011/12).

2. RECOMMENDATIONS

- 2.1 That the Board notes the current financial position on Revenue and Capital as detailed in the report.

3. KEY ISSUES

Financial Implications

- 3.1 A separate finance report for each department plus a council summary, is shown on the following pages.

Revenue Budget summary Quarter 2 (April – Sept) 2011/12 – Overall Council

Service Head	Revised Budget 2011/12 £'000	Budget April - Sep £'000	Actual spend April - Sep £'000	Variance to date April - Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Environmental Services	4,497	1,239	707	-532	4,314	-183
Community Services	2,451	798	779	-19	2,417	-34
Pre-Regulatory Services	1,127	317	265	-52	1,066	-61
Leisure & Cultural Services	1,944	963	887	-76	1,897	-47
Planning & Regeneration	1,298	280	177	-103	1,127	-171

BROMSGROVE DISTRICT COUNCIL

Overview and Scrutiny Board

21st November 2011

Customer Services	-41	244	215	-29	-102	-61
Finance & Resources	2,077	1,143	1,165	22	2,193	116
Legal, Equalities & Democratic Services	1,446	530	476	-54	1,365	-81
Policy, Performance & Partnerships	-27	313	297	-16	-46	-19
Business Transformation	-9	684	639	-45	-80	-71
Corporate Services	734	41	238	197	1,053	319
SERVICE TOTAL	15,497	6,552	5,845	-707	15,204	-293
Interest on Investments	-68	-44	-64	-20	-84	-16
COUNCIL SUMMARY	15,429	6,508	5,781	-727	15,120	-309

Financial Commentary:

- The year end underspend of £309k includes additional interest on investments of £16k above that originally budgeted. The general services underspend of £293k relates to a number of factors including:
 1. A projected underspend on the staffing budget of £309k.
 2. A saving within the Cleansing Service following review by Officers to identify different working practices and the restructure of posts to reduce overtime.
 3. Additional income received by the Development Control function following an increase in the number of planning applications received.
- Interest on investments was higher than expected in the first half of the financial year because of additional income received from the investment of Business Rate monies held by the Council.
- The budget for Corporate Services includes the council wide vacancy management provision and the corporate savings target. The current net underspend on vacancies is £359k.

Agency & Consultancy

Within the summary at above there are costs associated with covering vacancies together with consultancy costs arising from the Council seeking external

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professional support for projects undertaken (eg Specialist employee legal advice).

	Revised Budget 2011/12 £'000	Budget April – Sep £'000	Actual Spend April – Sep £'000	Variance To date April – Sep £'000
Temporary Agency Staff	50	25	120	95
Underspend on staffing	8,534	4,267	3,800	-467
External consultancy / professional advice	272	136	149	13
TOTAL	8,856	4,428	4,069	-359

**Capital Budget summary Quarter 2 (April - September) 2011/12 – Overall
Council**

Department	Revised Budget 2011/12 £'000	Budget April – Sep £'000	Actual Spend April – Sep £'000	Variance To date April – Sep £'000	Projected Outturn £'000	Projected Variance £'000
Business Transformation	118	97	93	-4	107	-11
Environmental Services	994	960	615	-45	950	-44
Planning & Regeneration	1,053	27	5	-22	53	-1,000
Regulatory Services	491	246	50	-196	491	0
Community Services	988	494	323	-171	949	-39

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Leisure & Cultural Services	684	75	75	0	615	-69
Budget for Support Services Recharges	136	68	68	0	136	0
Total	4,464	1,667	1,229	-438	3,301	-1,163

Financial Commentary:

- Expenditure has been incurred on the Perryfields Housing scheme which is progressing as planned. The budget of £200k has been committed to assist the bid by Bromsgrove District Housing Trust and West Mercia Developments to the Housing Corporation.
- Orders have been placed for four refuse freighters which are due for delivery in December, a saving of £30k against the original budget has been achieved on this purchase.
- Work has commenced on several projects in Leisure and Cultural Services, however contracting arrangements still have to be undertaken for some projects.

3.1.1 Environmental Services	Quarter 2 (April – September) 2011/12
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Revenue Budget summary Quarter 2 (April – September) 2011/12 – Environmental Services

Service Head	Revised Budget 2011/12 £'000	Profiled Budget April - Sep £'000	Actual Spend April - Sep £'000	Variance to date April - Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Waste Management Policy	-4	-2	-4	-2	-7	-3
Depot	-53	387	371	-16	-53	0
Car Parks / Civil Enforcement Parking	-618	-406	-319	87	-581	37
Cemeteries / Crematorium	103	22	7	-15	94	-9

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Highways	326	75	20	-55	267	-59
Streets & Grounds	1,420	429	357	-72	1,313	-107
Grounds Maintenance	637	180	147	-33	619	-18
Waste	2,662	588	144	-443	2,602	-60
Garage	24	-34	-16	18	60	36
TOTAL	4,497	1,239	707	-532	4,314	-183

Financial Commentary

- Car park income has remained stagnant this year and therefore has not generated the inflationary increase included in the budget. However officers are working at reducing expenditure to mitigate the impact.
- Officers have highlighted savings of approx £100k in delivering the cleansing service by operating different working practices and restructuring posts to reduce overtime, this saving has been offered in the medium term financial term for future years.
- Within Highways there is a £59k projected saving, this is due to a vacant post, this post will need to be filled next year, and cannot be offered as a long term saving. In addition an internal income stream has been identified that was not included within the original budgets. Officers are establishing whether these are ongoing works or one off income to determine the inclusion in future years.
- Savings have also been achieved within the Transport & Waste service by the reduction of overtime and agency staff. Currently this saving is projected at £50k.
- Garage costs are showing an overspend, officers are reviewing the costs attached to delivering the service and the recharging mechanism to redress this.

Capital Budget summary Quarter 2 (April – September) 2011/12
Environmental Services

Service	Revised Budget 2011/12 £'000	Budget April – Sep 2011/12 £'000	Actual spend April – Sep £'000	Variance To date April – Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Depot Services	10	0	0	0	10	0
Vehicle & Equipment replacement programme	889	640	605	-35	845	-44

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North Cemetery – Phase 2	95	20	10	-10	95	0
TOTAL	994	660	615	-45	950	-44

Financial Commentary:

- Orders have been placed for the 4 refuse freighters and delivery is expected in December, a saving of £30k against the original budget.
- The fork lift truck has been ordered, when it arrives a saving will be realised in hire charges of the existing unit.
- Project works have commenced at the cemetery and this will continue throughout the year.

3.1.2 Community Services	Quarter 2 (April – September) 2011/12
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Revenue Budget summary Quarter 2 (April – September) 2011/12 – Community Services

Service Head	Revised Budget 2011/12 £'000	Profiled Budget April - Sep £'000	Actual spend April – Sep £'000	Variance to date April - Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Housing Strategy & CMT	1,693	521	513	-8	1,678	-15
Community Safety & Transport	726	261	243	-18	701	-25
Travel Concessions	0	0	6	6	6	6
Community Cohesion	32	16	17	1	32	0
TOTAL	2,451	798	779	-19	2,417	-34

Financial Commentary

- There are no major variances that have arisen in this quarter.
- There may be a small under-spend on Community Safety and Transport due to the efficiency of the shared service.
- A vacancy existed within the Housing Strategy Section which has resulted in a small under-spend at the year end.

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Capital Budget summary Quarter 2 (April – September) 2011/12 Community Services

Service	Revised Budget 2011/12 £'000	Budget April – Sep £'000	Actual spend April – Sep £'000	Variance To date April – Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Strategic Housing	988	494	323	-171	949	-39
TOTAL	988	494	323	-171	949	-39

Financial Commentary:

- Expenditure has been incurred on the Perryfields Housing scheme which is progressing as planned. £200k of the budget has been committed to assist the Bromsgrove District Housing Trust/West Mercia Developments bid to the Housing Corporation. Actual expenditure will be dependant upon scheme development progress and success in respect of HCA bid submission.
- Applications for Disabled facilities grants continue to be approved although as in previous years take up is slower at the beginning of the financial year.

3.1.3 Leisure and Cultural Services

Quarter 2 (April-September) 2011/12

Revenue Budget summary Quarter 2 (April – September) 2011/12 – Leisure and Cultural Services

Service Head	Revised Budget 2011/12 £'000	Profiled Budget April - Sep £'000	Actual spend April - Sep £'000	Variance to date April - Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Parks & Open Spaces	473	79	79	0	473	0
Allotments	42	5	5	0	42	0
Promotions	168	74	76	2	203	35
Sports & Recreation Development	302	77	52	-25	283	-19
Property, Assets & Facilities Management	27	383	334	-49	-26	-53

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Leisure Services / Sports Centres / CMT	932	345	341	-4	922	-10
TOTAL	1,944	963	887	-76	1,897	-47

Financial Commentary

- Leisure and Cultural Services are now part of the shared service provision with Redditch Borough Council, all staff were moved to Redditch on the 22nd May 2011. As part of the shared service Property, Assets & Facilities Management were transferred into Leisure & Cultural Services from Finance & Resources.
- The under spend in the Sports and Recreation Development Service is because there are currently vacancies which will be resolved with the new structure.
- The underspend within Property, Assets and Facilities Management is due to a saving in relation to business rates and the ad-hoc nature of spend for repairs and maintenance for the Council House.
- The overspend within Promotions has resulted from a net budget of £16k income for the firework display, however it is anticipated that this display will result in net expenditure of £15k Therefore resulting in a budget deficit of £31k.

Capital Budget summary Quarter 2 (April – September) 2011/12 Leisure and Cultural Services

Service	Revised Budget 2011/12 £'000	Budget April – Sep £'000	Actual spend April – Sep £'000	Variance To date April – Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Sports Facilities	388	2	2	0	319	-69
Sanders Park	78	19	19	0	78	0
Play Areas	146	54	54	0	146	0
Other Schemes	72	0	0	0	72	0
TOTAL	684	75	75	0	615	-69

Financial Commentary:

- Work has commenced on some projects, but at this stage of the financial year several schemes are still to begin. The total capital budget of £684k is all committed to schemes that were approved by Members as part of the 2011/12 budget, however contracting arrangements still have to be undertaken in relation to some of the schemes agreed.

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- Due to the failure to agree a formal scheme by the Parish Council, the scheme for Alvechurch Lions has been withdrawn and will be addressed as part of 12/13 budget round.

3.1.4 Planning and Regeneration

Quarter 2 (April – September) 2011/12

Revenue Budget summary Quarter 2 (April – September) 2011/12 – Planning and Regeneration

Service Head	Revised Budget 2011/12 £'000	Profiled Budget April – Sep £'000	Actual spend April – Sep £'000	Variance to date April - Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Building Control	11	-52	-41	11	-6	-17
Development Control	503	48	-17	-65	394	-109
Economic & Tourism Development	204	66	51	-15	193	-11
Emergency Planning	15	8	8	0	15	0
Land Charges	-57	-47	-42	5	-50	7
Strategic Planning	522	215	203	-12	514	-8
Town Centre Development	100	42	15	-27	67	-33
TOTAL	1,298	280	177	-103	1,127	-171

Financial Commentary;

- Economic Development is now part of the North Worcestershire Regeneration Shared Service and the North Worcestershire Building Control Shared Service went live on November 1st. Both are projected to make small savings in the first year.
- Development Control have had a number of large planning applications which have led to additional income.
- The Town Centre Development budget includes an initial £25k funding from the Heritage Lottery Fund. This is the first payment for the development stage of the Townscape Heritage Initiative project and as such has not yet been spent.
- Strategic planning includes a budget for consultants fees related to progressing the core strategy and associated inquiry in due course.

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Capital Budget summary Quarter 2(April – September) 2011/12 Planning and Regeneration

Service	Revised Budget 2011/12 £'000	Budget April – Sep £'000	Actual spend April – Sep £'000	Variance To date April – Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Town Centre Development - Project Management	53	27	5	-22	53	0
Town Centre Development – Public Realm	1,000	0	0	0	0	-1,000
TOTAL	1,053	27	5	-22	53	-1,000

Financial Commentary:

- The Project Management costs mainly relate to the recharge from Worcestershire County Council for staffing, invoicing for this is not up-to-date.
- The Public Realm budget is now projected to be spent within 2012/13 - see Recommendation 2.6 for request to carry-forward.

3.1.5 Regulatory - Client	Quarter 2 (April - Sept) 2011/12
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Revenue Budget summary Quarter 2 (April – Sept) 2011/12 – Regulatory Client

Service Head	Revised Budget 2011/12 £'000	Profiled Budget April - Sep £'000	Actual spend April - Sep £'000	Variance to date April - Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Environmental Health	1,292	413	365	-48	1,233	-59
Licensing	-173	-100	-103	-3	-182	-9
Land Drainage	8	4	3	-1	15	7
TOTAL	1,127	317	265	-52	1,066	-61

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Financial Commentary:

- Environmental Health transferred to Regulatory Services 1st June 2010.
- Regulatory Services paid accommodation charges to partners for the period of April to June 2011, all staff then transferred into Wyatt House in Worcester.
- Regulatory Services transferred £300k of the under spend for financial year 2010/11 back to partners, the balance of £301k was ringfenced in accordance with the Joint Committee for future severance and redundancy costs. This Council received a refund of £31k as its share of the refunded element of the under spend.

3.1.6 Worcestershire Regulatory Services

Quarter 2 (April – Sept) 2011/12

Revenue Budget summary 2 (April – Sept) 2010/11 – Regulatory Services

The main revenue expenditure relating to Regulatory Services is reported on a quarterly basis to the Joint Committee and reflects the total costs associated with providing the service across all of the participating Councils.

Capital Budget summary Quarter 2 (April – September) 2010/11 Regulatory Services

Service	Revised Budget 2011/12 £'000	Budget April – Sep £'000	Actual Spend April – Sep £'000	Variance To date April – Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Worcestershire Enhanced Two Tier Programme (WETT)	491	246	50	-196	491	0
TOTAL	491	246	50	-196	491	0

Financial Commentary:

The expenditure is jointly funded by all partners to the Joint Committee in accordance with the business case. Following a decision to carry out service transformation before making the decision as to the system requirements for the service, procurement of the management information system has been postponed until November.

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3.1.7 Customer Services	Quarter 2 (April – September) 2011/12
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Revenue Budget summary Quarter 2 (April – September) 2011/12 – Customer Services

Service Head	Revised Budget 2011/12 £'000	Profiled Budget April - Sep £'000	Actual spend April - Sep £'000	Variance to date April - Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Customer Services	-41	244	215	-29	-102	-61
TOTAL	-41	244	215	-29	-102	-61

Financial Commentary:

- The underspend within the customer services department is due to a number of vacancies that exist within the department and spending has been reduced to a minimum

3.1.8 Finance and Resources	Quarter 2 (April - September) 2011/12
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Revenue Budget summary Quarter 2 (April – September) 2011/12 – Finance and Resources

Service Head	Revised Budget 2011/12 £'000	Profiled Budget April - Sep £'000	Actual spend April - Sep £'000	Variance to date April - Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Central Overheads	816	448	425	-23	781	-35
Accounts & Financial Mgmt	19	343	344	1	19	0
Human Resources & Welfare	-15	102	99	-3	-24	-9
Grants & Donations	94	84	84	0	94	0
Revenues & Benefits	1,163	166	213	47	1,323	160
TOTAL	2,077	1,143	1,165	22	2,193	116

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Financial Commentary

- Property, Assets & Facilities Management transferred into the Leisure & Cultural Service as part of the Shared Services.
- Officers are reviewing the position in relation to the benefit subsidy (Revenues and Benefits) which is showing a shortfall to budget. It is anticipated that this will be significantly reduced by the end of the financial year.

3.1.9 Legal, Equalities and Democratic Services

Quarter 2 (April – Sept) 2011/12

Revenue Budget summary Quarter 2 (April – September) 2011/12 – Legal, Equalities and Democratic Services

Service Head	Revised Budget 2011/12 £'000	Profiled Budget April - Sep £'000	Actual spend April - Sep £'000	Variance to date April - Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Democratic Services & Member Support	1,185	229	224	-5	1,181	-4
Elections & Electoral Services	270	123	86	-37	205	-65
Legal Advice & Services & CMT	-9	178	166	-12	-21	-12
TOTAL	1,446	530	476	-54	1,365	-81

Financial Commentary;

- There will be an under-spend on Elections and Electoral services due to the National Referendum taking place on the same day as the District Elections.

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3.1.10 Policy, Performance and Partnerships	Quarter 2 (April – September) 2011/12
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Revenue Budget summary Quarter 2 (April – September) 2011/12 – Policy, Performance and Partnerships

Service Head	Revised Budget 2011/12 £'000	Profiled Budget April - Sep £'000	Actual spend April - Sep £'000	Variance to date April - Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Printing	-2	45	45	0	-3	-1
Corporate Admin / Central Post	-9	92	91	-1	-8	1
Policy & Performance & SMT	-16	176	161	-15	-35	-19
TOTAL	-27	313	297	-16	-46	-19
Financial Commentary; <ul style="list-style-type: none">There is an under-spend at the end of quarter 2 which is projected to the end of the financial year, this is due to the shared service of Policy and Performance.						

3.1.11 Business Transformation	Quarter 2 (April - September) 2011/12
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Revenue Budget summary Quarter 2 (April – September) 2011/12 – Business Transformation

Service Head	Revised Budget 2011/12 £'000	Profiled Budget April - Sep £'000	Actual Spend April - Sep £'000	Variance to date April - Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
IT Services	1	644	566	-78	-95	-96
Business Transformation	-10	40	73	33	15	25
TOTAL	-9	684	639	-45	-80	-71

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Financial Commentary

- The underspend within the IT services section is due to renegotiation of IT contracts

Capital Budget summary Quarter 2 (April – September) 2011/12 Business Transformation

Service	Revised Budget 2011/12 £'000	Budget April – Sep £'000	Actual spend April – Sep £'000	Variance To date April – Sep £'000	Projecte d outturn 2011/12 £'000	Projected variance 2011/12 £'000
Internet/ Intranet Development	3	0	0	0	3	0
Government Connect Scheme	1	0	0	0	0	-1
Member ICT Facilities	14	7	3	-4	14	0
Voice over IP	90	90	90	0	90	0
Increased Bandwidth for Internet Link	10	0	0	0	0	-10
TOTAL	118	97	93	-4	107	-11

Financial Commentary:

- The budget for Increased Bandwidth for Internet Link and Government Connect Scheme can be released as these have been completed as part of other projects and will therefore no longer be required.

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3.1.12 Corporate Resources	Quarter 2 (April - September) 2011/12
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Revenue Budget summary Quarter 2 (April – September) 2011/12 – Corporate Resources

Service Head	Revised Budget 2011/12 £'000	Profiled Budget April - Sep £'000	Actual Spend April - Sep £'000	Variance to date April - Sep £'000	Projected outturn 2011/12 £'000	Projected variance 2011/12 £'000
Corporate Resources	734	41	238	197	1,053	319
TOTAL	734	41	238	197	1,053	319

Financial Commentary

- The budget for Corporate services includes the council wide vacancy management provision and the corporate savings target. Both these elements are offset by actual savings reflected in other departments. The current under spend on the staffing budget is £509k.

3.2 Sundry Debtors

Sundry Debt is raised by the Council to ensure effective recovery of debts owing. The outstanding balance at 30/09/11 was £797k (balance to 31/06/11 was £221k) which includes:-

Type of Debt	Amount £'000
Car Parking Fines	27
Lifeline debts	37
Rents/Hire Charges	16
Building Regulations	2
Trade Waste and Cesspool emptying	38
Developer Contributions – s106 monies	54
Housing Schemes	29
Licensing	21
Sponsorship	17
Shared Services	389
Garden Waste	2
Salary Overpayments	5
Elections	114

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Travel Concessions	7
Trunk	15

Also Officers have reviewed the S106 contributions to identify the position on the developments and to discuss with developers and this has led to the collection of several of these debts.

The age of the debt is represented as follows:

Age of Debt	Balance as at 30/06/11 £'000	Balance as at 30/06/11 £'000
Under 30 days (not yet due)	129	654
Up to 1 month	41	27
1 – 2 months	7	2
3 – 6 months	12	77
Over 6 months	32	37

Debts recovery is originally carried out by the Exchequer Section with 2 reminders being sent to debtors. Debts over 90 days are currently under review and recovered by the legal team.

3.3 TREASURY MANAGEMENT

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.

3.3.1 Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers. Credit risk is minimised by use of a specified list of investment counterparty criteria and by limiting the amount invested with each institution. The Council receives

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credit rating details from its Treasury Management advisers on a daily basis and any counterparty falling below the criteria is removed from the list.

The Council has not had and does not expect any default losses by any of its counterparties in relation to investments.

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.

The credit criteria in respect of financial assets managed in-house by the Council are as follows:

Financial Asset Category	Criteria (Fitch ratings)	Maximum Investment
Deposits with banks	Short Term: F1+/F1 Support: 1,2,3 Long Term: minimum 'AA-/A	£3million/£2million
Deposits with building societies	Short Term: F1+/F1 Support: 1,2,3 Long Term: minimum 'AA-/A	£3million/£2million
Deposits with Debt Management Account – Deposit Facility (DMADF)		£no upper limit *

Fitch Ratings is an international credit rating agency (one of three nationally recognised rating agencies alongside Moody's and Standard & Poor's). Fitch Rating's long-term credit ratings are set up along a scale from 'AAA' to 'D' where 'AAA' designates the best quality companies, reliable and stable through to 'D' where the company has defaulted on obligations and Fitch believes that it will generally default on all or most of its obligations. Fitch's short term ratings indicate the potential level of default within a 12 month period. F1+ is the best quality grade, indicating exceptionally strong capacity of obligor to meet its financial commitment

At 30 September short term investments comprised:

	31 March 2011 £000	30 Sept 2011 £000
Deposits with DMADF*	0	1,500
Deposits with Banks/Building Societies	12,575	13,500
Total	12,575	15,000

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Following the conclusion of the Moody's review of UK financial institutions in early October our treasury advisors issued advice in relation to withdrawal of funds from institutions no longer meeting our minimum criteria. We were advised to withdraw funds from call/instant access accounts held with affected institutions and to give notice where applicable. However it was not advised to break the terms of deposits held to a fixed date. As a consequence the majority of the Council's investments are currently placed with the DMADF.

- *Investments with the DMADF are guaranteed by HM Treasury. Following advice from the Council's treasury advisors, from a credit perspective no upper limit was imposed on investments with the DMADF.

3.3.2 Income from investments and other interest

An investment income target of £68k has been set for 2011/12 using a projected return rate of 0.75% – 1.50 %. During the past financial year bank base rates have remained 0.5% and current indications are projecting minimal upward movement for the short term.

In the 6 months to 30 Sept the Council received income from investments of £53k together with other interest of £12k.

Details of the Council's performance for the Treasury Management function to the end of Quarter 2 of 2011/12 are included at Appendix 4.

3.4 REVENUE BALANCES

3.4.1 Revenue Balances

The revenue balances brought forward at 1 April 2011 were £1.918m. Excluding the impact of any projected over or under spends it is anticipated that £389k will be transferred from balances during 2011/12 to fund revenue expenditure; giving a current projected balance at 31 March 2012 of £1.529m. However if the underspend as included in this report is realised the balances position will remain at £1.9m.

3.5 CAPITAL RECEIPTS

- 3.5.1 The Capital Programme was approved by Members in January 2011, the effect of the level of Capital Spend to 2013/14 on capital receipts is estimated below:

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Capital Programme	2011/12 £'000	2012/13 £'000	2013/14 £'000
Balance b/fwd	3,650	1,643	776
Actual funding to date (April – Sept)	-227		
Estimated use for the remainder of the year	-2,555	-967	-1131
Received in year			
- General Sales	100	100	100
- Sale of freehold at Sherwood Road	675		
Balance c/fwd	1,643	776	-255

- 3.5.2 The figures in the above table include general capital receipts for the funding of projects throughout the District. In addition, an estimate of capital receipts has been made of £100k per annum in relation to any sales of assets.
- 3.5.3 Finance officers are working with the Town Centre project team to ensure all potential capital receipts are included in future reports.

Legal Implications

- 3.6 None

Service / Operational Issues

- 3.7 All included in financial implications

Customer / Equalities and Diversity Implications

- 3.8 None as a direct result of this report

4. RISK MANAGEMENT

- 4.1 Failure to manage the budgets effectively can lead to an overspend that has to be funded or services not being provided to the customer. Departmental registers include controls in place to support effective financial management.

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5. APPENDICES

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|------------|--|
| Appendix 1 | Current Position (April – Sept) on Earmarked Reserves |
| Appendix 2 | Virements for approval by Cabinet |
| Appendix 3 | Performance for the Treasury Management Function for April – Sept 2011 |

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Debbie Randall, Accountancy Services Manager

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Description	Balance c/fwd 31 March 2011 £000	Balance at 30 June 2011 (Q1) £000	Transfers In (New Reserves) £000	Drawdown from Reserves £000	Balance at 30 Sept 2011 (Q2) £000	Planned movement Oct 11 - Mar 12	Projected balance 31 March 2012	Additional Information
Building Control Partnership Reserve	-27	-27			-27	22	-5	Part of 11/12 budget savings
Liveability Reserve	-16	-16			-16	3	-13	For draw down over 5 years - Barnsley Hall football pitches
LPSA Reserve	-2	-2			-2		-2	
Litigation Reserve	-50	-50			-50		-50	Potential liability arising from ongoing legal cases
Sports Partnerships Reserve	-19	-19			-19	9	-10	Funding post
Area Committees	-21	-21			-21	21	0	
Local Plans Inquiry	-212	-212			-212	170	-42	£170k part of 11/12 budget savings
Housing - Nightstop	-6	-6			-6	6	0	Part of 11/12 budget savings
Housing needs assessments and surveys	-2	-2			-2	2	0	
Town Centre Development	-43	-43		5	-38	18	-20	32k Electricity refund
Single Status/JE	-3	-3			-3		-3	
Shared Services Agenda incl Joint CE	-601	-601		10	-591	78	-513	To fund costs relating to extension of shared services
Business Start up grants	-6	-6			-6		-6	
Youth Provision Reserve	-10	-10			-10	10	0	
Activity Referral Scheme	-4	-4			-4		-4	
Town centre Market Stalls	-4	-4			-4	4	0	
Local Strategic Partnership	-2	-2			-2		-2	2k for LSP
Recycling Extension	-74	-74			-74	74	0	
Equalities	-6	-6			-6	5	1	Part of 11/12 budget savings / 1.5k added from 10/11 for use in 11/12
Repairs & Renewals Fund	0	0		2	0		0	
Housing - Education Initiative	-3	-3			-3	3	0	
Sports - H & W SP - Sports Unlimited Grant	-12	-12			-12	13	1	
VRA Subscriptions	-20	-11			-11	20	9	
ICT refresh	-100	-100			-100	0	-100	11/12 projected spend £100k to fund voice over IP capital project
Housing - Mortgage Rescue	-23	-23			-23	14	-9	
Housing - Homelessness	-14	-14			-14		-14	
DWP - Rules - Temp Accommodation	-2	-2			-2		-2	
DWP - In & Out work	-3	-3			-3	3	0	
Computer Equipment	-30	-30			-30	30	0	Equipment ordered within 10/11 but not delivered by 31st March

Is the virement for 2011/12 Only or for future years?	Virement From:			Virement To:			Reason for virement
	Account	Cost Centre	Amount £	Account	Cost Centre	Amount £	
2011/12	N03 – Earmarked Reserves	GF03	-29,285	D57 – Computer Software	RB10	29285	Post transferred to Customer Services
Future Years	D53 – Postage & Packing	ES01	-32,284	D53 – Postage & Packing	CD45	32,284	Budgets transferred to correct cost centre
Future Years	A01 - Salary	DW21	-31,000	E31- other local authorities	CS21	31,000	New Enforcement post to be transferred to Community Safety

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Semi-Annual Treasury Report 2011/12

1. Background

The Treasury Management Strategy for Bromsgrove District Council has been underpinned by the adoption of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2009, which includes the requirement for determining a treasury strategy on the likely financing and investment activity for the forthcoming financial year.

The Code also recommends that members are informed of Treasury Management activities at least twice a year. This report therefore ensures this authority is embracing Best Practice in accordance with CIPFA's recommendations.

Treasury management is defined as: "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

2. Economic Background

Growth: Global growth prospects deteriorated considerably over the six months to September, moving from an expectation of modest expansion to the risk of a double-dip recession. Q1 2011 GDP in the UK was 0.5% but was just 0.2% in Q2. Even economies like Germany's, which were hitherto seemingly strong, began to flounder with growth registering 0.1% in Q2.

Inflation: Inflation remained stubbornly high. Annual CPI for August was 4.5%; CPI had remained above MPC's 3% upper limit for 20 consecutive months and required the Bank of England's Governor to write his seventh open letter to the Chancellor. The Bank believed the elevated rate of inflation reflected the temporary impact of several factors: the increase in the VAT rate to 20%, past increases in global energy prices and import prices.

Employment / Consumer Confidence: Weakness persisted in the labour market. Job creation was unable to absorb the 90,000 quarterly growth in jobseekers, particularly those in the 16-20 age bracket. Unemployment on the ILO measure rose to 7.9%. High inflation trumping average earnings growth of only 2.9%, scarce availability of credit, stagnant house prices, all combined to lower disposable income, squeeze household spending power and leave consumer confidence fragile.

Central bankers' policies were driven by the feeble growth outlook rather than the upward trend in inflation. The Bank of England's August Inflation Report downgraded the growth forecast even as it acknowledged energy price rises could push CPI to 5% before inflation fell back to the 2% target over the medium-term. The UK's strategy of combining loose monetary policy (the Bank Rate had remained at 0.5% for 2½ years and Quantitative Easing at £200bn) with tight fiscal policy supported the rebalancing of the economy and also commanded support in the markets.

The protracted and unseemly political impasse to resolve the US debt ceiling issue turned a debate into a debacle. A lack of both political governance and measures to address the high debt burden (put off until after the 2012 presidential election), ultimately led Standard & Poor's to downgrade the US Sovereign from AAA to AA+. The country's weak economic and fiscal situation and an unemployment rate of 9.1% left the Federal Reserve little option but to commit to "exceptionally low" interest rates until mid 2013.

The European sovereign debt crisis deepened. The agreement in July to address Greece's fiscal problems and broaden the mandate for the European Financial Stability Facility (EFSF) only bought

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time for the Eurozone as market pressure increased on Italy and Spain, but did little to address the issue of overburdened sovereign balance sheets.

The European Banking Authority released the results of the second of its stress tests in July. 8 banks (two Greek, one Austrian and five small domestic Spanish banks) out of 91 banks failed the tests. All of the UK and non-UK banks tested by the EBA and which are on the Council's lending list met the 'stressed' Core Tier 1 Ratio of 5%, none were adjudged as 'near-failed' (i.e. having ratios between 5% and 6%).

Gilt yields and money market rates: The economic uncertainty resulted in analysts postponing the likelihood of an increase in the UK Bank Rate until mid 2012. Gilts were considered a safe haven and benefited from market turmoil. Gilt yields fell to their lowest levels in five years. 5-year gilt yields fell to 1.25%, 10-year yields to 2.2% and 20-year yields to 3.05%.

PWLB borrowing rates fell commensurately (the Board maintained the +0.90% margin above the equivalent gilt yield for new borrowing).

There was very little change to Libor and Libid rates as at 30/09/2011, the differential between 0.1% to 0.2% for maturities up to 12 months.

4. Investment Activity

The Guidance on Local Government Investments in England gives priority to security and liquidity and the Council's aim is to achieve a yield commensurate with these principles.

Investments

	Balance on 01/04/2011 £000s	Investments Made £000s	Investments Repaid £000s	Balance on 30/09/2011 £000s	Increase/ Decrease in Investments
Short Term Investments	12,575	38,425	36,000	15,000	2,425
TOTAL INVESTMENTS	12,575	38,425	36,000	15,000	2,425

Security of capital has remained the Council's main investment objective. This has been maintained by following the Council's counterparty policy as set out in its Treasury Management Strategy Statement for 2011/12. New investments can be made with the following institutions/instruments:

- Other Local Authorities;
- AAA-rated Stable Net Asset Value Money Market Funds;
- Deposits with UK Banks and Building Societies systemically important to the UK banking system and deposits with select non-UK Banks (Australia, Canada, Finland, France, Germany, Netherlands, Sweden, Switzerland and the USA);
- Deposits with the DMADF;
- Treasury Bills;
- Bonds issued by Multilateral Development Banks, such as the European Investment Bank
- Pooled funds (collective investment schemes) meeting the criteria in SI 2004 No 534 and subsequent amendments.

Counterparty credit quality is assessed and monitored with reference to: Credit Ratings (the Council's minimum long-term counterparty rating of A+ (or equivalent) across rating agencies Fitch, S&P and Moody's); credit default swaps; GDP of the country in which the institution

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operates; the country's net debt as a percentage of GDP; sovereign support mechanisms /potential support from a well-resourced parent institution; share price.

Credit Risk

Counterparty credit quality has progressively strengthened/been maintained through the first half of the year, as can be demonstrated by the Credit Score Analysis summarised below:

Date	Value Weighted Average - Credit Risk Score	Value Weighted Average - Credit Rating	Time Weighted Average - Credit Risk Score	Time Weighted Average - Credit Rating
31/03/2011	4.23	AA-	4.33	AA-
30/06/2011	3.99	AA-	4.01	AA-
30/09/2011	3.83	AA-	3.84	AA-

Scoring:

-Value weighted average reflects the credit quality of investments according to the size of the deposit

-Time weighted average reflects the credit quality of investments according to the maturity of the deposit

-AAA = highest credit quality = 1

- D = lowest credit quality = 15

-Aim = A+ or higher credit rating, with a score of 5 or lower, to reflect current investment approach with main focus on security

Counterparty Update

Maturity Limits

The lack of real progress in resolving the sovereign debt crisis in Europe began to affect even the stronger Eurozone nations and their banking systems. Market volatility, as measured by the VIX index, spiked sharply in August, banks' share prices fell sharply. Having reviewed all credit indicators the Council, advised by Arlingclose, believed that there were no solvency issues with the banks on the recommended lending list. Nevertheless the share price moves were too sharp to ignore and a prudent response to the tensions and negativity in the markets was required.

The Council responded to the growing stress by scaling back maturities for new investments on the advice of the Council's treasury advisors. Limits for UK banks, Nationwide BS and Australian, Canadian and US banks have now been temporarily reduced to 6 months (Santander UK plc to is restricted to 3 months). Limits for European banks have been temporarily reduced to 1 month. French institutions have been suspended for new investments in response to concerns over funding and their sovereign exposure to peripheral European nations.

On 28th September Clydesdale Bank was suspended from the lending list following the bank's downgrade to A2 by Moody's, which falls below the Council's minimum criteria of A+ or equivalent. *If applicable:* On advice from Arlingclose, the Council's existing term deposit with the bank will be held until maturity on <date>.

During the first quarter Moody's placed the ratings of a number of UK institutions on review for possible downgrade. This is to align their ratings with evolving systemic support post credit crisis. The review is likely to be completed sometime in October and may lead to downgrades of some counterparties on the Council's lending list. The implications of any downgrades will be discussed with Arlingclose and could result in a review of the Council's minimum credit criteria, as set out in its Treasury Management Strategy Statement.

Please amend as applicable: Until early September, where cash-flow permitted the Council followed a cautious investment strategy of a rolling programme of 6 month deposits with named

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counterparties for a proportion of its investments. Longer-dated AAA investments such as bonds issued by the European Investment Bank and World Bank were only borderline in their attractiveness (yields for 3-year EIB bonds fell from 2.2% in April to 1.2% by the end of September).

Budgeted Income and Outturn

The Council's budgeted investment income for the year has been estimated at £68k.

The UK Bank Rate has been maintained at 0.5% since March 2009 and not expected to rise until the end of 2012. Short-term money market rates have remained at very low levels (see Table 1 in Appendix 2). New deposits were made at an average rate of 0.5%. The Council anticipates an investment outturn of £68k% for the whole year.

5. Compliance with Prudential Indicators

The Council can confirm that it has complied with its Prudential Indicators for 2011/12, which were set in March 2011 as part of the Council's Treasury Management Strategy Statement.

6. Outlook for Q3-Q4

At the time of writing this activity report in XXXX 2011, given the precarious outlook for growth it is believed the Bank of England would only raise rates after there was firm evidence that the economy had survived the fiscal consolidation. Therefore, the outlook is for official interest rates to remain low for an extended period, at least until late 2012.

	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14
Official Bank Rate													
Upside risk				0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central case	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.25	1.50	1.75	2.00	2.25
Downside risk						-0.25	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50

7. Summary

In compliance with the requirements of the CIPFA Code of Practice this report provides members with a summary report of the treasury management activity during the first quarter of 2011/12. As indicated in this report none of the Prudential Indicators have been breached and a prudent approach has been taking in relation to investment activity with priority being given to security and liquidity over yield.

8. Other Information

Capital Financing Requirement

Estimates of the Council's cumulative maximum external borrowing requirement for 2011/12 to 2013/14 are shown in the table below:

	31/03/2011 Actual £000s	31/03/2012 Estimate £000s	31/03/2013 Estimate £000s	31/03/2014 Estimate £000s
Capital Financing Requirement	0	0	0	907
Cumulative Maximum External Borrowing Requirement	0	0	0	907

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In the Prudential Code (November 2009), it states¹ 'Where there is a significant difference between the net and gross borrowing position the risks and benefits associated with this strategy should be clearly stated in the annual strategy.' *If applicable, please set out here:*

- *Reasons that gross borrowing levels exceeding the CFR*
- *Reasons for the Council's large cash balances, e.g. capital receipts from LSVT/Reserves/cash held on behalf of pension fund/school balances/cashflow balances)*

Balances and Reserves

Estimates of the Council's level of Balances and Reserves for 2011/12 to 2013/14 are as follows:

	31/03/2011 Actual £000s	31/03/2012 Estimate £000s	31/03/2013 Estimate £000s	31/03/2014 Estimate £000s
Balances and Reserves	5,208	3,190	2,203	2,079

Prudential Indicator Compliance

(a) Authorised Limit and Operational Boundary for External Debt

- The Local Government Act 2003 requires the Council to set an Affordable Borrowing Limit, irrespective of their indebted status. This is a statutory limit which should not be breached.
- The Council's Affordable Borrowing Limit was set at £3.5m for 2011/12.
- The Operational Boundary is based on the same estimates as the Authorised Limit but reflects the most likely, prudent but not worst case scenario without the additional headroom included within the Authorised Limit.
- The Operational Boundary for 2011/12 was set at £2.5m.
- The Executive Director for Finance and Resources confirms that there were no breaches to the Authorised Limit and the Operational Boundary during the year.

(b) Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure

- These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates.
- The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on our portfolio of investments.

	Limits for 2011/12 £ / %
Upper Limit for Fixed Rate Exposure	100%
Compliance with Limits:	Yes
Upper Limit for Variable Rate Exposure	100%
Compliance with Limits:	Yes

(c) Maturity Structure of Fixed Rate Borrowing

- This indicator is to limit large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates.

¹ Prudential Code, November 2009, page 4, paragraph E19

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Maturity Structure of Fixed Rate Borrowing	Upper Limit %	Lower Limit %	Actual Fixed Rate Borrowing as at 30/09/11	% Fixed Rate Borrowing as at 30/09/11	Compliance with Set Limits?
Under 12 months	100%	0%	0	0	Yes
12 months and within 24 months	100%	0%	0	0	Yes
24 months and within 5 years	100%	0%	0	0	Yes
5 years and within 10 years	100%	0%	0	0	Yes
10 years and above	100%	0%	0	0	Yes

(d) Total principal sums invested for periods longer than 364 days

- This indicator allows the Council to manage the risk inherent in investments longer than 364 days.
- The limit for 2011/12 was set at £2.0m.
- The Council's policy response since the onset of the credit crunch in 2007 was to keep investment maturities to a maximum of 12 months. There are no investments made for a period greater than 364 days during this period.

Semi-Annual Treasury Report 2011/12**Appendix 2****Money Market Data and PWLB Rates**

The average, low and high rates correspond to the rates during the financial year and rather than those in the tables below

Table 1: Bank Rate, Money Market Rates

Date	Bank Rate	O/N LIBID	7-day LIBID	1-month LIBID	3-month LIBID	6-month LIBID	12-month LIBID	2-yr SWAP Bid	3-yr SWAP Bid	5-yr SWAP Bid
01/04/2011	0.50	0.40	0.54	0.54	0.69	1.12	1.59	1.89	2.36	3.00
30/04/2011	0.50	0.50	0.40	0.49	0.69	1.05	1.52	1.62	2.07	2.74
31/05/2011	0.50	0.40	0.40	0.52	0.69	1.08	1.56	1.53	1.89	2.54
30/06/2011	0.50	0.50	0.40	0.50	0.77	1.06	1.54	1.44	1.82	2.50
30/07/2011	0.50	0.40	0.40	0.50	0.78	1.07	1.55	1.29	1.53	2.09
31/08/2011	0.50	0.40	0.40	0.56	0.86	1.15	1.63	1.27	1.43	1.92
30/09/2011	0.50	0.60	0.60	0.54	0.92	1.21	1.69	1.25	1.38	1.75
Average	0.50	0.41	0.43	0.53	0.77	1.10	1.58	1.42	1.71	2.29
Maximum	0.50	0.60	0.60	0.58	0.92	1.21	1.69	1.95	2.42	3.07
Minimum	0.50	0.40	0.35	0.49	0.68	1.01	1.40	1.08	1.23	1.60
Spread	0.00	0.20	0.25	0.09	0.24	0.20	0.29	0.87	1.19	1.46

Table 2: PWLB Borrowing Rates - Fixed Rate, Maturity Loans

Change Date	Notice No	1 year	4½-5 yrs	9½-10 yrs	19½-20 yrs	29½-30 yrs	39½-40 yrs	49½-50 yrs
01/04/2011	128/11	1.93	3.66	4.81	5.33	5.35	5.31	5.28
28/04/2011	162/11	1.73	3.45	4.61	5.18	5.21	5.17	5.14
31/05/2011	202/11	1.64	3.21	4.43	5.08	5.12	5.09	5.07
30/06/2011	246/11	1.61	3.09	4.42	5.17	5.21	5.20	5.18
29/07/2011	288/11	1.52	2.75	4.06	4.97	5.07	5.06	5.04
31/08/2011	332/11	1.48	2.50	3.71	4.66	4.84	4.87	4.85
30/09/2011	375/11	1.49	2.41	3.49	4.36	4.62	4.70	4.70
	Low	1.42	2.18	3.31	4.24	4.49	4.55	4.54
	Average	1.59	2.92	4.15	4.94	5.04	5.04	5.01
	High	1.97	3.73	4.89	5.41	5.42	5.39	5.35

Table 3: PWLB Repayment Rates - Fixed Rate, Maturity Loans

Change Date	Notice No	1 year	4½-5 yrs	9½-10 yrs	19½-20 yrs	29½-30 yrs	39½-40 yrs	49½-50 yrs
01/04/2011	128/11	0.82	2.37	3.62	4.21	4.24	4.16	4.10
28/04/2011	162/11	0.62	2.16	3.42	4.06	4.10	4.02	3.96
31/05/2011	202/11	0.53	1.93	3.23	3.97	4.01	3.94	3.90
30/06/2011	246/11	0.50	1.80	3.22	4.05	4.10	4.05	4.01
29/07/2011	288/11	0.41	1.48	2.86	3.84	3.95	3.91	3.87
31/08/2011	332/11	0.37	1.25	2.50	3.53	3.73	3.72	3.68
30/09/2011	375/11	0.38	1.17	2.30	3.23	3.51	3.55	3.53

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	Low	0.31	0.95	2.10	3.10	3.37	3.40	3.37
	Average	0.48	1.65	2.95	3.82	3.93	3.89	3.84
	High	0.86	2.44	3.71	4.29	4.31	4.23	4.18

Table 4: PWLB Borrowing Rates - Fixed Rate, Equal Instalment of Principal (EIP) Loans

Change Date	Notice No	4½-5 yrs	9½-10 yrs	19½-20 yrs	29½-30 yrs	39½-40 yrs	49½-50 yrs
01/04/2011	128/11	2.76	3.74	4.84	5.22	5.33	5.36
28/04/2011	162/11	2.55	3.53	4.64	5.05	5.18	5.22
31/05/2011	202/11	2.37	3.30	4.46	4.93	5.09	5.12
30/06/2011	246/11	2.25	3.17	4.46	4.99	5.17	5.22
29/07/2011	288/11	2.01	2.83	4.11	4.73	4.97	5.06
31/08/2011	332/11	1.88	2.57	3.75	4.38	4.67	4.80
30/09/2011	375/11	1.84	2.48	3.53	4.08	4.37	4.54
	Low	1.67	2.24	3.35	3.93	4.25	4.41
	Average	2.17	3.00	4.19	4.73	4.95	5.02
	High	2.82	3.82	4.92	5.30	5.41	5.44

Table 5: PWLB Repayment Rates - Equal Instalment of Principal (EIP) Loans

Change Date	Notice No	4½-5 yrs	9½-10 yrs	19½-20 yrs	29½-30 yrs	39½-40 yrs	49½-50 yrs
01/04/2011	128/11	1.54	2.55	3.70	4.10	4.22	4.25
28/04/2011	162/11	1.33	2.34	3.50	3.91	4.07	4.11
31/05/2011	202/11	1.16	2.10	3.32	3.81	3.97	4.01
30/06/2011	246/11	1.04	1.98	3.31	3.87	4.06	4.11
29/07/2011	288/11	0.82	1.64	2.95	3.60	3.86	3.94
31/08/2011	332/11	0.70	1.39	2.60	3.25	3.55	3.68
30/09/2011	375/11	0.67	1.30	2.38	2.95	3.25	3.42
	Low	0.51	1.07	2.20	2.80	3.13	3.30
	Average	0.97	1.81	3.04	3.60	3.83	3.91
	High	1.59	2.62	3.78	4.18	4.30	4.33

Table 6: PWLB Variable Rates

	1-M Rate	3-M Rate	6-M Rate	1-M Rate	3-M Rate	6-M Rate
	Pre-CSR	Pre-CSR	Pre-CSR	Post-CSR	Post-CSR	Post-CSR
01/04/2011	0.67	0.77	0.89	1.57	1.67	1.79
28/04/2011	0.67	0.71	0.79	1.57	1.61	1.69
31/05/2011	0.66	0.70	0.76	1.56	1.60	1.66
30/06/2011	0.65	0.68	0.71	1.55	1.58	1.61
30/07/2011	0.65	0.67	0.69	1.55	1.57	1.59
31/08/2011	0.65	0.66	0.68	1.55	1.56	1.58
30/09/2011	0.65	0.65	0.66	1.55	1.55	1.56
Low	0.65	0.65	0.65	1.55	1.55	1.55
Average	0.66	0.69	0.72	1.56	1.59	1.62
High	0.69	0.79	0.91	1.59	1.69	1.81

**OVERVIEW AND SCRUTINY
BOARD**

21st November 2011

**SICKNESS ABSENCE PERFORMANCE and HEALTH FOR PERIOD
ENDING 30TH SEPTEMBER 2011**

Relevant Portfolio Holder	Councillor Mark Bullivant, Portfolio Holder for Policy, Performance, Communications, Customer Services, Legal, Equality & Democratic and Human Resources.
Portfolio Holder Consulted	
Relevant Head of Service	Teresa Kristunas, Head of Finance and Resources
Wards Affected	All Wards
Ward Councillor Consulted	n/a
Non-Key Decision	

1. SUMMARY OF PROPOSALS

To report to CMT on Bromsgrove District Council's performance for the period 1st April until 30th September 2011 in relation to sickness absence.

2. RECOMMENDATIONS

- 2.1 That the contents of the report be noted.

3. KEY ISSUES**Analysis of the monthly statistics**

- 3.1 Sickness Absence has remained GREEN for the period 1st April – 30th September 2011 with the projected out-turn figure for the year being 3.35 days per full-time equivalent.
- 3.2 The comparable data for the period April - September 2010/2011, projected this figure to be 10.64 days per FTE. Therefore a decrease of 7.29 days per FTE on last years figures.
- 3.3 Short-term sickness absence peaked in August, but remained lower in the two previous months. Short term sickness stands at 42% of the overall sickness figure.
- 3.4 Long-term sickness absence peaked in August, but has decreased significantly in September and represents 58% of the overall sickness figure.

OVERVIEW AND SCRUTINY BOARD

21st November 2011

Sickness by area

- 3.5 Those services whose projected sick days per FTE are above the 8.75 target set for Bromsgrove District Council for the period, include:
- a) Customer Services
 - b) Environmental Services
- 3.6 Customer services current projection per FTE for the period is 9.02 days. This is an increase in sickness from the comparable data for the same period of 2010/11, which stood at 4.69 per FTE.
- 3.7 Environmental Services, typically see higher rates of sickness, this could be due to the nature of the work carried out by individuals. Environmental Services current projection per FTE for the first quarter of 2011/12 is 12.54 days. This is a decrease in sickness from the comparable data of the second quarter in 2010, which stood at 16.85 per FTE. Active sickness management has been taking place within the service area in conjunction with HR, and the Head of Service. The Trade Union are particularly involved in sickness case reviews, and reducing sickness within Environmental services.
- 3.8 The remaining services within Bromsgrove District Council are all projected to fall below the target of 8.75 days per FTE.

Actions to reduce sickness

- 3.9 Sickness working groups have been set up across both Redditch and Bromsgrove to ensure the level of sickness absence across both authorities does not rise further and that current sickness levels are monitored and addressed to ensure reduction in days lost to both authorities. It was recognised the high levels of sickness within Customer and Environmental services and steps are being taken to define how this will be tackled, including training where applicable.
- 3.10 All long-term sickness cases continue to be managed with input from line managers/head of services, Union representatives, HR and Occupational Health.

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- 3.11 Continued and further actions to support the reduction of sickness absence include:
- a) Review of the Sickness Absence Policy as part of the harmonisation project with RBC/BDC HR input.
 - b) Review of recording procedures for long term sickness and stress related sickness, in line with Redditch Borough Council to actively manage cases.
 - c) Heads of Service will receive a monthly sickness report for their service area.
 - d) Setting up the hierarchy on Chris 21 database ready for the launch of the self service Kiosk.
 - e) Recruitment to the full time post of Occupational Health Advisor for the HR & OD Service.
 - f) Future report for Sickness Absence will include data by reasons, in order to identify the most frequent absence reason, and mechanism that are in place to address these.
- 3.12 Reports on Sickness levels will be presented to the Health and Safety Committee.

Work Related Accidents

- 3.13 One reportable work-related injury occurred at Bromsgrove District Council for the period April – September 2011.

Health and Wellbeing

- 3.14 Nothing further to report at this time.

Financial Implications

- 3.15 There were no financial implications identified.

Legal Implications

- 3.16 There are no legal implications identified.

Service/Operational Implications

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- 3.17 The level of sickness absence can impact on service delivery if action is not taken to manage absences.

Customer / Equalities and Diversity Implications

- 3.18 There are no customer, equalities and diversity implications

4. RISK MANAGEMENT

- 4.1 If policies and processes are not put in place to manage sickness absence the number of days lost and the cost of associated with sickness absence can get out of control with the need to provide temporary cover to maintain services.

5. APPENDICES

Appendix 1 - Sickness figures year to date 30th September 2011.

6. BACKGROUND PAPERS

None.

AUTHOR OF REPORT

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Sickness Figures for 2011/12 by Service

Total FTE @ 1st April 2011	Total FTE @ 1st March 2012	Actual no. of employees	Days per FTE - Year to Date	Sickness Target 2011/12	Month											
					Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
20.22	21.22	54.00	2.67	5.34	6.00	21.22	21.22	21.22	21.22	21.22	21.22	21.22	21.22	21.22	21.22	21.22
		Business Transformation	54.00			16.00	11.00	10.00	7.00	2.00	8.00					
		Short term Absences up to 28 days	54.00			0.00	0.00	0.00	0.00	0.00	0.00					
		Long term Absences 29 days+	0.00			0.75	0.52	0.47	0.33	0.09	0.38	0.00	0.00	0.00	0.00	0.00
6.28	5.68	Community Services	5.50	1.75	5.5	7.28	7.28	7.28	7.28	7.28	7.28	7.28	7.28	7.28	7.28	7.28
		Short term Absences up to 28 days	5.50			0.00	1.00	1.00	0.00	0.00	0.00					
		Long term Absences 29 days+	0.00			0.00	0.00	0.14	0.21	0.00	0.41	0.00	0.00	0.00	0.00	0.00
20.85	19.20	Customer Services	94.00	3.22	5.50	20.50	20.50	20.50	20.50	20.50	20.50	20.50	20.50	20.50	20.50	20.50
		Short term Absences up to 28 days	39.00			6.00	17.00	1.00	4.00	8.00	3.00					
		Long term Absences 29 days+	55.00			0.00	0.00	22.00	16.00	17.00	0.00					
102.57	105.57	Environmental	643.00	12.54	11.5	106.57	106.57	106.57	106.57	106.57	106.57	106.57	106.57	106.57	106.57	106.57
		Short term Absences up to 28 days	136.00			24.00	3.00	38.00	25.00	38.00	6.00					
		Long term Absences 29 days+	507.00			34.00	71.00	76.00	121.00	107.00	98.00					
15.46	15.46	Legal, Equalities & Democratic	7.50	0.97	4.80	16.73	16.73	16.73	16.73	16.73	16.73	16.73	16.73	16.73	16.73	16.73
		Short term Absences up to 28 days	7.50			4.00	0.00	0.00	0.00	3.50	0.00					
		Long term Absences 29 days+	0.00			0.24	0.00	0.00	0.00	0.00	0.21	0.00	0.00	0.00	0.00	0.00
13.22	0.00	Leisure & Culture	22.00	3.33	6.75	18.22	18.22	18.22	18.22	18.22	18.22	18.22	18.22	18.22	18.22	18.22
		Short term Absences up to 28 days	22.00			11.00	11.00									
		Long term Absences 29 days+	0.00			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
40.22	42.82	Resources	86.00	4.37	9.3	47.77	47.77	47.77	47.77	47.77	47.77	47.77	47.77	47.77	47.77	47.77
		Short term Absences up to 28 days	86.00			1.00	7.50	22.00	15.00	22.00	18.50					
		Long term Absences 29 days+	12.00			0.00	0.00	0.00	12.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
29.31	31.31	Planning & Regeneration	113.50	7.74	7.75	33.52	33.52	33.52	33.52	33.52	33.52	33.52	33.52	33.52	33.52	33.52
		Short term Absences up to 28 days	49.00			1.00	5.00	10.00	12.00	14.00	7.00					
		Long term Absences 29 days+	64.50			0.03	0.15	0.30	0.36	0.38	1.52	0.00	0.00	0.00	0.00	0.00
16.57	19.57	Policy, Perf & Partnerships (inc CEO Unit)	36.50	4.41	6.75	18.17	18.17	18.17	18.17	18.17	18.17	18.17	18.17	18.17	18.17	18.17
		Short term Absences up to 28 days	36.50			3.00	1.00	0.00	0.00	1.50	9.00	22.00				
		Long term Absences 29 days+	0.00			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
122.48	121.48	WRS	462.00	7.54	8.75	109.58	109.58	109.58	109.58	109.58	109.58	109.58	109.58	109.58	109.58	109.58
		Short term Absences up to 28 days	226.00			64.00	15.00	50.00	20.00	52.00	27.00					
		Long term Absences 29 days+	234.00			19.00	42.00	64.00	40.00	44.00	25.00					
376.61	382.31		0.00	3.35	8.75	130.00	70.50	133.00	86.00	149.50	94.50	0.00	0.00	0.00	0.00	0.00
		Total Short Term Absence YTD	563.50			53.00	113.00	162.00	109.00	168.50	167.00	0.00	0.00	0.00	0.00	0.00
		Total Long Term Absence YTD	272.50			183.50	183.50	295.00	275.00	338.00	261.50	0.00	0.00	0.00	0.00	0.00
		TOTAL Days lost YTD	1536.00													

0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
0.49	0.50	0.80	0.74	0.81	0.71											
0.49	0.99	1.78	2.53	3.44	4.14											
5.93	5.93	5.23	4.71	4.08	3.95											

2007-08	3424.50	9.31
2008-09	3350.50	10.49
2009-10	3006.50	9.14
2010-11	2997.80	9.85
2011-12	1536.00	
Year	Annual	Yr end

Key: ■ more than 10% worse than target ■ worse than target, but within 10% ■ on or better than target

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OVERVIEW & SCRUTINY BOARD

WORK PROGRAMME

2011-12

This Work Programme consists of two sections: Items for future meetings (including updates) and Task Group Reviews.

RECOMMENDATIONS:

- (a) To consider and agree the work programme and update it accordingly.

ITEMS FOR FUTURE MEETINGS

Date of Meeting	Subject	Other Information
21st November 2011	12 Month Review of the Alvechurch Multi Use Games Area (MUGA) Investigation	
	Quarter 2 Finance & Performance Monitoring Report	
	Planning Enforcement – Investigation Interim Report	
	Planning Policy Task Group – Update	
	WCC Health Overview & Scrutiny Committee – Verbal update	
	Regional Scrutiny Meeting – Verbal Update	
	Forward Plan	For information
	Overview & Scrutiny Work Programme 2011-12	
5th December 2011 (5.00 p.m.) <i>TBC</i>	Budget Scrutiny	
19th December 2011	Sustainable Community Strategy Annual Report	
	Planning Policy Task Group	
	WCC Health Overview & Scrutiny Committee – Verbal update	
	Forward Plan	For information
	Overview & Scrutiny Work Programme 2011-12	

Date of Meeting	Subject	Other Information
3rd January 2012 (5.00 p.m.) <i>TBC</i>	Budget Scrutiny	
23rd January 2012	Quarterly Recommendation Tracker	
	WCC Health Overview & Scrutiny Committee – Update	
	Overview & Scrutiny Work Programme 2011-12	
27th February 2012	Quarter 3 Finance & Performance Monitoring Report	
	Performance Management Strategy	
	WCC Health Overview & Scrutiny Committee – Update	
	Overview & Scrutiny Work Programme 2011-12	
26th March 2012	Council Plan	
	WCC Health Overview & Scrutiny Committee – Update	
	Overview & Scrutiny Work Programme 2011-12	
23rd April 2012	Enforcement and Fixed Penalty Notices for Environmental Services	Review following implementation of new scheme.
	Burglary and Vehicle Crime In Bromsgrove – 6 month update report from West Mercia Police/Community Safety Partnership	Update following initial report received 24th October 2011.
	Quarterly Recommendation Tracker	
	WCC Health Overview & Scrutiny Committee – Update	

Member Training

None currently arranged.

Budget Meeting Dates (Provisional)

5th December 2011 – 5.00 p.m.

3rd January 2012 – 5.00 p.m.

Scrutiny of Crime & Disorder Partnership Meeting Dates

TBC

Reports not allocated

Improvement Plan (annual)

Shared Services Highlight Report - Quarterly

Annual Review of Call In

Write Off of Debts – Quarterly Report

Sickness Absence – Quarterly Report

OVERVIEW & SCRUTINY TASK GROUP/INQUIRY REVIEWS 2011-12

Investigation/Task Group	Date of Review
Inquiry into the Alvechurch Multi-Use Games Area (MUGA)	November 2011
Recreation Road South Car Park Task Group	September 2012
Reduction in Bus Services Task Group	October 2012

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