



BROMSGROVE DISTRICT COUNCIL

YOU ARE HEREBY SUMMONED to attend a MEETING of BROMSGROVE DISTRICT COUNCIL to be held in the Council Chamber at The Council House, Burcot Lane, Bromsgrove at 6.00 p.m. on Monday 19th January 2015, when the business referred to below will be brought under consideration:-

The formal business will be preceded by a prayer.

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 Council held on 19th November 2014 (Pages 1 - 10)

4. To receive any announcements from the Chairman, the Civic Head and/or Head of Paid Service

5. To receive any announcements from the Leader

6. Recommendations from the Cabinet (Pages 11 - 12)

To consider the recommendations from the meetings of the Cabinet held on 3rd December 2014 and 7th January 2015

The full Cabinet reports are enclosed for information as part of the Council agenda book.

From Cabinet on 3rd December 2014 (Recommendations attached)

- Finance Monitoring Report - Quarter 2
- Environmental Services Transformation and Shared Services Restructure Business Case (*background papers for this item are within the confidential section of the Council agenda book*)

From Cabinet on 7th January 2015 (Recommendations to follow)

- Council Tax Support Scheme
- Council Tax Base
- New Homes Bonus
- Medium Term Financial Plan – Parish Grant
- Car Parking Charges - Evening Parking

7. **Appointments to Outside Bodies** (Pages 13 - 16)

8. **Motion - Mental Health Pledge** (Pages 17 - 18)

Background Information on Recommendation from the Cabinet on 3rd December 2014 - Finance Monitoring Report Quarter 2 2014/15_(Pages 19 - 32)

Background Information on Recommendations from the Cabinet on 7th January 2015 - Council Tax Support Scheme_(Pages 33 - 54)

Background Information on Recommendation from the Cabinet on 7th January 2015 - Council Tax Base_(Pages 55 - 60)

Background Information on Recommendation from the Cabinet on 7th January 2015 - New Homes Bonus Scheme_(Pages 61 - 80)

Background Information on Recommendation from the Cabinet on 7th January 2015 - Medium Term Financial Plan - Parish Grant_(Pages 81 - 94)

Background Information on recommendation from the Cabinet on 7th January 2015 - Car Parking Charges - Evening Charges_(Pages 95 - 100)

9. **To consider, and if considered appropriate, to pass the following resolution to exclude the public from the meeting during the consideration of item(s) of business containing exempt information:-**

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

<u>Item No.</u>	<u>Paragraph(s)</u>	
10	1 and 4	"

10. **Background Information on the Recommendation from the Cabinet 3rd December 2014 - Environmental Services Transformation and Shared Service Restructure Business Case (Pages 101 - 146)**

K. DICKS
Chief Executive

The Council House
Burcot Lane
BROMSGROVE
Worcestershire
B60 1AA

TO ALL MEMBERS OF THE BROMSGROVE DISTRICT COUNCIL

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BROMSGROVE DISTRICT COUNCIL

MEETING OF THE COUNCIL

WEDNESDAY, 19TH NOVEMBER 2014 AT 6.00 P.M.

PRESENT: Councillors J. M. L. A. Griffiths (Chairman), J. A. Ruck (Vice-Chairman), S. J. Baxter, C. J. Bloore, D. W. P. Booth, J. M. Boswell, J. R. Boulter, J. S. Brogan, M. A. Bullivant, M. T. Buxton, S. R. Colella, R. J. Deeming, R. L. Dent, S. J. Dudley, K. A. Grant-Pearce, P. A. Harrison, R. Hollingworth, H. J. Jones, R. J. Laight, B. Lewis, L. C. R. Mallett, C. M. McDonald, P. M. McDonald, E. J. Murray, C. R. Scurrrell, E. M. Shannon, R. J. Shannon, S. P. Shannon, M. A. Sherrey, C. J. Spencer, C. B. Taylor, C. J. Tidmarsh, L. J. Turner, M. J. A. Webb, P. J. Whittaker and C. J. K. Wilson

47\14 **APOLOGIES**

Apologies for absence were received from Councillors R. A. Clarke, B. T. Cooper and P. Lammas.

48\14 **DECLARATIONS OF INTEREST**

The following declarations of interest were made:

Item 6 – Minutes of the Meeting of the Cabinet held on 5th November 2014 (Disposal of Council Owned Land – Aintree Close/Lingfield Walk, Catshill)

Councillor H. J. Jones declared an other disclosable interest as a member of the Executive Committee of the Catshill Scouts Group.

Councillor R. J. Laight declared an other disclosable interest as Chairman of the Bromsgrove Scouts Association.

49\14 **ELECTION OF VICE CHAIRMAN OF THE COUNCIL**

The Chairman referred to the resignation of Councillor R. J. Laight as Vice-Chairman of the Council. The Chairman thanked Councillor Laight for the work he had undertaken in the role of Vice-Chairman and for the support which he had provided to her as Chairman over the past three years.

It was proposed by Councillor H. J. Jones and seconded by Councillor L. C. R. Mallett and

RESOLVED that Councillor J. A. Ruck be elected Vice-Chairman of the Council for the remainder of the Municipal Year.

Councillor J. A. Ruck signed the Declaration of Acceptance of Office and thanked Members of the Council for electing him to the office of Vice – Chairman of the Council.

50\14 **MINUTES**

The minutes of the Meeting of the Council held on 24th September 2014 were submitted.

RESOLVED that the minutes be approved as a correct record.

51\14 **ANNOUNCEMENTS FROM THE CHAIRMAN, THE CIVIC HEAD AND/OR HEAD OF PAID SERVICE**

The Chairman paid tribute to the excellent service which the Princess of Wales Community Hospital was providing to residents of the District.

The Civic Head drew the attention of Members to forthcoming events around the District and requested that Members support these events where possible.

52\14 **ANNOUNCEMENTS FROM THE LEADER**

The Leader stated that she was standing down from the Greater Birmingham and Solihull Local Enterprise Partnership and from the Transport Board. The matter of this Council's representation on these bodies would be brought back to the Chamber for consideration. In response to a query the Leader confirmed she would be attending meetings as an observer until a new representative was appointed.

The Leader drew the attention of Members to the provision of free Car Parking in Council car parks on the weekends of 6th and 7th December and 20th and 21st December 2015.

The Leader referred to on-going discussions with Worcestershire County Council with regard to Highways issues and the expenditure which may be made available to improve the highway infrastructure within the District.

The Leader reported that the next meeting of the New Homes Bonus Group would take the form of a Public Forum to take place on 1st December 2015.

The Leader responded as far as she could to questions raised regarding the Sainsbury's development. It was understood that, together with other national chains, Sainsbury's were reviewing their development plans on a national basis as a result of changes in the shopping habits of consumers. It was not possible to pre judge the outcome of that review as far as Bromsgrove was concerned. In response to a query the Leader stated she did not meet direct with Developers but with their agents.

The Leader referred to other projects where re-generation of the Town Centre was well underway such as the new Library and the Health Centre.

53\14

RECOMMENDATIONS FROM THE CABINET

(i) Gateway Service for Young People – Provision of Homelessness Support

The recommendation from the Cabinet was proposed by Councillor C. B. Taylor and seconded by Councillor M. J. A. Webb.

In proposing the recommendation Councillor Taylor referred to the importance of the ensuring the continuation of a service which would provide crisis and emergency support to young people threatened with or experiencing homelessness. By accepting the funding of £11,200 from Worcestershire County Council and then working in partnership with the County Council, St Basil's and Bromsgrove District Housing Trust, this Council could enable the service to continue for at least another year.

Whilst Members expressed support for the recommendation, there were some concerns that the funding to be made available was inadequate to address the issue of homelessness prevention amongst young people.

RESOLVED that this Council accepts the sum of £11,200 from Worcestershire County Council and that this funding be utilised to meet part of the cost of the provision of a Gateway Service for 16-23 year olds as set out in the report.

54\14

MINUTES OF THE MEETINGS OF THE CABINET HELD ON 24TH SEPTEMBER 2014, 1ST OCTOBER 2014 AND 5TH NOVEMBER 2014

The minutes of the meetings of the Cabinet held on 24th September 2014, 1st October 2014 and 5th November 2014 were received for information.

5th November 2014

Further to Minute No. 49/14 Councillor L. C. R. Mallett queried whether the proposed changes would impact on the Local Valuation Tribunal and referred to the outcome of the recent Supreme Court Judgement which had resulted in the proposal to consult all current working age Council Tax Support Scheme claimants.

Councillor M. J. A. Webb responded that there were proposals to develop an appropriate Hardship Fund to provide transitional support. Councillor Webb welcomed the clarity which the recent Judgement had now provided in terms of the already extensive consultation process.

Further to Minute 50/14 relating to Fees and Charges Members raised issues in relation to the following:

- Bulky Waste Collection Charges – it was confirmed that it was the intention to give officers some flexibility in determining some of these charges which may be on a “one –off” basis;
- Charges for some Cemetery services - it was confirmed that some charges were being re-considered;
- Charge for Garden Waste Collection Service - due to an expansion in use of the service there was an opportunity to restrict the proposed increase in the charge for the service .

55\14

WEST MERCIA POLICE AND CRIME PANEL

Council considered the appointment of a representative and substitute to the West Mercia Police and Crime Panel. The appointments would be in place until the local elections in May 2015.

It was proposed by Councillor C. B. Taylor and seconded by Councillor M. J. A. Webb that Councillor M. A. Sherrey be appointed as the Council's representative on the West Mercia Police and Crime Panel.

It was proposed by Councillor L. C. R. Mallett and seconded by Councillor M. T. Buxton that Councillor M. A. Bullivant be appointed as the Council's representative on the Panel. Councillor Bullivant declined the nomination and it was

RESOLVED that Councillor M. A. Sherrey be appointed as the Council's representative on the West Mercia Police and Crime Panel.

It was proposed by Councillor M. A. Sherrey and seconded by Councillor M. A. Bullivant that Councillor C. B. Taylor be appointed as substitute representative on the West Mercia Police and Crime Panel.

It was proposed by Councillor R. J. Shannon and seconded by Councillor S. P. Shannon that Councillor M. A. Bullivant be appointed as substitute representative on the panel. Councillor Bullivant declined the nomination and it was

RESOLVED that Councillor C. B. Taylor be appointed as the Council's representative on the West Mercia Police and Crime Panel.

56\14

QUESTIONS ON NOTICE

Question submitted by Councillor R. J. Laight

Will the Portfolio Holder for Finance please confirm that Bromsgrove District Council only pays 50% of the Senior Management's salaries, with the other 50% being paid by Redditch Borough Council? The reason I ask this is

because when at the last Full Council meeting Members opposite discussed salaries, they failed to mention this. Therefore if I am correct with the 50% cost, Bromsgrove residents may have been misinformed and were wrongly advised that stated salaries were double the actual cost to this Authority.

Councillor M. J. A. Webb responded that the costs associated with the Senior Management Team referred to at the last Full Council meeting were shared 50% with Redditch BC. In addition any other staff who were providing a service across Bromsgrove and Redditch Councils had costs shared.

Question submitted by Councillor H. J. Jones

As Councillor for the Catshill Ward I would like to know about the Conservative Council's initiative of "Place Teams" . This initiative I believe was started in other Wards and I have heard that it has been very successful.

I would like to ask the Portfolio Holder responsible about it and if other areas will receive the benefit.

Councillor M. A. Bullivant referred to the principles of the operation of the "Place Teams" which were working very well in areas such as Wythall and Alvechurch. It was anticipated that the initiative would be rolled out across the District by the end of the Spring period in 2015.

Question submitted by Councillor R. J. Shannon

With the official opening of the High Street now some time ago, please can the Portfolio Holder let the people of Bromsgrove know when the newly installed electric gate will be operational and have/if the relevant Traffic Orders been granted that will put a stop to the continued use by cars, vans and lorries which are damaging the new stonework?

Councillor R. L. Dent responded that the new electric gate had been installed and tested. Councillor Dent stated that the existing Traffic Regulation Order remained in force and restricted vehicles entering the High Street between 10.30am and 4.00pm. An order had been placed with BT to install a line at the CCTV Control Room to enable them to operate the gate remotely. Once the line was in place the gate would become operational with the aim being that it would be closed during the restricted hours and opened via the CCTV Control Room to allow access in accordance with the Traffic regulation Order.

Councillor Dent stated that she had been advised that the new High Street had been designed by County Highways to cater for all vehicles and as such she was not aware of any damage to the stonework other than some marks from oil from vehicles which would be addressed through regular cleaning.

Question submitted by Councillor P. M. McDonald

How much has this Council spent on the Spatial programme and costs since related to it?

Councillor D. W. P. Booth responded that the project costs were £4.9m. The project was approved in 2006 and closed in 2008. The project was a fixed price to ensure the Council's IT system was fit for purpose and future proof.

Question submitted by Councillor M. T. Buxton

How many officers currently work on behalf of Bromsgrove residents and how many officers will be permanently based in the new Parkside hub?

Councillor M. J. A. Webb responded that there were currently 422 staff on the Bromsgrove payroll of whom 121 were solely working for Bromsgrove and the majority of these were based at the Depot. The remainder were working within a shared service environment with salaries apportioned accordingly.

Councillor Webb stated there would be 55 officers permanently based at Parkside with up to 10 other officers there on a rota basis to ensure the presence of teams at the facility. There would be a further 8 "hot desks" available.

Question submitted by Councillor E. M. Shannon

Can the Leader confirm if she, or the Economic Development or Town Centre Portfolio Holders have met in person with the Worcestershire Farmers Market organisers and if so when will they be back in the High Street?

Councillor R. L. Dent responded that there had not been a meeting at present. The current position was that the Worcestershire Farmers Market couldn't continue to be held in the High Street during the recent works and had relocated to Webbs. Officers were investigating options for re-establishing the Market in the High Street and as Portfolio Holder she was ensuring every effort was made to achieve this as soon as possible.

Question submitted by Councillor B. Lewis

Please would the Portfolio Holder for the Town Centre give a summary of the structural and environmental integrity of George House?

Councillor R. L. Dent responded that she understood that the building appeared to be structurally sound although there were some issues including water ingress from the flat roof and the presence of asbestos. The building was empty and was part of one of the sites identified for regeneration so expenditure on maintenance had not been at the usual level. Councillor Dent stated that the future of the site was being investigated again by officers following the decision by Opus not to proceed with the purchase and a report including future options for George House would be considered by the Cabinet in December.

Question submitted by Councillor S. P. Shannon

Can the Leader confirm if any Cabinet Member has met in person with the Market Hall site potential food retailer or cinema developers since the deal

was pulled in September and the Cabinet Members reported that they were keen to talk to the relevant parties and try to “save the deal” and what can residents expect to happen next with the Market Hall.

The Leader responded that as mentioned previously, the current position was that officers had been working to explore all options for the site going forward. It was anticipated a report would be considered by Cabinet in December. All meetings were with agents and not direct with developers.

At this point the Chairman declared that the time allowed for questions and answers had elapsed. The final question received therefore stood unanswered.

57\14 **MOTION - NO CONFIDENCE**

Members considered the following motion submitted by Councillor L. C. R. Mallett :

“Council resolves that it has no confidence in the political leadership of Bromsgrove District Council”.

The motion was moved by Councillor Mallett and seconded by Councillor S. J. Baxter.

In proposing the motion Councillor Mallett referred to issues such as the Town Centre, the Council's Finances including the unbudgeted surplus from 2013/14 and the decision to borrow to fund the Parkside Development and the new Dolphin Centre.

Councillor Baxter referred to planning issues, including lack of certainty with the Local Plan and the use of New Homes Bonus funds as part of the core budget.

During the ensuing debate, Members raised the Transformation programme and the Development Control service. Some Members expressed the view that it was regrettable that Councillors had not been able to work together for the benefit of the District.

The Leader and other Members responded to the issues raised and addressed the criticisms put forward. In addition the motion was felt to be purely party political and not beneficial to moving forward with issues which would benefit the residents of the District.

On being put to the vote the Chairman declared the motion to be lost.

58\14 **MOTION - NEW HOMES BONUS AND FUNDING OF COMMUNITY PROJECTS**

Members considered the following motion submitted by Councillor S. R. Colella:

“That this Council recognising the impact upon the District’s communities that are being affected by housing development, asks that Cabinet consider, as part of their discussions on any proposed allocation of New Homes Bonus from 2015/16, the inclusion of £500k of the additional revenue surplus that was generated in 2013/14. This surplus, together with any proposals on the New Homes Bonus funding should be distributed to Community projects under the guidance of the new Homes Bonus.”

The motion was moved by Councillor Colella and seconded by Councillor S. J. Baxter.

In proposing the motion Councillor Colella referred to the benefits of utilising additional funding from the New Homes Bonus Scheme within communities. The funding from unpopular developments could be utilised in order to promote areas such as health and recreation facilities which would help to mitigate the impacts on communities of the developments.

Councillor M. J. A. Webb stated that the cross party New Homes Bonus Working Group was currently looking at a number of options in respect of the use of New Homes Bonus funding. In his view it would be premature to take any decisions ahead of the anticipated report to the Cabinet in January. Councillor Webb stated that the Cabinet had to act in the best interests of all residents within the District and not just those who lived in areas in which there was development currently.

Councillor Baxter stated that the motion was specifically referring to the surplus funding from 2013/14 being allocated to Community projects as she was aware that discussions were still on going in respect of any further New Homes Bonus funding.

Having been put to the vote the Chairman declared the motion to be lost.

At this point the Chairman declared that the time allotted for consideration of Notices of Motion had elapsed. It was subsequently agreed by Council that the time be extended to enable one more Notice of Motion to be considered.

59\14

MOTION - FREE EVENING CAR PARKING TRIAL

Members considered the following motion submitted by Councillor R. J. Laight:

“I am aware that this Council has “led the way” in cost saving over recent years and unlike many Councils around the UK we do continue to have funds available to improve both services and support for our residents and local businesses.

I would like to put forward the Motion that Cabinet investigates further, as part of the on going budget process, the use of some of the saved funds from projects successfully delivered, such as the Shared management Team, to be used to support the town centre evening economy by running a trial on free car parking during the evening in our pay and display car parks for a 12 month period”.

The motion was moved by Councillor Laight and seconded by Councillor P. J. Whittaker.

In proposing the motion Councillor Laight referred to recent projects within the District such as improvements to the Railway Station, New Library and Health Centre and the regeneration of the Town Centre. Councillor Laight felt that on occasions, an inaccurate negative picture was given of Bromsgrove which could impact on the marketing of the Town Centre. Councillor Laight referred to the importance of the night time economy and felt that a trial involving free car parking in the evening would be of benefit.

Councillor L. C. R. Mallett stated that he welcomed the proposal but felt that it could go further and he regretted the delay in making this change.

An amendment was proposed by Councillor R. J. Shannon and seconded by Councillor E. J. Murray the following paragraph be added to the motion:

“That the Cabinet should alongside this consider the benefits of other additional parking schemes to improve our town centre economy and bring footfall into the town, including reduced price Sunday parking and a voucher scheme linking parking in the Recreation Road car park with High Street businesses”.

On being put to the vote the Chairman declared the amendment to be lost.

It was

RESOLVED that Cabinet be requested to investigate further, as part of the on going budget process, the use of some of the saved funds from projects successfully delivered, such as the Shared Management Team, to be used to support the town centre evening economy by running a trial on free car parking during the evening in pay and display car parks for a 12 month period.

The meeting closed at 8.35 p.m.

Chairman

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CABINET

RECOMMENDATION TO THE COUNCIL

3RD DECEMBER 2014

1. FINANCE MONITORING - QUARTER 2 2014/2015

The Cabinet has considered a report on the financial position of the Council for the period April to September 2014 (Quarter 2 - 2014/2015) .

It is therefore RECOMMENDED:

That the sum of £90,000 be drawn down from a Business Transformation earmarked reserve to be utilised to help to meet the capital costs of compliance with the Public Services Network Project.

2. ENVIRONMENTAL SERVICES TRANSFORMATION AND SHARED SERVICES BUSINESS CASE

The Cabinet has considered a detailed report on the proposed Transformation and Shared Service restructure of Environmental and associated services.

It is therefore RECOMMENDED:

That the Business Case for the Transformation and Shared Service restructure of Environmental and associated services attached as an appendix to the report be approved.

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APPOINTMENTS TO OUTSIDE BODIES – GREATER BIRMINGHAM AND SOLIHULL LEP AND GREATER BIRMINGHAM AND SOLIHULL LEP LOCAL TRANSPORT BOARD

Relevant Portfolio Holder	Cllr Sherrey
Portfolio Holder Consulted	Yes
Relevant Head of Service	Claire Felton, Head of Legal, Equalities and Democratic Services
Ward(s) Affected	All
Ward Councillor(s) Consulted	N/A
Key Decision / Non-Key Decision	Non-key

1. SUMMARY OF PROPOSALS

- 1.1 This report asks the Council to appoint to certain outside bodies.

2. RECOMMENDATIONS

It is recommended that

The Council makes appointments to the following organisations:

- (a) The Greater Birmingham and Solihull Local Enterprise Partnership – one representative and one substitute from the three North Worcestershire Districts;
- (b) Greater Birmingham and Solihull Local Enterprise Partnership Local Transport Board – one representative and one substitute from the three North Worcestershire Districts;

3. KEY ISSUES

Financial Implications

- 3.1 There are no financial implications arising directly from this report.

Legal Implications

- 3.2 No specific legislation governs the appointment or nomination of members to outside bodies by the Council. Depending on the nature of the relationship the Council has with the organisation, the legal status of the organisation, its corporate, charity or other status and its constitution, there are differing legal implications for the members sitting on these bodies.
- 3.3 The Local Authorities (Indemnities for Members and Officers) Order 2004 governs the Council's ability to indemnify members sitting on outside bodies.

Service / Operational Implications

- 3.4 A number of bodies ask the Council to make appointments to them for terms of office which vary from one year upwards.
- 3.5 Representation on the bodies before the Council this evening would usually be decided by the Cabinet as the Council has previously agreed as a “local choice” function that the Cabinet appoints to those bodies which deal with executive functions. However, at the meeting in July 2014 it was agreed to consider these specific appointments at the Council meeting. This is why they are being brought to the Council as an exception. In future they will return to being dealt with as an executive function.

3.6 **Greater Birmingham and Solihull Local Enterprise Partnership**

The Council meeting in July 2014 appointed Councillor Sherrey as the Council’s representative to the Greater Birmingham and Solihull Local Enterprise Partnership (LEP). Councillor Sherrey has since resigned from this appointment.

The Constitution of the LEP requires that one Councillor from the three North Worcestershire District Councils is appointed to represent them on the LEP. Redditch Borough and Wyre Forest District Councils have agreed to the appointment of Councillor J-P Campion (Wyre Forest) as the representative and Councillor B Hartnett (Redditch) as the substitute member.

3.7 **Greater Birmingham and Solihull Local Enterprise Partnership Local Transport Board**

The assurance framework for this body requires that there is one representative and one substitute for the 3 North Worcestershire District Councils, and that they are a Leader or nominated substitute.

Councillor Sherrey was appointed to the Transport Board by the Council at its meeting on 16th July but has resigned from the appointment. Wyre Forest District and Redditch Borough Councils have appointed Councillor J-P Campion from Wyre Forest District Council as representative and Councillor P Mould from Redditch Borough Council as substitute.

Customer / Equalities and Diversity Implications

- 3.8 There are no specific customer or equalities implications arising from this report.

4. RISK MANAGEMENT

- 4.1 There would be risks arising if the Council failed to make appointments to the Outside Bodies listed in this report; the nature of the risk varies depending on the type of body in question. The Council needs to participate in nominating to certain Outside Bodies to ensure that existing governance arrangements can be

complied with. On the other bodies non-participation would detract from the Council's ability to shape and influence policies and activities which affect the residents of Bromsgrove.

5. APPENDICES

None

6. BACKGROUND PAPERS

Terms of reference and governance documents for Greater Birmingham and Solihull LEP Transport Board as reported to Cabinet 4th September 2013 and Council 25th September 2013.

7. KEY

LEP – Local Enterprise Partnership

AUTHOR OF REPORT

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COUNCIL

19th January 2015

NOTICE OF MOTION – TIME TO CHANGE PLEDGE

The following Notice of Motion has been submitted in accordance with Procedure Rule 11 by Councillor:

“That this Council supports the Time to Change pledge as follows:

To reduce the stigma of mental illness and support staff who are experiencing, or who may experience, personal or family mental health issues”

The Time to Change Pledge is a public statement of aspiration that an organisation wants to tackle mental health stigma and discrimination

- Any organisation can pledge and there are no restrictions around the size of the organisation or sector.
- An organisational pledge helps break the stigma and silence around mental health.
- Whilst there is a requirement to evidence that any organisational pledge has meaning, it is not a quality mark accreditation or endorsement as such.
- As an organisation Bromsgrove District Council will own the pledge and action plan. As such the Council will take responsibility for completing any actions to which the Council commits.

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CABINET

3 DECEMBER 2014

APRIL - SEPTEMBER (QUARTER 2) FINANCE MONITORING REPORT 2014/15

Relevant Portfolio Holder	Councillor Mike Webb, 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

- 1.1 To report to Cabinet on the Council's financial position for Revenue and Capital for the period April -September 2014 (Quarter 2 – 2014/15)

2. RECOMMENDATIONS

- 2.1 That Cabinet note the current financial position on Revenue and Capital as detailed in the report.
- 2.2 To recommend to full council the drawdown of a Business Transformation earmarked reserve towards the Capital project Public Services Network compliance of £90k.

3. KEY ISSUES

- 3.1 This report provides details of the financial information across the Council. The aim is to ensure officers and members can make informed and considered judgement of the overall position of the Council. The report is currently based on the departments within the Council. The aim is to report the financial position across the strategic purposes from April 2015 when the new financial system is implemented.
- 3.2 This report includes both revenue and capital expenditure with a summary for the Council followed by the departmental analysis of expenditure.

CABINET

3 DECEMBER 2014

Revenue Budget summary
Quarter 2 (April – September) 2014/15 – Overall Council

3.3 Internal recharges have not been included in these figures to allow comparison for each service area. However Support costs have been included.

Service Head	Revised Budget 2014/15 £'000	Profiled Budget 2014-15 £'000	Actual Spend 2014-15 £'000	Variance to date £'000	Projected Outturn 2014/15 £'000	Projected Variance £'000
BDC Reg Client	154	40	24	-16	136	-18
Business Transformation	2,393	1,014	981	-33	2,365	-28
Community Services	2,378	727	708	-20	2,322	-56
Corporate Resources	1,984	1,039	1,041	2	1,998	15
Customer Access & Financial Support	567	-1,003	-1,013	-9	533	-34
Environmental Services	2,456	964	1,027	63	2,659	204
Finance & Resources	464	202	207	5	507	43
Legal & Democratic Services	832	384	364	-20	808	-24
Leisure & Cultural Services	2,362	1,031	1,016	-15	2,350	-11
Planning & Regeneration	712	402	393	-9	695	-18
SERVICE TOTAL	14,301	4,799	4,748	-52	14,374	73
Interest Payable	283	142	0	-142	0	-283
Interest on Investments	-58	-29	-23	6	-58	0
COUNCIL SUMMARY	14,526	4,912	4,725	-187	14,316	-210

Financial Commentary:

At the end of quarter 2 there is a predicted saving against budget of £210k. This includes a number of variances across services as detailed in this report. It also includes an shortfall in income relating to Environmental Services. The initial budget was based on £250k income realised from the potential sale of the Trade Waste service. Officers are now reviewing the position on Trade Waste to bring forward options that may be available for service delivery. It is anticipated that this will be presented to members in early 2015/16. In addition to the shortfall in income there has also been an increase in vehicle repairs and maintenance.

The savings on interest payable is due to an the initial budget including costs associated with borrowing to support the capital programme during 2014/15. This has not been required this year due to slippage on a number of capital schemes.

CABINET

3 DECEMBER 2014

Capital Budget summary
Quarter 2 (April -September) 2014/15 – Overall Council

Department	Revised Budget 2014- 15 £'000	Profiled budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Projected Variance £'000
Regulatory Services	19	1	1	0	19	0
Business Transformation	90	45	45	-0	90	0
Community Services	939	647	578	-69	939	0
Environmental Services	2,540	194	202	8	2,540	0
Leisure & Cultural Services	2,835	244	244	-0	2,834	-0
Planning & Regeneration	4,993	3,904	3,907	3	4,997	4
Budget for Support Services Recharges to be allocated to the schemes at the end of 2014/15	0	0	0	0	25	0
TOTAL	11,397	5,035	4,977	-58	11,426	4

Financial Commentary

Due to the review of Environmental Services, there has been a delay in the procurement of vehicles. Officers are now developing timescales to ensure that the vehicles required can be purchased as soon as possible. This may mean that capital budget has to be carried forward to 2015/16 and officers will include the implications of the procurement into the next quarterly report.

CABINET

3 DECEMBER 2014

**Regulatory - Client
Quarter 2 (April - September) 2014/15**

Revenue Budget summary

Service Area	Revised Latest Budget 14-15 FY £'000	Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Sum of Projected Variance £'000
BDC Reg Client	351	150	137	-13	330	-20
Environmental Health / Protection / Enforcement	-11	-7	-7	0	-9	2
Pest & Dog control	0	0	-3	-3	-4	-4
Public Health	0	0	0	0	0	0
Licenses (all)	-186	-103	-103	-0	-182	4
CMT	0	0	0	0	0	0
Grand Total	154	40	24	-16	136	-18

Financial Commentary:

There is currently an expected saving within the Worcestershire Regulatory Services function which will be shared across all partners and this represents the BDC share.

**Worcestershire Regulatory Services
Quarter 2 (April - September) 2014/15**

Capital Budget summary

Capital Project Description	Revised Budget 2014-15 £'000	Profiled budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Projected Variance £'000
BDC share of Regulatory - WETT shared service	19	1	1	0	19	0
Total	19	1	1	0	19	0

Financial Commentary:

The expenditure for a new IT System is jointly funded by all partners in accordance with the business case. The £19k represents the financial cost for Bromsgrove and it is expected to be fully spent by the end of the financial year.

CABINET

3 DECEMBER 2014

**Business Transformation
Quarter 2 (April - September) 2014/15**

Revenue Budget summary

Service Area	Revised Latest Budget 14-15 FY £'000	Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Sum of Projected Variance £'000
ICT	1,909	767	767	-0	1,908	-1
Human Resources	304	152	112	-40	281	-23
Transformation	65	33	43	10	66	1
Equalities	34	22	23	1	34	1
Policy	81	41	36	-5	77	-5
Grand Total	2,393	1,014	981	-33	2,365	-28

Financial Commentary:

There are a couple of posts within the HR department that are currently vacant and maternity leave cover is being provided internally. One of the posts has been filled and therefore the savings will not be as significant at the end of the financial year.

Capital Budget summary

Capital Project Description	Revised Budget 2014-15 £'000	Profiled budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Projected Variance £'000
Infrastructure refresh and PSN	90	45	45	-0	90	0
Total	90	45	45	-0	90	0

Financial Commentary:

Work continues with the PSN project, officers recommend that budget is drawn down from this specific reserve for this scheme, expected costs £90k.

CABINET

3 DECEMBER 2014

Community Services
Quarter 2 (April - September) 2014/15

Revenue Budget summary

Service Area	Revised Budget 2014-15 £'000	Budget April - June £'000	Actual Spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Sum of Projected Variance £'000
Housing Strategy	1,769	521	513	-7	1,744	-25
Community Safety & Transport	497	157	144	-13	468	-29
Community Cohesion	111	49	50	1	110	-1
Grand Total	2,378	727	708	-20	2,322	-56

Financial Commentary:

There has been a reduction in the cost of running the community transport scheme due to the contract being renegotiated.

Within Housing Strategy there is a saving due to BDHT not increasing their contract by inflation.

Capital Budget summary

Capital Project Description	Revised Budget 2014-15 £'000	Profiled budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Projected Variance £'000
Disabled facilities Grant	515	435	424	-11	515	0
Energy Efficiency Home Insulation Project	17	9	0	-9	17	0
Grants - affordable housing	313	156	119	-37	313	0
Implementation of Localism Changes	5	2	0	-2	5	0
Discretionary Home Repair Assistance & Housing Renewal Grants	89	44	35	-10	89	0
Total	939	647	578	-69	939	0

Financial Commentary:

There has been less demand for Disabled Facilities grants during the first quarter of the year. Officers are continuing to work with residents to ensure all support is in place in their homes.

Affordable Housing grants relate to funds to support Registered Social Landlords and these have not yet been drawn on for 2014/15

CABINET

3 DECEMBER 2014

Corporate Services
Quarter 2 (April - September) 2014/15

Revenue Budget summary

Service Area	Revised Latest Budget 14-15 FY £'000	Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Sum of Projected Variance £'000
Corporate Resources	1,700	902	873	-29	1,656	-45
Corporate Admin/ central post & printing	283	137	131	-6	269	-14
Grand Total	1,984	1,039	1,004	-35	1,924	-59

Financial Commentary:

Within Communications there is a projected saving of £14k on various budgets relating to marketing/promotion. Savings within Corporate Services is due to the vacant post of Executive Director Planning & Regulatory

Customer Access & Financial Support
Quarter 2 (April - September) 2014/15

Revenue Budget summary

Service Area	Revised Latest Budget 14-15 FY £'000	Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Sum of Projected Variance £'000
Customer service centre	330	172	172	-0	350	20
Financial Support	72	31	31	-0	65	-7
Revenues & Benefits	149	-1,208	-1,216	-9	101	-47
Valuation Services	16	1	0	-1	16	0
Grand Total	567	-1,003	-1,013	-9	533	-34

Financial Commentary:

Within Customer Services the variance is due to a reduction in funding from Worcestershire County Council. It is expected that this overspend will reduce over the next six months. Revenues & Benefits has an underspend due to a review of the Fraud Service and vacancy management.

CABINET

3 DECEMBER 2014

**Environmental Services
Quarter 2 (April - September) 2014/15**

Revenue Budget Summary

Service Area	Revised Latest Budget 14-15 FY £'000	Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Sum of Projected Variance £'000
Car Parks/Civil Enforcement Parking	-623	-280	-264	16	-593	30
Cemeteries	32	18	1	-17	2	-30
Cesspools/Sewers	-108	-58	-28	30	-76	32
CMT	0	25	25	-0	-1	-1
Depot	690	367	322	-45	610	-80
Grounds Maintenance	441	199	191	-8	433	-7
Highways	174	70	48	-22	121	-52
Refuse & Recycling	937	228	370	142	1,308	371
Street Cleansing	882	386	357	-29	832	-51
Transport	-40	-28	-31	-3	-46	-6
Waste Management, policy, promotion, management	-5	-3	-3	-0	-6	-1
Climate Change	16	8	8	-0	15	-1
Land Drainage	61	30	30	-1	59	-2
Grand Total	2,456	964	1,027	63	2,659	204

Financial Commentary:

Income from off street/on street car parking enforcement is lower than anticipated. Officers will be meeting with Wychavon District Council who provides the parking service under an SLA agreement to discuss this and the SLA payments.

Bromsgrove Bereavement Services income is more than budgeted and accounts for the projected surplus.

Cesspools continue to show a deficit due to the removal of trade effluent at Frankley and other pumping stations.

Salary savings due to vacant posts within Depot services.

Savings within the Highways team are due to staff vacancies.

Within Refuse and recycling there is a £250k shortfall in the Trade Waste Service for 2014-15. This relates to the anticipated sale of the trade Waste Service. Officers are now exploring other options for developing the service but due to the timescales this will result in the saving not being achievable in this financial year.

Ongoing issues with vehicle breakdown within the service will continue until new freighters are received nearer the end of the financial year.

Staff vacancies account for the savings within Street Cleansing which is currently under review, which accounts for holding vacancies.

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3 DECEMBER 2014

Capital Budget Summary

Capital Project Description	Revised Budget 2014-15 £'000	Profiled budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Projected Variance £'000
North Cemetery Phase 2	479	6	6	0	479	0
Refuse collection vehicle replacement programme	2,025	188	196	8	2,025	0
Flooding Mitigation Measures	36	0	0	0	36	0
Total	2,540	194	202	8	2,540	0

Financial Commentary:

North Cemetery Phase 2 - the infrastructure review is now taking place. Budget has been reprofiled to reflect expenditure taking place at end of second quarter.

Refuse Vehicle replacement programme is for Environmental Services Vehicles. Procurement of vehicles is currently taking place, but procurement of other vehicles is on hold until the service review is completed.

Flood Mitigation Measures - replacement of culvert grilles - the work has been undertaken but invoices have not yet been received

Finance and Resources Quarter 2 (April - September) 2014/15

Revenue Budget summary

Service Area	Revised Latest Budget 14-15 FY £'000	Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Sum of Projected Variance £'000
Accounts & Financial Management	434	202	207	5	477	43
Central Overheads	30	0	0	0	30	0
Grand Total	464	202	207	5	507	43

Financial Commentary:

The projected overspend is due to redundancy and pension strain costs following a service review.

CABINET

3 DECEMBER 2014

**Legal, Equalities and Democratic Services
Quarter 2 (April - September) 2014/15**

Revenue Budget Summary

Service Area	Revised Latest Budget 14-15 FY £'000	Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Sum of Projected Variance £'000
Democratic Services & Member Support	483	209	195	-14	477	-6
Election & Electoral Services	175	68	76	8	161	-13
Professional Legal Advice & Services	266	147	136	-11	264	-3
Land Charges	-92	-41	-43	-2	-94	-2
Grand Total	832	384	364	-20	808	-24

Financial commentary:

In Democratic Services officers have been working with the Member Development Steering Group to identify a comprehensive training programme post 2015 election. It was therefore felt that a saving could be achieved in the final quarters of 2014/15 by reducing the training offering recognising that this is the final part of a 4 year term. Within Legal there is a saving in salaries taking account of a short term change in working pattern agreed for a member of staff.

**Leisure and Cultural Services
Quarter 2 (April – September) 2014/15**

Revenue Budget summary

Service Area	Revised Latest Budget 14-15 FY £'000	Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Sum of Projected Variance £'000
Business Development	800	474	483	9	811	11
Cultural Services	287	140	141	1	285	-2
Leisure & Cultural Mgt	103	52	59	7	117	14
Parks & Green Space	337	78	72	-7	334	-3
Sports Services	835	286	262	-25	803	-32
Grand Total	2,362	1,031	1,016	-15	2,350	-11

Financial Commentary:

Business development income has reduced in relation to the Spadesbourne suite as we prepare to relocate to Parkside resulting in a predicted shortfall. Sports services is predicting an saving in sports development and car park refunds at the Dolphin Centre, however this may be mitigated during the busier months ahead.

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Capital Budget summary

Capital Project Description	Revised Budget 2014-15 £'000	Profiled budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Projected Variance £'000
Sports Facilities	2,224	60	60	0	2,224	0
Play Areas	494	184	184	-0	494	-0
Other Schemes	117	0	0	0	117	0
Total	2,835	244	244	-0	2,834	-0

Financial Commentary:

Officers have advised that all schemes are scheduled to take place before the end of the financial year, so the budgets have been re-profiled to reflect the fact that expenditure will be in Quarter 3 - Quarter 4 (Oct 2014 – March 2015). The revised full year budget has been re profiled by £170k to reflect expenditure planned for 2015/16.

Planning and Regeneration Quarter 2 (April - September) 2014/15

Revenue Budget summary

Service Area	Revised Latest Budget 14-15 FY £'000	Budget April - Sept £'000	Actual Spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Sum of Projected Variance £'000
Building Control	-128	-73	-70	3	-111	17
Development Control	213	190	189	-1	154	-9
Economic & Tourism Development	150	85	92	7	220	20
Emergency Planning / Business Continuity	14	7	7	0	14	0
Strategic Planning	404	166	147	-19	366	-38
Town Centre Development	59	27	28	1	51	-8
Grand Total	712	402	393	-9	695	-18

Financial Commentary:

Strategic Planning has had a number of vacancies which will be filled by March 2015. Also a number of budgets will be underspent.
Building Control had a vacancy which is now filled.
Development Control planning applications are lower than the previous year but have assumed income will increase to budget.

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Capital Budget summary

Capital Project Description	Revised Budget 2014-15 £'000	Profiled budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014-15 £'000	Projected Variance £'000
Town Centre Development - Project Management	38	19	19	0	38	0
Town Centre - Public Realm	1,533	1,533	1,604	71	1,604	71
Market Hall development site	73	73	72	-1	73	0
Stourbridge Road development site	0	0	4	4	4	4
Parkside School	3,350	2,550	2,550	0	3,350	0
Total	4,993	4,174	4,248	74	5,068	75

Financial Commentary:

There are a number of projects that are under construction within this service area. Both the redevelopment of Parkside and the High Street Improvements are committed to be fully spent by the end of the financial year.

4. TREASURY MANAGEMENT

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

	31st March 2014 £000	30th September 2014 £000
Deposits with Banks/Building Societies	10,000	11,000
Total	10,000	11,000

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3 DECEMBER 2014

Income from investments and other interest

- 4.5 An investment income target of £58k has been set for 2014/15 using a projected return rate of 0.5%. During the past financial year bank base rates have remained 0.5% and current indications are projecting minimal upward movement for the short term.
- 4.6 In the 6 months to 30 September the Council received income from investments of £23k.

5. REVENUE BALANCES

5.1 Revenue Balances

The revenue balances brought forward at 1 April 2014 were £3.74m. Excluding the impact of any projected over or under spends it is anticipated that £210k will be transferred to balances during 2014/15.

Legal Implications

None.

Service/Operational Implications

All included in financial implications.

Customer / Equalities and Diversity Implications

None as a direct result of this report

7. RISK MANAGEMENT

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

8. APPENDICES

None

9. BACKGROUND PAPERS

Available from Financial Services

AUTHORS OF REPORT

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COUNCIL TAX SUPPORT SCHEME 2015/16

Relevant Portfolio Holder	Cllr Mike Webb
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 Government changes to the benefits scheme in relation to Council Tax requires the Council to introduce an annual Council Tax Support Scheme. The Council is required to implement a scheme which protects people of pensionable age, incentivises work and has provisions to support vulnerable person in financial hardship as a result of the scheme.
- 1.2 A draft scheme was agreed by Cabinet on 5th November 2014, which set out amendments to the level of support provided to claimants of working age
- 1.3 Following consultation on the draft scheme Members are now asked to consider the final scheme and to make recommendations to Council on the scheme to be implemented for 2015/16.
- 1.4 Adoption of the proposed scheme will meet the funding gap in Council Tax Support without the need for cuts in services elsewhere, or a referendum to increase Council Tax further. It would also ensure that for households with the same Council Tax liability there will be an equal cut to Council Tax Support in cash terms.
- 1.5 If the Council Tax Support Scheme is implemented as recommended Members are also asked to agree the implementation of a Hardship Fund. The adoption of the Hardship Fund will ensure that there is provision for supporting those most in need, and who experience financial hardship as a result of changes to Council Tax Support.

2. RECOMMENDATIONS**The Cabinet is asked to RECOMMEND:**

- 2.1 to implement the Scheme, as amended, namely:
 - 2.2.1 that entitlement to Council Tax support be capped at 80% of Council Tax liability;
 - 2.2.2 the provision second adult rebate be removed; and

2.2.4 the future 'uprating' of some of the figures to take account of other national changes in benefits and allowances.

2.2 to agree the implementation of the proposed Hardship Scheme.

2.3 to make no changes to the provisions relating to non-dependents income.

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 (CTSS). Local schemes are required to protect pensionable age claimants and incentivise work for working age claimants.
- 3.2 The local schemes are now a discount rather than a benefit and an impact of the change to Council Tax Support was that the tax base for the Council was reduced by the total amount of any support given. Compensation for the loss of Council Tax was paid via a grant from the Government. The grant was equivalent to around 90% of the previous Council Tax Benefits costs - in effect, a 10% cut in 2013/14 to the funding available to provide support through our local scheme.
- 3.3 The cut in funding 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 the funding for Council Tax Support was paid as part of the Revenue Support Grant (RSG), rather than as a separate identifiable grant. It is no longer possible to determine exactly the reduction to the funding that is provided for Council Tax Support. It is assumed that the reduction is 10% plus a further cut equivalent to the overall reduction in the RSG.
- 3.5 The total cost of Council Tax support for 2013/14 was estimated to be £4,500,000. The combined shortfall in funding for all preceptors was initially £437,500 with a shortfall for Bromsgrove District of £63,000.
- 3.6 The Council and precepting authorities took steps during the 2013/14 tax year to reduce the impact of the shortfall in funding for Council Tax support.
- 3.7 In April 2013 billing authorities were provided with more discretion regarding the levels of discounts for second and empty homes. The Council has used these powers and reduced the Council Tax discount on second homes from 10% to 0% and set the amount of Council Tax discount on short term empty properties at 50% for 6 months after which time the full Council Tax will be payable. (This

excludes new developments - newly built properties that enter the Valuation List for the first time, providing that they remain continually vacant, receive 100% discount for the first three months and then a 50% discount is applied for the next period of 3 months.)

- 3.8 The changes to Council Tax discounts has resulted in the “claw back” of approximately £30,000 of the shortfall in funding to the Council.
- 3.9 In addition Worcestershire County Council has clawed back £98k to cover their funding gap through reductions in funding to Bromsgrove Council for the Essential Living Fund and other services, and have indicated that they will be planning to similarly claw back funding in 15/16 if necessary.
- 3.10 It is difficult to quantify the absolute financial impact in 2015/16 of the reduction in funding for Council Tax Support because the funding is no longer separately identified. Based on losing 10% grant the shortfall for the District Council and other major preceptors in 2015/16 is estimated at £324k and is split as follows:
- Bromsgrove District - £45k
 - Worcestershire County Council - £224k
 - Police Authority - £39k
 - Fire Authority - £16k.
- 3.11 A New Burdens grant has been received by the Council to fund any costs associated with the implementation of a Localised Council Tax Support Scheme – including the costs of consultations, production of draft regulations, and changes to the Council’s software.
- 3.12 On an annual basis the Department of Work and Pensions will advise of changes to national benefits rates and personal allowances. These changes must be taken into account for housing benefit calculations and it is good practice to apply these to the Local Council Tax Support Scheme to ensure that it remains in line with other benefits. Any scheme agreed by the Council will require a mechanism for uprating these allowances to reflect changes at a national level.
- 3.13 The proposed scheme would save in the region of £325k and therefore meet the funding gap in respect of Council Tax Support.
- 3.14 In light of the results of the consultation it must be borne in mind that within the current budget proposal for 2015/16 there is already an estimated increase in Council Tax of 1.9%. In addition officers continue to identify further savings in order to deliver a balanced budget. Final decisions on the budget will be set in February 2015.

CONSULTATION

- 3.15 The results of the preliminary public consultation which was used to inform the draft scheme were reported to Cabinet on 5th November 2014.
- 3.16 The Cabinet agreed a draft scheme which proposed that entitlement to Council Tax support should be capped at 80% of Council Tax liability, removed the provision of second adult rebate; took account of non-dependents income; and enabled the future 'uprating' of some of the figures to take account of other national changes in benefits and allowances.
- 3.17 Further consultation on the draft scheme took place between 10th November and 9th December. Major preceptors, RSL's and all current claimants for Council Tax Support (2,414 households) were contacted directly and asked for their comments. Press releases and social media were used to try to ensure that all residents were aware that a draft scheme had been published and inviting comment.
- 3.18 The results of this consultation are attached at Appendix 1.
- 3.19 A total of 28 responses were received. 1 of which was from bdht, whose views were unchanged from the previous consultation, during which they set out their concerns about any changes to support for working age residents. 27 other responses were received. 4 of these did not confirm they were a resident of the district.
- 3.20 Of the responses 16 (59%) were from people who are currently in receipt of council tax support. Members will recall that a recent court case had made it necessary for us to contact this group of people directly for their views so it is unsurprising that the feedback from this group outweighs the number from non-claimants (6 – 22%). The results of the consultation are therefore less representative than those received in the first consultation.
- 3.21 67% of responders answered 'no' to the question 'Do you agree with the proposal to meet the shortfall in funding by capping the amount of Council Tax Support at 80%?
- 3.22 Similarly 63% of responders were not in favour of making changes to the provision for non dependents income to be taken into account when assessing support.
- 3.23 Opinion was divided on how the shortfall in funding should be met:
- 7 responders stated that there should be a combination of cuts in services and a raise in Council Tax;
 - 5 responses were in favour of cuts to services;
 - 5 responses showed a preference for an increase in Council Tax; and

- 2 people did not respond to this question.
- 3.24 There was an even split on the question of whether second adult rebate should be removed.
- 3.25 There was strong support for a Hardship Fund to be established, with 85% in favour of such a scheme
- 3.26 There was a varied response to the question relating to which groups should be protected but the majority of support was for disabled people.

HARDSHIP FUND

- 3.27 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 have had to pay any Council Tax. Individuals will be offered support and advice on managing their finances, and officers will use a range of options available to them to provide transitional support. In addition officers have discretions which can be applied where factors such as disability impact on an individual's ability to be reasonably expected to pay.
- 3.28 In order to provide transitional support for those assessed to be in hardship it is recommended that a small Hardship Fund be set up. Worcestershire County Council has confirmed that it will contribute £25k to this provided we put a scheme in place that covers the total funding gap. A draft Policy is attached at Appendix 2.
- 3.29 The proposed Policy provides officers with the ability to carry out face to face assessment of need, and provide a range of support options to improve the resident's financial independence. Under the legislation, Officers also have other options available to them to provide discretionary support, and when carrying out any assessment all options would be explored. Neighbouring authorities have found that applications for hardship relief are relatively low, and that the majority of households only need short term support to help with the transition to paying a contribution to their Council Tax.
- 3.30 The Hardship Policy has been put together in consultation with bdht and officers from bdht and Bromsgrove District Council will work together to identify suitable support.

Legal Implications

- 3.31 On 1 April 2013 Council Tax Benefit was abolished and replaced by a new scheme of Council Tax support called "Council Tax Support Schemes". Under s13A and Schedule 1A of the Local Government Finance Act 1992 (inserted by s10 Local Government Act 2012); each local authority was required to make a

Council Tax Support Scheme specifying the reductions which are to apply to the amounts of council tax payable.

- 3.32 Statutory Instrument 2012/2885, “The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012” ensured that certain requirements prescribed by the Government were included in each Scheme (subsequently amended by S.I. 2012/3085)
- 3.33 The Authority must publish revised Regulations relating to the Scheme no later than 31 January in the financial year preceding the one when it will take effect, so that it will be necessary for the Council’s 2015/16 scheme to be in place by 31st January 2015.
- 3.34 Failure to agree a new scheme would result in the current scheme continuing to apply and a subsequent funding gap would emerge for both the District Council and other preceptors, which could result in challenge from those organisations.
- 3.35 The Hardship Fund Policy will be published on the Council’s website to ensure openness and transparency.

Service / Operational Implications

- 3.36 Income recovery and financial support officers will work to ensure that residents are supported through any changes to mitigate the impact on their own finances together with those of the District Council and preceptors. Additional training has been provided to staff in budget management to support our residents in managing their finances.
- 3.37 There may be a requirement to make changes to software however this will be dependent on the revisions to the scheme that are finally approved.
- 3.38 Staff will be provided with training and guidance in relation to the Council Tax Hardship Fund and dealing with applications.
- 3.39 The provision of support through the Council Tax Hardship Fund is line with our purpose to help people to be financially independent. Staff will also consider other avenues of support to help the applicant back to financial independence.

Customer / Equalities and Diversity Implications

- 3.40 The changes will not disproportionately impact on those with special protected characteristics under the equality duty and the discretionary hardship fund will minimise any adverse impact caused.
- 3.41 The Equality and Diversity Forum discussed the proposal at their meeting on 27th November, 2014. Whilst understanding the context in which these proposals

decisions were being made there was concern about the impact reduction in support might have. They were also not in support of the changes to the non-dependent deductions when the claimant is entitled to a disability premium. The Forum indicated that they did think that the proposed hardship fund was a good idea but stressed the importance of ensuring that people be made aware of it.

Individual feedback from members of the Forum has been included in the consultation results.

- 3.42 In light of feedback both through the consultation and from the Equality and Diversity Forum it is proposed that there is no change to the provision in respect of non-dependents income as this is likely to impact most greatly on disabled persons who have someone living with them.

4. RISK MANAGEMENT

- 4.1 Any changes to the Support scheme whilst increasing Council Tax income to the Council and our major preceptors would have implications for approximately 2,500 residents. Officers would provide support through discretionary relief, and other financial support mechanisms.
- 4.2 Council Tax collection rates may reduce and officers will closely monitor the arrears position and ensure that Members are made aware of the impact on the percentage of the debt collected.
- 4.3 Recovery action is likely to increase, at least in the first year. Officers will ensure that recovery action does not result in escalating costs for any individual impacted by this change unless all other avenues have been exhausted.
- 4.4 A Local Council Tax Support Scheme for 2015/16 must be agreed by Council and published by January 2015 to be effective from April 2015. If no changes to the existing scheme are agreed the current scheme will be amended to take account of 'uprating' of other national benefits but otherwise will be unchanged.

5. APPENDICES

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

Appendix 2 – Draft Hardship Scheme

6. BACKGROUND PAPERS

The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (SI 2012/2885)

The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (SI 2012/2886)

The Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012 (SI 2012:3085)

Local Government Finance Act 2012

Localising Support for Council Tax – A Statement of Intent

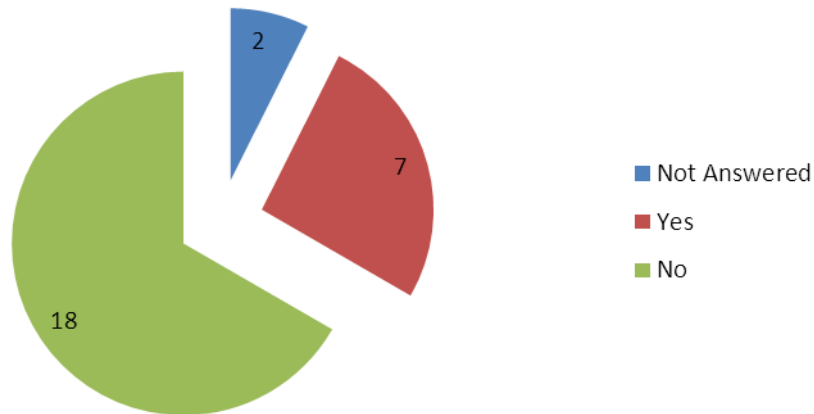
AUTHOR OF REPORT

Name: Amanda de Warr, Head of Customer Access and Financial Support

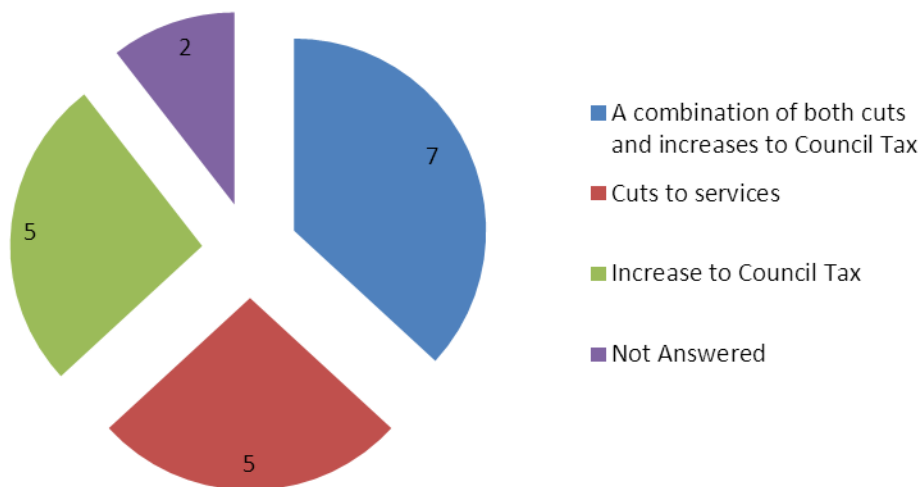
email: a.dewarr@bromsgroveandredditch.gov.uk Tel: 01527 881241

Draft Local Council Tax Support (LCTS) Scheme – Consultation Results

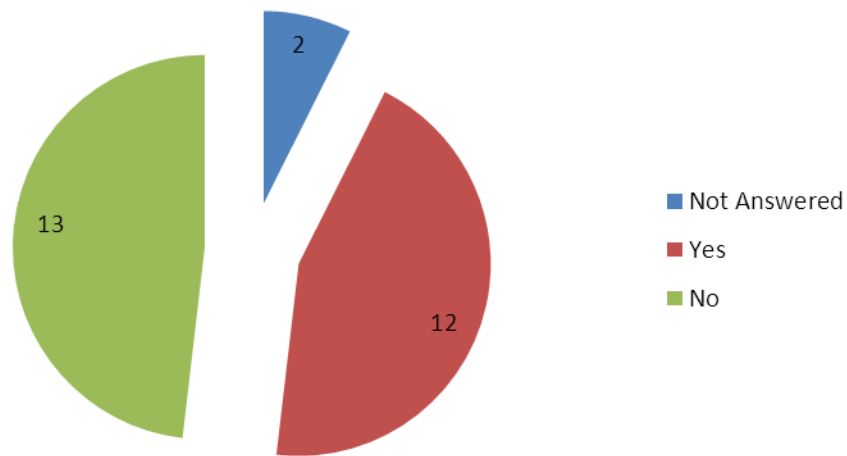
Do you agree with the proposal to meet the shortfall in funding by capping the amount of Council Tax Support at 80%?



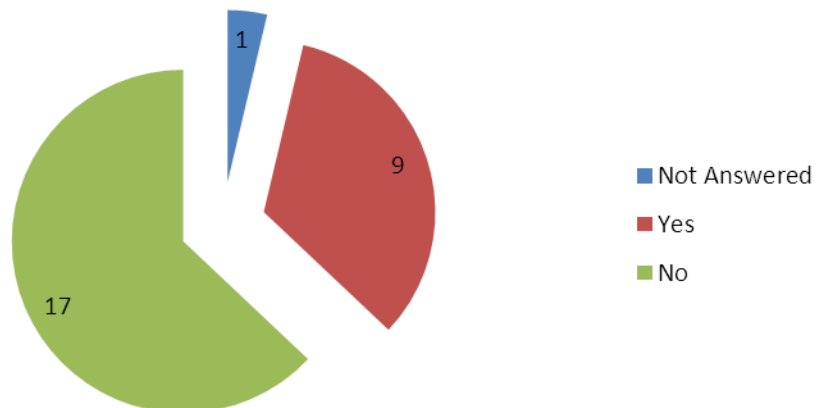
If you do not agree then how do you think the shortfall should be funded?



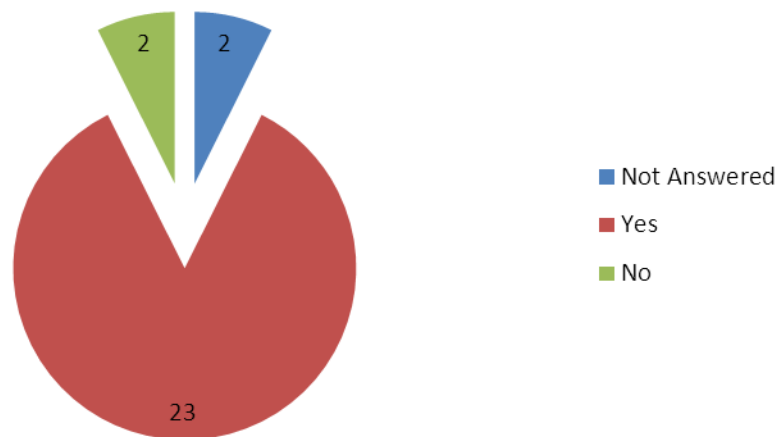
Should the provision of Second Adult Rebate be removed?



Do you agree that the Non-Dependant Deductions should be made in all cases?



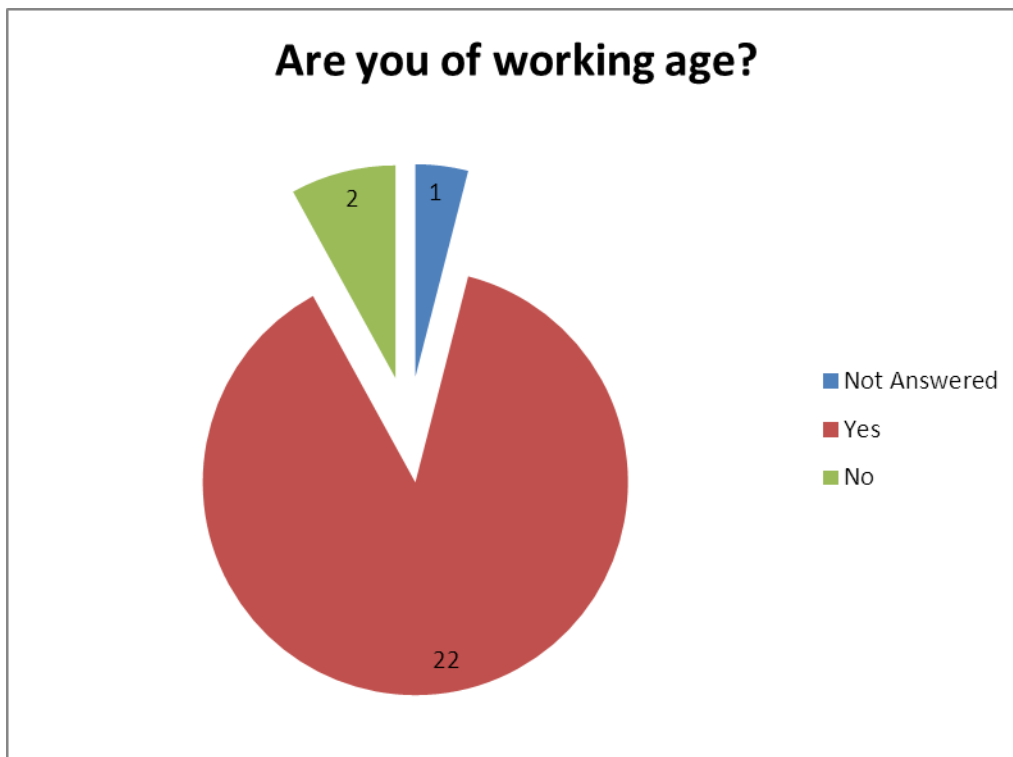
Do you agree that a hardship fund should be developed to provide help to the most vulnerable groups?



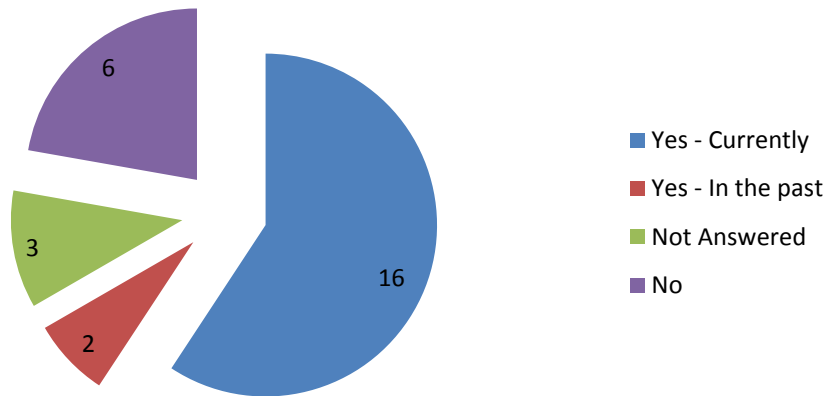
Which groups do you believe should be protected? (free text)
Low income and unemployed
Those that are on the bare minimum JSA/ESA
Those with young, dependent children.
Disabled and those of working age on low income.
Disabled. Those on job seekers allowance/ income support
People who are on benefit because of ill health
The seriously disabled
Disabled people of working age
Disabled
Disabled. Residential carers looking after disabled tenants. Pensioners and their elderly partner whose joint household income is lower than 30k pa. Those receiving Employment Support Allowance. Those receiving Disability Living Allowance where either the mobility or care component has been awarded at the higher rate. Those receiving Job Seekers Allowance.
All but Income Support claimants
People on Low Income. People who have had to retire early due to ill health. Disabled people.
People who are self-employed or on low income and currently getting 80% or above Council tax reduction should not have to pay extra as they are finding hard enough to survive in the current climate as it is but they are at least trying to work and provide for their families rather than sitting at home doing nothing.
Most vulnerable - those who are on less than a certain amount yearly should be exempt

Appendix

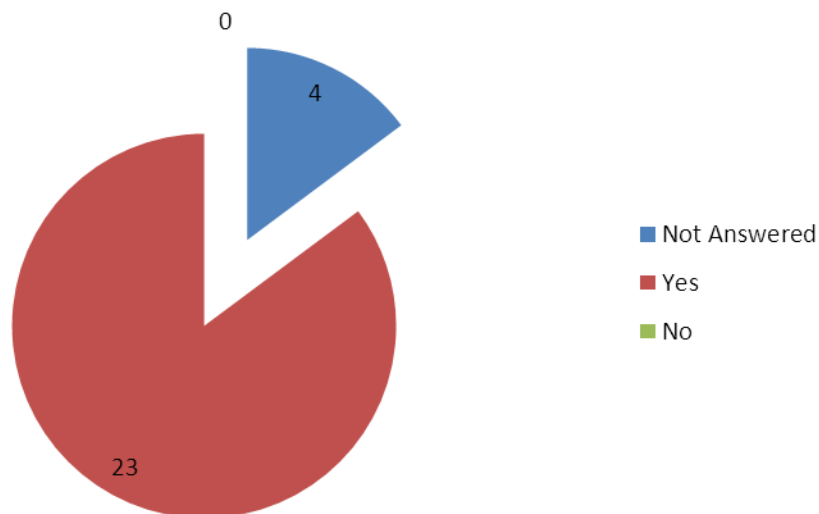
Sick and disabled people, and people only on jobseekers allowance
Unemployed Disabled Those on Working Tax Credit
Anyone on a low income regardless of other circumstances.
Anyone with a disabled person living in their house that is being cared for by the person claiming council tax benefit
All of the current recipients of Council Tax Benefits, since they receive benefit because they cannot afford to pay. But specifically families with young children & people on sickness/disability related benefits.
Disabled and elderly also single parents



Are you, or have you ever been in receipt of Council Tax Benefit or Support?



Are you a resident of Bromsgrove District Council?



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Bromsgrove
District Council

www.bromsgrove.gov.uk

COUNCIL TAX SUPPORT SCHEME

Council Tax Hardship Fund Policy

CONTENTS

1. Background
2. Council Tax Hardship Fund and Equalities
3. Purpose of this policy
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5. Awarding a Hardship Fund Payment
6. Publicity
7. Making a claim
8. Change in circumstances
9. Duties of customer
10. Amount and duration of award
11. Payment of award
12. Overpayments
13. Notification of an award
14. Reconsidering decisions
15. Fraud
16. Legislation

1. BACKGROUND

The Council Tax Hardship Fund has been set up by Bromsgrove District Council to cover the shortfall between Council Tax liability and payments of Council Tax Support, in cases of exceptional hardship.

Every customer who is entitled to Council Tax Support and who has a shortfall is entitled to make a claim for help from the Fund.

The main features of the Fund are that:

- Hardship Fund awards are discretionary.
- Customers do not have a statutory right to an award.
- The Hardship Fund Policy is held within the main Council Tax Support scheme.
- Hardship Fund awards are not a payment of the main Council Tax Support scheme.
- Only working age customers can make an application.
- Only those in receipt of Council Tax Support can make an application.
- Bromsgrove District Council may decide that a backdated award is appropriate; which could then settle council tax arrears. This would be the only circumstance where the Hardship Fund could be used to facilitate payment of Council Tax arrears accrued as a result of changes to Council Tax Support.

In addition to this fund there is a Discretionary Housing Payments scheme which covers the shortfall between rent and Housing Benefit, as well as other avenues of support that we would consider on a case by case basis.

2. COUNCIL TAX HARDSHIP FUND AND EQUALITIES

The creation of a Council Tax Hardship Fund facility meets Bromsgrove District Council's obligations under the Equalities Act and ensures that appropriate transitional arrangements are in place where exceptional hardship is proven.

The Government has been clear that, in developing a local Council Tax Support scheme, vulnerable groups should be protected. Other than statutory protection for pensioners, the Government has not prescribed the other groups that local Councils should support. Bromsgrove District Council has designed their Council Tax Support scheme to take account of the various statutes that currently protect vulnerable people, and individual cases will be considered in order that the most appropriate support is provided.

We recognise the importance of protecting our most vulnerable customers and also the impact these changes have. We have created the Hardship Fund to ensure that we protect and support those most in need. The Hardship Fund is intended to help in cases of extreme financial hardship rather than support a lifestyle.

3. PURPOSE OF THIS POLICY

The purpose of this policy is to specify how Bromsgrove District Council will operate the scheme, and to indicate some of the factors which will be considered when deciding if a Hardship Fund payment can be made.

Each case will be treated on its own merits and all customers will be treated fairly and equally in the accessibility to the Fund and also the decisions made with applications.

Where a customer is not claiming a Council Tax discount to which they may be entitled or a welfare benefit or additional financial assistance, they will be advised, and assisted in making a claim to maximise their income, before their claim for Hardship Funds will be decided.

4. STATEMENT OF OBJECTIVES

Bromsgrove District Council will, through the operation of this policy, aim to:

- Allow a short period of time for someone to adjust to unforeseen short-term circumstances and to enable them to “bridge the gap” during this time.
- Support people in managing their finances.
- Help customers through personal crisis and difficult events that affect their finances.
- Aim to help prevent exceptional hardship.
- Support vulnerable young people in the transition to adult life.
- Help those who are trying to help themselves financially.
- Alleviate poverty.
- Sustain tenancies and prevention of homelessness.
- Keep families together.
- Encourage and support people to obtain and sustain employment.
- Give support to those who are financially vulnerable.

The Hardship Fund is a short-term emergency fund, awarded whilst the customer seeks alternative solutions.

5. AWARDING AN EXCEPTIONAL HARDSHIP FUND PAYMENT

The Bromsgrove District Council will decide whether or not to make a Hardship Fund award, and how much any award might be.

When making this decision the Bromsgrove District Council will consider:

- The shortfall between Council Tax Support and Council Tax Liability.
- The steps taken by the customer to reduce their Council Tax Liability.
- Changing payment methods, re-profiling Council Tax instalments or setting alternative payment arrangements in order to make them affordable.
- To ensure that all discounts are granted.
- Steps taken by the customer to establish whether they are entitled to other welfare benefits.
- If a Discretionary Housing Payment has already been awarded to meet a shortfall in rent.
- The personal circumstances, age and medical circumstances (including ill health and disabilities) of the customer, their partner and any dependants and any other occupants of the customer's home.
- The difficulty experienced by the customer which prohibits them from being able to meet their Council Tax Liability, and the length of time this difficulty will exist.
- Shortfalls due to non-dependant deductions.

- The income and expenditure of the customer, their partner and any dependants or other occupants of the customer's home.
- How deemed reasonable expenditure exceeds income.
- That all income may be taken into account, including those which are disregarded when awarding Council Tax Support.
- Any savings or capital that might be held by the customer or their partner.
- Other debts outstanding for the customer and their partner.
- Whether the customer has already accessed or is engaging for assistance with budgeting and financial/debt management advice. A Hardship Fund award may not be made until the customer has accepted assistance either from the Council or third party, to enable them to manage their finances more effectively, including the termination of non-essential expenditure.
- The exceptional nature of the customer and/or their family's circumstances that impact on finances.
- The length of time they have lived in the property.
- The list is not exhaustive and other relevant factors and special circumstances will be considered.

An award from the Hardship Fund does not guarantee that a further award will be made at a later date, even if the customer's circumstances have not changed.

A Hardship Fund award may be less than the difference between the Council Tax Liability and the amount of Council Tax Support paid.

6. PUBLICITY

Bromsgrove District Council will publicise the Fund and will work with interested parties to achieve this. A copy of this policy will be made available for inspection and will be published on the Council's website.

7. MAKING A CLAIM

A customer must make a claim for a Hardship Fund award by submitting an application to Bromsgrove District Council. An application can be made in writing, over the phone, or in person at one of the Council offices. Customers can get assistance with the completion of an application from the Revenues and Benefits Service, Customer Services or other agencies such as bdht, or the CAB.

Applicants will be contacted and an appointment made to meet to discuss the customer's needs. This can be in the customer's own home or at an appropriate office. Supporting information or evidence must be provided, as reasonably requested by the Council.

In most cases the person who claims the Hardship Fund award will be the person entitled to Council Tax Support. However, a claim can be accepted from someone acting on another's behalf, such as an appointee, if it is considered reasonable.

8. CHANGE IN CIRCUMSTANCES

Bromsgrove District Council may revise an award from the Hardship Fund where the customer's circumstances have changed which either increases or reduces their Council Tax Support entitlement.

9. DUTIES OF CUSTOMER

A person claiming a Hardship Fund Payment is required to:

- Give the Council such information as it may require to make a decision.
- Tell the Council of any changes in circumstances that may be relevant to their on-going claim.
- Give the Council such other information as it may require in connection with their claim.

10. AMOUNT AND DURATION OF AWARD

Both the amount and the duration of the award, or any other support, are determined at the discretion of the Council and will be done on the basis of the evidence supplied and the circumstances of the claim.

- The start date will determined on individual circumstances of each case.
- The Hardship Fund will normally be awarded for a minimum of one week.
- The maximum length of the award will not exceed the end of the financial year in which the award is given.

11. PAYMENT OF AWARD

A Hardship Fund award will be made directly into the customer's Council Tax account, thus reducing the amount of Council Tax payable.

12. OVERPAYMENTS

Overpaid Hardship Fund awards will generally be recovered directly from the customers Council Tax account, thus increasing the amount of Council Tax due and payable.

13. NOTIFICATION OF AN AWARD

When an application is approved the applicant will be issued with a revised Council Tax Bill and a covering letter to confirm the period and amount of award

14. RECONSIDERING DECISIONS

If the customer disagrees with a decision in respect of an application for a Hardship Fund they will be given one calendar month to ask us to reconsider.

When we are asked to reconsider a decision the case will be passed to a Manager, who will review the reasons for the original decision and take into account any new information supplied. The customer will informed in writing of the reviewed decision, and associated reasons for that decision.

There no further appeal rights against a decision made on a Hardship Fund application.

15. FRAUD

Bromsgrove District Council is committed to protecting public funds and ensure funds are awarded to the people who are rightfully eligible to them.

A customer who tries to fraudulently claim a Hardship Fund award by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.

Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

16. LEGISLATION

The Local Government Finance Act 2012 amends Section 13A of the Local Government Finance 1992 and sets out the requirement for Councils to develop and adopt a localised Council Tax Support Scheme. This Hardship Fund Policy forms part of this Scheme.

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COUNCIL TAX BASE CALCULATION 2015-16

Relevant Portfolio Holder	Councillor Mike Webb
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering
Wards Affected	No
Ward Councillor Consulted	No
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 This reports sets out details of the calculation of the District's tax base for Council Tax setting purposes. The calculation of the Council Tax base is required as part of the determination of the level of Council Tax for 2015/16.

2. RECOMMENDATIONS

2.1 Cabinet are asked to recommend that:

- 2.1.1 Subject to the final decision by Council on the implementation of the new Council Tax Support Scheme :

a) **If the proposed Council Tax Support Scheme at a cap of 80% support is approved ;**

The amount calculated by Bromsgrove District Council as the Council Tax Base for the whole area for 2015/16 is approved at **34,907.84** as detailed at **Appendix 1** to include the individual parish elements

OR

b) **If the proposed Council Tax Support Scheme at a cap of 80% is rejected ;**

The amount calculated by Bromsgrove District Council as the Council Tax Base for the whole area for 2015/16 is approved at **34,638.82** as detailed at **Appendix 2** to include the individual parish elements

3. KEY ISSUES

Financial Implications

- 3.1 The calculation of the Council Tax base forms the basis of the calculation of Council Tax for the new financial year. The Council Tax

Base is calculated using a prescribed formula to generate the equivalent number of Band D properties in a District and also takes into account the number of Council Tax Support claimants within the area.

- 3.2 As Members are aware there is a proposal to this Cabinet meeting to amend the Council Tax Support Scheme to cap the level of support at 80% and therefore current working age claimants who receive 100% support will be liable for 20% of the Council Tax for the year. As the Council Tax Base is calculated using the number of claimants and the level of support they receive the Base would be different depending on the Council Tax Support Scheme.

- 3.3 There are 2 Appendices attached.

Appendix 1 shows the Council Tax Base as **34907.84**. This represents the Base should the Council Tax Support Scheme at a cap of 80% be approved.

Appendix 2 shows the Council Tax Base as **34638.82**. This represents the Base should the Council Tax Support Scheme remain at present levels of 100% support and the proposed scheme be rejected.

Legal Implications

- 3.4 The Local Authorities (Calculation of Council Tax Base) Regulations 1992, made under powers of the Local Government Finance Act 1992 specify the rules for the calculation of the Council Tax Base.
- 3.5 The approval of the Council Tax Base is an item that would be resolved by Cabinet but due to the Base being dependent on any decision made by Full Council in relation to the Council Tax Support Scheme it is proposed that for 2015/16 this be a recommendation to Council to be considered once the decision is made on the proposed Scheme.

Service / Operational Implications

- 3.6 Collection of Council Tax underpins the corporate objectives of the Council.

Customer / Equalities and Diversity Implications

- 3.7 There are no implications for the Councils Equalities and Diversity Policies.

Cabinet

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4. RISK MANAGEMENT

4.2 There are no risk management issues.

5. APPENDICES

Appendix 1 - Council Tax Base Calculation for 2015/16 – based on the proposed scheme being implemented

Appendix 2 - Council Tax Base Calculation for 2015/16 – based on the proposed scheme being rejected

6. BACKGROUND PAPERS

Held with Revenue Services Section

AUTHOR OF REPORT

Name: Sam Morgan
E Mail: sam.morgan@bromsgroveandredditch.gov.uk
Tel: 01527 587088

Cabinet

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Appendix 1**Council Tax Base Calculation 2015/2016 – Council Tax Support Capped at 80%**

The Council Tax Base calculation for each parish is detailed below (band D equivalents).

Parish Name		Gross	Net
Whole Area		35,260.44	34,907.84
101/107	Unparished	13,223.03	13,090.80
111	Alvechurch	2,271.47	2,248.75
102	Barnt Green	923.30	914.07
116	Belbroughton	1,184.47	1,172.63
118	Bentley Pauncefort	187.69	185.81
119	Beoley	451.74	447.22
103	Bournheath	213.57	211.43
	Catshill &		
104	Marlbrook	2,280.64	2,257.84
120	Clent	1,190.28	1,178.38
121	Cofton Hackett	847.31	838.84
	Dodford with		
122	Grafton	391.90	387.98
105	Finstall	294.44	291.49
123	Frankley	48.71	48.22
124	Hagley	2,092.38	2,071.46
106	Lickey & Blackwell	2,114.43	2,093.28
125	Hunnington	229.51	227.21
126	Romsley	659.11	652.52
127/131	Stoke Prior	1,684.77	1,667.92
129	Tutnall & Copley	368.59	364.90
130	Wythall	4,603.11	4,557.08
		35,260.44	34,907.84

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Appendix 2**Council Tax Base Calculation 2015/2016 – retain Current 100% level of Support**

The Council Tax Base calculation for each parish is detailed below (band D equivalents).

	Parish Name	<u>Gross</u>	<u>Net</u>
	Whole Area	34,988.71	34,638.82
101/107	Unparished	13,067.00	12,936.33
111	Alvechurch	2,255.47	2,232.91
102	Barnt Green	921.26	912.05
116	Belbroughton	1,179.36	1,167.57
118	Bentley Pauncefort	187.47	185.60
119	Beoley	450.83	446.32
103	Bournheath	213.00	210.87
	Catshill &		
104	Marlbrook	2,251.21	2,228.70
120	Clent	1,186.81	1,174.94
121	Cofton Hackett	843.34	834.90
	Dodford with		
122	Grafton	391.51	387.60
105	Finstall	293.06	290.13
123	Frankley	48.37	47.88
124	Hagley	2,086.16	2,065.30
106	Lickey & Blackwell	2,113.40	2,092.26
125	Hunnington	228.98	226.69
126	Romsley	653.90	647.36
127/131	Stoke Prior	1,674.14	1,657.39
129	Tutnall & Cobley	367.11	363.44
130	Wythall	4,576.33	4,530.57
		34,988.70	34,638.82

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CABINET7th JANUARY 2015**NEW HOMES BONUS SCHEME**

Relevant Portfolio Holder	Michael Webb
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering (Exec Director)
Wards Affected	All
Ward Councillor Consulted	None specific

1. SUMMARY OF PROPOSALS

- 1.1 To enable Members to consider a the recommendations from the New Homes Bonus (NHB) Member Working Group in establishing a scheme to enable community groups to apply for funding from the New Homes Bonus grant received by the Council.

2. RECOMMENDATIONS**2.1 Cabinet are to;**

- 2.1.1 **Recommend to Council the approval of the draft New Homes Bonus allocation Scheme as attached at Appendix 1**

- 2.1.1 **consider an appropriate percentage / amount of New Homes Bonus funding to be allocated to the scheme for 2015/16 and to recommend this percentage to Council**

3. KEY ISSUES**Financial Implications**

- 3.1 Following the petition to Council in April 2014 in relation to use of the funding received from the New Homes Bonus (NHB) Grant a NHB Working Group was established to include the Leader and the Deputy Leader of the Council, the Finance Portfolio Holder, the Labour Group Leader and the Leader of the Independent Alliance. The Group was requested to review the NHB funding, consider options for its use, consider input from the public into their review and report back to Cabinet and Council on their final proposals.
- 3.2 Over the last 8 months a number of meetings of the Group have been held in addition to 2 open public forums. The Group has also considered how other Councils utilise their New Homes Bonus funding. There are a number of schemes in place across the County to include allocation of an element of NHB a similar basis as is presented in the draft scheme to Cabinet, using all funding for economic development activities and using all funding within the general fund. It is apparent that individual Councils use NHB in a variety of ways and generally

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depending on their financial position. As a result of the discussions at the forums there have been periods whereby the public have been able to inform the Council by email of their concerns and any proposals in relation to future funding options.

- 3.3 The first residents forum was attended by over 50 attendees in July 2014. This gave interested parties the opportunity to question officers and members on the level of grant and the basis of calculation for the grant received. In addition an officer from planning presented the opportunities that are available to secure other funding for local projects by using S106 or CIL payments as part of the planning discussions with developers. Following this meeting an email address was set up to receive input from any residents in relation to the New Homes Bonus and a 2 week period for comments was advised to parishes, councillors and to the public via the press and the Councils website. The Council received almost 160 responses which have been collated and discussed by the Working Group. A matrix of the responses received can be found at Appendix 2.
- 3.4 A draft scheme to enable community groups to access grants from NHB funding was developed by the Working group and in December 2014 a further public forum was held. At this meeting the principles for the framework of a proposed scheme of allocation were discussed which were generally acceptable to the public. The draft scheme is attached for members consideration at Appendix 1. In addition a proposal of 20% of additional NHB received in 2015/16 was discussed. This was considered to be a derisory amount to be allocated to the scheme by the public who attended the forum. Further responses were received following this forum and these have been considered by the working group. The matrix of responses is attached at Appendix 3.
- 3.5 The main concerns raised by the Public and Community Groups included:
- The lack of consultation with the communities as to how the grant would be utilised within the District
 - Whilst there was an acknowledgement that the funding was not ringfenced, there was a clear expectation that Councils were encouraged to work with communities that were effected by housing growth in utilising the funding received
 - Many other Councils across the County did provide elements of NHB to community schemes
 - The Council did not recognise the significant impact that housing growth has on the local communities
 - The allocation of 20% of new NHB for 2015/16 (£84k) was deemed as too small in comparison to the total amount that would be received during 2015/16 (£1.298m)

- 3.6 The draft scheme as attached at Appendix 1 sets out a framework to enable community groups that can demonstrate their area has been adversely affected by housing growth to apply for funding. The scheme is similar to other NHB allocation frameworks across the Country. The key elements of the scheme are as follows:
- The allocations would be made on an annual basis from 2015/16 with a reassessment of the scheme and funding levels for each financial year as part of the budget process
 - Applicants to evidence that the funding requested would support communities that have been affected by housing growth
 - Projects to be delivered are required to support the Strategic Purposes of the Council
 - Community Grants Panel to be established
 - Not for Profit Groups to apply eg Residents Groups/ Parish Councils
 - Requirement for business case for bids of over £5k
- 3.7 **New Homes Bonus**
- 3.7.1 Members are aware the government introduced the NHB in April 2011. The bonus was designed to ensure that the economic benefits of housing growth are returned to the councils where that growth takes place. The NHB is a grant paid by central government to local councils for increasing the number of homes in their area and their use. In two tier areas, like Worcestershire, the bonus is shared between the district council and county council (80% District : 20% County).NHB is not ringfenced and councils can decide how they use the New Homes Bonus, however, there is an expectation that Councils will consult communities about how we will spend the money. The scheme is intended to be permanent however as with all financial funding this can change in the future.
- 3.7.2 The amount of NHB we receive is based on the amount of extra Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use between successive Octobers. There is also an extra payment of £350 a year for each affordable home built. The amount is paid for 6 years.

How the new Homes Bonus is calculated



3.7.3 Since the inception of the New Homes Bonus Scheme the Council has used the funds to support all of the Strategic Purposes by including 100% of the NHB in the overall general fund of the Council. This has ensured that despite the significant reductions to funding over the last few years front line services have been protected.

3.7.4 The totals received by the Council since 2011/12 are shown in the table below:

DETAILED CALCULATION OF NEW HOMES BONUS

	Growth Units	Rate Per Property	Affordable Housing Units	Rate per Property (Affordable)	Total	20% County	80% District	6 Years
		£		£	£'000	£'000	£'000	£'000
2011/12	108.6	1439	0	350	156	31	125	750
2012/13	195.3	1439	56	350	300	60	240	1,446
2013/14	248.9	1444	123	350	402	80	322	1,932
2014/15	203.9	1455	91	350	328	65	263	1,578
TOTAL					1,186		950	5,706

3.7.5 The estimate for funding in 2015/16 and 2016/17 was based on a prudent allocation of only 108 properties generating £125k per annum. The return to Government in October 2014 shows the following as due to be received in 2015/16 (and continued for a further 5 years) :

2015/16		Total £'000	80% District	
Additional Properties	271.4 @ £1,468	398	319	
Affordable Units	104 @350	36	29	

Total		420	348	
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- 3.7.6 Total funding to be received in 2015/16 to include the effect of the previous years and the new funding to be received is £1.298m (£950k + £348k).
- 3.8 Any allocation of New Homes Bonus will impact on the financial position of the Council as reported to this meeting and Cabinet is asked to consider the percentage/amount allocation for 2015/16 and to recommend this to Council to be considered as part of the budget approvals.

Legal Implications

- 3.9 The New Homes Bonus was introduced in 2011 as an incentive and reward for local authorities and communities to accept new houses in their area. The bonus is equal to the national average for the council tax band on each additional property built or brought back into use and is due on the property being occupied and billed for Council Tax. NHB is paid through section 31 of the Local Government Act 2003 as an un-ringfenced grant.
- 3.10 The Government has stated that as the grant is un-ringfenced Local Authorities have flexibility in its use and therefore funds can be used to reinvest in housing or infrastructure, support local services or local facilities, or to keep council tax down.
- 3.11 There is no time limit on when the funds can be spent.
- 3.12 There is no duty or requirement to consult in relation to how the monies are spent however guidance shows an expectation on Council's to consult communities about how we will spend the money, especially communities where housing stock has increased.

Service / Operational Implications

- 3.13 The allocation of funding will support the provision of projects within local communities and do not impact on the operational services provided by the Council.

Customer / Equalities and Diversity Implications

- 3.11 The scheme will support all communities that are affected by growth.

4. RISK MANAGEMENT

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- 4.1 An annual scheme based on the additional funding received from NHB for each financial year will mitigate the impact on the Medium Term Financial Plan and ensure that should NHB be revised in the future there is no future commitment from the Council.

5. APPENDICES

Appendix 1 – Proposed New Homes Bonus Allocation Scheme

Appendix 2 - Matrix of feedback from the community – June 14 Forum

Appendix 3 – Matrix of feedback from the community – Dec 14 Forum

AUTHOR OF REPORT

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BROMSGROVE DISTRICT COUNCIL

New Homes Bonus Community Grants Scheme Explanatory Notes



Bromsgrove
District Council
www.bromsgrove.gov.uk

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1. Introduction – where does the NHB fund come from?
2. Who can apply for a grant?
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7. What happens if a bid isn't successful?
8. The Grant Application Process Timetable.
9. Contacts and where to find more information.
10. Supporting Documentation

1. Introduction - Where does the New Home Bonus come from?

The New Homes Bonus is paid annually by the government as an incentive to communities and councils to welcome new housing. Every year, for a period of six years following the year the house was built, the council receives a grant that is payable on those new homes plus any homes that were empty and have been brought into use.

The New Homes Bonus is announced alongside our annual financial settlement. In two tier areas, like Worcestershire, the bonus is shared between the District Council and the county council (80% / 20%). The District Council therefore receives 80% of the total New Homes Bonus.

The grant is not ring fenced and therefore the Council is free to decide how to use the grant. There has been encouragement from Central Government for the funding to be utilised within communities however this does not form any legislative requirement.

For the financial year 2015/16 the Council has decided to make part of the New Homes Bonus available for a New Homes Bonus Community Grants Scheme.

The allocation available for the scheme is to be x% / £x of the element of New Homes Bonus Funding that relates to the financial year that the scheme commences. This will be considered to be the base for the calculation and will include both District and County funding totals for the specific year. No allocation will be made from New Homes Bonus that is being paid for previous years. *This section to be discussed at Cabinet 7th January 2015 for confirmation of allocation basis and to be recommended to Full Council.*

This Scheme will run for 12 months and be reviewed as part of the budget process for the financial year 2016/17.

2. Who Can Apply for a Grant?

The funding is available for communities that can evidence they have been affected by growth.

The New Homes Bonus Community Grants Scheme is intended for not-for-profit groups, such as voluntary organisations, residents' groups, community groups and associations including Parish Councils within those areas affected. Organisations outside the District may also apply where they are delivering projects/activities that benefit the District.

Grants will not be paid to individuals.

You will need to provide full details of your organisation when completing the application form.

DRAFT

3. What are the Criteria for Awarding a Grant?

Projects should be substantial and sustainable and provide a legacy for the areas in which they are located whilst also being in line with the Council's strategic purposes (detailed at section 4 of these explanatory notes). The key element of these criteria is ensuring that funded projects complement the Council's long term strategic priorities.

Each organisation may bid for up to 20% of the available fund and applications in excess of £5k will need to provide a more detailed application and will need to provide supporting documentation including a business plan. Councillors will not usually consider more than one application from the same organisation within the 12 month period unless they are clearly for separate projects.

Priority will be given to applications according to the following criteria:

- Meet at least one of the Council's strategic purposes (see section 4 for full details.)
- The impact of growth on the relevant area
- Proposals demonstrate the basis of need or demand as well as the benefits
- Projects must be sustainable.
- All applicants agree to acknowledge the Council as a funder of the project.
- All funded projects keep full records of their activities and how the grant has been spent
- Proposals should outline how they will address the impacts (actual and anticipated) of growth.
- The names of other organisations that have approached for funding.
- The total cost and timescales of the project.
- The communities that will be served by the project.
- Support from the Ward Councillor

4. Bromsgrove District Council's Strategic Purposes

Our Strategic Purposes for Bromsgrove



Help me to live my life independently

Help me to be financially independent

Keep my place safe & looking good

Help me find somewhere to live in my locality

Provide good things for me to see, do & visit

Help me run a successful business

Support services enable us to deliver our purposes

For more information view the Council Plan at:
<http://www.bromsgrove.gov.uk/cms/council-and-democracy/council-plan.aspx>



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5. Who Determines Grant Applications?

Officers of the Council will assess applications to ensure they satisfy the criteria for eligibility, whether any further information is required and whether costs are realistic relative to the proposals and the funds available.

Applications which are clearly ineligible or inappropriate may be rejected with the agreement of the Chairman of the New Homes Bonus Community Grants Panel. Otherwise officers will prepare a report for the Panel, summarising the bid and making a recommendation.

The New Homes Bonus Community Grants Panel, comprising of Councillors (Leaders of each Group) will meet once a year in June. They are supported by officers and the meeting will be held in public.

Applicants will be invited to attend the meeting and have the opportunity to make a short presentation to the Members.

The New Homes Bonus Community Grants Panel will then make a recommendation to the Council's Cabinet. Any interested party can make representations in writing, which will be reported to Cabinet. The Cabinet meetings are also open to the general public.

A full timetable is detailed at section 7 of these explanatory notes and sets out the exact dates of when the invitation for applicants will be opened and the closing date for applications, together with details of when the New Homes Bonus Community Grants Panel recommendations will be considered by Cabinet. Following approval of those recommendations the successful applicants will be contacted and provided with details of when the monies from successful bids will be paid.

6. How Grants are Paid and any Conditions attached to them.

A funding agreement will be signed and will include standard conditions, for example:

- Timescales for the project and a schedule of funding payments
- That the contribution made by the NHB Grants Scheme must be clearly identified to the local community.

Other conditions of funding may be included, depending on the nature of each project. All projects must be completed by the end of the financial year 2016/17 unless otherwise agreed by the New Homes Bonus Community Grants Panel.

If part-funding is agreed proof must be given as to where the other money is coming from.

A payment schedule will be agreed as part of the Funding Agreement for each successful application. Dependent upon the amount of the grant this could be phased to meet the forecast spend of the project or a one off payment for a small project.

Monitoring requirements will be dependent on the size and scale of the project and will be agreed for each individual project as part of the conditions of the funding. Any phased payments would be released subject to satisfactory monitoring/progress.

If the proposed project fails any funding already paid and not utilised must be returned, it cannot be transferred to another project.

7. What Happens if a Bid is not successful?

If a bid is not successful you will be advised and given the reasons. In exceptional circumstances the Panel may request some more information and offer to reconsider the bid at a future meeting.

There is no appeals process, however if you are refused a grant you can still apply for future/alternative projects providing they meet the Council's criteria.

8. The Grant Application Process Timetable

Date Applications Open	Date Applications Close

Date of New Homes Bonus Grants Panel Meeting	Date of Cabinet Meeting

9. Contacts and Where to find more information

New Homes Bonus Community Grants Panel Members

Group Leaders

Supporting Officers

TBC

10. Documentation

Application Form - Small grants up to £4.9k

Application Form - Large grants £5k and over

Grants Assessment Criteria and scoring system with guidelines

Protocol for NHB Community Grants Panel

Funding Agreement

Monitoring Process

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NEW HOMES BONUS - RESPONSES TO CONSULTATION ANALYSIS

These Columns Provide a breakdown of the suggestions as to how the monies could be used within the Local Communities									
Area	All Monies to Remain within the Council's Budget	Monies to go back to the Local Community	Back to Communities - No specific suggestions	Back to Communities - Specific % (for example 30 or 40%)	Community Centre Improvements	Community Groups (for example Scouts, Guides, Women's Fellowship, Theatre Group, Youth Club)	Sports/Recreation Ground Facility Improvements (for example swimming pool or help for tennis club, football club)	Doctors Surgeries, Schools, Libraries, Shops, Bus Services	AQMAs, Highways, Cycle Paths & Parking
HAGLEY (110)	1	109	24	9	22	26	12	9	7
WYTHALL (13)	2	11	2		2	4	1	1	1
CATSHILL (3)		3			2	1			
CLENT (10)		10			7	1	1	1	
BARNT GREEN (12)		12	3		1	6	1		1
BELLBROUGHTON (6)		6			2	1	2		1
ALVECHURCH (3)		3				3			
OAKALLS (1)		1						1	
BLACKWELL (1)		1		1					
Total	3	156	29	10	36	42	17	12	10
	1.88%	98.12%							

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NEW HOMES BONUS - RESPONSES TO SECOND CONSULTATION 02/12/14 ANALYSIS

Suggestions made as to how much NHB the Council should give back to local Communities								
Area	The underspend of £647k be put into the suggested scheme	A larger (but not specified) percentage of the NHB and for it to be back dated.	40% of the yearly amount received.	All monies received by the Council.	20% of the overall annual amount (currently £1.3m)	Similar Scheme to that operated at Wychavon District Council	No suggestion of an alternative - just disappointment at offer and request to reconsider.	
HAGLEY	1	1	2	1	16	1	2	24
WYTHALL	1							1
CLENT		1	1					2
BARNT GREEN					1			1
BELBROUGHTON					3			3
ALVECHURCH			1		1			2
BLACKWELL					1			1
No Area Specified in response					5		3	8
Total	2	2	4	1	27	1	5	42

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CABINET7th JANUARY 2015**MEDIUM TERM FINANCIAL PLAN 2015/16 – 2017/18**

Relevant Portfolio Holder	Michael Webb
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering (Exec Director)
Wards Affected	All
Ward Councillor Consulted	None specific

1. SUMMARY OF PROPOSALS

- 1.1 To enable Members to consider the current financial position for the revenue budget 2015/16 – 2017/18.

2. RECOMMENDATIONS

- 2.1 **Cabinet is asked to recommend to Full Council the approval of one of the following options in relation to the Parish Council Grant receivable for 2015/16**

2.1.1 **Use all funding to support the General Fund.**

2.1.2 **Continue with the current ward members fund scheme but review the administration of the scheme in particular the resource associated with approving and making payment against the grant if Members choose to make multiple applications to use the funds.**

2.1.3 **Allocate the estimated relevant proportion to the parishes of £30k and share the remaining £8k with the non parished areas.**

- 2.2 **Cabinet is asked to note the current position for 2015/16 – 2017/18 and to request that officers review the savings that can be delivered to achieve a balanced budget.**

3. KEY ISSUES**Financial Implications**

- 3.1 The Council's Medium Term Financial Plan (MTFP) provides the framework within which the revenue and capital spending decisions can be made over a 3 year period. The plan addresses how the Council will provide financial funding to the Strategic Purposes and ensure residents receive quality services to meet their needs in the future. The Purposes that drive the financial considerations are :

- Help me find somewhere to live in my locality

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- Provide good things for me to see, do and visit
 - Help me live my life independently
 - Help me run a successful business
 - Help me be financially independent
 - Keep my place safe and looking good
- 3.2 When reviewing the budget projections officers consider the impact of demand on service and the costs associated with this demand. This may result in additional costs (associated with maintaining current service delivery) or reductions in anticipated income revenue over the next 3 years.
- 3.3 As Members are aware there continue to be considerable pressures facing the Council over the next 3 years as a result of a number of issues including:
- Reduction in Council Tax Benefit Grant received
 - Changes to welfare reform and the impact on the Council from residents service need
 - Transfer from Housing Benefit to Universal Credit
 - Continued reduction in Government Grant
- 3.4 Officers will continue to work with our partners to identify the costs that may be associated with some of these changes.

Formula Grant / Localised Business Rates

- 3.5 The provisional settlement that was received recently by the Council for 2015/16 was as indicated previously at £2.814m. However this confirms the £500k reduction in the grant allocated for 2014/15. The grant includes a number of allocations that were previously received as separate funding streams and therefore the cut is across all funding received by Central Government.
- 3.6 Forecasting Government funding beyond 2015/16 is challenging, the key issue will be the outcome of the next Comprehensive Spending Review (CSR), due for publication after the General Election in May 2015. Recent Government and opposition announcements indicate that the austerity measures are set to continue into future years, in line with the Government's objective of achieving a budget surplus. Further estimated reductions on Formula Grant are therefore factored into the MTFP, in line with previous estimates.
- 3.7 The new localised regime on Business Rates (BR) took effect in April 2013. Bromsgrove is part of the Greater Birmingham and Solihull Business Rates Pool, set up as a mechanism to retain more BR growth

funding within the area, and to manage risk on BR losses on a shared basis.

- 3.8 In the first year of this new regime, all members of the pool benefited financially from being in the pool. A net £750k growth levy was retained in the area which would have been returned to Central Government and following allocation of £307k to the LEP Growth Fund and payment of a Safety Net contribution to one of the Councils Bromsgrove gained £23k from the pool which has been included as an income to offset the budget in 2015/16. This is higher than the comparable income that would have been available from the Worcestershire Pool.

New Homes Bonus

- 3.9 The Council has received notification that the New Homes Bonus (NHB) total grant for 2015/16 will be £1.298m. This includes the 2015/16 grant of £348k which is significantly higher than the £126k included in the original budget estimates. This is due to the number of properties in the District increasing during 2014/15. A review of future years has been made and additional properties have been included in the medium term plan calculations. The Finance team will work more closely with Planning in the future to ensure that a more accurate estimate is used for projections.
- 3.10 As Members are aware all income received from New Homes Bonus grant is currently used within the General Funds of the Council and is utilised to offset the pressures facing the Council over the medium term. The petition to Council in April 2014 requested members look at the opportunity of allocating New Homes Bonus to the communities that were affected by housing growth.
- 3.11 A report to this Cabinet meeting sets out the considerations of the cross party New Homes Bonus Working Group and the recommendation to establish a scheme for allocation of funds. At present no funding level has been decided and therefore the budget projections have retained all NHB income in the general budget. This will be adjusted once a percentage allocation / amount has been proposed by Members.

Council Tax

- 3.12 To ensure that necessary levels of funding are available given the large reductions in government grant highlighted above, the Council Tax increases will have to be sufficient to ensure that funding is available for the services that create value to the customer have appropriate levels of financial resource.

- 3.13 The government have offered a grant equivalent to a 1% rise in Council Tax for 2015/16 for councils who freeze their Council Tax in the next financial year. Acceptance of this freeze grant will cost the Council £140k pa once the grant ceases (assuming Council Tax would otherwise rise by 1.9% in 2015/16). The budget projections include an increase of 1.9% each year.

Transformation

- 3.14 The significant reductions in funding are not anticipated to improve for a number of years and therefore officers have looked at alternative ways to deliver savings whilst improving services to the community. As previously reported the services provided by the Council are undergoing transformational change using a different approach to assessing the value provided by the service. This work will focus on the purpose of services to the community and will aim to realise savings and protect those services that create value to our customers.
- 3.15 Members will be aware of the recent review to the provision of some services across a locality /place and the significant savings that have been identified whilst improving and enhancing the services to the community. In addition the work across customer services and departments continues to develop to ensure that an expert is on hand to support our residents.
- 3.16 Officers are focused on reducing costs of services that do not provide front line services to support the Strategic Purposes and will continue to drive out waste and redesign provision to reduce costs.

Budget Projections

- 3.17 There are a number of projections included within the budget that require consideration by Members;

Artrix

- 3.18 The Artrix has been funded since 2005 by the Council with funding of £120k pa as part of a 10 year funding arrangement. This agreement expires on 31st March 2015. As part of the 3 year budget review approved by Council in February 2013 there was a proposed grant to the Artrix of £60k pa to enable the services to be supported in the future. Officers at the Artrix have raised concerns that this level of funding could have a detrimental impact on the delivery of services to the community and may reduce their ability to continue some outreach

services across the District. Officers have reviewed the position and would propose that the £60k would provide sufficient funding for services delivered from the Artrix that support the Councils strategic purposes. Members are asked to consider this level of funding and recommend any revisions to this over the financial planning period. Following the final budget approval in February 2015 officers will prepare a service level agreement with the Artrix to detail services that will be delivered using the funding allocated.

Parish Council Grant

- 3.19 As Members will be aware in 2013/14 £52k was allocated by Central Government to mitigate the impact of the changes to Council Tax support for Parish Councils. Whilst there was no statutory duty for the District pass on the grant received, the Government intention was for the relevant proportion be allocated to Parish Councils to ensure their precept levels would be protected from any reduction in Tax Base arising from the changes to the Council Tax Discount funding. Following approval by Council £40k of this was distributed to Parish Councils in 2013/14 to fund the actual impact arising from the changes. The remaining £12k was used to fund projects in non parished areas eg Town Centre bridge repairs.
- 3.20 In 2014/15 the Government stated that the parish grant would continue to be included in the Settlement but there would be no separate amount detailed to show the actual figure. An estimate of £45k (from the prior year £52k) was made to reflect the overall reduction in Grant Settlement for 2014/15 for the District. This figure represented the amount that would be due to Parish Councils to cover the shortfall in Council Tax income as a result of the changes to the Discount Scheme.
- 3.21 Members agreed at the February 2014 Council meeting that although the Government intention was to allocate the relevant proportion of the funds to the parishes, as this duty was not mandatory, the grant be shared equally across all Members to provide a ward members fund scheme (£1,155 per ward Member). There have been a small number of bids to the scheme over the last 3 months however it is worth noting that the administration of the scheme is more resource intensive than originally anticipated.
- 3.22 In 2015/16 the settlement received again includes an element (not specified separately) of funding to provide to parishes to mitigate the impact of the Council Tax Discount reductions. Using the similar basis of reduction in Government Grant it is reasonable to assume that this figure is approximately £38k which would include £30k of parish funding and a balance of £8k to provide general Council funding. There remains no formal duty to pass on this funding but the intention remains the same as in previous years in that the funds be allocated to

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Parishes. This amount is currently included in the budget estimates as an amount to be allocated within the additional costs on the summary table.

- 3.23 In order to enable Parish Councils to set their precepts within the statutory deadline Members are requested to consider how this funding be allocated for 2015/16 prior to the Council setting meeting in February. It is proposed that a recommendation be made to Council in January to ensure precepts can be prepared in time.
- 3.24 There are 3 options available to Members in allocating the grant received:
- Use all funding to support the General Fund. This would be contrary to the government's intention that part of the funding provided to local authorities in respect of localised tax support should be passed down to parish councils. This is an intention and is not part of legislative requirements.
 - Continue with the current ward member fund scheme but review the administration of the scheme in particular the resource associated with approving and making payment against the grant if Members choose to make multiple applications to use the funds. As above this scheme is contrary to the initial intention of the scheme.
 - Allocate the estimated relevant proportion to the parishes of £30k and share the remaining £8k with the non parished areas. This would ensure that the intention of the grant is met and in addition provides funds for non parished areas.
- 3.25 Cabinet is asked to consider the options and make a recommendation to Council in January as to which allocation method should be in place for 2015/16.

Council Tax Support Scheme

- 3.26 The Council Tax Support Scheme is being presented to members at this meeting for consideration. An assumption of the additional income that may be received from a change to 80% support is included in the summary table below. Should Members not agree the implementation of the scheme the income would reduce and there would be pressure from our precepting bodies, County , Police and Fire to bridge the financial gap this causes.

Current Position

- 3.27 Officers have also identified a number of budget pressures that have either been deemed "unavoidable". Unavoidable includes the ongoing effects of pressures identified during 2014/15 together with any issues

that have been raised as fundamental to maintaining service provision as part of the budget process. In addition income shortfalls that cannot be managed by improved marketing or price increases have been addressed during the budget planning. These pressures are detailed in Appendix 1 and include :

- Shortfall in car parking income £62k resulting from a significant reduction in income from fixed penalty notices together with the impact of not increasing the charges in line with inflation (the initial budget included an element of inflationary increase)
- Shortfall in garden waste income of £63k due to the increase in charge to £38 being less than the £45 originally anticipated
- Reduction in funding from Worcestershire County Council in relation to funding for the customer service centre (HUB) of £26k.

3.28 In addition to the unavoidable pressures one revenue bid has been identified to continue to support the essential living fund which will no longer be supported from any external grant allocations. The bid is for £15k which will provide a minimum level of support to our residents who are in need of urgent financial support. In the last 2 years the funding received from County was £180k which was fully utilised. It has been confirmed recently by Central Government that this funding will not longer be made available separately and there is an expectation that Councils will fund any support from existing budgets.

3.29 Savings have been considered across the Council to ensure that front line services that add value to the residents are protected. The schedule at Appendix 2 details the savings proposed to include:

- Reviews with Customer Services / Fraud £95k
- Place review – Environmental & Community Services £157k
- Reduction in election costs as shared with General £60k

Financial Position

3.30 The current summary position at 3.22 includes the financial impact of the above in addition to the following assumptions:

- 2.2% pay award in relation to the National Agreement in place
- General inflationary increases in relation to contract arrangements
- A estimate of reduction for 2016/17 (10%) & 2017/18 (5%) in Central Government Grant

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- 3% increase in fees and charges (where appropriate)
- Potential costs of the development of Parkside with the County Council
- Potential costs of a new Leisure Centre of £11.5m from 2016/17
- An estimation of the New Homes Bonus income
- Additional income estimated in relation to the Business Rates receivable by the Council

3.31 The revised position is shown below.

	2015/16 £'000	2016/17 £'000	2017/18 £'000
Base cost of General Fund Services	11,314	11,350	11,488
Additional costs re NI, Increments, Pension strain, Parish Grant	161	233	185
Pressures – High bids & unavoidable, income shortfalls	342	-140	-
Savings (quick wins, additional income, shared services, transformation)	-422	90	40
Borrowing to fund capital programme	342	976	1,281
Investment Income	-36	-24	-24
Recharge to capital programme	-25	-25	-25
Net operating expenditure	11,676	12,460	12,945
New Homes Bonus	-1,298	-1,554	-1,685
Funding From Balances	0	-441	-628
Business Rate Retention	-1,598	-1,598	-1,598
Net Business Rate Growth	-176	-176	-176
Government Grant	-1,220	-1,103	-992
Assumed Council Tax	-7,123	-7,157	-7,283
Overall Shortfall	261	431	583

3.24 The Council is to set a balanced budget for 2013/14 – 2015/16 and therefore will have to approve further savings, increase income or reduce high pressures for the 3 year period. Any additional spending, over and above the pressures identified above, would also need to be funded by additional savings. Officers are committed to realise the necessary levels of savings through transformation and will continue to

work with staff to enable services to be delivered at a reduced cost to meet the cuts anticipated.

General Fund Balances

- 3.25 The level of the general fund balance is currently £3.7m. As previously agreed over £1m will be used to support the first 2 years borrowing costs for the new Leisure Centre. The current level of balances is sufficient to cover the increased risks that will be placed upon the Council in the short term. However reliance on the balances is not sustainable in the longer term.
- 3.26 The estimated level of government funding over the MTFP will reduce more rapidly than the increase in Council Tax revenues. Consequently, there will be a continuing focus on transforming service delivery to reduce waste and to ensure that the funding available is aligned to the services that create value to the community of Bromsgrove.

Capital Programme

- 3.27 The Capital Programme is a 3 year rolling programme and officers are currently working to ensure that the level of expenditure falls within the current estimated project allocation. The full details will be brought to the early February Cabinet for approval. The plan currently includes :
- Replacement of Fleet
 - Redevelopment of Parkside School
 - S106 funded Leisure schemes
 - Disabled Facilities Grants

Legal Implications

- 3.28 In relation to the Parish Council Grant issue at 3.19, Members will be aware that the DCLG Minister Brandon Lewis wrote to local authorities in initially in January 2014 and again in February 2014 on the issue of localised council tax support. Specifically the minister reminded local authorities that it was the government's intention that part of the funding provided to local authorities in respect of localised tax support should be passed down to parish and town councils. Officers have considered the contents of the letter and the written ministerial statement made to Parliament on 5th February 2014. However, whilst the minister has articulated a view this does not have the effect of legally binding the Council to distribute the money to Parishes. To do this would have required the government to enact specific legislation which it did not do. Whilst the vast majority of local authorities have distributed the monies to parishes, there are a small minority of Councils (15 Councils in 2014/15 as reported by the National

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Association of Local Councils) who have chosen to proceed with alternative schemes.

Service / Operational Implications

- 3.29 The MTFP will enable services to be maintained and, where achievable, improvements to the community.

Customer / Equalities and Diversity Implications

- 3.30 The impact on the customer has been reduced due to the savings being realised by reduction of waste in the services and ensuring that all service that create value to the customer are resourced.

4. RISK MANAGEMENT

- 4.1 To mitigate the risks associated with the financial pressures facing the Authority regular monitoring reports are presented to both officers and Members to enable proactive action being undertaken to address any areas of concern.

5. APPENDICES

Appendix 1 – Unavoidable Pressures (including income shortfalls)

Appendix 2 – Savings Proposed

AUTHOR OF REPORT

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Appendix

APPENDIX 1

UNAVOIDABLE PRESSURES	2015/16 £'000	
ENABLING		
Neighbourhood Referendum costs to the District	10	<i>To provide for the costs associated with the neighbourhood referendum</i>
Reduction in HUB funding from WCC	26	<i>Reduction in income resulting from further cuts from Worcestershire County Council on HUB funding</i>
Business Rate Increase - across number of buildings	10	<i>Various increases in Business Rate Liability across the Council owned assets</i>
IER - estimated costs of delivery	20	<i>Additional cost to be incurred in respect of Individual Electoral Registration</i>
Postage - additional postage costs	15	<i>Additional postage costs incurred to meet demand for information being sent across the District</i>
IT Maintenance	7	<i>Additional maintenance within the IT servers and systems</i>
KEEP MY PLACE SAFE AND LOOKING GOOD		
Planning Staff	99	<i>To ensure capacity within the team to deliver service to customers</i>
Shortfall in garden waste income (£45 - £38)	63	<i>To meet the shortfall in income following decision to revise the charge for garden waste to £38 per year from the £45 included in the original budget projections</i>
HELP ME RUN A SUCCESSFUL BUSINESS		
Car Parking Income - no inflationary increase	32	<i>The budget includes an element of inflationary increase - the charges are not increasing for 2015/16 therefore there will be a shortfall to the estimated income</i>
Car Parking Income - reduced income from enforcement	30	<i>There is a projected shortfall in income relating to enforcement as drivers are now parking in a more compliant way</i>
PROVIDE GOOD THINGS FOR ME TO SEE, DO , VISIT		
Room Bookings	15	<i>Slight decrease anticipated in the room hire / bookings during the transition of the move to Parkside</i>
TOTAL PER SUMMARY ABOVE	327	

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Appendix

APPENDIX 2

STRATEGIC PURPOSE SAVINGS	2015/16 £'000	Comments
ENABLING		
Customer Access & Financial Support - Service Review Fraud / Customer Services / General savings	-109	<i>Savings / additional income realised from service reviews to reduce the enabling costs of the Council including Fraud Customer services</i>
Elections - Sharing the election costs with General Election	-60	<i>Reduction in the budget requirement for the District Election as this can now be shared with the General Election</i>
Democratic Services Staffing review	-10	<i>Restructure of Democratic services during 2015/16</i>
Business Transformation - various re policy and transformation revenue savings	-5	<i>Various Savings</i>
Finance - various general savings	-18	<i>Various Savings</i>
KEEP MY PLACE SAFE AND LOOKING GOOD		
Place Review - Environmental Services savings	-93	<i>As part of the review of how the services can be delivered across the District meeting the needs of a locality / place significant savings can be made - Environmental Services</i>
- Community Services	-64	<i>As part of the review of how the services can be delivered across the District meeting the needs of a locality / place significant savings can be made - Community Services</i>
HELP ME LIVE MY LIFE INDEPENDENTLY		
Community Transport - renegotiation of contract	-16	<i>Further renegotiation of contracts for the Community Transport Scheme</i>
PROVIDE GOOD THINGS FOR ME TO SEE, DO AND VISIT		
Sports Dev Partnership change in arrangements for delivery of service to private organisation	-6	<i>No further payments to be made as the service is to be provided in an alternative way to support a number of sports and health activities across the County</i>
Dolphin Centre	-40	<i>Reduction in costs relating to the Dolphin Centre</i>
TOTAL AS PER SUMMARY ABOVE	-422	

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EVENING CAR PARKING CHARGES

Relevant Portfolio Holder	Mark Bullivant
Portfolio Holder Consulted	Yes
Relevant Head of Service	Guy Revans
Wards Affected	All Wards
Ward Councillor Consulted	N/A
Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 This report sets out the current parking provision for Bromsgrove town centre car parks and outlines the details of a twelve month trial offering free evening parking from 7pm each evening on the following Pay and Display car parks only: Recreation Road North, Stourbridge Road, Parkside, School Drive, Windsor Street, New Road and Hanover Street.

2. RECOMMENDATIONS

That Members resolve that:

- 2.1 A twelve month trial be undertaken on Pay and Display car parks within Bromsgrove offering free parking from 7pm each evening. This trial will start in February 2015 and be reviewed in February 2016.

That Members recommend that:

- 2.2 the shortfall in projected income of £60k for the 12 months trial be released from balances.

3. KEY ISSUES**3.1 Financial Implications**

- 3.1.1 The table below shows the parking tariffs for 2014/15. There are no increases in the tariffs for 2015/16.

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

3.1.2 The income generated at the pay and display machines between 7pm and 10pm for a twelve month period is detailed below

Evening Machine Income for Pay and Display Car Parks (Exc VAT)

	19:00 - 19:59	20:00 - 20:59	21:00 - 21:59	Total
Dec-13	£1,761.33	£779.29	£189.54	£2,730.17
Jan-14	£2,219.83	£908.83	£196.04	£3,324.71
Feb-14	£2,313.67	£871.71	£154.00	£3,339.38
Mar-14	£2,570.50	£1,012.88	£173.13	£3,756.50
Apr-14	£2,255.63	£934.08	£180.25	£3,369.96
May-14	£2,213.96	£925.33	£233.25	£3,372.54
Jun-14	£2,138.21	£949.38	£267.58	£3,355.17
Jul-14	£2,205.13	£1,031.50	£213.08	£3,449.71
Aug-14	£2,048.42	£918.88	£186.75	£3,154.04
Sep-14	£2,352.63	£956.79	£184.38	£3,493.79
Oct-14	£2,282.58	£901.13	£155.58	£3,339.29
Nov-14	£1,970.92	£760.04	£151.33	£2,882.29
Total	£26,332.79	£10,949.83	£2,284.92	£39,567.54

3.1.3 The total amount of money taken at the machines between 7pm and 10 pm during this twelve month period was £39,567 (Exc. VAT). If free parking was offered during this period the loss in

parking income would be higher than this figure as the reporting system does not account for monies paid prior to 7pm therefore a driver paying for three hours parking at 5:50pm or two hours parking at 6:50pm would not be recorded. Based on information within the system, the annual income generated between 6pm and 7pm is £23,860. It is reasonable to assume that a proportion of this and revenue from 5pm would be lost.

- 3.1.4 The authority may also see a displacement of customers from the pay on foot Recreation Road South car park to the free Pay and Display car parks during the evenings which would further reduce income generated.
- 3.1.6 Therefore officers anticipate the potential loss of income to be between £38k and £60k per year.
- 3.1.7 If the Council decides to offer free parking the information boards in the car parks will need amending which will cost around £500.
- 3.1.8 Members should be aware that reducing the charging times from 10pm to 7pm will not provide any savings from reduced staffing levels as it will still be necessary to provide On Street Enforcement and monitor the Pay on Foot car parks.
- 3.1.9 Monitoring the positive impact of offering free evening parking will be difficult to achieve using car parking data. When the requirement to pay for a ticket is removed, the only way to record how many people use a car park would require someone to count the number of cars parked in a car park.
- 3.1.10 As an indicator is required to provide data on the result of the trial it is suggested that perhaps either the town centre regeneration team or economic development with their business contacts undertake a survey of the evening traders to see if they have noticed an increase in trade. However it should be noted that during a visit by officers a year ago to Altrincham it was reported that although businesses were very happy with the reduced parking rates they were not able to evidence any increase in trade as a result. Officers are continuing to assess how best data to monitor the effectiveness of the trial can be captured and members will be updated on this at the Cabinet meeting on 7th January.

3.2 Legal Implications

- 3.2.1 Bromsgrove District Council operates a system of providing off street parking for residents under the Road Traffic Regulation Act 1984. This legislation allows the Council to designate off

street car parks (section 32) and regulate their operation, including the levying of charges, through a local car parking order (section 35). The current parking order in force is the District Council of Bromsgrove (Off-Street Car Parks) Order 2013.

3.2.2 To make substantive changes to the existing car parking order involves a consultation period and may take up to three months to bring into effect. There is a shorter process that can be used (see more detailed explanation below) where the only proposed change is to the schedule setting out the parking fees. For a very short trial period continuing under the existing order may be appropriate. However, for a period of 12 months officers would suggest that making changes to the car parking order should be considered so that the precise charging regime is clearly set out. The disadvantage of this approach is that changes may then have to be made again to the Order at the end of the trial period. However, generally speaking most councils keep their charges under review and there are other circumstances in the town centre that may lead to changes to the car parking order having to be made..

3.2.3 The process for updating off street car parking orders is prescribed by the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 2012. Regulation 26 sets out the process for making a change to charges at off street parking places by way of a "Notice of Variation". Briefly, this requires the Council to give notice of the proposed changes in the car parks affected by issuing a notice. The changes can then be brought into effect after 21 days. . Different rules apply in the event that substantive changes to the parking order are proposed and under this process there is a formal consultation period with the chance for objections to be made. Provided there are no objections the normal length of time needed to amend the car parking order is approximately 2 to 3 months.

3.3 Service/Operational Implications

3.3.1 Bromsgrove District Council has an ambitious town centre regeneration programme which is attracting a number of national retailers to both the town centre and edge of town. This proposal provides an opportunity for the Council to support local businesses and encourage the night time economy of the town.

3.3.2 Good quality safe car parking should help to support the Council's strategic purposes 'Help me to run a successful business', 'Keep my place safe and looking good' and 'Provide good things for me to do see and visit'

- 3.3.3 Bromsgrove District Council operates 11 charged car parks and 3 free car parks and also manages the enforcement of Alvechurch Sports and Social Club car park. The Council has also taken responsibility for the enforcement of On-Street parking regulations since Civil Parking Enforcement was introduced in May 2013.
- 3.3.4 The Council operate two payment methods in different car parks. 'Pay on Foot' allows the customer to pay for parking at the end of their stay, and 'Pay and Display' requires the customer to predict the length of their stay and pay up front.
- 3.3.5 Bromsgrove has a low pricing structure when compared to other close authorities and operates a flexible payment tariff which grants additional time when the set rates are overpaid, this is a good concession to motorists who might otherwise expect to lose money if they had incorrect coinage. Our neighbouring authorities do not offer this concession.
- 3.3.6 The Pay on Foot facility enables users to pay for the length of stay without the need to worry about overstaying a Pay & Display ticket. Users like this facility and it is considered to be a way of supporting the town's economy as it encourages users to have extended stays in the town.
- 3.3.7 Bromsgrove also operates a permit system for many of its car parks avoiding the need to use the Pay & Display machines for convenience. Charges for permit holders work out considerably cheaper when compared to the cost of buying daily tickets.
- 3.3.8 Bromsgrove District Council currently provides 1390 charged car park spaces in 11 car parks within Bromsgrove
- 3.3.9 The charged spaces account for the majority of charged parking within Bromsgrove town and there is little private sector parking competition. Free parking is however available at a number of supermarket sites on the edge of the town and on-street close to the town centre.
- 3.3.10 Car park charges are set using a traditional approach of charging more in prime car parks and less in the underused ones. However due to the geographical distribution of the car parks there is not a significant convenience factor and prices have tended to be set at the same level across most car parks. Maximum length of stay is used in preference to price to manage user behaviour. Prices in Bromsgrove are amongst the lowest in Worcestershire and are considered on a yearly basis but have not increased since 2010.

3.4 Customer / Equalities and Diversity Implications

- 3.4.1 Meetings have not taken place with customers/residents at this stage. This is a one year trial and as this proposal is reducing the parking charge we would not anticipate negative feedback and no particular group would be disadvantaged.

4. RISK MANAGEMENT

- 4.1 There is a risk of a negative financial implications should parking charges be removed between 7pm and 10pm each evening on Pay and Display car parks
- 4.2 There a risk that the Council could also loose income from the Pay on Foot car parks if people opt to use Pay and Display free parking.
- 4.3 As referred to at 3.1.10 there is a risk that collecting evidence to monitor the effectiveness of the trial period will be difficult. Officers are mitigating this risk by exploring alternative ways to collect data.

5. APPENDICES

None

6. BACKGROUND PAPERS

Short Review Nov 2014
Bromsgrove District Council parking Review Dec 2013
The Bromsgrove District Council (Off-Street Car Parks) Order 2013
Car Parks review 2010
Town Health Check December 2012
Disabled Parking Report 2012

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