



BROMSGROVE DISTRICT COUNCIL

YOU ARE HEREBY SUMMONED to attend a MEETING of BROMSGROVE DISTRICT COUNCIL to be held in the Council Chamber at Parkside Suite - Parkside at 6.00 p.m. on Wednesday 20th April 2016, when the business referred to below will be brought under consideration:-

The formal business will be preceded by a prayer.

1. **To receive apologies for absence**

2. **Declarations of Interest**

To invite Councillors to declare any Disclosable Pecuniary Interests or Other Disclosable Interests they may have in items on the agenda, and to confirm the nature of those interests.

3. **To confirm the accuracy of the minutes of the meeting of the Council held on 24th February 2016 (Pages 1 - 26)**

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**

A period of up to 15 minutes is allowed for members of the public to make a comment, ask questions or present petitions. Each member of the public has up to 3 minutes to do this. A councillor may also present a petition on behalf of a member of the public.

7. **Recommendation from the Audit, Standards and Governance Committee - Treasury Management Statement (Pages 27 - 52)**

To consider the recommendations received from the Audit, Standards and Governance Committee held on 24th March 2016.

8. **To receive the minutes of the meetings of the Cabinet held on 24th February 2016, 2nd March 2016 and 6th April 2016** (Pages 53 - 66)
9. **To receive and consider a report from the Portfolio Holder for Environmental Services and Regulatory Services** (Pages 67 - 76)

A maximum of 30 minutes is allowed for this item; the Portfolio holder has up to 10 minutes in which to present their report; questions from, and answers to, Councillors should last no longer than 3 minutes.

10. **Questions on Notice (To be circulated at the Meeting)**

To deal with any questions on notice from Members of the Council, in the order in which they have been received. A maximum of 15 minutes is allocated for this item, which may be extended at the discretion of the Chairman and with the agreement of the majority of Councillors present.

11. **Motions on Notice (Previous Notice attached, any additional To Follow)** (Pages 77 - 78)

Up to one hour is allocated for dealing with Motions on Notice. This may be exceeded with the agreement of the Council.

K. DICKS
Chief Executive

Parkside
Market Street
BROMSGROVE
Worcestershire
B61 8DA

TO ALL MEMBERS OF THE BROMSGROVE DISTRICT COUNCIL

Agenda Item 3

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE COUNCIL

24TH FEBRUARY 2016 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, P. Lammas, L. C. R. Mallett, 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, L. J. Turner, S. A. Webb and P. J. Whittaker

100\15 **MR R. HOLLINGWORTH**

The Chairman held a minutes silence in memory of the late Mr R. Hollingworth the former Leader of the Council. Members and officers stood in silence in tribute to his memory.

101\15 **APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor B. T. Cooper.

102\15 **DECLARATIONS OF INTEREST**

The following declarations of interest were made:

Item 10 – Report from the Portfolio Holder for Leisure and Cultural Services

Councillors M. A. Sherrey, G. N. Denaro, C. B. Taylor, C. Allen-Jones and K. J. May declared other disclosable interests as in respect of this item as members of the Artrix Holding Trust.

Councillors J. M. L. A. Griffiths and C. J. Spencer declared other disclosable interests in this item as members of the Artrix Operating Trust.

Councillor S. R. Colella declared an other disclosable interest as Chairman of Hagley Parish Council (in relation to Hagley Play Equipment).

Councillor M. A. Sherrey declared an other disclosable interest as a Governor of Chadsgrove School.

103\15

MINUTES

The minutes of the meeting of the Council held on 20th January 2016 were submitted.

Councillor C. M. McDonald stated that the minutes did not record that Councillor Taylor had agreed to email additional information on homelessness figures (Minute no. 92/15).

RESOLVED that the minutes of the meeting of the Council held on 20th January 2016 be approved as a correct record.

104\15

ANNOUNCEMENTS FROM THE CHAIRMAN AND/OR HEAD OF PAID SERVICE

The Chairman advised Members that the Annual Civic Dinner would take place on 22nd April 2016 and would be held at the Grafton Manor Hotel. All Members were invited to attend and would be receiving further information shortly.

The Chief Executive referred to the debate at the last Council Meeting on the Notice of Motion submitted by Councillor M. Thompson relating to animal welfare.

During the debate referred to, Councillor B. T. Cooper had stated that there was already a Policy in place relating to Council owned land prohibiting animals in circuses and goldfish being offered as prizes at fairs. This information had been provided by officers to Councillor Cooper. It had transpired that that there was not a policy in place and terms and conditions of hire were not robust enough. Officers had remedied this. However, officers had not briefed Councillor Thompson about the changes. There was clearly some uncertainty over this matter and officers had not made the position clear to Members. The Chief Executive apologised for that oversight.

It had been agreed that in the circumstances, the Notice of Motion be debated again at the following Council Meeting in April.

105\15

ANNOUNCEMENTS FROM THE LEADER

The Leader reported on the success of the latest Job Fair which had taken place at Parkside and had been organised by the local MP Sajid Javid.

The Leader also reported that Planning Services had been “De-Designated” by the Secretary of State for Communities and Local Government on 16th February 2016.

106\15 **COMMENTS, QUESTIONS OR PETITIONS FROM MEMBERS OF THE PUBLIC**

There were no public questions or comments on this occasion.

107\15 **RECOMMENDATIONS FROM THE CABINET HELD ON 3RD FEBRUARY 2016 AND 24TH FEBRUARY 2016**

Prior to the consideration of the recommendations from the Cabinet, the Chairman announced a short adjournment to enable Members to read and consider the additional information on Council Tax recommendations which had been circulated.

The meeting was therefore adjourned from 6.15pm to 6.30pm.

Burcot Lane Homelessness Hostel – Future Options

The recommendation from the Cabinet was proposed by Councillor C. B. Taylor and seconded by Councillor R. J. Deeming.

In proposing the recommendation Councillor Taylor referred to the background work which had been undertaken to bring forward a number of options in relation to the provision of alternative accommodation to Burcot Lodge. The Overview and Scrutiny Board had also recently considered the matter and had supported the implementation of proposal one.

During the debate some Members suggested that it may be prudent to wait for the outcome of the Short Sharp Review on Potential Homelessness in Bromsgrove, which had recently been established, before making any final decisions on the matter. Councillor Taylor commented that the agreement of proposal one at this stage did not preclude the consideration of proposal two at a later date or of any outcomes of the Short Sharp Review. It was important to progress with the project which had been on going for some time.

It was also suggested that the proposed option may lead to a shortage of available spaces and that evidence suggested there may be a need for more interventions in potential homelessness cases. Councillor Taylor responded that the hostel was under occupied at present and the Strategic Housing Team had developed a way forward. It was suggested that some of the comments could have been raised by Members when the matter was considered by the Cabinet.

It was

RESOLVED that the cost of the alternative option for the provision of temporary accommodation, as set out in proposal one in the report be released from balances.

New Homes Bonus Scheme 2016/17

The recommendation from the Cabinet in relation to a revised New Homes Bonus Community Grants Scheme for 2016/17 was proposed by Councillor G. N. Denaro and seconded by Councillor K. J. May.

As an amendment it was proposed by Councillor L. C. R. Mallett and seconded by Councillor C. J. Bloore that consideration of this matter be deferred until the next meeting of the Council in April, in the light of the unprecedented financial situation facing the Council. It was noted that if deferred, a sum of £23k would remain in the budget for the New Homes Bonus Scheme in 2016/ 2017.

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

Medium Term Financial Plan 2016/17 – 2018/19

Councillor G. N. Denaro proposed recommendations arising from the Cabinet meetings which had been held on 3rd February and 24th February 2016. The proposal was seconded by Councillor M. A. Sherrey.

In proposing the recommendations Councillor Denaro explained that there had been some amendments to the recommendations from Cabinet on 3rd February due to some transitional funding received from central government for 2016/17 (£118k) and 2017/18 (£114k) which it was proposed to use in order to minimise the amount to be taken from reserves. In addition there was now the opportunity to increase Council Tax on a Band D property by £5.

Councillor Denaro also reported that it had now been confirmed that no Authority would be required to make a payment with regard to negative Rate Support Grant until details of Business Rate Retention had been clarified. Taken together these amendments reduced the anticipated shortfall from £3.215m to £2.63m. There was however uncertainty at present regarding the future arrangements for New Homes Bonus funding.

Councillor Denaro made reference to the proposals to achieve a balanced budget for 2016/17 and to work towards meeting the Government's efficiency targets over the following 3 years in order to achieve a fixed 4 year settlement. Confirmation had been received that the Government had extended the deadline for these budgets until October 2016. Work on this would continue and the Council's Strategic Priorities were being reviewed in response to the significant financial pressures facing the Authority.

Councillor Denaro referred to specific actions taken in order to achieve a balanced budget for 2016/17 following receipt of the interim settlement.

Agenda Item 3

Council
24th February 2016

These had included an immediate review by officers of all budgets and expenditure. Of particular importance was the delivery of all services during the previous year at an underspend of £600k with few complaints. This had been reviewed with all Heads of Service and had resulted in an overall departmental expenditure of 2% below the projected budget for 2015/16 at £11.662m. In addition specified earmarked reserves had been reviewed and had been released as appropriate resulting in an additional £553k.

It was reported that the steps taken had allowed a balanced budget to be achieved for 2016/17 without the use of balances although there was a projection of £500k from balances in 2017/18 and 2018/19. Councillor Denaro stated that services had been maintained with a small increase in Council Tax and the retention of robust reserves and balances. It was acknowledged that difficult decisions would need to be made in the future and Councillor Denaro was proposing to set up a Cross Party Working Group to review the Government's efficiency requirements.

Councillor L. C. R. Mallett responded to the recommendations and moved the following amendment to the Medium Term Financial Plan which was seconded by Councillor C. J. Bloore.

"Council notes the shortfall in revenue over the 3 years of the financial plan as a result of the devastating settlement from Central Government.

Council calls on the Group Leaders and Member of Parliament, standing shoulder to shoulder, in the interests of the people of Bromsgrove, to meet face to face with the Minister to resolve this funding issue.

Council further calls on the Portfolio Holder and officers to seek to prepare an emergency true zero based budget that addresses the long term funding of local services and advocates for a fundamental restructuring of the management and operational reshaping of the Council this coming year.

To allow this to happen Council resolves to postpone the Budget and Council tax vote and to call an emergency Council in the first week of March to consider a duly revised 3 year Budget".

In proposing the amendment Councillor Mallett acknowledged the difficulties which the Council faced as a result of the Grant Settlement and expressed the wish to support the efforts to address the issues including the establishment of a Cross Party Group.

Councillor Mallett expressed concern however in respect of the short term approach taken in addressing the problems by setting a balanced budget for next year only. The view was expressed that a zero based budget should have been set for next year in order to achieve more savings and reduce the difficulties in years 2 and 3 and that a more radical approach was required which examined the structure of the Authority and its operations. Whilst Councillor Mallett stated he supported

Agenda Item 3

Council
24th February 2016

a joint approach to the Minister with a view to achieving an improved financial settlement, he did not support the current budget proposals.

During the debate on the amendment Councillor Denaro stated that the review work on the financial situation he had referred to would carry on throughout the year. In view of the deadlines for Council Tax bills deferring agreement of the budget would not be helpful.

Councillor S. J. Baxter expressed support for the amendment and also referred to the budget put forward by the Independent Alliance Group which addressed some of the issues in a alternative way. A Cross Party Working Group would be able to look creatively at the steps needed for the future. In her view the Budget proposed by the Controlling Group at present did not do that.

As required under the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 a named vote was taken on the amendment.

For the amendment: Councillors S. J. Baxter, C. J. Bloore, M. T. Buxton, S. R. Colella, C. A. Hotham, R. E Jenkins, L. C. R. Mallett, P. M. McDonald, C. M. McDonald, S. R. Peters, S. P. Shannon, M. Thompson and L. J. Turner (13)

Against the amendment: Councillors C. Allen-Jones, R. J. Deeming, G. N. Denaro, R. L. Dent, M. Glass, J. M. L. A. Griffiths, H. J. Jones, R. J. Laight, P. Lammas, K. J. May, M. A. Sherrey, R. D. Smith, C. B. Taylor P. L. Thomas, S. A. Webb and P. J. Whittaker (16)

The Chairman declared the amendment to be lost.

Councillor S. R. Colella then moved a further amendment to the Medium Term Financial Plan in the form of an alternative Budget on behalf of the Independent Alliance Group (IAG), this was seconded by Councillor C. A. Hotham.

In proposing the amendment Councillor Colella acknowledged that the proposed Budget from the IAG was radical, but this was necessary due to the level of cuts the Council was facing.

Councillor Colella referred to a number of options which were available to the Council including:

- the provision of a Sports Hall as part of a Community Leisure Centre in Sanders Park with this being funded by the disposal of the Dolphin Centre site for housing purposes;
- the Council to move back to Burcot Lane site and retention of the Burcot Lane Hostel and the Spadesbourne Suite;

Agenda Item 3

Council
24th February 2016

- the sale of the Parkside Building for commercial purposes or housing ;
- alternative ways of supporting the regeneration of the Town Centre through housing initiatives;
- the undertaking of a Community Governance Review to increase local autonomy;
- changing arrangements for consideration of the budget including supplying Councillors with more detail in advance of the process.

During the debate on the amendment the view was expressed by some Members that the Council's reserves should not be utilised to support expenditure on the new Leisure Centre and the move to Parkside.

In commenting on the amendment some Members expressed the view that it would be difficult to implement some of the proposals and unlikely that the budget would prove to be sufficiently robust.

As required under the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 a named vote was taken on the amendment .

For the amendment: Councillors S. J. Baxter, S. R. Colella, C. A. Hotham, R. E. Jenkins, S. R. Peters and L. J. Turner (6)

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

The Chairman declared the amendment to be lost.

There was then further debate on the substantive motion.

The debate included the following issues:

- the lack of a zero based budget;
- the cost of the existing Senior Management Structure ;
- the cost of employing agency staff;
- the cost of the Transformation Team;
- the level of IT costs;
- the running costs associated with the Parkside building;
- a view that the housing supply figures were imbalanced and there was a subsequent impact upon the grant funding awarded.

Agenda Item 3

Council
24th February 2016

Councillor Denaro did not accept that the proposed budget failed to recognise the need to address the financial difficulties faced. The reason for a one year budget was precisely because of the challenges ahead. There was a clear recognition of the need to look at efficiency and performance over all areas of the Council's services. The challenge was to maintain services for residents whilst seeking efficiencies .

As required under the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 a named vote was taken on the Medium Term Financial Plan 2016/17 – 2018/19.

For the recommendations: Councillors C. Allen-Jones, R. J. Deeming, G. N. Denaro, R. L. Dent, M. Glass, J. M. L. A. Griffiths, H. J. Jones, R. J. Laight, P. Lammas, K. J. May, M. A. Sherrey, R. D. Smith, C. B. Taylor, P. L. Thomas, S. A. Webb and P. J. Whittaker (16)

Against the recommendations: Councillors C. J. Bloore, M. T. Buxton, S. R. Colella, C. A. Hotham, R. E. Jenkins, L. C. R. Mallett, P. M. McDonald, C. M. McDonald, S. R. Peters, S. P. Shannon, M. Thompson and L. J. Turner (12)

RESOLVED:

- (1) that the fees and charges for 2016/17 (and garden waste for 2017/18) as detailed in appendix 1 (to the report to Cabinet on 3rd February 2016) be approved;
- (2) that the savings and additional income for 2016/17 of £401k as detailed in appendix 3 (to the report to cabinet on 3rd February 2016) be approved;
- (3) that the unavoidable pressures for 2016/17 of £507k as detailed in appendix 4 (to the report to Cabinet on 3rd February 2016) be approved;
- (4) that the Capital bids for 2016/17 of £280k as detailed in appendix 5 (to the report to Cabinet on 3rd February 2016) be approved;
- (5) that the payment of Parish Council grant for 2016/17 of £13,800 be approved;
- (6) that the release from reserves of £849k in 2016/17 be approved;
- (7) that the increase in Council Tax by £5 (2.5%) per Band D equivalent for 2016/17 be approved;
- (8) that the Pay Policy (attached as appendix 1 to the report to Cabinet on 24th February 2016) be approved

Independent Remuneration Panel Report

The recommendations of the Cabinet in respect of the report and recommendations of the Independent Remuneration Panel for Worcestershire District Councils were proposed by Councillor M. A. Sherrey and seconded by Councillor G. N. Denaro.

As an amendment it was proposed by Councillor C. A. Hotham and seconded by Councillor S. R. Peters that the recommendations of the Cabinet be approved with the exception of the proposed increase in the multiplier in respect of Portfolio Holders from 1.3 to 1.5. The multiplier would therefore remain at 1.3.

On a requisition under Council procedure 17.5 , the following details of the voting were recorded:

For the amendment: Councillors C. J. Bloore, M. T. Buxton, S. R. Colella, G. N. Denaro, R. L. Dent, M. Glass, J. M. L. A. Griffiths, C. A. Hotham, R. E. Jenkins, H. J. Jones, R. J. Laight, P. Lamma, L. C. R. Mallett, K. J. May, P. M. McDonald, C. M. McDonald, S. R. Peters, M. A. Sherrey, R. D. Smith, C. B. Taylor, P. L. Thomas, M. Thompson, L. J. Turner, S. A. Webb and P. J. Whittaker (25)

Against the amendment: Councillors C. Allen–Jones and R. J. Deeming (2)

The Chairman declared the amendment to be carried. It was therefore

RESOLVED:

- (1) that the recommended basic allowance of £4250 be not agreed and the Council continues to pay a basic allowance of £4326;
- (2) that the multipliers recommended by the Independent Remuneration Panel for Special Responsibility Allowances be agreed, with the exception of:
 - Portfolio Holders allowance to remain at 1.3;
 - Deputy Leader's allowance to remain at 2;
 - Chairman of Overview and Scrutiny to remain at 1.3;
 - Chairman of Planning Committee to remain at 1.3
- (3) that the Independent Remuneration Panel's recommendations relating to travel, subsistence and dependent carers' allowances be agreed;
- (4) that the Council's Members' Allowances Scheme be updated to take account of the decisions at 1, 2 and 3 above; and

- (5) that the Independent Remuneration panel's recommendation relating to allowances for Parish Councils be noted.

(Councillors S. R. Peters and K. J. May each declared an other disclosable interest as the Chairman of Hagley Parish Council and Belbroughton Parish Council respectively.)

108\15

TO SET THE COUNCIL TAX FOR 2016/17

Members considered the recommendations of the Cabinet with regard to the setting of the Council Tax for 2016/17. Members attention was drawn to the circulation of a replacement Schedule 1 and Schedule 2 to the Council Tax Setting Report.

Having been proposed by Councillor G. N. Denaro and seconded by Councillor M. A. Sherrey, it was

RESOLVED that the recommendations as set out as an appendix to these minutes, setting a Council Tax for 2015/16 of £205.24 for a band D unparished property be approved.

(This matter was considered as part of the vote on the Medium Term Financial Plan 2016/17 – 2018/19 and therefore the details of the named vote were as recorded in that Minute)

109\15

MINUTES OF THE MEETING OF THE CABINET HELD ON 3RD FEBRUARY 2016

The minutes of the meeting of the Cabinet held on 3rd February 2016 were received for information.

110\15

QUESTIONS ON NOTICE

Question submitted by Councillor M. Thompson

Can the Leader confirm the total travelling costs to the Council for officers travelling from Bromsgrove to Redditch (and return) over the last two years.

Councillor G. N. Denaro responded that whilst staff could work at different sites on different days, most staff did have a permanent base from which to operate so as to reduce the need for them to travel. It was true to say that a number of staff chose not to make any claim for these journeys. Costs had reduced from £87k in 2013/14 to £67k in 2014/15.

Question submitted by Councillor S. P. Shannon

Attending the annual Bromsgrove Muslim Association Eid celebrations in Parkside buildings last Saturday I was surprised to notice on the guest list an invitation to the Chairman of the Bromsgrove Conservative Association. Noting that the event was jointly funded by the Council and Bromsgrove Muslim Association can the Leader explain why similar invitations were not extended to the other established political parties that operate in Bromsgrove.

The Leader responded that the invitations for this event were issued by the Bromsgrove Muslim Association and the question should therefore be addressed to them.

Question submitted by Councillor P. M. McDonald

Would the Leader please inform me of the amount of monies spent on external legal costs over the last two years?

Councillor G. N. Denaro responded that in 2014/15 the cost was £36, 658 and in 2015/16 the cost was £28,912 (to January 2016).

Question submitted by Councillor C. A. Hotham

In the light of Policy Strategic Objective 6 in the emerging Plan which is to deliver "the vision" and states that sustainable modes of transport and in particular cycling will be encouraged ; please could the Portfolio Holder explain why the successful Cycle to Work scheme promoted by Bromsgrove District Council to its employees, is not open to Council Members? And what changing room facilities have been provided in the new Parkside building to encourage and help employees/Members to cycle to work?

Councillor G. N. Denaro confirmed that the scheme at present only applied to employees and Members were not classed as such. He had asked officers to look again at the possibilities of Members participating in the scheme. It was confirmed that shower and locker facilities were available at Parkside.

Question submitted by Councillor K. J. May

Bromsgrove Post office is a fundamental part of our Town Centre. Can I call upon our Leader to write to the Board of Post Office Counters Limited requesting that any new provision of a Post Office in Bromsgrove Town centre is both sustainable and accessible to all of our residents?

The Leader responded that she was taking this matter forward.

111\15

REPORT FROM THE PORTFOLIO HOLDER FOR LEISURE AND CULTURAL SERVICES

As the Portfolio Holder for Leisure and Cultural Services , Councillor R. J. Laight presented a report on the areas covered by his Portfolio.

Councillor Laight referred to the work undertaken by the various Teams within the Service across the District including Play Areas, Parks and Open Spaces, Arts and Events and Sports Facilities.

Members considered the report and raised a number of matters including a query in respect of levels of lead content in play equipment. Councillor Laight referred to RoSPA research on this and stated that whilst officers were aware of the potential issue and were monitoring the position, it was unlikely that sites in the District were affected in view of their age.

Councillor Laight highlighted the range of events planned and sponsorship opportunities. In response to a query Councillor Laight undertook to respond to Councillor P. M. McDonald direct on the contribution to the cost of Morris Dancers in Bromsgrove High Street and detail of the approach to sponsorship of planting on roundabouts.

Members also raised the recent concern which had appeared in the media in respect of a potential carcinogenic link with Astro Turf. Officers were in receipt of advice from the Association of Play Industries on this matter.

In response to further issues raised, Councillor Laight responded that the name "Artrix Football Pitch" was incorrect and would not be used in future and confirmed that all officers and volunteers involved with working with children and young people had gone through the appropriate screening process and had been cleared to do so.

Councillor L. C. R. Mallett and Councillor M. Thompson queried whether Councillor Laight was aware of an email which related to the decision not to include a Sports Hall at the proposed new Leisure Centre. The email was sent by a member of the controlling group to a member of the Sports Hall campaigners group and included comments supporting the provision of a replacement sports hall.

Councillor Mallett then provided the Monitoring Officer with a copy of the email and requested that a formal investigation be undertaken to determine whether there had been any breach of the Members Code of Conduct.

Councillor M. Glass asked whether there had been any progress on signing an agreement with BAM regarding alternative sports hall provision. Councillor Laight expressed some disappointment regarding the delay in reaching agreement with BAM which was one of the difficulties in negotiating with a large international Corporation. Officers

Agenda Item 3

Council
24th February 2016

were now awaiting final Heads of Terms from BAM in order to sign contracts. It was anticipated this would be in around four weeks time.

At this point the Chairman stated that the time had elapsed for discussion on the Portfolio Holder's report.

112\15

MOTION ON NOTICE - PARKSIDE DRINKS POLICY

The Council considered the following motion submitted by Councillor M. Thompson:

"Council recognises that Parkside is a building of government and acknowledges that the Chair's recent decision not to host gatherings for Councillors where alcohol is consumed is excellent and up-to-date practice. Therefore this motion proposes, aside from consumption by members of the public at functions where its facilities are hired, that Parkside becomes an alcohol free zone as far as Councillors are concerned".

During the debate some Members expressed the view that the provision of alcohol within a public building such as Parkside was no longer appropriate, particularly in view of Drink Drive legislation and prevailing public attitudes.

The Leader responded that this issue had been raised at the previous Council meeting. She considered it appropriate to offer alcohol at civic events where hospitality was included and that guests and Councillors had the opportunity to decide for themselves whether or not they wished to consume alcohol.

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

The meeting closed at 10.01 p.m.

Chairman

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BROMSGROVE DISTRICT COUNCIL Council Tax Setting 2016/17

REPORT OF THE EXECUTIVE DIRECTOR FINANCE & RESOURCES

1.0 PURPOSE

To seek approval of the appropriate formal resolutions to determine the levels of Council Tax for Bromsgrove District Council for 2016/17. The levels of tax take account of the requirements of Bromsgrove District Council, Worcestershire County Council, the Police & Crime Commissioner for West Mercia, Hereford and Worcester Fire & Rescue Authority and the various Parish Councils.

2.0 BACKGROUND

The Localism Act 2011 made significant changes to the Local Government Finance Act 1992 and requires the billing authority to calculate a Council Tax requirement for the year, not its budget requirement as previously.

3.0 PRECEPTS AND LEVIES

Details have been received from the various precepting bodies to enable the Council to set the Council Tax for 2016/17. The amounts of the precepts are set out below:

	£
Worcestershire County Council	39,735,332.00
Police & Crime Commissioner for West Mercia	6,712,900.00
Hereford & Worcester Fire & Rescue Authority	2,761,550.31
Bromsgrove District Council	7,266,392.90
Parish precepts	804,677.00
Total	57,280,852.21

The Parish Council Precepts for 2016/17 are detailed in the attached **Schedule 3**.

4.0 INFORMATION

Based on the recommendation from Cabinet, it is now necessary to formally set Council Tax levels throughout the area for the spending requirements of Bromsgrove District Council, Worcestershire County Council, the Police & Crime Commissioner for West Mercia, Hereford and Worcester Fire & Rescue Authority and the various Parish Councils. If the Council approves the recommendations set out below the average band D Council Tax in 2016/17 will be £1,617.88, made up as follows:

BROMSGROVE DISTRICT COUNCIL
Council Tax Setting 2016/17

Authority	2015/16	2016/17	Increase
	£	£	%
Bromsgrove District Council	200.24	205.24	2.50
Worcestershire County Council	1079.77	1,122.31	3.94
Police & Crime Commissioner for West Mercia	185.90	189.60	1.99
Hereford & Worcester Fire & Rescue	76.50	78.00	1.96
Parish Councils (Average)	21.24	22.73	7.01
Total Council Tax	1,563.65	1,617.88	3.47

The % increases all relate to the change from current year levels.

The necessary formal resolutions are set out below.

The Council is recommended to resolve as follows:

1. that it be noted at its meeting on 6th January 2016 the Cabinet calculated the Council Tax Base 2016/17
 - (a) for the whole Council area as 35,404.87 [Item T in the formula in Section 31B of the Local Government Act 1992, as amended (the “Act”)]; and
 - (b) for dwellings in those parts of its area to which a Parish precept relates the amounts as shown in Column 4 of the attached **Schedule 1**.

2. Calculate the Council Tax requirement for the Council’s own purposes for 2015/16 (excluding Parish precepts) is **£7,266,392**.

3. That the following amounts be calculated for the year 2016/17 in accordance with sections 31 to 36 of the Act:
 - (a) £49,374,094 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act (taking into account all precepts issued to it by Parish Councils) (*i.e. Gross expenditure*)
 - (b) £41,303,024 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act. (*i.e. Gross income*)

BROMSGROVE DISTRICT COUNCIL Council Tax Setting 2016/17

- (c) £8,071,069 being the amount by which the aggregate of 3 (a) above exceeds the aggregate at 3 (b) above, calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
 - (d) £227.96 being the amount at 3 (c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
 - (e) £804,677 being the aggregate amount of all special items (Parish precepts) referred to in Section 34 (1) of the Act (as per the attached **Schedule 3**).
 - (f) £205.24 being the amount at 3 (d) above less the result given by dividing the amount at 3 (e) above by Item T (1 (a) above), calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.
 - (g) the amounts shown in Column 3 of **Schedule 1**. These are the basic amounts of the council tax for the year for dwellings in those parts of the Council's area shown in Column 1 of the schedule respectively to which special items relate, calculated by the Council in accordance with Section 34(3) of the Act. (District and Parish combined at Band D).
 - (h) The amounts shown in Column 5 of **Schedule 1** being the amount given by multiplying the amounts at 4(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands;
4. It be noted that for the year 2016/17 Worcestershire County Council, Police & Crime Commissioner for West Mercia and Hereford and Worcester Fire and Rescue Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwelling in the Council's area as indicated below:

BROMSGROVE DISTRICT COUNCIL
Council Tax Setting 2016/17

	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Worcestershire County Council	748.21	872.91	997.61	1,122.31	1,371.72	1,621.12	1,870.52	2,244.63
Police & Crime Commissioner for West Mercia	126.40	147.47	168.54	189.60	231.74	273.87	316.01	379.21
Hereford and Worcester Fire and Rescue Authority	52.00	60.67	69.33	78.00	95.33	112.67	130.00	156.00

5. Having calculated the aggregate in each case of the amounts at 4(h) and 5 above, that Bromsgrove District Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992 hereby sets the amounts shown in **Schedule 2** as the amounts of Council Tax for 2016/17 for each part of its area and for each of the categories of dwellings.

6. That the Executive Director Finance & Resources be authorised to make payments under Section 90(2) of the Local Government Finance Act 1988 from the Collection Fund by ten equal instalments between April 2015 to March 2016 as detailed below:

	Precept	Surplus on Collection Fund	Total to pay
	£	£	£
Worcestershire County Council	39,735,332.00	813,066.00	40,548,398.00
Police & Crime Commissioner for West Mercia	6,712,900.00	139,986.00	6,852,886.00
Hereford & Worcester Fire	2,761,550.31	57,602.00	2,819,152.31

7. That the Executive Director Finance & Resources be authorised to make transfers under Section 97 of the Local Government Finance Act 1988 from the Collection Fund to the General Fund the sum of £ 8,237,842 being the Council's own demand on the Collection Fund (£7,266,392), Parish Precepts (£804,677) and the distribution of the Surplus on the Collection Fund (£166,773).

BROMSGROVE DISTRICT COUNCIL

Council Tax Setting 2016/17

8. That the Executive Director Finance & Resources be authorised to make payments from the General Fund to the Parish Councils the sums listed on **Schedule 3** by two equal instalments on 1 April 2016 and 1 October 2016 in respect of the precept levied on the Council.
9. That the above resolutions 3 to 5 be signed by the Chief Executive for use in legal proceedings in the Magistrates Court for the recovery of unpaid Council Taxes.
10. Notices of the making of the said Council Taxes signed by the Chief Executive are given by advertisement in the local press under Section 38(2) of the Local Government Finance Act 1992.

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**BROMSGROVE DISTRICT COUNCIL TAX
INCLUDING PARISH PRECEPTS 2016/17**

SCHEDULE 1

Column 1	Column 2	Column 3	Column 4	Column 5 – by valuation band							
				Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Part of the Council's Area	Parish Band D £	Basic Amount of Council Tax Band D (District + Parish) £	Taxbase	£	£	£	£	£	£	£	£
Alvechurch	48.36	253.60	2,256.97	169.06	197.25	225.42	253.60	309.96	366.31	422.67	507.20
Barnt Green	62.58	267.82	921.29	178.54	208.30	238.05	267.82	327.33	386.84	446.35	535.64
Belbroughton	50.21	255.45	1,194.87	170.30	198.69	227.07	255.45	312.22	368.98	425.75	510.90
Bentley Paucefoot	28.87	234.11	184.23	156.06	182.08	208.09	234.11	286.13	338.15	390.17	468.22
Beoley	24.78	230.02	447.95	153.34	178.90	204.46	230.02	281.14	332.24	383.36	460.04
Bournheath	48.86	254.10	218.60	169.39	197.63	225.86	254.10	310.56	367.02	423.49	508.20
Catshill & Marlbrook	16.21	221.45	2,314.39	147.63	172.24	196.84	221.45	270.66	319.86	369.07	442.90
Clent	65.68	270.92	685.13	180.61	210.72	240.81	270.92	331.13	391.32	451.53	541.84
Cofton Hackett	33.83	239.07	938.27	159.37	185.94	212.50	239.07	292.20	345.31	398.44	478.14
Dodford with Grafton	28.70	233.94	392.05	155.96	181.95	207.94	233.94	285.93	337.91	389.90	467.88
Finstall	27.95	233.19	292.30	155.45	181.37	207.27	233.19	285.01	336.82	388.64	466.38
Frankley	38.08	243.32	49.79	162.21	189.25	216.28	243.32	297.39	351.45	405.53	486.64
Hagley	53.04	258.28	2,639.28	172.18	200.89	229.58	258.28	315.68	373.07	430.47	516.56
Hunnington	43.32	248.56	230.83	165.70	193.32	220.94	248.56	303.80	359.03	414.26	497.12
Lickey & Blackwell	21.11	226.35	2,084.14	150.89	176.05	201.20	226.35	276.65	326.94	377.25	452.70
Romsley	74.01	279.25	655.22	186.16	217.20	248.22	279.25	341.31	403.36	465.42	558.50
Stoke	31.53	236.77	1,683.87	157.84	184.16	210.46	236.77	289.39	342.00	394.61	473.54
Tutnall & Cobley	20.07	225.31	362.79	150.20	175.24	200.27	225.31	275.38	325.44	375.50	450.62
Wythall	24.50	229.74	4,584.77	153.15	178.69	204.21	229.74	280.80	331.84	382.89	459.48
Urban	N/A	N/A	13,268.13	136.82	159.63	182.43	205.24	250.85	296.45	342.06	410.48
Taxbase Total			35,404.87								

Agenda Item 3

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**COUNCIL TAX SCHEDULE FOR THE BROMSGROVE DISTRICT AREA INCLUDING
BROMSGROVE D C, WORCESTERSHIRE C C, POLICE & CRIME COMMISSIONER FOR
WEST MERCIA, HEREFORD & WORCESTER FIRE & RESCUE AUTHORITY, PARISH**

SCHEDULE 2

			Council Tax per Valuation Band							
	Taxbase	Precept £	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Worcestershire County Council	35,404.87	39,735,332	748.21	872.91	997.61	1,122.31	1,371.72	1,621.12	1,870.52	2,244.63
Police & Crime Commissioner for West Mercia	35,404.87	6,712,900.00	126.40	147.47	168.54	189.60	231.74	273.87	316.01	379.21
Hereford & Worcester Fire & Rescue Authority	35,404.87	2,761,550.31	52.00	60.67	69.33	78.00	95.33	112.67	130.00	156.00
Bromsgrove District Council	35,404.87	7,266,393	136.82	159.63	182.43	205.24	250.85	296.45	342.06	410.48
Total Unparished			1,063.43	1,240.68	1,417.91	1,595.15	1,949.64	2,304.11	2,658.59	3,190.31
		Precept £	Total Bill Band A £ (6/9)	Total Bill Band B £ (7/9)	Total Bill Band C £ (8/9)	Total Bill Band D £ (9/9)	Total Bill Band E £ (11/9)	Total Bill Band F £ (13/9)	Total Bill Band G £ (15/9)	Total Bill Band H £ (18/9)
Parish										
Alvechurch	2,256.97	109,157	1,095.67	1,278.30	1,460.90	1,643.51	2,008.75	2,373.97	2,739.20	3,287.03
Bart Green	921.29	57,650	1,105.15	1,289.35	1,473.53	1,657.73	2,026.12	2,394.50	2,762.88	3,315.47
Belbroughton	1,194.87	60,000	1,096.91	1,279.74	1,462.55	1,645.36	2,011.01	2,376.64	2,742.27	3,290.73
Bentley Pauncefoot	184.23	5,318	1,082.67	1,263.13	1,443.57	1,624.02	1,984.92	2,345.81	2,706.70	3,248.05
Beoley	447.95	11,100	1,079.95	1,259.95	1,439.94	1,619.93	1,979.93	2,339.90	2,699.89	3,239.87
Bournheath	218.60	10,680	1,096.00	1,278.68	1,461.34	1,644.01	2,009.35	2,374.68	2,740.02	3,288.03
Catshill & Marlbrook	2,314.39	37,513	1,074.24	1,253.29	1,432.32	1,611.36	1,969.45	2,327.52	2,685.60	3,222.73
Clent	685.13	45,000	1,107.22	1,291.77	1,476.29	1,660.83	2,029.92	2,398.98	2,768.06	3,321.67
Cofton Hackett	938.27	31,740	1,085.98	1,266.99	1,447.98	1,628.98	1,990.99	2,352.97	2,714.97	3,257.97
Dodford with Grafton	392.05	11,253	1,082.57	1,263.00	1,443.42	1,623.85	1,984.72	2,345.57	2,706.43	3,247.71
Finstall	292.30	8,169	1,082.06	1,262.42	1,442.75	1,623.10	1,983.80	2,344.48	2,705.17	3,246.21
Frankley	49.79	1,896	1,088.82	1,270.30	1,451.76	1,633.23	1,996.18	2,359.11	2,722.06	3,266.47
Hagley	2,639.28	140,000	1,098.79	1,281.94	1,465.06	1,648.19	2,014.47	2,380.73	2,747.00	3,296.39
Hunnington	230.83	10,000	1,092.31	1,274.37	1,456.42	1,638.47	2,002.59	2,366.69	2,730.79	3,276.95
Lickey & Blackwell	2,084.14	44,000	1,077.50	1,257.10	1,436.68	1,616.26	1,975.44	2,334.60	2,693.78	3,232.53
Romsley	655.22	48,495	1,112.77	1,298.25	1,483.70	1,669.16	2,040.10	2,411.02	2,781.95	3,338.33
Stoke	1,683.87	53,097	1,084.45	1,265.21	1,445.94	1,626.68	1,988.18	2,349.66	2,711.14	3,253.37
Tutnall & Cobley	362.79	7,280	1,076.81	1,256.29	1,435.75	1,615.22	1,974.17	2,333.10	2,692.03	3,230.45
Wythall	4,584.77	112,329	1,079.76	1,259.74	1,439.69	1,619.65	1,979.59	2,339.50	2,699.42	3,239.31
Urban	13,268.13		1,063.43	1,240.68	1,417.91	1,595.15	1,949.64	2,304.11	2,658.59	3,190.31
Total	35,404.87	804,677								

Agenda Item 3

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	2015/16 Precept	2015/16 Taxbase	2014/15 Levy per Band D Equivalent	2016/17 Precept	Percentage Change in Precept Amount	2016/17 Taxbase	2016/17 Levy per Band D Equivalent
	£			£	%		£
Alvechurch	104,957	2,248.75	47.60	109,157	4.00	2,256.97	48.36
Barnt Green	57,200	914.07	62.11	57,650	0.79	921.29	62.58
Belbroughton	65,000	1,172.63	56.86	60,000	-7.69	1,194.87	50.21
Bentley Pauncefoot	6,386	185.81	29.61	5,318	-16.72	184.23	28.87
Beoley	11,100	447.22	25.61	11,100	0.00	447.95	24.78
Bournheath	10,333	211.43	51.15	10,680	3.36	218.60	48.86
Catshill & Marlbrook	27,319	2,257.84	11.91	37,513	37.31	2,314.39	16.21
Clent	78,500	1,178.38	66.47	45,000	-42.68	685.13	65.68
Cofton Hackett	26,450	838.84	31.21	31,740	20.00	938.27	33.83
Dodford with Grafton	10,230	387.98	25.04	11,253	10.00	392.05	28.70
Finstall	8,045	291.49	27.10	8,169	1.54	292.30	27.95
Frankley	1,850	48.22	37.95	1,896	2.49	49.79	38.08
Hagley	92,750	2,071.46	42.23	140,000	50.94	2,639.28	53.04
Hunnington	9,250	227.21	42.54	10,000	8.11	230.83	43.32
Lickey & Blackwell	43,156	2,093.28	20.78	44,000	1.96	2,084.14	21.11
Romsley	27,500	652.52	42.60	48,495	76.35	655.22	74.01
Stoke	51,550	1,667.92	31.40	53,097	3.00	1,683.87	31.53
Tutnall & Cobley	7,280	364.90	20.31	7,280	0.00	362.79	20.07
Wythall	102,534	4,557.08	22.50	112,329	9.55	4,584.77	24.50
Total	741,390	21,817.04		804,677	8.54	22,136.74	

Agenda Item 3

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AUDIT, STANDARDS AND GOVERNANCE COMMITTEE

24TH MARCH 2016

Recommendations to the Council

Treasury Management Strategy Statement and Investment Strategy 2016-17 to 2018-19

At its meeting on 24th March 2016 the Audit Standards and Governance Committee considered a report on the Treasury Management Strategy Statement and Investment Strategy 2016-17 to 2018-19.

The following were RECOMMENDED

- 1) the Strategy and Prudential Indicators shown at Appendix 1:
- 2) the Authorised Limit for borrowing at £15 million, should borrowing be required.
- 3) the maximum level of investment to be held within each organisation (i.e. bank or building society) as detailed at £2.5 million, subject to market conditions; and
- 4) the updated Treasury Management Policy shown at Appendix 2

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AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

TREASURY MANAGEMENT STRATEGY STATEMENT AND INVESTMENT STRATEGY 2016-17 TO 2018-19

Relevant Portfolio Holder	Councillor Geoff Denaro
Portfolio Holder Consulted	
Relevant Head of Service	Jayne Pickering
Wards Affected	All
Ward Councillor Consulted	None specific
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 Members are asked to approve the strategy statement for treasury management and investments in order to comply with the Local Government Act 2003.

2. RECOMMENDATIONS

- 2.1 The Committee is asked to **RECOMMEND** to Full Council:
- 2.1.1 the Strategy and Prudential Indicators shown at Appendix 1.
 - 2.1.2 the Authorised Limit for borrowing at £15 million, should borrowing be required.
 - 2.1.3 the maximum level of investment to be held within each organisation (i.e. bank or building society) as detailed at £2.5 million, subject to market conditions.
 - 2.1.4 the updated Treasury Management Policy shown at Appendix 2.

3. KEY ISSUES

Financial Implications

- 3.1 The Chartered Institute of Public Finance and Accountancy's Code of Practice for Treasury Management in Public services (the CIPFA TM Code) and the Prudential Code require local authorities to set the Treasury Management Strategy Statement (TMSS) and Prudential Indicators each

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

financial year. The TMSS also incorporates the Investment Strategy as required under the CLG's Investment Guidance.

3.2 CIPFA has defined Treasury Management as:

“the management of the organisation’s investments, cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

3.3 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Treasury management risks are identified in the Council's approved Treasury Management Practices and include:

- Liquidity Risk (Adequate cash resources)
- Market or Interest Rate Risk Fluctuations in the value of investments).
- Inflation Risks (Exposure to inflation)
- Credit and Counterparty Risk (Security of Investments)
- Refinancing Risks (Impact of debt maturing in future years).
- Legal & Regulatory Risk (Compliance with statutory and regulatory requirements)

3.4 In addition, the Local Government Act 2003 requires the Council to 'have regard to the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable'.

3.5 The revised CLG guidance issued in November 2011 makes it clear that investment priorities should be security and liquidity, rather than yield and that authorities should not rely just on credit ratings, but consider other information on risk.

3.6 The guidance requires investment strategies to comment on the use of treasury management consultants and on the investment of money borrowed in advance of spending needs.

3.7 In formulating the Treasury Management Strategy and the setting of the Prudential Indicators, the Council adopts the Treasury Management Framework and Policy recommended by CIPFA.

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

Legal Implications

- 3.8 This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the CLG Guidance.

Service/Operational Issues

- 3.9 None as a direct result of this report.

Customer/ Equalities and Diversity

- 3.10 None as a direct result of this report.

4. RISK MANAGEMENT

- 4.1 Failure to manage the Treasury Management function effectively to ensure the delivery of maximum return within a secure environment. Controls in place to mitigate these risks are as follows:

- Regular monitoring of the status of the organisations we invest with
- Daily monitoring by internal officers of banking arrangements and cash flow implications.

5. APPENDICES

Appendix 1 - Treasury Management Strategy Statement and Investment Strategy 2016/17

Appendix 2 – Treasury Management Policy Statement

AUTHOR OF REPORT

Name: Kayleigh Sterland-Smith

Email: Kayleigh.sterland-smith@bromsgroveandredditch.gov.uk

**AUDIT, STANDARDS & GOVERNANCE
COMMITTEE**24th March 2016

Appendix 1**Treasury Management Strategy Statement
And
Investment Strategy
2016/17****1. Introduction**

- 1.1 On 17th March 2010, the Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. In addition, the Department for Communities and Local Government (CLG) issued revised *Guidance on Local Authority Investments* in March 2010 that requires the Council to approve an investment strategy before the start of each financial year. A copy of the Council's Treasury Management Policy Statement is in Appendix 2.
- 1.2 The purpose of this TMSS is, therefore, to approve:
- Treasury Management Strategy for 2016/17
 - Annual Investment Strategy for 2016/17
 - Prudential Indicators for 2016/17, 2017/18 and 2018/19
 - MRP Statement.
- 1.3 This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the CLG Guidance.
- 1.4 The Council has surplus operational cash balances and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council's treasury management strategy.
- 1.5 All treasury activity must comply with relevant statute, guidance and accounting standards.

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

2. Background - Local Context

The Council currently has £8m in short-term investments. Details of investments are shown in further detail at **Appendix B**.

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing, subject to holding minimum working capital of £2m.

The Council is currently debt free. However as existing capital receipts are used to finance capital expenditure and reserves are used to finance the revenue budget, there is a continued diminution of these resources. It is anticipated that the Council would need to borrow to fund capital expenditure (leisure centre, the Council's share of Parkside). The forecast borrowing requirement is shown in the balance sheet analysis in Table 1 below.

2.1 **Table 1: Balance Sheet Summary and Forecast**

	31.3.2015 Actual £m	31.3.16 Estimate £m	31.3.17 Estimate £'000	31.3.18 Estimate £'000	31.3.19 Estimate £'000
General Fund CFR	3.48	12.98	17.05	18.07	15.43
Total Capital Financing Requirement	3.48	12.98	17.05	18.07	15.43
Less existing external borrowing**	0	0	-1.81	-8.25	-9.66
Internal borrowing					
Less: Usable reserves	-7.31	-6.99	-6.28	-5.97	-5.97
Less: Working capital	-2.50	-4.18	-2.52	-2.44	-3.48
Investments (or new borrowings)	6.33	-1.81	-6.44	-1.41	3.68

** Note: anticipated borrowing is shown in the last row of the table.

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that an Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Council expects to comply with this recommendation during 2016/17.

3. Interest Rate Forecast

- 3.1 The economic and interest rate forecast provided by the Council's treasury management advisor is attached. Arlingclose projects the first 0.25% increase in bank base rate in third quarter of 2016 rising by 0.5% a year thereafter, finally settling between 2 and 3% in several years' time. Persistently low inflation, subdued global growth and potential concerns over the UK's position in Europe mean that the risks to this forecast are weighted towards the downside.

The Council will reappraise its strategies from time to time in response to evolving economic, political and financial events.

4. Borrowing Strategy

- 4.1 The Council has always been debt free and has not entered into any long-term borrowing arrangements due to the level of significant capital receipts. However, the Medium Term Financial Plan estimates that the ongoing utilisation of existing capital receipts will result in them having reduced to a level that will necessitate having to borrow to fund part of the current capital programme and future capital expenditure.
- 4.2 The balance sheet forecast in table 1 shows that the Council is likely to have a likely borrowing requirement of £10m over the next three financial years. The Council may therefore borrow in 2015/16 to pre-fund future years' requirements, providing this does not exceed the Authorised Limit for borrowing of £15 million.

Objectives: The Council's chief objective when borrowing money will be to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective. The following issues will be considered prior to undertaking any external borrowing:

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

- Affordability;
- Maturity profile of existing debt;
- Interest rate and refinancing risk;
- Borrowing source and flexibility.

The Public Works Loan Board (PWLB) and its successor body will most likely be the lender of choice given the relative straightforwardness and flexibility of such borrowing, but the Council will also investigate other sources of finance, such as local authority loans and bank loans that may be available at more favourable rates but without compromising flexibility.

The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body
- any institution approved for investments (see below in Table 2)
- any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds (except the Worcestershire County Pension Fund)
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities, for example operating and finance leases, hire purchase.

Strategy: Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy will address the key issue of **affordability** without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Council will be able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal / short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise.

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

The Council's treasury advisor, Arlingclose Ltd, will assist the Council with this 'cost of carry' and breakeven analysis and will also advise on the timing of any long-term borrowing.

Short-term and variable rate loans are subject to the limit to the net exposure to variable interest rates in the treasury management indicators in section 10 below.

5. **Investment Objectives Strategy**

Objectives: Both the CIPFA Code and the CLG Guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk receiving unsuitably low investment income.

Strategy: The Council's surplus cash is currently invested in call accounts or term deposits with banks and building societies which, by their nature, are unsecured. Given the increasing risk and continued low returns from short-term unsecured bank investments, the Council aims to diversify into more secure and/or higher yielding asset classes, where practicable, during 2016/17.

Bail-in legislation, which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the UK, USA and the European Union. Australia and Switzerland are well advanced with their own plans. Meanwhile, changes which took place to the UK Financial Services Compensation Scheme and similar European schemes in July 2015 mean that most private sector investors are now partially or fully exempt from contributing to a bail-in. The credit risk associated with the Council making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Council; returns from cash deposits however remain stubbornly low.

The Council will also consider investment of surplus monies in pooled Money Market Funds which provide much greater diversification of credit risk as well as high liquidity (same-day access to the investment).

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

Over the past 24 months, invested funds have ranged between £5 million and £16.5 million; but as capital receipts and reserves continue to be utilised the core investments balances (i.e. not including day-to-day operational surpluses) are expected to be much lower over the forthcoming years.

The Council may invest its surplus funds with any of the counterparties defined in Table 2 below, subject to the time and cash limits (per counterparty) shown below.

Table 2: Approved Investment Counterparties

Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a
AAA	£2.5m 5 years	£3m 20 years	£3m 50 years	£2m 5 years
AA+	£2.5m 5 years	£3m 10 years	£3m 25 years	£2m 5 years
AA	£2.5m 4 years	£3m 5 years	£3m 15 years	£2m 5 years
AA-	£2.5m 3 years	£3m 4 years	£3m 10 years	£2m 3 years
A+	£2.5m 2 years	£3m 3 years	£2m 5 years	£2m 2 years
A	£2.5m 13 months	£3m 2 years	£2m 5 years	£2m 2 years
A-	£2.5m 6 months	£3m 13 months	£2m 5 years	£2m 2 years
BBB+	£1.5m 100 days	£2m 6 months	£1m 2 years	£1m 1 year
BBB	£1.5m next day only	£1m 3 months	n/a	n/a
None	£1.5m 6 months	n/a	£3m 25 years	£500k 1 year
Pooled Funds	£2.5m per fund			

Investments in the categories outlined above are:

Banks Unsecured: call and notice accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies. These

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

investments are subject to the risk of credit loss via a bail-in should the banking regulator determine that the bank/building society is failing or likely to fail.

Banks Secured: covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are exempt from bail-in and are secured on the financial institution's assets, which limits the potential losses in the unlikely event of insolvency.

Government: Investments with local authorities or guaranteed by national governments, investments with multilateral development banks. These are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

Pooled Funds: Shares in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent.

Risk Assessment and Credit Ratings:

Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used (for example the rating assigned to a secured investment), otherwise the counterparty credit rating is used.

Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

**AUDIT, STANDARDS & GOVERNANCE
COMMITTEE**24th March 2016

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as “rating watch negative” or “credit watch negative”) so that it may fall below the approved rating criteria, then only investments that can be withdrawn [on the next working day] will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other Information on the Security of Investments: The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. If necessary, surplus monies will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

Specified Investments: The CLG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

- the UK Government,
- a UK local authority, parish council or community council, or
- a body or investment scheme of “high credit quality”.

The Council defines “high credit quality” organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For Money Market Funds and other pooled funds “high credit quality” is defined as those having a credit rating of A- or higher.

Non-specified Investments: Any investment not meeting the definition of a specified investment is classed as non-specified. Such investments will be limited to those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality. The Council will limit non-specified investments to £2.5 million in total.

Council’s Banker – The Council’s current accounts are held with HSBC Bank plc. The lowest long-term credit rating (as at 05/02/2016) for HSBC Bank plc is ‘AA-’ (reference Table 2). Should the bank’s credit rating be downgraded to BBB or BBB-, the Council may continue to deposit surplus cash with HSBC Bank plc providing that investment can be withdrawn on the next working day.

Table 3: Portfolio Investment Limits

	Cash limit
Any single organisation, except the UK Central Government	£3m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£3m per group
Any group of pooled funds under the same management	£5m per manager
Negotiable instruments held in a broker’s nominee account	£5m per broker
Foreign countries	£5m per country
Unsecured investments with Building Societies	£3m in total
Money Market Funds	£7.5m in total

6. Policy on the use of Financial Derivatives

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

Local authorities have previously made use of financial derivatives embedded into loans and investments to reduce interest rate risk and to increase income or reduce costs. Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (such as swaps, forwards, futures and options). These will only be used where they can be clearly demonstrated to reduce the overall level of risk exposed to the Council.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria and their value will count against the counterparty credit limit.

7. Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators.

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the proportion of net principal borrowed will be:

	2016/17	2017/18	2018/19
Upper limit on fixed interest rate exposure	100%	100%	100%
Upper limit on variable interest rate exposure	100%	100%	100%

As the Council does not have long-term debt the limits above provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed rate or variable rate basis. Whether new loans are borrowed at fixed or variable rates will ultimately depend on the rates available at the time of borrowing, expectations of future interest rate movements and the management of the associated risks.

Fixed rate investments and borrowings are described as those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

Maturity Structure of Fixed Rate Borrowing: This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Lower	Upper
Under 12 months	0%	100%
12 months and within 24 months	0%	100%
24 months and within 5 years	0%	100%
5 years and within 10 years	0%	100%
10 years and above	0%	100%

Note: the Council does not have fixed rate long-term borrowing; the limits above have been set to provide flexibility to borrow in the most appropriate maturity band(s) when such borrowing is undertaken.

Principal Sums Invested for Periods Longer than 364 days: The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

	2016/17	2017/18	2018/19
Limit on principal invested beyond year end	£2m	£1.5m	£1m

Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments will be assigned a score based on their perceived risk.

	Target
Portfolio average credit score	6, which is equivalent to a credit rating of 'A'

Liquidity: The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

	Target
Total cash available within 3 months	£3m

8. Annual Minimum Revenue Provision Statement 2016/17 (MRP)

- 8.1 Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the Department for Communities and Local Government's *Guidance on Minimum Revenue Provision* (the CLG Guidance) most recently issued in 2012.
- 8.2 The broad aim of the CLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
- 8.3 The CLG Guidance requires the Council to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP.
- 8.4 The Council's Capital Financing Requirement is positive and relates to unsupported capital expenditure. MRP will be determined by charging the expenditure over the expected useful life of the relevant assets as the principal annuity with an annual interest rate of 4% starting in the year after the asset becomes operational. The annuity method recognises the time value of money, resulting in less charge in early years, rising as time goes on.

MRP on purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

- 8.5 Where loans are made to other bodies for their capital expenditure, no MRP will be charged. However, the capital receipts generated by the annual repayments on those loans will be put aside to repay debt instead.
- 8.6 Capital expenditure incurred during 2016/17 will not be subject to a MRP charge until 2017/18.

Based on the Council's estimate of its Capital Financing Requirement on 31st March 2016, the budget for MRP has been set as follows:

	31.03.2016 Estimated CFR £'000	17/18 Estimated MRP £'000
Supported capital expenditure before 01.04.2008	0	0
Unsupported capital expenditure from 01.04.2008	12,980	394

9. Monitoring and Reporting on the Treasury Outturn and Prudential Indicators

- 9.1 The Executive Director of Finance and Resources will report to Full Council on treasury management activity / performance and Performance Indicators as follows:
- Quarterly against the Strategy approved for the year.
 - The Council will produce an outturn report on its treasury activity no later than 30th September after the financial year end.
 - Full Council will be responsible for the scrutiny of treasury management activity and practices.

10. Other Items

- 10.1 CIPFA's Code of Practice requires the Executive Director of Finance and Resources to ensure that all members tasked with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs and understand fully

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

their roles and responsibilities. Responsibility for scrutiny of the Treasury Management function will rest with the Council. The Executive Director of Finance and Resources will ensure that adequate training is provided for all relevant Members during the financial year.

- 10.2 The Council has appointed Arlingclose Limited as treasury management advisers; receiving specific advice on investment, debt and capital finance issues.

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

Prudential Indicators 2016/17 – 2018/19

1 Background:

There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators. The objectives of the Prudential Code are to ensure that the capital investment plans are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Council has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure: The Council's planned capital expenditure and financing may be summarised as follows. Further detail is provided in the Budget report.

Capital Expenditure and Financing	2015/16 Revised £000s	2016/17 Estimate £000s	2017/18 Estimate £000s	2018/19 Estimate £000s
General Fund	11,935	6,193	1,373	1,261
Total Expenditure	11,935	6,193	1,373	1,261
Financing and Funding				
Capital Receipts	(8,312)	(4,100)	(550)	0
Government Grants	(387)	(323)	(323)	(323)
Reserves	(694)	(250)	(250)	(738)
Section 106	(584)	(200)	(200)	(200)
Revenue	(148)	0	0	0
Total Financing				
Unsupported Borrowing	(1,810)	(1,320)	(50)	0
Total Financing and Funding	(11,935)	(6,193)	(1,373)	(1,261)

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

2. Capital Financing Requirement:

2.1 The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose. The calculation of the CFR is taken from the amounts held in the Balance Sheet relating to capital expenditure and its financing.

Capital Financing Requirement	31.03.16 Estimate £'000	31.03.17 Estimate £'000	31.03.18 Estimate £'000	31.03.19 Estimate £'000
General Fund	12,980	17,050	18,070	15,430
Total CFR	12,980	17,050	18,070	15,430

Gross Debt and the Capital Financing Requirement: In order to ensure that over the medium term debt will only be for a capital purpose, the Authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

Debt	31.03.16 Estimate £000s	31.03.17 Estimate £000s	31.03.18 Estimate £000s	31.03.19 Estimate £000s
Borrowing	1,810	8,250	9,660	9,660
Finance leases	0	0	0	0
Total Debt	1,810	8,250	9,660	9,660

Total debt is expected to remain below the CFR during the forecast period.

3. Actual External Debt:

3.1 This indicator is obtained directly from the Council's balance sheet. It is the closing balance for actual gross borrowing plus other long-term liabilities. This Indicator is measured in a manner consistent for comparison with the Operational Boundary and Authorised Limit.

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

Actual External Debt as at 31/03/2015	£'000
Borrowing	nil
Other Long-term Liabilities	-
Total	nil

4. Authorised Limit and Operational Boundary for External Debt

4.1 The Council has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Council and not just those arising from capital spending reflected in the CFR.

4.2 The **Authorised Limit** sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet (i.e. long and short term borrowing, overdrawn bank balances and long term liabilities. This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases. It is consistent with the Council's existing commitments, its proposals for capital expenditure and financing and its approved treasury management policy statement and practices.

4.3 The Authorised Limit has been set on the estimate of the most likely, prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.

4.4 The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).

Authorised Limit for External Debt	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000
Borrowing	15,000	15,000	15,000	15,000
Other Long-term Liabilities	0	0	0	0
Total	15,000	15,000	15,000	15,000

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

4.5 The Operational Boundary links directly to the Council’s estimates of the CFR and estimates of other cashflow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.

4.6 The Executive Director of Finance and Corporate Resources has delegated authority, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities. Decisions will be based on the outcome of financial option appraisals and best value considerations. Any movement between these separate limits will be reported to the next meeting of Full Council.

Operational Boundary for External Debt	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000
Borrowing	14,000	14,000	14,000	14,000
Other Long-term Liabilities	0	0	0	0
Total	14,000	14,000	14,000	14,000

Ratio of Financing Costs to Net Revenue Stream: This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2015/16 Revised %	2016/17 Estimate %	2017/18 Estimate %	2018/19 Estimate %
General Fund	0.25	2.91	6.39	6.81

Incremental Impact of Capital Investment Decisions: This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax levels. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement arising from the proposed capital programme.

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

Incremental Impact of Capital Investment Decisions	2016/17 Estimate £	2017/18 Estimate £	2018/19 Estimate £
General Fund - increase in annual band D Council Tax	5.00	4.08	4.17

Adoption of the CIPFA Code of Practice: The indicator below demonstrates that the Council has adopted the principles of best practice.

Adoption of the CIPFA Code of Practice in Treasury Management
The Council approved the adoption of the CIPFA Treasury Management Code at its meeting on 17 th March 2010.

The Council has incorporated the changes from the revised 2011 CIPFA Code of Practice into its treasury policies, procedures and practices.

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

Appendix 2

TREASURY MANAGEMENT POLICY STATEMENT

1. INTRODUCTION AND BACKGROUND

- 1.1 The Council adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code), as described in Section 5 of the Code.
- 1.2 Accordingly, the Council will create and maintain, as the cornerstones for effective treasury management:-
 - A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
 - Suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
- 1.3 The Council (i.e. full Council) will receive reports on its treasury management policies, practices and activities including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.
- 1.4 The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to Full Council and for the execution and administration of treasury management decisions to Executive Director of Finance and Resources, who will act in accordance with the organisation's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.
- 1.5 The Council is responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies.

2. POLICIES AND OBJECTIVES OF TREASURY MANAGEMENT ACTIVITIES

- 2.1 The Council defines its treasury management activities as:

"The management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks

AUDIT, STANDARDS & GOVERNANCE COMMITTEE

24th March 2016

associated with those activities; and the pursuit of optimum performance consistent with those risks.”

- 2.2 This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.
- 2.3 This Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.”
- 2.4 The Council’s borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk.
- 2.5 The Council’s primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Council’s investments followed by the yield earned on investments remain important but are secondary considerations.

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

24TH FEBRUARY 2016 AT 4.00 P.M.

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

Observers: Councillors H. J. Jones and C. A. Hotham

Officers: Mr K. Dicks, Ms. J. Pickering, Mrs C. Felton, Mrs S. Sellers, Mrs
S. Jones and Ms R. Cole

84/15 **APOLOGIES FOR ABSENCE**

There were no apologies for absence.

85/15 **DECLARATIONS OF INTEREST**

There were no Declarations of Interest on this occasion.

86/15 **MINUTES**

The minutes of the meeting of the Cabinet held on 3rd February 2016 were submitted.

RESOLVED that the minutes of the meeting of the Cabinet held on 3rd February 2016 be approved as a correct record.

87/15 **REPORT AND RECOMMENDATIONS OF THE INDEPENDENT
REMUNERATION PANEL**

The Cabinet considered the report and recommendations of the Independent Remuneration Panel. Cabinet were requested to recommend acceptance or otherwise of the IRP report to Council and similarly to recommend a Members' Allowances Scheme for 2016-17 arising from this.

The Portfolio Holder for Finance referred to the work of the IRP in producing their report and expressed thanks to the Panel for this.

Having had regard to the report and recommendations of the IRP it was

RECOMMENDED:

- (1) that the recommended basic allowance of £4250 be not agreed and this Council continue to pay a basic allowance of £4326;

- (2) that the multipliers recommended by the IRP for Special Responsibility Allowances be agreed, with the exception of :
 - the Deputy Leader's Allowance remains at 2;
 - the Chairman of Overview and Scrutiny Board remains at 1.3;
 - the Chairman of Planning Committee remains at 1.3
- (3) that the IRP's recommendations relating to travel, subsistence and dependent carer's allowances be agreed;
- (4) that the Council's Members' Allowances Scheme be updated to take account of the decisions at (i), (ii) and (iii) above;
- (5) that the IRP's recommendation relating to allowances for Parish Councils be noted.

88/15

MEDIUM TERM FINANCIAL PLAN 2016/17 - 2018/19

Members considered revisions to the Medium Term Financial Plan 2016/17 – 2018/19 in respect of that which had been previously reported to Cabinet on 3rd February 2016.

The Executive Director Finance and Resources referred to the final grant allocation which had been notified to the Council on 9th February 2016. This now included a transitional grant allocation of £118k for 2016/17 and £114k for 2017/18 to partially offset the impact of the reduction in Revenue Support Grant. It was noted that it was proposed that this funding be used to reduce the amount required from reserves to support the budget shortfall in 2016/17.

The Executive Director Finance and Resources also drew attention to the flexibility given to Shire District Councils to increase Council Tax by £5 per Band D equivalent property without the requirement to hold a referendum. The income generated from the £5 charge would be approximately £43k. It was proposed that this is implemented for 2016/17 and the additional income used to reduce the amount required from reserves to support the budget shortfall in 2016/17.

Attention was also drawn to the further information which was likely to be available later in the year in relation to the Business Rates Retention Scheme. In addition there was a consultation paper on potential changes to the New Homes Bonus Scheme.

The revised recommendations to Council would bring together the recommendations from Cabinet on 3rd February (amended where appropriate) and the latest recommendations including the Council Tax resolutions and the Council's Pay Policy.

The Executive Director Finance and Resources drew Members' attention to amended Schedules 1 and 2 to the Council Tax Resolutions Report.

Following discussion it was

Agenda Item 8

Cabinet
24th February 2016

RECOMMENDED:

- (1) that the fees and charges for 2016/17 (and garden waste for 2017/18) as detailed in appendix 1 (to the report to Cabinet on 3rd February 2016) be approved;
- (2) that the savings and additional income for 2016/17 of £401k as detailed in appendix 3 (to the report to Cabinet on 3rd February 2016) be approved;
- (3) that the unavoidable pressures for 2016/17 of £507k as detailed in appendix 4 to the report to Cabinet on 3rd February 2016) be approved;
- (4) that the Capital bids for 2016/17 of £280k as detailed in appendix 5 (to the report to Cabinet on 3rd February 2016) be approved;
- (5) that the payment of the Parish Council grant for 2016/17 of £13,800 be approved;
- (6) that the release from reserves of £849k in 2016/17 be approved;*
- (7) that the increase in Council tax by £5 (2.5%) per Band D equivalent for 2016/17 be approved;*
- (8) that the Pay Policy (attached as appendix 1 to the report to 24th February 2016) be approved; and
- (9) that the Council Tax Resolutions included at appendix 2 (to the report to Cabinet on 24th February 2016) be approved.

*Recommendations from 3rd February 2016 Cabinet meeting which are changed by the report to 24th February 2016.

The meeting closed at 4.22 p.m.

Chairman

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BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

2ND MARCH 2016 AT 6.00 P.M.

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

Observers: Councillors M. Glass and P.L. Thomas

Officers: Mr K. Dicks, Ms S. Hanley, Ms S. Morgan, Mrs S. Sellers, Mr D.
Allen, Mr D. Riley and Ms R. Cole

89/15 **APOLOGIES FOR ABSENCE**

There were no apologies for absence.

90/15 **DECLARATIONS OF INTEREST**

There were no declarations of interest on this occasion.

91/15 **RECOMMENDATIONS FROM THE OVERVIEW AND SCRUTINY BOARD
MEETING ON 29TH FEBRUARY 2016**

It was noted that there were no recommendations from the Overview and Scrutiny Board meeting on 29th February 2016 for consideration by Cabinet. The minutes would be included on the next Cabinet agenda.

92/15 **LOCAL COUNCIL TAX SUPPORT SCHEME 2017/18**

The Cabinet considered a report on a range of options which could be included in a public consultation on the Council Tax Support Scheme for 2017/18. The outcome of the consultation would help to inform the development of a draft scheme for 2017/18. The report set out the background to the requirement for each Council to design its own Council Tax Support Scheme which replaced Council Tax Benefit in 2013. The Council was under a duty to undertake consultation on proposed changes to the Scheme and this was a pre-requisite of the Scheme being changed.

Members were reminded that with effect from April 2015 support had been capped at 80% of Council Tax liability for all working age claimants. The Council had implemented a Hardship Fund in order to support the most vulnerable and to provide transitional support where there was exceptional hardship as a result of the changes. As at 31st January 2016, a total of £12,141 had been awarded from the fund and 345 customers provided with additional support through the Hardship Assessment Scheme.

It was noted that the full cost of the administration of the Council Tax Support Scheme were carried by this Council and therefore there was an incentive to lower the costs of administering the Scheme as far as possible. The proposals being put forward for consultation were not intended to reduce the overall cost of support provided to residents but to bring the scheme into line with national changes to welfare support and to reduce the administrative burden wherever possible.

Members considered the areas contained in the proposals for consultation and raised a number of issues including:

- the importance of the Scheme remaining “in line” with other benefits such as Universal Credit;
- the demographics of the customers who had received support to date;
- the response level in respect of previous consultations and the importance of ensuring there was full consultation;
- the timetable for the consultation;
- the importance of “uprating” various allowances that are taken into account in assessing support in line with the Secretary of State’s annual announcement;
- the issue of Child Maintenance Disregards and the duty to mitigate against child poverty.

Members were mindful of the Council’s Strategic Purposes, particularly in relation to financial inclusion. The Chief Executive referred to potential workshop sessions for Members to help with the understanding of what the data was showing, which together with results of the consultation would help to inform discussion.

RESOLVED:

- (a) that the options as set out in Appendix 1 to the report be included in the public consultation in order to inform potential changes to the Council’s Council tax Support Scheme for 2017/18 and/or later years;
- (b) that the Head of Customer Access and Support be authorised to consult on the options set out in Appendix 1 to the report;
- (c) that the Head of Customer Access and Support be requested to report back to the Cabinet on the outcome of the consultation and any proposals for changes to the scheme , for further consideration and resolution by the Cabinet, to consult on a draft scheme;
- (d) that further to the outcome of the Cabinet’s decision on the draft regulations, the Head of Customer Access and Financial Support be authorised to carry out the statutory consultation required on the draft scheme; and
- (e) that the final scheme be submitted to Cabinet to make recommendations to Council to allow for the necessary regulations to be published by 31st January 2017.

93/15

HOMELESSNESS GRANT FUNDING APPROVAL FOR HOMELESSNESS PREVENTION AND TO SUPPORT HOMELESS FAMILIES FOR 2016/17

The Cabinet considered a report on proposals to award Homelessness Grant to specific schemes to support homeless families and prevent homelessness within the District in 2016/17.

Members were aware that funding reductions made by the County Council to housing related support were now having an impact on financial position of local service providers.

The Strategic Housing Manager reported that discussions had been held with partners and they had been made aware that funding was likely to be reducing for the forthcoming financial year. The discussions had been largely constructive with partners understanding the changes in the financial picture and looking at alternative ways in which services can be delivered.

It was noted that the table at 3.5 which set out the proposed allocations for 2016/17, also contained an unallocated sum of £16,258.

Members were aware of the recent decision of the Council's Overview and Scrutiny Board to undertake a short sharp review entitled "Preventing Homelessness in Bromsgrove." It was noted that it may be that recommendations which required some funding to implement could arise from that review which the Council would wish to support.

In addition the cessation of County Council funding for the Emergency Living Fund, would mean the fund was supported only by the District Council (at a cost of £30k). There may prove to be a need therefore to provide additional resources or services to enable customers of all tenures to avoid homelessness.

RESOLVED:

- (a) that the grant funded initiatives of £108,742 set out in section 3.5 of the report, as recommended by the Strategic Housing Manager, be approved to receive funding from the Homelessness Grant for 2016/17; and
- (b) that delegated authority be granted to the Head of Community Services following consultation with the Portfolio Holder for Strategic Housing to use £16,258 unallocated Homelessness Grant during the year, or make further adjustments as necessary, to ensure full utilisation of the Homelessness Grant for 2016/17 in support of existing or new schemes.

94/15

FINANCE MONITORING REPORT - QUARTER 3 2015/16

The Cabinet considered a report on the Council's financial position for Revenue and Capital for the period April – December 2015.

Agenda Item 8

Cabinet
2nd March 2016

In relation to the Revenue budget it was noted that there was an overall underspend of £239k with a increase in this projected to the end of the financial year. It was reported that this was due to a number of factors including additional income generation, vacancy management and a planned reduction in non essential spend to support the financial pressures facing the Council.

In relation to the Capital budget it was reported that the significant projected underspend was due mainly to the deferment of the vehicle replacement programme until the Place Team implementation was stabilised and to the Dolphin Centre which was originally anticipated to be undertaken in 2015/16. It was intended to carry forward the underspend to 2016/17.

The Financial Services Manager drew the attention of Members to the detailed figures contained in appendix 1 to the report.

Members discussed car parking income/costs , including a renegotiation of the contract with Wychavon District Council and issues relating to the cesspool service which had lead to a variance in the budget.

Following discussion it was

RESOLVED that the current financial position on Revenue and Capital as detailed in the report be noted.

The meeting closed at 6.42 p.m.

Chairman

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

6TH APRIL 2016 AT 6.00 P.M.

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

Observers: Councillors B. T. Cooper, M. Glass and M. T. Buxton

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

95/15 **APOLOGIES FOR ABSENCE**

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

96/15 **DECLARATIONS OF INTEREST**

There were no declarations of interest on this occasion.

97/15 **MINUTES**

The minutes of the meetings of the Cabinet held on 24th February 2016
and 2nd March 2016 were submitted.

RESOLVED that the minutes of the meetings of the Cabinet held on
24th February 2016 and 2nd March 2016 be approved as a correct
record in each case.

98/15 **OVERVIEW AND SCRUTINY BOARD**

The minutes of the meeting of the Overview and Scrutiny Board held on
29th February 2016 were submitted. There was some disappointment
expressed that the Chairman of the Overview and Scrutiny Board was
not present at Cabinet in this regard.

It was noted that in relation to Minute 108/15, the time period for
processing the potential planning application in Foxlydiate was 16 weeks
rather than 6 weeks. This had been amended at the last meeting of the
Overview and Scrutiny Board.

RESOLVED that the minutes of the meeting of the Overview and
Scrutiny Board held on 29th February 2016 be noted.

99/15

RECOMMENDATIONS FROM THE MEETING OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 21ST MARCH 2016

The recommendations from the meeting of the Overview and Scrutiny Board held on 21st March 2016 in relation to the Evening and Weekend Car Parking Task Group were considered as part of the discussion on the Task Group Report.

100/15

REPORT OF THE EVENING AND WEEKEND CAR PARKING TASK GROUP

The Cabinet received the report of the Evening and Weekend Car Parking Task Group. Councillor M. T. Buxton was present at the meeting as a representative of the Task Group, together with Democratic Services officer Ms. A. Scarce, who had provided officer support to the Task Group.

Councillor P. J. Whittaker as the Portfolio Holder responsible for car parking responded to the recommendations put forward by the Task Group. It was recognised that a great deal of work had been undertaken by the Task Group which had originally been set up to review evening car parking and in particular the trial of free evening car parking after 7.00pm. Subsequently the remit of the Group had been extended to cover Evening and Weekend car parking.

In relation to recommendation 1 the Cabinet agreed that car parking was vital to the economic development of the Town and accepted the principles behind the recommendation. It was felt however that the existing Economic Development Priorities should be reviewed in order to assess the impact of car parking charges, rather than produce a new Economic Development Strategy which may need to alter in 6 months time. It was fully accepted that the needs and views of businesses in the Town needed to be taken into account and the new Centre Manager would be fully involved in this review process and in working with local businesses. It was stressed that it was important that the process was undertaken prior to the consideration of the next round of changes to fees and charges. The existing Economic Priorities needed to focus more strongly on car parking. Officers and Members from Economic Development, Car Parking and Planning would need to work very closely together on the further regeneration of the Town Centre.

In relation to recommendation 2, this was largely accepted, with a minor change to the wording to reflect the changes within recommendation 1. In addition the new Centres Manager should be added to the list of officers/Members to be involved in the consultation on car parking.

Recommendation 3 was agreed in its entirety.

Recommendation 4 was agreed subject to a minor change in wording to reflect the changes within recommendation 1.

Councillor Whittaker expressed thanks to the Car Parking Task Group for the detailed work they had undertaken and for the recommendations arising from this. There would be a formal report back to the Overview and Scrutiny Board from the Cabinet.

Councillor Buxton reported that there was some outstanding end of year information in respect of the level of use of car parks which had been unavailable to the Task Group due to the car parking computer system. This would mean a meaningful comparison could be made with the previous year's figures. The Executive Director Finance and Resources confirmed the figures would be available shortly and would be able to form part of the review process.

It was

RESOLVED that the following Task Group recommendations as amended be approved:

- (1) that the Council reviews its Economic Development Priorities to assess the impact of car parking charges as soon as possible, whilst considering the following key features:
 - (a) ensuring that car parking arrangements are managed in accordance with the interests of the local economy;
 - (b) working with partners in business and retail to review the Economic Priorities that includes parking options and tariffs that encourage customers to visit Bromsgrove; and
 - (c) ensuring that car parking arrangements support the Council's Economic Priorities.

- (2) that whilst reviewing the Economic Priorities it is recommended that an external expert be engaged by the Council, with a clear remit of what the Council wishes to achieve. It is suggested that they would need to consult with the following Council officers/Members:
 - (a) Economic Development Team
 - (b) Environmental Services Team
 - (c) Relevant Portfolio Holders
 - (d) Members of the Evening and weekend car Parking Task Group
 - (e) Local businesses and retailers
 - (f) Town Centres Manager

- (3) that prior to any further trials (of any nature) being agreed and carried out, any necessary data should be collected in order to have appropriate comparative data and information available to ensure that any such trial can be measured successfully.

- (4) that until the review of the Economic Priorities, the current parking charges and concessions should be maintained (including the continuation of free evening car parking).

101/15

ASSET OF COMMUNITY VALUE APPLICATION - THE CROSS INN, FINSTALL

The Cabinet considered a report on an application from CAMRA that the Cross Inn, Finstall be listed as an Asset of Community Value.

It was noted that there had been a previous application in November 2013 that the premises be listed as an Asset of Community Value, which had not been supported at that time by the Cabinet and subsequently had not been supported by the Head of Planning and Regeneration. The application had been rejected and the property had therefore not been listed.

The Cabinet considered the current application and noted that there were a significant number of community events held at the premises and uses by local organisations, including for fundraising events, use as a meeting place for local sports teams and use of the car park for the community. In addition the Cross Inn was the only pub in Finstall.

Following discussion it was

RESOLVED that the listing of the Cross Inn, Finstall as an Asset of Community Value be supported.

102/15

ASSET OF COMMUNITY VALUE APPLICATION - BLACKWELL METHODIST CHURCH HALL, GREENHILL, BLACKWELL

The Cabinet considered a report on an application from Lickey and Blackwell Parish Council that the Methodist Church Hall, Blackwell, Bromsgrove be listed as an Asset of Community Value.

The Executive Director Finance and Resources reported that since the publication of the agenda, the Methodist Property Office had stated they had no objection to the listing in respect of the building. Members however raised some queries in respect of the surrounding land indicated on the sketch plan attached to the application which was not particularly clear or to scale.

For the avoidance of doubt it was felt it would be prudent to seek further clarification from the Methodist Property Office and the Parish Council on the status of the land surrounding the building and to request that a more accurate plan be submitted. This would mean the deferral of the application.

Following discussion it was

Agenda Item 8

Cabinet
6th April 2016

RESOLVED

- (a) that consideration of the application in respect of the Methodist Church Hall, Blackwell be deferred to the next meeting of the Cabinet ; and
- (b) that in the meantime further information be sought from the applicants and the Methodist Property Office including a plan indicating the area of land to be included within the application.

The meeting closed at 6.38 p.m.

Chairman

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Bromsgrove District Council 20th April 2016

Report of the Portfolio Holder for Environment and Worcestershire Regulatory Services

Aligned to Help me to Keep my Place Safe and Looking Good

I am pleased to present my report to councillors for the areas covered by my portfolio. In so doing I would like to look back over recent events and forward to emerging issues affecting our council and our residents.

ENVIRONMENTAL SERVICES

Land Drainage

Callow Brook flood alleviation scheme in Rubery has been constructed and will protect 6 houses from very significant flooding.

Green Lane flood alleviation scheme has been completed and protects 20 houses.

In Hagley, Severn Trent, WCC Highways, Environment Agency and North Worcester Water Management are working together on an integrated model, which can be used to understand the combined flood risk from the watercourses, highway drainage system and surface water flooding. The idea is to identify any measures that can be taken to reduce flood risk from these sources, complementing a proposed Severn Trent scheme.

We are working with Severn Trent to combine resources and opportunity to solve the issues where approximately 40 homes in Bournheath village are at risk of flooding that has been occurring from the foul sewer discharging, overland surface water flow and the culverted watercourse escaping. We have attracted £20k for a modelling study from Environment Agency and have put a bid in to attract £110k towards the costs of work. Separately Severn Trent are committing funding to upsize the foul sewer and disconnect surface flows to sort the foul flooding. We hope to hear in the next few weeks if we are successful with the £110k bid.

Free Evening Parking trial

Environmental Services have supported the Evening & Weekend Task Group that was set up in September 2015 to consider the trial. The Group has suggested a number of recommendations, one of which was that the Council needs to formulate a clear Economic Development strategy that includes car parking.

Multi-storey Car Park

We highlighted issues of increasing anti-social behaviour and vandalism sustained at the multi-storey car park in Bromsgrove. Following reports from the Police, Community Safety and the Engineering team, money has been allocated to undertake measures to reduce this anti-social trend.

New Refuse Vehicles

This year we have invested in our refuse service by purchasing 4 new 26 tonne refuse collection vehicles. These have the latest Euro 6 engines with 360 degree camera recording systems together with route optimisation and communication software.

Waste Collections

- We now have 100% AWC collections within Bromsgrove District. Every property in Bromsgrove now receives a recycling service;
- For the very first time BDC has hit the 50% recycling rate in quarter 1. The overall annual recycling rate currently stands at 46%
- New WRAP imagery was used for promotion of recycling in houses and flats with good feedback, using pictures rather than words to convey the message;
- New vehicle livery promoting what can be recycled was used on all RCVs;
- 5 short media films were uploaded to the Council Youtube channel to address issues of contamination with much interest;
- A Recycling Ready campaign was broadcast via Twitter using images to identify what can be recycled and what cannot, which was later rolled out to other H&W authorities;
- A 7 day roadshow ran during August addressing contamination issues with the general public;
- Updated planning guidance was developed to assist planning and development of dwellings suitable for our waste collection services;
- On behalf of all 7 collection authorities in H&W, BDC along with Wychavon, led on the review of waste collection arrangements to ensure compliance with The Waste (England and Wales)(Amendment) Regulations 2012 and produce the necessary TEEP review;
- Liaison with third parties has improved. Developers, BDHT, and Environmental Health have all contributed in resolving waste collection issues throughout the district;
- In-cab technology units have now been ordered:

WM In-Cab: The full mobile technology solution

Every day, problems occur on collection rounds. From access problems to contaminated waste and missed bins. The problems are often not picked up by crews or picked up on paper systems which are not available to back office staff when customers complain or enquire.

WM In-Cab provides a simple to use, practical In-Cab solution connecting the back office to the crews in real time. Solution includes problem reporting, tracking, completion of rounds and because it is designed by Webaspx, the data is seamlessly integrated with our optimisation software which was purchased in 2012/13.

Key Benefits

- Improve the responsiveness of the service to the public. Connecting crews to the back office directly so that collection problems such as contaminated bins, none presented bins, damaged bins, swallowed bins, unauthorised bins, can be reported as they happen by crews.
 - Building a history of problem areas and properties for education and action.
 - Vehicle tracking – know where a vehicle is and know where it has been and where it has not been. Predict when a vehicle is going to finish.
 - Use of tracking data for optimisation of routes.
 - Integrate seamlessly with WMDesign Optimisation and other back office systems.
- Through the Route Optimisation Software we have been able to accommodate the 3,500 new developments throughout the district with out requiring additional resources in 15/16;
 - We are continuing to share resources across BDC and RBC to accommodate urgent operational requirements.

Trade Waste Collections

- Trade waste customer base has increased to a financial break even trading position.
- We are continuing to improve customer relationships and have won new customers from the larger trading organisations as a result.
- This year; outstanding customer debts of approximately £80k have be reduced to less than £1k.
- In September 2015, BDC have taken on all RBC internal trade waste contracts, which will raise income by approximately £21k per full operating year.
- The trade waste service has been rebranded and is now referred to as Business Waste Service, including new livery, leaflets and relevant documents.

- The promotional leaflet has been included in the 2017 business rate invoices and we have already acquired new contracts and stimulated interest for our services.
- New stylish waste containers are now in circulation, promoting our services at a much higher and professional level than ever before.
- Route Optimisation software is being used to assess new route rounds to drive in further collection efficiencies.
- Officers are now investigating trials for the introduction of Business Waste Recycling. This will be a limited trial to identify operational requirements and charges.
- Birmingham CC have requested BDC to take on 9 new contracts that fall within the BCC boundary, all of which are additional contract and income for BDC.

Garden Waste Collections

As per the review of Garden Waste Fees and Charges report in November 2015:

Report Recommendations were:

- 2.1 *That Members note the steps being suggested by officers to run the garden waste collection service more efficiently as set out in this report and agree the following steps:-*
- a) That officers work to establish Direct Debit as the primary method of payment for the Garden Waste Service from 2017.*
 - b) That officers work with new customers to support payments being taken by Direct Debit subscriptions for the 2016 service.*
 - c) That existing garden waste customers are encouraged to sign up to payments by Direct Debit for the 2016 service.*
 - d) That the garden waste service is promoted at minimal cost through a variety of online, social media and press advertisements.*
- 2.2 *That Cabinet recommend to Council that the charges for the garden waste collection service be increased to £40 with effect from 1st February 2016.*
- 10,000 customers are now registered with the new DD payment system.
 - Route Optimisation software has been used to reschedule garden waste collections resulting in one vehicle and a crew of three being saved and redeployed within the waste collection services.
 - The garden waste service has been promoted to potential customers through bin stickers and flyers to increase the customer base.

Agenda Item 9

- 18,463 customers have signed up to the 2016/17 service, with 9,667 having signed up to a DD method of payment – an increase of over 6,500 (to date 21/3/16).

Cesspool Collections

- Route Optimisation software has been used to reschedule cesspool collections into operational regions, which is starting to show a reduction in operational costs, such as fuel usage.
- Officers are working on a marketing strategy, similar to the Trade Waste Collections, to improve our customer base and income levels.

HGV Sweeper

- Route Optimisation software is being used to reschedule sweeping routes to maximise the efficiency of these HGV vehicles. Early signs are encouraging.
- We have been working closely with WCC to maximise the operational efficiency of joint projects undertaken within the district including trying to coordinate seeping and gully emptying in areas that are prone to highway flooding.

BDC Place Teams

- Implementation of Place Working and significant changes to how we work has improved relations with Parish Councils across the district as teams have far more ownership of the district under the new structure.
- Increased support for community initiatives to improve the amenity of the district, with 10 groups supported across the district under the Clean for the Queen campaign in March 2016, and additional events throughout 2015 to support local initiatives in Alvechurch, Rubery, Bentley, Clent and Catshill as well as a staff initiative for corporate responsibility with Phoenix Group in Wythall.
- Closer working with BDHT and the refuse team to resolve issues in bin stores and fly tipping – generated £3,000 income during 2015/16.
- Supporting the Town Team to benefit Bromsgrove town centre.
- Taken on Lengthsman scheme for Barnt Green with an income of £2k
- Closer working with WCC and Wythall Parish Council as part of Project Optimise
 - Sharing costs with WCC for collection of fly tips that cause a hazard on the highway.
- Carrying out more paid work on behalf of Parish Councils (bin emptying and litter picking).
- Wildflower Meadow created in partnership with local residents and sharing costs.

Agenda Item 9

- Supported “Willows Hedgehog Rescue” in a campaign to highlight the risk to hedgehogs from grass cutting equipment.
- Bulky collections have increased dramatically and the data being captured has identified a decrease in domestic fly-tipping reports throughout the urban areas.
- Joint working and negotiations this year with WCC regarding the maintenance of dual carriage ways throughout the district has resulted in BDC being given the opportunity to carrying out work on the A448. This work will be carried out in 2016, on a trial basis only; new work that will be brought in-house, work that would normally be given to outside contractors by WCC

BDC Enforcement Highlights

- June 2015 – Joint stop and search project with the police to tackle illegal transporting of waste and fly tipping. Resulted in a successful prosecution for transporting waste without a Waste Carriers License £600 penalty, plus £60 victim surcharge and £785 costs.
- September 2015 – Joint prosecution with the Police for illegal transport of waste without a Waste Transfer Note. Resulted in a £300 penalty plus £30 victim surcharge and £400 contribution towards costs.
- March 2016 - £300 FPN being issued for breach of duty of care for disposal of waste after local resident caught fly tipping in Fish House Lane.
- Another stop and search initiative with the Police planned for April 2016 in the Wythall area.
- FPN Training for 11 BDC staff to issue tickets for littering.
- Joint working with Co-ordinators to gather evidence on fly tips and issue warning letters where prosecution not appropriate.
- Routine patrols in Bromsgrove Town Centre to address issues arising from local businesses and work with them to resolve them:
 - Fast food outlets in Bromsgrove now starting to carry out additional litter picking as part of their closing routine after being spoken to by our enforcement officer.
 - Pubs have been spoken to about smoking related litter.
 - New Market organisers working with us to address market waste being disposed of in our litter bins.
- Fortnightly patrols across the district to monitor and follow up on known issues.
- Closer working with Parish Councils regarding littering, fly tipping and dog fouling – letter dropped warning letters regarding known issues.
- Vehicles not secure – litter.
- Flyposting – 40+ instances dealt with and removed across the district.
- Approximately 180 abandoned vehicles investigated and dealt with.

Agenda Item 9

- Enforcement partnership set up with Wychavon, Wyre Forest and Worcester City at an operational level to share best practice in tackling environmental crime.
- Ongoing joint working with Police regarding a number of environmental enforcement issues such as Japanese Knotweed, graffiti and fly tipping.

Bereavement Services

There are planned forthcoming Infrastructure Extension works to the North Bromsgrove Cemetery, Catshill, to be undertaken by Bromsgrove DC, commencing within the late Spring/Summer period of this year. These extension works are necessary due to the current lack of available burial space within the District Council's area.

The works briefly comprise of the construction of the necessary infrastructure, including the main access road, footpaths, fencing, surface water drainage with off-site infiltration soak away system and ancillary works. Unfortunately the new site has to be accessed by the Contractor's vehicles, plant and equipment, via the existing main access road off Barley Mow Lane. Obviously the Contractor will be required to undertake such works in a manner that will both allow burials to continue to take place and that the existing cemetery area will be kept in a clean, tidy and acceptable condition.

These works were initially intended to commence late last year, but due to the sensitivity of the site, it was delayed to avoid the winter weather and the possibility that the existing cemetery would be contaminated with material from Contractor's vehicles. In hindsight, with all the wet weather, the decision was appropriate.

Bromsgrove District Council Burials between 01/01/15 to 31/12/15

Total = 171

Old Cemetery - 101 made up of 71 cremated remains & 30 full;

New Cemetery - 8 made up of 2 cremated remains & 6 full;

North Cemetery - 62 made up of 22 cremated remain & 40 full;

New Cemetery - wildlife monitoring program to review badger population with a view to managing an active sett in combination with local residents who border the cemetery perimeter.

Old Cemetery - upgrade to metal fixings within grave surrounds.

WORCESTERSHIRE REGULATORY SERVICES

Licensing

Licensing Officers continue to monitor and respond to changes in national guidance and licensing legislation and these changes have recently resulted in work being undertaken across all districts in a number of key areas such as Taxi licensing (changes to driver/operator licence durations) with the new provisions of the Deregulation Act 2015 and in the area of Gambling (the review of each Council's Statements of Licensing Principles). Licensing Officers have also continued to support partner Councils Licensing Committee's and there has also been further review work in some of the districts relevant policy areas, for example in Bromsgrove introduction of a Site Management Agreement to help control face to face fund raising ("chugging") in the High Street and aspects of the Hackney Carriage and Private Hire Handbook (driver and vehicle licensing policies/procedures).

Worcestershire Regulatory Services Joint Committee has recently endorsed our support of the Worcestershire Safeguarding Action Plan and our undertakings within it - as taxi drivers are the eyes and ears of our community they are well placed to play an important role in our community. Licensing Officers are actively undertaking a CSE (Child Sexual Exploitation) awareness raising campaign with the trade both Hackney Carriage and Private Hire licensed operators/vehicle owners and drivers and also with premises licensed under the Licensing Act. This awareness campaign is also being highlighted through district licensing forums and in other liaison meetings with the trade. Information leaflets about CSE have been written by Licensing Officers and sent out to all licence holders, giving details on how to report any concerns licence holders (especially drivers) may have and who to report it to. Licensing Officers are also keeping District Councillors aware of our involvement in the awareness campaign through feedback at Licensing Committee meetings.

Environmental Health

Pioneering work by WRS to boost Worcestershire's economy by supporting an entire sector of food businesses to improve their practices and regulatory compliance has won a national award. The way WRS is helping curry houses and takeaways improve in areas like food composition, food safety and health and safety scooped the top "Innovation" award at the Better Business for All Awards in London. The award highlighted WRS's special Asian Seminar Programme, which has brought over 60 Worcestershire restaurant businesses together in a series of specialised seminars held in each of the Bromsgrove District, Malvern Hills District, Redditch Borough, Worcester City, Wychavon District, and Wyre Forest District council areas. WRS beat competition from locations across England to be recognised for its innovative collaboration with the Asian restaurant sector, after being nominated to the awards by the Worcestershire Local Enterprise Partnership (WLEP).

Agenda Item 9

Through the seminars, which are arranged by WRS and the Bangladeshi Catering Association UK, with the help of a local partnership with the Worcester Islamic Association, Environmental Health and Trading Standards officers support restaurant owners and managers to gain confidence and understanding in self-compliance with regulations, as well as to understand the positive business support that local regulators provide for small businesses. The Right Hon Sajid Javid, Minister for Business Innovation and Skills and MP for Bromsgrove, dropped in to the Bromsgrove seminar to offer his support to the programme and local businesses.

As a result of the success of the programme the Bangladesh Caterers Association UK and the Guild of Bangladeshi Restaurateurs have made WRS their 'Primary Authority' nationwide. This establishes the county's provider of regulatory services as the "go-to" authority for some 30,000 business members nationwide, although initially the priority focus is on restaurants and takeaways in the West Midlands.

The Better Business for All Awards are run by the Department for Business, Innovation and Skills' Better Regulation Delivery Office and are designed to recognise local regulators that are working to understand businesses better, and tailoring their services to meet business needs.

The food hygiene intervention programme is on schedule and work continues with the Local Economic Partnership (LEP) looking at a possible Earned Recognition scheme designed to enable small producers and manufacturers to access new markets.

Environmental Health Officers have also continued to work with Network Rail and its contractors to keep noise and disturbance to residents to a minimum during the development of the new railway station and associated infrastructure project in Aston Fields.

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COUNCIL

20th April 2016

NOTICE OF MOTION – ANIMAL WELFARE

The following Notice of Motion has been submitted in accordance with Procedure Rule 10 by Councillor M. Thompson:

“Whilst humans and animals often enjoy a harmonious and mutually beneficial relationship, there are numerous examples of animals suffering extreme and unnecessary cruelty at the hands of humans; sadly and often , in the name of entertainment. Bromsgrove District Council should be a Council that promotes animal welfare and as such be a compassionate beacon to other Districts. This motion, therefore, proposes that on its land and premises the Council:

- (i) Does not allow circuses that use animals;
- (ii) Does not allow the use of animals as prizes (for example: goldfish in fairs)
- (iii) Uses only environmentally cleaning products and products that have not been tested on animals.

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