



**BROMSGROVE DISTRICT COUNCIL**

**MEETING OF THE CABINET**

**WEDNESDAY 23RD NOVEMBER 2022**

**AT 6.00 P.M.**

**PARKSIDE SUITE - PARKSIDE**

MEMBERS: Councillors K.J. May (Leader), G. N. Denaro (Deputy Leader),  
M. A. Sherrey, P.L. Thomas, M. Thompson and S. A. Webb

**AGENDA**

1. **To receive apologies for absence**
2. **Declarations of Interest**  
  
To invite Councillors to declare any Disclosable Pecuniary Interests or Other Disclosable Interests they may have in items on the agenda, and to confirm the nature of those interests.
3. **To confirm the accuracy of the minutes of the meeting of the Cabinet held on 26th October 2022 (Pages 1 - 14)**
4. **Minutes of the meeting of the Overview and Scrutiny Board held on 24th October 2022**
  - (a) To receive and note the minutes
  - (b) To consider any recommendations contained within the minutes

(Minutes to follow)
5. **Fuel Poverty Task Group Report (Overview and Scrutiny) (Pages 15 - 44)**
6. **Sherwood Road Footbridge, Aston Fields - Permanent Closure of Footbridge, Removal of Bridge Deck and Transfer of Ownership to Severn Trent Water Ltd (Pages 45 - 54)**
7. **HR and Organisational Development / People / Workforce Strategy (Pages 55 - 70)**
8. **Medium Term Financial Plan 2023/24 to 2025/26 - Update (Pages 71 - 88)**

9. **Financial and Performance Monitoring Report Quarter 2 (Pages 89 - 138)**

10. **Section 24 Report (Pages 139 - 150)**

The report has been attached together with a list of the recommendations arising from the meeting of the Audit, Standards and Governance Committee that took place on 9<sup>th</sup> November 2022, at which this report was considered.

11. **Interim External Auditor's Annual Report 2020-21 (Pages 151 - 198)**

The report has been attached together with a list of the recommendations arising from the meeting of the Audit, Standards and Governance Committee that took place on 9<sup>th</sup> November 2022, at which this report was considered.

12. **To consider any urgent business, details of which have been notified to the Head of Legal, Democratic and Property Services prior to the commencement of the meeting and which the Chairman, by reason of special circumstances, considers to be of so urgent a nature that it cannot wait until the next meeting**

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

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

<u>Item No.</u>	<u>Paragraph(s)</u>	
14	3	"

14. **Fees and Charges Update (Pages 199 - 202)**

K. DICKS  
Chief Executive

Parkside  
Market Street  
BROMSGROVE  
Worcestershire  
B61 8DA

15th November 2022

If you have any queries on this Agenda please contact  
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## **GUIDANCE ON FACE-TO-FACE MEETINGS**

At the current time, seating at the meeting will be placed in such a way as to achieve as much space as possible for social distancing to help protect meeting participants.

Please note that this is a public meeting.

If you have any questions regarding the agenda or attached papers, please do not hesitate to contact the officer named above.

### **GUIDANCE FOR ELECTED MEMBERS ATTENDING MEETINGS IN PERSON**

Members and Officers who still have access to lateral flow tests (LFTs) are encouraged to take a test on the day of the meeting. Meeting attendees who do not have access to LFTs are encouraged not to attend the meeting if they have if they have common cold symptoms or any of the following common symptoms of Covid-19 on the day of the meeting; a high temperature, a new and continuous cough or a loss of smell and / or taste.

The meeting venue will be fully ventilated, and Members and officers may need to consider wearing appropriate clothing in order to remain comfortable during proceedings.

### **PUBLIC ATTENDANCE**

Members of the public will be able to access the meeting in person if they wish to do so. Seating will be placed in such a way as to achieve as much space as possible for social distancing to help protect meeting participants. It should be noted that members of the public who choose to attend in person do so at their own risk.

Members of the public who still have access to lateral flow tests (LFTs) are encouraged to take a test on the day of the meeting. Meeting attendees who do not have access to LFTs are encouraged not to attend the meeting if they have any of the following common symptoms of Covid-19 on the day of the meeting; a high temperature, a new and continuous cough or a loss of smell and / or taste.

**Notes:**

**Although this is a public meeting, there are circumstances when Council might have to move into closed session to consider exempt or confidential information. For agenda items that are exempt, the public are excluded.**





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- You can inspect agenda and public reports at least five days before the date of the meeting.
- You can inspect minutes of the Council, Cabinet and its Committees/Boards for up to six years following a meeting.
- You can have access, upon request, to the background papers on which reports are based for a period of up to six years from the date of the meeting. These are listed at the end of each report.
- An electronic register stating the names and addresses and electoral areas of all Councillors with details of the membership of all Committees etc. is available on our website.
- A reasonable number of copies of agendas and reports relating to items to be considered in public will be made available to the public attending meetings of the Council, Cabinet and its Committees/Boards.
- You have access to a list specifying those powers which the Council has delegated to its Officers indicating also the titles of the Officers concerned, as detailed in the Council's Constitution, Scheme of Delegation.

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## **BROMSGROVE DISTRICT COUNCIL**

### **MEETING OF THE CABINET**

**WEDNESDAY, 26TH OCTOBER 2022, AT 6.00 P.M.**

PRESENT: Councillors K.J. May (Leader), M. A. Sherrey, M. Thompson and S. A. Webb

Observers: Councillor C. A. Hotham

Officers: Mr P. Carpenter, Mrs. S. Hanley, Mrs. R. Bamford, Mrs. C. Felton, Ms. M. Howell, Mr. G. Revans, Ms J. Willis, Ms. A. Delahunty and Ms Karimi Fini (on Microsoft Teams).

32/22 **TO RECEIVE APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors G.N. Denaro and P.L. Thomas.

33/22 **DECLARATIONS OF INTEREST**

There were no Declarations of Interest.

34/22 **TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING OF THE CABINET HELD ON 12TH OCTOBER 2022**

The minutes of the Cabinet meeting held on 12<sup>th</sup> October 2022 were submitted.

**RESOLVED** that the minutes of the Cabinet meeting held on 12<sup>th</sup> October 2022 be approved as a true and correct record.

35/22 **TO CONSIDER ANY RECOMMENDATIONS FROM THE OVERVIEW AND SCRUTINY BOARD MEETING ON 24TH OCTOBER 2022**

The Chairman of the Overview and Scrutiny Board, Councillor C. Hotham, presented the recommendations of the meeting of the Board held on 24th October 2022. The four recommendations were in respect of the Carbon Reduction Strategy and Implementation Plan. Members had been particularly interested in the information regarding the latest figures (in tonnes) quantifying Bromsgrove District Council's reduction in carbon emissions. It was felt that the figures provided in the report, which were from 2019, needed to be updated in order to provide a

clearer picture of the carbon reduction improvements that had been made. The second recommendation was in respect of partnership working on carbon reduction with Birmingham City Council and other Worcestershire Councils, particularly as Lickey Hills Country Park, located mainly in Worcestershire, was owned and maintained by Birmingham City Council.

The third recommendation from the Overview and Scrutiny Board was concerned with accessibility of the Carbon Reduction Strategy & Implementation Plan, and the availability on the website, for the benefit of Councillors and members of the public given the complexity and detail of the strategy. The final recommendation proposed that Parish Councils be included as stakeholders in the Bromsgrove District Council Carbon Reduction Strategy & Implementation Plan and its ongoing development.

Members discussed the recommendations that had been made on this subject and reference was made that the data provided within the strategy and it was stated that the data post 2019 was not typical due to Covid-19. In addition to this, it was confirmed that the Council did not currently formally report on carbon. Members discussed that since one of the recommendations contained within the strategy was to restart carbon reporting, it was suggested that Officer time was best spent on implementing the action plan and putting in place effective carbon reporting going forward. Councillor C. Hotham acknowledged that this was acceptable, and that Covid-19 would certainly have impacted on the data collected during this period.

In respect of recommendation 2 it was suggested that rather than highlighting a specific Local Authority area, an amendment to the recommendation be made that partnership working take place with all bordering Local Authorities to support work on carbon reduction.

Members were supportive of the final two recommendations in respect of the accessibility of the strategy and the involvement of the Parish Councils as stakeholders in the Bromsgrove District Council Carbon Reduction Strategy & Implementation Plan and its ongoing development.

**RESOLVED** that Carbon Reduction Strategy and Implementation Plan be amended to incorporate that

- 1) All bordering Local Authorities be asked to engage in partnership working on carbon reduction with Bromsgrove District Council and other Worcestershire Councils and;

- 2) Parish Councils be included as stakeholders in the Bromsgrove District Council Carbon Reduction Strategy & Implementation Plan and its ongoing development and;
- 3) An easily accessible, infographic version of the Bromsgrove District Council Carbon Reduction Strategy & Implementation Plan be produced for the benefit of Councillors and members of the public on the website.

36/22

## **NOMINATION OF ASSET OF COMMUNITY VALUE - FORMER SOCIAL CLUB, ALVECHURCH INN**

The Head of Planning, Regeneration and Leisure presented a report on the subject of the Nomination of Asset of Community Value - Former Social Club at the Alvechurch Inn.

Members were advised that in order to qualify for asset of community value status the building had to further the well-being or social interests of the local community; and that it had to be realistic to think that this would continue in the future. It was reported that, in terms of the location of this building, the statutory requirements had been met.

Members attention was drawn to the paragraph contained within the report explaining that the final decision to list an asset of community value lay with the Head of Planning, Regeneration and Leisure Services and that Cabinet was being consulted with, as part of the consultation process. With this in mind it was explained that a slight amendment to the recommendation was required as follows:

*'Cabinet be asked to RECOMMEND to the Head of Planning, Regeneration and Leisure if it supported the listing of the Alvechurch Inn, Radford Road, Alvechurch, as an asset of community value or otherwise.'*

On being put to the vote it was

**RESOLVED** that Cabinet supported the Head of Planning, Regeneration and Leisure in the listing of the Alvechurch Inn, Radford Road, Alvechurch, as an asset of community value.

37/22

## **AIR QUALITY ENHANCED MONITORING OPTIONS REPORT**

The Principal Officer (Planning and Technical Pollution Control) from Worcestershire Regulatory Services (WRS) presented the Air Quality Enhanced Monitoring Options Report for Cabinet's consideration.

The report outlined the background of the proposal for an enhanced monitoring system. It was reported that historically there had been concerns about nitrogen dioxide emissions caused by road traffic in the Bromsgrove area. In addition to this, it was noted that there were limitations to the system currently deployed within Bromsgrove and delays were experienced in reporting using this system. However, it was confirmed that improved technology was now available and that this would provide more readily available data and moveable monitoring units. Cabinet was reminded that air quality enhanced monitoring had been raised by the Overview and Scrutiny Board during its meeting held on 5<sup>th</sup> July 2022.

Also contained within the report were cost breakdowns of two options for enhanced monitoring for Bromsgrove District Council; one that outlined the cost of 3 units and revenue funding without grant funding and one that outlined the cost of 3 units and revenue funding with Department for Environment Food and Rural Affairs (DEFRA) grant funding. It was reported that, in September 2022, WRS had made an application to DEFRA on behalf of all Councils across Worcestershire of £280k worth of funding. Should this application be successful, it was required that the Council provide match funding of 10% for the capital and revenue costs over three years (£1,350 and £2,250 respectively).

During consideration of this item, it was clarified that the recommendations were subject to the successful outcome of the grant bid to DEFRA and that the Council would be notified of the outcome of this application in April 2023. The Interim S151 Officer confirmed that, subject to the outcome of the application, this would be included in tranche 2 of the budget.

Members also considered how the data collected from the enhanced monitoring system would be used. It was explained that it would feed into the County-wide Air Quality Management Plan and would drive local transport planning and active traffic planning for the future.

**RESOLVED** that subject to the successful outcome of the grant bid to DEFRA

- 1) the £1,350 capital match funding be incorporated into the Council's capital programme; and
- 2) the £2,250 revenue match funding be incorporated in the Council's revenue budget

as part of the Final Budget and Medium Term Financial Plan 2023/24 to 2025/26 which was due to be presented to Cabinet and Council in February 2023.

38/22

## **LOCAL LETTINGS PLAN**

The Strategic Housing Officer presented the report in respect of the Local Lettings Plan Policy.

Cabinet was informed that the Council currently had a Housing Allocation Policy which provided a framework on housing allocations within the District. However, it was explained that Local Lettings Plans could be applied in order to provide variations to the main scheme. These variations were utilised for a number of reasons, which included ensuring a greater mix of social housing in local developments and Anti-Social Behaviour (ASB). It was clarified to Members that any variations must not dominate the main scheme.

Members were advised that the Housing Allocations Policy did not need to be consulted on, however within the policy it was stated that the Council reserved the right to apply Local Lettings Plans if necessary.

It was reported to Members that an initial Equality Impact Assessment (EIA) had been undertaken on this Local Lettings Plan and that this would remain a live, working document. In addition to this, it was also confirmed that should any Local Lettings Plans be proposed in the future, additional EIAs would also be developed.

**RESOLVED** that

- 1) the Local Lettings Plan Policy be approved and;
- 2) delegated authority be given to the Head of Community and Housing Services following consultation with the Portfolio Holder for Strategic Housing and Health and Well Being to agree and adopt future local lettings policies.

39/22

## **CLIMATE CHANGE STRATEGY**

The Head of Environmental and Housing Property Services presented the Carbon Reduction Strategy and Implementation Plan for the next 3 years for the consideration of Cabinet.

Members were informed that the strategy set out plans for the Council to achieve net zero carbon emissions by 2040, ahead of the Government's target of 2050. Each of the Council's service areas had contributed to the strategy and it was hoped that taking this approach ensured carbon reduction would become embedded throughout the organisation in the future.

In respect of the additional staffing information contained within the report, it was acknowledged that given the importance of this area of work, it was considered necessary to establish a new officer post to provide support at a more strategic level going forward. It was confirmed that this additional staffing resource would form part of the financial budget bid process later in the municipal year and was included in the Medium Term Financial Plan item due to be considered later in the meeting.

Cabinet was informed that the strategy would be refreshed every three years and reviewed annually. Alongside this, progress against targets would be reviewed twice a year by the Climate Change Working Group and annually by the Overview and Scrutiny Board and Cabinet. The Head of Environmental and Housing Property Services thanked Mr. A. Pearson, from the Midland Net Zero Hub who had been involved in the preparation of the Carbon Reduction Strategy and Implementation Plan.

**RESOLVED** that the Council's Carbon Reduction Strategy and Implementation Plan, including the three recommendations made by the Overview and Scrutiny Board (agreed at Minute Number 35/22) be endorsed and adopted.

40/22

## **LEISURE STRATEGY**

The Head of Planning, Regeneration and Leisure presented the Leisure and Culture Strategy for Members' consideration.

Members were informed that included in the Leisure and Culture Strategy was an overarching document that set out the vision, aims and objectives for Leisure and Culture services across the Council until 2032. It was reported that the Leisure and Culture Strategy included the



recommendations that had been drawn from three further strategies that underpinned the main strategy. These were reported as being the Arts and Culture Strategy, the Parks and Open Spaces Strategy and the Built Facilities Strategy. It was highlighted that the second resolution included within the report contained recommendations that officers could start work on immediately and had no additional financial implications to the Council.

Members stated that this was a very important report which provided a strategic plan for the Council for the future.

**RESOLVED** that

- 1) the Leisure and Culture Strategy be endorsed and;
- 2) delegated authority be given to the Head of Planning, Regeneration and Leisure Services following consultation with the Portfolio Holder for Leisure, Culture and Climate Change to implement the following Recommendations 1, 2, 9,10,11,12,13, 15,16,17,20 22, 24,25, 31, 32, 33, 35, 36, 37, 38, 39, 40 a, 41, 42, 43, 44 45 46 as set out in the Leisure and Culture Strategy.

41/22

**ASSET STRATEGY**

The Head of Legal, Democratic and Property Services presented the Asset Disposal Strategy for the consideration of Members.

The Cabinet was informed that each year the Council must ensure all of its assets were included within the Statement of Accounts, including land, property and other assets. The Asset Disposal Strategy sought to provide a framework within which assets could be assessed for suitability and the likely costs that were associated with maintaining those assets. In addition to this, it was highlighted that the strategy sought to set out a clear mechanism for rationalisation of assets where appropriate. Members were informed that the number of Council owned assets was not huge and were generally already allocated.

**RESOLVED** that the Asset Disposal Strategy be approved for implementation.

42/22

**MEDIUM TERM FINANCIAL PLAN 2023/24 TO 2025/26 - UPDATE**

The Interim S151 Officer presented an update on the Medium Term Financial Plan (MTFP) 2023/24 to 2025/26.

It was reported that each year the Council set out a 3-year Medium Term Financial Plan, with the final Council Tax Resolution being approved by Council in February. The Cabinet was advised that this year, the MTFP process would be run in two tranches in order to prepare the budget as early as possible. The initial tranche would use information known as at the end of September and would seek to close as much of the current deficit as possible. The second tranche would be processed after December 2022 and would be approved in February 2023. This second tranche would take into account the Local Government Settlement, details of which would not be known until early January 2023.

Members were informed that budget setting within the current climate would be more difficult due to a number of challenges. These were outlined as follows:

- Starting the process with an initial deficit amount of approximately £1.5m from the 2022/23 MTFP
- This being the first year that the Government began repaying for Covid-19 and the associated pandemic
- The cost of living crisis
- Changes at national level including new Prime Ministers and changes to Cabinet membership
- The Council having limited Reserves and Balances.

The MTFP 2023/24 to 2025/26 – Update report highlighted 10 major items in terms of budget setting for 2023/24 to 2025/26. These were as follows:

- The starting position for the 2023/24 MTFP and the three year “gap” that needed to be bridged in order for the Council’s budget to come back into a balanced sustainable position
- Unallocated savings – These would be considered as part of the Q2 2022/23 Finance and Performance Monitoring report due to be considered in November 2022.
- The emerging national picture which was not clear at the time of this meeting. It was hoped that more information would be available when the new Chancellor released his statement on 17<sup>th</sup> November 2022. At that point, it was thought more clarity would be available on the new Local Government Financial Settlement, which was expected to still be released the final week before Christmas. Officers informed Cabinet that it was still unknown as to whether this would be a single or multiple year settlement,

however the preference, from a Council perspective, given the current economic conditions, would be a single year settlement.

Officers reported that they had made a number of base assumptions within the report, including the following:

- An assumption on Council Tax on a full 1.99% or £5 increase (whichever was the least)
- An assumption of no growth in Business Rates
- An assumption that there would no New Homes Bonus in 23/24 onwards
- An assumption that there would be no Lower Tier Services Grant from 23/24 onwards

In respect of Pension Fund assumptions, it was noted that the Council's pension fund was in surplus, and the new contributions were approximately £500k less than they had been previously.

Cabinet was informed that the greatest impact on budget setting would be inflation. This was in light of the £1,925 proposed increase to staff wages that would cost an additional £718k. Furthermore, it was stated that 10% inflation on Contracts/Transport would cost an additional £182k alongside the increased cost of utilities. These, in particular, were unknown and it had been concluded that if there was a 200% increase in the cost of utilities this would result in an extra £702k cost to the Council. It was noted that Bromsgrove District Council's utilities contract were due to expire in April 2023 and it was planned that any new contracts would be as short-term as possible and offered the best value for money for the Council in the long term.

In respect of Fees and Charges, it was outlined that was to be an increase of 10% across the services with some exceptions including, WRS, LifeLine and parking charges.

In terms of strategic approach, it was key to move to financial sustainability as quickly as possible

Tranche 2 of the budget would be adjusted for any Government funding that was provided. In addition to this it would also look at other options to close any deficit should the Government settlement not bridge any resultant gap. It should be noted that in Prime Ministers Question Time the previous Prime Minister had said that allocation levels would be in line with 22/23 levels – which would mean the Lower Tier Support Grant and New Homes Bonus, both assumed to be zero in Tranche 1, could

be paid out. This was worth approximately £1m to the Council. However, it was stated that given the recent changes in Government this had still not been confirmed.

Initiatives included in tranche 2 required more time for analysis, however individual options included:

- Ensuring grants were maximised.
- Ensuring agency work reflected the income provided for its delivery.
- Minimisation of Bed and Breakfast temporary accommodation costs.
- Reviewing the effectiveness of the Council's largest contracts.
- Maximising the effectiveness of the Council's refuse fleet.
- Reviewing the location and effectiveness of the Council's depot.
- Assessing the Council's Leisure and Cultural strategy in terms of affordability.
- Reviewing recharging mechanisms between Bromsgrove District and Redditch Borough Councils for appropriateness.
- Rationalisation of back office services in light of the improvement of advanced technology.

In terms of savings in tranche one, the Council had identified £1.62m of savings which would offset the current £1.58m budget deficit. However, when taking into account inflationary pressures, the deficit position would be £863k. In addition to this, the increased costs of utilities would result in an overall deficit position of £1.5m.

Members were provided with information on the Council's Reserves and Balances, and it was explained that the existing MTFP saw general fund balances reduce from £4.257m to £1.046m over the three year planning horizon finishing in 2024/25. This was not considered a sustainable level of general fund reserves where a level of 5% of gross budget was usually advised, which for Bromsgrove District Council would be £2.5m.

The Council had also earmarked reserves which were held for specific purposes. These earmarked reserves were currently at £8.011m. It was reported that all reserves would be reviewed for their ongoing applicability.

In terms of the Capital Programme, it was stated that the Levelling Up Funding and UK Shared Prosperity Fund must take a priority due to the funding linked to these project being time limited. The projects included

within the Capital Program that had not yet commenced (apart from those that were in receipt of grant funding or S106 monies) would have to be rebid for as part of the 2023/24 budget process.

In concluding the detailed update on the MTFP 2023/24 to 2025/26 the Interim S151 Officer referred to the Robustness Statement and the feedback form that were also included within report.

During consideration of the report Members commented on the amount that was included within the report in respect of bus shelters and it was confirmed that as WCC were still not in a position to confirm bus routes until later in 2023 these monies would remain unspent for the time being.

It was recognised that these were very difficult and challenging times for Local Authorities particularly due to the current uncertainty being experienced at a national level.

**RESOLVED** that

- 1) the inputs into the Council's Medium Term Financial Plan as at the start of October, and the associated risks and opportunities be endorsed and;
- 2) to note that these inputs had been used, along with the 2022/23-24/25 Medium Term Financial Plan (MTFP) agreed by Council in February 2022, to project an initial "gap" to be closed and;
- 3) to note that an initial Tranche of savings proposals, and the associated Savings Proposal Document, that was published on the 17th October and any feedback will be considered by Cabinet in November 2022 and at Council in December and;
- 4) Tranche 2 of this process would add further information such as the Local Government Settlement to give a final financial position for the Council.

43/22

## **FEES AND CHARGES 2023/24**

The Interim S151 Officer presented the Fees and Charges 2023/24 for Members' consideration.

In doing so, it was highlighted to Cabinet that Council Tax could only be increased by 1.99% and that Business Rates were set by Government at a national level. In addition to this, which had been highlighted to Members, was the rise in inflation which was likely to have a severe impact on the Council's finances.

The levels of increase of Fees and Charges had been based on a robust estimate of the impact of cost increases and demand within the services and the Councils overall financial position. This included assessing the affordability of any of these increases to our residents and customers.

Cabinet was informed that the Council's proposal was to increase all Fees and Charges by 10%. The 10% had been applied to Contributions and Fees and Charges budgets but not on services where charges were set statutorily, Lifeline, SLA Income, Parking, or those services that charged across a number of Councils (WRS).

**RECOMMENDED** that all of the proposed fees and charges for 2023/24 be approved.

44/22

## **QUARTERLY RISK UPDATE**

The Interim S151 Officer presented the Quarterly Risk Update consideration by Members.

The Cabinet were reminded that the Council had received a 'no assurance' audit in relation to 'Risk Management' in February 2022 and as a result of this an action plan had been approved by the Corporate Management Team (CMT) and implemented. Included in the action plan was the establishment of an Officer Risk Board. Members were informed that meetings of this Board had taken place initially on 8<sup>th</sup> April 2022 and two further meetings had taken place on 22<sup>nd</sup> June 2022 and 21<sup>st</sup> September 2022 to embed processes. An additional requirement included within the action plan was that each department nominated a representative and that these representatives met on a quarterly basis and reported back to management teams.

The up-to-date Risk Register had been submitted for consideration of the Audit, Standards and Governance Committee in October 2022 and this formal reporting was also provided to the Corporate Management Team.

It was reported to Members that over the six-month period since the action plan had been in place the number of risks had reduced from 82

# Agenda Item 3

Cabinet  
26th October 2022

to 75. It was clarified that should 'green' risks, which were considered more day-to-day risks remain on the register for more than two iterations of the Officer Risk Board meeting cycle, they would be removed, which would result in a significant change to the number of risks.

A significant risk had been added to the Corporate Risk register in light of the Levelling Up Funding and UK Shared Prosperity Funding particularly since these grants were time limited.

**RESOLVED** that

- 1) the present list of Corporate Risks be approved and;
- 2) the progress made on the Action Plan approved by CMT on 16th March 2022 be noted.

The meeting closed at 7.06 p.m.

Chairman

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**OVERVIEW & SCRUTINY  
BOARD**

**FUEL POVERTY TASK  
GROUP**

**FINAL REPORT**

**November 2022**



**Bromsgrove**  
District Council

[www.bromsgrove.gov.uk](http://www.bromsgrove.gov.uk)

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## **MEMBERSHIP OF THE TASK GROUP**



**Councillor Rob Hunter (Chairman)**



Cllr Andrew Beaumont



Cllr Sue Baxter



Cllr Janet King



Cllr Harrison Rone-Clarke



Cllr Caroline Spencer

### **SUPPORTING OFFICER DETAILS**

Amanda Scarce – Democratic Services Officer  
[a.scarce@bromsgroveandredditch.gov.uk](mailto:a.scarce@bromsgroveandredditch.gov.uk)

## **Foreword from the Chairman**

Our group was set up at the start of 2022 out of concern over the impact of sharply rising energy bills on the health and wellbeing of the people of Bromsgrove.

Since then, the fuel poverty crisis has become a cost-of-living crisis. General inflation in the UK is now at a rate far higher than many of us have ever seen before. It's no longer just about gas and electricity. Food and drink, clothes, and household goods have all been subject to eye-watering increases. All of us have had to tighten our belts, but for those already struggling to keep their head above water we have entered truly frightening times.

There were already around 5,000 households in Bromsgrove living in fuel poverty, even before this group started its work. This represents more than one in ten households in the district. In some wards it is more than one in five. We don't yet know how much this has increased, but we did hear evidence from Act on Energy that calls to their service have doubled over this time and that they are now frequently hearing from people who never expected they would ever need help.

We also know that 59% of households in our district have an EPC of D or below, indicating poor energy performance and greater exposure to rising energy costs. This is despite the best efforts of Bromsgrove District Council to seek funding to retrofit homes. As a country we simply have not done enough to insulate our homes and protect people from an increasingly volatile global energy market.

As part of our investigations, we heard from representatives of a broad range of public sector and voluntary groups who are already working incredibly hard to support vulnerable people and are making a huge difference. I would like to say a sincere thank you to Graeme Anderson (BDHT), The Reverend David Ford (Bromsgrove Churches Together), Rachel Jones (Act on Energy) and Nicki Hitchcock (Worcestershire County Council Libraries) for supporting our group but more importantly for the incredible work their teams do day in day out in our community. I would also like to thank our own officers Judith Willis and Della McCarthy for their time and dedication to this critical issue and that of their hardworking teams. Thanks also to Lisa Devey, Claire Felton and Julie Heyes for providing evidence to the Task Group.

As a task group we enjoyed rich input from councillors of all parties represented at Bromsgrove District Council and indeed from independent councillors of no political affiliation. I would like to thank each of you for your earnest and diligent engagement with the issues at stake. In particular, I would like to thank the Portfolio Holder for Housing, Health and Wellbeing Councillor Shirley Webb, who has gone out of her way to help our group bring forward deliverable recommendations.

# Agenda Item 5

I'm proud of what we have achieved by working together. I believe our proposals will make a real difference, but they do not go nearly far enough and sadly will not solve all the problems we heard about over the last few months. So, we must continue to campaign for a better deal for our communities so that nobody ever needs to ask for help with something as essential as heating their own home.

My final thanks go to Amanda Scarce, Democratic Services Officer, who came back from retirement to help us make a success of this group and has over the years given a great deal to the people of Bromsgrove through her tireless work behind the scenes at Bromsgrove District Council.

**Councillor Rob Hunter  
Chairman, Fuel Poverty Task Group**

## Summary of Recommendations

After consideration of the evidence available and interviewing witnesses the Task Group have proposed the following recommendations, supporting evidence can be found under the relevant chapters within the main body of this report.

### **1. Chapter 1 – Support already available and how the Council can help**

<b>Recommendation 1</b>
That the Council ensures its webpages are up to date and takes a proactive approach in promoting the various areas of support (including an up to date list of Warm Hubs/Spaces and support provided by local libraries in the District) available through as many different mediums as possible. For example, through its social media account and by learning from the best practice approaches used by other councils.
<b>Financial Implications for recommendations:</b>  There are no direct financial implications in relation to this recommendation.
<b>Legal Implications for recommendations:</b>  There are no direct legal implications in relation to this recommendation.
<b>Resource Implications:</b>  Officer time in checking and updating the webpages and posting to the social media account.

<b>Recommendation 2</b>
That a poster or booklet is created which includes a simple straight forward guide to all the various areas of support – this should be accessible in local buildings such as the libraries and Councillors provided with copies to hand out to residents or distribute for display on noticeboards.
<b>Financial Implications for recommendations:</b>  There are no direct financial implications in relation to this recommendation. Although it is acknowledged there would be a small outlay for printing costs.
<b>Legal Implications for recommendations:</b>

There are no direct legal implications in relation to this recommendation.

**Resource Implications:**

Officer time in creating the document.

**Recommendation 3**

That Councillors are provided with the contact details of Act on Energy and encouraged to proactively liaise with the outreach workers to ensure access to support is readily available to residents within their Wards.

**Financial Implications:**

There are no direct financial implications in relation to this recommendation.

**Legal Implications:**

There are no direct legal implications in relation to this recommendation.

**Resource Implications:**

Officer time in supporting the Councillors.

**Chapter 2 – External Support and what needs to be done to help**

**Recommendation 4**

That the Bromsgrove Partnership, supported by the Council, takes a lead role in the collection of high quality intelligence/data to ensure that the Council's partners can target their interventions where support is most needed.

**Financial Implications:**

There are no direct financial implications in relation to this recommendation.

**Legal Implications:**

There are no direct legal implications in relation to this recommendation.

**Resource Implications:**

Officer time in supporting the Bromsgrove Partnership.



**Recommendation 5**

That the Bromsgrove Partnership (with input from all District Councillors and/or relevant Parish Councils) take a lead role in co-ordinating appropriate support, to ensure it is readily available for residents throughout the whole district, for example this could mean the provision of a Warm Hub/Space and the facilities offered by the local libraries.

**Financial Implications:**

There are no direct financial implications in relation to this recommendation.

**Legal Implications:**

There are no direct legal implications in relation to this recommendation.

**Resource Implications:**

Officer time in supporting the Bromsgrove Partnership.

**Recommendation 6**

That the Cabinet actively explores all funding options (for example the UK Shared Prosperity Fund) available to the Council in order to ensure that, if needed, it is able to provide financial support to VCS organisations throughout the district in providing the support detailed in recommendation 5 above.

**Financial Implications for recommendations:**

There are no direct financial implications in relation to this recommendation, although it is acknowledged that there may be financial implication in the future should Cabinet consider the suggestion.

**Legal Implications for recommendations:**

There are no direct legal implications in relation to this recommendation.

**Resource Implications:**

Officer time in administering any scheme that is set up in the future.

## **Background Information**

Councillor Rob Hunter presented a topic proposal form containing proposed terms of reference for a Task Group to be set up to investigate the position in respect of fuel poverty in the District. Councillor Hunter explained that residents were facing an unprecedented rising level in the cost of living and that it was important that the Council provided as much support as possible to those residents identified as in need.

Following consideration of the topic proposal at its meeting on 28<sup>th</sup> March 2022, the Board agreed that a Task Group should be set up and appointed Councillor Hunter as its Chairman at that meeting.

At the May meeting of the Board, the membership of the Task Group was confirmed and a six month timescale set for the completion of the investigation. The first meeting of the Task Group took place on 14<sup>th</sup> June 2022. The Task Group has held 8 meetings in total since that date and held discussions with a number of key witnesses, both internal and external partners. In view of the topic of the investigation, the Task Group Members were keen for any recommendations to be considered as soon as possible.

## **Chapter 1**

### **The current position and what can be done to help**

The Task Group was keen to understand at the beginning of its investigation the support which was already in place for residents and to ensure that this information was readily available to them. The Task Group interviewed Judith Willis, Head of Community and Housing Services, who provided Members with a detailed briefing paper, which explained the support that was available and how resident could access this. This included the following areas:

#### Energy Advice

The Council funds an energy advice service, delivered by Act On Energy and information on this service was available through the Council's website. Residents can call the energy advisors to receive guidance on how best to reduce their fuel bills, with support on a range of topics, including finding the best tariff and energy deals, how best to use heating controls, lifestyle changes that can make significant savings and available grant funding for energy saving home improvements.

#### Warmer Worcestershire

The Council also works closely with other partners via the Bromsgrove LSP and the Warmer Worcestershire Network. Its aim is to deliver reductions in both fuel poverty and carbon emissions through improved energy efficient across the housing stock. Its membership was made up of the six district councils, the county council, Act on energy, Age UK and Public Health. It was noted that the Network was in the process of producing a Countywide Fuel Poverty Plan.

#### Essential Living Fund

The Financial Independence Team at the Council administer the Essential Living Fund (ELF) and this fund provides support to residents with energy and utility bills, supermarket vouchers, food parcels and white goods. As part of an application for ELF the Team will try to establish some further details to see what other support may be available that has not already been accessed. This could include a number of DWP benefits such as Universal Credit, free childcare and school meals or discretionary housing payments. Where appropriate the Team will signpost applicants to other agencies and partners in order for residents to access this additional support.

#### Household Support Fund

This was funding provide by the DWP to support vulnerable households as part of the ongoing recovery from the pandemic. Worcestershire County council was the lead and accountable body for the funding, with a proportion of the funding being allocated to the district councils. The fund specifically related to the provision of support to meet daily needs, such as food and utilities, including

help with energy bills. This has enabled the Council to issue fuel vouchers to eligible residents. In addition, funding was also allocated to Act on Energy to provide vulnerable residents with one off fuel payments of up to £500, pre-payment fuel vouchers of up to £150 and replacement/repair of boilers/heating systems. This scheme was initially for the period October to March 2022; however it was extending to October 2022 with additional funds being provided, with specific guidelines also being amended as to who it should be aimed at supporting.

During the discussions with the Head of Community and Housing Services the Task Group questioned the availability of data and it was acknowledged that whilst there was national and regional data available it was produced by Central Government and often significantly in arrears. Members asked how the data available was used to target interventions and to assess the success of the support provided. It was explained that no one data set was perfect on its own for targeting, for example an area may be modelled as having high fuel poverty, but there may be a wide variation within that area of energy bills and income. Warmer Worcestershire had recently purchased Home Analytics Data from the Energy Saving Trust for all district, which extrapolated existing data to all properties in the district, including EPC rating and predicted fuel poverty scoring. This would be used to target specific funding such as Sustainable Warmth to properties most likely to be eligible for it, based on EPC and income.

Following on from the discussion with the Head of Community and Housing Services the Task Group began to form a picture of the support that was already provided to residents and were keen to understand this in more detail. This was done through interviewing representatives from the Council's Financial Inclusion Team and Act on Energy, the service funded by the Council.

## **Financial Inclusion Team**

The Task Group provided Lisa Devey, Customer Support Manager with a number of pre-prepared questions, which were responded to in writing.

- Members were advised that there were 4 main schemes the Council was involved in administering: Essential Living Fund, Discretionary Housing Payments, Council Tax Hardship and Household Support Fund (HSF). The HSF was administered by Citizens Advise for the Council, with the remaining schemes being administered internally by the Benefits Section.

Officers spoke regularly to partners to establish any new funding streams or initiatives and the internal schemes were all considered by the same team to offer a single service, Officers also signpost where relevant to other partners.

- Members has asked for details on how an initial enquiry was dealt with and Ms. Devey explained that Officers spoke to each resident as an individual to ascertain their circumstances. This helped them work out which scheme(s) would best suit their needs, offer the most support and maximise their income. The Team made sure to take the time to listen

and signpost to other partners where appropriate; for example, Citizens Advice, Act on Energy, DWP, NewStarts, foodbanks and the like.

- Members also asked if Officers had seen an increase in enquiries in recent months? And if so, what measures were in place to ensure that any future increase was able to be managed in a timely manner. It was questioned whether the Council would have sufficient funds to support residents through the coming months and whether there was a contingency plan in place to cover this. Ms. Devey responded that whilst they had seen an increase in enquiries, demand had remained quite consistent for the Team. However, she believed that there had been more demand and pressure felt by Citizens Advice and Act on Energy.

It was further commented that as other schemes had ended such as test and trace, she had been able to make more resource available and felt that the Team was in an excellent position should volumes spike during the winter months.

- The Task Group had raised concerns around how the services that were available were communicated to residents, as it was felt this was key to supporting those residents that were in most need of support. It was confirmed that this was an area the Team had been working on alongside partners. The Council now had a dedicated Cost of Living page on the website and a postal leaflet would be available from early October, with the details of all the partners who can help alongside a brief explanation of the services they provide are included on this leaflet. A series of partnership surgeries throughout the district were also being planned. This would allow residents to get answers and support in one place from several organisations.

## **Act on Energy**

The Task Group also interviewed Rachel Jones, the CEO of Act on Energy and again, provided her with a number of pre-prepared questions. Ms. Jones provided Members with background information on how Act on Energy had originally been established in 1998 and how its role had developed over the years, from that of providing advice around climate change to the current position it found itself in, which was largely dealing with concerns around fuel poverty. The majority of enquiries were around providing support in paying bills and advice on energy efficiency, whilst many of the energy efficiency steps would only make a small difference to the annual cost of a bill it was a way of empowering those people and giving them the belief that they could take back some control over what was happening. There was a lot of confusion around the price cap and tariffs, so work was also being carried out in trying to explain what this also meant and how it impacted on overall costs. It was also noted that there was already a number of “scams” circulating, and Act on Energy was trying to raise awareness about this and encourage people to be aware of them and not be taken in.

Ms. Jones provided data around the number of enquiries which they dealt for the district, for the last 6 months there had been over 1,200 whereas for the

previous year for the same period there had been just over 500. Members commented on the significant increase and Ms. Jones provided more detail around the changing demographic of those enquiries. This included 12% being over the age of 65 and the inclusion of a new category which was for working adults, which took up some 47% of the enquiries. It was also noted that the calls being taken had changed significantly over the last 6-12 months, with a much greater emphasis being on the mental health of those calling in and much more detail being given to Act on Energy. This in turn had an impact on the officers taking the calls and Ms. Jones explained that appropriate measure had been put in place to ensure staff received the relevant support themselves in order to be able to provide a good service.

The Task Group were advised about specific funding that Act on Energy had been administering and it was noted that whilst this was appreciated it often came with tight timescales and a very complicated application process. An example was given for the Household Support Fund which had stipulated that of the funds provided one third must go to the over 65 age group. This was historically an age group which had always been a challenge and one which was often reluctant to ask for help. Ms. Jones explained that Outreach Workers had been accessing various community centres and events to talk to people about the help that was available as this was often the best way to engage with them.

Members were provided with data in respect of specific issues, and it was noted that over 200 were in respect of debt, with an average fuel debt for the county of around £750, with Bromsgrove being slightly higher. Again, it was important that people understood the meaning of the fuel cap and of the tariff system and just exactly how much they paid for both electricity and gas. Members were provided with how Act on Energy were trying to educate residents through various means, including via the website using videos and through leaflets, which would be distributed by the outreach workers. In the longer term it was important to look at energy efficiency and how people can make their homes better. It was also noted that the OFGEM website provided some useful information and data.

Ms. Jones also provided Members with information around how Act on Energy worked with the Bromsgrove Partnership and Councillor Shirley Webb was also on the Bromsgrove Partnership and she provided Members with details of the work that was being undertaken and the support provided by Act on Energy to residents. She was able to give first hand experience of the work of the Outreach Workers and how they had helped her within the Ward. Members were keen to hear about the work of the Outreach Workers and asked for all Councillors to be provided with their details for future reference.

## **Notice of Motion**

Appendix 2 of this report provides details of a Notice of Motion from Councillor Harrison Rone-Clarke, which was considered at the Council meeting held on 17<sup>th</sup> October 2022. During the debate on this matter, the Leader agreed to action point 1 and following discussion it was agreed that point 2, in respect of considering the use of the Parkside complex as a day centre/warm hub/space,

would be referred to the Fuel Poverty Task Group for further investigation. The Task Group held a meeting in early November and invited the Head of Legal, Democratic and Property Services and the Business Development Manager from the Council to attend together with the Bromsgrove Library Manager to discuss options available in supporting residents with a Warm Hub/Space.

The Task Group Members had already been provided with a briefing note which explained the Worcestershire Libraries Warm Space provision throughout the county and the Library Manager provided further detail around the specific support offered at the Bromsgrove Library, which was based in the Parkside complex. The Library Manager explained that she also covered the libraries in Droitwich, Rubery, Hagley and Catshill and provided a detailed summary of what the libraries were able to offer, this included comfy seating, study and work desks, access to wifi and various activities. It was noted that this was something that the libraries had always provided, but there had been an increase in use of these facilities over recent years. The aim was to further promote the facilities in the coming months, when it was likely that there would be an increased need as the cold weather set in. Currently, the Parkside Library was unable to offer free warm drinks, but this would be something which could be considered in the future. The libraries also provided support by signposting people to other organisations who were better placed to provide specific help. The Library Manger commented that it was likely that in the coming months those needing support would never have accessed it previously and therefore would not be aware of how to access many of the services available. It was also noted that often people who came to the libraries were those who felt digitally excluded for whatever reason and were not necessarily the older members of the community. This was something which the Task Group had discussed with other witnesses and had raised concerns about. It was clear from the information provided by the Library Manager that the library service was much more than simply borrowing a book and already provided a great deal of support to a wide variety of local residents in many different ways.

The Task Group went on to discuss with the Head of Legal, Democratic and Property Services the potential use of the Council space at the Parkside complex as a warm space, but given the provisional already provided by the library, it was felt that this was much better suited to the needs of residents, than the Council space. Although, it was acknowledged that if further support was needed in the future, perhaps with a contribution towards the cost of warm drinks for example, this was something which could be considered at that time. The Task Group were keen to ensure that the provision of support was not duplicated in anyway.

Members also discussed the support provided at Amphlett Hall and the Business Development Manager confirmed that she was in close contact with Age UK who provided a variety of support and would ask them to provide details of this in order for it to be included within the resources available on the Council's website. It was agreed that the promotion of the support available through both the libraries and Amphlett Hall should be included in any promotional documentation that the Council produced.

## **General**

It was clear to the Task Group that there was in fact more support available to residents than it had originally thought, but the concern was whether this was easily accessed and that the application processes were completed in a timely and efficient manner. Concerns were raised in respect of the majority of support being through access to the internet and it was acknowledged that this was not always readily available to some residents. Members discussed how the services could be better communicated to residents and how they could be supported in accessing them.

The Task Group gathered data from the Council's Web Team about the number of times specific webpages had been accessed to see whether there was any increase in more recent months as the cost of living crisis began to take hold, although the data was not able to show any particular increase in the number of people accessing these pages, it did show that there were "peaks and troughs" throughout recent months.

The Task Group were also provided with data from the Citizen's Advice Bureau who provided a free advice service to residents covering housing, financial, welfare and budgeting from a grant given by the Council. Unfortunately, the data only covered the first quarter of 2022-23 so the Task Group were unable to assess whether there had been a significant increase in recent months. However, it was acknowledged that this was an important service that was provided and something Members were keen to see continue, particularly in light of the difficult times facing residents in the future.

Whilst the Task Group acknowledged that there was support available to residents, its main concern was how this was communicated to those in need of help and its general accessibility. It was also acknowledged that everyone had a part to play in ensuring that residents were supported, this included Councillors taking an active role in promoting the services and supporting residents as much as possible. This could be done by liaising with residents directly or through local voluntary organisations or parish councils for example, to ensure that the information available was up to date and readily available. The Head of Community and Housing Services had advised the Task Group that officers were considering preparing a leaflet which would have all the relevant information in one place and the Task Group were keen for this to be put together and made available in as many places as possible, again it was felt that Councillors had a role to play in helping distribute this and it was also suggested that a simple A4 poster also be provided to be displayed in prominent places within each Ward. It was felt that they would be better placed to know how this could be done most effectively.

Finally, it was noted that a specific page had been set up on the Council's website, where all relevant information was available. The Task Group wanted to ensure that the information was up to date and easily accessible, with the information being reviewed and monitored regularly.

The Task Group therefore recommends the following:



**Recommendation 1**

That the Council ensures its webpages are up to date and takes a proactive approach in promoting the various areas of support (including an up to date list of Warm Hubs/Spaces and support provided by local libraries in the District) available through as many different mediums as possible. For example, through its social media account and by learning from the best practice approaches used by other councils.

**Recommendation 2**

That a poster or booklet is created which includes a simple straight forward guide to all the various areas of support – this should be accessible in local buildings such as the libraries and Councillors provided with copies to hand out to residents or distribute for display on noticeboards.

**Recommendation 3**

That Councillors are provided with the contact details of Act on Energy and encouraged to proactively liaise with the outreach workers to ensure access to support is readily available to residents within their Wards.

## **Chapter 2**

### **External Support and what needs to be done to help**

At one of its earliest meetings the Task Group took the opportunity to meet with and interview Della McCarthy, the Bromsgrove and Redditch Partnership Manager, as it was felt that she would be able to provide information around the work of external partners and the work they were undertaking. It was felt that she may also be able to help with contacts for potential external witnesses.

During the meeting the Task Group was provided with a summary of the role of the Partnership (which was made up from representatives from the public and voluntary sector), the partners involved (including representatives from the Council, Police, Primary Care, Heart of Worcestershire College, Age UK and NewStarts) and the separate theme groups within the Partnership. The main board was chaired by Mr. Graeme Anderson, Chief Executive of BDHT. Della was able to provide the Task Group with details of the Better Environment Group, which she felt would be useful for the Task Group's purposes and chaired by Rachel Jones from Act on Energy, who the Council worked with closely (see full details in previous chapter). The Task Group were able to get a much better understanding of the role of Partnership from these discussions, understanding the benefit of partnership working and the importance of maintaining those links. This provided the Task Group with some early ideas about how the Partnership could play a part in providing the much needed support to residents in the coming months.

The Task Group thought it would be useful to also speak to Mr. Anderson, in his role as Chair of the Partnership, but also as the CEO of the district main social housing provider.

The Task Group had also been provided with contact details and information in respect of the Churches Together Group who had held a symposium on June to look at how it could support communities with the anticipated increasing cost of living crisis. It was felt that it would therefore be useful to interview Rev. D. Ford, who was taking a lead role within this Group.

#### **Churches Together and BDHT**

Rev. David Ford and Mr. Graeme Anderson, CEO BDHT attended the same meeting, and a detailed discussion took place following them initially providing information about the work they were doing.

Rev. Ford provided some background information of Churches Together and its members. He explained the role he felt the churches had to play in supporting the communities but could not act alone in meeting the needs of residents. It was important that they partnered with statutory and community organisations who were also responding to the crisis. It was important that they were aware of all the support that was available and how best to access it. This could be through increasing support of organisations they already worked with rather than starting up something new, but what was clear was that there was

a real need for that support and that it was likely to increase. The concern was that there was no clear data which helped those organisations to understand what was needed and the level of the need. From discussions that had already taken place it was clear that the need was different to many others and that it was much more widely spread across the district, it went beyond the areas of deprivation that people were already aware of and was not impacting on families that would under normal circumstances be able to manage their finances. It was commented that people appeared to have significant outgoings and did not have savings to draw upon. The increase in the cost of fuel and its knock on effect on the cost of living, meant that many people appeared to be at their financial limit, with no room for manoeuvre, which was a real concern. The concern was that this was unknown territory and imperative that the right support was provided in the right places.

It was clear that Warm Spaces was an essential part of the support that could be provided, and the churches were looking at how they could support this. However, it brought with it its own challenges as not all churches had the funds to cover the cost to do this and some of the church halls also had inefficient heating systems, which would be difficult to run throughout the winter. There were a number of ways that Churches Together were looking at providing support and again this included providing a hot meal to those that needed it, but this also came at a cost and until data was available that gave an indication as to just how many people would need to access support, it was difficult to gauge just what was needed and the cost. All the support Churches Together provided was reliant on volunteers too, which added another dimension to the provision of support in the longer term. There were also a number of other things to take into consideration, for example would access to a warm space be done through a referral system, as was the case with foodbanks, was there an opportunity for the Warm Spaces to be used as an educational hub, by potentially linking it to the local college as work experience for students to assist with cooking meals, or to help teach those attending how to cook on a budget. There was a lot to think about and a need for there to be a central point for its co-ordination to ensure there was no duplication of services and that they were both what was needed and in the right place.

Mr. Anderson explained how he felt both BDHT and the Bromsgrove Partnership (in his position as Chair) could support residents and the challenges faced.

It was explained that whilst there were a number of places where data could be accessed, this was a new challenge that was being faced and the data available may not be appropriate to the current situation. He gave an example of how the Partnership had assisted in the collection of data during the pandemic and that it had been found the best way for this to be done was simply by knocking on doors and asking the relevant questions. This had been supported by BDHT officers who were familiar with the local areas and had a good relationship with many residents due to the work they carried out. It was important that the Partnership members worked together, asking the question to GP surgeries for example about what they were made aware of. All parties needed to come together to understand the problem before it would be possible to find a solution

to it. It was acknowledged that BDHT as the single largest provider of social housing in the district, had a significant role to play. Mr. Anderson commented that, as had previously been mentioned, there were areas which were well known to be classed as areas of deprivation, however the cost of living crisis was bringing to light a whole new set of demographics and even those in reasonably well paid employment, who previously had a disposable income, were beginning to feel the pinch, which was likely to increase as the winter months loomed. Everyone had a role to play in trying to help and support residents and finding the best way to do this, whether it be through Warm Spaces or other means of addressing some of the complex issues that people would be facing.

The Partnership was able to co-ordinate the collection of data and the provision of support, but it was a much wider problem which needed to be addressed by all those involved. In light of the information around the demographics of those needing help, it was suggested that the type of support needed may well be very different in each area and this would need to be considered carefully when planning an approach to take. It was important to empower people and for them to share their skills and resources.

Mr. Anderson explained to the Task Group how his staff supported its residents, through a variety of means, including one to one support, budget and job coaches and signposting. BDHT worked in partnership with the CAB who were able to deal with more complex financial difficulties.

The Task Group raised concerns with Mr. Anderson around the use of pre-paid gas and electric cards. Mr. Anderson explained that very often this was the only way in which people were able to access utilities and that it was surprising how many people did not have access to a bank account and were therefore not able to use direct debit as a form of payment. Whilst it was not an ideal way of getting gas and electric, it was commented that actually a lot of people were very good at budgeting and the difficulty was that there were simply not receiving enough money to cover the ever increasing cost of living. The lack of a bank account also had an impact on a number of benefits which were paid to people, for example the recent £150 refund which had been paid from central Government through the Council Tax, had meant that those who did not pay by direct debit were some of the last to receive it, but were likely to be those in most need of it. The lack of a bank account was a definite disadvantage to many people, as was also the lack of access to a smart phone. The impact of many services only being accessible online or by telephone had an impact on many people.

The Task Group discussed whether the funding provided by central government to both residents (through the benefit system) and to local authorities was sufficient to meet the ever increasing needs and also that a number of schemes put in place to provide additional support were very restrictive and complicated to navigate in a very short timeframe. Rev. Ford commented that it was likely that the Council would feel the impact in a number of ways, as he believed that Council Tax arrears would increase as a result of the increase in the cost of living generally. The situation was an urgent one, which needed to be

addressed and it was important that a co-ordinated approach was taken to mitigate the longer term effect on local communities.

## **General**

The Task Group had been keen to involve both the Head of Community and Housing Services and Councillor Shirley Webb, as portfolio holder in its investigation and Councillor Webb was able to give evidence of the work that she was carrying out in her Ward supported by the Parish Council and other organisations. This included a flyer which had been produced (and printed by the Parish Council) which had details of Warm Spaces accessible each day of the week throughout her Ward. These were being distributed to as many people as possible to ensure that those that needed the help could access it. She hoped that the Act on Energy Outreach Worker would be able to attend some of those Warm Spaces in order to chat and provide support to those attending. She had also taken the time to distribute the Act on Energy leaflets to schools and her wish was for all children in the district to be given a leaflet to take home, to ensure those homes which needed support were aware of what was available. It was agreed that Councillors had an integral part to play in the work that was needed as they were most familiar with their own Ward, and it was important that they familiarised themselves with the support that was available and how it could be accessed.

From the discussions held with Rev. Ford and Mr. Anderson it was clear that there was a need for a co-ordinated approach to be taken and for data to be gathered to ensure that any support was the right support and targeted in the right places. It was acknowledged that there may be a need for additional financial support to be provided to some organisations to be able to provide that support, for example there may be some centres (or churches) who would be willing to help but were unable themselves to cover the full cost of their own heating, so a little support in this respect would be appreciated. The Task Group acknowledged that the Council was also facing its own challenges in respect of funding and that its budget for 2022/23 had already been agreed. However, the Task Group felt that it was important that all avenues of funding were investigated and applied for to ensure that the best possible support could be provided to its residents.

The Task Group therefore recommends the following:

<b>Recommendation 4</b>
That the Bromsgrove Partnership, supported by the Council, takes a lead role in the collection of high quality intelligence/data to ensure that the Council's partners can target their interventions where support is most needed.

**Recommendation 5**

That the Bromsgrove Partnership (with input from all District Councillors and/or relevant Parish Councils) take a lead role in co-ordinating appropriate support, to ensure it is readily available for residents throughout the whole district, for example this could mean the provision of a Warm Hub/Space and the facilities offered by the local libraries.

**Recommendation 6**

That the Cabinet actively explores all funding options (for example the UK Shared Prosperity Fund) available to the Council in order to ensure that, if needed, it is able to provide financial support to VCS organisations throughout the district in providing the support detailed in recommendation 5 above.

## **Chapter 3**

### **Areas to Note**

There were a number of areas that the Task Group touched upon during its investigation, and which it wished to highlight. It was felt that these areas may warrant further investigation in the future, and which could have a positive impact in the long term.

#### Local Planning

Members may wish to further investigate how the Council may be able to influence housing developers in the future to ensure that future housing developments were as energy efficient as possible.

This was also discussed with Graeme Anderson, from BDHT and he was keen for future builds to be as energy efficient as possible.

#### District Heat Network

The Bromsgrove District Heating project could help to bring local resilience and stability to the cost of heating and an update on its current position may be something which the Overview and Scrutiny Board may wish to receive and investigate further.

#### Private Rented Housing Sector

Minimum Energy Efficiency Regulations were in place regarding private rented homes and the Council's Private Sector Housing Team have the power to enforce these, should they be made aware of a property being let with an EPC rating of F or G without a registered exemption. Again, this may be something which the Overview and Scrutiny Board may wish to either receive regular updates on or investigate in more detail in the future.

#### Learning from other councils

The Task Group briefly touched on work that other councils were doing to address the impact of fuel poverty, both immediately and in the long term. This again, may be something which warrants further, more detailed investigation to ensure that this Council was doing all it could to support its residents.

## Appendix 1

### OVERVIEW & SCRUTINY BOARD

#### Fuel Poverty Task Group

#### Terms of Reference as at February 2022

##### Background to the Proposal

Local residents face crippling energy costs as a result of the lifting of the energy cap at the start of February. Average bills are set to increase by £693 a year whilst those on pre-payment metres will face an average rise of £708 per year. Families are facing increases of more than 50% in their annual energy costs at a time when other essential costs including petrol and food are also increasing rapidly.

[Recent research](#) from the ONS shows that a third of households are already cutting back on gas and electricity spending, with the impact disproportionately affecting those on the lowest incomes. This energy crisis presents a real threat to the health and wellbeing of our residents. The purpose of this group is to examine what support the Council can offer to residents who are most adversely affected by the energy crisis and ensure we are doing as much as we can to prevent fuel poverty in our community.

This links to the Council's objectives as set out in the 2019-2023 Council Plan. One of our Strategic objectives is to promote work and financial independence, with an action to support residents to manage their finances. The energy crisis represents an unprecedented challenge to these objectives, which merits further investigation.

##### Aims and Objectives of the Task Group

- Explore what insight the Council has into the likely impact of the energy crisis on local residents, such as EPC ratings data, volume of support referrals.
- Explore what support is available locally, who provides it, how residents can access it and how success is measured
- Explore what measures are being taken to retrofit our social housing stock in order to make it as energy efficient as possible
- Explore what opportunities are available for residents in private rented housing to improve the energy efficiency of their homes
- Consider whether there are any gaps in support for those facing fuel poverty in Bromsgrove and explore how these could be filled



# Agenda Item 5

- Investigate whether there are any areas of good practice at other councils that we could learn from
- Investigate whether there are any new national or regional policies or funding schemes that we could take advantage of to support local residents.

## **Appendix 2**

### **NOTICE OF MOTION**

#### **MOTION – COUNCIL 17<sup>th</sup> OCTOBER 2022**

The following Notice of Motion has been submitted in accordance with Procedure Rule 10 by Councillor H. Rone-Clarke:

“Council recognises that the current cost of living crisis is both an emergency and a matter of paramount concern for local residents.

Therefore, council resolves to:

1. Lobby the new Prime Minister for concrete action to be taken in order to support the public through this upcoming crisis
2. Consider use of the Parkside complex as a day centre during the Autumn/Winter period to support residents who cannot afford to heat their homes, providing a warm space to sit and even socialise.”

## **Appendix 3**

### **BACKGROUND PAPERS**

#### **Council**

Essential Living Fund

#### **External**

Household Support Fund  
Government's Social Housing Decarbonisation Fund  
Information from various Nearest Neighbours' websites

#### **Points of Reference**

[Fuel poverty statistics - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

[What is Fuel Poverty? | National Energy Action \(NEA\)](#)

[What Is Fuel Poverty In The UK | MoneySuperMarket](#)

[Fuel poverty factsheet, England, 2020 \(publishing.service.gov.uk\)](#)

[Fuel poverty definition and meaning | Collins English Dictionary \(collinsdictionary.com\)](#)

[Fuel poverty | North Lanarkshire Council](#)

## **Appendix 4**

### **WITNESSES**

The Task Group considered evidence from the following sources before making its recommendations:

#### **Internal Witnesses:**

Claire Felton – Head of Legal, Democratic and Property Services  
Judith Willis - Head of Community and Housing Services, Guy Revans, Head of Environmental and Housing Property Services  
Julie Heyes – Business Development Manager  
Della McCarthy – Bromsgrove and Redditch Partnership Manager  
Lisa Devey – Financial Inclusion Team (written submission)

Councillor Shirley Webb – Portfolio Holder for Health and Well Being and Strategic Housing

#### **External Witnesses:**

Graeme Anderson, Chief Executive, Bromsgrove District Housing Trust  
Rev David Ford, Churches Together  
Rachel Jones, Chief Executive, Act on Energy  
Nicki Hitchcock - Bromsgrove, Droitwich, Rubery, Hagley and Catshill Library Manager, Worcestershire County Council

**Legal, Equalities and Democratic Services**

Bromsgrove District Council, Parkside Offices, Market Street  
Bromsgrove, Worcestershire B61 8DA  
Email: [scrutiny@bromsgrove.gov.uk](mailto:scrutiny@bromsgrove.gov.uk)

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**CABINET  
2022**

**23 November**

**SHERWOOD ROAD FOOTBRIDGE, ASTON FIELDS – PERMANENT CLOSURE OF FOOTBRIDGE, REMOVAL OF BRIDGE DECK AND TRANSFER OF OWNERSHIP TO SEVERN TRENT WATER LTD**

Relevant Portfolio Holder	Councillor Margaret Sherrey
Portfolio Holder Consulted	Yes
Relevant Head of Service	Guy Revans - Head of Environmental and Housing Property Services
Report Author	Job Title: Engineering Team Leader Contact email: <a href="mailto:pete.liddington@bromsgroveandredditch.gov.uk">pete.liddington@bromsgroveandredditch.gov.uk</a> Contact Tel: 534108
Wards Affected	Aston Fields and Avoncroft
Ward Councillor(s) consulted	No
Relevant Strategic Purpose	Communities which are safe, well maintained and green
Key Decision	

**1. RECOMMENDATIONS**

**1.1 The Cabinet is asked to RESOLVE that: -**

- i) The existing pedestrian footbridge in Sherwood Road be permanently closed, due to its current structural condition;**
- ii) After removal of the bridge deck, the remaining structure be declared surplus to Council requirements, and disposed of to Severn Trent Water Ltd at nil cost.**

**1.2 The Cabinet is asked to RECOMMEND that: -**

- i) A budget of £10k be added to the 2022/2023 Capital Programme to be funded from internal resources.**

**2. BACKGROUND**

- 2.1 The footbridge (refer to Appendix 1) is owned by this Authority. It would seem that the footbridge was probably originally constructed for a joint purpose, by whom is unknown, serving both as a pedestrian route to the adjacent development, Sugarbrook Court, and as a structural support for Severn Trent Water Ltd's (STW) 675mm diameter combined sewer.**

- 2.2 A recent inspection of this reinforced concrete structure has revealed significant structural failures, particularly with large cracks appearing in the concrete, exposing the steel reinforcement. In addition, there are Universal steel beams integrated within the structure, which are open to the elements, as opposed to being integrated within the concrete structure, which would have offered protection. As a consequence, these beams have degraded to such an extent that in some instances only the outline of these sections remain (refer to Appendix 2).
- 2.3 This pedestrian footbridge appears not to be a well-used pedestrian link, and it is currently obscured by overgrown shrubs and trees. There are other adequate pedestrian routes easily accessible. Once, the footpath's condition was known to us, we ensured it was immediately closed to all pedestrians and adequately fenced off. No comments whatsoever have been received from local businesses or the general public as to the actual closure.
- 2.4 In view of the apparent non-usage of the footbridge, it is considered practical that the permanent closure of this structure would be the best course of action on the Council's part. The anticipated full reconstruction costs, coming at a time when finance is particularly restricted, could not be fully justified. Obviously, the existing gravity sewer crossing is a necessity for STW, and therefore preliminary discussions have taken place with STW, with regards to the best way forward. Our proposal to STW, was that as they require the structure to be maintained as a structural support for their sewer crossing, this Council would be prepared to transfer the ownership of the total structure to STW, in its existing condition, and STW would then need to undertake and totally finance the necessary remedial/reconstruction costs. In view of the existing condition of the structure, it is recommended that no purchase price is levied against STW.
- 2.5 STW have provisionally agreed to this arrangement, subject to the bridge decking being removed and financed by the Council, in advance of the sale transfer, hence the need for the Capital budget approval.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 The cost of removal of the existing bridge deck is substantially less than the anticipated reconstruction works if the footbridge were to be kept for its original purpose. Indeed, a more detailed structural analysis could well result in proposing that it was more financially beneficial to demolish the complete structure and totally replace it.



- 3.2 The proposal to add an additional £10k to the Capital Programme needs to be recommended on to Council as this is a new addition to the budget.

#### **4. LEGAL IMPLICATIONS**

- 4.1 Referring to the existing Conveyance and Deed, they are both silent in terms of providing a bridge or a structure for STW to span the watercourse to support their sewer. Therefore, on the basis of these two titles, the Council do not have an obligation to repair/maintain or provide such a structure.

#### **5. STRATEGIC PURPOSES - IMPLICATIONS**

##### **Relevant Strategic Purpose**

- 5.1 *Communities which are Safe, Well Maintained and Green* – with adoption of the proposals included within this report, this structurally unsafe existing pedestrian footbridge will be permanently removed from use.

##### **Climate Change Implications**

- 5.2 There are no Climate Change implications.

#### **6. OTHER IMPLICATIONS**

##### **Equalities and Diversity Implications**

- 6.1 There are no Equalities and Diversity Implications

##### **Operational Implications**

- 6.2 Although the bridge deck will be removed from the structure, making it just a watercourse crossing for STW's sewer, there will of course be a possible incentive for individuals to try and traverse the remaining structure, as an inviting 'dare.' Consequently, as part of our works, a fence will be provided on each embankment to deter any such potential crossings, and STW will be advised to install safety fans, or similar, to supplement the deterrent. Such deterrents will be provided in conjunction with Community Safety.
- 6.3 The required budget for the works as described in 6.2, is arrived at utilising the Council's current Term Contract for Minor Civil Engineering and Ancillary Works. The budget of £10k will be sufficient to complete all the necessary works.

### CABINET 2022

23 November

6.4 It is anticipated that the works will commence in late January 2023 and will take approximately two/three weeks to complete. However, the actual start date will be dependant on the completion of the legal transfer of the structure to STW.

#### 7. RISK MANAGEMENT

7.1 The removal of the bridge deck, together with the transfer of the remaining structure to STW, will eliminate any potential future Health and Safety risk for the Council.

#### 8. APPENDICES and BACKGROUND PAPERS

- i) Appendix 1 – Footbridge Location Details
- ii) Appendix 2 – Existing condition photographs

#### 9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Cllr Margaret Sherrey	01 August 2022
Lead Director/Head of Service	Guy Revans Head of Environmental and Housing Property Services	05 July 2022
Financial Services	Peter Carpenter Director of Finance	13 July 2022
Legal Services	Clare Flanagan Principal Solicitor	11 July 2022
Policy Team	Emily Payne Engagement and Equalities Advisor	13 July 2022
Climate Change Officers	Kath Manning - Climate Change and Energy Support Officer  Anna Wardell-Hill	11 July 2022

**CABINET**  
**2022**

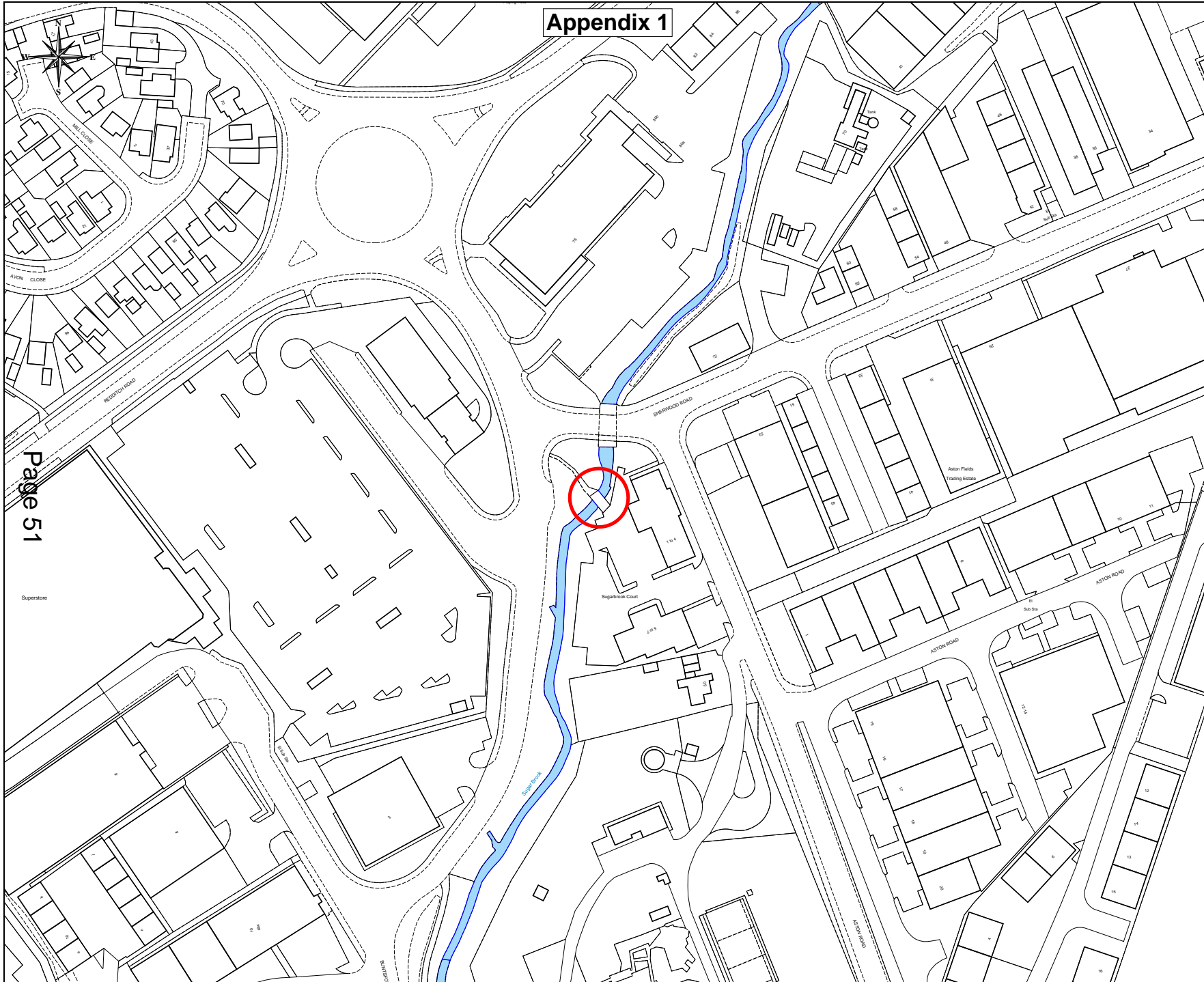
**23 November**

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	Environmental Policy and Awareness Officer	
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Appendix 1



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Notes:

Date	Rev	Details

Project:  
**Existing Footbridge  
 Sherwood Road, Bromsgrove**

Drawing:  
**Location Details**

Drawn:	PTL	Scale:	1/1250 @ A3
Surveyed:	OS	Date:	Apr 2021

Drawing No: **P2030/299**

**Engineering and Design Services**  
 Town Hall  
 Walter Stranz Square  
 Redditch  
 Worcs B98 8AH



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APPENDIX 2





APPENDIX 2





## Cabinet

23<sup>rd</sup> November 2022

### Workforce Strategy

Relevant Portfolio Holder	Councillor G. Denaro
Portfolio Holder Consulted	Yes
Relevant Head of Service	Deb Poole – Head of Transformation, OD and Digital
Report Author	Job Title: HR&OD Manager Contact email: becky.talbot@bromsgroveandredditch.gov.uk Contact Tel:01527 64252
Wards Affected	N/A
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	Enabling
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

**1. RECOMMENDATIONS :-**

**1.1 The Cabinet is asked to RESOLVE that**

**The approach taken by the Chief Executive, as Head of Paid Service, to address the Workforce Strategy be endorsed.**

**2. BACKGROUND**

2.1 The Council's Workforce Strategy has been developed by taking into consideration the priorities in the Council Plan and by focusing on ensuring we have a workforce that is fit for the future. The strategy links to and supports the Council's strategic priorities by identifying what the workforce needs to look like and how it needs to operate to deliver the best possible outcomes for our communities.

2.2 The strategy helps provide direction to ensure that the organisation has the right people, with the right skills, in the right place, at the right level and at the right cost. The Workforce Strategy also aligns with our Customer and Digital Strategy and our Agile Policy to ensure the workforce has the tools to do their jobs effectively, can work flexibly and be responsive to customer needs.

## **Cabinet**

**23<sup>rd</sup> November 2022**

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- 2.3 Our Workforce Strategy is essential in making sure we can deliver our Council Plans and our Strategic Priorities.
- 2.4 In order to deliver the direction needed, the strategy highlights the following three key themes:
- **Workforce Planning and Talent Management** - the way we secure and retain the workforce that we need now and in the future, whilst achieving an increasingly diverse workforce where everyone's contribution is recognised and valued.
  - **Engagement** - the way employees are motivated and engaged in the delivery of the Councils' Strategic Purposes.
  - **Health, Safety and Wellbeing** – the health, safety and wellbeing of our staff is important, and we will strive to provide a safe and healthy working environment that promotes everyone's wellbeing. We will focus on helping staff to make better choices, change behaviours and better manage their overall wellbeing.

### **3. OPERATIONAL ISSUES**

The Workforce Strategy will ensure we have a clear approach to how we will manage and develop our current and future workforce.

### **4. FINANCIAL IMPLICATIONS**

There are no financial implications other than those that may relate to specific activities referred to in the strategy. Any additional budget requirements will be explored through budget bids or business cases at the appropriate time.

### **5. LEGAL IMPLICATIONS**

There are no legal implications

### **6. OTHER - IMPLICATIONS**

#### **Relevant Strategic Purpose**

- 6.1 The Workforce Strategy sets out the Council's vision and aspirations for its workforce, both now and in the future. In doing so it recognises the importance of our staff as a resource central to our success in delivering our strategic purposes.

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### **Climate Change Implications**

- 6.2 As agile working becomes more commonplace and the use of digital technology more important, as a council we will need to adopt new ways of working which may reduce the requirement for travel thus supporting the councils commitment to the green agenda.

### **Equalities and Diversity Implications**

As we implement the strategy due consideration will be given to any equality and diversity implications. However, it is recognised that a diverse workforce is more likely to understand our customers' needs and support the development of innovative ideas to fulfil those needs.

## **7. RISK MANAGEMENT**

- 7.1 N/A

## **8. APPENDICES and BACKGROUND PAPERS**

Appendix One – The Workforce Strategy

## **9. REPORT SIGN OFF**

<b>Department</b>	<b>Name and Job Title</b>	<b>Date</b>
Portfolio Holder	Councillor G. Denaro	26/10/2022
Lead Director / Head of Service	Deb Poole – Head of Transformation, OD & Digital	19/10/2022
Financial Services	Michelle Howell – Head of Finance & Customer Services	26/10/2022
Legal Services	Mike Rowan Legal Services Manager	26/10/2022

## **Cabinet**

**23<sup>rd</sup> November 2022**

Policy Team (if equalities implications apply)	N/A	
Climate Change Team (if climate change implications apply)	N/A	

# Workforce Strategy 2022 to 2026

Bromsgrove District Council



Date of Issue: November 2022  
Review Date: 2026



**Bromsgrove**  
District Council

[www.bromsgrove.gov.uk](http://www.bromsgrove.gov.uk)

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## Foreword

As we look to the future, we are actively embracing technology and innovation. We want to be an employer of choice, with a high performing, agile and diverse workforce. We believe that it is important that we have a clear approach to how we will develop our current and future workforce particularly in these times where our budgets are under more pressure than ever before.

Our Workforce Strategy sets out how we will develop the capacity and capability of our workforce to achieve our Strategic Priorities. Our aim is to create a high-performance culture that can drive the effectiveness and efficiency of our service delivery. The Council Plan sets out a clear vision for the outcomes the council wants to deliver for our residents. The Workforce Strategy describes the way we plan to develop our current and future workforce to ensure we have the right people with the right skills, to enable the council to deliver the council plan. The Strategy also signals a clear intent to better integrate workforce planning with financial and service planning processes.

The Strategy sets out our aims / plans for the next four years and demonstrates a commitment to our workforce. Our staff are our most valuable asset. We must ensure that all staff feel engaged and motivated so that they can deliver the best possible services to the residents.

We recognise that some of the things in this strategy will be challenging to deliver which is why it is imperative that staff feel they have a voice and can contribute to improving the way we do things. I would encourage you to embrace the strategy and play your part in helping us achieve the workforce of the future.

**Kevin Dicks**  
**Chief Executive**

## Introduction

Our refreshed Council Plan 2019 – 2023 sets out how we, as a council, will support the achievement of the vision for the district through our strategic purposes. Our workforce is integral to delivering against Strategic Purposes.

**BROMSGROVE  
DISTRICT  
COUNCIL**

- **Run and grow a successful business**
- **Work and financial independence**
- **Living independent, active and healthy lives**
- **Affordable and sustainable homes**
- **Communities that are safe, well-maintained, and green**

Our Workforce Strategy is essential in making sure we can deliver our Council Plans and our Strategic Priorities. It should be read in conjunction with service and corporate level business plans as the themes set out here are how we intend to support delivery of our Council Plans.

We recognise that the greatest asset the councils have is our workforce, who make such a positive difference to the quality of residents' lives. The Workforce Strategy demonstrates the value we place on our people, their energy, ideas, and innovation and sets out how we intend to demonstrate this.

As we move forward into a world where agile working becomes more commonplace and the use of digital technology more important to achieving high performance, we will need to adopt new ways of working and develop new and different skill sets and behaviours. While technology will become even more important in how we deliver services to our customers and, while we move to a more digital model of service delivery, we must not forget the importance of human interaction.

The continued financial challenges we face mean high performance and adopting new ways of working are even more important than before.

The Workforce Strategy builds on and expands the previous Human Resources & Organisation Development Strategy (2017) and sets out how we are going to achieve the workforce of the future.

The diagram below provides an overview of how the Workforce Strategy fits alongside the Councils other strategic plans.



Other interlinking strategies – The Workforce Strategy has a direct link to other strategies and plans including the Customer & Digital Strategy, Equalities Strategy and Asset Strategy.

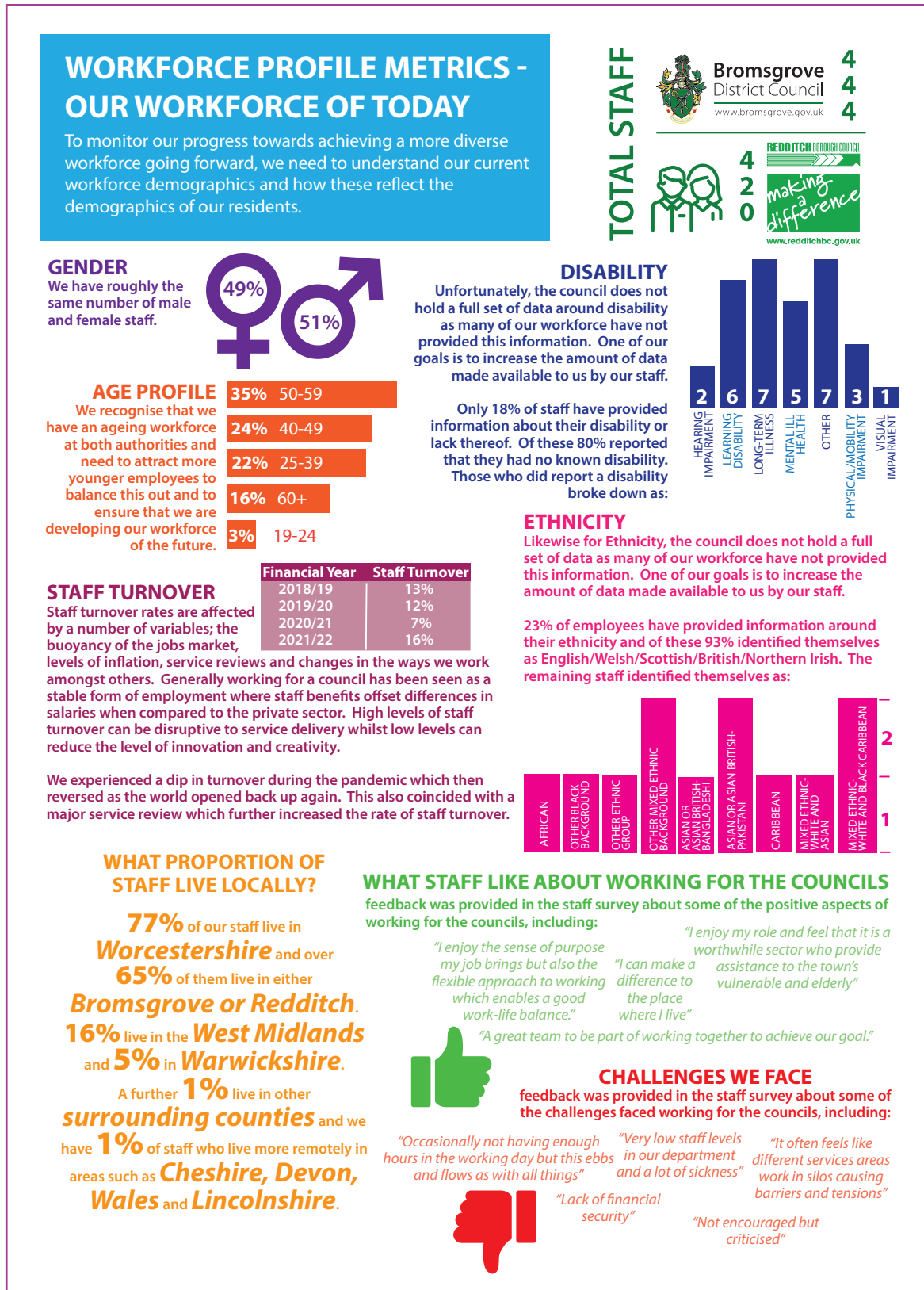
## Purpose

The Workforce Strategy sets out the Council's vision and aspirations for its workforce, both now and in the future. In doing so it recognises the importance of our staff as a resource central to our success in delivering our strategic purposes.



## Our Approach

Our starting point is understanding our current workforce. The infographic below provides an overview of where we are at present.



Our approach is practical and recognises that this is a corporate strategy, and everyone within the two councils has a role to play in its delivery. This strategy is supported by a detailed action plan setting out who will take the lead on which element, how we will measure our success and deliver our objectives to completion.

## How will we monitor progress?

We will monitor progress and the difference we are making through a variety of ways, such as performance measures, surveys, and human resources data. In addition, regular progress reports will be provided to Corporate Management Team (CMT). A Workforce Strategy Group will have oversight and responsibility for the Strategy's implementation and will receive regular updates on progress from topic leads.

## Our Vision for our workforce

- Develop a high-performing workforce which delivers the services our customers need
- Create a culture which drives employee engagement and open, two-way dialogue at all levels
- Find ways to ensure that our workforce is engaged, motivated and resilient
- Develop a workforce which is flexible, adaptable and innovative
- Provide an environment which is safe, healthy and supportive
- Ensure a diverse and inclusive workforce. See page 5 for our current workforce demographics
- Demonstrate our ongoing commitment to supporting our staff

We will achieve this by focusing on three themes:

1. **Workforce Planning and Talent Management** - the way we secure and retain the workforce that we need now and in the future, whilst achieving an increasingly diverse workforce where everyone's contribution is recognised and valued.
2. **Engagement** - the ways employees are motivated and engaged in the delivery of the Councils' Strategic Purposes.
3. **Health, Safety and Wellbeing** - the health, safety and wellbeing of our staff is important, and we will strive to provide a safe and healthy working environment that promotes everyone's wellbeing, and we will focus on helping staff to make better choices, change behaviours and better manage their overall wellbeing.

## Progress Updates

We will keep staff up to date on progress, and key actions will be communicated to staff through the Chief Executive's Q&A sessions, Team Briefs and Oracle newsletters, and via updates on the Orb.

## Getting Involved

There will be many ways for staff to get involved by providing their feedback, thoughts, and ideas. These will include team meetings, focus groups, one-to-ones and via Kevin's Q&A sessions. Individuals can participate in the training and development opportunities on offer, respond to staff surveys, look after their own health and wellbeing, and help ensure that their workplace is safe for themselves and others.

## Workforce Planning and Talent Management

### Aims:

- To implement a strategic and systematic approach to workforce planning to define, attract and grow our future workforce and leaders, creating our route map for the future
- To ensure Strategic Workforce Planning is linked and embedded in business planning.
- To attract, engage and retain the best talent from the widest pool and to ensure their on-going development, to maximise the contribution they make to the delivery of council services
- To safeguard the delivery of future council services by developing our future workforce internally including our future leaders
- To achieve a diverse workforce which is representative of the communities we serve
- To develop and retain high performing talent

### Including:

- A systematic approach to workforce planning - understanding what our future business looks like, the skills, knowledge and behaviours that will enable us to deliver services now and, in the future
- Evidence based decision making supported by accurate workforce data and projection of future need.
- Ensuring there are sufficient mechanisms in place to get the best out of employees, be it through performance appraisal, one to one meetings, training and development and talent management programmes.
- Focus our development activities to increase leadership capability across the organisation
- Looking to introduce more creative ways of reaching potential candidates, using better ways of selecting the best talent for our organisation and recruiting for future potential
- Streamline our recruitment and selection process to enable us to select the best candidates and fill posts quickly
- To be a modern employer of choice, whereby our recruitment, development opportunities, reward and recognition align with our workforce plans.
- Provide wider opportunities through work experience and apprenticeships
- Make full use of the apprenticeships levy to support learning and development and career progression of current and future workforce.
- Review performance processes to ensure they are fit for purpose in an agile workforce
- Implementing learning and development programmes which fit both the organisation's needs and staff aspirations wherever possible
- Reviewing our approaches to retention, looking at keeping and developing talent within the organisation
- Continuing to build on our approach to performance management to reflect the changing environment in which we work, understanding what "good" looks like, providing staff with

recognition for good performance, and supporting staff if they struggle to achieve this.

- Reviewing the use of our temporary workforce to ensure that this is aligned to our permanent workforce strategies
- Maintaining accurate and up-to-date human resources analytics such as establishment, leavers, starters etc to support decision making, workforce planning, monitoring and reporting
- Ensuring that our pay and conditions are fair and consistently applied
- Proving staff benefits which meet requirements and provide support when staff need it such as making their money go further
- Implementing an agile working approach that is appropriate for our business

## Engagement

### Aims:

- To enable staff to be high performers by helping them see how their role fits into the bigger picture and to understand the value that they bring
- To help all staff to be committed to success
- To create a culture where staff are proud of what they do and are committed to supporting their customers
- To ensure that staff have timely and relevant information to enable them to deliver high levels of performance
- To seek staff input and participation in setting our direction and the delivery of Council services
- To recognise effort as well as achievement
- To have a culture of open and constructive communication

### Including:

- Developing an organisation culture which reflects our values and supports our staff to be high performers
- Promoting our Principles as part of our employer brand and internal identity
- Carrying out staff surveys and audits, using the results to drive decision making
- Reviewing communications within the councils to ensure that they are timely, accurate, transparent, and two-way
- Looking at ways to involve staff in consultation around corporate projects and plans
- Establishing an induction process which meets the needs of our new starters and staff moving within the organisation, and allows them to rapidly become productive members of our workforce
- Improving leader visibility and ensure they are engaged and 'walk the talk' around wellbeing
- Exploring ways of improving and promoting staff wellbeing

- Ensuring our Equalities, Diversity and Inclusion policies are reflected in our processes, procedures, behaviours and culture
- Ensuring that Appraisals and One-to-Ones take place regularly and provide a safe place to hold two-way conversations around aspirations, performance, and achievements in an open, honest, and respectful manner
- Holding team meetings which provide an open forum for development, discussion and the exchange of information, views, and ideas

## Health, Safety and Wellbeing

### Aims:

- To provide a workplace that meets staff needs, both physical and mental
- To meet our legal obligations to staff health, safety and wellbeing
- To have a consistent and coordinated approach to wellbeing through effective leadership
- To make a significant shift from reactive to preventative approaches to wellbeing

### Including:

- Supporting managers so that they understand and carry out their role in ensuring health, safety and wellbeing
- Managing risk by observing best practices in industry and through collaborating with staff and managers
- Providing training and awareness sessions around essential health, safety and wellbeing topics
- Providing Occupational Health & Employee Assistance Programmes (EAP), increasing staff awareness and understanding of the benefits of the EAP, Occupational Health interventions and any wellbeing initiatives which form part of the strategy
- Participating in local and national wellbeing initiatives where there is a benefit to our staff, supporting and learning from other organisations
- Providing access to services that are available to organisations in the public sector which support our wellbeing agenda
- Providing essential health surveillance and interventions where relevant to specific roles
- Engaging with HSE's Stress Management Standards throughout the Workforce Strategy to prevent stress-related illness as far as reasonably practicable, and to minimise the impact of stress-related issues on the workplace
- Developing wellbeing resources and toolkits to enable staff to better take responsibility for their own wellbeing
- Increasing the visibility and awareness of wellbeing, making it relevant and accessible by improving signposting to internal and external resources

## Version Control

<b>Title</b>	Bromsgrove District Council Workforce Strategy 2022 to 2026			
<b>Description</b>				
<b>Created By</b>	Head of Transformation, OD & Digital Services			
<b>Date Created</b>	2022			
<b>Maintained By</b>	Head of Transformation, OD & Digital Services, Human Resources & Development Manager			
<b>Next Review Date</b>	2026			
<b>Version Number</b>	<b>Modified By</b>	<b>Modifications Made</b>	<b>Date Modified</b>	<b>Status</b>

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#### **MEDIUM TERM FINANCIAL PLAN UPDATE**

Relevant Portfolio Holder	Councillor Geoff Denaro, Finance and Enabling Portfolio Holder
Portfolio Holder Consulted	Yes
Relevant Head of Service	Michelle Howell
Report Author	Job Title: Head of Finance & Customer Services email:michelle.howell@bromsgroveandredditch.gov.uk Contact Tel: 01527 64252
Wards Affected	N/A
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	All
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

#### **1. SUMMARY OF PROPOSALS**

- 1.1 The Council will set its budget in two Tranches this year. The initial Tranche was published on the 26<sup>th</sup> October. This report updates Members on proposed changes announced in November by the Chancellor and how this might affect budget assumptions along with any feedback received for the savings proposals in Tranche 1 of the budget. It recommends to Council that these savings proposals are Recommended for Council approval in December.

#### **2. RECOMMENDATIONS**

**Cabinet are asked to Resolve that:**

- 1 That Officers continue to work on additional options, as outlined in the Strategy section of the Tranche 1 Report for presentation to Cabinet in February as Tranche 2 of the Budget.

**Cabinet are asked to Recommend to Council that:**

- 2 The Tranche 1 savings proposals, Fees and Charges increases including updated WRS charges, and the single Growth item in respect of the Climate Change Officer are approved for implementation to ensure maximum benefit as at 1<sup>st</sup> April 2023.

### Cabinet

23<sup>rd</sup> November 2022

#### 3. **Background**

##### **Introduction**

3.1 The Council sets a 3-year Medium Term Financial Plan every year, with the final Council Tax Resolution being approved by Council in February. This year's process, as set out in the Tranche 1 documentation (attached as Background Papers) has been more difficult due to the following factors and as such has been split into two Tranches to ensure maximisation of delivery in the 2023/24 financial year:

- Starting the process with an initial deficit amount from the 2022/23 MTFP.
- This being the first year that the Government starts to pay for the C-19 Pandemic.
- The present cost of living crisis.
- A change of Prime Minister and Cabinet.
- Limited Reserves and balances.

##### **Tranche 1 Proposals**

3.2 The Tranche 1 Report was discussed by Cabinet on the 26<sup>th</sup> October. In that report, the Interim Director of Finance noted in his draft robustness statement set out that the MTFP highlights that the current financial position is untenable without some form of intervention. Whilst a balanced budget for 2022/23 was approved with the use of reserves in February 2022, the Council is currently forecasting a £1.5m overspend in 2023/24 due to the additional demands placed on it due to the present rates of inflation, which in turn is utilising the remaining available reserves balances to fund these pressures.

3.3 It is important, for planning purposes that those initial savings proposals are approved by Council as soon as possible in order to achieve the maximum benefit in the 2023/24 financial year. As per the Q2 Monitoring Report, which is also being presented to Cabinet today, prior years "unallocated savings" have now been fully allocated to service budgets.

3.4 Those initial savings proposals to be approved and the position on the Councils budget as per Tranche 1 are set in the following table. Overall, the Council has identified £1.625m of savings items. These offset the £1.588m budget deficit. However, when we add in inflationary pressures (non-utilities) we move to a deficit position of £863k which increases to £942k over the three-year period. We kept utilities separate, pending possible Government support, however this increases the overall deficit position to £1.5m, rising to £1.6m on present working assumptions. Fees and Charges increases were part of the Tranche 1 proposals. Appendix A sets out the full set of WRS Fees and Charges. The initial appendix did not contain all the Environmental Health charges.

<b>Bromsgrove Position Statement</b>				
		<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Base Budget Position 22/23 MTFP</b>				
	Expenditure	11,948	12,077	12,347
	Funding	-10,360	-10,864	-10,724
	<b>Net</b>	<b>1,588</b>	<b>1,213</b>	<b>1,623</b>
<b>Revised Gap</b>		<b>1,588</b>	<b>1,213</b>	<b>1,623</b>
<b>Pressures</b>				
	50% Funding for Climate Change Officer	<b>30</b>	<b>30</b>	<b>30</b>
<b>Savings Options</b>				
	Environmental Services Partnership	0	-25	-50
	Service Reviews	-140	-330	-405
	Town Hall	-70	-70	-70
	Finance Vacancies	-100	-100	-100
	MRP	-100	-100	-100
	Pension Fund	-663	-663	-663
	Engage Capacity Grid (One Off)	-200	-200	0
	10% Increase in Fees and Charges	-382	-389	-390
	<b>Total Savings</b>	<b>-1,625</b>	<b>-1,847</b>	<b>-1,748</b>
<b>Revised Position</b>		<b>-37</b>	<b>-634</b>	<b>-125</b>
<b>Pressures</b>				
	Pay Pressure Year 1	718	718	718
	Pay Pressure Future Years (1%)	0	0	155
	Transport Pressure	32	33	34
	Contracts Pressures	150	155	160
	<b>Core Pressures</b>	<b>900</b>	<b>906</b>	<b>1,067</b>
<b>Updated Position</b>		<b>863</b>	<b>272</b>	<b>942</b>
	Utilities Inflation	702	702	702
<b>Final Draft Position</b>		<b>1,565</b>	<b>974</b>	<b>1,644</b>

**Table 1 – Tranche 1 Position**

- 3.5 The Council's Capital Programme must prioritise the spending of Levelling up and UK Shared Prosperity Grant Funding – both of which have to be delivered by April 2025. Therefore, the new rationale is for any scheme not yet started (unless grant or S106 funded) is that they must rebid for funds as part of the 2023/24 budget process.
- 3.6 The Savings Proposal Document had a feedback section – any feedback will be fed back to Cabinet aurally.

### Cabinet

23<sup>rd</sup> November 2022

#### **Chancellors Statement 17<sup>th</sup> November 2022**

- 3.7 The Statement by the Chancellor Jeremy Hunt has now been delayed from the 31<sup>st</sup> October to the 17<sup>th</sup> November.
- 3.8 A verbal update will be given to Cabinet on the 23<sup>rd</sup> November setting out implications for Local Government from the Statement and any possible changes to the budget gap that can be verified from the data presented.
- 3.9 It is expected that Provisional Local Government settlement take place as per previous years in the middle of December. Therefore, the overall timetable remains as per the timetable set out on the 26<sup>th</sup> October:
- Initial Tranche 1 Options published - 17th October
  - Cabinet discuss initial options – 26th October
  - Chancellors Statement – 17<sup>th</sup> November
  - End of feedback period – 23rd November
  - Tranche 1 approved by Cabinet in November and Council in December
  - Provisional Local Government Settlement – 15th December
  - Final Local Government Settlement – 12th January
  - Tranche 2 options ready for Cabinet – 17th January
  - Tranche 2 options presented to Cabinet – 15th February
  - Full Budget approved by Council – 22nd February

Timescales are estimated – however the issue is that the timescales are challenging for the delivery of either Tranche1 or Tranche 2.

#### **The Council's Base Assumptions including Inflation and Grants**

- 3.10 Following the Chancellors announcement in November, it is important that the Councils base assumptions are revised. This section sets out those base assumptions now.
- 3.11 Tax Base underlying assumptions are as follows
- Council Tax – Figures assume the full 1.99% increase
  - Business Rates Increases – Base assumptions no increases over the medium term, being reviewed in light of post C-19 Environment.
  - New Homes Bonus – It is assumed to be none in 23/24 onwards
  - Lower Tier Services Grant – It is assumed to be none in 23/24 onwards
  - Pension Fund assumptions – takes account of the latest triennial valuation which was received in September

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- 3.12 Grant support assumptions are as follows (Revenue and Capital). It should be noted that these are budgeted figures and final grant figures will not be confirmed until the time of the final Local Government Settlement.
- The main Revenue Grants are
    - S-31 Grant (for Business Rate reductions) - £1.126m
    - Housing Benefit - £14.7m
    - Housing Benefit Administration - £0.148m
    - Cost of Revenues Collection Grant - £0.119m
  - The Council has £14.492m of Levelling Up Grant to be spent by April 2026 which is match funded by £1.610m of Council funding.
  - The Council has £2.681m of UK Shared Prosperity Fund to spend by April 2025. This is both revenue (£2.068m) and capital (£0.613m) in nature
- 3.13 Inflationary increases are significant due to factors already identified in previous sections. The following are the current base assumptions although given the present “cost of living” crisis and the change of Government in September it is likely these will need to be updated in Tranche 2.
- Presently, the Employers have offered a 2022/23 pay award of £1,925 per pay point plus on costs. This equates to an additional £675,675 cost to the Council from its initial budget. We budgeted for a 2% increase in our base budget in the 2022/23 MTFS which was £180k. In addition, we are assuming the 2023/24 will see an additional cost of 1.5% over our 1% base at a cost £222,518 before reverting back to 1% from 2024/25.
    - Therefore, at our present employee budgets this accounts for an ongoing pressure of £898,193. Taking account of the £180k inflation this results in a £718,193 increase.
  - General inflation is running at 10% as of the 18th August. The assumption is this will affect transport and contract budgets in particular. Its impact on 2023/24 will be as follows (it is assumed that 2024/25 will move back to normal levels of 2%):
    - Bromsgrove base transport budget - £320k – Increase £32k
    - Bromsgrove base “contracts” budget - £1.5m – Increase £150k
  - Utilities increases will be significant, with all our existing Utility contracts requiring renewal by the end of this financial year. We have seen increases in some areas of up to 400%. For planning purposes, we will assume an increase of 200% in 2023/24 which should then be relatively constant for the next three years.
    - Bromsgrove base utilities budget - £351k – Increase £702k

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3.14 There are also other possible pressures that will be monitored during the Tranche 1 and Tranche 2 processes as many relate to changes in Government legislation which is yet to be received. Key items include:

- The future waste operating model,
- Possible commercial opportunities to maximise income.
- Climate Change
- Review of the Councils Leisure contract.

3.15 Other service-based pressures will be identified for inclusion in the Tranche 2.

#### **Strategic Approach**

3.16 The Council came into the 2023/24 budget process with a number of conflicting issues. These included:

- An ongoing budget deficit position from the 2022/23 MTFS of £1.6m which has now been resolved.
- Significant inflationary increase due to the “cost of living” crisis.
- Limited reserves to call on to reduce any deficit, which is still the case due to inflationary pressures. Earmarked reserves stand at just over £8m.
- Increases in Council Tax are limited at 2% or £5, which is significantly lower than the present rates of inflation.

3.17 The Council must move to financial sustainability as soon as is practically possible due to the present inherent risks but must be minded of Government support that will be announced in the settlement.

3.18 As set out in the Tranche 1 report, the strategy must be to move the Council to financial sustainability by the 2024/25 financial year. To get to this position there will be the need for investment and possibly the requirement to fund redundancy (both from reserves). Both these requirements will be outputs from the Council having to implement changes to the way it operates to continue to become a viable entity going forward and this will take 18 months to implement fully.

3.19 As set out later in the Robustness Statement, in compiling Tranche1 of the budget, assumptions have been made based on the best information held now. Issues the Council is facing are not unique, they are being faced by almost all Councils. Tranche 2 of the budget will adjust for any funding that the Government will provide and also look at other options to close any deficit should the Government settlement not bridge any resultant gap. Initiatives that will be assessed in Tranche 2 (as more time is required to analyse these individual options) include:

- Clarity on the Local Government Settlement including the Lower Tier Services Grant and New Homes Bonus which if confirmed as

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intimated at Prime Ministers Question Time on the 12th October is worth £1.0m

- Ensuring Grants are maximised.
- Ensuring Agency work reflects the income provided for its delivery.
- Minimisation of Bed and Breakfast Temporary Accommodation costs
- Reviewing the effectiveness of the Council's largest Contracts.
- Maximising the effectiveness of our refuse fleet
- Reviewing the location and effectiveness of our Depot
- Assessing the Council's leisure and cultural strategy in terms of affordability
- Reviewing recharging mechanisms between the Councils for appropriateness
- Rationalisation of Back Office services as we embrace technology.

3.20 Many of these initiatives will require investment, for which the only present source of funding is reserves (General Fund and Earmarked Reserves). Key areas of investment will be:

- Documentation of Processes
- Investment in automation and robotic processes
- Possible redundancy – through restructures

3.21 However, in any situation, the Council must move to sustainability by the 2024/25 financial year.

#### **Impact on Reserves**

3.22 As per the Tranche 1 Report these will be fully revised in Tranche 2.

#### **Capital Programme**

3.23 The final position, based on scheme slippage to date in 2022/23 and the availability of resources will be reassessed as part of Tranche 2.

#### **Robustness Statement**

3.24 For Tranche 1, the opinion of the Interim Director of Finance is that the 2023/24 budget estimates contain considerable risk due to the level of uncertainty in the Councils operating environment, making it problematic to develop meaningful assumptions.

3.25 The revenue budget and capital programme have been formulated having regard to several factors including:

- Funding Available.
- Inflation.
- Risks and Uncertainties.
- Priorities.

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- Service Pressures.
- Commercial Opportunities.
- Operating in a Post C-19 environment.

3.26 The MTFP highlights that the current financial position is untenable without some form of intervention. Whilst a balanced budget for 2022/23 was approved with the use of reserves in February 2022, the Council is currently forecasting a £1.5m overspend in 2023/24 due to the additional demands placed on it due to the present rates of inflation, which in turn is utilising the remaining available reserves balances to fund these pressures.

3.27 Given all the uncertainty which encapsulates this MTFP, the assumptions have been based on the best available information to the Council at this time. Work will continue in validating all assumptions, robustly challenging estimates, ensuring the delivery of existing saving plans. Updates will be included in Tranche 2 of the MTFP and balanced budget setting process

#### 4. **IMPLICATIONS**

##### **Financial Implications**

4.1 Financial implications are set out in section 3.

##### **Legal Implications**

4.2 A number of statutes governing the provision of services covered by this report contain express powers or duties to charge for services. Where an express power to charge does not exist the Council has the power under Section 111 of the Local Government Act 1972 to charge where the activity is incidental or conducive to or calculated to facilitate the Council's statutory function.

##### **Service / Operational Implications**

4.3 Service implications of savings proposals are set out in the Savings Proposal Document in the background papers.

##### **Customer / Equalities and Diversity Implications**

4.4 There are none of these in Tranche 1, although it is expected there will be impacts in Tranche 2 where further savings will be required.

#### 5. **RISK MANAGEMENT**

5.1 Medium Term Financial Plan risks are set out in the background papers.



### Cabinet

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6. **APPENDICES and BACKGROUND PAPERS**

Appendix A – Updated WRS Fees and Charges

Background Papers

Tranche 1 MTFP – Cabinet 26<sup>th</sup> October 2023: [Agenda for Cabinet, 26/10/2022 18:00 \(bromsgrove.gov.uk\)](#)

MTFP 2022/23 – Approved February 2022: [Agenda Document for Council, 23/02/2022 18:00 \(bromsgrove.gov.uk\)](#)

7. **KEY**

None

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**Regulatory Services**

Roundings are generally rounded to the nearest 10p.

Service Category	charge 1st April 2022 £	% Change	Increase / Decrease £	Proposed charge from 2022 £	COMMENTS
<b>LICENSING ACT 2003 - FEES SET BY CENTRAL GOVERNMENT - SAME FOR ALL DISTRICT COUNCILS</b>					
<b>Temporary Event Notices</b>					
Fee to serve a Temporary Event Notice (TEN)	<b>£21.00</b>	0.00%		<b>£21.00</b>	Nationally set charge
Copy of a TEN (if lost or stolen)	<b>£10.50</b>	0.00%		<b>£10.50</b>	Nationally set charge
<b>Personal licences</b>					
Application for the grant of a personal licence	<b>£37.00</b>	0.00%		<b>£37.00</b>	Nationally set charge
Fee for a replacement personal licence (if lost or stolen)	<b>£10.50</b>	0.00%		<b>£10.50</b>	Nationally set charge
Fee to notify a change of name or address on a personal licence	<b>£10.50</b>	0.00%		<b>£10.50</b>	Nationally set charge
<b>Applications for new premises licences or club premises certificates</b>					
Applications for the grant of a premises licence or club premises certificate					
Band A (NDRV 0 - 4300)	<b>£100.00</b>	0.00%		<b>£100.00</b>	Nationally set charge
Band B (NDRV 4301 - 33000)	<b>£190.00</b>	0.00%		<b>£190.00</b>	Nationally set charge
Band C (NDRV 33001 - 87000)	<b>£315.00</b>	0.00%		<b>£315.00</b>	Nationally set charge
Band D (NDRV 87001 - 125000)	<b>£450.00</b>	0.00%		<b>£450.00</b>	Nationally set charge
Band E (NDRV 125001 +)	<b>£635.00</b>	0.00%		<b>£635.00</b>	Nationally set charge
Applications for the grant of a premises licence or club premises certificate (where the premises is used exclusively or primarily for the supply of alcohol for consumption on the premises)					
Band A (NDRV 0 - 4300)	<b>£100.00</b>	0.00%		<b>£100.00</b>	Nationally set charge
Band B (NDRV 4301 - 33000)	<b>£190.00</b>	0.00%		<b>£190.00</b>	Nationally set charge
Band C (NDRV 33001 - 87000)	<b>£315.00</b>	0.00%		<b>£315.00</b>	Nationally set charge
Band D (NDRV 87001 - 125000)	<b>£900.00</b>	0.00%		<b>£900.00</b>	Nationally set charge
Band E (NDRV 125001 +)	<b>£1,905.00</b>	0.00%		<b>£1,905.00</b>	Nationally set charge
Additional fees for grant of a premises licences (for large venues with capacities over 5000)					
5000 - 9999	<b>£1,000.00</b>	0.00%		<b>£1,000.00</b>	Nationally set charge
10000 - 14999	<b>£2,000.00</b>	0.00%		<b>£2,000.00</b>	Nationally set charge
15000 - 19999	<b>£4,000.00</b>	0.00%		<b>£4,000.00</b>	Nationally set charge
20000 - 29999	<b>£8,000.00</b>	0.00%		<b>£8,000.00</b>	Nationally set charge
30000 - 39999	<b>£16,000.00</b>	0.00%		<b>£16,000.00</b>	Nationally set charge
40000 - 49999	<b>£24,000.00</b>	0.00%		<b>£24,000.00</b>	Nationally set charge

50000 - 59999	<b>£32,000.00</b>	0.00%	<b>£32,000.00</b>	Nationally set charge
60000 - 69999	<b>£40,000.00</b>	0.00%	<b>£40,000.00</b>	Nationally set charge
70000 - 79999	<b>£48,000.00</b>	0.00%	<b>£48,000.00</b>	Nationally set charge
80000 - 89999	<b>£56,000.00</b>	0.00%	<b>£56,000.00</b>	Nationally set charge
<b>Applications to vary premises licences and club premises certificates</b>				
Applications to vary a premises licence or club premises certificate				
Band A (NDRV 0 - 4300)	<b>£100.00</b>	0.00%	<b>£100.00</b>	Nationally set charge
Band B (NDRV 4301 - 33000)	<b>£190.00</b>	0.00%	<b>£190.00</b>	Nationally set charge
Band C (NDRV 33001 - 87000)	<b>£315.00</b>	0.00%	<b>£315.00</b>	Nationally set charge
Band D (NDRV 87001 - 125000)	<b>£450.00</b>	0.00%	<b>£450.00</b>	Nationally set charge
Band E (NDRV 125001 +)	<b>£635.00</b>	0.00%	<b>£635.00</b>	Nationally set charge
Applications to vary a premises licence (where the premises is used exclusively or primarily for the supply of alcohol for consumption on the premises)				
Band A (NDRV 0 - 4300)	<b>£100.00</b>	0.00%	<b>£100.00</b>	Nationally set charge
Band B (NDRV 4301 - 33000)	<b>£190.00</b>	0.00%	<b>£190.00</b>	Nationally set charge
Band C (NDRV 33001 - 87000)	<b>£315.00</b>	0.00%	<b>£315.00</b>	Nationally set charge
Band D (NDRV 87001 - 125000)	<b>£900.00</b>	0.00%	<b>£900.00</b>	Nationally set charge
Band E (NDRV 125001 +)	<b>£1,905.00</b>	0.00%	<b>£1,905.00</b>	Nationally set charge
Application for a minor variation of a premises licence or club premises certificate				
	<b>£89.00</b>	0.00%	<b>£89.00</b>	Nationally set charge
<b>Annual maintenance fees</b>				
Annual premises licence or club premises certificate fee				
Band A (NDRV 0 - 4300)	<b>£70.00</b>	0.00%	<b>£70.00</b>	
Band B (NDRV 4301 - 33000)	<b>£180.00</b>	0.00%	<b>£180.00</b>	
Band C (NDRV 33001 - 87000)	<b>£295.00</b>	0.00%	<b>£295.00</b>	
Band D (NDRV 87001 - 125000)	<b>£320.00</b>	0.00%	<b>£320.00</b>	
Band E (NDRV 125001 +)	<b>£350.00</b>	0.00%	<b>£350.00</b>	
Annual premises licence (where the premises is used exclusively or primarily for the supply of alcohol for consumption on the premises)				
Band A (NDRV 0 - 4300)	<b>£70.00</b>	0.00%	<b>£70.00</b>	
Band B (NDRV 4301 - 33000)	<b>£180.00</b>	0.00%	<b>£180.00</b>	
Band C (NDRV 33001 - 87000)	<b>£295.00</b>	0.00%	<b>£295.00</b>	
Band D (NDRV 87001 - 125000)	<b>£640.00</b>	0.00%	<b>£640.00</b>	
Band E (NDRV 125001 +)	<b>£1,050.00</b>	0.00%	<b>£1,050.00</b>	
Additional annual fees premises licences (for large venues with capacities over 5000)				
5000 - 9999	<b>£500.00</b>	0.00%	<b>£500.00</b>	
10000 - 14999	<b>£1,000.00</b>	0.00%	<b>£1,000.00</b>	
15000 - 19999	<b>£2,000.00</b>	0.00%	<b>£2,000.00</b>	
20000 - 29999	<b>£4,000.00</b>	0.00%	<b>£4,000.00</b>	
30000 - 39999	<b>£8,000.00</b>	0.00%	<b>£8,000.00</b>	

40000 - 49999	<b>£12,000.00</b>	0.00%		<b>£12,000.00</b>
50000 - 59999	<b>£16,000.00</b>	0.00%		<b>£16,000.00</b>
60000 - 69999	<b>£20,000.00</b>	0.00%		<b>£20,000.00</b>
70000 - 79999	<b>£24,000.00</b>	0.00%		<b>£24,000.00</b>
80000 - 89999	<b>£28,000.00</b>	0.00%		<b>£28,000.00</b>
<b>Other applications and notifications</b>				
Application to transfer a premises licence	<b>£23.00</b>	0.00%		<b>£23.00</b>
Application to vary a premises licence to nominate a premises supervisor	<b>£23.00</b>	0.00%		<b>£23.00</b>
Fee to change name or address of the holder of a premises licence	<b>£10.50</b>	0.00%		<b>£10.50</b>
Fee to change the name or address of a designated premises supervisor on a premises licence	<b>£10.50</b>	0.00%		<b>£10.50</b>
Fee for a replacement premises licence or club premises certificate (if lost or stolen)	<b>£10.50</b>	0.00%		<b>£10.50</b>
Fee to notify licensing authority of a property interest in a premises	<b>£21.00</b>	0.00%		<b>£21.00</b>
Notification of change or club name or alteration to club rules	<b>£10.50</b>	0.00%		<b>£10.50</b>
Notification of change of registered address of club	<b>£10.50</b>	0.00%		<b>£10.50</b>
Interim authority notice following death, incapacity or insolvency of licence holder	<b>£23.00</b>	0.00%		<b>£23.00</b>
Application for grant of a provisional statement	<b>£315.00</b>	0.00%		<b>£315.00</b>
Other Fees and Charges				
<b>TAXI AND PRIVATE HIRE</b>				
Hackney Carriage Vehicle Licence	<b>£248.00</b>	5.00%	<b>£12.40</b>	<b>£260.40</b>
Private Hire Vehicle Licence	<b>£230.00</b>	5.00%	<b>£11.50</b>	<b>£241.50</b>
Private Hire Operator Licence (5 year)	<b>£1,124.00</b>	5.00%	<b>£56.20</b>	<b>£1,180.20</b>
Hackney Carriage / Private Hire Driver Licence (3 year)	<b>£233.00</b>	5.00%	<b>£11.70</b>	<b>£244.70</b>
Knowledge Test	<b>£23.00</b>	5.00%	<b>£1.20</b>	<b>£24.20</b>
Replacement vehicle licence plate	<b>£23.00</b>	5.00%	<b>£1.20</b>	<b>£24.20</b>
Replacement driver's licence	<b>£21.00</b>	5.00%	<b>£1.10</b>	<b>£22.10</b>
Transfer of ownership of a licensed vehicle	<b>£38.00</b>	5.00%	<b>£1.90</b>	<b>£39.90</b>
Criminal Record (DBS) Check	<b>£56.00</b>	5.00%	<b>£2.80</b>	<b>£58.80</b>
Temp vehicle licence fees (@75%)		New		
<b>ANIMAL ACTIVITY LICENCES</b>				
<b>Hiring out horses, breeding of dogs, providing or arranging the provision of boarding for cats or dogs and selling animals as pets</b>				
Application fee	<b>£329.00</b>	0.00%	<b>£0.00</b>	<b>£329.00</b>
Licence fee (1 year)	<b>£184.00</b>	0.00%	<b>£0.00</b>	<b>£184.00</b>
Licence fee (2 years)	<b>£364.00</b>	0.00%	<b>£0.00</b>	<b>£364.00</b>
Licence fee (3 years)	<b>£546.00</b>	0.00%	<b>£0.00</b>	<b>£546.00</b>
Application to vary a licence	<b>£240.00</b>	0.00%	<b>£0.00</b>	<b>£240.00</b>
	<b>Recovered at cost</b>			<b>Recovered at cost</b>
Veterinary fees (if applicable)				
Local authority inspection (on request of licence holder)	<b>£164.00</b>	0.00%	<b>£0.00</b>	<b>£164.00</b>
<b>Keeping or training animals for exhibition (only)</b>				
Application fee	<b>£219.00</b>	0.00%	<b>£0.00</b>	<b>£219.00</b>

This figure needs to be at 75% of the licence fee after the uplift.

Licence fee (3 years)	£300.00	0.00%	£0.00	£300.00	
Application to vary a licence	£158.00	0.00%	£0.00	£158.00	
	<b>Recovered at cost</b>			<b>Recovered at cost</b>	
Veterinary fees (if applicable)					
Local authority inspection (on request of licence holder)	£163.00		£1.00	£164.00	
<b>ACUPUNCTURE, COSMETIC PIERCING, SEMI-PERMANENT SKIN COLOURING, TATTOOING, ELECTROLYSIS</b>					
Fee to register a premises	£136.00	5.00%	£6.80	£142.80	
Fee to register a practitioner	£89.00	5.00%	£4.50	£93.50	
<b>GAMBLING ACT 2005 (inc. SMALL LOTTERIES)</b>					
<b>Small society lotteries</b>					
Fee to register a small society lottery	£40.00	0.00%	£0.00	£40.00	STATUTORY - CANNOT AMEND
Small society lottery annual maintenance fee	£20.00	0.00%	£0.00	£20.00	STATUTORY - CANNOT AMEND
<b>Application for the grant of a premises licence</b>					
Betting (excluding tracks)	£1,761.00	5.00%	£88.10	£1,849.10	
Betting Tracks	£1,469.00	5.00%	£73.50	£1,542.50	
Bingo	£2,111.00	5.00%	£105.60	£2,216.60	
Adult Gaming Centres	£1,206.00	5.00%	£60.30	£1,266.30	
Family Entertainment Centres	£1,206.00	5.00%	£60.30	£1,266.30	
<b>Premises licence annual fees</b>					
Betting (excluding tracks)	£363.00	5.00%	£18.20	£381.20	
Betting Tracks	£604.00	5.00%	£30.20	£634.20	
Bingo	£604.00	5.00%	£30.20	£634.20	
Adult Gaming Centres	£604.00	5.00%	£30.20	£634.20	
Family Entertainment Centres	£454.00	5.00%	£22.70	£476.70	
<b>Application to vary a premises licence</b>					
Betting (excluding tracks)	£906.00	5.00%	£45.30	£951.30	
Betting Tracks	£754.00	5.00%	£37.70	£791.70	
Bingo	£1,059.00	5.00%	£53.00	£1,112.00	
Adult Gaming Centres	£906.00	5.00%	£45.30	£951.30	
Family Entertainment Centres	£700.00	5.00%	£35.00	£735.00	
<b>Application to transfer a premises licence</b>					
Betting (excluding tracks)	£722.00	5.00%	£36.10	£758.10	
Betting Tracks	£573.00	5.00%	£28.70	£601.70	
Bingo	£723.00	5.00%	£36.20	£759.20	
Adult Gaming Centres	£722.00	5.00%	£36.10	£758.10	
Family Entertainment Centres	£573.00	5.00%	£28.70	£601.70	
<b>Application for a provisional statement</b>					
Betting (excluding tracks)	£1,761.00	5.00%	£88.10	£1,849.10	

Betting Tracks	£1,469.00	5.00%	£73.50	£1,542.50	
Bingo	£2,111.00	5.00%	£105.60	£2,216.60	
Adult Gaming Centres	£1,206.00	5.00%	£60.30	£1,266.30	
Family Entertainment Centres	£1,206.00	5.00%	£60.30	£1,266.30	
<b>Application for reinstatement of a premises licence</b>					
Betting (excluding tracks)	£704.00	5.00%	£35.20	£739.20	
Betting Tracks	£562.00	5.00%	£28.10	£590.10	
Bingo	£704.00	5.00%	£35.20	£739.20	
Adult Gaming Centres	£704.00	5.00%	£35.20	£739.20	
Family Entertainment Centres	£562.00	5.00%	£28.10	£590.10	
<b>Premises licence fees (miscellaneous)</b>					
Copy of a premises licence (all types)	£25.00	0.00%	£0.00	£25.00	AT STATUTORY MAXIMUM
Notification of a change in respect of a premises licence (all types)	£50.00	0.00%	£0.00	£50.00	AT STATUTORY MAXIMUM
<b>Licensed Premises Gaming Machine Permits</b>					
Application for grant of a permit	£150.00	0.00%	£0.00	£150.00	STATUTORY - CANNOT AMEND
Application for variation of a permit	£100.00	0.00%	£0.00	£100.00	STATUTORY - CANNOT AMEND
Application for the transfer of a permit	£25.00	0.00%	£0.00	£25.00	STATUTORY - CANNOT AMEND
Annual permit fee	£50.00	0.00%	£0.00	£50.00	STATUTORY - CANNOT AMEND
Change of name shown on a permit	£25.00	0.00%	£0.00	£25.00	STATUTORY - CANNOT AMEND
Request for a copy of a permit	£15.00	0.00%	£0.00	£15.00	STATUTORY - CANNOT AMEND
<b>Licensed Premises Gaming Machines (Automatic Entitlement)</b>					
Fee to serve notification	£50.00	0.00%	£0.00	£50.00	STATUTORY - CANNOT AMEND
<b>Club Gaming Permits</b>					
Application for grant of a permit	£200.00	0.00%	£0.00	£200.00	STATUTORY - CANNOT AMEND
Application for grant of a permit (Club premises certificate holders)	£100.00	0.00%	£0.00	£100.00	STATUTORY - CANNOT AMEND
Application for variation of a permit	£100.00	0.00%	£0.00	£100.00	STATUTORY - CANNOT AMEND
Application for renewal of a permit	£200.00	0.00%	£0.00	£200.00	STATUTORY - CANNOT AMEND
Application for renewal of a permit (club premises certificate holders)	£100.00	0.00%	£0.00	£100.00	STATUTORY - CANNOT AMEND
Annual permit fee	£50.00	0.00%	£0.00	£50.00	STATUTORY - CANNOT AMEND
Request for a copy of a permit	£15.00	0.00%	£0.00	£15.00	STATUTORY - CANNOT AMEND
<b>Club Machine Permits</b>					
Application for grant of a permit	£200.00	0.00%	£0.00	£200.00	STATUTORY - CANNOT AMEND
Application for grant of a permit (Club premises certificate holders)	£100.00	0.00%	£0.00	£100.00	STATUTORY - CANNOT AMEND
Application for variation of a permit	£100.00	0.00%	£0.00	£100.00	STATUTORY - CANNOT AMEND
Application for renewal of a permit	£200.00	0.00%	£0.00	£200.00	STATUTORY - CANNOT AMEND
Application for renewal of a permit (club premises certificate holders)	£100.00	0.00%	£0.00	£100.00	STATUTORY - CANNOT AMEND
Annual permit fee	£50.00	0.00%	£0.00	£50.00	STATUTORY - CANNOT AMEND
Request for a copy of a permit	£15.00	0.00%	£0.00	£15.00	STATUTORY - CANNOT AMEND
<b>Family Entertainment Centre Gaming Machine Permit</b>					
Application for grant of a permit	£300.00	0.00%	£0.00	£300.00	STATUTORY - CANNOT AMEND
Application for renewal of a permit	£300.00	0.00%	£0.00	£300.00	STATUTORY - CANNOT AMEND

Change of name shown on a permit	<b>£25.00</b>	0.00%	<b>£0.00</b>	<b>£25.00</b>	STATUTORY - CANNOT AMEND
Request for a copy of a permit	<b>£15.00</b>	0.00%	<b>£0.00</b>	<b>£15.00</b>	STATUTORY - CANNOT AMEND
<b>Prize Gaming Permits</b>					
Application for grant of a permit	<b>£300.00</b>	0.00%	<b>£0.00</b>	<b>£300.00</b>	STATUTORY - CANNOT AMEND
Application for renewal of a permit	<b>£300.00</b>	0.00%	<b>£0.00</b>	<b>£300.00</b>	STATUTORY - CANNOT AMEND
Change of name shown on a permit	<b>£25.00</b>	0.00%	<b>£0.00</b>	<b>£25.00</b>	STATUTORY - CANNOT AMEND
Request for a copy of a permit	<b>£15.00</b>	0.00%	<b>£0.00</b>	<b>£15.00</b>	STATUTORY - CANNOT AMEND
<b>Temporary Use Notices</b>					
Fee to serve a Temporary Use Notice	<b>£287.00</b>	0.00%	<b>£0.00</b>	<b>£287.00</b>	
Request for a copy of a Temporary Use Notice	<b>£25.00</b>	0.00%	<b>£0.00</b>	<b>£25.00</b>	
<b>STREET TRADING</b>					
Annual street trading consent - food - initial	<b>£1,447.00</b>	5.00%	<b>£72.40</b>	<b>£1,519.40</b>	
Annual street trading consent - food - renewal	<b>£1,327.00</b>	5.00%	<b>£66.40</b>	<b>£1,393.40</b>	
Annual street trading consent - non-food - initial	<b>£1,207.00</b>	5.00%	<b>£60.40</b>	<b>£1,267.40</b>	
Annual street trading consent - non-food - renewal	<b>£1,086.00</b>	5.00%	<b>£54.30</b>	<b>£1,140.30</b>	
<b>SCRAP METAL DEALERS LICENCES</b>					
Application for a new site licence	<b>£296.00</b>	0.00%	<b>£0.00</b>	<b>£296.00</b>	
Fee per additional site	<b>£153.00</b>	0.00%	<b>£0.00</b>	<b>£153.00</b>	
Application for renewal of a site licence	<b>£245.00</b>	0.00%	<b>£0.00</b>	<b>£245.00</b>	
Fee per additional site	<b>£153.00</b>	0.00%	<b>£0.00</b>	<b>£153.00</b>	
Application for a new collectors licence	<b>£148.00</b>	0.00%	<b>£0.00</b>	<b>£148.00</b>	
Application for renewal of a collectors licence	<b>£97.00</b>	0.00%	<b>£0.00</b>	<b>£97.00</b>	
Variation of a licence	<b>£67.00</b>	0.00%	<b>£0.00</b>	<b>£67.00</b>	
Request for a copy of a licence (if lost or stolen)	<b>£26.00</b>	0.00%	<b>£0.00</b>	<b>£26.00</b>	
<b>ZOO LICENCES</b>					
Application for grant or renewal of a licence	<b>£113.00</b>		<b>£137.00</b>	<b>£250.00</b>	
Secretary of state inspector and veterinary fees	<b>Recovered at cost</b>			<b>Recovered at cost</b>	
<b>DANGEROUS WILD ANIMALS (DWA)</b>					
Application for grant or renewal of a licence	<b>£235.00</b>	0.00%	<b>£0.00</b>	<b>£235.00</b>	
Veterinary inspection fees	<b>Recovered at cost</b>			<b>Recovered at cost</b>	
<b>SEX ESTABLISHMENTS</b>					
Application for grant or renewal of a licence	<b>£1,020.00</b>	0.00%	<b>£0.00</b>	<b>£1,020.00</b>	
Application for a transfer		New		<b>£500.00</b>	
Application for a variation	<b>£1,020.00</b>	0.00%	<b>£0.00</b>	<b>£1,020.00</b>	
<b>STREET AMENITY PERMISSIONS</b>					
Application for grant of a new permission	<b>£200.00</b>	0.00%	<b>£0.00</b>	<b>£200.00</b>	No Change - waiting for new legislation
Application for renewal of a permission	<b>£55.00</b>	0.00%	<b>£0.00</b>	<b>£55.00</b>	No Change - waiting for new legislation
<b>PAVEMENT LICENCE</b>					



Application for a licence (6 months)	£100.00	0.00%	£0.00	£100.00	
<b>HYPNOTISM (entertainment)</b>					
Application for authorisation		New		£50.00	
<b>ENVIRONMENTAL HEALTH</b>					
<b><u>Dog Warden</u></b>					
- Penalty (statutory fee)	£25.00	0.00%	£0.00	£25.00	Statutory Fine set by legislation
- Kennelling Fee £15 per day or part day	£17.00	5.88%	£1.00	£18.00	Increased to £18.00 help recover costs incurred and consistency with other Worcestershire Districts
- Kennelling Fee for dangerous dog by breed or behaviour- £25 per day	£25.00	4.00%	£1.00	£26.00	Increased to £26.00 help recover costs incurred and consistency with other Worcestershire Districts
- Admin charge	£15.00	13.33%	£2.00	£17.00	Increased to £17.00 help recover costs incurred and consistency with other Worcestershire Districts
- Levy for out of hours	£45.00	4.44%	£2.00	£47.00	Increased to £47.00 help recover costs incurred and consistency with other Worcestershire Districts
- Repeat offence levy	£40.00	5.00%	£2.00	£42.00	Increased to £42.00 help recover costs incurred and consistency with other Worcestershire Districts
- Treatment Costs (Wormer, Flea) - Per treatment	£10.00	20.00%	£2.00	£12.00	Increased to £12.00 help recover costs incurred and consistency with other Worcestershire Districts
- Veterinary Charges	Recharged at cost	Full cost		Recharged at cost	
- Return Charge	£40.00	5.00%	£2.00	£42.00	Increased to £42.00 help recover costs incurred and consistency with other Worcestershire Districts
<b>WRS Commercial Animal Services (WRS Income)</b>	Request Quote			Request Quote	Full cost recovery
<b>Private Water Supplies</b>					
Risk Assessment per hour (minimum 1 hour)	£56.00		£3.00	£59.00	Increased to £59.00 help recover costs incurred and consistency with other Worcestershire Districts
Investigation per hour (minimum 1 hour)	£56.00		£3.00	£59.00	Increased to £59.00 help recover costs incurred and consistency with other Worcestershire Districts
Granting an Authorisation per hour (minimum 1 hour)	£56.00		£3.00	£59.00	Increased to £59.00 help recover costs incurred and consistency with other Worcestershire Districts
Sampling Visit per hour (minimum 1 hour)	£56.00		£3.00	£59.00	Increased to £59.00 help recover costs incurred and consistency with other Worcestershire Districts
Sample analysis per sample taken	£56.00		£3.00	£59.00	Increased to £59.00 help recover costs incurred and consistency with other Worcestershire Districts
+ Laboratory Costs	Full Cost Recovery			Full Cost Recovery	
Sample taken during check monitoring	£56.00		£3.00	£59.00	Increased to £59.00 help recover costs incurred and consistency with other Worcestershire Districts
+ Laboratory Costs	Full Cost Recovery			Full Cost Recovery	
Sample taken during audit monitoring	£56.00		£3.00	£59.00	Increased to £59.00 help recover costs incurred and consistency with other Worcestershire Districts
+ Laboratory Costs	Full Cost Recovery			Full Cost Recovery	
<b>Other Environmental Health Fees</b>					
<b>Trading Certificates - WRS Income</b>					

Health/Export					
- Annual Specific export inspections	<b>£474.00</b>	<b>5%</b>	<b>£23.70</b>	<b>£497.70</b>	
- Certificate	<b>£104.40</b>	<b>5%</b>	<b>£5.20</b>	<b>£109.60</b>	
- Per Hour	<b>£47.00</b>	<b>5%</b>	<b>£2.40</b>	<b>£49.40</b>	
FHRS re-rating - WRS Income	<b>£168.00</b>	<b>5%</b>	<b>£8.40</b>	<b>£176.40</b>	
ISS Certs Condemned Food - WRS Income	<b>Full Cost Recovery</b>			<b>Full Cost Recovery</b>	
Food Hygiene Basic Course fee - WRS Income	<b>Full Cost Recovery</b>			<b>Full Cost Recovery</b>	
Contaminated Land Enquiries - charge per hour - WRS Income	<b>£45.00</b>	<b>2%</b>	<b>£1.00</b>	<b>£46.00</b>	Increased to £46.00 help recover costs incurred and consistency with other Worcestershire Districts

#### Quarter 2 2022-23 – Financial and Performance Report

Relevant Portfolio Holder		Councillor Denaro – Portfolio Holder for Finance and Governance
Portfolio Holder Consulted		Yes
Relevant Head of Service		Michelle Howell Deborah Poole
Report Authors	Head of Finance and Customer Services <a href="mailto:michelle.howell@bromsgroveandredditch.gov.uk">michelle.howell@bromsgroveandredditch.gov.uk</a> Head of Business Transformation, Organisational Development and Digital Strategy <a href="mailto:d.poole@bromsgroveandredditch.gov.uk">d.poole@bromsgroveandredditch.gov.uk</a>	
Wards Affected		All Wards
Ward Councillor(s) consulted		No
Relevant Strategic Purpose(s)		All
Key Decision		
If you have any questions about this report, please contact the report author in advance of the meeting.		

#### 1. RECOMMENDATIONS

The Cabinet is asked to **RESOLVE** that:

- 1) The current financial position in relation to Revenue and Capital Budgets for the period July to September 2022 be noted;  
And
- 2) The Q2 Performance data for the Period July to September 2022 be noted.
- 3) That £150,000 is allocated from the Financial Services Reserve to fund cross council improvements in HR and ICT.

#### 2. BACKGROUND

- 2.1 This report presents at Quarter 2 (July – September) 2022/23
- the Council’s forecast outturn revenue monitoring position for 2022/23 based on data to the end of Quarter 2
  - An update on progress on the 2023/24 budget process
  - The organisations performance against the strategic priorities outlined in the Council Plan Addendum, including operational measures to demonstrate how the council is delivering its services to customers.



### 3. DETAILED PERFORMANCE

#### Financial Performance

- 3.1 As part of the monitoring process a detailed review has been undertaken to ensure that issues are considered, and significant savings and cost pressures are addressed. This report sets out, based on the position at the end of Quarter 2, the projected revenue outturn position for the 2022/23 financial year and explains key variances against budget.
- 3.2 The £12.1m full year revenue budget included in the table below is the budget that was approved by Council in March 2022.
- 3.3 At quarter 1 of 2022/23, it was noted that the budget included £478,000 of organisational efficiency targets which had not been allocated to services. This target was offset in the main by forecast underspends across other service areas predominantly due to vacancies. The 2022/23 budget has therefore been revised to reflect the allocation of the operational efficiency target to those areas. The projected outturn figure at Q2 is a £342k overspend, after the “absorption” of the £424k of non-allocated savings and efficiency targets.

	2022/23 Full Year Budget	2022/23 Cross- cutting saving allocation	2022/23 Revised Budget	2022/23 Q2 Actuals	2022/23 Adjusted Forecast Outturn	2022/23 Adjusted Forecast Outturn Variance (Under) / Over spend
Regulatory Client	228,063	0	228,063	77,430	228,063	0
Business Transformation & Organisational Development	1,857,867	(156,971)	1,700,896	150,843	1,700,518	(378)
Chief Executive	1,797,361	(3,293)	1,794,068	373,488	1,734,299	(59,768)
Community & Housing GF Services	1,093,315	(80,173)	1,013,142	8,860	1,026,939	13,797
Environmental Services	3,438,085	(42,175)	3,395,910	(1,843,203)	3,338,891	(57,019)
Financial & Customer Services	1,406,322	(87,038)	1,319,284	588,789	1,325,007	5,723
Legal, Democratic & Property Services	1,146,850	(4,235)	1,142,615	283,446	1,528,195	385,580
Planning, Regeneration & Leisure Services	1,578,027	(50,182)	1,527,845	569,221	1,527,845	0
Cross cutting savings and efficiency targets	(477,890)	424,067	(53,823)	0	0	53,823
<b>Net Expenditure before Corporate Financing</b>	<b>12,068,000</b>	<b>0</b>	<b>12,068,000</b>	<b>208,874</b>	<b>12,409,757</b>	<b>341,758</b>



### 3.4 *Budget Variances*

The following paragraphs explain the forecast variances for each area against the 2022/23 revenue budgets (a more detailed analysis of which can be found at Appendix A). It is important to note that, at this stage in the financial year there are a number of instances where annual expenditure or accruals may distort the profiling as reflected in the Q2 actual; this has been reflected in the forecast outturn for each service area.

In addition to this, it is also important to note that the Council is yet to close its accounts for the 2020/21 and 2021/22 financial years. This could therefore result in adjustments to the actual expenditure/income and forecast outturn positions as reported in the table above. Further updates will be provided to Members throughout the financial year.

#### **Business Transformation & Organisational Development – breakeven position**

Within Business Transformation & Organisational Development there is a forecast breakeven position at quarter 2. This is after the absorption of £157k cross cutting efficiency savings targets based upon forecast underspends at quarter 1 within ICT due to anticipated budget efficiencies and Human Resources due to vacancies within the service.

#### **Chief Executive – £60k underspend**

Within the Chief Executive area there is a forecast underspend due to anticipated budget efficiencies against expenditure budgets.

#### **Community and Housing General Fund Services - £14k overspend**

Within Community and Housing General Fund Services there are two services in particular that have a significant forecast outturn variance against budget:

- Housing Options (£74k overspend) – This is mainly as a result of increasing expenditure linked to increases in demand for housing support. It is important to note that, the present cost of living crisis may result in increases in demand for council services, which at the point of writing cannot be fully quantified in this forecast.
- Community Safety/CCTV (£55k underspend) – This is mainly as a result of vacancies within the team.

This overall overspend forecast is after the absorption of £80k cross cutting efficiency savings targets based upon forecast underspends at quarter 1.

### **Environmental Services – £57k underspend**

Within Environmental Services there are four services in particular that have a significant forecast outturn variance against budget:

- Place Teams (£47k underspend) – This is mainly as a result of vacancies within the team.
- Car Parks (£42k underspend) – This forecast position is due to projected increases in usage of car parks following recovery from the Covid-19 pandemic.
- Stores & Depots (£26k underspend) – This is mainly as a result of vacancies within the team.
- Engineering & Design (£46k overspend) – This forecast position has arisen due to increases in grounds maintenance works.

This overall underspend position is after the absorption of £42k cross cutting efficiency savings targets based upon forecast underspends at quarter 1 within Engineering & Design and Place Teams due to vacancies and budget efficiencies respectively.

### **Finance & Customer Services - £6k overspend**

Within Finance & Customer Services there is a small forecast overspend after the absorption of £87k cross cutting efficiency savings targets based upon forecast underspends at quarter 1. This position will continue to be reviewed in light of pressures within the service, with further updates provided during 2022/23.

### **Legal, Democratic and Property Services - £386k overspend**

Within Legal, Democratic and Property Services the overall forecast overspend has arisen largely due to variances within two service areas:

- Facilities Management/SLM (£408k overspend) – The Council has a contract with SLM to deliver Leisure Management Services on its behalf at Bromsgrove Sports and Leisure Centre (BSLC). During the Covid-19 pandemic, the BSLC had to temporarily close and received financial support from the Council via the General Covid-19 grant. The Leisure sector continues to recover from the effects of the Covid-19 pandemic, and it is therefore prudent to reflect an anticipated in-year pressure in this area.
- Democratic Services (£19k underspend) – There is an underspend forecast due to vacancies within the team at the start of the financial year, which have now been recruited to.



This overall forecast overspend is after the absorption of £4k cross cutting efficiency savings targets based upon forecast underspends at quarter 1.

### **Planning, Regeneration and Leisure Services – breakeven position**

A breakeven position is currently forecast within Planning, Regeneration and Leisure Services. This is after the absorption of £50k cross cutting efficiency savings targets based upon forecast underspends at quarter 1 within Development Services and Parks, Open Spaces and Events due to anticipated budget efficiencies and a vacancy respectively.

### **Cross cutting savings and efficiency targets - £54k to be delivered**

There is a forecast overspend due to organisational efficiency targets that have not been allocated to service areas and cross council savings and efficiency initiatives. Organisational efficiency targets totalling £424k have been allocated to service areas based upon forecast underspends as at quarter 1; predominantly linked to vacancies. This will be kept under review as we progress through the financial year. It is important to note however that forecast underspends within other service areas, as detailed in this report, will help to achieve this target. This will be kept under review as we progress through the financial year.

### **Regulatory Client**

A breakeven position on the Regulatory Client is currently forecast for the year.

- 3.5 Overall, the Council is currently forecasting a revenue overspend in the region of £342k for the 2022/23 financial year. This position will continue to be reviewed particularly given the impact of the increasing costs linked to inflation and further updates will be provided to Councillors throughout 2022/23.
- 3.6 This in-year budget forecast reflects the best information available at the present time, however it is important to note that there are a number of key factors that may impact upon the financial position which are not yet reflected fully within the forecast, including:
- The present cost of living crisis and the impact that this may have upon demand for council services, including the impact of

homelessness and the cost of bed and breakfast temporary accommodation costs.

- Inflationary increases – general inflation has been running at 10% and will impact upon transport costs, utilities and contracts in particular.
- Pay negotiations – a 2022/23 pay award of £1,925 per pay point plus on costs has been offered by the Employers and accepted. It is anticipated that this equates to an additional £676k cost to the Council from its initial budget. We budgeted for a 2% increase in our base budget in the MTFs which was £180k. The back-pay will be processed in the December payroll, with the total cost reflected in the quarter 3 report to Members. The Council will need to fund this additional pressure from reserves during 2022/23.

### **Capital Monitoring**

- 3.7 A capital programme of £2.4m was approved in the Budget for 2022/23 in March 2022.
- 3.8 However, in addition to this funding the Council also have the following Grant Funded Schemes which are being delivered in 2022/23:
- Levelling Up – Cabinet in June noted progress made to date on £1.8m of Levelling Up schemes for 2022/23 and delegated authority to proceed to spend the Levelling Up Fund allocation totalling £1.8m on the required demolition and remediation works at the Windsor Street site and to engage a design and build contractor on the Market Hall site.
  - UK Shared Prosperity Fund - £340k of grant spent (although a significant amount will be revenue based).
- 3.9 The spend at quarter 2 is £1m against the overall 2022/23 capital budget totalling £2.4m as detailed in Appendix B. In addition to this, there is spend at quarter 2 totalling £4.8m for Burcot Housing. This budget will need to be reallocated from 2021/22 into 2022/23. This will be addressed in the 2021/22 Outturn reports to Cabinet.
- 3.10 Capital monitoring for 2021/22 was undertaken towards the end of the financial year (at period 11), and spending was only £2.7m which is substantially below the £15.6m programme. The main reason for this variance was the Burcot Housing project, where at the time of reporting only £1.1m of a £9.3m budget had been spent. As stated in the paragraph above, the Burcot Housing budget will need to be assessed

for reallocation into 2022/23. This will be addressed in the outturn reports to Cabinet.

- 3.11 Both Existing Capital Programmes (21/22 and 22/23) are set out in the Appendix B.

#### **Earmarked Reserves and their application**

- 3.12 The position as reported to Council in February 2022 as per the 2022/23 – 2024/25 Medium Term Financial Plan is shown in Appendix C.
- 3.13 We have highlighted in the Tranche 1 2023-24 to 2025-26 Medium Term Financial Plan (MTFP) that went to Cabinet on the 26th October, that there was the requirement to invest in back office. In the MTFP Paper we talk about investment in updating processes in order to use technology like robotics to automate processes which will save costs and put less pressure on what a difficult recruitment market is already when positions become vacant or can only be filled by Agency staff which is expensive. In addition to this we also need to move through backlogs that have built up over the past 2 years, like the finance department are doing via the financial recovery process, to get up to date and ensure that going forward back-office functions are responsive and cost effective. The two sets of investment are in Human Resources and ICT and are set out in detail in Appendix D.
- For HR, the investment required is £150,000
  - For ICT, the investment required is £151,000
- 3.14 This investment would be split 50% Bromsgrove, 50% Redditch. The funding for this would come from the Financial Services Earmarked Reserve, which presently stands at £1.422m.

#### **4. Update on Progress with the 2023/24 Budget**

- 4.1 On 26<sup>th</sup> October 2022, Cabinet was presented with a report which detailed the process that Officers are following, and progress towards, balancing the Council's budget in 2023/24 and over the medium term. The report set out:
- The starting position for the 2023/24 MTFP.
  - The emerging national picture including expected settlement dates.
  - The Council's Base Assumptions including Inflation and Grants
  - Fees and Charges update.
  - Strategic Approach
  - Tranche 1 set of pressures and savings proposals.
  - Impact on Reserves and Balances.
  - Capital Programme.
  - Robustness Statement
  - Consultation Details.

- 4.2 To summarise, in February 2022 the Council set a three year Medium Term Financial Plan 2022/23 to 2024/25. That plan had inherent budget deficits built into the plan with reserves set to fall from £4.257m to £1.046m over the period.
- 4.3 The revised budget gap to be bridged, including the roll forward to include 2025/26, prior to any inflationary adjustments, increases from £1.588m in 2023/24 to £1.623m over the medium term.
- 4.4 During the first 6 months of the financial year, Officers have identified Tranche 1 savings proposals totalling £1.625m in 2023/24. These offset the £1.588m budget deficit in that year. Further details are available in the Savings Proposal Document (Appendix A to Medium Term Financial Plan 2023/4 to 2025/6 – Tranche 1 report), which sets out the growth and savings proposals in more detail.
- 4.5 However, when adding in inflationary pressures (non-utilities) the deficit position moves to £863k which increases to £942k over the three-year period.
- 4.6 We have kept utilities separate at the moment at there is talk of significant Government support. If this were not to materialise then the overall deficit position increases to £1.5m, increasing to £1.6m on present working assumptions.
- 4.7 It is important to note that we are budgeting during a time of extreme uncertainty given the change of Prime Minister, Cabinet and Chancellor, inflationary pressures and operating in a post C-19 environment. Work will continue in validating all assumptions, robustly challenging estimates, ensuring the delivery of existing saving plans. The Medium Term Financial Plan Update report, also presented to Members at this meeting, provides an update on proposed changes announced in November by the Chancellor and how this might affect budget assumptions. Further updates will be included in Tranche 2 of the MTFS and balanced budget setting process and will also include the outcome of the Local Government Finance Settlement. This report will be presented to Cabinet in January 2023.

## **5. Performance Report**

- 5.1 The performance report sets out to provide data and information that links all activity back to the Council's strategic priorities as set out in the Council Plan and Council Plan Addendum. Whilst the report focuses primarily on corporate, strategic measures there is a section that provides some operational measures data to provide a general overview of service delivery.

5.2 Whilst the Council has an approved Council Plan in place it was completed before the Covid-19 outbreak. Recently the Council reviewed this plan to ensure it remains fit for purpose. As a result of this review, the Council developed the Council Plan Addendum to take any change in focus brought about by the pandemic, into consideration. The addendum document will sit alongside the current Council Plan for the next twelve months. It is designed to provide an intermediary position ahead of a full review of the Council's long term priorities in 2023. Currently the Council's key strategic priorities are:

- Economic Development and Regeneration
- Housing Growth
- Work and Financial Independence
- Improved Health and Wellbeing
- Community Safety and Anti-Social Behaviour
- Green Thread
- Financial Stability
- Organisational Sustainability
- High Quality Services

5.3 It is recognised that effective performance management will enable the Council to use its limited resources in a more targeted manner, maximising the value of Council services and allowing the Council to be even more responsive to customers' needs.

5.4 Appendix E sets out the Strategic Priorities and Performance Measures in detail. For the 9 priorities there is data contained in the Appendix on:

- The Performance Measure being used.
- An update on how it is being used.
- Where relevant, contextual information.

The Strategic Performance Measures and their respective outputs are set out below. Full context is given in Appendix E:

- Economic Development and Regeneration
  - Supporting businesses to start to Grow
    - Measure – Take up of Grants – **Table in Appendix E shows by year**
  - Regenerating our Town and Local Centres
    - Former Market Hall Project
      - Procure a technical adviser/cost consultant for the project - **In process**
      - Procure a multi-dis design team for the project – **In process**
    - Windsor Street Project

- Completion of proposed draft ground contamination and remediation strategy work - ***details in Appendix E***
    - EA and WRS (review only) to review and approve the proposed remediation strategy for the site – ***details in Appendix E***
      - Measure – Bromsgrove Centres Strategy agreed by March 2023 – ***Aim to be presented to Cabinet in January 2023***
  - ***Improved Integrated Transport***
    - Measure - Increased number of sustainable transport projects being progressed or implemented across the district – ***Officers are working with Worcestershire County Council to establish a full pipeline of sustainable schemes.***
- Housing Growth
  - Measure – Number of new Homes – total and affordable (Annual) - ***172 (118)***
  - Measure – Affordable Homes Completed – ***8 (0)***
  - Measure - Local housing affordability rate – ***11.43 (11.43)***
  - Measure – Number of homeless approaches (Monthly) - ***38 (28)***
  - Measure – Number of homeless applicants housed – ***75% in social housing, 25% in private rented sector***
- Work and Financial Independence
  - Measure – Number of Financial Independence Team client contacts - ***Chart in Appendix E sets out by month and year***
  - Measure – Number of eligible children accessing nursery funding across the district – ***71% (71%)***
  - Measure – Number of energy rebate payments – ***27,637 (24,365)***
- Improved Health and Wellbeing
  - Measure – Deliver improved outcomes from the actions in the Leisure Strategy – ***Strategy went to Cabinet in October 2022***
  - Measure – Number of Community Builders in post – ***2 (2)***
- Community Safety and Anti-Social Behaviour
  - Measure – Number of young people engaged through Detached/Outreach youth work – ***125 (101)***
  - Measure – Levels of crime – ***chart in Appendix E sets out by type and year***
  - Measure – Number of crime risk surveys carried out – ***2 (1)***
- Green Thread
  - Measure – Have an agreed and funded plan and capital replacement programme for the Council's fleet subject to any budget constraints – ***EST reports to assist***

- Measure – Have an agreed plan in place to deliver new requirements of national Resources and Waste Strategy and Environment Act – **WRAP funding for cross County feasibility study. Task and Finish group has been established with the other Worcestershire LA's to review the WRAP report and carry out additional research to examine best practice and provide recommendations**
  - Measure - Introduce vegetable derived diesel into the Council's vehicles to reduce carbon emissions subject to any budget constraints – **The organisation has now had their first delivery of HVO fuel, it has integrated well with existing vehicles, no mechanical problems. Every 1,000ltrs will reduce our carbon output by approx. 2.52 tonnes in comparison with Diesel**
  - Measure - Households supported by the Council's energy advice service – **New contract commenced in June 2022 and will be available in quarter 3.**
  - Financial Stability
    - Measure - Financial Performance – actuals consistent with budget – **via Finance Report**
    - Levelling Up Fund Project delivered within budget – **via Finance Report**
  - Organisational Sustainability
    - Measure – Number of corporate measures accessible through the dashboard – **33 (29)**
    - Measure - % of staff able to work in an agile way – **New and will be reported from January 2023**
  - High Quality Services
    - Measure - % of employees who undertake management training – **New It is an annual measure; the first data will be reported in 2023.**
    - Measure – Staff turnover rates in relation to national rates – **16.6% (16%) (compared to 15.6 (15%))**
    - Measure – Customer satisfaction with service delivery, measured through the Community Survey – **47.4%**
- 5.5 In addition, Appendix E also sets out Operational Service Measures. More context is given in the Appendix, these include:
- Sickness Absence Rates – **6.6 days (6.6)**
  - Percentage of Household Waste sent for re-use, recycling & composting – Table by Month and year – **42.89 (57.51%)**
  - NI 191 – Residual Waste per household (Kg) **49.26kg (37.28kg)**
  - Fly Tips – **106 (119)**
  - Council Tax Collection Rate - **1.2% below target (0.8% below target)**
  - Business Rates Collection Rate – **0.2% below Target (on target)**



- Benefits Change of Circumstances turnround – **9 Days**
- Benefits New Claims Turnround – **20 days**
- Customer Services calls by type – **Charts set out by department**
- Total number of planning applications determined in quarter (all types) - **137 (191)**
- Speed of decision making for 'major applications' (over a rolling 2-year period) **81.5% (82.1%)**
- Speed of decision making for 'non-major applications' (over a rolling 2-year period) - **78.6% (77.7%)**

## **6. FINANCIAL IMPLICATIONS**

- 6.1 The financial implications are detailed in the body of the report.

## **7. LEGAL IMPLICATIONS**

- 7.1 There are no direct legal implications arising as a result of this report.

## **8. STRATEGIC PURPOSES - IMPLICATIONS**

### **Relevant Strategic Purpose**

- 8.1 The Strategic purposes are included in the Council's corporate plan and guides the Council's approach to budget making ensuring we focus on the issues and what are most important for the district and our communities. Our Financial monitoring and strategies are integrated within all of our Strategic Purposes

### **Climate Change Implications**

- 8.2 The green thread runs through the Council plan. The Financial monitoring report has implications on climate change and these will be addressed and reviewed when relevant by climate change officers to ensure the correct procedures have been followed to ensure any impacts on climate change are fully understood.

## **9. OTHER IMPLICATIONS**

### **Equalities and Diversity Implications**

- 9.1 There are no direct equalities implications arising as a result of this report.

### **Operational Implications**

9.2 Managers meet with finance officers to consider the current financial position and to ensure actions are in place to mitigate any overspends.

**10. RISK MANAGEMENT**

10.1 The financial monitoring is included in the corporate risk register for the authority.

**11. APPENDICES and BACKGROUND PAPERS**

- Appendix A – Revenue Monitoring
- Appendix B – Capital Monitoring
- Appendix C – 2022/23 Earmarked Reserves
- Appendix D – Application of Earmarked Reserves
- Appendix E – Strategic and Operational Performance Measures

**9. REPORT SIGN OFF**

Department	Name and Job Title	Date
Portfolio Holder	Councillor Geoff Denaro,	09.11.2022
Lead Director / Head of Service	Peter Carpenter, Interim Director of Finance	15.11.2022
Financial Services	Michelle Howell, Head of Finance and Customer Services	14.11.2022
Legal Services		
Policy Team (if equalities implications apply)		
Climate Change Officer (if climate change implications apply)		

## BROMSGROVE DISTRICT COUNCIL

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### APPENDIX A – 2022/23 Revenue Monitoring

Service area	2022/23 Working Budget	2022/23 Cross cutting savings allocation	2022/23 Revised Budget	2022/23 Q2 Actuals	2022/23 Adjusted Forecast Outturn	Adjusted Forecast Outturn Variance (Under) / Over spend
Environmental Health / Protection / Enforcement	(5,039)	0	(5,039)	(16,124)	(5,039)	0
Licenses (all)	(185,300)	0	(185,300)	(106,662)	(185,300)	0
Regulatory Services client	418,402	0	418,402	200,217	418,402	0
<b>Regulatory Client Total</b>	<b>228,063</b>	<b>0</b>	<b>228,063</b>	<b>77,430</b>	<b>228,063</b>	<b>0</b>
Equalities & Diversity	45,686	0	45,686	(536)	45,686	0
Human Resources	235,772	(42,617)	193,155	97,954	203,155	10,000
ICT	1,237,313	(114,354)	1,122,959	7,385	1,112,581	(10,378)
Policy	66,917	0	66,917	21,091	66,917	0
Training & Organisational Development	141,907	0	141,907	0	141,907	0
Transformation, Business process re-engineering & Lean Systems	72,435	0	72,435	11,632	72,435	0
CMT - Business Transformation & Organisational Development	57,837	0	57,837	13,317	57,837	0
<b>Business Transformation &amp; Organisational Development Total</b>	<b>1,857,867</b>	<b>(156,971)</b>	<b>1,700,896</b>	<b>150,843</b>	<b>1,700,518</b>	<b>(378)</b>
Corporate	1,164,031	(3,293)	1,160,738	278,274	1,099,463	(61,275)
SMT	220,494	0	220,494	23,631	225,294	4,800
Town Centre Development	50,000	0	50,000	0	50,000	0
Central Post	81,023	0	81,023	20,256	81,023	0
P A & Directorate Support	100,200	0	100,200	27,169	96,907	(3,293)
Communications & Printing	122,032	0	122,032	24,777	122,032	0
Partnerships	59,581	0	59,581	(618)	59,581	0
<b>Chief Executive Total</b>	<b>1,797,361</b>	<b>(3,293)</b>	<b>1,794,068</b>	<b>373,488</b>	<b>1,734,299</b>	<b>(59,769)</b>
Climate Change / Energy Efficiency	7,243	0	7,243	(7,441)	7,243	0
CMT - Community	40,988	0	40,988	10,247	40,988	0
Community Safety	366,136	0	366,136	48,280	310,814	(55,321)
Community Transport	31,674	0	31,674	9,568	25,162	(6,512)
Grants to voluntary bodies	0	0	0	0	0	0
Housing Options	435,689	0	435,689	152,359	509,283	73,594
Housing Strategy & Enabling	310,471	(80,173)	230,298	8,918	232,334	2,036
Lifeline	(98,886)	0	(98,886)	(244,811)	(98,886)	0
Starting Well	0	0	0	31,739	0	0
<b>Community &amp; Housing GF Services Total</b>	<b>1,093,315</b>	<b>(80,173)</b>	<b>1,013,142</b>	<b>8,860</b>	<b>1,026,939</b>	<b>13,797</b>
Bereavement Services	13,582	0	13,582	(22,368)	11,417	(2,165)
Car Parks / Civil Parking Enforcement	(287,109)	0	(287,109)	(519,861)	(328,609)	(41,500)
Core Environmental Operations	157,921	0	157,921	15,283	157,921	0
Engineering & Design	291,940	(31,685)	260,255	79,444	305,830	45,575
Env Services Mgmt & Support	415,826	0	415,826	109,481	429,785	13,958
Place Teams	985,751	(10,490)	975,261	(9,467)	928,095	(47,166)
Stores & Depots	247,511	0	247,511	76,707	221,790	(25,722)
Tree Management inc TPOs	225,508	0	225,508	(45,375)	225,508	0
Waste Management	1,345,899	0	1,345,899	(1,527,113)	1,345,899	0
CMT - Environment	41,255	0	41,255	64	41,255	0
<b>Environmental Services Total</b>	<b>3,438,085</b>	<b>(42,175)</b>	<b>3,395,910</b>	<b>(1,843,203)</b>	<b>3,338,891</b>	<b>(57,019)</b>
Accounts & Financial Management	474,511	0	474,511	181,534	565,368	90,857
Benefits	474,878	0	474,878	161,449	446,590	(28,288)
Benefits Subsidy	(235,534)	0	(235,534)	0	(235,534)	0
Customer Services	297,221	(47,000)	250,221	77,720	200,114	(50,107)
Revenues	337,694	(40,038)	297,656	153,699	290,917	(6,738)
CMT - Finance	57,552	0	57,552	14,388	57,552	0
<b>Financial &amp; Customer Services Total</b>	<b>1,406,322</b>	<b>(87,038)</b>	<b>1,319,284</b>	<b>588,789</b>	<b>1,325,007</b>	<b>5,723</b>
Business Development	201,273	0	201,273	18,368	201,273	0
Democratic Services & Member Support	397,181	(4,235)	392,946	124,182	374,085	(18,861)
Election & Electoral Services, Periodic Electoral review	181,530	0	181,530	50,541	179,367	(2,163)
Facilities Management	(45,706)	0	(45,706)	104,319	362,119	407,825
CMT - Legal	57,936	0	57,936	12,526	56,716	(1,220)
Legal Advice & Services	354,637	0	354,637	(26,490)	354,637	0
<b>Legal, Democratic &amp; Property Services Total</b>	<b>1,146,850</b>	<b>(4,235)</b>	<b>1,142,615</b>	<b>283,446</b>	<b>1,528,195</b>	<b>385,580</b>
Development Services	210,191	(36,000)	174,191	69,246	174,191	0
Building Control	(82,497)	0	(82,497)	(42,597)	(82,497)	0
Development Control	209,450	0	209,450	110,479	209,450	0
Economic Development	167,254	0	167,254	62,805	167,254	0
Emergency Planning / Business Continuity	13,535	0	13,535	632	13,535	0
Parks, Open Spaces and Events	305,389	(14,182)	291,207	27,567	291,207	0
Planning Policy	596,793	0	596,793	167,031	596,793	0
Town Centre Development	99,138	0	99,138	159,491	99,138	0
CMT - Planning, Regeneration and Leisure	58,774	0	58,774	14,567	58,774	0
<b>Planning, Regeneration &amp; Leisure Services Total</b>	<b>1,578,027</b>	<b>(50,182)</b>	<b>1,527,845</b>	<b>569,221</b>	<b>1,527,845</b>	<b>0</b>
Cross cutting savings and efficiency targets	(477,890)	424,067	(53,823)	0	0	53,823
<b>Cross cutting savings and efficiency targets</b>	<b>(477,890)</b>	<b>424,067</b>	<b>(53,823)</b>	<b>0</b>	<b>0</b>	<b>53,823</b>
<b>Net Expenditure before Corporate Financing</b>	<b>12,068,000</b>	<b>0</b>	<b>12,068,000</b>	<b>208,874</b>	<b>12,409,757</b>	<b>341,758</b>

## BROMSGROVE DISTRICT COUNCIL

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### APPENDIX B – Capital Programme 2021/22 and 2022/23

2021/22 monitoring (as at period 11)

Cap Proj	Description	Approved budget date	Original approved Budget £	deration (years)	Department	Budget 21/22 £	reprofiling incl c/fwd £	Budget increase incl savings £	2021/22 Total £	Spent to Date	Slippage to be agreed
GC1064	Home Repairs Assistance	2018/19	50,000		Community & Housing GF Services	50,000	61,221		111,221	-4,522	115,743
GC1223	Energy Efficiency	2017/18			Community & Housing GF Services	0	5,000		5,000	2,510	2,430
GC1337	CCTV	2019/20	120,000		Community & Housing GF Services	0	67,376		67,376	23,315	44,061
GC1341	Energy Efficiency Installation	2018/19	110,000	2	Community & Housing GF Services	0	65,388		65,388	11,873	54,115
GC411	Funding for DFGo	2020/21	750,000		Community & Housing GF Services	750,000	503,101	163,000	1,416,101	608,233	807,862
GC896	OLEV ULEV Taxi infrastructure scheme	2019/20	300,000	1	Community & Housing GF Services	0	200,000		200,000	270,774	0
GC899	New Digital Service	2020/21	57,400	1	Community & Housing GF Services	33,668			33,668	0	33,668
NEW	BDC 7Kw electric vehicle charge points	21/22	120,000	1	Community & Housing GF Services	0		120,000	120,000	0	120,000
	Greener Homes	2020/21	180,000	1	Community & Housing GF Services	0		476,300	476,300	-283,780	760,600
GC894	Burcot Lane	2019/20	10,275,000		Financial & Customer Services	3,275,000			3,275,000	1,124,343	8,150,051
C1107	Bus Shelters	2020/21	18,000		Environmental Services	18,000	18,000		36,000	0	36,000
GC1265	Cemetery Extension infrastructure at North Bromsgrove Cemetery Phase Two	2017/18			Environmental Services	0	12,000		12,000	0	12,000
GC1283	Fleet Replacement	ongoing	ongoing		Environmental Services	0	481,000		481,000	380,290	100,710
GC1312	Wheeler Bin Purchase	2018/19	ongoing		Environmental Services	34,000		45,000	133,000	77,003	61,937
GC1345	Replacement lighting at the Depot	2017/18	23,000		Environmental Services	0	13,538		13,538	3,246	10,292
GC1355	Depot Site resurfacing phase 2	2018/19			Environmental Services	0	252,000		252,000	0	252,000
GC1359	Replacement Parking machines	2020/21	120,000		Environmental Services	0	108,000		108,000	136,331	0
GC900	Fleet Management Computer System	2020/21	17,000		Environmental Services	0	16,600		16,600	0	16,600
GC901	Environmental Services Computer System	2020/21	38,200		Environmental Services	0	157,000		157,000	0	157,000
GC897	Regeneration Fund	2019/20	10,000,000		Financial & Customer Services	0	2,000,000		2,000,000	0	2,000,000
GC895	Re-landscaping of Recreation Ground	2019/20	170,000		Planning, Regeneration & Leisure Services	0	211,000		211,000	194,221	16,779
GC902	Sanders Park Play Area - Replacement for Tripod Swing (Health and Safety)	2020/21	35,000		Planning, Regeneration & Leisure Services	35,000	35,000		70,000	35,000	35,000
GC905	Bittell road recreation ground	2020/21	62,000		Planning, Regeneration & Leisure Services	0	18,000		18,000	17,367	633
GC906	BDC Christmas lights	2020/21	13,000		Planning, Regeneration & Leisure Services	0			0	0	0
GC1339	Rubery Redevelopment Works				Planning, Regeneration & Leisure Services	0	32,738		32,738	0	32,738
						<b>10,255,668</b>	<b>4,263,562</b>	<b>804,300</b>	<b>15,324,130</b>	<b>2,662,816</b>	<b>12,820,419</b>

2022/23 monitoring (as at period 6)

Capital Project Name	2022/23 Approved Budget	2022/23 Q2 Actuals	2022/23 Budget Remaining
Disabled Facilities Grant	913,000	333,852	579,148
Discretionary Homes Repairs	50,000	(2,450)	52,450
Energy & Efficiency Installation	110,000	7,810	102,190
North Cemetery Expansion 0 Phase 2	6,500	15,576	(9,076)
New Finance Enterprise System	0	13,680	(13,680)
OLEV/ULEV Taxi Infrastructure	0	700	(700)
Vehicle Replacement Programme	600,000	0	600,000
Landscaping of Recreation Ground	0	7,120	(7,120)
Replacement Parking Machines	253,000	87,751	165,249
Wheelie Bin Purchase	144,000	0	144,000
New Digital Service	33,668	0	33,668
Bus Shelters	18,000	0	18,000
Salix Project	150,000	533,193	(383,193)
Bromsgrove sporting	0	11,375	(11,375)
Cisco Network Update	5,717	0	5,717
Server Replacement	83,250	0	83,250
Laptop Refresh	5,000	0	5,000
Play Area, POS and Sport improvements at Lickey End Recreation Ground	37,956	0	37,956
<b>Total</b>	<b>2,410,091</b>	<b>1,008,607</b>	<b>1,401,484</b>

## APPENDIX C – 2022/23 Earmarked Reserves

Description	Balance b/fwd 1/4/2020	C/fwd 31/3/2020	Planned use for 2021/22 Budget	Estimated closing balance 2021/22	Proposed release/addition of reserves from RPP exercise	Planned use for 2022/23 Budget	Comment
	£'000	£'000	£'000	£'000	£'000	£'000	
Building Control	(7)	(7)	0	(7)	7	0	To Fund the mobile working project
Building Control Partnership	(69)	(83)	0	(83)	0	0	Partnership income has to be reinvested back in to the service.
Commercialism	(10)	0	0	0	0	0	To help fund costs in relation to commercialism projects
Community Services	(43)	(274)	0	(274)	0	0	To help towards a district network feasibility study and unauthorised trespass prevention.
Economic Growth Development	(1,342)	(1,347)	350	(997)	75	0	To fund the Economic Development opportunities across the District. There is provision within this reserve to take into account the potential impact of Covid 19 on service delivery in particular Leisure Services.
Election Services	(96)	(51)	0	(51)	25	0	To support the delivery of individual electoral registration and to set aside a reserve for potential refunds to government
Environmental Services	0	(47)	0	(47)	0	0	To support the costs of the Environmental Services Vehicles
Financial Services	(479)	(1,422)	0	(1,422)	(50)	0	A number of reserves / grants have been set aside to support residents through the changes to welfare reform along with a reserve to support our Business continuity plans. This also includes funds to support the new enterprise system and the balance of the Covid general grant received in 20-21. The proposed addition is in recognition of the need to strengthen the finance team and short term capacity issue risk
Corporate Financing	(2,784)	(3,906)	100	(3,806)	100	100	The reserve has been created to offset the loss on Business rates collection and appeals in 2019/20.
Housing Schemes	(475)	(487)	142	(345)	0	0	To support the feasibility and implementation of housing schemes across the district
ICT/Systems	(87)	(80)	0	(80)	80	0	To provide replacement ICT and systems across the authority.
Leisure/Community Safety	(291)	(329)	0	(329)	0	0	Grant received and reserves set aside to support a number of leisure and well being schemes across the District
Local Neighbourhood Partnerships	(16)	(16)	0	(16)	0	0	Grant received in relation to liveability schemes
Other	(115)	(107)	44	(63)	(75)	0	General reserves including - support for apprentices, set up costs and Brexit reserve. Funds to create an Invest to save reserve to increase efficiencies within the organisation
Planning	(108)	(133)	0	(133)	20	0	Reserves in relation to a custom build grant to provide support to the council towards expenditure lawfully incurred in relation to the provision and maintenance of a self-build register, along with reserves to help towards future planning appeals.
Regulatory Services (Partner Share)	(35)	(47)	0	(47)	0	0	BDC Share of WRS grant related reserves
Shared Services Agenda	(311)	(311)	0	(311)	200	0	To fund potential redundancy and other shared costs
<b>Grand Total</b>	<b>(6,268)</b>	<b>(8,648)</b>	<b>638</b>	<b>(8,011)</b>	<b>382</b>	<b>100</b>	

**Appendix D – Application of Strategic Reserves****Investing in HR for the short term**  
**October 22**

We have made steps towards our Future Operating Model (FOM) however, the pace at which we can transition is limited due to resource capacity and presenting demand on the team. There are elements we need to undertake at the front end if we are to reduce the reactive demand placed on the team but finding space and capacity to prioritise these areas is challenging.

The delivery of our corporate plan and business plans are reliant upon the capability, creativity, and discretionary effort of our workforce, therefore the role of HR moving forward needs to be focused greater on proactively partnering services, bringing together business planning, workforce planning and to work with them to deliver against purpose. However, this is only possible if we are to change how HR is positioned within the organisation at both a Corporate and Operational level, the reliance placed upon HR and the reactive nature of the current service needs to significantly reduce, to create capacity to add true value to services and the organisation as a whole.

Therefore, to support the organisation to deliver against Strategic Objectives we will need to review the service we provide to the organisation and the way in which it is delivered. It is imperative that the organisation is clear on the role HR will and won't play in supporting services and that this is clear throughout all levels within the organisation.

- Policy review is frequently pushed down the agenda as we prioritise reactive demand including Disciplinary's, Grievances, Service Reviews.
- In the last year we delivered training to support the recently reviewed policies however, this is limited to certain services and yet to be rolled out across the Council.
- HR analytics are, to a degree provided, as part of Corporate Measures data however, the level of analytics available and the analysis of the data is far more limited than we would wish to provide and need to provide if we are to add greater value both in terms of decision making and business planning.
- Workforce Planning is in its infancy, we have made great steps towards introducing the organisation, with the support of the LGA, to the importance of workforce planning however, we cannot underestimate the journey we have ahead to implement and embed Workforce Planning into our business planning process.
- We have implemented Talentlink (recruitment platform) on the back of the challenges experienced with Tech One, this has been a huge step forward but we are only at the initial roll out stage and therefore there is further work to do to embed the new way of working and establish how this will impact on HR resource and capacity moving forward. This will be a huge step towards automating processes and ensuring services have access to live data. We have prioritised this project due to the

challenges we are experiencing with recruitment both within our organisation and across the sector, whilst this is a positive step forward we still have phase 2 of the project to implement thus impacting on available resource to focus on other areas of our business.

In order to address the issues outlined above HR will require four additional resources for a period of twelve months. The estimated cost for this additional resource would be approx. £150K. These costs have been estimated at Advisor level but it is likely that not all of the additional resource will need that level of skill. If that is the case this cost may well reduce in line with the reduced skill level.

With this additional resource we will:

- It is the intention that by front loading resource we will move to a position of invest to save. Current demand hinders our ability to progress time intense proactive work. It is therefore the intention to focus additional resource in particular areas to assist us to move to our FOM as quickly as possible.
- Update all HR processes and policies. With a focused resource we will be able to review and simplify processes both to remove a reliance on HR and speed up end to end activity. We currently have excess of 40 HR policies; capacity only allows for policies to be reviewed on an individual basis. We will undertake a full review of all policies during the 12 month period allowing a comprehensive review of policies ensuring they support the Corporate Workforce Strategy. Following the 12 month period we will move to a position of knowing all policies are fit for purpose both for now and the short to medium terms, we can then schedule for appropriate review period dependent upon the nature of the policy.
- We will undertake a bespoke piece of work to ensure employment policies / process / documents/employee benefits etc are available on the Orb and easily accessible to all staff. If we are to transition to our FOM a review of the ORB is a critical piece of work. Following the 12 month period we will have a establish approach that can be maintained.
- The delay in the implementation of the ERP for HR has resulted in us continuing with a system that does not fully support our FOM. As we continue to use Chris 21 in the short to medium term, we need to ensure investment of time and resource ensure the data within the system is clean and there are established approaches with Payroll and Finance to ensure the system supports effective and efficient service delivery. Resource will be invested to review the data held in the system, review establishment management to ensure that for however long we continue to use the current system it supports more closely our transition to our FOM. A key element of our FOM requires us to move to a position whereby having clear data and metrics to understand our workforce data including, recruitment data, turnover, sickness etc thus enabling data to drive decisions and priorities. Workforce analytics is



key to our FOM and will allow us to use data to create a more complete picture of our workforce, providing both CMT and services with critical information necessary to make decisions that drive business success. Following the investment of resources for 12 months, we will have established processes and clean data as we move back to our established structure. An evaluation will be taken forward to review appropriate Payroll / HR systems moving forward in the way of an options paper.

- We need to monitor and assess if policies and processes are being applied and what challenges services are experiencing thus allowing us to determine the appropriate action, reviewing them more closely by taking on an auditing roll. This is far more than we would do or have the capacity to do currently. This would include sickness absence, establishment management and the use and cost of temporary staff across the organisation. This will be a specific focus for a 12 month period, taking on more of an auditing role to help build a picture of current state and to identify future priorities.
- Clear the administration and recruitment backlog completely. The review of processes during the 12 month period will ensure the backlog is both cleared and enable us to review how we direct demand to the relevant areas to ensure we do not build up backlogs in the future.
- Complete the rollout of phase two of the new recruitment module.
- Embed workforce planning fully with a suitable plan in place.
- Understand trends and data regarding Grievances and Disciplinarys and use that understanding to try to reduce the instances of these events.

The managerial approach, in part, needs to be enhanced with greater dialog and ownership between Managers and Employees. Managers have started to become more self-reliant in their use of self-service however, there is a reliance on HR and sometime a reluctance to manage low level issues that then escalate requiring HR input or more formal processes. We need to explore further to understand the demand within the service to identify how we move forward and embed the necessary cultural shift.

There is sometimes a discontent within the organisation regarding the role of HR, it is imperative that the organisation is clear on the role HR will play in supporting services and that this is clear throughout all levels within the organisation. This will be clearly outlined in the HR and OD Service Protocol.

After 12 months, once the above issues have been resolved, the future operating model will redistribute resources to ensure sufficient support at the right levels and that staff resource is placed where it can most affect change in the organisation.

The future world of work is changing, the needs and expectations of our current and future employees are changing and HR needs to be able to support the organisation to change. Whilst the FOM for HR will evolve as we move forward, we need to move quickly, the additional resources will enable

us to front load the changes and in turn not only add greater value but understand what and where HR resource needs to be positioned over the coming years.

**Investing in ICT for the short term**  
**October 2022**

**Project Management**

ICT is currently leading on a project that will deliver efficiencies across the organisation by enabling the citizens of Bromsgrove and Redditch to self-serve many council functions. This will involve the creation of a web customer portal, implementation of a customer relationship management system (CRM), development of many electronic forms and their related automated workflow that will move information around the council. This is a complex set of tasks and will require the project team to engage with many departmental contact points to design the processes, ensure they work as required, and safeguard the investment in the new system. To assist with bringing this project to a faster conclusion the following resource is required.

To release ICT technical resource, who would otherwise be assigned the Project Manager role, an external project manager would be required one day a week for 12 months. **£31,000**

**Outcomes**

1. Project delivery will be quicker which should shorten the project timeline.
2. An experienced and qualified Prince 2 project manager will ensure the project is setup correctly from the start which will reduce the risk of the project failing.
3. An independent person to manage tasks across all departments will free the internal ICT resource to concentrate on delivering the technical tasks and changes.
4. Time and effort can me focused on the integration between systems to realise greater gains e.g. links for payments, mobile payments (e.g. bulky waste) etc

**Technical building of the CRM, Portal and Forms**

Abavus (the vendor) to provide additional time to build several of the functions into the CRM, Portal and Forms system. **£20,000 (estimate waiting for supplier to confirm)**

**Outcomes**

5. Project delivery time is reduced by approximately 4 to 6 weeks.
6. Accuracy and speed of the development of electronic forms will increase due to the experience of the vendor having done this previously.
7. The vendor will have more time to support and train internal staff.

8. Specialists will allow for more functionality to be realised during the project cycle such as the self-serve of Taxi MOT scheduling.

**Creating the API connections between the websites and portals.**

API building is a specialist job and requires knowledge which is currently only available from ICT by reducing the priority for other projects. This project is a complex build, but delivery times could be reduced by having a dedicated person to assist. Additionally, this resource would allow us to build more automated functionality into the system, reducing manual intervention by teams when it goes live. This requires technical knowledge of how API's work and would require a Grade 7 post for **12 months £50,000**

Outcomes

9. Resource for other projects is freed up.
10. Specialist can help us include more automated functions which could reduce the need for resources in other service areas.

**Assisting departments with their electronic forms, workflow and testing.**

This requires administrative and system knowledge and would require a Grade 5 post for **12 months £35,000**

Outcomes

11. Departments will have additional help to deliver automated forms which is something they have not done before.
12. Resource impact on other service areas will be reduced, reducing impact on their service delivery to customers.

**Network Implementation**

ICT have requested a capital bid for replacing redundant equipment that will become a cyber security risk if it is not implemented in a timely manner. To assist with this year's implementation, additional resource could be purchased at a cost of **£15,000**

Outcomes

13. Reduce the risk of cyber security breaches by having supported kit in place sooner.
14. Resource for other network projects is freed up.

Item	Cost
Project Management (for Abavus Project)	£31,000
Technical building of the CRM, Portal and forms	£20,000
Creating the API connections between the websites and portals	£50,000
Assisting departments with their electronic forms, workflow and testing	£35,000
Network Implementation	£15,000
<b>Total</b>	<b>£151,000</b>

## **Long term impacts**

The delivery of the projects outlined above provide greater opportunities for the organisation to increase the use of automation and self-serve. The Customer & Digital strategy sets out a vision for 'digital first' in which the council will:

- Make it as easy as possible for residents and citizens to access our services 24/7/365.
- Encourage as many people as possible to use online services.

In order to deliver this vision and affect the changes required to do so, technology needs to be fully embraced by all service areas across the council and harnessed effectively for our customers

It is anticipated that the technical changes brought about by these projects will enable greater access for our customers whilst also potentially reducing the need for some resources in certain services. These projects also open up other opportunities such as the use of chatbots which will further automate customer access. These technologies will also facilitate mobile payments which can speed up the taking of payments for services delivered 'out in the field'.

**Appendix E Strategic Priorities and Performance Measures****1. Introduction**

The first section of this report shows the organisations performance against the strategic priorities outlined in the Council Plan Addendum. Additional comments and updates have been provided for the success measures to explain progress/activity. The final section of the report includes some operational measures to demonstrate how the council is delivering its services to customers.

The process of performance reporting will develop iteratively, however this document is a snapshot in time and very much a temperature check of the organisation, the layout comprises:

- Strategic Priorities – Success measures
- Operational Measures – by service area
- Financial Data (separate report on this occasion)
- Corporate Projects (by exception)

**2. Background**

The Council has an approved Council Plan in place that was completed before the Covid-19 outbreak. Recently the Council reviewed this plan to ensure it remains fit for purpose. As a result of this review, the Council developed the Council Plan Addendum to take the potential shift in priorities brought about by the pandemic into consideration. The addendum document will sit alongside the current Council Plan for the next twelve months. It is designed to provide an intermediary position ahead of a full review of the Councils long term priorities in 2023. The key priorities are:

1. Economic Development and Regeneration
2. Housing Growth
3. Work and Financial Independence
4. Improved Health and Wellbeing
5. Community Safety and Anti-Social Behaviour
6. Green Thread
7. Financial Stability
8. Organisational Sustainability
9. High Quality Services

The performance measures for these priorities are shown in the next section.

**3. Strategic Priorities and Performance Measures****3.1. Economic Development and Regeneration****3.1.1 Supporting Businesses to Start and Grow**

Opportunities in the digital technology sector and green industries will be key to the future of Bromsgrove. Local businesses demonstrated their resilience

and flexibility during the Covid-19 pandemic. The council is now looking to support the businesses started during the pandemic and existing businesses, that have identified growth opportunities. This will be achieved via existing business support packages, including sectoral support, as well as helping businesses access new business grants where available.

**Performance measure:**

- Take-up of start-up business grants and creativity grants programme.

**Update**

Detailed below are the grants which have been awarded, and the total value. No grants have been paid so far, this financial year.

Period	Number of Grants	Value of Grants
2020/21	15	£15,104.15
2021/22	8	£16,862.57

**3.1.2 Regenerating our Town and Local Centres**

The pandemic has emphasised both the economic and wellbeing importance of local centres to our residents. Funding has been secured to support the development of sites in Bromsgrove town centre and a strategy will be prepared to ensure all of the centres in Bromsgrove District will be as vibrant and viable as possible.

**Performance Measure:**

- Former Market Hall Project
  - Procure a technical adviser/cost consultant for the project
  - Procure a multi-dis design team for the project

**Update**

The team is in the process of securing a multi-disciplinary design team to develop the current early-stage RIBA stage 2 concept design to RIBA stage 3+4 to seek planning permission.

**Performance measure:**

- Windsor Street Project
  - Completion of proposed draft ground contamination and remediation strategy
  - EA and WRS (review only) to review and approve the proposed remediation strategy for the site

**Update**

In this reporting period a phase II ground investigation report has been produced alongside a proposed model for the detailed quantitative risk assessment (DQRA) which will be the basis for the remediation strategy for the site. The report has been reviewed by the Environment Agency who are broadly in agreement with the findings of the report and next steps. A remediation strategy is approved by the EA. The programme manager is Naznin Chowdhury [Naznin.Chowdhury@nwedr.org.uk](mailto:Naznin.Chowdhury@nwedr.org.uk)

**Performance Measure:**

- Bromsgrove Centres Strategy agreed by March 2023

**Update**

Background work with internal officers/local centres and stakeholders has begun to update the Centres Strategy ready to be presented to Cabinet in January 2023. This will include proposed spend related to the UKSPF..

**3.1.3 Improved Integrated Transport (Bromsgrove)**

New innovations can help provide new and more sustainable methods of getting around. Improved transport can help to increase user satisfaction and increase efficiency whilst also helping to reduce the impact on the environment. Working with Worcestershire County Council (WCC) and other partners will enable new, better integrated and more sustainable modes of transport across the district.

**Performance measure:**

- Increased number of sustainable transport projects being progressed or implemented across the district.

**Update**

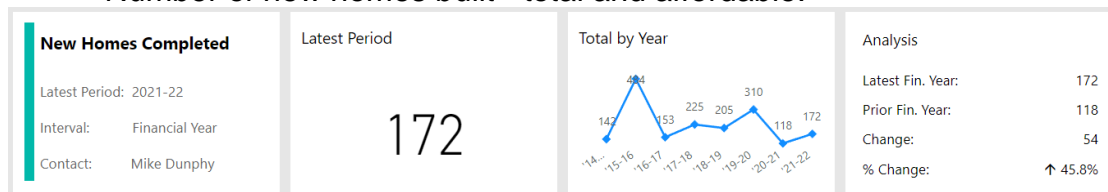
Officers are working with Worcestershire County Council to establish a full pipeline of sustainable schemes.

**3.2 Housing Growth**

During 2022/23 we will accelerate the pace of affordable housing development, wherever possible. We will work to enable the building of market value housing and the creation of additional income for the Council.

**Performance measure:**

- Number of new homes built - total and affordable.

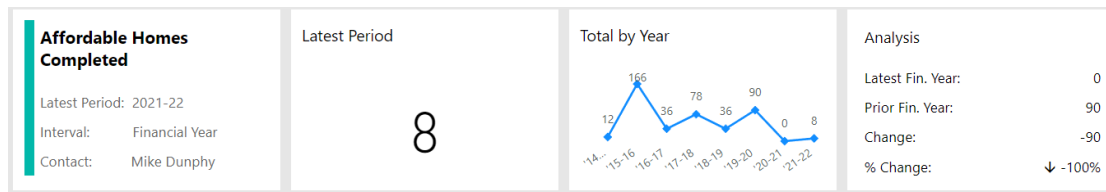


**Update 2021-22**

The completions by number of bedrooms for 2021/22 has increased slightly since the previous year. This reflects the fairly low amount of strategic sites that were in the process of constructing new dwellings.

**Performance measure:**

- Affordable Homes Completed



#### Update 2021-22

The graph shows affordable housing completions in Bromsgrove District by number of bedrooms. 8 affordable units were built in the 2021/22 monitoring year. This reflects the fairly low total completions across the District, and the small number of large strategic sites that are currently under construction. There are 689 affordable housing commitments as of 1 April 2022, reflecting the number of strategic sites which have gained consent but not started construction.

#### Performance measure:

- Local housing affordability rate.

#### Update

The data in the table below has been extracted from the Office for National Statistics (ONS) house price statistics for small areas, annual survey of hours, and earnings.

The affordability measure, using this data, indicated that the ratio in England is currently 9.05. The affordability ratio relates to workplace-based income which uses the median earnings of those employed in Bromsgrove. When looking at the data

Bromsgrove has a work based median at £28,103. The median house price in Bromsgrove is relatively high at £321,250. This causes a significant difference in the affordability ratio in Bromsgrove.

House prices over the last year have also risen well above the normal expected rate. This will push more households into needing affordable housing.

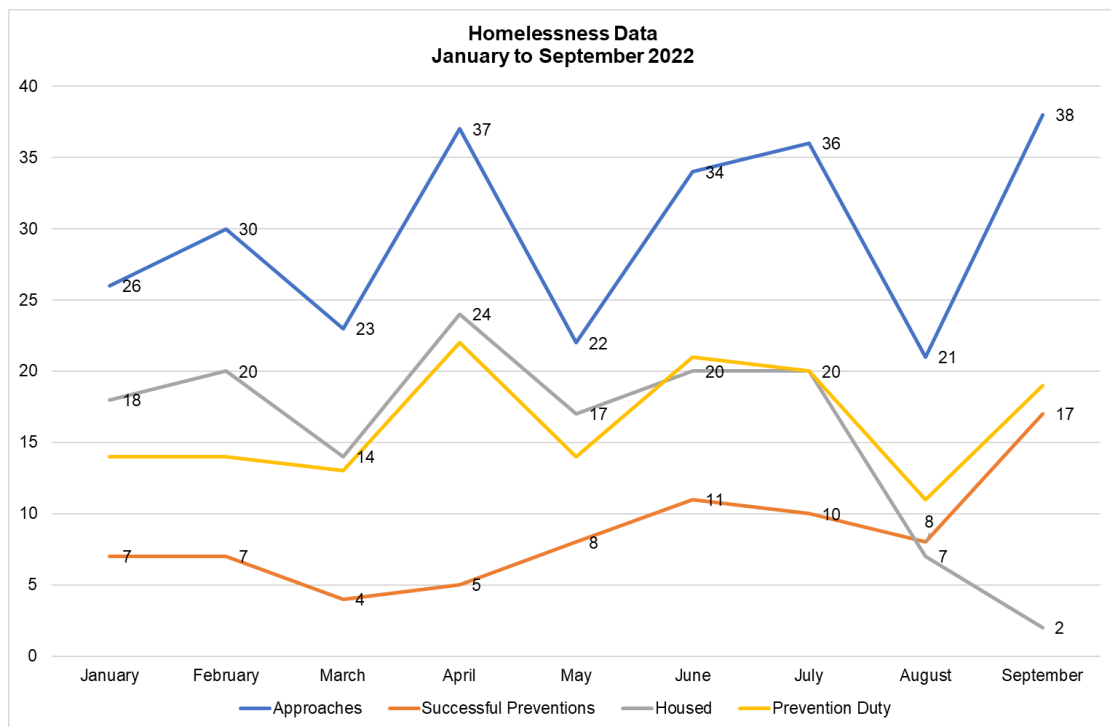
The council is working with developers to secure the maximum provision of affordable housing on developments and RP's to bring forward affordable housing. A Housing First policy with a local connection criteria is being presented to Council to ensure these discounted homes are provided for local applicants in the first instance.





### Performance measure

- Number of homeless approaches



### Update

On average we are seeing 28 approaches for homelessness assistance per month this year which is consistent with the last few years except for 20/21 due to the results of the pandemic. The average number of approaches over the year has reduced to 27.

#### Performance measure

- Number of threatened with homelessness preventions – see comments below

#### Update

On average 56% of approaches are owed the prevention duty providing the ability to plan for the loss of accommodation rather than having to deal with actual homelessness.

#### Performance measure

- Number of homeless applicants housed- see comments below

#### Update

When looking into those housed under homelessness duties the majority (75%) are housed in social housing. It has been positive that 25% have been housed within the private rented sector helping to reduce the burden on social housing.

### 3.3. Work and Financial Independence

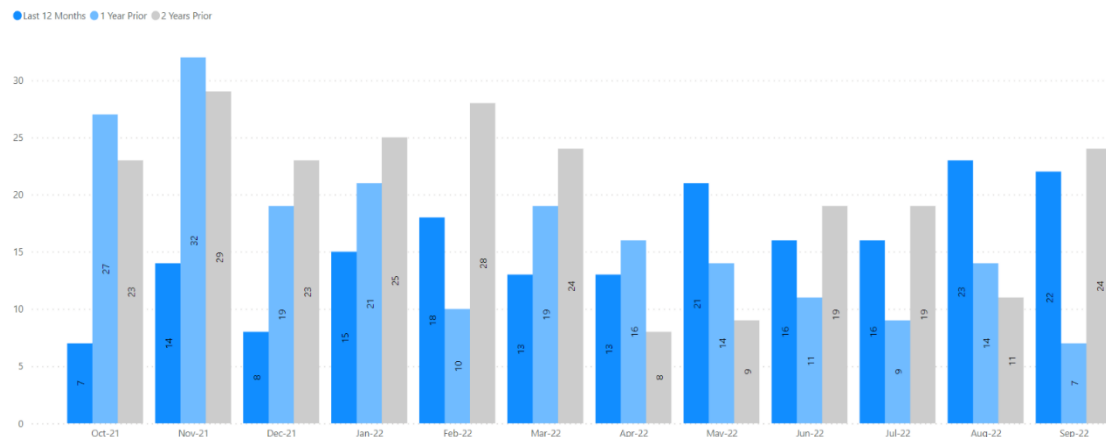
In 2022/23, we will find ways to further support, engage, and empower our residents to maintain / achieve financial independence.

We will provide quality services that help to empower residents through good financial advice, the effective coordination and signposting of services, and partnership working.

#### Performance measure

- Number of Financial Independence Team client contacts. This measure records the number of FI Team cases opened. The top 3 referral reasons (where a value has been provided) for the last 12 months are:

- ‘Other’ (62)
- ‘No value’ (18) - excluded from top 3 reasons
- ‘Physical health issues’ (16)
- ‘Ukraine Sponsor’ (12)

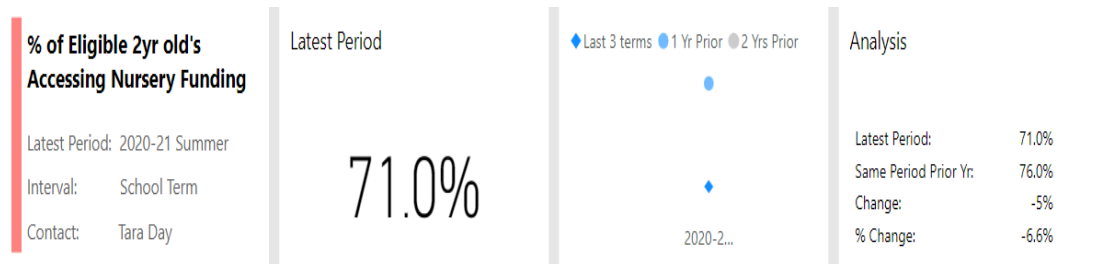


#### Performance measure

- Number of eligible children accessing nursery funding across the district.

#### Update

Data is reported termly, although only summer term data is available at present. The take up of nursery places supports parents in taking up work.



In respect of the above, Bromsgrove performance is good. The County average was 65% and the national average for 2021 was 62%. The impact of COVID is still likely to be a cause on take up being even higher; as well as there not being enough suitable childcare providers.

Work has been undertaken within the Starting Well Partnership with nursery providers and Worcestershire Childrens First (WCF) to look at this. We used to receive a DWP list and would proactively contact all families with eligible children to encourage take up of the funding and support in signposting to suitable childcare providers – over the past year we have not received this list as there was a change made within the DfE and an issue around information sharing/data protection and WCF were unable to share the lists with us – during this time our Community Team held some ‘back to work’ events in collaboration with our Job Centre colleagues; we have promoted the funding on social media and all events/health clinics. In the last few weeks, we have received the lists so once again we will be able to proactively contact families who are eligible. It should be noted some nurseries across the County have closed in the past 6 months due to staffing numbers and not being able to recruit – this may impact once again on the number of appropriate childcare places available.

#### Performance measure

- Number of energy rebate payments.

#### Update

For the period from 1<sup>st</sup> April 2022 to 30<sup>th</sup> September 2022 a total of 27,673 direct payments of Council Tax Energy Rebates were made to customers; a further 2,049 customers received their payment by a credit to the council tax account.

The discretionary energy rebate scheme has provided direct payments to 2,264 customers.

### 3.4. Improved Health and Wellbeing

In 2022/23 we will work with communities to help them identify and develop their strengths. We will look at ways to encourage physical movement into part of people's normal routines. We will look to catalyse an integrated approach to care.

**Performance measure**

- Deliver improved outcomes from the actions in the Leisure Strategy

**Update**

The Leisure Strategy went to Cabinet in October 2022..

**Performance measure**

- Number of Community Builders in post.

**Update**

- There are currently two in post:
  - Catshill (started Dec 2021)
  - Rubery (started Dec 2021)

Asset Based Community Development (ABCD) is an approach built on tried and tested methods from sustainable community development practice. It is not a set formula that can be prescribed in a one size fits all manner. The aim of ABCD approaches is to create the conditions that will enable both place and people to flourish, reduce inequalities, improve quality of life that supports communities to thrive and to reduce or delay the need for long term care and support

ABCD does this through an approach which consists of:

- Community Builders - paid workers ideally hosted by neighbourhood organisations.
- Community Connectors - individuals living locally who may organise and support local activities.
- 'Small Sparks' grants - funds for groups and individuals to support hyper local activity

A Bromsgrove and Redditch Shared Learning Network has been set up, supported by Public Health at Worcestershire County Council, which includes community builders, the voluntary and community sector hosts, relevant BDC and RBC officers and the relevant portfolio holders. The purpose of the Network is to provide a forum to support and encourage the development of ABCD good practice locally.

Community Builders are on fixed term contracts, and we believe there will be funding available to extend the posts until end of March 2024. Discussions are taking place to finalise a revised agreement with the County Council, including service specifications and reporting requirements. The longer-term aim is other areas will be covered if funding becomes available for additional Community Builders.

### 3.5. Community Safety and Anti-Social Behaviour

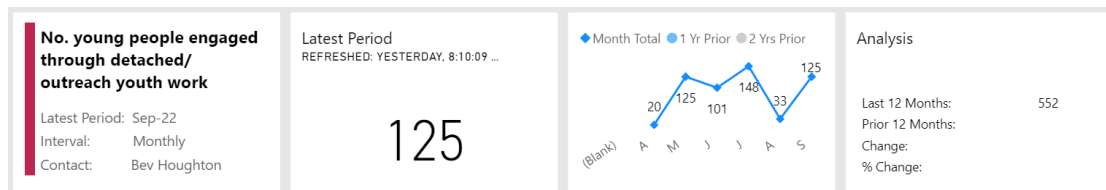
Working with Community Safety partners we will implement crime prevention projects and promote community safety services to reduce the hazards and threats that result from the crime, violence, and anti-social behaviour. We will also promote and support victim services that are in place to help and encourage recovery from the effects of crime.

#### Performance measure

- Number of young people engaged through Detached/Outreach youth work.

#### Update

This is a new measure from April 2022.



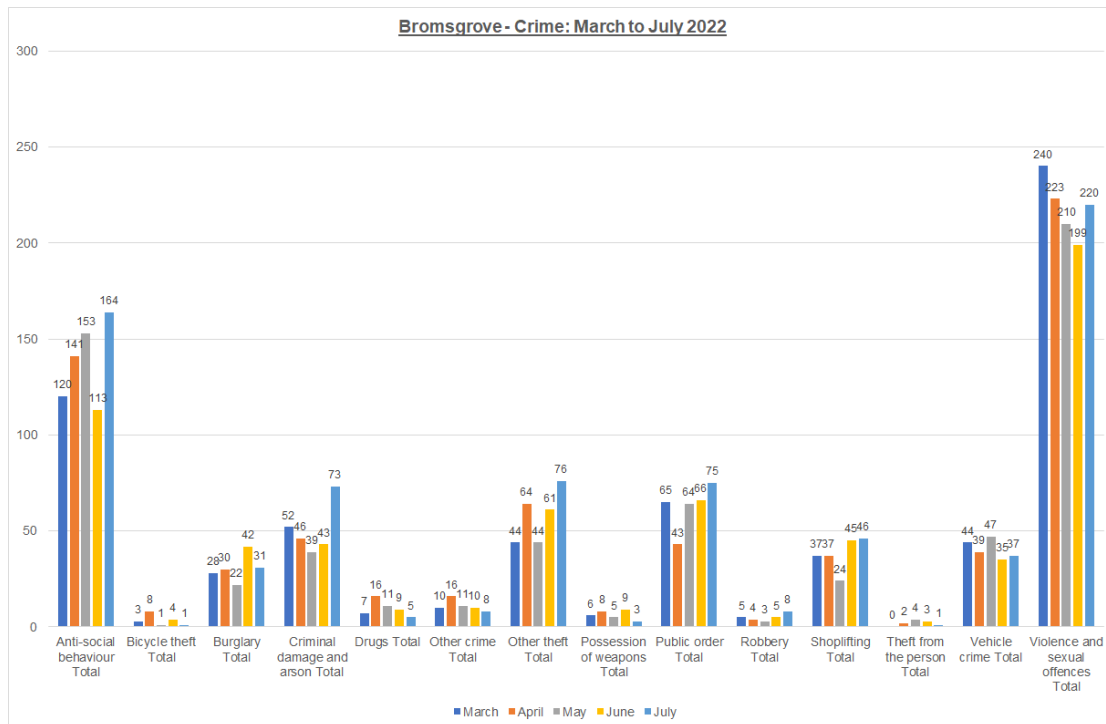
Youth workers conducted routine outreach patrols in the Central area. Workers also accompanied the Street Pastors on their late night/early morning patrols of the key night-time economy locations where they conducted welfare checks with young people who were out in these areas and signposted to support services and more appropriate youth provision in the district.

#### Performance measure

Levels of crime.

- **Update**

Data extracted from 'data.police.uk' - as at 26/09/22



In the 12 month period 1<sup>st</sup> Aug 2021 to 31<sup>st</sup> July 2022 total recorded crime in North Worcestershire peaked during May 2022 with the greatest volume of offences recorded (N=1,803) since pre-covid levels (N=1,807 in Jan 2020). This reflected an upward trend from Dec 2021 onwards. However, data for June and July 2022 indicates a decrease and a return to a 3 year monthly average volume of N= 1,559. Also, whilst there was an increase in the volume of recorded offences from the beginning of the calendar year, from Feb 2022 there was a decrease in the associated harm (Severity Score) of these offences. The Crime Severity Score allows comparison of the harm caused by offences by giving more severe/harmful offences a higher weighting than those crimes with less associated harm caused.

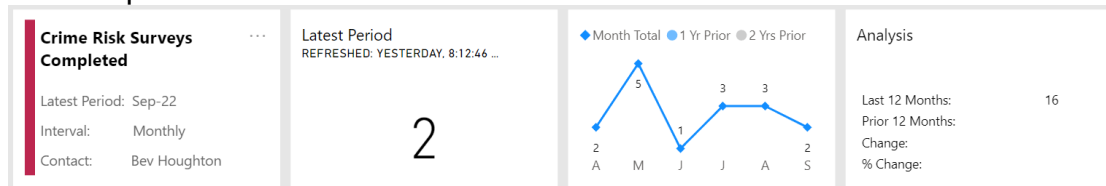
With regard to crime types, violence without injury was the greatest volume offence type in North Worcestershire with 5,589 offences comprising 29% of all crime between 1 August 2021 and 31 July 2022. This was an increase of 8% (n=396) since 2019/20 (pre Covid). Offences primarily consisted of Assault without Injury, sending letters etc. with intent to cause distress or anxiety and harassment - without violence. Charford Ward comprised 9% of all violence without injury offences in Bromsgrove District for Aug 2021/Jul 22 (n=127)

ASB – Between 1st Aug 2021 and 31st July 2022 ASB activity has decreased considerably since 2019, particularly from the end of the national Covid-19 restrictions in Jul 2021. There has been a change in police recording practices around public order offences and malicious communications offences which has had an impact on police ASB incident recording. These changes have driven further reductions in ASB recording during 2021/22 and 2022/23 because more incidents are now being recorded as crimes that would previously have been recorded as ASB. Therefore, the decrease in ASB

recording cannot be attributed solely to fewer incidents, or initiatives implemented, but mainly to the change in recording practices. Within the reporting period (Aug 21- Jul 22) there were 561 ASB incidents recorded in Bromsgrove compared to 644 in Redditch and 765 in Wyre Forest during the same period. Thematic analysis shows that the key qualifiers for incident reporting in Bromsgrove were Licensed premises at 21.6%, (N=41) followed by Alcohol Related at 20.5% (N=39) and then Youth Related at 16.3% (N=31). Nuisance ASB is the most common incident type accounting for 88% of all ASB reports. Nuisance ASB is defined as – when a person causes trouble, annoyance or suffering to a community.

#### Performance measure

- Number of crime risk surveys carried out. This is a new measure from April 2022.



#### Update

Crime Risk Surveys related to a complaint of youth ASB raised by a local resident and reported via the Ward Member. Designing out Crime advice was also provided for a Residential Planning Application.

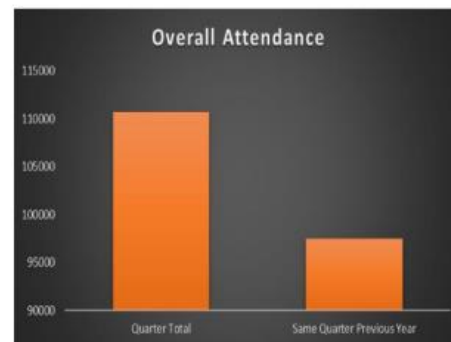
#### 3.6 SLM Leisure (Everyone Active)

For SLM Leisure there is a lag in the data; as a result, quarter 1 data and comments can be found below; Q2 information will be available for the Q3 report.

Everyone Active Bromsgrove continued its path to recovery in 2022/23. When reflecting on the same quarter last year this really stands out, 13,246 more visits, 364 more members and 190 more children on lessons.

As expected with such an over performance in attendance, offerings such as swimming lessons and group exercise classes had to expand. This can be seen in the occupancy percentage however; this does allow the centre to grow further.

Category	Quarter Total	Same Quarter Previous Year	Difference
Total no. of visits including EA cards and non-card holders	110756	97510	13,246
EA Cards added in this period	1703	2129	-426
Total EA Cards to date	61987	54430	7,557
No. of Gym members	2536	2172	364
Swimming Lessons – children enrolled on scheme	1644	1454	190
Swim Lesson Occupancy	84%	91%	-7%
RIDDOR Reportable Events			0



When looking at the subscription production the strength of improvement is reflected once more. Fitness sits at an impressive 17% ahead of the same period last year and swimming lessons at an equally impressive 12%.

Bromsgrove LC	2021/22		+/- %		2022/23		+/- %	
	Fitness	Swim	Fitness	Swim	Fitness	Swim	Fitness	Swim
1st Quarter April- June	2,172	1,454	1%	44%	2,536	1,625	17%	12%
2nd Quarter July-September	2,339	1,752	14%	46%	0	0	-100%	-100%
3rd Quarter October - December	2,294	1,587	16%	34%	0	0	-100%	-100%
4th Quarter January - March	2,729	1,602	0%	0%	0	0	-100%	-100%
<b>Yearly Average</b>	<b>2,384</b>	<b>1,599</b>	<b>54%</b>	<b>89%</b>	<b>634</b>	<b>406</b>	<b>-73%</b>	<b>-75%</b>

### 3.7. Green Thread

There will be a renewed focus on innovation as we play our part in the response to climate change and biodiversity challenges. Working with partners across the region, including the LEPs and the Waste Partnership, we will explore the possibilities of modern technologies to our fleet but also how innovative technology can help us deliver greener and more efficient systems internally. We also need to maintain work around waste minimisation and maximising recycling, particularly around recycling quality and the implications of the new Environment Bill.

#### Performance measure

- Have an agreed and funded plan and capital replacement programme for the Council's fleet subject to any budget constraints.

#### Update

We now have Environment Savings Trust reports giving information to assist with the future of the fleet. Presentations regarding the EST reports and findings have been made to the Climate Change panel.

Money is allocated in the capital programme for consultant support regarding greening the fleet and the development of a revised capital programme.



Officers are currently working to procure a suitable consultant and are also arranging a visit to Nottingham City Council who are leaders in this field to learn from their experience.

#### Performance measure

- Have an agreed plan in place to deliver new requirements of national Resources and Waste Strategy and Environment Act.

#### Update

Waste and Resources Action Programme (WRAP) funding gained via the waste partnership to fund a study to look at options for waste collection and disposal across Worcestershire.

Findings from the consultants presented to a joint meeting of the Worcestershire Leaders Board and Waste Partnership Board.

Still awaiting the response from Government on their waste consultation, which will give details on precisely what is required of us as the Waste Collection Authority under the Environment Act 2021.

Moving forward a Task and Finish group has been established with the other Worcestershire LA's to review the WRAP report and carry out additional research to examine best practice and provide recommendations on what the Worcestershire Councils will implement as future collection arrangements in compliance with the Environment Act 2021

#### Performance measure

- Introduce vegetable derived diesel into the councils' vehicles to reduce carbon emissions subject to any budget constraints.

#### Update

Reported in Q1 as awaiting final documentation so that Hydrotreated Vegetable Oil (HVO) can be purchased.

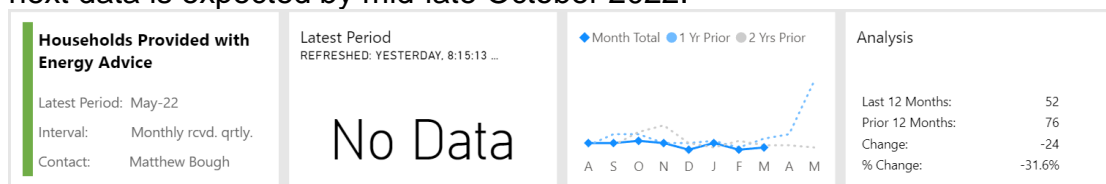
The organisation has now had their first delivery of HVO fuel, it has integrated well with existing vehicles, no mechanical problems. Every 1,000ltrs will reduce our carbon output by approx. 2.52 tonnes in comparison with Diesel

#### Performance measure

- Households supported by the Council's energy advice service

#### Update

A new contract commenced in June 2022 so data is currently unavailable. Whilst the data for this measure is monthly, it is only received quarterly. The next data is expected by mid-late October 2022.



### **3.8. Financial Stability**

Council resources will continue to be constrained. We will continue to work on ensuring our people, assets and financial resources are focused on the priorities and activities that most effectively deliver wellbeing and progress for our population.

**Performance measure**

- Financial performance – actuals consistent with budget.
- Levelling Up Fund Project delivered within budget.

Financial information provided within separate report.

### **3.9. Organisational Sustainability**

The Council will work to maximise the use of digital infrastructures, including cloud technologies, to enhance its support for customers. Ensuring the Councils infrastructure can securely process the increased demand placed on it by the expanding use of Internet of Things devices will be key to its digital success.

**Performance measure**

- Number of corporate measures accessible through the dashboard.

**Update**

The organisation is moving from the current legacy dashboard to a new Power BI dashboard. Power BI is an interactive data visualisation software product with a primary focus on business intelligence. Currently there are 33 strategic measures available via the dashboards.

**Performance measure**

- % of staff able to work in an agile way.

**Update**

This is a new measure and will be reported from January 2023

### **3.10. High Quality Services**

Council people are key to its success. We need to recruit, retain, and motivate the right employees, with the right knowledge, skills, and attitude to deliver excellent services and customer care.

**Performance measure**

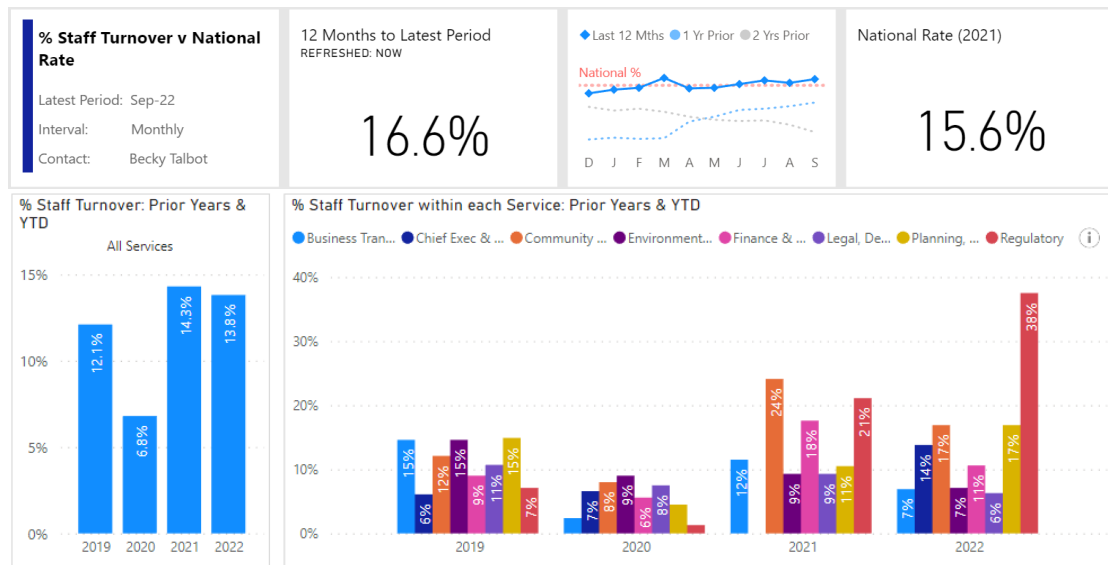
- % Of employees who undertake management training.

**Update**

The management training was launched for the first time in Summer 2022. It is an annual measure; the first data will be reported in 2023.

**Performance measure**

- Staff turnover rates in relation to national rates



Staff turnover for 21/22 was 16%. This compares with the national average of 15.6% for 2021.

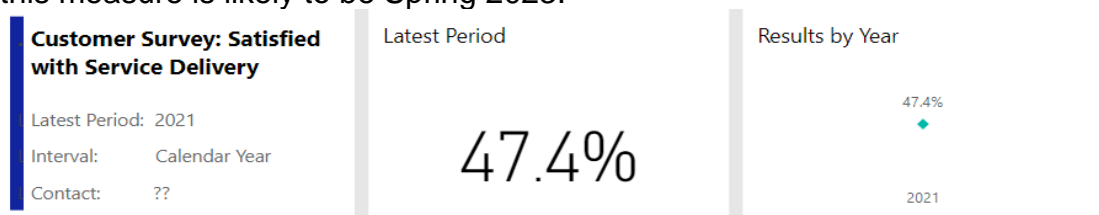
#### Performance measure

- Customer satisfaction with service delivery, measured through the Community Survey.

#### Update

This is a new data set and as such, there is no historical data to provide context until after the next survey in October 2022. However, national customer satisfaction with LA's according to the Local Government Chronicle is currently at 40%.

The next survey will be carried out Autumn/Winter 2022. The next update to this measure is likely to be Spring 2023.

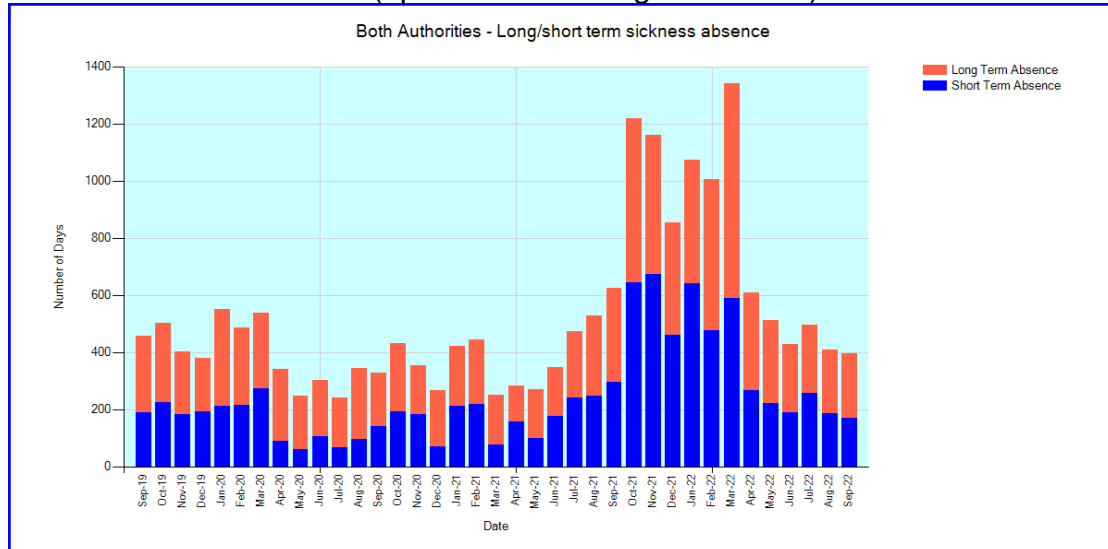


#### 4. Operational Measures

##### 4.1 Corporate

##### Performance measure

- Sickness absence (up to and including June 2022):



#### Update

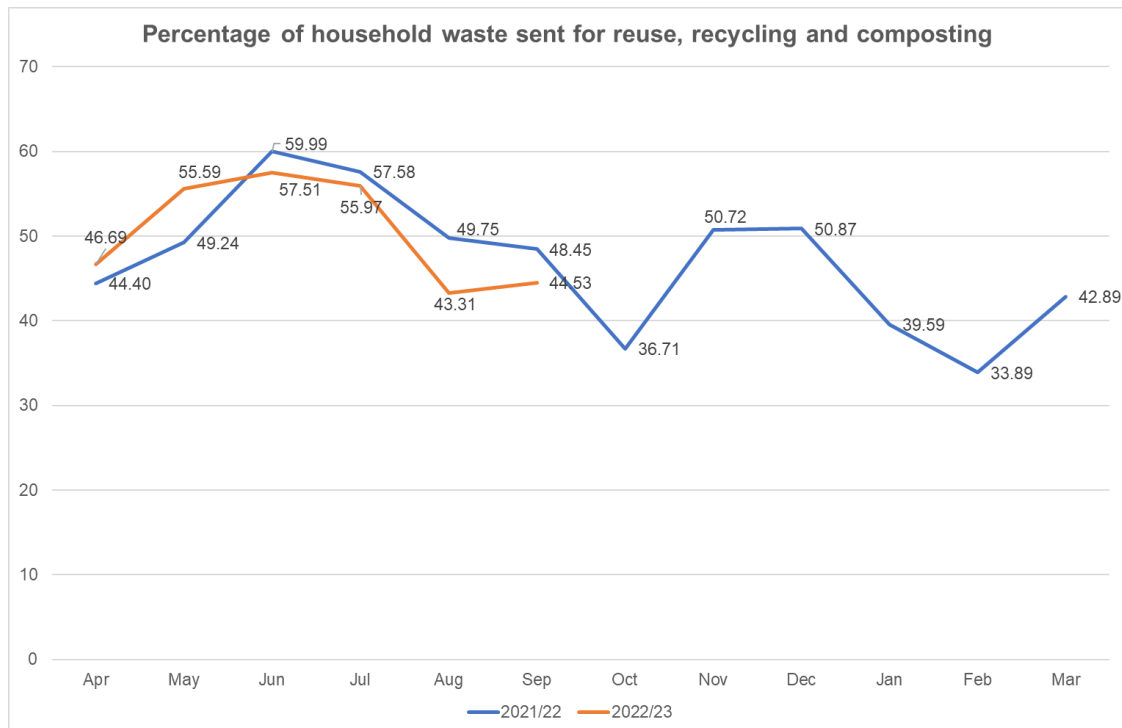
The data provided now includes Covid related absences. We have seen an increase in sickness compared to 19/20 which was the last data pre-covid, with 6.6 days lost per FTE. For this reason, it is difficult to compare to previous years, but we can clearly see a rise in days lost. By way of a comparator the national number of days lost to sickness absence in 2021 according to the Office for National Statistics (ONS) was 4.6 days.

#### 4.2 Environmental Services

##### BDC Domestic Waste Collection

##### Performance Measure

- Percentage of Household Waste sent for re-use, recycling & composting.



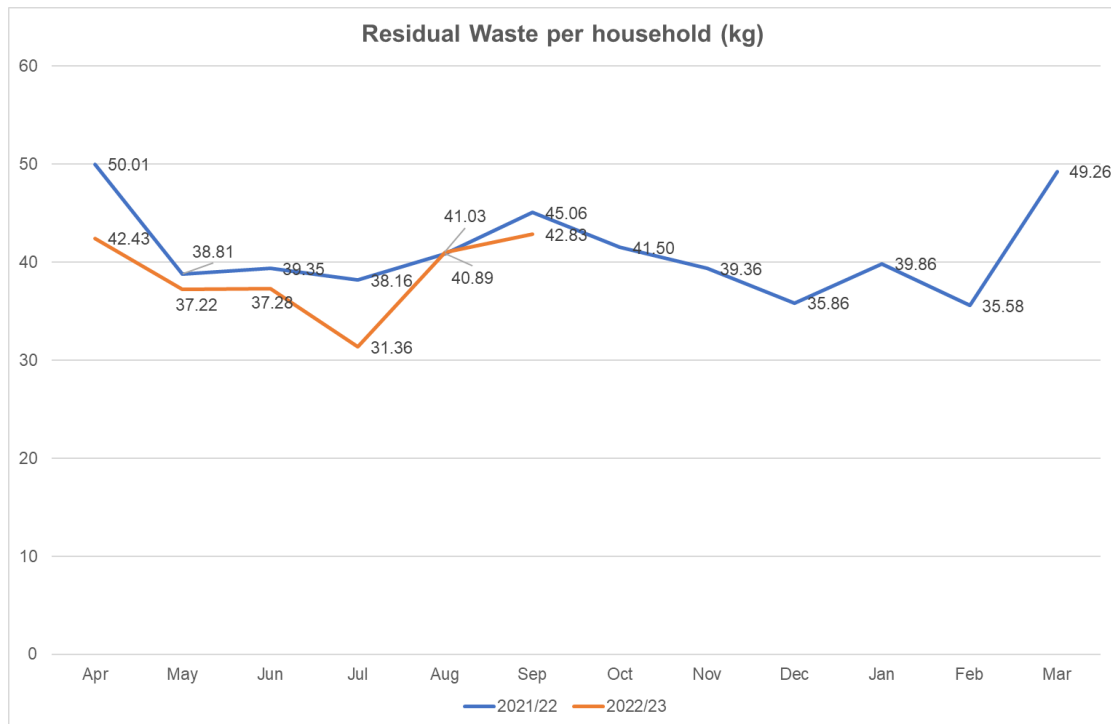
### Update

This is a National Indicator measuring the percentage of household waste arisings which have been sent by the Authority for reuse, recycling, and composting, and is used in the national league tables ranking Local Authority performance. In 2020/21 Bromsgrove was ranked 175<sup>th</sup>

Recycling levels fluctuate over the year due to both seasonal effects and personal habits of residents. Bromsgrove has an established garden waste service with nearly 50% take up across the District that supports a strong recyclable percentage against the residual waste.

### Performance Measure

- NI191 Residual Waste per household (kg) - BDC



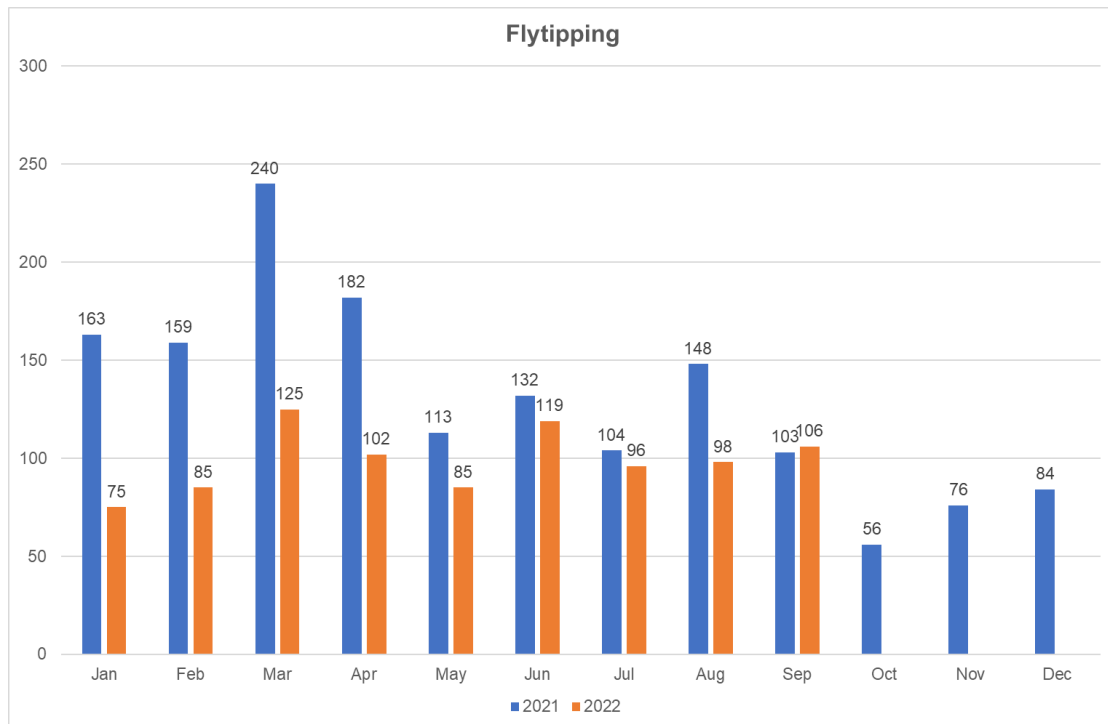
#### Update

The summer period saw reduced tonnages on all waste types collected, which may reflect the holiday period and/or a move back to offices and reduced pressure on the household waste stream as a result. The reduction in garden waste is likely also influenced by the dry summer, which reduces the benefits of this material offsetting our normal residual waste service.

We are currently carrying out a Waste Composition Analysis to sample waste and identify what is being thrown away in our residual waste to support discussions on the future of our services, and any communication/education campaigns we may need to implement to support recycling.

#### Performance measure

- BDC Fly Tipping



#### Update

This overview reflects the number of fly tips identified across the District requiring resources to remove and indicates the scale of the problem and any trends resulting from enforcement and education actions. The detailed data is used to identify patterns of behaviour and geographic locations that can be targeted with signage and cameras to identify those responsible and deter behaviour or support further enforcement action against those who continue to illegally dump their waste.

Although September saw a slight increase in the number of fly tips, this was largely due to several locations seeing multiple fly tips, with 12 sites each being used between 3 and 5 times during the month. Our Enforcement Officer is taking steps to monitor our hot spot locations to identify those responsible and support enforcement action against them.

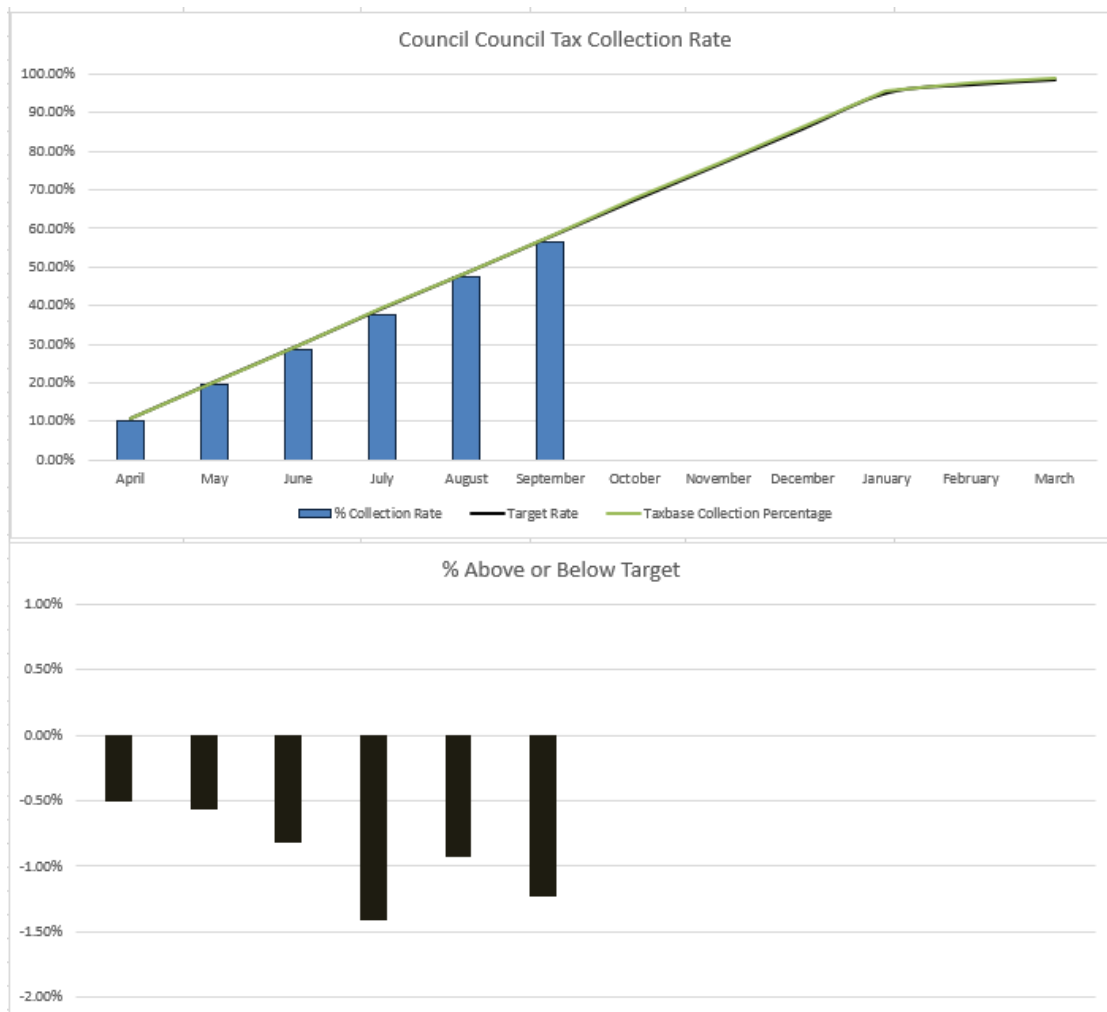
#### 4.3 Finance and Customer Services (inc Revenues & Benefits)

##### Performance measure

- Council Tax Collection Rate

##### Update

The Council is responsible for the collection of Council Tax income on behalf of itself and precepting authorities such as the County Council, The Police and Crime Commissioner for West Mercia, and the Hereford and Worcester Fire Authority. Any reductions to the target collection rates result in additional charges to the precepting authorities in the following financial year. Collection rates are a reflection of the economy and with the current “cost of living crisis” it is expected that collection rates might fall.



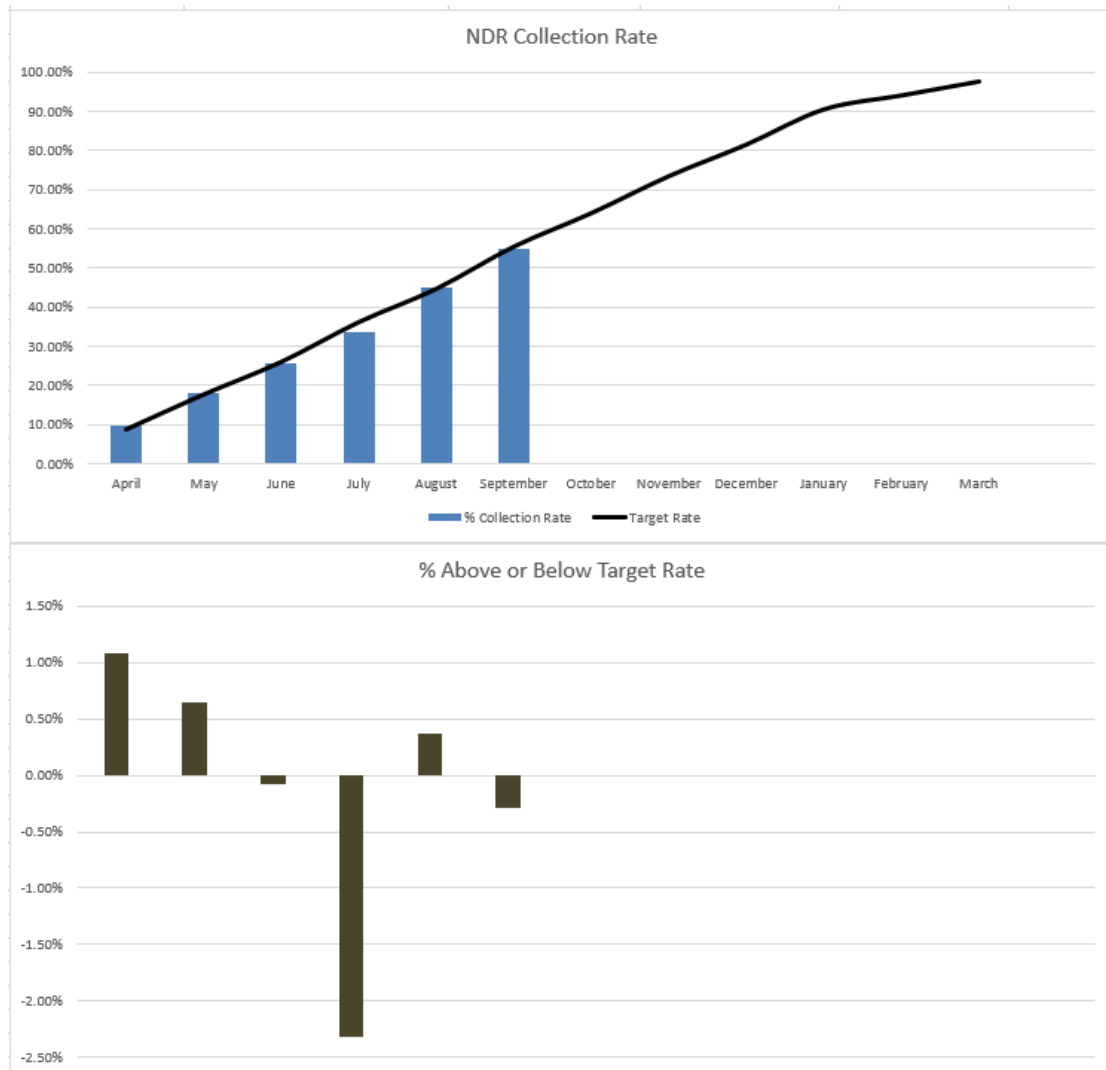
**Performance measure**

- NDR Collection Rate

**Update**

The Council is responsible for the collection of Business rates on behalf of itself and the Government. Like the Council Tax, any reductions to the target collection rates result in additional charges to the collecting authorities in the following financial year. Collection rates are a reflection of the economy and with the current “cost of living crisis” it is expected that collection rates might fall. Presently as of September we are slightly below these target rates already. It should be noted that for the past 2 years during the C-19 pandemic there were significant reliefs for businesses. 2022/23 is the first year without those reliefs.





**Performance measure**

- Revenues Processing

**Update**

There are always significant quantities of items being processed by the Revenues team including both on Council Tax and Business Rates queries. This activity has been increased in the initial months of 2022/23 by the administration of the Energy Rebate Payments. In terms of Benefits processing, new claims are being turned round in 20 days and changes of circumstances are being actioned within 9 days

Month	Completed Items	Completed < 7 Days	Completed < 14 Days	Completed < 21 days	Completed < 28 Days	Completed > 28 days	Outstanding Documents
Apr	2550	527	313	280	718	712	1869
May	2337	464	192	172	92	1417	2044
Jun	2773	509	268	157	137	1702	2031
Jul	2906	552	240	190	362	1562	1605
Aug	2345	529	215	208	804	589	1421
Sep	5143	1080	483	481	1458	1641	1424

**Performance measure**

- Online Customer Interactions

**Update**

Online Customer transactions and Revenues calls (the next two tables) are being significantly affected by the administration of the Energy Rebate scheme.

Month	On-Line Service Requests	Auto Processed	Referenced	Rejected
Apr	1097	270	350	477
May	1602	559	474	569
Jun	4297	3462	331	504
Jul	2233	1277	450	506
Aug	1341	341	466	534
Sep	2263	1271	446	546

### Customer Services

#### Performance measure

- Revenues Calls

#### Update

##### BDC Revenues Calls

Date	Calls Answered	Average in Queue	Average Wait	Average Logged in	Average call length
July 2022	3261	2.06	7.47	5.56	5.19
Aug 2022	2946	1.20	6.11	4.44	7.01
Sept 2022	2977	2.50	7.09	4.86	7.05

Many enquiries related to the Energy Rebate payments and the process to apply however overall in the 2<sup>nd</sup> quarter there was a decrease in calls in comparison to the 1st quarter. This was due to an increase in the options to apply online and information available to customers on the website.

#### Performance measure

- Number of Web Payments

#### Update

##### Web Payments

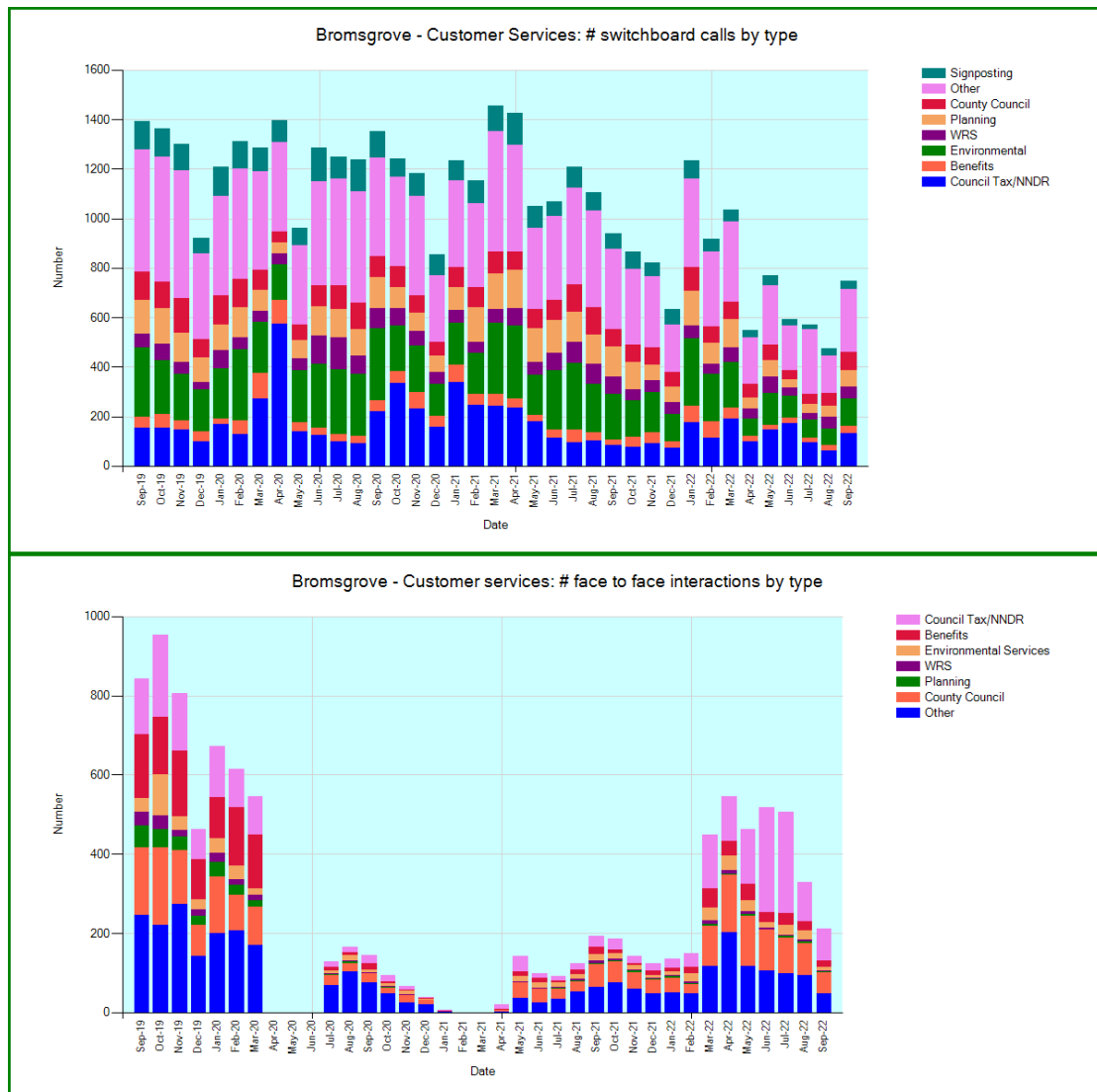
Date	BDC
July 2022	1147
Aug 2022	1288
Sept 2022	921 to 4.30 27/09

#### Performance measure

- Customer Service calls

#### Update

There have been slightly fewer Customer Services calls the first two quarters of 22/23 compared to the previous 2 years, although those numbers might be slanted due to the Country being under C-19 restrictions. This can be seen better in terms of the face to face interactions which reflect the periods when the Cash Office was closed and the fact that C19 has led to customers interacting with us in other ways.



### 4.4 Planning, Regeneration & Leisure Services

The Leisure Strategy has been received and shared with CMT (Corporate Management Team), it has been reported to Committee in October. Planning measures are currently in development and will be charted ready for reporting in Q4 2022/23. Below is the data for the first 3 measures:

#### Performance measure

- Total number of applications determined in quarter (all types)

#### Update

Period	Number Determined
Quarter 1, 2022/23	191
Quarter 2, 2022/23	137

**Performance measure**

- Speed of decision making for ‘major applications’ (over a rolling 2-year period)

**Update**

Period	Number Determined
Quarter 1, 2022/23	82.1%
Quarter 2, 2022/23	81.5%

Governmental targets for determining applications in time (or within an agreed extension of time) on major applications is 60%

**Performance measure**

- Speed of decision making for ‘non-major applications’ (over a rolling 2-year period)

**Update**

Period	Number Determined
Quarter 1, 2022/23	77.7%
Quarter 2, 2022/23	78.6%

Governmental targets for determining applications in time (or within an agreed extension of time) on non-major applications is 70%

**5. Corporate Project Oversight & Monitoring**

Quarterly Corporate Project monitoring commenced in January 2022. This is the third cycle of reporting; twenty-one projects are currently being monitored. The tables below provide a summary as of 20<sup>th</sup> October 22.

As can be seen, 59.1% have been rated as green for overall status as well as time status

All Projects (Number)	Overall Status RAG		Time Status RAG		Scope Status RAG		Budget Status RAG	
	No.	%	No	%	No.	%	N o.	%
<b>Red</b>	0	0.0%	2	9.1%	1	4.5%	0	0.0%
<b>Amber</b>	8	36.4%	6	27.3%	3	13.6%	5	22.7%
<b>Green</b>	13	59.1%	13	59.1%	17	77.3%	11	50.0%

## **AUDIT, STANDARDS AND GOVERNANCE COMMITTEE** **RECOMMENDATIONS TO THE CABINET**

**Audit, Standards and Governance Committee meeting 9th November 2022**

### **Section 24 Notice**

**RECOMMENDED** that the Section 24 Statutory Recommendation is accepted and that Council review the recommendation, endorse the actions included in the management responses which form the rectification process required as per legislation.

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### **SECTION 24 REPORT**

Relevant Portfolio Holder	Councillor Geoff Denaro, Finance and Enabling Portfolio Holder
Portfolio Holder Consulted	Yes
Relevant Head of Service	Pete Carpenter
Report Author	Job Title: Interim Director of Finance email:peter.carpenter@bromsgroveandredditch.gov.uk Contact Tel: 0152764252
Wards Affected	N/A
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	All
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

#### **1. SUMMARY OF PROPOSALS**

- 1.1 The Council has received a Statutory Recommendation from our External Auditors Grant Thornton with key reason being the non-delivery of the 2020/21 financial statements is a **key reason**. This report sets out the reason for the Statutory Recommendation, and the process the Council now has to follow to rectify that position.

#### **2. RECOMMENDATIONS**

**Audit Standards and Governance Committee are asked to Recommend to Cabinet and Council that:**

- 1 That the Section 24 Statutory Recommendation is accepted and that Council review the recommendation, endorse the actions included in the management responses which form the rectification process required as per legislation.

#### **3. Background**

##### **Introduction**

- 3.1 The Council has set out in a number of meetings during 2022 the issues it has encountered in the implementation of a new financial system in February 2021 and its knock-on effect in terms of staff retention, delivery of the 2020/21 Accounts, delivery of 2021/22 in year monitoring, delivery of Government Returns being key items. This position has been
- Discussed at Audit Standards and Governance Committees in July and October as part of the Internal Audit Report items.

- Discussed in Cabinet as Part of the Finance Improvement Recovery Report on the 12<sup>th</sup> October.
  - Discussed at Council on the 17<sup>th</sup> October as part of the as part of the Portfolio Holder for Finance and Governance's annual report.
- 3.2 The majority of these issues have been resolved or are in the process of being resolved. This includes the recruitment of a new finance team, delivery of monitoring in 2022/23, and compliance reporting. However, the Council still have not been able to complete the 2020/21 Statutory Accounts. This has been due to issues in rectifying issues on the cash receipting module of its new finance system. This also impacts key reconciliations.
- 3.3 The external Auditors have noted progress in their 2020/21 Annual Auditors Report which is also coming to this Committee for review. However, they have concluded that it is appropriate for them to use their powers to make written recommendations under section 24 of the Act, with the key reason being the non-delivery of the 2020/21 Statutory Accounts. Further details are set out in the attached report
- 3.4 Schedule 7 of the Local Audit and Accountability Act 2014 requires the following actions:
- The Council must consider the recommendation at a meeting held before the end of the period of one month beginning with the day on which it was sent to the Council. This will take place at the Council meeting on the 7<sup>th</sup> December
  - At that public meeting the Council must decide
    - whether the recommendations are to be accepted; and
    - what, if any, action to take in response to these recommendations.
  - Schedule 7 specifies the meeting publication requirements that the Council must comply with.
- 3.5 The report must come to Audit, Standards and Governance Committee initially for their discussion, and their views to then be fed into Council in December.
- 3.6 The External Auditors Report sets out that Management state that the proposed resolution is now in the final phase of rectification, with regression testing of the solution key to its implementation. With the Cash Receipting fix implemented, the Council are aiming to have a draft set of accounts ready for the end of November.
- 3.7 Page 4 of the External Audit Report sets out the main issues and the Council's Management Responses to each of those issues.



Audit, Standards and Governance Committee

9th November 2022

#### 4. **IMPLICATIONS**

##### **Financial Implications**

4.1 Financial implications are set out in section 3.

##### **Legal Implications**

4.2 This is set out in section 3.4 above.

##### **Service / Operational Implications**

4.3 Non-Delivery of the 2020/21 Accounts is a fundamental deficiency and this is part of the Corporate Risk Register and impacts all service areas directly and indirectly.

##### **Customer / Equalities and Diversity Implications**

4.4 There are none of these within this report.

#### 5. **RISK MANAGEMENT**

5.1 Non-Delivery of the 2020/21 Accounts is a fundamental deficiency and this is part of the Corporate Risk Register.

#### 6. **APPENDICES**

Appendix A – Bromsgrove District Council Section 24 Statutory Recommendation – Grant Thornton.

#### 6. **BACKGROUND PAPERS**

None

#### 7. **KEY**

None

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# Bromsgrove District Council

## Section 24 Statutory Recommendations

31 October 2022

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Bromsgrove District Council  
Parkside  
Market Street  
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31 October 2022

Dear Sirs

[Recommendations made under section 24 schedule 7 of the Local Audit and Accountability Act 2014](#)

**Our responsibilities**

As well as our responsibilities to give an opinion on the financial statements and assess the arrangements for securing economy, efficiency and effectiveness in the Council's use of resources, we have additional powers and duties under the Local Audit and Accountability Act 2014. These include powers to issue a public interest report, make written recommendations, apply to the court for a declaration that an item of account is contrary to law, and to give electors the opportunity to raise questions about the Council's accounts and to raise objections received in relation to the accounts.

We have concluded that it is appropriate for us to use our powers to make written recommendations under section 24 of the Act, due to inadequate arrangements relating to issues with financial systems which further impact on key statutory returns and related financial governance. This non-delivery of the 2020/21 financial statements is a key reason for our S24 Recommendation. Further details are set out in the attached report.

We will also consider these issues as part of our work on the Council's value for money arrangements and its financial statements, once produced.

**What does the Council need to do next?**

Schedule 7 of the Local Audit and Accountability Act 2014 requires the following actions:

The Council must consider the recommendation at a meeting held before the end of the period of one month beginning with the day on which it was sent to the Council.

At that public meeting the Council must decide

- whether the recommendations are to be accepted; and
- what, if any, action to take in response to these recommendations.

Schedule 7 specifies the meeting publication requirements that the Council must comply with.

[Jackson Murray](#)

Key Audit Partner  
Grant Thornton UK LLP

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**Chartered Accountants**

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# Background to the recommendations

We have concluded that it is appropriate for us to use our powers to make written recommendations under section 24 of the Act, due to inadequate arrangements relating to issues with financial systems which further impact on key statutory returns and related financial governance.

## Financial systems and reporting

The Council has historically had difficulties producing information to support the financial statements audits, resulting in external audit recommendations and late approval of audited accounts. For the 2019/20 financial year the draft financial statements were not published by the statutory deadline of 31 August 2020, instead being published 18 September 2020. The date for publication of audited financial statements of 30 November 2020 was also missed, with the audit opinion not issued until eleven months after this date on 5 October 2021.

One of the cited reasons for the issues faced in previous audits was the Council's aging financial ledger system which could not produce system reports to support key accounting entries and did not integrate with other key financial and Council systems, amongst other issues. In June 2019 the Council approved a contract for the implementation of a new financial ledger system to be developed by TechnologyOne. This Enterprise Resource Planning (ERP) system would integrate financial, human resources and payroll and supply chain information into a single electronic system.

The implementation date of the new system was 8 February 2021. Following our interim audit procedures earlier in the year we became aware of examples of mis-coding issues in the new ledger. The Council have now produced evidence that the closing balances from the old ledger system were completely and accurately transferred to the new system in February 2021, but we are yet to receive or verify this. This assurance should have been provided within 1 month of Go Live as standard.

Since the implementation of the system there have been significant challenges, particularly in respect of the cash receipting module. Following its introduction, the system has been posting cash transactions to suspense accounts, receipts in transit and inter-company balances. This makes a number of routine and key control activities challenging, including bank and control account reconciliations and providing meaningful budget monitoring information to managers and Members. The completion of bank and control account reconciliations is key to ensuring that potential areas of error or fraud are identified and rectified in a timely manner. The Council continues to work with the system supplier to attempt to reach a solution to this issue, and as such bank and control accounts have not been routinely undertaken. Management state that the proposed resolution is now in the final phase of rectification, with regression testing of the solution key to its implementation. Lack of routine reconciliations represents a significant failure in the Council's financial governance.

Initially, the impact of implementing a new system during COVID-19 restrictions, and the loss during the 2021/22 financial year of the majority of staff involved in the implementation of the new financial ledger system which led to a lack of financial capacity resulted in work-arounds continuing to be used rather than the software supplier's system fixes being tested and implemented. The Cash Receipting fixes were still being developed at that time and are only in final testing at the moment. More recently, following the recruitment of permanent finance team members, the Council has been working with TechnologyOne on a solution to cash receipting and has held regular meetings with them. The Council recognises that without resolution of the financial ledger challenges it cannot move forward and close its 2020/21 financial statements. This non-delivery of the 2020/21 financial statements is a key reason for our S24 Recommendation.

As the Council has not been able to finalise the 2020/21 accounts there are knock on implications. The Council has now also missed the draft publication deadline for the 2021/22 accounts of 31 July 2022 and cannot finalise other key Government returns, with the Revenue Outturn (RO) and Capital Outturn (CO) submissions for 2020/21 paused awaiting closure of the 2020/21 accounts.

The Council has recognised these issues and has reported updates and mitigations steps through:

- Audit, Governance and Standards Committee in July 2022 – via the Internal Audit Reports;
- The Finance Recovery Report to Cabinet in October 2022; and
- The Cabinet Members Update reported to Council in October 2022.

In conclusion, the implementation of the new financial ledger in February 2021 was not effective, given the continued challenges with cash receipting and as evidenced by the fact that the Council continue to attempt to resolve significant issues with the system some 20 months after the implementation date. This has led to key elements of financial governance not being completed which increase the risk of incorrect, irregular or fraudulent transactions or events occurring. It also means that the Council has now fallen significantly behind in respect of key statutory financial reporting deadlines. Our statutory recommendation in relation to these matters are set out on page 4 of this report.

# Recommendations made under section 24 schedule 7 of the Local Audit and Accountability Act 2014

Area	Recommendation	Management Response/ Responsible Officer/ Due Date
Financial systems and governance	<p>The Council cannot yet produce its 2020/21 draft statement of accounts with long-standing issues with its new ledger system in relation to cash receipting requiring resolution. The Council must ensure that arrangements allow for the successful implementation of cash receipting within its ERP system to allow key elements of financial governance and compliance to be undertaken routinely and in a timely manner. In order to achieve this the Council should:</p> <ul style="list-style-type: none"> <li>• ensure the Council has access to the necessary knowledge and expertise to resolve the remaining key issues with the ERP system in a timely manner to provide management with sufficient assurance over the completeness and veracity of the data included within the system;</li> <li>• undertake appropriate testing of the fixes and ensure that appropriate sign-off of these is received prior to running them on live system data; and</li> <li>• ensure budget holders and other relevant officers possess the skills and knowledge to appropriately use the ERP system as intended, including relevant training and updates to key documentation and process manuals.</li> </ul> <p>Once system issues are properly resolved, the Council must:</p> <ul style="list-style-type: none"> <li>• undertake key control activities such as bank and control account reconciliations on a monthly basis and ensure that these are kept up to date;</li> <li>• produce the 2020/21 and 2021/22 draft financial statements, along with high quality supporting working papers;</li> <li>• conclude the 2020/21 and 2021/22 RO and CO submissions, and other key Government returns including Whole of Government Accounts; and</li> <li>• ensure timely reporting of budget outturns and report publicly on in-year financial monitoring, including updates on the capital programme and savings scheme achievement.</li> </ul>	<ul style="list-style-type: none"> <li>• The Finance Recovery Plan which is a wider schedule of finance deliverables – monitoring, delivery of returns, budget, reported to CMT on a Monthly basis, and reviewed by the Sr Finance Team on a weekly basis.</li> <li>• Weekly meetings held both internally on reconciliation and associated issues. Monthly ERP Board is in place. Two weekly meetings on utilisation of assets.</li> <li>• Cash Receipting issues escalated on Tech1 side to worldwide Head of Local Government (met 6 July 2022) for resolution. Now in final phase of testing before solution can be transferred to the live environment.</li> <li>• Council is a first and only Council user for cash receipting and there is limited Tech1 expertise to resolve ongoing design issues which require scheduling.</li> <li>• System Tech1 expertise commissioned to fully document the solution in October to aid full understanding.</li> <li>• Documentation a plan to correct 20/21 and 21/22 entries which will be reviewed by Internal Audit before being presented to External Audit.</li> <li>• Handovers have taken place to new establishment Staff who were on-boarded up to August 22 in preparation for delivery of 20/21 accounts and user training..</li> <li>• Financial Governance is being reviewed as part of Finance Recovery plan and is basis for revised training and responsibilities being implemented in the Autumn.</li> <li>• User Guides and manuals being redrafted for Autumn training launches.</li> <li>• Tech1 User Group set up in September to assess documentation and support across the Sector.</li> <li>• Tech1 has the Tech1 University which is comprehensive but not site specific to base documentation on. Staff have access to this to deliver updated guides and manuals.</li> <li>• Staff in place to undertake bank rec but dependent on final cash receipting fix. Cannot fully start bank reconciliation on system as it is presently causing more transactions to be produced.</li> <li>• Other monthly controls set up for the end of August.</li> <li>• Internal Audit Recommendations will be added to the Recovery plan</li> <li>• Members have been updated on issues through Audit Committee, Cabinet and the Cabinet Member update to Council during 2022.</li> </ul>

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# Impact on Value for Money reporting

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We began to discuss our finding and concerns with Officers in February 2022 after the commencement of our 2020/21 interim audit visit identified the issues reported with the financial ledger system and its related governance, although our reporting of these issues was initially paused by the pre-election period at Redditch Borough Council to May 2022.

After raising these issues with management, it is pleasing to note that they began to resolve them from March 2022, as per the interim Head of Finance and Customer Service's recovery plan, although this plan should have been set up sooner to mitigate issues that had arisen.

We will consider the impact of the issue through our Value for Money reporting in 2020/21 and subsequent years and this work is detailed in our Interim Auditor's Annual Report for 2020/21.

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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## **AUDIT, STANDARDS AND GOVERNANCE COMMITTEE** **RECOMMENDATIONS TO THE CABINET**

**Audit, Standards and Governance Committee meeting 9th November 2022**

**Interim Auditor's Annual Report 2020-21**

**RECOMMENDED** that

- 1 The 5 Key Recommendations and 13 Improvement Recommendations within this report be agreed.
- 2 They agree with the Management Actions contained within this report will rectify these issues.

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### INTERIM AUDITORS ANNUAL REPORT ON BROMSGROVE DISTRICT COUNCIL 2020-21

Relevant Portfolio Holder	Councillor Geoff Denaro, Finance and Enabling Portfolio Holder
Portfolio Holder Consulted	Yes
Relevant Head of Service	Pete Carpenter
Report Author	Job Title: Interim Director of Finance email:peter.carpenter@bromsgroveandredditch.gov.uk Contact Tel: 0152764252
Wards Affected	N/A
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	All
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

#### 1. **SUMMARY OF PROPOSALS**

- 1.1 The Interim Auditor’s Annual Report 2020/21 sets out the auditor’s view on controls within the organisation. Apart from the Statutory Recommendation, for which there is a separate Report, there are 5 Key and 13 Improvement Recommendations in this report. The Councils responses and progress in delivery of these Recommendations are set out in the Auditors Report.

#### 2. **RECOMMENDATIONS**

**Audit Standards and Governance Committee are asked to Recommend to Cabinet and Council that:**

- 1 They agree with the 5 Key Recommendations and 13 Improvement Recommendations within this report.
- 2 They agree with the Management Actions contained within this report will rectify these issues.
- 3 They highlight any other actions they deem necessary to rectify these issues.

#### 3. **Background**

##### **Introduction**

- 3.1 The External Auditors at the meeting of Audit Standards and Governance Committee on the 12 April 2022 set out their Audit Plan and the revised approach to Value for Money Assessments. This included the three main changes arising from the National Audit Office’s (NAO) new approach.

- 3.2 This report is the interim auditors annual report. It will not be able to be issued in final until the 2020/21 financial statements are produced and have been audited. Grant Thornton have issued a Statutory Recommendation which is included as a separate report in this agenda. This report sets out five key recommendations and thirteen improvement recommendations.
- 3.3 This report covers the arrangements that the Council had in place up to the 31<sup>st</sup> March 2021. The Auditors began their work in February and are pleased to see that officers have responded positively to the ongoing discussions and have begun to address many of the key concerns. The Auditors note that the changes made will still need to be embedded.
- 3.4 The report notes that the audit opinion on the 2019/20 Statements was not provided until the 5<sup>th</sup> October 2021.

### **Key Recommendations**

- 3.5 There are five Key recommendations which are set out on pages 7 to 11 of the Auditors Report. These recommendations are:
1. The Council needs to ensure that the Medium-term Financial Plan presented to Members is completely transparent regarding the financial challenge and that any savings schemes included are fully worked up and approved by Members in advance.
  2. The Council needs to improve management of key projects, such as the financial ledger implementation, to ensure that expected benefits are realised. As part of this the Council needs to undertake a comprehensive review of the financial ledger implementation and ensure lessons are learned for future key projects.
  3. The Council should review and implement effective governance arrangements in respect of performance monitoring to allow Members to make informed decisions. In order to achieve this the Council should reinstate public reporting on performance, linking this to the Council Plan and the related strategic objectives, allowing Members to scrutinise performance. This should be done at least twice per year.
  4. The Council should review and implement effective governance arrangements in respect of risk monitoring to allow Members to make informed decisions. In order to achieve this the Council should make risk management reporting a standing item on the Audit, Standards & Governance Committee agenda, with Members considering the Corporate Risk Register and Risk Management arrangements in an appropriate forum.
  5. The Council should ensure timely and relevant financial monitoring reporting is undertaken and presented to the appropriate public forum.
- 3.6 In terms of these five key recommendations, the data on pages 7-11 set out what these are Key Recommendations and the impact they have, the auditors Judgement and summary findings, followed by the Management Response.

- 3.7 The Council view is for these five Key Recommendations that management actions are in place to mitigate all of them including:
- The staffing up on the finance team to give the correct capacity for delivery of Recommendations.
  - Delivering the 2023/24 MTFP in two Tranches, with the first already in the public environment since the 26 October.
  - Having a monthly Cross Council assurance review meeting assessing priorities and delivery of other cross cutting meetings.
  - Integrating Performance and Financial monitoring in one report. The Quarter 1 combined report was presented to Cabinet on the 12th October. Q2 will be presented on the 23<sup>rd</sup> November.
  - Risk Monitoring Governance has been updated and reporting through to Audit, Standards and Governance Committee on a quarterly basis.

### **Improvement Recommendations**

- 3.8 The Auditors also comment on the Councils arrangements to secure economy, efficiency, and effectiveness in its use of resources. The majority of these points are included in the Improvement Recommendations on pages 21-33 of the Auditors Report:
1. The Medium-Term Financial Plan / Budget setting report should be linked to specific actions which are set out in the Council Plan to make it clearer how investments in services will help to achieve the eight key priorities as set out in the Council Plan.
  2. The Council needs to improve capital budgeting and ensure that the capital programme is delivered as planned.
  3. The Council should develop a workforce plan / strategy and ensure that this aligns to its financial plans.
  4. Financial plans presented to Members should include better explanation around the key risks and assumptions as well as sensitivity analysis and modelling different scenarios.
  5. The Council should work with Internal Audit to ensure that proactive fraud prevention work is included in the audit plan, and the work and outcomes are reported to the Audit, Standards & Governance Committee.
  6. The Council needs to ensure that internal and external stakeholders, including service users, are engaged and consulted in the budget setting processes, and that this is documented and reported.
  7. The Council needs to develop quarterly financial monitoring reports so that performance information is included in order to better explain variances and the financial impact of service decisions.
  8. The Council needs to ensure that budget holders are actively involved in budget monitoring and are aware that it is a key part of their role.
  9. The Council need to put in place arrangements to provide independent assurance over the accuracy on in-year financial reporting and performance information.

10. The Council needs to significantly enhance the use of benchmarking costs and performance against other similar bodies.
11. The Council needs to ensure that the recommendations made by the LGA Corporate Peer Challenge in January 2018 and February 2020 are addressed and that it then further improves by learning from exemplar councils across the country.
12. The Council should ensure that it has an up-to-date procurement strategy and that this, and any other key policies and strategies, are routinely reviewed and updated.
13. The Council needs to engage and consult with key stakeholders, where appropriate, to determine local priorities for resources or opportunities for savings.

3.9 As with the Key Recommendations, the Councils view it as that it has or is in the process of integrating these recommendations into normal processing.

#### 4. **IMPLICATIONS**

##### **Financial Implications**

4.1 Financial implications are set out in section 3.

##### **Legal Implications**

4.2 The Council must comply with the Recommendations set out in the Interim Auditors Report and the Management Actions set out how this will be delivered.

##### **Service / Operational Implications**

4.3 Delivery of the five Key Recommendations and the thirteen Improvement Recommendations will impact several key processes. These changes form part of the financial recovery plan.

##### **Customer / Equalities and Diversity Implications**

4.4 There are none of these within this report.

#### 5. **RISK MANAGEMENT**

5.1 Non-delivery of the 2020/21 Accounts is a fundamental deficiency and this is part of the Corporate Risk Register as it the delivery of a Balanced Budget.

Audit, Standards and Governance Committee

9th November 2022

6. **APPENDICES**

Appendix A – Interim Auditor’s Annual Report on Bromsgrove District Council  
– Grant Thornton.

6. **BACKGROUND PAPERS**

None

7. **KEY**

None

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# Interim Auditor's Annual Report on Bromsgrove District Council

2020-21

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30 October 2022

# Contents



We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the National Audit Office (NAO) requires us to report to you our commentary relating to proper arrangements.

We report if significant matters have come to our attention. We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



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# Executive summary



## Value for money arrangements and key recommendations

We presented our Audit Plan to the Audit, Standards & Governance Committee on 12 April 2022. In this we set out the revised approach to Value for Money work for 2020/21 onwards. We noted there are three main changes arising from the NAO's new approach:

- A new set of key criteria, covering financial sustainability, governance and improvements in economy, efficiency and effectiveness;
- More extensive reporting, with a requirement on the auditor to produce a commentary on arrangements across all of the key criteria, rather than the current 'reporting by exception' approach; and

The replacement of the binary (qualified / unqualified) approach to VFM conclusions, with far more sophisticated judgements on performance, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

We reported at that time that we had identified four risks of significant weaknesses from our initial planning work. We have continued our review of your arrangements and are now able to issue our interim auditor's annual report. We are unable to issue this in final until the 2020/21 financial statements are produced by management, and we have audited these.

We have issued a Statutory Recommendation under section 24 schedule 7 of the Local Audit and Accountability Act 2014 and this is included in a separate report issued 31 October 2022. We have also made five key recommendations and thirteen improvement recommendations.

### Summary

This report covers the arrangements that the Council had in place up to 31 March 2021. There are significant issues raised. We began our work in February 2021 and have discussed the issues with senior officers regularly in the period to date. These meetings have involved the Chief Executive, both Executive Directors of Resources, and the previous Head of Finance. We are pleased to see that officers have responded positively to our discussions and the issues raised and have begun to address many of our key concerns. The changes made still need to be embedded and our work in subsequent years will consider the progress made.



## Financial sustainability

The Council is financially sustainable in the short term but needs to develop fully worked up savings and income generation schemes which are approved by Members, and then incorporated into the Medium-Term Financial Plan (MTFP). The MTFP presented to Cabinet in February 2021 shows use of reserves of £638k / £1,200k / £1,472k in the three years from 2021/22 onwards. At that stage general fund reserves are forecast to be £1,735k, which is broadly only sufficient for one year. Whilst the Council has some savings / income generation schemes in place, it is still heavily reliant on the use of reserves, to a point where it is not sustainable in the longer term under the current forecasts. We consider this to be a significant weakness and have raised a key recommendation.

The Council also needs to ensure arrangements are in place to keep the Council's financial plans under review and reported to Members. There was quarterly finance monitoring reporting up to Q3 of 2020/21, presented to Cabinet on 31 March 2021. Arrangements were therefore appropriate for 2020/21. After that, the next finance report was the 2020/21 Outturn Report on 24 November 2021. For 2021/22 Cabinet was presented with a Month 11 finance report on 3 May 2022. This represents a significant weakness in arrangements for 2021/22 as it is unclear what budget monitoring has been happening and there has been inadequate reporting to Members of the financial position. While arrangements were adequate up to 31 March 2021, the absence of regular financial reporting since then is a factor we will consider in our work for 2021/22 and we have identified a key recommendation in respect of 2021/22 arrangements in this report, in accordance with the NAO Code of Audit Practice.



## Governance

Since October 2019 there have not been any formal risk management update reports to Members, nor has a corporate risk register been presented. Members are therefore not provided with appropriate assurance over effective risk management and whether the issues previously raised by Internal Audit and Zurich Municipal have been addressed. We have raised a key recommendation in relation to this. We note that risk management reporting has recommenced from July 2022.

Our 2019/20 Annual Audit Letter, presented on 15 November 2021, commented that our opinion on the 2019/20 financial statements was not provided until 5 October 2021. We also noted that the 2020/21 financial statements should have been prepared by 31 July 2021. The 2020/21 draft financial statements have still yet to be produced, and the deadlines for other key Government financial returns have also passed. Challenges relating to cash receipting continue to exist with the Council's new financial ledger that was implemented in February 2021, and we have raised a statutory recommendation relating to this.

# Executive summary



## Improving economy, efficiency and effectiveness

The last performance management report to Cabinet was 30 May 2018. This pre-dates the COVID-19 pandemic by nearly two years, and it is now four years since the last report to Cabinet. Decision makers were therefore unable to monitor the Council's performance and identify areas for improvement. We note that from September 2022, Cabinet were provided a quarterly integrated Financial and Performance Report. However, for 2020/21 this is a significant weakness and we have raised a key recommendation regarding this issue.

During this period, the Council did have a corporate performance dashboard which was available to Members. Usage data statistics log on a rolling 9-month basis and so we are no longer able to evidence usage statistics during the period under review. The dashboard is being replaced with a Power BI based application and the corporate management team currently have access to this new version. We are informed that Member access will be available by the end of 2022.

The Council could improve its arrangements in respect of internal and external engagement and benchmarking with other councils.

The Council needs to learn the lessons from the very significant challenges caused by the financial ledger implementation and ensure mistakes are not repeated. The expected benefits have not yet been realised, and the Council has incurred extra costs in trying to resolve issues. This has also had a significant impact on the timeliness of internal and external financial reporting and returns to central government as we have previously reported. We have raised a key recommendation in respect of benefits realisation and post implementation review of this project.



## Opinion on the financial statements

Our 2019/20 Annual Audit Letter, presented on 15 November 2021, commented that our opinion on the 2019/20 financial statements was not provided until 5 October 2021. We also noted that the 2020/21 financial statements should have been prepared by 31 July 2021. After several delays and postponements, we currently expect them by mid November 2022. This represents a significant weakness and is covered by our Statutory Recommendation.

We have been able to undertake most of initial planning and risk assessment for our 2020/21 financial statements audit and were able to present our audit plan to the Audit, Standards & Governance Committee on 12 April 2022.

# Use of formal auditor's powers

We bring the following matters to your attention:

## Statutory recommendations

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors can make written recommendations to the audited body which need to be considered by the body and responded to publicly

On 31 October 2022 we made a Statutory Recommendation in respect of financial systems and governance. This was included in our report entitled “Bromsgrove District Council - Section 24 Statutory Recommendations” and the recommendation is replicated on page 6.

## Public interest report

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors have the power to make a report if they consider a matter is sufficiently important to be brought to the attention of the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.

We did not issue a public interest report.

## Application to the Court

Under Section 28 of the Local Audit and Accountability Act 2014, if auditors think that an item of account is contrary to law, they may apply to the court for a declaration to that effect.

We did not make an application to the Court.

## Advisory notice

Under Section 29 of the Local Audit and Accountability Act 2014, auditors may issue an advisory notice if the auditor thinks that the authority or an officer of the authority:

- is about to make or has made a decision which involves or would involve the authority incurring unlawful expenditure,
- is about to take or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency, or
- is about to enter an item of account, the entry of which is unlawful.

We did not issue an advisory notice.

## Judicial review

Under Section 31 of the Local Audit and Accountability Act 2014, auditors may make an application for judicial review of a decision of an authority, or of a failure by an authority to act, which it is reasonable to believe would have an effect on the accounts of that body.

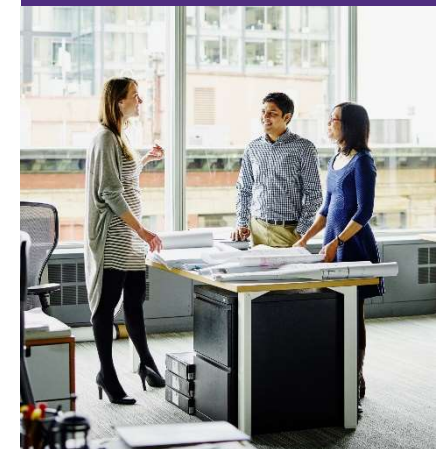
We did not apply for a judicial review.



# Recommendation made under section 24 schedule 7 of the Local Audit and Accountability Act 2014

Area	Recommendation
Financial systems and governance	<p>The Council cannot yet produce its 2020/21 draft statement of accounts with long-standing issues with its new ledger system in relation to cash receipting requiring resolution. The Council must ensure that arrangements allow for the successful implementation of cash receipting within its ERP system to allow key elements of financial governance and compliance to be undertaken routinely and in a timely manner. In order to achieve this the Council should:</p> <ul style="list-style-type: none"> <li>• ensure the Council has access to the necessary knowledge and expertise to resolve the remaining key issues with the ERP system in a timely manner to provide management with sufficient assurance over the completeness and veracity of the data included within the system;</li> <li>• undertake appropriate testing of the fixes and ensure that appropriate sign-off of these is received prior to running them on live system data; and</li> <li>• ensure budget holders and other relevant officers possess the skills and knowledge to appropriately use the ERP system as intended, including relevant training and updates to key documentation and process manuals.</li> </ul> <p>Once system issues are properly resolved, the Council must:</p> <ul style="list-style-type: none"> <li>• undertake key control activities such as bank and control account reconciliations on a monthly basis and ensure that these are kept up to date;</li> <li>• produce the 2020/21 and 2021/22 draft financial statements, along with high quality supporting working papers;</li> <li>• conclude the 2020/21 and 2021/22 RO and CO submissions, and other key Government returns including Whole of Government Accounts; and</li> <li>• ensure timely reporting of budget outturns and report publicly on in-year financial monitoring, including updates on the capital programme and savings scheme achievement.</li> </ul>

The range of recommendations that external auditors can make is explained in Appendix C.



# Key recommendations



## Recommendation 1

The Council needs to ensure that the Medium-Term Financial Plan presented to Members is completely transparent regarding the financial challenge and that any savings schemes included are fully worked up and approved by Members in advance.

### Why/impact

The Medium-Term Financial Plan (MTFP) presented to Cabinet on 17 February 2021, covering the period 2021/22 - 2024/25, includes savings which are not fully worked up, based on robust evidence, and approved by Members. This masks the financial situation and could be misleading. In addition to this, the MTFP shows use of reserves of £638k / £1,200k / £1,472k. At that stage general fund reserves are forecast to be £1,735k, which is broadly only sufficient for one year. While the Council has some savings and income generation schemes in place, it is still heavily reliant on the use of reserves, to a point where it is not sustainable in the longer term. Savings and income generation schemes represent only around 1/3 of the overall requirement, with no robust plans to address the balance.

### Auditor judgement

This represents a significant weakness in arrangements. Without transparent reporting of the underlying financial position and the challenges faced it is not possible for Members to fully understand the financial challenge and work with officers to ensure the Council is financially sustainable in the long term.

### Summary findings

While the Council has adequate reserves in the short term it needs to take action to ensure long term financial sustainability.

### Management comments

- Unallocated savings amount from the existing MTFP of £478k has been highlighted in the Q1 monitoring that went to Cabinet in September. Decision has been taken to apply these amounts to vacancies at Q2 to resolve the issue. This will be reflected in the Q2 monitoring which will be presented to Cabinet in November.
- 2023/24 MTFP will be delivered in 2 Tranches. As set out in the existing MTFP there is a deficit of £1,588k to close in 2023/24 rising to £1,623k in 2025/26. Tranche 1 documentation which will be presented to Cabinet on the 26<sup>th</sup> sets out how could be bridged without the use of Reserves. Fuller detail is given on underlying assumptions and a Savings Proposal Document gives the required transparency and allocation to the correct budgets.
- Given the present financial crisis, and including inflation running at over 10%, with utilities even higher, the Tranche 1 Reports have a draft Robustness statement setting out the viability of the budget at this time as the projected Gap with present inflationary and utility pressures would extinguish reserves within 2 years..
- 20/21 forecast outturn report presented to Cabinet in November 2021.
- 21/22 P11 set out that revenue would be delivered within budget, confirming the savings built into the budget were anticipated to be delivered in year.

The range of recommendations that external auditors can make is explained in Appendix C.





## Recommendation 2

The Council needs to improve management of key projects, such as the financial ledger implementation, to ensure that expected benefits are realised. As part of this the Council needs to undertake a comprehensive review of the financial ledger implementation and ensure lessons are learned for future key projects.

### Why/impact

In June 2019 the Council approved a contract for the implementation of a new financial ledger system to be developed by TechnologyOne. This Enterprise Resource Planning (ERP) system would integrate financial, human resources and payroll and supply chain information in a single electronic system. Implementation of the new system was 8 February 2021. There still remain significant issues with the cash receipting part of the system, which is not functioning as intended some 19 months after implementation.

The Council need to understand and document learning points from this implementation for application on other projects so that a similar situation does not arise in the future.

### Auditor judgement

The expected benefits have not yet been realised. Worse, the Council has incurred significant additional cost and time in resolving issues that could have been addressed at the time. This has had a knock-on effect in other areas such as reports and returns to government and internal and external financial reporting.

### Summary findings

Officers are working hard and investing significant time and money into resolving the issues created by the financial ledger implantation not going as planned. It is crucial that lessons are learned to ensure there are no repeat issues with future projects.

### Management comments

- The Council has set up a Back Office Working Group which meets on a 2 weekly basis. Part of this groups remit is to “gatekeep” major projects to ensure the correct resources are allocated to projects up front and that there is clarity if an initiative cannot be resourced and this is linked to benefits realisation. This also applies to ongoing contract management.
- A Level 4 Group, which is a sub Group of CMT, now meets on a 2 weekly basis. Part of the remit of this group, which is cross Council, is to future scan for new “projects” and again ensure the right officers/expertise is involved from initiation.
- The present MTFP has assessed projects and deliverability.
- Key Council projects are reported to CMT on a Quarterly basis for review
- The present CIVICA implementation has taken on board learning points around interfaces and reconciliations from the ERP implementation with significant Finance input to ensure full system integration to Tech1 and the Benefits system.
- That a shortcoming of the ERP implementation was that it was not fully documented at the time of implementation – full documentation of the system is now being addressed through a third party
- The ERP was implemented in a time of restrictions due to C-19. A key learning point has been the limitations of remote working on a major implementation and the effects on staff – most of whom have left the Authority.
- A full post implementation review will take place once the system moves to steady state.

The range of recommendations that external auditors can make is explained in Appendix C.







### Recommendation 3

The Council should review and implement effective governance arrangements in respect of performance monitoring to allow Members to make informed decisions. In order to achieve this the Council should reinstate public reporting on performance, linking this to the Council Plan and the related strategic objectives, allowing Members to scrutinise performance. This should be done at least twice per year.

#### Why/impact

The last performance management report to Cabinet was 30 May 2018. This pre-dates the COVID-19 pandemic by nearly two years. In this time, a performance dashboard was available to Members via the portal, although actual usage can no longer be evidenced as the data is logged as a 9-month rolling dataset. Decision makers are therefore unable to publicly monitor the Council's performance and identify areas for improvement. We note that from September 2022, Cabinet were provided a quarterly integrated Financial and Performance Report. However, for 2020/21 this is a significant weakness.

#### Auditor judgement

It is essential that Members are presented with timely, accurate and transparent performance reports as these, alongside financial and risk management reporting, are the pillars of basic governance and informed decision making.

#### Summary findings

It is pleasing to note that performance reporting has recommenced from September 2022. As our report relates to the arrangements in place during 2020/21 this is still reported as a significant weakness in that year.

#### Management comments

- During this period the council did have a corporate performance dashboard which was available to Members. This is now being replaced with a Power BI based application. The corporate management team currently have access to this new application. Member access will be available by the end of 2022
- The Q1 2022/23 Finance and Performance Monitoring Report was presented to Members in September. This has been reviewed by the Budget Working Group in September.
- CMT reviews performance data on a monthly basis as part of its monthly assurance meeting
- The Q2 Finance and Performance Monitoring Report will be presented to Cabinet in November.

The range of recommendations that external auditors can make is explained in Appendix C.





#### Recommendation 4

The Council should review and implement effective governance arrangements in respect of risk monitoring to allow Members to make informed decisions. In order to achieve this the Council should make risk management reporting a standing item on the Audit, Standards & Governance Committee agenda, with Members considering the Corporate Risk Register and Risk Management arrangements in an appropriate forum.

#### Why/impact

An Internal Audit report from June 2019 identified significant weaknesses in risk management arrangements. The Council engaged external experts (Zurich Municipal) to build on this report, and reported the findings to the Audit, Standards & Governance Committee in October 2019. Since that date although there have not been any formal update reports to Members, nor has a corporate risk register been presented, there has been informal reporting to Audit Committee by Member Risk Champions. Members are therefore not provided with appropriate assurance over effective risk management and whether the issues raised by Internal Audit and Zurich Municipal have been addressed.

#### Auditor judgement

It is essential that Members are presented with timely, accurate and transparent risk management reports as these, alongside financial and performance reporting, are the pillars of basic governance and informed decision making.

#### Summary findings

It is pleasing to note that risk management reporting has recommenced from July 2022. As our report relates to the arrangements in place during 2020/21 this is still reported as a significant weakness in that year.

#### Management comments

- Risk Management was relaunched in April and went to both Cabinet and Audit Committees in July 2022 as part of a quarterly monitoring regime.
- An updated Risk Approach agreed by CMT in April 2022.
- Risk data is reviewed monthly by Departmental Management Teams, quarterly by a Council wide officer risk board before being presented to CMT as part of the Assurance meeting.
- The Risk Management report to the 21<sup>st</sup> September will be presented to both Cabinet and Audit Committee in October.
- Risk Management is planned to be reported quarterly to Audit Committee.
- Internal Audit have recently conducted a follow up Audit on Risk Management where progress on the Risk Action plan was reviewed.

The range of recommendations that external auditors can make is explained in Appendix C.





**Recommendation 5** The Council should ensure timely and relevant financial monitoring reporting is undertaken and presented to the appropriate public forum.

#### Why/impact

Whilst we consider that arrangements for 2020/21 were appropriate, with quarterly financial reporting happening up to Q3 2021 reported in March 2021, the next finance report was the Outturn Report on 24 November 2021. We have not seen any reporting of the 2021/22 finances for the majority of the 2021/22 financial year, with Cabinet presented with a Month 11 finance report on 3 May 2022, being the first public reporting on the 2021/22 position and after the 2022/23 budget had been set. This represents a significant weakness in arrangements for 2021/22 as it is unclear what budget monitoring has been happening, and there has been inadequate reporting to Members of the financial position to allow them to scrutinise, challenge, and make properly informed decisions.

#### Auditor judgement

It is essential that Members are presented with timely and accurate financial reporting to allow proper scrutiny, challenge and understanding of the financial position and to allow informed decision making. Members could not be expected to make properly informed decisions on the 2022/23 financial budget if they had not received any financial reporting information on the in-year 2021/22 financial position.

#### Summary findings

We consider that arrangements in 2020/21 were appropriate. Given the time of our reporting, and due to the requirement to report weaknesses at the earliest opportunity, we are reflecting a key recommendation in respect of the arrangements in place for 2021/22. We note that a high-level period one finance report was presented to Cabinet in July 2022, setting out the approach to financial monitoring for the year, and in September 2022 a Q1 finance report was issued to Cabinet.

#### Management comments

- As reflected above financial monitoring was delivered for P11 in 2021/22
- There was internal financial reporting in 21/22 to managers to ensure operation delivery could be maintained.
- There is a monthly CMT Assurance meeting where progress on key controls is reviewed
- The 2022/23 Q1 combined Finance and Performance monitoring was presented to Cabinet in September.
- Unallocated savings amount from the existing MTFP of £478k has been highlighted in the Q1 monitoring that went to Cabinet in September. Decision has been taken to apply these amounts to vacancies at Q2 to resolve the issue. This will be reflected in the Q2 monitoring which will be presented to Cabinet in November.
- The 2022/23 Q2 Combined Finance and Performance Monitoring will be delivered to Cabinet in November.
- The Tranche 1 2023/24 Budget (See Recommendation 1) sets out the ongoing position and moves to balance the budget. This will be presented to Cabinet in October.

The range of recommendations that external auditors can make is explained in Appendix C.



# Commentary on the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources

All Councils are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The Council's responsibilities are set out in Appendix A.

Councils report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The National Audit Office's Auditor Guidance Note (AGN) 03, requires us to assess arrangements under three areas:



## Financial sustainability

Arrangements for ensuring the Council can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).



## Governance

Arrangements for ensuring that the Council makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the Council makes decisions based on appropriate information.



## Improving economy, efficiency and effectiveness

Arrangements for improving the way the Council delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.



Our commentary on each of these three areas, as well as the impact of COVID-19, is set out on pages 13 to 20. Further detail on how we approached our work is included in Appendix B.





# Financial sustainability



## We considered how the Council:

- identifies all the significant financial pressures it is facing and builds these into its plans
- plans to bridge its funding gaps and identify achievable savings
- plans its finances to support the sustainable delivery of services in accordance with strategic and statutory priorities
- ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning
- identifies and manages risk to financial resilience, such as unplanned changes in demand and assumptions underlying its plans.

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## Key messages

### Identifies significant financial pressures

Financial plans are based on realistic key assumptions. For example, the Medium-Term Financial Plan (MTFP) presented to Cabinet on 17 February 2021, covering the period 21/22 - 24/25 has inflation built in, and there are "Unavoidable pressures", all of which are reasonable. Savings / additional income are shown separately, and we have found these to be reasonable in the past. Business rates and council tax growth are reasonable.

As a second-tier council Bromsgrove is comparatively less impacted by changes in service demand or population. It does not have adult social care, or children's services for example. However, the Medium-Term Financial Plan (MTFP) presented in February 2021 includes cost pressures, including changes to service provision, inflation and pay inflation. The MTFP also includes "Unavoidable pressures", all of which are reasonable and amount to around 5% of the base budget.

The funding settlement had a positive impact on finances, and assumptions around council tax and business rates are reasonable.

However, it is unclear what arrangements are in place to keep the Council's financial plans under review and reported to Members. There was quarterly finance monitoring reporting up to Q3 of 2020/21, presented to Cabinet on 31 March 2021. Progress was reported against each item, and the savings schemes were shown as being on track. This provides evidence that until March 2021, appropriate arrangements were in place to report on financial budgets, and recurrent savings were being delivered.

### 2021/22 update

After the Q3 2020/21 report, the next finance report was the Outturn Report on 24 November 2021. We have not seen any reporting of the 2021/22 finances for the majority of the 2021/22 financial year, with Cabinet presented with a Month 11 finance report on 3 May 2022. This represents a significant weakness in arrangements for 2021/22 as it is unclear what budget monitoring has been happening, and there has been inadequate reporting to Members of the financial position to allow them to scrutinise, challenge, and make properly informed decisions.

During this time period, Council staff were working remotely (due to COVID-19 regulations) and this, along with implementing a new financial systems with its the associated challenges, led to a significant loss of staff, including the Section 151 Officer in Autumn 2020. We note that adequate arrangements were in place during 2020/21, and so have not raised a key recommendation for this year. Key recommendation 5, page 11, relates to this issue and to 2021/22 arrangements. The National Audit Office Code of Audit Practice is clear that when weaknesses are identified, the auditor should not delay reporting until the Auditor's Annual Report for that year.

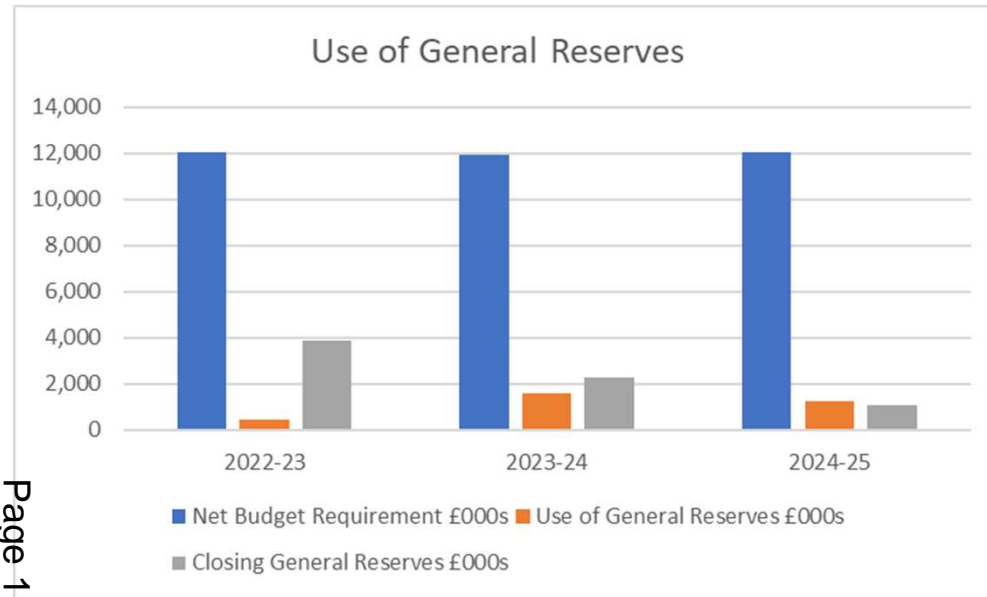
### Bridging funding gaps

The Council has significant savings plans which represent around 3.5 - 4% of the base budget each year. In addition to this, reserves are being used to support around 10% of revenue expenditure each year.

We reviewed the MTFP presented to Cabinet on 17 February 2021, covering the period 2021/22 - 2024/25. Savings of £1,305k are included in the MTFP. We selected three savings schemes for further testing. Two of these - "management review savings" (intended to save £250k) and "future operating model" (intended to save £150k) appear to be unsupported by detailed business cases or robust evidence as to how those savings will be realised. The third scheme, "vehicle hire budget savings" (intended to save £171k) appears to be moving an underspend to reserves, and then using it in future years.

Including savings in the MTFP which are not fully worked up, based on robust evidence, and approved by Members, masks the financial situation and could be misleading. In addition to this, the MTFP shows use of reserves of £638k / £1,200k / £1,472k respectively. At that stage general fund reserves are forecast to be £1,735k, which is broadly only sufficient for one year. While the Council has some savings and income generation schemes in place, it is still heavily reliant on the use of reserves, to a point where it would not be sustainable in the longer term. Savings and income generation schemes represent only around one third of the overall requirement, with no robust plans to address the balance. This represents a significant weakness in arrangements. See Key recommendation 1, on page 7.

## The funding gap



The graph on the left takes key figures from the Medium Term Financial presented to Cabinet on 16 February 2022. While this is outside the year of review for this report, it is important that Members are provided with an up-to-date picture of the significant financial challenges the Council faces. The figures used here are therefore different to those on the preceding page.

It is also important to note that whilst an outturn for 2020/21 was presented, this still reflects an unaudited position and challenges with the new financial ledger could also lead to adjustments to this position.

The graph shows that the amount the Council plans to spend on services over the three years is unchanged at just over £12m. However, the projected use of reserves, particularly in 2023/24 and 2024/25, means that general fund balances are planned to decrease from £3.8m to £1m. At that stage they will be insufficient to cover likely expenditure in 2025/26.

### Sustainable service delivery

The Fees & Charges report for 2021/22, presented to Cabinet on 25 November 2020, demonstrates an understanding of the cost of delivering core services, and that Officers have thought about the cost of providing statutory and discretionary services, and have discussed proposed changes with portfolio holders.

The Council Plan 2019-2023 sets out eight key priorities for the next four years, underpinned by five strategic purposes. The Plan then sets out, for each of the priority areas, what the Council will do to achieve them (actions), and how they will be measured. When looking at the MTFP / Budget Setting report presented in February 2021, there is a column to state which strategic purpose the investment or saving relates to, but it could be further enhanced to link to specific actions which are set out in the Council Plan to make it clearer how investments in services will help to achieve the eight key priorities as set out in the Council Plan. This is an area that could be improved, as it also links to informed decision making around budget proposals. See Improvement recommendation 1, page 21.

### Ensuring financial plans are consistent with others

The ongoing revenue costs of major capital investments is properly reflected in the revenue budget, including Key Government Grant Funded schemes such as Levelling Up where finance have been involved from the outset. For example, the MTFP presented to Cabinet in February 2021 stated "MRP, interest costs and investment income (net) (£92k)" The explanation for the £92k movement from earlier plans is "This change is due to a re-profiling of the capital programme to reflect more accurately planned spend which has moved expenditure into future years. There was also a reduction in budgeted spend at outturn for 2019/20 which has moved MRP and borrowing costs into future years. The investment income has also been revised to take account of the actual spend this financial year, 2020/21."

The 2019/20 capital outturn expenditure (£3.5m) was broadly consistent with the original budget (£4.5m), but significantly below the revised budget of £11.9m. There is a brief explanation in the financial statements, which mainly talks about making improvements to the process. The outturn report for 2019/20 explains the reason for the slippage. There is a sound rationale for each of the slipped elements, as compared to them being slipped because they or the associated revenue costs are unaffordable. However, there was a £1m underspend on the original capital budget of £4.5m, but £6.4m against the revised budget of £11.9m. While the reasons for this are explained at a high level in the outturn report, and a portion of this was due to COVID-19 impacting supply chain and project delivery, the Council needs to be much better at forecasting capital expenditure to ensure that it can more accurately plan its capital programme and build the related revenue costs more accurately into its MTFP. This is an improvement area. See Improvement recommendation 2, page 22.

Given staffing costs are a key element of the Council's expenditure, we would expect that a workforce plan would exist, setting out proposed plans for establishment amongst other things, and that this would be consistent with financial projections reported through the MTFP. Whilst the MTFP includes assumptions for pay increases and savings in respect of vacancy management, we were not provided with any evidence that a workforce plan exists. Given the staffing and recruitment challenges the Council face (as many other Councils also do), we consider this a weakness in arrangements. See Improvement recommendation 3, page 23.

### Identifying and managing risk to financial resilience

A report was presented to Cabinet in October 2020, so that Members were aware of the financial framework, prior to approving the MTFP itself in February 2021. There is a section on risks to the MTFP - including government funding, business rates income and identification of savings schemes. However, none of these are quantified or subject to ranges, impact, sensitivity analysis etc. This is an area for improvement. See Improvement recommendation 4, page 24.

We have not seen any evidence of scenario analysis through different assumptions being used for modelling. The Council needs to conduct scenario analysis through different assumptions being used for modelling. These could then be presented to Members so that they can see the impact different assumptions have on the MTFP and this would support more informed decision making. This is an area for improvement. See Improvement recommendation 4, page 24.

# Governance



## We considered how the Council:

- monitors and assesses risk and gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud
- approaches and carries out its annual budget setting process
- ensures effectiveness processes and systems are in place to ensure budgetary control
- ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency
- monitors and ensures appropriate standards.

## Key messages

### Risk management and internal control

Each report presented to Members has a section on "Risk Management", so risks are identified and highlighted. Member Risk Champion reports provide assurance over the identification and recording and scoring of risks at a departmental level, based on a "Deep Dive" into specific risk areas. However, an Internal Audit report from June 2019 identified significant weaknesses in risk management arrangements. The Council engaged external experts (Zurich Municipal) to build on this report, and reported the findings to the Audit, Standards & Governance Committee in October 2019. Since that date there have not been any formal update reports to Members until July 2022. Members were therefore not provided with appropriate assurance during this period over effective risk management and whether the issues raised by Internal Audit and Zurich Municipal have been addressed. This is a significant weakness, and we raised a key recommendation related to this, see page 10.

Internal Audit is provided by the Worcestershire Internal Audit Shared Service, hosted by Worcester City Council. The service provides internal audit to a number of local authority bodies in Worcestershire. The service is effective and assesses the effectiveness of controls, reporting to the Audit, Standards & Governance Committee on a regular basis. The revised annual plan was delivered in full, although the original plan was reduced significantly as a result of the impact of COVID-19. The audits completed provide sufficient coverage for the Head of Internal Audit Opinion to be issued.

Internal Audit also oversee and manage the Council's response to possible fraud - including being aware of the risk in their audit work and undertaking any investigations. What is done proactively is less clear, although there were posters on the noticeboards in Parkside. While the Council has adequate arrangements in place in respect of the prevention and detection of fraud, it could enhance the proactive fraud awareness work undertaken. This is an area for improvement. See Improvement recommendation 5, page 25.

### Annual budget setting process

We have not seen any evidence of external engagement in the budget setting process. While this is not considered to be a significant weakness, the Council should enhance the budget setting process by ensuring appropriate engagement with external stakeholders. This should include council taxpayers as well as service users. This will help the Council better understand the priorities and non priorities of those who live in the District and may enable increasingly scarce resources to be better focused. This is an area for improvement. See Improvement recommendation 6, page 26.

The Medium-Term Financial Plan (MTFP) was approved by the (Acting) S.151 Officer and the Portfolio Holder. It was also considered by the Finance and Budget Working Group. However, it is unclear the extent to which budget holders and senior managers were consulted. The Council needs to retain and provide evidence of internal involvement in the budget setting process to evidence wider consultation, which ensures informed decisions are being made. This is an area for improvement. See Improvement recommendation 6, page 26.



## Budgetary control

During 2020/21 the finance team engaged with budget holders to review financial performance and identify actions to resolve adverse variances. Reporting to Cabinet was timely, with a clear explanation of the main variances and corrective action being taken. As noted already, these arrangements essentially stopped with the implementation of the new ledger system in February 2021, and there was no in year reporting after that date until after the 2021/22 year end. Whilst not a weakness for 2020/21, this is a significant weakness for 2021/22 and we have raised a key recommendation on page 11.

Non-financial information, such as service activity and workforce information, is not integrated into financial reports to Cabinet. The lack of formal performance reporting to Members is a significant weakness. During this period Members did have access to the Performance Dashboard. While the quarterly finance reports to Cabinet during 2020/21 include very high-level information, for example, about activity being higher or lower than planned, this is not in sufficient detail to allow meaningful comparisons against expected activity and its impact on the budget and also service users. This is an area for improvement. See Improvement recommendation 7, page 27.

There is adequate reporting on treasury management activity to Cabinet. Cabinet received the "Capital Strategy 2020/21 incorporating the Treasury Management Strategy" on 25 November 2020. The report presents the Capital Strategy, Treasury Management Strategy, Minimum Revenue Provision Statement, a policy for use of flexible capital receipts and the Investment Strategy for 2020/21 to be considered for recommendation to Council. The MTFP presented to Cabinet in February 2021 sets out the changes from initial forecasts in regard to MRP, interest costs and investment income. The report also includes summary budget, for three years, which highlights the revenue impact of capital bids, investment income, interest payable and MRP. This allows the impact of treasury and capital activity to be properly understood, and also evidences that the Council is aware of the impact of these activities upon its revenue budgets.

We have not seen any evidence that financial performance is a key objective for senior managers or forms part of the body's performance management processes, to ensure formal and effective accountability for the delivery of budgets. Discussions with some Officers suggest that budget holders are reluctant to get involved in budget monitoring and see it as a finance job. This is an area for improvement. See Improvement recommendation 8, page 28.

Our 2019/20 Annual Audit Letter, presented on 15 November 2021, commented that our opinion on the 2019/20 financial statements was not provided until 5 October 2021. We also noted that the 2020/21 financial statements should have been prepared by 31 July 2021. After several delays and postponements, we are now told to expect them by mid November 2022. This represents a significant weakness and is reflected within our Statutory Recommendation on page 6.

## Making properly informed decisions

The Council ensures that Cabinet is provided with appropriate levels of relevant information on which to make major decisions, for example, the "Burcot Lane Site Redevelopment - Next Steps Report" presented to Cabinet on 6 August 2020. Before being presented to Cabinet reports are frequently considered by the Overview and Scrutiny Committee, with recommendations made as appropriate.

However, as we have previously reported it is unclear the extent to which the Council engages with stakeholders regarding the body's medium- to long-term financial strategy, current financial position and likely financial challenges. This is an area for improvement. See Improvement recommendation 6, page 26.

## Ensuring appropriate standards

The Council has adequate arrangements in place to monitor compliance with legislation and regulatory standards and to communicate expected behaviours to staff. This includes a Monitoring Officer, as well as an in-house legal team. The Monitoring Officer provides a report to each Audit, Standards & Governance Committee.

Declarations of interest are shown for each Councillor on the website, so are publicly available. Declarations of Interest is also one of the first items on all Committee and Cabinet meetings. This helps to ensure that appropriate standards are maintained within the Council, and we have no evidence of inappropriate arrangements.

# Improving economy, efficiency and effectiveness



## We considered how the Council:

- uses financial and performance information to assess performance to identify areas for improvement
- evaluates the services it provides to assess performance and identify areas for improvement
- ensures it delivers its role within significant partnerships, engages with stakeholders, monitors performance against expectations and ensures action is taken where necessary to improve
- ensures that it commissions or procures services in accordance with relevant legislation, professional standards and internal policies, and assesses whether it is realising the expected benefits.

## Key messages

### Using performance information

The last performance management report to Cabinet was 30 May 2018. This pre-dates the COVID-19 pandemic by nearly two years. Decision makers were therefore unable to monitor the Council's performance and identify areas for improvement. We note that from September 2022, Cabinet were provided a quarterly integrated Financial and Performance Report. However, for 2020/21 and 2021/22, although Members did have access to the Corporate Dashboard, wider public reporting was not undertaken nor was performance discussed on public agendas and this is a significant weakness which is reflected within our key recommendation on page 9.

We have not seen any evidence that Cabinet is provided with assurance over the accuracy of financial and performance information. Once financial reporting and performance reporting again become routine and regular, the Council should consider expanding the role of internal audit or to provide assurance that financial information presented to Members accurately reflects the financial ledger. The Council should also consider asking internal audit to verify the accuracy of performance information. This is an area for improvement. See Improvement recommendation 9, page 29.

The Council makes very limited use of benchmarking costs and performance against similar bodies in order to identify areas for improvement, cost savings or income generation. We have seen one example from the 2021-22 fees & charges summary presented to Cabinet on 25 November 2020 in regard to street naming where a benchmark was taken from

eight council areas that included Wyre Forest, Walsall, Worcester, Wychavon, Malvern Hills, Birmingham, Coventry and Solihull. However, there is scope to significantly enhance this area. This is an area for improvement. See Improvement recommendation 10, page 30.

### Evaluating services

The Council received an LGA Corporate Peer Challenge in January 2018 with a follow up visit in February 2020. This report was finalised in July 2020 having been delayed whilst the Council responded to the peak of the COVID-19 pandemic. The Council is therefore open to learning from other organisations but does not do this systematically. This is an area for improvement. See Improvement recommendation 11, page 31.

The LGA Corporate Peer Challenge identified that the Council needs to ensure services align to strategic priorities and that it considers services which don't need to be continued, and whether they should continue to be. Post the COVID-19 pandemic the Council needs to ensure that it addresses the recommendations made by the peer review.

The Council focuses on the longer-term, rather than looking at short term savings or cuts. Examples include revisiting Minimum Revenue Provision and making advance payments to the pension fund in order to secure a discount on contributions over three years. This helps to ensure more sustainable planning and decision making.

We have not identified any issues in respect of significant procurement within the period. The Council has a procurement strategy; however contract procedure rules were last updated in 2016. The Council should be reviewing and updating the procurement strategy regularly, not least to ensure that legislative changes are reflected appropriately. The latest version of the Contract Procedural Rules is dated 2016 which is what procurement training is based upon. See Improvement recommendation 12, page 32.

### Partnership working

Opportunities for consultation with key stakeholders have been more limited during the COVID-19 pandemic. This was exacerbated by staffing capacity issues already referenced during the period. However, post pandemic the Council needs to engage and consult with key stakeholders, where appropriate, to determine local priorities for resources or opportunities for savings. This is particularly important given the financial challenges the Council faces and as the District builds back from the pandemic. This is an area for improvement. See Improvement recommendation 13, page 33.

Where the Council is considering undertaking significant or unusual transactions, for example, the Burcot Lane site redevelopment and possible establishment of a Local Authority Trading Company, it provides appropriate levels of information on risk and reward to decision makers.

There are shared service arrangements with Redditch BC for a large number of back and front office functions, and this works well and has delivered efficiencies over many years. The Council also works with other councils across Worcestershire, for example, on highways and infrastructure projects. The Council also hosts Worcestershire Regulatory Services (WRS) - a shared service delivering Environmental Health functions (food safety, health and safety and many aspects of pollution control) and Licensing administration on behalf of the six district councils in Worcestershire. There is evidence that the Council seeks to engage and work with partners to deliver and improve services.

### Benefits realisation

In terms of benefits realisation, we have considered the new finance system - a major project which "went live" in February 2021. As of October 2022, we are advised that the significant issues with the implementation of cash receipting are almost resolved, and data migration mapping is complete. We have not yet been provided with this work and so cannot confirm this. The expected benefits have not yet been realised. In fact, it has caused significant delays in internal and external financial reporting and cost additional resources in trying to address the issues. It is clear that there are a number of lessons to be learned from the implementation, and that this was not managed appropriately. We consider this to be a significant weakness. See Key recommendation 2, page 8.

# COVID-19 arrangements



Since March 2020 COVID-19 has had a significant impact on the population as a whole and how Council services are delivered.

We have considered how the Council's arrangements have adapted to respond to the new risks they are facing.

## Financial sustainability

Financially, the main impact was reduced income in terms of leisure and car parking. These have subsequently been covered by government grants and reimbursement schemes, which mean that the potentially significant impacts to the Council's 2020/21 budget were not realised.

## Governance

The COVID-19 pandemic impacted the Council in a number of ways. Systems and processes within the finance function were largely unaffected, as these were largely automated, and officers had the ability to work from home. The Council also made safe space available in the Council Offices for those people who needed it.

Meetings were held virtually, in line with the emergency legislation, and this allowed the business of the Council to continue.

## Improving economy, efficiency and effectiveness

The Council found distributing discretionary business grants challenging. This is in terms of agreeing an approach and/or policy, responding to changes in Government guidance, and processing the number of requests received. Final guidance was often received significantly after Government announcements. The challenge is as expected as the finance and revenue teams cover two councils.

Ultimately, the Council distributed significant sums of money to local residents and businesses during a very challenging period.



## COVID-19 RESPONSE

# Improvement recommendations



## Financial sustainability

<b>1</b>	<b>Recommendation</b>	The Medium-Term Financial Plan / Budget setting report should be linked to specific actions which are set out in the Council Plan to make it clearer how investments in services will help to achieve the eight key priorities as set out in the Council Plan.
	<b>Why/impact</b>	The Council Plan 2019-2023 sets out eight key priorities for the next four years, underpinned by five strategic purposes. The Plan then sets out, for each of the priority areas, what the Council will do to achieve them (actions), and how they will be measured. When looking at the Medium-Term Financial Plan / Budget Setting report presented in February 2021, there is a column to state which strategic purpose the investment or saving relates to, but it could be further enhanced to link to specific actions which are set out in the Council Plan to make it clearer how investments in services will help to achieve the eight key priorities as set out in the Council Plan.
	<b>Auditor judgement</b>	Linking the Council Plan to the Medium-Term Finance Plan and Budget Setting Report could be improved, as it also links to informed decision making around budget proposals.
	<b>Summary findings</b>	Better linking the two reports will help decision making and demonstrate how actions set out in the Council Plan are being delivered.
	<b>Management comment</b>	<ul style="list-style-type: none"> <li>• Present Savings quantum , given the “cost of living crisis” and double digit inflation has required a re-questioning of priorities with financial sustainability the most pressing issue.</li> <li>• Cabinet were updated on process being followed to balance budgets in the P1 Monitoring report in July 2022.</li> <li>• Officer sessions have taken place in July and August to give members options to balance the budget , which will be discussed in Tranche 1 of the 2023/24 Budget in October.</li> <li>• Budget setting clearly linked to Council priorities</li> <li>• CMT refocussed from 27 July with final Wednesday CMT each month reviewing in year budget, performance and projects (compliance and Assurance).</li> <li>• Ongoing quarterly monitoring from Q1 (Sept 2022) will be financial and performance based to link both sides together.</li> </ul>

The range of recommendations that external auditors can make is explained in Appendix C.

# Improvement recommendations



## Financial sustainability

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<b>2 Recommendation</b>	The Council needs to improve capital budgeting and ensure that the capital programme is delivered as planned.
<b>Why/impact</b>	2019/20 capital outturn expenditure (£3.5m) was broadly consistent with the original budget (£4.5m), but significantly below the revised budget of £11.9m. A portion of this was due to COVID-19 impacting supply chain and project delivery. There is a brief explanation in the financial statements, which mainly talks about making improvements to the process. The outturn report for 2019/20 explains the reason for the slippage. There is a sound rationale for each of the slipped elements, as compared to them being slipped because they or the associated revenue costs are unaffordable. However, there was a £1m underspend on the original capital budget of £4.5m, but £6.4m against the revised budget of £11.9m. While the reasons for this are explained at a high level in the outturn report, the Council needs to be much better at forecasting capital expenditure.
<b>Auditor judgement</b>	While some slippage in capital projects is inevitable, this should be kept to a minimum. Capital expenditure on local projects has a direct benefit to the local economy, which will be vital post COVID-19.
<b>Summary findings</b>	Better capital budgeting and ensuring the capital programme is delivered will ensure that the improvements projects are intended to deliver are realised and also benefit the local economy.
<b>Management comment</b>	<ul style="list-style-type: none"> <li>• Capital monitoring has been fully integrated in a joint finance and performance monitoring report starting Q1 – September 2022.</li> <li>• Financial Services Manager, who started in August has extensive Capital Experience as so will be nominated Finance lead for Capital.</li> <li>• Report now includes the impact and ongoing monitoring of Levelling Up and UK Shared Prosperity Fund as part of the overall process as these sums dwarf the “normal” capital programme and resources need to be concentrated on them as they are time limited (Levelling Up, UKSPF). Finance has been involved in these project from inception to give financial providence</li> <li>• New Processes in place by end of September 2022 which has resulted in a freeze on schemes not yet started (reported as part of the Tranche 1 Budget).</li> <li>• Capital Budget Manager training will need to take place from October 2022.</li> <li>• Noted that COVID-19 and the present inflation crisis have significant impact on supply chain and delivery of Capital Programmes.</li> </ul>

The range of recommendations that external auditors can make is explained in Appendix C.



# Improvement recommendations



## Financial sustainability

<b>3 Recommendation</b>	The Council should develop a workforce plan / strategy and ensure that this aligns to its financial plans.
<b>Why/impact</b>	Staffing costs represent a significant element of the Council's budget. Ensuring a clear linkage between planned staffing levels, establishment and seniority and the Council's financial plans ensures that these key areas are aligned.
<b>Auditor judgement</b>	We were not provided with evidence to establish that a workforce plan exists that clearly links to the Council's financial plans.
<b>Summary findings</b>	Whilst the Council does include assumptions for pay increases and potential savings related to vacancy management, we did not see evidence of an approved workforce plan being in place. A lack of clear workforce plan risks that financial and workforce planning is not sufficiently aligned and could lead to financial challenges.
<b>Management comment</b>	<ul style="list-style-type: none"> <li>• Workforce plan and skills matrices have come to CMT in June 2022.</li> <li>• Updated plans, including succession planning, and skills matrices were completed in all Services by August 2022.</li> <li>• A review of establishment is part of the finance recovery programme (was initially June), with Finance and HR jointly visiting Services to revalidate establishment and vacancies.</li> <li>• Workforce Strategy due to Cabinet in November 2022.</li> </ul>



The range of recommendations that external auditors can make is explained in Appendix C.

# Improvement recommendations



## Financial sustainability

4	<b>Recommendation</b>	Financial plans presented to Members should include better explanation around the key risks and assumptions as well as sensitivity analysis and modelling different scenarios.
	<b>Why/impact</b>	<p>A report was presented to Cabinet in October 2020, so that Members were aware of the financial framework, prior to approving the Medium-Term Financial Plan (MTFP) itself in February 2021. There is a section on risks to the MTFP - including government funding, business rates income and identification of savings schemes. However, none of these are quantified or subject to ranges, impact, sensitivity analysis etc.</p> <p>We have not seen any evidence of scenario analysis through different assumptions being used for modelling. The Council needs to conduct scenario analysis through different assumptions being used for modelling. These could then be presented to Members so that they can see the impact different assumptions have on the MTFP.</p>
	<b>Auditor judgement</b>	Providing Members with information around risks and the impact of using different scenarios and assumptions supports Members to better understand how the decisions they are being asked to make could be impacted.
	<b>Summary findings</b>	Presenting a report in advance of the full MTFP is good practice. However, more comprehensive information is needed in order to make fully informed decisions.
	<b>Management comment</b>	<ul style="list-style-type: none"> <li>2023/24 MTFP will be delivered in 2 Tranches. As set out in the existing MTFP there is a deficit of £1,588k to close in 2023/24 rising to £1,623k in 2025/26. Tranche 1 documentation which will be presented to Cabinet on the 26<sup>th</sup> September has £1,685k of proposals which will result in the Initial gap being closed without the use of Reserves. Fuller detail is given on underlying assumptions and a Savings Proposal Document gives the required transparency and allocation to the correct budgets.</li> <li>Given the present financial crisis, and including inflation running at over 10%, with utilities even higher, the Tranche 1 Reports have a draft Robustness statement setting out the viability of the budget at this time as the projected Gap would require £1.5m of additional savings in Tranche 2 which if not met would extinguish reserves within 2 years. Budget has high level scenarios in assumptions section.</li> <li>Have now access to CIPFA comparative data (21 July 2022) to benchmark costs as part of this process.</li> <li>Budget working Group timetable aligned now to the 2 Tranche budget that is being delivered.</li> </ul>

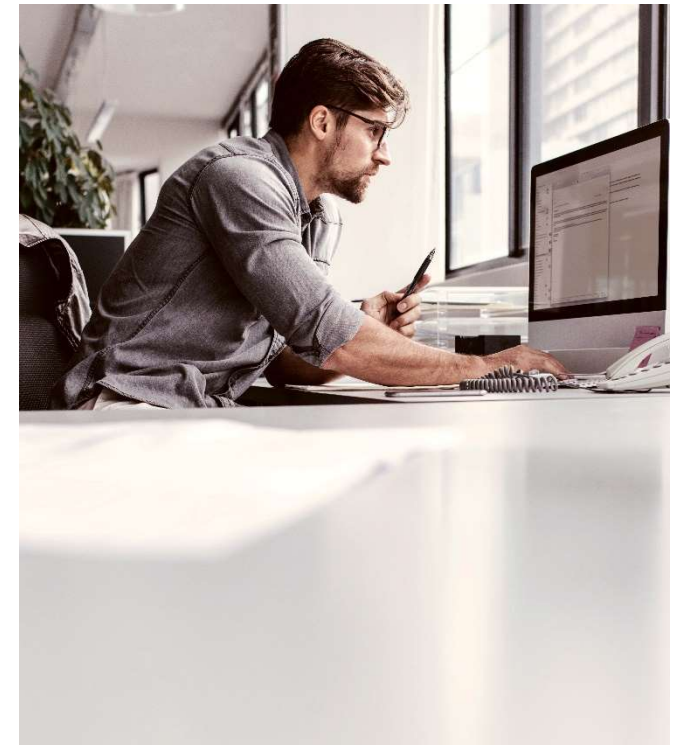
The range of recommendations that external auditors can make is explained in Appendix C.



# Improvement recommendations

## Governance

<b>5 Recommendation</b>	The Council should work with Internal Audit to ensure that proactive fraud prevention work is included in the audit plan, and the work and outcomes are reported to the Audit, Standards & Governance Committee.
<b>Why/impact</b>	Internal Audit oversee and manage the Council's response to possible fraud - including being aware of the risk in their audit work and undertaking any investigations. What is done proactively is less clear, although pre-pandemic, there were posters on the noticeboards at Parkside.
<b>Auditor judgement</b>	While the Council has adequate arrangements in place in respect of the prevention and detection of fraud, it could enhance the proactive awareness work undertaken. This is an area for improvement.
<b>Summary findings</b>	While it is clear that Internal Audit work takes account of the risk of fraud, there is scope to enhance, and make more public, the proactive work undertaken.
<b>Management comment</b>	Director of Finance to commission Internal Audit to undertake and overall Fraud Assessment (linked to present plan).



The range of recommendations that external auditors can make is explained in Appendix C.

# Improvement recommendations

## Governance

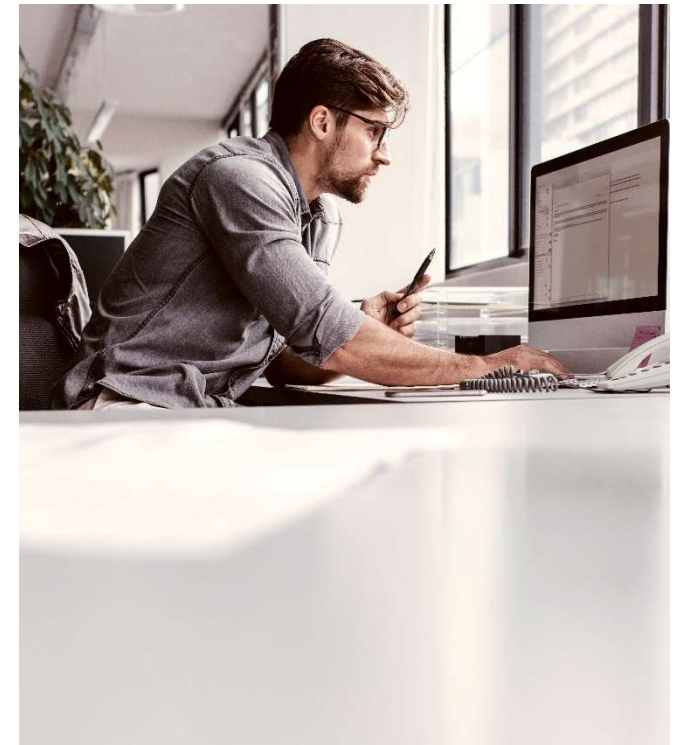
<b>6 Recommendation</b>	The Council needs to ensure that internal and external stakeholders, including service users, are engaged and consulted in the budget setting processes, and that this is documented and reported.
<b>Why/impact</b>	<p>We have not seen any evidence of external engagement in the budget setting process. While this is not a significant weakness the Council should ensure appropriate engagement with external stakeholders. This should include council taxpayers as well as service users. This will help the Council better understand the priorities and non priorities of those who live in the District and may enable increasingly scarce resources to be better focused.</p> <p>The Medium-Term Financial Plan (MTFP) was signed off by the (Acting) S.151 Officer and the Portfolio Holder. It was also considered by the Finance and Budget Working Group. However, it is unclear the extent to which budget holders and senior managers have been consulted. The Council needs to retain and provide evidence of internal involvement in the budget setting process.</p>
<b>Auditor judgement</b>	Ensuring that the budget is based on the needs of service users and other stakeholders is essential in demonstrating that public money, raised through taxation, is being directed to those areas most in need.
<b>Summary findings</b>	Setting a budget should not be seen as a finance team task. It should include all aspects of the Council as well as service users and the public.
<b>Management comment</b>	<ul style="list-style-type: none"> <li>• 2023/24 Tranche 1 budget sets out clearly timetable for delivery of both Tranches of the budget and includes a feedback form (and timetable for return)</li> <li>• 2023/24 Budget will also be web enabled to link to more Stakeholders.</li> <li>• Meetings will be set up in October to brief Staff and the Union on implications of the budget.</li> <li>• Budget Working Group (will review data and feedback to Cabinet) will have more meetings to reflect 2 Tranche budget.</li> <li>• A Savings Proposal Document which clearly sets out savings items, and impacts, is part of the Tranche 1 Budget Pack. This also includes the Feedback form.</li> </ul>

The range of recommendations that external auditors can make is explained in Appendix C.

# Improvement recommendations

## Governance

<b>7 Recommendation</b>	The Council needs to develop quarterly financial monitoring reports so that performance information is included in order to better explain variances and the financial impact of service decisions.
<b>Why/impact</b>	Non-financial information, such as service activity and workforce information, is not integrated into financial reports to Cabinet. The lack of performance reporting to Members is a significant weakness which we have reported separately (see page 6). While the quarterly finance reports to Cabinet during 2020/21 include very high-level information, for example, about activity being higher or lower than planned, this is not in sufficient detail to allow meaningful comparisons against expected activity and budget.
<b>Auditor judgement</b>	Members cannot make informed decisions without being presented with a full picture encompassing financial and non-financial information.
<b>Summary findings</b>	Financial reporting to Cabinet during 2020/21 included high level non-financial information but should be quarterly and incorporate more detailed non-financial information.
<b>Management comment</b>	<ul style="list-style-type: none"> <li>• A Joint Finance and Performance Reports was delivered to Cabinet in September for 2022/23 Q1 Monitoring.</li> <li>• Q2 2022/23 Monitoring will be delivered to Cabinet in November.</li> </ul>



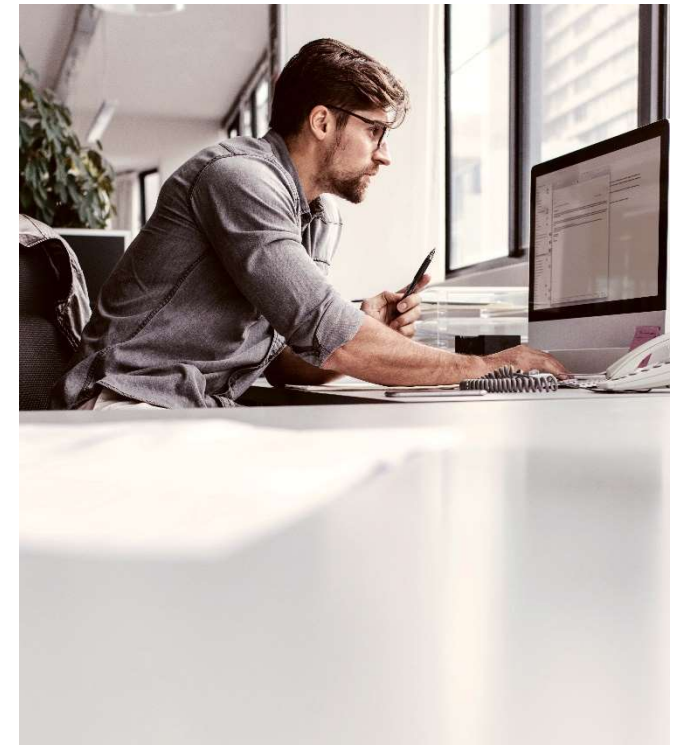
The range of recommendations that external auditors can make is explained in Appendix C.

# Improvement recommendations



## Governance

<b>8 Recommendation</b>	The Council needs to ensure that budget holders are actively involved in budget monitoring and are aware that it is a key part of their role.
<b>Why/impact</b>	We have not seen any evidence that financial performance is a key objective for senior managers and forms part of the body's performance management processes to ensure formal and effective accountability for the delivery of budgets. Our discussions with Officers suggest that budget holders are reluctant to get involved in budget monitoring and see it as a finance job.
<b>Auditor judgement</b>	The new finance system should give budget holders real time access to financial information. It is crucial that this is used by budget holders to inform decision making and ensure that finances are kept on track.
<b>Summary findings</b>	Budget monitoring should not be seen as a function of the finance team. All budget holders, throughout the Council, need to be involved and held to account where they are not.
<b>Management comment</b>	<ul style="list-style-type: none"> <li>• Council has bought in 3rd party to document ERP system to ensure Council fully understands how the system is configured. This work started in October 22.</li> <li>• Updated training will take place on system use and financial requirements based on updated performance guides and procedures and documentation.</li> <li>• Part of this process will be a "finance agreement" which sets out clearly the expectations of finance staff and budget managers and their staff in key finance processes. This agreement has been widened so relates to all support services so all back-office process including payroll which is key to monitoring is included. Initial drafts were due at end of September and an overall draft will be on 14th October.</li> <li>• Formal quarterly monitoring to Members has restarted as at Q1 2022/23.</li> </ul>



The range of recommendations that external auditors can make is explained in Appendix C.

# Improvement recommendations



## Improving economy, efficiency and effectiveness

<b>9 Recommendation</b>	The Council need to put in place arrangements to provide independent assurance over the accuracy on in-year financial reporting and performance information.
<b>Why/impact</b>	We have not seen any evidence that Cabinet is provided with assurance over the accuracy of financial and performance information. Once financial reporting and performance reporting again become routine and regular, the Council should consider expanding the role of internal audit to provide assurance that financial information presented to Members accurately reflects the financial ledger. The Council should also consider asking internal audit to verify the accuracy of performance information.
<b>Auditor judgement</b>	Members need assurance that the information provided to them, on which they are asked to make decisions, is reliable and accurate.
<b>Summary findings</b>	There has not been any formal performance reporting for four years, although Members have had access to the Performance Portal during this time, and regular financial reporting ceased from March 2021 until May 2022. We have identified these as significant weaknesses and made Key Improvement recommendations in respect of both issues. When these are addressed, it is important that Members are provided with assurance over the accuracy and reliability of the information provided to them.
<b>Management comment</b>	<ul style="list-style-type: none"> <li>• Joint Finance and Performance reporting for Q1 was reported to Cabinet in September.</li> <li>• Audit Committee is the right place for financial performance to be challenged. The schedule will be changed so that Internal Audit Reports include their view on accuracy, timeliness and completeness of financial and performance monitoring information.</li> </ul>



The range of recommendations that external auditors can make is explained in Appendix C.

# Improvement recommendations



## Improving economy, efficiency and effectiveness

<b>10 Recommendation</b>	The Council needs to significantly enhance the use of benchmarking costs and performance against other similar bodies.
<b>Why/impact</b>	The Council makes very limited use of benchmarking costs and performance against similar bodies in order to identify areas for improvement, cost savings or income generation. We have seen one example from the 2021-22 fees & charges summary presented to Cabinet on 25 November 2020 in regard to street naming where a benchmark was taken from eight councils that included Wyre Forest, Walsall, Worcester, Wychavon, Malvern Hills, Birmingham, Coventry and Solihull. However, there is scope to significantly enhance this area.
<b>Auditor judgement</b>	Making comparisons with other similar bodies can help drive improvement, lower cost or increase income and should be embedded across the Council.
<b>Summary findings</b>	It is unclear why the Council uses benchmarking information in one instance but, seemingly, nowhere else. This has the potential to significantly improve performance and / or finances across the Council.
<b>Management comment</b>	Council now has access to CIPFA comparative data (21 July 2022) to benchmark costs as part of this process. This data will be used to assess cost effectiveness of services being delivered to inform future strategy.



The range of recommendations that external auditors can make is explained in Appendix C.



# Improvement recommendations



## Improving economy, efficiency and effectiveness

<b>11 Recommendation</b>	The Council needs to ensure that the recommendations made by the LGA Corporate Peer Challenge in January 2018 and February 2020 are addressed and that it then further improves by learning from exemplar councils across the country.
<b>Why/impact</b>	The Council received an LGA Corporate Peer Challenge in January 2018 with a follow up visit in February 2020. This report was finalised in July 2020 having been delayed whilst the Council responded to the peak of the COVID-19 pandemic. The Council is therefore open to learning from other organisations but does not do this systematically.
<b>Auditor judgement</b>	The Council should be applauded for requesting a Peer Challenge. It now needs to ensure that the recommendations made are implemented and that further improvements are made by comparison with other councils on a regular basis.
<b>Summary findings</b>	The COVID-19 pandemic inevitably delayed the Council response to the recommendations made by the LGA Corporate Peer Challenge. There is now an opportunity to not only implement these but go beyond them.
<b>Management comment</b>	<ul style="list-style-type: none"> <li>The Council's Action plan was contained in the Cabinet Report dated 31st October 2018. The Follow up Report was issued in July 2020, in the middle of the C-19 Pandemic. The Council will review outstanding actions from the Plan against strategies in place and provide an updated plan by the end of December 2022.</li> <li>Learning will also be integrated with benchmarking reviews that will be carried out as part of the MTFS process.</li> </ul>



The range of recommendations that external auditors can make is explained in Appendix C.

# Improvement recommendations



## Improving economy, efficiency and effectiveness

<b>12 Recommendation</b>	The Council should ensure that it has an up-to-date procurement strategy and that this, and any other key policies and strategies, are routinely reviewed and updated.
<b>Why/impact</b>	Contract procedure rules were last updated in 2016. There is a risk that this is now out of date, does not reflect current practices or is not in accordance with current legislation. Whilst we did not identify any issues in respect of procurement activity, policies and strategies should be subject to regular review.
<b>Auditor judgement</b>	Strategies should be regularly reviewed to ensure that they remain relevant and up-to-date with current requirements and legislation.
<b>Summary findings</b>	Strategy/procedure rules have not been updated for a significant period.
<b>Management comment</b>	<ul style="list-style-type: none"> <li>The Council has significant procurement information on the ORB.</li> <li>As with financial services, an updated plan is required to ensure compliance to process. This will include training (which takes place presently) and is required by December 2022.</li> </ul>



The range of recommendations that external auditors can make is explained in Appendix C.



# Improvement recommendations



## Improving economy, efficiency and effectiveness

<b>13 Recommendation</b>	The Council needs to engage and consult with key stakeholders, where appropriate, to determine local priorities for resources or opportunities for savings.
<b>Why/impact</b>	Opportunities for consultation with key stakeholders have been more limited during the COVID-19 pandemic. However, post pandemic the Council needs to engage and consult with key stakeholders, where appropriate, to determine local priorities for resources or opportunities for savings. This is particularly important given the financial challenges the Council faces and as it builds back.
<b>Auditor judgement</b>	The Council is funded by public money, largely through taxation, including council tax. It is important that taxpayers and service users have a say in the development of local priorities and areas for disinvestment.
<b>Summary findings</b>	As the challenges presented by the COVID-19 pandemic continue to lessen and life returns to “normal” the Council needs to re-engage with service users and key stakeholders across the board to ensure that it is prioritising and delivering what they want and need.
<b>Management comment</b>	<p>Director of Finance to</p> <ul style="list-style-type: none"> <li>• Set up internal staffing budget session in October 2022 for staff.</li> <li>• Staff have the ability to feed in savings ideas via the ORB.</li> <li>• Budget working group timetable now reflects the 2 Tranche process.</li> <li>• Savings Proposal Document within the MTFP has a feedback section .</li> <li>• Budget papers are clear when feedback has to be returned</li> <li>• Budget will also go out in Web version – to link to more stakeholders</li> </ul>



The range of recommendations that external auditors can make is explained in Appendix C.

# Opinion on the financial statements



## Audit opinion on the financial statements

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We have yet to receive draft financial statements for 2020/21. As set out on page 6, this is a significant weakness, and is included in our statutory recommendation. As we have not received the financial statements this report is an Interim report.

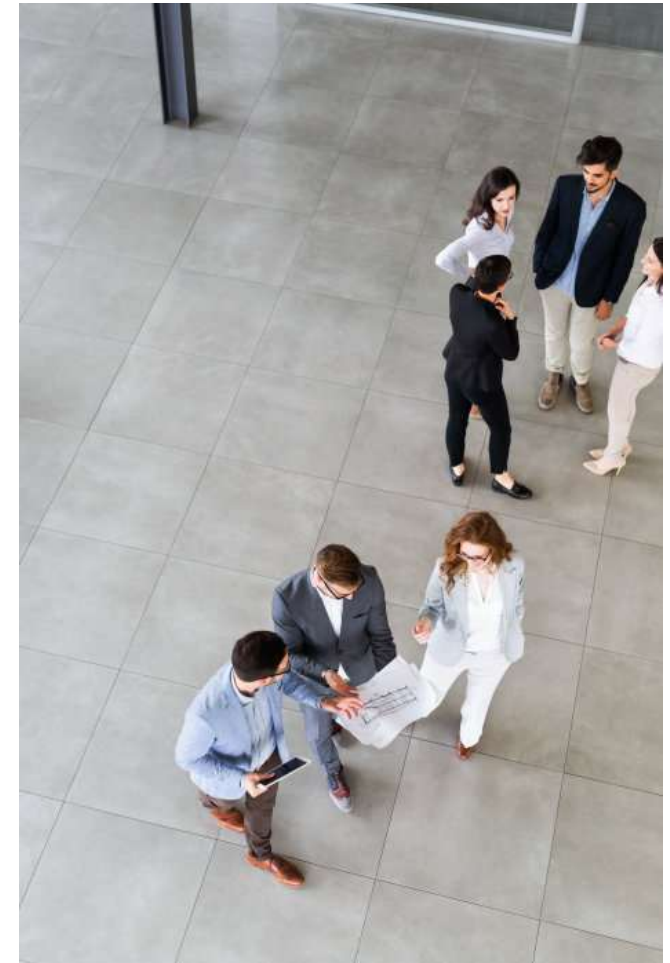
## Whole of Government Accounts

To support the audit of the Whole of Government Accounts (WGA), we are required to review and report on the WGA return prepared by the Council. This work includes performing specified procedures under group audit instructions issued by the National Audit Office.

As we have not received the 2020/21 financial statements, we have not been able to undertake this work.

When provided with financial statements, Grant Thornton provides an independent opinion on whether the accounts are:

- True and fair
- Prepared in accordance with relevant accounting standards
- Prepared in accordance with relevant UK legislation.



Agenda Item 11

# Appendices

# Appendix A - Responsibilities of the Council



## Role of the Chief Financial Officer (or equivalent):

- Preparation of the statement of accounts
- Assessing the Council's ability to continue to operate as a going concern

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The Chief Financial Officer (or equivalent) is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Chief Financial Officer (or equivalent) determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer (or equivalent) or equivalent is required to prepare the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC code of practice on local

authority accounting in the United Kingdom. In preparing the financial statements, the Chief Financial Officer (or equivalent) is responsible for assessing the Council's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Council will no longer be provided.

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



# Appendix B - Risks of significant weaknesses - our procedures and conclusions

As part of our planning and assessment work, we considered whether there were any risks of significant weakness in the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources that we needed to perform further procedures on. The risks we identified are detailed in the table below, along with the further procedures we performed, the conclusions we have drawn and the final outcome of our work:

Risk of significant weakness	Procedures undertaken	Conclusion	Outcome
Financial sustainability was identified as a potential significant weakness. See pages 12-14 for more details.	To address this risk we: <ul style="list-style-type: none"> <li>reviewed the MTFP which Cabinet approved in February 2021 and selected a sample of savings or income generation schemes to test in order to obtain assurance that they are robust and realistic;</li> <li>monitored the progress made to identify non-priority areas and to begin to disinvest in those areas; and</li> <li>reviewed the longer-term plan to bridge the structural deficit.</li> </ul>	The Council needs to ensure that the Medium-Term Financial Plan presented to Members is completely transparent regarding the financial challenge and that any savings schemes included are fully worked up and approved by Members in advance.	Appropriate arrangements not in place, one key recommendation raised.
Governance was identified as a potential significant weakness in respect of risk management arrangement. See page 15 for more details.	To address this risk we: <ul style="list-style-type: none"> <li>reviewed the arrangements in place to ensure that Members are provided with appropriate risk management information in order for them to obtain assurance over the processes and to make informed decisions.</li> </ul>	The Council needs to ensure that regular, written risk management reports are presented to the Audit, Standards & Governance Committee. These should include corporate risks, how they are being managed, and named individuals responsible for overseeing them, together with any further actions being taken to reduce the risk.	Appropriate arrangements not in place, one key recommendation raised.

# Appendix B - Risks of significant weaknesses - our procedures and conclusions

Risk of significant weakness	Procedures undertaken	Conclusion	Outcome
Improving economy, efficiency and effectiveness was identified as a significant weakness, in respect of performance reporting. See page 17 for further information	<p>To address this risk we:</p> <ul style="list-style-type: none"> <li>reviewed how the Council is reporting performance to Members or making information available to them on an ongoing basis in order for them to obtain assurance over the processes and to make informed decisions.</li> </ul>	The Council needs to re-instate quarterly performance reporting to Cabinet. Each report should cover a suite of corporate key performance indicators or measures and then focus on each portfolio on a rotating basis.	Appropriate arrangements not in place, one key recommendation raised.
Improving economy, efficiency and effectiveness was identified as a significant weakness, in respect of benefits realisation. See page 18 for further information	<p>To address this risk we:</p> <ul style="list-style-type: none"> <li>reviewed the arrangements in place for how the Council measures benefits realisation from commissioned or procured services.</li> </ul>	The expected benefits from the new financial ledger system have not yet been realised. Worse, the Council has incurred significant additional cost and time in resolving issues that could have been addressed at the time. This has had a knock-on effect in other areas such as reports and returns to government and internal and external financial reporting.	Appropriate arrangements not in place, one key recommendation raised.

# Appendix C - An explanatory note on recommendations

A range of different recommendations can be raised by the Council's auditors as follows:

Type of recommendation	Background	Raised within this report	Page reference
Statutory	Written recommendations to the Council under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the Council to discuss and respond publicly to the report.	Yes – and also subject to a separate report entitled “Bromsgrove District Council - Section 24 Statutory Recommendations”	6
Key	The NAO Code of Audit Practice requires that where auditors identify significant weaknesses as part of their arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the Council. We have defined these recommendations as ‘key recommendations’.	Yes	7-11
Improvement	These recommendations, if implemented should improve the arrangements in place at the Council but are not a result of identifying significant weaknesses in the Council's arrangements.	Yes	21-33



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#### **FEES AND CHARGES 2023-24 Confidential Items**

Relevant Portfolio Holder	Councillor Geoff Denaro, Finance and Enabling Portfolio Holder
Portfolio Holder Consulted	
Relevant Head of Service	Michelle Howell
Report Author	Job Title: Head of Finance & Customer Services email:michelle.howell@bromsgroveandredditch.gov.uk Contact Tel: 0152764252
Wards Affected	All
Ward Councillor(s) consulted	No
Relevant Strategic Purpose(s)	All
Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	
This report contains exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, as amended	

#### **1. SUMMARY OF PROPOSALS**

- 1.1 To set out the Confidential fees and charges to be levied on services provided by the Council as used as the basis for income levels in the Medium-Term Financial Plan.

#### **2. RECOMMENDATIONS**

- 2.1 Cabinet **recommend to Council** the approval of all Confidential fees and charges that are included in Appendix 1

#### **3. KEY ISSUES**

##### **Financial Implications**

- 3.1 The Medium Term Financial Plan is being prepared on the basis that additional income will need to be generated from fees and charges in order for the Council to move towards financial sustainability. The process being followed for the review of income to be realised from 1<sup>st</sup> April 2023 includes an assessment of each fee to identify how it meets the Councils strategic purposes and the level of increase that is proposed as well as taking account of present economic conditions, including inflation running at over 10%. The levels of increase have been based on a robust estimate of the impact of cost increases and demand within the services and the Councils overall financial position. This includes assessing at the affordability of any of these increases to our residents and customers.

### Cabinet

23<sup>rd</sup> November 2022

- 3.2 Appendix 1 details all the fees and charges for each area with a commentary against each block. The Council's proposal is to increase all confidential Fees and Charges by 10%.

#### **Legal Implications**

- 3.3 A number of statutes governing the provision of services covered by this report contain express powers or duties to charge for services. Where an express power to charge does not exist, the Council has the power under Section 111 of the Local Government Act 1972 to charge where the activity is incidental or conducive to or calculated to facilitate the Council's statutory function.

#### **Service / Operational Implications**

- 3.4 Monitoring will be undertaken to ensure that income targets are achieved.

#### **Customer / Equalities and Diversity Implications**

- 3.5 The implementation of the revised fees and charges will be notified in advance to the customer to ensure that all users are aware of the new charges and any concessions available to them.

#### **4. RISK MANAGEMENT**

- 4.1 There is a risk that if fees and charges are not increased that income levels will not be achieved, and the cost of services will increase. This is mitigated by managers reviewing their fees and charges annually.

#### **5. APPENDICES**

Appendix 1 – Fees and Charges (This document is restricted under Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, as amended)

#### **6. BACKGROUND PAPERS**

None.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

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