



BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

WEDNESDAY 2ND JULY 2014 AT 6.00 P.M.

THE COUNCIL HOUSE, BURCOT LANE, BROMSGROVE

MEMBERS: Councillors M. A. Sherrey (Leader), C. B. Taylor (Deputy Leader), R. Hollingworth, D. W. P. Booth, M. A. Bullivant, R. L. Dent 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 4th June 2014 (Pages 1 - 6)
4. Minutes of the meeting of the Overview and Scrutiny Board held on 16th June 2014 (Pages 7 - 16)
 - (a) To receive and note the minutes
 - (b) To consider any recommendations contained within the minutes
5. Council Tax Support Scheme (Pages 17 - 24)
6. Review of Market Policy, Traders' Terms and Conditions and New Market Stalls (Pages 25 - 38)
7. Town Centre Heritage Initiative Grant - 22-24 High Street, Bromsgrove (Pages 39 - 42)
8. Dolphin Centre Replacement (Pages 43 - 70)

9. Financial Outturn and Reserves Statement 2013/2014 (Pages 71 - 88)
10. 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

24th June 2014

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

WEDNESDAY, 4TH JUNE 2014 AT 6.00 P.M.

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

Observers: Councillors L. C. R. Mallett and S. P. Shannon

Officers: Mr M. Bough, Mrs S. Hanley, Mrs J Pickering, Ms A. Scarce, Mrs S. Sellers, Ms A. de Warr, Mr I. Westmore

1/14 **TO RECEIVE APOLOGIES FOR ABSENCE**

There were no apologies for absence.

2/14 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

3/14 **TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING OF THE CABINET HELD ON 2ND APRIL 2014, 7TH APRIL 2014 AND 14TH MAY 2014**

The minutes of the meetings of the Cabinet held on 2nd April, 7th April and 14th May 2014 were submitted.

RESOLVED that the minutes be approved as a correct record.

4/14 **MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 24TH MARCH 2014 AND 14TH APRIL 2014**

The minutes of the meetings of the Overview and Scrutiny Board held on 24th March and 14th April 2014 were submitted.

RESOLVED

- (a) that the minutes be noted.
- (b) that, in respect of Minute 99/13 (Quarter 3 Write-Off of Debts Report), it be agreed that the Council issue a press release to advise residents with Council Tax arrears about the payment options available and the support provided by the Council with this process.

5/14 **MINUTES OF THE MEETING OF THE AUDIT BOARD HELD ON 20TH MARCH 2014**

The minutes of the meeting of the Audit Board held on 20th March 2014 were submitted.

RESOLVED that the minutes be noted.

6/14 **ARTRIX OUTREACH PROVISION TASK GROUP REPORT**

The Cabinet received the report of the Artrix Outreach Work Provision Task Group. The Chairman of the Task Group, Councillor S. P. Shannon, was present to provide clarification on any matters raised by Cabinet members.

The Committee considered the recommendations of the Task Group which were contained within 5 chapters:

- Funding from Bromsgrove District Council;
- Raising Awareness of Outreach Work with Councillors;
- Outreach Provision;
- Raising Awareness of Outreach Work with Residents; and
- General

The Cabinet then considered the recommendations of the Task Group in detail.

Recommendation 1

- (a) that the inclusion of a set of clear performance indicators in respect of Outreach work be included within the new Service Level Agreement; and
- (b) that a proportion of the funding provided by the Council be ring fenced for Outreach work.

Cabinet Response

The Cabinet sought confirmation that the Artrix Centre had been consulted on this and then approved the recommendation.

Recommendation 2

That the Bromsgrove District Council logo be more prominent in Artrix promotional literature.

Cabinet Response

This was approved.

Recommendation 3

- (a) that in order to complement the formal reporting of performance indicators to Officers that the Council receives a quarterly informal (narrative and image based) report from the Artrix detailing the events that have taken place together with the number of those attending; and
- (b) that those Member representatives on the Operating Trust report back regularly to full Council.

Cabinet Response

This was approved.

Recommendation 4

- (a) that the Artrix Centre liaise with Members in respect of specific activities within their ward; and
- (b) that the Artrix Centre explore ways in which it could raise awareness of its activities in all areas within the District. (For example through Parish Council, school and other notice boards throughout the District.).

Cabinet Response

This was approved.

Recommendation 5

- (a) that the Artrix Centre ensure that there is a defined profile for the target participants / audience that the Outreach Provision is provided for;
- (b) that the Artrix Centre ensure that participation in such activities is not prohibitive due to cost (for example, seek funding for bursaries where possible); and
- (c) that the Artrix Centre make activities available throughout the main school holidays, particularly during the Easter and summer breaks.

Cabinet Response

Councillor M. J. A. Webb proposed that, in addition, the Artrix Centre be invited to provide a presentation for the benefit of Council members outlining its plans at least once each year. Councillor S. P. Shannon indicated that Artrix Centre had undertaken to do so. In response to a query over Councillors acting as Trustee Board members and reporting back to the Council there was discussion as to the legal propriety of such a course of action. The Principal Solicitor undertook to investigate this matter and report back to the Committee following the meeting. This recommendation was approved, as amended.

Recommendation 6

That an insert, prepared by the Artrix, be included within Together Bromsgrove detailing Outreach activities at the Artrix.

Cabinet Response

This was approved.

Recommendation 7

That the main programme brochure which is produced by the Artrix be used to promote its Outreach work.

Cabinet Response

This was approved.

Recommendation 8

That the Artrix promote all the facilities available to those with a disability.

Cabinet Response

Councillor C. B. Taylor enquired whether any facilities within the Artrix were not available to those with a disability. Councillor S. P. Shannon responded that the issue was less one of accessibility and the recommendation was more concerned with the improved promotion of facilities and programme provided for those with a disability. This was approved.

Recommendation 9

That the Artrix consider contacting Worcestershire County Council with a view to improving the signage within the Railway Station and Town Centre areas.

Cabinet Response

This was approved.

7/14

NON DOMESTIC RATES - DISCRETIONARY RATE RELIEF POLICY

The Cabinet considered a report on proposals to amend the existing Discretionary Rate Relief Policy for Non-Domestic Rates.

The Portfolio Holder for Finance, Revenues and Benefits reported that the Council was facing a greater draw on its financial resources to meet the cost of discretionary rate relief on Non-Domestic Rates than had previously been the case and so was seeking to review its Policy in order to ensure a fair and transparent approach to the award and review of discretionary relief. Officers clarified that around 50% of the cost was now borne locally of which 4/5th was met by the Council. It was also stressed that the amendments to the Policy did not affect the provision of mandatory relief.

Members acknowledged that this Policy revision might result in adverse comment from without the Council, given the potential impact on organisations such as national charities, but it was considered that such a change was

necessary to avoid unfair competition for local businesses and that the revised Policy would still provide the discretion to protect the interests of charities directly benefitting the local community. Officers added that transitional relief would be available from central Government to ameliorate the impact on organisations who faced a reduction in their discretionary relief.

RESOLVED that the Non-Domestic Rates – Discretionary Rate Relief Policy and Guidance as attached to the report submitted be adopted.

8/14

BROMSGROVE LOW COST HOUSING SCHEME - CONSULTATION

The Cabinet considered a report which proposed undertaking a consultation on the Council's low cost housing scheme in view of the fact that the scheme was not operating to the benefit of the residents of the Borough and that any capital funding retrieved might be reinvested into a more fit for purpose affordable housing scheme.

Officers reported that there were 118 properties included within the scheme and it was proposed to contact the owners of these properties to establish the level of interest in them purchasing the Council's 30% share of the property. Members supported the proposal, given that it had the potential to unlock considerable funds which might be reinvested in affordable housing. It was noted that incentivisation was proposed within the report and Officers confirmed that this was the case, although no specific amount was under consideration at the present time.

RESOLVED

- (a) that authority be delegated to the Strategic Housing Manager, following consultation with the Portfolio Holder for Town Centre, Regulatory Services and Housing, to consult with current owners on purchasing the Council's 30% share in their property; and
- (b) officers report back to the Cabinet the outcome of the consultation and if required suitable schemes for the disposal of the Council's share and reinvestment of the capital receipt.

9/14

NOMINATION OF ASSET OF COMMUNITY VALUE - BROMSGROVE MUSEUM BUILDING

The Portfolio Holder for Leisure Services, Economic Development and Emergency Planning presented a report to the Cabinet detailing a request to list the Bromsgrove Museum building (216 Birmingham Road, Bromsgrove B61 0DD) as an Asset of Community Value.

Councillor M. J. A. Webb stated that, although he had doubted the merit of certain previous applications for this status, he was convinced that this present application did have merit. It was stressed to those present that the Museum building would be offered at full market value on the basis of an independent valuation, thereby protecting the financial interests of the Council and its residents. It was acknowledged that there would be a financial implication in

the Council having to maintain the building for a further period of up to six months.

RESOLVED that the listing of the Bromsgrove Museum building as an Asset of Community Value be supported.

10/14

NOMINATION OF ASSET OF COMMUNITY VALUE - FOOTBALL GROUND, BIRMINGHAM ROAD, BROMSGROVE

The Portfolio Holder for Planning Services introduced a report detailing a request to list the Bromsgrove Football Ground as an Asset of Community Value. The background to the site was briefly explained to the meeting, it being noted that the Football Ground had been constructed on land gifted to the Council by a local resident. The gift of the land had included a covenant specifying that the land might only be used as a football ground or as a public open space. Councillor C. B. Taylor added that, although he was content to support the request, the request itself served little purpose as the Council had absolutely no plans to sell the Football Ground site.

Other Members were happy to support the proposal should it not be an administrative burden on officers. Councillor R. Hollingworth reminded Members that twelve years previously the Council had explored selling the Football Ground for housing development and, on that basis, contended that the listing of the site as an Asset of Community Value was a prudent step.

RESOLVED that the listing of the Bromsgrove Football Ground as an Asset of Community Value be approved.

The meeting closed at 6.45pm

Chairman

Agenda Item 4

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE OVERVIEW AND SCRUTINY BOARD

MONDAY, 16TH JUNE 2014 AT 6.00 P.M.

PRESENT: Councillors L. C. R. Mallett (Chairman), H. J. Jones (Vice-Chairman), C. J. Bloore, R. A. Clarke, S. R. Colella, B. T. Cooper, R. J. Laight, P. Lammas, S. P. Shannon, C. J. Tidmarsh, K. A. Grant-Pearce, J. M. L. A. Griffiths and P. M. McDonald

Invitees: Councillors D. Booth and M. Webb

Officers: Mrs. S. Hanley, Ms. J. Pickering, Ms. D. Poole, Jones, Ms. J. Bayley and Ms. A. Scarce

1/14 ELECTION OF CHAIRMAN

A nomination for Chairman was received in respect of Councillor L. C. R. Mallett.

RESOLVED that Councillor L. C. R. Mallett be elected as Chairman for the ensuing municipal year.

2/14 ELECTION OF VICE CHAIRMAN

A nomination for Vice Chairman was received in respect of Councillor H. J. Jones.

RESOLVED that Councillor H. J. Jones be elected as Vice Chairman for the ensuing municipal year.

3/14 APOLOGIES

Apologies for absence were received on behalf of Councillors J. S. Brogan, R. J. Shannon and C. J. Spencer.

Councillor K. A. Grant-Pearce confirmed he was attending as a substitute for Councillor Spencer, Councillor J. M. L. A. Griffiths confirmed she was attending as a substitute for Councillor Brogan and Councillor P. MacDonald confirmed he was attending as a substitute for Councillor Shannon.

4/14 DECLARATIONS OF INTEREST AND WHIPPING ARRANGEMENTS

Councillor R. A. Clarke declared an other disclosable interest as the District Commissioner for Bromsgrove District Scout Association in respect of Item

No. 14. In particular, this interest related to an item listed on the Cabinet Work Programme for the disposal of Council-owned Land, Aintree Close, Catshill.

Members agreed that a general declaration of an other disclosable interest in respect of Item No. 10 should be made for every member of the Board as it was acknowledged that all Members (or their families) would use the leisure facilities provided by the Council at some point.

5/14 MINUTES

The minutes of the meeting of the Overview and Scrutiny Board held on 14th April 2014 were submitted.

RESOLVED that the minutes be approved.

6/14 SUMMARY OF RESULTS OF STAFF SURVEY

The Head of Business Transformation and Organisational Development delivered a presentation which summarised the results of the staff survey conducted in August 2013 (Appendix 1).

Following this presentation a number of points were raised by Members:

- The level of responses that had been received from staff, which represented a third of the employees from both Bromsgrove District Council and Redditch Borough Council.
- The potential to design and promote future versions of the survey in ways that would encourage a larger proportion of staff to respond in future years. Officers confirmed that the survey had been made available both electronically and in paper form for staff to complete.
- The value of assessing responses at a departmental level and the challenges this would present to the Staff Survey Working Group due to the fact that staff were not required to indicate which department they worked in when completing the survey.
- Some of the feedback that had been received in completed surveys, particularly the qualitative data, had been treated as confidential. This was because in some cases the comments submitted by staff could have enabled observers to identify the respondent or a specific team.
- The potential for senior Officers to make themselves available for staff to access across numerous working sites. Members were advised that senior Officers would not focus on one action exclusively but rather would seek to engage with staff face-to-face using a range of methods in order to meet the differing needs across both Councils.
- The Working Group's Action Plan, which was in the process of being developed would be utilised to monitor progress in implementing actions taken in response to the feedback, particularly the top ten recommendations.
- The benefits of face to face communications between staff arising from "No Email" days.
- How the feedback that had been received compared to the responses to previous versions of the staff survey. Members suggested that in future a

record should be kept of the responses received in order to ensure that progress with addressing staff concerns could be monitored.

- The importance of 1:2:1 meetings for staff and the need for these to be held regularly. However, it was noted that there needed to be some flexibility across the organisation regarding the frequency of these meetings due to the varying work patterns and demands on staff employed in different services.
- The fact that some staff struggled with change and the challenges this presented at a corporate level during the course of service transformation.
- The failure of some ICT systems and the financial implications that this presented for the Council.

Concerns were expressed in respect of the 14.75% of respondents who had indicated that they had been subject to bullying and harassment while at work. Officers confirmed that there was a policy for managing reports relating to bullying and harassment and this was applied by managers when cases were reported directly by members of staff. Improved training of managers would further enable them to respond to reports of bullying and harassment in a sensitive manner. There were also support groups, such as Phone a Friend, which could provide advice to staff. Members concurred that it was important to demonstrate to all staff that the Council would not tolerate bullying and harassment and it was suggested that this could be highlighted within the top ten recommendations.

The Board also discussed the proposal for the staff finder and phone lists to be updated in order to improve internal communications. Members noted that unfortunately they were not able to access the intranet, where the staff finder facility was located, using their Council IT equipment. However, the Board recognised that it was important to provide all elected Members with access to staff contact details as this could help Members to manage issues raised at both Committee meetings and by residents in a constructive manner.

RECOMMENDED that

1. a statement should be added to the top ten recommendations arising from the staff survey which demonstrates that the Council has a zero tolerance approach to bullying and harassment among staff;
2. the contact details for staff, as detailed in the staff finder on the Council's intranet, should be made available for the consideration of elected Members; and

RESOLVED that the report be noted.

7/14

MAKING EXPERIENCES COUNT QUARTER 4 REPORT

The Customer Services Manager presented the Making Experiences Count report covering the fourth quarter of 2013/14. During the presentation of this report the following matters were highlighted for Members' consideration:

- There had been 12 complaints during the period which had been resolved within 15 working days or less. There had also been 15 compliments received during this period.
- The reduction in complaints had occurred following changes to services. In particular, the reduction in complaints about Environmental Services had followed the introduction of a bespoke contact service for the department.
- Changes to the Council's system for reporting complaints and compliments had been trialled during the period. This trial had been successful and had therefore been implemented across the authority, though would continue to be monitored.
- Problems had been experienced with both the payments system and the staff finder facility which had been resolved by the beginning of the new financial year.
- There had been an increase in the number of face to face customer enquiries regarding planning matters that had been received during the period which had occurred following a one day planning event.

Following presentation of the report a number of issues were raised by Members for discussion:

- The current presentation of the front cover to the report and potential stylistic changes that could be made to future versions.
- The differences between customer queries and complaints.
- The focus on telephone conversations rather than written correspondence as a means for managers to respond to complaints received from customers.
- The potential for secret shoppers to be used to assess the services that were being provided to the customer.

Members expressed some concerns about the increase in the number of complaints that had been received during the period in respect of planning matters. In particular, there were concerns about the delays to resolving planning applications that appeared to be causing these complaints and the reasons for these delays. To assess this issue further it was agreed that Officers should be invited to present further information on the subject at the following meeting of the Board.

RESOLVED that

- (a) the Head of Planning and Regeneration and the relevant Portfolio Holder be invited to attend the following meeting to explain the reasons for the recent increase in complaints about the Council's planning process; and
- (b) the report be noted.

8/14

WRITE OFF OF DEBTS QUARTER 4 REPORT

The Executive Director of Finance and Corporate Resources presented the Write off of Debts report for the fourth quarter of 2013/14.

Once the report had been presented the following issues were discussed:

- The figures that had been provided in the breakdown of unrecoverable debt which had been written off during 2013/14 and the need to ensure that the calculations included in the report were accurate.
- The level of funds due from sundry debtors.
- Legal restrictions limiting the potential to provide further information about individuals indebted to the Council.
- Council Tax and Non Domestic Rates arrears owing since 1999/2000. Officers confirmed that the Council continued to collect outstanding arrears for each of the years following and including 1999/2000.
- The need for payment to be made in order for customers to receive a green waste collection service. Officers confirmed that there was minimal risk for customers to receive this service without payment as a central database, which was updated regularly, was used to monitor whether customers should receive this service.

RESOLVED that the report be noted.

9/14

OVERVIEW & SCRUTINY BOARD ANNUAL REPORT 2013/14

The content of the Overview and Scrutiny Board's Annual Report 2013/14 was considered. Officers explained that the report would be presented for the consideration of Council at its July meeting.

On behalf of the Board the Chairman thanked Councillor P. Lammas for his hard work when chairing the board the previous year.

RESOLVED that the report be noted.

10/14

LEISURE PROVISION TASK GROUP

The Board considered a written report that had been prepared by the Chairman of the Leisure Provision Task Group, Councillor C. J. Spencer, for Members' consideration in her absence. This report outlined the group's findings during a recent meeting when they had pre-scrutinised the business case report for the Dolphin Centre.

The following matters were highlighted during the Board's consideration of this report:

- Members had invited the Task Group to pre-scrutinise the business case on behalf of the Overview and Scrutiny Board at their previous meeting in April 2014.
- In the business case Officers were suggesting that the new centre would operate at a surplus compared to the current deficit at the Dolphin Centre.
- It was anticipated that membership of the gym would increase from 1,050 to 1,700 which would be commensurate with membership figures at other Council run leisure centres.
- Changes would be made to the swimming pool facilities. Whilst the size of the main pool would remain 25m x 6m the smaller children's pool would

have a moveable floor and the seating around the main pool for gala events would be reduced.

- The Task Group had felt strongly that there needed to be sufficient provision of services and facilities to meet the needs of customers with various disabilities. This included suitable parking provision to enable customers with disabilities and, in some cases, their carers, to alight from their vehicles safely.
- Parking provision at the venue had been discussed and it had been acknowledged that there would be a need to charge for parking at the site. Members had been keen to ensure that sufficient space was provided for minibuses and coaches in the car park.

The Task Group had had some concerns that if a Sports Hall was not included in the plans there would be limited choice of such facilities available for local leisure groups to use in the district. In addition, concerns were raised that following an increase in hire charges for use of the Sports Hall at the Ryland Centre many sports groups would be deterred from meeting in the district in future if a sports hall was not included in the plans for the new leisure centre. Members were advised that Sports England had concluded that there was sufficient Sports Hall provision in the area and that this did not therefore need to form part of the council's plans. Whilst a decision remained to be taken on the final range of facilities that would be available at the centre the Board was informed that there was also an option available for the Council to refer customers to an adjoining facility and the ability to "purchase" block bookings at this sports hall by the Council and sub let that space.

The prudential borrowing arrangements proposed for the centre had caused Members of the Task Group some concern as it was being suggested this be set at the maximum figure permitted of £9.5 million. The questions that had been raised by some Councillors at Council meetings regarding the capital project costs had also been considered. For these reasons the group felt that the Audit Board should investigate the figures further and the process that had been followed to ensure that the budget proposals were appropriate.

The process that had been followed to identify local leisure needs was briefly discussed. The Board was advised that a significant part of this assessment had been based on feedback received from customers to a leisure provision survey that had been distributed around the district in 2010. This survey had found that many people only visited Bromsgrove when they attended the Dolphin Centre. In most cases customers were only prepared to travel 5 – 10 miles to access leisure facilities and for this reason some residents living in some parts of the district might be more inclined to use leisure facilities managed by a neighbouring local authority.

The range of customers who utilised facilities at the Dolphin Centre were also briefly considered by the Board. The Board was advised that in terms of the customers, the level of usage of the facilities and the age range of members at the Dolphin Centre was one of the busiest leisure venues in the district. One attraction of the Dolphin Centre to potential customers was that the facilities were available to use on a "pay and play" basis and housed both wet and dry activities under one roof. However, Members were concerned that if there

was a reduction in the facilities current available at the old Dolphin Centre, or no additional facilities added as an incentive to visit the new Dolphin Centre, then the new Centre may not be able to maintain the current level of popularity and loose customers to other facilities throughout both Worcestershire and surrounding areas. It was important therefore to ensure that there was scope for additional facilities to be added at a later stage.

The current condition of the Dolphin Centre was discussed by the Board. Members were advised that the building was safe for both staff and customers to use, however, the design of the centre was not ideal. Whilst a refurbishment of the venue had been completed relatively recently the works that had been undertaken had been largely cosmetic. The Centre continued to be inspected on a regular basis. Officers had assessed the potential to further refurbish the Dolphin Centre to improve the leisure service offer in the district for customers. Based on the data available they had concluded that it would be more expensive to undertake these works than to build a new leisure centre.

In the long-term it was anticipated that a café would open in the new leisure centre. However, it was likely that when the venue initially opened this space would be filled with vending machines. Members were advised that an attempt would be made to secure healthy food options and to make the café area an attractive in order that the leisure venue would become both a social and a sporting hub in the local area.

Members noted that consideration of the business case formed part of a wider review of leisure service provision in the district by the Task Group. The group was aiming to visit other leisure venues in order to observe arrangements in place in other parts of the country.

RECOMMENDED that

1. financial concerns around the increased membership that will be needed to ensure good annual revenue should be addressed through an Audit Board investigation of the figures; and
2. the Overview and Scrutiny Board should be involved in scrutinising more detailed plans to ensure that they address the needs of customers with disabilities.
3. Cabinet note the Board's disappointment that the Sports Hall has not been included within the plan for the new Dolphin Centre;
4. Cabinet note the Board's concern that insufficient facilities have been planned for the centre, especially for young people (i.e. no climbing wall as has been installed in other leisure centres).

RESOLVED that a copy of the business case be circulated for the consideration by Members of the Overview and Scrutiny Board and substitute Members present at the meeting.

11/14

JOINT INTEGRATED WASTE SCRUTINY TASK GROUP

Councillor R. J. Laight, the Council's representative on the Joint Integrated Waste Scrutiny Task Group, provided an update on the progress of the review. He explained that the first meeting of the group had not yet taken place as it had proved difficult to identify a suitable date when a majority of Members would be available. This meeting would now take place on 1st July. In the interim period Councillor Laight had developed some concerns about the review which included the following:

- Only one other district Council, Worcester City, had agreed to participate in the review with Worcestershire County Council. Councillor Laight therefore questioned the extent to which the review could legitimately and effectively assess the implications of a joint waste collection and disposal service for district Councils.
- Connected to this were concerns that many of the district Councils might therefore be disinclined to approve any recommendations from the group which could make the value of participating in the exercise questionable.
- The delays to the launch of the review would mean that the deadline would need to be extended which would take up time that could be spent on other scrutiny activities.

On the basis of these concerns Councillor Laight asked it to be noted that he was resigning from the Task Group.

The potential outcomes of the review were debated by the Board. Some concerns were raised in respect of the potential financial and administrative implications of entering into a shared waste collection and disposal service with other Councils in Worcestershire. It was also noted that any recommendations arising from the Task Group would need to be considered by Cabinet and, as with any scrutiny recommendations, there would be no requirement to endorse the group's proposals.

Members discussed the terms of reference for the review. The Board noted that these terms of reference did not include consideration of Worcestershire County Council's current review of their Energy from Waste project. Concerns were raised that it might not be appropriate for the Task Group to consider some of the objectives detailed in the terms of reference, particularly those pertaining to district Councils, in the absence of most authorities. Under these circumstances Members noted that it would be appropriate to inform Worcestershire County Council of Councillor Laight's resignation and to refrain from appointing a replacement to the group until further clarification had been provided as to whether the terms of reference for the review would be amended.

The process for determining whether to participate in the review was briefly debated. Members noted that the Board had, following the proper democratic process, collectively agreed to participate in this exercise at their previous meeting. To ensure that all subsequent action in relation to this review complied with the democratic process the Board agreed that a 5 minute adjournment should take place to consider the constitution.

Following the completion of this 5 minute adjournment it was

RESOLVED that

- (a) Councillor Laight's resignation from the Joint Integrated Waste Task Group be reported to Worcestershire County Council;
- (b) Further clarification be sought from Worcestershire County Council regarding the final terms of reference for the review.

12/14

JOINT WRS SCRUTINY TASK GROUP

The Chairman of the Joint WRS Scrutiny Task Group, Councillor R. J. Laight, explained that the group had completed its investigations. The group's report had been published and was available on the Council's website to view. During June and July the report would be presented for the consideration of every Overview and Scrutiny Board in the county and subsequently presented for the consideration of the Worcestershire Shared Services Joint Committee in October 2014. Subject to the outcome of the debate by the Joint Committee the report would then be referred back to the Cabinets at each partner authority for consideration.

Councillor Laight explained that the Task Group had completed a thorough review of the subject. On the basis of the evidence that had been gathered during the review the group was proposing 12 recommendations which were designed to improve the shared service. Some of these recommendations would require significant changes to existing processes, particularly in relation to the governance of the partnership.

The Board noted that senior Officers were currently exploring options for the partnership to enter into a strategic partnership with a private sector partner. Members briefly discussed the process that would need to be applied in the event that one or more partners was not inclined to enter into this strategic partnership. Officers explained that there was an opt-out clause available to partners and this would need to be applied if a partner chose not to become part of the strategic partnership.

13/14

WCC HEALTH OVERVIEW & SCRUTINY COMMITTEE

Councillor B. T. Cooper, the Council's representative on the Worcestershire Health Overview and Scrutiny Committee (HOSC) explained that the previous meeting of HOSC had been cancelled. The next meeting would take place on 17th June.

Concerns were raised about recent reports that charges might be introduced for provision of incontinence pads to customers who required them. Councillor Cooper confirmed that he would raise these concerns on behalf of the Board at the following meeting of HOSC.

14/14 **CABINET WORK PROGRAMME 1ST JULY TO 31ST OCTOBER 2014**

The Chairman explained that the format of the Cabinet's Work Programme was due to be refreshed. As part of this process further information would be provided in future in the document about key decisions.

Members were asked to note that when selecting items for pre-decision scrutiny from the Work Programme an element of forward planning was required due to the fact that items listed for the following Cabinet meeting would be considered before the next meeting of the Board.

15/14 **ACTION LIST**

Officers reported that the CCTV Code of Practice had been updated in line with the Board's suggestions at their previous meeting.

Members raised concerns regarding the resilience of CCTV equipment, particularly in cases where certain technical parts used for this type of equipment were becoming difficult to obtain at a national level. The Board requested that this subject be raised with the manager of the service and feedback be provided about the implications for the system in Bromsgrove district.

16/14 **OVERVIEW AND SCRUTINY BOARD WORK PROGRAMME**

The Board noted that the following items had been requested for Members' consideration at the July meeting:

- Information about the reasons for the current delays in the Council's Planning process.
- The WRS Joint Scrutiny Task Group's final report.

Members were also advised that Officers were aiming to provide an initial update on the Council's projected budget position at a meeting of the Board in September 2014.

Officers explained that there was capacity for a further Task Group to be launched to take place alongside the Leisure Provision Task Group. To ensure that membership appointments and other Task Group processes were clarified for the new municipal year Members agreed that the guidelines for Task Group exercises should be revisited and discussed at a future meeting of the Board.

The meeting closed at 8.53 p.m.

Chairman

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COUNCIL TAX SUPPORT SCHEME

Relevant Portfolio Holder	Cllr R Hollingworth
Portfolio Holder Consulted	Yes
Relevant Head of Service	Amanda de Warr
Ward(s) Affected	All
Ward Councillor(s) Consulted	None Specific
Key Decision / Non-Key Decision	Key Decision

1. SUMMARY OF PROPOSALS

- 1.1 To enable Members to consider proposals to reduce the financial impact to the District and other precepting bodies in relation to the Government changes to the Council Tax Support Scheme.

2. RECOMMENDATIONS

The Cabinet is asked to RESOLVE that:

The Head of Customer Access and Financial Support be authorised to consult on the options, set out in Appendix 1, to change the Council's Council Tax Support Scheme with effect from April 2015.

3. KEY ISSUES

Financial Implications

- 3.1 As Members are aware, from April 2013 the national scheme of Council Tax Benefits was replaced by locally agreed Council Tax Support Schemes. Pensionable age claimants are protected but local billing authorities can determine the extent of support for working age claimants.
- 3.2 As the local schemes are now a discount, rather than a benefit, the impact of the change to Council Tax Support was to reduce the tax base for the Council by the amount of any support given. Compensation for the loss of Council Tax was paid via a grant from the Government and this was equivalent to around 90% of the previous Council Tax Benefits costs. Therefore, in effect, a 10% cut in the funding available to provide support through our local scheme
- 3.3 This affected all organisations that raise a precept, including Parish Councils, Police, and the Fire Service; with Worcestershire County Council bearing the largest part of the shortfall.
- 3.4 From April 2014 this grant was subsumed within the Revenue Support Grant (RSG) and it is no longer possible to ascertain exactly what the reduction in funding equates to but it is safe to assume that it is 10% plus a further cut equivalent to the overall reduction in the RSG .

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- 3.5 The cost of Council Tax support for 2014/15 is estimated to be £4,500,000. The shortfall in funding was initially £437,500 with a shortfall for Bromsgrove District £63,000.
- 3.7 With the reduction in RSG for 2014/15 the shortfall in funding for support is projected to be £149,000 and this will be met by Bromsgrove District Council.
- 3.8 In addition Worcestershire County Council have clawed back £98k to cover their resulting funding gap, through reductions in funding to the Essential Living Fund and other services.
- 3.9 At the time of these changes more discretion was also given to billing authorities regarding discounts and exemptions for second and empty homes. In April 2013 the Council implemented a number of decisions aimed at mitigating the impact of the changes. This involved the removal of the Council Tax discount on second homes and limiting the amount of Council Tax discount on short term empty property to 50% for 6 months (excluding new developments). This resulted in the “claw back” of approximately £30,000 of the shortfall by this Authority.
- 3.10 In July 2013, whilst agreeing to make no changes to the support scheme for 14/15, it was agreed to review the scheme for 2015/16, in order to meet the remaining shortfall. This is necessary given the expectation that any local scheme should be designed to make work pay and given the on-going financial pressures faced by this Council and our major preceptors.
- 3.11 In order to make changes it is necessary to consult on the possible options and delegation is sought for the Head of Customer Access and Financial Support to undertake this consultation on the option determined by the Executive at this meeting.
- 3.12 In determining the range of options officers have considered a consistent approach to all benefits claimants to ensure that any proposed scheme is simple for residents to understand and in order to maintain or reduce administrative costs (which are borne by the District Council).
- 3.13 The proposed options for consultation are attached at Appendix 1 and include:
- Reduction in permitted capital/savings.
 - Cap maximum amount of support that can be claimed to:
 - 80%
 - 85%
 - 90%
 - Removal of Second Adult Rebate.
 - Cap support at a lower Council Tax Band.
 - Changes to non-dependent deductions.

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- 3.14 It is also proposed that a reduction to the period of exemption for empty properties is consulted on as follows:
- limiting the amount of Council Tax discount on short term empty property to 50% for 1 month (excluding new developments).
- 3.15 Appendix 1 also provides an estimate of savings for each of the options, where it is possible to make an estimate, number of claims affected, and other comments relating to the option.
- 3.16 It should be remembered that any reduction in Council Tax Support will result in more Council Tax to collect. There will be an impact on working age residents who are on low income and they may not previously had to pay any Council Tax. Individuals will be offered support and advice on managing their finances.
- 3.17 A small Hardship Fund has been put in place in many areas which has been used to provide short term transitional support for those assessed to be in the very greatest hardship. Whilst take up on this has been low, it has provided officers with the ability to carry out proper assessments, often in the claimants own home, and help to provide a range of support options to improve the residents financial independence. Worcestershire County Council have confirmed that they will contribute £25k to this provided we put a scheme in place that covers the total funding gap.
- 3.18 After the initial consultation, which if agreed will take place through July to mid-August , a report will be submitted to the Cabinet in September to allow Members to consider our proposed Council Tax Support Scheme. A further period of consultation on that draft Scheme must then take place ahead of final decision making by the Cabinet and Council in December/January. To be effective from April 2015 the Scheme must have been finalised and published by 31st January 2015.

Legal Implications

- 3.19 None as a direct result of this report. The Council has a statutory obligation to consult with affected residents in relation to any proposed changes to the support scheme.

Service / Operational Implications

- 3.20 Officers will work with residents identified as having specific needs to ensure that they are supported through the changes to mitigate the impact on their finances. This may be through money management or debt advice, or short term transitional relief. Officers will work with partners and voluntary sector organisations to pull in the support needed as and when it is identified.

Customer / Equalities and Diversity Implications

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- 3.21 Any local scheme must provide full discount to claimants of pensionable age and should incentivise work for those of working age, whilst also protecting vulnerable groups, as far as possible. There is no definition of which groups count as vulnerable and it for Councils to decide which groups of claimants might be classed as vulnerable and to determine methods to protect these groups. The Council would maintain a small Hardship Fund to provide discretionary assistance.
- 3.22 Although it is not necessary to consult on changes to discounts or exemptions for second or empty homes Officers would take this opportunity to gain customer feedback on any potential changes.

4. RISK MANAGEMENT

- 4.1 Any changes to the Support scheme whilst increasing Council Tax income to the Council and our major preceptors will have implications for some of our residents. Officers will provide support as outlined above. In addition the collection rates and arrears position will be measured to ensure that Members are aware on the impact on income collected.

5. APPENDICES

Appendix 1 - Local Council Tax Support (LCTS) Scheme – Consultation Options

6. BACKGROUND PAPERS**AUTHOR OF REPORT**

Name: Amanda de Warr, Head of Customer Access and Financial Support
email: a.dewarr@bromsgroveandredditch.gov.uk
Tel.: 01527 881241

Local Council Tax Support (LCTS) Scheme – Consultation Options

OPTION	Number of Working Age Claimants affected (out of total of 1762)	Estimated Total Saving	Estimated Saving to Bromsgrove	Average Annual Increase		Comments
				Median	Mean	
Cap maximum amount of support that can be claimed to:						
80%	1,762	£345,000	£49,680	£179.10	£196.15	Council Tax Support continues to be calculated in the same way as the present scheme, however the maximum amount of support that a claimant can receive is capped at a certain % of their overall liability.
85%		£259,000	£37,296	£134.32	£147.11	This option results in all working age claimants having to pay something towards Council Tax and provides an incentive to claimants to increase their income.
90%		£172,000	£24,768	£89.62	£98.12	
Cap support at a lower band	1,762	£59,000	£8,496	£168.07	£159.40	<p>Entitlement to LCT Support is capped at a maximum of Band D charge for those in a Band E, F, G or H property and restrictions on band A – D properties to limit support to the next lowest Band.</p> <p>This option would result in claimants entitled to support having to pay more of the cost of occupying a higher –band property.</p> <p>This reduces the likelihood of low-income claimants occupying higher value properties than they otherwise would.</p> <p>This can have a positive impact on more efficient use of housing stock.</p>

Removal of Second Adult Rebate	116	£19,950	£2,872	£71.16	£171.97	<p>SAR is paid where only one person is liable for a household's Council Tax and there is a low income non-dependent living with them.</p> <p>SAR reduces the householder's liability by 25% regardless of the Council Tax payers income, if the second adult is in receipt of Income Support, Income based JSA, ESA or Pension Credit.</p> <p>There are few claimants of SAR and the changes will not significantly reduce expenditure on the LCTS scheme.</p> <p>The retention of SAR may be incompatible with the introduction of a scheme which caps support for all working age claimants, and could result in low income working age adults who live in their own property making a contribution from a single limited income, whilst this contribution would not apply to a low income non-dependent living with people who may have sufficient means to pay the Council Tax.</p>
Removal of backdating claims	Information on the costs of backdating are not available.					<p>Restrict or remove the ability to backdate claims would not result in a significant saving in the overall cost of the LCTS scheme however it would result in reduced administration.</p> <p>Vulnerable persons could be protected through the use of discretionary powers which allow for the reduction of Council Tax liability on a case by case basis.</p>

Reduce capital/savings limit	Information on savings is not available for reductions to Capital/savings Limits				<p>In reality very few working age claimants have a high level of non-pension fund assets and therefore this option will not significantly reduce expenditure on the LCTS scheme.</p> <p>However the change may be appropriate as part of any effort to concentrate support on the most vulnerable</p>
Changes to Non-dependent deductions	Information on savings is not available for this option.				<p>This amendment to the scheme would end the anomaly in the existing scheme which allows non-dependents with significant incomes to be resident in a household and make no contribution to the Council Tax liability if the liable person is in receipt of DLA or Attendance Allowance.</p> <p>The non-dependant is not liable for Council Tax and therefore consideration would be given to protecting vulnerable people.</p>
Reduce Council Tax discount on short term empty property to 50% for 1 month (excluding new developments)	N/A	£105,000	£15,120		<p>This option is not subject to statutory consultation and can be agreed by Council at any stage of the process.</p> <p>Reducing the discount on empty properties can provide an incentive to ensure properties are not left empty, thus increasing the supply in the rented sector.</p>

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BROMSGROVE MARKET – TERMS AND CONDITIONS AND NEW STALLS

Relevant Portfolio Holder	Councillor Rita Dent
Portfolio Holder Consulted	Yes
Relevant Head of Service	Kevin Dicks
Wards Affected	St Johns
Ward Councillor Consulted	Yes
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 To introduce new terms and conditions for market traders on the Bromsgrove High Street Market
- 1.2 To purchase new market stalls and ancillary equipment to replace worn out stalls, to improve the appearance of the market and to suit the reconstructed High Street
- 1.3 These proposals will enable the appearance and general quality of the Bromsgrove's High Street Market to be lifted and to equip Bromsgrove with the capacity to put on a rolling programme of speciality market events:

2. RECOMMENDATIONS

- 2.1 That Cabinet resolve the introduction of new terms and conditions for market traders on Bromsgrove High Street.
- 2.2 That Cabinet recommend to Council ;To include the purchase of replacement market stalls in the 2014/15 Capital Programme of £60k to be funded £4.2k from reserves and £56k from balances.

3. KEY ISSUES

Financial Implications

- 3.1 Bromsgrove currently has around 16 market traders at its Friday and Saturday markets, with 11 trading on a Tuesday. There are more than 16 traders in total with a different mix of traders on different days.
- 3.2 On the basis of 3.1 the market generates annual revenue of approximately £60k
- 3.3 The number of stalls which will be accommodated for the current weekly street market along the High Street once reconstruction is complete is 33 individual stalls, which are orientated to provide for the

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16 traders. All of the pitches in the new High Street have been successfully allocated with only a couple of small additional pitches currently available.

- 3.4 A new dedicated area, where the High Street is at its widest at the North end outside Argos, has been created to accept a further 14 market stalls which can provide for up to 14 additional traders.
- 3.5 This area is suitable for expansion in the existing Street Market and in particular the running of additional speciality markets as events. These might include Farmers Markets, Food Festivals, Craft Fairs, Flea Markets, Antique Fairs etc. Programmes of speciality markets in other Worcestershire towns such as Malvern are instrumental to boosting footfall.
- 3.6 Both of these options give the opportunity to increase the £60k pa currently received from 16 active traders at any one time by adding up to another 14 traders.
- 3.7 In order to equip the existing street market and the speciality market area with new stalls, canopies and ancillary equipment a capital expenditure budget of £60k is required, of which £4.2k is currently held in reserves.
- 3.8 The new equipment will have a life expectancy of 10 years. It is anticipated that further income will be generated from the additional market stalls which will be used to provide a replacement reserve for the future.
- 3.9 There is no cost impact of adopting the new market terms and conditions.

Legal Implications

- 3.10 When the market was located to the High Street from the Market Hall new terms and conditions were drawn up for traders. However, the Council did not at that stage adopt a comprehensive policy for the market or set any strict conditions in relation to the appearance and lay out of the market.
- 3.11 The adoption of new market terms and conditions which are attached in Appendix One of this Report will require each trader to sign a new agreement with the Council.
- 3.12 The traders have been consulted upon the proposed new terms and conditions and have widely welcomed them.

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- 3.13 The new terms and conditions have been drawn up in association with North Worcestershire Economic Development and Regeneration (NWEDR) and the management of new terms and conditions will need to be reflected in the service level agreement between Bromsgrove District Council and NWEDR.

Service / Operational Implications

- 3.14 The first references to rights being granted to hold a market in Bromsgrove date back to before 1250. The Street Market remains integral to achieving a vibrant and popular High Street destination. The importance of well-run attractive Street Markets to Town Centres has been widely advocated as part of the Portas led review into the future of High Streets in response to competition from the internet and out-of-town destinations.
- 3.15 The absence of a comprehensive policy for the market and the physical layout of the High Street prior to the new street works being carried out contributed to the market previously looking slightly disorganised with no pattern or uniformity to the positioning of the stalls, and some traders spreading goods across the highway.
- 3.16 The newly reconstructed High Street provides dedicated market zones complete with dedicated power supplies. These have been designed to allow for unfettered access along the High Street on Market Days as well as to maintain lines of sight for pedestrians and CCTV alike. They have been positioned to minimise the impact on shop fronts while being sized to ensure that adequate pavement and carriageway width is maintained. Many of the existing stalls are too wide to allow this.
- 3.17 The adoption of new terms and conditions for Market Traders will give the Market Management greater influence over the day to day operation of the Market. These have been drawn up with North Worcestershire Economic Development and Regeneration Team based in Wyre Forest, who currently run the Market on behalf of Bromsgrove District Council. They have been consulted upon with the Market Traders, who have widely welcomed them.
- 3.18 The new Terms and Conditions make it easier to start trading on the market, yet recognise and reward long standing permanent traders. They increase the controls on the way stalls are used and presented. Trading from vehicles and traders will no longer be permitted along the High Street.
- 3.19 The purchase of new specially designed Market Stalls together with the refurbishment of some of the existing market stalls (including a

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reduction in size to suit the width of the High Street) will enable them to be set out in pairs as shown in Appendix 2. The stalls will:

- Be more uniform in appearance
- Use the Corporate Colours of Green and White and bear the Council Crest and Better Bromsgrove Motive
- Be open to trading on 3 sides (orientated back to back). The adjoining wall between stalls and weather shields to be based on a design for information stalls in the Olympic Park incorporating large clear windows to ensure shop windows are visible to shoppers.
- Incorporate skirts and table cloths to ensure a neat and attractive appearance
- Be predominantly of the 'pop-up' marquee style as widely adopted in other towns, to minimise labour costs in the set up and dismantling of the market.
- Utilise fixings set in the paving rather than weights to ensure that the correct location of the market stall is always achieved, to reduce the time, cost and risk of manual lifting of heavy weights (used to anchor the stalls currently), to help prevent 'creep' in the curtilage of the stall by the trader and to reduce wear and tear on the stalls.
- Allow for sufficient capacity for expansion of the market and/or a new programme of speciality markets by adding 14 new pitches in addition to the stalls for the existing street market.
- Allow for suitable stalls as an option for those currently trading from vehicles.

Customer / Equalities and Diversity Implications

- 3.20 Extensive public consultation during the design phase of the new public realm for Bromsgrove High Street, especially in respect of a detailed Equality Impact Assessment, raised serious issues regarding ease of movement, safety of movement and equality of access.
- 3.21 Previously the street market has been a collection of stalls of varying styles and designs with many in a poor state of repair. They used opaque canopies and were placed where the old uneven surface and street furniture allowed. As a result the market prevented unfettered movement along the High Street, made it difficult for emergency vehicles, prevented access for those using mobility equipment in certain places, created problems for the safe passage of those with visual impairment, blocked line of sight and impeded CCTV coverage.

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- 3.22 All of these issues are in conflict with the requirements of equality of access, ease of movement and public safety which have driven the design of the reconstructed High Street.
- 3.23 The design principles put in place to address these issues have been successfully implemented in many towns and cities and form part of the District Plan (which has incorporated the Town Centre Area Action Plan). They include the use of linear zones, with complementary ambient lighting.
- 3.24 Each zone is visually recognisable as a distinct area that contrast (with tactile differences too) and have clearly marked boundaries to help with the navigation and accessibility of the area to include clearly defining pedestrian, market and street café areas. This is particularly important for the visually impaired and those accessing the high street using mobility equipment.
- 3.25 The new stalls are designed to be of a size to suit the width of the High Street and are not closed and opaque, to maintain lines of sight. The intention is to combine their arrival with the introduction of new terms and conditions that help to manage the unauthorised spread of stalls and placing of goods on the Highway. Together these measures are essential to satisfying the Impact Equality Assessment and the principle of easy safe and equitable access to and along the High Street for all.

4. RISK MANAGEMENT

- 4.1 The risk of the market traders not accepting the new terms and conditions has been mitigated by extensive benchmarking of the operation of other markets and consultation with the traders themselves.
- 4.2 The risk of failing to comply with the duty to provide equality of access and of the market contributing negatively to public safety issues will be mitigated by the introduction of new more suitable stalls in the new layout.

5. APPENDICES

Appendix 1 – New Market Terms and Conditions
Appendix 2 - Drawing of Proposed New Stalls

6. BACKGROUND PAPERS

Equality Impact Assessment

7. KEY

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AUTHOR OF REPORT

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Definitions:

Market Authority	Bromsgrove District Council to include any authorised Officer of the Council responsible for the Market/Town Centre.
Trader:	Any person authorised to sell goods in the Market.
Permanent Trader:	Any person who has traded continuously for three months (for at least 1 day a week) can apply to become a Permanent Trader. This requires the Trader to be a member of the National Market Trader Federation and advance bookings for three months. A Permanent Trader is guaranteed the same pitch and will be given first refusal on any pitch that becomes available.
NB: Reference to “Trader” within this document includes both Trader and Permanent Trader	Permanent traders are required to trade 48 weeks per annum. The trading year will run from April 1 to March 30.
NMTF	National Market Trader Federation.
Stall/Pitch	Includes standing unit, table and ground space used or intended to be used for the sale of goods.
Goods	Includes provisions, commodities and items brought to the Market for the purposes of sale.
Market zone	The areas in the High Street / Town Centre allocated for the erection of a market stall as detailed in the High Street Town Centre Plan (available from the Market Authority)
Senior Market Operative and/or Market Operative(s)	The Market Authority’s duly authorised representative.

2. General conditions:

2.1 The Market will operate a 'one trade' policy which means that there will be only one product line pitch at any one time e.g. only one fruit and vegetable stall. The Market Authority retains the option to waive this should it feel there is sufficient demand for a particular product line.

2.2 The Market Authority will provide stalls and tables for each pitch. Traders are required to keep the equipment in good order while in use. Traders may use their own equipment ONLY with the prior approval of the Market Authority.

2.3 All Traders shall ensure their pitch (including the area beneath the stall) is kept clean and free from refuse throughout the trading day. At the end of each trading day Traders are responsible for removing ALL refuse from their trading area; this will include boxes, packaging, food stuffs or any other litter or waste. No liquids (other than water) shall be put into the drains.

2.4 No live animals shall be brought onto the Market without prior permission from the Market Authority.

2.5 The success of the market is dependant upon its Traders and therefore the Market Authority will reserve the right to reallocate a pitch should a Trader fail to attend on their allocated date without a satisfactory explanation.

2.6 This policy will be reviewed annually and may be amended by the Market Authority at any time. Traders will be notified of any changes. In circumstances where significant changes are proposed a consultation period will be advertised.

2.7 Smoking Regulations

All stalls have side panels and are "substantially enclosed" for the purposes of the Smoking Regulations and therefore will be considered a Smoke Free area. This applies even if the panels are rolled down.

2.8 Control of Goods Sold.

The Market Authority reserves the right to control the type of goods sold. Traders are not permitted to sell cigarettes, tobacco, animals (domestic or otherwise), fireworks, firearms, or laser pens. Second Hand goods are not permitted unless by prior agreement.

3. Trading:

3.1 Each Trader must receive approval from the Market Authority prior to trading and as a general rule will be limited to one pitch.

3.2 Application to trade

A completed Application Form must to be sent to the Market Authority. An application will only be processed upon receipt of all of the required information.

Traders must notify the Market Authority immediately, in writing of any changes to the details provided in the Application Form.

Traders may apply for individual dates or may wish to apply to become a Permanent Trader. This requires a booking for a period of three months or more.

3.3 Trading days

3.4 Trading days are Tuesday, Friday and Saturday.

3.5 The market will be closed on all national Bank Holiday Mondays, Christmas Day and New Years Day or the equivalent nearest national holiday day.

3.6 Trading hours

3.7 Access for setting up stalls shall be no earlier than 6.00am on the day of trading.

3.8 Traders must have their pitch set up and any vehicles removed by 8.45am. Traders shall not cease trading before 4.00pm Tuesday and Friday and 4.30 pm on Saturday.

3.9 In line with the Traffic Regulation Order, vehicles are not permitted back on the High Street until 4.00pm (4.30pm Saturday).

4. Insurance and Indemnity

4.1 All Traders must have public liability insurance with an indemnity of at least £5 million. A legible framed copy of the Certificate shall be displayed on the stall in clear view.

4.2 The policy shall fully indemnify the Market Authority against any claim for damages arising from the negligence or fault of the Trader or his employees.

4.3 The Market Authority does not accept liability for loss of or damage to a Trader's goods or property. Traders should be aware of the weight limitations for their stall.

5. Behaviour and Conduct of Traders.

5.1 Traders must give at least 2 weeks notice of intended absence other than in the case of illness.

5.2 Traders will be held responsible for their actions and those of their employees.

5.3 Unacceptable behaviour will not be tolerated. This list below is not exhaustive, but provides examples of unacceptable behaviour:

- Bullying, intimidation and the use or threat of violence;
- Sexist, racist, foul, threatening, or abusive language;
- Defamatory remarks about the Market, other Traders or the Market Authority;
- An act of dishonesty or indecency or:
- Any act likely to bring the Market or Market Authority into disrepute.

5.4 The Market Authority will have regard to the circumstances of each complaint or incident and the Code of Conduct outlined in Section 8 in determining what amounts to unacceptable behaviour.

6. Termination of registration

6.1 A Trader or the Market Authority may terminate the authority to trade by giving one week's written notice.

6.2 The Market Authority may terminate a Trader's authority with immediate effect should the Trader fail to comply with the Regulations. Such notification shall be in writing with details of the breach of the conditions.

7. Stalls:

7.1 The High Street is designed for stalls only. The use of vehicles or other forms of sales platform shall be subject to express permission being obtained from the Market Authority and may be restricted to Registered Zones detailed on the Town Centre Plan.

7.2 Stalls are supplied and erected by the Market Authority. Layout details and pitch sizes are available from the Market Authority.

7.3 All stalls shall trade from *three* sides to face shop fronts unless given permission for otherwise by the Market Authority. Where this is not possible due to weather conditions, any covering sheet must be clear to provide a visual aspect to the shops.

7.4 'Skirts' must be used.

7.5 Traders shall use only the stalls and associated equipment allocated to them and shall restrict their stall and displays etc to within their pitch area.

7.6 Traders shall not adapt or alter any fixture or fitting forming part of the stall and shall not remove any part of the stall without the permission of the Market Authority.

7.7 Significant care should be given to the tidy appearance and layout of stalls. In the event the Market Authority considers that the appearance is unacceptable then the Trader will be instructed to make appropriate changes. Repeated failure to adhere to such request may lead to termination of a Trader's authority to trade.

7.8 Stalls can arrange for an electricity supply with the Market Inspector subject to payment of a surcharge and the following limits:

- a. Non food stalls – 5 amps maximum
- b. Food and catering stalls – 16 amps maximum (certain pitches only)

7.9 Payment for stalls will be in line with the prevailing charges and must be made at least a week in advance.

7.10 Requests for refunds for non-attendance due to ill health MUST be accompanied by a Doctors Note.

8. Code of conduct:

8.1 If a complaint is received regarding a Trader or one of their employees the Market Authority will notify the Trader and advise them of the details of the complaint. The Trader will be given an opportunity to respond to the complaint.

Having regard to the nature of the complaint and the Traders representations, the Market Authority may:

- Take no further action against the Trader,
- May issue a written warning to the Trader with regards to their conduct or that of their employee.
- Give the Trader notice to leave in accordance with paragraph 6, either with one weeks notice or with immediate effect if such action is considered appropriate.

9. Vehicles:

9.1 Entry onto the High Street shall be via the barrier gates at the New Road end of the High Street only and must comply with the prevailing Traffic Regulation Order – see 3.8/3.9 *Trading Hours*.

9.2 Traders must ensure that access is not restricted when setting up/taking down the stalls.

9.3 Vehicles must not exceed the maximum speed limit of 5 m.p.h. in the High Street.

9.4 Any spillages of oil, fuel etc must be reported to the Market Authority and cleaned up immediately. The filling/emptying of fuel tanks is strictly forbidden.

9.5 Traders vehicles should be parked in the designated area as specified.

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**Grant Application under the Townscape Heritage Initiative:
22 – 24 High Street, Bromsgrove**

Relevant Portfolio Holder	Councillor R Dent
Portfolio Holder Consulted	Yes
Wards Affected	St John's
Ward Councillor Consulted	Yes
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 To approve the offer of a grant for the renovation of 22 – 24 High Street (the Prezzo building), Bromsgrove under the Townscape Heritage Initiative (THI).

2. RECOMMENDATIONS

- 2.1 **That Cabinet approves the offer of a Townscape Heritage Initiative grant as set out in this report**

3. KEY ISSUES

Financial Implications

- 3.1 The Townscape Heritage Initiative is a grant scheme of £1.6 million jointly funded by the Heritage Lottery Fund (£1.2 M) and Worcestershire County Council (£400K) for the restoration of historic buildings on High Street and Worcester Road.
- 3.2 In the Stage 2 Bid and Action Plan to the Heritage Lottery Fund dated 20 April 2012, the Council entered into an agreement with the Heritage Lottery Fund and Worcestershire County Council to set up and run the Townscape Heritage Initiative. The agreement requires that single grants of over £150,000 must be approved by Cabinet.
- 3.3 22 – 24 High Street, Bromsgrove (see image at Appendix 1) is a grade 2 listed building that is currently a derelict eyesore at the upper levels. It is earmarked as one of seven priority “plus” buildings eligible for deficit funding through the Townscape Heritage Initiative. Deficit funding is available for bringing unused upper floors over shops back into use where the repair will cost more than the value of the restored building.

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- 3.4 Pre - application advice was received for this project on 2 December 2013 and a planning application, pending consideration, was received on 26 May 2014. Support for the proposed grant has been received from the Heritage Lottery Fund Monitor for Bromsgrove Townscape Heritage Initiative.
- 3.5 The owner of the grant-aided property – Erindale Services Isle of Man Ltd - must contribute to the renovation costs a sum equal to the estimated value of the restored property. This means that were the owner to sell on completion of the project, he would not profit from this because he would receive no more from the sale than the amount he had invested in its renovation.
- 3.6 The property owner’s contribution will amount to approximately one half of the total eligible renovation costs, with the Heritage Lottery Fund paying the other half:

Proposed Conservation Deficit			Notes
A	Current Value	£150,000	
B	Eligible costs of repair & conversion works to front of main building (incl. fees etc.)	£460,521	
C	Developer profit at 15%	£37,500	15% of £250,000
D	Total eligible costs (B + C)	£498,021	
E	Estimated end value of property (£400K - £150K)	£250,000	
F	Conservation deficit (D - E)	£248,021	
	Grant (100% of conservation deficit)	£248,021	
	Potential deficit grant rate (G divided by D)	50%	Expressed as a percentage of costs (excluding profit)

- 3.7 The total eligible renovation cost is estimated at £497,396 with the THI paying c. £251,563 towards this and the owner paying c. £265,000.

Legal Implications

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- 3.8 The standard Heritage Lottery Fund deficit grant contract stipulates that two years after the completion of the project, or on the sale of the property, whichever is the earlier, the deficit must be recalculated. If there is a reduction in the deficit, i.e. an increase in the value of the property, in accordance with Heritage Lottery Fund policy, the Council and the Heritage Lottery Fund will claw back a percentage of that increase.
- 3.9 The grant applicant is committed, by way of the grant contract, to maintain the property to a standard commensurate with the character of the building upon restoration. The grant is repayable on breach of this condition for the length of the contract (10 years).

Service / Operational Implications

- 3.10 The grant offer will be based on an estimated renovation cost provided with the application. Once the grant has been offered, the construction work will go out to tender. If the tender price is lower than estimated, the grant offer will be reduced accordingly.
- 3.11 The property valuation being used to calculate the deficit grant is taken from an independent valuation, obtained and submitted by the applicant.
- 3.12 THI grant payments are made to property owners in retrospect, and usually in instalments. This project would be spread over approximately 8 months, with grant payments made monthly for completed work. Following Cabinet approval, it is hoped that the grant could be offered in early July. Work is likely to start on site in August 2014, with completion expected in spring 2015.

Customer / Equalities and Diversity Implications

- 3.13 A THI Partnership Steering Group meets bi-monthly to receive regular updates on THI progress and provide feedback on the design and quality of implemented projects. Membership is drawn from local community and residents' groups (including religious, leisure and youth groups), local business and commercial concerns and the principal amenity groups - Victorian Society, Housman Society, English Heritage and Bromsgrove Society.

4. RISK MANAGEMENT

- 4.1 Without grant-aid it is very unlikely that this building will ever be economically viable to restore.

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4.2 Monies saved by not agreeing to offer a deficit grant for this particular project would have to be relocated to other properties within the THI area meaning further delays to the delivery and effectiveness of this scheme.

5. APPENDICES

Appendix 1 – Image of 22 – 24 High Street, Bromsgrove

6. BACKGROUND PAPERS

THI Stage 2 Bid and Action Plan

AUTHOR OF REPORT

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Dolphin Centre Replacement

Relevant Portfolio Holder	Cllr Mike Webb Cllr Roger Hollingworth
Portfolio Holder Consulted	Yes
Relevant Head of Service Relevant Director	John Godwin Jayne Pickering
Wards Affected	N/A
Ward Councillor Consulted	N/A

1. SUMMARY OF PROPOSALS

- 1.1 The report provides members with an overview of the current situation regarding the Dolphin Centre located in School Drive, the need to progress a replacement of the centre due to the building's condition, and the costs associated with bringing a replacement centre into use.
- 1.2 This review is in line with the Royal Institute of British Architects (RIBA) work stage A (Appraisal) and B (Design Brief).
- 1.3 The report also provides the rationale for the proposed facility mix within the new site, the basis for the preferred location and the impact on the Council's Medium Term Financial Plan (MTFP).

2. RECOMMENDATIONS

The Cabinet is requested to recommend to Full Council:-

- 2.1 That Option 2a, as set out below, is confirmed as the preferred option for the replacement of the Dolphin Centre at a total project cost of £11.5m:

Facility Mix:

- Main Pool - 25 by 13 meter (6 lanes) with 100 spectator seats
- Learner Pool - 12 by 8 meters with moveable floor
- Fitness Suite – 80 stations with functional training spaces supporting up to 1800 members
- Dance studio – 2 spaces for up to 60 people
- Spinning studio - for up to 25 people

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- SPA facilities and treatment rooms - Sauna, Steam Room & Jacuzzi
 - Ancillary facilities includes car park at 200 spaces
- 2.1.1 That within the total cost, the Council purchases the Blackmore House site on School Drive from Worcestershire County Council at a value of £1.425m.
- 2.1.2 That borrowing of £9.536m is approved to fund the majority of the costs associated with the project.
- 2.1.3 At the completion of the project, the enabling land that will be no longer required on School Drive (currently Car Parking) is considered to be surplus to requirements and is offered to the market to reduce the borrowing costs.
- 2.1.4 That £100k of balances are used to ensure the total funding of £11.5m for the project is available
- 2.1.5 That officers investigate and implement an option to develop a Dual Use arrangement at North Bromsgrove High School provided that it does not impact on the capital costs incurred by the Council and therefore does not impact upon the MTFP.
- 2.2 That delegated authority be granted to the head of Leisure and Cultural Services and Executive Director, Finance and Corporate Resources, following consultation with the portfolio holder, to agree the final terms for the disposal of land associated with this project;
- 2.3 That authority be delegated to the Head of Legal, Equalities and Democratic Services to enter into the necessary legal documents for the purpose of implementing recommendations in 2.1 and 2.2
- 2.4 That officers are requested to provide updates on the project at key milestones as agreed with the Portfolio Holder for Leisure & Cultural Services to include verbal updates at Cabinet meetings and an update report once final tender submissions are received to confirm the final project position and proposed timescales.

3. KEY ISSUES**Background**

- 3.1 As members may be aware the Dolphin Centre was designed and built in the early sixties providing a swimming pool and diving complex, with a 25yard by 6 lane main pool including a diving pit, 1 meter and 3

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meter spring boards and a learning pool that doubles up in the winter months as a community venue hosting dances and similar events.

One of the interesting features with the current Dolphin Centre building is the unique way in which it has been constructed and the way that the topography of the site has been managed.

Strafford Road in places is a steep hill. When constructed, rather than follow a more traditional design route by excavating the hill and using retaining walls, the current building has been built on a series of concrete columns and piers. This in effect means that the pools are at first floor level with all service, plant and machines located underneath the pool tanks and surrounds.

The centre opened in 1966 and at the time it had an expected life of 35 to 40 years.

The facilities have been extended over the years to reflect changing usage patterns, to offer greater access to a wider variety of services, to improve the customer's experience and to respond to new initiatives.

The most significant alterations to the site have been as follows:

- 1989 - Addition of a Sports Hall at the rear of the building, including disabled changing facilities for the pool areas.
- Introduction of a water slide.
- 2005 - New ancillary facilities to meet DDA requirements and to improve customer flow, including reception, changing and café areas.
- 2009 - Old reception, cafe and changing areas converted into Health and fitness with dance studio.

3.2 As an element of the health and fitness preparatory works the Council undertook a structural survey of the building in April 2008. This report identified that following numerous repairs to the pool tanks and poolside surround, that the concrete slabs and soffits had become damaged. The specific areas of concern related to the area that supported the small pool and main pool spectator's gallery.

These concerns were included in a report to members in July 2008 providing an overview of this situation and the recommended course of action.

Currently these are not deemed to present significant concerns but these issues remain a focus of attention, as the position will not improve, and as such there is a need to replace the site within the next 3 to 4 years. The costs associated with repair have been considered but this is considered to be impractical due to the layout of the site and

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repair/refurbishment costs would be significantly higher than those of a replacement facility.

Furthermore to follow such a route would mean the current services would have to cease whilst these works were completed.

A summary of the condition survey is enclosed within the background papers with additional detail contained within the reports from Capita Symonds and the Sports Consultancy.

- 3.3 Within the local area, the Dolphin Centre plays a pivotal role in the provision of a sports and physical activity as it is the only wet and dry facility to offer the opportunity for residents to participate in sports and physical activity on a pay and play basis. This sets the centre apart from other local providers who either have no wet facilities to offer, are based on Dual use model with restricted access or those business models are based on member only access and monthly fees.

The centre therefore makes sports, physical activity and healthy lifestyles an everyday choice in Bromsgrove for all the family, delivering the strategic purposes of Bromsgrove Council in:-

- (i) Provision of good things to see, do and visit; and
- (ii) Help me live my life independently (health & well being).

The centre supports many different agendas including local sports club and competition structures through long term block booking arrangements for those who rely on local Council provision.

It allows clubs with aspirations to own their own facilities to grow and to become self-sufficient and sustainable in their early formative years prior to taking this important step.

It promotes the health based sessions with the sports development team, health organisations and local partners that get the inactive active, support living independently and offers the opportunity to remain active in the long term through sustainable exit routes.

The centre promotes player pathways, get back into sport campaigns and competition structures to develop and enhance participant's skills in a variety of sports.

Coach, volunteer, club and sports education opportunities are provided to strengthen the local sporting offer and the centre offers a wide variety of opportunity for work placements, vocational courses and employment to young people.

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The centre has successful programmes and opportunities for young people to engage in positive activities due to its key location in the Town Centre where young people like to spend evenings and weekends. Successful programmes in recent times include football, dodge ball and street dance.

These programmes not only support off peak usage at the centre but more importantly assist in the delivery of community safety objectives by reducing perceptions of anti-social behaviour and allow agencies in some cases to link and interact with hard to reach groups.

Sport England funding has also been utilised to target youth age groups at the centre to provide incentives to experience gyms and exercise classes. This assists in preventing the 'drop off' in sports at key age ranges, to prevent lifestyle related conditions such as obesity/inactivity from developing in the first place.

During the last 6 years, the centre has worked very closely with the Council's Sport Development team to create targeted activity programmes for disabled users. These programmes have thrived within the existing Dolphin Centre and evidenced demand for future programmes in a replacement facility which can capitalise on this success.

Over £120k worth of revenue funding has been attracted to the area for disability sport as a direct result and Bromsgrove District is leading the County with the first Boccia, Wheelchair Basketball and Athletics clubs for people with physical disabilities.

The psycho-social and health benefits for residents can be determined with positive impacts on wellbeing and volunteering, a reduction in medical operations, poor health and social isolation. The new replacement facilities harness the many benefits and have influenced the decisions around the proposed facility mix.

The Council has worked with many organisations and galvanised partnerships with key local providers to provide positive activities for disabled people. These groups would welcome increased access to the centre and the flexibility a new site will offer.

Organisations and groups include local Special Schools, the Stroke Association, Princess of Wales Community Hospital, Local daycare Services, Connect Bromsgrove and Age UK.

There is a growing demand across the local partnerships and user groups for a facility that reaches beyond the traditional legal requisites;

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- The disability swimming programme, previously located at Chadsgrove School hydro pool has progressed and many are now ready to access an accessible mainstream pool. The proposed centre and facilities will be able to offer the services required due to the facility mix put forward.
 - The ageing population and the associated conditions that can arise increases the demand for a more inclusive and accessible facility. Daytime activities for older adults will grow as will the need to ensure that users can access wet side facilities in a prompt and dignified manner.
 - The reduction in traditional day care centres increases the number of disabled groups that wish to access the centre and increases the need for more inclusive parking spaces that can accommodate larger vehicles. This requirement will be built into the car parking plan for the site and offer large spaces that sit between traditional car park and coach bays.
 - The demand and uptake of participation in inclusive sports clubs has grown. There is a greater demand for more fitness and dance based activities for people with disabilities, as well as a facility that can accommodate sports chairs. Many of our clubs would be able to relocate to the Council's facility and benefit from the social aspects of the new facility. This would increase both usage and income for the centre but also contribute to the Paralympic legacy from London 2012 and allow the Council to meet the aspiration that has been created.
 - The reduction in funding to allow relocation to other specialist colleges will increase the number of young disabled people in the area. We have funding to support with qualifications and training to create volunteering opportunities at the centre and offer more activities to increase the employability and positive activities for disabled young people.
 - The Future Lives project, allowing independent care budgets will potentially increase demand on leisure facilities as residents can spend their allowance as they wish. An accessible facility will allow specialised programming for disability groups and older people and increase opportunities for local residents.

3.4 In 2010 a survey was undertaken into leisure activities within Bromsgrove with the key findings listed below:-

- The Dolphin Centre is the most commonly used venue for physical activity in Bromsgrove with 44% of young people and 55% of adults reporting to use the site. With the swimming pools, fitness suite

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and café/restaurant being the most commonly used, these areas are seen as good value for money.

- That 72% of respondents agreed or strongly agreed that a Leisure Centre should remain in the Town Centre.
- In addition a further 28% stated the Leisure Centre being the reason to come to the Town, and nearly a third combining a trip to the centre with a visit to the High Street.
- The main reasons for using the centre were health and wellbeing, fun and socialising.
- 61% of those surveyed stated they used a car to travel to the service/facility.

Later in 2010 as part of the Town Centre Area Action Plan Survey a further series of questions were asked around future leisure provision.

This led to additional detail being provided outlining what residents would like to be included in the new site. This detail is within the background papers titled; Capita Symonds report on Review of Leisure Centre Provision in Bromsgrove May 2012.

- 3.5 In 2011 an external company was procured to undertake a full review of future leisure provision in Bromsgrove.

The report which was a RIBA Stage A report was overseen by a project team that included representatives from strategic planning, town centre regeneration and leisure services.

The aim of the study was to ensure the optimum leisure provision is developed for Bromsgrove in terms of its scope, location, affordability, financial performance, construction cost and phasing. The other critical delivery is the contribution to the overall Town Centre regeneration scheme and compliance with the relevant planning documents of the time.

The report focused on the following areas and is available as a background paper.

- Background review which looked at consultation survey results previously undertaken, key strategic documents, condition survey data for the centre and stakeholder consultation.
- Supply and demand review of the availability of local sports facilities against national data sets at the time and moving forward based on population projections.

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- A review of latent demand statistics to ascertain the expected level of health and fitness memberships that could be achieved when viewed against local competitors.
- Site selection and preferred site appraisal, which looked at the available sites at the time and reviewed them to ascertain which site was best suited to the Council's overall objectives. This was based upon:-
 - (i) A review of planning context and policies;
 - (ii) An advantages and disadvantages review of all sites;
 - (iii) Financial implication assessment; and
 - (iv) Scoring exercise against an agreed matrix.
- Initial Options Development, that looked at initial facility options, concept designs, capital cost estimates and benchmarked revenue estimates.
- The Preferred Option summary expands on the previous section and covers the detail on the preferred facility mix, the initial design implications/options and the costs associated with development of this concept.
- Issues for further consideration and Implementation and Risk Sections, outlined the future actions the Council would need to undertake to move the project forward to a point when a final decision to progress could be taken.
- The Conclusion and Recommendation Section brought the above sections together and outlined the key elements of the project at that stage.

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Within the report the following options (1 to 4) were evaluated to decide upon the preferred facility mix. You will see this is based upon a set of proposed core services with a review of optional facilities to compliment them:

Core Facilities	Option 1	Option 2	Option 3	Option 4
Main pool	X	X	X	X
Learner pool	X	X	X	X
Health and fitness suite	X	X	X	X
2 x dance / fitness studios	X	X	X	X
Spinning room	X	X	X	X
Spa facilities	X	X	X	X
Spa treatment rooms	X	X	X	X
Ancillary Areas	X	X	X	X
Parking	X	X	X	X
Optional Facilities	Option 1	Option 2	Option 3	Option 4
3 x Five-a-side football pitches & 1 x MUGA	X	X		
4 court sports hall	X		X	

3.6 The final report was issued to officers for initial review in late May 2012 and was present to the Town Centre Steering group at the time. The key findings contained within the document were as follows:-

*Please note for the purpose of modelling and in order for BDC to reclaim the construction costs VAT, it was assumed that the centre would operate as it does at present on a trust based model:

- The preferred location for the new centre would be site 5, which is the current Dolphin Centre Site plus the land currently owned by Worcestershire County Council (WCC) where Blackmore House stands.

This would mean that the land owned by WCC would be purchased and the current Dolphin Centre site and School Drive car park would be reconfigured and sold to offset the cost of the development.

- The recommended facility mix contained:

Main Pool - 25 by 13 meter (6 lanes) with 100 spectator seats

Learner Pool - 12 by 8 meters with moveable floor

Fitness Suite – 90 stations with functional training spaces supporting up to 2000 members

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Dance studio – 2 spaces for up to 60 people

Spinning studio - for up to 25 people

SPA facilities and treatment rooms - Sauna, Steam Room & Jacuzzi

Outdoor pitches inc. floodlights – 3 STP 3G Surfaces & 1 Hard Standing

Ancillary facilities includes car park at 200 spaces

This facility mix is shown at Option 2 of the report and offered an increase in participation of approximately 30% on current usage levels and an operational recovery rate of 113.7%.

3.7 Members will note from the above facility mix that there were a limited number of differences between the current facilities at the centre and those proposed in this model, these include:

- Reduction in spectator seating from approximately 185 seats to 100. There have only been 2 inter club galas held at the Dolphin Centre in 2013 and therefore the proposed seating allocation meets the current demand.
- The centres initial catering offer will be vending based provision with space built in to plans if required to install café option as required in future.
- A moveable pool floor will be implemented in the small pool to increase programme diversity and to increase opportunities for groups who have specialised access or water temperature needs.
- No onsite Sports Hall based on Sport England Facility Planning Model (FPM) information that demonstrated that the current provision across Bromsgrove is more than adequate to meet current and future demand, particularly given the addition of 2 new courts at Bromsgrove School.

Future increases in demand could be met through increased access to facilities where access is currently limited (for example school sites). However an option to access North Bromsgrove High School (NBHS) provision through hire or dual use agreement can be explored to offer peak time opportunities for community based sessions and pay and play bookings.

In May 2014 the Sports Hall FPM was re run following discussions with colleagues at Sport England, the revised assessment has

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confirmed that the above conclusions remain correct and conversations will now be progressed with both parties on how best to ensure the correct facility mix for Bromsgrove as the project progresses.

- Increased studio space to accommodate larger classes, increase flexibility and to relocate non racket sport users from the Sports Hall.
- Introduction of floodlit outdoor courts in line with local need and playing pitch strategy (2009).
- Increased and purpose built car parking provision for the facility to accommodate a larger centre with increased usage capacity and to support access arrangements.

- 3.8 The facility should be provided as soon as possible given the age of the building and the structural issues that the site faces but the report notes the issues that bringing the proposed site together would pose.

An indicative timeline has been referred to, which suggests that a build programme would be around two years for full completion. This would need to be developed further as the programme progressed and could not be finalised until a preferred contractor has been appointed.

Based on recent schemes of this nature and discussion with colleagues, the anticipated design and construction phases of this project would have an anticipated completion of around April 2017.

An indicative timeline is shown later within this report.

- 3.9 The preferred option would cost (inclusive of all land purchase and professional fees) £11.525m.
- 3.10 Following consideration of the initial report, officers requested further information and updates to ensure the capital costs were affordable whilst delivering an exciting new facility for the community.

The new report was issued in late September 2013 and included:

- Review of the total project costs to confirm the capital burden on BDC and ensure the scheme was affordable whilst meeting the community's expectations.
- Assessing alternative build models that were new to the market, their affordability and overall quality of the offer.

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- Finalising the exact location on School Drive based on cost models and build time. This in effect meant a review of the benefits of building on the Blackmore House site whilst maintaining the services at the Dolphin Centre versus stopping the services in order to rebuild the centre on the current site.
 - Confirmation of the facility mix and project cost model prior to taking the final scheme forward, including the impact on Medium Term Financial Plan.
 - Review of current revenue funding to ensure the figures remain robust.
 - Provide an indicative usage measure of the site to provide a basic understanding of cost versus benefit.

3.11 This report also took into account a number of actual or proposed changes that had occurred within the overall local facility mix since the first report was commissioned to ensure that the supply and demand, including latent demand figures, remained as robust as possible.

Changes considered:-

- Increased competition in the local Health & Fitness market following changes at the Ryland Centre, Bromsgrove School and within the private sector where a number of smaller operators had opened.
- An understanding that South Bromsgrove High School (SBHS) were progressing funding submissions and a planning application (subsequently successful) to develop a full size 3G pitch at the school.
- Review of current usage and participation trends at the Dolphin Centre and information available from Sport England's Sport Participation tool.
- Additional facilities being implemented across Worcestershire and the impact this may have on the ability of the site to generate additional income.

Members should be aware that for the purpose of agreeing the funding envelope for this scheme, these proposals have excluded external funding opportunities that may/may not exist in the future and based all assessments on a prudential borrowing approach supported by land sale valuations.

3.12 The findings of the further report (RIBA Stage B) were as follows:

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- That the standardised models that were new to the market should be discounted as they did not meet the specific needs identified within the review, that they are not proven in terms of quality or durability at this stage and that the offer would be below that expected by local residents.
 - That option 1 (the preferred model from the stage A review) is considered to be unaffordable and will require either additional capital investment or ongoing revenue funding if progressed.
 - Options 2a, 2b, 3a and 3b are affordable. However options 2b and 3b would result in a loss of service for up to two years and provide a smaller car park than considered ideal.
 - That although options 3a and 3b were more affordable, options 2a and 2b increased usage and participation rates more, and that the balance between these options and the benefits they delivered should be considered.
 - That the land purchase price that was agreed with the County Council would prove to be critical in the affordability of option 2a. If the price was in excess of £1,598,385 the scheme could not be afforded.

The full detail of these options can be found in the back ground papers, The Sports Consultancy report on Reduced Costs Options, September 2013.

The table overleaf summarises the proposed facility mix for each option, the site locations and car parking provision:

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Core Facilities	Option 1	Option 2a	Option 2b	Option 3a	Option 3b
Main pool (6 Lane x 25m)	X	X	X	X	X
Learner pool (12m x 8m)	X	X	X	X	X
Health and fitness suite (80 stations)	X	X	X	X	X
2 x dance / fitness studios	X	X	X	X	X
Spinning room	X	X	X	X	X
Spa facilities	X	X	X		
Spa treatment rooms	X	X	X		
Climbing wall	X				
Five-a-side football pitches (x3)	X				
Parking	200 spaces	200 spaces	Current DC parking (135 spaces)	200 spaces	Current DC parking (135 spaces)
Site for the new centre	WCC land	WCC land	Dolphin Centre	WCC land	Dolphin Centre

Core Facilities	Option 4a SE Affordable Pool	Option 4b SE Affordable Pool	Option 5a Sunesis	Option 5b Sunesis
Main pool (6 Lane x 25m)	X	X	X	X
Learner pool (12m x 8m)	X	X	X	X
Health and fitness suite (80 stations)			X	X
2 x dance / fitness studios			X	X
Spinning room				
Spa facilities				
Spa treatment rooms				
Climbing wall				
Five-a-side football pitches (x3)				
Parking	200 spaces	Current DC parking (135 spaces)	200 spaces	Current DC parking (135 spaces)
Site for the new centre	WCC land	Dolphin Centre	WCC land	Dolphin Centre

- 3.13 Once received and reviewed, the Stage B report was discussed with the corporate management team and funding included in the Medium Term Financial Plan with the aim to provide this full report to members in the spring.

The details of the preferred option **(2a)** are as follows:

Location: School Drive, Bromsgrove based on the purchase of the Blackmore House site for WCC at £1.425m and the sale of the enabling land on School Drive for £1.8m

Facility Mix:

- Main Pool - 25 by 13 meter (6 lanes) with 100 spectator seats

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- Learner Pool - 12 by 8 meters with moveable floor
- Fitness Suite – 80 stations with functional training spaces supporting up to 1800 members
- Dance studio – 2 spaces for up to 60 people
- Spinning studio - for up to 25 people
- SPA facilities and treatment rooms - Sauna, Steam Room & Jacuzzi
- Ancillary facilities includes car park at 200 spaces

Performance – An increase of 11% on current usage performance is anticipated and an operational recovery rate of 105.4%.

Indicative Cost - £10.863m excludes fit out costs associated with opening and operating the building, section 106 contributions, revised service and utility cost and abnormal ground conditions.

Key Assumptions – Delivery of a new facility

- The Operator will be a leisure trust in line with current service provision and legal documentation on a full repair and maintain lease basis.
- Leisure Provider will provide the health and fitness equipment and all ICT systems associated with their operation.
- That any costs associated with creating dual use arrangement with BAM/NBHS will be met from external funding sources or within the 5.5% cost envelope contingency.
- That existing utility supplies and services are sufficient and there will be no large scale costs associated with the site connections.
- That partial car parking refunds would no longer be offered on site by the Council.
- That 'mean' BCIS building costs for 'wet and dry sports centres' have been assumed, thus the centre will be specified to a high standard for public sector buildings but not to a point where it becomes unaffordable. The basis for this is that the better the quality of the original installation the lower the ongoing costs of maintenance and refurbishment will be.

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- Future years large scale refurbishment costs have been excluded from the business model and the life expectancy of the facility is 50 years in line with the prudential borrowing assumptions.
 - That there will be no unusual ground conditions found on site given that both sets of land parcels are currently in use and built upon.
 - That given it is a leisure centre and non-residential development that 106 contributions would not be required other than possible highway improvements. However it is not expected to be required given the site is a replacement and traffic assessments should demonstrate that peak usage will occur outside of the main town centre usage periods.
 - That planning permission will be granted and the cost model will not have to be revised following planning consent due to unforeseen requirements/conditions that may be applied.

Changes from Initial Model were as follows:

- Reduction in fitness suite space following the revised latent demand figures from a 90 station fitness suite (2,000 membership base) to an 80 station fitness suite (1,800 membership base).
- Climbing Wall (added post 2012 report being issued but included in option 1 model at RIBA stage B) removed from the scheme based on discussions with providers around the overall return to the Council. This would remain an aspiration should sufficient funds be found in the overall cost envelope.
- Outdoor pitches removed based on the successful funding application at SBHS and approved planning permission being granted. Work has now commenced on site.
- Revised professional fee percentages based on current schemes being progressed, and costs associated with them.
- Reduction in square meter sizes in some non-critical areas to shrink the overall foot print and thus reducing the total cost of the build programme and associated fees whilst maintaining key facilities to support local demand.

4. Financial Implications**4.1 Prudential Borrowing:**

- 4.1.1 Prudential borrowing is the set of rules governing local authority borrowing in the UK.

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- 4.1.2 The Prudential system encourages local authorities to invest in the capital assets that they need to improve their services. It allows them to raise finance for capital expenditure without government consent as long as they can afford to service the debt out of their revenue resources.
- 4.1.3 Borrowing must conform to the Prudential Code which (among other things) requires that borrowing be affordable and prudential. The levels of borrowing are identified for the Council within the Treasury Management Strategy as approved by the Audit Board in March 2014.
- 4.1.4 The level of borrowing that can be funded for the proposed replacement Leisure Centre is calculated based on ability for the Council to reduce the current net operating costs of the centre to meet the level of borrowing costs.
- 4.2 The current cost (2014/15) associated with the operation of the Dolphin Centre through the trust arrangement the Council entered into with Wychavon Leisure is £436k.
- 4.3 A detailed review of costs and income generated is included in the background papers. The summary position for the recommended option is:

Revenue Summary	£'000
Income	1,156
Expenditure	1,096
Profit/ (Loss)	60
Base Position	-436
Comparison to Base	496

- 4.4 Using the prudential borrowing model the level of funding that can be achieved is £9.536m. In addition to the borrowing the surplus land will be sold and this is currently valued by the District Valuer of approximately £1.8m. This provides an estimated funding stream of £11.4m. It is proposed that the Head of Service continues to source external funding opportunities to deliver the £100k remaining, however it is proposed that £100k is used from working balances to meet this shortfall should there be no external funding granted.
- 4.5 The detailed costs associated with the build of the replacement centre are included within the background papers. The table below is a summary of the recommended option:

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	£'000
Leisure Centre Construction	6,889
Parking, Access & Landscaping costs	772
Design & Professional fees at 12%	1,011
Contingency @ 10%	766
TOTAL BUILD COST	9,438

- 4.6 The above sum contains a 10% contingency relating to the build works.
- 4.7 In addition to the main build costs the Council would provide funding for the purchase of Blackmore House from the County Council of £1.425m.
- 4.8 The capital projections of £9.438m relate directly to the construction cost of the site and associated professional fees, as is the case with all projects there will need to be a budget outside of the main contract to fund associated costs that may develop as the project progress.

This would equate to a further contingency of 5.5% to mitigate against cost increases due to expected growth within the construction sectors between the point of tenders being received and the production of this report, the key assumptions that have been identified and need to equip the site ready for opening.

This would result in an additional £597k.

- 4.9 Therefore the total costs for the replacement are:

	£'000
Total Build Cost	9,438
Purchase of Blackmore House	1,425
5.5% Contingency	597
TOTAL REPLACEMENT COSTS	11,460

When the final tenders are received (Design Stage H) the overall project cost plan will then be reviewed and the final cost envelope agreed. At this point an update report will be provided to members that finalises the total project budget and may result in a revision to the capital programme.

Officers are confident that the total costs will not exceed £11.5m, however until detailed designs are finalised and tender submissions are received these prices will remain indicative.

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4.10 Land Acquisition:

Officers have been in negotiations with the County Council over the purchase of the Blackmore House site in order to progress this project as this was deemed to be the most appropriate development site and the most economically advantageous location of the new centre.

The initial report from the Sports Consultancy had estimated a value of £1.3m for the site however this was not acceptable to the County Council as a true reflection of the asset value. Following a number of discussions, to include consideration of the significant benefit to the community an agreement was made at £1.425m. The most recent independent assessment by the District Valuer reports that this is a reasonable level for purchase.

There will be an area of land that will be surplus to requirements once the facility is open. For the purpose of the financial model we have assumed a sale price for this land of £1.8m which, although at the high end of the range from the District Valuer is assessed as being achievable in a town centre site.

4.11 Revenue Implications:

4.11.1 Currently the Council funds the provision of the services at the Dolphin Centre through a grant funding agreement at a cost to the Council of £436k. It is assumed that the new centre will be operated under a similar framework as this provides the most financially beneficial model to the Council. The projected income and costs from the new development are shown in the table below:

	Business Case £'000
INCOME	
Wetside Admissions	379
Health and Fitness (including Studio)	600
Spinning Studio	15
Spa Facilities	20
Treatment Rooms	15
Secondary Spend	92
Additional Income from Parking	36
TOTAL INCOME	1,157
EXPENDITURE	
Staffing	520
Premises	199
Lifecycle Costs	115
Advertising / Marketing	29
Administration	55

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Other Supplies and Services	6
Cost of Sales	46
Non Controllable and Central Costs	127
TOTAL EXPENDITURE	1,097
NET SURPLUS	60

4.11.2 The net surplus reflects a financial benefit of £496k against the current position. The new financial projections for the centre would meet the current deficit of £436k and provide a further £60k of surplus to the Council. However on-going maintenance and insurance costs would need to be funded from this surplus dependent upon the nature of any contractual relationships entered into and their duration.

The current MTFP includes the funding of the borrowing costs of £9.536m funded from this improvement to the financial position to ensure that once the centre is open and operating there is no financial cost to the Council.

4.11.3 The MTFP also included the first 3 years of borrowing from balances of £924k. This ensures there is no additional cost to the community whilst the replacement centre is being built. The balances position will remain at an appropriate level following the use for the borrowing.

5. Legal Implications

5.1 The Council will be using external solicitors to undertake the construction contracts (amended JCT contracts) associated with this project. These costs have been factored into the professional fees section of the above costings and will be procured as part of the overall project management package.

5.2 The land purchase and sale aspects will be handled via the legal services section and support via the District Valuer and County Council Property Services Team.

5.3 The design team and project management contracts will be subject to a competitive tendering exercise or through an approved buying solutions contract and will be overseen by the Head of Leisure & Cultural Services supported via the legal and procurement teams.

6. Service / Operational Implications

6.1 As a result of the land acquisition contained within this report's recommendation there will be no impact on the current delivery of the services at the Dolphin Centre provided the buildings condition remains stable.

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The sequencing of the project is to be co-ordinated in such a way that the service will remain open for the duration of the build programme and other than a small closedown period to move from one building to another the operation of the service should remain ongoing.

The site sequencing will be as follows:

Phase 1 - New site under construction with the current site and car parking in operation. DC Car Park used as site compound (to be confirmed).

Phase 2 – New site opens, site compound is removed and current car park is kept in operation. Existing DC building is stripped and then demolished.

Phase 3 – The new site car park is built on the demolished DC site and opens for use.

Phase 4 – Current DC site is placed on the market and sold for the completion of the School Drive development works as part of the overall town centre project.

The indicative timeline for the project will be as follows; this is based on the RIBA design stages and the initial timings from the 2012 report.

June 2014 – Draft report presented to Overview and Scrutiny Task on Finish Group on Leisure Provision and feedback provided.

July 14 – Cabinet make recommendations to Full Council to confirm cost envelope and governance arrangement within this report.

July 14 - Full Council confirms cost envelope and report recommendations

July to Aug 14 – Land Purchase completed

Aug to Sept 14 - Procure Project Management & Design teams

Sept to Jan 15 - Commence RIBA design stages C to D (employers requirement, detailed design brief & design completed)

Jan to April 15 – Stage E (technical design) completed.

May 15 to Aug 15 – Product information produced (stage F)

Aug & Oct 15 - Commence Procurement and appoint contractor (stages G to H)

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Nov 15 – Mobilisation (stage J)

Dec 15 to March 17 – Commence on site (stage K)

April 2017 onwards – Opening of the new site and Post Practical completion works (stage L)

April 17 onwards – Car park works commence & Land Sale progressed.

- 6.2 The above programme & phasing is indicative at this stage and subject to alteration as the project enters more detailed planning stages.

Once this is confirmed the MTFP will be adjusted to reflect the draw down times of each stage within the total project envelope to ensure that capital programme is as robust as possible.

However the need to maintain the service will be a key consideration in any decisions made relating to the programme and phasings. Any significant changes will be communicated as appropriate.

- 6.3 As Members will be aware from earlier in the report, there will be an impact on some users when moving to the new facility as the current facility mix does not include a Sports Hall.

Officers have reviewed the current Sports Hall programme and can confirm that there will be displacement of those users who mainly play badminton, use the full hall to play team sports and dry side children's parties. .

Based on January to March 2014 figures this equates to an average of 41 bookings and/or approximately 769 users per week. Sport England's facility planning model (2009 & 2014) states that there is sufficient space within other sports halls across the district to accommodate these usages. However the report does go on to say that some of this capacity would need to be made available through conversations with local providers to establish greater Community Use.

All other bookings are expected to be relocated into the proposed dance studio provision with no impact upon their bookings at this stage.

Officers will also as part of the project look at options to create a dual use/community use arrangement with BAM to access the school sports hall at North Bromsgrove High School at key times through the week.

This could facilitate the continued usage of many these bookings and maintain pay and play access for residents based on the current usage patterns. This would mean that 3 bookings per week and 132 users

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would need relocating. However it is worth noting that within these figures that 1 booking per week with 30 users would likely have left the site but the time it opens as they are football based and the 3G surface will be available by then at South Bromsgrove High School.

This would however be subject to a formal agreement being made and assigned to the sites operator moving forward and should be taken as confirmed at this moment in time.

Currently the capital costs of developing this option are unknown and not within the overall cost envelope. Officers will review external funding opportunities to identify potential grant funding bodies that can assist in this matter and make submission as required during the project.

- 6.4 The final impact on customers will be the need to host external swimming galas away from the new Dolphin Centre as outlined in previous sections. This is not seen as a major concern given that only two galas were held on site in 2013 and there is access for this provision at other pools in the locality.

7. **Customer / Equalities and Diversity Implications**

- 7.1 There are no direct customer, equality or diversity implications contained within this report as the new site will be an enhancement to the current provision at the Dolphin Centre with conformity to all relevant legislation.

The site will be designed and equipped to a higher standard than the Disabled Discrimination Act 2004/Equality Act 2010 requirements and the current building regulations.

Examples of where the site will exceed these requirements and be based on best practice for the leisure industry include the following:-

- Installations of a motorised platform lift and walk in access stairs into the main pool.
- Moveable pool floor in the small pool to increase the useable space and offer increased temperatures to this area for hydro therapy sessions.
- Ensuring all wet activities are accessed at ground floor level and that all ancillary facilities are easily accessible and accessed with minimal disruption.
- “Changing places style” wet changing and toilet room.

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-
- IFI based fitness equipment to increase wheelchair user accessibility.
 - Overall layout based on minimising transitions and distances providing direct transfers routes between areas including limiting internal doorways and stair wells.
 - Oversized doorways included to provide access for sport and motorised wheelchairs.
 - Revised car parking layout to support access arrangements with a focus on group booking/usages that require minibus parking.
 - Increased storage provision in circulation spaces designed to support wheelchair users whilst at the centre.

7.2 In order to ensure that these design concepts enhance the user's experience we will work with the Disabled User Group to understand the practical aspects of design and these outcomes will feed into the employer's requirements that will be prepared.

8. RISK MANAGEMENT

8.1 The main risks associated with a project of this nature are summarised below:

- Any initial set up expenditure incurred in relation to this scheme will be classed as abortive if the scheme does not progress to the construction stages. These costs would need to be met from revenue funding and would place an unavoidable pressure on the MTFP.
- The Council will need to ensure that the facility mix agreed within this report is realistic and understood by all interested parties to ensure that expectations are managed and that the agreed budget is not placed under additional pressure due to expectations rising.
- That all risks associated with the sites ground conditions are assessed and understood in detail as part of the design stage D to ensure that cost risks are proactively managed and removed from the project.
- The current site may need additional works during this period to maintain operation which may require a temporary close down of service and/or in worst case scenario a partial or full close down of service could be required.

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- Planning considerations - Although the scheme has been reviewed favourably against current planning policy within the stages A and B, it would still be required to be considered by the planning authority for formal review and approval.
 - Procurement routes relating to project management, design, construction and whole life costs can create some risks in large construction contracts when endeavouring to balance the cost of the project with the overall quality of design. The Council will follow the well-established route of appointing its own project team to oversee the detailed design development, technical design and fit out specifications that will form the tender documents/employer requirements.

Once a preferred contractor is appointed (including prequalify questionnaire – PPQ stage) we will then novate the design team to the contractor and appoint on an amended JCT contract for design and build contracts. This will ensure the council only has to manage one relationship moving forward and that any issues relating to performance are managed effectively, whilst giving the Council the ability to rectify issues itself and deduct costs in worst case scenarios.

- There is a risk that as the construction market starts to pick up, that the costs may rise, leading to increased tenders. The rates currently applied in the business case are based on current market rates which although stable at present, may change as the project progresses. An allocation of 5.5% of total project cost has been built into the MTFP to mitigate against this and other risks identified. Officers are also working with colleagues from Sport England to access support and guidance in these areas.
- Within the overall business case there is an assumption that the enabling land will be worth £1.8 million based on the District Valuers report and discussions. Should this figure not be achieved officer will request additional funds from balances.
- The Council has received VAT advice with regard to reclaiming the VAT on the build cost of the new site from a leading authority in this area. Based on the advice received, provided that we continue to operate the new service in line with the current operating model and established legal framework there is no identified risk in this area.
- The revenue projections are based upon a trust based model and at this stage they are subject to a formal agreement being made and provider appointed. Until the provider is appointed the revenue model, legal framework and operating principles cannot be confirmed and must be treated as indicative. However recent

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examples of such projects have shown that these models are proving to be very successful and achieving zero subsidy from the Council.

- 8.2 As part of the project development the Council will produce a detailed risk register and performance specification to ensure that the project delivers BDC expectations within the agreed budget.

Once established these will be built into the corporate risk register to ensure ongoing monitoring of the risks identified.

- 8.3 The Council will only formally commit (contracts signed) to the project once acceptable tenders are received that are within budget and meet all tender documents. There is however a potential reputational risk with this approach should BDC not progress to the final construction phases.

9. APPENDICES

None

10. BACKGROUND PAPERS

Dolphin Centre Cabinet Report - 2nd July 2008

Dolphin Centre Structural Survey Summary – 2008

Capita Symonds report on Review of Leisure Centre Provision in Bromsgrove May 2012;

The Sports Consultancy report on Reduced Costs Options, September 2013

Sport England Facility Planning Model for Sports Hall – BDC 2014.

11. KEY

MTEFP – Medium Term Financial Plan

AUTHOR OF REPORT

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FINANCIAL OUTTURN REPORT AND RESERVES STATEMENT - 2013/14

Relevant Portfolio Holder	Councillor Roger Hollingworth, Portfolio Holder for Finance, Partnerships and Economic Development
Relevant Head of Service	Jayne Pickering, Executive Director Finance and Corporate Resources
Non-Key Decision	

1. SUMMARY OF PROPOSALS

To present members with the financial information for the year ended 31 March 2014. This includes:

- a) Financial Outturn Information 2013/14 for Revenue and Capital Spend
- b) To advise members on the earmarked reserves for the year ending 2013/14 and to seek members approval on the creation of new reserves which are required to support future plans of the Authority

2. RECOMMENDATIONS

- 2.1 That Cabinet note the outturn financial position on Revenue and Capital as detailed in this report and the transfer to balances of £647K.**

That Cabinet recommend to Council:

- 2.2 approval of the movements of £88K in existing reserves as included in Appendix 1 which reflects the approval required for April - March 2014.**
- 2.3 approval of the addition of new reserves of £495k as included in Appendix 1. This reflects the approval required for April - March 2014.**
- 2.4 approval of a capital bid of £80K for Hagley Teenage provision to be funded from S106 contributions.**

3. KEY ISSUES

Financial Implications

Financial Position For The Year

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- 3.1 The Finance Budget Monitoring Report has been presented to Members on a quarterly basis during 2013/14. This report presents a summary of the final financial position for the financial year. This ensures Members have a full financial position statement of the Council's activities before the formal Statement of Accounts document is approved.
- 3.2 The accounts for 2013/14 are in the process of being prepared and as part of the closedown process a review of reserves and provisions has been undertaken.
- 3.3 A number of reserves have been utilised during the financial year and additional funds have been allocated to existing reserves. The net position on the current reserves is shown in Appendix 1.
- 3.4 In discussion with Heads of Service and in considering the future plans of the Authority, a number of new reserves have been proposed, together with the release of funds currently set aside.
- 3.5 The new reserves that are proposed are included at Appendix 1.
- 3.6 If approval is granted to the proposed reserves as identified above, the revised position will be £2.577million to fund future plans of the Authority. The full schedule including the new reserves is attached at Appendix 1.

Revenue Budget

- 3.2 The Revenue Account produced a year end surplus of £647K compared to a revised budgeted deficit of £136k, an improvement of £783K. This is due to a number of factors detailed in this report. In addition during 2013/14 officers were requested to ensure that any expenditure on general non-essential items was reviewed to ensure that the balances position for the Council was protected in light of the severity of the cuts anticipated. The significant underspend has enabled the Council to increase the amount transferred to balances to support future one off budget pressures and to mitigate the continuing reduction in Government funding.
- 3.3 The increase in balances has resulted in a current position of £3.740m of available for one off items of expenditure (minimum approved level £1.1m).

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A separate table for each department plus a council summary is shown on the following pages.

3.5 The Council Revenue Summary is detailed below:-

Service Head	Revised Budget 2013/14 £'000	Actual spend April - Mar £'000	Variance April - Mar £'000
Environmental Services	3,750	3,863	113
Community Services	1,921	1,857	-64
Regulatory Services	577	573	-4
Leisure & Cultural Services	1,937	1,728	-209
Planning & Regeneration	1,331	1,304	-27
Customer Access & Financial Support	819	703	-116
Finance & Resources	-78	0	78
Legal & Democratic Services	1,117	1,082	-35
Business Transformation	337	7	-330
Corporate Services	1,660	1,678	18
SERVICE TOTAL	13,371	12,795	-576
Capital Expenditure charged to Revenue	62	62	-
Other Non-service Income	-13,899	-14,008	-109
Interest on Investments	-67	-78	-11
Interest on Borrowing	75	-	-75
General Transfer to/from earmarked reserves	594	582	-12
Transfer to/from General Fund Reserves	-136	647	783
COUNCIL SUMMARY	-	-	-

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Environmental Services	Financial Year 2013 /14
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Revenue Budget summary Financial Year 2013 /14 – Environmental Services

Service Head	Revised Budget 2013 /14 £'000	Actual Spend April - Mar £'000	Variance April - Mar £'000
Car Parks/Civil Parking Enforcement	-543	-524	19
Cemeteries/ Crematorium	68	48	-20
Cesspools/ Sewers	-53	-11	42
CMT	1	0	-1
Depot	-30	-39	-9
Grounds Maintenance	566	553	-13
Highways	190	163	-27
Refuse & Recycling	2,297	2,422	125
Street Cleansing	1,217	1,202	-15
Transport	-41	-28	13
Waste Management Policy	-6	-12	-6
Climate Change	36	26	-10
Land Drainage	48	63	15
TOTAL	3,750	3,863	113

Commentary -

- Car Park income was £31k less than expected due to a reduction in usage. However, the overall deficit was reduced to £19k due to savings on the contract with Wychavon District Council
- Cemetery income was higher than expected for the year.
- The costs associated with the work undertaken at the pumping stations has resulted in a shortfall in cesspool income. This is being reviewed at present to ensure the work can be funded in future years.
- £22k of the surplus on Highways relates to income generated from

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other Councils

- Major repairs to waste freighters have accounted for approx. £46k of the deficit and this has been compounded by increased agency costs to cover sickness. Trade waste tipping charges payable to the County were also higher than expected.
- Street cleansing – there have been staff savings within this service
- Land Drainage – additional drainage works were carried out at Callowbrook of £10k

The above issues have been addressed as part of the Medium Term Financial Plan and managers have secured new vehicles to reduce the requirement for maintenance charges.

Community Services	Financial Year 2013 /14
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Revenue Budget summary Financial Year 2013 /14 – Community Services

Service Head	Revised Budget 2013 /14 £'000	Actual Spend April – June £'000	Variance April - Mar £'000
Housing Strategy	1,327	1,285	-42
Community Safety & Transport	574	553	-21
Community Cohesion	20	19	-1
TOTAL	1,921	1,857	-64

Commentary -

- Reduction in the cost of running the community transport scheme, due to contract being renegotiated
- A salary saving in community safety due to a member of staff taking a career break.
- Reduced spending by the Housing Enabling team on supplies and services.

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Revenue Budget summary Financial Year 2013 /14 – Leisure and Cultural Services

Service Head	Revised Budget 2013 /14 £'000	Actual Spend April - Mar £'000	Variance April - Mar £'000
Business Development	133	91	-42
Cultural Services	324	295	-29
Parks & Open Spaces	464	442	-22
Sports Services	1,016	900	-116
TOTAL	1,937	1,728	-209

Commentary –

- **Business Development**
 - The maintenance costs of the Council House have reduced due to the lower occupancy levels and a reduction in preventive maintenance as we prepare to move to Parkside. This is also supported by an increasing amount of work that is now done by our own staff rather than external contractors. This has been included as a saving within the 2014/15 budget.
 - The Christmas Lights have been procured at a lower price and installed by existing staff rather than contractors, and a saving has been included within the 2014/15 budget.

- **Cultural Services:**
 - There are vacancy savings which will be addressed as part of a service review in 2014/15.
 - The cost of the events programme as a whole was lower than anticipated.

- **Parks & Open Spaces:**
 - As a result of poor weather conditions, a focus on essential spend only and one-off vacancy savings, the Parks team have performed better than anticipated.

- **Sports Services:**
 - Maintenance costs and car parking charges for the Dolphin Centre were lower than anticipated and a saving has been included within the 2014/15 budget.
 - The casual staff budget for Sports Development is no longer required at the same level, as the current delivery model is designed to increase community provision and create

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sustainable exit routes outside of BDC direct control. This has been included as a saving within the 2014/15 budget.
 - Expenditure on Sports Development projects was lower than anticipated as existing earmarked reserves were utilised.

Planning and Regeneration	Financial Year 2013 /14
----------------------------------	--------------------------------

Revenue Budget summary Financial Year 2013 /14 – Planning and Regeneration

Service Head	Revised Budget 2013 /14 £'000	Actual Spend April - Mar £'000	Variance April - Mar £'000
Building Control	-48	-38	10
Development Control	470	510	40
Strategic Planning	479	452	-27
Economic & Tourism Development	216	167	-49
Emergency Planning	13	13	0
Town Centre Development	201	200	-1
TOTAL	1,331	1,304	-27

Commentary -

The underspend within Strategic Planning is a salary vacancy which was not filled until the new financial year there has also been savings on printing and stationery.

There has been an overspend in Development Control due to having to use additional staff to cover the back log of planning applications.

Economic Development was underspent due to officers reviewing the needs across the District. All allocated funds are now committed for use in 2014/15.

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Regulatory - Client	Financial Year 2013 /14
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Revenue Budget summary Financial Year 2013 /14 – Regulatory Client

Service Head	Revised Budget 2013 /14 £'000	Actual Spend April - Mar £'000	Variance April - Mar £'000
Environmental Health	754	746	-8
Licensing	-177	-173	4
TOTAL	577	573	-4
No significant variances			

Customer Access & Financial Support	Financial Year 2013 /14
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Revenue Budget summary Financial Year 2013 /14 – Customer Access & Financial support

Service Head	Revised Budget 2013 /14 £'000	Actual Spend April - Mar £'000	Variance April - Mar £'000
Customer Services	-31	0	31
Central Overheads	44	0	-44
Revenues & Benefits	806	703	-103
TOTAL	819	703	-116

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Commentary -

The over spend on Customer Services is due to redundancies and pension strain resulting from the restructure that has been implemented to deliver savings.

The under spend on Central overheads is due to a much lower final charge for Valuation Services from Worcestershire County Council which has been included in the 2014/15 savings.

The under spend on Revenue and Benefits Services is due to a number of factors including; additional court cost income received, savings on postage during the end of year billing period, vacancy savings and additional income from the Housing Benefit Subsidy.

Finance and Resources	Financial Year 2013 /14
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Revenue Budget summary Financial Year 2013 /14 – Finance and Resources

Service Head	Revised Budget 2013 /14 £'000	Actual Spend April - Mar £'000	Variance April - Mar £'000
Accounts & Financial Mgmt	-78	0	78
TOTAL	-78	0	78

Commentary

The overspend on Accounts & Financial Management is severance costs following the recent Head of Service restructure which has resulted in the delivery of annual savings.

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Legal, Equalities and Democratic Services	Financial Year 2013 /14
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Revenue Budget summary Financial Year 2013 /14 – Legal, Equalities and Democratic Services

Service Head	Revised Budget 2013 /14 £'000	Actual Spend April - Mar £'000	Variance April - Mar £'000
Democratic Services & Member Support	977	947	-30
Elections & Electoral Services	185	153	-32
Legal Advice & Services	10	7	-3
Land Charges	-55	-25	30
TOTAL	1,117	1,082	-35

Commentary –

There have been further savings made within Democratic services due to a vacant post and lower internal recharges. The under spend within Members Services is due to several things, mainly being less Member visits than anticipated and less expenditure from Civic Expenses.

Electoral Services savings were made due to printing and associated costs being lower than expected, and also having a vacant post which was anticipated to be filled within the last quarter.

The over spend within Local Land Charges is due to a severance costs, also lower income received than anticipated.

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Business Transformation	Financial Year 2013 /14
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Revenue Budget summary Financial Year 2013 /14 – Business Transformation

Service Head	Revised Budget 2013 /14 £'000	Actual Spend April - Mar £'000	Variance April - Mar £'000
IT Services	205	0	-205
Business Transformation	23	0	-23
Policy & Performance	28	7	-21
Human Resources & Welfare	81	0	-81
TOTAL	337	7	-330

Commentary –

There have been a significant number of staff vacancies within IT Services throughout the year which have increased the savings. The savings within the service also relates to a reduction in the spend on both hardware and software.

The savings within Business Transformation are due to staff vacancies within the department.

The savings within are HR are due to the underspend with the corporate training budget as a training assessment review has been carried out to ensure the training plans meet staff needs.

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Corporate Services	Financial Year 2013/14
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Revenue Budget summary Financial Year 2013 /14 – Corporate Services

Service Head	Revised Budget 2013 /14 £'000	Actual Spend April - Mar £'000	Variance to date April - Mar £'000
Corporate Resources	1648	1678	30
Corporate Admin / Central Post / Printing	12	0	-12
TOTAL	1660	1678	18

Commentary –

There is an overspend on Corporate Management due to the costs associated with an Empty Homes Review which will increase the Council Tax income and New Homes Bonus for the authority in future financial years this was partially offset by increased interest received.

Other Savings (£12K) on postal costs, temporary vacancy in print/graphics and communications underspend on marketing.

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Capital Budget

3.8 The Capital Budget relates to assets purchased or improvements to Council facilities.

3.9 Capital Summary 2013/14

Department	Latest Budget 2013/14 £'000	Carry Forward to 2014/15 £'000	Revised Budget 2013/14 £'000	Actual spend 2013/14 £'000	Variance £'000
Business Transformation	34	0	34	29	(5)
Environmental Services	731	(63)	668	666	(2)
BDC Regulatory Client	55	(19)	36	6	(30)
Planning & Regeneration	974	(508)	466	478	12
Community Services	1,022	(361)	661	661	0
Leisure & Cultural Services	869	(178)	691	697	6
Support Service Recharges	21	0	21	0	(21)
TOTAL	3,731	(1,129)	2,602	2,560	(42)

Commentary-

During the course of the financial year delivery of the capital programme was reviewed and £5.1 million was reprofiled to 2014/15, resulting in the latest budget of £3.7 million for 2013/14. Due to slippage a further £1.1 million has been carried forward to 2014/15 (as shown in the table above).

3.10 The carried forwards were approved by the S151 officer under delegated authority

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Treasury Management

- 3.12 For the year to 31st March 2014 the Council received net investment income amounting to £78K against budgeted receipts of £67K. This income arises on interest earned on in-house managed funds (cash currently surplus to cash flow requirements that is placed on short-term deposit).
- 3.13 Due to advice received the Council is maintaining its stance of depositing in ultra low risk investments. In our recent Investment Updates we have been advised to use named UK incorporated institutions as investment counterparties whose long-term ratings are currently in the 'double-A' category.
- 3.14 All funds are now managed internally within the Finance department with support from our advisors Arlingclose.

Revenue Balances

- 3.15 The revenue balances brought forward at 1st April 2013 was £3.093m. The revised estimate assumed that £136K would be transferred from balances as part of 2013/14 final position. The increased level of savings as detailed in this report has meant that an increased addition to balances of £647K has been made. The new level of balances is £3.740m, which can be utilised to fund one off items to deliver the priorities of the Council.

Hagley Teenage Provision 2014/15 Capital Bid

- 3.16 An increase to the Capital Programme of £80K is being requested, this is fully funded from S106 contributions.
- 3.17 The requirement for teenage provision in Hagley has been evidenced through the PPG17 report (Planning Permission Guidance 17). The report shows that Bromsgrove West has the greatest shortfall of young people's facilities and an assessment of provision by ward identifies Hagley as one of three wards in the District with the largest deficiency (0.13 ha).
- 3.18 Accessibility mapping further reinforces the inadequacy of current provision with residential areas in the Hagley and Clent wards shown to fall outside of a 15minute walk time of this type of provision. The recommendations from the report suggest we should priorities these areas for the development or re-profiling of new facilities for young people in Bromsgrove West, particularly within the Hagley and Clent wards.

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- 3.19 Hagley park is centrally located within the centre of Hagley village and is more easily accessible for young people to walk/travel. We therefore recommend the investment for young people within this location to support the provision standards within PPG17 for provision and accessibility.

Legal Implications

- 3.20 Sections 32 and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.
- 3.21 Section 25 of the Local Government Act 2003 places a specific personal duty on the Chief Financial Officer to report on the adequacy of reserves and the robustness of the budget.

Service/Operational Implications

- 3.22 The effective management of financial arrangements ensures the Council objectives can be met.
- 3.23 The Council currently sets aside specific amounts as reserves for future policy purposes or to cover contingencies. In addition the Council has specific provisions for liabilities or losses that result from past events.
- 3.24 In June 2009, Council approved a policy to ensure relevant approval was in place to create and release reserves to support and enhance the delivery of the priorities of the Council.

Customer / Equalities and Diversity Implications

- 3.25 The effective use of our resources, as detailed in the statement ensures funds are appropriately utilised to meet customer demand.
- 3.26 The adequate provision of reserves will ensure the Council has appropriate funds in place to meet future demands of its customers.

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4. RISK MANAGEMENT

The Financial Services risk register includes the preparation of the accounts and the controls in place to ensure the accounts are closed within the deadline and are accurate and transparent.

The closedown of the accounts and the relevant accounting treatment of provisions and reserves is contained within the Financial Services Risk Register and monitored on a quarterly basis

5. APPENDICES

Appendix 1 – Statement of Earmarked Reserves 2013/14

6. BACKGROUND PAPERS

None.

AUTHOR OF REPORT

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FINANCIAL RESERVES STATEMENT 2013/14

APPENDIX 1

Description	Balance C/fwd 1.4.2013	Movement in Reserve 2013/14	New Reserve 2013/14	C/fwd 31.3.2014	Comment
	£	£	£	£	
Building Control Partnership	-24,076	-28,781		-52,856	Partnership income has to be reinvested in the service behalf of the shared service
Community Safety	-85,200	-9,647		-94,847	Grant funding received to fund associated community projects (eg TRUNK)
Economic Regeneration	-86,616	11,289		-75,327	To fund the Town Centre Manager post and Economic Development opportunities across the District
Election Services	-16,644	13,262	-13,120	-16,502	To fund costs associated with the election eg replacement ballot booths
Financial Services	-147,923	5,099	-429,494	-572,318	The reserve includes the small business rate relief grant that will offset the costs in 2014/15. In addition a number of reserves / grants have been set aside to support residents through the changes to welfare reform
Health Improvement Initiatives	-42,620	30,115	0	-12,505	Grant received to support local health initiatives
Housing Schemes	-167,036	28,837	-30,416	-168,615	To provide a number of housing schemes to fund those in need
ICT/Systems	-228,000	-89,967		-317,967	To provide for replacement ICT systems
Leisure/Community Safety	-129,320	-21,413	-6,826	-157,559	Grant received and reserves set aside to support a number of leisure and well being schemes across the District
Litigation Reserve	-230,000	0	0	-230,000	To provide funding for any potential legal challenges
Local Development Framework	-15,562	1,590	0	-13,972	To fund the costs associated with the local plan enquiry
Local Neighbourhood Partnerships	-15,667	0	0	-15,667	Grant received in relation to liveability schemes
Local Strategic Partnership	-3,000	1,500	0	-1,500	LSP funding set aside
Organisational Development	-3,500	0	0	-3,500	Funds set aside to undertake fire risk management
Other	-127,676	41,796	-14,954	-100,834	To support apprentices, set up costs and other general reserves
Regulatory Services (Partner Share)	-2,494	-7,334		-9,828	To fund potential redundancy and other shared costs
Replacement Reserve	-374,988	-112,500		-487,488	To fund replacement vehicles and plant
Shared Services Agenda incl Joint CE	-293,294	48,000	0	-245,294	To fund potential redundancy and other shared costs
Grand Total	-1,993,615	-88,154	-494,810	-2,576,579	

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