



## **BROMSGROVE DISTRICT COUNCIL**

### **MEETING OF THE CABINET**

**WEDNESDAY 18TH OCTOBER 2023**

**AT 6.00 P.M.**

**PARKSIDE SUITE - PARKSIDE**

**MEMBERS:** Councillors K.J. May (Leader), S. J. Baxter (Deputy Leader), S. R. Colella, C.A. Hotham, C. B. Taylor, S. A. Webb and P. J. Whittaker

### **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 13th September 2023** (Pages 7 - 22)

4. **Minutes of the meeting of the Overview and Scrutiny Board held on 11th September 2023** (Pages 23 - 30)

To receive and note the minutes.

*Please note the Recommendations contained within the minutes of the Overview and Scrutiny Board meeting held on 11<sup>th</sup> September 2023 were considered and agreed at an Extraordinary Council meeting held on 20<sup>th</sup> September 2023. Therefore, there are no outstanding recommendations contained within the minutes attached to this agenda.*

5. **Recommendation from the Audit, Standards and Governance Committee** (Pages 31 - 32)
6. **Draft Council Tax Support Scheme 2024/25** (Pages 33 - 38)
7. **Finance Recovery Plan - Update** (Pages 39 - 48)
8. **Financial Outturn Report 2022/23** (Pages 49 - 62)
9. **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.**
10. **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</u>
11	3 & 4
12	3

11. **Quarter 1 2023-24 - Financial and Performance Report** (Pages 63 - 108)
12. **Upgrading of Sewage Treatment Plants and introduction of Service Charging to contributing properties - 1) Frankley Green Lane, Frankley Green, 2) Fockbury Road, Dodford 3) Dusthouse Lane, Tutnall** (Pages 109 - 120)

Sue Hanley  
Acting Chief Executive

Parkside  
Market Street

BROMSGROVE  
Worcestershire  
B61 8DA

10th October 2023

**If you have any queries on this Agenda please contact  
Jo Gresham**

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please do not hesitate to contact the officer named above.**

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#### **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 and for any such items.**



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## **BROMSGROVE DISTRICT COUNCIL**

### **MEETING OF THE CABINET**

**WEDNESDAY, 13TH SEPTEMBER 2023, AT 6.00 P.M.**

PRESENT: Councillors K.J. May (Leader), S. J. Baxter, S. R. Colella,  
C. B. Taylor, S. A. Webb and P. J. Whittaker

Also in attendance: Councillor P. M. McDonald (via Microsoft  
Teams) and Councillor R. J. Hunter

Observers: Councillor S. T. Nock

Officers: Mrs. S. Hanley, Mrs. C. Felton, Mr P. Carpenter,  
Mrs. J. Bayley-Hill, Mrs. H. Mole, Mr M. Austin and Mrs. P. Ross

[It was noted that prior to the meeting there had been a request that a change be made to the running order of the agenda. The Housing Company – Shareholders Committee – Reserved Matters would now be considered directly following the consideration of the Governance Systems Task Group report.]

24/23

### **APOLOGIES**

Apologies for absence were received from Councillor C. A. Hotham.

25/23

### **DECLARATIONS OF INTEREST**

There were no declarations of interest.

26/23

### **MINUTES**

It was noted that there were no Recommendations in the minutes of the Overview and Scrutiny Board meeting held on 10<sup>th</sup> July 2023.

**RESOLVED** that the minutes from the Overview and Scrutiny Board meeting held on 10<sup>th</sup> July 2023, be noted.

27/23

### **GOVERNANCE SYSTEMS TASK GROUP REPORT**

At the invitation of the Leader, Councillor P. M. McDonald, Chairman of the Overview and Scrutiny Board, addressed the Cabinet with regard to the Governance Systems Task Group Report and the Recommendation

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from the meeting of the Overview and Scrutiny Board held on Monday 11<sup>th</sup> September 2023; as detailed on Supplementary Documentation 3 agenda pack.

Councillor McDonald informed the Cabinet that the Governance Systems Task Group had kept to their allotted timescale and had delivered their report.

The Task Group had received presentations from Councillor Craig Browne, Deputy Leader, Cheshire East Council, who's authority had changed over to the Committee System from the Leader Cabinet; and Mr. Ian Parry, Centre for Governance and Scrutiny (CfGS).

Councillor McDonald stated that following on from a Comparative Analysis being carried out between the Committee System and a Hybrid System based on the present governance system in operation at the Council; the Task Group had concluded that we were very lucky to have achieved the current Hybrid System. The best bespoke system which enabled everyone, including opposition Members to be involved.

It was estimated that the cost to the Council, including the design principles, to move to a Committee System would be circa £200k, and it was felt that it would be ridiculous to spend this amount of money. Hence the Recommendation from the Overview and Scrutiny Board meeting held on 11<sup>th</sup> September 2023.

The Leader took the opportunity to express her thanks to Councillor McDonald and Task Group Members for their thorough investigation and the time they had invested over the summer months.

In response to questions from Cabinet Members, Councillor McDonald explained that with regard to the Cabinet Advisory Panels being introduced, this would provide all Members, including Back Benchers, with an opportunity to get involved and to put recommendations forward to the Cabinet and Portfolio Holders.

The Head of Legal, Democratic and Property Services explained that any Sub-Committee could be created in an advisory capacity and would be able to look at the Forward Plan and any other items. Including items that existed on the Cabinet Working Group Work Programme or items they considered should be included on the Cabinet Working Group Work Programme. An advisory panel would help shape the Cabinet Working Group Work Programme and would be able to put forward any recommendations to the Cabinet.

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Councillor S. J. Baxter suggested that a review of Cabinet Advisory Panels should be included in the Recommendation from the Overview and Scrutiny Board meeting held on 11<sup>th</sup> September 2023.

In response Councillor McDonald stated that the Task Group had considered this and had suggested that it would be reviewed by the Overview and Scrutiny Board after a six month period.

Councillor McDonald responded to further questions and clarified that Cabinet Advisory Panels would not be talking strategically. It would be up to Portfolio Holders to look at topics and then circulate those topics to all Council Members, who could then decide if they were specifically interested in a particular topic and would like to sit on a Cabinet Advisory Panel.

The Head of Legal, Democratic and Property Services commented that it was important that the work undertaken by the Task Group and the model they saw, would need Members to be involved.

At the invitation of the Leader, Councillor R. J. Hunter addressed the Cabinet.

Councillor Hunter gave his thanks to the Leader for inviting him to attend the meeting, in order to make a last appeal to the Cabinet before Full Council on 20<sup>th</sup> September 2023.

Councillor Hunter continued and in doing so stated that both he and his Group were sympathetic to the Committee System being adopted. He was unable to agree with the Recommendations of the Task Group as they did not represent a significant improvement.

Councillor Hunter questioned Recommendations a) and b) and highlighted that this did not represent a step forward it was just the status quo. He had been disappointed where decisions have been made with his Group not being consulted with.

In response the Leader stated that whilst it was good practice to have an Opposition Group Leader as Chairman of the Overview and Scrutiny Board; there was nothing currently in the Constitution that required this.

The Head of Legal, Democratic and Property Services explained that the Constitution was pained to 'fetter' to determine the administrative arrangements, but the Council could introduce a 'Memorandum of

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Understanding' where working practices were clearly defined for Council to agree. Changes had been necessary to date due to the results of the recent Elections and there was Cross Party dissatisfaction with the working arrangements in place previously.

Councillor Hunter then referred to Recommendation c) and stated that there were already specific groups – Strategic Planning and Climate Change, therefore he did not understand the point of introducing Cabinet Advisory Panels and could not see how this moved us forward.

The Leader took the opportunity to respond and highlighted that Cabinet Advisory Panels provided an opportunity for all Members to commit. The culture at Council meetings had changed and it was about Members all working together, to take things on board and to listen with interest. Breaking down barriers and instigating involvement and change.

Councillor Hunter further stated that there was no binding vote, nothing that shared power and it was a 'Gentleman's Agreement'. It was a missed opportunity as it was fundamentally a Cabinet Model and to reinforce a model that was not fit for purpose and did not move us on. Hiding behinds costs of £200k, yet the Task Group report showed costs of £80k and £40k if we stayed with the status quo. Cheshire East Council talked about the improvements that the Committee System had brought to the authority and that it had been cost neutral, so he did not accept the cost implications of £200k. No-one had asked about reducing the number of meetings and there was an assumption that Members would ask for higher allowances to attend additional meetings under a Committee System. Members were being pushed into making a decision with the September deadline given. He was very disappointed with the process and outcome, as there was evidence from only one authority. He had put forward two other Local Authorities but they were never considered, so he considered that it was not a thorough review as not enough evidence was heard from other authorities who had gone through this process. Therefore, his Group would not back down, they may be a small Group, but there was also a significant number of Members that were not happy, so he would suggest looking again. The Recommendations would not fundamentally change things at this Council.

In response the Leader stated that we had had significant change at the Council. Councillor McDonald informed the Cabinet that at the Overview and Scrutiny Board meeting on 11<sup>th</sup> September, Board Members had discussed Councillor Hunter's motion and reasons and tonight the Task Group did not accept what he was saying. The ballot box had decided

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who had the largest control of the Council. The bespoke Hybrid system would be included and embedded in the Constitution, to the benefit of opposition groups, and would not just be a 'Gentleman's Agreement'.

Councillor McDonald continued and explained that where the Constitution could not be changed, working practices were looked at; and we would have had to delegate more power to officers. Given the potential increase in meetings under a Committee System, all Members would need to be prepared to attend meetings during the day and not everyone could attend or lose income having to attend daytime meetings. He did not think that Members were being railroaded into making a decision. The Task Group had ensured that meetings were positive, rational and well attended by Task Group Members; hence keeping to the timelines, as all Task Group Members turned up for meetings. The Hybrid System was a bespoke system that suited Bromsgrove District Council and Chairman would be supported by it being embedded into the Council's Constitution.

Councillor Baxter commented that previously if she wanted to achieve anything she would talk to the Cabinet and Portfolio Holders. We were now embedding a process enabling all Members to influence decisions. At the first Full Council meeting we were all finding our feet with the new administration and some Members knew the failings of the previous system.

Members further commented that the £200k costs had been explained and were the set up costs. Members agreed that decisions should be made to the benefit of residents which the Task Group report stipulated 'Putting the Residents at the Centre of all Decisions'. The Task Group report highlighted the best model and pragmatic model for the Council; and was not considered in a 'mad rush', but in a considered timeframe. The results of the Task Group would be considered at Full Council, and the Overview and Scrutiny Board had done exactly what Council had asked.

For clarity the Leader read out the Overview and Scrutiny Board Recommendations on the subject of the Governance Systems Task Group's report, as agreed at the Overview and Scrutiny Board meeting on 11<sup>th</sup> September 2023.

**RECOMMENDED** that Bromsgrove District Council should have a hybrid Leader and Cabinet governance model from May 2024 onwards, and as detailed in the preamble above, to be monitored by the Overview and

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Scrutiny Board after 6 months. To achieve this model, the Council should do the following:

- a) Agree changes to the Council's constitution during the 2023/24 municipal year, as detailed in the Task Group report;
- b) Introduce working protocols designed to embed more collegiate working in the Council's governance culture;
- c) Introduce Cabinet Advisory Panels;
- d) Take action to improve communication with Members;
- e) Introduce a Memorandum of Understanding between all political group leaders to maintain these working arrangements for at least the next four years; and
- f) A review to take place after 6 months by the Overview and Scrutiny Board.

Prior to the next agenda item being introduced, Councillor McDonald asked for it to be noted that at the Overview and Scrutiny Board meeting held on 11<sup>th</sup> September 2023 it was agreed that all Senior Officers would attend the Overview and Scrutiny Board meeting on 16<sup>th</sup> October 2023. All Council Members would also be invited to attend for the Agile Working Policy to be explained.

28/23

## **HOUSING COMPANY - SHAREHOLDERS COMMITTEE - RESERVED MATTERS**

The Head of Legal, Democratic and Property Services presented that Setting up a Shareholders Committee report for Members consideration.

Cabinet was informed that in July 2023 the Council had approved the setting up of a Housing Company to manage the Burcot development.

There was a requirement for Member oversight of the Company and paragraph 3.2 and 3.3, on page 30 of the main agenda pack provided details.

In response to a question as to why the Shareholders Committee would be a Cabinet and not Council function, the Head of Legal, Democratic and Property Services clarified that; it was exercising an executive function and that Local Government Association (LGA) rules were that it

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should be a Sub-Committee of the Cabinet, but you could have cross party Members. The Portfolio Holder for Finance and Enabling would sit on the Committee and Cabinet would monitor performance.

Members asked if Councillor C. A. Hotham had been made fully aware. The Head of Legal, Democratic and Property Services could not confirm this but did think that Councillor Hotham was consulted with.

It was agreed that subject to Councillor Hotham being fully informed that it be

## **RESOLVED** that

- 1) a committee of the Cabinet, to be known as the Cabinet Shareholder Committee, which would provide oversight over the Housing Company set up in July 2023 (and other Companies that the Council might set up in due course), be established;
- 2) the Shareholder Committee meet on a biannual basis or as otherwise necessary;
- 3) the Shareholder Committee be responsible for the recommendation to the Cabinet of reserved matters; and
- 4) authority be delegated to the Head of Legal, Democratic and Property Services to make necessary amendments to the Council's constitution for the Cabinet Shareholder Committee, including the introduction of terms of reference for the Cabinet Shareholder Committee.

29/23

## **EQUALITIES ANNUAL REPORT**

The Business Improvement Manager (undertaking an extended management remit to cover Policy & Performance) presented the Equality Strategy Annual Report 2022 for Members consideration.

Members were informed that the Annual Report informed the progress on the Council's equality objectives covering the period January 2022 to December 2022. Building on the last report and work carried out since 2021, this progress report provided a detailed insight into our ongoing commitment to equality.

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The Council adopted its new Equality Strategy 2022 to 2026, and this provided a detailed insight into our ongoing commitment to equality.

As we continued to recover from COVID-19, the Cost of Living crisis struck and this impacted greatly the work being undertaken by the Council and its partners, generating new activity to help support disadvantaged groups and to promote equality during this challenging period.

It should be noted that the examples included in this report were not a complete list of everything the Council had done or would do to achieve in terms of equality objectives.

Members' attention was drawn to 'Community Engagement' and 'Community Safety' as detailed in the report.

Members expressed their thanks for the report, which had stimulated a lot of questions; as follows:-

- The demographics of the Bromsgrove Community Panel. The Leader explained that the next Community Panel was in October 2023, whereby it was our opportunity to engage and ensure that residents were aware of the Community Panel and were used to prioritise our priorities. It needed to be promoted so as there were more than 393 members, with just over 99,200 population; it might not be representative. The Business Improvement Manager further added that earlier this year the annual community survey was to go big, in an effort to increase the Community Panel. It may be a wide representation of Bromsgrove, but only those who opted to respond, and it was optional as to whether they divulged their area in the District.
- The Bromsgrove Partnership Board – could all Members have copies of the minutes, as the minutes were distributed to all Parish Councillors. The Business Improvement Manager agreed to action this.
- The Social Prescribing Service – with a population of 99,200 we needed to get the bigger picture. The Leader highlighted that she chairs the district collaborative and was looking at how this could be included. Members agreed that Hagley, Wythall and Alvechurch needed to be brought back into Bromsgrove's Social Prescribing Service. The Leader explained that the social prescribing service was commissioned by Bromsgrove Primary

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Care Network, hence some slight anomalies. The Leader and Deputy Leader agreed to continue to raise these anomalies at the next meeting of the Primary Care Network.

- Employee Support – Staff Q & A sessions were referred to and the possibility of Cabinet Members and Group Leaders being invited to attend. It was agreed that the Chief Executive (Interim) would liaise with the Communications Team with regard to Cabinet Members and Group Leaders being invited to attend a future Staff Q & A session, (where a Senior Officer was in attendance); with staff being given the opportunity to submit any questions prior to the Q & A session.
- Theme Groups – how knowledgeable were Back Benchers? Engagement, how did new Councillors know / find out, via Democratic Services / Groups Leaders? The Leader informed Members that she was looking at producing a Members Bulletin in order to cascade information to all Members. The Portfolio Holder for Health and Wellbeing further informed Cabinet Members that all of this information was included in the Partnerships emails which were sent to all Members and was also included in the Portfolio Holders reports to Full Council.

At the invitation of the Leader, Councillor Hunter addressed Members. Councillor Hunter said it was an interesting report and the first year that the 2021 census results were available to look at. The point was made at a meeting of the Overview and Scrutiny Board to look at our staff and user groups, with 10% having a disability. Were our staff representative of our communities, going forward look at this information, how representative were they of the communities we supported. The Leader added that we advertise in the appropriate places and that we are an equal opportunities employer and strived to be an employer of first choice.

In response Councillor Whittaker commented that he did not agree and it should be the best person for the job and with equal opportunities to attain the job.

- Community Builders – how did they enable the community, and how could Councillors and residents get involved? The Leader highlighted that as Councillors you were Community Champions and should be familiar with the links provided on the Council's website. The Leader asked the Business Improvement Manager to ensure that once the report had been ratified at Full Council

that a link to the Equality Annual Report 2021 be placed on the Council's website.

**RECOMMENDED** to COUNCIL

- that the Equality Annual Report 2022, as attached at Appendix 1 to the report, be endorsed.

30/23

**GRASS VERGE MAINTENANCE**

The Portfolio Holder for Environmental Services presented a report on Grass Verge Maintenance for Members consideration.

The report highlighted the Motion proposed at Full Council on 20<sup>th</sup> July 2022 to manage verges differently during 2022, the Motion was detailed as follows: -

*“This Council changes its grass verge grass cutting and mowing regime to allow wildflowers to remain in bloom during the height of the season when bees, butterflies and general small wildlife rely on the pollen from wildflowers to flourish. This will not be a one size fits all approach. Council will work with local residents and Councillors to find an approach that worked for each community.”*

The problem during the grass cutting season was being totally dependent on the weather. Regular mowing on the perimeters ensured that growth did not infringe on highway safety or inhibit drivers and pedestrian's line of sight.

A number of grass verges across the District were identified in 2020 and 2021 that could be left uncut to support wildlife and pollinators without causing concern for highway safety.

This had mixed responses from the public, with a strong public perception that grass should be maintained for aesthetics in residential areas, and this resulted in a number of these sites reverting to aesthetic maintenance rather than to support local habitat and plant life during 2021 and 2022.

Following discussions between the Portfolio Holder and the Environmental Services Manager, an addendum to the report was agreed. The addendum detailed the potential to reduce the Capital funding requirement in the 2023/24 financial year. This was by deferring

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a final decision on the purchase of a second flail mower until the end of the 2024/25 grass cutting season.

The Environmental Services Manager further explained that wildflower verges and natural verges were different. There was a lot of benefit to the habitat for wildlife. An interim measure to support what we already had was decided after an Ecologist was engaged to inform any future decisions to manage our biodiversity and to engage with our residents and Parish Council's with regards to future grass cutting maintenance. A further decision was then taken, as explained by the Portfolio Holder not to purchase a second flail mower.

Members were fully supportive of the addendum and commented that the challenge we had was in getting the message to residents who thought we were not maintaining grass verges in order to save money. The Council needed to get the right message out to Members and residents.

The Leader stated that she fully agreed, we were trying to meet the Council's environmental responsibilities.

Councillor S. R. Colella commented that he very much supported this and the Council's responsibilities to the environment. This was one step to the bigger picture, having adopted a Carbon Reduction Strategy. With the new Environmental Bill UK, the Council would be required to carry out more initiatives. The Council needed the support of Members of the Council and residents and to tighten the Council Plan. Councillor Colella took the opportunity to thank the Environmental Services Manager.

Members expressed their support of this approach and reiterated that it was important to educate and have an engagement process to involve all Members.

Members further agreed with Councillor Colella that we needed a biodiversity action plan/strategy. Members highlighted that officers needed to be careful of ragwort and Himalayan balsam, which were highly invasive.

It was further noted that a biodiversity action plan/strategy might say to leave certain hedges / grass verges that residents wanted cut.

Members further reiterated that the depot should identify the areas and determine which areas would be left and inform local Members. Local Members could also provide the depot with a list of areas to cut / leave.

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This would help to reduce the number of complaints received from residents who thought that the Council were not maintaining some areas. It was also suggested that signage could be erected on the areas that were being left explaining why, and that this could also help alleviate complaints.

The Environmental Services Manager informed Members that they had carried out various ad hoc trials and this had identified communication issues, but they had erected some signage for areas left uncut. The new admin post would help support communications with local residents and officers worked closely with Worcestershire County Council Highways Team in maintaining visibility splays on the highway. Officers recognised the issues in supporting wildlife with some residents agreeing to the principles but not wanting grass verges left outside their homes not being maintained.

**RESOLVED** that

- 1) Cabinet accepts the proposal; and
- 2) agrees for the Capital and Revenue Budgets to be adjusted for the identified financial years, as set out in the Grass Verge Maintenance – Addendum, as detailed below:-

<b>Capital Investment Required</b>		
<b>2023/24</b>	Flail Deck Mower	£30,000
	Three Brush Cutter Strimmers	£2,100
<b>2024/25</b>	Flail Deck Mower	£30,000
<b>2025/26</b>	The Capital Funding for 2023/24 and 2024/25 would support a reduction in the existing mowing fleet of two rotary mowers at an estimated saving of £34,000 on the Capital replacement budget over the following three years for existing rotary mowers. The Capital Replacement budget will be updated to support the replacement costs of the new specification of mower as part of the fleet replacement programme.	-£34,000.00
<b>2026/27</b>		
<b>2027/28</b>		

31/23

## **DRAFT OUTTURN REPORT 2022/23**

The Interim Deputy S151 officer presented the Provisional Financial Outturn Report 2022/23.

Members' attention was drawn to the Financial Implications as detailed on page 34 of the report, as follows: -

The report sets out the Council's provisional revenue and capital outturn positions for 2022/23 against budget.

The £12.068m full year revenue budget was the budget that was approved by Council in March 2022.

At Quarter 1 of 2022/23, it was noted that the budget included £478k of organisational cross-cutting 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 had therefore, been revised to reflect the allocation of £424k operational efficiency target to those areas.

Whilst the Council had been on a finance recovery programme since April 2022, following the implementation of a new financial system in February 2021 which led to a deterioration of the Council's financial position, it was important to note that at the time of writing the Council was yet to formally close its accounts for the 2020/21 and 2021/22 financial years. This could therefore result in adjustments to the actual expenditure and income in those years and could have a consequential impact on the 2022/23 accounts.

The Finance team had undertaken a detailed review of the 2022/23 accounts since year end. There were a number of assumptions and manual adjustments that had been made to arrive at the provisional revenue outturn position, mainly as a result of transactions still being cleared from suspense. Those assumptions and manual adjustments included:

- Anticipated accruals and prepayments,
- Grants are applied to known expenditure and remaining balances are carried forward,
- Reserves are applied to known expenditure,
- Shared service recharges between Bromsgrove District and Redditch Borough councils where a shared service arrangement exists, and

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- Transfers between the Collection Fund and the General Fund.

Work continued to refine the position including addressing the backlog of entries that were in suspense and any miscoding. Therefore, the provisional position detailed in this report was subject to change, and a further update would be presented to Members in due course. Taking this into account, the provisional revenue outturn position was anticipated to be a £956k overspend; a £54k increase over the forecast Q3 £902k overspend position. These figures were after the “absorption” of the £424k of non-allocated savings and efficiency targets.

The variances for each service area against the 2022/23 revenue budget were as set out on pages 36 to 37 of the main agenda report.

Members’ attention was further drawn to the Earmarked Reserves and General Fund Position.

Appendix B – to the report detailed the Reserves Position.

Members were informed that the Council had no long term borrowing.

Questions followed from Members on the following: -

- Efficiency savings being predominantly linked to vacancies, as shown on page 37 of the main agenda pack, was this an efficiency saving? It was explained that this was lined to efficiency targets by taking out staff vacancies where we did not need staff in order to set out a balanced budget by taking out staffing numbers. At Quarter 1 of 2022/23, officers looked at cross-cutting efficiency targets that had not been allocated to services and were re-allocated to where budgets should have been in previous years; and areas that were holding a significant amount in finances, which would be looked at again. A fuel reserve for 3 years was also created.
- The Council being understaffed due to sick leave or maternity leave – The Council were understaffed with agency staff currently covering vacancies. It was explained that this was a national problem with difficulties in trying to recruit and fill vacancies across the industry. Where budgets had been taken away those areas would not be able to employ staff.
- Pay Awards – It was highlighted that the pay award for 2 years running had had an impact, it had been fully counted for 2022/23,

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but the expected pay award of 6.8% for 2023/24 had not, as it was expected to be around 2%. With an increase in pension and national insurance contributions, the pay award would total 8/9%.

Further discussions followed around service areas overspend and underspend, whereby the Interim Deputy S151 officer responded and provided brief explanations.

The Interim Deputy S151 officer responded to questions from some Members with regards to Council Tax and NDR Collection Rates, who had commented that linear lines had been profiled on page 40 of the main agenda pack; which made predicting outcomes difficult. It was explained that the figures for Quarter 1 had not been received in order to reflect actual collection; and that there was usually a dip in collection during December, however there was a catch up during January to March.

The Leader asked if the Provisional Financial Outturn Report 2022/23 had been presented to a meeting of the Finance and Budget Working Group.

The Interim Deputy S151 officer explained that due to the tight report and meeting deadlines there had not been time, so the report had not been presented.

With this in mind and following a brief discussion, Members agreed to defer this item to the next Cabinet meeting. Officers were tasked to arrange for the Provisional Financial Outturn Report 2022/23 to be presented to a meeting of the Finance and Budget Working Group, prior to the next meeting of the Cabinet.

**RESOLVED** that

- 1) prior to the next Cabinet meeting to be held on 18<sup>th</sup> October 2023, that Officers arrange for the Provisional Financial Outturn Report 2022/23 report to be presented to a meeting of the Finance and Budget Working Group; and
- 2) following on from this, that the findings of the Finance and Budget Working Group; and the Provisional Financial Outturn Report 2022/23, be presented at the Cabinet meeting on 18<sup>th</sup> October 2023.

# Agenda Item 3

Cabinet  
13th September 2023

32/23

**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**

There was no urgent business on this occasion.

33/23

## **MINUTES**

The minutes from the Cabinet meeting that took place on 12<sup>th</sup> July 2023 were submitted for Members' consideration.

**RESOLVED** that the minutes from the Cabinet meeting held on 12<sup>th</sup> July 2023 be approved as a true and accurate record.

34/23

## **FINANCE AND PERFORMANCE QUARTER 1 MONITORING 2023/24**

Following on from the outcome of the discussions held during Minute Number 31/23 (Agenda Item No. 8, Provisional Financial Outturn Report 2022/23; Members agreed to defer the Quarter 1 2023/24 Financial and Performance Report, to the next meeting of the Cabinet.

Therefore, this item was not presented or discussed.

**RESOLVED** that the Quarter 1 2023/24 Financial and Performance Report, be deferred and brought back to the Cabinet meeting on 18<sup>th</sup> October 2023.

The meeting closed at 7.59 p.m.

Chairman

## **BROMSGROVE DISTRICT COUNCIL**

### **MEETING OF THE OVERVIEW AND SCRUTINY BOARD**

**11TH SEPTEMBER 2023, AT 6.00 P.M.**

PRESENT: Councillors P. M. McDonald (Chairman), S. T. Nock (Vice-Chairman), A. Bailes, R. Bailes, A. M. Dale, E. M. S. Gray, R. J. Hunter, B. Kumar, S. A. Robinson, J. D. Stanley and D. G. Stewart (substitute).

Observers: Councillor S. R. Colella, Councillor P. J. Whittaker and Councillor S. J. Baxter.

Officers: Mr P. Carpenter, Mrs. C. Felton, Ms J. Willis, Mr M. Austin, Mrs. J. Bayley-Hill and Mr. M. Sliwinski

26/23

#### **APOLOGIES FOR ABSENCE AND NAMED SUBSTITUTES**

Apologies for absence were received from Councillor H. D. N. Rone-Clarke with Councillor D. G. Stewart attending the meeting as his substitute.

27/23

#### **DECLARATIONS OF INTEREST AND WHIPPING ARRANGEMENTS**

There were no declarations of interest nor any whipping arrangements.

28/23

#### **TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 10TH JULY 2023**

The Chairman announced that the minutes of the meeting had been received in insufficient time for Members to read. It was therefore decided by the Board to postpone the consideration of the minutes of the Overview and Scrutiny Board meeting of 10<sup>th</sup> July 2023 to the next meeting.

29/23

#### **GRASS VERGE MAINTENANCE - PRE-SCRUTINY**

The Environmental Services Manager presented a report on Grass Verge Maintenance for Members' consideration.

The report highlighted the Motion proposed at Full Council on 20<sup>th</sup> July 2022 to change the approach to management of verges, the Motion was detailed as follows: -

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*“This Council changes its grass verge grass cutting and mowing regime to allow wildflowers to remain in bloom during the height of the season when bees, butterflies and general small wildlife rely on the pollen from wildflowers to flourish. This will not be a one size fits all approach. Council will work with local residents and Councillors to find an approach that worked for each community.”*

It was proposed that to meet the requirements of this Full Council motion, a cyclical mowing regime would be maintained on approximately 70 per cent of highway verges and open spaces with up to 30 per cent of grass areas potentially left to grow naturally during May, June and July to support wildlife that relied on pollen from wildflowers.

It was stated that capital investment would be required in terms of purchasing new flail mowers to support the cutting of longer vegetation at the end of the flowering season. However, following discussions between the Portfolio Holder and the Environmental Services Manager, an addendum to the report was agreed. The addendum detailed the potential to reduce the Capital funding requirement in the 2023/24 financial year. This was by deferring a final decision on the purchase of a second flail mower until the end of the 2024/25 grass cutting season. This meant that the additional capital investment that was requested for 2023/24 financial year would reduce from £62,100 to £32,100. A decision on whether a second flail deck mower was needed would then be made in the 2024/25 financial year.

It was highlighted that the capital investment detailed would support a reduction in the existing mowing fleet at an estimated saving of £34,000 on the Capital replacement budget over the next three years.

Revenue investment would also be required to support the delivery of the grass cutting programme with total additional revenue expenditure of £28,000 over the current and next three financial years. This would involve a short-term administrative role to support the Place Team in identifying appropriate locations across the District and consulting with local residents, Parish Councils, and the County Council in order to ensure that identified locations for naturalised verges were supported and would not impact on visibility on the public highway.

This administrative support was proposed for a four-month period in the first two cutting years. Additionally, the support of an Ecologist to assess the environmental impact of naturalised verges was required in 2024-25 and 2026-27 of the revenue investment. The Ecologist would document what plant species and wildlife being supported by the initiative and provide independent evidence as to whether grass verge naturalisation measures were having positive impact on wildlife. This would also support communications with residents on the issue.

The Cabinet Member for Leisure, Culture and Climate Change was invited to address the Board as the proposer of the original Council motion. He expressed his support for the report as presented and

commented that among the main objectives of his portfolio would be to develop a Biodiversity Action Plan for the Council as no such document was currently in place.

Following the presentation of the report, questions were asked by Members to which the following responses were provided:

- It was explained that wildflower verges differed from naturalised verges in that naturalised verges were left for natural growth without interference so there would be no seeding done on such grass and any grass cut would not be collected on such verges. This would lead to excessive amount of soil for wildflower growing. It was highlighted that the effect of naturalised verges on biodiversity would be monitored via the assessments by an ecologist.
- Members expressed concern that the naturalised verges could be perceived by the public as exclusively a cost-cutting measure unless the environmental benefits of the proposal were promoted among residents. It was commented that in wards where Place Team Officers had engaged with residents the attitudes towards the grass verges had generally been more positive. In some wards, however, Members commented that there had been a lack communication and in these wards there were a high number of complaints received by ward councillors about lack of regular grass cutting.
- Officers explained that naturalised verge trials had taken place in some parts of the District and these received a mixed reaction depending on the area. It was explained that, subject to the approval of this report by Cabinet, a full communications plan would be developed that would include information being put out to residents in the local Council Tax information bulletins.
- Officers undertook to circulate the pictures of signage that was in place on the edges of verge sites. It was stated that further signage would be put in place explaining why naturalised verges were left uncut and would be positioned around clearly defined edges in order to reassure the public.
- With regards to measuring the success of naturalised grass areas, it was stated that the ecologist would help the Council identify a baseline level in terms of biodiversity in Council and subsequent studies by the ecologist would allow the Council to gauge whether the naturalised grass areas were having a positive impact on overall biodiversity (including the pollination of plants and variety of habitats) within the District.
- The online schedule for grass cutting. Officers stated that due to factors such as weather conditions and requirement for continual maintenance of grass cutting equipment, it was not possible to provide precise dates for when grass cutting would take place at a given location. With the implementation of the new IT system for Environmental Services, however, the Council would be developing a GPS tracking on vehicles that would populate real time information about where grass cutting was taking place on a

given day. The earliest predicted date for implementation of this was currently mid-2024.

- It was stated that the administrative support role to facilitate communications with residents would commence from January 2024 and Member engagement was planned to take place from around this period to identify areas suitable for naturalisation. There would also be public consultation with residents on naturalisation plans in 2024.
- It was requested that engagement with Members be undertaken prior to launch of a public consultation to enable Members to have time to engage with residents in their wards.

The Cabinet Member for Environmental Services and Community Safety addressed the Board and in doing so stated that these proposals follow a motion that was agreed at a full Council meeting which showcased general support from Members. The Cabinet Member stated that the report had been modified recently to ensure that capital investment costs could be reduced and to enable a better mechanism for measuring the benefits of naturalising grass verges by employing the ecologist. The Portfolio Holder added that Members would make decisions over which areas were left for naturalisation in their wards. It was hoped that through more data and consultations with Members and residents the right areas for naturalisation would be identified.

**RESOLVED** that the report be noted.

30/23

## **NEWSTARTS COMMUNITY SHOP**

The Chairman introduced this item and commented that all Members were concerned about the provision and effectiveness of community shops. It was suggested by the Chairman that this item be deferred to the next meeting and that the Board look at the provision of community shops and food banks across the District rather than concentrating specifically on NewStarts.

Other Members concurred with the need to widen the scope to examine community shop provision in the District as a whole. It was highlighted that Alvechurch, for example, followed a different food bank / community shop model than Bromsgrove, and it was important for the report to set out full details of the existing provision across the District. Additionally, it was highlighted that the report consider how provision differed, or should differ, based on different demographics and different locations in the District.

**RESOLVED** that this item be deferred and that a report into the community shop provision across the District, which includes case studies of the different models of operation for the community shops and supermarkets, be presented at the next meeting of the Overview and Scrutiny Board.

31/23

## **GOVERNANCE SYSTEMS TASK GROUP - FINAL REPORT**

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The Chairman of the Overview and Scrutiny Board presented the Governance Systems Task Group final report for the consideration of Members. In doing so it was highlighted that the Governance Systems Task Group had been established as a result of a Motion agreed at a Full Council meeting held on 24<sup>th</sup> May 2023. The membership of the Task Group consisted of five Members from all parties across the Council. The timelines of the Task Group had been adhered to and the recommendations presented were to be considered by the Overview and Scrutiny Board and by Cabinet at its meeting on 13<sup>th</sup> September 2023. There was then an opportunity for all members to consider the report and the recommendations at an Extraordinary meeting of the Council on 20<sup>th</sup> September 2023.

In considering the report some Members raised concerns regarding the length of time the proposed change in governance structure to a hybrid Leader and Cabinet model would be in place. Members felt that any changes should be in place for at least a four year period. Officers explained that a Memorandum of Understanding (MoU) could be put in place as part of any agreed changes in respect of the hybrid Cabinet and Leader model as recommended within the report. The MoU would be introduced between all political group leaders to maintain these working arrangements for at least the next four years.

Councillor R. Hunter suggested that an additional recommendation be made in order for the Task Group to consider further evidence from a local authority within the West Midlands that currently operated a committee system. It was noted that there were at least two Councils within Warwickshire of a similar size and geographical location to Bromsgrove District Council. Councillor Hunter stated that it would be useful to better understand how these Councils worked under the committee system and how successful this system had been. Furthermore, it was noted that as a result of the local elections held in May 2023 Bromsgrove District Council was currently under 'No Overall Control' and that this needed to be considered when looking at the governance structure of the Council for the future.

Some Members raised concerns regarding the costs involved in implementing a committee system and whether this provided value for money for residents of the District.

Furthermore, it was noted by some Members that an additional recommendation could cause delays that would impact on any implementation measures that needed to be undertaken if any change of governance structure was agreed. This would particularly delay the large

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amount of work Officers across the Council would have to carry out in order to prepare for any change to the structure prior to implementation in May 2024.

It was noted that any further recommendation was not designed to disrupt the investigation but merely be an opportunity to look at all possible evidence. Members suggested that a monitoring system could potentially be put in place in order to understand the success of any future governance model once implemented.

During a detailed discussion, Members were reminded that, a representative from the Centre for Governance and Scrutiny (CfGS) had been present at all meetings of the Task Group on order to provide detailed information to Members in respect of all governance models for local authorities. It was stated that the evidence had explained that there was not a 'better' model for a Council to adopt and it was important that any structure implemented; Leader and Cabinet model, hybrid Leader and Cabinet model or committee system worked best for that specific Council. Some Members reported that the current structure, following the local elections, had so far been successful and there had been greater engagement of all parties particularly with backbench members.

Following the discussion, and as outlined in the preamble above, Councillor R. Hunter proposed the following additional recommendation:

'That the Task Group reconvene to consider the evidence from at least one second tier local authority that had a committee system before finalising its recommendation.'

Councillor S. Robinson seconded the proposal.

On being put to the vote the recommendation was lost.

In concluding the consideration of the report, the Chairman of the Overview and Scrutiny Board thanked the Members of the Task Group and all Officers involved in the investigation. It was particularly noted that Ms C. Buckley, the CfGS representative, had provided invaluable assistance throughout the investigation. Members agreed that a letter of thanks be sent to Ms. Buckley in recognition of her support throughout the process.

**RECOMMENDED** that

Bromsgrove District Council should have a hybrid Leader and Cabinet governance model from May 2024 onwards. To achieve this model, the Council should do the following:

- a) Agree changes to the Council's constitution during the 2023/24 municipal year, as detailed in the report.
- b) Introduce working protocols designed to embed more collegiate working in the Council's governance culture.
- c) Introduce Cabinet Advisory Panels.
- d) Take action to improve communication with Members.
- e) Introduce a Memorandum of Understanding between all political group leaders to maintain these working arrangements for at least the next four years.

32/23

## **FINANCE AND BUDGET WORKING GROUP - UPDATE**

There were no updates to report at this meeting concerning the Finance and Budget Working Group.

33/23

## **WORCESTERSHIRE HEALTH OVERVIEW AND SCRUTINY COMMITTEE - UPDATE**

Councillor B. Kumar was nominated as the Council's representative on the Worcestershire Health Overview and Scrutiny Committee (HOSC) for the municipal year 2023/24.

The Deputy Leader of the Council was invited to comment as Council's representative on the HOSC last year and confirmed that meetings took place monthly during worktime hours and were preceded by a pre-meeting to discuss the agendas and questions for each meeting.

On being put to the vote it was:

**RESOLVED** that Councillor B. Kumar be appointed as the Council's representative on the Worcestershire Health Overview and Scrutiny Committee for the 2023/24 municipal year.

34/23

## **CABINET WORK PROGRAMME**

The Cabinet Work Programme for the period 1<sup>st</sup> October 2023 to 31<sup>st</sup> January 2024 was presented for Members' consideration.

In relation to the Cabinet Work Programme, it was requested by Councillor Hunter that an update report on the Council's UK Shared Prosperity Fund (UKSPF) progress and projects be added to the Overview and Scrutiny Board Work Programme. As the item specifically on this matter was not currently on the Cabinet Work Programme, Members were advised that a specific report would be brought for

consideration by the Overview and Scrutiny Board at a later date in the municipal year.

During consideration of the Cabinet Work Programme, Members requested that a column be added to the Cabinet Work Programme document which would give a description of the item on the Programme. It was stated that this would greatly assist, particularly the new Members, with understanding the substance of items on the Cabinet Work Programme and would help determine if it was a subject that Overview and Scrutiny would wish to pre-scrutinise. The Interim Director of Finance confirmed that this would be actioned by Officers following the meeting.

**RESOLVED** that the Cabinet Work Programme be noted.

35/23

## **OVERVIEW AND SCRUTINY BOARD WORK PROGRAMME**

It was requested that the following items be added to the Overview and Scrutiny Board Work Programme for the next meeting on 16<sup>th</sup> October 2023:

- Agile Working Presentation
- Future of Libraries within the District (Council Motion of 19<sup>th</sup> July 2023).

The Chairman commented in relation to the Agile Working Presentation item that an invitation would be sent to all Councillors asking to attend the 16<sup>th</sup> October 2023 meeting of the Board for this presentation.

As discussed earlier in the meeting under NewStarts Community Shop item (Minute 30/23), it was agreed that a new report on the community shops provision in the District be presented to the 16<sup>th</sup> October 2023 meeting.

During consideration of this item, it was queried when the minutes of the Bromsgrove Partnership would be made available to Members of the Board as requested in previous municipal year. It was responded that this would be followed up with Members outside the meeting. Additionally, it was requested that the Board receive a report on the Local Strategic Partnership (LSP) at one of its future meetings.

**RESOLVED** that the Overview and Scrutiny Board Work Programme be updated as per the preamble above.

The meeting closed at 7.32 p.m.

Chairman

**Recommendation from the Audit, Standards and Governance Committee – Thursday  
14<sup>th</sup> September 2023**

Financial Compliance Report including update on Statements of Accounts

**RECOMMENDED**

“that Cabinet ascertain from the Department for Levelling Up, Housing and Communities (DLUHC) the mechanism for audit of local authorities’ accounts to be caught up as per their press release.”

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### COUNCIL TAX REDUCTION SCHEME 2024-25

Relevant Portfolio Holder		Councillor Charles Hotham
Portfolio Holder Consulted		Yes
Relevant Head of Service		Michelle Howell Head of Finance and Customer Services
Report Author	Job Title: Financial Support Manager Contact email: david.riley@bromsgroveandredditch.gov.uk Contact Tel: 01527 548 418	
Wards Affected		All
Ward Councillor(s) consulted		No
Relevant Strategic Purpose(s)		Aspiration, Work and Financial Independence
Non-Key Decision		
If you have any questions about this report, please contact the report author in advance of the meeting.		

#### 1. RECOMMENDATIONS

The Cabinet **RESOLVE** that:-

- 1) **The current council tax reduction scheme is retained for 2024-25 tax year, subject to uprating of income bands as provided for within the existing scheme.**
- 2) **Options for uprating of the income bands to be modelled and presented to cabinet for approval and recommendation of new income grid to council.**

#### 2. BACKGROUND

- 2.1 The council is required by section 13A(2) of the Local Government Finance Act 1992 (LGFA '92) to make a council tax reduction (CTR) scheme specifying the reductions in council tax that will be provided to people who are in financial need, or to classes of people who are in general in financial need.
- 2.2 When a scheme has been made the council must, for each tax year, consider whether to revise or replace its scheme. If the council intends to revise or replace the scheme, then there is a requirement to undertake a formal consultation before making a new scheme.

- 2.3 The council introduced a new income banded scheme for working age applicants with effect from 1<sup>st</sup> April 2021. The rationale for the new scheme was to ensure that it was future proofed, and it reduced the administrative burden placed on the council by the introduction of universal credit.
- 2.4 The council has amended the scheme in the years since April 2021 to adjust the level of support in-line with funding available; to amend income bands and tapers to adjust for the impact of inflation; and to aid administration.
- 2.5 The existing scheme includes a provision for the uprating of income bands by an inflation factor decided by the council. Changes to income bands would be made in accordance with the existing scheme and would not require consultation but would be subject to approval of council.
- 2.6 Were the scheme to be revised so that the number of income bands changed, or there was a reduction to the percentage level of support, or to make changes to the general administration of the scheme then this would be a revision of the scheme and would require consultation.
- 2.7 Where support a revision to the scheme reduces or removes support for a group then the council would also need to consider including within the new scheme a relevant transitional protection for claimants subject to that reduction in support.
- 2.8 This report asks cabinet to resolve that the scheme is retained for 2024-25 subject to the uprating of income bands - as provided for within the existing scheme - and that options for a relevant inflationary increase are modelled for recommendation by cabinet to council.

### **3. OPERATIONAL ISSUES**

- 3.1 The existing income based CTR scheme was designed to ensure that it remained relevant following the roll-out of universal credit. We have taken advice as to whether changes to welfare benefits mean that there are areas within the existing scheme which require amendment.
- 3.2 The advice received has confirmed that all relevant changes to the council's scheme have been made. The only matters which could be added to the scheme are the addition of a minimum income floor (MIF).
- 3.3 MIF is a feature of universal credit which assumes a minimum level of income for self-employed claimants. If a self-employed person earns

less than the MIF, then their entitlement is calculated as if they had earned the MIF amount.

- 3.4 Recent case law considered, within a council tax reduction scheme, the imposition of the MIF for a claimant who was disabled and was unable to achieve earnings at the level of the MIF. The respondent council had ceased to apply MIF to disabled persons and it was said that it had “basically surrendered in that it no longer subjected disabled self-employed persons to the test”.
- 3.5 The amendment of the CTR scheme to include a MIF would result in a requirement for the assessment of a self-employed persons ability to work and to achieve the MIF. This would increase the administration of the scheme and would open the council to challenge if the assessment was flawed. It is not recommended that this amendment to the scheme is made.
- 3.6 Retaining the existing scheme and uprating the income bands will have no additional operational implications.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 Changes to the income bands will impact the amount of council tax reduction provided to claimants. The change may result in an increase in the total cost of council tax reduction.
- 4.2 The intention of uprating to income bands is to protect claimants from the impact of inflation and to ensure that inflationary increases to universal credit or wages do not remove their eligibility for CTR.
- 4.2 Modelling of the options for the inflationary increases to income bands and the approval of a final report on those options will ensure that the financial implications of any change in the levels of support are considered.

#### **5. LEGAL IMPLICATIONS**

- 5.1 The council is required by paragraph 5 of Schedule 1A to the LGFA '92 to consider whether to revise or replace its CTR scheme. Where a council makes a revision or replacement there is a requirement to carry out a formal consultation which consists of three steps:
- a) consultation with major precepting authorities; and
  - b) publication of a draft scheme; and

c) consultation with persons who are likely to have an interest in the operation of the scheme.

5.2 Where a revised scheme reduces or removes a reduction the new scheme must include such transitional provision as the council sees fit.

5.3 The existing scheme includes a provision to uprate income bands by the appropriate level of inflation in each tax year; therefore, changes that increase the income bands in each tax year can be carried out without consultation.

5.4 Changes to the scheme which reduce the income bands are not provided for within the existing scheme. Any changes that reduce the % discount provided under the scheme would constitute a revision to the scheme and would require full consultation and approval of full council.

## **6. OTHER - IMPLICATIONS**

### **Relevant Strategic Purpose**

6.1 The council tax reduction scheme supports residents in financial need and is required to incentivise work. The scheme supports the strategic purpose of Aspiration, Work and Financial Independence through the provision of a council tax reduction to people on low income and people transitioning to work.

6.2 Uprating of income bands will ensure that low-income residents do not lose support through general inflationary increases to their income and will ensure that the scheme continue to incentivise employment.

### **Climate Change Implications**

6.2 There are no climate change implications.

### **Equalities and Diversity Implications**

6.3 When the existing income band based CTR scheme was introduced a full equalities impact assessment was completed. The uprating of income bands has no further equalities and diversity implications.

## **7. RISK MANAGEMENT**

7.1 Please explain any risks and any mitigating action that will be taken to address those risks.

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Risk	Mitigations
Loss of support for residents in financial need.	Revision of income bands as provided for within the council's scheme will ensure that low-income residents are not phased out of the existing scheme through general inflationary increases in their income.
Increased financial costs of CTR scheme	<p>The scheme reduces the council tax collected by the authority. Increases in the level of income-bands can increase the amount of support provided to residents and the costs of the CTR scheme.</p> <p>Options for revision of the scheme will be modelled so that the costs of the scheme can be considered when increases to the income bands are agreed.</p>

**8. APPENDICES and BACKGROUND PAPERS**

None

**9. REPORT SIGN OFF**

Department	Name and Job Title	Date
Portfolio Holder	Cllr Charles Hotham	
Lead Director / Head of Service	Michelle Howell Head of Finance and Customer Services	
Financial Services	Michelle Howell Head of Finance and Customer Services	

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<b>Department</b>	<b>Name and Job Title</b>	<b>Date</b>
Legal Services		
Policy Team (if equalities implications apply)	Not Applicable	
Climate Change Team (if climate change implications apply)	Not Applicable	

## BROMSGROVE DISTRICT COUNCIL

**Cabinet 18<sup>th</sup> October 2023**

### **Financial Recovery Plan**

Relevant Portfolio Holder	Councillor Charlie Hotham, 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: 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**

The purpose of this report is to set out the processes the Council has been following to rectify a deterioration in its financial position and processes due to the impact of the implementation of a new financial system in February 2021 during the C-19 pandemic period. This follows on from a report presented on the 14<sup>th</sup> September 2022 and also the discussions over the S24 Statutory Recommendations that took place in Audit, Standards & Governance Committee, Cabinet and Council in November and December 2022.

#### 2. **RECOMMENDATIONS**

**Cabinet are asked to Resolve that:**

- Progress made on the financial recovery be noted including:
  - Delivery of the Statutory Accounts
  - Delivery of Statutory Financial Returns
  - Improvements in the Control Environment
- The work still under way to move back to a best practice operation and the associated timetable for completion of this work, as contained in this Report, be noted.

#### 3. **KEY ISSUES**

##### **Financial Position**

- 3.1 The Council implemented a new financial system in February 2021. The existing financial system was at the end of its useful life and would not deliver process improvements required to move the Council forward. This implementation has not been

## BROMSGROVE DISTRICT COUNCIL

### Cabinet 18<sup>th</sup> October 2023

smooth and has led to a deterioration of the Councils financial position. This has included:

- Non completion of the 2020/21, and 2021/22 Accounts.
- Non delivery of monitoring information during the 2021/22 financial year.
- Non delivery of Government financial returns.
- Incomplete take-up of the new system by both Finance and Service Users.
- Loss of key financial staff.

- 3.2 A finance recovery programme was put in place from April 2022 to start to rectify the situation. This was reported through to Cabinet in September 2022.
- 3.3 These issues build on comments from the External Auditors relating to 2019/20 accounts, which were only approved in the fall of 2021 and the subsequent issuing of the S24 Recommendation on the 31<sup>st</sup> October 2022 due to non-delivery of the 2020/21 Statement of Accounts. Comments on the 2019/20 accounts highlighted issues on working papers were highlighted as a significant issue.
- 3.4 Audit, Standards and Governance Committee, Cabinet and then Council debated the S24 Recommendation and the Draft 2020/21 External Audit Report in November and December 2022. The outcome of Council was that:
- the Section 24 Statutory Recommendation be accepted, and that Council review the recommendation, endorse the actions included in the management responses which form the rectification process required as per legislation and
  - the Council, through the Leader, commission a Corporate Peer Review by the Local Government Association (LGA) to look into Corporate Governance linked to the Section 24 Notice report and the draft External Audit Report for 2020/21. The review would then be reported back to the Chief Executive and the Leader of the Council, who in turn would discuss the outcomes with other Group Leaders
  - the Audit, Standards and Governance Committee carry out a root and branch investigation on how the Council arrived at the Section 24 Notice.
- 3.5 And in terms of the 5 Key Recommendations and 13 Performance recommendations in the draft External Audit Report for 2020/21 that
- the 5 Key Recommendations and 13 Improvement Recommendations within this report be agreed.
  - Council agree that the Management Actions contained within this report will rectify these issues
- 3.6 The Council continue to move forward with the rectification processes and in particular:
- A Peer Challenge did take place in early March, which was a joint review with Redditch, and another report on this agenda sets out actions plans, including a “finance action plan”, to meet the Peer Challenge’s recommendations.

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- A Task Group of Audit, Standards and Governance Committee did meet to carry out the root and branch review on how the Council arrived at the Section 24 recommendations. This Task Group met in February and presented its findings to Audit, Standard and Governance Committee on the 9<sup>th</sup> March.
- That Audit, Standards and Governance Committee as a standing agenda item review progress against the Audit recommendations, and national and local deadlines.

### **Rectification Process**

- 3.7 The Reports presented to Council in December set out the Management Action Plans in place to rectify the issues set out in the S24 Recommendations and the draft 2020/21 External Audit Report. These are also set out in the Peer Review report Appendix G. This report now concentrated on movement since those formal responses.
- 3.8 Movement since the last finance recovery report on the 12<sup>th</sup> July 2023 has included:
- A draft Outturn Report for 2022/23 has been presented to Cabinet.
  - The draft 2022/23 Revenue Outturn Estimates have been presented to DLUHC.
  - The draft 2022/23 Capital Outturn Estimates have been presented to DLUHC.
  - A Quarter 1 Finance and Performance Report 2023/24 has been presented to Cabinet.
  - Joint work has continued with External Audit on providing evidence of control balances at the time of the transfer from eFin to TechOne on the 8<sup>th</sup> February 2021. External Audit have validation routines for the in year 2020/21 financial year and are in the process of reviewing this data. However, the Council are still to provide the Period 0 data. As part of this process, the Council has extended the eFin contract for three years to comply with legislation and allow the period 0 data to be extracted.
  - The 2021/22 Housing Benefits Audit has been signed off.
  - Financial Awareness Training with Managers.
  - Budget Management Training for Managers (including use of TechOne).
  - Monthly Accounts Payable Training.
  - We have engaged a Head of Management Accountancy on the 20<sup>th</sup> September and 2 temporary Technical Accountants will start by the end of September.
  - The Council upgrade TechOne to the latest version in July 2023.
  - The Financial Compliance Report, setting out movement in the financial recovery plan, has been reviewed by Audit, Standards and Governance Committee in July and September 2023.
- 3.9 In terms of closure work, the following actions have taken place/been agreed with our External Auditors:
- Closure 2020/21
    - Agreement of Treatment of Take on Balances – This was expected to be completed by July, but joint work is still being undertaken by the Council and External Auditors to validate these balances.
    - Provision of Draft 2020/21 Accounts to Audit (to begin Audit) July 23. This is dependent on the External Auditors confirmation that they have approved both Council's take-on balances work. The auditors are having issues in how they

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need to test the transactional data due to their “normal” models not working on our data. Some transactional testing and data extraction has taken place in August but this has been limited due to issues with the prime documentation held by the Council.

- 2020/21 Audit – October to December 23 (estimated)
- Sign Off of 20/21 Accounts - January 2023
- Closure 2021/22
  - Updated Outturn position – August 2023
  - Draft Accounts to Auditors December 2023 (prior to external Auditors sign off of 20/21 Accounts)
  - Audit of Accounts January to April 2024.
  - Sign off of the Accounts – May/June 2024 (will need to be completed by 31<sup>st</sup> March 2024 if the new requirements are enacted).
- Closure 2022/23
  - Budget Manager Closure Training in March had 83 staff attending.
  - Provisional Outturn Report – Cabinet Report for 13<sup>th</sup> September 2023. This showed draft outturn and Reserves and Capital positions. This has enabled the 2022/23 Revenue Outturn and Capital Outturn Reports to be presented to DLUHC.
  - Draft 2022/23 Accounts to Audit – June 24 (following External Auditors sign off 21/22 Accounts)
  - Sign off of the Accounts – November 2024 (will need to be completed by 30<sup>th</sup> September 2024 if the new requirements are enacted)

3.10 A recovery programme action that is still causing concern is the replacing staff – due to Market shortages which are now more acute and driving up day rates. As per section 3.8 we are using temporary resource to cover a number of positions.

3.11 The July report set out reservations across the Sector from Councils, Auditors, the Financial Standards Authority (FSA), Public Sector Audit Appointments (PSAA) and DLUHC on the delays in the Audit of Statutory Council accounts. There are over 500 Audit Opinions still outstanding for English Councils for 2021/22 and earlier. Add to this the 424 Audits due to be completed by November 2023 for the 2022/23 financial year, and a severe impact can be seen on the sector. Both the PSAA and FSA have highlighted the following key issues to be resolved including:

- Having a Workforce Strategy that improves attractiveness and prestige in the local government and audit profession.
- Identification of changes required to promote high standards and financial reporting and audit in the public interest.
- Creating a roadmap securing sustainable reforms underpinned by an agreed vision and purpose of financial reporting and audit.

3.12 At the Local Government Conference in July and subsequently, DLUHC have stated that they are moving to rectify these backlogs by changing how audits are performed over the medium term. DLUHC are concerned that the most time should be spent on auditing

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more recent accounts, so scopes of audits will be reduced (still to be confirmed) however Auditors will still be expected to serve S114 and other Statutory Recommendations. The governments' view is that Audits will be given statutory deadlines for completion as follows:

- 2015/16 through to 2019/20 must be signed off by the 30<sup>th</sup> December 2023
- 2020/21 and 2021/22 by the 31<sup>st</sup> March 2024
- 2022/23 by the 30<sup>th</sup> September 2024

Looking at these proposed timescales there will be the requirement to speed up slightly the agreed timetable we have agreed with our External Auditor by circa 2 months to deliver to these new statutory timetables. These timescales are expected to be agreed in September 2023.

- 3.13 We have upgraded the TechOne system, moving from the present version which is 20b to 23a over the weekend of the 7<sup>th</sup> to 10<sup>th</sup> July. This upgrade has given access to more functionality and resolve a number of issues being experienced which have been resolved in later issues of TechOne. We have only been able to upgrade the system following the resolution of cash receipting issues and movement of this part of the solution to steady state running.
- 3.14 Progress on the following key financial and compliance indicators are reported monthly to CMT monthly and to both Audit Committees bi-monthly by the S151/Deputy 151 Officers. There is a requirement to report all finance deliverables as per the Recommendations of the Audit Task Group:
- **Budget**
    - Delivered by 11<sup>th</sup> March in preceding financial year – **delivered Feb 2023**
    - Council Tax Base – Yearly – **2023/24 delivered in January 2023**
    - Council Tax Resolution – **Yearly 2023/24 delivered in February 2023**
    - Council Tax Billing – Yearly (2 weeks before 1<sup>st</sup> DD is due to be taken) – **Bills distributed in March 2023**
  - **Closure**
    - Draft 2022/23 Accounts delivered by end of July in order for 22/23 RO forms to be delivered.
    - Draft 2020/21 Accounts to be delivered to Audit following validation of the data take on balances for which work is currently ongoing.
    - Audit Completed by December 2023 **but dependent on previous years being completed (see closure section)**
  - Government Returns
    - VAT – Monthly
      - **Still to be delivered for 20/21 – dependent on closure of accounts**
    - Revenue Outturn Reports –
      - **Still to be delivered for 20/21 and 2021/22 – dependent on closure of accounts**

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- **22/23 estimated return delivered in August 2023 to DLUHC**
- Capital Outturn Reports
  - **Draft returns for 20/21 and 21/22 submitted 7<sup>th</sup> July 2023, however final version still to be delivered – dependent on closure of accounts**
  - **22/23 return delivered on 4<sup>th</sup> August 2023**
- Quarterly Revenue Outturn Estimates
  - **Quarters 1-3 22/23 delivered (have warnings from previous year as not delivered)**
  - **Quarter 1 23/24 delivered on 18<sup>th</sup> August 2023**
- Quarterly Capital Outturn Estimates
  - **Quarters 1-4 22/23 delivered (have warnings from previous year as not delivered)**
  - **Quarter 1 23/24 delivered on 21<sup>st</sup> July 2023**
- Quarterly Borrowing Return
  - **22/23 Quarterly Returns delivered**
  - **Quarter 1 23/24 delivered on 7<sup>th</sup> July 2023**
- Quarterly Council Tax and Business Rates Returns
  - **22/23 Quarterly Returns delivered**
  - **23/24 Quarter 1 delivered on 11<sup>th</sup> July 2023**
- Whole of Government Accounts Returns – August
  - **Still to be delivered for 20/21 – dependent on closure of accounts**
- RA – Revenue Budgets – April
  - **2022/23 Delivered on the 5<sup>th</sup> May 2022 and 2023/24 delivered on 14<sup>th</sup> April 2023**
- Capital Estimates Return - March
  - **23/24 delivered by 24<sup>th</sup> March 2023**
- Public Works Loans Board Certainty Rate – April
  - **2022/3 delivered on 28<sup>th</sup> April 2022**
- NNDR1 Return (Business Rates) – January
  - **Delivered December 2021 for 2022/23 and January 2023 for 2023/24 return**
- NNDR3 Return (Business Rates) – June and September
  - **Delivered in June 22 for 2022/23**
  - **Draft 22/23 NNDR3 provided to Worcestershire County Council for view of the pool. Final draft NNDR3 submitted to DLUHC on 18<sup>th</sup> May 2023**
- Housing Benefit Subsidy Return – Yearly
  - **21/22 - Sent 29<sup>th</sup> April 2022**
  - **22/23 subsidy return delivered on 28<sup>th</sup> April 2023**
- DHP Claim – Yearly
  - **21/22 - Sent 29<sup>th</sup> April 2022**
  - **22/23 – delivered on 2<sup>nd</sup> May 2023**
- CTB1 (Council Tax Base) – October
  - **Sent October 2022**
- CTR1 (Council Tax Requirement) – March
  - **22/23 sent 16 March 2022**
  - **23/24 sent 7 March 2023**

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- **Policies**
  - Treasury and Asset Management Strategies
    - Initial Strategies as part of the MTFP – **2023/4 Strategy Approved in March 2023**
    - Half Yearly Report
      - **Update provided in Q1 Revenue Return**
    - Yearly Outturn Report
      - **To be produced in September**
  - Council Tax Support Scheme – Yearly – **Approved in Jan 2023 after consultation**
  - Minimum Revenue Provision – yearly – **Approved as part of the 2023/4 to 2025/6 Medium Term Financial Plan**
  - 
  - Financial Monitoring – **delivered quarterly to Cabinet – due to Summer Holidays Q1 23/4 will go to Cabinet in September.**
  - Risk Management – **delivered quarterly to this Committee.**
  - Financial Controls (still in development)
    - Clearance of suspense accounts - **return to being up to date expected by end of this calendar year**
    - Bank Reconciliation - **linked to above point although a separate stream assessing/clearing 2023/4 items**
  - Over £500 spending.
    - **Updated to July 2023**

3.15 The key returns that have still not been delivered are the Revenue Outturn forms for 2020/21 and 2021/22 and the VAT returns. Linked to these are the Whole of Government Returns – for which over 100 Council are still to complete theirs for the 2020/21 financial year. We have now delivered the draft CO and RO forms for 2020/21 - 2022/23 however final CO and draft RO returns cannot be submitted until the accounts are audited. Although the Government now allow these returns to be completed based on estimates, the level of uncertainty due to the Cash Receipting means these cannot be completed until the External Auditors sign off the Councils take on balances and the Council provides the draft accounts to Audit for each Council.

3.16 There are a number of areas where compliance will be measured going forwards. Compliance to process and timetable is a key underlying theme of the Draft External Audit Report 2020/21. These items are being measured to improve how we work and change behaviours. This will lead to an improved financial health/knowledge across both Councils. Not all these measures can be put in place instantly but there should be the full suite by the middle of the summer (Debt indicators depend on the clearing of suspense and the updating of the bank reconciliations).

3.17 Training:

- Number on Closure Training March 23 – 83 attended.

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- Mandatory Budget Manager Training – this has started in August 2024 and ensures budget managers understand forecasting requirements and how to input forecasts on TechOne.
- Mandatory Financial Awareness Training – Three sessions have now taken place in August and September to give wider finance awareness training to managers.
- Payments Purchase Order Training (Monthly) by Service Area.

#### 3.18 Errors:

- Non delivery of GPC Card Data (monthly basis) – will begin at the end of Quarter 1.
- Mis-codings on TechOne per month – by Service Area - will begin at the end of Quarter 1.

#### 3.19 Process updates:

- Finance time to respond to queries:
  - Finance – to be measured.
  - Payments and Insurance – to be measured.
  - Income – to be measured.
- Procurement
  - The new 'No Compliance No Order' process has been live since April 2023.
  - Many departments are now proactively getting quotations for lower value works. A lot of the issues we have are now training issues that are being resolved.
  - The number of contracts in place is growing regularly and we are confident that this process is having a positive effect. We hope that eventually we get to the place where the number of orders coming to us is minimal.
  - A report went to Cabinet in July setting out new government procurement requirements that the Council are addressing, many of which come into force on the 1<sup>st</sup> April 2024. The Q1 Finance and Performance Monitoring Report Finance went to Cabinet on the 13<sup>th</sup> September sets out:
    - All contracts requiring renewal over the next year that are over the £50k threshold.
    - All contracts that Redditch raises on behalf of Bromsgrove.

#### 3.20

##### **General Finance Indicators:**

- Council Tax collection rates – 2022/23 RBC 95.7%, 2022/23 BDC 97.8%, April 2023 so far RBC 8.9%, April 2023 so far BDC 8.7%
- Business rates collection rates - 2022/23 RBC 94.8%, 2022/23 BDC 94.6%, April 2023 so far RBC 6.8%, April 2023 so far BDC 6.6%
- Number of invoices paid within 30 days – update to be provided in next report
- Outstanding debt over 30 days (Accounts Receivable) – will get up to date figures at the end of September.
- Bank reconciliations – will get up to date figures at the end of September.

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- Volume of items in suspense:

SUSPENSE CLEARANCE KPI,s				
Date of Measurement	No of Unreconciled Amounts over £1000	Average Value of Unreconciled Amounts over £1000	Number of Reconciled Transactions	Total Transactions
20/08/2023	2,570	£104,611	33,134	99,963
09/09/2023	2,184	£16,771	34,322	101,450
15/09/2023	2,165	£14,685	34,728	101,849

3.21 Following the work undertaken, the following list are the actions that are now being delivered to rectify issues highlighted in the S24 Recommendation as well as key recommendations of the draft 2020/21 External Audit Report:

- The Accounting Policies Report goes to every Audit Committee.
- The key closure deliverables for each financial year are clearly set out. The owners of these deliverables are the S151 and Deputy S151 Officers.
- Closure and Audit of the 2020/21 Accounts delivers the S24 Recommendations. The owners of these deliverables are the S151 and Deputy S151 Officers.
- Progress on key financial and compliance indicators are reported monthly to CMT and to both Audit Committees bi-monthly by the S151/Deputy 151 Officers. There is a requirement to report all finance deliverables as per the Recommendations of the Audit Task Group.
- Delivery of Financial training detailed in this document will move staff to right level of skills.
- TechOne has been upgraded to the latest version 23A in July 2023.
- The Council will engage with Lanlaus for further TechOne system improvements and efficiencies.
- Quarterly combined financial and performance monitoring continues in 2023/4 with Q1 delivered in September.
- The 2024/5 MTFP process has started. As part of this process the approach to consultation will be rethought as per the draft 2020/21 Audit Report Recommendation.
- The MTFP will include Scenario analysis given short term Government guidance on central support.
- The Audit Task Group Recommendations have been integrated and endorsed by the Cabinet.
- Risk workshops are still to be run to assess Risk Appetite of Cabinet and Audit Committees.
- Following the Risk Workshops the Council will be able to implement Internal Audit Risk Review recommendations.
- The Audit Committee agenda order has been changed to deal with risk earlier as per the Recommendations of the Audit Task Group.

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### 4. Legal Implications

4.1 No Legal implications have been identified.

### 5. Strategic Purpose Implications

#### Relevant Strategic Purpose

5.1 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 borough and our communities. Our Financial monitoring and strategies are integrated within all of our Strategic Purposes.

#### Climate Change Implications

5.2 The green thread runs through the Council plan. Every report has potential financial implications and these in term can have implications on climate change. These will be addressed and reviewed through individual reports when relevant by climate change officers will ensure the correct procedures have been followed to ensure any impacts on climate change are fully understood.

### 6. Other Implications

#### Customer / Equalities and Diversity Implications

6.1 None as a direct result of this report.

#### Operational Implications

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

### 7. RISK MANAGEMENT

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

### 8. APPENDICES

None

### AUTHOR OF REPORT

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### Provisional Financial Outturn Report 2022/23

Relevant Portfolio Holder	Councillor Hotham – Portfolio Holder for Finance and Governance
Portfolio Holder Consulted	Yes
Relevant Head of Service	Michelle Howell
Report Authors	Head of Finance and Customer Services michelle.howell@bromsgroveandredditch.gov.uk
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. SUMMARY**

The purpose of this report is to set out the Council's draft Revenue Outturn position for the financial year April 2022 – March 2023 (subject to final accounts closedown procedures and audit).

**2. RECOMMENDATIONS**

**Cabinet are asked to resolve to note that:**

- The 2022/23 provisional outturn position in relation to revenue budgets is a projected revenue overspend in the region of £956k.
- The 2022/23 provisional outturn position in relation to Capital expenditure is £10.856m against a total approved programme of £13.1m.
- The provisional outturn position in respect of the General Fund Reserves, noting that any overspend funded from General Fund Reserves is the use of one-off funding. It is therefore imperative to identify medium-term budget efficiencies to accommodate increasing costs and replenish reserves.
- The provisional outturn position in respect of Earmarked Reserves.
- Financial performance in respect of Council Tax and Non Domestic Rates Collection.
- At the time of writing the Council is yet to formally close its accounts for the 2020/21 and 2021/22 financial years. This could therefore result in adjustments to actual expenditure and income in those years and could have a consequential impact on the 2022/23 accounts.
- Work continues to refine the position including addressing the backlog of entries that are in suspense and any miscoding, therefore the provisional position detailed

in this report is subject to change, and a further update will be presented to Members in due course.

### 3. KEY ISSUES

#### Financial Implications

- 3.1 This report sets out the Council's provisional revenue and capital outturn positions for 2022/23 against budget.
- 3.2 The £12.068m full year revenue budget included in the table overleaf 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 £478k of organisational cross-cutting 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 £424k operational efficiency target to those areas.
- 3.4 Whilst the Council has been on a finance recovery programme since April 2022, following the implementation of a new financial system in February 2021 which led to a deterioration of the Council's financial position, it is important to note that at the time of writing the Council is yet to formally close its accounts for the 2020/21 and 2021/22 financial years. This could therefore result in adjustments to the actual expenditure and income in those years and could have a consequential impact on the 2022/23 accounts.
- 3.5 The Finance team have undertaken a detailed review of the 2022/23 accounts since year end. There are a number of assumptions and manual adjustments that have been made to arrive at the provisional revenue outturn position, mainly as a result of transactions still being cleared from suspense. Those assumptions and manual adjustments include:
- Anticipated accruals and prepayments,
  - Grants are applied to known expenditure and remaining balances are carried forward,
  - Reserves are applied to known expenditure,
  - Shared service recharges between Bromsgrove District and Redditch Borough councils where a shared service arrangement exists, and
  - Transfers between the Collection Fund and the General Fund.
- 3.6 Work continues to refine the position including addressing the backlog of entries that are in suspense and any miscoding. Therefore, the provisional position detailed in this report is subject to change, and a further update will be presented to Members in due course. Taking this into account, the provisional revenue outturn position is anticipated to be a £956k overspend; a £54k increase over the forecast Q3 £902k overspend position. These figures are after the "absorption" of the £424k of non-allocated savings and efficiency targets.

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	<b>2022/23 Full Year Budget</b>	<b>2022/23 Cross- cutting saving allocation</b>	<b>2022/23 Revised Budget</b>	<b>2022/23 Actual</b>	<b>2022/23 Shared Service and Manual Adjustments</b>	<b>2022/23 Adjusted Provisional Outturn</b>	<b>2022/23 Adjusted Provisional Outturn Variance</b>
Regulatory Client	228,063	0	228,063	234,222	0	234,222	6,158
Business Transformation & Organisational Development	1,857,867	(156,971)	1,700,896	1,426,730	85,198	1,511,928	(188,968)
Chief Executive	1,797,361	(3,293)	1,794,068	1,747,793	(44,682)	1,703,112	(90,956)
Community & Housing GF Services	1,093,315	(80,173)	1,013,142	82,546	909,945	992,492	(20,651)
Environmental Services	3,438,085	(42,175)	3,395,910	3,241,239	425,342	3,666,581	270,671
Financial & Customer Services	1,406,322	(87,038)	1,319,284	2,587,750	(629,908)	1,957,842	638,559
Legal, Democratic & Property Services	1,146,850	(4,235)	1,142,615	1,422,207	(30,784)	1,391,423	248,808
Planning, Regeneration & Leisure Services	1,578,027	(50,182)	1,527,845	1,630,093	(63,281)	1,566,812	38,967
Cross cutting savings and efficiency targets	(477,890)	424,067	(53,823)	0	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>12,372,581</b>	<b>651,830</b>	<b>13,024,411</b>	<b>956,412</b>

- 3.7 The following paragraphs set out the variances for each service area against the 2022/23 revenue budget. As noted in the Q3 financial monitoring report, a significant variance across all budgets is the allocation of the £1,925 pay award across all pay scales. This budget pressure was however reflected in the 2023/24 budget.

**Business Transformation & Organisational Development – draft outturn position £189k underspend (Q3 £78k underspend)**

Within Business Transformation & Organisational Development, the draft underspend position is predominantly due to budget underspends within the ICT service.

The overall draft underspend for the service 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

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service. Following the installation of a new HR software package, recruitment is underway to recruit to vacant posts within the service.

#### **Chief Executive – draft outturn position £91k underspend (Q3 £33k underspend)**

Within the Chief Executive area, the draft underspend position is due to budget efficiencies against corporate expenditure budgets.

#### **Community and Housing General Fund Services - draft outturn position £21k underspend (Q3 £66k overspend)**

Within Community and Housing General Fund Services the draft underspend position is as a result of an anticipated underspend within Community Safety.

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

#### **Environmental Services – draft outturn position £271k overspend (Q3 £316k overspend)**

Within Environmental Services there are a number of services that have provisional overspends against budget. This is largely as a result of the implications of the pay award, temporary staffing and fleet costs within Waste Management, Place Teams and Management and Support.

This overall overspend 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.

#### **Financial & Customer Services – draft outturn position £639k overspend (Q3 £128k overspend)**

Within Financial & Customer Services there is a draft overspend in the region of £639k. Within this overspend there are £195k insurance recharges which need to be reallocated across other departments. In addition to this, the draft overspend is as a result of the implications of the pay award, temporary staffing requirements within Financial Services and reduced court costs/housing benefits overpayments recovered, however this could change pending income reallocation.

This draft overspend position is after the absorption of £87k cross cutting efficiency savings targets based upon forecast underspends at quarter 1.

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### **Legal, Democratic and Property Services – draft outturn position £249k overspend (Q3 £412k overspend)**

Within Legal, Democratic and Property Services the draft overspend position is predominantly due to a budget pressure within Facilities Management linked to SLM. 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 therefore a cost pressure has been seen in this area. This budget pressure has been offset in part due to staffing underspends as a result of vacancies across Legal and Democratic Services during the financial year.

### **Planning, Regeneration and Leisure Services – draft outturn position £39k overspend (Q3 £34k overspend)**

Within Planning, Regeneration and Leisure Services a draft overspend of £39k is currently anticipated. This is mainly due to the impact of the increased pay award.

### **Regulatory Client – draft outturn position £6k overspend (Q3 £2k overspend)**

A small overspend position on the Regulatory Client is currently anticipated for the year. This takes into account the budgetary increases approved at the Worcestershire Regulatory Services Board Meeting in November 2022.

### **Cross cutting savings and efficiency targets**

Organisational efficiency targets totalling £424k were allocated to service areas based upon forecast underspends as at quarter 1; predominantly linked to vacancies. The allocation of the pay award for 2022/23, which was in excess of budgeted provision, in addition to increased costs linked to fuel and utilities has resulted in overspends across a number of areas that contributed towards the cross-cutting savings target at the start of the year.

- 3.8 Overall, the Council is currently anticipating a provisional revenue outturn in the region of a £956k overspend for the 2022/23 financial year, after reflecting the absorption of cross-cutting savings targets. This provisional revenue outturn position reflects the best information available at the present time, however the position will continue to be reviewed and refined in light of the backlog of entries that are in suspense and any miscoding. Therefore, the provisional position is subject to change, and a further update will be presented to Members in due course.

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#### 3.9 Cash Management

##### Borrowing

- As at the 31st March 2023, there was £3.7m short-term borrowings. The Council has no long-term borrowing.

##### Investments

- On 31st March 2023 there were £1.2m of short-term investments held.

#### Capital Monitoring

- 3.10 A capital programme of £2.410m was approved in the Budget for 2022/23 in February 2022. This has been fully reviewed as part of the Medium Term Financial Plan (MTFP) using actual data as at the end of December 2022. The table below and detail in Appendix A set out the Capital Programme schemes that are approved for the MTFP time horizon.
- 3.11 A updated capital programme of £8.126m was approved in the Budget for 2022/23 in February 2023. Many of these schemes are already in partial delivery in the 2022/23 financial year. By approving this list, the Council also agreed sums not spent in 2022/23 (and 2021/22 by default if schemes originated earlier than 2022/23 as sums have been carried forward through to the 2021/22 MTFFS Report) to be carried forward into 2023/24. The table also splits amounts by funding source; Council or third party.

Financial Year	Total Budget £000	Council Funded £000	External Funded £000
2021/22	16,511	12,146	4,366
2022/23	8,126	1,485	6,641
2023/24	10,852	1,694	9,158
2024/25	4,921	2,224	2,697
2025/26	3,156	1,558	1,598

- 3.12 Included in this funding the Council also have the following Grant Funded Schemes which are being delivered in 2023/24:
- The two Levelling Up schemes – Old Fire Station and Market which are funded via £14.5m of Government Funding, and the Council is funding £1.6m of works.
  - UK Shared Prosperity Schemes totalling £2.8m.
  - The Burcot Lane development at £10.275m.
- 3.13 The outturn spend is £10.256m against a revised 2022/23 capital budget totalling £13.099m is detailed in Appendix A. It should be noted that as per the budget decision carry forwards of £2.843m will be rolled forward from 2022/23 into 2023/24 to take account of slippage from 2022/23.

#### **Earmarked Reserves**

- 3.14 The position as reported to Council in February 2023 as per the 2022/23 – 2024/25 Medium Term Financial Plan (MTFP) is Shown in Appendix B. This has been adjusted for the draft 2022/23 Outturn position, which was previously estimated based on Q3 monitoring information at the time of the MTFP. As part of the MTFP all reserves were thoroughly reviewed for their requirement and additional reserves set up for inflationary pressures such as utility increases. At the 31<sup>st</sup> March 2023 the Council holds £7.9m of Earmarked Reserves.

#### **General Fund Position**

- 3.15 The General Fund Balance at 31<sup>st</sup> March 2022 was £4.485m. The anticipated in-year draft overspend of £956k in addition to the budgeted drawdown from reserves totalling £411k could result in the application of £1.367m from the General Fund Balance in 2022/23. Re-baselining of earmarked reserves during the 2023/24 budget setting process added £2.682m to the General Fund, therefore as at the 31<sup>st</sup> March 2023 it is projected that the General Fund Balance would be £5.8m. With 2020/21 and 2021/22 still to be closed and approved by Audit, these figures are subject to change. Progress on the Accounts has been reported to Cabinet through the Finance Recovery Plan Report and is reviewed at every Audit Committee.
- 3.16 It is important to note that, any overspend funded from the General Fund Balance is the use of one-off funding. It is therefore imperative to identify medium-term budget efficiencies to accommodate increasing costs and replenish reserves.

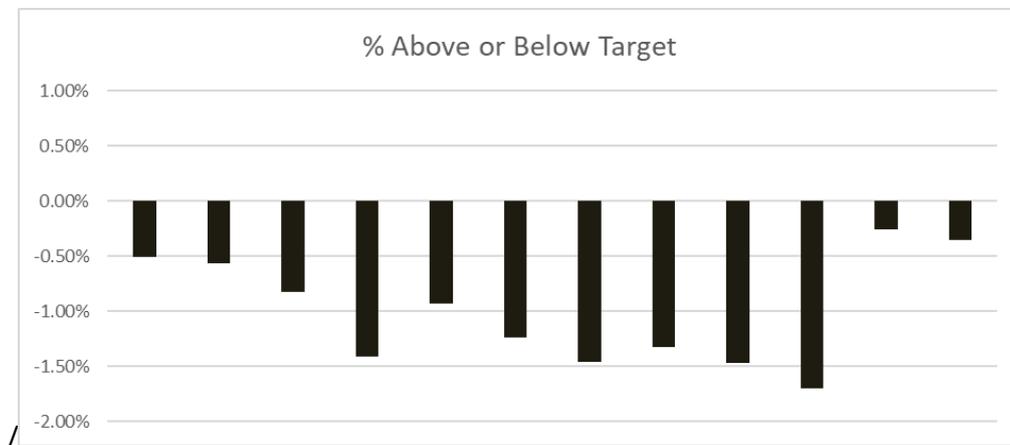
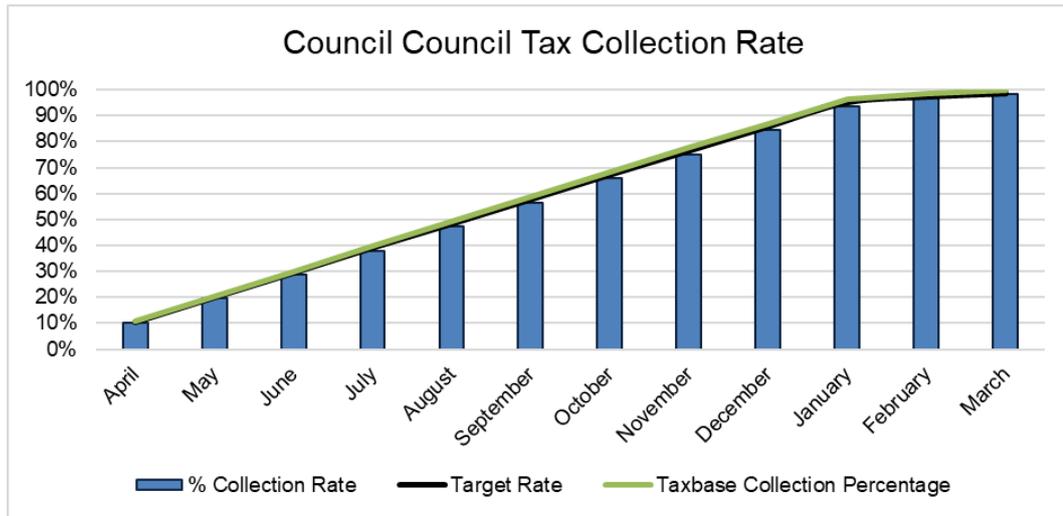
#### **Financial Performance**

- 3.17 Council Tax collection rate data as Quarter 4 2022/23 is set out in the following tables. Overall, collection was just under 0.5% below target.

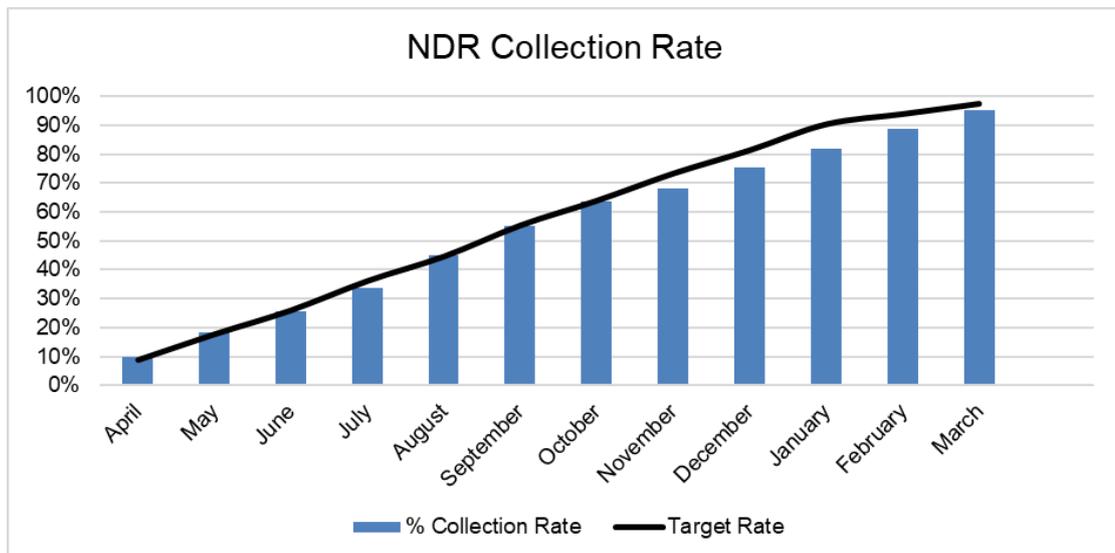
## BROMSGROVE DISTRICT COUNCIL

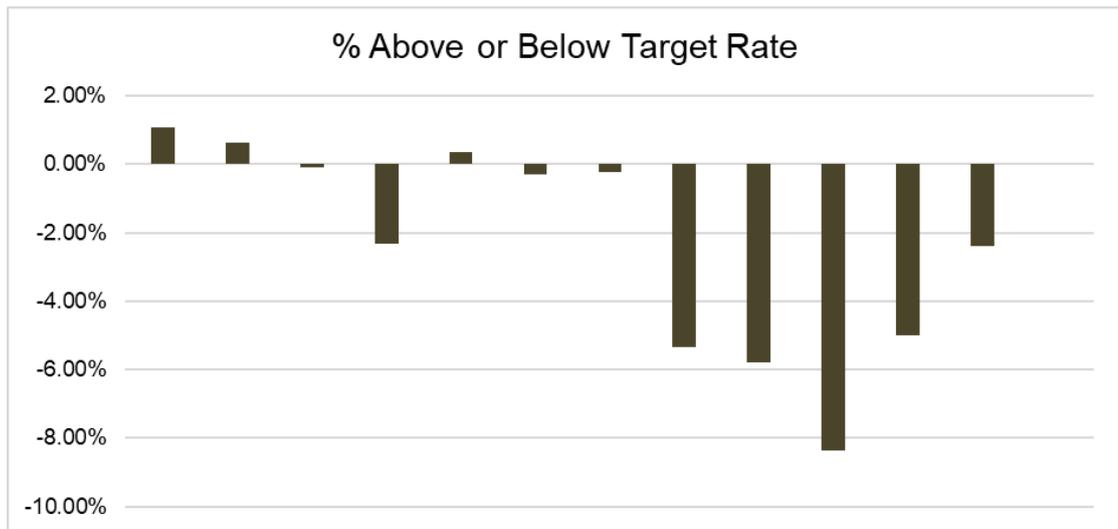
Cabinet

18<sup>th</sup> October 2023



3.18 The National Non Domestic Rates collection rate data as Quarter 4 2022/23 is set out in the following tables. Overall, collection was just over 2.0% below target, and saw a significant improvement in the final quarter of the year.





#### 4. Legal Implications

4.1 No Legal implications have been identified.

#### 5. Strategic Purpose Implications

##### Relevant Strategic Purpose

5.1 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 borough and our communities. Our Financial monitoring and strategies are integrated within all of our Strategic Purposes.

##### Climate Change Implications

5.2 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.

#### 6. Other Implications

##### Customer / Equalities and Diversity Implications

6.1 None as a direct result of this report.

##### Operational Implications

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

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**7. RISK MANAGEMENT**

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

**8. APPENDICES**

Appendix A – Capital Outturn

Appendix B – Reserves Position

**AUTHOR OF REPORT**

Name: Michelle Howell– Head of Finance and Customer Services (Deputy S151)  
E Mail: [michelle.howell@bromsgroveandredditch.gov.uk](mailto:michelle.howell@bromsgroveandredditch.gov.uk)

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## BROMSGROVE DISTRICT COUNCIL

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### Appendix A - 2022/23 Reprofiled Capital Outturn

Description	Approved budget date	Original approved Budget £	duration (years)	Department	Funding detail	21/22 Spend £	2022/23 Total £	22/23 Spend £	c/f
<b>Large Schemes</b>									
<b>Levelling Up Fund Fund</b>									
- Government Funded		14,492,401		Planning, Regeneration & Leisure Services	Grant Funding	1,600,000	5,329,041	126,902	5,202,139
- Council Funded		1,610,266			Borrowing	281,000	420,133		420,133
									0
<b>UK Shared Prosperity Fund</b>									
- Capital Element		2,825,702		Planning, Regeneration & Leisure Services	Grant Funding		50,000		50,000
- Revenue Element				Planning, Regeneration & Leisure Services	Grant Funding		290,499		290,499
- Remainder (to be allocated)				Planning, Regeneration & Leisure Services	Grant Funding		20,000		20,000
									0
									0
<b>Schemes Agreed to Continue</b>									
Burcot Lane	2019/20	10,275,000		Financial & Customer Services	Public works loan board and grant homes england	1,125,000	4,973,852	7,914,009	-2,940,157
	2019/20	120,000		Community & Housing GF Services	Capital Receipts/Borrowing	28,000	0		0
CCTV									
Funding for DFGs	2020/21	750,000		Community & Housing GF Services	Grant income WCC	620,000	913,000	969,792	-56,792
Home Repairs Assistance	2018/19	50,000		Community & Housing GF Services	Long Term Debtors	-5,000	50,000	4,088	45,912
Energy Efficiency Installation	2018/19	110,000	2	Community & Housing GF Services	Capital Receipts/Borrowing	12,000	110,000	7,810	102,190
Energy Efficiency	2017/18			Community & Housing GF Services	Grant finance	3,000	0		0
Cemetery Extension infrastructure at at North Bromsgrove Cemetery Phase Two	2017/18			Environmental Services	Capital Receipts/Borrowing	0	6,500	15,576	-9,076
New Finance Enterprise system	2019/20	455,000		Financial & Customer Services	Capital Receipts	1,000	0	13,680	-13,680
OLEV ULEV Taxi infrastructure scheme	2019/20	300,000	1	Community & Housing GF Services	Grants & Contributions	296,000	0	700	-700
Fleet Replacemnet new line	New				Borrowing	380,000	356,000	75,292	280,708
Replacement Parking machines	2020/21	120,000		Environmental Services	Capital Receipts/Borrowing	196,000	253,000	123,985	129,015
Wheelie Bin Purchase	2018/19	ongoing		Environmental Services	Capital Receipts/Borrowing	102,000	144,000	169,034	-25,034

Description	Approved budget date	Original approved Budget £	duration (years)	Department	Funding detail	21/22 Spend £	2022/23 Total £	22/23 Spend £	c/f
Footpaths		ongoing		Environmental Services	Borrowing				0
Buildings		Ongoing		Legal and Property	Borrowing				0
Bittell road recreation ground	2020/21	62,000		Planning, Regeneration & Leisure Services	S106 B/2011/0741- Land at Fiery Hill, Barnt Green / 18k balances	17,000	0		0
Salix	2020/21	615,000		Legal, Democratic and property services	Grants & Contributions	65,000	0	533,193	-533,193
Greener Homes	2020/21	180,000	1	Community & Housing GF Services	Grants & Contributions	-227,000	0	192,053	-192,053
Hagley Scouts				Planning, Regeneration & Leisure Services	Capital Receipts/Borrowing	35,000	0		0
Bromsgrove Sporting					Loan	4,000		46,133	-46,133
Car Park Improvements - Oakalls						8,000			0
Woodrush High Schools refurb						134,000			0
Rubery Redevelopment Works				Planning, Regeneration & Leisure Services	Capital Receipts/Borrowing	0	0	9,550	-9,550
Sanders Park dda play provision	2017/18	56,080		Planning, Regeneration & Leisure Services	S106 14/0755 Kidderminster Road and S106 13/0422 Meadows first school	0	0		0
New Digital Service	2020/21	57,400	1	Community & Housing GF Services	Borrowing	0	33,668		33,668
Bus Shelters	2020/21	18,000		Environmental Services	Borrowing	0	18,000		18,000
Fleet Management Computer System	2020/21	17,000		Environmental Services	Borrowing	0	0		0
Environmental Services Computer System	2020/21	38,200		Environmental Services	Borrowing	0	0		0
Cisco Network Update	22/23		3	Business transformation & Organisational Development	Borrowing	0	5,717	18,573	-12,856

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Description	Approved budget date	Original approved Budget £	duration (years)	Department	Funding detail	21/22 Spend £	2022/23 Total £	22/23 Spend £	c/f
Server Replacement Est(Exact known Q2 2022)	22/23		4	Business transformation & Organisational Development	Borrowing	0	83,250	0	83,250
Laptop Refresh	22/23		4	Business transformation & Organisational Development	Borrowing	0	5,000	4,961	39
Town Deal - Innovation Centre	22/23			Business transformation & Organisational Development	Town Deal	0			0
Town Deal - Public Realm	22/23			Business transformation & Organisational Development	Town Deal	0			0
Town Deal - Library	22/23			Business transformation & Organisational Development	Town Deal	0			0
Market Hall (LUF)	22/23			Business transformation & Organisational Development	Levelling Up Fund	0			0
Sanders Park	22/23			Planning, Regeneration & Leisure Services	S106	0		24,511	-24,511
Play Area, POS and Sport improvements at Lickey End Recreation Ground in accordance with the S106 Agreement	22/23	37,956	1	Planning, Regeneration & Leisure Services	S106 19/0137/FUL	0	37,956	6,488	31,468
BDC Combined F/Path & Cycle	2018/19	390,000		Environmental Services	Grants & Contributions	0	0		0
Barnt Green Millenium Park - Toilet				Planning, Regeneration & Leisure Services	S106 B/2011/0741 - Land at Fiery Hill, Barnt Green / 18k balances	0	0		0
<b>Total</b>		<b>424,000</b>				<b>4,675,000</b>	<b>13,099,616</b>	<b>10,256,330</b>	<b>2,843,286</b>

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## BROMSGROVE DISTRICT COUNCIL

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### Appendix B - Reserves Position

	Balance at 31/3/22	Transf In 2022/23	Transf out 2022/23	Re-baseline 2022/23	Balance at 31/3/23	Transf in 2023/24	Transf out 2023/24	Balance at 31/3/24	Transf in 2024/25	Transf out 2024/25	Balance at 31/3/25	Transf in 2025/26	Transf out 2025/26	Balance at 31/3/26
<b>General Fund Reserve</b>	<b>4,485</b>		(1,367)	2,682	<b>5,800</b>	100	(250)	<b>5,650</b>	244	0	<b>5,894</b>	200	(431)	<b>5,663</b>
<b>General Fund Earmarked</b>														
Building Control Other	7			(7)	0			0			0			0
Building Control Partnerships	82				82			82			82			82
Business Transformation	0				0			0			0			0
Commercialism	0				0			0			0			0
Community Safety	0				0			0			0			0
Community Services	271				271		(125)	146		(125)	21			21
Economic Regeneration	998			(600)	398			398			398			398
Election Services	51				51			51			51			51
Environmental Services	49				49			49			49			49
Financial Services	4,345		0	(1,000)	3,345	638	(150)	3,833			3,833			3,833
Housing Schemes	346				346			346			346			346
ICT/Systems	197				197			197			197			197
Leisure/Community Safety	330				330			330			330			330
Litigation Reserve	0				0			0			0			0
Local Development Framework	0				0			0			0			0
Local Neighbourhood Partnerships	16				16			16			16			16
Other	64			(64)	0			0			0			0
Planning & Regeneration	133				133			133			133			133
Regulatory Services (Partner Share)	46				46			46			46			46
Replacement Reserve (Inc. Recycling)	0				0			0			0			0
Shared Services (Severance Costs)	311			(311)	0			0			0			0
Utilities Reserve	0			1,053	1,053		(351)	702		(351)	351		(351)	0
Covid-19 (General Covid Grant)	1,177			(1,177)	0			0			0			0
Covid-19 Sales Fees and Charges	576			(576)	0			0			0			0
Covid-19 (Collection Fund)	3,094		(1,547)		1,547		(1,547)	0			0			0
<b>Total General Fund</b>	<b>12,093</b>	<b>0</b>	<b>(1,547)</b>	<b>0</b>	<b>7,864</b>	<b>638</b>	<b>(2,173)</b>	<b>6,329</b>	<b>0</b>	<b>(476)</b>	<b>5,853</b>	<b>0</b>	<b>(351)</b>	<b>5,502</b>

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### Quarter 1 2023-24 – Financial and Performance Report

Relevant Portfolio Holder	Councillor Hotham – 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 consulted	Councillor(s)	No
Relevant Purpose(s)	Strategic	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 and 4 of Part I of Schedule 12A to the Local Government Act 1972, as amended		

## 1. RECOMMENDATIONS

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

- 1) **The current financial position in relation to Revenue and Capital Budgets for the period April to June and the full year overspend position following the application of reserves of £437k be noted;**
- 2) **Those procurements over £50k due to be delivered during 2023/24 be added to the forward plan;**
- 3) **The Q1 Performance data for the Period April to June 2023 be noted.**

**That Cabinet is asked to RECOMMEND to Council**

- 4) **Allocating £351k from the Utilities Reserve to part mitigate the overspend position in 2023/4.**
- 5) **Changes to the Capital Programme as set out in para 3.13 with an ongoing revenue cost of £40k, £17k fleet replacement, £13k Wheely Bins and £10k wild flowers equipment.**
- 6) **Approving the £11.0k increase to the Engineering Services base budget in 2023/4 from reserves and including this change in the 2024/25 Medium Term Financial Plan.**
- 7) **That the Key Decision Threshold is raised to £200k with the additional controls for expenditure between £50k and £200k as**

set out in Paragraph 3.21. and that on a quarterly basis a “Approval to Spend Report” will be provided to Cabinet which sets out the Council’s Procurement Pipeline for approval

- This report will identify spending with suppliers over the £200k limit to ensure this spending is converted to properly contracted expenditure.
- The “Approval to Spend Report” report also provides a list of all procurement between £50k and £200k, which Cabinet can request further detail and subject to additional scrutiny where they see fit.
- That items from the initial pipeline report at the appropriate Key Decision level, as set out in Appendix E, are added to the forward plan.

## **2. BACKGROUND**

- 2.1 This report presents at Quarter 1 (April – June) 2023/24
- the Council’s forecast outturn revenue monitoring position for 2023/24 based on data to the end of Quarter 1
  - An update on progress on the 2023/24 budget process
  - Procurement pipeline projects (over £50k)
  - 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.
- 2.2 The 2022/23 Financial Outturn position is also being presented to Cabinet in September. Both reports will need to be read to give an overall view of the financial position as the 2022/23 Outturn Report
- Will directly affect reserve levels.
  - Will set out the final Capital budgets coming forward into 2023/24 by project.

## **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 1, the projected revenue outturn position for the 2022/23 financial year and explains key variances against budget.
- 3.2 The £11.9m full year revenue budget included in the table below is the budget that was approved by Council in March 2023.

Service Description	2023-24 Approved Budget	2023-24 Approved Budget Q1	Payroll Assumptions	Utilities & Vehicle Hire Assumption	Q1 Adjusted Spend	Q1 Variance to Budget	Full Year Variance to Budget
Business Transformation and Organisational Development	1,813,586	453,397	12,800		466,197	12,801	51,202
Community and Housing GF Services	1,102,638	275,660	2,900		278,560	2,901	11,602
Corporate Services	1,446,605	361,651	3,300		364,951	3,300	13,199
Environmental Services	3,410,080	852,520	108,800	43,750	1,005,070	152,550	610,200
Finance and Customer Services	1,401,756	350,439	21,000		371,439	21,000	84,000
Legal, Democratic and Property Services	1,181,962	295,491	17,400	-26,250	286,640	-8,851	-35,402
Planning, Regeneration and Leisure Services	1,349,503	337,376	13,300		350,676	13,300	53,201
Regulatory Client	239,870	59,968	0		59,968	0	0
Starting Well	0	0	0		0	0	0
	<b>11,946,000</b>	<b>2,986,500</b>	<b>179,500</b>	<b>17,500</b>	<b>3,123,533</b>	<b>197,001</b>	<b>788,002</b>
Corporate Financing	-11,946,000	-2,986,500	0	0	-2,986,500	0	0
<b>Overall Total</b>	<b>0</b>	<b>0</b>	<b>179,500</b>	<b>17,500</b>	<b>137,033</b>	<b>197,001</b>	<b>788,002</b>

### *Budget Variances*

- 3.3 The draft position is set out in the above table. As this is expenditure at Q1 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 Q1 actual. The above profiles have assumed support services and grant are adjusted to budgetary levels and accruals are netted out of the figures.
- 3.4 In addition to this, it is also important to note that the Council is yet to close its accounts for the 2020/21, 2021/22 and 2022/23 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 (this work is being led by the Audit Standards and Governance Committee).
- 3.5 Overall, the Council is currently forecasting a revenue Overspend at Quarter 1 of £197k. This is due to the pay award yet to be ratified and additional fleet hire costs and projects to a full year overspend of £788k. 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 2023/24.
- 3.6 Vehicle Hire is definitely going to put a pressure on the revenue budgets this year, as the refurbishment project on our Refuse fleet is requiring vehicles on hire to continue the work. There have also been issues with the fleet unrelated to the refurbishment project that has resulted in higher rental costs as well overall this has a £175k full year impact on the budget.

- 3.7 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 is coming down but is still running at over 8% and will impact upon transport costs, utilities and contracts in particular.
  - Pay negotiations – a 2023/24 pay award similar to the 2022/23 £1,925 level per pay point plus on costs has been offered by the Employers. This is yet to be accepted by the Unions. The table at 3.2 gives the estimated impact of these changes.
  - It is estimated that utilities increases are running at 70%. In the 2023/24 budget we assumed a 100% increase in budget and also set up a reserve for the same amount. The table at 3.2 gives the estimated impact of these changes.
- 3.8 The full year effect of a £788k overspend will need to be mitigated. In our original MTFP assumptions for 2023-26 we set up a Utilities Reserve of £1,053k which we assume reduces by £351k a year to mitigate increased costs. Given that this increase has not happened to this magnitude it is proposed that the assumed yearly drawdown of £351k of this reserve is used to mitigate the overspend position. **This leaves a £437k overspend position.** The ongoing 2023/24 pay increases position, once it is finalised and ratified later this year would then need to be resolved as part of the 2024/25 MTFP process.

#### **Additional Funding Requirements**

- 3.9 There is a paper attached at **Appendix D** which sets out making permanent the temporary restructuring of the Environmental Services, Engineering and Design Team (EDT).

#### **Capital Monitoring**

- 3.10 A capital programme of £10.9m was approved in the Budget for 2023/24 in March 2023. Many of these schemes are already in partial delivery in the 2022/23 financial year. By approving this list, the Council also agreed sums not spent in 2022/23 (and 2021/22 by default if schemes originated earlier than 2022/23 as sums have been carried forward through to the 2021/22 MTFFS Report) to be carried forward into

2023/4. The table also splits amounts by funding source; Council or third party.

<b>Financial Year</b>	<b>Total Budget £000</b>	<b>Council Funded £000</b>	<b>External Funded £000</b>
2021/22	16,511	12,146	4,366
2022/23	8,126	1,485	6,641
2023/24	10,852	1,694	9,158
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- 3.11 Included in this funding the Council also have the following Grant Funded Schemes which are being delivered in 2023/24:
- The two Levelling Up schemes – Old Fire Station and Market which are funded via £14.5m of Government Funding, and the Council is funding £1.6m of works.
  - UK Shared Prosperity Schemes totalling £2.8m (although it should be noted that these grant funded schemes are a mix of capital and revenue).
  - The Burcot Lane development at £10.275m.
- 3.12 The spend at quarter 1 is £0.720m against the overall 2023/24 capital budget totalling £10.851m is detailed in Appendix A. It should be noted that as per the budget decision carry forwards of £2.843m will be added to this figure to take account of slippage from 2022/23.
- 3.13 The following changes are requested for approval (allowing for slippage as set out in 3.10 above):
- The update of Fleet Replacement costs. This is an increase of 94k in 22/23 and £15k in 25/26. Over a 10 year period the cost of this is £10.9k MRP plus interest at 5.63% of £6.1k is an additional cost of £17.0k per year.
  - Increase in wheely bin budget. The estimated spend on wheeled bins is likely to be closer to £150k based on previous expenditure. We have recently changed to Plastic bins for commercial which should bring that down a bit, but the overspend is likely to be in the region of £85k. Over a 10 year period the cost of this is £8.5k MRP plus interest at 5.63% of £4.8k is an additional cost of £13.3k per year.
  - New Capital budget for wildflowers equipment is added - £62,100 in 23/24. If this capital cost is reduced over a 10 year period the additional MRP is £6.2k per year and interest costs are £3.5k giving a total additional cost of £9.7k per year.

- 3.14 The detailed Capital Programmes (2021/22 to 2025/26) are set out in **Appendix A**.

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

- 3.15 The position as reported to Council in February 2023 as per the 2023/24 – 2025/26 Medium Term Financial Plan is shown in **Appendix B**. This is linked to the Outturn Report which is also coming to this Cabinet.
- 3.16 As was noted in paragraph 3.7 above, £351k of the utilities reserve was planned to be utilised in 2023/24 for increased costs. At the moment the increased costs are around 70% - not the 200% expected. However, the proposed pay award is significantly more than expected. Therefore it is requested that £351k of the utilities reserve is repurposed for this requirement in 2023/24. This still leaves £437k to be funded from the general fund to bring the overall position back to break even.

#### **Procurement**

- 3.17 A report came to Cabinet in June, which was debated at the Finance and Budget working Group on the 7<sup>th</sup> July requesting that:
- The Key Decision threshold is raised to £200k.
  - On a quarterly basis a report “the Approval to Spend Report” will be provided to Cabinet which sets out the Council’s Procurement Pipeline for approval to be included on the forward plan and an analysis of spending over the past 4 years to identify spending with suppliers over the £200k limit to ensure this spending is converted to properly contracted expenditure and rogue expenditure is dealt with.
  - That items from the initial pipeline report at the appropriate Key Decision level, as set out in **Appendix E**, are added to the forward plan.
- 3.18 Following debate at Council on the 19<sup>th</sup> July it was decided that more justification was required to increase Key Decision Limits from £50k to £200k and this will be presented to Cabinet and the next cycle of Council meetings in September.
- 3.19 The table in **Appendix E** sets out those procurements (Capital and Revenue) over £50k which are delegated for approval to Cabinet or Officers over the next year. It is proposed that these are added to the forward plan. There are 8 contracts over £50k in value that will be

entered onto the forward plan. For full transparency, 4 contracts under the £50k value are also shown as are 6 contracts where the full value is still being evaluated.

- 3.20 As the Council runs a shared service, a number of procurements that impact on Bromsgrove will be procured through Redditch. For reference these are also included in **Appendix F**.
- 3.21 In order to mitigate the issues set out in 3.18 above it is proposed that the following process is adopted in that the Key Decision Threshold is raise to £200k:
- The logic of this is for revenue expenditure using GCloud, contract lengths can be up to 4 years. As such this is the existing £50k limit expanded to the full term of revenue contracts. This new threshold will apply to all classes of delegated decision.
  - On a quarterly basis a report “the approval to spend report” will be provided to Executive which sets out from the Procurement Pipeline those procurements that should be talking place over the next year. This report will be refreshed every quarter and can be included once approved by Cabinet onto the ongoing forward plan.
  - That as part of this report an analysis of spending will be made of the past 3 years to identify spends with suppliers over the £200k limit to ensure this spending is converted to properly contracted expenditure.
  - The “Approval to Spend” report includes a list of all procurement between £50k-£200k. Members then have a listing of all procurements above the existing £50k limit up to the new limit of £200k coming up over the next year and are able to scrutinise any of those contracts if required.

### **Performance Report**

- 3.22 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.
- 3.23 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)

3.24 The Council has an approved Council Plan in place that was completed before the Covid-19 outbreak, the Council then developed the Council Plan Addendum to take the potential shift in priorities brought about by the pandemic into consideration. The current 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

3.25 **Appendix C** 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.

3.26 In addition, Appendix C also sets out Operational Service Measures.

#### **4. FINANCIAL IMPLICATIONS**

4.1 The financial implications are set out within this report.

#### **5. LEGAL IMPLICATIONS**

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

#### **6. STRATEGIC PURPOSES - IMPLICATIONS**

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

6.1 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**

- 6.2 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.

**7. OTHER IMPLICATIONS****Equalities and Diversity Implications**

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

**Operational Implications**

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

**8. RISK MANAGEMENT**

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

**9. APPENDICES and BACKGROUND PAPERS**

Appendix A – Capital Programme

Appendix B – Reserves Position

Appendix C - Strategic and Operational Performance Measures

Appendix D – Engineering Services Restructure Report – This appendix contains exempt information as defined in Paragraph 3 and 4 of Part I of Schedule 12A to the Local Government Act 1972, as amended

Appendix E – Procurement Pipeline (over £50K) - This appendix contains exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, as amended

Appendix F – Procurement Pipeline (procured in Redditch for Shared Services with Bromsgrove) - This appendix contains exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, as amended

**10. REPORT SIGN OFF**

<b>Department</b>	<b>Name and Job Title</b>	<b>Date</b>
Portfolio Holder	Councillor Charlie Hotham,	
Lead Director / Head of Service	Peter Carpenter, Interim Director of Finance	
Financial Services	Michelle Howell, Head of Finance and Customer Services	
Legal Services		
Policy Team (if equalities implications apply)		
Climate Change Officer (if climate change implications apply)		



**BROMSGROVE DISTRICT COUNCIL**

18<sup>th</sup> October 2023

**CABINET**

Description	Approved budget date	Original approved Budget £	duration (years)	Department	Funding detail	21/22 Spend £	2022/23 Total £	22/23 Spend £	c/f	2023/24 Total £	22/23 Spend Q1 £	2024/25 Total £	2025/26 Total £
Replacement Parking machines	2020/21	120,000		Environmental Services	Capital Receipts/Borrowing	196,000	253,000	123,985	129,015	96,000	9,287	421,000	0
Wheelie Bin Purchase	2018/19	ongoing		Environmental Services	Capital Receipts/Borrowing	102,000	144,000	169,034	-25,034	55,000	105,103	60,000	60,000
Footpaths		ongoing		Environmental Services	Borrowing				0	75,000		75,000	75,000
Buildings		Ongoing		Legal and Property	Borrowing				0	100,000		100,000	100,000
Bittell road recreation ground	2020/21	62,000		Planning, Regeneration & Leisure Services	S106 B/2011/0741 Land at Fiery Hill, Barnt Green / 18k balances	17,000	0		0	0		0	0
Salix	2020/21	615,000		Legal, Democratic and property services	Grants & Contributions	65,000	0	533,193	-533,193	0		0	0
Greener Homes	2020/21	180,000	1	Community & Housing GF Services	Grants & Contributions	-227,000	0	192,053	-192,053	0	0	0	0
Hagley Scouts				Planning, Regeneration & Leisure Services	Capital Receipts/Borrowing	35,000	0		0	0		0	0
Bromsgrove Sporting Car Park Improvements - Oakalls					Loan	4,000		46,133	-46,133				
Woodrush High Schools						8,000			0				
Rubery Redevelopment Works				Planning, Regeneration & Leisure Services		134,000			0				
Sanders Park dda play provision	2017/18	56,080		Planning, Regeneration & Leisure Services	Capital Receipts/Borrowing	0	0	9,550	-9,550	0	1,900	0	0
					S106 14/0755 Kidderminster Road and S106 13/0422 Meadows first school	0	0		0	0		0	0
New Digital Service	2020/21	57,400	1	Community & Housing GF Services	Borrowing	0	33,668		33,668	33,668		0	0
Bus Shelters	2020/21	18,000		Environmental Services	Borrowing	0	18,000		18,000	0		0	0

**BROMSGROVE DISTRICT COUNCIL**

**18<sup>th</sup> October 2023**

**CABINET**

Description	Approved budget date	Original approved Budget £	duration (years)	Department	Funding detail	21/22 Spend £	2022/23 Total £	22/23 Spend £	c/f	2023/24 Total £	22/23 Spend Q1 £	2024/25 Total £	2025/26 Total £
Fleet Management Computer System	2020/21	17,000		Environmental Services	Borrowing	0	0		0	0		0	0
Environmental Services Computer System	2020/21	38,200		Environmental Services	Borrowing	0	0		0	0		0	0
Cisco Network Update	22/23		3	Business transformation & Organisational Development	Borrowing	0	5,717	18,573	-12,856	11,574		0	34,877
Server Replacement Est(Exact known Q2 2022)	22/23		4	Business transformation & Organisational Development	Borrowing	0	83,250	0	83,250	2,000	78,451	177,500	18,500
Laptop Refresh	22/23		4	Business transformation & Organisational Development	Borrowing	0	5,000	4,961	39	25,000	3,693	150,000	5,000
Town Deal - Innovation Centre	22/23			Business transformation & Organisational Development	Town Deal	0			0				
Town Deal - Public Realm	22/23			Business transformation & Organisational Development	Town Deal	0			0				
Town Deal - Library	22/23			Business transformation & Organisational Development	Town Deal	0			0				
Market Hall (LUF)	22/23			Business transformation & Organisational Development	Levelling Up Fund	0			0				
Sanders Park	22/23			Planning, Regeneration & Leisure Services	S106	0		24,511	-24,511				
Play Area, POS and Sport improvements at Lickey End Recreation Ground in accordance with the S106 Agreement	22/23	37,956	1	Planning, Regeneration & Leisure Services	S106 19/0137/FUL	0	37,956	6,488	31,468	0		0	0
BDC Combined F/Path & Cycle	2018/19	390,000		Environmental Services	Grants & Contributions	0	0		0	0		0	0
Barnt Green Millenium Park - Toilet				Planning, Regeneration & Leisure Services	S106 B/2011/0741 - Land at Fiery Hill, Barnt Green / 18k balances	0	0		0	0		0	1,597,377
<b>Total</b>		<b>424,000</b>				<b>4,675,000</b>	<b>13,099,616</b>	<b>10,256,330</b>	<b>2,843,286</b>	<b>10,851,723</b>	<b>720,218</b>	<b>4,920,715</b>	<b>3,155,755</b>

**BROMSGROVE DISTRICT COUNCIL**

18<sup>th</sup> October 2023

**CABINET**

**Appendix B – Reserves Position**

	Balance at 31/3/22	Transf In 2022/23	Transf out 2022/23	Re-baseline 2022/23	Balance at 31/3/23	Transf in 2023/24	Transf out 2023/24	Balance at 31/3/24	Transf in 2024/25	Transf out 2024/25	Balance at 31/3/25	Transf in 2025/26	Transf out 2025/26	Balance at 31/3/26
<b>General Fund Reserve</b>	<b>4,485</b>		(1,367)	2,682	<b>5,800</b>	100	(250)	<b>5,650</b>	244	0	<b>5,894</b>	200	(431)	<b>5,663</b>
<b>General Fund Earmarked</b>														
Building Control Other	7			(7)	0			0			0			0
Building Control Partnerships	82				82			82			82			82
Business Transformation	0				0			0			0			0
Commercialism	0				0			0			0			0
Community Safety	0				0			0			0			0
Community Services	271				271		(125)	146		(125)	21			21
Economic Regeneration	998			(600)	398			398			398			398
Election Services	51				51			51			51			51
Environmental Services	49				49			49			49			49
Financial Services	4,345		0	(1,000)	3,345	638	(150)	3,833			3,833			3,833
Housing Schemes	346				346			346			346			346
ICT/Systems	197				197			197			197			197
Leisure/Community Safety	330				330			330			330			330
Litigation Reserve	0				0			0			0			0
Local Development Framework	0				0			0			0			0
Local Neighbourhood Partnerships	16				16			16			16			16
Other	64			(64)	0			0			0			0
Planning & Regeneration	133				133			133			133			133
Regulatory Services (Partner Share)	46				46			46			46			46
Replacement Reserve (Inc. Recycling)	0				0			0			0			0
Shared Services (Severance Costs)	311			(311)	0			0			0			0
Utilities Reserve	0			1,053	1,053		(351)	702		(351)	351		(351)	0
Covid-19 (General Covid Grant)	1,177			(1,177)	0			0			0			0
Covid-19 Sales Fees and Charges	576			(576)	0			0			0			0
Covid-19 (Collection Fund)	3,094		(1,547)		1,547		(1,547)	0			0			0
<b>Total General Fund</b>	<b>12,093</b>	<b>0</b>	<b>(1,547)</b>	<b>0</b>	<b>7,864</b>	<b>638</b>	<b>(2,173)</b>	<b>6,329</b>	<b>0</b>	<b>(476)</b>	<b>5,853</b>	<b>0</b>	<b>(351)</b>	<b>5,502</b>

### Appendix C - Strategic and Operational Performance Measures

#### 1. Introduction

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.

#### 2. Background

The performance measures for the current key 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

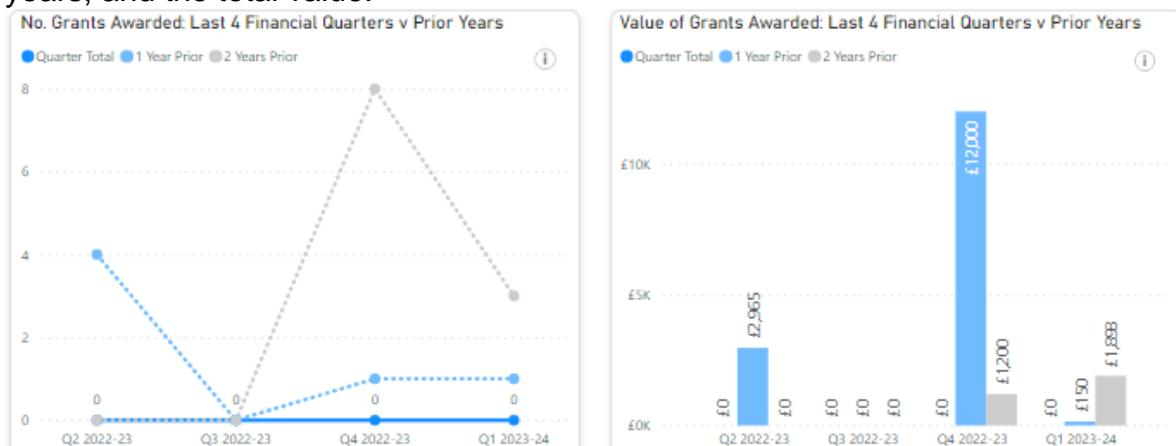
Opportunities in the digital technology sector and green industries are key to the future of Bromsgrove. Local businesses demonstrated their resilience and flexibility during the Covid-19 pandemic. The council supported businesses started during the pandemic as well as existing businesses, that identified growth opportunities. This was 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 including two prior years, and the total value.



#### Update

No start-up grants were awarded this quarter as the ERDF programmes have closed and the Council is moving to UKSPF funded programmes. The new start-up programme is scheduled to open in Q2 (soft launch August, formal launch September) so it is unlikely that there will be any grants paid until Q3.

#### Growth Grants



#### Update

This quarter, grants were awarded for investment in technology, growth projects and product / process development. The businesses receiving grants were a training company, a manufacturer, and a digital marketing company.

#### 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 has been prepared to ensure all of the centres in Bromsgrove District will be as vibrant and viable as possible.

#### Performance Measure:

Former Market Hall Project

- o Design reviewed following FRA recommendations.
- o RIBA Stage 3 due to complete July 2023.
- o Planning application - Target date is August 2023

#### Update

Worcester based architects One Creative Ltd were appointed as the multi-disciplinary design team, bringing with them the disciplines of Lead/Principal designer, Landscape Architecture, Structural Engineering, Civil Engineering, MEP Design, Principal Designer, Fire Engineering and Sustainability.

#### Performance measure:

Windsor Street Project

Project consists of the acquisition, demolition, decontamination and remediation of this key abandoned/ brownfield site, which has been vacant for 5 years.

- o Key risk is cost being higher than previous estimates and budget allocation – due to presence of asbestos, and extent of PFAS contamination.
- o Existing building surveys are now complete.
- o Survey results are due early August.

#### Update

Currently pending the appointment of a consultant Project Management team to take forward the delivery of the project, from August 2023

### 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. To better inform the list of schemes funding has been secured by WCC for a Local Cycling and Walking infrastructure Plan (LCWIP), planning officers have reviewed the brief for this work and discussed with WCC.

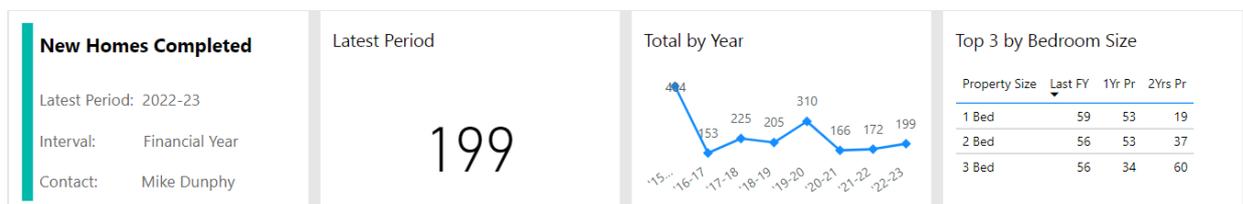
Actions: Will be liaising with WCC appointed consultants.

### 3.2 Housing Growth

During 2023/24 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.



The final data for the 2022/23 is:

- Total Homes Built (including affordable) -199 (net)
- Total affordable homes built - 55 (net)

**Performance measure:**

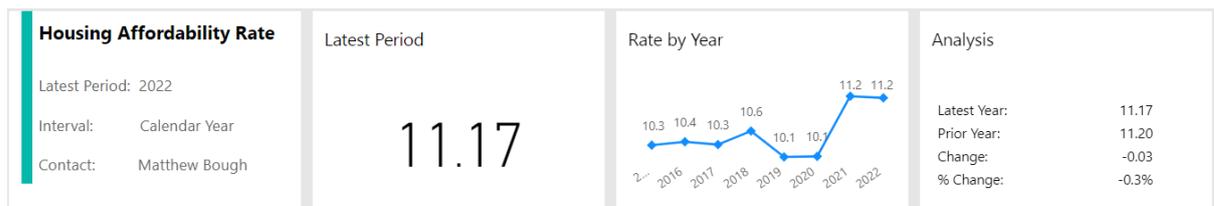
- Affordable Homes Completed



There are 498 affordable housing commitments as of 1 April 2023, reflecting the number of strategic sites which have gained consent but not started construction.

**Performance measure:**

- Local housing affordability rate (annual, calendar year, 1 year lag)



**Update**

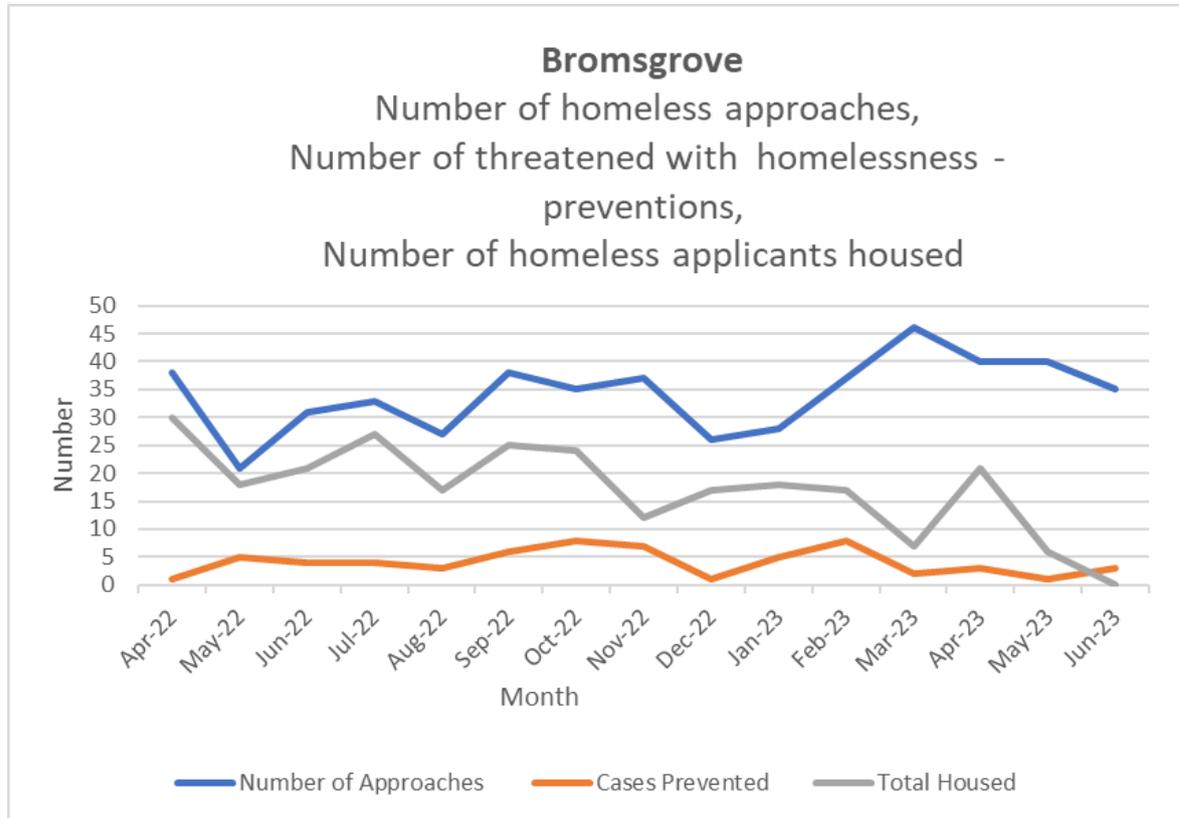
The data in the table below has been extracted from the Office for National Statistics (ONS) house price statistics for small areas, annual survey of hours, and earnings.

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 (year ending Sept 2022) Bromsgrove has a work based median at £29,285. The median house price in Bromsgrove is relatively high at £327,000. 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 RPs to bring forward affordable housing. A “First Homes” policy with a local connection criteria was approved by Council in October 2022 to ensure these discounted homes are provided for local applicants in the first instance.

**Performance measure**

- Number of homeless approaches
- Number of threatened with homelessness preventions.
- Number of homeless applicants housed.



**Update**

Homelessness pressures have remained similar to the last quarter of 22/23. The ability to prevent homelessness and obtain housing in the PRS still remains an area that is impacting on homelessness in line with the national picture due to the cost of living and mortgage costs causing landlords to increase rents or evict tenants.

**3.3. Work and Financial Independence**

In 2023/24, we will continue to 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.

#### Update

The top five referral reasons (where a value has been provided) for the last 12 months are:

- 'Under occupancy charge' (38)
- 'Ukraine Sponsor' (26)
- 'Other' (25)
- 'Debt' (23)
- 'No value' (22) - excluded from top 5 reasons.
- 'Budgeting issues' (17)



For Q1 2023/24, the top referral reasons were:

- 'Debt' (8)
- 'No value' (8) - excluded from top 3 reasons.
- 'Other' (6)
- 'Under occupancy charge' (6)

The Assistant Financial Support Manager is currently consulting with the communications team to promote the Financial Inclusion Team where possible, so those in need are aware of the service.

#### Performance measure

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

#### Update

Although data is shared termly (with a lag) from Worcestershire County Council, this has been inconsistent. Work is ongoing to improve the regularity of the supply of data. There is no additional data for the current quarter.

Term	% 2-year-olds accessing funding
Summer 2019/20	76%
Summer 2020/21	71%
Summer 2021/22	74%
Spring 2022/23	62%

The take up of nursery places supports parents in taking up work and the two-year-old funding considers vulnerable families to try and support reducing the early years attainment gap. In respect of the above, Bromsgrove performance has decreased. The County average was 77.3% for Spring Term 2023. The overall national average for 2022 was 72%.

Previously we received a list from Worcestershire Children First so we could contact families who had applied for 2-year-old funding but had not processed their application. Unfortunately, there is an ongoing issue between our commissioners (WCC Public Health/ H&W Health and Care Trust) and Worcestershire Children’s First WCF) Early Years. The DWP created an information sharing agreement which currently prevents WCF sharing the DWP list with us, this is yet to be resolved.

We continue to promote childcare funding at all our community events with a particular focus on 2-year-old funding and school readiness to encourage those eligible to take up the funding. We promote on our website and social media pages and with any families we encounter who may be eligible.

### **3.4. Improved Health and Wellbeing**

In 2023/24 we will continue to 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 by implementing the Leisure Strategy

**Update**

The short-term recommendations in the Leisure Strategy run to October 2026. Most are underway. Further Leisure Reports will be presented to members this municipal year.

**Performance measure**

- Number of Community Builders in post.

**Update**

- There are currently two in post:
  - Catshill
  - Rubery

Asset Based Community Development (ABCD) is an approach built on tried and tested methods from sustainable community development practice. 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.

The Bromsgrove and Redditch Shared Learning Network continues to meet, 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. The most recent meeting fed back on very successful Christmas events, which included community meals and targeted work at the cemeteries in Catshill.

Community Builders are on fixed term contracts, but funding has been confirmed to extend the posts until end of March 2025. The longer-term aim remains that 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

During Q1 2023/24 (Apr-Jun) a total of 131 young people were engaged via the Outreach Youth Work.

Apr - Routine patrols carried out in known areas of concern in Bromsgrove Central, Sanders Park, Sidemoor and Charford. Young people were engaged, and informal social education was provided on-street around issues such as school attendance, drugs and alcohol. Young people were signposted to local youth provision and support services.

May - Routine patrols were carried out in Sanders Park with advice and signposting to local support services provided.

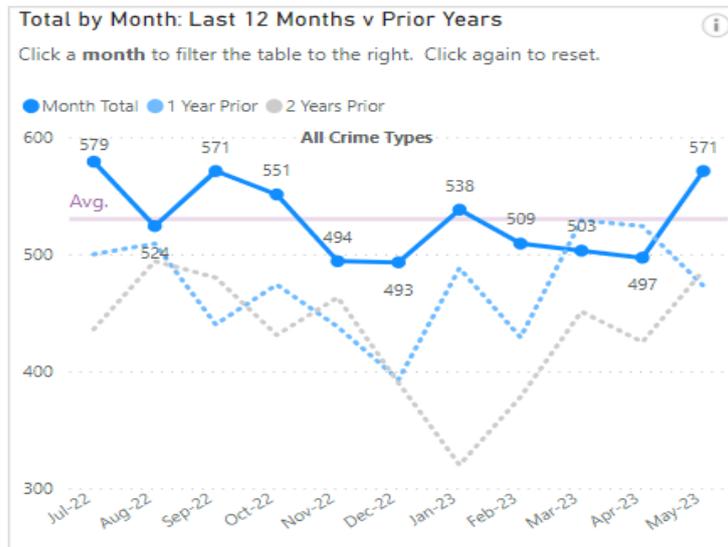
Jun - Young people were engaged during routine patrols in Bromsgrove Central and Sanders Park. Youth workers provided on-street informal social education on various subjects raised by the young people. Youth workers continued to provide support to the Street Pastors night-time economy patrols on Friday nights/early Saturday mornings. All patrols in June were very quiet with reduced numbers of all age groups in the Town Centre and surrounding areas.

**Performance measure**

- Levels of crime. (Up to and including May 2023)

**Update**

Data extracted from 'data.police.uk' below – there is a lag in data reporting.



Crime Type	Total	% of Total	v 1 Mth Prior	v 1 Yr Prior	12 Mth. Avg.
Violence and sexual off...	2,484	39.1%	35 ↑	17 ↑	207.0
Other theft	680	10.7%	0 —	127 ↑	56.7
Shoplifting	625	9.8%	18 ↑	269 ↑	52.1
Criminal damage and a...	602	9.5%	2 ↑	105 ↑	50.2
Public order	581	9.1%	-3 ↓	81 ↑	48.4
Vehicle crime	499	7.9%	-3 ↓	19 ↑	41.6
Burglary	431	6.8%	21 ↑	38 ↑	35.9
Drugs	126	2.0%	-4 ↓	-2 ↓	10.5
Other crime	123	1.9%	-2 ↓	17 ↑	10.3
Possession of weapons	80	1.3%	0 —	12 ↑	6.7
Robbery	70	1.1%	3 ↑	28 ↑	5.8
Bicycle theft	32	0.5%	4 ↑	9 ↑	2.7
Theft from the person	21	0.3%	3 ↑	-4 ↓	1.8
<b>Total</b>	<b>6,354</b>	<b>100.0%</b>	<b>74</b>	<b>716</b>	<b>529.5</b>

On average there has been a predicted increase in crime trends in 2022/23 compared to 2021/22 where multiple months had varied stages of COVID lockdowns in place. North Worcestershire saw increases (8%) across all crime types up to April 2023. This quarter (April – June 2023) has seen slight increases in ‘violence with injury’, ‘shoplifting’ and ‘criminal damage’ when compared to Qtr4 (Jan – March 2023). Increases were also seen in public order offences although this was a predicted rise following recording changes to ASB reporting. In Bromsgrove the Ward with the highest number of offences in 2023 was Sanders Park which contains Bromsgrove Town Centre. Other areas with increases were Belbroughton, Romsley and Catshill North.

### ASB (up to and including May 2023)



### Update

Data extracted from 'data.police.uk' below – there is a lag in data reporting ASB reports have been decreasing, almost certainly due to a recording change in Feb 2022 which reclassified some ASB incidents to Public Order offences. Since the change there has been little impact on ASB trends with predicted seasonal increases in the summer months. In Bromsgrove in 2023 increased numbers of reports were seen in Sanders Park Ward, Bromsgrove Central, Sidemoor and Charford.

### Performance measure

- Number of crime risk surveys carried out.  
(New measure from April 2022)

	No. Surveys 2022/23	No. Surveys 2023/24
<b>Q1</b>	<b>8</b>	<b>12</b>
<b>Q2</b>	<b>8</b>	
<b>Q3</b>	<b>5</b>	
<b>Q4</b>	<b>8</b>	

### Update

A total of 12 surveys were undertaken in the first quarter of 2023/24:  
Apr - Detailed written crime prevention recommendations were provided for a planning application in Alvechurch. Crime risk advice and recommendations were provided to a multi-agency meeting regarding defending against illegal land incursions following an incursion in Bromsgrove Central. Crime prevention advice was also provided for the specific incident.

May - Detailed written crime prevention recommendations were provided for planning applications in Belbroughton and Romsley and Bromsgrove Central. Crime prevention advice was provided following ASB reports in Rock Hill, Rubery North, Catshill North and Sidemoor. Issues included cannabis smells, inconsiderate parking and youth ASB and relevant signposting and security advice was provided.

Jun - Detailed written crime prevention recommendations were provided for planning applications in Sanders Park and Rubery South. Crime Risk advice was provided to a multi-agency meeting regarding an insecure location in Wythall West. Further liaison was carried out with relevant service areas and the resident affected, who advised that they were satisfied with the information provided.

### 3.6 SLM Leisure (Everyone Active)

#### Update

For SLM Leisure there is a lag in the data; as a result, quarter 4 data and comments can be found below; Q1 information will be available for the Q2 report.

Q4 saw another gain in gym memberships and the brand continues to grow. There was the expected influx of members from the Christmas and new year period which help increase the overall gains in memberships. The emphasis now is to maintain our membership base and reduce attrition. New Gym Introduction sessions have been introduced in an attempt to engage more with customers.

The Swim Scheme as expected took the major impact of the pool closure. The numbers show a slight decrease this quarter but do not show the freezes and cancellations that took place.

Category	Quarter Total	Same quarter previous year	+/-
Total no. of visits including EA cards and non-card holders	114,271	113,610	661
EA Cards added in this period	1,738	2,092	-354
Total EA Cards to date	67,043	60,284	6,759
No. of Gym members	2,859	2,729	130
Swimming Lessons – children enrolled on scheme	1,572	1,602	-30
Swim Lesson Occupancy	85%	88%	-3%
RIDDOR Reportable Events			0

Bromsgrove LC	2021/22		+/- %		2022/23	
	Fitness	Swim	Fitness	Swim	Fitness	Swim
1st Quarter April- June	2,172	1,454	1%	44%	2,536	1,625
2nd Quarter July-September	2,339	1,752	14%	46%	2,762	1,749
3rd Quarter October - December	2,294	1,587	16%	34%	2,669	1,523
4th Quarter January - March	2,729	1,602	0%	0%	2,859	1,572
<b>Yearly Average</b>	<b>2,384</b>	<b>1,599</b>	<b>54%</b>	<b>89%</b>	<b>2,707</b>	<b>1,617</b>

### 3.7. Green Thread

There continues to be a 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 Act.

#### Performance Measure:

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

#### Update

Nottingham City Council, through their government funding grant to undertake a review of its fleet, is providing an external consultancy service to the council. Officers have been working with Nottingham City Council and have now received a copy of their report which will be used to create the basis of the fleet replacement programme report that will go to CMT in readiness for Cabinet in the Autumn.

#### Performance Measure:

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

#### Update

Hydrogenated Vegetable Oil (HVO) has seen a severe increase in cost due to external influences such as the war in Ukraine. Due to this large increase in costs, and the wider financial pressures on the Council, Environmental Services have reverted back to using diesel for the vehicle fleet and will continue to monitor costs until they stabilise and settle down. Prices for HVO fuel remain high until prices reduce we will continue to use standard diesel.

#### Performance measure

- Households supported by the Council's energy advice service

Period	Households
2019/20 (09/19-03/20 only)	31
2020/21	41
2021/22	90
2022/23 (part year)	385

Period	Households
<b>Q1 2023/24</b>	<b>137</b>

### Update

Due to issues with data gathering, the data for 2022/23 only covers part of the year. In the first quarter of 2023/24 a total of 137 households received energy advice and guidance from Act on Energy. Of these, 4 received home visits due to vulnerability and 6 were provided with support through Warm Home Discount and Severn Trent Big Difference Scheme.

### 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 (included as an earlier section of this Report)

- Financial performance – actuals consistent with budget (overspend mitigated)
- Levelling Up Fund Project delivered within budget.

### 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. There are currently 33 strategic measures available via the dashboards. Work is also being undertaken on a number of operational measures.

#### Performance measure

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

#### Update

This new measure is aligned with the ongoing agile project; we are continuing to work to devise an effective method of data capture. The Agile Policy has now been launched across the organisation.

### 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

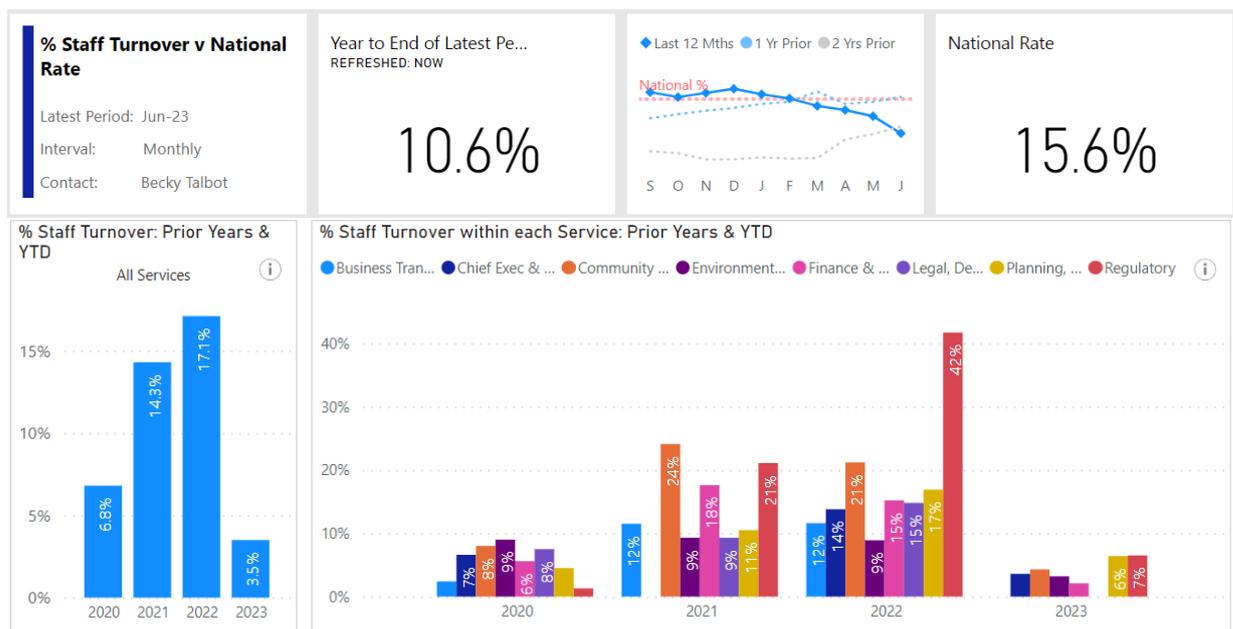
- % Of employees who undertake management training.

#### 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 late 2023.

#### Performance measure

- **Staff turnover rates in relation to national rates**



#### Update

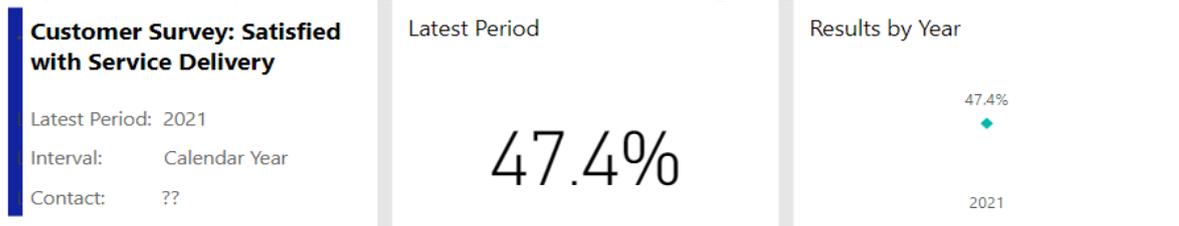
Since January 2023, it can be seen there has been a continued improvement in turnover rates which brings the authority under the national average. We will be launching a process for exit interviews before the next quarterly report cycle. We will utilise this data to further understand context and undertake necessary actions.

#### Performance measure

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

#### Update

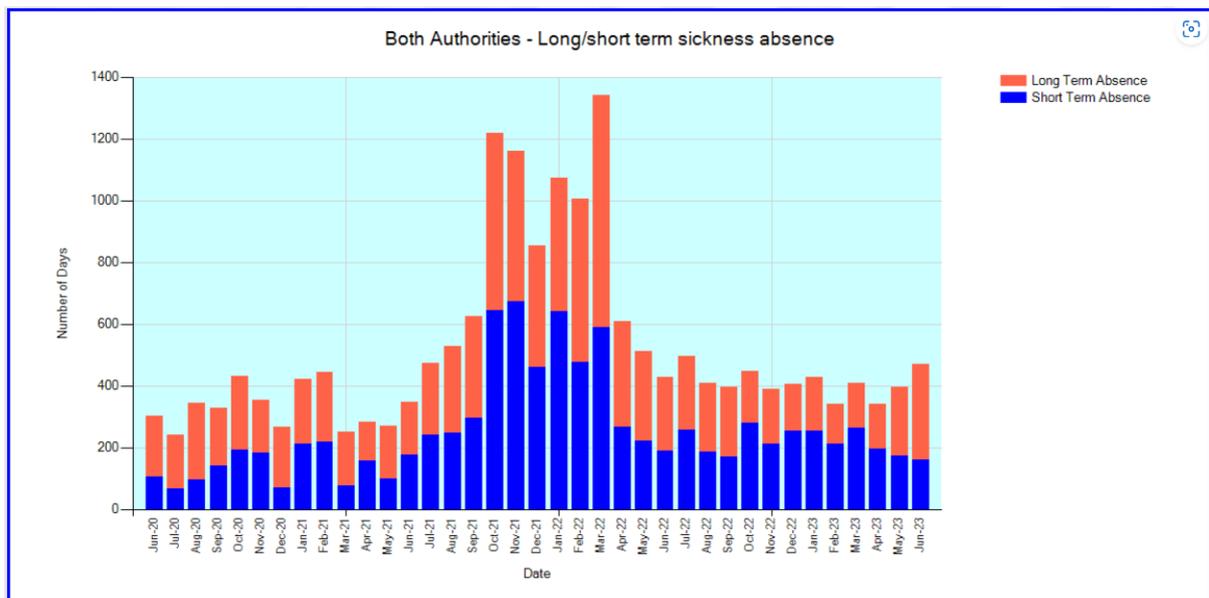
This is an annual measure. Data is extracted from the annual community survey. 2021 was the first year the public were asked about their level of satisfaction with the way the council delivers its services. National satisfaction with LA's, according to the Local Government Chronicle is currently at 40%. The 2022 survey was carried out in October/November 2022. The top lines have been reported to CMT and will be reported to members in due course; they will also be published on the Council's webpages.



#### 4. Operational Measures

##### 4.1 Corporate Performance measure

- Sickness absence



#### Update

The year end (2022-23) days lost per FTE is 7.04, lower than the previous year of 12.02 (national average in 2022 was 5.7 days per FTE); the national average date for year-end 2023 is not yet available. We are currently undertaking a fundamental review of the data source, data capture and data calculation, in order to utilise the increased functionality of PowerBI which will enhance both the overview and more in-depth analysis for this measure and in turn enable actions from the understanding gained.

#### Actions:

- Review of the data source, to include training where needed.

- Review of the absence reasons reported under in comparison to national data.
- Review of how the data is analysed and presented to managers.

#### 4.2 Environmental Services

##### Domestic Waste Collection

###### Performance Measure:

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

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2021/22	44.4	49.24	59.99	57.58	49.75	48.45	36.71	50.72	50.87	39.59	33.89	42.89
2022/23	46.69	55.59	57.51	55.97	45.18	46.41	49.69	50.63	46.41	33.7	37.34	43.16
2023/24	50.74	57.4	54.66									

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 2021/22 Bromsgrove was ranked 173<sup>rd</sup>, increasing from 175<sup>th</sup> in 2020/21 (2022/23 rankings not yet published).

Dry recycling tonnages actually dropped slightly, but there was a noticeable drop in Residual Waste Tonnages during the first quarter of 2023/24 as well, and this is believed to be related to the cost of living on households which has changed spending habits as households try to avoid unnecessary waste due to the cost of food and goods.

Garden waste also saw higher tonnages as the start of the growing season saw higher volumes collected.

###### Actions:

Discussions are being had with our neighbouring Worcestershire Authorities about how we can increase our resources collectively to support more proactive engagement with residents to educate on waste reduction and effective use of our services, as we still have regular contamination of our recycling with non-recyclable items. Work is also on-going to consider the future of waste collection services alongside new legislative requirements that will see the introduction of a weekly food waste collection and potential changes to how we manage both residual waste and dry recycling. We are also fitting new banners to the side of our refuse collection fleet during July/August to highlight the issue of food waste as part of a joint campaign with Worcestershire County Council, and have resources available via our website to support households in using our services and reducing waste: <https://www.worcestershire.gov.uk/lets-waste-less> .

###### Performance Measure:

- **Residual Waste per household (kg)**

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2021/22	50.01	38.81	39.35	38.16	40.89	45.06	41.5	39.36	35.86	39.86	35.58	49.26
2022/23	42.43	37.22	37.28	31.36	41.03	42.83	34.2	39.64	32.76	41.78	32.59	42.08
2023/24	33.19	35.75	34.51									

This measures non-recyclable waste thrown away per household and shows a marked reduction per household when compared with the previous two years, which is a positive trend for sustainability but may be due to financial pressures on households as much as greater awareness of the environmental benefits of reducing our waste.

Waste Composition Analysis was carried out across the district to sample waste during 2022 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 further recycling. In the samples taken, up to 18% of the residual waste put out for collection could have been collected as recycling, and up to 35% of the residual waste was food waste (45% of that was still in its packaging unused). This information is being considered as part of the wider Task and Finish project to consider future options for how we collect our residents waste in the future.

**Actions:**

As per comment on percentage of household waste sent for recycling and reuse.

**Performance Measure:**

- Fly Tipping

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.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
2021/22	182	113	131	104	147	103	56	76	84	75	85	125	1281
2022/23	102	85	119	96	98	109	94	89	66	105	111	119	1193
2023/24	110	124	131										365

**Actions:**

Our Enforcement Officer is currently updating our signage to support the work to deter this across the district, and cameras are still being deployed in hotspot areas to identify those responsible. We are currently unable to issue additional FPN's as we are unable to confirm if payment has been received, which is limiting our ability to escalate issues where appropriate. This is being resolved with the Finance team currently and we are expecting to issue them again where appropriate from August, using an invoice reference linked to the FPN to support payments.

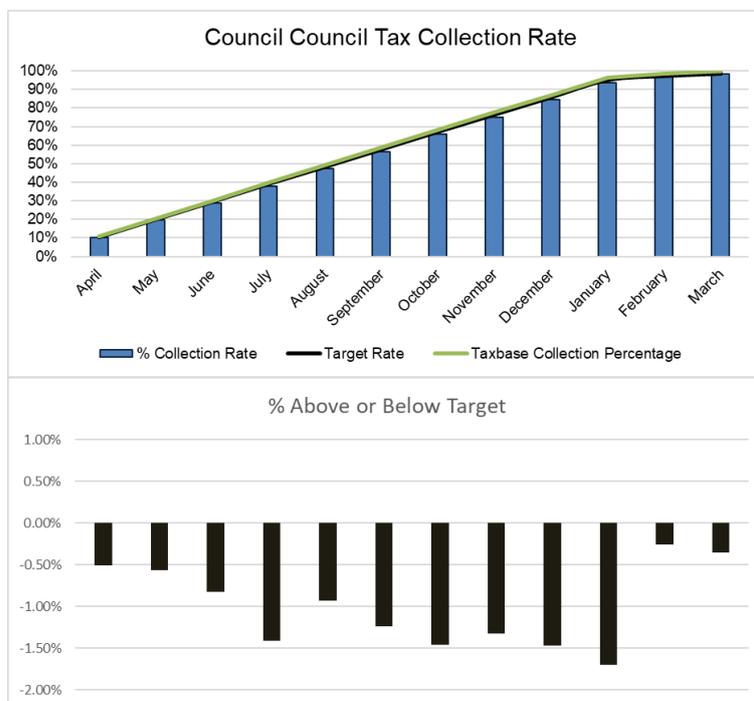
### 4.3 Finance and Customer Services (inc Revenues & Benefits)

#### Performance measure

- Council Tax Collection Rate

The data remains as Quarter 4 2022/23 data. Revenues cannot accurately produce the updated information due to batch scheduling having stopped working within Civica-OpenRevenues; this issue is waiting to be addressed and is currently within the escalation process.

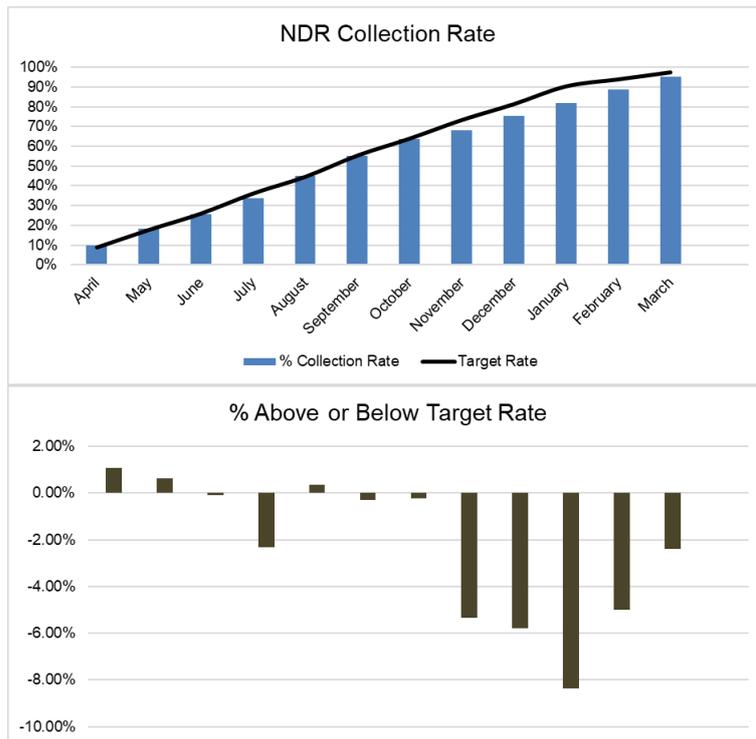
The OpenRevenue system includes software titled "Civica Automation" - which is batch scheduling tool that is able to automate linear tasks. There was an issue with one of the process maps in April and the process maps have been switched off.



#### Performance measure

- NDR Collection Rate

The data remains as Quarter 4 2022/23 data. Revenues cannot accurately produce the updated information due to batch scheduling having stopped working within Civica-OpenRevenues; this issue is waiting to be addressed and is currently within the escalation process.



**Performance measure**

- Revenues Processing

Month	Completed Items	Completed < 7 Days	Completed < 14 Days	Completed < 21 days	Completed < 28 Days	Completed > 28 days	Outstanding Documents
Apr-22	2082	588	301	308	517	368	1869
May-22	1659	409	230	138	75	807	2044
Jun-22	2115	442	239	152	201	1081	2031
Jul-22	2107	393	253	202	293	966	1605
Aug-22	1340	325	182	148	429	256	1421
Sep-22	2408	692	402	222	445	647	1430
Oct-22	3324	1070	675	338	537	704	1402
Nov-22	2778	1052	546	232	192	756	1399
Dec-22	2150	879	350	135	114	672	1270
Jan-23	3231	1391	361	234	215	1030	928
Feb-23	3376	1848	289	202	273	764	895
Mar-23	4357	2611	635	435	209	467	862
Apr-23	2764	1346	459	284	359	316	651
May-23	2368	1451	254	133	175	355	769
Jun-23	2321	1393	190	120	86	532	891

**Update**

The Covid-19 Business Support Grants, Council Tax Energy Rebates, and Energy Bill Support Scheme – Alternative Funding schemes is no longer impacting on the workload for the Revenue Service. Some reconciliation work remains to be completed for these schemes, but there is no longer any day-to-day processing impact. This has enabled a reduction to the outstanding work items.

It is anticipated that the impact of inflation and rising interest rates will cause an increase in customer contact with regards to the payment of their council tax.

**Actions**

Available resources will be reviewed to ensure that they are sufficient to meet the ongoing demand on the service.

**Performance measure**

- Online Customer Interactions

On-Line Service				
Month	Requests	Auto Processed	Referenced	Rejected
Apr-22	1097	270	350	477
May-22	1602	559	474	569
Jun-22	4297	3462	331	504
Jul-22	2233	1277	450	506
Aug-22	1341	341	466	534
Sep-22	2263	1271	446	546
Oct-22	1370	422	431	517
Nov-22	1100	220	379	501
Dec-22	977	140	326	511
Jan-23	1013	162	283	568
Feb-23	759	93	230	436
Mar-23	1220	343	316	561
Apr-23	1021	258	316	447
May-23	956	243	268	445
Jun-23	1011	189	336	486

**Update**

Customers are continuing to utilise the on-line portal to carry out service requests and transactional enquiries for Council Tax, Non-Domestic Rates and Welfare Benefits. The on-line forms include an element of automatic processing, at present, approximately 20% of enquires are processed automatically.

**Actions**

Lay-out of forms and systems parameters will be reviewed during quarters 2 and 3 to ensure that the full benefits of automation are being utilised.

**Customer Services**

**Performance measure**

- Revenues Calls (shared service)

Date	Calls Answered	Avg in Queue	Avg Wait (mm:ss)	Avg Logged in	Avg call length (mm:ss)
Apr 2023	2712	1.06	05:19	5.22	08:27
May 2023	2601	0.98	05:47	4.51	08:32
Jun 2023	2708	0.56	05:04	5.72	08:49

**Update**

The service met expectations with regards to answering calls during the quarter. The spike in calls is due to the annual council tax billing which occurs in March and April. Where demand exceeds supply, particularly during March and April, then officers from the revenues team are requested to assist. Following the annual billing, then reminder letters are sent which explains the longer times resolving customer queries (e.g. payment arrangements / explanation of outstanding balances)

**Performance measure**

- Number of Web Payments

**Update**

Date	Number of payments
Apr 2023	1222
May 2023	1771
Jun 2023	1310

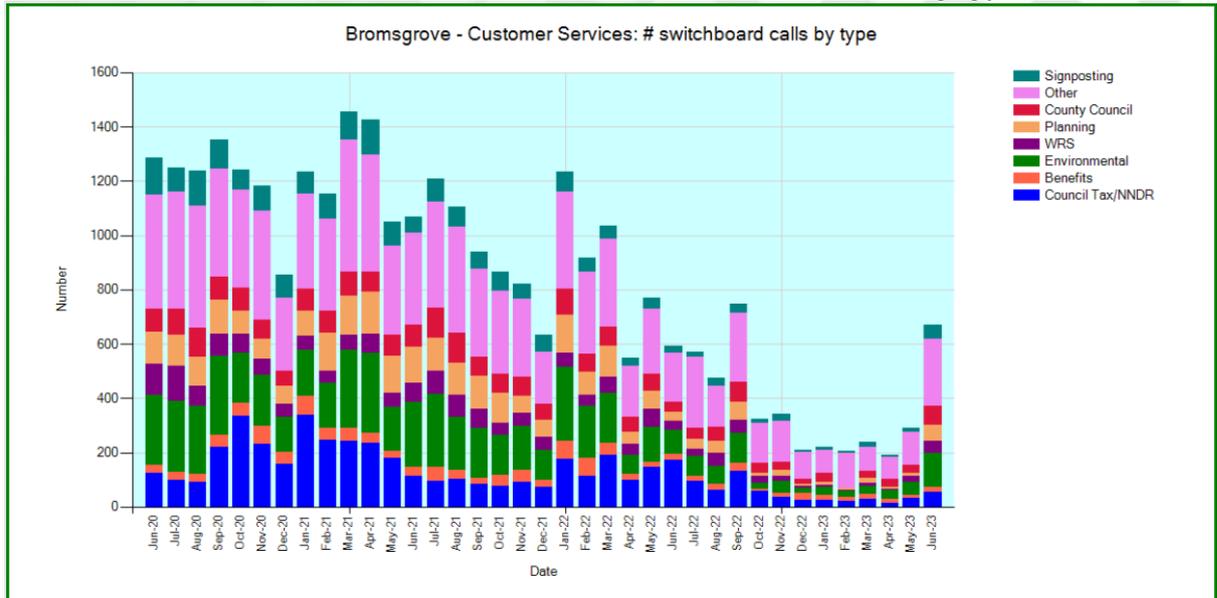
**Performance measure**

- Customer Service calls (Switchboard)

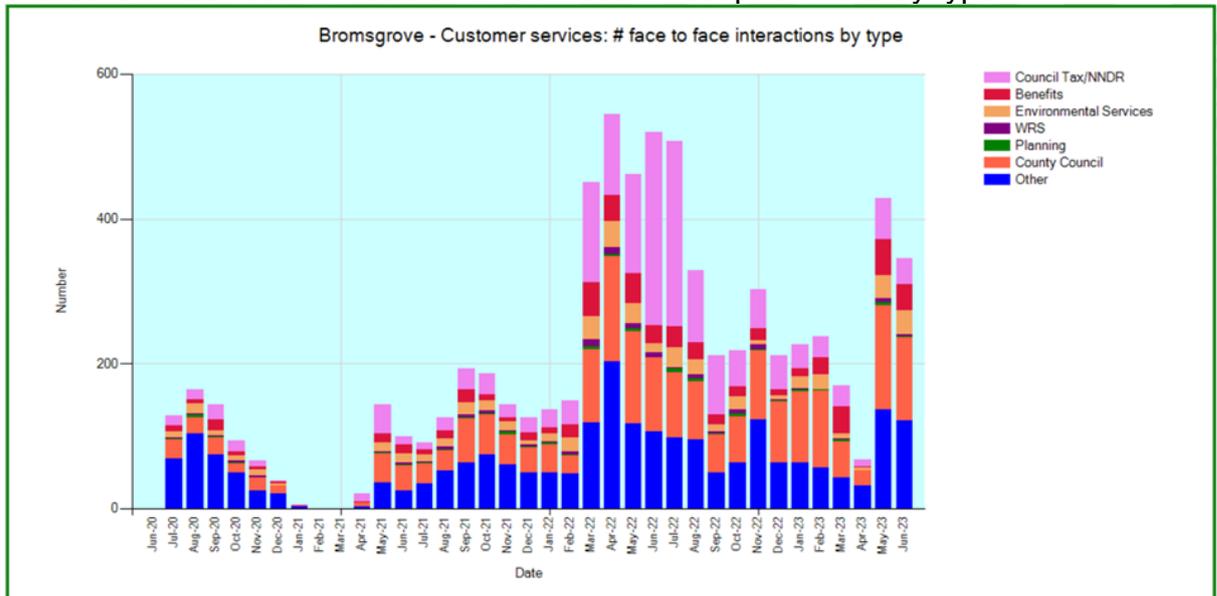
Date	Calls Answered	Avg in Queue	Avg Wait (mm:ss)	Avg Logged in	Avg call length (mm:ss)
Apr 23	786	0.02	00:44	1.92	00:57
May 23	889	0.02	00:41	1.90	00:54
Jun 23	850	0.02	00:48	1.56	00:58

**Switchboard** - The service met expectations with regards to answering calls during the quarter, despite an increase in calls across all areas, particularly the 'other' category which a highlighted area of enquiry was customers telephoning regarding road closures for the Coronation. There are 2 FTE officers that provide switchboard service across both Bromsgrove and Redditch Switchboard.

#### Measures Dashboard - Customer Services - Switchboard calls by type



#### Measures Dashboard - Customer Services - Reception visits by type

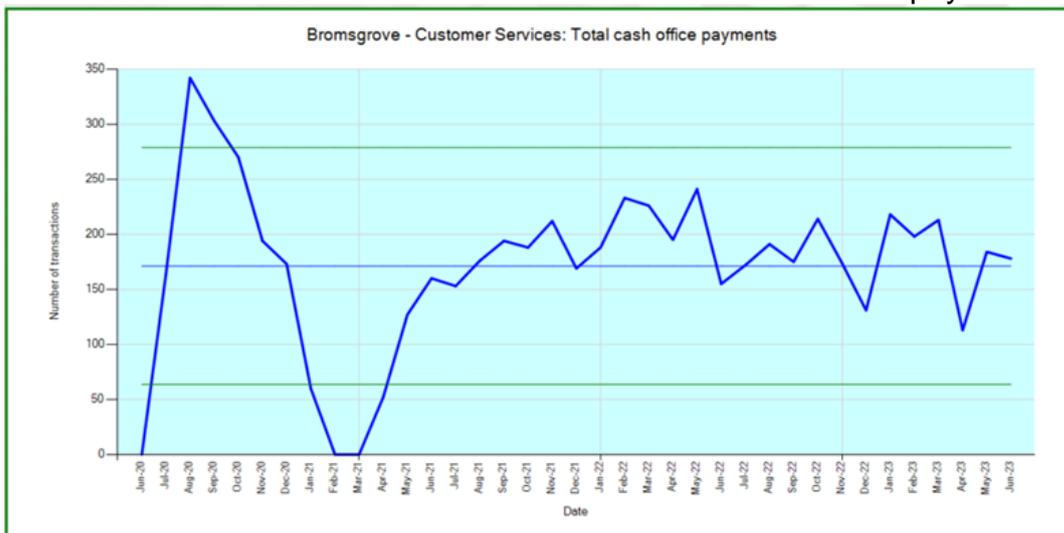


Visitor numbers remain low with an average of 350 enquiries per month (88/week, 18/day) at Parkside. The highest demand is for 'other' which is for non-BDC services (signposting) followed by county council run services (registrar, library, social care). The highest demand at the Parkside for council-run services is split between benefits, council tax and environmental

services. BDC-run services only account for 30% of customer enquiries to Parkside.

There was an ICT database error in April so these figures should be disregarded.

### Measures Dashboard - Customer Services – Total cash office payments



Cash and card transactions at Bromsgrove Cashiers remain low with an average of between 8 and 10 transactions per working day. 38% cash, 62% pay by card.

### 4.4 Planning, Regeneration and Leisure Services

The Leisure and Cultural Strategy has been formally endorsed. Its recommendations have been prioritised for delivery and delivery has commenced.

#### Performance measure

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

#### Update

Period	Number Determined
Quarter 1, 2022/23	191
Quarter 2, 2022/23	137
Quarter 3, 2022/23	138
Quarter 4, 2022/23	165
Quarter 1, 2023/24	See comment

Due to an issue with Uniform (system holding the data) we have been unable to extract any information for quarter 1, 2023/24

**Performance measure**

- Speed of decision making for ‘major applications’ (over a rolling 2-year period) (Governmental targets for determining applications in time (or within an agreed extension of time) on major applications is 60%)

Period	% Determined ‘on time’
Quarter 1, 2022/23	82.1%
Quarter 2, 2022/23	81.5%
Quarter 3, 2022/23	81.8%
Quarter 4, 2022/23	86.1
Quarter 1, 2023/24	See comment

**Update**

Due to an issue with Uniform (system holding the data) we have been unable to extract any information for quarter 1, 2023/24

**Performance measure**

- Speed of decision making for ‘non-major applications’ (over a rolling 2-year period) (Governmental targets for determining applications in time (or within an agreed extension of time) on non-major applications is 70%)

Period	% Determined ‘on time’
Quarter 1, 2022/23	77.7%
Quarter 2, 2022/23	78.6%
Quarter 3, 2022/23	78.9%
Quarter 4, 2022/23	81.3%
Quarter 1, 2023/24	See comment

**Update**

Due to an issue with Uniform (system holding the data) we have been unable to extract any information for quarter 1, 2023/24

**5. Corporate Project Oversight & Monitoring**

Currently twenty projects are being monitored. The table below provide a summary as of 19th July 2023. As can be seen over 50% (54.5%) have been rated as green for overall status.

All Projects (Number)	Overall Status RAG		Time Status RAG		Scope Status RAG		Budget Status RAG	
	No.	%	No.	%	No.	%	No.	%
<b>Red</b>	0	0.0%	0	0.0%	0	0.0%	0	0.0%
<b>Amber</b>	8	36.4%	9	40.9%	7	31.8%	8	36.4%
<b>Green</b>	12	54.5%	11	50.0%	13	59.1%	9	40.9%

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By virtue of paragraph(s) 3, 4 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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### UPGRADING OF SEWAGE TREATMENT PLANTS AND INTRODUCTION OF SERVICE CHARGING TO CONTRIBUTING PROPERTIES

- 1) FRANKLEY GREEN LANE, FRANKLEY GREEN
- 2) FOCKBURY ROAD, DODFORD
- 3) DUSTHOUSE LANE, TUTNALL

Relevant Portfolio Holder	Councillor P J Whittaker
Portfolio Holder Consulted	Yes
Relevant Head of Service	Simon Parry - Head of Environmental and Housing Property Services (Interim)
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	Belbroughton and Romsley, Perryfields and Tardebigge Ward
Ward Councillor(s) consulted	No
Relevant Strategic Purpose(s)	Communities which are safe, well maintained and green
Non-Key Decision	
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. RECOMMENDATIONS

##### 1.1 The Cabinet is asked to RECOMMEND that: -

- i) A budget of £72k be added to the 2023/2024 Capital Programme, for the agreed contribution for upgrading of the 1) Frankley Green Sewage Treatment Plant, to be funded from borrowing or balances following consideration as part of the medium-term financial plan review;
- ii) A budget of £69k be added to the 2024/2025 Capital Programme, for the agreed contribution for upgrading of the 2) Dodford Sewage Treatment Plant, to be funded from borrowing or balances following consideration as part of the medium-term financial plan review;
- iii) A budget of £57k be added to the 2025/2026 Capital Programme, for the agreed contribution for upgrading of the 3) Tutnall Sewage Treatment Plant, to be funded from borrowing or balances following consideration as part of the medium-term financial plan review;

- iv) **An annual service charge be introduced, subject to agreement with Bromsgrove and District Housing Trust (BDHT), for all contributing properties to the three Sewage Treatment Plants from 1st April 2024, equivalent to the annual sum payable to Severn Trent Water Ltd for sewage treatment, if the property was connected to the public foul water sewerage system.**

## 2. **BACKGROUND**

- 2.1 The three existing Sewage Treatment Plants (STPs) (refer to Appendix 1) serve three individual rural area communities. In the main, these communities consist of properties that were originally owned as housing stock by this Authority, although presumably a number of private dwellings are also connected to these facilities, without prior consent. The STPs were obviously installed many years ago and have probably been 'marginally improved' to some extent over the years. With the transfer of the Council's housing stock to BDHT, informal arrangements were implemented whereby this Council would maintain these assets, with BDHT contributing towards such maintenance costs.
- 2.2 However, over recent years it has become apparent that these facilities do not function consistently, and on a number of occasions this Council has dealt with incidents whereby our speedy remedial action has fortunately prevented pollution of the receiving watercourses. Any failure to react, may have resulted in serious conflict with the Environment Agency (EA), as of course each STP obviously must operate within the terms of a valid consent, issued by the EA.
- 2.3 As a consequence of concerns with these STPs, a detailed inspection has been undertaken of these facilities, the results of which give cause for concern, particularly Frankley Green STP. Unlike the other two STPs which are both a more acceptable format, that being a 'Rotating Biological Contactor' (RBC), although very dated versions, Frankley Green comprises a 'rotating arm over a trickling filter,' circa 1960s. An extract from the detailed report on this latter facility highlights its operational inefficiency, as it states, *'at point of discharge into the watercourse there is a notable change in the watercourse bed due to the deposition of dark solids. This may be due to the poor general performance of the treatment through the filter bed.'*
- 2.4 Whilst investigating the operational frailties of the STPs themselves, Officers also arranged for a CCTV survey to be undertaken to the contributing foul sewers serving each plant, as the age of such assets usually warrant some form of maintenance work to be undertaken.

Again, the results of these CCTV surveys give cause for concern. The diameter of the majority of the foul water systems is 150mm, but each length between manholes shows signs of a combination of pipe deformation, root infestation, severe longitudinal pipe cracking etc. There is a possibility that in some locations a pipe collapse may occur in the near future due to its deteriorating condition. It is therefore recommended that these sewers are relined, which will preserve the pipelines integrity for future years, and more importantly avoid the need for open trench replacement, which is particularly costly where reinstatement is concerned through private land/gardens.

- 2.5 In view of the condition of all of these assets, and the need to bring them up to an acceptable standard and to be fully operational on a day-to-day basis, without the need for irregular attendance to try and rectify the failures of aging systems, such assets need to be upgraded. All three STPs need to be replaced with new 'Rotating Biological Contactors' (RBCs) (Klargesters), with all contributing sewers being relined, where deemed necessary. The design and works can be spread over this and the next two financial years, with Frankley Green being undertaken this year due to its unacceptable condition.
- 2.6 In accordance with the formal agreement between BDHT and the Council, BDHT have full responsibility for these assets.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 Preliminary consultations have of course been held between officers from the Council and BDHT on these upgrading works. The agreement states that the Council contributes 60% towards the cost of maintenance works and those works necessary to upgrade the plants to ensure their compliance with the current EA licences.
- 3.2 The contributing properties to these STPs currently do not pay for the treatment of their foul waste, unlike, if they were connected to a public foul water sewer, where Severn Trent Water Ltd would automatically instigate a sewage treatment charge. There is absolutely no reason why such a charge should not be implemented, and such monies can be used to finance an approved maintenance plan. Prior consultation has already taken place with householders to determine if they are connected to the STPs, or use other means of treatment/disposal, such as cesspits/septic tanks.
- 3.3 Borrowing costs will be addressed going forward into future years in the Authority's budget process.

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**4. LEGAL IMPLICATIONS**

4.1 The agreement between the Council and BDHT states the following:

- a) **BDHT holds, and will continue to hold the Environmental Permits for these Pumping Stations** (the agreement has used incorrect terminology referencing both pumping stations and filtration plants, when they actually mean sewage treatment plants);
- b) **The Parties agree and BDHT accepts, that from the date of this Agreement it has full responsibility for the maintenance of the Pumping Stations;**
- c) **BDHT acknowledges that the Pumping Stations need to be properly maintained and their condition improved to allow their transfer to the Appropriate Authority** (when the agreement was formulated it was envisaged that at some time in the future the STPs could be transferred to Severn Trent Water Ltd (STW), providing the standard of each STP was upgraded to an acceptable condition. However, this course of action has been discussed with STW, and they have no desire or legal justification to accept these assets).

4.2 For disposal of treated effluent to a watercourse, a valid Permit is required to be issued by the EA. Currently these are:

- a) Permit MI/S/06/04580/S/001 – held by BDHT – 23.09.1960  
Frankley Green PSP  
(Note. refers to this facility as a Pumping Station, which is incorrect)
- b) Permit MI/S/07/05651/S/002 – held by BDC – 18.03.1992  
Dodford STP  
(Note. Permit was revoked 28.11.2004)
- c) Permit MI/S/07/05653/S/001 – held by BDHT – 02.10.1970  
Curtis Close SDW  
(Note. refers to this facility as a Sewage Disposal Works, which is acceptable)

As a consequence of these irregularities with the Permits, it is inevitable that the EA will require up to date submissions to be made.

**5. STRATEGIC PURPOSES - IMPLICATIONS**

**Relevant Strategic Purpose**

- 5.1 *Communities which are Safe, Well Maintained and Green* – with the upgrading of these sewerage assets, the instances where pollution to receiving watercourses will be practically eliminated, particularly with the provision of a proven maintenance regime being instigated.

**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 Referring to 5.1, the need for the Council's Minor Works Team to regularly inspect the STPs and undertake necessary emergency remedial works to the current dated installations will be curtailed.

**7. RISK MANAGEMENT**

- 7.1 The risk of enforcement action by the EA for the illegal discharge of untreated effluent to a watercourse is practically removed. In addition, the provision of new security fencing to these sites will prevent unauthorised entry, thereby reducing possible vandalism.

**8. APPENDICES and BACKGROUND PAPERS**

- i) Appendix 1 - Sewage Treatment Plants - Location Details

**Background papers**

- ii) Agreement – (This Background Paper may contain exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, as amended)
- iii) Detailed Inspection Reports of Sewage Treatment Plants

### Cabinet

18 October 2023

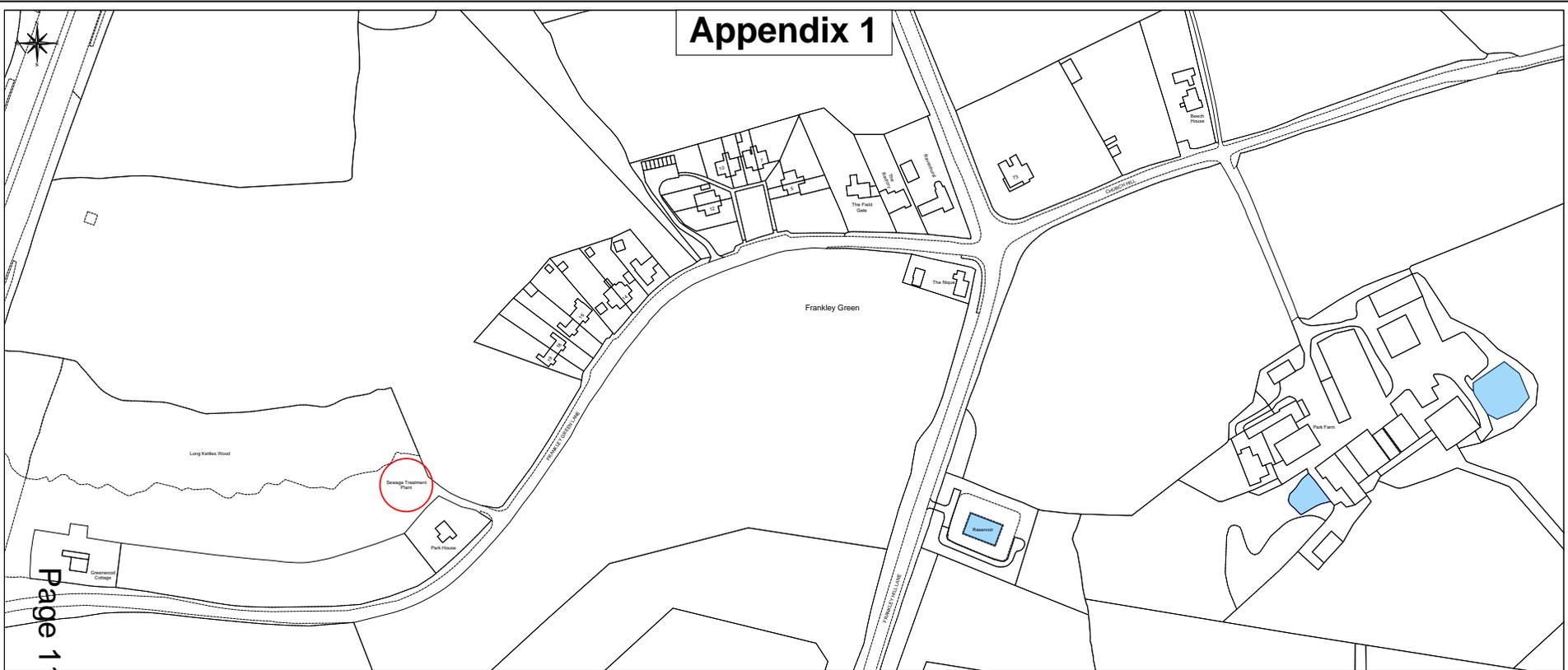
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- iv) CCTV Reports of associated Foul water sewers

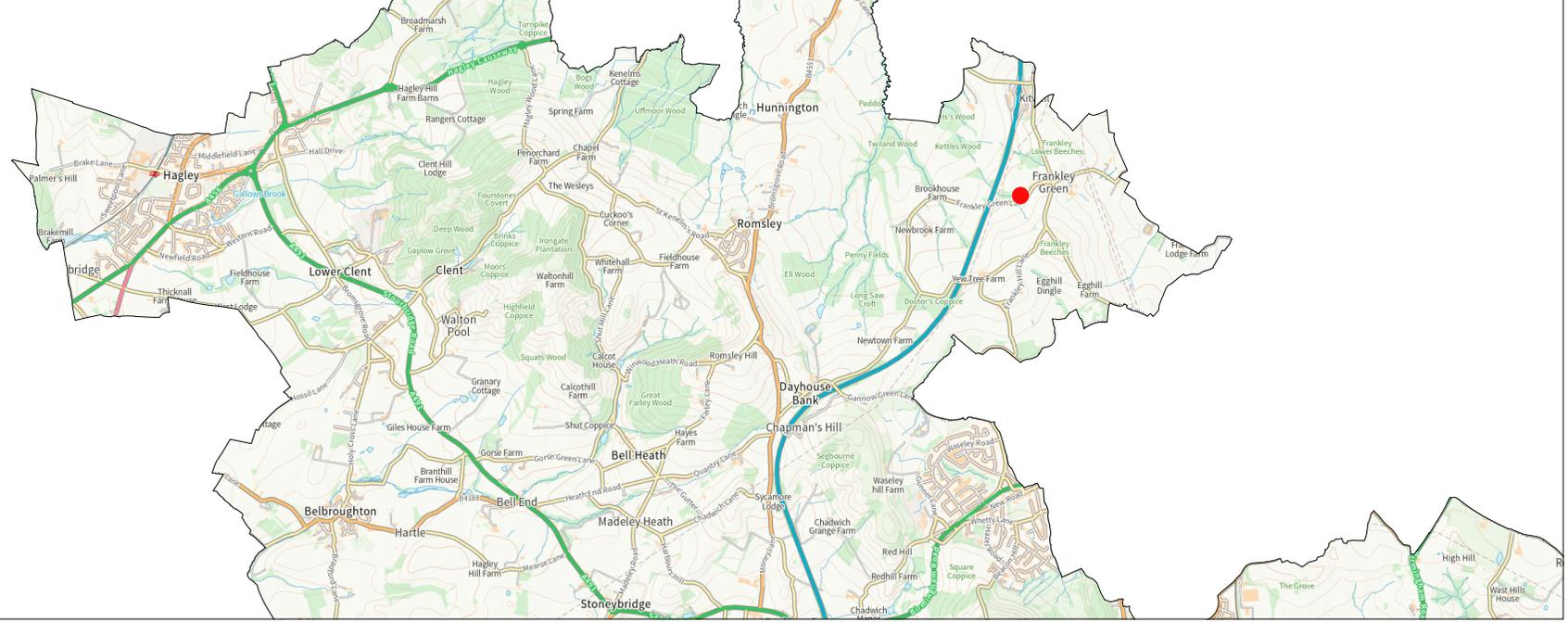
#### 9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Councillor P J Whittaker	27 Sept 2023
Lead Director/Head of Service	Simon Parry - Head of Environmental and Housing Property Services (Interim)	20 Sept 2023
Financial Services	Peter Carpenter Director of Finance	20 Sept 2023
Legal Services	Claire Green Principal Solicitor	26 Sept 2023
Policy Team	Emily Payne Engagement and Equalities Advisor	20 Sept 2023
Climate Change	Matthew Eccles Climate Change Manager	18 Sept 2023

# Appendix 1



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Date	Rev	Details

Project:  
**Frankley Green Sewage Treatment Plant**  
 Frankley Green Lane, Birmingham

Drawing:  
**Location and Site Plan**

Drawn:	PTL	Scale:	1/1250
Surveyed:	OS	Date:	Mar 2011
Drawing No:	P2240/1		

Engineering and Design Services:  
 Town Hall  
 Walter Strang Square  
 Redditch  
 Worcs B98 8AH

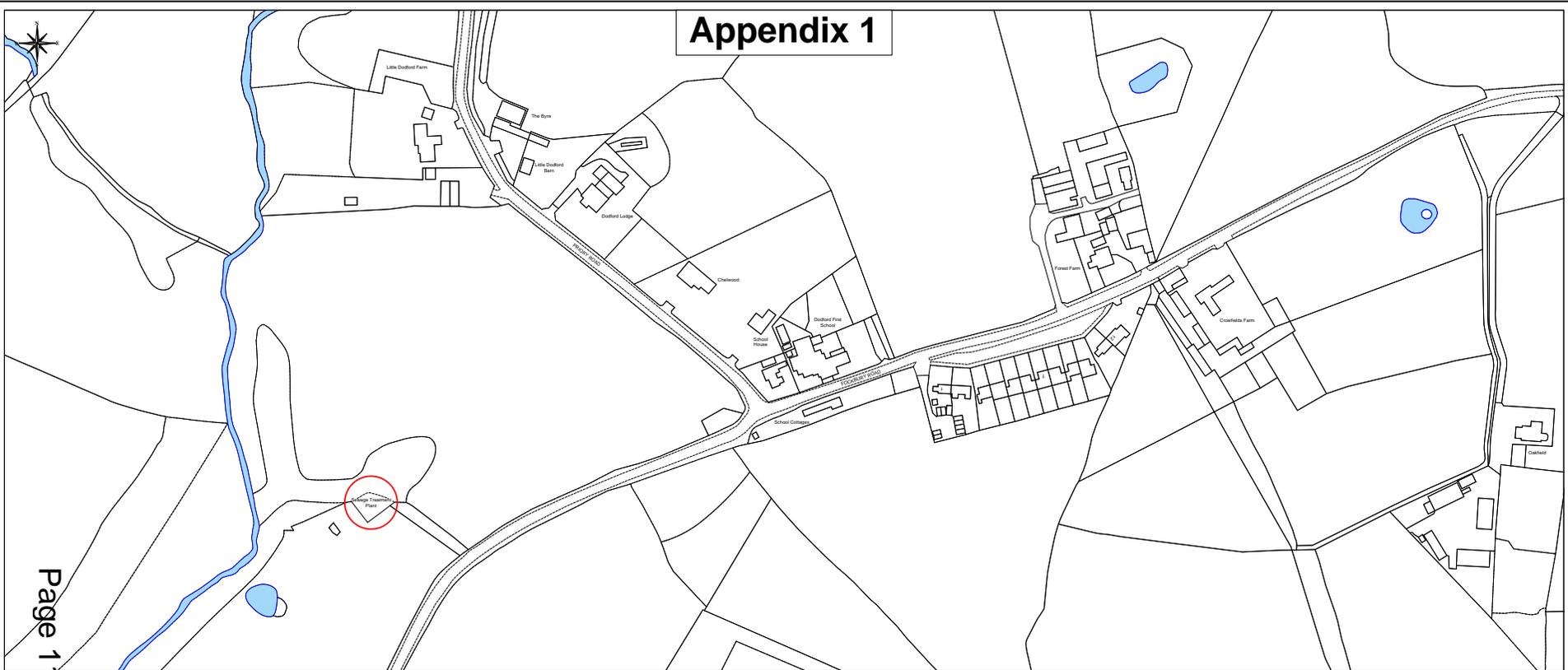


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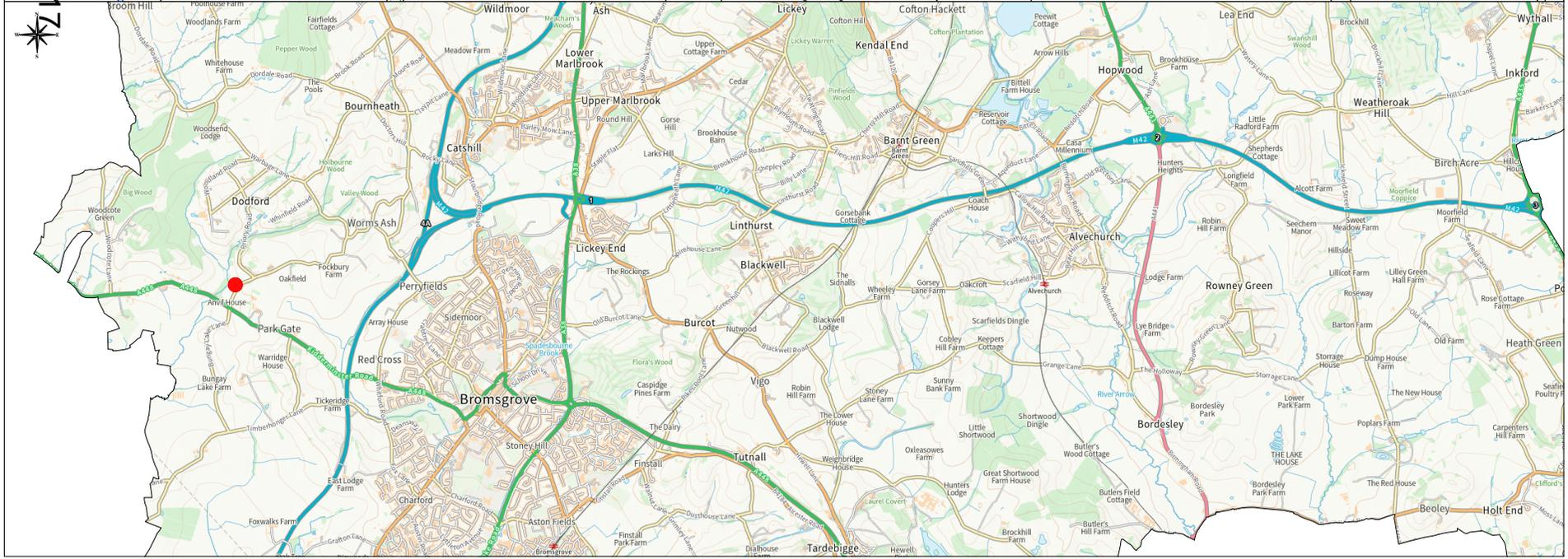
Agenda Item 12

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# Appendix 1



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Date	Rev	Details

Project:  
**Dodford Sewage Treatment Plant  
 Fockbury Road  
 Bromsgrove**

Drawing:  
**Location and Site Plan**

Drawn:	PTL	Scale:	1/1250
Surveyed:	OS	Date:	Mar 2011
Drawing No:	P2240/2		

Engineering and Design Service:  
 Town Hall  
 Walter Strang Square  
 Redditch  
 Worcs B98 8AH

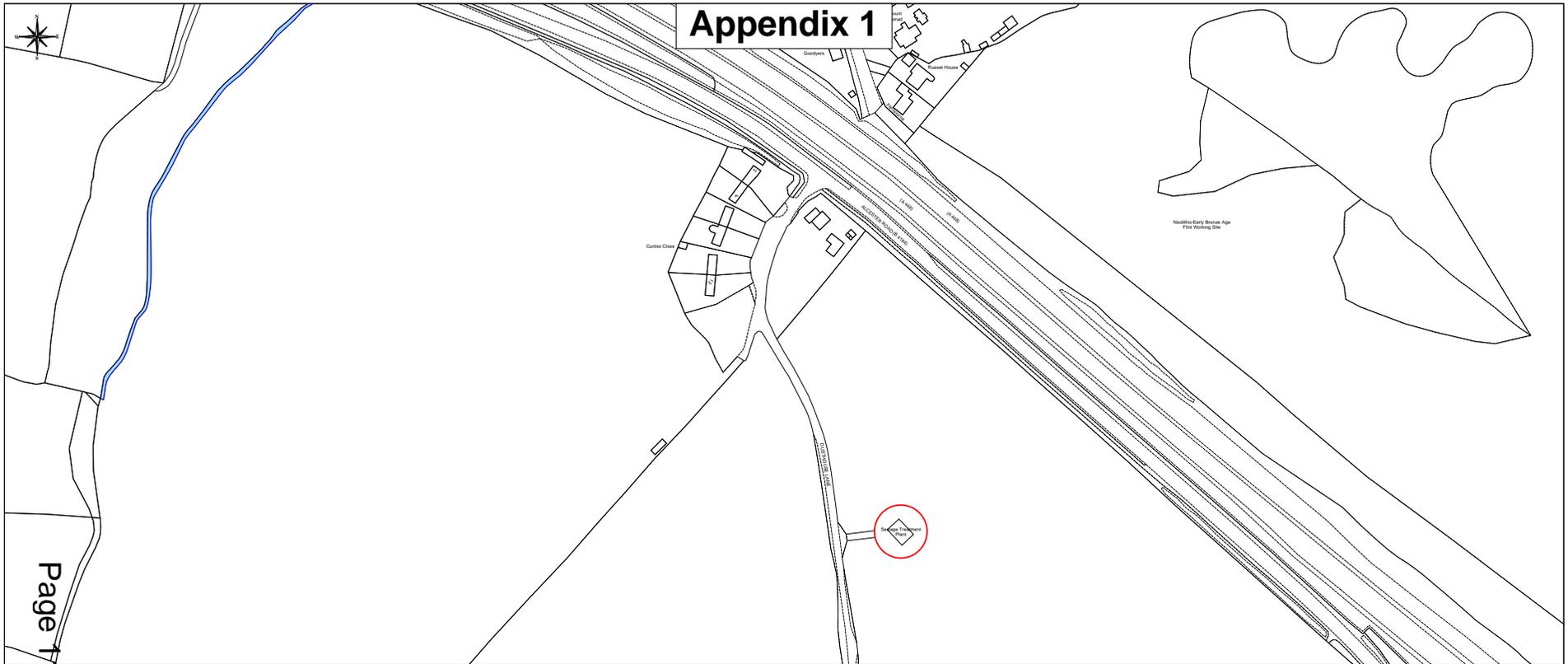


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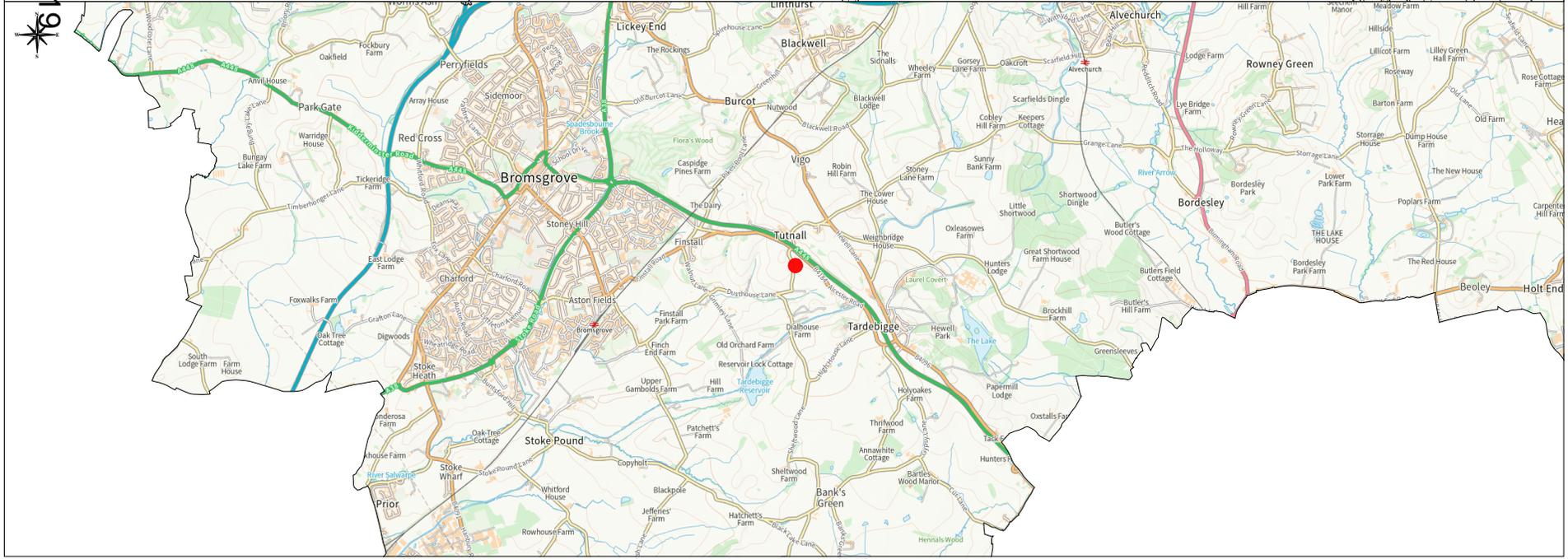
Agenda Item 12

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# Appendix 1



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Date	Rev	Details

**Project:**  
Tutnall Sewage Treatment Plant  
Dusthouse Lane  
Bromsgrove

**Drawing:**  
Location and Site Plan

Drawn:	PTL	Scale:	1/1250
Surveyed:	OS	Date:	Mar 2011
Drawing No:	P2240/3		

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

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making a difference  
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**Bromsgrove District Council**  
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