



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 Wednesday 18th November 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**
- 3. To confirm the accuracy of the minutes of the meetings of the Council held on 23rd September and 7th October 2015 (Pages 1 - 14)**
- 4. To receive any announcements from the Chairman and/or Head of Paid Service**
- 5. To receive any announcements from the Leader**
- 6. To receive comments, questions or petitions from members of the public**
- 7. Recommendations from the Cabinet (Pages 15 - 16)**

To consider the recommendations from the meeting of the Cabinet held on 4th November 2015.

(Background information is included at the back of the Council agenda book)

- 8. To receive the minutes of the meetings of the Cabinet held on 7th October 2015 and 4th November 2015 (Pages 17 - 26)**
- 9. Representation from the Council on the Artrix (Report to Follow)**
- 10. To receive and consider a report from the Portfolio Holder for Economic Development , Regeneration and the Town Centre (Pages 27 - 32)**

11. **The Government's Devolution Agenda - Worcestershire Devolution Deal**
(Pages 33 - 48)

To receive a report from the Chief Executive on the Worcestershire Devolution Deal.

12. **Questions on Notice (to be circulated at the meeting)**

13. **Motions on Notice (to follow if any)**

Background information on Recommendation from the Cabinet on 4th October 2015 - Use of Section 106 Funding from Bleak House Farm_(Pages 49 - 54)

Background Information on Recommendation from the Cabinet on 4th November 2015 - Bromsgrove Centres Management_(Pages 55 - 64)

Background information on Recommendations from the Cabinet on 4th November 2015 - Medium Term Financial Plan 2016/17 - 2018/19 - Budget Assumptions_(Pages 65 - 70)

14. **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 items of business on the grounds that they involve 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</u>
15	3
16	3

15. **To receive the Confidential minutes of the Cabinet held on 7th October 2015** (Pages 71 - 74)

16. **To confirm the accuracy of the Confidential minutes of the Council held on 7th October 2015** (Pages 75 - 76)

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

23RD SEPTEMBER 2015 AT 6.00 P.M.

PRESENT: Councillors C. J. Spencer (Chairman), H. J. Jones (Vice-Chairman), C. Allen-Jones, S. J. Baxter, C. J. Bloore, M. T. Buxton, S. R. Colella, R. J. Deeming, G. N. Denaro, R. L. Dent, M. Glass, J. M. L. A. Griffiths, C.A. Hotham, R. E. Jenkins, R. J. Laight, K.J. May, C. M. McDonald, P. M. McDonald, S. R. Peters, S. P. Shannon, M. A. Sherrey, R. D. Smith, C. B. Taylor, P.L. Thomas, M. Thompson, S. A. Webb and P. J. Whittaker

40\15 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors B. T. Cooper, P. Lammas, L. C. R. Mallett and L. J. Turner.

Apologies for late arrival were received from Councillor R. E. Jenkins.

41\15 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

42\15 **MINUTES**

The minutes of the meeting of the Council held on 15th July 2015 were submitted.

Councillor C. A. Hotham stated he had not yet received the further information referred to in minute 35/15 in relation to expenditure within Development Control.

RESOLVED that the minutes of the meeting of the Council held on 15th July 2015 be approved as a correct record.

43\15 **ANNOUNCEMENTS FROM THE CHAIRMAN AND THE HEAD OF PAID SERVICE**

The Chairman informed Members that this would be the last meeting of the Council which the Reverend Beverley Robertson would be attending as she was standing down from her role as Chaplain to the Chairman. In view of the impending move to Parkside this role would be taken by Reverend Ray Khan from St. John's Church.

The Chairman thanked Reverend Robertson on behalf of Members for her assistance and support.

44\15 **ANNOUNCEMENTS FROM THE LEADER**

The Leader referred to her attendance at a recent graduation ceremony held at the Artrix for students from the Heart of Worcestershire College . It had been a very successful event which had demonstrated the quality and range of skills within Worcestershire.

The Leader reported that the move to Parkside had been further delayed as the contractors had been unable to meet the previously agreed completion date of September, which would have enabled the move to take place in October following all necessary testing of IT and communications systems. The Leader undertook to ensure that Members received further information on the revised date as soon as it was confirmed.

Reference was made to the potential costs of keeping the existing offices open, which would increase as the weather grew colder. The Leader confirmed that the costs would be largely offset from the underspend on the Council House carried forward from last year.

45\15 **COMMENTS, QUESTIONS OR PETITIONS FROM MEMBERS OF THE PUBLIC**

There were no comments, questions or petitions from members of the public on this occasion.

46\15 **AUDIT BOARD ANNUAL REPORT 2014/15**

Members received the Annual Audit Board report for 2014/15.

The previous Chairman of the Board Councillor H.J Jones expressed her thanks to Members and officers for their support.

There were a number of queries from Members in respect of the content of the report and the Portfolio Holder, Councillor G. N. Denaro undertook to provide further information to the Members concerned relating to:

- Single Fraud Investigations Service and the reason why the Council would not join until February 2016;
- Whether the five recommendations from the External Auditors arising from the Annual Audit letter 2013/14 had been implemented in full; and
- Whether ICT weaknesses identified in December 2013 by the External Auditors had been dealt with satisfactorily.

RESOLVED that the Annual Audit Board Report for 2014/15 be noted and endorsed.

47\15 **RECOMMENDATION FROM THE AUDIT, STANDARDS AND GOVERNANCE COMMITTEE**

The recommendations from the Audit Standards and Governance Committee held on 16th July 2015 were proposed by Councillor G. N. Denaro and seconded by Councillor M. A. Sherrey.

RESOLVED:

- (a) that the Procedure Rules of the Audit, Standards and Governance Committee be amended to remove the word “informed” from paragraph 1.3 of the Procedure Rules; and
- (b) that the Head of legal, equalities and Democratic Services be authorised to update the Constitution accordingly.

48\15 **RECOMMENDATIONS FROM THE CABINET MEETING HELD ON 2ND SEPTEMBER 2015**

(i) **Charging for Street Naming and Numbering Discretionary Services**

The recommendations from Cabinet were proposed by Councillor G. N. Denaro and seconded by Councillor R. L. Laight.

During the debate Members queried the legal background to charging for these services. Councillor Denaro drew attention to the advice given in the legal implications section of the Cabinet report and stated it was hoped that the service would break even.

The Deputy Monitoring officer clarified the basis on which the relevant legislation was proposed to be adopted.

RESOLVED:

- (a) that Sections 64 and 65 of the Town Improvement Clauses Act 1897 and Sections 17, 18 and 19 of the Public Health Act 1925 be adopted by the Council;
- (b) that charges for the discretionary element of Street Naming and Numbering be introduced and that the fees set out at Appendix 1 to the report be adopted; and
- (c) that authority be delegated to the Head of Transformation and Organisational development to make the necessary amendments to the Street Naming and Numbering Policy resulting from the decision at (a) and (b) above.

(ii) **Finance Monitoring Quarter 1 Report 2015/16**

The recommendation from Cabinet was proposed by Councillor G. N. Denaro and seconded by Councillor P. J. Whittaker.

Councillor S. P. Shannon requested reassurance that the proposed Astro Turf pitch at South Bromsgrove High School would be available

for use by local Teams and for community use. Councillor Denaro undertook to provide details of the proposed arrangements.

Members commented on other aspects of the Monitoring Report, including Planning Services budget and the review of Evening Car Parking Charges.

RESOLVED that the 2015/16 Capital programme be increased by £40,000 to include a Section 106 funded project for financial support towards the South Bromsgrove High School 3G Astro Turf pitch.

(iii) **Leasehold Issues at Sherwood Road, Bromsgrove**

The recommendation from Cabinet was proposed by Councillor G. N. Denaro and seconded by Councillor M. A. Sherrey.

Councillor Denaro referred to the background to this matter which had been set out in the Cabinet report and clarified that the recommendation was in relation to the maximum expenses which the Council may incur, they may be below this.

Some Members expressed concern regarding the position which had developed and queried whether the situation could have been avoided. However the view was expressed that in the circumstances the proposal before Councillors aimed to limit the Council's exposure..

RESOLVED that Council set aside £265,000 from revenue balances to cover the expenses which the Council may incur due to its obligations under the current lease arrangements (£200,000) together with estimates to fund potential dilapidation costs (£60,000) and any legal costs arising from the steps set out in the Cabinet Minute no.32/15 (a).

49\15

RECOMMENDATIONS FROM THE CABINET MEETING HELD ON 23RD SEPTEMBER 2015

(i) **Audit Findings Report 2014/15**

The recommendations from the Cabinet were proposed by Councillor G. N. Denaro and seconded by Councillor M. A. Sherrey.

In proposing the recommendations Councillor Denaro drew attention to the fact that an "unqualified opinion" was proposed by the external auditors both for the accounts themselves and in respect of the Value for Money judgement. Whilst the audit was still on-going, these judgements would not change.

RESOLVED:

- (a) that the Audit findings Report 2014/15 be noted;
- (b) that the draft letter of representation as included in the Audit Findings Report be approved.

(ii) **Statement of Accounts 2014/15**

The recommendations from the Cabinet were proposed by Councillor G. N. Denaro and seconded by Councillor C. B. Taylor.

In proposing the recommendations Councillor Denaro referred to the reasons why the Accounts had been submitted late, all of which had been accepted by the external auditors. These included the introduction of a new financial ledger and the restructuring of the finance team.

The Executive Director Finance and Resources was working on developing an Action Plan to address any issues raised by the external auditors. The Action Plan would be monitored by the Audit Standards and Governance Committee. Councillor Denaro would also be actively monitoring budgeting processes during the year.

Arising from consideration of the Statement of Accounts Members raised a number of issues during the debate including the following:

- the importance of setting robust budgets and of learning from experiences in previous years;
- the projects quoted in "Service Successes and Achievements" related mainly to Bromsgrove Town projects and could include those from elsewhere in the District;
- the lack of accuracy in forecasting expenditure which had also occurred in previous years and which had resulted in a significant underspend;
- the position in respect of pension assets and liabilities;
- the level of effectiveness of the "Place " project.

RESOLVED:

- (a) that the Accounting Policies as detailed in Note 1 of the 2014/15 Statement of Accounts be approved;
- (b) that the Draft Statement of Accounts 2014/15 be noted;
- (c) that in order to enable final sign off of the Statement of Accounts by the auditors, Grant Thornton by 30th September 2015, Cabinet recommends to Council that authority be delegated to the Section 151 Officer to make any final changes required to the Statement of Accounts following consultation with the Chairman of the Council and the Portfolio Holder for Finance, and having taken into consideration any changes to the Audit Findings Report, to make any changes and to approve the final version of the Statement of Accounts 2014/15.

50\15

**TO RECEIVE THE MINUTES OF THE MEETING OF THE CABINET
HELD ON 2ND SEPTEMBER 2015**

The minutes of the meeting of the Cabinet held on 2nd September 2015 were received for information.

51\15

REPORT FROM THE PORTFOLIO HOLDER FOR FINANCE, ICT, HR, EMERGENCY PLANNING AND ENABLING SERVICES

As the Portfolio Holder for Finance, ICT, HR, Emergency Planning and Enabling Services, Councillor G. N. Denaro presented a report on the areas covered by his Portfolio.

Members considered the report and raised a number of issues including further welfare changes and the impact they may have on the Council Tax Support Scheme; and the new Individual Electoral Registration process including the importance of encouraging registration and maintaining the accuracy of the register.

52\15

QUESTIONS ON NOTICE

Question submitted by Councillor M. Thompson

Does the Council have a responsibility, particularly in the context of the deep cultural and religious divisions that occupy the news in recent times (and times past), to better acknowledge the diverse cultural contribution that makes up the fabric of our District. Before every Council meeting we hear from a representative of the Christian church or partake in a Christian prayer. In the 21st century, in multicultural Britain, should we not invite other religious leaders - and members of the public that represent different cultures in our District- perhaps youth club workers, students, nurses etc. – to give us food for reflection before we meet.

The Leader responded that the invitation to deliver a prayer prior to the start of the meeting had always been a matter for the Chairman of the Council. The Chairman indicated Members could speak to her if they wished to make a suggestion in this regard.

Question submitted by Councillor R. Jenkins

What comfort can the Leader of the Council give to the residents of Bromsgrove that this Council will not open up its Greenbelt to Birmingham and Black Country housing overspill?

The Leader referred this question to the responsible Portfolio Holder, Councillor C. B. Taylor.

Councillor Taylor referred to the Bromsgrove District Plan Review and to the possibility of a Green Belt Review. It was unlikely that all of the housing needs of Birmingham could be met within the conurbation.

Question submitted by Councillor S. R. Colella

Would the Portfolio Holder for Planning and Regeneration support a review of the Development Control and Planning Enforcement function into its effectiveness across the District?

Councillor Taylor indicated that he did not support such a review at this time.

53\15 **NOTICE OF MOTION - REFUGEE FAMILIES**

Members considered the following motion submitted by Councillor M. Thompson:

“Council notes the worst refugee crisis since the Second World War that is taking place as we meet, with over 9 million people displaced from Syria since 2011.

Council believes that it is right for Bromsgrove District Council to clearly affirm that refugee families from Syria will be welcome in Bromsgrove.

Council calls on the Leader to meet with the Leader at Worcestershire County Council to agree the support required to offer sanctuary to at least 12 refugee families over the next year.”

The motion was moved by Councillor M. Thompson and seconded by Councillor P. M. McDonald.

The Leader stated that together with Leaders from other District Councils in Worcestershire she had met with the Leader of the County Council and that Bromsgrove was to be included in a joint bid to house refugees in the County. This was on the basis that government funding was forthcoming for five years. Discussions were on going with various organisations to determine what support was available locally.

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

54\15 **NOTICE OF MOTION - LOCAL PLAN FOR BROMSGROVE DISTRICT**

Members considered the following motion submitted by Councillor S. J. Baxter:

“That this Council takes the following actions to address the continuing problems with regards delivery of an adopted local plan for Bromsgrove District.

- (1) Withdraws the existing emerging local plan;
- (2) Completes an urgent green belt review that takes into account the duty to co-operate with both Redditch and Birmingham; and
- (3) Initiates the development of a new local plan that maximises the protection of the green belt and ensures that the infrastructure is in place to deliver the housing needs identified for Bromsgrove District and our obligations to Redditch and Birmingham.”

The motion was moved by Councillor Baxter and seconded by Councillor S.R. Peters.

Councillor Baxter referred to the latest letter received from the Planning Inspector raising concerns regarding the timescales now proposed. In the light of this Councillor Baxter stated she therefore wished to withdraw the Notice of Motion.

There was no further discussion.

55\15

NOTICE OF MOTION - COMBINED AUTHORITIES

Members considered the following motion submitted by Councillor P. M. McDonald:

“Council notes the recently launched “consultation” into associate membership of the proposed West Midlands Combined Authority.

The Labour Group feels that this consultation has a serious deficit in that it fails to recognise that Bromsgrove District is part of Worcestershire County Council and can not act in isolation of this.

Furthermore, the fact that this “consultation” makes no reference to the options for devolved powers for Worcestershire that are under active and developing consideration, renders it both biased and one-sided.

Council therefore resolves to suspend this flawed “consultation” process and urges the Chief Executive and Leader to meet as a matter of urgency with the Leader and Chief Executive of Worcestershire County Council and report back, to allow Bromsgrove Councillors and local residents to make a decision based on the full facts.

Council further resolves that full membership of any Combined Authority should be the subject of a referendum.”

The motion was moved by Councillor McDonald and seconded by Councillor C. J. Bloore.

In proposing the motion Councillor McDonald referred to the limitations of the current consultation process which he stated had not been based on the full facts in relation to any alternative options from Worcestershire County Council. In addition the current consultation was biased in favour of those residents who were IT literate. Councillor McDonald was also concerned that discussions with West Midlands Authorities had not been fully transparent without the benefit of a full public debate.

Councillor Bloore referred to the reduced weight which could be attached to the results of the current consultation as residents would have been unable to make an informed decision in the light of any alternative proposals. There was a need for leadership in terms of which option would be most advantageous for the District.

Some Members felt the consultation was flawed because of the lack of information and should therefore be withdrawn.

The Leader responded that at the time the consultation was launched there was little information available on the Worcestershire proposals. It was confirmed that talks were in progress regarding this option and the Leader had asked the Chief Executive to arrange a briefing for all Members about the latest position regarding this.

During the debate the view was expressed that the Council was being pressured to reach a decision on whether or not to pursue a Combined Authority option with Greater Birmingham. It was generally considered that it would be premature to make a decision on this at the moment in the absence of more detailed information about the proposal. Members were also interested to know more about the potential Devolution Deal for Worcestershire.

On a requisition under Council procedure rule 18.3 , the following details of the voting were recorded:

For the motion: Councillors S. J. Baxter, C. J. Bloore, M. T. Buxton, S. R. Colella, C. A. Hotham, R.E. Jenkins, P. M. McDonald, C. M. McDonald, S. R. Peters, S. P. Shannon and M. Thompson (11)

Against the motion: Councillors C. Allen-Jones, R. J. Deeming, G. N. Denaro, R. L. Dent, M.Glass, J. M. L. A. Griffiths, H. J. Jones, R. L. Laight, K. J. May, M. A. Sherrey, R. D. Smith, C. B. Taylor, P. L. Thomas, S.A. Webb and P. J. Whittaker (15)

The Chairman declared the motion to be lost.

The meeting closed at 7.45 p.m.

Chairman

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BROMSGROVE DISTRICT COUNCIL

MEETING OF THE COUNCIL

7TH OCTOBER 2015 AT 6.00 P.M.

PRESENT: Councillors C. J. Spencer (Chairman), H. J. Jones (Vice-Chairman), C. Allen-Jones, S. J. Baxter, C. J. Bloore, M. T. Buxton, S. R. Colella, B. T. Cooper, G. N. Denaro, R. L. Dent, M. Glass, J. M. L. A. Griffiths, R. E. Jenkins, R. J. Laight, P. Lammas, L. C. R. Mallett, K.J. May, S. R. Peters, S. P. Shannon, M. A. Sherrey, R. D. Smith, C. B. Taylor, P.L. Thomas, M. Thompson, L. J. Turner, S. A. Webb and P. J. Whittaker

56\15 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors R. J. Deeming, C. A. Hotham, C. M. McDonald and P. M. McDonald.

57\15 **DECLARATIONS OF INTEREST**

The following declarations of interest were made:

Item 4 – Community Governance review for proposed Boundary Changes to Hagley and Clent Parish Council Areas

Councillor M. A. Sherrey declared an other disclosable interest as a Member of Clent Parish Council.

Councillor C. A. Allen-Jones declared an other disclosable interest as a District Councillor for the Belbroughton and Romsley Ward.

Councillor S. R. Colella declared an other disclosable interest as Chairman of Hagley Parish Council and the District Councillor for the Hagley West Ward.

Councillor R. E. Jenkins declared an other disclosable interest as a Member of Hagley Parish Council and the District Councillor for the Hagley East Ward.

Item 6 Disposal of Council owned Assets at Hanover Street Car Park/ George House

Councillor M. T. Buxton declared an other disclosable interest as the District Councillor for the Sanders Park Ward.

58\15 **RECOMMENDATIONS FROM THE CABINET HELD ON 23RD SEPTEMBER 2015**

Garden Waste Collection Charge 2016/17

The recommendation from Cabinet was proposed by Councillor P. J. Whittaker and seconded by Councillor R. D. Smith.

In proposing the recommendation Councillor Whittaker referred to the success of the Garden Waste collection service in terms of improved efficiency of the service and its popularity with residents as indicated by the increased take up for the service.

Councillor Whittaker stated that the proposed increase in the Annual Fee from £38 to £40 meant that this Council's charges would still be in line with charges made by other Authorities in Worcestershire, whilst an increase in usage of Direct Debit as a method of payment would bring additional efficiencies.

Whilst recognising the service was valued by residents, some Members raised concerns regarding the balance of the environmental costs of the garden waste service as opposed to the benefits.

RESOLVED that the charge for the garden waste service be increased to £40 with effect from 1st February 2016.

59\15

RECOMMENDATION FROM THE ELECTORAL MATTERS COMMITTEE

Community Governance Review for Proposed Boundary Changes to Clent and Hagley Parish Council Areas

(Councillors S. R. Colella, M. A. Sherrey and R.E. Jenkins left the room during the consideration of this item.)

The recommendations from the Electoral Matters Committee were proposed by Councillor G. N. Denaro and seconded by Councillor J. M. L. A. Griffiths.

In proposing the recommendations Councillor Denaro referred to the additional plan which had been circulated which illustrated the effect of the proposal. Councillor Denaro reminded Members that this was the proposal contained within the original petition.

On a requisition under Council Procedure Rule 18.3, the following details of the voting were recorded:

For the recommendations: Councillors C. Allen-Jones, S. J. Baxter, C. J. Bloore, M. T. Buxton, B. T. Cooper, G. N. Denaro, R. L. Dent, M. Glass, J. M. L. A. Griffiths, H. J. Jones, R. L. Laight, P. Lammas, L. C. R. Mallett, K. J. May, S. R. Peters, S. P. Shannon, R. D. Smith, C. B. Taylor, P. L. Thomas, M. Thompson, L. J. Turner, S. A. Webb and P. J. Whittaker (23)

Against the recommendations: (0)

It was therefore

RESOLVED:

- (a) that following the consideration of the Final Recommendation contained in Appendix 1 to the report and in the light of statutory criteria, an Order for the Reorganisation of Community Governance in Hagley and Clent under the Local Government and Public Involvement in Health Act 2007, be made by the Council; and
- (b) that authority be delegated to the Head of Legal, Equalities and Democratic Services to finalise the Order and the consequential arrangements to be agreed between the Parish Councils, and to seek a related alteration to the District Ward boundaries from the Local Government Boundary Commission for England.

60\15 **LOCAL GOVERNMENT ACT 1972**

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 item of business the subject of the following minute on the grounds that it involves the disclosure of "Exempt Information" as defined in Part 1 of Schedule 12A to the Act, the relevant part being as set out below and that it is in the public interest to do so.

Minute No
61/15

Paragraph
3

61\15 **RECOMMENDATIONS FROM THE CABINET HELD ON 7TH OCTOBER 2015**

Disposal of Council Owned Assets at Hanover Street Car Park and George House

The Council discussed recommendations from the Cabinet meeting held on 7th October 2015 relating to receipts from the proposed disposal of Council assets and agreed the consequential revisions to the Council's Medium Term Financial Plan.

The meeting closed at 6.50 p.m.

Chairman

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CABINET

RECOMMENDATIONS TO THE COUNCIL

4TH NOVEMBER 2015

1. BLEAKHOUSE FARM USE OF SECTION 106 FUNDING

The Cabinet has considered a report on the proposed use of Section 106 funding of £134k arising from the Bleak House farm together with the resulting required amendment to the Council's Capital Programme 2015/16

It is RECOMMENDED:

- (a) that the Council's Capital Programme 2015/16 be increased by £134,000 to fund the fit out of the of new Health and Fitness facilities at Woodrush High School Academy to be funded by the Section 106 payments applicable to the Bleak House farm site.;
- (b) that the Section 106 funds be released to the school only when they are received from the developer;
- (c) that authority be delegated to the Head of Leisure and Cultural Services to enter into a suitable legal arrangement and contract management process to protect the Council's funding in this matter;
- (d) that the Head of Legal, Equalities and Democratic Service be authorised to prepare and complete the necessary documentation in respect of the agreements referred to in (c) above.

2. BROMSGROVE CENTRES MANAGEMENT

The Cabinet has considered a report on the proposed new arrangements for the management of Bromsgrove centres including the appointment of a Town Centres Manager.

It is RECOMMENDED:

that the funding of an unavoidable budget pressure in respect of a new Town Centre Management function be approved for inclusion in the Medium Term Financial Plan assumptions as follows:

2016/17 - £16,000
2017/18 - £41,000
2018/19 - £43,000

3. MEDIUM TERM FINANCIAL PLAN 2016/17 – 2018/19 - BUDGET ASSUMPTIONS

Agenda Item 7

The Cabinet has considered a report on the budget assumptions to be used in preparing the detailed 2016/17 budget and the provisional budgets for 2017/18 and 2018/19.

It is RECOMMENDED

that the revenue budget assumptions as set out in section 3.7 of the report be approved with the exception of the paragraph in relation to Fees and Charges with the amended assumption to be as follows:

“That it be assumed that the existing schedule of Fees and Charges for Council services will not be increased for 2016/17, with the exception of increases to any Statutory Charges, or any instances where the responsible Heads of Service demonstrates particular circumstances to justify an increase. In such cases the increase would need to be approved by Council. “

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

7TH OCTOBER 2015 AT 4.00 P.M.

PRESENT: Councillors M. A. Sherrey (Leader), C. B. Taylor (Deputy Leader),
G. N. Denaro, R. L. Dent and P. J. Whittaker

Observers: Councillor P. L. Thomas

Officers: Mr. K. Dicks, Ms S. Hanley, Ms. J. Pickering, Mrs. C Felton, Ms.
J. Willis, Mrs. S. Sellers, Ms. A. Scarce and Ms. R. Cole

Invitees: Mr. J. Dillon, Ms. E. Deeley

39/15 **APOLOGIES**

An apology for absence was received from Councillor R. J. Laight.

40/15 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

41/15 **MINUTES**

The minutes of the meetings of the Cabinet held on 2nd September 2015 and 23rd September 2015 were submitted.

RESOLVED that the minutes of the meetings of the Cabinet held on 2nd September 2015 and 23rd September 2015 be approved as a correct record in each case.

42/15 **OVERVIEW AND SCRUTINY BOARD**

The minutes of the meeting of the Overview and Scrutiny Board held on 24th August 2015 were submitted.

RESOLVED that the minutes of the meeting of the Overview and Scrutiny Board held on 24th August 2015 be noted.

43/15 **NEW HOMES BONUS - CONSIDERATION OF THE RECOMMENDATIONS FROM THE NEW HOMES BONUS GRANTS PANEL**

The Cabinet considered a report which contained the recommendations of the New Homes Bonus Grants Panel in respect of the award of grants to a variety of organisations and projects throughout the District.

Members were reminded of the process which had been followed by the Grants Panel. This had included detailed application forms and interviews during which the applicants had been given the opportunity to make further representations to the Panel and Panel members had been able to seek any necessary clarification.

It was noted that the New Homes Bonus Panel had recommended that a total of £63,160 of the original sum available of £87,000 be allocated to the various applicants. It was noted that as well as informing the Parish Councils, the scheme had been well publicised including the use of public forums, press releases and the web site.

The Portfolio Holder for Finance suggested that it may be appropriate to reconsider the application process for any future rounds of grants with a view to simplifying the procedure. It was noted that in some cases, funding had been sought from alternative sources such as County Councillors Divisional funding.

RESOLVED:

- (a) that the recommendations of the New Homes Bonus Grants Panel as detailed in the Summary document (Appendix 1 to the report) be approved;
- (b) that the remaining balance of 23,840 from the original sum of £87,000 earmarked for the Grants Panel, be carried over and utilised in respect of the 2016/17 New Homes Bonus Grants process; and
- (c) that as part of the budget process, consideration be given to earmarking funds for the 2016/17 New Homes Bonus Community Grants Scheme with a view to a further round of New Homes Bonus Community Grants to take place in 2016.

44/15

WORCESTERSHIRE SAFEGUARDING CHILDREN'S BOARD CHILD SEXUAL EXPLOITATION STRATEGY AND ACTION PLAN

The Cabinet considered a report on the County wide Child Sexual Exploitation (CSE) Strategy 2015-2017 which set out the Worcestershire Children's Safeguarding Board's strategic commitment to tackle child sexual exploitation.

It was reported that the CSE Strategy incorporated a multi agency action plan which had been developed by the Worcestershire Children's Safeguarding Board.

The Head of Community Services explained some of the joint work which had been undertaken within the County. Members noted in particular section 3.12 of the report which set out how this Council would be fulfilling its duty to contribute towards the prevention of and response to CSE.

RESOLVED that the Worcestershire Child Sexual Exploitation Strategy 2015-2017, together with this Council's contribution towards meeting the Strategy as outlined in section 3.12 of the report be approved.

45/15 **DISPOSAL OF COUNCIL OWNED ASSETS AT HANOVER STREET/GEORGE HOUSE**

It was noted that whilst a version of the report on this matter had been published, full discussion and consideration of the proposals was an exempt matter and therefore there was no discussion in public on this occasion.

46/15 **LOCAL GOVERNMENT ACT 1972**

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 item of business the subject of the following minute on the grounds that it involves the disclosure of "Exempt Information" as defined in Part 1 of Schedule 12A to the Act, the relevant part being as set out below and that it is in the public interest to do so.

<u>Minute No</u>	<u>Paragraph</u>
46 /15	3

47/15 **DISPOSAL OF COUNCIL OWNED ASSETS AT HANOVER STREET/GEORGE HOUSE**

The following resolutions/recommendation were included in the Public version of the Cabinet report and are therefore included here for the purposes of accuracy of the Minutes.

RESOLVED:

- 2.1 That Members note the contents of this report.
- 2.2 That Members confirm the approval of the freehold disposal of the Site to Hinton Properties as the preferred developer.
- 2.3 That subject to Council approving the inclusion of the phased capital receipt and consequential impact on the Medium Term Financial Plan, members approve the revised delivery programme proposed by Hinton Properties consisting of a two phased approach for the capital sum to be paid and for the land to be drawn down as set out in this report
- 2.4 That Members note that the revised delivery programme provides for the car park to be operated by the Council.
- 2.5 That Members agree to the Council taking on the operation of the car park and give approval to the Council entering into a lease back arrangement for the car park with the preferred developer (or any successor body to which the preferred developer disposes their interest in the land)
- 2.6 That Cabinet recommend to Council that the capital receipt be approved for inclusion in the Medium Term Financial Plan on the phased basis as outlined in paragraph 3.1

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- 2.7 That delegated authority be granted to the Executive Director for Finance and Resources to agree the final terms for the disposal of the Site, the lease back of the car park with the preferred developer and any resulting changes in fees and charges for car parking on this site
- 2.8 That delegated authority be granted to Head of Legal Equalities and Democratic Services to enter into the legal documents required for the purposes of implementing the recommendations 2.2 to 2.7
- 2.9 That Cabinet recommend to Council that the potential shortfall in car park income of approximately £16,000 be released from balances and that the future impact on income during the redevelopment be addressed as part of the Medium Term Financial Plan consideration for 2016/17.

The meeting closed at 4.45 p.m.

Chairman

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

4TH NOVEMBER 2015 AT 6.00 P.M.

PRESENT: Councillors C. B. Taylor (Deputy Leader), G. N. Denaro, R. L. Dent, R. J. Laight (Minute Nos. 48/15 to 53/15) and P. J. Whittaker

Observers: Councillors C. A. Hotham and P.L. Thomas

Officers: Ms S. Hanley, Ms J. Pickering, Mr J. Godwin, Mr D. Piper, Mrs S. Sellers and Ms R. Cole

48/15 **APOLOGIES**

An apology for absence was received from Councillor M. A. Sherrey.

49/15 **DECLARATIONS OF INTEREST**

Councillor G. N. Denaro declared a Disclosable Pecuniary Interest in item 7 on the agenda (Bleak House Farm Section 106 Funding) as a Trustee Governor of Woodrush High School Academy. Councillor Denaro stated that he would be leaving the room for this item and contacting the Monitoring officer to update his Register of Interests form in the light of the proposal to pass funding to the School for the Health and Fitness facilities under the terms of the existing Section 106 agreement.

50/15 **MINUTES**

The minutes of the meeting of the Cabinet held on 7th October 2015 were submitted.

RESOLVED that the minutes of the meeting of the Cabinet held on 7th October 2015 be approved as a correct record.

51/15 **OVERVIEW AND SCRUTINY BOARD**

The minutes of the meeting of the Overview and Scrutiny Board held on 28th September 2015 were submitted.

RESOLVED that the minutes of the meeting of the Overview and Scrutiny Board held on 28th September 2015 be noted.

52/15 **WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE**

The minutes of the meeting of the Worcestershire Shared Services Joint Committee held on 8th October 2015 were submitted.

RESOLVED that the minutes of the meeting of the Worcestershire Shared Services Joint Committee held on 8th October 2015 be noted.

53/15 **BLEAK HOUSE FARM SECTION 106 FUNDING ALLOCATION**

(Councillor G. N. Denaro left the room during the consideration of this item)

The Cabinet considered a report on the proposed use of Section 106 funding of £134k arising from the Bleak House Farm development, together with the resulting required amendment to the Council's Capital Programme 2015/16.

It was reported that the developer of the Bleak House Farm site had indicated in discussions that the first "trigger point" for release of S106 funding was likely to be reached before Christmas.

It was noted that the sum received was proposed to be utilised to fund the fitting out of new Health and Fitness facilities at Woodrush High School Academy.

Members noted the background to the current proposal and in particular that the fitness gym and studio was part of a larger development at the site of a Woodrush Community Hub. This included the Fitness Suite and Dance Studio Space, Youth and Community Centre, Public and School Library, Conference Facilities and ancillary facilities. The development was being funded through the Education Funding Agency, Woodrush High School and Worcestershire County Council Libraries and Learning.

It was reported that the new facility would offer community access to facilities including during the school day. Officers had previously identified a shortage of activities and facilities in the area and the new facility would provide a venue for hire to support activities such as mobility sessions and exercise classes which would have a positive impact on the health and wellbeing of local residents.

Following discussion it was

RECOMMENDED:

- (a) that the Council's Capital Programme 2015/16 be increased by £134,000 to fund the fit out of the of new Health and Fitness facilities at Woodrush High School Academy to be funded by the Section 106 payments applicable to the Bleak House farm site.;
- (b) that the Section 106 funds be released to the school only when they are received from the developer;
- (c) that authority be delegated to the Head of Leisure and Cultural Services to enter into a suitable legal arrangement and contract management process to protect the Council's funding in this matter;

- (d) that the Head of Legal, Equalities and Democratic Service be authorised to prepare and complete the necessary documentation in respect of the agreements referred to in (c) above.

54/15

BROMSGROVE CENTRES MANAGEMENT

The Cabinet considered a report containing a proposal for the North Worcestershire Economic Development and Regeneration service to host a new Bromsgrove Centres management function on behalf of the Council. This would cover the Town Centre together with outlying centres and villages including Alvechurch, Barnt Green, Catshill, Hagley, Rubery and Wythall.

Members were aware that that one of the economic priorities which had recently been approved by Cabinet was to “create a more vibrant Bromsgrove Town Centre by enhancing the current retail and leisure offer” It had also been recognised that other centres and villages within the District had their individual needs and requirements which the Council may want to address.

It was reported that whilst a great deal had been achieved within the Town Centre in terms of the completion of particular schemes, it was recognised that there was still further work to be undertaken including regeneration and the on going “management” of the Town Centre and other outlying centres and villages.

At present Bromsgrove was the only North Worcestershire District without a Town Centre Management arrangement in place. The report therefore set out a proposal for the creation of a Town Centre Manager (TCM) role which was detailed in paragraph 3.17 of the report . It was envisaged that the TCM would work pro-actively with each of the centres. It was stressed that whilst a number of villages and centres had been referred to in the report, this was not an exhaustive list and other areas such as Cofton Hackett could be included in the future.

The Head of Economic Development and Regeneration - North Worcestershire also reported on the proposed timescale for the implementation of the new arrangements if agreed to by Members.

In accordance with Cabinet Procedure Rules and with the agreement of the Chairman, Councillor C. A. Hotham spoke on this issue.

Councillor Hotham expressed support for the proposal. He stated that whilst within Barnt Green many local traders, organisations and the Parish Council worked together to organise community events etc. this was obviously undertaken on a voluntary basis. It was felt it would be of great benefit in particular to the outlying centres and villages to have some assistance from a professional TCM.

Councillor Hotham expressed the hope that the TCM would be able to work with Parish Councils to enhance and extend local events and undertake further marketing and promotion etc.

The Portfolio Holder for Economic Development, Regeneration and Town Centre responded that as referred to in paragraph 3.23 (i) there would be an expectation that the TCM would work closely with local businesses and traders and with private and public stakeholders and that this would include Parish Councils.

Members queried the costs involved for the Council and the Executive Director - Finance and Resources referred to the budget pressures set out in the Financial Implications section of the report.

Following discussion it was

RECOMMENDED

- (a) that the funding of an unavoidable budget pressure in respect of a new Town Centre Management function be approved for inclusion in the Medium Term Financial Plan assumptions as follows:

2016/17 - £16,000

2017/18 - £41,000

2018/19 - £43,000

RESOLVED:

- (a) that the proposed model as set out in the report for Bromsgrove Centres Management be approved;
- (b) that the new function be hosted by the North Worcestershire Economic Development and Regeneration (NWEDR) service on behalf of Bromsgrove District Council;
- (c) that delegation in respect of the Centres Management function be added to the existing NWEDR Collaboration Agreement relating to the provision of Economic Development and Regeneration Services, to reflect the resolutions at (a) and (b) above;
- (d) that authority be delegated to the Head of Legal, Equalities and Democratic Services to amend the Collaboration Agreement referred to at resolution (c) above; and
- (e) that the associated pension and redundancy costs of approximately £31,000 be released from reserves set aside for restructuring the organisation.

55/15

MEDIUM TERM FINANCIAL PLAN 2016/17 - 2018/19 - BUDGET ASSUMPTIONS

The Cabinet considered a report on budget assumptions to be used in preparing the detailed 2016/17 budget and the provisional budgets for 2017/18 and 2018/19.

The Executive Director – Finance and Resources commented that information on the Provisional Funding Settlement from Central Government would not be received until late November or early December.

The report requested Members to consider the assumptions in respect of the key elements of the Council's revenue budget as set out in section 3.7 of the report.

Members considered the assumptions contained in the report and in particular discussed the Fees and Charges issue. It was noted that the assumption was that discretionary Fees and Charges would be increased by 3%. If this was not to be the case, any reduction on 3% would have to be included as a budget pressure for 2016/17 – 2018/19.

The Portfolio Holder for Finance felt that In view of the assumption of an inflation rate of 0% together with the transfer to balances which had occurred at the end of the previous financial year, it would be appropriate for an assumption to be made that there would be no increase in fees and charges. The exceptions being those items covered by Statutory Charges or instances where Heads of Service could demonstrate particular circumstances whereby an increase was necessary.

It was reported that the usual report on Fees and Charges would be submitted to Cabinet in December.

Following discussion it was

RECOMMENDED that the revenue budget assumptions as set out in section 3.7 of the report be approved with the exception of the paragraph in relation to Fees and Charges with the amended assumption to be as follows:

“That it be assumed that the existing schedule of Fees and Charges for Council services will not be increased for 2016/17, with the exception of increases to any Statutory Charges, or any instances where the responsible Heads of Service demonstrates particular circumstances to justify an increase. In such cases the increase would need to be approved by Council. “

56/15

MEDIUM TERM FINANCIAL PLAN 2016/17 - 2018/19 - UPDATE

The Executive Director – Finance and Resources gave a brief presentation on the position in respect of the Medium Term Financial Plan 2016/17 – 2018/19.

The presentation included an overview of the current budget position including current balances and reserves and the likely position on borrowing in view of the Parkside and Leisure Centre Developments. Reference was made to the central government grant reduction projected over the next 5 years and to the changes in the Business Rates procedures.

The potential impact of changes to County Council funding arrangements and any Combined Authorities/Devolution Deal was also highlighted.

The Executive Director – Finance and Resources undertook to update Members as more details became available.

The current position was noted.

57/15

NOMINATION OF AND ASSET OF COMMUNITY VALUE - THE HOP POLE INN, BROMSGROVE

Members considered a report relating to an application from the Bromsgrove and Redditch Branch of the Campaign for Real Ale to list the Hop Pole, Birmingham Road, Bromsgrove as an Asset of Community Value under the Localism Act 2011.

Members considered the application in detail in the light of the test set out in Section 88 (1) of the Localism Act 2011. Consideration was given to the information provided within the application form and to the location of the Hop Pole in close proximity to the Town Centre.

Members were reminded that the final decision in respect of whether an asset is listed would be made by the Head of Planning and Regeneration in consultation with the Portfolio Holder for Planning and Regeneration. The views of the cabinet would be taken into account in this process.

Following discussion it was

RESOLVED that the listing of the Hop Pole as an Asset of Community Value be not supported.

58/15

CONFIDENTIAL MINUTES - CABINET 7TH OCTOBER 2015

The confidential minutes of the meeting of the Cabinet held on 7th October 2015 were submitted.

RESOLVED that the confidential minutes of the meeting of the Cabinet held on 7th October 2015 be approved as a correct record.

(The public were not excluded for this item as there was no discussion on the minutes.)

The meeting closed at 7.00 p.m.

Chairman

Bromsgrove District Council 18th November 2015

Report of the Portfolio Holder for economic development, regeneration and the town centre

Aligned to “Keep my place safe and looking good’, ‘Help me run a successful business’ and ‘Provide good things for me to see, do and visit’.

I am pleased to present an update report to the Council about the areas covered by my portfolio. In doing so I would like to both look back over recent events and forward to emerging issues.

Economic priorities

My portfolio was recently extended to cover the wider economic development and regeneration agenda and I am now in a position to ensure that the town centre regeneration work that I have led on makes an effective contribution to the wider prosperity of the district.

My portfolio also now extends to identifying support programmes and initiatives that benefit businesses from across the district, working with Worcestershire County Council to make sure that Bromsgrove continues to be well connected and accessible, ensuring that the needs and priorities of key centres and villages within Bromsgrove district are addressed and working with partner organisations to ensure that local residents have the right skills to meet the needs of local companies that are wishing to grow and expand and that we continue to invest in Apprenticeships.

In July 2015, it was pleasing to see that Cabinet endorsed five new economic priorities for Bromsgrove district which are designed to ensure that ‘business begins in Bromsgrove’. The priorities had been developed in close consultation with the Economic Development Theme Group, which consists of representatives from the local business community as well as key stakeholders such as Heart of Worcestershire College and Department of Work and Pensions.

Just to re-iterate the five priorities are as follows:

1. Harness the local entrepreneurial spirit and support business start-ups and existing business growth;
2. Encourage new inward investment and SME growth through the development of key employment sites;
3. Create a more vibrant Bromsgrove Town Centre by enhancing the current retail and leisure offer;
4. Improve connectivity within Bromsgrove (Digital and Transport);
5. Invest in our local workforce by supporting training and apprenticeships.

My update sets out briefly progress that is being made against each of these five priorities.

Priority 1: Harness the local entrepreneurial spirit and support business start-ups and existing business growth

The Council continues to support local businesses to grow and invest as well as creating a culture for entrepreneurialism to thrive. The Council delivers its economic development and business support activities through the North Worcestershire Economic Development and Regeneration (NWEDR) service (hosted by Wyre Forest District Council) and is working closely with the Growth Hubs established in Worcestershire and Greater Birmingham and Solihull to ensure that local businesses can access the support that they require.

Over the last 12 months, I am pleased to report that 41 existing businesses in Bromsgrove district have accessed support from programmes promoted via the NWEDR service. The support made available includes access to a dedicated business advisor, coaching, mentoring and support in accessing grants. 17 businesses in the district have successfully applied for a grant to help them grow and develop their business, with the total grant value totalling nearly £80,000.

The Council is also committed to supporting new businesses to set up and thrive and over the same time period, the NWEDR service has helped 121 local residents that were seeking help to set up their own business, with 22 new businesses actually starting up and 7 businesses accessing a small grant to help with their set up costs. In many cases, it is access to a dedicated business adviser that is most beneficial to the customer rather than the grant.

I am also pleased to be spearheading the 'Business Begins in Bromsgrove' campaign.

Over the last few years, the Council has focused on the regeneration of Bromsgrove Town centre and the High Street area. The launch of the 'Business Begins in Bromsgrove' initiative, recognises that it is now time to engage more fully with businesses across the district to understand why Bromsgrove is so special as a business location and to help the Council to understand what support it can put in place to help encourage business formation and growth. Over the next few weeks, I intend to meet as many local businesses as possible so that I can understand what their challenges are and to bring to life what it means to be a business in Bromsgrove.

This initiative stems from the success of the formation of the Bromsgrove High Street Town Team which sees traders working together after I met with them to discuss their needs, issues and concerns and how we can support them.

As part of Business Begins in Bromsgrove I have already visited Rubery High Street and made strong links with the Traders' Association there and more recently Stoke Prior where I made myself available to business leaders and traders from the eclectic mix there of canalside craft shops to industries.

This face to face contact allows us to raise the profile of the Council and NWEDR and how we can all work together, it shows we are listening and have an interest in discovering and meeting the varied needs which Bromsgrove businesses, current and new, have. In the New Year Cofton Hackett and Alvechurch are on our lists of places to visit.

Priority 2: Encourage new inward investment and SME growth through the development of key employment sites

The Council via the NWEDR service continues to work with land owners, commercial property agents, developers and Local Enterprise Partnerships to promote Bromsgrove to prospective inward investors. The following lists examples of Bromsgrove based companies which have announced expansion plans during 2015 which have resulted in new jobs being created.

- Access equipment and Machinery Company has taken on additional staff as part of a £1 million funding package;
- Power transformer manufacturer expanded into larger accommodation at Buntsford Hill Business Park as part of a £500,000 investment which has seen staff numbers increase from 24 to 33;
- An International Control Room Console manufacturer has expanded into new premises at Sapphire Court, Bromsgrove Enterprise Park and taken on additional staff;
- 3 companies (two in the IT sector and a commercial landscaper) have expanded by taking on additional staff following funding delivered through NWEDR;
- An accountancy firm took on new offices and created six new jobs;
- The Bromsgrove part of the Redditch Eastern Gateway has been included as part of the Worcestershire LEP Enterprise Zone bid, which if approved could offer full rate relief to prospective occupiers;
- Discussions are taking place with the owners of Bromsgrove Enterprise Park to seek ways to bring forward the development sites for expanding businesses from within and outside the District, with regards to the Enterprise Park's Sapphire Court development, six further units have been occupied during 2015;
- In October, Bromsgrove was promoted as part of the World Class Worcestershire stand at MIPIIM UK - the UK's largest land and property exhibition, conference and market place for investors to meet, discuss projects and opportunities.

Priority 3: Create a more vibrant Bromsgrove Town Centre by enhancing the current retail and leisure offer

Town Centre

The Town Centre Regeneration Project arose from partnership working between the County and District Councils; the Police and Fire and the Health Authority and was aligned to the District Councils Draft Area Action Plan, which identified areas in and around the town centre for development. As a result, Bromsgrove now has a new Health Centre (catering for fifty per cent of the local population); a new 'Blue Light' station (the first of its kind in the country); award winning public toilets and improved Bus Station plus a newly refurbished High Street and outdoor market. Other works completed include the resurfacing of

Worcester Road, the improvements made to the plaza outside Asda and the development of a new website dedicated to the regeneration of the town, www.betterbromsgrove.com

In June of this year I set up a Town Team, consisting of traders and supported by Council Officers. The aim of the team was to put together a submission for the Great British High Street competition 2015 and they organised various events such as a clean up day and a display in an empty shop and submitted an entry by the submission date of 1st Sept. Whilst Bromsgrove was not shortlisted, the team has now reformed and reorganised with a view to putting on more events, improving the town and entering the competition again next year.

We have all seen how quickly shopping habits can change so it is important that we continue to improve our town and encourage people to visit. Whilst Sainsbury reviewed and subsequently withdrew from their proposed Birmingham Road development, the site is currently being marketed and development may yet arrive.

The events area designed into the new High Street has been utilised with a series of markets and events such as the Court Leet and Farmers Market included in the events calendar 2015. Work is underway to fill the 2016 calendar and will include the Carnival and Christmas market. I am especially looking forward to the French market and the Christmas events later this year.

Development sites at either end of the town are progressing. Preferred developers for the Stourbridge Road car park site (Caldwell Properties) are in discussion with Planners and an application is expected in November 2015. The adjoining private land is subject to a planning application for an Aldi store. The former market site off Hanover Street has been to Cabinet and Council and a planning application from Hinton's Property Group for a Little Waitrose and associated retail and restaurants will be submitted as soon as contracts are exchanged.

Other work I hope to see come to fruition includes:

- The implementation of a street café policy (as soon as WCC agree to this on the highway). This will allow specific properties in the High Street to utilise the area outside their premises for serving food and drink and will enhance the ambience of the High Street and give it a more continental feel.
- The refurbishment of the areas linking into the High Street (Church Street, Mill Lane, The Strand and Chapel Walk) as well as the area between the High Street and Worcester Road. WCC are currently preparing an estimate for this work and will be reported to Cabinet in due course.
- The commencement of building works on the Recreation Road site for a new Care Village and the improvements to the recreation ground opposite.
- The move into Parkside, as well as being exciting for us all moving into new premises, will provide a site of the current council offices for redevelopment.
- When other towns are closing their Libraries, I am proud that Bromsgrove will be getting a new Library within the Parkside development.

Furthermore, Cabinet recently endorsed a proposal to introduce a 'Centres management' approach to support the development of Bromsgrove Town Centre and outlying centres including Alvechurch, Barnt Green, Catshill, Hagley, Rubery and Wythall. A new Centres Manager will be recruited and hosted by the NWEDR service and will build on the 'Town Team' approach that has been successfully piloted for Bromsgrove Town Centre.

4. Improve connectivity within Bromsgrove (Digital and Transport)

One of the most important issues facing local businesses is gaining access to superfast broadband infrastructure and connectivity to high speed broadband is critical in today's technology driven economy. The Council is not directly responsible for the rollout of the superfast broadband network across the county but continues to work with Worcestershire County Council to ensure that it reaches our key industrial areas and business parks.

Furthermore, the Council, via the NWEDR service has been pro-active in promoting the availability of government funded 'Broadband Vouchers', to enable businesses in our district to access grants of up to £3,000 so that they connect to the superfast broadband network. I am pleased to report that between May and September this year that 71 businesses in Bromsgrove accessed these vouchers.

The Council continues to work with Worcestershire County Council as highways authority to find a long term solution to the congestion problems faced on the A38 and are examining the financial implications of bringing forward a long term investment package that improves the capacity of this important road corridor.

5. Invest in our local workforce by supporting training and apprenticeships

A well functioning labour market lies at the heart of the economic development and regeneration of Bromsgrove. The more opportunities there are for high value adding employment and residents who are able to access those opportunities, the more prosperous the town will be.

Local residents need the opportunity to find employment that meets their specific needs and aspirations. At the same time, local businesses need a workforce that has the skills, motivation and commitment for them to operate successfully.

Bromsgrove district has performed well in respects of creating new opportunities for local residents and it is pleasing to report that unemployment in Bromsgrove stood at just 1.2% in September 2015, which is lower than the county and regional rate.

Furthermore, the district has also performed well in supporting Apprenticeships, with over 1,500 Apprenticeships created since April 2013.

The Council working with the Bromsgrove Economic Development Theme Group has identified a number of aims, objectives and actions under the priority of 'invest in our local workforce by supporting training and apprenticeships' and over the next 12 to 18 months I intend to deliver:-

- Improved promotion of the apprenticeship offer to local small and medium enterprises (SMEs),
- Better understanding of local business skill requirements.
- More and higher quality work experience and placement opportunities.

Working with our partners in regeneration, achieving this will involve:-

- Increased access of grant support where available to local businesses,
- Holding of promotional events and jobs fairs here in Bromsgrove,
- Production of a local skills plan including an audit of local business needs,
- Meaningful work experience for both school pupils and unemployed residents,

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- Wider participation in the county wide 'Connecting Schools to Business initiative'.

I am particularly keen to progress a major event next year working with schools and Heart of Worcestershire College and local employers, focused on promoting careers and apprenticeship opportunities to school age children, as a way of ensuring that we try to retain as much local talent as possible in Bromsgrove.

THE GOVERNMENT'S DEVOLUTION AGENDA – WORCESTERSHIRE DEVOLUTION DEAL

Relevant Portfolio Holder	Cllr Margaret Sherrey
Portfolio Holder Consulted	Yes
Relevant Head of Service	Kevin Dicks
Ward(s) Affected	All
Ward Councillor(s) Consulted	None Specific
Key Decision / Non-Key Decision	Non-Key Decision

1. SUMMARY OF PROPOSALS

- 1.1 To update the Council on the proposals to secure a devolution deal for Worcestershire.

2. RECOMMENDATIONS

Council is asked to:

- 2.1 note the report and attached summary document on Worcestershire's emerging case for devolution;
- 2.2 supports the direction of travel as set out in the attached summary document; and
- 2.3 receives a further report in 2016 to determine the Council's approach to devolution.

3. KEY ISSUES

Financial Implications

- 3.1 None contained in this report. The Council has contributed £5,000 alongside all other district councils in Worcestershire to secure support from KPMG for the progression of Phase 2 of the work needed on the devolution deal. This was met from existing budgets.

Legal Implications

- 3.2 The legal implications are set out in the report.

Service / Operational Implications

Devolution discussions in Worcestershire

- 3.3 Devolution isn't new. In the late 1990s, the UK Parliament devolved powers to the legislatures of Scotland, Wales and Northern Ireland. However, in England, the concept is a more recent one. Powers for creating Combined Authorities, which allow local authorities to combine their economic development and

strategic transportation functions in a new body created by the Secretary of State, which can also receive additional functions, go back as far as the Local Democracy, Economic Development and Construction Act 2009.

- 3.4 The most recent emerging legislation is the Cities and Local Government Devolution Bill 2015. This is still progressing through the Parliamentary process and is subject to change. However, the government intends that this legislation will define the way in which the devolution agenda progresses. It would open up the mechanisms for Government to confer powers on to public bodies such as County or District Councils. It would also simplify the creation or alteration of a Combined Authority or Unitary Council.
- 3.5 The Coalition government announced the Manchester deal ('Devo Manc') in 2014 and this was followed by a deal in relation to the Sheffield City Region. Since the 2015 election, the new government has been swift to announce some emerging devolution deals including the first non-metropolitan one for Cornwall as a single county.
- 3.6 As of September 2015, 38 local authorities, including Worcestershire, expressed an interest to central government to pursue options for devolving powers. These 38 will now enter negotiations with government, with the results being the first true demonstration of the level of appetite that the newly elected government has for devolution of power, and shape the local government environment for the next decade.
- 3.7 With devolution stories so far being predominantly city-focused, Worcestershire has the opportunity to push this agenda forward in relation to a county acting as a pioneer for developing a suitable governance arrangement for a more typical non-urban county as well as an ambitious set of priorities to achieve genuine results.

The Worcestershire position

- 3.8 Building on the existing shared commitment for public sector reform and economic growth, in September 2015 all seven local authority Leaders in the county signed the attached summary document signalling their intent to work together on the case for devolution across a Worcestershire footprint. The commitment to work together also includes wider public sector partners including the Police, LEP and local Clinical Commissioning Groups.
- 3.9 Up to September 2015, developing the case for devolution has primarily focused on outlining a discrete set of initial 'asks' and 'offers'. These build on existing plans for Worcestershire, but focus on the added value that a devolution deal could bring. The six main themes are outlined below and are all underpinned by improved data sharing:
 - Public Estates
 - Connecting People
 - Health and Social Care Reform
 - Infrastructure and Investment
 - Skills and Innovation

- Environment.

A presentation was given to members on 13th October 2015 outlining these in more detail.

- 3.10 Early discussions around potential future governance arrangements with the seven Leaders have concluded that there is no appetite (red line) for a move towards a unitary deal and any governance model would need to be proportionate to the 'deal' if and when agreed.

Next Steps

- 3.11 Working closely with civil servants in DCLG, BIS, the Treasury and local Partners the focus over the next three months will be to further develop the detail within each of the specific themes for devolution. This will involve:-
- Seeking Member and Partner feedback on draft propositions
 - Agreeing timelines for negotiations and initial appetite for proposed priorities
 - Further development of the detail on the high level business cases and the proposed future governance arrangements; and
 - Continued engagement with Members and local Partners.
- 3.12 A further report will be brought back to Council in 2016 to enable a formal decision to be made upon the Council's approach to devolution in the light of the new legislation and ongoing work and discussions.

Customer / Equalities and Diversity Implications

- 3.13 None at this stage

4. RISK MANAGEMENT

- 4.1 None specifically contained in the report. Council will have to consider the potential devolution deal in full and assess the risks / benefits of each element to Bromsgrove District.

5. APPENDICES

Appendix 1 Worcestershire's Case for Devolution Summary Document V7

6. BACKGROUND PAPERS

Cities and Local Government Devolution Bill

AUTHOR OF REPORT

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WORLD CLASS WORCESTERSHIRE:

OUR CASE FOR DEVOLUTION

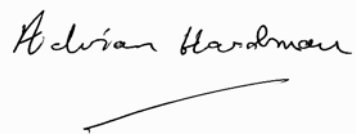
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The Summary

October 2015

Agenda Item 11



Cllr. Adrian Hardman
Leader of Worcestershire
County Council



Cllr. Margaret Sherrey
Leader of Bromsgrove
District Council



Cllr. Phil Grove
Leader of Malvern Hills
District Council



Cllr. Bill Hartnett
Leader of Redditch
Borough Council



Cllr. Simon Geraghty
Leader of Worcester
City Council



Cllr. Linda Robinson
Leader of Wychavon
District Council



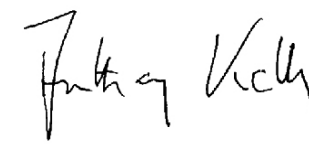
Cllr. Marcus Hart
Leader of Wyre Forest
District Council



Mark Stansfeld
Chairman of
Worcestershire LEP

Bill Longmore
Police and Crime Commissioner,
West Mercia Police

Simon Hairsnape
Chief Officer, NHS Redditch
& Bromsgrove CCG NHS
Wyre Forest CCG



Dr Anthony Kelly
Chair of South Worcestershire
Clinical Commissioning Group

OUR VISION

WELCOME TO WORCESTERSHIRE

Welcome to World Class Worcestershire. We have set high ambitions for our county - to be a world class place to do business and invest in, a world class place to live in, with world class services delivered by innovative public organisations working ever closer together.

This document summarises our compelling case to work with government on a devolution deal for our county to make 2 things happen - faster economic growth and faster, and better, public sector reform.

The purpose of our deal is to help us achieve even more together in Worcestershire. It's about what we, as public sector partners, will be able to deliver through greater local control over decision making and resources, putting us firmly in control of our own destiny. With this in place it means we can go further and faster on our 6 priorities that we know matter most for our communities.

We have a great track record of success in Worcestershire; we are the third best performing economy in the country. We have already committed to creating an extra 25,000 new jobs and add £2.9bn to the economy by 2025, with a massive programme of infrastructure investment including our new Worcestershire Parkway station. These initiatives will help tackle our low wages and improve productivity too, driving benefits not just locally, but nationally. We've taken millions of pounds out of our budgets yet still continue to be rated highly by our residents and maintain good levels of services. But there's more to be done, hence the focus on our six priorities.

OUR 6 PRIORITIES IN SUMMARY

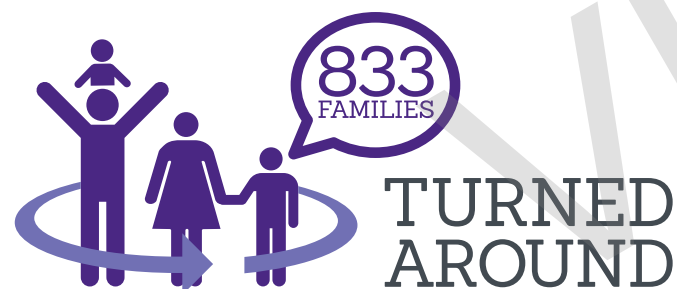
- 1. CONNECTING PEOPLE**
Pioneer a brand new service with a key worker for people most in need, to help people deal with multiple Government and local organisations.
- 2. HEALTH & SOCIAL CARE REFORM**
Bring together health and social care services to tackle the ever increasing costs of our aging population.
- 3. PUBLIC ESTATES**
Deliver the first integrated approach to public sector estates to reduce costs and regenerate our area.
- 4. INFRASTRUCTURE & INVESTMENT**
Support growth and jobs through better infrastructure and new financial tools.
- 5. SKILLS & INNOVATION**
Developing skilled workers and driving innovation in our key growth sectors and business sites.
- 6. ENVIRONMENT**
Valuing what an amazing place we live in and how essential a great environment is to future economic growth.

CONNECTING PEOPLE

Our goal is to bring together local services for struggling families and individuals needing support from different government organisations. We will set up a pioneering new service to co-ordinate agencies, making it far better for families under pressure, with a key worker to support people to get the help they need.

TO ACHIEVE THIS WE WILL

1. **Create a new organisational model** to service delivery to bring partners and organisations together, centred on the person.
2. Incorporate **central Government's procured services within our model**, taking on part of the delivery role in areas like the Work Programme, for those on the highest tariff especially.
5. **Expand the current pathfinder** to cover a wider area to provide more compelling proof that our joined up approach works; this will help other partnerships in other areas to follow our approach.



WHAT WE ASK OF GOVERNMENT

1. We ask for relevant government departments, from the DWP and MoJ to the NHS and RSLs to **become fully engaged partners with the joint entity** and dedicating staff time to the venture.
2. We ask for a **Central Government sponsor to help break down the structural constraints and support the cultural change required** for effective collaboration between local and central agencies.
3. We ask for a **new approach to Work Programme funding**, with Connecting People taking responsibility and funding for the hardest to reach.
4. We ask for government to **commit relevant central departments to work collaboratively** with Connecting People through the sharing of data to identify those most at risk and work within the new model to provide a more complete service.

WHAT THE BENEFITS WILL BE

1. Families and individuals will have a **single service interface** improving the service user experience.
2. Support will be more appropriate, better targeted and **less prone to duplication**.
3. Those most at risk will be identified earlier and **costly emergency interventions avoided**.
4. **Value for money for the Worcestershire £** will be improved through demonstrable cost savings alongside better outcomes.



HEALTH & SOCIAL CARE REFORM

Our goal is to further integrate health and social care services to address the spiralling costs that we face with increasing use of these services, because of our aging population and people with multiple long term conditions. We want to find new ways to commission and deliver the services that our residents need.

TO ACHIEVE THIS WE WILL

Underpinned by our Health and Well-Being strategy, our five year Health and Care Strategy and the NHS Five Year Forward View.

1. **Improve the supporting systems** that underpin our services, including ICT, procurement and back office systems.
2. **Commit to developing a single care record** for both health and care and will continue to strive for better value for money from our contracts.
3. **Work on a more collaborative model of service design** and delivery across health and care; committing to identifying and testing opportunities for integration.



WHAT WE ASK OF GOVERNMENT

1. We ask NHS England to provide a **broker to assist in overcoming the challenges faced as we move to a more collaborative way of working.**
2. We ask for **multi-year funding settlements** for both CCGs and Local Authorities to enable more flexible financial and strategic planning.
3. We ask for **support from the Health and Social Care Information Centre**, working with the Information Commissioner's Office to help adopt of the single care record.
4. We ask for **exemption from the National Lead Provider Framework** for NHS commissioning.
5. We ask for the **acute services review currently being carried out by NHS England to be brought to a conclusion.**
6. We ask for government to allocate an **additional ring-fenced pot of funding for CCGs** to develop new service delivery models. Only fiscally neutral investments would be approved.

WHAT THE BENEFITS WILL BE

1. Long term planning and resource allocation will provide the **flexibility necessary to permit innovation.**
2. A single care record will reduce duplication and help **manage demand** and model improved care pathways.
3. Our approach to bring together **health and social care services in real reform** will provide the blue print for other areas.



PUBLIC ESTATES

Our goal is to deliver the first public sector-wide integrated approach to publicly owned assets to reduce costs, unify services, fuel regeneration and improve value for money for tax payers.

TO ACHIEVE THIS WE WILL

1. Commit to ensuring all authorities in Worcestershire use Place Partnership, by Summer 2016, **to commission and procure estate services.**
2. **Undertake a review of publically held estates owned by government departments** who do not join the venture, to explore opportunities to apply the 'Right to Contest' policy on land with high economic potential.

WHAT WE ASK OF GOVERNMENT

1. We ask that central government commits agencies with land holdings in Worcestershire to **join the Place Partnership by summer 2016.** Suggested agencies include, HCA, MoD, NHS Prop Co, Network Rail and HMCTS.
2. We ask for all **sales of publically held estates in Worcestershire to be brokered through Place Partnership**, working with district partners to complement local plans and grant strategic planning permission. A share of any uplift in the capital receipt as a result of this is retained for use in the Economic Development Fund.
3. We ask for **exemption from stamp duty land tax** on the purchase of land and property from other public sector organisations to reduce the barriers to innovative public sector ventures.
4. We ask for **details of the full public sector asset base** in Worcestershire to be shared with the Place Partnership including information on the status and nature of use where permissible.

WHAT THE BENEFITS WILL BE

1. **Regenerative effects of key sites maximised** through strategic development plans as well as councils' planning and CPO powers.
2. Through co-location of services and operations, **overheads will be reduced**, streamlining management and generating efficiencies.
3. We will provide the **physical infrastructure necessary for our flagship schemes**, such as the Connecting People programme, to thrive.
4. Retention of a share of capital receipts will allow us to safeguard the future of the partnership and **re-invest in initiatives to drive growth locally.**



INFRASTRUCTURE & INVESTMENT

Our goal is to establish the infrastructure and develop the financial instruments for growth investment through increasing infrastructural capacity and unlocking sites for use in our high value industries.

TO ACHIEVE THIS WE WILL

1. We will speed up our work to **understand the key drivers of productivity** in Worcestershire through an enquiry led by the LEP with a strong business focus.
2. We will ensure that our **investment decisions are made with full regard for the stipulations of local plans** with a focus on investment in key assets, including starter homes and ICT connectivity.
3. We commit to **preparing full business cases for investment**, compliant with Treasury Green Book methodologies.
4. We will **augment the existing Local Transport Board** to establish a Strategic Transport Board. This will act as a single interface coordinating Worcestershire priorities and communicating these to Central Government.



WHAT WE ASK OF GOVERNMENT

1. We ask for government to assist in establishing a **Memorandum of Understanding with Highways England and a Duty to Cooperate with Network Rail**.
2. We ask that government **support the Worcestershire LEP's Enterprise Zone bid** with permission for full business rate retention on the identified sites for the next 25 years. This new revenue stream will be used as the basis for the **Worcestershire Economic Development Fund**.
3. We ask for government to **raise the borrowing cap on the Housing Revenue Accounts** to help address the national housing supply shortage and make housing more affordable.
4. We ask that government **bring forward investment in our two priority infrastructure projects, the Carrington Bridge and A38**.

WHAT THE BENEFITS WILL BE

1. **Investment in infrastructure** will cement our position as one of the fastest growing economies in the country.
2. Worcestershire will become a **powerful cog in the Midlands Engine** by investing in the infrastructure necessary to support our high growth sectors.
3. Our single economic development fund will allow us to achieve **better value for money by capitalising on economies of scale**.



SKILLS & INNOVATION

Our goal is to build a network for skills provision that delivers first class education and training in our high value growth sectors in advanced manufacturing, agri-tech, cyber security, defence and IT. Upskilling our population will help with our goal to further improve our productivity.

TO ACHIEVE THIS WE WILL

1. We will accelerate growth in our **cyber security sector by developing an industry catapult to support SMEs** in areas like research and development and concept commercialisation.
2. We will work together to **create a University Technical College**, involving local businesses from our priority sectors in the development of course content.
3. We will work with government to take on a wider range of powers, funding and responsibility in areas **such as Further Education and the adult skills budget** in line with government plans.
4. We will continue developing a **framework for an 'Innovation Ecosystem'** to drive a constant stream of high quality investment opportunities for Innovate UK.

OVER  **10,000** NEW APPRENTICES SINCE **2011**

WHAT WE ASK OF GOVERNMENT

1. We ask for **Innovate UK to match the funding from local partners for the creation of a cyber-tech industry catapult and a 12 month joint arrangement with Innovate UK.**
2. We ask that government **commit GCHQ resource to partner with the cyber-tech industry catapult** to ensure a practical, market focus.
3. We ask that government work **with us to ensure our bid for a University Technical College is approved.**
4. We ask that government **fund a pilot programme as part of the continuing development of the Apprenticeship Levy**, offering financial support to encourage higher level, business led apprenticeship programmes in the STEM subjects, and helping SMEs take on more apprentices.
5. We ask that government **commits DWP to working with local employers and skills providers to develop a local employment offer for older workers** who are willing and capable to work.

WHAT THE BENEFITS WILL BE

1. SMEs will find it easier to take on **young learners in the key STEM subjects.**
2. **Our catapult will drive genuine innovation** as a catalyst for growth, raising ambition and the profile of the county at home and overseas.
3. The **new University Technical College** will improve relationships between employers and skills providers, and help people develop their skills needed for our growth sectors.
4. The drag on our economy often attributed to the older population will be turned on its head as we **tap into the productive capacity, skills and experience of older workers.**



ENVIRONMENT

Our goal is to value the exceptional environment we have in Worcestershire and make the most of our world class asset as a key component for our economic growth now and in the future.

TO ACHIEVE THIS WE WILL

1. We will formalise the role of the **Local Nature Partnership**, giving it greater political status and influence.
2. We will develop an **environmental infrastructure strategy** to prioritise flood defences in response to local needs.

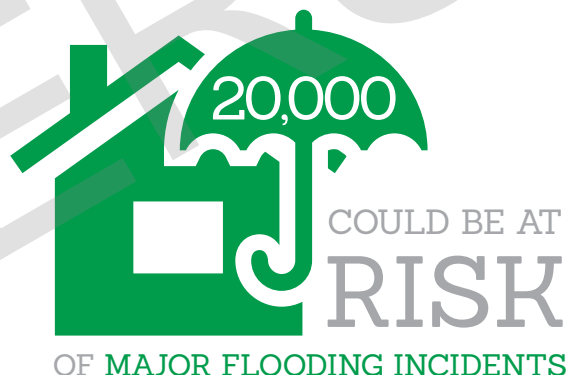
We will promote our **exceptional natural environment and quality of life** as a key part of our World Class Worcestershire campaign to attract businesses to locate here.

WHAT WE ASK OF GOVERNMENT

1. We ask for **devolved funding for the Rural Development Programme** through the formation of a partnership with Natural England and Forestry Commission.
2. We ask for **devolved funding for the total flood risk investment available to Worcestershire** to properly allocate the funding according to priorities agreed in partnership with the Environment Agency and the LNP.
3. We ask that government work with Worcestershire County Council, WLEP and Worcestershire Regulatory Services to **identify opportunities for devolved regulatory and licensing powers**.

WHAT THE BENEFITS WILL BE

1. We will be better able to prioritise and **respond to local flood needs** with our local environmental infrastructure strategy.
2. With devolved functions, Worcestershire Regulatory Services will become the **one stop shop for all businesses** to help them meet their statutory obligations, with just one point of contact, helping to reduce red tape.
3. Our marketing campaign for World Class Worcestershire for inward investment will focus on the **business benefits of our exceptional environment**.



SECURING DATA-SHARING BY DEFAULT

Our goal is to develop a culture of data sharing by default, whereby a decision to not share data must be supported by a full case justifying the rationale. We see this as a pivotal outcome which supports all of our priorities and as such have identified improved data sharing as a critical work-stream to run alongside our work on the six priorities.

TO ACHIEVE THIS WE WILL

1. Establish a **cross-agency leadership board** with a focus on moving to data sharing by default across the county.
2. Develop a **data sharing by default strategy** for Worcestershire.
3. Invest in establishing an **innovative new technical platform** which supports our data sharing vision.

WHAT WE ASK OF GOVERNMENT

In addition to our data-sharing related asks of government listed within our priorities we also ask that government considers

1. **Matching the total fiscal outlay required to deliver our strategy** with dedicated expert resource from the Information Commissioner's Office to help break down barriers to data-sharing and create a new model with potential nationwide application.

WHAT THE BENEFITS WILL BE

1. Improved data-sharing will allow us to take a **more pro-active and preventative approach** to service delivery.
2. Triangulating multiple sources of information around problematic bottlenecks will **create opportunities for both savings and unlocking future growth**.



GOVERNANCE

We are not asking to create a super council or unitary council for Worcestershire, that isn't needed here. Our model, to create a Public Sector Leadership Board, will give us a strategic decision making body to oversee our projects that result from devolved powers. It will have wide involvement of partners, with elected representatives able to vote, so that the Board is accountable to residents.

OUR PRINCIPLES

The governance model we adopt must be proportional to the powers and funding being devolved from Westminster. Therefore we believe that negotiations with government will drive our approach as conversations regarding our priorities mature. However, regardless of the degree with which powers are passed down, we consider there to be an underlying set of principles which must lay the foundation for any proposed model of governance.

We look forward to developing the governance conversation further with government as the scope and extent of Worcestershire's ambitions for devolution evolve.

Principles of Governance	Our model suggests
An all-inclusive public sector and local partner strategy forum	Local council leaders, Police and fire services, LEP and central government agency representatives attend the meetings
Accountable decision making through publically elected bodies	Only local council leaders and PCC to vote on final decisions of the board
Accountable project delivery led by a publically elected body	A voting member volunteers to take the lead on delivery on a workstream by workstream basis, and is fully accountable for outcomes
Most simple, streamlined governance structure proportional to devolved powers	No need for further layers of government or new legal entities
Equal partnership (for publically elected bodies)	Every elected bodys vote is equal



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Bleak House Farm Section 106 Funding Allocation

Relevant Portfolio Holder	Cllr Rod Laight
Portfolio Holder Consulted	Yes
Relevant Head of Service	John Godwin
Wards Affected	Drakes Cross
Ward Councillor Consulted	Yes

1. SUMMARY OF PROPOSALS

The report outlines the proposed use of the Section 106 funding from the Bleak House Farm development and seeks Cabinet's approval for recommendations to be made to Council to increase the capital programme accordingly.

2. RECOMMENDATIONS

The Cabinet is asked to RECOMMEND to the Council that:

- 2.1 That the Council's 2015/16 capital programme is increased by £133k to fund the fit out of new Health & Fitness facilities at Woodrush High School Academy to be funded by the S106 payments applicable to the Bleak House Farm site
- 2.2 That the S106 funds are only released to the school when they are received from the developer.
- 2.3 That authority is delegated to the Head of Leisure & Cultural Services to enter into a suitable legal arrangement and contract management process to protect the Council's funding in this matter.
- 2.4 That the Head of Legal, Equalities and Democratic Services be authorised to prepare and complete the necessary documentation for the agreements in recommendation 2.3 above.

3. KEY ISSUES

Financial Implications

- 3.1 There are no direct financial implications for the Council from this report as all funds under discussion relate to Section 106 agreements.
- 3.2 The total cost of the funding that will be available subject to Member approval and completion of the legal documents is £133k.

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Legal Implications

- 3.3 The legal document relating to the Bleak House Farm development sets out the calculation, trigger points and for what purpose the Section 106 funding can be used. This document is available as background information as required from the committee services team.
- 3.4 One of the key priorities included in the Section 106 agreement under the off-site adult and youth play purposes is a scheme at Woodrush High School, details of which are set out below. This scheme is fully compliant with this agreement and its intended outcomes as it contributes to meeting strategic need in the local area. At this stage the first trigger point for release of the funding from the developer has yet to be reached as occupation of the first dwelling has not occurred. However it is understood from discussions with the developer that this point is anticipated prior to Christmas 2015.
- 3.5 The provision included in the Section 106 is for:
- New fitness suites
 - Enhancement of the existing astro turf pitch
 - A new dance studio
 - Additional changing rooms and/or
 - Improvements to the existing playing pitches
- 3.6 In order to protect the Council's investment in this project and to ensure that the wider community benefits are realised over the next 15 years, officers are in negotiation with the school and have agreed the heads of terms that will be the basis of the funding documentation. This will include:
- A Community Use Agreement;
 - Establishment of repairs and renewals fund;
 - Limitation on what the funding can be used for;
 - A set of key measures and outcomes;
 - Reporting mechanism and meeting schedule to monitor the agreement;
 - Requiring the school to make all sport and leisure facilities available to the public for the duration of this agreement;
 - A claw back and repayment process should the school fail to meet the expected standards in this matter.
- 3.7 The offer from BDC will remain conditional and no funding will be awarded until the funding is drawn down from the developer, this

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document, associated information and its requirements are signed and all aspects discharged to officers' satisfaction.

Service / Operational Implications

- 3.8 In partnership with the County Council and the High School, the District Council operated a dual use agreement for community access at Woodrush for a number of years. During this time expansion and refurbishment plans were prepared including external funding bids for consideration by the partners which were ultimately unsuccessful and led to the School taking over the running of the site in 2006.
- 3.9 The facilities on site have been successfully operated on a hire and lettings basis since this time with some refurbishment work being undertaken to enhance the facilities.
- 3.10 This includes most notably the resurfacing of the sand dressed Astro Turf Pitch (ATP), the refurbishment of the gymnasium to increase usage and enhancement to ancillary facilities including changing rooms etc. to support the community usage programme.
- 3.11 Since transferring to Academy status the school has undertaken a large capital investment and expansion project to increase its community involvement/influence and to take forward the extended services agenda.
- 3.12 As part of this work discussions were held with Leisure & Cultural Services officers regarding the sports facilities on site and what options could be explored to improve the local offer.
- 3.13 Based on this conversation and the professional advice given a number of changes to the delivery model site have been made to increase participation and usage, improve income generation and make the delivery model more sustainable and outward facing.
- 3.14 During these discussions it was also raised that the area itself had a shortage of suitable venues for hire to support wider social objectives such as Postural Stability Instruction, Mobility sessions and exercise on referral. Due to these limitations the full range of development services that could be delivered (with and through partners) including access to local social prescribing sessions and other activities such as group exercise classes, were not available.
- 3.15 Given what we know from national research and best practice guidance this would at best reduce local residents' access to physical activity based sessions but at worst negatively impact on people's health and wellbeing and increase costs for other agencies.

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- 3.16 As part of the capital investment programme the schools team reviewed this position and undertook some feasibility work assisted by the Council officers, to look at the possibility of implementing a fitness and group exercise offer into a large capital investment scheme that was planned.
- 3.17 The fitness gym and studio is part of a larger development scheme, Woodrush Community Hub, consisting of a range of community facilities. The £2.1 million capital development scheme has been funded via the EFA, Woodrush High School and WCC Libraries and Learning.
- 3.18 This has resulted in the following facilities being developed with key partners including the County Council:
- 40 Station Fitness Suite Space
 - 30 person Dance Studio Space
 - New Youth and Community Centre
 - New public and school Library
 - Conference facilities
 - Meeting and Classroom space
 - Ancillary Facilities Inc. Café and soft play area.
- 3.19 Due to the configuration and access arrangements of this site, the new facility offers community access during the school day to ensure that a robust programme can be developed to support all aspects of the local community.
- 3.20 This will also allow development services access to suitable facilities, working in partnership with Woodrush Youth, Sport and Community, to widen the local offer and ensure that key groups can be targeted based on demographic data sets, health profiles and the Joint Strategic Needs Assessment for the area.
- 3.21 The funding requested from Council is towards the fitness equipment fit out and associated costs within the gym and studio.
- 3.22 As highlighted above when negotiating the Bleak House Farm Section 106 agreement, officers were aware of this scheme and the key role it would play in addressing the shortage of facilities and activities within the local area.
- 3.23 As such the funding agreement was drafted to allow the funds available to be used subject to Member approval to support the overall cost of the project, as it was understood at the time that the external funding

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stream being accessed for the building works could not be used to fund the fit out as they were not directly educational based.

- 3.24 The school has continued its dialogue with the Council over the Section 106 funding, with the new facilities expected to achieve practical completion later this year. The school has also undertaken a procurement exercise for the fit out costs including health and fitness equipment and selecting its preferred supplier.
- 3.25 Officers have reviewed the specifications prepared and have no concerns on its content and have been invited to overview the submission from prospective contractors in order to assist with selecting the preferred contractor.
- 3.26 The proposed cost of this are £127,044.87 with the remainder of the budget being required for additional items such as stretching mats, AV systems, group cycling bikes and exercise equipment to support group exercise programmes.
- 3.27 Based upon the above information and the knowledge of the scheme it is considered that for a relatively small investment the Council will achieve a large improvement in the provision of public sector facilities and create a positive impact on the health and wellbeing of local residents. This will allow us to continue to ensure that we deliver against our Strategic Purposes of Give Me Good Things to Do See and Visit and Help Me to Live my Life Independently.

Customer / Equalities and Diversity Implications

- 3.28 There are no direct Customer, Equality or Diversity Implications contained within this report. However the above section highlights the benefit the funding will provide to local residents and within the Heads of Terms (that will form the basis of the funding agreement) the school are required and have agreed to ensure that all facilities will support Equality and Diversity agendas, improve access arrangements and that Inclusive Fitness Initiative equipment is provided where possible.

4. RISK MANAGEMENT

- 4.1 The risks associated with this project relate to the use of Council funding to support an outside body to facilitate improved services within a locality.
- 4.2 The funding agreement will be supported by a detailed legal framework and ongoing monitoring from Leisure & Cultural Services to ensure that all aspirations during the course of the agreement are met and that where any issues arise they are proactively addressed in the best

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interests of both parties. As such the risk to the Council is considered to be minimal when considered against the benefit it will deliver and should the school fail to perform in line with expectations the Council has the right of claw back at its disposal.

5. BACKGROUND PAPERS

Section 106 Agreement dated 5th Feb 2014 between Bromsgrove District Council, Worcestershire County Council and Gallagher Estates Ltd

Proposed heads of terms between Bromsgrove District Council and Woodrush High School for the funding of the fitting out of the Health and Fitness Suite at the school.

6. KEY

AUTHOR OF REPORT

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REPORT TO CABINET

4TH NOVEMBER 2015

BROMSGROVE CENTRES MANAGEMENT

Relevant Portfolio Holder	Cllr Rita Dent – Portfolio Holder for Economic Development, Regeneration and Town Centre
Portfolio Holder Consulted	✓
Relevant Head of Service	Dean Piper – Head of Economic Development & Regeneration – North Worcestershire
Ward(s) Affected	All
Ward Councillor(s) Consulted	N/A
Key Decision / Non-Key Decision	Key decision

1. SUMMARY OF PROPOSALS

- 1.1 This report sets out a proposal for the North Worcestershire Economic Development and Regeneration (NWEDR) service to host a new Bromsgrove Centres Management function on behalf of the Council that will cover the Town Centre and outlying centres and villages including; Alvechurch, Barnt Green, Catshill, Hagley, Rubery and Wythall.

2. RECOMMENDATION(S)

The Cabinet is requested to recommend that:

- 1) The funding of a unavoidable budget pressure is approved to be included in the Medium Term Financial Plan assumptions :
 - 2016/17 £16k
 - 2017/18 £41k
 - 2018/19 £43k

The Cabinet resolve that:

- 2) The proposed model for Bromsgrove Centres Management is endorsed;
- 3) The new function is hosted by the North Worcestershire Economic Development & Regeneration (NWEDR) service on behalf of Bromsgrove District Council;
- 4) That delegation for the Centres Management function is added to the existing NWEDR Collaboration Agreement relating to the provision of Economic Development and Regeneration Services, to reflect the decision at 2) and 3);

REPORT TO CABINET

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5) That delegated authority is granted to the Head of Legal, Equalities and Democratic Services to amend the Collaboration Agreement referred to at 4).

6) The associated pension and redundancy costs of approximately £31k to be released from reserves set aside for restructuring the organisation.

3. KEY ISSUES

Financial Implications

3.1 The creation of the new function will require the recruitment of a new post, a new dedicated operational budget for delivery of activities and initiatives in each of the centres and additional capacity within NWEDR to deliver economic regeneration projects in each of the centres as appropriate. Should Members agree the proposed approach, the funding required for the new function will be included as a budget pressure from 2016/17 as part of the current review of the Medium Term Financial Plan.

3.2 An analysis of existing revenue budgets has identified the available funding that could be re-allocated to support the cost of the new function and achieved improved outcomes for the centres. However, there will be financial implications for the Council as set out below:

Expenditure	2016/17 £'000	2017/18 £'000	2018/19 £'000
Centres management function (hosted by NWEDR)	91	94	97
Funded from:			
Savings from existing posts	52	53	54
Business rate pool money earmarked for economic development activities	23	-	-
Budget Pressure	16	41	43

3.3 The proposal would involve the Council increasing its financial contribution to the NWEDR service from its current baseline position to cover the costs of the new function. As a result of this financial increase, the percentage contribution that the Council makes to the shared service would increase, whilst Redditch and Wyre Forest Councils would see their percentage contributions (not financial contributions) reduce slightly.

Council	% contribution to NWEDR shared service 2016-17 as per current budget	% contribution to NWEDR shared service 2016-17 (as an effect of this proposal)
Wyre Forest	36.0	32.6

Redditch	38.2	34.5
Bromsgrove	25.8	32.9

Legal Implications

- 3.4 The original collaboration agreement relating to Wyre Forest District Council hosting the NWEDR service and providing economic development and regeneration services to the Council, made reference to town centre management arrangements eventually being extended to Bromsgrove (subject to funding), therefore an amendment to the agreement will be required. It is proposed that a 'Memorandum of Understanding' between the Council and Wyre Forest District Council as host authority for NWEDR be developed setting out the exact remit of the Centres Management function.

Service / Operational Implications

Background

- 3.5 In July 2015, Cabinet approved a new set of economic priorities for the district, which provide a focus to the economic activities of the Council, its partners and to NWEDR, which the Council supports financially. One of the priorities is to 'create a more vibrant Bromsgrove Town Centre by enhancing the current retail and leisure offer'. Delivery of this priority is supported by a number of deliverables and measures.
- 3.6 The selection of this as a priority is supported by recent CACI industry data profiling, which shows that Bromsgrove town centre has a retail expenditure of £53.2m (this includes spend in all retailers and traders within the town centre), with 90% of expenditure accounted by local residents. The profile also identifies that Bromsgrove lacks a 'premium' retail offer and is suffering from leakage of expenditure, as residents have to travel elsewhere if they want to shop from a premium retailer.
- 3.7 The Council's aspiration is to uplift the current offer and to retain as much spend from local residents as possible, whilst attracting in more shoppers from adjacent areas.
- 3.8 Meanwhile, other centres and villages within the district have their own specific needs and requirements. For example, a recent public meeting in Rubery identified concerns from local residents regarding a number of local issues such as on-street car parking, signage, empty properties, potholes etc.

Current context

- 3.9 The completion of the £2m Bromsgrove High Street Regeneration Programme has helped to create a more modern and welcoming town centre environment and other projects within the town centre are now starting to come to fruition,

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which will drive new investment and growth into the town and bring forward further residential, employment and retail opportunities.

- 3.10 The regeneration work has been wrapped into a wider branding exercise, with the 'Better Bromsgrove' brand launched and used as a way of promoting the changes that are taking place to local residents.

Rationale for change

- 3.11 There is still some residual work outstanding on certain town centre regeneration schemes, most notably on securing the re-development of the Hanover Street site, where a preferred developer has been appointed but development delivery is yet to commence.
- 3.12 The needs of other centres has also come into sharp focus, with each individual centre requiring specific support around various issues such as the state of shop frontages, repairs to footpaths and roads, empty shops, ASB and lack of vibrancy and footfall.
- 3.13 It is clear that the focus now needs to be extended to include regeneration and the on-going 'management' of Bromsgrove Town Centre and the outlying centres and villages across the district including Alvechurch, Barnt Green, Catshill, Hagley, Rubery and Wythall. This will ensure that they remain vibrant, provide a quality offer and continue to provide vital services and facilities to residents.
- 3.14 The Council already plays a critical role in supporting the on-going development of the centres in Bromsgrove, through the delivery of various services and functions including planning, street scene, environment, leisure and events.
- 3.15 However, there is an opportunity to work more pro-actively with each of the centres, by creating a more 'hands-on' role which is able to deal with all of the issues that may arise within a town centre or a smaller centre. The proposed mechanism to achieve this is to create a 'Town Centre Manager' (TCM) role.
- 3.16 A TCM role involves delivering town centre strategies, initiatives and projects aimed at ensuring that centres remain competitive and vibrant. TCMs have in recent times become a more visible presence in the UK in town and city centres of various sizes and TCMs now have their own recognised membership association, the Association of Town Centre Management (ATCM). Often, the role of a TCM is not confined to supporting the development of a single town centre, but can cover a number of centres in a particular locality.
- 3.17 It is considered that the creation of a TCM role would provide the Council with additional capacity to tackle a variety of issues in the main centres in Bromsgrove including:

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- Working with traders, businesses, community groups, partners and Councillors to ensure effective communication and co-ordination of activities;
- Identifying strategic priorities and improvements for the centres;
- Working towards safer centres;
- Better promotion and marketing;
- Organising events, promotions and markets to increase footfall and vibrancy;
- Working in partnership to ensure that the centres remain clean and benefit from high quality streetscene.
- Ensuring each centre is distinctive and can play its own role in the wider prosperity of the district.

3.18 Bromsgrove is presently the only North Worcestershire district not to have some form of TCM arrangement in place. Members are advised that a 'Town Team' for Bromsgrove Town Centre has recently been formed which consists of representatives from the Council, key public sector stakeholders and several local traders and has undertaken a number of initiatives, including the submission of a bid to the Great British High Street competition

3.19 NWEDR already has experience of hosting a successful Town Centre Management function for Wyre Forest and is currently supporting the delivery of a number of high profile regeneration schemes in Kidderminster Town Centre.

3.20 To date, NWEDR has not had a mandate to support the delivery of the Bromsgrove Town Centre Regeneration Programme. When the shared service was created in 2011, the Council transferred an existing Economic Development Manager and Assistant role to Wyre Forest District Council; however these roles did not have an explicit remit to deliver town centre management or regeneration activity, but were more focused on general economic development activities such as business support and attracting investment. Also at that time, the Council decided to progress delivery of the High Street regeneration programme via a seconded role from Worcestershire County Council, however that arrangement has now lapsed.

3.21 The time does now seem right for the NWEDR service to play a lead role in the delivery of town centre management and regeneration activities in Bromsgrove, utilising the skills and experience that the service has acquired managing similar activities in Wyre Forest.

Developing an effective model for Bromsgrove –proposal

3.22 It is proposed that a new Bromsgrove Centres Function hosted by the NWEDR service is created to take forward the future workload around the management and regeneration of Bromsgrove town centre and the various centres within Bromsgrove district. The diagram at Appendix 1 sets out the remit of the new function.

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Required resources

3.23 To ensure that NWEDR has the appropriate capacity and skills base to host the function, the following resources are required:

- (i) Creation of a new full time Centres Management role to provide a dedicated resource to assist in the development and implementation of plans for Bromsgrove town centre and the outlying centres.

The Centres Manager role will support Bromsgrove Town Centre and key centres across the district including Alvechurch, Barnt Green, Catshill, Hagley, Rubery and Wythall i.e. centres that serve a population of between 2,500 and 10,000.

The post holder will work closely with local businesses and traders to identify and support their needs. They will also be responsible for pro-active engagement work with the various public and private stakeholders and the development of town centre partnership, promotion and marketing initiatives and campaigns to drive footfall into the centres, projects to improve the environment and quality of the centres.

One of the key outputs will be to deliver long term sustainability for the post and ultimately the wider town centre partnership. This will involve the preparation of a business plan that will need to consider various funding opportunities including sponsorship together with the scope for introducing a Business Improvement District.

- (ii) An operational budget for the Centres Manager will be required to provide the capacity to start up new initiatives to promote and develop the centres. Past experience in Wyre Forest has proved that a budget of £30k per annum has proved to be effective in supporting project activity across 3 town centres.
- (iii) Additional capacity within NWEDR to facilitate delivery of identified regeneration schemes and projects within Bromsgrove town centre and other centres as appropriate. Specific activities that will be progressed include:
 - Working pro-actively with developers to bring forward development delivery on key development sites i.e. Hanover Street, Birmingham Road / Stourbridge Road junction site, Bromsgrove Enterprise Park;
 - Redditch Eastern Gateway; working with the land owners and developer to promote the site and secure early delivery of the required infrastructure;
 - Working with the County Council and Bromsgrove District Council to develop the business case for investment on the A38 corridor to improve capacity at key bottlenecks;

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- Identifying relevant LEP funding opportunities that could support the delivery of regeneration schemes across Bromsgrove;
- Identifying regeneration priorities in centres and villages across Bromsgrove district and working with land owners, developers and partners to draw up re-development plans.

Priorities

3.24 Initial priorities for NWEDR will include:

- In each centre working with partners, local residents, resident groups, business associations and other stakeholders i.e. the Economic Development Theme Group to identify local priorities and action areas, transferring good practice from the 'Town Team' approach that is being developed in Bromsgrove Town Centre and NWEDR experience in Wyre Forest;
- Develop a Strategic Action Plan for each of the identified centres;
- In line with the agreed Action Plan, bringing forward identified priority projects and initiatives, ensuring that there are effective delivery mechanisms in place to support activity on the ground in each of the centres;
- Further development of an effective Bromsgrove Town Centre partnership or 'town team' involving the public and private sector (building on the emerging 'Town Team') and the Economic Development Theme Group.

Management and monitoring arrangements

3.25 It is proposed that the management of the new function would be encompassed within the NWEDR shared service collaboration agreement. Priorities and activities for the function would be added to the NWEDR Work Programme and regular reports would be provided to the NWEDR Client Management Group and the Portfolio Holder for Economic Development and Town Centre.

3.26 The proposed new Centres post would be integrated within the existing NWEDR structure, with a direct reporting line to the Head of Service and that additional support around delivery of complex regeneration projects across Bromsgrove would be provided to the Council by NWEDR.

Key benefits of the proposal

3.27 The specific benefits to Bromsgrove district is that there will be a formal resource to support the long term strategic vision of the Town Centre and outlying centres and to identify potential growth opportunities and to plan/deliver activities on the ground that promote and market the centres to a wider audience. The Council will also be able to make further use of the existing regeneration capacity and expertise held by NWEDR, to help accelerate the delivery of key development sites and regeneration schemes.

3.28 The outcomes that the new function will generate are as follows:

- Increased footfall into Bromsgrove Town Centre and other centres within Bromsgrove district through effective marketing and promotional activities;
- Reduced shop vacancy rates in centres;
- Bring forward key development / regeneration schemes identified in Bromsgrove to create new retail, residential and commercial development opportunities;
- Support the Council's aspiration to attract 'big names' to the High Street to complement the existing offer and vibrant independent sector
- Increased confidence in Bromsgrove as a place to invest and potential increase in the 'premium' offer to the town centre;
- Increased public and private sector investment;
- Improved engagement with local communities and key stakeholders;
- Opportunity to increase retail expenditure from visitors outside of the area;
- Build pride in Bromsgrove's key centres and address negative perceptions that exist about Bromsgrove.

Timescales for implementation

3.29 The proposal will be progressed in line with the following timetable:

- Handover of current town centre regeneration work to NWEDR and put in place transition arrangements – December 2015 to March 2016
- Recruitment process for Bromsgrove Centres Manager post – January / February 2016
- New officer in post – April 2016
- Refreshed Bromsgrove Town Centre Strategic Action Plan – summer 2016
- Identify local priorities for other centres – September 2016

3.30 As a result of the proposed approach to centre management the post of Town Centre Regeneration Officer will be deleted as the current post relates to the negotiations and delivery of the new developments in the town. The costs associated with the resulting redundancy and pension strain are approximately £31k and will be met from existing reserves set aside to fund restructuring costs.

Customer / Equalities and Diversity Implications

3.31 An impact assessment will need to be undertaken to ensure that the new function meets the needs of diverse customers across the district.

4. RISK MANAGEMENT

4.1 Risks associated with the delivery of the individual activities will be added to the NWEDR Risk Register and monitored and managed by the Head of Service.

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5. APPENDICES

Appendix 1 - Proposed remit of new Bromsgrove Centres Function.

6. BACKGROUND PAPERS

Cabinet Report 1st July 2015: Bromsgrove Economic Priorities and Action Plan

AUTHOR OF REPORT

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Appendix 1 – Proposed remit of new Bromsgrove Centres Function.



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MEDIUM TERM FINANCIAL PLAN 2016/17-2018/19 – BUDGET ASSUMPTIONS

Relevant Portfolio Holder	Geoff Denaro
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 recommend the budget assumptions to be used in preparing the detailed 2016/17 budget and provisional budgets for 2017/18 and 2018/19.

2. RECOMMENDATIONS

- 2.1 **That Cabinet recommend to Council that the revenue assumptions detailed in 3.7 be incorporated into the budget setting process.**

3. KEY ISSUES

Financial Implications

- 3.1 The Council is legally obliged to set a balanced budget. The budget setting process is complex and must be undertaken in a planned way. It is equally important that assumptions used in the preparation of the budget are agreed, reasonable and consistently applied by all services. A number of recommendations from the Councils External Auditors, Grant Thornton, are addressed by ensuring robust assumptions and a transparent planned approach is undertaken when agreeing the budget.
- 3.2 Officers are aiming to link the costs associated with delivering the Strategic Purposes of the Council across the whole organisation. This will enable Members to have a wider understanding of the whole costs with delivery rather than the departmental approach that has been seen in previous years. This new financial modelling will be trailed within specific areas to ensure a clear and transparent framework is in place for Members considerations.
- 3.3 In addition members have previously agreed that the following principles would be the focus of the Medium Term Financial plan :
- Reduce enabling costs
 - Identifying waste and removing this from the system and its associated costs

- Design new systems for delivery to meet customer demand

3.4 The budget forecast has been based on a number of assumptions, known levels of expenditure and anticipated levels of resources. Final confirmation of these assumptions will not be received/finalised until November/December this year. There are a number of areas of the Council's budget where risks to the projections contained in this report have been identified. The most significant of these are:-

- The new Government is to set out its spending plans early in the new parliament; this will have a significant impact on local government funding.
- The Finance Settlement for Bromsgrove District Council - the level of resources received from Central Government from the Revenue Support Grant may be different to those assumed. The decrease assumed for 2016/17- 2018/19 is 10% per year
- Monitoring of the 2015/16 budget will provide Cabinet with regular updates on any pressures/savings for the Council. Any associated on going implications will be incorporated into the budget projections for 2016/17 and future years.
- Savings – The level of savings required for 2016/17, 2017/18 are currently being considered. It is accepted that the savings require clear monitoring to ensure they are being delivered.
- Specific Grants and Contributions – The number and amount of specific grants received by the Council may be lower/higher than anticipated. The budget assumes no increase or reduction in specific grants. If the grant decreases, the associated expenditure must also be reduced to reflect the reduction in the grant received.
- Council Tax – Central Government provided a cap on the amount of Council Tax increase a Local Authority could make before a referendum of the local residents was required. The budget assumes a 1.9% increase in 2016/17, 2017/18 and 2018/19. This assumption will be reviewed as further announcements are made on both a Referendum and Council Tax Freeze Grants for the relevant years.
- Council Services- The impact of the economic climate on the residents of Bromsgrove and the increased demand this may have for Council Services could impact on cost of services as could general demographic changes.

-
- Inflation - Impact of changes in the price of goods and services used by the Council compared to the percentage assumed in the budget projections.
 - Fees and charges income – Impact of any economic slowdown on levels of usage of charged for Council services could lead to income levels not being achieved.
- 3.5 The Council while setting the budget is working within a time of significant financial uncertainty and risk. The potential implications to the Council of the Chancellor's budget statement on the 8th July, the consultation on the budget for 2016/17 over the summer and the proposed reduction in Central Government's departmental budgets, could be significant. The impact for individual Local Authorities will not be known until provisional figures are released in late November/December 2015. The Chancellor announced in his Spring Statement that the level of reduction would be at the same rate as over the previous parliament.
- 3.6 The timing of the Provisional Funding Settlement in late November/December 2015 means that this report is based on the available information at this point in time. Future reports will make Cabinet aware of any changes that impact on the current budget assumptions.
- 3.7 As part of the budget setting process the Council makes a number of assumptions in respect of the key elements of the Council's revenue budget. The following paragraphs in this section outline the areas where these assumptions are made.

Council Tax

The budget assumes an increase in Council Tax for 2016/17, 2017/18, and 2018/19 of 1.9%. Central Government has yet to announce plans to freeze Council Tax for 2016/17.

Pay Inflation

The budget assumes that the pay award will be 1% for 2016/17 to 2018/19.

Superannuation Rates

The employer superannuation contribution rates are 11.7% in 2016/17, 12.1% in 2017/18 and 12.5% in 2018/19. These are based on the advice by Worcestershire Pension Fund. The next valuation of the fund is due in 2016, therefore the rate of increase assumed for 2016/17 and 2018/19 are subject to change following this valuation.

Price Inflation

The budget assumes 0% inflation across the majority of the Council's non-pay expenditure budgets including grants that the Council gives out. Contractual arrangements and other significant inflation issues will be considered on a case by case basis.

Discretionary Fees and Charges

Fees and Charges are reviewed on an annual basis and officers assess the impact of increases in income charges on the demand on the services. It is recommended that, in line with the current Medium Term Financial Plan the increase for 2016/17 to 2018/19 be 3%. The total additional income generated from the 3% increase is approximately £150k and therefore any reduction on 3% would have to be included as a budget pressure for 2016/17-2018/19.

3.8 Capital

A review of the capital programme is currently being undertaken. This review will provide a three year capital programme for 2016/17 to 2018/19 taking into consideration the estimated reduction in capital resources and the limited revenue funding available for Capital Schemes in these years. A report to Cabinet in December / January will recommend a Capital Programme for 2016/17 to 2018/19 for consideration .

- 3.9 This is an initial report on the budget process which identifies the decision making, assumptions and principles. The forecasts will be refined over the coming months and further reports will be presented to Cabinet leading up to the approval of the budget and Council Tax in February 2016.

Legal Implications

- 3.10 The Council is under a duty to calculate the budget in accordance with Section 32 of the Local Government Finance Act 1992 and must make three calculations namely:
- An estimate of the Council's gross revenue expenditure; an estimate of anticipated income and a calculation of the difference between the two. The amount of the budget requirement must be sufficient to meet the Council's budget commitments and ensure a balanced budget. The amount of the budget requirement must leave the Council with adequate financial reserves. The level of budget requirement must not be unreasonable having regard to the Council's fiduciary duty to its Council Tax payers and non-domestic rate payers.

Service / Operational Implications

- 3.11 Budget Holders will prepare budgets to enable services to be delivered to meet the Councils Strategic Purposes. It is expected that officers will work across the organisation to establish financial projections that best meet the wider community needs and identify any savings or additional income to fund any budget shortfalls.

Customer / Equalities and Diversity Implications

- 3.12 Clarity on budget assumptions will ensure services are delivered to meet customer needs and expectations

4. RISK MANAGEMENT

- 4.1 The risks associated with the budget process and calculations mainly relate to the uncertainties around external funding and the resulting pressures on the budget. To mitigate this risk officer's will work on a number of scenarios to ensure all options can be reported to members in a timely fashion.

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