



BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

WEDNESDAY 4TH DECEMBER 2013 AT 6.00 P.M.

THE COUNCIL HOUSE, BURCOT LANE, BROMSGROVE

MEMBERS: Councillors R. Hollingworth (Leader), M. A. Sherrey (Deputy Leader), D. W. P. Booth, M. A. Bullivant, C. B. Taylor and M. J. A. Webb

AGENDA

1. To receive apologies for absence
2. Declarations of Interest

To invite Councillors to declare any Disclosable Pecuniary Interests or Other Disclosable Interests they may have in items on the agenda, and to confirm the nature of those interests.
3. To confirm the accuracy of the minutes of the meeting of the Cabinet held on 6th November 2013 (Pages 1 - 4)
4. Minutes of the meeting of the Overview and Scrutiny Board held on 18th November 2013 (To Follow)
 - (a) To receive and note the minutes
 - (b) To consider any recommendations contained within the minutes
5. Minutes of the meeting of the Shared Services board held on 17th October 2013 (Pages 5 - 8)
 - (a) To receive and note the minutes
 - (b) To consider any recommendations contained within the minutes
6. Car Parking Review (Pages 9 - 36)

7. April - September (Quarter 2) Finance Monitoring Report 2013/2014 (Pages 37 - 56)
8. Review of the Council's Arrangements for Securing Financial Resilience (Pages 57 - 90)
9. 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

25th November 2013

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

WEDNESDAY, 6TH NOVEMBER 2013 AT 6.00 P.M.

PRESENT: Councillors R. Hollingworth (Leader), M. A. Sherrey (Deputy Leader),
D. W. P. Booth, M. A. Bullivant, C. B. Taylor and M. J. A. Webb

Officers: Ms J. Pickering, Mrs S. Sellers and Ms R. Cole

54/13 **APOLOGIES**

There were no apologies for absence.

55/13 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

56/13 **MINUTES**

The minutes of the meetings of the Cabinet held on 25th September 2013 and 2nd October 2013 were submitted.

RESOLVED that in each case the minutes be approved as a correct record.

57/13 **AUDIT BOARD**

The minutes of the meeting of the Audit Board held on 19th September 2013 were submitted.

RESOLVED that the minutes be noted.

58/13 **OVERVIEW AND SCRUTINY BOARD**

The minutes of the meeting of the Overview and Scrutiny Board held on 14th October 2013 were submitted.

In relation to minute 40/13 (Planning Policy Task Group Report – 12 Month Review of Recommendations) Councillor C. B. Taylor stated that he had requested that a list of written questions for the Head of Planning and Regeneration be submitted.

In relation to minute 42/13 (Cabinet Work Programme) Councillor M. J. A. Webb clarified that the Car Parking Review report would be considered by Cabinet in December and then by the following Overview and Scrutiny Board. Whilst he had referred to November as a target date this was the date by

which he was expecting to receive the report as the responsible Portfolio Holder.

RESOLVED that the minutes be noted.

59/13 **WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE**

The minutes of the Worcestershire Shared Services Joint Committee held on 26th September 2013 were submitted.

RESOLVED that the minutes be noted.

60/13 **LIST OF LOCAL HERITAGE ASSETS**

The Cabinet considered a report on the preparation of a Local Heritage List for the Bromsgrove District.

It was reported that the purpose of a Local List was to identify heritage assets which are valued by local communities and contribute to the character and local distinctiveness of an area.

It was noted that the use of Local Lists was promoted by the National Planning Policy Framework, the Proposed Submission Bromsgrove District Plan and English Heritage. It was reported that the Local List was separate from Statutory Listing which related to buildings of national importance.

It was noted that the first stage in the process of preparing and adopting the Local List was to consult on the draft selection criteria identified. Following agreement of the criteria, a draft Local List could be drawn up.

Members felt that it was important to prepare a Local List to formally identify the locally important heritage assets within the District.

RESOLVED:

- (a) that the preparation of a Local Heritage List for Bromsgrove in accordance with the processes outlined in the report and appendix be approved;
- (b) that delegated authority be granted to the Head of Planning and Regeneration to carry out all steps in relation to the process referred to above; and
- (c) that in exercising the delegation the Head of Planning and Regeneration consult with the Portfolio Holder for Planning in respect of the approval of the draft selection criteria and the final lists.

61/13 **BROMSGROVE TOWN CENTRE -PUBLIC REALM IMPROVEMENTS**

The Cabinet considered a report on the funding arrangements for the improvements to the Public Realm in the High Street and Worcester Road, Bromsgrove.

The Executive Director (Finance and Corporate Resources) reminded Members that the scheme of improvements to the Town Centre was being funded by Worcestershire County Council and by the District Council. It was noted that the total cost of £2,400,000 included £2,050,000 in respect of High Street works and £350,000 in respect of works in Worcester Road.

The Executive Director (Finance and Corporate Resources) referred to section 3.3 of the report which set out the various funding elements of the scheme some of which related to future capital receipts being generated.

It was noted that the report was requesting Members to consider amending the 2013/2014 Capital Programme to reflect the current position and to include £350,000 in the 2014/2015 Capital Programme in respect of the works in Worcester Road which would initially be funded by the County Council with repayment to be made from future capital receipts generated from Town Centre assets.

As part of the discussion on this item Members requested that temporary boarding be placed around the Hanover Street Car Park site to improve the appearance of the area.

RECOMMENDED:

- (a) that the Capital Programme 2013/2014 be revised to £1,150,000 to reflect the element of the project to be funded by Bromsgrove District Council from current capital receipts available; and
- (b) that £350,000 be included in the Capital Programme 2014/2015 to reflect the cost to the District Council of the works to the Public Realm in Worcester Road to be funded from future capital receipts.

62/13 **THE CROSS INN, FINSTALL - APPLICATION FOR INCLUSION ON REGISTER OF ASSETS OF COMMUNITY VALUE**

The Cabinet considered a report on a request to list the Cross Inn, Finstall as an Asset of Community Value.

Having considered the report and noted the amount and type of community use at the premises, it was

RESOLVED that the listing of The Cross Inn, Finstall as an Asset of Community Value be not supported.

The meeting closed at 6.25 p.m.

Chairman

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**REDDITCH BOROUGH COUNCIL AND
BROMSGROVE DISTRICT COUNCIL**

SHARED SERVICES BOARD

17th October 2013 at 5.30pm

COUNCIL CHAMBER, THE TOWN HALL, REDDITCH

Present: Councillors Bill Hartnett (Chair) and Debbie Taylor (Redditch Borough Council)

Councillors Roger Hollingworth and Mark Bullivant (Bromsgrove District Council)

In attendance: Councillors Mike Chalk, John Fisher, Andy Fry, Gay Hopkins, Phil Mould and Pat Witherspoon (Redditch BC)

Councillors Rita Dent and Helen Jones (Bromsgrove DC)

Officers: Emma Alldrick, Gavin Boyes, Kevin Dicks, Chris Franklin, Sue Hanley, Sue Horrobin, Dave Kesterton, Helen Mole, Neil Partridge and Jason Simon

Notes: Michael Craggs

1. APOLOGIES

Apologies for absence were received from Councillors Juliet Brunner, Greg Chance (both Redditch BC), Margaret Sherrey and Mike Webb (both Bromsgrove DC).

2. MINUTES

The minutes of the previous meeting of the Board held on 4th July 2013 were approved as a correct record.

CONFIDENTIALITY

These notes are an open public record of proceedings of the Board.

[Meetings of the Board are not subject to statutory Access to Information requirements; but information relating to individual post holders and/or employee relations matters would nonetheless not be revealed to the press or public.]

3. PRESENTATION – TREES INTERVENTION

Members received a presentation (attached as appendix 1) on the Tree Transformation work. This provided a background to the new system's introduction and explained the progress that had been made so far.

Members asked number of questions during the presentation which elicited the following information:

- A shift from a reactive to the implementation of a proactive trees work programme has gradually been taking place since the trial began. Significant progress is expected to be made over the next 12-18 months as the backlog of outstanding work reduces.
- The trial will need to take place over a period of at least twelve months in order to gather fair and representative data due to trees maintenance being a seasonal issue. However, changes can still be introduced during this period to ensure that there is ongoing improvement.
- A distinct Trees Team consisting of four Officers has recently been established as part of the trial. This will enable customers to speak directly to the tree experts themselves. It is thought that this has contributed to a saving for BDC, although the exact figures cannot yet be provided.
- A dedicated email address and contact telephone number for the trees team has been introduced. However, most enquiries are still received via the Hub.
- Two thirds of enquiries had been processed as 'no further action' as Officers were unable to take action on various matters under the old system, such as TV signalling and leaf fall. Under the new system, it is hoped that the tree surgeons will help to reduce future demand by proactively clearing up other work while they are on a particular job.
- The trees are not routinely inspected on a proactive basis, although Officers do occasionally need to undertake work in response to Tree Preservation Orders (TPOs) whenever they arise. There may be greater scope to conduct a proactive review during the winter period when demand for tree maintenance typically decreases.
- Ash dieback has not yet emerged as a significant issue affecting the trees in both towns. It could take approximately fifteen years before this becomes a real issue of concern.
- Officers were receptive to the suggestion of working more closely with schools on the issue of trees. They have already worked with some local school and scout groups around woodland management.
- Around 15-20 hectares of trees are coppiced each year.
- Residents have the right to cut back overhanging branches. However, this right is removed if there is a TPO involved. Residents would then require written consent from the relevant council to undertake any maintenance work.

Officers explained that they were intending to develop a complete shared service across both Councils on trees maintenance. They are currently required to report any enquiries in Bromsgrove to Worcestershire County

Council (WCC) to resolve. However, Members across both councils felt that the current system in Redditch was working far better. Officers were therefore looking to enter into discussions with WCC to explain that it would be far more cost effective for a complete shared service regarding tree maintenance to be rolled out across both towns rather than continue with their current approach of sub-contracting work in Bromsgrove out to private operators.

PRESENTATION – PLACE INTERVENTION

Members also received a presentation (attached as appendix 2) which provided an update on the Place Intervention currently operating in Winyates.

The following information was provided in response to questions posed by Members:

- The team had not yet considered taking on local residents as volunteers, although this could be looked at as the team developed stronger links with the local community. It is thought that this could provide local residents with new skills which they could utilise in future to maintain their area. However, this would not compromise the employment of relevant Council staff.
- The team have been working very effectively with the *Winning Winyates* team in terms of building these links with the local community. This has led to the team receiving very positive feedback from Winyates residents to the work that has already been completed.
- It is hoped that Place Intervention will lead to more residents taking pride in the appearance of their area. Many long term benefits are envisaged. The emphasis is on helping local people to be self-sufficient in improving their area themselves.
- Schemes such as Community Payback have already been successfully utilised to improve the visual appearance of Winyates and other areas within Redditch.
- The team could look to introduce more recycling facilities in the area as part of the Place Intervention, such as dual bins for general waste and recycling, however there would be practical issues around ensuring that residents deposited their waste into the correct bin. However, residents were already being encouraged to recycle properly, notably through the recent introduction of a new bin system.
- New bins with an ashtray top have been very effective in reducing the number of cigarette ends in the near vicinity. This has significantly improved the visual appearance of the area.
- Refuse collectors are expected to leave all areas from which they are collecting tidy, regardless of whether waste had been correctly deposited.

- Dog fouling remains a real area of concern. A recent two month trial clearly indicated that signage was ineffective in tackling the issue. Alternative methods will therefore need to be explored.
- The Place Intervention methods that have been used in Winyates will eventually be rolled out across other areas within the Borough.

Members expressed their satisfaction with the team's excellent work to date in Winyates. They heard that members within the Trees and Place Intervention teams were enjoying far greater job satisfaction through transformation as they were given the autonomy to swiftly resolve issues as they deemed appropriate.

(Both presentations would be circulated to all Members for information)

4. PROGRESS REPORT

The Board noted a progress report which provided an update on all elements of the Shared Services / Transformation work taking place across both Councils.

5. NEXT MEETING

It was noted the next meeting would take place on Thursday 16th January 2014 at Bromsgrove. It was felt that more Members needed to be encouraged to attend future meetings to become better informed about the excellent work that was being achieved through transformation.

The meeting commenced at 5.30 pm
and closed at 7.45pm

CABINET

4th December 2013

CAR PARKING REVIEW

Relevant Portfolio Holder	Michael Webb
Portfolio Holder Consulted	Yes
Relevant Head of Service	Guy Revans
Ward(s) Affected	All
Ward Councillor(s) Consulted	No
Key Decision / Non-Key Decision	Key Decision

1. SUMMARY OF PROPOSALS

This report sets out the current parking provision in Bromsgrove District and seeks to provide members with a context within which future car parking provision can be assessed and reviewed.

2. RECOMMENDATIONS

Members consider the report and officers are requested to follow up any actions.

3. KEY ISSUES

3.1 Financial Implications

- 3.1.1 Any changes made to the charging structure will have an impact on the income generated;
- 3.1.2 Total cost of the Off Street parking service is £738k and the budgeted income is £1,234m;
- 3.1.3 Total amount spent on Town Centre/Economic Development activities by BDC includes over £1m of capital receipts on the Town Centre High Street refurbishment and over £300k per annum on Shopmobility, BURT, Economic Development and other improvements to the Town Centre (toilets).

3.2 Legal Implications

- 3.2.1 Bromsgrove District Council operates a system of providing off street parking for residents under the Road Traffic Regulation Act 1984. This legislation allows the Council to designate off street car parks (section 32) and regulate their operation, including the levying of charges, through a local car parking order (section 35). The current parking order in force is the District Council of Bromsgrove (Off-Street Car Parks) Order 2013.

3.2.2 Were Members minded to agree to changes relating to the parking charges the current parking order would need to be updated to reflect the changes. The process for updating the order is prescribed by the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996 and requires the Council to give notice of proposed changes in the car parks affected and by issuing a notice in the press. There is a 21 day consultation period following which the final order can be granted. Different rules apply in the event that any objections to the proposals are received. Provided there are no objections the normal length of time needed to amend the car parking order is approximately 6 to 8 weeks.

3.3 Service / Operational Implications

3.3.1 Members should be aware that proposed development within the town on our car parks will for the duration of the construction period have an impact on the parking provision within the town.

3.3.2 Good quality safe car parking should help to support the Council's strategic purpose 'Help me to run a successful business'

3.3.3 Car park charges and operational parking policies are widely considered to impact considerably on the economy. Traders and politicians are quick to attribute the blame for the downturn of some town centres economies on parking provision and enforcement despite the actual reasons being multi-faceted and complex. It should be noted that rent levels, out of town alternatives and the growth of internet shopping all impact on town centres but these issues are often ignored.

3.4 Customer / Equalities and Diversity Implications

Meetings have not taken place with customers/residents at this stage. Future consultation may form part of proposals for any further investigation by members

4. RISK MANAGEMENT

4.1 There is a risk of negative publicity regarding this report as parking charges are contentious issue nationally.

4.2 There is a risk of a negative financial implication should parking charges be reduced or removed.

5. APPENDICES

Appendix 1 – Parking Review

6. BACKGROUND PAPERS

The Bromsgrove District Council (Off-Street Car Parks) Order 2013;
Car Parks review 2010;
Town Health Check December 2012;
Disabled Parking Report 2012.

AUTHOR OF REPORT

Name: Guy Revans
email: g.revans@bromsgroveandredditch.gov.uk
Tel.: 01527 64252 ext 3292

Name: Kevin Hirons
email: k.hirons@bromsgroveandredditch.gov.uk
Tel.: 01527 881705

APPENDIX 1

Parking Review December 2013

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BROMSGROVE DISTRICT COUNCIL
PARKING REVIEW
DECEMBER 2013

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1. INTRODUCTION

Bromsgrove District Council operates 11 charged car parks and 3 free car parks and also manages the enforcement of Alvechurch Sports and Social Club car park. The Council has also taken responsibility for the enforcement of On-Street parking regulations since Civil Parking Enforcement was introduced in May 2013.

The parking management policies and charging regime have been in operation for over 3 years. Since the last review and the Council is keen to ensure that these parking practices support the town centre and wider district economy and continue to be appropriate for residents and car park users.

The Council operate two payment methods in different car parks. 'Pay on Foot' allows the customer to pay for parking at the end of their stay, and 'Pay and Display' requires the customer to predict the length of their stay and pay up front.

The parking service has an operational parking charter which sets out the services objectives. These are:

To:

- Provide an efficient and courteous service
- Provide safe and user friendly areas complying with current parking regulations
- Make customer safety and security a key factor
- Provide 24 hour CCTV coverage on all our town car parking areas
- Provide uniformed staff patrolling during open hours
- Provide designated spaces for disabled drivers set out to current regulations
- Ensure that our car parks are well lit, cleaned, and maintained
- Clearly display information about charges and where to pay
- Repair any equipment as soon as possible, keeping disruption to a minimum
- Seek and listen to customers views and ideas on how we may improve the service
- Monitor and compare ourselves to others

2. THE BRIEF

To review the parking provision in the District covering both On and Off Street parking providing factual information relating to Bromsgrove's car parks and other authorities car parks for comparison. Consider the impacts of future development within and around Bromsgrove town centre.

3. OUR APPROACH TO THE STUDY

Bromsgrove District Council has a range of historic data and information about its existing car parks and the users. The Pay and Display car park machines are networked and can be interrogated to provide user information. The Pay on Foot system also provides a range of data about the use of the two car parks covered by the system. Previous on-site studies have been undertaken in the past. Bromsgrove District Council has also completed a study concerning Disabled Parking provision in

October 2012 which has been formally adopted by the Council. The contents and results of that report have not been included within this review.

In view of the available data sources, at this stage it is not proposed to carry out consultation with users as part of this review. Internal feedback has been obtained from a range of staff, including the parking enforcement team and senior officers.

4. TOWN CENTRE ECONOMY

Bromsgrove District Council has focussed on initiatives to support the town centre including major redevelopment projects such as the proposed schemes listed elsewhere in this report and other schemes such as the Townscape Heritage Initiative and the town centre regeneration improvements. All of these projects are intended to improve the economic vibrancy of the town.

Car park charges and operational parking policies are widely considered to impact considerably on the economy. Traders and politicians are quick to attribute the blame for the downturn of some town centres economies on parking provision and enforcement despite the actual reasons being multi-faceted and complex. It should be noted that rent levels, out of town alternatives and the growth of internet shopping all impact on town centres but these issues are often ignored.

There are any number of different statistics that are used to judge a towns economy such as the number of vacant shops there are in a town

Bromsgrove's 2012 vacancy rate is 10.9% which is considerably lower than other centres in the region. The West Midlands average vacancy rate is 14.6%; and other centres include; Birmingham 23.8%, Walsall 26.6%, Wolverhampton 25.3% and Dudley 29.4%. The national town centre vacancy rate in the UK was 11.1% in April 2012.

Taken from Bromsgrove District Councils Town Centre Health Check December 2012.

Over the last few months there has been a number of parking announcements made by ministers and MPs. In July the Secretary of State for Communities and Local Government, announced a proposal to allow motorists to park on double yellow lines for 15 minutes. This was followed in September with a further announcement on limiting mobile enforcement with two more in October proposing the introduction of grace and favor period of 5 minutes before parking fines are issued (Bromsgrove has already adopted this) and a suggestion that Councils should offer free parking for 30 minutes near the High Street.

These announcements are not yet backed by legislation but if implemented could have significant repercussions for Bromsgrove in the future.

5 TOWN CENTRE DEVELOPMENT PROPOSALS

5.1 Recreation Road North

This car park is to be sold for development. It is anticipated that it will be used for care home or elderly residential facilities and social housing a planning application is expected to be submitted in the New Year. The date of sale is not yet known but is expected to be agreed shortly.

The car park is relatively small with 47 spaces and is used as Long Stay car park. Car park usage information shows that in 2012/2013, 4221 tickets were sold in the morning period between 8.00 and 11.59, 3863 in the afternoon between 12.00 and 17.59 and less than 130 sold in the evening between 18.00 and 20.00 in the course of the year.

Car park users will be displaced onto other car parks such as the multi-storey as this is the closest car park for the all-day users or into another car park such as Recreation Road South or Parkside for the morning or afternoon parkers who are there for 3 hours or less.

There may be a slight loss in income as the daily charge in the multi-storey is lower than that of Recreation Road North. Current income from this car park is £10900 (including vat per year).

5.2 Hanover Street

The whole car park currently forms part of a site that is being marketed to be developed as a mixed retail/leisure development. Discussions with a developer regarding a proposed scheme have reached an advanced stage but the Council is not yet in a position to disclose details. In terms of parking, it is anticipated that any scheme approved would retain car parking spaces at similar levels to those existing currently. The exact arrangements for management of the car park would be subject to legal agreements with the developer.

The existing car park has 130 spaces and produces an income of £135,000 per annum. The car park is also widely used by permit holders.

There may be an impact during the construction phase of the development as the new car parks are not likely to be available for use for around a year which will cause pressure on other car parks. There may well be an on-going impact on other car parks if in site capacity is insufficient.

5.3 School Drive & Dolphin Centre

This site has been identified together with Blackmore House for the possible development of a new leisure centre. There have been two proposals one would be to construct the new leisure facility on the Blackmore House site and create a 200 space car park where the existing leisure centre is currently sited, followed by the sale of the existing car park. The second option would be to close the leisure centre

and rebuild a new facility on the same site. This may impact on the School Drive car park during the build phase to accommodate a site compound and the loss of the Dolphin permit holders only car park.

The school Drive car park has 142 spaces in total and is the Council's second most used car park.

5.4 Parkside

Part of this car park is needed for junction realignment as part of the Sainsbury's development. Although there will be some loss of parking capacity during the works it is expected that the overall capacity will be maintained by altering the layout of the spaces when the junction works are complete.

5.5 Stourbridge Road

A retail scheme is proposed on a neighbouring site which may have an impact on the car park during development stage. There is currently interest in the Stourbridge Road car park site as part of the overall development from a number of parties but it is too early to say what the outcome is likely to be.

5.6 New Road & Windsor Street

No development is planned at this time.

5.7 Churchfields Multi Storey car park

Churchfields car park is BDC's most underused car park. Motorists are known to dislike all multi-storey car parks due to a combination of design issues which can result in tight parking spaces, poor circulation areas, poorly designed and controlled stairs and lift and a fear of crime. When surface car parks are easily accessible they tend to be favoured by motorists, Churchfields car park does not suffer from many of the design related problems and has a Park Mark award for safe parking.

In considering the town centre schemes this car park has capacity to absorb many of the displaced motorists. Following the redevelopment of the new Council Parkside Office and Library complex, one option for staff parking was to utilise the top floor of the multi storey. Consideration should be given to the fact that during freezing conditions the external levels are closed for safety reasons.

5.8 Recreation Road South

No developments are proposed for this car park.

5.9 Bromsgrove Station

The Council's car park has 69 spaces but it is envisaged that the future of this car park will be under review at a later stage following development of the new station and car park.

There is a proposal for a new railway station and a 350 space car park to be constructed as part of the wider redevelopment. There may be the possibility of

enforcement and maintenance contract within the redevelopment. Planning Permission for this project has now been granted to Worcestershire County Council.

5.10 Timetable issues

As a Council we must ensure that sufficient car parking is available within the town during the development program.

6. SUPPORTING CAR PARK USERS

Bromsgrove District Council has a number of mechanisms to make it easier and cheaper for motorists to use the car parks.

Bromsgrove has a low pricing structure when compared to other close authorities and operates a flexible payment tariff which grants additional time when the set rates are overpaid. This is a good concession to motorists who might otherwise expect to lose money if they had incorrect coinage. Our neighbouring authorities do not offer this concession.

The Pay on Foot facility enables users to pay for the length of stay without the need to worry about overstaying a Pay & Display ticket. Users like this facility and it is considered to be a way of supporting the town's economy as it encourages users to have extended stays in the town. The main complaint about these systems is the need to queue at the Pay on Foot stations to pay the charge as they are often very busy. To rectify this Bromsgrove Council has expanded the number of pay stations in the last 2 years.

Bromsgrove also operates a permit system for many of its car parks avoiding the need to use the Pay & Display machines for convenience. Which works out considerably cheaper than buying daily tickets for regular users.

The availability of parking is often cited as the major issue for users. Bromsgrove's car parks currently have spare capacity and can accommodate the overall current demand for spaces. Individual car parks may become full at peak times and there may be an impact if the new town centre developments do not allow for additional parking demand. However it should be noted that The Area Action Plan indicates that there should be no net loss of parking spaces across the town after development.

7. CURRENT SPACE AVAILABILITY

Bromsgrove District Council currently provides 1390 charged car park spaces in 11 car parks within Bromsgrove and 4 "free" car parks in other parts of the district.

The charged spaces account for the majority of charged parking within Bromsgrove town and there is little private sector parking competition. Free parking is however

available at a number of supermarket sites on the edge of the town and on-street close to the town centre..

Bromsgrove District Council has an ambitious town centre regeneration programme which is attracting a number of national retailers to both the town centre and edge of town. Some of the proposed developments are on or partly on sites currently used as car parks which may result in a loss of parking capacity. The impact of these schemes is considered later in this report.

Car park capacity

Car park name	Payment type	Long Short stay	Number of spaces	Designated disabled	Shop Mobility	Mother and child	Park Mark Award *
Recreation Road South	Pay on foot	Short	283	20	0	7	YES
Churchfields Multi storey	Pay on Foot	Long	300	18	3	10	YES
School Drive	Pay and Display	Long	128	10	0	4	NO
Windsor Street	Pay and Display	Short	65	4	0	0	NO
New Road	Pay and Display	Short	58	4	0	0	NO
Hanover Street*	Pay and Display	Long	121	9	0	0	NO
Recreation Road North	Pay and Display	Long	44	3	0	0	NO
Parkside	Pay and Display	Short	94	6	0	0	NO
Stourbridge Road	Pay and Display	Long	71	5	0	0	NO
Bromsgrove Station	Pay and Display	Long	64	5	0	0	NO
Dolphin Centre	Permit Holders only	Long	36	3	0	0	NO
TOTAL			1264	87	3	21	
Alvechurch	No Charge	Long	42	3			
Alvechurch Sports & Social Club	No Charge	2 hours & Permits	45	2			
Catshill	No Charge	Long	14	1			
Sanders Park	No Charge	Long	84	5			
Total spaces			185	11			

*The Park Mark®, is awarded to parking facilities that have met the requirements of a risk assessment conducted by the Police. These requirements mean the parking operator has put in place measures that help to deter criminal activity and anti-social behaviour, thereby doing everything they can to prevent crime and reduce the fear of crime in their parking facility

At the time this review was carried out (Summer/Autumn 2013) the overall parking capacity in the town of Bromsgrove is adequate as parking spaces are almost always available in one or more car parks. Churchfields car park is rarely full despite a low all day parking tariff. The prime car parks such as Windsor Street, Recreation Road South and Parkside do have limited capacity at peak times but overall there is capacity available within the town.

8. CURRENT CHARGES

Car park charges are set using a traditional approach of charging more in prime car parks and less in the underused ones. However due to the geographical distribution of the car parks there is not a significant convenience factor and prices have tended to be set at the same level across most car parks. Maximum length of stay is used in preference to price to manage user behaviour. Prices in Bromsgrove are amongst the lowest in Worcestershire and are considered on a yearly basis but have not increased since 2010.

8.1 Parking tariffs

The table below shows the previous changes in parking tariff rates since 2005

(see next page – Key: a dash (-) indicates that this tariff was not offered).

SERVICE CATEGORY	1st April 2005	0th April 2006	1st April 2007	1st April 2008	1st April 2009	1st January 2010	1st April 2010	1st April 2011	1st April 2012	1st April 2013
-	£	£	£	£	£	£	£	£	£	£
Bromsgrove Station										
	1.50	2.10	2.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Churchfields Multistorey										
Not exceeding 30 minutes	-	-	-	-	-	-	0.40	0.40	0.40	0.40
Not exceeding one hour	-	-	0.70	0.70	0.40	0.40	0.70	0.80	0.80	0.80
Not exceeding two hours	-	-	1.40	1.40	0.70	0.70	1.40	1.60	1.60	1.60
Not exceeding three hours	-	-	-	-	1.40	1.40	2.10	2.40	2.40	2.40
Not exceeding four hours	-	-	-	-	2.10	2.10	-	-	-	-
Not exceeding five hours	-	-	-	-	3.00	3.00	-	-	-	-
	-	-	2.00	3.00	-	-	3.00	3.00	3.00	3.00
Dolphin Centre										
Not exceeding 30 minutes	-	-	-	-	-	-	-	-	-	-
Not exceeding one hour	0.70	0.60	0.70	0.70	0.40	0.40	-	-	-	-
Not exceeding two hours	1.00	1.20	1.40	1.40	0.70	0.70	-	-	-	-
Not exceeding three hours	-	-	2.10	-	1.40	1.40	-	-	-	-
Not exceeding four hours	-	-	-	-	2.10	2.10	-	-	-	-
Not exceeding five hours	-	-	-	-	3.00	3.00	-	-	-	-
All day	1.50	2.10	3.00	4.00	-	-	-	-	-	-
Hanover Street										
Not exceeding 30 minutes	-	-	-	-	0.40	0.40	0.40	0.40	0.40	0.40
Not exceeding one hour	-	-	0.70	0.80	0.70	0.70	0.70	0.80	0.80	0.80
Not exceeding two hours	-	-	1.40	1.60	1.40	1.40	1.40	1.60	1.60	1.60
Not exceeding three hours	-	-	2.10	2.40	2.10	2.10	2.10	2.40	2.40	2.40
All day	1.50	2.10	3.00	4.00	3.00	3.00	3.00	5.00	5.00	5.00
New Road										
Not exceeding 30 minutes	-	-	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Not exceeding one hour	0.50	0.60	0.70	0.70	0.70	0.70	0.70	0.80	0.80	0.80
Not exceeding two hours	0.70	1.20	1.40	1.40	1.40	1.40	1.40	1.60	1.60	1.60
Not exceeding three hours	-	-	2.10	2.10	2.10	2.10	2.10	2.40	2.40	2.40
Not exceeding four hours	-	-	2.80	2.80	2.80	2.80	2.80	3.20	3.20	3.20
Not exceeding five hours	-	-	3.50	3.50	3.50	3.50	3.50	4.00	4.00	4.00
All day	1.00	2.10	-	-	-	-	-	-	-	-
Parkside										
Not exceeding 30 minutes	-	-	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Not exceeding one hour	0.50	0.60	0.70	0.70	0.70	0.70	0.70	0.80	0.80	0.80
Not exceeding two hours	0.70	1.20	1.40	1.40	1.40	1.40	1.40	1.60	1.60	1.60
Not exceeding three hours	-	-	2.10	2.10	2.10	2.10	2.10	2.40	2.40	2.40
Not exceeding four hours	-	-	2.80	2.80	2.80	2.80	2.80	3.20	3.20	3.20
Not exceeding five hours	-	-	3.50	3.50	3.50	3.50	3.50	4.00	4.00	4.00
All day	1.00	2.10	-	-	-	-	-	-	-	-
Recreation Road North										
Not exceeding 30 minutes	-	-	-	-	0.40	0.40	0.40	0.40	0.40	0.40
Not exceeding one hour	0.70	0.60	0.70	0.70	0.70	0.70	0.70	0.80	0.80	0.80
Not exceeding two hours	1.00	1.20	1.40	1.40	1.40	1.40	1.40	1.60	1.60	1.60
Not exceeding three hours	-	-	2.10	2.10	2.10	2.10	2.10	2.40	2.40	2.40
All day	1.50	2.10	3.00	4.00	3.00	3.00	3.00	5.00	5.00	5.00
Recreation Road South										
Not exceeding 30 minutes	-	-	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Not exceeding one hour	0.50	0.60	0.70	0.70	0.70	0.70	0.70	0.80	0.80	0.80
Not exceeding two hours	0.70	1.20	1.40	1.40	1.40	1.40	1.40	1.60	1.60	1.60
Not exceeding three hours	-	-	2.10	2.10	2.10	2.10	2.10	2.40	2.40	2.40
Not exceeding four hours	-	-	2.80	2.80	2.80	2.80	2.80	3.20	3.20	3.20
Not exceeding five hours	-	-	3.50	2.50	3.50	3.50	3.50	4.00	4.00	4.00
All day	1.00	2.10	-	-	-	-	-	-	-	-
School Drive										
Not exceeding 30 minutes	-	-	-	-	0.40	0.40	0.40	0.40	0.40	0.40
Not exceeding one hour	0.70	0.60	0.70	0.70	0.70	0.70	0.70	0.80	0.80	0.80
Not exceeding two hours	1.00	1.20	1.40	1.40	1.40	1.40	1.40	1.60	1.60	1.60
Not exceeding three hours	-	-	2.10	2.10	2.10	2.10	2.10	2.40	2.40	2.40
All day	1.50	2.10	3.00	3.00	3.00	3.00	3.00	5.00	5.00	5.00
Stourbridge Road										
Not exceeding 30 minutes	-	-	-	-	0.40	0.40	0.40	0.40	0.40	0.40
Not exceeding one hour	0.50	0.60	0.70	0.70	0.70	0.70	0.70	0.80	0.80	0.80
Not exceeding two hours	0.70	1.20	1.40	1.40	1.40	1.40	1.40	1.60	1.60	1.60
Not exceeding three hours	-	-	-	-	2.10	2.10	2.10	2.40	2.40	2.40
All day	1.00	2.10	2.00	3.00	3.00	3.00	3.00	5.00	5.00	5.00
Windsor Street										
Not exceeding 30 minutes	0.40	0.30	0.40	0.40	0.40	0.40	0.40	0.50	0.50	0.50
Not exceeding one hour	0.70	0.60	0.70	0.80	0.80	1.00	0.80	1.00	1.00	1.00
Not exceeding two hours	1.00	1.20	1.40	1.60	2.00	2.00	1.60	2.00	2.00	2.00

Car Park charges only apply between 8.00am to 10.00pm everyday

In 2010 the Council decided to amend its parking policy so that the Pay and Display ticket machines would take overpayments which would allow the user to accrue or buy additional time. This was seen as a customer friendly initiative and a way of increasing flexibility for motorists who wished to stay for a part of an hour. This also recognised the fact that the ticket machines do not give change.

For example if a user had only £1 instead of the correct change it allow them to have a further additional amount of time rather than simply over paying. Or a motorist may want to park for an hour and a quarter and would not need to pay for additional unused time.

Car Park	Up to 30 minutes	1 hour	2 hours	3 hours	4 hours	5 hours	All day
Recreation Road South	40p	80p	£1.60	£2.40	£3.20	£4.00	n/a
Churchfields Multi-storey	40p	80p	£1.60	£2.40	-	-	£3.00
Recreation Road North	40p	80p	£1.60	£2.40	-	-	£5.00
Parkside	40p	80p	£1.60	£2.40	£3.20	£4.00	n/a
Stourbridge Road	40p	80p	£1.60	£2.40	-	-	£5.00
School Drive	40p	80p	£1.60	£2.40	-	-	£5.00
Hanover Street	40p	80p	£1.60	£2.40	-	-	£5.00
New Road	40p	80p	£1.60	£2.40	£3.20	£4.00	-
Windsor Street	50p	£1.00	£2.00	-	-	-	-
Bromsgrove Railway Station	n/a	n/a	n/a	n/a	n/a	n/a	£3.00
Dolphin Centre (Permits only)	n/a	n/a	n/a	n/a	n/a	n/a	n/a

8.2 Recreation Road South

Situated adjacent to the Asda Store although designed as a 5 hour maximum stay being a Pay on Exit system does allow the user to stay longer as they have to pay on leaving the car park. However there is a maximum 5 hour tariff of £4 and the overstay charge is £25.

By having this charge some customers may feel that they are being penalised unfairly and that the Council is profiteering out of them being only a few minutes late. Prior to the introduction of Civil Parking Enforcement this charge was £35 and has been reduced to £25 in line with the penalty charge for overstaying.

8.3 Short stay car parks

The only true short stay car park run by the Council is Windsor Street which has a maximum stay of 2 hours. This is the prime car park for the town and is predominately used for short stays i.e. visiting the banks and building societies.

As stated earlier the car parks do not have the geographical separation to allow a pricing structure to be introduced based on convenience of use. The Council has chosen to use length of stay as a way of influencing use rather than solely on price.

8.4 Pre – paid cards

The Council offers a facility to purchase a prepaid card for the Pay on Foot car parks. These are available from the Dolphin Centre or Shop mobility this involves the purchase of the card for a fee of £3 with an initial amount of 1p being loaded onto it, then the user can add a monetary amount by topping up at the Pay Station.

9. CAR PARK USAGE

Details of the current car park usage and income is provided below. Car park usage and income figures change constantly and there needs to be a degree of caution exercised in drawing conclusions from any data obtained as it is by its nature a reflection of the past and is not always a good guide to the future. For instance the past does not take into account future changes due to development in the town.

9.1 Overall Income

As with many Council's across the UK income has declined over the last 3 years, which may be due to the impact of the downturn in the economy and changes in shopping habits such as online shopping. Bromsgrove has a significant out of town shopping sector which offer free car parking on their own land namely Co-Op, Morrison's and Aldi. Also there a number of major retail centres within a short driving distance of the town such as Redditch, Kidderminster, Birmingham and Worcester. In addition there is competition from larger retail complexes such as Merry Hill, Dudley and the May Bird Centre, Stratford-upon-Avon, Redditch and Solihull who have broader retail outlets such as Debenhams, Next, Mark & Spencer etc. who also offer free parking again on their own land.

Wyre Forest District Council has seen a loss in their parking income over the last three years from £1,286,364 in 2010/11 to £1,192,006 in 2012/13. The Forest of Dean's parking income has also dropped, in the month of July 2012 income was £16,489 in June this year it was £9,510. Swindon Borough Council experienced a loss of £169,000 against their expected income in 2012/13 this was attributed to fewer cars parking in the town.

Parking Ticket sales (Pay & Display and Pay on Foot)

Year	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Pay on Foot	663490	704360	746309	709212	705385	694417
Pay and Display	732232	742953	781460	794350	727133	698490
Tickets sales	1395722	1447313	1527769	1503562	1432518	1392907
Income	£1,060,968	£1,285,841	£1,354,139	£1,192,015	£1,184,033	£1,125,779

9.2 Excess Charge Notice Income

Excess charge notice income has reduced since 2012/13 due to a change in enforcement policy following the transfer of the service to Wychavon. At the Members request the enforcement staff were given more discretion to deal with

parking contraventions by giving advice and warnings rather than issuing ECN's or PCN's. Although this has reduced income there has been a sizeable reduction in complaints about parking enforcement and as a consequence an improvement in the Council's reputation as users see a more reasonable enforcement policy being implemented.

Year	2008/09	2009/10	2010/11	2011/12	2012/13
Income	£167,106	£193,422	£152,494	£150,174	£29,001

The income from ECNs and Off Street PCNs for first 7 months of this financial year is £19,856

9.3 Car Park Permit income

Annual and Quarterly Parking Permits are available in a number of the car parks and are priced as follows.

Cost of Permit

Year	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/2013
Annual (All Long Stay)	£300	£300	£300	£300	£300	£320	£320
Quarterly (All Long Stay)	£75	£75	£75	£75	£75	£80	£80
Annual (Sourbridge Rd & Multi)	£200	£200	£200	£200	£200	£215	£215
Quarterly (Stourbridge Rd & Multi)	£50	£50	£50	£50	£50	£53.75	£53.75
Alvechurch Annual	n/a		n/a	n/a	n/a	£250	£250
Alvechurch Quarterly	n/a	n/a	n/a	n/a	n/a	£62.50	£62.50

Number of Permits Purchased

Year	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/2013
Annual (All Long Stay)	19	32	35	33	28	26	31
Quarterly (All Long Stay)	119	191	263	241	270	250	231
Annual (Sourbridge Rd & Multi)	2	7	9	10	14	14	18
Quarterly (Stourbridge Rd & Multi)	24	58	190	201	200	217	185
Alvechurch Annual	0	0	0	0	0	1	0
Alvechurch Quarterly	0	0	0	0	0	0	0
Revenue including vat	£16,225	£28,225	£41,525	£40,025	£41,450	£43,239	£43,244

Permit sales have seen a slight decline since its peak in 2010/11. The trend is similar to that seen in Wychavon and other adjoining authorities during the same period. We offer the ability to pay quarterly to make this a more affordable option for customers.

Wychavon District Council has recently introduced a Monthly Direct Debit (April 2013) option to encourage users to purchase a Season Ticket facility and allow them to spread the cost, to date it has not shown any increase of users.

10. LENGTH OF STAY – Ticket Analysis

The 2010 Parking Survey highlighted that the average stay in the Short Stay car parks was one hour or less. The Long Stay car parks such as Hanover Street had an average length of stay of 2 hours or less. Longer stays were made by Permit holders but data for these vehicles is difficult to obtain without detailed and time consuming physical monitoring.

In 2012/13 32% of motorist using Recreation Rd South car park paid a 40p charge for a 1/2 hour stay. However there are currently 1527 disabled users registered to use the car park which would entitle them to an additional 1 hour of parking at no additional charge. In 2012/13 there were 589010 ticket sales in total and 402701 of those were for one hour or less. Of those 402701 tickets 189597 ticket sales were for 30 mins.

In respect of the multi-storey car park (Churchfields) 57% of ticket sales are for one hour or less with 87% of stays being for 2 hours or less. Only 6.5% of stays are all-days stay. 18 annual permits and 185 quarterly permits are sold for use in this car park and Stourbridge Road to long stay users.

10.1 Daily use Pay & Display

Daily tickets sale patterns vary across each car park but overall tickets sales are 40% in the morning (8am to noon), 49% in the afternoon (noon to 6pm) and 11% in the evening 6pm to 10pm.

2012/2013	Morning Tickets sold	8.00-11.59 % of total tickets	Afternoon Tickets sold	12.00- 17.59 % of total tickets	Evening tickets sold	18.00- 22.00 % of total tickets	Total tickets
Hanover Street	32087	31.66	49176	48.52	20081	19.82	101344
New Road	31482	32.1	50249	51.26	16322	16.64	98085
Parkside	60718	38.2	94680	59.62	3409	2.18	158807
Rec Road North	4221	51.39	3863	47.03	129	1.58	8213
School Drive	57532	37.71	72615	48.00	21795	14.29	152550
Station cp	9200	87.2	1189	11.20	154	14.6	10543
Stourbridge Road	3941	45.6	4488	51.90	214	2.5	8643
Windsor Street	62033	38.3	95091	59.62	2348	14.72	159472

As the morning period is only 4 hours compared to 6 in the afternoon ticket sales are broadly similar in each period. It is difficult to draw any conclusion from the summarised information. It was not possible to produce similar data from the pay on foot system as payment is made at the end of the stay not on arrival.

10.2 Weekdays

Parking usage is highest on Fridays & Saturday. See table below for a typical September week.

Day	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Date	16/9/13	17/9/13	18/9/13	19/9/13	20/9/13	21/9/13	22/9/13
Tickets Sold	3266	3718	3702	3741	4638	5020	1928

10.3 Evenings

Evening charges in Pay & Display car parks extend to 10 pm every day. The evening charging period from 6pm to 10pm accounts for 11% of total Pay & Display income – £86,000 per annum. This ranges from 1.5% in Recreation Road north to 19% in Hanover Street. As per the daily use table above.

10.4 Sunday Trading and Usage

Ticket data regarding Sunday use is detailed below.

Car park usage is traditionally lowest on Sunday; the 2010 report identified that only 6% of ticket sales and 5% of income is obtained on Sundays. These figures have not changed significantly. In 2012/13 the car park income was £82,272, which is 6 % of total income.

A survey of shops in the High Street undertaken in September 2013 revealed that in addition to a number of Public Houses and restaurants the following properties currently trade on a Sunday in Bromsgrove.

Argos	Sports Direct
Subway	Specsavers
Peacocks	Bet Fred
Iceland	Ryman Stationary
Martins (8am – 2pm)	The Works
Claire's	Phones 4U
Ladbroke's	Bodycare
Poundland	Pizza Express

10.5 Bromsgrove Station

The station car park is a long stay car park which has a set charge of £3 per day. This offers good value for money compared with other areas although there is no consistent charge for all stations. See below.

STATION/TOWN	DAILY	OFF PEAK	WEEKLY	MONTHLY
BROMSGROVE	£3	n/a	n/a	n/a
DROITWICH Station	FOC	n/a	n/a	n/a
DROITWICH (Union Lane)	£4.50	n/a	n/a	n/a
PERSHORE	FOC	n/a	n/a	n/a
EVESHAM	£3.80	n/a	£19.00	£67.00
WORCESTER (Shrub Hill)	£5.50	£5.50	£18.50	£45.00
BARNT GREEN	£2	£1	£6	£20
REDDITCH	£4.40	£2.60	£18.00	£45.00
KIDDERMINSTER	£3.50	£2.10	£14.00	£37.00

Bromsgrove station Car Park is full to capacity most of the working week – hence new car park being proposed as part of the new station project.

10.6 School Drive

This car park is used predominantly by users of the leisure centre. A refund is made to users on production of a Pay and Display ticket (tickets from these machines are double issue).

The money is reimbursed to the leisure centre by Bromsgrove Council which in the year 2012/2013 was approximately £54K resulting from approximately 5000 refunds per month of varying amounts.

10.7 Free car parks

Bromsgrove District Council currently has 3 free car parks Sanders Park Bromsgrove, Tanyard Lane Alvechurch and Golden Cross Lane Catshill it also manages the Alvechurch Sports and Social Club car park.

11. ON STREET PARKING – CIVIL PARKING ENFORCEMENT

Civil Parking Enforcement was introduced in the District of Bromsgrove on 30th May 2013. This has allowed a more consistent approach to traffic enforcement as staff are able to enforce both On-Street Traffic regulation orders and Off-Street parking areas owned by the District Council.

Since the introduction of CPE on 30th May 2013 the following numbers of tickets have been issued to vehicles (Penalty Charge Notices have replaced Excess Charge Notices Off Street)*.

During the warning period 30th May to 12th June 2013

On-Street	121 warning notices
Off-Street	16 warning notices

From 13th June 2013 until 30th September 2013

On-Street	757 Penalty Charge Notices
Off-Street	791 Penalty Charge Notices

*An Excess Charge Notice was £70 (£35 if paid within 14 days) and the Penalty Charge Notice is £50 (£25 if paid within 14 days)

A comment on the new enforcement has been obtained from Inspector Sharron Canning, Bromsgrove Safer Neighbourhood Inspector.

“Since the civil enforcement officers have taken over dealing with parking issues from the police and traffic wardens, they have been a positive addition for the community of Bromsgrove. Illegally parked vehicles often cause difficulties and road safety issues for other road users and members of the community and the civil enforcement officers have provided both information and enforcement where appropriate”.

*Inspector Sharron Cannings
Bromsgrove Safer Neighbourhood Inspector
Bromsgrove Police Station*

11.1 New Traffic Regulation Orders

Worcestershire County Council review existing Traffic Regulation Orders in relation to changes in legislation reviewing both usage and appropriateness of Orders. New Traffic Regulation Orders are introduced to meet traffic management needs due to more vehicular movements.

11.1.1 On-street disabled parking spaces within residential areas.

In addition to normal disabled bays located in the town Worcestershire County Council have introduced a policy that allows the provision of dedicated on-street parking spaces for disabled people outside their homes. Full information on this is set out within their Policy on ‘The provision of disabled parking spaces within residential areas. Whilst this policy does enable a designated space to be introduced outside an individual’s house use of the bay is not restricted to that individual which may cause some conflict.

Enforcement of these bays would be the responsibility of the Civil Enforcement Officers as above however these bays will be predominantly situated in residential areas which may have an impact on patrol times.

12. PRICE COMPARISONS

Please see table below (next page).

	Bromsgrove Long Stay	Bromsgrove Windsor St.	Redditch Kingfisher	Broadway	Evesham	Pershore	Droitwich	Worcester City	Solihull Touchwood	Halesowen	Stourbridge	Dudley	West Bromwich	Malvern Hills	Stratford Upon Avon DC	Coventry	Kidderminster	Stourport on Severn	Bewdley
30 mins	40p	50p		50p	50p	50p	50p	40p-60p						50p					
1 hour	80p	£1.00		£1	£1	£1	£1	60p/90p / £1.20		50p-60p	50p	50p-60p	80p	£1	Free-£1	0.30p - £1	90p	90p	90p
2 hours	£1.60	£2.00	£1.20	£2	£2	£2	£2	£1.20/£1.40/£1.60	£2.30	£1.20	£1	£1.20	£1.60		£2	0.70p - £1.80	£1.30	£1.30	£1.30
3 hours	£2.40		£2.50	£3	£3	£3	£3	£1.80/£2.70/£3.60	£3.10	£1.80	£1.50	£1.80	£2.40		£3	£1 - £2 - £2.30	£2.10 - £2.30	£2.10 - £2.30	£2.10 - £2.30
4 hours	£3.20		£2.50					£2.40/£3.60/£5.00	£4.00				£3.20 - £4	£2	£4	£2 - £2.50 - £3			
5 hours	£4/£5		£2.50						£5.60					£3		£3 - £5			
6 hours			£3					£3.00/£5.00/£7.50	£9.00							£6 - £8			
6-7 hours			£5.00																
9 hours															£6				
12 hours																			
Day Charge	£3/£5		£10	£4	£4	£4	£4		£11.00		£2.50								
Up to 24 hours								£3.50/£6.00/£10.00							£10		£3.60 - £4.60	£3.60 - £4.60	£3.60 - £4.60
Evenings	Normal Rate	Normal Rate	No Charge	No Charge	No Charge	No Charge	No Charge	Normal Rate	£1.50	£1	80p	£1	Normal Rate	£2	£2	50p	Normal Rate	Normal Rate	Normal Rate

13. CAR PARK DIRECTIONAL SIGNAGE

In the course of the inspection of the car parks consideration has been given to the direction signage to the car parks. This is thought to be unsatisfactory at the present time changes no doubt will occur within the town centre and the surrounding area as part of the redevelopment plans. Signage off the public highway is the responsibility of the highways authority.

While most of the car park users are “locals” and know where the car parks are they are not easy to find for new visitors to the town. Signage of the car parks and the opportunity to implement automated availability signage could be considered as part of town centre redevelopment work programme.

14. TARIFF BOARDS

These have been updated in May 2013 as part of the CPE process. They show clearly the tariffs, conditions of use and parking contravention details in accordance with the requirements of the Traffic Management Act 2004.

15. AVAILABLE PAYMENT OPTIONS

Bromsgrove operates two payment methods in different car parks these are Pay on Foot and Pay and Display In recent years a number of additional means of payment have emerged onto the market they are listed below.

15.1 - Pay on Foot –Recreation Road South and Churchfields Multi storey

This form of payment is particularly suited to larger car parks; it enables the motorist to pay on return to the car parks for the actual period of parking rather than to have to estimate the time required. It also provides additional security by the use of a barrier control at both the entrance and the exit to the car park. It eliminates the need for ticket checking element of enforcement but still needs patrol staff to deal with vehicles parked incorrectly in restricted bays and cases of obstruction.

However it is expensive to install and is generally only associated with very large car parks and shopping centres where staff are available during all the charging hours. Staff are required to be at hand to deal with barrier and machine problems as well as lost tickets.

15.2 - Pay and Display – Remainder of car parks

Pay and Display car parks have been the preferred method of paying for parking for many years and is well established in Britain. The payment machines are supplied by Metric based in Swindon. The machines are coin operated and have the alpha numeric keypad which requires the vehicle registration details to be entered this helps identify the purchaser to the vehicle and prevents passing of unexpired tickets onto other users.

15.3 - Chip and PIN

Chip and Pin is a standard credit and debit card payment facility, as is widely used in shops and restaurants. Customers would need to select and confirm the tariff that they require and then pay by inserting their credit or debit card into the machine and entering their PIN number.

To use this method of payment there would need to be upgrades undertaken on all Pay and Display machines with associated costs.

15.4 - Phone payments

An increasing number of Local Authorities and Train Operating Companies have installed payment by mobile phone technology in their car parks. It has a number of advantages to the operators of the car parks.

- Reduced cash collection
- Reduced machine maintenance
- No need for additional machines
- Enforcement is done with handhelds that are GPRS enabled.
- Eliminates ticket transfer.

However the customer is first required to register the vehicle with the company and provide payment details either debit or credit card.

Each car park will have a unique reference number provided on the signage and when calling the supplier the customer will provide that number and state the length of stay they wish to park – this will determine the fee payable.

In addition to the parking charge there is an additional fee payable to the operator which is normally 20p.

However this method of payment is not ideally suited to Bromsgrove as it is more appropriate in long stay car parks where the charges are greater.

16. COMPARISONS

A number of councils across the UK have implemented changes to their parking offer in an attempt to support the local economy.

Wychavon:

The Wychavon Council has introduced at various times cost cutting initiatives in the short stay car parks that correspond with various traffic schemes. These have been run in Pershore whilst the High Street was being redesigned along with the Evesham High Street development and now due to the Evesham Bridge Closure. The reduction in the rate from £1 per hour to 20p for 3 hours has not resulted in an increase in car park use and has therefore resulted in a considerable loss to the

authority. Fortunately as this is as a result of Bridge works undertaken by the county they will be reimbursing the council for monies lost.

Wychavon's reduction in long stay charges from £6 to £4 – increased use slightly but only just enough to offset the target income.

Trafford Metropolitan Borough Council:

This authority has been cited as one authority which has made significant changes to its parking policy. Trafford Council covers a number of towns to the south of Manchester including Altrincham, Hale and Stretford. Officers have visited Altrincham to gain a better understanding of the changes they adopted.

The Council recognised that its economy was struggling in the downturn and that its parking policies may be contributing to a loss of footfall to competing areas including out of town shopping centres and much larger urban areas. The Council decided to carry out a survey of local resident and businesses to seek their views on parking charges, capacity and enforcement.

The survey results suggested to the Council that parking charges were perceived to have a major impact on visitors so it decided to reduce charges for a trial period in an attempt to generate more footfall into the towns. Car parking prices varied in most car parks and there was a strong wish for consist charges to be made across all of the Councils car parks.

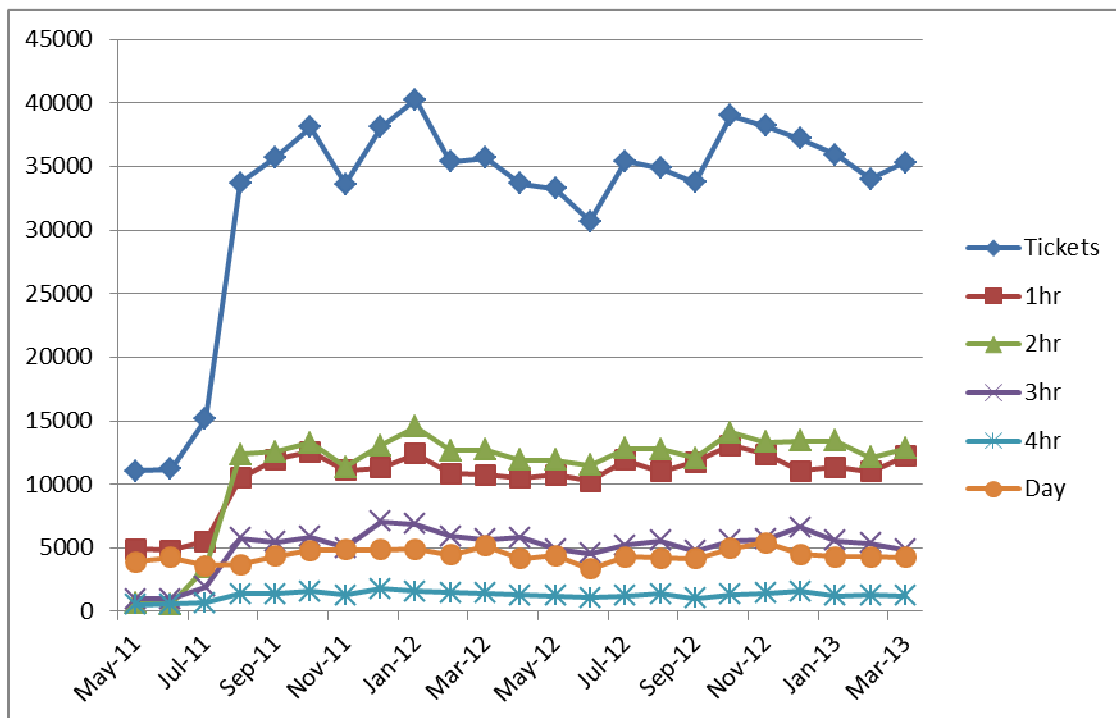
The Council reduced its parking charges on a number of occasions and has currently settled on 10p for 1 hour, 30p for 2 hours and 70p for 3 hours in all of its towns 6 days per week. Parking is free on Sundays. In 2009 the prices varied across the district but were £1.50 for 1hour, £2 for 2 hours and £3 for 3 hours in Altrincham, the largest town within the borough.

Altrincham's retail offer is significantly larger than Bromsgrove's and has a number of major retailers including House of Fraser, Debenhams, Next and Marks and Spencer, a large number of independent shops and a range of mid-range retailers. The town benefits from a large shopping centre in addition to the High Street and secondary retail areas and has a number of private sector operated car parks including a 700 space car park connected to the shopping centre. Unlike Bromsgrove where the Council is the dominant parking provider in Altrincham the Council provides less than a quarter of the off street parking.

The Councils Parking Manager and Town Centre Manager very kindly provided some further information about the impact of the revised parking charges including the car park usage figures set out below:

Altrincham Car Park usage figures

	Tickets	1hr	2hr	3hr	4hr	Day
May-11	11045	4926	683	993	549	3894
Jun-11	11202	4806	591	979	555	4271
Jul-11	15114	5495	3470	1917	652	3580
Aug-11	33704	10481	12337	5784	1386	3716
Sep-11	35699	11957	12541	5457	1384	4360
Oct-11	38074	12547	13280	5873	1568	4806
Nov-11	33589	11104	11375	4996	1265	4849
Dec-11	38108	11294	13072	7090	1776	4876
Jan-12	40260	12413	14524	6861	1561	4901
Feb-12	35392	10855	12673	5921	1474	4469
Mar-12	35678	10738	12701	5647	1456	5136
Apr-12	33636	10503	11889	5793	1282	4169
May-12	33241	10767	11927	4888	1236	4423
Jun-12	30694	10225	11504	4545	1063	3357
Jul-12	35427	11881	12817	5198	1242	4289
Aug-12	34860	11018	12760	5548	1357	4177
Sep-12	33745	11735	12032	4766	1044	4168
Oct-12	38988	13078	14084	5564	1314	4948
Nov-12	38183	12366	13315	5650	1433	5419
Dec-12	37168	11050	13421	6595	1607	4495
Jan-13	35901	11363	13434	5538	1249	4317
Feb-13	33997	10981	12089	5354	1284	4289
Mar-13	35315	12185	12804	4877	1209	4240



The impact of reducing the parking charges is clear to see with monthly P&D ticket sales rising from 11000 per month to an average of 35500 per month. The Council clearly obtained an increase in use of its car parks but the success of the scheme cannot be judged by this measure alone.

Reducing parking charges has resulted in a loss of income of between £250,000 and £500,000 per year for the Council (higher in the first year due to reduction in enforcement staff and start-up costs) and will have a 3 year cost of up to approximately £900,000.

The Council has had to fund this cost through other spending choices and use of other resources. The scheme is subject to review as part of this year's budget round as the initial funding was time limited.

Apart from the cost to the Council the impact of the scheme on the town is interesting. There is very little hard evidence of any increased spend in the towns businesses and they are unable to evidence that footfall has grown since the reduced rates were introduced. Officers were told that retailers were not prepared to comment on any increase in retail sales following the reduction in parking charges. However the economy has declined over that period so the reduced charges may have helped limit the decline to some degree. Other car park providers within the town have seen benefits to their income and usage over the same period as shoppers and visitors often find the Council car parks at a capacity and have to park elsewhere.

While Altrincham has clearly secured increased car park usage it must be questioned if the scheme has secured a return to the town or the Council to justify the expenditure. Sufficient information to carry out an assessment is not available and the cost of such a scheme will be too great for many authorities to consider.

If Bromsgrove were to adopt the Altrincham model on Recreation Road South car park based on the same car park usage rates obtained for 2012/13 the income would have been £153,207.00 compared with the actual figure that was £550,750.00 that would equate to a 72% reduction in car parking income. Transposing this percentage to the total income from parking for last year of £1,125,779.00 the authority could expect a loss of parking income in the region of £810,560.00. It is difficult to predict the increase in usage that a reduction in price might give however if we were to use the same percentage increase that Altrincham experienced then our income on Recreation Road South would have been reduced by £305,231.00 this is a 55% reduction which again transposed to all car parks would give an overall reduction of income of £619,178.00.

CABINET

4th December 2013

APRIL - SEPTEMBER (QUARTER 2) FINANCE MONITORING REPORT 2013 /14

Relevant Portfolio Holder	Cllr Roger Hollingworth
Relevant Head of Service	Jayne Pickering
Non-Key Decision	

1. SUMMARY OF PROPOSALS

To report to Cabinet on the Council's financial position for the period April - September 2013 (Quarter 2 – 2013 /14).

2. RECOMMENDATIONS

- 2.1 That Cabinet note the current financial position on Revenue and Capital as detailed in the report and service underspends be used to offset the savings requirements in Corporate Services.
- 2.2 That £32k be vired from Salaries to Other Local Authorities in Business Transformation to fund the Academy we are looking to implement with Stoke City Council. 50% of this will be recharged to Redditch Borough Council.

3. KEY ISSUES

- 3.1 This report provides details of the financial information across the Council. The aim is to ensure Officers and Members can make informed and considered judgement of the overall position of the Council.
- 3.2 A separate finance report for each department plus a council summary is shown on the following pages.

BROMSGROVE DISTRICT COUNCIL

CABINET

4th December 2013

Revenue Budget summary Quarter 2 (April – September) 2013 /14 – Overall Council

Service Head	Revised Budget 2013 /14 £'000	Budget April - Sept £'000	Actual Spend April – Sept £'000	Variance to date April - Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Environmental Services	3,962	1,285	1,269	-16	3,926	-36
Community Services	2,482	618	629	11	2,505	23
Leisure & Cultural Services	2,064	1,006	999	-7	2,053	-11
Planning & Regeneration	1,273	232	242	10	1,268	-5
BDC Regulatory Client	712	84	75	-9	698	-14
Customer Services	10	180	179	-1	13	3
Finance & Resources	838	327	283	-44	826	-12
Legal, Equalities & Democratic Services	1,327	373	350	-23	1,286	-41
Business Transformation	68	712	662	-50	-8	-76
Corporate Services	1,665	943	982	39	1,892	227
SERVICE TOTAL	14,401	5,760	5,670	-90	14,459	58
Interest Payable	75	37	0	-37	0	-75
Interest on Investments	-67	-33	-35	-2	-67	0
COUNCIL SUMMARY	14,409	5,764	5,635	-129	14,392	-17

Financial Commentary:

- Corporate Services – this budget includes the impact of expected vacancy management and transformation savings not yet allocated to specific service areas. As savings are identified they will be offset against the corporate services provision reducing the year to date and projected overspend for this service.
- A saving of £17K is currently predicted at the end of year compared with the initial budget set by Members in February 2013. Therefore it is assumed the Council will realise all vacancy and unidentified savings.
- Any underspend will be returned to balances to support future year expenditure.

BROMSGROVE DISTRICT COUNCIL

CABINET

4th December 2013

Capital Budget summary Quarter 2 (April - September) 2013 /14 – Overall Council

Department	Revised Budget 2013 /14 £'000	Budget April – Sept £'000	Actual spend April – Sept £'000	Variance to date April – Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Environmental Services	1,779	444	435	-9	1,779	0
Community Services	1,011	189	189	0	1,011	0
Leisure & Cultural Services	1,138	217	218	1	1,138	0
Planning and Regeneration	4,103	10	17	7	4,110	7
BDC Regulatory Client	56	3	3	0	56	0
Financial Services	25	25	25	0	25	0
Business Transformation	34	9	11	2	34	0
TOTAL	8,146	897	898	1	8,153	7

Financial Commentary:

- North Cemetery Phase 2 – discussions taking place with designers on this scheme. It is hoped that officers will be able to give timescales for work to commence at the 3rd quarter report.
- Within Business Transformation requirements for members and the Microsoft Office Project are currently under review.

BROMSGROVE DISTRICT COUNCIL

CABINET

4th December 2013

Environmental Services	Quarter 2 (April - September) 2013 /14
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Revenue Budget summary Quarter 2 (April – September) 2013 /14 – Environmental Services

Service Head	Revised Budget 2013 /14 £'000	Profiled Budget April - Sept £'000	Actual Spend April - Sep £'000	Variance to date April - Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Car Parks/Civil Parking Enforcement	-495	-316	-316	0	-484	11
Cemeteries/ Crematorium	89	19	18	-1	88	-1
Cesspools/ Sewers	-92	-56	-37	19	-54	38
CMT	0	25	25	0	0	0
Depot	21	360	334	-26	-36	-57
Grounds Maintenance	631	208	201	-7	619	-12
Highways	244	70	48	-22	205	-39
Refuse & Recycling	2,269	568	588	20	2,284	15
Street Cleansing	1,251	378	385	7	1,264	13
Transport	-48	-20	-18	2	-40	8
Waste Management Policy	-5	-2	-3	-1	-6	-1
Climate Change	48	24	18	-6	37	-11
Land Drainage	49	27	26	-1	49	0
TOTAL	3,962	1,285	1,269	-16	3,926	-36

Financial Commentary:

- The increase in Cesspools is mainly due to additional cesspool emptying at Frankley pumping station.
- A receipt of £17K for solar electricity payments and a vacant post within the Depot accounts for the majority of the £57k underspend.
- Route optimisation is now in place and savings have been identified to deliver the predicted savings for 2013/14.

CABINET

4th December 2013

**Capital Budget summary Quarter 2 (April – September) 2013 /14
Environmental Services**

Service	Revised Budget 2013 /14 £'000	Budget April - Sept £'000	Actual Spend April – Sept £'000	Variance to date April – Sept £'000	Projecte d Outturn 2013/14 £'000	Projecte d Variance 2013/14 £'000
Depot Site Security	46	22	22	0	46	0
Vehicle & Equipment replacement programme	785	347	350	3	1,303	0
Rollout Bins – Round Extension	150	50	38	-12	150	0
North Cemetery Phase 2	179	0	0	0	179	0
Cemetery Toilets	23	1	1	0	23	0
Bromsgrove Monument – Armed Forces Monument	20	20	19	-1	19	-1
CPE (Civil Parking Enforcement)	4	4	5	1	5	1
Flooding Mitigation Measures	54	0	0	0	54	0
TOTAL	1,261	444	435	-9	1,779	0

Financial Commentary:

- North Cemetery Phase 2 – this is due to start this year, meeting with designers to take place.
- In relation to the Cemetery toilets – the 3rd quarter report will include the financial implications resulting from the decision Members made.
- Flooding Mitigation Measures – essential grille replacement works to be carried out under the Wyre Forest hosted SLA. Wyre Forest awaiting quotations for the works to be carried out.

BROMSGROVE DISTRICT COUNCIL

CABINET

4th December 2013

**Revenue Budget summary Quarter 2 (April – September) 2013 /14 –
Community Services**

Service Head	Revised Budget 2013 /14 £'000	Profiled Budget April - Sept £'000	Actual Spend April – Sept £'000	Variance to date April - Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Housing Strategy	1,902	466	486	20	1,921	19
Community Safety & Transport	550	203	197	-6	556	6
Community Cohesion	30	-51	-54	-3	28	-2
TOTAL	2,482	618	629	11	2,505	23
Financial Commentary:						

Capital Budget summary Quarter 2 (April – September) 2013 /14 – Community Services

Service	Revised Budget 2013/14 £'000	Budget April – Sept £'000	Actual Spend April – Sept £'000	Variance to date April – Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Strategic Housing	1,002	180	180	0	1,002	0
New Start Van	9	9	9	0	9	0
TOTAL	1,011	189	189	0	1,011	0
Financial Commentary:						
<ul style="list-style-type: none">• Expenditure is expected within the forthcoming quarters.						

Revenue Budget summary Quarter 2 (April – September) 2013 /14 – Leisure and Cultural Services

Service Head	Revised Budget 2013 /14 £'000	Profiled Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date April - Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Business Develop	99	407	407	0	99	0
Cultural Services	337	143	142	-1	333	-4
Leisure & Cultural Manage.	-14	24	24	0	-14	0
Parks & Open Spaces	468	77	76	-1	466	-2
Sports Services	1,174	355	350	-5	1,169	-5
TOTAL	2,064	1,006	999	-7	2,053	-11

Financial Commentary:

- The underspend within Sports Services is due to the following reasons:
 - The budget for the Dolphin Centre payment to the Trust is higher than the agreed amount for 13/14.
 - There is a saving on casual staff within the Sports Development budget. Officers will be meeting in Quarter 3 to identify if/where the budget is required.

CABINET

4th December 2013

Capital Budget summary Quarter 2 (April – September) 2013 /14 – Leisure and Cultural Services

Service	Revised Budget 2013 /14 £'000	Budget April – Sept £'000	Actual Spend April – Sept £'000	Variance to date April – Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Sports Facilities	468	105	105	0	468	0
Play Areas	615	72	70	-2	614	-1
Other Schemes	55	40	43	3	56	1
TOTAL	1,138	217	218	1	1,138	0

Financial Commentary:

- Budgets have been profiled based on when expenditure is due to take place. Officers have advised that all schemes are scheduled to take place before the end of the financial year.

Planning and Regeneration	Quarter 2 (April - September) 2013 /14
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Revenue Budget summary Quarter 2 (April – September) 2013 /14 – Planning and Regeneration

Service Head	Revised Budget 2013 /14 £'000	Profiled Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date April - Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Building Control	-5	-64	-64	0	-18	-13
Development Control	518	28	44	16	530	12
Strategic Planning	470	172	163	-9	458	-11
Economic & Tourism Development	231	63	62	-1	226	-6
Emergency Planning	13	6	9	3	18	5
Town Centre Development	46	27	28	1	54	8
TOTAL	1,273	232	242	10	1,268	-5

Financial Commentary:

- Strategic Planning received reimbursement of underspent contribution to WCC for Community Infrastructure Levy work.
- Development Control had a number of vacancies which were covered by agency staff until new staff were appointed .
- There is an increase in consultant's fees due to the receipt of complex planning application.
- There is a half year salary saving for Building Control of a vacant post which is being recruited to.

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4th December 2013

Capital Budget summary Quarter 2(April – September) 2013 /14 – Planning and Regeneration

Service	Revised Budget 2013 /14 £'000	Budget April – Sept £'000	Actual Spend April – Sept £'000	Variance to date April – Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Town Centre Development - Project Management	54	0	0	0	54	0
Town Centre Development – Public Realm	419	10	10	0	419	0
Parkside School - New Offices	3,630	0	0	0	3,630	0
Sale of Council House	-	-	2	2	2	2
Market Hall Development	-	-	5	5	5	5
Recreation Road Disposal	-	-	0	-	-	-
TOTAL	4,103	10	17	7	4,110	7

Financial Commentary:

- Town Centre Development – Public Realm works to be carried out by WCC before our work can commence. Also there is a Cabinet report dated the 6 November 2013 requesting a revision to the capital programme however this has not been reflected in this report as it is not yet approved.
- Parkside redevelopment – awaiting final profile of spend.

Worcestershire Regulatory Services – BDC Client	Quarter 2 (April - September) 2013 /14
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**Revenue Budget summary Quarter 2 (April – September) 2013 /14 –
Regulatory Client**

Service Head	Revised Budget 2013 /14 £'000	Profiled Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date April - Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Environmental Health	894	190	179	-11	878	-16
Licensing	-182	-106	-104	2	-180	2
TOTAL	712	84	75	-9	698	-14
Financial Commentary: <ul style="list-style-type: none">• Environmental Health transferred to Regulatory Services.						

CABINET

4th December 2013

Worcestershire Regulatory Services – BDC Client	Quarter 2 (April - September) 2013 /14
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Capital Budget summary Quarter 2 (April – September) 2013 /14 – Regulatory Services

Service	Revised Budget 2013 /14 £'000	Budget April – Sept £'000	Actual Spend April – Sept £'000	Variance to date April – Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Worcestershire Enhanced Two Tier Programme (WETT)	56	3	3	0	56	0
TOTAL	56	3	3	0	56	0

Financial Commentary:

- The expenditure is jointly funded by all partners in accordance with the business case. The budget for 13/14 is £503k, BDC share at 11.05% being £56k.

Customer Services	Quarter 2 (April - September) 2013 /14
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Revenue Budget summary Quarter 2 (April – September) 2013 /14 – Customer Services

Service Head	Revised Budget 2013 /14 £'000	Profiled Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date April - Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Customer Services	10	180	179	-1	13	3
TOTAL	10	180	179	-1	13	3

Financial Commentary:

There are no significant variances to report at this stage.

Finance and Resources	Quarter 2 (April - September) 2013 /14
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Revenue Budget summary Quarter 2 (April – September) 2013 /14 – Finance and Resources

Service Head	Revised Budget 2013 /14 £'000	Profiled Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date April - Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Accounts & Financial Mgmt	11	229	229	0	11	0
Central Overheads	0	30	30	0	0	0
CMT	0	25	25	0	0	0
Human Resources & Welfare	5	147	104	-43	-7	-12
Revenues & Benefits	822	-104	-105	-1	822	0
TOTAL	838	327	283	-44	826	-12

Financial Commentary:

- There is an under spend on Corporate Training in this quarter as Human Resources have been having meetings with departments to establish requirements. There is expenditure in other departments of £12k to offset this underspend.

Capital Budget summary Quarter 2 (April – September) 2013 /14 – Finance and Resources

Service	Revised Budget 2013 /14 £'000	Budget April – Sept £'000	Actual Spend April – Sept £'000	Variance to date April – Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Income Management PCI Compliance	25	25	25	0	25	0
TOTAL	25	25	25	0	25	0

Financial Commentary:

- No variances.

Legal, Equalities and Democratic Services	Quarter 2 (April - September) 2013 /14
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Revenue Budget summary Quarter 2 (April – September) 2013 /14 – Legal, Equalities and Democratic Services

Service Head	Revised Budget 2013 /14 £'000	Profiled Budget April – Sept £'000	Actual Spend April - Sept £'000	Variance to date April - Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
CMT	0	23	23	0	0	0
Democratic Services & Member Support	1,166	231	200	-31	1,130	-36
Elections & Electoral Services	204	41	40	-1	207	3
Legal Advice & Services	7	121	123	2	-1	-8
Land Charges	-50	-43	-36	7	-50	0
TOTAL	1,327	373	350	-23	1,286	-41

Financial Commentary:

- Legal, Equalities & Democratic Services – £24k of savings are due to vacant posts in Democratic Services and also an underspend from the Members Services and their training budget.

Business Transformation	Quarter 2 (April - September) 2013 /14
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Revenue Budget summary Quarter 2 (April – September) 2013 /14 – Business Transformation

Service Head	Revised Budget 2013 /14 £'000	Profiled Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date April - Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
IT Services	57	643	608	-35	10	-48
Business Transformation	0	15	14	-1	-22	-22
Policy & Performance	11	54	40	-14	5	-6
TOTAL	68	712	662	50	-7	-76

Financial Commentary:

- The underspend within IT Services is due to vacancies within the department and re-negotiation of software contracts. Further potential savings have been identified however, subject to approval, these will be utilised to finance the system upgrades necessary for the Council to attain PSN compliance.
- The underspend within Business Transformation is due to vacancies within the department.
- A virement of £32k from Salaries is requested to Other Local Authorities to pay for Transformation Academy from Stoke City Council. 50% of this will be recharged to Redditch Borough Council.

CABINET

4th December 2013

Capital Budget summary Quarter 2 (April – September) 2013 /14 Business Transformation

Service Head	Revised Budget 2013 /14 £'000	Profiled Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date April - Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Member ICT Facilities	9	0	0	0	9	0
Sunray Devices	9	9	11	2	9	0
ESX Services	16	0	0	0	16	0
TOTAL	34	9	11	2	34	0
Financial Commentary:						
<ul style="list-style-type: none"> • Member ICT Facilities are currently being reviewed. • ESX servers are part of the Office project which is currently under review. 						

Revenue Budget summary Quarter 2 (April – September) 2013 /14 – Corporate Services

Service Head	Revised Budget 2013 /14 £'000	Profiled Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date April - Sept £'000	Projected Outturn 2013/14 £'000	Projected Variance 2013/14 £'000
Corporate Resources	1,584	763	822	59	1,816	232
Corporate Admin / Central Post / Printing	81	180	160	-20	76	-5
TOTAL	1,665	943	982	39	1,892	227
Financial Commentary:						
<ul style="list-style-type: none"> • The underspend within Corporate Admin, Central Post and Printing is related to vacant posts within the department, these have now been filled. • The overspend within Corporate Resources is due to the corporate vacancy management provision and unidentified savings which is offset by vacancy underspends in other departments. 						

4. TREASURY MANAGEMENT

- 4.1 The Council's Treasury Management Strategy has been developed in accordance with the Prudential Code for Capital Finance prudential indicators and is used to manage risks arising from financial instruments. Additionally Treasury Management practices are followed on a day to day basis.
- 4.2 The Council receives credit rating details from its Treasury Management advisers on a daily basis and any counterparty falling below the criteria is removed from the list of approved institutions.
- 4.3 Due to market conditions the Council has reduced its credit risk for all new investments by only investing in the highest rated instruments and has shortened the allowable length of investments in order to reduce risk.
- 4.4 At 30th September short term investments comprised:

	31st March 2013 £000	30th September 2013 £000
Deposits with Banks/Building Societies	10,800	15,000
Total	10,800	15,000

Income from investments and other interest

- 4.5 An investment income target of £67k has been set for 2013 /14 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.
- 4.6 In the 6 months to 30 September the Council received income from investments of £33k.

REVENUE BALANCES

4.7 Revenue Balances

The revenue balances brought forward at 1 April 2013 were £3.093m. Excluding the impact of any projected over or under spends it is anticipated that £97k will be transferred from balances during 2013 /14 to fund revenue expenditure; giving a current projected balance at 31 March 2013 of £2.996m.

Legal Implications

None.

Service/Operational Implications

All included in financial implications.

Customer / Equalities and Diversity Implications

None, as a direct result of this report.

5. RISK MANAGEMENT

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

6. APPENDICES

None.

7. BACKGROUND PAPERS

Available from Financial Services.

AUTHORS OF REPORT

Name: Sam Morgan – Financial Services Manager
Email: sam.morgan@bromsgroveandredditch.gov.uk
Tel: (01527) 549130 ext 3790

Name: Siobhan Moss – Principal Accountant
Email: s.moss@bromsgroveandredditch.gov.uk
Tel: (01527) 881467

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CABINET

4th December 2013

GRANT THORNTON – REVIEW OF FINANCIAL RESILIENCE

Relevant Portfolio Holder	Councillor Hollingworth
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering – Executive Director, Finance and Resources
Wards Affected	All

1. SUMMARY OF PROPOSALS

- 1.1 The attached report is from the Councils External Auditors, Grant Thornton and presents their review of the financial resilience of the Council.

2. RECOMMENDATIONS

Members are requested to consider the review of Financial Resilience and note the actions to be undertaken by the Council.

3. KEY ISSUES

- 3.1. The work undertaken by Grant Thornton in their Value for Money (VfM) conclusion includes a review to determine if the Council has proper arrangements in place for securing financial resilience. The review is attached at Appendix 1 and considers the following aspects of financial resilience with a judgement made in relation to each element:

Area	Judgement
Key indicators of financial performance	Arrangements meet or exceed adequate standards
Approach to strategic financial planning	Arrangements meet or exceed adequate standards
Approach to financial governance	Potential risks and/or weaknesses.
Approach to financial control.	Arrangements meet or exceed adequate standards

- 3.2 It is considered that the majority of the financial framework that the Council has in place is robust. The approach to financial governance has been reviewed and there are a number of improvements that have been identified. The report highlights some areas where arrangements can be improved as detailed at 3.4, however the External Auditors overall opinion is that the Council has made considerable changes in recent years, with the aim to focus on delivering Council priorities whilst seeking to minimise underlying costs. In addition it is considered that the Council

CABINET

4th December 2013

currently has a relatively good level of general fund balances which have increased year on year, providing a buffer which is important with reducing central government grants.

3.3 There were 2 main concerns from Grant Thornton within the report that relate to the following:

- Significant variation to budget in the last quarter of the year
- Lack of monitoring of savings identified

The finance team is working with officers and budget holders with the aim to improve financial forecasting to ensure that a more accurate financial position is estimated for 2013/14. In addition the financial monitoring reports are more detailed than in previous years.

3.4 The action points are included in the table below and are being addressed by the Management Team;

Area	Action
Key indicators of financial performance	None Specified
Approach to strategic financial planning	Ensure that the plans for the 14/15 budget make explicit links between the new strategic purposes and decisions over budget allocation and savings. Clearer forward plans should be in place around assets and workforce to underpin the MTFP
Approach to financial governance	Improve managers' budget management skills to enable more effective forecasting of the projected financial position
Approach to financial control.	Ensure that in year reporting includes review of savings plans Risk management to be embedded in day to day procedures and corporate risks should be routinely reported.

Financial Implications

3.5 The Council has significant financial pressures to face in the future. By ensuring a sound and robust financial framework is in place these pressures can be managed and addressed in a considered and planned manner.

Legal Implications

CABINET

4th December 2013

- 3.6 The robust financial management of the organisation enables the Council to meet its legal responsibilities in relation to statutory compliance with accounting policies and procedures.

Service / Operational Implications

- 3.7 The financial framework ensures that managers can deliver services with appropriate financial budgets and regular and accurate financial monitoring prevents any unknown variances to budget.

Customer / Equalities and Diversity Implications

- 3.8. No direct implications.

4. RISK MANAGEMENT

The financial framework and associated risks are included in the corporate risk register and are managed by the Executive Director of Finance and Resources on a regular basis.

5. APPENDICES

Appendix 1 – Grant Thornton Review of Financial Resilience

AUTHORS OF REPORT

Name: Jayne Pickering Executive Director Finance & Resources
E Mail: j.pickering@bromsgroveandredditch.gov.uk
Tel: (01527) 881400

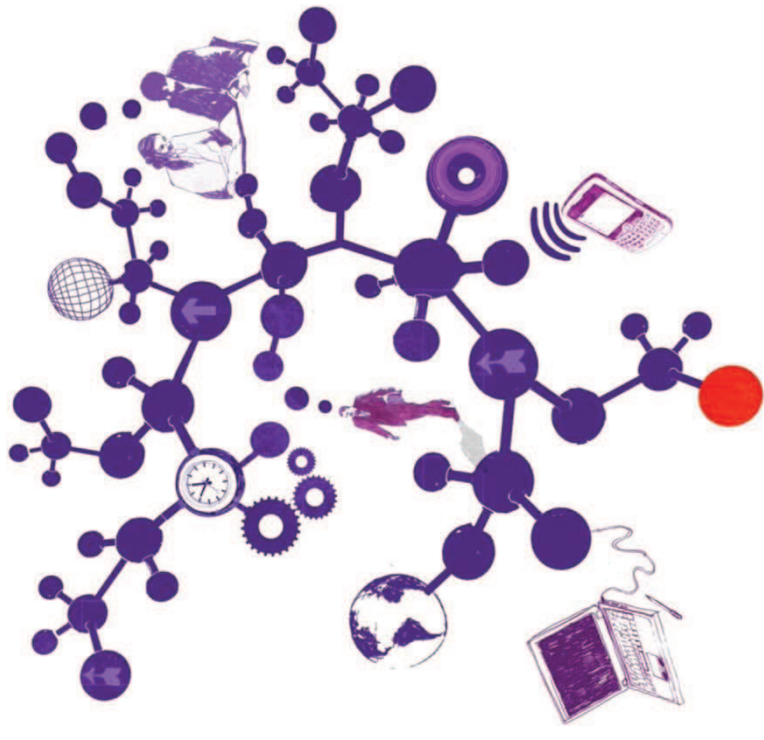
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Review of the Council's Arrangements for Securing Financial Resilience for Bromsgrove District Council

Year ended 31 March 2013

October 2013
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Phil Jones
Engagement Lead
T 0121 232 5232
E phil.w.jones@uk.gt.com

Zoe Thomas
Manager
T 0121 232 5277
E zoe.thomas@uk.gt.com

The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Council or any weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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Appendix - Key indicators of financial performance

Executive Summary

Our approach

Value for Money Conclusion

Our work supporting our Value for Money (VfM) conclusion, as part of the statutory external audit, includes a review to determine if the Council has proper arrangements in place for securing financial resilience.

In so doing we have considered whether the Council has robust financial systems and processes in place to manage its financial risks and opportunities, and to secure a stable financial position that enables it to continue to operate for the foreseeable future. We have carried out our work in discussion and agreement with officers and completed it in such a way as to minimise disruption to them. The definition of foreseeable future for the purposes of this financial resilience review is 12 months from the date of this report.

We have reviewed the financial resilience of the Council by looking at:

- Key indicators of financial performance;
- Its approach to strategic financial planning;
- Its approach to financial governance; and
- Its approach to financial control.

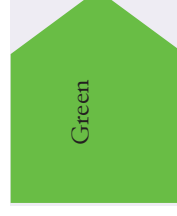
Further detail on each of these areas is provided in the sections of the report that follow.

Our overall conclusion is that the Council is financially resilient for the foreseeable future.

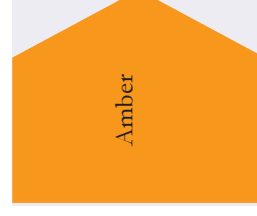
This report highlights some areas where arrangements can be improved. However the overall picture is that Bromsgrove Council has made considerable changes in recent years, with the aim to focus on delivering Council priorities whilst seeking to minimise underlying costs.

The Council currently has a relatively good level of general fund balances. These have increased year on year, providing a buffer which is important with reducing central government grants. The Council has identified a need to make considerable savings over the medium term in order to achieve balanced budgets.

We have used a red/amber/green (RAG) rating with the following definitions.



Arrangements meet or exceed adequate standards. Adequate arrangements identified and key characteristics of good practice appear to be in place.



Potential risks and/or weaknesses. Adequate arrangements and characteristics are in place in some respects, but not all. Evidence that the Council is taking forward areas where arrangements need to be strengthened.



High risk: The Council's arrangements are generally inadequate or may have a high risk of not succeeding.

Executive Summary

National and Local Context

National Context

The Chancellor of the Exchequer announced the current Spending Review (SR10) to Parliament on 20 October 2010. SR10 represented the largest reductions in public spending since the 1920s. Revenue funding to local government was to reduce by 19% by 2014-15 (excluding schools, fire and police). After allowing for inflation, this equates to a 28% reduction in real terms with local government facing some of the largest cuts in the public sector. In addition, local government funding reductions were frontloaded, with 8% cash reductions in 2011-12. This followed a period of sustained growth in local government spending, which increased by 45% during the period 1997 to 2007.

The Chancellor of the Exchequer, in his Autumn Statement in November 2011, announced further public spending reductions of 0.9% in real terms in both 2015-16 and 2016-17. In his Autumn Statement on 5 December 2012, the Chancellor reinforced austerity measures announcing a further £6.6bn of savings during 2013-14 and 2014-15. Whilst health and schools will be continue to be protected in line with the Government's policy set out in SR10, local government will continue to face significant funding reductions. The Department for Communities and Local Government will contribute £470m of these additional savings, £445m of which will come from local authority funding during 2014-15, with local authorities being exempt from additional savings in 2013-14. In his March 2013 Budget the Chancellor announced further departmental 1% savings during each of 2013-14 and 2014-15. The NHS and schools remain protected, but police and local government will need to find an additional 0.5% over both years.

The next spending round period, 2015-16, was announced by the Chancellor on 26 June 2013. Local government will face a further 10% funding reduction for this period.

These funding reductions come at a time when demographic and recession based factors are increasing demand for some services, and there is a decreasing demand for some services, such as car parking, where customers pay a fee or charge.

Financial austerity is expected to continue until at least 2017.

Local Context





In Bromsgrove between 2009 and 2015 the impact of the reduction in government grant reflects a 46% cut in funding cumulatively. Localising of business rates also transfers risk from central to local government. The Council has opted to work with the Greater Birmingham and Solihull cluster for pooling of business rates.

In common with other councils, there has been a fall in income from fees and charges and this income is likely to remain depressed until the economy improves. The Council has also had a freeze in council tax over the last 2 years.

The Council has needed to make some changes to the way that it operates to reduce costs. The focus of this has been to reduce management and back office costs through sharing services. It is likely that the Council may have to make some difficult decisions if underlying costs are to be reduced further.

Executive Summary

Overview of Arrangements

Risk area	Summary observations	High level risk assessment
Key Indicators of Performance	Council performance is not significantly out of line with its nearest neighbours group	 Green
Strategic Financial Planning	In common with other councils, there are gaps in the medium term financial plan from 2014/15 that have yet to be addressed. The level of usable balances and the council track record in achieving budget surplus provides us with some confidence of financial resilience.	 Green
Financial Governance	Members and officers are clear about the financial environment in which they operate. Budgets are appropriately delegated and budget holders are supported by accountants. For the last 2 years the council has had significant unplanned underspends in its revenue and capital budgets.	 Amber
Financial Control	The council has appropriate staffing and procedures to ensure there is appropriate financial control. There are plans to more effectively report performance against savings plans and to improve risk management.	 Green

Executive Summary

Next Steps

Area of review	Key points for consideration	Responsibility	Timescale	Management response
Key Indicators of Performance	No specific matters arising	n/a	n/a	n/a
Strategic Financial Planning	Ensure that the plans for the 14/15 budget make explicit links between the new strategic purposes and decisions over budget allocation and savings. Clearer forward plans should be in place around assets and workforce to underpin the MTFFP	Cabinet and Executive team	By Feb 2014	
Financial Governance	Improve managers' budget management skills to enable more effective forecasting of the projected financial position	Director of finance Cabinet	By Dec 13	
Financial Control	Ensure that in year reporting includes review of savings plans Risk management to be embedded in day to day procedures and corporate risks should be routinely reported.	Q1 reports Executive	on-going	

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Appendix - Key indicators of financial performance

Key Indicators

Introduction

This section of the report includes analysis of key indicators of financial performance, benchmarked where this data is available. These indicators include:





- Working capital ratio
- Sickness absence levels
- Out-turn against budget
- Useable Reserves: Gross Revenue Expenditure

We have used the Audit Commission's nearest neighbours benchmarking group comprising the following authorities:

Wychavon District Council
Tewkesbury Borough Council
Stroud District Council
Stafford Borough Council
South Staffordshire Council
Selby District Council
Rushcliffe Borough Council
Rugby Borough Council
Malden District Council
Litchfield District Council
Hinckley and Bosworth Borough Council
High Peak Borough Council
Harborough District Council
Babergh District Council
Ashford Borough Council

Key Indicators

Overview of performance

Area of focus	Summary observations	Assessment
Liquidity	<p>The working capital ratio provides an indication of whether the Council has enough current assets to cover its immediate liabilities. For the nearest neighbours group this ranged from 0.75 to 9. Bromsgrove at 2.4 is to the lower end of the range, although the position has improved slightly in 2012/13. Over 55% of the council's debt relate to other local authorities and central government and therefore are relatively low risk. The Ratio for Bromsgrove is reasonable and does not put the Council at significant risk.</p> <p>Around 60% of the council's income comes from central government grants, of which over 80% is in relation to housing benefits. The proportion of income raised from council tax and local fees and charges has risen slightly year on year.</p>	 Green
Workforce	<p>Bromsgrove's sickness days are monitored routinely. Whilst there are some discrepancies between departments, Bromsgrove compares well to the local authority and public sector average of days lost through sickness</p>	 Green
Performance Against Budgets: revenue & capital	<p>In 2012/13 the council had a reasonably large underspend against both its revenue and capital budgets. The 2012/13 capital programme was £3.6m but the out-turn was £1.3m, due to some planned and some unplanned slippage in the programme. The revenue budget underspent by £0.6m this year, and £1.045m the previous year. This has meant that general fund balances have increased by over £1m since 31/3/11 which increases financial resilience in a period of uncertain funding. However, it does highlight some concerns over the Council's budgeting and financial monitoring procedures – particularly when at quarter 3 the council was still predicting to meet its target.</p>	 Amber
Reserve Balances	<p>The Council has set a minimum level of GF balances at £1m and as indicated above, the Council is some way from that balance. Over the next two years, the council is planning to make significant recurring savings and has no immediate plans to use general fund balances to support expenditure. The Council has insufficient capital balances to meet its capital programme and thus it is planned that the Council will borrow should the large capital schemes proceed. The costs of borrowing are estimated within the programme. The graph showing usable balances relative to GF expenditure shows that the council is broadly the median of its nearest neighbours.</p>	 Green

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Appendix - Key indicators of financial performance

Strategic Financial Planning

Key characteristics of good strategic financial planning

In conducting our review of strategic financial planning we have assessed the Council's performance against the following indicators:

- Focus on achievement of corporate priorities is evident through the financial planning process. The MTFP focuses resources on priorities.
- The MTFP includes outcome measures, scenario planning, benchmarking, resource planning and details on partnership working. Targets have been set for future periods in respect of reserve balances, prudential indicators etc.
- Annual financial plans follow the longer term financial strategy.
- There is regular review of the MTFP and the assumptions made within it. The Council responds to changing circumstances and manages its financial risks.
- The Council has performed stress testing on its model using a range of economic assumptions including CSR.
- The MTFP is linked to and is consistent with other key strategies, including workforce.
- KPIs can be derived for future periods from the information included within the MTFP.

Strategic Financial Planning

Medium Term Financial Strategy

Area of focus

Summary observations

Assessment

Focus of the MTFP

Within the MTFP, the Council has made assumptions about funding levels, both in relation to the main central government grants but also other grants e.g. council tax freeze grant. Assumptions are made as expected around inflation costs, utility bills and staff pay. Detail behind the budget includes assessment of unavoidable costs (including estimates for reduction in income) and areas where there are planned reductions in costs. The revenue budget and MTFP includes assumptions around the impact of capital projects and investments, for example the additional borrowing costs should the capital programme proceed as planned. The high level assumptions are outlined in the budget setting report and the detailed assumptions are contained in the supporting MTFP spread sheet. The assumptions made in the 2013/14 plan, that impact on the 2014/15 and beyond are rolled forward to identify the funding gaps. The MTFP is reviewed and updated annually as part of the budget setting process



Green

Adequacy of planning assumptions

The planning assumptions are reasonable overall. National indicators supplemented by local knowledge and history inform the major forecasting assumptions. benchmarking is not widely used as this has not been found to be helpful in the past. The Council has not routinely produced corporate strategic documents such as asset management, or workforce plans. The Council has reviewed its strategic purposes and has published a new council plan in July 2013 and this is clearly not yet keyed into the budget setting process and so there is a disconnection between the budget and published council plan.



Amber

The Council has recently restated its intention to sell the Bromsgrove council offices and many staff will relocate to Redditch and a new smaller office built in Bromsgrove. This will have significant revenue and capital implications and there has been no scenario planning for this yet, although some financial reports do make some estimates of receipts and costs.

The Council has yet to fully identify all the savings required in the MTFP. This position is relatively common for local authorities and the Council has large levels of balances, however this does provide the Council with risk and is therefore reflected as an amber assessment



Scope of the MTFP and links to annual planning

As outlined above, the council does not produce a formal workforce or estates plan. Clearly there is on-going planning work and development in both these areas which are routinely reflected in reports to management and reflected as far as possible in budgets. The Council reviews its staffing fairly regularly as there are changes arising from service reviews - for example the shared services reviews all start with a business case that outlines the planned staffing structure in the shared service. We would expect that for the 2014/15 planning cycle there would be a clearer link between strategic purposes and the council plan and the budget setting decisions.



Green

Strategic Financial Planning

Area of focus	Summary observations	Assessment
Review processes	The medium term financial plan is reviewed annually as part of the budget setting process. It is reported to members routinely throughout the year highlighting changes in budget assumptions and the forward impact of these.	 Green
Responsiveness of the Plan	As outlined in the following sections of this review - whilst the budget assumptions and forecast outturn are updated quarterly, the Council did not accurately forecast the expected outturn for the few years. This suggests that the responsiveness of the plan to both outturn of the previous year and changes in information and assumptions during the year could be improved. The Council is going through transformation reviews and extending shared service arrangements, the financial consequences of which may be difficult to predict or measure and may not be accurately reflected in forward plans. There is little year end evaluation of what has been saved through planned service changes and what has been saved through general efficiency savings or one off savings or receipts.	 Amber

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Appendix - Key indicators of financial performance

Financial Governance

Key characteristics of effective financial governance

In conducting our review of financial governance we have assessed the Council's performance against the following indicators:

Understanding

- There is a clear understanding of the financial environment the Council is operating within:
 - Regular reporting to Members. Reports include detail of action planning and variance analysis etc.
 - Actions have been taken to address key risk areas.
 - Officers and managers understand the financial implications of current and alternative policies, programmes and activities.

Engagement



- There is engagement with stakeholders including budget consultations.

Monitoring and review

- There are comprehensive policies and procedures in place for Members, Officers and budget holders which clearly outline responsibilities.
- Number of internal and external recommendations overdue for implementation.
- Committees and Cabinet regularly review performance and it is subject to appropriate levels of scrutiny.
- There are effective recovery plans in place (if required).

Financial Governance

Understanding and engagement

Area of focus	Summary observations	Assessment
Understanding the Financial Environment	<p>Cabinet members are likely to be aware of the relevant financial matters both through budget reporting but also taking into account their portfolio responsibilities. There is clarity around budget and other responsibilities for members and officers. The Council is relatively small and key members are fully engaged, thus Cabinet members are likely to be aware of the key matters in the current and future years that will impact on council finances.</p> <p>Some reporting is through the shared services board (joint with Redditch) but the matters from these meetings are reported back and the papers are available.</p> <p>The Council does not have any on-going legal challenges that provide uncertainty around future liabilities.</p>	 Green
Executive and Member Engagement	<p>Directors, including the S151, along with members of the Cabinet appear to all be important players in the Council's decision making arrangements. Officers appear to be relatively well informed both through non financial reporting and through up to date on-line financial information. Key members are appropriately supported by officers.</p> <p>Key members and the Chief Executive appear to have appropriate status to provide effective challenge and to provide leadership. All are involved in discussions around the budget setting and around corporate priorities – and the wider membership clearly has a role in approving the overall budget. Minutes demonstrate that there is challenge by members in the budget setting process</p> <p>The Board receives all internal and external reports and has a role around risk management but does not approve the accounts, unlike the majority of other Councils.</p>	 Green

Financial Governance

Area of focus	Summary observations	Assessment
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Overview for controls over key cost categories

The Council reports progress against budget quarterly. This is currently reported in service area and the costs of support services are omitted in order to assist interpretation. An overview is provided and then individual service areas are reported. Narrative is included highlighting where there are variances.

As much of the budget is delegated, accountants who prepare these reports provide forecast outturn estimates based on discussions with budget holders. The significant variance in outturn from that estimated at quarter 3 indicates some weakness in arrangements. This has not been fully explained to us but could be due to:

- Budget setting – lack of review of base budgets or inadequate reflection of prior year underspends
- Savings monitoring and review ineffective – some savings are built into base budgets, some are incorporated as the year progresses (as they are identified) some are managed corporately and some arise by the expectation that budget holders will produce outturn savings. A lack of formal review of what savings were achieved against those planned add to further difficulties as to which are recurring savings (assumptions have been built into the next year budget around these) and one offs
- Lack of adequate communication and challenge between budget holders and accountants
- Lack of reliable reported information or assessment of risks to enable effective challenge by members

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Budget reporting: revenue and capital

The actual reports process is described above and is an adequate process - although with weakness around forecasting as reflected above.

With the change in corporate priorities in 2013/14, it is likely that the Council will want to review how it manages its finances, both in terms of allocating resources in priority areas but also monitoring and managing its spending. Changes arising from transformation mean that services are increasingly operating and being managed horizontally rather than in the traditional manner. This too further complicates budgeting and monitoring and financial responsibility.

The Council clearly needs to focus on improving the accuracy of its financial forecasting and provide more complete information to those charged with governance to enable effective decision making.

Adequacy of other Committee/Cabinet Reporting

See Comments above – there is scope to improve the adequacy of reporting – both in terms of the accuracy but also the timeliness, detail and sophistication around forecasting and analysis of risks. Action plans do not routinely accompany budget reports

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Appendix - Key indicators of financial performance

Financial Control

Key characteristics of effective financial control

In conducting our review of financial control we have assessed the Council's performance against the following indicators:

Budget setting and budget monitoring

- Budgets are robust and prepared in a timely fashion.
- Budgets are monitored at an officer, member and Cabinet level and officers are held accountable for budgetary performance.
- Financial forecasting is well-developed and forecasts are subject to regular review.

Savings Plans

- Processes for identifying, delivering and monitoring savings plan schemes are robust, well thought through and effective.

Financial Systems

- Key financial systems have received satisfactory reports from internal and external audit.
- Financial systems are adequate for future needs.

Finance Department

- The capacity and capability of the Finance Department is fit for purpose.

Internal Control

- There is an effective internal audit which has the proper profile within the organisation. Agreed Internal Audit recommendations are routinely implemented in a timely manner.
- There is an assurance framework in place which is used effectively by the Council and business risks are managed and controlled.

Financial Control

Internal arrangements

Area of focus	Summary observations	Assessment
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Budget setting and monitoring - revenue and capital

In the annual budget setting round, the Council makes assumptions about inflation, rates of pay, and income from fees and charges taking into account judgements around expected levels of grant funding and local indicators. This part of the process appears reasonable and consistent with the approach adopted by similar councils. The Council has set a budget over the last two years, with a need to make considerable levels of savings.

In the last 2 years there has been a large variance between expected outturn and actual, resulting in underspend and net contribution to general fund balances.

At budget setting time, some of the savings are identified and built into departmental budgets. Other savings are identified as the year progresses and built into base budgets. As described above, there is review of budgets as the year progresses and position against budget is reported quarterly. However the continuing unexpected underspend suggests that there is some weakness in budgeting and monitoring arrangements.



amber

Performance against Savings Plans

The Council is making considerable savings. As described above, not all the savings required to deliver the budget are identified at the start of the year. As schemes are identified they are incorporated into base budgets. Some savings are non specific, including from transformation.

The budget and medium term financial plan contain detail about where savings are to be made (within the appendices) and there is some mapping of savings to priorities.

There is little reporting of risks around savings plans or how these are being managed. There is no formal reporting during the year, or a year end review of whether planned savings schemes have been achieved.

The explanatory foreword to the accounts provides a high level overview of the out-turn against budget and could provide a better analysis of the financial out-turn. There is reference to expected achievement of savings from shared services, however there is no reporting of actual savings from shared services and transformation.



Amber

Key Financial Accounting Systems

Internal Audit programme covers all the key financial systems. In year and the year and Chief Internal Auditor opinion reflects that all financial systems are operating as expected with no significant weakness in control



Green

Financial Control

Internal and external assurances

Area of focus	Summary observations	Assessment
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Finance Department Resourcing

The Council is moving towards a shared finance department. This is in part constrained by the operation of two financial ledgers and because staff are located in two different locations – there are outline plans to address these two issues over the next 2 years. It is evident that staff are increasingly sharing roles which has the benefits of building in resilience and pooling expertise.

The staff structure has been reviewed periodically over the last 2 years and a senior manager review is on-going. Clearly a further review would be appropriate when staff are on site together, with the objective of reducing unit costs over time. A combined team provides scope to provide some specialism but there should also be good succession planning – to ensure that current expertise in critical areas is not lost as there is turnover of staff. There is currently reliance on 1 or 2 key individuals, and there is further scope for some increased delegation and reallocation of responsibilities.



Green

Clearly the current financial pressures means that finance is a critical support function for the Council, and the amount of work involved in changes such as implementing a ledger successfully and changing budgetary monitoring arrangements (e.g. to reflect new corporate priorities) should not be underestimated.

Internal audit arrangements

Internal audit is provided by a shared service based at Worcester City Council. The approach is risk based and officers operate within the remit of the CIPFA code of practice.



The team appears to have appropriate skills and experience and the quality and scope of reviews is appropriate.

The team has had insufficient staffing resources which has resulted in slippage in their annual plan, although these problems were not as marked in 2012/13. The team did not complete all of its work by the time the CIA opinion was issued although most of the substantive work was complete. As with all services, there is budgetary pressure associated with the service and thus the scope to increase internal audit coverage is limited. The plan has included some 'critical friend' review of transformation which is appropriate. The Audit committee needs to be assured that the plan is flexed appropriately to reflect increased risk associated with staff turnover at the Council and changes in controls.



Green

Financial Control (cont)

Area of focus	Summary observations	Assessment
External audit arrangements	<p>The prior year opinion on the accounts was unqualified and the accounts were well prepared without material errors. A material adjustment was made in the 2012/13 accounts however this was a one- off technical matter which is not a matter of particular concern.</p> <p>The scope of external audit work also includes providing a VFM conclusion. This was again unqualified.</p> <p>The 2011/12 ISA 260 report made a number of observations and recommendations around the Council's budget setting arrangements and management of savings plans. Not all these were accepted by members and there has not been any in year review of these recommendations by members.</p> <p>The AGS does refer to the recommendations made by external audit and refers to progress being made in addressing these matters.</p>	<p style="text-align: center;"> Green</p>
Assurance framework/risk management	<p>The Council manages the risks that the Council is facing through the work of the senior management team and the Cabinet and the reports provided to them.</p> <p>The Council does not yet have an embedded formal risk management culture, although there are some services where it is clearly taken very seriously – e.g. customer services. At a corporate level, a corporate risk register is not used as management tool but appears to be used more as a means of demonstrating governance to external agencies.</p> <p>The risk register, updated to reflect the review of consultants and to reflect the new corporate priorities is to be considered by members in September.</p>	<p style="text-align: center;"> Amber</p>

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Appendix - Key indicators of financial performance

Key Indicators of Financial Performance

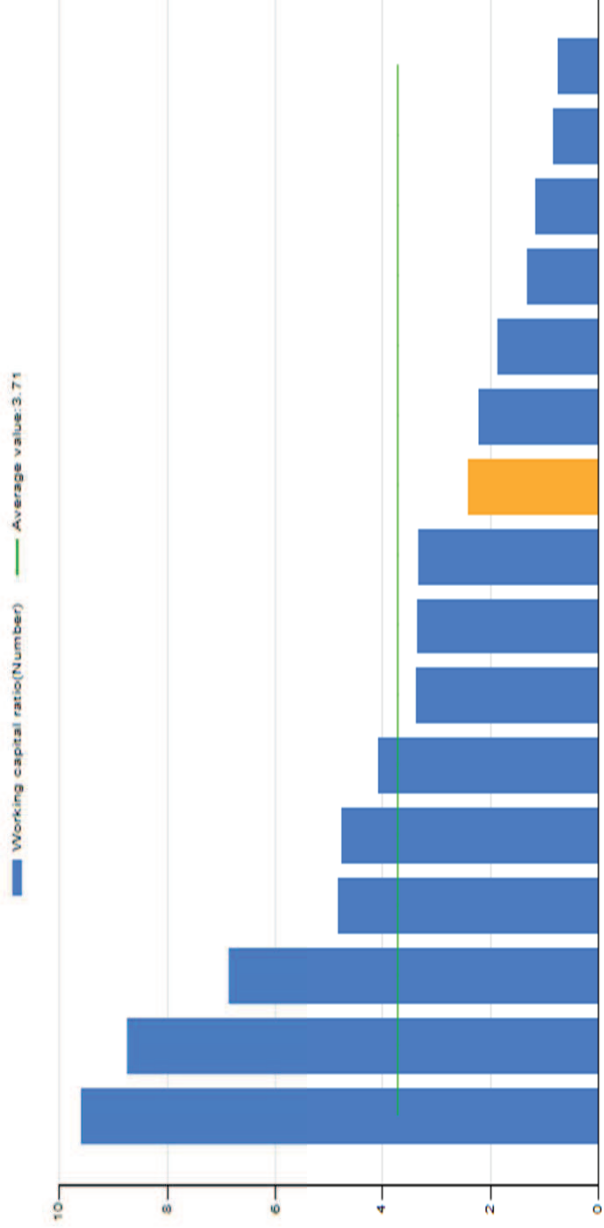
Working Capital - Benchmarked

Definition

The working capital ratio indicates if an authority has enough current assets, or resources, to cover its immediate liabilities - i.e. those liabilities to be met over the next twelve month period. A ratio of assets to liabilities of 2:1 is usually considered to be acceptable, whilst a ratio of less than one - i.e. current liabilities exceed current assets - indicates potential liquidity problems. It should be noted that a high working capital ratio isn't always a good thing; it could indicate that an authority is not effectively investing its excess cash.

Findings

Table below shows the working capital ratio for Bromsgrove at 2.4 compared to its nearest neighbours in 2011/12. The 2012/13 unaudited accounts show an increase to 2.8. The Council remains in the preferred range of 2:1. This indicates that the council's liquidity has improved and remains in the preferred range.



Key Indicators of Financial Performance

Useable Reserves- Benchmarked

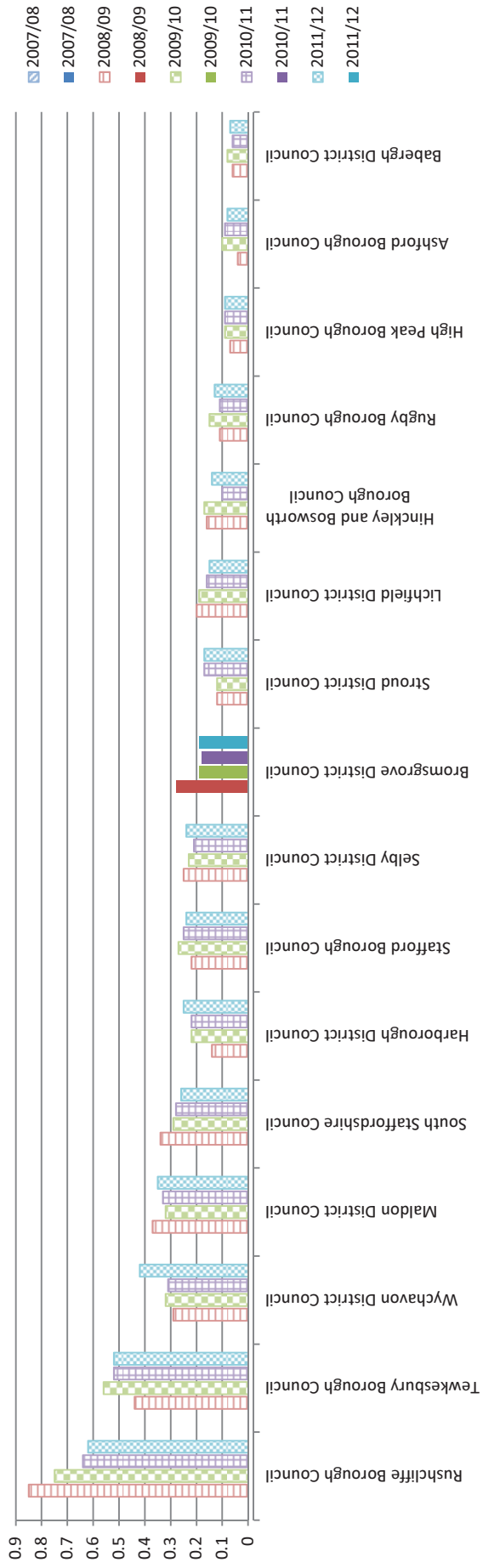
Definition

This shows useable capital and revenue reserves as a share of expenditure. A ratio of one means the total reserves matches the level of expenditure.

Findings

The level of general fund reserves and earmarked reserves have remained fairly constant over the last 3 years. The overall ratio of usable reserves to general fund expenditure has remained relatively stable at slightly below the average for the comparator group at 0.19. A further £0.5m was added to balances in £2012/13. The level of useable capital receipts has had a downward trend.

Usable Reserves to Gross Revenue Expenditure ratio - trend [in order of 2011-12]



Key Indicators of Financial Performance

Sickness Absence Levels

Background

The average sickness absence level for the public sector is 9.6 days per FTE, whilst the private sector average is 6.6. Many councils have taken a proactive approach to reducing the number of days lost to sickness each year. For example:

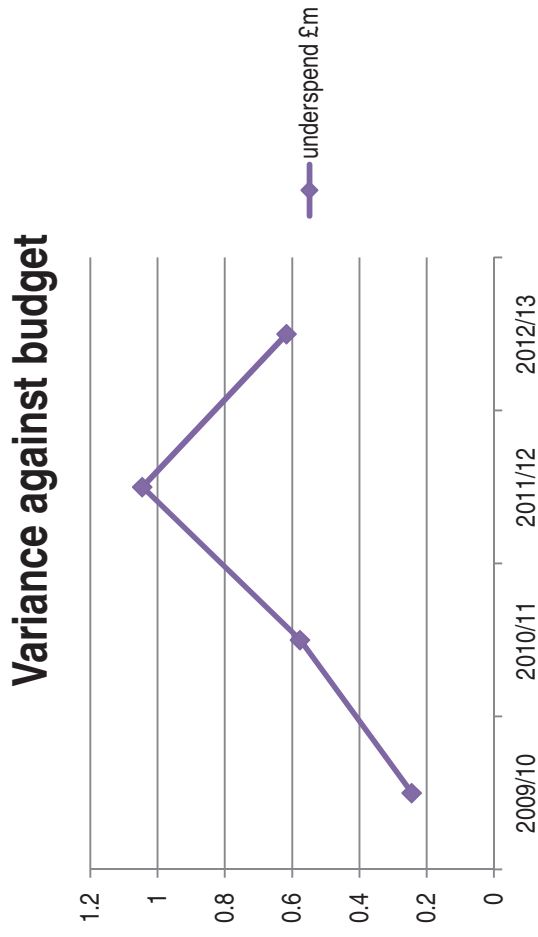
- London Borough of Croydon reduced absence from 12.5 days to 6.4 days over two years due to a new tougher sickness absence management.
- Cambridgeshire County Council reduced sickness absence levels to 5 days per employee using an approach built on a relationship of trust with staff and empowering managers to take control of absence management.

Costs that accrue from sickness absence relate to the hiring of agency staff to cover staff gaps, or from holding a larger workforce complement than is desirable. Absence also damages service levels either through staff shortage or lack of continuity. Reducing absenteeism saves money, improves productivity and can have a positive customer benefit. Absence management will be a particular challenge for all authorities during SR10, given the context of significant pressures on staff to deliver "more for less".

Over the last two years Bromsgrove's sickness levels have remained fairly stable at around 7.4 days lost per employee, although there are some departmental variances

Key Indicators of Financial Performance

Performance Against Budget: Track Record



The Council routinely underspends against it revised budget, as shown in the graph. This has increased the level of general fund balances and thus the financial resilience of the Council. It is unclear why the Council routinely underspends, but factors such as setting budgets without clear savings plans, weakness in forecasting and a tendency for budget holders to not declare savings until the year end could all be factors. Unplanned variances in budget could result in a lack of confidence in the council financial reporting.

Source: Bromsgrove District Council Financial statements



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