



BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

WEDNESDAY 6TH JANUARY 2010 AT 6.00 P.M.

THE COUNCIL HOUSE, BURCOT LANE, BROMSGROVE

MEMBERS: Councillors R. Hollingworth (Chairman), G. N. Denaro (Vice-Chairman), Dr. D. W. P. Booth JP, J. T. Duddy, Mrs. J. Dyer M.B.E., Mrs. M. A. Sherrey JP, R. D. Smith, M. J. A. Webb and P. J. Whittaker

AGENDA

1. To receive apologies for absence
2. Declarations of Interest
3. To confirm the accuracy of the minutes of the meeting of the Cabinet held on 2nd December 2009 (Pages 1 - 6)
4. Minutes of the meeting of the Scrutiny Board held on 24th November 2009 (Pages 7 - 12)
 - (a) To receive and note the minutes
 - (b) To consider any recommendations contained within the minutes
5. Minutes of the meeting of the Audit Board held on 14th December 2009 (Pages 13 - 16)
 - (a) To receive and note the minutes
 - (b) To consider any recommendations contained within the minutes
6. Minutes of the meeting of the Local Development Framework Working Party held on 16th December 2009 (Pages 17 - 20)
 - (a) To receive and note the minutes
 - (b) To consider any recommendations contained within the minutes

7. Minutes of the meeting of the Performance Management Board held on 21st December 2009 (to follow) (Pages 21 - 22)
 - (a) To receive and note the minutes
 - (b) To consider any recommendations contained within the minutes
8. To receive verbal updates from the Leader and/or other Cabinet Members on any recent meetings attended in an ex-officio capacity (Pages 23 - 24)
9. Worcestershire Enhanced Two Tier (WETT) Programme - Business Case for Regulatory, Audit and Property Services (Pages 25 - 42)
10. Medium Term Financial Plan 2010/2011 to 2012/2013 (Pages 43 - 58)
11. Comprehensive Area Assessment (CAA) - Organisational Assessment (Pages 59 - 64)
12. Investigation Costs (Pages 65 - 68)
13. Programme of Council and Committee Meetings 2010/2011 (Pages 69 - 72)
14. Dolphin Centre - Transfer to a Leisure Trust (Pages 73 - 80)
15. Performance Report (November 2009) (Pages 81 - 84)
16. Improvement Plan Exception Report (November 2009) (Pages 85 - 98)
 - Appendices For Agenda Item 9 - Worcestershire Enhanced Two Tier Programme (Pages 99 - 150)
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 - Appendices For Agenda Item 10 - Medium Term Financial Plan 2010/2011 To 2012/2013 (Pages 151 - 168)
 -
 - Appendix For Item 11 - Comprehensive Area Assessment - Organisational Assessment (Pages 169 - 176)
 -
 - Appendix For Agenda Item 13 - Programme Of Council And Committee Meetings 2010/2011 (Pages 177 - 180)
 -
 - Appendices For Agenda Item 15 - Performance Report (November 2009) (Pages 181 - 192)
17. To consider any other business, details of which have been notified to the Head of Legal, Equalities and Democratic 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

K. DICKS
Chief Executive

The Council House
Burcot Lane
BROMSGROVE
Worcestershire
B60 1AA

22nd December 2009

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Agenda Item 3

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

WEDNESDAY, 2ND DECEMBER 2009, AT 6.00 P.M.

PRESENT: Councillors R. Hollingworth (Chairman), G. N. Denaro (Vice-Chairman),
Dr. D. W. P. Booth JP, J. T. Duddy, Mrs. J. Dyer M.B.E.,
Mrs. M. A. Sherrey JP, R. D. Smith, M. J. A. Webb and P. J. Whittaker

Observers: Councillors D. L. Pardoe and C. B. Taylor

Officers: Mr. K. Dicks, Mr. T. Beirne, Mr. P. Street, Mr. H. Bennett, Mr. M.
Bell, Mrs. C. Felton, Mr. D. Hammond, Ms. J. Pickering, Ms. J. Pitman,
Ms. D. Poole, Mr. J. Godwin, Mr. A. Coel and Ms. R. Cole.

111/09 APOLOGIES

No apologies for absence were received.

112/09 DECLARATIONS OF INTEREST

Councillor R. D. Smith declared a personal interest in agenda item 10 (Choice Based Lettings Scheme) as an employee of a housing association.

113/09 MINUTES

The minutes of the meetings of the Cabinet held on 4th November and 18th November 2009 were submitted.

RESOLVED that the minutes be approved as a correct record in each case.

114/09 SCRUTINY BOARD

The minutes of the meeting of the Scrutiny Board held on 27th October 2009 were submitted.

RESOLVED that the minutes be noted.

115/09 OVERVIEW BOARD

The minutes of the meeting of the Overview Board held on 3rd November 2009 were submitted.

The Leader referred to the recommendations of the Board relating to the Communications Strategy Review. Whilst these had been considered at the previous Cabinet meeting, he stated that the Portfolio Holder for Community

and Customer Engagement would be considering the recommendations further and reporting to the next meeting if appropriate.

RESOLVED that subject to the above the minutes be noted.

116/09 **PERFORMANCE MANAGEMENT BOARD**

The minutes of the meeting of the Performance Management Board held on 16th November 2009 were submitted.

RESOLVED that the minutes be noted, including the recommendation that Portfolio Holders continue to work with Heads of Service to ensure overspend is managed and brought back into line with the budget.

117/09 **TO RECEIVE VERBAL UPDATES FROM THE LEADER AND/OR OTHER CABINET MEMBERS ON ANY RECENT MEETINGS ATTENDED IN AN EX-OFFICIO CAPACITY**

The Leader reported on three meetings he had recently attended:

- Joint Commissioning Board for New Children's Trust
- Meeting on Areas of Highest Need for Funding
- Central Technology Belt Board meeting

Councillor G. N. Denaro reported on an Award Ceremony he had attended together with the Head of Legal, Equalities and Democratic Services in relation to the Member Development Charter. Reference was also made to an additional award presented in recognition of the success of a recent procurement project undertaken jointly with other Districts, which had resulted in a significant saving in insurance costs.

Councillors R. D. Smith and Mrs M. A. Sherrey JP reported that they had attended a meeting of the Bromsgrove Arts Centre Operating Trust.

Councillor Mrs M. A. Sherrey JP reported that she had attended a meeting of the Citizen' Advice Bureau.

Councillor P. J. Whittaker reported that he had attended a meeting on Climate Change.

The Leader confirmed that Portfolio Holders would be able to answer questions from other Members on the meetings they had attended and that further information would be placed in the Members' Room where appropriate.

118/09 **MEDIUM TERM FINANCIAL PLAN REVIEW (DRAFT REVENUE BASE BUDGET)**

The Cabinet considered a report on the current position with regard to the Medium Term Financial Plan 2010/2011–2012/2013. The Portfolio Holder and the Head of Financial Services also gave a verbal update.

RESOLVED that the current position be noted and Heads of Service be requested to continue to review the budget with a view to presenting a balanced budget to the Cabinet meeting in January 2010.

119/09 **SCRUTINY BOARD REPORT ON HOT FOOD TAKEAWAYS**

The Cabinet considered the report of the Scrutiny Board on Hot Food Takeaways. The Leader welcomed the Chairman of the Scrutiny Board, Councillor D. L. Pardoe to the meeting. Councillor Pardoe briefly introduced the report and highlighted some key points. Following discussion it was

RESOLVED:

- (a) that in relation to Recommendation 1, the Strategic Planning Section be requested to scope the extent to which the issues identified in the report contribute to the negative impact on a sense of community and well being and the environment and how these issues can be addressed by the adoption of a Supplementary Planning Document on Hot Food Takeaways, with a report detailing the findings and the draft policy being submitted to the Cabinet;
- (b) that in relation to Recommendation 2, consideration of the adoption of a draft Supplementary Planning Document on Hot Food Takeaways be referred to the Local Development Framework Working Party to be considered at the next possible meeting of the Working Party;
- (c) that in relation to Recommendation 3, officers be requested to carry out further research into healthy eating and healthy lifestyles and the means by which through working with partners in the Local Strategic Partnership, the Council could contribute to the delivery of services to address the Local Area Agreement targets on obesity in children, mortality rate from circulatory diseases for under 75s, adult participation in sport and children and young people's participation in high-quality PE and sport. It was requested that the report be submitted to Cabinet by June 2010.

120/09 **CHOICE BASED LETTINGS SCHEME - UPDATE**

The Cabinet considered a report which detailed the progress made during the first year of operation of the "Home Choice Plus" Choice Based Lettings Scheme for the allocation of social housing across the District.

The report also suggested that Members consider the possibility of introducing a charging mechanism for Registered Social Landlords (RSLs) who wish to advertise their properties through the Scheme.

RESOLVED:

- (a) that the success of the Home Choice Plus Scheme in raising awareness of the Housing Register and the 14% increase in the number of applicants registered since the implementation of the Scheme be noted;
- (b) that the introduction of a charging mechanism for RSLs who make use of the Scheme be approved in principle; and

- (c) that authority be delegated to the Head of Planning and Environment in consultation with the Portfolio Holder, the Section 151 Officer and the Head of Strategic Housing to determine the level of charges for all RSLs, subject to separate arrangements being agreed in respect of Bromsgrove District Housing Trust, in view of its role as a Large Scale Voluntary Transfer organisation and its partial funding of the Choice Based Lettings Scheme.

121/09 **COUNCIL TAX BASE CALCULATION 2010/2011**

The Cabinet considered the Council's Tax Base Calculation for the financial year 2010/2011. The Head of Financial Services circulated an amended appendix 1 to the report.

RESOLVED that in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the Council's Tax Base for 2010/2011, assuming a collection rate of 99%, be calculated at £36,416.56 for the area as a whole, with individual Parishes as shown at the amended Appendix 1 of the report.

122/09 **LOCAL NEIGHBOURHOOD PARTNERSHIPS - TERMS OF REFERENCE AND BUSINESS CASE**

The Cabinet considered a report on the Business Case for Local Neighbourhood Partnerships (LNPs).

It was felt that the operation of the three existing pilot LNPs covering Alvechurch and Beoley, Rubery and Hagley and Rural had proved to be costly in terms of finance and of officer time. It was noted that the LNP in Charford had been agreed but had not "gone live". In view of the change in the economic climate and the Council's current financial position together with the reduction in the level of attendance at the LNP meetings, it was

RESOLVED:

- (a) that all LNPs be closed as at 31st March 2010;
- (b) that it be noted that the closure will produce a revenue saving of £90,000 in 2010/2011 and £120,000 in 2011/2012;
- (c) that it be noted that the continued expansion of the LNPs would have resulted in a saving of £150,000 in 2012/2013 if the LNPs had continued to expand at a cost of £30,000 per annum (the existing Medium Term Financial Plan runs until 2011/2012);
- (d) that the Charford LNP be closed with immediate effect and the resulting 2009/2010 revenue saving of £10,000 be directed to The Trunk;
- (e) that £25,000 of the annual revenue saving for 2010/2011, 2011/2012 and 2012/2013 be used to fund the shortfall in the Medium Term Financial Plan.

123/09 **CORPORATE SAFEGUARDING POLICY (CHILDREN, YOUNG PEOPLE AND VULNERABLE ADULTS)**

The Cabinet considered a report on a draft safeguarding Policy for Children Young People and Vulnerable Adults. It was recognised that it was essential

that the Council had suitable arrangements and procedures in place to safeguard and promote the welfare of children, young people and vulnerable adults.

RESOLVED:

- (a) that the draft Safeguarding Children, Young People and Vulnerable Adults Policy as attached as an appendix to the report be approved;
- (b) that in the context on a Shared Services Corporate Management Team, an appropriate Senior Officer be nominated as the Corporate Safeguarding Officer and that they receive appropriate training;
- (c) that those staff who have regular and on-going contact with children, young people and vulnerable adults receive appropriate training in respect of the Corporate Safeguarding Policy.

124/09 **IMPROVEMENT PLAN EXCEPTION REPORT (OCTOBER 2009)**

Consideration was given to the Improvement Plan Exception report for October 2009 together with the corrective action being taken.

RESOLVED:

- (a) that the revisions to the Improvement Plan Exception report together with the corrective action being taken be approved;
- (b) that it be noted that for the 94 actions highlighted for October within the plan 74.5 percent were on target (green), 9.6 percent were one month behind (amber) and 2.1 percent were over one month behind (red). In addition it was noted that 13.8 percent of actions had been reprogrammed or suspended with approval.

125/09 **PERFORMANCE REPORT (OCTOBER 2009)**

The Cabinet considered a report on the Council's performance as at 31st October 2009 (period 7).

RESOLVED:

- (a) that it be noted that 68 percent of Performance Indicators were stable or improving;
- (b) that it be noted that 73 percent of Performance Indicators that had a target were meeting their target as at the month end and 89 percent were projected to meet their target at the year end;
- (c) that the performance figures for October 2009 as set out in the report be noted;
- (d) that the particular areas of improvement as set out in section 3.5 of the report be noted;
- (e) that the particular areas of concern as set out in section 3.6 of the report be noted.

126/09 **LOCAL GOVERNMENT ACT 1972**

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 item of business the subject of the following minute on the grounds that it

involves the likely disclosure of "Exempt Information" as defined in part 1 of schedule 12A to the Act, as amended, the relevant paragraph of that part being as set out below and that it is in the public interest to do so.

Minute No.

Paragraph

127/09

7

127/09 **COUNCIL TAX AND BUSINESS RATES WRITE OFFS**

The Cabinet considered a report on a request to write off a number of debts in relation to Council Tax and Business Rates.

RESOLVED that the Council Tax and Business Rate debts listed in the appendix to the report be written off as irrecoverable in accordance with the Council's Write Off Policy.

The meeting closed at 7.30 p.m.

Chairman

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE SCRUTINY BOARD

TUESDAY, 24TH NOVEMBER 2009 AT 6.00 P.M.

PRESENT: Councillors D. L. Pardoe (Chairman), C. B. Taylor (Vice-Chairman),
A. N. Blagg, R. J. Deeming, S. R. Peters, C. R. Scurrall and
C. J. Tidmarsh

Observers: Councillor R. Hollingworth (present from Minute No. 39/09 to
43/09), S. R. Colella (present from Minute No. 39/09 to 47/09) and P. J.
Whittaker

Officers: Mr. P. Street, Mrs. S. Sellers, Mr. A. Coel, Mr. M. Carr and
Mrs. A. Scarce

39/09 **APOLOGIES FOR ABSENCE**

There were no apologies for absence.

40/09 **DECLARATIONS OF INTEREST AND WHIPPING ARRANGEMENTS**

No declarations of interest or whipping arrangements were received.

41/09 **MINUTES**

The minutes of the meeting of the Scrutiny Board held on 27th October 2009
were submitted.

RESOLVED that the minutes be approved as a correct record.

42/09 **REPORT ON HOT FOOD TAKEAWAYS**

The topic of hot food takeaways had initially been considered by the Scrutiny
Board at its meeting on 19th May 2009. Following an in depth investigation
the Board was now asked to consider the findings and recommendations
contained within the report, 'Scrutiny Board Investigation into the Impact of Hot
Food Takeaways on Communities and the Environment'.

Members thanked officers for their time and support in putting the report
together and stressed the need for action to be taken as soon as possible in
the implementation of the recommendations made.

The Chairman invited the Leader to speak. He congratulated the Scrutiny
Board on producing a very clear report.

RESOLVED that the Board approve the Scrutiny Investigation into the Impact of Hot Food Takeaways on Communities and the Environment report and the recommendations contained in it.

RECOMMENDED that the Cabinet be requested to approve the recommendations contained within the report produced by the Scrutiny Board titled 'Scrutiny Board Investigation into the Impact of Hot Food Takeaways on Communities and the Environment'.

43/09

FOLLOW UP REPORT FROM QUARTERLY RECOMMENDATION TRACKER

At the meeting of the Scrutiny Board on 27th October 2009, Members had requested that officers provide additional information in respect of three items on the Recommendation Tracker. The Board considered and noted the report which covered the following items:

- Taxi drivers keeping their engines running
- Distribution of information to residents about refuse and recycling collections.

It was reported to the meeting that unfortunately Mr. M. Bell, Head of Street Scene and Community, who had been due to attend to speak about distribution of information about waste collection and the NVQ training for refuse staff was not present. Members had received some information in the report about the first of these items but consideration of the NVQ scheme would need to be deferred.

Members were reminded that the Licensing Department continued to remind taxi drivers and operators not to keep their engines running, via renewal letters and newsletters. However, the Council had no jurisdiction to enforce this requirement and that it was a Police matter and only they were able to prosecute, as previously reported to the Scrutiny Board. Members commented that it would be helpful to liaise with the Police to make them aware that this was a concern that had been considered by the Board and to remind them of their legal powers to take action. Officers advised that this would be best approached by officers through discussion.

It was reported by Members that some residents in those areas not previously included in the distribution of 'Together Bromsgrove' were now in receipt of it. It was also noted by Members that the postcards with Christmas collection details and reminders of future changes to the refuse and recycling collections were also being received in these areas.

RESOLVED:

- (a) that the Scrutiny Board note the information provided in the report;
- (b) that the item on the NVQ Training Programme for refuse and recycling staff be deferred until the Scrutiny Board meeting on 26th January 2010 and the Head of Street Scene and Community be asked to attend;

- (c) that officers through contact with the police raise the issue of engines being left running;
- (d) that the Chairman of the Licensing Committee be asked to write to all taxi proprietors reminding them not to leave their engines running when stationary, in accordance with the relevant legislation.

44/09 **CHOICE BASED LETTING SCHEME**

The Board considered a report from the Strategic Housing Manager which gave an update on the successful operation of the Home Choice Plus, Choice Based Lettings Scheme over the last 12 months. Members were asked to consider the recommendations which were to be presented to Cabinet on 2nd December 2009.

Members were given background information on the Choice Based Letting Scheme by the Strategic Housing Manager. He explained how the introduction of the scheme enabled the allocation policy to be consistent, how tenancies were more sustainable and previously difficult to let properties were let more easily. The scheme provided applicants with transparency regarding their individual priority ranking when bidding for vacant properties along with an understanding of the total number of applicants also expressing an interest in that property.

Members discussed the scheme at length and covered the following issues:

- The operation of the new on-line scheme and access to it
- The “banding” system
- The bidding process and allocation of houses
- The demand for specific types of properties and the number that become available
- Under occupation of properties throughout the district
- Issues surrounding there being greater demand for tenancies than supply

When discussing the postal survey figures in the report, concern was raised by Members in respect of the 33% of applicants who had said they needed help to bid on properties. The Strategic Housing Manager advised that an action plan had been put in place to address this in the future. Those respondents that had provided names and addresses had been contacted in order to provide them with assistance. The Strategic Housing Manager confirmed that Bromsgrove District Housing Trust (BDHT) maintained a list of all those applicants who were unable to access the system for whatever reason, and were able to bid for properties on their behalf. It was also confirmed that part of the action plan was to train different organisations, such as the TRUNK and Age Concern, on accessing the scheme in order to assist those who were unable to do so for themselves. BDHT also had a mobile “office” which travelled around the district and the staff that facilitate this would also be trained to use the system. Members asked if it was possible for them to receive similar training in order to assist residents within their own Wards. The Strategic Housing Manager confirmed that this would not only be possible but also be very helpful in promoting the scheme.

RESOLVED:

- (a) that the report on the operation of the Choice Based Letting Scheme be noted;
- (b) that the successful operation of the scheme be noted;
- (c) that the Strategic Housing Manager provide Members with the total number of bids made on the 517 properties advertised;
- (d) that the Member Development Training Group be asked to include training on the Choice Based Letting Scheme as soon as practicable.

45/09 **REPORT ON LICENSING OF MOBILE HOT FOOD OUTLETS**

At the Scrutiny Board meeting on 27th October 2009, Members had asked officers to provide further information on the licensing of Mobile Hot Food Outlets in the District and how these would be affected by the introduction of the new policy on street trading. Members were reminded that this report was for information only and that the Street Trading Consent Policy had been approved by Members of the Licensing Committee on 7th September 2009. The Council would be asked to approve the proposed fee structure and the scheme of delegation at its meeting on 20th January 2010.

Members discussed the policy at length and covered the following points:

- The procedure for current traders
- The types of traders covered by the policy
- The amount of the fees
- How the policy would be enforced
- The operation of the appeals process for any traders refused a licence

In light of the number of concerns voiced, Members then discussed whether there was a need for them to scrutinise the policy further. Officers suggest that it might be preferable to allow the policy a period of time to get up and running before scrutinising it. Members agreed that after allowing a period of 6 months or so to allow the policy to “settle in”, it would be a suitable subject of interest to include on the work programme of the Scrutiny Board for investigation.

RESOLVED:

- (a) that the report be noted;
- (b) that the Street Trading Consent Policy be noted as a future item to be included in the Scrutiny Board Work Programme.

46/09 **JOINT COUNTYWIDE FLOODING - VERBAL UPDATE**

Members were advised that there was not, as yet, any further information on the Joint Countywide Flooding Report. However, Mr. P. Street, Executive Director (Partnerships and Projects) advised that a letter was to be sent to Worcestershire County Council to ask when this would be reviewed.

Following the recent floods throughout the country, particular concerns were raised by Members in respect of the bridges in the county and the frequency

that these received structural checks. Members were advised that major bridges had recently been checked.

Mr. Street and the Chairman had recently attended a further meeting of the Watercourses and Flood Group. Members were informed that they would, in due course, receive letters requesting information on areas within their ward which were considered high risk of flooding. The information would be used to form part of the Strategic Flood Risk Plans, which needed to be completed by March 2011. Wyre Forest had piloted this new initiative and would assist and share their expertise in the production of Bromsgrove's Plan which would include areas which were vulnerable, identify key areas, the risks and a plan of action. Members also shared their concern that the knowledge and expertise of the Drainage Engineer for the area needed to be captured in some form and Mr. Street shared this concern and confirmed that issue was being considered.

Members were concerned that residents would be alarmed to find that their properties were in a high risk of flooding area and asked how this was to be approached. Mr. Street advised that any property which had been the subject of flooding in the last five years was classed as high risk. It was most likely therefore those residents would already be aware that their property fell within this scope.

47/09 **REPORT ON IMPROVING RESIDENTS' SATISFACTION TASK GROUP**

Members were reminded that at the meeting of the Scrutiny Board on 27th October 2009, the Improving Residents' Satisfaction Task Group had been established following a scrutiny proposal from Councillor S. Colella. Councillor Colella had also been appointed as Chairman of the Task Group at that meeting.

Members were advised that enquiries had been received from eight Members in respect of membership of the Task Group, and five completed membership forms had been received. The Scoping Checklist was discussed by Members in detail and Members were reminded that they were able to amend or add to the Terms of Reference if they so wished.

The Chairman invited Councillor Colella to speak as Chairman of the Task Group and he advised that due to the time constraints the first meeting of the Task Group had been provisional booked for 30th November 2009, when the Assistant Chief Executive would attend to provide officer support and to ensure an effective investigation was undertaken. A further meeting was not anticipated until after the Christmas break.

RESOLVED:

- (a) that Councillors D. Hancox, Mrs, J. M. L. A. Griffiths, Ms H. J. Jones, C. J. Tidmarsh and C. R. Scurrill be appointed members of the Task Group;
- (b) that the terms of reference of the Improving Residents' Satisfaction Task Group are agreed;

- (c) that the Task Group take four months, from the date of the first meeting, to carry out its investigations;
- (d) that the Task Group commence its investigation as soon as possible.

Under Council Procedure Rule 17.5 Councillor Peters requested that it be recorded that he had abstained from the vote on item (b) above.

48/09 **WORK PROGRAMME**

Members were asked to consider the Work Programme and to identify any evidence they wished to receive in respect of the topics. They were reminded that, at the Scrutiny Board meeting on 26th January 2010, they would receive a presentation from the Executive Director (Partnerships and Projects) on the Corporate Safeguarding Policy (Children and Vulnerable Adults). Members also requested that at the meeting on 26th January 2010 a presentation be given by the Council's climate change officer in relation to the item on the work programme "Meeting the Challenges of Climate Change".

RESOLVED that the work programme be noted.

The meeting closed at 7.40 p.m.

Chairman

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE AUDIT BOARD

MONDAY, 14TH DECEMBER 2009 AT 6.00 P.M.

PRESENT: Councillors S. R. Peters (Chairman), B. Lewis F.CMI (Vice-Chairman), D. Hancox, Ms. H. J. Jones, C. R. Scurrrell and E. C. Tibby

Also in attendance: Ms. J. Hill, Audit Commission, Ms. J. Matheson, Audit Commission, (during Minute Nos. 26/09 to 32/09)

Observers: Councillor G. N. Denaro (Portfolio Holder for Resources)

Officers: Ms. J. Pickering, Ms. M. Wall (observing) and Ms. P. Ross

26/09 **APOLOGIES**

No apologies for absence were received.

27/09 **DECLARATIONS OF INTEREST**

No declarations of interests were received.

28/09 **MINUTES**

The minutes of the meeting of the Audit Board held on 28th September 2009 were submitted.

RESOLVED that the minutes be approved as a correct record.

29/09 **USE OF RESOURCES JUDGEMENT 2008-2009**

(The Chairman agreed to the consideration of this item as a matter of urgency, due to the requirement to await the embargo on the Use of Resources Judgement 2008-2009 and to ensure that the Audit Board was aware of the issues raised by the Audit Commission)

The Chairman welcomed Ms. J. Hill and Ms. J. Matheson, Audit Commission to the meeting. Ms. J. Hill presented the report and thanked Members for their co-operation.

Ms. Hill explained that this was the first year of the new Use of Resources Key Lines of Enquiry (KLOE) and that these KLOE's were more broadly based than previously and embraced wider resources issues such as people and workforce planning and the use of natural resources, focussing on value for money achievements, outputs and outcomes rather than on processes and were therefore more strategic and less criteria driven.

Ms. Hill informed Members that overall for 2008/2009 the Council had been assessed as Level 2 (out of 4) in its arrangements for Managing Finance, Governing the Business and Managing Resources. The assessment had found examples of working at Level 3 on several focus points, however, these were not across a KLOE. Members were requested to note that the overall score of 2 was the same as the previous year. However, this was a good achievement as it was against a harder assessment and was therefore considered to be an improvement on previous assessments and demonstrated that the Council was becoming more focused on delivery of outcomes rather than processes.

The Head of Financial Services informed Members that the Audit Commission, Annual Audit Letter would be presented to the Audit Board meeting in March 2010.

RESOLVED that the draft Use of Resources 2008/09 report and the officer responses in relation to the Audit Commission recommendations be noted.

30/09 **RISK MANAGEMENT TRACKER**

Members considered a report which presented an overview of the current progress in relation to Actions/Improvements as detailed in the Corporate and business area risk registers for the period 1st April 2009 to 30th September 2009. The Head of Financial Services responded to questions from Members on the high proportion of actions due to be completed in Quarter 4. Members were informed that the Corporate Management Team (CMT) would continue to monitor these. The Head of Financial Services was asked to raise the concerns of the Audit Board at the Corporate Management Team meeting in December 2009.

RESOLVED that the progress to date against the Corporate and all business area risk register actions for the period 1st April 2009 to 30th September 2009, Quarter 2, be noted.

31/09 **INTERNAL AUDIT PERFORMANCE AND WORKLOAD**

Consideration was given to a report that provided a summary of the current performance and workload of the Internal Audit Section during the first half year, April to September 2009. The Head of Financial Services informed Members that the information presented was historical and that a number of audit reviews shown as 'not started' had been started.

RESOLVED:

- (a) that the Head of Financial Services be tasked to present the following completed Audit Review to the Audit Board meeting in March 2010:
 - Travel Concessions
- (b) that the current status and work completed on the 2009/2010 Audit Plan be noted and approved;

- (c) that the work completed by the Internal Audit Section between April and September 2009 be noted and approved;
- (d) that the work regarding investigations be noted;
- (e) that the current Internal Audit Performance Indicator statistics be noted; and
- (f) that amendments to the section's standard documentation be noted.

32/09 **LOCAL GOVERNMENT ACT 1972**

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 business the subject of the following minutes on the grounds that they involve the likely disclosure of 'Exempt Information' as defined in part 1 of schedule 12A to the Act, as amended, the relevant paragraphs of that part being as set out below and that it is in the public interest to do so:-

<u>Minute Nos.</u>	<u>Paragraph</u>
33/09	7
34/09	3 and 7

33/09 **INTERNAL AUDIT CAR PARK REVIEW**

Members considered a report that had been requested during the Audit Board meeting held on 28th September 2009. The Head of Financial Services responded to questions from Members on information contained within the report. There followed further discussion and general questions on car parking issues, car parking permits and the proposed 'pay on foot' system.

RESOLVED that the results of the audit review of Car Parks and the responses of the Head of Street Scene and Community and the Transport and Engineering Officer be noted.

34/09 **AUDIT BOARD RECOMMENDATION TRACKER 2009-2010**

Members considered a report that presented a summary of progress to date against audit report 'priority one' and key 'priority two' findings and agreed actions. The Head of Financial Services responded to questions from Members on information contained within the report.

RESOLVED:

- (a) that the 'priority one' and key 'priority two' findings and agreed actions as set out in Appendices 1 and 2 of the report be noted; and
- (b) that any necessary action and reporting process be agreed.

The meeting closed at 7.25 p.m.

Chairman

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BROMSGROVE DISTRICT COUNCIL

MEETING OF THE LOCAL DEVELOPMENT FRAMEWORK WORKING PARTY

WEDNESDAY, 16TH DECEMBER 2009 AT 10.00 A.M.

PRESENT: Councillors Mrs. J. Dyer M.B.E. (Chairman), P. J. Whittaker (Vice-Chairman), G. N. Denaro, Mrs. R. L. Dent, R. Hollingworth, E. J. Murray, D. L. Pardoe (Substituting for Mrs J. D. Luck), S. R. Peters, Mrs. M. A. Sherrey JP, E. C. Tibby and C. J. K. Wilson

Officers: Mr. D. Hammond, Mr. M. Dunphy, Mr. A. Fulford, Mr. A. Harvey and Ms. R. Cole

13/09 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Mrs. M. Bunker, S. R. Colella and Mrs. J. D. Luck.

14/09 **DECLARATIONS OF INTEREST**

No declarations of interest were received.

15/09 **MINUTES**

The minutes of the meeting of the Local Development Framework Working Party held on 15th October 2009 were submitted.

RESOLVED that the minutes be approved as a correct record.

16/09 **ANNUAL MONITORING REPORT**

The Working Party considered the contents of the Annual Monitoring Report (AMR) for 2008/2009.

It was noted the Council was required to produce the AMR under the Planning and Compulsory Purchase Act 2004 and that the report was required to assess both the implementation of the Local Development Scheme and the extent to which policies in Local Development Documents were being achieved. The report would be submitted to the Government Office of the West Midlands (GOWM).

During the discussion on this item, the Head of Strategic Planning reminded Members that the Council had originally been informed that the Report of the Secretary of State, setting out the proposed changes to the Regional Spatial Strategy (RSS) Examination in Public Panel Report, would be received on

16th December 2009. It had been anticipated that a verbal update could be provided to this meeting. The Head of Strategic Planning reported that unfortunately he had very recently received notification from the GOWM that the Secretary of State's report would now be delayed until "the New Year". Clearly this would have the effect of delaying the formal twelve month consultation period on that document and the subsequent revised version of the Draft Core Strategy.

Members expressed concern and disappointment that following the onerous RSS process, during which this Authority and other parties had been required to meet a number of stringent deadlines for submission of documents, the delay of the Secretary of State's response report, with no indication as to the likely date of receipt, could now have an adverse impact on the production of the Core Strategy.

Members felt that the section of the report relating to the provision of affordable housing was unduly critical and requested additional wording to explain the position. A number of minor amendments were also requested.

RESOLVED:

- (a) that a letter be sent to the GOWM, the Secretary of State for Communities and Local Government and the Local Government Association expressing concern and disappointment regarding the delay in the receipt of the Secretary of State's Report on Changes to the Regional Spatial Strategy; and
- (b) that subject to the minor changes referred to above, the Annual Monitoring Report 2008/2009 be approved and submitted to the GOWM.

17/09 **AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT**

The Working Party considered a draft of an Affordable Housing Supplementary Planning Document (SPD) which had been amended to reflect comments made by Members at the previous meeting.

It was reported that the draft had been sent out for formal consultation and that the consultation period of eight weeks would end on 30th January 2010. Over four hundred letters and Emails had been sent out to individuals and organisations, including Parish Councils.

Members welcomed the document as being clear and easy to read. It was felt that the term "settlements" be used in place of "villages" in Policy AH9 and that there should be a definition within the document of Housing Need.

RESOLVED that the commencement of the formal consultation period on the Draft Affordable Housing SPD be noted.

18/09 **CORE STRATEGY UPDATE**

Consideration was given to a report updating the Working Party on progress in respect of the Draft Core Strategy.

The Head of Strategic Planning confirmed that work was still progressing although clearly the implications of the RSS outcome would impact on the Core Strategy. Work was ongoing in relation to Strategic Site Allocations and this would be included in the next version of the Core Strategy. It was anticipated that the next version of the Core Strategy would go out to consultation in the summer of 2010 and would be coming forward for final approval this time next year.

RESOLVED that the progress made on the development of the Core Strategy be noted.

19/09 **REGIONAL SPATIAL STRATEGY (RSS) PHASE 3 REVISION - UPDATE**

The Working Party considered a report which outlined the changes made to the RSS revision process in relation to Phase 3 and the implications for the Bromsgrove District.

It was reported that as a consequence of the delays in the revision of Phase 2 of the RSS, the format for the Phase 3 revision had been amended and Phase 3 issues would now be taken forward by way of Policy Statements and Recommendations as set out in the report. Attention was also drawn to the Options consultation which had taken place and the informal responses submitted by officers on behalf of the Council in respect of the issues which related to District Council role and functions.

RESOLVED that the report be noted.

The meeting closed at 11.25 a.m.

Chairman

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Agenda Item 7

THE ENCLOSURES FOR THIS ITEM WILL FOLLOW ON A
SUPPLEMENTARY AGENDA

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Agenda Item 8

THERE ARE NO ENCLOSURES FOR THIS AGENDA ITEM

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BROMSGROVE DISTRICT COUNCIL

CABINET

6 JANUARY 2010

Worcestershire Enhanced Two Tier

Responsible Portfolio Holder	Councillor Roger Hollingworth
Responsible Head of Service	Kevin Dicks
Key Decision – Yes	

1. SUMMARY

- 1.1 This report seeks agreement in principle for the detailed business cases for Worcestershire Enhanced Two Tier and approval to allow the business cases to be further progressed and presented to full Council during January 2010 for a final Member decision.

2. RECOMMENDATION

- 2.1 It is recommended that Cabinet support in principle the two tier and joint working proposals for Property Services, Regulatory Services and Internal Audit presented within the Worcestershire Enhanced Two Tier (WETT) detailed business cases referenced in this report. This will allow the business cases to be progressed to Council for Members to consider these proposals for final decision in January 2010. It is therefore recommended that Cabinet support in principle:-
- 2.1.1 Subject to the agreement of the Worcestershire Councils e.g. Worcestershire County, Worcester City District, Bromsgrove District, Redditch Borough, Malvern Hills District, Wychavon District and Wyre Forest District:

A unified Regulatory Service for the Worcestershire Councils, jointly hosted by Bromsgrove and Redditch Councils (with Bromsgrove District Council as the employing authority), is established from 1st. June 2010 under the auspices of a Joint Committee; on the basis set out in the Regulatory Service Detailed Business Case V10, Part 1 & Part 2 (Rev.1) and supported by the Regulatory Services, Detailed Business Case Executive Summary V3.2 at '**Appendix A**' of this report.

- 2.1.2 This Council's functions in relation to Environmental Health and Licensing Services (other than those licensing functions which cannot be delegated) be delegated to a Joint Committee in accordance with Section 101 of the Local Government Act 1972 and Section 20 of the Local

Government Act 2000 and the Local Authorities (Arrangements for the Discharge of Functions) (England) (Regulations) 2000.

- 2.1.3 That, subject to such an agreement being concluded, relevant staff from all Councils agreeing to the Regulatory Services business case are to be transferred to Bromsgrove District Council under TUPE arrangements;
- 2.1.4 That the financial arrangements for the new service as set out in the Detailed Business Case V10 be approved in principle allowing the business cases documentation to be presented to full Council in January 2010 for final ratification and recommended to each authority as the basis for Regulatory budgets.
- 2.1.5 Subject to the agreement of the participating Worcestershire Councils e.g. Worcestershire County, Worcester City, Bromsgrove District and Redditch Borough that a Shared Property Service (hosted by Worcestershire County Council) on the basis set out in the Property Services, Detailed Business Case V6 and the supporting Detailed Business Case Executive Summary V1 at 'Appendix B' of this report is established.
- 2.1.6 The transfer of staff to Worcestershire County Council as service provider on the terms proposed from the Commencement Date.
- 2.1.7 To enter into the service level agreement on the basis set out in the Property Services Detailed Business Case V6 and supporting Property Services Detailed Business Case V1 (Appendix B), as amended to reflect any final agreement made between the Partner authorities.
- 2.1.8 The proposal to authorise the Head of Legal, Equalities and Democratic Services to finalise the terms of the collaboration agreement and Service Level Agreement and to execute the agreements on behalf of the Council.
- 2.1.9 Subject to the agreement of the participating Worcestershire Councils e.g. Worcester City District, Bromsgrove District, Redditch Borough, Wychavon District and Malvern Hills District; that agreement in principle is given to the creation of a Shared Internal Audit Service on the basis set out in the Internal Audit, Detailed Business Case V10 and the supporting Detailed Business Case Executive Summary V2 at '**Appendix C**' of this report.
- 2.1.10 Supports in principle Worcester City Council to act as the service provider.
- 2.1.11 Agrees in principle to the transfer of staff to Worcester City Council as service provider on the terms proposed from the Commencement Date.
- 2.1.12 Agrees in principle to enter into the service level agreement on the basis set out in the Internal Audit Detailed Business Case V10 and

supporting Internal Audit Detailed Business Case V2 (Appendix B), as amended to reflect any final agreement made between the Partner authorities.

- 2.1.13 Agrees in principle to authorise the Head of Legal, Equalities and Democratic Services to finalise the terms of the service level agreement and to execute the agreement on behalf of the authority.
- 2.1.14 To support the proposed timeline at '**Appendix D**' of this report. The time line shows the order and dates for each consultation and decision point relating to the detailed business case development for Internal Audit, Property and Regulatory Services.
- 2.1.15 Agrees to the creation of and terms of reference for a Joint Appointments Committee comprising one member of each participating Council for the proposed Head of Regulatory Services.
- 2.1.16 The proposal to make any consequential changes required to the Council's constitution to reflect the shared services arrangements.

3. BACKGROUND

- 3.1 The Worcestershire Enhanced Two Tier (WETT) programme was created during 2009. This followed the successful bid by the Worcestershire Councils for £350K of funding made available by the Improvement & Efficiency Partnership (IEP), West Midlands. This funding was provided specifically to support the development of two tier, shared working within the region.
- 3.2 During 2009 Officer teams representing all of the Worcestershire Councils have worked together to produce a number of proposals for two tier, joint working which include key community facing and support service areas e.g. Regulatory Services, Street Scene, Human Resources and Property Services.
- 3.3 High Level Business Cases were produced in May supporting proposals relating to ten service areas and the Worcestershire Chief Executives and Council Leader panels supported the prioritised development of three of these into detailed business cases i.e. Regulatory, Property and Internal Audit.
- 3.4 Stakeholder groups such as the County Treasurers and HR Managers have been involved at key stages in challenging and validating the detailed business cases. A Programme Management Group comprising of senior managers from all seven Worcestershire Councils has directly supported the development process.
- 3.5 The proposed detailed business cases were presented to the Worcestershire Chief Executives & Council Leaders Panel during

October 2009. Agreement was reached by the participating Partners for each of the three business cases to be taken forward for consideration by the Executive Members of each Council during December 2009.

- 3.6 The report to Council will include detail on the outcomes of the formal consultation with staff and trade unions regarding the business cases.
- 3.7 The WETT programme has been structured in such a way to enable development of the other High Level Business Cases to continue in further phases of prioritised development following the completion of necessary work on the current detailed business cases.

4. BUSINESS CASE OVERVIEW

- 4.1 The current WETT detailed business cases were circulated to all affected staff, the Trade Unions and Elected Members of the participating Worcestershire Councils on the 11th November 2009. This followed initial presentations regarding the business cases to these groups by the WETT programme team during the first two weeks of November.
- 4.2 Each of the detailed business cases for the WETT programme is supported by an Executive Summary document which has been produced to offer a concise representation of the key elements of the broader document e.g. proposed Scope, Finances, Governance, Management & Staffing, Performance, service Transformation, ICT requirements, Implementation approach and Risks.
- 4.3 The Executive Summary documents form part of the appendices of this report and are referenced throughout.
- 4.4 Attached at '**Appendix D**' of this report is the current 'time line' which provides detail on the order of key dates for the consultation and decision making process in relation to the detailed business cases for Regulatory, Property Services and Internal Audit.
- 4.5 Below is a high level overview of the proposals contained within the business case documents however; Executive Members are asked to refer to the appendices of this report when considering the recommendations contained within 'section 1'.

(a) Regulatory Services:

- 4.6 The business case proposes that a transformational two tier Regulatory Service be created in Worcestershire that will deliver significant improvement in services for Customers county-wide and benefits for the seven Partner Authorities. This would involve creating a fully integrated Regulatory Services function which will be more effectively focussed on businesses and consumers, with all partners operating within a unified Management Structure.

4.7 The proposed service will incorporate the three professional disciplines of Trading Standards, Environmental Health and Licensing, with all Partner service teams operating within a unified management structure. This will allow an integrated team to be created which has the resilience, shared expertise and economies of scale to provide a broad and effective service base for the communities of Worcestershire, while maintaining local responsiveness, choice and identity.

4.8 The business case highlights a number of key benefits which can be achieved for Partners through this new approach e.g.

- The preferred business model option offers a like-for-like revenue saving of £1.26 million (17.25% reduction on current direct service cost) largely achievable by year 3 however; a £440K saving is achieved in year 2 (2011/12).
- It should be possible to achieve savings in overhead costs in the medium to long term of up to 20% of current internal recharges (approximately £354k).
- It is intended that individual partner performance against the core National Indicators for these Regulatory Services will be maintained as a minimum. This will be followed by a clear focus on raising the performance of all partners to that of the best in Worcestershire.
- The new service will utilise a centralised ICT system, linking directly into the Worcestershire Hub, enabling improved access to services and for our Customers across the region, with opportunity for continuous service improvement.
- This business model will enable Councils to achieve increased resilience, while facing the challenges and changing demands placed on the services, anticipated from Central Government in the medium / long term.
- Improved delivery to Customers e.g. reducing the burden on business by avoiding duplication of inspections.
- Cost reduction through Efficiencies e.g. eliminate duplication, overlap & redundancy in processes & working
- Economies of scale e.g. reduced management/support costs & overheads, rationalisation / re-use of estate and ICT integration
- Consistent approach in service delivery e.g. Policy alignment (customer perception is the key driver – common policy framework will have flexibility to meet local needs, Improvement in compliance and uniform process for "routine" regulatory work (where possible through the Hub).
- Standardised performance, quality, policy & processes e.g. reduction in incidents of failure through efficiency, standardisation of charges and fees and consistent approach to clients
- Business transformation e.g. shared resources – people, processes & systems, minimise geographic boundaries between services to customer and minimise political boundaries between services to the customer

- 4.9 Details on the proposed costs and saving per Council Partner can be found at 'Appendix E' of this report which includes an extract from the Regulatory Services detailed business case V10, Finance Appendix F9 – Implementation Approach D proposed partner cash flow forecast.
- 4.10 In addition to the target 17.2% saving against direct expenditure, it is anticipated that a saving of £354k (20%) against indirect (internal recharge) expenditure can be achieved, via self-managed efficiencies at individual authorities.
- 4.11 Capital investment of £1.5 million is needed to achieve the proposed business model, of which £270k is to be potentially grant-funded by Improvement & Efficiency West Midlands and CLG. The business case delivers a return on investment (payback) against net capital expenditure by Year 4 (2013/14).
- 4.12 The aggregate direct gross expenditure on Regulatory Services across the seven County and District Councils in 2009/10 is £7.3 million. The largest component of this direct expenditure is employee costs (76% of aggregate direct costs), representing 165 full time equivalents (FTE).
- 4.13 The direct expenditure savings under the recommended service model i.e. 'Option 3' shown in the Regulatory Services detailed business case V10 are delivered through a reduction in headcount from 165 to 120 FTE.
- 4.14 Reductions in management are achieved through the removal of duplication in line management, policy development and inter-authority liaison, while reductions in professional, technical and support staff are achieved through structural rationalisation and fundamental service transformation.
- 4.15 Having received legal advice regarding shared service governance, the Regulatory Services Project Team opted to appoint a Joint Committee of elected members to oversee all activity, with the seven authorities having delegated decision making and policy approval to that authority from the committee and officers of the joint service. Sections 101 and 102 of the Local Government Act 1972 provide the statutory authority for this.
- 4.16 In essence, the proposal is for a central management structure, reporting to the joint committee. The functions to be undertaken by the shared service include all aspects of licensing, environmental health and trading standards. However; the important caveat to all of the above is that the Licensing Act 2003 amended the Local Government Act 1972, adding section 101(15), the impact of which is that section 101 does not apply to the exercising of any function of a licensing authority under the Licensing Act 2003.

- 4.17 The two tier Regulatory Service model described in the detailed business cases V10 therefore proposes to retain the existing licensing committees to deal with those licensing and gambling functions which cannot be delegated to another authority.
- 4.18 Recommendation (a) of this report asks Cabinet to agree in principle the business case at 'Appendix A' of this report for a two tier Regulatory Service for the six Worcestershire Districts and County Council.
- 4.19 If supported, Cabinet are asked to approve the recommendation that the business case be taken forward to the Council meeting in January 2010 for a final decision. The report to Council will include detail on the outcomes of the formal consultation with staff and trade unions regarding the business case.
- 4.20 The service would be operational by 1st June 2010, and would be hosted by Bromsgrove District Council.

(b) Property Services:

- 4.21 The proposed business case supports the development of an integrated Property Services function with all participating Council partners operating within a single management structure. This will allow a central team to be created which has the resilience, shared expertise and economies of scale to provide a broad and effective property service base for the communities of Worcestershire.
- 4.22 The business case highlights a number of key benefits which can be achieved for Partners through this new approach e.g.
- **Economies of scale:** Rationalisation of estate, combined procurement through combined purchasing power and reduced support costs & overheads
 - **Resilience:** Improved capacity – sharing of resources and skills, improve career structure, personal development and ergonomics & improved partnership working.
 - **Best Services for Local People:** Better position to meet local service user
 - **Savings:** Accumulative savings of 15% revenue against existing revenue budgets over 3 years for District Partners. Opportunities for additional savings for the County Council through increasing efficiency over the initial 3 years of the Partnership.
 - **Increased flexibility and opportunities to optimise resources & staff:** No geographic boundaries between services to customers, no political boundaries between services to customers, shared resources – people, processes, systems & shared allegiance

- **Future proof services:** Protection of Political Sovereignty within 2 Tier (Governance – process 'all decisions will be signed by all relevant authorities')
- **Value for Money / Performance:** Partner performance will be sustained during economically challenging Local Government environment, at a reduced cost.
- **Continuous improvement at a reduced cost:** Eliminate duplication, overlap & redundancy in processes & working practices, standardised services and quality.
- **Consistent approach in service delivery for common problems (asbestos, carbon, energy management):** Uniform processes for common problems (asbestos, carbon & energy management), policy alignment (customer perception is the key driver – common policy framework needs to have flexibility to meet local needs) & improvement in compliance

4.23 The business case proposes that the County Council would provide the entire range of Property Services under 'service level agreement (SLA)' to participating District Council Partners.

4.24 Section 101 Local Government Act 1972 enables an authority to make arrangements for the discharge of its functions by a committee, sub-committee or officer of the authority or by another authority. Sections 19 and 20 Local Government Act 2000 contain similar powers regarding executive functions.

4.25 It is important to stress that the proposed arrangements have been structured as collaboration between the four authorities, with the ability of other Partners e.g. Malvern Hills District Council to join at a later date.

4.26 Advice has been sought on the procurement rules which govern these proposals. This has confirmed that, given the fact that each participating authority is proposing to operate this service through the provision of a Service Level Agreement, any adverse procurement risk is minimal. The fact that the County Council currently provides part of these services under a Service Level Agreement further minimises any risk.

4.27 In practice this means that the County Council's Head of Property Services is carrying out the property functions contained within the detailed business case on behalf of the other participating authorities and the collaboration agreement records the terms upon which costs will be shared and the other practical issues which have been documented within the detailed business case V6 for the arrangements.

4.28 It is anticipated that efficiencies through economies of scale will be achieved, benefitting all participating partners and providing a viable

response to impending further budget pressures expected over the coming years.

4.29 The combined Property Service will contribute to other local government services such as planning, highways, education and the wider sustainability agenda will be enhanced.

4.30 The business model will include a core of Property Service functions which would form the initial service portfolio, with opportunities for a broader portfolio as the service is developed and embedded.

4.31 Under the Service Level Agreement, each District Council will receive a service to at least the same level as is currently delivered in-house; each District Council will also receive a cumulative saving of 5% against total employee, supplies & services and repairs & maintenance expenditure for each of the first three years of operation of the shared service (15% cumulative saving after three years).

4.32 'Table 1' below shows the Indicative savings delivered to District Councils through the proposed shared service:

Table 1 – Indicative savings delivered to District Councils		Current Budget £	Year 1 £	Year 2 £	Year 3 £
Target saving (cumulative):		N/a	5%	10%	15%
Bromsgrove DC	Savings (cumulative)	N/a	(14,000)	(27,000)	(40,000)
	Total expenditure (excl facilities)	269,000	255,000	242,000	229,000
Malvern Hills DC	Savings (cumulative)	N/a	(8,000)	(17,000)	(25,000)
	Total expenditure (excl facilities)	169,000	161,000	152,000	144,000
Redditch BC	Savings (cumulative)	N/a	(62,000)	(124,000)	(187,000)
	Total expenditure (excl facilities)	1,244,000	1,182,000	1,120,000	1,057,000
Worcester City	Savings (cumulative)	N/a	(67,000)	(133,000)	(200,000)
	Total expenditure (excl facilities)	1,331,000	1,264,000	1,198,000	1,131,000
All District Councils	Savings (cumulative)	N/a	(151,000)	(301,000)	(452,000)
	Total expenditure (excl facilities)	3,013,000	2,862,000	2,712,000	2,561,000

4.33 Facilities-related expenditure will also be included in the scope of the Shared Service, but will be treated as a separate expenditure budget line. While savings are likely to accrue to District Councils from premises-related items, for example through the negotiation of joint contracts for utilities procurement, these savings are not quantified in this business case, but will be allocated to Shared Service partners as they arise. The detailed methodology for savings distribution will be set out in the Service Level Agreement.

4.34 It should be noted that there are no fixed savings planned against the County Council's direct expenditure budget as, since 2006/07, total savings of £423,000 have already been delivered by the County

Council's Property Services department against staffing budgets. However, under the current model, the County Council will benefit from any savings which are delivered in addition to the agreed levels in Table 1 above.

- 4.35 The business case proposes that Worcestershire County Council will be the host employer under this proposed Property Service. Staff would therefore transfer to the employment of the County Council with effect from 1 April 2010.
- 4.36 **'Recommendation 2.1.5'** of this report asks Cabinet Members to agree in principle the business case for Property Services at **'Appendix B'** for a two tier Property Service for the Councils of Worcestershire County, Worcester City District, Redditch Borough and Bromsgrove District.
- 4.37 If supported, Cabinet are asked to approve the recommendation that the business case be taken forward to the Council meeting in January 2010 for a final decision. The report to Council will include detail on the outcomes with staff and trade unions regarding the business case.
- 4.38 The service would be operational by 1st June 2010, and would be hosted by the County Council.

(c) Internal Audit

- 4.39 This business case supports the development of an integrated Internal Audit function with all participating District Council Partners (scalable for other councils to join at a later date) operating within a single management structure. This will allow a central team to be created which has the resilience, shared expertise and economies of scale to provide a broad and effective service base for the District Councils, hosted by Worcester City Council.
- 4.40 Once the proposed District Partnership has been implemented there will be scope for the County Council and the Districts to review the potential for increased Partnership working.
- 4.41 The Project Team established that Worcester City Council has a substantial Internal Audit team in comparison to the other Districts and is already carrying out work on behalf of Partners e.g. Malvern Hills District Council. The City Council generates 50% of its Internal Audit costs from completing work for other Authorities and this is built into the agreed budget for the Council. It is an organisation which is looking to expand its Internal Audit work or at least maintain its current volume to protect budget commitments.
- **Resilience** – combining the Internal Audit teams will provide the participating authorities with a larger pool of Internal Auditors with a greater breadth of expertise. Availability of staff and skills, developing expertise & Developing new areas of auditing.

- **Savings** – the financial business case delivers ongoing revenue savings of £144,000 per annum (20.1% of direct expenditure) by Year 3 (2012/13).
- **Staff retention & development** – an improved career structure for staff, with increased variety of work and professional development opportunities. Achieve consistent high standards and increased morale and motivation.
- **Improved support to other Shared Services** – streamlined and uniform assurances will be provided to existing and future Shared Services
- **Increased Quality:** Sharing organisational best practice, Increased influence in negotiation – 3rd parties & External Audit, Opportunities for growth (%age of audit plan), Researching best practices, Uniformity of product delivery with robust methodology, Single point of contact for External Audit.
- **Economies of Scale & Transformational Changes:** Overall cost saving.
- **Consistency of standards and quality:** Standardise services and quality, consistency of audit approach to ensure best practice is applied at all sites: Eliminate duplication and overlap in processes & working practices, best practice audit methodologies, elimination of barriers when working with other 'shared services'.

4.42 The model proposed focuses on service excellence and service resilience through building on existing good practice. Delivery of Internal Audit functions through a centralised hosted service provision is considered by the project team members to be well placed to provide a much improved service to each participating partner.

4.43 The model also provides opportunities for consistency of standards, quality and audit approach which will feed into Use of Resources Assessments, External Audit opinions and CIPFA Code of Practice compliance.

4.44 The Project Team believe that there is potential for savings to be achieved as a result of this shared service relationship. The City Council highlighted the fact that existing savings / income created from current Partnership working would have to be maintained by the City Council as part of agreed Council budget commitments. All additional savings could be shared with Partners as part of the new shared service model, subject to confirmation.

4.45 Table 2 below shows the proposed costs (excluding Support Costs) and savings for each Partner which can be achieved through the new service

Table 2: Proposed Costs of Service by District (excluding Support Costs)

	Cost 2009/10	Cost 2010/11	Cost 2011/12	Cost 2012/13
Bromsgrove DC	£92,510	£102,312	£92,125	£81,488
Malvern Hills DC	£92,950	£76,553	£66,450	£58,884
Redditch BC	£160,854	£164,004	£146,421	£128,410
Worcester City	£88,047	£89,956	£77,735	£66,668
Wychavon DC	£127,549	£131,472	£118,051	£104,694
Wyre Forest DC	£29,800	£28,372	£26,758	£25,156
Subtotal	£591,710	£592,670	£527,540	£465,299
Saving p.a.		£960	(£65,130)	(£62,242)
Saving recurring p.a.		£960	(£64,170)	(£126,411)

4.46 The proposed service would operate through a service level agreement (SLA) approach. Thereby each authority buys the service from the host under an SLA arrangement.

4.47 Section 101 Local Government Act 1972 enables an authority to make arrangements for the discharge of its functions by a committee, sub-committee or officer of the authority or by another authority (sections 19 and 20 Local Government Act 2000 deal with executive functions). Internal Audit Services are classified as non-Executive functions under the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 SI 2000/2853 as amended (Paragraph 1 39 of Schedule 1), as are staffing matters under Section 112 Local Government Act 1972 and for the supply of professional and technical services from other authorities under s1 of the Local Authorities (Goods and Services) Act 1970. As a result, any decision about the future provision of the service would need to be made by a non-Executive body, such as full Council.

4.48 It is important to stress that the proposed arrangements have been structured as collaboration between the five authorities, with the ability of other Partners to join at a later date.

4.49 Advice has been sought on the procurement rules which govern these proposals. This has confirmed that, given the fact that each participating authority is proposing to operate this service through the provision of a Service Level Agreement, any adverse procurement risk is minimal.

4.50 In practice this means that the City Councils 'Head of Internal Audit' (to be appointed) is carrying out the Internal Audit functions contained within the detailed business case on behalf of the other participating authorities and the collaboration agreement records the terms upon which costs will be shared and the other practical issues which have been documented within the detailed business case V10 for the arrangements.

4.51 Recommendation 2.1.15 of this report asks Cabinet to agree in principle the business case at 'Appendix C' of this report for a shared Internal Audit Service for the Councils of Worcester City District, Redditch

Borough, Bromsgrove District, Wychavon District and Malvern Hills District.

- 4.52 If supported, Cabinet are asked to approve the recommendation that the business case be taken forward to the Council meeting in January 2010 for a final decision. The report to Council will include detail on the outcomes with staff and trade unions regarding the business case.
- 4.53 The service would be operational by 1st June 2010, and would be hosted by Worcester City Council.

5. STAKEHOLDER INVOLVEMENT

- 5.1 A number of key Stakeholder groups have been involved in the development of the WETT programme, the high level & detailed business cases.
- 5.2 The Worcestershire Chief Executives & Council Leaders have been established as the WETT Programme Board, providing strategic direction since the initiation of the programme. The programme board have supported the WETT Team throughout the development stages of the business cases and their leadership and decision to support these during October 2009 has allowed proposals to be taken forward to Executive Members for further consideration prior to Council.
- 5.3 The County Treasures and HR Managers groups have played a key role in developing, challenging and validating the detailed business cases to ensure that Members are presented with proposals which are robust and 'fit for purpose', offering the best options for the participating Council Partners.
- 5.4 A Programme Management Group (PMG), comprising of senior managers representing all seven Worcestershire Councils has provided key leadership and support to the programme and project teams involved in producing the WETT proposals. PMG have ensured that appropriate resources have been sourced and made available to the WETT programme to enable the progress to date to have been made.
- 5.5 Project Teams of Officers representing all Worcestershire Councils have worked hard to develop and produce the detailed business case proposals. What they have undoubtedly achieved is the production of new and innovative service option proposals which offer increased resilience, efficiency, improvement and savings to Partners at a time where Local Government is starting to really feel the negative pressures of the recession.
- 5.6 The detailed business cases highlight how Customers will be involved in the design of the services for implementation and this approach will become the standard for implementing continuous improvement once the services become established.

6. NEXT STEPS

- 6.1 The consultation and decision stages involved in taking the detailed business cases forward for Internal Audit, Property and Regulatory Services are illustrated in the time line at '**Appendix D**' of this report.
- 6.2 If the business case proposals are supported by both the Cabinet and Councils of all participating Council Partners, further consultation will take place with staff and Trade Unions in line with the schedule illustrated in Appendix D.
- 6.3 Detailed implementation plans will be produced prior to launching the proposed new services.

7. FINANCIAL IMPLICATIONS

- 7.1 Contained in the report and the detailed business cases.

8. LEGAL IMPLICATIONS

Legal Implications of the Regulatory Services Proposal

- 8.1 Section 101 of the Local Government Act 1972 as amended permits two or more local authorities to arrange for the discharge of any of their functions by a joint committee of theirs, or by an officer of one of the authorities, either of which may in turn arrange for the discharge of any of those functions by an officer of the authority. This section enables the joint committee to be set up. The following would be required to enable the joint committee to discharge the functions of the participating authorities:
 - An identical resolution by the Council of each participating authority would be required to establish the joint committee and its terms of reference and to agree other matters such as the sharing of the expenses of the joint committee;
 - consideration would need to be given to whether the terms of reference would need to include powers for the joint committee to deal with the appointment, dismissal and disciplinary matters relating to the Head of Services engaged by the host authority, or at least to make recommendations to the host authority's Council;
 - each participating authority would need to amend its scheme of delegation/discharge of functions schedule in its Constitution to reflect the discharge of the regulatory functions by the joint committee;
 - the joint committee will need to prepare its own scheme of delegations in relation to the functions delegated to it;
 - each participating authority would need to appoint members to the joint committee in such a way as to reflect the political balance of the participating authority;

- the joint committee would be responsible for selecting its chairman, subject to any provisos on chairmanship included in the terms of reference.

- 8.2 The terms of reference for the joint committee would need to make it clear whether the joint committee was exercising executive functions, non-executive functions or a combination of both.
- 8.3 The Licensing Act 2003 amended the Local Government Act 1972, adding section 101(15), the impact of which is that section 101 does not apply to the exercising of any function of a licensing authority under the Licensing Act 2003 which includes certain functions relating to premises licences under the Gambling Act 2005. Each participating authority will retain a Licensing Committee and Sub-Committees to deal with those functions.

The legal implications of the Property Services and Internal Audit Proposals

- 8.4 The service provider will provide services to the participating authorities by way of a Service Level Agreement under Section 101 Local Government Act 1972 as amended and s1 of the Local Authorities (Goods and Services) Act 1970.

9. COUNCIL OBJECTIVES

- 9.1 The proposals support the overall objective of Improvement and Value for Money.

10. RISK MANAGEMENT

- 10.1 Separate risk registers exist for each business case.

11. CUSTOMER IMPLICATIONS

- 11.1 The Customer is at the heart of the proposals

12. EQUALITIES AND DIVERSITY IMPLICATIONS

- 12.1 Contained in the report

13. VALUE FOR MONEY IMPLICATIONS

- 13.1 Value for money is key to these proposals.

14. OTHER IMPLICATIONS

Procurement Issues
These are set out in the report
Personnel Implications

Formal consultation with affected staff and Trade Unions regarding the WETT detailed business cases commenced on the 10th November 2009 and is scheduled to conclude on the 21st December 2009.

This is the first of three stages of formal consultation relating to the Property, Internal Audit and Regulatory Services proposals. The time line at '**Appendix D**' of this report shows the agreed schedule for the consultation and decision making leading up to the implementation stages for the proposed services.

During the period of consultation, local events will take place at the County & District Councils which will include staff, Member and Trade Union briefings and further consultation.

It is proposed that any comments or views regarding the detailed business case received thus far from staff and Trade Unions will be tabled at each of the Cabinets /Executive Boards, and the full outcomes of formal consultation will also be included along with the report to Council during January 2010.

It should also be noted that whilst the majority of HR implications are detailed within the respective business cases it is important to highlight a number of additional points specifically relating to the Worcestershire Regulatory Service given that Bromsgrove District Council is the recommended employing authority, notably:

- If the business case for implementing a shared Worcestershire Regulatory Service is approved by the 7 partner Councils, Bromsgrove District Council will be responsible for transferring approximately 148 additional staff into the employment of the Council in June 2010. Whilst this number will clearly increase the Council's employee establishment significantly, it may be offset slightly by the number of employees who would be transferring out of the Council's employment in the event that the business cases for Audit and Property Services are approved.
- A bid to secure an additional HR Advisor to support the new Worcestershire Regulatory Service was made as part of the bid submitted by Bromsgrove and Redditch Councils to host the proposed service. This additional resource will be essential to not only support the transfer process but also the ongoing day to day management of such an increased workforce.
- Notwithstanding the fact that the Worcestershire Regulatory Service would be hosted by Bromsgrove and Redditch Councils, and that Bromsgrove would be the employing authority (if the business case is approved), it is

<p>recommended that in order to secure the confidence and buy in of each of the 7 Councils to the new Service and its hosting arrangements, that responsibility for the appointment of the Head of the Worcestershire Regulatory Service be delegated to a Joint Appointments Committee comprising 1 councillor from each of the participating councils.</p> <ul style="list-style-type: none"> • It should be noted that the business case recommends that an appointment to the Head of the Worcestershire Regulatory Service be made ahead of the transfer date in order to ensure as smooth a transition as possible.
<p>Governance/Performance Management</p> <p>Contained in the business cases</p>
<p>Community Safety including Section 17 of Crime and Disorder Act 1998</p> <p>None</p>
<p>Policy</p> <p>None</p>
<p>Environmental</p> <p>None</p>

15. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Chief Executive	Yes
Executive Director - Partnerships and Projects	Yes
Executive Director - Services	Yes
Assistant Chief Executive	Yes
Head of Service	Yes
Head of Financial Services	Yes
Head of Legal, Equalities & Democratic Services	Yes

Head of Organisational Development & HR	Yes
Corporate Procurement Team	Yes

16. WARDS AFFECTED

All wards

17. APPENDICES

- Appendix A: Regulatory Services, Detailed Business Case Executive Summary V3.2 - Supports Detailed Business Case V10 Part 1 (Business Case) & Part 2 Rev.1 (Appendices)
- Appendix B: Property Services, Detailed Business Case Executive Summary V1 - Supports Detailed Business Case V6
- Appendix C: Internal Audit, Detailed Business Case Executive Summary V2 - Supports Detailed Business Case V10
- Appendix D: WETT Programme Business Case Time Line V4
- Appendix E: Regulatory Services, Proposed partner cash flow forecast - Extract from the Regulatory Services detailed business case V10, Finance Appendix F9 – Implementation Approach D proposed partner cash flow forecast.

18. BACKGROUND PAPERS

1. Property Services, Detailed Business Case V6.
2. Internal Audit, Detailed Business Case V10.
3. Regulatory Services, Detailed Business Case V10, Part 1 (Business Case)
4. Regulatory Services, Detailed Business Case V10, Part 2 Rev. 1 (Appendices)

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BROMSGROVE DISTRICT COUNCIL

CABINET

6th JANUARY 2010

MEDIUM TERM FINANCIAL PLAN 2010/11-2012/13

Responsible Portfolio Holder	Councillor Geoff Denaro
Responsible Head of Service	Jayne Pickering – Head of Financial Services

1. Summary

- 1.1. To provide information to enable Cabinet to recommend to Full Council the approval of the Medium Term Financial Plan (revenue and capital) 2010/11 – 2012/13.

2. Recommendations

- 2.1. It is recommended that Executive Cabinet recommend to Full Council :

- 2.1.1 Approval of the high pressures as identified in Appendix A of:

2010/11 £92,000
2011/12 £69,000
2012/13 £69,000

- 2.1.2 Approval of the unavoidable pressures as identified in Appendix B of:

2010/11 £725,000
2011/12 £699,000
2012/13 £677,000

- 2.1.3 Approve the savings as identified in Appendix C of:

2010/11 £1,088,000
2011/12 £1,348,000
2012/13 £1,787,000

- 2.1.4 Approve the high capital bids as detailed in Appendix D (i) of:

2010/11 £314,000
2011/12 £ 90,000
2012/13 £ 90,000

- 2.2 Approve the use of reserves totalling £593,000 as detailed in Appendix E.

- 2.3 Approve the virements reported in Appendix F

2.4 Note the efficiency savings to be delivered during the period of the medium term financial plan as detailed at Appendix G

3. Background

3.1. The Council on 7th January 2009 approved a medium term financial plan that included the Revenue and Capital budget requirements for 2009/10 - 2011/12.

3.2. On 7th October 2009 the Executive Cabinet approved the budget process and timetable to be followed to review the medium term financial plan for 2010/11 – 2012/13.

3.3. As part of the approved budget process Executive Cabinet proposed a revised set of 6 priorities against the Council objectives for focus of resources which were approved by Council on 16th September 2009. These were:

1. Economic Development
2. Town Centre
3. Value for Money
4. One Community
5. Housing
6. Climate Change

3.4. The approved objectives and priorities have been used to drive the budget process as follows:

- Budget pressures have only been proposed to members by senior management if they have been identified as unavoidable / or they are fundamental in achieving the Council's priorities.
- Financial savings have been focused on more efficient working practices and alternative methods of service delivery
- Disinvesting in non priority areas.
- Capital Projects to be proposed only if they meet the priorities of the Council

3.5 The current financial plan covers a period of 3 years. The plan is developed in conjunction with treasury management and ICT strategies to deliver a coordinated approach to the delivery of the Councils priorities.

4. Consultation

4.1 During the summer, a number of consultation exercises were conducted at the Street Theatre events in Bromsgrove, Hagley, Rubery and Wythall, and at the TRUNK in Charford. Residents were asked about their priorities and how the area could be improved. The two main issues that came out of this consultation were Bromsgrove Town Centre and

activities for young people in the District, which is consistent with our 6 priorities.

- 4.2 Three out of the four Council objectives came up as issues, with jobs, housing and council tax all being cited as important issues by residents. The only objective, and associated priorities, that was not mentioned directly was the Environment. Recycling was important to some of those polled, but climate change, CO2 emissions and flooding were not raised as issues during these consultations. Everyone is very aware of the potential consequences of climate change (Copenhagen Summit) but it may be that residents fail to see the link between Bromsgrove District Council and saving the world! All of us will need to play our part and we may need to educate the public on this area.
- 4.3 The budget jury for 2009 was suspended due to shared services, although it was very well received the previous year, with very positive feedback. Next year we plan to do a budget jury for adults and a shadow version in a school, linked to the Internet. We are progressing with work with young people in this area however, with the U Decide project allowing children and young people to consider budgets and decision making. We are also running project around local democracy with South Bromsgrove High School, which will see a magazine being produced and useful consultation data gathered.
- 4.4 As in previous years the Equality and Diversity Forum has put forward a number of bids to meet community needs across the District. These are included in the new bids Appendix B attached to this report.

5. Base budget information

- 5.1 The current budget book that was sent to all members in February 2009 includes the Base budget for 2010/11 and 2011/12. These budgets are been updated for this financial plan together with the proposed plans for 2012/13.
- 5.2 The base budget for 2010/11-2011/12 included a number of approved changes to the funding of services from the financial position of 2009/10. These included:
 - Savings in relation to delivering services by alternative methods. (£523k). This includes the savings relating to the shared management team with Redditch Borough Council.
 - Council Tax level to increase at 4.45% per annum
 - Savings from co-mingle recycling service (£200k)
- 5.3 During the current review of the medium term financial plan the pay structure has been amended to reflect the impact of the Job evaluation appeals and the reduction in any pay as a result of the reduction in grading for a number of posts whose protection will run out in May 2011.

- 5.4 In addition the pay model reflects no increase in pay for any staff in 2010/11 and a 1% increase in 2011/12 -2012/13. This is due to the anticipated reduction in Government Grant and the associated financial pressures that the Council is facing over the next 3 years.
- 5.5 The following assumptions have been made for the main elements of the budget:

Pay awards	0%/1%/1% (Note 1)
Utility costs	5.0% per annum
Business rates	5.00% per annum
Other costs	2.5% per annum
Government Grants	Based on confirmed settlement for 2010/11 and 5% reduction for 2011/12 & 2012/13 (Note 4)
Council Tax	2.5% (2010/11 & 2011/12) , 4.45% 2012/13
Investment interest	1.75%/2.75%% per annum (Note 2)
Pension fund increase	Note 3
Vacancy Management	4.0%
Council Tax Base increase	0.2% - 0.5%

Notes:

1. For the purposes of these projections it has been assumed that there will be no pay award in 2010/11 and 1% in 2011/12 -2012/13. This is in line with discussions held with other Councils due to the impact of the future financial pressures
 2. Investment interest for 2010/11-2012/13 has been included at 0.75%/2.%. This is based on the most recent information obtained from our treasury advisors.
 3. Following the presentation of the 2007 Pension Fund Valuation the actuaries have assessed that in order to move toward a fully funded pension scheme the rate needs to increase in incremental steps to a maximum of 20.8% by 2013/14. The applicable rate for 2010/11 is 19%. The rate payable from 2011/12 will be further revised following the next valuation of the Pension Fund on 31 March 2010.
 4. There has been a confirmed grant settlement for 2010/11. The current assumption is that there will be a real terms decrease in grant from 2011/12 of 5% per annum. This impact has been built into the future projections.
- 5.6 Savings of 4% each year on the pay bill have been assumed through vacancy management excluding the new shared management structure and front line services. These savings will also be used to cover the costs of recruitment.

- 5.7 The Job Evaluation Scheme was implemented in May 2009. The protection period is for 2 years and will finish in May 2011.

6 Budget Pressures

- 6.1 Officers have identified a number of budget pressures that have either been deemed “unavoidable” or “high” priority. Unavoidable includes the ongoing effects of pressures identified during 2009/10 together with any corrections in the budget. A high priority is something that is in direct pursuit of the Council’s priorities. Each unavoidable and high pressure has a specific “funding request” schedule completed which reflects how the funding required meets the Council objectives. The current high pressures are detailed in Appendix A and unavoidable pressures in Appendix B
- 6.2 A number of other budget pressures have been identified but these have been categorised as medium and low following discussions with officers and do not form part of the current financial projections. These are also included within Appendix A.
- 6.3 Members are asked to consider any changes to the unavoidable costs and priority of pressures identified.

7. Budget reductions

- 7.1 The savings have been proposed by Corporate Management Team who have sought to identify areas which could demonstrate:
- Additional income generation
 - Reduction to costs with no impact on service delivery
 - Alternative methods of service delivery / more efficient working practices / shared / collaborative working to realise savings
 - Reduction in cost of services which do not directly impact on the Councils priorities
- 7.2 The savings/ additional income details are shown in Appendix C.
- 7.3. As part of the review of the Financial Plan officers have included proposals to generate efficiency savings through joint working or alternative ways of providing our services over the next 3 years. Included in the 2010/11 budget as approved in January 2009 is a target of £523k saving with a further £100k in 2011/12.
- 7.4. Further savings have been identified for delivery in 2010/11 these include; joint working on CCTV and ICT with Redditch (£143k 2010/1) and the additional savings realised from proposed changes in the operating arrangements at the Dolphin Centre (£95k 2010/11).
- 7.5. The Worcestershire Enhanced Two Tier project will deliver savings initially in respect of property services (£14k in 2010/11) and regulatory (£46k in 2011/12, £126k in 2012/13) and Internal Audit (£11k in 2012/13).

7.6. It is anticipated that more efficient working practices and procedures following the joint management team will realise further savings in 2011/12 and 2012/13. An additional £349k has been built into the budget for 2011/12 to reflect these savings.

8. Government Grant

8.1 The Council had received the formal settlement for 2010/11. The financial increase in the grant is shown below:

	2009/10 £'000	2010/11 £'000	Increase £ (%)
Formula Grant (FG)	4,946	5,047	2%

8.2 Following discussions with other authorities and in consideration of the national economic climate it is assumed that there will be a cash reduction in the Grant awarded to Local Authorities from 2011/12. An estimate of 5% for each year has been included in the current position.

8.3 The impact of this reduction from 2011/12 is as follows

	2011/12 £'000	Value of decrease (5%) £'000	2012/13 £'000	Value of decrease (5%) £'000	Total Value of 5% reduction £'000
Formula Grant (FG)	4,795	252	4,555	240	492

9. Investment Interest

9.1 An element within the overall medium term financial plan is Investment Interest. Members will be aware that due to the current financial climate a decision has been taken to hold investments in very low risk organisations which offer a lower rate of return than those institutions which may be considered as slightly higher risk. The projections from our treasury advisors are less optimistic than previously estimated in the increases over the 3 year period. The projections contained within this report include investment increases of 0.75% to 2% by 2012/13.

9.2 The quarterly integrated finance and performance report will report the position on the investments generated by the Council and detail any changes as a result of changes to the base rate.

10. Capital Programme

10.1 As part of the Medium Term Financial Plan and Capital Strategy members approved a number of criteria in relation to the Capital Programme including:

- The capital programme is limited to £1m per annum funded from the Council's own resources (in order to maximise the investment interest);
- Cabinet give consideration to fund housing grants over and above the £1m.

10.2 Cabinet also approved the capital investment criteria (as part of the Capital Strategy) that a scheme should satisfy for inclusion in the capital budget as follows:

- Enable delivery of the Councils priorities
- Maintain existing assets to standards suitable for service delivery.
- Improve and acquire assets to meet service and customer needs.
- Improve the stewardship of assets; spend to save (innovative schemes that will secure the Council a better rate of return than the investment interest earned); to reduce longer-term problems and liabilities.
- Satisfy legal obligations of the Council (e.g. health and safety requirements, and compliance with the disability discrimination legislation).
- Develop community assets in areas of need.
- Maximise the use of other funds to encourage investment in specific areas such as energy efficiency, economic development and infrastructure developments (using funds derived from Section 106 agreements with developers).
- Maximise the benefits of partnership working.

10.3 The Capital Programmes for 2010/11 and 2011/12 were approved as part of the 3 year Financial Plan for 2009/10. The projects approved have been reviewed with the aim to reduce funding requirements whilst still maintaining service delivery. In addition the consideration of the service Business Plans has resulted in new schemes being proposed for 2010/11 – 2012/13 to meet the priorities of the Council. The proposed new bids for the Capital Programme are attached at Appendix D (i) for consideration.

In November 2009 members approved a revised Capital Programme to realign the projects to be delivered during 2009/10. There are a number of projects that are to be delivered in 2010/11 from this review that have been identified as “roll forward” and are included in the proposed Capital Programme. The details of these schemes are:

- £15k - Grants to Registered Social Landlords
- £700k – Social Housing Grants
- £203k – Improvements to Houndsfield Lane caravan park

- £215k – provision of sports facilities across the District

10.5 A summary of the proposed capital programme including; approved programme, roll forward and new capital schemes is shown in the following table and in detail at Appendix D (ii):

PROPOSED CAPITAL PROGRAMME	2010/11	2011/12	2012/13
	£'000	£'000	£'000
Approved as part of 2009/10 budget process including grant funded schemes and support service recharges	2,161	1,510	509
Expenditure b/f to 2009/10 to facilitate procurement of vehicles	-1,143	0	0
Roll forward from 2009/10 approved November 2009	1,133	0	0
New schemes	314	90	90
TOTAL PROPOSED CAPITAL	2,465	1,600	599

10.6 The capital programme will be financed from a variety of sources including Government Grants, Section 106 Funds, capital receipts (including those that the Council has been allowed to retain under the new capital 'pooling' arrangements), and borrowing. Details of the proposed financing arrangements for the capital programme are shown below:

	2010/11	2011/12	2012/13
Capital Receipts	£'000	£'000	£'000
Capital receipts or borrowing	1,877	1,227	226
Government Grants/S106	588	373	373
Total Programme	2,465	1,600	599

10.7 If Members approve the level of Capital Spend to 2012/13 the effect on capital receipts will be as follows based on expected expenditure and receipts in 2009/10:

	2010/11	2011/12	2012/13
	£'000	£'000	£'000
Opening Balance	4,152	2,375	1,248
Used in Year	-1,877	-1,227	-226
Received in year	100	100	100
Closing Balance	2,375	1,248	1,122

The figures in the above table include general capital receipts for funding of projects across the District. In addition an estimate of capital receipts has been made of £100k per annum in relation to any sales of assets that the Council may make during the financial plan period.

11. Overall Position

11.1 Based on the assumptions, proposed pressures (high only) and savings the current position for each of the three years is as follows:

	2010/11 £'000	2011/12 £'000	2012/13 £'000
Base cost of General Fund Services	12,482	12,860	13,433
Pressures – High bids & unavoidable	817	768	746
Savings	-1,088	-1,348	-1,787
Investment Income	-67	-93	-85
Recharge to capital programme	-136	-136	-136
Net operating expenditure	12,008	12,051	12,171
Area Based Grant	-29	-22	-22
Collection Fund Surplus	-51	0	0
Government Grant	-5,047	-4,795	-4,555
Council Tax @ 2.5%/2.5%/4.45%	-7,023	-7,234	-7,594
Funding from(-)/to balances	142	0	0
Overall Shortfall	0	0	0

12. Council Tax

12.1 The present budget projections for 2010/11 – 2012/13 are based on a Council Tax increase of 2.5%/2.5%/4.45% respectively.

12.2 The impact of this increase will be an additional £4.70 on Band D with a revised charge of £192.85. This will be formally considered by Council in February as part of the Council Tax resolutions which cannot be considered until details of Parish Council and other precepting bodies' figures are received.

13 Collection Fund

13.1 Every year the Council has to estimate the surplus or deficit on the Collection Fund. The surplus as at the 31st March 2010 has been estimated in accordance with statutory requirements. The surplus was calculated as £368,472. This is then distributed to the major precepting authorities pro rata to their Band D charge, thus the surplus will be paid as follows:

Worcestershire CC Share	69.23%	£255,077
*Bromsgrove DC Share	14.03%	£51,699
West Mercia Police Share	11.86%	£43,687
Hereford & Worcester FB	4.88%	£18,009
Totals		£368,472

- 13.2 The Council will receive £51,699 in 2010/11 to help fund the revenue budget. This is built into the proposed budget.
- 13.3 The main way in which the Collection Fund generates a surplus is if the Council collects more council tax, in percentage terms, than was assumed when setting the Council Tax base. When setting the Council Tax base for 2010/11 the collection rate was set at 99.0%.

14 Balances

- 14.1 The current projected level of balances at 31.03.10 is £1.472m assuming all costs approved are spent.
- 14.2 The impact on the use of balances are shown in the table below:

	2010/11 £000	2011/12 £000	2012/13 £000
Balance available at start of year	1,472	1,619	1,619
Contribution to balances	147	0	0
Balance available at end of year	1,619	1,619	1,619

- 14.3 The level of balances can be utilised for one off costs and it is proposed that the funds required for any redundancy or early retirement costs are met from this area.
- 14.4 The Local Government Act 2003 requires the Chief Finance Officer to report on the adequacy of financial reserves when consideration is given to the General Fund budget requirement for the year.
- 14.5 In February 2003 CIPFA published a guidance document on Local Authority Reserves and Balances. The guidance does not prescribe the minimum level of balances to be held but recommends that consideration is given to the strategic, operational and financial risks facing the authority. During the consultation on this document it was suggested that the recommended minimum should be 5% of net expenditure and this has been followed by a number of authorities.
- 14.6 5% for Bromsgrove would mean maintaining balances at or around £600k. However, just a 1% variation in gross income and gross expenditure is equivalent to £340k which would result in a significant reduction in balances. The increased pressures on limited resources as demonstrated by the projected decreases in formula grant and the fluctuations in income receipts and investment income together with the impact of the economy on increased service demand may impact on the delivery of services within existing budgets over the 3 year period

14.7 The delivery of the shared service and joint arrangements with Redditch Borough Council may result in additional costs in relation to harmonisation of terms and conditions and the integration of systems.

14.8 It is therefore considered, taking the above issues into account that a general fund revenue balance of £1.6m reflects an appropriate level of balances.

15 Fees and charges

15.1 The financial plan 2010/11-2012/13 currently assumes a 2.5% increase in all income.

16 Local Government Act 2003

16.1 There are a number of requirements that the Council's Section 151 officer has to include in the budget report. These are set out below, together with S151 comments on each of the issues:

16.2 The level and use of reserves to be formally determined by the Council must be informed by the judgement and advice of the Chief Financial Officer (CFO).

Section 151 officer's comments: Review of general fund balances included in report.

16.3 The CFO to report the factors that have influenced his/her judgement in the context of the key financial assumptions underpinning the budget, and ensure that his/her advice is formally recorded. Where that advice is not accepted, this should be formally recorded in the minutes of the meeting.

Section 151 officer's comments: The main assumptions included in the calculation of the budget are as follows:

<i>pay awards</i>	<i>0%, 1%, 1% over 3 year plan</i>
<i>utility costs</i>	<i>5% increase per annum</i>
<i>business rates</i>	<i>5% increase per annum</i>
<i>other costs</i>	<i>2.5% increase per annum</i>
<i>Government grants</i>	<i>Actual figures provided by Government then 5% reduction to reflect national economy</i>
<i>investment interest rate</i>	<i>See 9.1</i>
<i>employer's pension fund</i>	<i>increase to 19% from April 2010</i>
<i>vacancy management</i>	<i>4% per annum</i>
<i>Council Tax</i>	<i>2.5%, 2.5%, 4.45% over 3 year period</i>
<i>Council Tax base</i>	<i>0.35% – 0.5% increase per annum.</i>

16.4 The report should include a statement showing the estimated opening balance on general fund reserves for the year ahead, any contribution to/from the fund, and the estimated closing balance.

Section 151 officer's comments: statement included in this report.

16.5 The report should show the extent to which reserves are financing ongoing expenditure.

Section 151 officer's comments: no ongoing expenditure funded by reserves.

- 16.6 The report should include a statement from the CFO on the adequacy of general reserves and provisions both for the forthcoming year and in the context of the medium term financial plan.

Section 151 officer comments: the Council does not hold any additional reserves outside the general fund reserves and those earmarked for specific purposes

- 16.7 The report should include a statement on the annual review of earmarked reserves showing:

- list of earmarked reserves
- purpose of reserve
- advice on appropriate levels
- estimated opening / closing balances
- planned additions / withdrawals

Section 151 officer's comments: detailed at Appendix E.

- 16.8 Prudential indicators and related matters

Section 151 officer's comments: This will be covered by the Treasury Management Strategy which will be presented to Cabinet in March.

17 FINANCIAL IMPLICATIONS

- 17.1 None other than those included in the report.

18 LEGAL IMPLICATIONS

- 18.1 The Council has a legal responsibility to set a balanced budget under the Local Government Act 2003.

19. CORPORATE OBJECTIVES

- 19.1 The delivery of a balanced budget demonstrates the Councils ability to fund objectives and priorities within a reasonable level of increase to residents.

20. RISK MANAGEMENT

- 20.1 The main risks associated with the details included in this report are:

20.2 Non compliance with the statutory deadlines to set a balanced budget.

20.3 Poor use of resources scoring in relation to consideration of the budget

20.4 These risks are being managed as follows:

20.5 Non compliance with statutory deadlines

Risk Register: Financial Services
 Key Objective Ref.: 6
 Key Objective: Effective and Efficient Accountancy Service

20.6 Poor use of resources scoring in relation to consideration of the budget

Risk Register: Financial Services
 Key Objective Ref.: 6
 Key Objective: Effective and Efficient Accountancy Service

20.7 Key actions and controls to manage these risks include:

- Detailed timetable in place to manage the budget process with departments and accountancy support
- Allocation of qualified and professional staff to focus on budget setting accounts
- Regular updates at Corporate Management Team in relation to budget processes

Risk Identified	Proposed Measures
<ul style="list-style-type: none"> • Employee related costs will be more than assumed 	<ul style="list-style-type: none"> • Figures based on known commitments and estimated future costs. Any further pressures will need to be matched by additional identified savings
<ul style="list-style-type: none"> • Pension fund contributions will be higher than expected after the next actuarial. 	<ul style="list-style-type: none"> • The financial plan will continue to be reviewed and updated annually for a three year period, based on known changes.
<ul style="list-style-type: none"> • Planned budget reductions will not be achieved 	<ul style="list-style-type: none"> • Close monitoring of budgets will be carried out in each financial year. Alternative savings will be identified, or contingency arrangements agreed.
<ul style="list-style-type: none"> • Government Grant revised to greater /or less than anticipated 	<ul style="list-style-type: none"> • There will be sufficient funds in balances to fund any short term reduction in grant. Efficiency savings will be monitored on a monthly basis. Settlement confirmed for 2010/11. A reduction of 5% per annum has been assumed for 2011/12 and 2012/13.
<ul style="list-style-type: none"> • Income from fees, charges and other sources will not be as high as planned. • Impact of recession has greater impact than first anticipated 	<ul style="list-style-type: none"> • Close monitoring of income budgets will be carried out in each financial year. Alternative savings will be identified or alternative methods of service delivery to generate income will be developed • Income streams to be monitored

	monthly with service budget holders to identify any areas of shortfall and to present action plan to redress.
<ul style="list-style-type: none"> • Timing of Capital receipts may be earlier than estimated • Timing of Capital payments may be earlier than estimated 	<ul style="list-style-type: none"> • Close monitoring of the timing and payments of capital expenditure/income will be carried out in each financial year. Alternative savings will be identified, or contingency arrangements agreed.

21. CUSTOMER IMPLICATIONS

- 21.1 The setting of the budget against the Corporate Priorities will ensure that the Council demonstrates to the customer that we have aligned our resources to the key services required.

22. OTHER IMPLICATIONS

Procurement Issues N/A
Governance/Performance Management N/A
Community Safety including Section 17 of Crime and Disorder Act 1998 - N/A
Policy - N/A
Environmental -N/A
Equalities and Diversity -N/A

23. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Chief Executive	Yes
Corporate Director (Services)	Yes
Assistant Chief Executive	Yes
Head of Service	Yes
Head of Financial Services	Yes
Head of Legal & Democratic Services	Yes

Head of Organisational Development & HR	Yes
Corporate Procurement Team	Yes

24 APPENDICES

Appendix A – Unavoidable pressures
Appendix B – High, Medium and Low Pressures
Appendix C – Savings / additional income generated
Appendix D (i) – Capital Programme – High Bids
Appendix D (ii) – Total Capital Programme
Appendix E – Earmarked Reserves
Appendix F – Virements to be approved
Appendix G – Efficiency Savings

25 BACKGROUND PAPERS

Budget timetable
Detailed budget working papers

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BROMSGROVE DISTRICT COUNCIL

CABINET

06 JANUARY 2010

ORGANISATIONAL ASSESSMENT

Responsible Portfolio Holder	Roger Hollingworth, Leader of the Council
Responsible Head of Service	Hugh Bennett, Assistant Chief Executive
Non-Key Decision	

1. SUMMARY

- 1.1 To formally report the Audit Commission's Organisational Assessment of the Council.

2. RECOMMENDATION

- 2.1 It is recommended that:-
- i. Cabinet consider the Audit Commission's report, in particular, the areas for improvement.
 - ii. Note that the areas identified will be built into the 2010/2013 Council Plan and 2010/11 Improvement Plan.

3. BACKGROUND

- 3.1 The Organisational Assessment is part of the new performance regime for local government, which came into force on the 01 April 2009. The overall framework is Comprehensive Area Assessment (CAA) and replaces Comprehensive Performance Assessment (CPA). CAA is more complex, involving new National Indicators, a statutory Place Survey, an area (non-organisation specific) assessment for Worcestershire and an Organisational Assessment, made up of Managing Performance and the Use of Resources. CAA places more emphasis on outcomes, rather than the previous focus on process and output measures. Good examples of outcomes might include: lower carbon emissions, improved resident satisfaction, improved health etc.
- 3.2 This report is the most positive report from the Audit Commission the Council has received. The Council is described as "performing adequately" overall i.e. 2 out of 4, which is really the same as being "Fair" under CPA; however, it is interesting to note that the County Council, Malvern and Wychavon councils have scored 3 out of 4 "performing well" and not 4 out of 4 "performing excellently".

3.3 There is much positive commentary in the report, but clearly we need to concentrate on the identified areas for improvement. Areas to note are:-

- That it is judged more difficult to regenerate the town centre because of the recession;
- Similarly plans to regenerate the Longbridge site are at a “temporary” standstill” because of the recession;
- That the Council needs to improve its understanding of its costs in order to deliver value for money; and
- That older people are a significant demographic factor for the District.

3.4 Actions are in place to respond to all of these points.

3.5 The report also highlighted that, in the Audit Commission’s opinion, the Council should have accounted for aspects of the spatial project differently. The Council does not accept this as we have accounted for it in the same way as others who have undertaken similar projects. We are currently in discussions with the Department of Communities and Local Government (DCLG) on this issue.

3.6 The release of the report, although given positive coverage in the press, also raised the issue of the wording in the report around the Foyer Scheme. The Council has issued a press statement correcting the position and is in discussions with the Audit Commission about re-wording this aspect of the report. Similarly, a point has been raised by a ward councillor about the accuracy of a statement regarding allotments. Officers intend to review how we ensure the accuracy of reports when they are embargoed.

4. FINANCIAL IMPLICATIONS

4.1 The Council is in discussions with the DCLG about the spatial project and is seeking a capitalisation directive.

5. LEGAL IMPLICATIONS

5.1 There are no legal matters arising.

6. COUNCIL OBJECTIVES

6.1 This report relates to all the Council’s objectives and priorities. It is interesting to note that both Value for Money and Older People have been identified by the Audit Commission, both of which are now reflected in the Council’s priorities and key deliverables.

7. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS

7.1 The main risks associated with the details included in this report are:

- DCLG decision not to capitalise spatial spend.
- Council not building areas for improvement into future plans and therefore less likely to deliver excellence.

7.2 These risks are being managed as follows:

- DGLG decision not to capitalise spatial spend.

This is a new risk and will need to be added to the Financial Services risk register.

- Council not building areas for improvement into future plans and therefore less likely to deliver excellence.

Risk Register: CCPP

Key Objective Ref No: 5

Key Objective: Drive delivery of improvement plan and prepare for CAA.

8. CUSTOMER IMPLICATIONS

8.1 The main customer implication arising from the report is the need to respond to the changing demographics of the District.

9. EQUALITIES AND DIVERSITY IMPLICATIONS

9.1 See previous point about older people.

10. VALUE FOR MONEY IMPLICATIONS

10.1 The report highlights the need to get better at understanding our costs as a way of improving our value for money.

11. CLIMATE CHANGE AND CARBON IMPLICATIONS

11.1 The report is positive about the Council's response to climate change and Worcestershire as a whole is "green flagged" i.e. identified as an area of best practice and innovation; however, we should guard against complacency. The task of reducing emissions at 2% per annum is considerable.

12. OTHER IMPLICATIONS

Procurement Issues: None.
Personnel: None.
Governance/Performance Management: None.
Community Safety including Section 17 of Crime and Disorder Act 1998: None.
Policy: None.
Biodiversity: None.

13. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	No.
Joint Chief Executive	No.
Executive Director - Partnerships and Projects	No.
Executive Director - Services	No.
Assistant Chief Executive	Yes.
Head of Service	No.
Head of Financial Services	No.
Head of Legal, Equalities & Democratic Services	No.
Head of Organisational Development & HR	No.
Corporate Procurement Team	No.

14. WARDS AFFECTED

All wards.

15. APPENDICES

Appendix 1 BDC Organisational Assessment, Audit Commission, Dec. 2009.

16. BACKGROUND PAPERS

Not applicable.

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BROMSGROVE DISTRICT COUNCIL

CABINET

6 JANUARY 2010

INVESTIGATION COSTS

Responsible Portfolio Holder	Councillor Geoff Denaro
Responsible Head of Service	Claire Felton, Head of Legal, Equalities & Democratic Services
Non-Key Decision	

1. SUMMARY

- 1.1 This report seeks authority to transfer funds from balances to cover the costs relating to the investigation and hearings into complaints made to the Standards Committee arising from the full Council meeting on 29 July 2009.

2. RECOMMENDATION

That the Cabinet recommends to Council that £45,000 be transferred from balances to cover the costs relating to the investigation and hearings into the complaints.

3. BACKGROUND

- 3.1 As a result of events occurring at the full Council meeting on 29 July 2009 a number of complaints have been made to the Standards Committee alleging that a number of Members of Bromsgrove District Council might have failed to follow the Council's Code of Conduct. Those complaints have been assessed by the Standards Assessment Sub-Committee and 73 have been referred to the Monitoring Officer for local investigation.
- 3.2 The work involved in conducting an investigation of this magnitude is likely to be in excess of 280 hours. For this reason there are insufficient resources in-house to be able to absorb this quantity of additional work.
- 3.3 It is fair to say that the officer time that has already been expended on this matter is causing considerable strain within the Legal Team and that it is envisaged that this will continue throughout the period of investigation as the team will need to provide in house support to whoever is appointed to undertake the investigation.
- 3.4 A procurement exercise has been carried out and it is expected that an investigator will have been appointed by the date of this meeting. In addition to the investigator, costs will be expended on engaging an

independent legal advisor for the assessment, review and determination of the complaints.

- 3.5 It is estimated that the likely costs of the investigation and legal advice will be approximately £45,000 for which there is no provision in the Medium Term Financial Plan. It is therefore requested that this sum be made available from balances.

4. FINANCIAL IMPLICATIONS

- 4.1 These are set out in the report.

5. LEGAL IMPLICATIONS

- 5.1 The Local Government Act 2000 introduced primary legislation to enable the implementation of a Members' Code of Conduct, and this was amended by the Local Government and Public Involvement in Health Act 2007 insofar as it related to the application of the Members' Code of Conduct to their private lives. The local assessment regime was introduced by the LGPIHA 2007, and further expanded in the Standards Committee (England) Regulations 2008 which also set out the rules and procedures governing the investigation and determination of complaints.

6. COUNCIL OBJECTIVES

- 6.1 The Council must ensure that public confidence is maintained in the decision making process and all of its objectives are affected by this.

7. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS

- 7.1 The main risk associated with the details included in this report is:
- *Inability to perform the statutory function of investigating and determining complaints due to lack of funding*
- 7.2 This risk is being managed as follows:
- Risk Register: *Legal, Equalities and Democratic Services*
Key Objective Ref No: 3
Key Objective: *Effective ethical governance*

- 7.3 There are no health and safety considerations

8. CUSTOMER IMPLICATIONS

- 8.1 N/a

9. EQUALITIES AND DIVERSITY IMPLICATIONS

9.1 N/a

10. VALUE FOR MONEY IMPLICATIONS

10.1 A procurement exercise has been undertaken to ensure that value for money considerations have been taken into account.

11. CLIMATE CHANGE AND CARBON IMPLICATIONS

11.1 N/a

12. OTHER IMPLICATIONS

Procurement Issues	
Personnel	None
Governance/Performance Management	None
Community Safety including Section 17 of Crime and Disorder Act 1998	None
Policy	None
Biodiversity	None

13. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Joint Chief Executive	Yes
Executive Director - Partnerships and Projects	No
Executive Director - Services	No
Assistant Chief Executive	No
Head of Service	Yes
Head of Financial Services	Yes
Head of Legal, Equalities & Democratic Services	Yes

Head of Organisational Development & HR	No
Corporate Procurement Team	

14. WARDS AFFECTED

All wards

15. APPENDICES

None

16. BACKGROUND PAPERS

None

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BROMSGROVE DISTRICT COUNCIL

CABINET

6TH JANUARY 2010

COMMITTEE PROGRAMME 2010/11

Responsible Portfolio Holder	Councillor G. N. Denaro
Responsible Head of Service	Head of Legal, Equalities and Democratic Services

1. SUMMARY

- 1.1 This report presents the proposed programme of Council and Committee meetings for 2010/11.

2. RECOMMENDATIONS

- 2.1 That the Cabinet recommend the Council to approve the Committee Programme for 2010/11 as set out at Appendix 1.
- 2.2 That the Cabinet recommend that authority be delegated to the Head of Legal, Equalities and Democratic Services, in consultation with the Leader and relevant Portfolio Holder, to agree the programme of Council and Committee meetings for future years.

3. BACKGROUND

- 3.1 The proposed Committee Programme for 2010/11 is on similar lines to the current year in that the Cabinet is scheduled to meet on a monthly basis and the ordinary meetings of the Council will normally be every two months. The full Council is scheduled to meet two weeks or more after the Cabinet to allow time for recommendations from the preceding Cabinet to be included within the Council agenda book.
- 3.2 In collating the proposed Committee Programme for 2010/11 due regard has been taken of the schedule of Council and Committee meetings for Redditch Borough Council in view of the fact that both Councils' programme of meetings will be supported by a single management team. Efforts have been made to avoid clashes of Cabinet and full Council meetings where possible. Whilst there are still some clashes of Committee meetings it is intended that these will be overcome by different officers being in attendance at the respective meetings.
- 3.3 Although the Cabinet usually meets on the first Wednesday in the month, this cannot always be the case. In early May 2010 it is possible there will be a General Election and in 2011 there will be Local Elections on 5th May.

The Cabinet will also meet on the last Wednesday in June 2010 to avoid a clash with Redditch Council's Executive on the first Wednesday in July.

- 3.4 The Overview Board will, in general, meet at the start of the month, prior to Cabinet in order to facilitate consideration of the Forward Plan of executive decisions in a timely manner. Two meetings of the Joint Overview and Scrutiny Board have been scheduled in December and January for budget consultation purposes. Additional meetings of the Joint Board will be arranged as and when required.
- 3.5 In line with the practice established in the past couple of years, it is proposed that as few meetings as possible be scheduled during August 2010. The exceptions at this stage include the Cabinet and the Planning Committee which will require a meeting due to the timescales to be met for the determination of major planning applications. The Overview Board will meet on the last day of August to tie in with the September Cabinet on the first of that month.
- 3.6 A series of proposed dates based on the Licensing Committee meeting every six weeks has been incorporated within the Programme for 2010/11, on the basis that any meeting not required will be cancelled.
- 3.7 The Standards Committee has been scheduled to meet six times which reflects the programmed meetings for the current municipal year. Any further meetings will be arranged if and when required.
- 3.8 A meeting of the Audit Board has been scheduled for late June 2010 in order to approve the Council's accounts. It is a statutory requirement that the accounts be approved by the end of June.
- 3.9 Historically, prior to the function with regard to the approval of accounts being transferred to the Audit Board, an extraordinary meeting of the Council was held in late June for this purpose. It is proposed that an ordinary meeting of the Council continue to be scheduled in late June to avoid having a long gap between the last ordinary meeting of the Council in April of the preceding municipal year and the first ordinary meeting of the Council in the new municipal year.
- 3.10 An extraordinary meeting of the Council has been included in late February 2011 for the setting of the Council Tax.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications.

6. COUNCIL OBJECTIVES

6.1 The forward planning of the Council's decision-making processes links to the Council's Improvement and Sense of Community objectives.

7. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS

7.1 There are no direct risks or health and safety considerations arising from this report.

8. CUSTOMER IMPLICATIONS

8.1 Once approved the programme of Council and Committee meetings will be publicised within the Council and on the Council's website to provide advance notice of future meetings.

9. EQUALITIES AND DIVERSITY IMPLICATIONS

9.1 Efforts have been made to avoid meetings clashing with key religious festivals.

10. VALUE FOR MONEY IMPLICATIONS

10.1 There are no Value for Money implications directly relating to this report.

11. CLIMATE CHANGE AND CARBON IMPLICATIONS

11.1 There are no direct climate change and carbon implications directly relating to this report.

12. OTHER IMPLICATIONS

Procurement Issues – None
Personnel Implications – None
Governance/Performance Management – covered in the main body of the report
Community Safety including Section 17 of Crime and Disorder Act 1998 – None
Policy – None
Biodiversity – None

13. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Chief Executive	No

Executive Director - Partnerships and Projects	No
Assistant Chief Executive	No
Head of Service	Yes
Head of Financial Services	No
Head of Legal, Equalities & Democratic Services	Yes
Head of Organisational Development & HR	No
Corporate Procurement Team	No

14. WARDS AFFECTED

All Wards

15. APPENDICES

Appendix 1 Committee Programme 2010/11

16. BACKGROUND PAPERS

None

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BROMSGROVE DISTRICT COUNCIL

CABINET

6TH JANUARY 2010

TRANSFER OF THE DOLPHIN CENTRE TO A LEISURE TRUST

Responsible Portfolio Holder	Roger Smith
Responsible Head of Service	Phil Street
Key Decision	

1. SUMMARY

- 1.1 The report outlines the case for re-opening discussions with Wychavon Leisure and Community Association Ltd (WLCAL) regarding the transfer of the Dolphin Centre to the Trust.

2. RECOMMENDATION

- 2.1 The Cabinet recommend to full Council to approve completion of negotiations for the transfer of the Dolphin Centre to WLCAL based, first, on the production of a business case that meets the savings as proposed in the Medium Term Financial Plan.(MTFP) and second, on a range of targets that will further improve the efficiency of the Dolphin Centre.
- 2.2 The Cabinet delegates authority to the Executive Director – Partnerships and Projects, the Deputy Head of Street Scene and Community and the Section 151 Officer to undertake negotiations with WLCAL and subject to a satisfactory business case complete the transfer of the Dolphin Centre to WLCAL by 1st April 2010.
- 2.3 The Cabinet delegates authority to the Executive Director – Partnerships and Projects to sign on behalf of the Council the agreements required to effect the transfer.
- 2.4 The Cabinet delegates authority to the Head of Legal, Equalities & Democratic Services in consultation with the Executive Director – Partnerships and Projects to undertake negotiations with WLCAL to agree a suitable lease and to execute it on behalf of the Council.

3. BACKGROUND

- 3.1 In 2007 Bromsgrove District Council opened discussions with Wychavon Leisure Trust (WLCAL) regarding the transfer of its leisure centres. These discussions made significant progress, but complications with job

evaluation salaries at the centres and new case law around equal pay legislation meant that discussions could not be satisfactorily completed.

- 3.2 The discussions with WLCAL were not concluded in 2008 as Bromsgrove's job evaluation scheme had introduced a degree of differential between Bromsgrove District Council's employees and those of WLCAL's. WLCAL thought this may destabilise their organisation. WLCAL reluctantly took the decision to close the discussions with Bromsgrove whilst they consider the impact of the case law on their organisation,. Once satisfied that they could manage such issue moving forward they made contact and asked if discussion could be recommence.
- 3.3 Bromsgrove District Council had originally entered into discussion with WLCAL as they offered the opportunity to provide a more effective and efficient service delivery and had a proven track record in providing high quality services to customers that maximise income generation opportunities and increases residents and user satisfaction. The current user satisfaction rating in Herefordshire and Worcestershire for leisure facilities provided by Sport England clearly shows the WADC scores to be the highest in the area.
- 3.4 Once the discussions with WLCAL came to a close Bromsgrove commenced a service review of its leisure centres provision to realise greater efficiencies and to ensure the effective use of resources. This review led to a fundamental overall of the Dolphin Centre in order to generate the savings identified with in the MTFP and the implementation of the Cabinets decision to surrender our interest in the dual use site at Haybridge High School.
- 3.5 The service review was undertaken in parallel with preparations to open the new fitness suite at the Dolphin Centre. The combination of the service review and the opening of the fitness suite offered the opportunities for the Council to achieve efficiencies at the centre.
- 3.6 When the service review of the Dolphin was concluded there was a determination to promote a more entrepreneurial culture within the centre that could respond to market forces more effectively and met the increasing high standards customers expect for leisure providers. This became particularly important in marketing and promoting the fitness suite as the service business case was predicated on attracting over direct debit 600 members. It was considered that the management arrangements and the culture that was created within the staff at the Centre was central to delivering the standards of service required to realise the aspirations of the Council.
- 3.7 Although revised senior management responsibilities were identified with in the service review its was officer opinion that due to the tight timescales involved with the new services going live and the limited opportunities that a single site offers to potential applicants an alternative route should be considered for the management of the site in the interim.

3.8 Despite the closure of the discussions regarding transfer of the sites operational delivery to WLCAL, dialogue with WLCAL did not end and the relationship between both parties had remained positive. Therefore, a discussion was held with WLCAL to explore the benefits of them providing interim management support of the centre. Following discussions agreement was reached to have WLCAL manage the centre for one year. This decision has been vindicated in terms of improved standards across the centre. There has been increased user satisfaction, a reduction in complaints and accidents and the level of membership recruited to the fitness suite has exceeded targets and led to increased income generation.

3.9 It is apparent that during the interim period that the benefits of WLCAL management can not be under estimated. The benefits of working with a specialist leisure services provider are far reaching and have enhanced training and development and have provided quality marketing skills.

3.10 The success WLCAL have experienced in managing the centre encouraged them to approach the Council about reopening discussions about the transfer of the future delivery of the service.

3.11 Meetings have been held with WLCAL and they have indicated they would want to seek an agreement with the Council. The discussions have opened with WLCAL. This report proposes the conclusion of these discussions resulting in the transfer of the Dolphin Centre.

3.12 It is recognised that the transfer is being proposed as this Council is entering into a joint management arrangement with Redditch Borough Council. However, it needs to be recognised that the proposed transfer will not compromise any further reviews of the leisure service delivery nor limit the options available for future service delivery across Bromsgrove or Redditch.

3.13 The consequences of job evaluation have been addressed by WLCAL and these are no longer a barrier to an agreement. Therefore,

- Union and staff consultation has been commenced around TUPE and pension implications.
- A business case has been developed and shows a level of saving in year one rising to £170,000
- It is proposed that a 3 year term be agreed with the option of a further two year roll over.
- Discussions are taking place between officers of the Council and WLCAL regarding the distribution of additional efficiency savings generated over the deficit funding.

3.14 A project group has been established as a forum for negotiations. The project group have prepared a project plan. This includes

- human resources
- pensions -delete
- property matters,
- transfer documents
- business proposal.

4. FINANCIAL IMPLICATIONS

- 4.1 During 2009/10 Wychavon Leisure have implemented a number of revised procedures and processes that have improved the financial management arrangements and clarity in the budgets required for operating the centre in a more effective and efficient way.
- 4.2 The initial discussions in relation to the trust taking over the responsibility for the service delivery at the Dolphin Centre have identified savings that could be made under this arrangement. These include savings due to charitable relief on business rates together with the reduced spend and increase in income that can be achieved by an organisation whose sole focus is leisure provision and therefore has an increased leverage in the market to negotiate deals with supplier and market the facilities.
- 4.3 The current savings identified equate to £140k in 2010/11 arising to £170k in 2014/15 which relates to a 5 year contract being in place. Further review and discussions are ongoing to identify further savings to enable the council to maximise the income share whilst improving service delivery to the residents.

5. LEGAL IMPLICATIONS

- 5.1 There are significant legal implications associated with:
- 5.2 It will be necessary for an appropriate agreement to be prepared and executed on behalf of the Council which details responsibilities and payments, ensures local representation in the operations of the leisure facilities and minimises the Council's ongoing risks. External legal opinion has been obtained on this and a number of other issues to provide members and officers with comfort that the agreement is reasonable and legally sound.
- 5.3 Preparation of a lease - a lease is at an advanced stage of preparation that proposes the Council would enter into a five year lease with the Trust for the Dolphin Centre with the Council retaining responsibility for the building structures and major plant. The Council will still retain the freehold of the Dolphin Centre and will ensure that the right to renewal is removed.

5.4 A management document is at an advanced stage of preparation that will secure and identify monitoring and governance involvement by the Council. The management agreement will include defining and preserving the following:

- Service level outcomes
- Local representation
- Management Group Composition
- Priority Users
- Insurance
- Accounting arrangements
- Information exchanges

The management document will clearly define the service outputs expected in return for the Council management fee support.

5.5 The Council has a number of powers available to it to transfer the Dolphin Centre to a leisure trust and to enable it to enter into the proposed financial and operational arrangements:

- Section 19 of the Local Government (Miscellaneous Provisions) Act 1976 states that 'a local authority may provide inside or outside its area, such recreational facilities as it thinks fit' and assist 'by way of grant or loan towards the expenses incurred.... by a voluntary organisation in providing any recreational facilities';
- Section 111(1) of the Local Government Act 1972 provides that 'Without prejudice to any powers exercisable apart from this section a local authority shall have power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to the discharge of any of their functions.
- The Local Government Act 2000 allows for the promotion or improvement of the economic, social and environmental well-being of an area. S2 (1) includes a power to incur expenditure, give financial assistance to any person, enter into arrangements or agreements with any person, co-operate with or facilitate or co-ordinate the activities of any person.

5.6 Procedures have been put in place to prevent staff being transferred having undue influence on the negotiations which could be seen to be to the disadvantage of the Council.

6. COUNCIL OBJECTIVES

6.1 The transfer of the Dolphin Centre to a leisure trust will contribute to the Council's Objective 2 (improvement) by providing effective and efficient services that meet the needs of residents and provide additional

activities to support the council values of leadership and partnership. Through the additional activities provided within the centre and the increased usage generated the site will also contribute to the Sense of Community & Well Being Objective (3) by increase participation in physical activity and by bring different sectors of the community together in one location/venue for leisure pursuits.

7. RISK MANAGEMENT

- 7.1 The transfer doesn't take place due to failure to reach agreement. The result will be that further savings will not be achieved.
Negotiations have to be transparent and thorough and after the experience of earlier negotiations it is important to scan the environment for impending issues that affect discussions.
- 7.2 The transfer does not result in the savings predicted.
The business case put forward by WLCAL has to meet our expectations and has to be included in a binding agreement.
- 7.3 We are challenged that we have not gone out to tender.
We have taken external specialist legal advice on this matter and we are assured that the arrangements we are pursuing are acceptable and appropriate.
- 7.4 Despite our best endeavours the negotiations are not completed.
This will mean that the Council will continue to operate the Dolphin Centre on our current arrangements, but we will not achieve the level of savings predicted and other actions will be required to identify savings opportunities.

8. CUSTOMER IMPLICATIONS

- 8.1 The Council wants to secure high quality service delivery to the residents and ensure the Council's resources are used to maximum community benefit. The Council has engaged WLCAL to provide interim management support at the Dolphin Centre since April 2009 and during this period the standard of service delivery has increased month on month. This is supported by a number of operational performance measures that have shown a marked improvement when compared to the previous level of service provision. The effective management of the service, the commitment to improving service standards and the customer experience along side improvement to both the buildings presentation and the standard of staff training have ensured that the overall experience of visiting the Dolphin Centres has become more rewarding and satisfying.

9. EQUALITIES AND DIVERSITY IMPLICATIONS

- 9.1 There are not any direct equalities and diversity implications.

10. VALUE FOR MONEY IMPLICATIONS

- 10.1 In respect of UK law the Council has a fiduciary duty to demonstrate best value on behalf of its taxpayers. Whilst a competitive process may do this other methods are also justifiable. In this case the likely partner has an excellent track record of delivering these services and the comparison with the in-house operation shows demonstrable VFM.
- 5.7 The study by the Audit Commission, published in summer 2006 mentioned earlier in the report also acknowledges that transfer to a Trust is a cost effective alternative to direct provision.

11. OTHER IMPLICATIONS

Procurement Issues – Legal advice has been sought on the approach being taken to engaging WLCAL as this is a key issue for the Council as Members will wish to be sure of the legality of the process being undertaken. The Council has taken advice from a senior external legal consultant who is satisfied that the Council does have the power to do as it proposes. The advice is that European and UK legislation is satisfied and that the process is robust enough to enable the Council’s Financial Regulations and Contract Procedure Rules] to be suspended in this case. In simple terms the award of a contact for leisure services is not subject to a requirement for competitive procurement in the EU as it is classed as a part B service. Given the above advice it is recommended that Council’s Financial Regulations/Contract Procedure Rules are suspended in relation to this matter in order that the transfer can be progressed.
Personnel Implications – Consultation will take place with trades unions, employees and other stakeholders. Staff would be subject to TUPE should negotiations be concluded successfully.
Governance/Performance Management – Performance improvement will be sustained and continually improved.
Community Safety including Section 17 of Crime and Disorder Act 1998 - Not applicable
Policy - Not Applicable
Environmental - Not applicable

12. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	
Chief Executive	Yes

Executive Director (Partnerships and Projects)	Yes
Executive Director (Services)	Yes
Assistant Chief Executive	Yes
Head of Service	Yes
Head of Financial Services	Yes
Head of Legal, Equalities & Democratic Services	Yes
Head of Organisational Development & HR	Yes
Corporate Procurement Team	No

13. WARDS AFFECTED

All wards, but particularly St Johns

14. APPENDICES

Not applicable

15. BACKGROUND PAPERS

None

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BROMSGROVE DISTRICT COUNCIL

CABINET

6 JANUARY 2010

NOVEMBER (PERIOD 8) PERFORMANCE REPORTING

Responsible Portfolio Holder	Cllr Roger Hollingworth
Responsible Head of Service	Hugh Bennett, Assistant Chief Executive
Non Key Decision	

1. SUMMARY

1.1 To report to Cabinet on the Council's performance at 30 November 2009 (period 8).

2. RECOMMENDATIONS

2.1 That Cabinet notes that 47% of PIs are stable or improving.

2.2 That Cabinet notes that 76% of PI's that have a target are meeting their target as at the month end and 90% are projected to meet their target at the year end.





2.3 That Cabinet notes the performance figures for November 2009 as set out in Appendix 2.

2.4 That Cabinet notes the particular areas of improvement as summarised in section 3.5.

2.5 That Cabinet notes the PI's of particular concern as set out in section 3.6.

3. BACKGROUND

3.1 The full list of performance indicators due to be reported monthly is set out in **Appendix 2** where:-

 On Target	I Performance is Improving
 Less than 10% from target	S Performance is Stable
 More than 10% from target	W Performance is Worsening
 No target set	N/a No target set

3.2 Comparisons of overall performance improvements this month to last month are shown on Appendix 1.

3.3 At the beginning of the year the set of corporately reported PI's was revised to ensure they reflect current priorities and also to take account of the revised

assessment methodology that the Council will be judged on under CAA. There are a total of 100 PI's in the corporate set, 37 reported monthly, 26 quarterly and 40 annually. Many of the annually reported PI's are outcome measures. Due to continued problems in obtaining figures for Domestic Violence incidents the two indicators covering these have been removed from the reporting set with effect from November, hence the number of PI's reported monthly is now 35.

3.4 Although the percentage of indicators declining in the month is considerably higher than usual (at 53%) a number of these are due to expected seasonal variations and the others are not a significant drop. As the percentage of PI's meeting both their year to date target and expected to met target at year end remains high (at 76% and 90% respectively) the proportion of indicators declining this month is not a cause for concern.

3.5 Performance worthy of particular mention is as follows:

- Sickness absence remains below the monthly target figure (although increased slightly over last month).
- Time taken to process Benefit claims has been held around the same low levels achieved last month and the number of outstanding items has been reduced.

3.6 Performance of potential concern is as follows:

- There are no areas of potential concern this month.

4. FINANCIAL IMPLICATIONS

4.1 There are no financial implications

5. LEGAL IMPLICATIONS

5.1 There are no legal implications.

6. COUNCIL OBJECTIVES

6.1 Performance reporting & management links to the Improvement objective

7. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS

7.1 The main risks associated with the details included in this report are:

- Data quality problems
- Poor performance

7.2 These risks are being managed as follows:

- Implementation of the Data Quality Strategy

- Robust follow up on performance issues, including performance clinics

7.3 There are no Health & Safety considerations

8 **CUSTOMER IMPLICATIONS**

8.1 Performance Improvement is a Council Objective

9. **EQUALITIES AND DIVERSITY IMPLICATIONS**

9.1 There are no implications for the Council's Equalities and Diversity Policies.

10. **VALUE FOR MONEY IMPLICATIONS**

10.1 There are no VFM implications

11 **CLIMATE CHANGE AND CARBON IMPLICATIONS**

11.1 There are no climate change implications

12. **OTHER IMPLICATIONS**

Procurement Issues None
Personnel Issues None
Governance/Performance Management – Production of the performance report supports the aim of improving performance & performance management
Community Safety including Section 17 of Crime & Disorder Act 1988 None
Policy None
Biodiversity None

12. **OTHERS CONSULTED ON THE REPORT**

Portfolio Holder	No
Chief Executive	Yes (at CMT)
Executive Director (Partnerships & Projects)	Yes (at CMT)
Executive Director (Services)	Yes (at CMT)
Assistant Chief Executive	Yes
Head of Service	Yes
Head of Financial Services	Yes (at CMT)
Head of Legal, Equalities & Democratic Services	Yes (at CMT)
Head of Organisational Development & HR	Yes (at CMT)
Corporate Procurement Team	Yes (at CMT)

13. **WARDS AFFECTED**

All Wards.

14. **APPENDICES**

Appendix 1 Performance Summary for the period

Appendix 2 Detail Performance report for the period

Appendix 3 Detailed figures to support the performance report

15. **BACKGROUND PAPERS**

None

Contact officer

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BROMSGROVE DISTRICT COUNCIL

6 January 2010

CABINET

IMPROVEMENT PLAN EXCEPTION REPORT [November 2009]

Responsible Portfolio Holder	Cllr. Roger Hollingworth, Leader of the Council
Responsible Officer	Hugh Bennett Assistant Chief Executive

1. SUMMARY

- 1.1 To ask Cabinet to consider the Improvement Plan Exception Report for November 2009 (Appendix 1).

2. RECOMMENDATION

- 2.1 That Cabinet considers and approves the revisions to the Improvement Plan Exception Report attached as Appendix 1, and the corrective action being taken.
- 2.2 That Cabinet notes that for the 95 actions highlighted for November within the plan 74.7% of the Improvement Plan is on target [green], 5.3% is one month behind [amber] and 2.1% is over one month behind [red]. 17.9% of actions have been reprogrammed or suspended with approval¹; these include the reprogramming of some town centre actions and the suspension of the Code of Conduct for Members (due to Government delays in introduction), the working practices review and 'The Bromsgrove Way' (due to shared services).
- 2.3 This month's performance is shown on the first page of Appendix 1.

3 BACKGROUND

- 3.1 July 2008 Cabinet approved the Improvement Plan 2008/09. The Improvement Plan is directly linked to the four corporate priorities and thirteen enablers identified in the Council Plan 2009/2012.
- 3.2 The Improvement Plan is designed to help monitor the detailed actions flowing from the Council Plan, which will help move the Council forward to excellent in the medium term.
- 3.3 There were 5 amber and 2 red activities this month for the following areas of the Improvement Plan:-

¹ NB reprogrammed actions are those that have been moved to a later point in the year. Suspended actions are those which have been suspended completely for the period covered by the Plan.

Ref.	Council Plan Balanced Scorecard Reference	Number
CP1	Town Centre	2
FP2	Governing the Business	1
PR4	Improved Partnership Working	1
PR5	Planning	3

3.4 The re-programmed and suspended actions Plan are:-

Ref.	Action	Reason
1.1.2	Unified vision	Reprogrammed- work will recommence on Area Action Plan in 2010.
1.6.2	Multi-modal study	Reprogrammed- discussions with County delayed by preferred option consultation
5.4.5, 5.4.6, 5.4.7	Budget Jury	Suspended
7.3.3	Climate Change Matrix	Suspended due to changed approach
8.1.2	Report predicted outturn	Suspended
9.2.4	Customer Standards	Reprogrammed- Will now be launched in January 2010
10.2.2	Code of Conduct for Members	Suspended due to Government delays
14.1.3, 14.1.4	The Bromsgrove Way consultation	Suspended- proposals to be changed
14.2.7	Investors in People	Suspended due to revised approach
16.1.1, 16.1.2, 16.1.3, 16.1.5	Working practices review	Suspended due to prioritisation of harmonisation
16.2.4	Employee satisfaction implementation	Suspended

4. FINANCIAL IMPLICATIONS

4.1 No financial implications.

5. LEGAL IMPLICATIONS

5.1 No legal implications.

6. COUNCIL OBJECTIVES

6.1 The Improvement Plan relates to all of the Council's four objectives and four priorities as per the 2009/2012 Council Plan.

7. RISK MANAGEMENT

Corporate Risk Title	Improvement Plan Reference
KO1: Effective Financial Management and Internal Control	FP1 – Managing Finances

KO2: Effective corporate leadership	FP1 – Managing Finances FP2 – Governing the Business FP3 – Managing Resources FP4 – Managing Performance PR2 –Political Governance
KO3: Effective Member / Officer relations	PR2 –Political Governance HROD1 – Learning & Development
KO4: Effective Member / Member relations	PR2 –Political Governance HROD1 – Learning & Development
KO5*: Full compliance with the Civil Contingencies Act and effective Business Continuity	PR1 – Customer Processes
KO6: Maximising the benefits of investment in ICT equipment and training	PR1 – Customer Processes
KO7: Effective partnership working	PR4 – Improved Partnership Working
KO8: Effective communications (internal and external)	PR1 – Customer Processes
KO9: Equalities and diversity agenda embedded across the Authority	CP3 – Sense of Community FP4 – Managing Performance
KO10: Appropriate investment in employee development and training	HROD1 – Learning & Development HROD2 – Modernisation HROD3- Positive Employee Climate
KO11: Effective employee recruitment and retention	HROD1 – Learning & Development HROD2 – Modernisation HROD3- Positive Employee Climate
KO12: Full compliance with all Health and Safety legislation	HROD3- Positive Employee Climate
KO13: Effective two tier working and Community Engagement	CP3 – Sense of Community PR4 – Improved Partnership Working
KO14: Successful implementation of Job Evaluation	HROD2 - Modernisation
KO15: All Council data is accurate and of high quality	FP1 – Managing Finances FP4 – Managing Performance
KO16: The Council no longer in recovery	FP1 – Managing Finances FP2 – Governing the Business FP3 – Managing Resources FP4 – Managing Performance PR2 –Political Governance
KO17: Effective Projects Management	FP1 – Managing Finances
KO19: Effective Business and Performance Management	FP4 – Managing Performance
KO20: Effective Customer Focused Authority	CP3 – Sense of Community PR1 – Customer Processes

* KO5 and KO18 have been merged

8. CUSTOMER IMPLICATIONS

8.1 The Improvement Plan includes a range of actions to deliver the Council's Customer First value. Please see section PR1 of the Improvement Plan.

9. EQUALITIES AND DIVERSITY IMPLICATIONS

9.1 Please see sections CP3 and FP4 of the Improvement Plan

10. VALUE FOR MONEY IMPLICATIONS

10.1 See sections FP1-FP3 of the Improvement Plan

11. OTHER IMPLICATIONS

Procurement Issues: See Section FP2 of the Improvement Plan.
Personnel Implications: See Sections HROD1-HROD3 of the Improvement Plan.
Governance/Performance Management: See Sections FP4 and PR2 of the Improvement Plan.
Community Safety including Section 17 of Crime and Disorder Act 1998: See section CP3 of the Improvement Plan
Policy: All sections of the Improvement Plan relate to this.
Environmental: See sections CP4 and FP3 of the Improvement Plan.

12. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	No
Chief Executive	At CMT
Executive Director (Partnerships and Projects)	At CMT
Executive Director (Services)	At CMT
Assistant Chief Executive	Yes
Head of Service	At CMT
Head of Financial Services	At CMT
Head of Legal & Democratic Services	At CMT
Head of Organisational Development & HR	At CMT
Corporate Procurement Team	No

13. WARDS AFFECTED

13.1 All wards.

14. APPENDICES

14.1 Appendix 1 Improvement Plan Exception Report November 2009.

15. BACKGROUND PAPERS:

- 15.1 The full Improvement Plan for November can be found at www.bromsgrove.gov.uk under meetings Minutes and Agendas. A hard copy is also left in the Members' Room each month.

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Exception Report for November 2009 Improvement Plan

Appendix 1

PROGRESS IN 2009/10

Overall performance as at the end of November 2009, in comparison with the previous year, is as follows: -

July 2008			August 2008			September 2008			October 2008			November 2008			December 2008		
RED	11	8.6%	RED	17	14.4%	RED	16	11.9%	RED	15	10.6%	RED	12	8.7%	RED	13	9.9%
AMBER	3	2.3%	AMBER	4	3.4%	AMBER	8	6.0%	AMBER	7	5.0%	AMBER	8	5.8%	AMBER	5	3.9%
GREEN	114	89.1%	GREEN	96	81.4%	GREEN	99	73.9%	GREEN	104	73.8%	GREEN	106	76.8%	GREEN	100	76.3%
REPRO	0	0%	REPRO	1	0.8%	REPRO*	11	8.2%	REPRO	15	10.6%	REPRO	12	8.7%	REPRO	13	9.9%

January 2009			February 2009			March 2009			April 2009			May 2009			June 2009		
RED	0	0%	RED	2	1.5%	RED	3	2.9%	RED	3	3.2%	RED	3	3.85%	RED	1	1.2%
AMBER	4	3.6%	AMBER	3	2.3%	AMBER	5	4.9%	AMBER	5	5.4%	AMBER	3	3.85%	AMBER	0	0%
GREEN	95	86.4%	GREEN	112	86.2%	GREEN	80	78.5%	GREEN	71	76.3%	GREEN	60	76.9%	GREEN	70	82.3%
REPRO	11	10.0%	REPRO	13	10.0%	REPRO	14	13.7%	REPRO	14	15.1%	REPRO	12	15.4%	REPRO	14	16.5%

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July 2009			August 2009			September 2009			October 2009			November 2009			December 2009		
RED	0	0%	RED	0	0%	RED	4	3.8%	RED	2	2.1%	RED	2	2.1%	RED		
AMBER	11	13.3%	AMBER	6	8.5%	AMBER	9	8.7%	AMBER	9	9.6%	AMBER	5	5.3%	AMBER		
GREEN	67	80.7%	GREEN	60	84.5%	GREEN	79	76%	GREEN	70	74.5%	GREEN	71	74.7%	GREEN		
REPRO	0	0%	REPRO	0	0%	REPRO	0	0%	REPRO	0	0%	REPRO	3	3.2%	REPRO		
SUSP	5	6%	SUSP	5	7%	SUSP	12	11.5%	SUSP	13	13.8%	SUSP	14	14.7%	SUSP		

January 2010			February 2010			March 2010			April 2010			May 2010			June 2010		
RED			RED			RED			RED			RED			RED		
AMBER			AMBER			AMBER			AMBER			AMBER			AMBER		
GREEN			GREEN			GREEN			GREEN			GREEN			GREEN		
REPRO			REPRO			REPRO			REPRO			REPRO			REPRO		
SUSP			SUSP			SUSP			SUSP			SUSP			SUSP		

Exception Report for November 2009 Improvement Plan

Appendix 1

Where: -

	On Target or completed		One month behind target or less		Over one month behind target		Original date of planned action		Re-programmed date.*		Suspended**
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* NB. Reprogrammed actions are those that have been moved to a later point in the year. They are not actions that have been extended and they do not appear on the exception report once they have received approval.

**NB. Suspended actions are those that have been suspended completely for the period covered by the Improvement Plan

An Exception Report detailing corrective actions follows:

CP1: Town Centre																	
Ref	November 2009 Action		Colour		Corrective Action										Who	Original Date	Revised Date
1.1.1	Engage specialist organisation to complete unified vision				Work will recommence on the AAP in January 2010. The unified vision will be completed by April with the AAP itself being completed by June 2010. However, it is not likely to receive official approval until April 2011.										PS	Nov 09	Apr 10
Ref.	Action	Lead	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Corrective Action		
1.1	Agreement on preferred option of Area Action Plan																
1.1.1	Engage specialist organisation to complete unified vision	PS														<p>The listing of Parkside has delayed the resumption of the work on the AAP and the preferred option. However, it would appear that the police and fire service have now secured an alternative site and are awaiting the outcome of a HMIC report and a final decision from the Police Committee before commencing work on the building although there is sufficient money to secure the site. It is anticipated that work will recommence on the AAP in January 2010. The unified vision will be completed by April with the AAP itself being completed by June 2010. However, it is not likely to receive official approval until April 2011.</p>	

Exception Report for November 2009 Improvement Plan

Appendix 1

CP1: Town Centre																		
Ref	November 2009 Action		Colour		Corrective Action											Who	Original Date	Revised Date
Ref.	Action	Lead	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Corrective Action			
1.5.2	Public consultation complete				Meeting with Network Rail in early November cancelled by Network Rail. The County Council has requested that Network Rail produce a design this side of Christmas that more closely matches the available funding.											HB	Nov 09	TBC
1.5	Train Station																	
1.5.2	Public consultation complete	HB														Meeting with Network Rail in early November cancelled by Network Rail. The County Council has requested that Network Rail produce a design this side of Christmas that more closely matches the available funding.		

Exception Report for November 2009 Improvement Plan

Appendix 1

FP2: Governing the Business (including Value for Money)																	
Ref	November 2009 Action	Colour	Corrective Action												Who	Original Date	Revised Date
Ref.	Action	Lead	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Corrective Action		
6.3.5	Present risk management training to Members														JLP	Nov 09	Jan 10
6.3	Effective risk management																
6.3.5	Present risk management training to Members	JLP															Risk Management to be included in the quarter 4 training plans for members

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PR4: Improved Partnership Working																	
Ref	November 2009 Action	Colour	Corrective Action												Who	Original Date	Revised Date
Ref.	Action	Lead	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Corrective Action		
12.3.1	Benchmark grants policies of other councils.														HB	Nov 09	Apr 10
12.3	Grants policy																
12.3.1	Benchmark grants policies of other councils.	HB															EXTENDED: Not started yet, due to focus on LSP Board.

PR5: Planning																	
Ref	November 2009 Action		Colour		Corrective Action										Who	Original Date	Revised Date
Ref.	Action	Lead	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Corrective Action		
13.3.2	Prepare Further Draft Core Strategy				EXTENDED: Next draft expected to be published summer 2010, depending on outcome of RSS proposed changes due to be announced on 16 th December.										MD	Nov 09	TBC
13.3	Local Development Framework																
13.3.2	Prepare Further Draft Core Strategy	MD														EXTENDED: Discussions held with GOWM to address the outcomes of the RSS panel report. The next draft is dependent on guidance from GOWM- next draft expected to be published summer 2010, depending on outcome of RSS proposed changes due to be announced on 16 th December.	

Exception Report for November 2009 Improvement Plan

Appendix 1

PR5: Planning																	
Ref	November 2009 Action		Colour		Corrective Action										Who	Original Date	Revised Date
Ref.	Action	Lead	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Corrective Action		
13.4.3	Quarterly Member Planning training				Training was planned for September, which would be second session of the year. Lack of availability of a suitable room has delayed this slightly. Session now planned for December 3rd.										DH	Nov 09	Dec 09
13.4	Effective Development Control Service																
13.4.3	Quarterly Member Planning training	DH													Training was planned for September, which would be second session of the year. Lack of availability of a suitable room has delayed this slightly. Session now planned for December 3rd. In addition lessons learned from recent ombudsman cases will be discussed following planning committee in December. Further training planned on specific housing issues of need and affordability prior to consideration of Stoke Prior planning application.		

PR5: Planning																	
Ref	November 2009 Action		Colour		Corrective Action										Who	Original Date	Revised Date
Ref.	Action	Lead	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Corrective Action		
13.4.6	Consider results at Customer First Board and CMT, including action plan.				Preparations for peer review self assessment started along with document preparation. Initial draft report has arrived, with a meeting to be scheduled between strategic housing, strategic planning, Director of Partnerships and Projects and the Head of Planning & Environment in January 2010.										DH	Nov 09	Dec 09
13.4	Effective Development Control Service																
13.4.6	Consider results at Customer First Board and CMT, including action plan.	DH														Preparations for peer review self assessment started along with document preparation. Initial draft report has arrived, with a meeting to be scheduled between strategic housing, strategic planning, Director of Partnerships and Projects and the Head of Planning & Environment in January 2010.	

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Appendix A

Worcestershire Enhanced Two Tier Working

Regulatory Services

Environmental Health, Trading Standards & Licensing



Detailed Business Case

Executive Summary

Version 3.2

November 2009

Worcestershire Two Tier Regulatory Services Detailed Business Case

Executive Summary

This document proposes a transformational two tier Regulatory Service in Worcestershire that will deliver significant improvement in services for Customers county-wide and benefits for the seven Partner Authorities

The vision:

'A fully integrated Regulatory Services function, more effectively focussed on businesses and consumers, with all partners operating within one Management Structure'

Business case Headlines

- This business case is supported by a detailed financial model.
- It proposes the bringing together of 3 professional disciplines from the seven Worcestershire Councils and across two tiers of Local Government, into a unified transformational service provision.
- The preferred business model option offers a like-for-like revenue saving of £1.26 million (17.25% reduction on current direct service cost) largely achievable by year 3 however; a £440K saving is achieved in year 2 (2011/12).
- It should be possible to achieve savings in overhead costs in the medium to long term of up to 20% of current internal recharges (approximately £354k).
- It is intended that individual partner performance against the core National Indicators for these Regulatory Services will be maintained as a minimum. This will be followed by a clear focus on raising the performance of all partners to that of the best in Worcestershire.
- The new service will utilise a centralised ICT system, linking directly into the Worcestershire Hub, enabling improved access to services and for our Customers across the region, with opportunity for continuous service improvement.

- This business model will enable Councils to achieve increased resilience, while facing the challenges and changing demands placed on the services, anticipated from Central Government in the medium / long term.

Outline of the proposal.

The business case has been developed by the Regulatory Services project team which is made up from members of each of the seven Councils across Worcestershire. It builds upon the high level business case which was prepared in May 2009. This was the point at which the Worcestershire Chief Executives & Leaders Panels decided to authorise the creation of a detailed business case to inform a final decision.

This business case supports the development of a fully integrated Regulatory Service incorporating the three professional disciplines of Trading Standards, Environmental Health and Licensing, with all Partner service teams operating within a unified management structure. This will allow an integrated team to be created which has the resilience, shared expertise and economies of scale to provide a broad and effective service base for the communities of Worcestershire, while maintaining local responsiveness, choice and identity.

The proposed model focuses on service delivery by looking from the outside in – on our businesses and customers. Delivery of services through a unified service provision is considered by the project team members to be well placed to provide a much improved service to the end user by providing a central source for all Regulatory Services from a focused and consistent service team.

This approach will also support the Comprehensive Area Assessments (CAA) in that this model will enable better results to be delivered by providing a more joined up approach to improving outcomes for local people and businesses.

The regulatory regime and culture of this service will be firmly based on the principles developed by Philip Hampton in his March 2005 report to Government “Reducing administrative burdens: effective enforcement and inspection”. It will also provide a more joined up approach to the Worcestershire Local Area Agreement.

This model will contribute to the Local Better Regulation Office (LBRO) objective of “reducing regulatory burdens on businesses”, whilst promoting and protecting the well-being of a modern, vibrant Worcestershire economy but recognising the importance of safeguarding the health, safety, environment and economic wellbeing of its citizens.

By utilising the Worcestershire Hub to deliver a number of the more day to day services directly to the customer, the unified Regulatory Service will be able to deliver an efficient and more effective service to Customers. More complex issues can be prioritised and channelled to more specialist areas of the unified Regulatory Service, such as dealing with air quality issues and fair trading to enhance the environment and economic development of Worcestershire.

It is likely that the already well established regional dimension of Trading Standards will enrich Environmental Health and Licensing services in a unified service structure. Equally the Trading Standards service will benefit from enhanced access to local services and groups such as Small Medium Enterprises and licensing groups.

The key Drivers & Benefits

Ref: 'Section 7' (Drivers for Change) of the WETT Regulatory Services Detailed Business Case V10

From the outset the Worcestershire Chief Executives & Council Leaders have made it clear that any shared service must consider three key principles i.e.;

1. Service Improvement & Increased Efficiency
2. Cost Savings & Return on Investment
3. Centralised Service Delivery

Examples from the business case include:

- **Improved delivery to Customers** e.g. reducing the burden on business by avoiding duplication of inspections.
- **Resilience** e.g. improved capacity –through sharing of resources and ability to absorb financial pressure from Government spending reviews through service unification.
- **Savings** e.g. an accumulative direct cost saving of £1.26 million (approx. 17%) in realised savings between Partners.
- **Cost reduction through Efficiencies** e.g. eliminate duplication, overlap & redundancy in processes & working
- **Economies of scale** e.g. reduced management/support costs & overheads, rationalisation / re-use of estate and ICT integration
- **Consistent approach in service delivery** e.g. Policy alignment (customer perception is the key driver – common policy framework will have flexibility to meet local needs, Improvement in compliance and uniform process for "routine" regulatory work (where possible through the Hub).
- **Standardised performance, quality, policy & processes** e.g. reduction in incidents of failure through efficiency, standardisation of charges and fees and consistent approach to clients
- **Business transformation** e.g. shared resources – people, processes & systems, minimise geographic boundaries between services to customer and minimise political boundaries between services to the customer

Scope

Ref: 'Section 6' (Scope) of the WETT Regulatory Services Detailed Business Case V10

The business case scope will contain the following for Regulatory Services.

Food Standards (labelling and composition) - Food Safety - Health and Safety – Metrology - Animal Health and Welfare (inc Dog Warden Service) – Licensing - Air Quality - LAPPC – Pollution Control - Contaminated Land - Nuisance investigations - Infectious Diseases - Product Safety - Fair Trading / anti rogue trader activities - Under age sales - Consumer & business advice - Environmental packaging - Public Health (burials, drainage, water supplies etc) - Health Promotion - Pest Control

Finances & Cost Savings

Ref: 'Section 11' (Financial Analysis) and 'Financial Appendices (F1 - F11) of the WETT Regulatory Services Detailed Business Case V10

Overview

Detailed financial modelling has been carried out to assess all proposed structural options against the aim of delivering at least a 15% saving against current direct expenditure budgets. Only Option 3 achieves this aim, returning a saving of 17.2% (£1,261,000) against current direct expenditure.

The proposed implementation approach delivers savings of £438,000 (6.0%) in Year 2 (2011/12), rising to £1,202,000 (16.4%) in Year 3 and the full £1,261,000 by Year 5 (2014/15).

Capital investment of £1.5 million is needed to achieve the proposed business model, of which £270k is to be potentially grant-funded by Improvement & Efficiency West Midlands and CLG. The business case delivers a return on investment (payback) against net capital expenditure by Year 4 (2013/14).

In addition to the target 17.2% saving against direct expenditure, it is anticipated that a saving of £354k (20%) against indirect (internal recharge) expenditure can be achieved, via self-managed efficiencies at individual authorities.

Calculation of Future Costs and Savings

The aggregate direct gross expenditure on Regulatory Services across the seven County and District Councils in 2009/10 is £7.3 million. The largest component of this direct expenditure is employee costs (76% of aggregate direct costs), representing 165 full time equivalents (FTE).

The preferred "Option 3" projects an ongoing annual saving of £1,261,000 (17.2%) per annum (Table F1).

REGULATORY SERVICES – Option 3 Projected Direct Expenditure Savings (Table F1)	Current Expenditure 2009/10 £	Option 3 £
Employee costs	5,595,000	3,981,000
Premises costs	294,000	324,000
Transport costs	254,000	240,000
Supplies & Services costs	524,000	551,000
Other additional costs of Shared Service	0	360,000
Contractor costs	645,000	595,000
TOTAL DIRECT EXPENDITURE	7,312,000	6,051,000
Annual Saving (after implementation period)		1,261,000
Percentage Saving		17.2%

The direct expenditure savings under Option 3 are delivered through a reduction in headcount from 165 to 120 FTE. Reductions in management are achieved through the removal of duplication in line management, policy development and inter-authority liaison, while reductions in professional, technical and support staff are achieved through structural rationalisation and fundamental service transformation.

Non-pay costs have been reduced in those areas where savings are considered to be achievable through improvements in efficiency and procurement, and to reflect lower future headcount.

Specific ongoing additional costs have been included to cover service charges made by the host authority to the shared service (£250,000), ICT licensing and systems maintenance, additional accommodation costs, and increased capacity of the Worcestershire Hub Shared Service.

In addition to the target 17.2% saving against direct expenditure, it is anticipated that a saving of 20% against indirect (internal recharge) expenditure can be achieved, via self-managed efficiencies at individual authorities.

Cash Flow and Return on Investment

Table F4 illustrates the forecast cash flow of Option 3, based on the proposed implementation approach.

Capital investment requirements of £1.5 million in total are largely ICT-related, based on the report of the Mouchel consultancy. Capital costs are to be partially funded by a contribution of capital grant (£270,000) from Improvement & Efficiency West Midlands and CLG.

In order to calculate the payback year, it is assumed that all net revenue savings available after interest financing costs are used to repay capital borrowing in the first instance. The potential revenue impact of capital borrowing is factored into the payback year calculation and is shown separately below, for clarity.

The model shows that payback of capital is achieved in Year 4, with a significant proportion of annual target savings (£1,234k being realised from Year 3 and the full impact of savings (£1,261,000) from Year 5 onwards.

REGULATORY SERVICES – Implementation Cash Flow (Table F4)	Current 2009/10 £'000	2010/11 Year 1 £'000	2011/12 Year 2 £'000	2012/13 Year 3 £'000	2013/14 Year 4 £'000	2014/15 Year 5 £'0000
Base revenue budget expenditure	7,312	7,312	7,312	7,312	7,312	7,312
Annual planned (saving)/ additional cost	0	25	(843)	(1,261)	(1,261)	(1,261)
Transitional costs (revenue)	0	741	405	59	49	0
Net revenue impact of programme – (saving)/additional cost	0	766	(438)	(1,202)	(1,212)	(1,261)
Total Shared Service revenue budget expenditure	7,312	8,078	6,874	6,110	6,100	6,051
Capital expenditure (total £1.5 million)	0	557	671	275	0	0
IEWM capital grant (total £0.3 million)	0	(150)	(150)	0	0	0
PAYBACK ACHIEVED					Year 4	
Revenue impact of capital borrowing	0	0	51	117	152	152

Governance

Ref: 'Section 9' & 'Appendix 4' of the WETT Regulatory Services Detailed Business Case V10

In developing governance options the project team received legal advice from Philip Kolvin QC, a Barrister well versed in licensing matters and Peter Keith Lucas QC, an expert on shared service governance in Local Government.

Following this advice the project team opted to appoint a joint committee of elected members to oversee all activity, with the seven authorities having delegated decision making and policy approval to that authority from the committee and officers of the joint service. This option is legally acceptable under sections 101 and 102 of the Local Government Act 1972.

In essence, the proposal is for a central management structure, reporting to the joint committee. The functions to be undertaken by the shared service include all aspects of licensing, environmental health and trading standards and follow the governance decision process shown in 'fig. G1' within the 'Appendix 9' of the WETT Regulatory Services detailed business case V10.

The overall impact of these provisions is that each local authority can delegate its functions to either the proposed joint committee or to the Head of the proposed Service.

The important caveat to all of the above is that the Licensing Act 2003 amended the Local Government Act 1972, adding section 101(15), the impact of which is that section 101 does not apply to the exercising of any function of a licensing authority under the Licensing Act 2003.

There does not appear to be scope to transfer the exercise of the powers outside the authority altogether; however it appears possible to second the appropriate level of resource from the shared service to the individual licensing authorities to undertake the specific licensing functions required by the 2003 Licensing Act. The model therefore proposes to retain the existing licensing committees as is.

The functions under the 2003 and 2005 Acts that must remain with the specific licensing authorities are listed below:

- decision making
- policy adoption
- decision to institute legal proceedings,
- determining an application
- inspecting and licensing taxis
- licensing enforcement

The Hackney Carriage provisions, sex shop licensing, street trading and tattooing regimes under the Local Government (Miscellaneous Provisions) Acts 1976 and 1982 are not subject to the same restrictions and are therefore able to be administered by any joint arrangements.

The decision making process is detailed in **Appendix 4** of the detailed business case V10.

Management & Staffing arrangements

Ref: 'Section 8 (Service Delivery Option Appraisal)' & 'Appendix 2' (Resource Allocation Summary) of the WETT Regulatory Services Detailed Business Case V10

Teams will not all be co-located but will be dispersed across the County occupying existing accommodation used by present teams, with a move for staff to be increasingly home-based over time. Dispersed staff will be supported by new ICT applications capable of supporting mobile and flexible working. The host for the unified service will provide additional accommodation for up to 15 personnel i.e. the core management team and other professional Officers.

The detailed business case is built on three staffing options referred to as options 1, 2 & 3 within 'section 8' of the detailed business case (V10). Option 3 is the preferred option as it delivers the required transformation and savings. The proposed Regulatory employment model suggests an overall reduction in required Officer resources with leaner processes and transformation of service delivery being achieved at managerial, technical and administrative Officer Levels.

Where possible opportunities derived from natural wastage, through turn over and retirement will be taken in order to naturally reduce the surplus staff in an effort to minimise redundancies. Existing employees who are not appointed or transferred to a post in the new Regulatory Services will be considered where possible for re-deployment to a suitable alternative post in the constituent authorities if this practice is agreed by all constituent authorities.

The TUPE transfer to a central host will aim to bring together staff to consistent job descriptions and person specifications, and operate to a central job evaluation scheme. Whilst operational staff will continue to work from different delivery locations they will all be employees of the same host authority.

The priority in terms of initial implementation will be to appoint to the senior management posts within the structure.

It is envisaged that two geographical teams i.e. Business & Customer will operate North and South of the county and will deliver services, whilst a third team (Technical.) would retain responsibility for more specialised county-wide activities that, in the main, have business as the key client group, like Animal Health, Contaminated Land and Legal Metrology.

Licensing is treated as a separate team, integrating all aspects of licensing administration and enforcement from District and County. The project team are aware of the importance that District Elected Members place on their licensing functions and the work of the local committee. Placing the Licensing Manager at the appropriate level in the structure should reflect local member's perception of where licensing should sit, and help to ease any initial concerns that the change process envisaged could erode their ability to influence or have a role in decision making.

Finally, from an operational perspective, the preferred Option 3 service model shows a compact policy and support team for the purpose of providing expertise around issues such as marketing and communications, legal administration, IT systems and data control, and most importantly, policy development. This direct support will fall outside of the remit of the

host. This team will also be responsible for linking back to the districts around issues like planning applications.

The specific staffing figures, proposed reductions and associated costs / savings are contained within the Finances and Cost Savings section of this Executive Summary.

Performance

Ref: 'Section 13' (Performance & Workload), 'Appendix 2 (Resource Allocation Summary)' & 'Appendix 5 (Performance & Workload Data) of the WETT Regulatory Services Detailed Business Case V10

Regulatory Reform: Over recent years and through The Hampton Regulatory Reform Principles there has been a significant shift from routine inspections to a more intelligence led and risk based approach that recognises inspections should only be undertaken according to need, and that a wider range of interventions such as training, auditing, mentoring and advisory visits should be used to gain compliance with the wide variety of legislation administered by these services.

By combining environmental health, licensing and trading standards into one integrated, county-wide regulatory service, there will be significant opportunities to improve the overall experience for the wide variety of customers interfacing with the unified service and to improve outcomes for consumers and legitimate businesses. This satisfies the WETT principle of improving performance for our key stakeholders.

Current position: Existing National Indicators against which local authorities are already required to report levels of performance provide a number of proxies;

- **NI14** (Avoidable Contact)
- **NI182** (satisfaction of businesses with regulatory services)
- **NI 183** (fair trading indicator calculated by reference to the number of businesses generating more than 3 complaints annually and the number of VAT registered businesses in the county)
- **NI 184** (compliance of businesses with food requirements)
- **NI190** (Achievement in meeting standards for the control system for Animal Health)

The national Indicators show there are some differences between district partners but spread across a relatively narrow range, supporting the view that there are not major performance differences between Worcestershire Councils.

Service Standards and Performance Measures: It is intended that individual partner performance against these National Indicators will be maintained as a minimum. This will be followed by a clear focus on raising the performance of all partners to that of the best in Worcestershire and will help to address issues of inequality identified in the recent Place Survey. It will also ensure that partners can demonstrate the effective deployment of proposed regulatory resources to provide the optimum community benefit.

It is proposed that services will initially be delivered in accordance with current partner service standards with the aim of migrating as quickly as possible to uniform service standards. This approach may lead to a perception of a reduction in service performance for those Councils where resource levels are such that defined service standards are routinely exceeded because of the relationship between often small team sizes needed to ensure demand in specific service areas is fulfilled. This will be part of achieving greater efficiency in overall service delivery. It will be essential to ensure that this rationale is clearly communicated to customers.

The emergency response protocol operated by Trading Standards in relation to doorstep crime shows that a centralised organisation can be responsive to local needs and our long

term aim to retain a presence in both the North and South of the county should mean that such provisions will improve, not diminish.

Included in this work are responses to licensing issues, planning consultations and complaints etc, all of which will be in line with current standards but will be subjected to robust scrutiny as part of the business transformation programme. It is expected that through the adoption of 'LEAN' systems thinking, innovative business transformation and effective use of the HUB, this area of work has the potential to benefit from a significant increase in performance as measured by customer satisfaction.

The increased potential for self service where this is appropriate will both deliver a reduction in unnecessary contacts, resulting in improvements to NI14 (Avoidable Contact) and enhance the opportunities for customers to fulfil their needs more quickly and at a time of their choosing.

Hosting for the new Service

Ref: 'Section 10' (Hosting) & 'Appendix 9' (Report by Mouchel Re: Hosting evaluation) of the WETT Regulatory Services Detailed Business Case V10

The criteria for evaluating the suitability of a potential host for the new two tier Regulatory Service was produced and agreed by the WETT Programme Management Group and approved by the Worcestershire Chief Executives Panel (CEP). The criteria included key measurements e.g. the Councils capacity to support the new service, and had been developed by further enhancing the previous approach to establishing a host for shared service Partnerships in Worcestershire e.g. the shared Revenues and Benefits service.

Wychavon, Worcestershire County and Redditch & Bromsgrove Councils each submitted a completed bid for hosting the Regulatory Service. Following presentations of the non-financial elements of the bids by each Council, the County Council received the most support from the Council group for hosting.

At the request of the Worcestershire Chief Executives Panel, independent external evaluation was sought from a private sector partner who provided their recommendations based on the same criteria, documentation and interviews with the Officers involved from each Council Partner. The final report was produced during September 2009 which concluded that Bromsgrove was the best option for the host of the new Regulatory Service.

Staff will not be co-located but will be dispersed across the County occupying existing accommodation used by present teams, with a move for staff to be increasingly home-based over time. There may be a need for the host to provide additional accommodation for up to 15 personnel. Dispersed staff will be supported by new ICT applications capable of supporting mobile and flexible working. These ICT applications will include telephony. GSX connectivity will be needed to maintain existing access for Trading Standards to police and HMRC.

The host will be expected to support the provision of the following services to support the Regulatory Service:

Accommodation, Administration of Joint Committee, Audit services, Data protection and information security, HR & personnel services, financial services, ICT services and licensing, Insurance, Legal services (excluding criminal litigation), Criminal litigation services, Pensions & Procurement.

Transformation

Ref: 'Section 5' (Transformation) of the WETT Regulatory Services Detailed Business Case V10

The business case for creating a Worcestershire two tier Regulatory Service gives a clearer and stronger focus to the main groups of business and non-business customers of environmental health, trading standards and licensing services. The aim is to meet better the needs of these customer groups by delivering services that are joined up, responsive and more accessible.

The model has been developed to create a transformational shift from the way some of these services are currently delivered to tackle the triple challenges of customer engagement, improved value for money and improved service quality that drives out failure demand.

Customer focused service design: Service redesign will use lean principles to drive through efficiencies and aim to deliver customer outcomes with the least possible bureaucracy, subject to any legal restrictions that may apply.

Customers will be involved in service re-design from initial development of service requirements to post implementation reviews. Ongoing customer feedback will contribute to continuous improvement.

Customer Access: The aim will be to reduce barriers to accessing services by providing access to services across a range of service channels to enable business and non-business customers to access services in a manner, at a time and location that most appropriately suits their needs. In doing this we recognise the importance of 'getting it right first time'.

- Access through Consumer Direct will be maintained for consumer trading standards enquiries. Consumer Direct is already well established with consumers and is funded by central government.
- The new Business Link portal will provide on-line access for licensing/ permit applications. Central government is also funding the new Business Link portal which will meet the requirements of the EU Services Directive in providing a central on-line source for applicants for licenses and permits.
- The existing much valued relationship between local businesses and regulatory professionals will be developed by the creation of formal "relationship management" with each business having a lead regulatory professional as a personal point of contact with local regulatory services.
- In all other cases, customers will access services through the Worcestershire Hub.

Central process and work-flow: Re-designed service delivery will minimise bureaucracy by using the smallest number of distinct processes/ process components necessary to achieve customer need within any legal parameters.

Work-flow tools will be integrated with other systems to ensure end-to-end service delivery and minimise duplication of data storage.

Implementing transformation: Transformational capacity is created within the proposed structure but this is insufficient in itself to deliver the full transformational model described in this business case. The proposed transformation post is in practice a focal point for linking

with transformational capacity elsewhere within the Worcestershire local government family, including the WETT programme management team and Worcestershire Hub Shared Service Development Team. This federated approach will ensure that transformational activity is optimised across business strands within the partner organisations.

New ICT approach to Regulatory Services

Ref: 'Section 14' (ICT), 'Appendix 7 (ICT Issues Log)' of the WETT Regulatory Services Detailed Business Case V10

During 2009 the WETT Regulatory Service project received external capital funding from the Department for Communities and Local Government (DCLG) to the sum of £200K. This was allocated specifically to support the development of a central ICT platform for the proposed unified Regulatory Service.

A review of the current system architecture and the options available for developing a central ICT platform for the new service has been completed. Mouchel PLC was commissioned to complete the review during August & September 2009 and their full report can be made available on request.

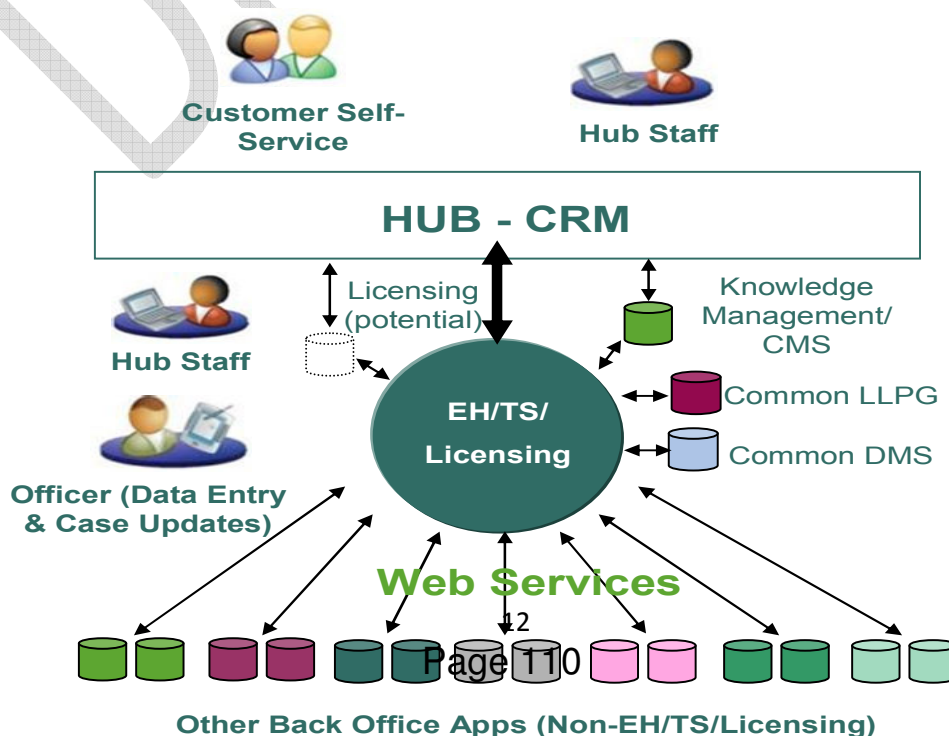
The preferred ICT option for WETT Regulatory Services is to replace all incumbent back-office solutions (Environmental Health, Trading Standards and Licensing) with a central shared solution that will support the combined shared service.

Integration with the Hub customer relationship management system (CRM) will be required to enable Hub staff to view the status of a case should a citizen call the Hub to enquire of progress. Initial data entry by Hub staff or Officers will be through either the CRM or the shared back-office solution.

Integration will be required between the central shared solution and any other Authority Back-Office solutions that currently provide seamless integration (e.g. Housing, Planning, Land Charges etc).

Flexible and remote working / transition issues: The business model assumes that there will be "hot desk" facilities at a number of locations around the County. When the core systems are fully live, these will provide access to systems provided by the host authority.

The proposed ICT architecture for the unified Regulatory Service is shown in the model below



Worcestershire Hub

Ref: 'Section 15' (Worcestershire Hub) & 'Appendix 8 (Worcestershire Hub Data)' of the WETT Regulatory Services Detailed Business Case V10

The Worcestershire Hub will play a key strategic role in the new service model proposed in this business case. It enables a more Customer focussed and streamlined delivery for the unified Regulatory services and will enable a leaner Regulatory staffing structure to operate and perform to its optimum. The Hub is the enabler for Customer access to services across Districts and tiers of Local Government in Worcestershire and is nationally regarded as an exemplar of best practice.

The Regulatory Project Team noted the acknowledgement by the Hub team that the impact of the current recession on demand for Revenues and Benefits services has caused a significantly higher demand on the Hub teams than was originally expected and that this is in the process of being rectified in partnership with the Revenues and Benefits Shared Service.

This business case recommends that the Hub will have specific additional capacity to provide the levels of self service that the proposed business model envisages.

The section below provides some background information and assurances to Stakeholders of this business case that the Hub is a suitable proposal for supporting the transformation of the services outlined in this business case.

In 2008/9 across the Worcestershire Hub, almost 800,000 calls were received. Over 75% of calls were answered within 20 seconds with an average speed of answer of 19 seconds.

- The Worcestershire Hub enables a wide range of council services to be accessed and already includes many Regulatory Services.
- The Worcestershire Hub is the first point of contact for council enquiries made in person and over the phone.
- Customers will be encouraged to "self serve" via the web – including accessing information and advice and licence applications.
- As far as possible (and appropriate), enquiries will be dealt with at the first point of contact. Where enquiries are more complex they will be channelled to the relevant specialist area within Regulatory Services as per an agreed process.
- A robust, single complaints process will be operated.
- A recent move to a single contact centre (for the Worcestershire Hub Shared Service) is driving benefits in standardising performance management, processes and robust disciplines.
- Having a wide range of council services that are accessed via the Worcestershire Hub provides greater focus customers. (1) By better understanding the collective impact of council services on customers, (2) improving communication with customers and (3) joining up services for the benefit of customers rather than just responding to the question asked.
- The systems used by the Hub enable....(1) Robust performance management and control of telephone calls, (2) logging and progressing of enquiries via the CRM, (3) workflow and (4) self service (with developments specific to service). Further system developments are also planned.
- Having clear, single, simplified processes that are customer focused will reduce unnecessary (avoidable) contacts, through (1) standardising the front-end part of the process and customer interface as well as (2) dealing with enquiries as far as possible

at the first point of contact, (3) reducing avoidable contact and (4) enabling and encouraging self service will enable service transformation.

Worcestershire Hub: The Worcestershire Hub has provided the initial customer interface for many high demand services since its inception in 2002. As the Hub operation has matured over a period of time, the role of customer advocacy has been adopted which has had a direct influence on the priorities of individual authorities.

There are clear opportunities and benefits for an integrated operation whereby the Worcestershire Hub can deliver a number of Regulatory Service functions to customers and facilitate the design of self service methods of access that will contribute to the transformational change described in the Regulatory Services detailed business case V10

Access to Services: In designing an integrated approach between the Worcestershire Hub and the unified Regulatory Service, there is an opportunity to define transformational changes within the working processes and accessibility options.

The model recognises that:

- The Worcestershire Hub provides customers with a choice of access channels. This sits alongside other methods of access for specific service types;
- Direct contact with specialist officers of the unified Regulatory Service will still be required where a customer/officer relationship has been developed during the course of an on-going enquiry and where the nature of the enquiry requires technical advice and intervention;
- There is a clear need to develop transactional capability that provides customer focussed content so that the web sits as a genuine alternative access channel to other methods of access providing true end-to-end self service;
- Consumer Direct will continue to play a role in providing consumer advice on behalf of Trading Standards;
- As described in Appendix 7 of the business case, a new Business Link portal will provide further on line capability for licensing and permit applications.

Implementation

Ref: 'Section 16' (Implementation Plan) of the WETT Regulatory Services Detailed Business Case V10

The implementation of the new service will follow the phases outlined in the detailed financial profile within the detailed business case document however; it is anticipated that the senior management structure for the new service will be in place for May / June 2010.

Once the Detailed Business Case has been agreed by the participating Councils, a detailed Implementation Plan will be drawn up by the project Group. The plan will cover the following areas and set realistic timescales for completion which can be monitored by the PMG or Joint Committee. Of particular importance will be the need to create a new shared identity and culture for the service with the emphasis being on team building and developing staff.

Governance

1. Agree representation on Joint Committee
2. Establish scheme of delegation
3. Draft Service Level Agreements (SLA)
4. Agree and sign off SLA's
5. Agree Terms of Reference for Joint Committee, including decision making

HR

1. Consultation with Staff and Unions

2. Clarify TUPE and redundancy arrangements
3. Prepare Job Descriptions and Person Specs for HOS and Management posts
4. Agree selection process
5. Appoint Management Team
6. Identify Training and Development needs
7. Allow time to embed the team

Organisational

1. Confirm where management team will be based
2. Finalise operational structure
3. Confirm where teams will be based
4. Confirm with Host Authority support arrangements for shared service
5. Develop job descriptions for shared services staff
6. Arrange Job Evaluations where necessary
7. Redeploy or TUPE staff into new service

Service

1. Map existing processes and service levels
2. Consult with Staff, Members and Customers on service design
3. Agree new service level targets
4. Establish new operational and management processes based on best practise
5. Align policies where appropriate
6. Develop web content and information flow for CRM
7. Embed 'LEAN' principles into service design

ICT

1. Assess how ICT can best be integrated
2. Carry out ICT integration including data transfer
3. Purchase sufficient licenses for staff
4. Train Staff on new system
5. Explore options for home working

Risk

Ref: 'Section 17' (Risk) of the WETT Regulatory Services Detailed Business Case V10

Effective risk management includes early and aggressive risk identification through the collaboration and involvement of relevant stakeholders. Strong leadership across all relevant stakeholders is needed to establish an environment for the free and open disclosure and discussion of risk.

Below are examples of the key risk areas identified by the project group. Further detail around these risks and the associated 'mitigation' plans are contained within Section 17 of the Regulatory Services detailed business case V10

Diversity of new ICT Systems:

Sufficient expertise within the new service associated training needs and the amount of required data cleansing to move to a fully integrated system.

Mitigation: Design migration plan so that training is a key element of the process.
Design new structure to ensure that there is in-house IT database support within the Policy/ Administration team.

Risk 2 - Insufficient investment funding:

Implementation does not go ahead on time due to lack of assumed funding.

Mitigation: Resource and detail all funding opportunities clearly from the very beginning. Design a process that precisely monitors costs and highlights the cost plan at all stages.

Risk 3 -Residual Costs:

Each authority being left with internal costs that require re organisation. Financial impacts not associated with the new service may be incurred.

Mitigation: Costs need to be mapped out and a residual cost plan needs to be managed by each authority. NB: This may lead to significant additional savings to each authority as WETT progresses to other services.

Risk 4 - Level of support from constituent authorities for Regulatory Services will vary due to variations in income:

If income or maintenance funding falls, authorities may wish to contribute less to the shared service.

Mitigation: Agree budgetary contributions on the normal 3 year basis and agree that all income is retained by the individual authorities.

Risk 9 - Governance – democratic deficits (Local Member / Citizen):

Members may not buy into the Shared Service arrangement. Citizens may have concerns over loss of localised provision.

Mitigation: Ensure good communications back to the constituent authorities. If Joint Committee is chosen, have members act as Champions for the new service back at their respective authorities.
Ensure all publicity pushes the joint nature of services.
Build some "localism" back into the operational delivery elements of the structure (need not be existing district basis e.g. North /South, etc.)

Conclusion

1. This business case is supported by a detailed financial model.
2. The financial model shows clear potential for future revenue savings from a shared regulatory service. The extent to which savings are realised is dependent upon both an investment in transformational change and reductions in individual partner internally recharged overhead costs.
3. The speed of delivery of annual revenue savings is determined by the implementation approach adopted. Implementation approach D (refer to detailed business case V10) delivers revenue target savings from the third year and significant savings from the second year onwards
4. Substantial investment is needed to achieve the proposed business model. A return on investment can be achieved within 3 years.

5. Risks are significant if assumptions listed in the Regulatory Services detailed business case V10 are not fulfilled.

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Appendix B

Worcestershire Enhanced Two Tier Working Property Services



Detailed Business Case Executive Summary

Version 1
November 2009

Worcestershire Two Tier Property Services Detailed Business Case

Executive Summary

This document proposes a District & County Council Partnership for delivering shared Property Services in Worcestershire.

The vision:

County Council as host of a combined Property Service, operating within a single management structure, providing the entire range of Property Services under agreement to District Council Partners, which will enable a more coherent approach to the management of property assets across Worcestershire.

Business case Headlines

- **Economies of scale:** Rationalisation of estate, combined procurement through combined purchasing power and reduced support costs & overheads
- **Resilience:** Improved capacity – sharing of resources and skills
- **Savings:** Accumulative savings of 15% revenue against existing revenue budgets over 3 years i.e. £452K of savings for District Partners. Opportunities for additional savings for the County Council through increasing efficiency over the initial 3 years of the Partnership.
- **Value for Money / Performance:** Partner performance will be sustained during economically challenging Local Government environment, at reduced cost.

Outline of the proposal.

The business case supports the development of an integrated Property Services function with all participating Council partners operating within a single management structure. This will allow a central team to be created which has the resilience, shared expertise and economies of scale to provide a broad and effective property service base for the communities of Worcestershire.

The model proposed focuses on service excellence and service resilience through building on existing good practice. Delivery of property functions through a centralised hosted service provision is considered by the project team members to be well placed to provide a much improved service to each participating partner.

It will provide an integrated coherent approach to strategic asset management and act as a vehicle to follow the recommendations as set out in the Audit Commission's recent publication – 'Room for Improvement'. It will also provide a more joined up approach to the Worcestershire Local Area Agreement themes.

By combining property functions both strategic and operational, it is anticipated that efficiencies through economies of scale will be achieved, benefitting all participating partners and providing a viable response to impending further budget pressures expected over the coming years.

In combining property services its contribution to other local government services such as planning, highways, education and the wider sustainability agenda will be enhanced. The business model will include a core of Property Service functions which would form the initial service portfolio, with opportunities for a broader portfolio as the service is developed and embedded.

The following Councils are contributors to the business case:

- Worcestershire County Council
- Worcester City Council
- Bromsgrove District Council
- Redditch Borough Council
- Malvern Hills District Council

Wyre Forest District Council and Wychavon District Council are not part of this business case at this stage however; they have been involved in the entire programme and have the opportunity to join at a later stage.

From the outset the Chief Executives Panel has made it clear that any shared service must consider three key principles:

- Delivery of service improvements and improved performance for all stakeholders
- Reduced pressure on the budget both overall and for each participating local authority
- Increased resilience to meet the demands placed on the service.

The integration of these services will result in a more coordinated service delivery that will benefit the people and businesses of Worcestershire.

Subject to the approval of this business case, the Shared Service approach for Property Services could become a mentor for further Shared Service initiatives.

The key Drivers & Benefits

Ref: 'Section 7' (Drivers for Change) of the WETT Regulatory Services Detailed Business Case V10

From the outset the Worcestershire Chief Executives & Council Leaders have made it clear that any shared service must consider three key principles i.e.;

1. Service Improvement & Increased Efficiency
2. Cost Savings & Return on Investment
3. Centralised Service Delivery

Examples from the business case include:

Best Services for Local People: Better position to meet local service user needs

Provide central resilience: Improved capacity – sharing of resources and skills, improve career structure, personal development and ergonomics & improved partnership working.

Continuous improvement at a reduced cost: Eliminate duplication, overlap & redundancy in processes & working practices, standardised services and quality.

Economies of scale: Rationalisation of estate, combined procurement, ICT integration & reduced support costs & overheads

Consistent approach in service delivery for common problems (asbestos, carbon, energy management): Uniform processes for common problems (asbestos, carbon & energy management), policy alignment (customer perception is the key driver – common policy framework needs to have flexibility to meet local needs) & improvement in compliance

Increased flexibility and opportunities to share staff: No geographic boundaries between services to customers, no political boundaries between services to customers, shared resources – people, processes, systems & shared allegiance

Future proof services: Protect Political Sovereignty within 2 Tier (Governance – process 'all decisions will be signed by all relevant authorities'), control own destiny

Scope

Ref: 'Section 6' (Scope) of the WETT Property Services Detailed Business Case V6

The overarching scope for this business case is about bringing together the District and County Council Property Services function to deliver an enhanced and robust service to all the customers who currently sit in each authority. The overall intention is to improve customer focus coupled with optimising the less visible elements of the service through simplification, standardisation and sharing.

It was agreed that the scope will contain the following for Property Services.

- Strategic Asset Management advice
- Financial Control
- Estate Management
- General Services
- Capital Improvement Projects
- Premises Management
- Asset Maintenance

Finances & Cost Savings

Ref: 'Section 10' (Finance) and 'Appendix 6' (Financial Data) of the WETT Property Services Detailed Business Case V6

Methodology and Savings Delivery: Governance for the shared Property Service will be through Service Level Agreements between the County Council, as the host, and each of the participant District Councils. It is envisaged that each District Council will bring into the Shared Service its full current Property Service expenditure budget, including all direct employee costs and related supplies and services, as well as repairs and maintenance budgets.

Under the Service Level Agreement, each District Council will receive a service to at least the same level as is currently delivered in-house; each District Council will also receive a cumulative saving of 5% against total employee, supplies & services and repairs & maintenance expenditure for each of the first three years of operation of the shared service (15% cumulative saving after three years).

Facilities-related expenditure will also be included in the scope of the Shared Service, but will be treated as a separate expenditure budget line. While savings are likely to accrue to District Councils from premises-related items, for example through the negotiation of joint contracts for utilities procurement, these savings are not quantified in this business case, but will be allocated to Shared Service partners as they arise. The detailed methodology for savings distribution will be set out in the Service Level Agreement.

Table F1 below sets out the current expenditure budget of each District Council, as provided by the Councils' Finance Departments, at 2009/10 levels.

Table F1 – Current District Council budgets	Bromsgrove DC £	Malvern Hills DC £	Redditch BC £	Worcester City £	Total DC Expenditure £
Employee Costs	147,000	93,000	597,000	396,000	1,233,000
Supplies & Services Costs	4,000	4,000	35,000	77,000	120,000
Repairs & Maintenance Budget	118,000	72,000	612,000	858,000	1,660,000
Total Baseline Expenditure for savings calculation	269,000	169,000	1,244,000	1,331,000	3,013,000
<i>Facilities-related Expenditure</i>	<i>288,000</i>	<i>241,000</i>	<i>1,325,000</i>	<i>160,000</i>	<i>2,014,000</i>
Total Property Service Budgets 2009/10	557,000	410,000	2,569,000	1,491,000	5,027,000

Table F2 shows the level of savings which will accrue to each district. The table demonstrates the achievement of 15% savings by Year 3 based purely on direct expenditure. It should be noted that there is further potential for Districts to increase their savings achieved through reductions in internal support costs (recharges) via self-managed efficiencies. Figures are not modelled in detail in this business case, but it is thought that an additional saving of up to 20% of support costs could be achieved by each District Council.

Table F2 – Indicative savings delivered to District Councils		Current Budget £	Year 1 £	Year 2 £	Year 3 £
Target saving (cumulative):		N/a	5%	10%	15%
Bromsgrove DC	Savings (cumulative)	N/a	(14,000)	(27,000)	(40,000)
	Total expenditure (excl facilities)	269,000	255,000	242,000	229,000
Malvern Hills DC	Savings (cumulative)	N/a	(8,000)	(17,000)	(25,000)
	Total expenditure (excl facilities)	169,000	161,000	152,000	144,000
Redditch BC	Savings (cumulative)	N/a	(62,000)	(124,000)	(187,000)
	Total expenditure (excl facilities)	1,244,000	1,182,000	1,120,000	1,057,000
Worcester City	Savings (cumulative)	N/a	(67,000)	(133,000)	(200,000)
	Total expenditure (excl facilities)	1,331,000	1,264,000	1,198,000	1,131,000
All District Councils	Savings (cumulative)	N/a	(151,000)	(301,000)	(452,000)
	Total expenditure (excl facilities)	3,013,000	2,862,000	2,712,000	2,561,000

Savings Realisation: It is envisaged that savings will be realised in three main ways: procurement savings on construction, maintenance and service contracts, savings in agency staff costs, and a minimal level of savings in direct employee costs.

The source of the procurement savings is twofold:

- Reductions in unit costs due to bulk purchasing - the County Council currently manages much larger building maintenance and service contracts than any of the other authorities and, as a result, is able to achieve a lower unit cost. By adding the District Councils' properties to the County contracts, the benefits of these lower unit costs can be extended.
- Reductions in the cost of procuring work - currently each District has to organise its own cyclical maintenance contracts. By adding these building maintenance requirements to the County's current contracts, the unit cost of procuring the service can be reduced.

The business case shows procurement savings being phased in over three years on the assumption that it will be necessary to run down legacy arrangements and contracts before the full benefits of the collective purchasing arrangements can be delivered.

The County Council currently incurs approximately £345,000 per annum in external agency staff costs. By rationalising the staffing structure and redeploying employees within the Shared Service, it is forecast that the majority of these agency staff costs can be eliminated, to deliver savings of £275,000 after three years. In addition to savings on agency staff, it is also envisaged that rationalisation of the staffing structure will enable some level of savings in direct employee costs from the second year of operation.

Table F3 below shows the detail of how savings are forecast to be realised:

Table F3 – Savings Realisation		Year 1 £	Year 2 £	Year 3 £
Procurement savings	Annual	(100,000)	(60,000)	(60,000)

	Cumulative	(100,000)	(160,000)	(220,000)
Agency staff savings	Annual	(75,000)	(100,000)	(100,000)
	Cumulative	(75,000)	(175,000)	(275,000)
Employee savings	Annual	0	(50,000)	(50,000)
	Cumulative	0	(50,000)	(100,000)
Total savings	Annual	(175,000)	(210,000)	(210,000)
	Cumulative	(175,000)	(385,000)	(595,000)

Funding of Shared Service: Additional support costs for Worcestershire County Council as the host of the Shared Service have been forecast, based on 48 additional employees (FTE rate), and a workspace occupancy rate of 65%. Costs have been allowed for accommodation, ICT recharges and Human Resources recharges. It is assumed that legal support costs will be retained by individual councils. Additional costs have been phased in over the three year implementation programme.

It should be noted that there are no fixed savings planned against the County Council's direct expenditure budget as, since 2006/07, total savings of £423,000 have already been delivered by the County Council's Property Services department against staffing budgets. However, under the current model, the County Council will benefit from any savings which are delivered in addition to the agreed levels in Table F2 above.

The following table (F4) indicates how the Shared Service is to be funded, based on a model of fixed savings delivery to District Councils. It should be noted that under this model, the risk of non-delivery of savings lies with the County Council, as District Council savings would be delivered at a fixed level under the Service Level Agreement. The indicative model below shows a £6,000 deficit on the Shared Service in Year 1, during implementation, which it is assumed can be absorbed by the County Council. By Year 3, the model shows that net savings of £475,000 can be achieved, of which £452,000 will be allocated to districts, leaving a small annual surplus of £23,000.

Table F4 – Funding of Shared Service	Current £	Year 1 £	Year 2 £	Year 3 £
Total savings (cumulative)	N/a	(175,000)	(385,000)	(595,000)
Total additional costs (cumulative)	N/a	30,000	70,000	120,000
Net savings	N/a	(145,000)	(315,000)	(475,000)
Total cost of service (excluding premises)	9,969,000	9,824,000	9,654,000	9,494,000
Funding from Districts (see Table F2)	3,013,000	2,862,000	2,712,000	2,561,000
County budget	6,956,000	6,956,000	6,956,000	6,956,000
Total funding available	9,969,000	9,818,000	9,668,000	9,517,000
Deficit/(Surplus) on Shared Service	0	6,000	(14,000)	(23,000)

Governance

Ref: 'Section 9' of the WETT Property Services Detailed Business Case V6

The project group have discussed two clear governance options that could be in place for a Property Shared Service.

Option 1: Direct management by Worcestershire County Council on behalf of all. Thereby each authority buys the service from the host under an SLA arrangement; however there is a performance board in place to manage performance on quarterly basis.

Option 2: Appointing a joint committee of elected members to oversee all activity with the participating authorities delegating decision making and policy approval to the committee and officers of the joint service.

The group have recommended Option 1 for the shared Property Service.

Service Managed by SLA vs Joint Committee

The table below outlines the positive and negative aspects of options 1 & 2 for the management/ oversight of the proposed shared service.

SLA Managed Service vs Joint Committee			
SLA Approach (Option 1)		Joint Committee (Option 2)	
Advantage	Disadvantage	Advantage	Disadvantage
Robust and Flexible SLA	Members perceive lack of political influence	Ensures political link back to constituent authorities. No democratic deficit	Bureaucracy around organising committees & associated costs
Able to agree clear output levels for some aspects of work.	Members may feel that they do not have enough influence on the host authority	Decision making based in one area	Lose the benefit of economies of scale and stream lining the services by not adopting the host authorities scheme of delegation
Can agree some specifics of local provisions through SLA			May not take into account variations in property functions across the participating councils.
Members can generally get involved in performance management of service on output. Oversee and influence			Timescales for making commercial decision may be affected
			May tend towards standardisation of service provision.

Management & Staffing arrangements

Ref: 'Section 11' (HR) & 'Section 8 (Option Appraisal)' of the WETT Property Services Detailed Business Case V6

Central to the realisation of a combined Property Services function is the effective retention, management and development of the workforce.

Partners will treat this as a TUPE situation and the transfer of staff will be as it would be in a TUPE situation. This approach was pursued under the Hub Shared Service arrangements, and both County and District Councils have experience and understanding of the process involved.

It has already been provisionally agreed that Worcestershire County Council will be the host employer under this proposed Property Service. Staff will therefore transfer to the employment of the County Council with effect from 1 April 2010.

In order to realise the key objectives outlined above in this paper, some redesign of service delivery will be necessary following the transfer. Service integration will be primarily achieved in the following way:

- 1) At the date of transfer, those staff within scope will transfer to Worcestershire County Council as the host employer on their existing job descriptions and terms and conditions of service under TUPE. It is anticipated that the effective date of transfer will be 1 April 2010.
- 2) In line with the business plan and key objectives and in order for the new service to become fully integrated it is envisaged that the service will be delivered in a significantly different way going forward. To achieve this there will be a requirement to restructure the workforce in order to deliver a more streamlined and efficient service. This may involve substantial changes to duties and responsibilities of much of the workforce and may lead to staff reductions. A proposed new staffing structure will be developed with appropriate job descriptions. This will be supported by a protocol which will agree the process for appointing and assimilating staff to the new structure. It is proposed that posts within the new structure would fall under a single set of terms and conditions of service i.e. those of Worcestershire County Council. All of the above will be subject to collective and individual consultation with staff and unions as applicable, and following required notice arrangements.
- 3) Future costs will be agreed via legal agreement between the relevant parties to ensure costs are shared proportionately in relation to any redundancy liabilities and any subsequent claims associated with achieving the new structure and service integration.

Performance

Ref: 'Section 12' (Performance & Workload), 'Appendix 4 (Performance & Workload Data) of the WETT Property Services Detailed Business Case V6

Appendix 4 shows the main property measurements in order to briefly describe the combined portfolios of the five councils and the scale of organisation the County will become to manage that portfolio. These figures may be taken as a guide as each authority formulates their own data and sometimes follows different methodology.

The combined asset valuation of the portfolio is £968 million made up of £922 million operational buildings and £46 million non operational, which are income generating properties rather than service delivery facilities.

The type of operational buildings held by the County is significantly different from that of the Districts, due largely to its education function (i.e. 241 schools). This variety in the portfolio

requires an understanding of the different clients needs. Different levels of professional expertise and experience as well as expenditure on, for example, listed buildings, require careful management.

Non Operational buildings however show an even more disparate variation of types and here the Districts hold much more value (actually and proportionally) than the County. The Districts hold a large portfolio of holdings of £32m, which are a vital income source.

The Property Performance Indicators are recognised industry standard measures but are subjective. In simple terms the more properties in the higher conditions of A and B should relate to a lower total maintenance backlog estimated cost and an appropriate level of maintenance to keep those buildings there. This is a subjective analysis but shows that the County's portfolio is in better condition and therefore has a reduced backlog liability. The Districts have less in good condition and a higher proportionate backlog. There are however significant differences in approach to maintenance spend which is both policy and portfolio driven as the type of building may require significantly different approaches to maintenance i.e. at the two extremes - new build and historic listed buildings.

Levels of capital (£71 million compared to £2.3m) and revenue repair & maintenance expenditure are also significantly different as the County currently has a large Building Schools for the Future initiative.

These various factors affect the staffing levels and officer expertise contained in each organisation. The County has a higher proportion of designers for the major capital programme works and Districts concentrate on maintenance and estate management staff. There is a risk for each District that they will not be able to afford the same enhanced property service as that of the County. Therefore the individual Service Level Agreements need to match staff and building funding with appropriate service aspirations to avoid conflict with actual performance.

Transformation

Ref: 'Section 5' (Transformation) of the WETT Property Services Detailed Business Case V6

The participating Councils each vary in the way in which they deliver property services. By bringing together Property Service functions under a single management structure it will be possible to provide a more coherent and consistent approach to the management of property assets across Worcestershire.

Once the model is in place the new Property Service will be able to transform service provision by providing a more comprehensive and co-ordinated service in the following areas: procurement, rationalisation of staff and structures, rationalisation of estate, and joined-up thinking and other stakeholder sector opportunities. Once the procurement model and rationalisation of staff and structures have been initiated the more robust transformational change will be possible by rationalising the combined estate to achieve capital and revenues savings and pursue a more collaborative joined up thinking approach with the 3rd sector and other stakeholders to achieve a genuine lean thinking approach to assets and the way services are delivered across Worcestershire.

In order for this business case to deliver transformational change and efficiency it is important to adhere to challenging timescales which are detailed below:

Procurement: The collaborative procurement initiative will be in place from the 1st April 2010 and will be delivering initial savings by 31st March 2011. Please refer to section 10 - Financial Analysis of the detailed business case.

Rationalisation of staff and structures & working practices: The process will begin on the 1st April 2010. In the first year the host council will align and rationalise staff structures to the broad model of the host Council. Phased savings will be realised commencing from the 1st April 2011 to the 31st March 2013.

Rationalisation of estate: There may be some quick wins through easily identified early disposals and minor rationalisation, however it is envisaged that the majority of capital receipts and revenue savings will be captured after 1st April 2013 onwards.

Joined up thinking, 3rd sector opportunities and other stakeholders: This will be on the agenda from 1st April 2010 as a national challenge and will impact on all of the above elements of transformational change.

ICT

Ref: 'Section 13' (ICT) & 'Appendix 7 (ICT Issues Log)' of the WETT Property Services Detailed Business Case V6

The Business Case assumes that the County will host this service. County's Property Service is planning to modernise its core systems, both to reflect current requirements and to enable further transformation of the service and deliver internal efficiencies.

In light of the Shared Service proposal, the project to update this system has been broadened to include the additional requirements that would arise from providing property services to a range of district council customers.

On that basis, it is not anticipated that there will be any significant ICT application development costs to be borne by this project.

Flexible and remote working / transition: The business model assumes that there will be "hot desk" facilities at a number of locations around the County. When the core systems are fully live, these will provide access to systems provided by the host authority.

During the transition phase, it is anticipated that staff at any one location will need access to systems located at other locations.

The business model assumes that there will be "hot desk" facilities at a number of locations around the County. Staff at any one location will need access to systems located at other locations. This will put an additional strain on the capacity and resilience of the authorities' ICT networks, and the links between them.

Following discussions between the various ICT Managers, an approach has been agreed to fund additional county wide network capacity from existing budgets. The County Council will meet the capital cost as part of its forthcoming infrastructure upgrade. Revenue costs will be shared amongst the partners. It is anticipated that the additional revenue costs for districts will be offset by equivalent savings from existing network links.

It is not anticipated that there will be any investment needed with regard to telephony requirements specifically for the Property Service. However, it is worth noting that a significant increase in flexible working arrangements will at some stage put a strain on telephony facilities across the WETT partnership.

Appendix 7 of the Property Services detailed business case sets out a log of potential ICT issues.

Implementation

Ref: 'Section 14' (Implementation Plan) of the WETT Property Services Detailed Business Case V6

Once the Detailed Business Case has been agreed by the participating Councils, a detailed Implementation Plan will be drawn up by the project Group.

The plan will cover the following key issues and set realistic timescales for completion which can be monitored by the PMG or Joint Committee. Of particular importance will be the need to create a new shared identity and culture for the service with the emphasis being on team building and developing staff.

Governance

1. Agree representation on SLA Managed Service
2. Establish scheme of delegation which fits in with the districts
3. Draft SLA's
4. Agree and sign off SLA's

HR

1. Consultation with Staff and Unions
2. Clarify TUPE and redundancy arrangements
3. Identify Training and Development needs
4. Allow time to embed the team

Organisational

1. Finalise operational structure
2. Confirm where teams will be based
3. Confirm with Host Authority support arrangements for shared service
4. Develop job descriptions for shared services staff
5. Arrange Job Evaluations where necessary
6. Redeploy or TUPE staff into new service

Service

1. Map existing processes and service levels
2. Consult with Staff, Members and Customers on service design
3. Agree new service level targets
4. Establish new operational and management processes based on best practise
5. Align policies where appropriate
6. Embed 'LEAN' principles into service design

ICT

1. Assess how ICT can best be integrated
2. Carry out ICT integration including data transfer
3. Purchase sufficient licenses for staff
4. Train Staff on new system
5. Explore options for home working

Risk

Ref: 'Section 15' (Risks) of the WETT Property Services Detailed Business Case V6

Effective risk management includes early and aggressive risk identification through the collaboration and involvement of relevant stakeholders. Strong leadership across all relevant stakeholders is needed to establish an environment for the free and open disclosure and discussion of risk.

Below are examples of the key risk areas identified by the project group. Further detail around these risks and the associated 'mitigation' plans are contained within Section 15 of the Property Services detailed business case V6

No	Risk	Impact	Mitigation
1	ICT Integration -Data compatibility -system compatibility -To develop on time	Lack of being able to share property data easily and system not ready on time	Making sure at the very least we have web enabled property databases. Possibility of all authority adopting the single system database
4	Lack of political buy in	DBC will fail if all members aren't signed up	Robust communication plan and regular exchange of information between staff, senior officers and members.
6	Lack of property staff buy-in (inter-council)	Resistance from staff, lack of buy in so timescales aren't met and a dip in performance may occur	Regular and open dialog with staff. Robust communication plan. Standardise the messages cascaded.
7	Fail to achieve the savings	Failure to deliver the business case	Clear action plan for savings
8	Staff not operating out of County Hall / host authorities base on the transfer date	Makes it more difficult to integrate staff into the new system so therefore may impact on performance and service delivery	Ensure that the staff are integrated at the earliest opportunity. Review the host accommodation and HR process to enable the staff to be located at the host as soon as practically possible.
9	Staff consultation process not achieved in the timescales	Staff may not be in a position to TUPE transfer at the business case date	Implement the system for consultation to start as soon as possible

Conclusion

The business case presents a core of Property Service functions which would form the initial service portfolio, with opportunities for a broader portfolio as the service is developed and embedded.

This offers economies of scale & increased resilience with a breadth of service provision being available to the Customer from a combined service, under a unified management structure. There will be savings to be achieved for District Partners and further scope for the County Council host to achieve additional savings once the service is embedded.

The model would see the County Council managing the combined service on behalf of the Districts, providing a long-term resilience in what is anticipated to be an extremely challenging financial environment over the next three years for Local Government.

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Worcestershire Enhanced Two Tier Working Internal Audit



Detailed Business Case
Executive Summary
Version 2
November 2009

Worcestershire Two Tier Internal Audit Detailed Business Case

Executive Summary

This document proposes the development of an integrated Internal Audit function in Worcestershire with participating District Council Partners operating within a unified operation.

The vision:

A District Council shared service, with co-location of staff operating within a single management structure and hosted by Worcester City Council.

The original Detailed Business Case was developed on the basis that all six District Councils would participate in the shared service. However, at the Chief Executives and Leaders meeting on 3 November 2009, Wyre Forest District Council indicated that it did not wish to join the service at this time. However, the revised Detailed Business Case assumes that Wyre Forest will continue to purchase 100 audit days per year from Worcester City Council which will be provided by the shared service.

Business case Headlines:

- **Resilience** – combining the Internal Audit teams will provide the participating authorities with a larger pool of Internal Auditors with a greater breadth of expertise.
- **Savings** – the financial business case delivers ongoing revenue savings of £126,400 per annum by Year 3 (2012/13).
- **Staff development** – an improved career structure for staff, with increased variety of work and professional development opportunities.
- **Improved support to other Shared Services** – streamlined and uniform assurances will be provided to existing and future Shared Services.

Outline of the proposal.

This business case supports the development of an integrated Internal Audit function with participating District Council Partners (scalable for other councils to join at a later date eg Wyre Forest District Council) operating within a single management structure. This will allow a central team to be created which has the resilience, shared expertise and economies of scale to provide a broad and effective service base for the District Councils.

The model proposed focuses on service excellence and service resilience through building on existing good practice. Delivery of Internal Audit functions through a centralised hosted service provision is considered by the project team members to be well placed to provide a much improved service to each participating partner.

The model also provides opportunities for consistency of standards, quality and audit approach which will feed into Use of Resources Assessments, External Audit opinions and CIPFA Code of Practice compliance.

The Project Team established that Worcester City Council has a substantial Internal Audit team in comparison to the other Districts and is already carrying out work on behalf of Partners e.g. Malvern Hills District Council. The City Council generates 50% of its Internal Audit costs from completing work for other Authorities and this is built into the agreed budget for the Council. It is an organisation which is looking to expand its Internal Audit work or at least maintain its current volume to protect budget commitments.

The other Districts identified an opportunity for the City Council to become a host for a District shared Internal Audit service. This would operate under a single management structure however resource would not necessarily be restricted to operating out of a single location.

By merging the individual teams together a more resilient and flexible service can be developed, with shared expertise across a broader team. The City Council would deliver services to agreed requirements and costs for the Partnering District Councils subject to review at key stages.

The Project Team believe that there is potential for savings to be achieved as a result of this shared service relationship. The City Council highlighted the fact that existing savings / income created from current Partnership working would have to be maintained by the City Council as part of agreed Council budget commitments. All additional savings could be shared with Partners as part of the new shared service model, subject to confirmation.

The combined District team would be of similar size to that of the County Council Internal Audit team. There is a possibility of reduced overhead costs if the City staff relocates to County and then work on a cohabitation basis but retain their separate identity. This can be reviewed as part of the later stages of implementing the District Shared service. Once the District Partnership has been implemented there will be scope for the County Council and the Districts to review the potential for increased Partnership working.

The key Drivers & Benefits

Ref: 'Section 6' (Drivers for Change) of the WETT Internal Audit Detailed Business Case V10

From the outset the Worcestershire Chief Executives & Council Leaders have made it clear that any shared service must consider three key principles i.e.;

1. Service Improvement & Increased Efficiency
2. Cost Savings & Return on Investment
3. Centralised Service Delivery

Examples from the business case include:

Resilience:

Availability of staff and skills, developing expertise & Developing new areas of auditing.

Increased Quality:

Sharing organisational best practice, Increased influence in negotiation – 3rd parties & External Audit, Opportunities for growth (%age of audit plan), Researching best practices, Uniformity of product delivery with robust methodology, Single point of contact for External Audit.

Staff retention and development:

Achieve consistent high standards and increased morale and motivation.

Economies of Scale & Transformational Changes:

Overall cost saving.

Consistency of standards and quality:

Standardise services and quality, consistency of audit approach to ensure best practice is applied at all sites: Eliminate duplication and overlap in processes & working practices, best practice audit methodologies, elimination of barriers when working with other 'shared services'.

Scope

Ref: 'Section 5' (Scope) of the WETT Internal Audit Detailed Business Case V10

The project team have agreed that the Internal Audit (IA) Shared Service would deliver the core IA service including IT Audit. However Value for Money review, Non Housing Benefit Fraud, Risk Management and Corporate Governance could be bought from the Shared Service if required.

The intention in the first year of operation is to include the 'optional' areas where the relevant Internal Audit section is currently carrying out the function and includes days in its existing audit plan. Any areas which are not included in existing audit plans will need to be the subject of discussions with WIASS about available resources.

Additional areas of audit work which are emerging e.g. Environmental Auditing, could also be highlighted and factored in to future proof the service from an early stage.

Finances & Cost Savings

Ref: 'Section 8' (Financial Analysis) of the WETT Internal Audit Detailed Business Case V10

Assumptions:

Wyre Forest

- 100 audit days currently provided under SLA by Worcester City are assumed to continue for the purpose of this Business Case
- Potential redundancy costs have not been apportioned to Wyre Forest. This would need to be revisited if they became part of the 'shared service' or if they withdraw from the current contract

Inflation/Pensions

- Pay award set at 1% for 2009/10, no increases reflected thereafter
- No inflation has been included for non-pay items

- Pensions rate reduced to common rate of 11.2% (i.e. no back-funding) as per other business cases.

Audit Days/Activity

- Audit Plans based on schedules provided including latest version from Bromsgrove
- For the model purposes, Districts buying audit days from Worcester City also receive a pro-rata share of absence and support days as appropriate
- Audit days are modelled on 68:32 split from year 1 (2010/11) and then 70:30 split from thereafter
- Chargeable days are reduced by 5% in 2011/12 and 6% in 2012/13, to reflect transformation improvements.
- It is assumed that the same level of audit assurance is provided despite the reduced number of days.

Other External Activity/Income

- It is assumed that no other external activity takes place in 2010/11.
- There is currently a net profit of £26k p.a. generated from contracted activity in Worcester City. This is protected for Worcester City each year through the model.
- It is assumed that the same level of external activity as now is restored by 2012/13 with a net contribution/profit of £26k (as now) shared between the Districts.
- It is assumed that 50% of current external activity as now is restored by 2011/12 with a net contribution/profit of £13k shared between the Districts.
- No additional staff/non-pay costs have been included for this external activity, apart from the contribution/profit element, this is assumed to be revenue neutral with additional income

Staff Transfers/TUPE

- It is assumed that the WIASS Manager is appointed/assimilated w/e from 1st June 2010 and any protection is in place for a period of 12 months thereafter.
- It is assumed that the two other managers are appointed/assimilated on the 1st June 2010 and any protection is in place for a period of 12 months thereafter.
- It is assumed that the remaining staff TUPE to WCC with effect from 01/06/10 on existing T&Cs.
- It is assumed that the new structure is implemented from 01/12/10 and any protection is in place for 12 months from this date

Redundancies

- It is assumed that there will be no redundancies from the appointment/assimilation of the three managers
- It is assumed that there could be two redundancies from the remaining staff at an average estimated cost of £25k each
- It is assumed that the redundancy costs will be shared equally amongst the participating Districts (excluding Wyre Forest, see 2 above)

Staff Costs/Non-Pay Costs

- It is assumed that a new structure will be implemented from 1/12/10, and a further reduction of 2.00 fte will take place thereafter to reflect the reduced number of audit days.

- It is assumed that non-pay costs will reduce in proportion to FTE except for Travel which will increase
- It is assumed that a new IT Audit system will be implemented with a new recurring annual maintenance cost of £5k p.a. from 2010/11

Hosting Costs

- It is assumed that there will be a small increase of £6K pa of support costs for the host – Worcester City

Support Costs/ICT Support Costs

- It is assumed that no savings will arise from the existing level of support costs across the districts
- It is assumed that each district will provide accommodation, desktop PCs and ICT infrastructure as per existing levels
- Although the level of corporate support (HR/Finance etc) provided by the other Districts will reduce, this has not been quantified and no savings have been reflected

Implementation Costs

- It is assumed that the implementation is undertaken by the WIASS Manager and no additional costs arise.
 It is assumed that IT implementation costs for the new system of £49k are met fully from RIEP funds

Table 1: Current Costs of Service

	Current Budget 2009/10	Current Support Costs 2009/10	Base Budget 2009/10	Chargeable Audit Days 2009/10	Cost per Chargeable Audit Day 2009/10	Direct Cost per Chargeable Audit Day 2009/10
Bromsgrove DC	£92,510	£68,648	£161,158	428	£377	£216
Malvern Hills DC	£92,950	£0	£92,950	310	£300	£300
Redditch BC	£160,854	£26,530	£187,384	673	£279	£239
Worcester City	£88,047	£46,990	£135,037	602	£224	£146
Wychavon DC	£127,549	£24,515	£152,064	552	£276	£231
Wyre Forest DC	£29,800	£0	£29,800	100	£298	£298
Total	£591,710	£166,683	£758,393	2,665	£285	£222

Table 2: Proposed Costs of Service

	Current Budget 2009/10	Cost 2010/11	Cost 2011/12	Cost 2012/13
Service Costs	£591,710	£592,670	£527,540	£465,299
Support Costs	£166,683	£166,683	£166,683	£166,683
Total Costs	£758,393	£759,353	£694,223	£631,982
Cost / (Saving)		£960	(£64,170)	(£126,411)
Chargeable Audit Days	2,665	2,665	2,532	2,380
Cost per chargeable Audit Day	£285	£285	£274	£266
Add provision for redundancies		£50,000		

Table 3: Proposed Costs of Service by District (excluding Support Costs)

	Cost 2009/10	Cost 2010/11	Cost 2011/12	Cost 2012/13
Bromsgrove DC	£92,510	£102,312	£92,125	£81,488
Malvern Hills DC	£92,950	£76,553	£66,450	£58,884
Redditch BC	£160,854	£164,004	£146,421	£128,410
Worcester City	£88,047	£89,956	£77,735	£66,668
Wychavon DC	£127,549	£131,472	£118,051	£104,694
Wyre Forest DC	£29,800	£28,372	£26,758	£25,156
Subtotal	£591,710	£592,670	£527,540	£465,299
Saving p.a.		£960	(£65,130)	(£62,242)
Saving recurring p.a.		£960	(£64,170)	(£126,411)

Governance

Ref: 'Section 8' (Governance Arrangements) of the WETT Regulatory Services Detailed Business Case V10

The Internal Audit Project Team discussed two clear governance options that could be in place for an Internal Audit Shared Service:

Option 1: Direct management by Worcester City Council on behalf of all. Thereby each authority delegates their Internal Audit functions to the host under an SLA arrangement; however there is a performance board in place to manage performance on quarterly basis.

Option 2: Appointing a joint committee of elected members to oversee all activity with the participating authorities delegating relevant decision making to the committee and officers of the joint service.

The Internal Audit Project Team originally recommended Option 2 for the shared Internal Audit Service. Following the Chief Executives and Leaders meeting on 3 November 2009, it is now recommended to proceed with Option 1.

Service Managed by SLA vs. Joint Committee

The table below outlines the positive and negative aspects of options 1 & 2 for the management/ oversight of the proposed shared service.

SLA Managed Service vs. Joint Committee			
SLA Approach (Option 1)		Joint Committee (Option 2)	
Advantage	Disadvantage	Advantage	Disadvantage
Robust and Flexible SLA	Members may perceive lack of political influence	Ensures political link back to constituent authorities. No democratic deficit	Bureaucracy around organising committees & associated costs
Able to agree clear output levels for some aspects of work.	Members may feel that they do not have enough influence on the host authority	Decision making based in one area	Less responsive to commercial timescales and pressures for external contracts
Can agree some specifics of local provisions through SLA		Takes advantage of existing joint committee infrastructure	
		May assist standardisation of service provision.	
		Districts are "equal partners"	
		Stronger links with Audit Committees or equivalent	

Agreed Service Delivery Model

Ref: 'Section 7' (Agreed Service Delivery Model) of the WETT Internal Audit Detailed Business Case V10

General Principles

- Local knowledge base retention i.e. 'lead' auditors would be relied on for local knowledge for each site but not necessarily based permanently at those sites.
- Staff would be based/tasked depending on the work and skill requirements i.e. no guarantee that they would be based at their current offices - ongoing allowance implications.
- Work life balance would be a consideration in all assignments
- Clear agreement required in respect of current terms and conditions re. Leave, mileage, overtime, etc.
- Other joint working / shared services are being introduced across the Districts and these will have an effect on audit plans which will need to be taken into account
- Best practice methodology to be introduced across the shared service will require time and resource and this will have implications e.g. the new working practices will need to be introduced and time taken for consultation with individual employees.
- Each authority's audit plan would be based on a standard risk assessment methodology and tailored to the needs of each authority with s151, Chief Executives, Heads of Service and External Audit inputs.
- IT Audit Management software requirement to modularise the LA's but link resource to manage the potential of 5 sites – see ICT section
- If all participating authorities become part of the shared service at 1 June 2010 then this will require existing audit plans to be 'adopted' for the nine months of the shared service
- There will be standard localised audit plan provision from a centralised function; a need to keep it real and personalised for each authority.
- Political requirements – the WIASS Manager will report to an Audit Committee or equivalent at each authority
- Clear communication channels will need to be set up so that audit advice is available at any time and at any site

Accommodation

- The Internal Audit lead Manager will be located at the host authority
- The Audit Managers will have access to a desk and workstation at the sites they are managing.
- The Internal Auditors will be located at the authority at which they are auditing at any one time.

Please note: No extra accommodation will be needed. Accommodation needs could be matched to audit resource placement requirements.

Timescale: It is envisaged that the Internal Audit shared service will start from 1 June 2010; however there could be a phased approach but the following will need to apply:

- commitment needed from all LAs that are to become part of the shared service even if on a phased basis

- infrastructure and governance needs to be in place from the start
- the numbers and the costings are based on 5 authorities but if an authority drops out then the business case will be revisited
- The detailed costings are based on the WIASS Manager being in post by 1st June 2010, the Audit Managers being in post from 1st June 2010 and the Internal Auditors being in post in the new structure from 1st December 2010.

Structure: Please see attached Structure Chart at **Appendix 3** of the Internal Audit detailed business case

Performance

Ref: 'Section 13' (Performance & Workload), 'Appendix 2 (Resource Allocation Summary)' & 'Appendix 5 (Performance & Workload Data) of the WETT Regulatory Services Detailed Business Case V10

Workload: It is important to note that each participating District has a different way of annual audit planning and uses different headings for the subjects that are audited. However it is planned that under the shared service audit plans will be standardised.

It is anticipated that benchmarking will be carried out using CIPFA benchmarks and subsequently each authority will decide the level of auditing that is required under the shared service. This will then define the number of Internal Auditors required under the new arrangement for subsequent years.

Performance: The Performance Indicators to be used to ensure the service can be monitored for comparison and continual improvement are:

- Cost per audit day based on the CIPFA benchmark
- % of audit plan delivered
- Audit time as a % of time available
- Annual Survey of the Audits delivered
- Feedback sheets after each audit
- % of CIPFA Internal Control self assessment
- Recommendation tracker – 3 month follow up with HOS prior to CMT and then potentially the Audit Committee (or equivalent) meeting

Heads of Audit: It is recognised that during the last few years a number of Local Authorities within Worcestershire have made reductions in staff within Internal Audit, roles which include the Chief Internal Auditor. The move to closer partnership working will improve the senior support which is available to participating Councils.

Transformational Benefits

Ref: 'Section 15' (Transformational Benefits) of the WETT Regulatory Services Detailed Business Case V10

Resilience: Combining the Internal Audit teams will provide the participating authorities with a larger pool of Internal Auditors with a breadth of expertise that does not currently exist in the constituent authorities.

Savings: It is anticipated that the shared service will generate savings by decreasing the total number of audit days required by each of the participating authorities. This will be achieved by increasing the chargeable audit days as a percentage of total days to 68% in 2010/2011 and 70% subsequently (from the existing 65% average across the districts) and then in the second and third years decreasing the number of chargeable days by 5% and then 6%. This will mean that audits are carried out in fewer days and in practice will be achieved by economies of scale, standardising and sharing working practices (using best practice) and the use of appropriate software to manage multi-site activity and the most appropriate deployment of resource. (The software will also provide a repository for all working papers to ensure consistency).

Staff Development: There will be an improved career structure for Internal Auditors plus the added benefits that will be gained by working at different authorities, with different systems, different environments and different working practices. In addition there will be the opportunity to obtain further professional qualifications and satisfy CPD requirements.

Other shared services: The benefit of an Internal Audit shared service will be that not only will the auditing of current shared services e.g. Revs & Bens, Building Control be more streamlined but also future shared services coming on-line (whether in the North or the South) will also benefit. It will eliminate the need to decide which LA is responsible for auditing the newly formed service and the assurances provided will be uniform and acceptable to all the local authorities and External Audit.

ICT

Ref: 'Section 12' (ICT) of the WETT Internal Audit Detailed Business Case V10

There are two key areas of consideration with regard to the ICT issues around the proposed Shared Internal Audit Service:

- The need for an **Audit Management System** to help manage audit progress and performance effectively
- The issues regarding **flexible and remote working**.

Audit Management System: The Business Case assumes that Worcester City will host this service.

Currently, neither the City, nor any other participating district Audit team, uses an Audit Management System, as the size of the teams has not justified the investment.

During the course of this project, the WETT Audit Project Team has identified an Audit Management System as now not only justifiable, but essential, in order to make most effective use of resources.

From investigations carried out so far, the most suitable systems, including all hardware and maintenance costs are priced at approximately £50,000. They are well developed packages that would require minimal technical implementation beyond that provided by the supplier. This would allow for a flexible implementation timescale for the Shared Audit Service.

Flexible and remote working: The business model assumes that there will be "hot desk" facilities at a number of locations around the County. Staff at any one location will need access to systems located at other locations. This will put an additional strain on the capacity and resilience of the authorities' ICT networks, and the links between them.

Following discussions between the various ICT Managers, an approach has been agreed to fund the additional network capacity from existing budgets. County will meet the capital cost as part of its forthcoming infrastructure upgrade. Revenue costs will be shared amongst the

partners. It is anticipated that the additional revenue costs for districts will be offset by equivalent savings from existing network links.

In order to make best use of the additional network capacity, it will also be necessary to ensure that the various networks are fully compatible with each other. Experience in the South Worcestershire Revenues and Benefits Shared Service has shown how important it is to ensure that changes to user network access requirements can be made quickly, to avoid impacting on service quality. Incompatibilities between networks impact on the speed of such changes.

It is not anticipated that there will be any investment needed with regard to telephony requirements specifically for the Audit Service. However, it is worth noting that a significant increase in flexible working arrangements will at some stage put a strain on telephony facilities across the WETT partnership.

Depending on the nature and extent of flexible and remote working, there may be a requirement for additional IT equipment. A figure of £9,500 should cover most likely requirements.

Human Resources:

Ref: 'Section 10' (HR) of the WETT Internal Audit Detailed Business Case V10

The current 2009/2010 staffing structure in summary shows 16.82 FTE at a cost of £604,660

Partners will treat this as a TUPE situation and the transfer of staff will be as it would be in a TUPE situation. This approach was pursued under the Worcestershire Hub and the Revenues & Benefits Shared Service arrangements, and therefore District Councils have experience and understanding of the process involved.

It has already been agreed that Worcester City Council will be the host employer under this proposed Internal Audit Shared Service. Staff will therefore transfer to the employment of Worcester City Council as detailed below:

The preferred option is to appoint the senior manager and Audit Managers (this was the model used by the Hub). Then transfer all other employees from the participating districts on existing Terms and Conditions on 1st June 2010. N.B. New posts would be on Worcester City Council Job Evaluation and Terms & Conditions.

The costings are based on two Audit Managers – one for the South Worcestershire authorities and one for the North Worcestershire authorities (including the Wyre Forest contract work).

Bromsgrove and Redditch have recently announced a single management structure to be in place from April 2010 onwards and many of their systems will therefore be merged. This does however pose a significantly enhanced risk environment during the first year of the merged Bromsgrove and Redditch operation because of new & merging working practices and disruption of employees.

In order that the shared service can be implemented from 1st June 2010 it is necessary for the senior Manager and the Audit Managers to be in place from 1st June 2010. However that means that existing Heads of Audit will have to put together IA plans, discuss with relevant stakeholders and present to Audit Committees before 1st April 2010.

Future costs will be agreed via legal agreement between the relevant parties to ensure costs are shared proportionately in relation to any redundancy liabilities and any subsequent claims associated with achieving the new structure and service integration.

Implementation

To be completed by Worcester City as part of the final stage of detailed business case development.

Risks

Ref: 'Section 14' (Risks) of the WETT Internal Audit Detailed Business Case V10

Effective risk management includes early and aggressive risk identification through the collaboration and involvement of relevant stakeholders. Strong leadership across all relevant stakeholders is needed to establish an environment for the free and open disclosure and discussion of risk.

Below are examples of some of the key risk areas identified by the project group. Further detail around these risks and the associated 'mitigation' plans are contained within Section 14 of the Internal Audit detailed business case V10

Risk 1 - Loss of local knowledge & expertise

Reduction in performance

Mitigation: Make sure experience is utilised correctly and build a framework for each authority into the legal case

Risk 14 - LA pulls out of the shared service negotiations at the '11th' hour

Potential for higher costs (e.g. start up) for remaining LAs and project failure.

Mitigation: Binding commitment from LAs from an early stage that they will join the shared service.

Risk 20 - Drop in productivity due to new working practices

The annual audit plans may not be achieved

Mitigation: Manage the introduction of new working practices so that the impact is as little as possible

Risk 25 - The Internal Auditors operating at the different sites within the shared service will not be able to access and share electronic files as and when required

The Internal Auditors will not be able to work as efficiently and effectively as is necessary to give the required savings.

Mitigation: Suitable network capacity and 'sharing' needs to be in place from the start of the shared service

Conclusion

Ref: 'Section 16' (Conclusion) of the WETT Internal Audit Detailed Business Case V10

- The Internal Audit shared service will use best practice working methods adopted from current practices throughout the participating Districts in addition to Professional Organisations' advice.
- The main objectives of the Internal Audit shared service are transformation, resilience, increased quality, staff retention and development, economies of scale, consistency of standards and consistency of audit approach all of which will benefit the end client.
- This business case is supported by costings which show that savings will be made and when pay protection no longer applies and economies of scale and more efficient working practices start to kick in, the savings will increase.

**WETT Programme Business Case
Consultation and Decision Timeline 2009/10
(Version 11 – December 2009)**

21 October.....	Issue consultation letter and invite to staff & TU
12 October	Programme Management Group Meeting
16 October.....	Chief Executives Panel Meeting
3 November.....	Chief Executives' & Leaders Panel Meeting
5 November.....	Single Consultation Event – All Councillors
10 November.....	Consultation Event with Staff & TUs Internal Audit, Property and Regulatory (Session 1)
11 November.....	Consultation Event with Staff & TUs (2 nd Regulatory Services Session)
12 November.....	Bromsgrove – Trade Union consultation event
13 November.....	Wyre Forest – staff consultation event
16 November (w/c).....	Individual Councils local consultation to commence
16 November (am).....	Redditch – staff consultation event – all three services
16 November (pm).....	Bromsgrove – staff consultation event – all three services
16 November.....	Malvern – staff consultation event – Reg. Services
16 November.....	Worcestershire County – staff consultation event – Property Services
17 November.....	Wychavon – staff consultation event – Internal Audit
17 November.....	Worcester City – staff consultation event – Reg. Services
18 November.....	Worcester City – staff consultation event – Property
18 November.....	Wyre Forest – Member consultation event
19 November.....	Worcester City – staff consultation event – Internal Audit
19 November.....	Wychavon – staff consultation event – Reg. Services
19 November.....	Worcestershire County – staff consultation event – Regulatory Services
24 November.....	Malvern Hills – Executive Committee
26 November.....	Wyre Forest – staff consultation event – Regulatory
1 Dec to TUPE transfer...	Regular consultative meetings with TUs
1 December.....	Wychavon – Overview and Scrutiny – pre-Scrutiny
2 December	Worcestershire County – staff consultation event – Regulatory Services with Director

WETT Timeline V11, December 2009

3 December.....	Redditch – Member consultation event – Conservative
4 December.....	Redditch – Member consultation event – Labour
7 December	Worcester City – Scrutiny
9 December	Worcester City – Member consultation
16 December	Worcester City – Member consultation
17 December.....	Worcestershire County – Cabinet
21 December (w/c).....	Deadline for TU response on proposals

2010

1Jan – 28 Feb	Prepare H of S JD/person spec/advert
5 January.....	Wychavon – Executive Board
6 January.....	Redditch - Cabinet
6 January.....	Bromsgrove – Cabinet
10 January	Wyre Forest – Cabinet
11 January	Redditch – Council
12 January.....	Malvern Hills – Council
14 January	Wyre Forest – Scrutiny
19 January	Wyre Forest - Cabinet
20 January.....	Bromsgrove – Council
26 January	Wychavon – Council
27 January	Worcester City - Cabinet
1 February (w/c)	Write to staff informing them of TUPE transfer to host subject to formal sign-off by Council
8 February.....	Worcestershire County – Cabinet
18 February.....	Worcestershire County – Council
23 February.....	Worcester City – Council
24 February	Wyre Forest - Council
1 March to 31 April.....	Complete senior appointments process (subject to legal advice on associated risks); consult upon and make staff transfer arrangements
1 June 2010.....	Implementation date

APPENDIX E

Regulatory Services:

Finance Appendix F9 – Implementation Approach D proposed partner cash flow forecast

	Year									
	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16			
Revenue										
Baseline service direct costs (adjusted)	7,312,391									
Forecast gross WRSRS revenue budget (Implementation D)		8,078,302	6,874,140	6,079,496	6,069,496	6,020,896	6,020,896			
Bromsgrove	766,040									
WRSRS revenue budget share		844,531	718,644	635,569	634,524	629,443	629,443			
Accommodation charge adjustment		-32,859	-32,859	-32,859	-32,859	-32,859	-32,859			
Pension back funding (estimate)	31,898	31,898	31,898	31,898	31,898	31,898	31,898			
Forecast budget requirement		843,569	717,682	634,608	633,562	628,482	628,482			
Direct cost saving against 2009/10 baseline		-77,529	48,358	131,432	132,478	137,558	137,558			
Future savings in internal recharges		14,249	28,498	56,997	56,997	56,997	56,997			
Total savings		-63,280	76,856	188,429	189,474	194,555	194,555			
City	892,130									
WRSRS revenue budget share		994,421	846,192	748,373	747,142	741,159	741,159			
Accommodation charge adjustment		-35,798	-35,798	-35,798	-35,798	-35,798	-35,798			
Pension back funding (estimate)	27,689	27,689	27,689	27,689	27,689	27,689	27,689			
Forecast budget requirement		986,312	838,082	740,263	739,032	733,050	733,050			
Direct cost saving against 2009/10 baseline		-94,182	54,048	151,867	153,098	159,080	159,080			
Future savings in internal recharges		11,900	23,800	47,601	47,601	47,601	47,601			
Total savings		-82,282	77,848	199,467	200,698	206,681	206,681			
County	2,119,526									
WRSRS revenue budget share		2,334,617	1,986,616	1,756,965	1,754,075	1,740,030	1,740,030			
Accommodation charge adjustment		-75,210	-75,210	-75,210	-75,210	-75,210	-75,210			
Pension back funding (estimate)	90,065	90,065	90,065	90,065	90,065	90,065	90,065			

APPENDIX E

Forecast budget requirement		2,349,473	2,001,472	1,771,821	1,768,931	1,754,885	1,754,885
Direct cost saving against 2009/10 baseline		-229,947	118,054	347,705	350,595	364,641	364,641
Future savings in internal recharges		17,270	34,539	69,078	69,078	69,078	69,078
Total savings		-212,677	152,593	416,783	419,673	433,719	433,719
Malvern Hills	713,173						
WSRS revenue budget share		789,738	672,018	594,334	593,356	588,605	588,605
Accommodation charge adjustment		-12,511	-12,511	-12,511	-12,511	-12,511	-12,511
Pension back funding (estimate)	26,661	26,661	26,661	26,661	26,661	26,661	26,661
Forecast budget requirement		803,888	686,169	608,484	607,507	602,755	602,755
Direct cost saving against 2009/10 baseline		-90,715	27,004	104,689	105,666	110,418	110,418
Future savings in internal recharges		14,112	28,223	56,447	56,447	56,447	56,447
Total savings		-76,604	55,227	161,135	162,113	166,864	166,864
Redditch	761,230						
WSRS revenue budget share		839,901	714,704	632,085	631,046	625,993	625,993
Accommodation charge adjustment		-19,772	-19,772	-19,772	-19,772	-19,772	-19,772
Pension back funding (estimate)	31,112	31,112	31,112	31,112	31,112	31,112	31,112
Forecast budget requirement		851,241	726,044	643,425	642,385	637,333	637,333
Direct cost saving against 2009/10 baseline		-90,011	35,186	117,805	118,845	123,897	123,897
Future savings in internal recharges		6,974	13,949	27,898	27,898	27,898	27,898
Total savings		-83,037	49,135	145,702	146,742	151,795	151,795
Wychavon	1,311,312						
WSRS revenue budget share		1,421,224	1,209,375	1,069,572	1,067,813	1,059,263	1,059,263
Accommodation charge adjustment		-43,900	-43,900	-43,900	-43,900	-43,900	-43,900
Pension back funding (estimate)	75,855	75,855	75,855	75,855	75,855	75,855	75,855
Forecast budget requirement		1,453,180	1,241,330	1,101,527	1,099,768	1,091,218	1,091,218
Direct cost saving against 2009/10 baseline		-141,868	69,982	209,785	211,544	220,094	220,094
Future savings in internal recharges		8,740	17,480	34,960	34,960	34,960	34,960
Total savings		-133,128	87,462	244,745	246,504	255,054	255,054
Wyre Forest	742,490						
WSRS revenue budget share		853,870	726,591	642,598	641,541	636,404	636,404
Accommodation charge adjustment		-69,950	-69,950	-69,950	-69,950	-69,950	-69,950
Pension back funding (estimate)	229	229	229	229	229	229	229
Forecast budget requirement		784,149	656,870	572,877	571,820	566,683	566,683
Direct cost saving against 2009/10 baseline		-41,659	85,620	169,613	170,670	175,807	175,807

APPENDIX E

Future savings in internal recharges		15,426	30,851	61,702	61,702	61,702	61,702
Total savings		-26,233	116,471	231,315	232,372	237,509	237,509
Capital							
Forecast WRSR capital budget		490,500	475,000	199,000	34,000	34,000	34,000
Partner capital contributions							
Bromsgrove		51,278	49,658	20,804	3,554	3,554	3,554
City		60,379	58,471	24,496	4,185	4,185	4,185
County		141,754	137,274	57,511	9,826	9,826	9,826
Malvern Hills		47,951	46,436	19,454	3,324	3,324	3,324
Redditch		50,997	49,386	20,690	3,535	3,535	3,535
Wychavon		86,294	83,567	35,010	5,982	5,982	5,982
Wyre Forest		51,845	50,207	21,034	3,594	3,594	3,594
Notes							
1. Savings in internal overhead assumed at 25% of future forecast in year 1 and 50% of future forecast in year 2.							

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NEW REVENUE BIDS		APPENDIX A			
Description	2010/11 £'000	2011/12 £'000	2012/13 £'000	H/M/L	Commentary
CORPORATE COMMS & POLICY					
Funding for LSP	25	25	25	H	To increase funding to the LSP to ensure delivery of Council Objectives in priority areas
Mosaic	8	0	0	H	To purchase Mosaic for 1 year to enable Council to identify customers and to target services to these customers
STREET SCENE & COMMUNITY					
Age Well Scheme	10	20	20	H	The development of an Age Well Scheme for Bromsgrove would link directly to the new corporate priority One Community and Wellbeing, being focussed on provision of a range of opportunities for older people including smoking cessation and physical activity.
FINANCIAL SERVICES					
Discretionary Housing Payment	5			H	To fund an increase in the Discretionary Housing Payments made by the Council - Links to Sense of Community and Customer Satisfaction
E-GOV AND CUSTOMER SERVICES					
Upgrade to corporate resilient link between RBC & BDC	20	15	15	H	To improve link (resilience) between RBC & BDC to allow for additional shared services
PLANNING & ENVIRONMENT					
Strategic Plan development - flooding	15	0	0	H	To support the development of a strategic plan for flooding and watercourse management
LEGAL, EQUALITIES & DEMOCRATIC					
Equality & Diversity Forum - Black History celebrations	3	0	0	H	Nationally in October Black history month has emerged as a way of the black community to acknowledge their roots, educate and promote ethnic cohesion.
Equality & Diversity Forum - Diwali celebrations	2	0	0	H	The Diwali celebrations have been celebrated for 2 years and this event has been supported partly by the Indian community. This bid is the Councils contribution in continuing this highly successful community cohesion event.
Equality & Diversity Forum - Just us internet access	1	0	0	H	The disabled community have requested some funds to support specialist speakers throughout the year. This small group of service users enables the community to meet and support each other and their disabilities.
Equality & Diversity Forum - Muslim network	2	0	0	H	This new bid will seek to develop an internet friendly access policy compiled by blind service users and will work in partnership with the council and other stakeholders.
Equality & Diversity Forum bids	0	9	9	H	This new bid has been made by the muslim community in support of the councils duty to prevent violent extremism. It intends to engage all communities and faiths in an attempt to encourage intergration and inclusion.
STREET SCENE & COMMUNITY					
Attrix Holding Trust	1	1	1	M	To fund proposed equality & diversity bids
Climate Change - operational budget	10	10	10	M	To be funded from other budgets To provide a budget for the climate change officer to deliver projects and meet statutory targets
Roundabout landscape improvements	22	0	0	M	To improve appearance of roundabouts and image of Bromsgrove, enable further sponsorship of the roundabouts. Puddlewharf - Plant 2000 crocuses around perimeter (50 no ornamental grasses in existing border) £670.00 Buntsford - Plant 3000 Crocuses
PLANNING & ENVIRONMENT					
Energy Efficiency	10	0	0	M	To enable funding for the home insulation project
Homelessness Prevention Grant	0	50	50	M	To maintain the funding for homeless prevention grants - this bid on basis of funding being withdrawn
HR & OD					

NEW REVENUE BIDS

APPENDIX A

Description	2010/11 £'000	2011/12 £'000	2012/13 £'000	H/M/L	Commentary
HR21 - CHRIS 21 development	7	7	7	M	To provide an enhancement to CHRIS21 to deliver an integrated HR and payroll system
FINANCIAL SERVICES					
Implementation of E-forms for Benefits	16	4	4	M	To provide electronic forms for benefit claims to enable access 24/7 and to reduce amount of manual intervention in the process
E-GOV AND CUSTOMER SERVICES					
Information Management	10	10	10	M	To provide sufficient funds to enable the Council to continue to support effective management of information through storage/ training and disposal arrangements
Microsoft SW License	25	25	25	M	To enable the upgrade of MS office
CORPORATE COMMS & POLICY					
Town Centre Prospectus	15	0	0	M	To fund a high quality prospectus to attract new retailers to the town
Wrap around consultation for residents	6	0	0	M	One off cost for wrap around to increase community consultation
Wrap around to highlight events in District	6	6	6	M	To highlight events around the district
Young Advisors	4	0	0	M	To improve engagement with the youth of the District
STREET SCENE & COMMUNITY					
Ball Contest/Bromsgrove's Got Talent?	8	10	12	L	An idea around the Britain's Got Talent television programme has been suggested many times and this would be a fantastic opportunity to include teenagers (an audience we don't currently do great deal for) The idea would be set around an event at Waseley Park (no neighbours to worry about) and another in Sanders Park or Recreation Ground. We would select top 2 bands/performances to appear at a finale at the Artrix. These would again link to an increase in both number of events and people attending Events.
Cleaning Machine for toilets	1	0	0	L	To extend the current Neighbourhood Warden team from three to five. The extra two wardens will be branded town centre wardens and will be dedicated to work within the St Johns Ward with special emphasis on the Town Centre and Sanders Park. An additional two wardens for town centre will allow the community safety team to have presence in these two hotspots most Thursday, Friday and Saturday evenings as well as providing high visibility presence during some of the daytime periods to engage with communities that come into the town.
Community Safety Town Centre Wardens (linked to night time economy)	56	56	56	L	Marketing/Improvement
CYP magazine/mapping and plotting of a	5	5	5	L	As well as meeting the priorities of the Council, this would add a new series of events taking place at a time in the year where there is a shortfall of local events/activities. We would also look to deliver these at similar locations to that of Street Theatre - Bromsgrove Town Centre, Wythall, Rubery and Hagley of the Improvement - Community Engagement/Community Events/Regeneration/Customer Satisfaction - Economic Development - Town Centre
Easter Egg Hunt	4	4	4	L	During summer 2009 we have undertaken customer surveys in: Hagley, Wythall and Rubery and have received positive feedback identifying a need for increased Arts based activities for children, families and older people eg, Drumming, Clowns, Art Workshops, Music Concerts, Brass Bands etc.. similar to those already received in Sanders Park Bandstand Programme. We would deliver a similar Programme to these three areas and grow the event each year. These would link to improvement - Community Engagement/Community Events/Regeneration/Customer Satisfaction - Economic Development - Town Centre
Increase Bandstand Programme to other areas	5	8	10	L	

NEW REVENUE BIDS

APPENDIX A

Description	2010/11 £'000	2011/12 £'000	2012/13 £'000	H/M/L	Commentary
Inter-generational Officer (post only no op's budget)	24	24	25	L	An inter-generational officer would be able to focus on areas of work across a number of teams within street scene and community in order to deliver against the new corporate priorities of older people, stronger communities and being healthy. The post will enable an action plan to be developed to encompass youth work, health priorities, arts, sports, education and community safety partnership objectives. The key remit of this post however will be a strategic one to align local partners to build inter-generational aspects into existing work. The post will also be able to support the work of the community safety partnership through contributions to the high level action plan for safer communities theme group of the LSP.
Officer Climate Change	17	17	17	L	To provide an operational budget for the climate change officer
Recycling in Schools Project	2	2	3	L	To support the incentive of increasing recycling in schools
Whats on Guide	5	5	5	L	To provide a Whats On guide to market activities across the District
CORPORATE COMMS & POLICY					
Distribution of Together Bromsgrove	38	38	38	L	To increase the coverage of Together Bromsgrove by using Royal Mail for direct postage
Life Channel	5	0	0	L	To link the Council Services to the television network celebrating life and health
Older Persons Directory	8	0	0	L	One off cost for older persons directory
HR & OD					
Health & Safety Training	33	33	33	L	To be funded from Corporate Training budget
MS Office Training - project	10	10	10	L	To provide training for officers in the microsoft office project software
LEGAL, EQUALITIES & DEMOCRATIC					
Equality and Diversity Forum - Fair Trade	1	0	0	L	This bid has been made to the council urging district support for the fair trade scheme.
Equality and Diversity Forum - Girl Guides event	1	0	0	L	In 2010 the Girl Guides celebrate their 100th anniversary and would like to mark with a district wide event for all Girl Guides within Bromsgrove district.
Equality and Diversity Forum - Indian Network	1	0	0	L	The Indian community have asked for some funds to hold an inter-faith event that would be open to all members of the community to encourage a greater understanding and greater partnerships within a faith environment.
PLANNING & ENVIRONMENT					
Historic Buildings Grant	20	20	20	L	To provide grants for owners to carry out essential repairs on listed buildings
E-GOV AND CUSTOMER SERVICES					
Microsoft Project	5	0	0	L	To enable Microsoft Project to be implemented across the Councils and to provide training
TOTAL NEW BIDS - REVENUE	473	414	420		
Total High	92	69	69		
Total Medium	132	113	113		
Total Low	249	232	238		
TOTAL NEW BIDS - REVENUE	473	414	420		

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UNAVOIDABLE PRESSURES - REVENUE BUDGET

APPENDIX B

Description	2010/11 £'000	2011/12 £'000	2012/13 £'000	Commentary
<u>COUNCIL WIDE</u>				
Repairs and Renewals funds	130	130	130	To provide a fund for future repairs and renewals reserves for equipment and vehicles in the future
Audit/Inspection Fees	30	30	30	Additional cost increases from the Audit Commission in relation to inspection fees
Bromsgrove Rovers rent	15	15	15	Pepper corn rent implications if a success bid is submitted in due course following winding up order
<u>CORPORATE COMMS / POLICY</u>				
Payment to Royal Mail for delivery pre noon	3	3	3	To fund the costs associated with the delivery of the post before 12pm

E-GOV AND CUSTOMER SERVICES

Elections systems support	27	27	27	Support / License cost for the shared elections service
ICT - Shared Service ongoing costs	30	30	30	To meet costs associated with the shared ICT service BDC & RBC
Census	10	0	0	To fund the costs associated with delivery of the statutory census
<u>FINANCIAL SERVICES</u>				
Bank Charges	12	12	12	Cost of giro charges for the Council Tax payments made by the customers
Bank Charges	7	7	7	Cost of bank charges for council tax and NDR payment
Bank Charges	41	41	41	Cost of standard bank charges now impacting on the Council for the general account following the free period of banking
Housing Benefit Admin Grant	45	65	85	Impact of the proposed reduction in housing benefit administration grant as included correspondence from DWP
<u>LEGAL, EQUALITIES AND DEMOCRATIC SERVICES</u>				
Ballot Boxes	12	0	0	Health & Safety requirement - to purchase new ballot boxes to ensure security and safety of customers and staff
Members Allowances	5	5	5	To meet the approved level of approved spend on members allowances - link to saving rate change

Elections			40		To meet additional costs associated with District Council elections - 60k already in budget
Elections	100				Parliamentary - costs to be offset by grant received from Governemnt
Aston Fields and Sherwood road loss income due to sale of units	65	67		69	Budgeted income targets but will not be met if industrial units are sold.
<u>PLANNING AND ENVIRONMENT</u>					
Market Hall loss of income	16	16		16	Net income shortfall from original budget for market hall compared with new market facility
Income from BDHT re sale of houses	0	50		50	Income not being received from sale of houses via BDHT due to recessions
<u>STREET SCENE AND COMMUNITY</u>					
Concessionary Travel Claims	50	50		50	Increase in use of service based on volume for 2009/10
60+ swimming programme	12	0		0	To maintain the level of financial support to the over 60s swimming programme
Museum costs until transfer (over and above 2014)	4	4		0	Budget to meet increased cost of keeping the museum in usable condition but closed. Expect situation to be resolved by 12/13 removing the need for funding.
Health & Safety Inspections	8	4		4	H&S Requirements cemetery wall repairs & Memorial
Dog Car Parking refunds	20	20		20	To meet costs associated with the refunds given to the public for use of the car park at the Dolphin Centre
BDHT cleansing income	50	50		50	Termination of contract - offset by savings delivered in base budget
Rental of Burcot Room	33	33		33	Offset by savings realised from the hosting of regulatory services - built into business case

TOTAL UNAVOIDABLE PRESSURES

725

699

677

SAVINGS AND INCOME GROWTH

APPENDIX C

Description	2010/11 £'000	2011/12 £'000	2012/13 £'000	Commentary
<u>CORPORATE COMMS & POLICY</u>				
General Savings	10	10	10	General savings identified
Local Neighbourhood Partnerships	90	120	123	Removal of LNP's across the district
<u>COUNCIL WIDE</u>				
Additional investment income	20	0	0	Additional capital receipts c. £1m generating cash available for investment at least for 2010/11 from sale of industrial units
Alternative Methods of Service Delivery	24	349	356	Additional efficiencies to be realised from further joint working and shared service opportunities.
Catering budget	5	5	5	Impact of reducing catering budgets for meetings across the Council
Procurement Review	100	100	100	Savings anticipated from improvements in procurement and realising efficiencies
Change in salary budget requirement including effect of reduced pay award %	142	197	480	Savings from reducing initial pay award built into the budget -2010/11 @ 0%; 2011/12 @ 1%; 2012/13 @ 1%
<u>CF-GOV & CUSTOMER SERVICES</u>				
ICT Shared Service	62	62	62	Savings realised from the shared service - based on 50% of £124k
Customer Service Centre - County Funding	20	20	20	To reflect level of funding receivable
Partnership office - One Stop shop	25	25	25	Approval was granted in 2008/09 to establish a satellite one stop shop. This funding is now to be redirected to the LSP to fund priorities across the district.
<u>FINANCIAL SERVICES</u>				
Housing Benefits - recovery of overpayments (may allocate p/t post)	10	10	10	Additional income generated by focus on recovery of debt outstanding
Late payments fee to be levied	12	12	12	Based on % of current C Tax Direct Debits to levy £10 fee per late/returned DD
Savings from WETT project - Internal Audit Services	0	0	11	Initial set up costs to be funded from reserves. Savings identified from year 3.
<u>HR & OD</u>				
OD budget	20	20	20	To reduce OD corporate budget to £120k as required to meet training needs
<u>LEGAL & DEMOCRATIC SERVICES</u>				
Equality & Diversity	7	7	7	Removal of base budget figure in anticipation of new bids - new bids included in Appendix B
Elections	100	0	0	Parliamentary Election grant offset by expenditure pressure (unavoidable pressure)
Reduce members car allowance to 0.40p per mile	5	5	5	Reduction would meet the current additional costs being incurred

Elections	0	0	60	Budget rolled forward into 2013 - budget not required.
Savings from WETT project - Property Services	14	27	40	Proposed savings as part of business case. Further negotiation being undertaken as part of the service level agreement
PLANNING AND ENVIRONMENT				
Street Trading Consents	15	15	15	Income generated from street trading consents
Savings from WETT project - Regulatory Services	0	46	126	Initial set up costs to be funded from reserves. Savings identified from year 2 for regulatory service being hosted by BDC & RBC
STREET SCENE & COMMUNITY				
Grant funding re concessionary fares	90	0	0	Estimated additional grant to be received in 2010/11
Review of Ryland Centre Funding	0	0	6	To remove BDC's grant support to the Ryland Centre
Increased Income at Sanders Park	1	2	3	Hire Fees, Pavilion Rent & Resales
HGV Car Parking Introduced	2	2	2	Stourbridge Road car park charges
Multit Storey Lighting savings.	8	8	8	Capital bid to improve efficiency of lighting provision would generate savings
Parking Increased Income	83	83	83	Based on additional volume of car park sales during 2009/10
Parking Increased Income	25	25	0	From Market Hall site - temporary car park - 2 years
Parking Increased Income	22	22	22	Based on net impact of pay on foot changes
Proposed service changes at Dolphin Centre	95	95	95	Savings due to the transfer of the service to Leisure Trust. Net of savings already identified in base budget of £55k.
CCCTV Control Shared Service	81	81	81	Based up an overall saving of £280k - with allocation to BDC based on usage
TOTAL SAVINGS	1,088	1,348	1,787	

NEW CAPITAL BIDS

APPENDIX D (i)

Description	2010/11 £'000	2011/12 £'000	2012/13 £'000	H/M/L	Commentary
North Bromsgrove Cemetery Phase 2 Expansion	95	0	0	H	North Bromsgrove Cemetery was planned as a three phase development. Phase 1 opened in 2006 has approximately 1-2 years of full burial space left in consecrated ground. In order to continue to provide burial space for residents we need to develop Phase 1 - this funding would provide additional spaces for a number of years
Multi Storey Lighting linked to savings	25	0	0	H	To install more energy efficient lighting in the multi storey car park
Funding contribution to risky play/diversionary scheme at Catshill (Shelley Close).	12	0	0	H	To provide play equipment / diversionary activities in Catshill - the funding of £12k will be used with £50k from DCFS to meet overall project costs
Play Area removals and Upgrades	12	0	0	H	To remove a number of play areas that are unsuitable and to upgrade the facilities where
Depot Site Alarm System	25	0	0	H	To provide a more suitable alarm system at the depot
Funding for DFGs	90	90	90	H	To increase funding for DFGs to level expected in the statutory provision
Pavilion Roof and Toilet Enhancements (Sanders Park)	55	0	0	H	The roof is in need of replacement/repair. It has been patched up over the years but leaks have impacted on the facilities within the building. The toilets are also in need of updating/improving in response to seasonal complaints of facilities.
TOTAL HIGH BIDS	314	90	90		
Pay on Foot expense	200	80	0	M	Additional Pay on Foot installations
Boleyn Road Football Pitch	115	0	0	M	Following the recent PPG17 Audit and the issues addressed with lack/qualities of provision, we are looking to enhance current provision by improving drainage of existing pitches, creating a new car parking area and creating 1 senior, 2 Junior and 1 mini
King George Football Pitch	85	0	0	M	Following the recent PPG17 Audit and the issues addressed with lack/qualities of provision, we are looking to enhance current provision by improving drainage and the creation of two changing rooms to support the senior pitch.
Allotments- New Inns Lane Frankley	20	0	0	M	Following the recent PPG17 audit the District has a current shortfall for allotments. Where possible we want to utilise existing BDC land. This area of land will provide the district with a further 45 plots at 1/32 Acre and car parking area.
Allotment extensions- Watt Close	18	0	0	M	Following the recent PPG17 audit the District has a current shortfall for allotments. Where possible we want to utilise existing BDC land. This extension will create 18 plots at 1/32 Acre and a small car parking area.
Play Area removals and Upgrades	64	64	50	M	Further play area removals due to facilities being of inadequate standard
BRFC	50	0	0	M	Partnership contribution for enhanced facilities and playing pitches.
Mower with Grass Collection	15	0	0	M	Additional plant & machinery
Luton Van	25	0	0	M	Additional vehicle
Grants to RSLs	250	0	0	M	To provide grants to RSLs for provision of affordable housing
TOTAL MEDIUM BIDS	340	0	0		
Old Cemetery Toilets	17	0	0	L	The toilets in the Old Cemetery do not comply with DDA regulations. There is no lighting or handwashing facilities and no wheelchair access.
3 Small RCVs	210	0	0	L	To deliver recycling service to whole of district
15000 Wheelie Bins	450	0	0	L	To deliver recycling service to whole of district
Fork Lift for Stores	25	0	0	L	Additional plant & machinery
Gates & Barrier	35	0	0	L	Enhanced security
BURT	25	0	0	L	To fund an additional vehicle for the BURT service
TOTAL LOW BIDS	762	0	0		
BIDS - CAPITAL	1,635	162	115		

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PROPOSED CAPITAL PROGRAMME 2010/11-2012/13

APPENDIX D (ii)

Service Area	Description of Bid	2010/2011 £'000	2011/2012 £'000	2012/2013 £'000	Commentary	Funding
Legal & Democratic	Remedial Work to Council Buildings following Stock Condition Surveys	50			To deliver the planned programme of maintenance required for the Council buildings as identified via external assessments	Capital Receipts/Prudential Borrowing
Planning & Environment	Discretionary Home Repair Assistance & Housing Renewal Grants (Private Sector Only)	100	63	63	Home Repair & maintenance assistance grants	Capital Receipts/Prudential Borrowing & Gov Grants £63k pa
Planning & Environment	Grants to Principal Preferred Partners (BDHT/ W Mercia) for the development of affordable housing in the district.	700			Grants to preferred partners to deliver affordable housing across the District - not delivered during 2009/10 due to issues with economy and development of housing property	Capital Receipts/Prudential Borrowing
Planning & Environment	Grants to RSL's	15			Balance of funding relating to Buy Back Scheme	Capital Receipts/Prudential Borrowing
Planning & Environment	Town Centre Development	100			Improvements and redevelopment of Town Centre	Capital Receipts/Prudential Borrowing
Planning & Environment	Mandatory Disabled Facilities Grants (DFG's) - Private & BDHT Grants	500	400	400	Mandatory Disabled facilities Grants	Government Grant (£310k) & Capital Receipts/Prudential Borrowing
Planning and Environment	Upgrading of Houndsfield Lane Caravan Park	203			Contribution toward seeking Government Grant for the refurbishment and extension of the Gypsy and Traveller caravan site at Wythall.	Capital Receipts / Prudential Borrowing
Street Scene & Community	Replacement of CCTV Equipment	79			Planned programme of replacement CCTV cameras	Capital Receipts/Prudential Borrowing
Street Scene & Community	Street Scene Depot Vehicle Replacement Programme (Garage Services)	25			Maintain the planned programme of replacement vehicles for garage services fleet	Capital Receipts/Prudential Borrowing
Street Scene & Community	Street Scene Depot Vehicle Replacement Programme (Grounds)	54	17		Maintain the planned programme of replacement vehicles for grounds maintenance fleet	Capital Receipts/Prudential Borrowing
Street Scene & Community	Street Scene Depot Vehicle Replacement Programme (Refuse Collection)	14	984		Maintain the planned programme of replacement vehicles for refuse collection service	Capital Receipts/Prudential Borrowing

PROPOSED CAPITAL PROGRAMME 2010/11-2012/13

APPENDIX D (ii)

Service Area	Description of Bid	2010/2011 £'000	2011/2012 £'000	2012/2013 £'000	Commentary	Funding
Street Scene and Community	Contribution to risky play/diversionary scheme at Catshill	12			To remove a number of play areas that are unsuitable and to upgrade the facilities where appropriate	Capital Receipts
Street Scene and Community	Multi Storey Lighting linked to savings	25			To install more energy efficient lighting in the multi storey car park	Capital Receipts
Street Scene and Community	Pavilion Roof and Toilet Enhancements (Sanders Park)	55			The roof is in need of replacement/repair. It has been patched up over the years but leaks have impacted on the facilities within the building. The toilets are also in need of updating/improving in response to seasonal complaints of facilities.	Capital Receipts
Street Scene and Community	District Wide Provision/Enhancements of Sports Facilities	215			To provision park/sports facilities across the District - not delivered in 2008/09 due to awaiting outcome of PPCG 17 to identify areas of need	Grant Funded - S106
Street Scene & Community	Depot Site Alarm System	25			To provide a more suitable alarm system at the depot	Capital Receipts
Street Scene & Community	Play area removal & upgrades	12			To undertake works to comply with Health & Safety requirements to include changes to paths and access	Capital Receipts / Prudential Borrowing
Street Scene & Community	Repairs & maintenance of bridges	50			To repair the bridges under LA ownership	Capital Receipts / Prudential Borrowing
Street Scene & Community	North Cemetery Phase 2 Expansion	95			North Bromsgrove Cemetery was planned as a three phase development. Phase 1 opened in 2006 has approximately 1-2 years of full burial space left in consecrated ground. In order to continue to provide burial space for residents we need to develop Phase 1 - this funding would provide additional spaces for a number of years	Capital Receipts / Prudential Borrowing
Corporate	SUPPORT SERVICES RECHARGES TO CAPITAL	136	136	136	Recharge from Revenue in relation to staff spending time on capital projects	Capital Receipts/Prudential Borrowing
TOTAL SCHEMES PROPOSED		2,465	1,600	599		

**Earmarked Reserves
Position Statement 2010/11**

APPENDIX E

Description	Anticipated Balance as at 31 Mar 2010	Planned Usage 10/11	Anticipated Balance as at 31 Mar 2010	Comment/Purpose
	£'000	£'000	£'000	
Shared Services Agenda incl Joint CE	219	-219	0	To fund costs relating to extension of shared services
Local Plans Inquiry	202	-202	-0	Examination in public budget
Single Status/JE	147	-147	-0	To fund costs associated with pay protection period
Litigation Reserve	50	0	50	Potential liability arising from ongoing legal cases
Leisure Reserves	45	-8	37	Government grant to be used for leisure purpose
Housing Services Reserves	14	-14	-0	Housing needs assessment; surveys & nightstop
Building Control Partnership Reserve	5	0	5	Ring fenced surplus re building control fees
Local Strategic Partnership	5	0	5	External funding received towards LSP
Business Start up grants	3	-3	-0	Funding retained to assist with future years start ups
	690	-593	97	

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**Future Years Budget
Virements to reflect changes
in service delivery**

APPENDIX F

Service	Employee Costs £'000	Income £'000	Premises Costs £'000	Supplies & Services £'000	Transport Costs £'000	Grand Total £'000
Depot - Miscellaneous	0	0	1	-147	-3	-149
Street Scene & Culture Management & Admin	0	0	0	0	7	7
Streets and Grounds	0	0	9	12	24	45
Transport & Waste	-200	28	16	323	-70	97
Grand Total	-200	28	26	188	-42	0

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Efficiency Savings

APPENDIX G

Description	2010/11 £'000	2011/12 £'000	2012/13 £'000
<u>Built in as part of previous budget rounds</u>			
Alternative methods of service delivery	523	654	654
Co Mingled waste collection service	200	200	200
	<u>723</u>	<u>854</u>	<u>854</u>
<u>Identified as part of the current budget review</u>			
Savings from WETT project - Regulatory Services	0	46	126
Savings from WETT project - Property Services	14	27	40
Savings from WETT project - Internal Audit Services	0	0	11
Additional investment income	20	0	0
Proposed service changes at Dolphin Centre	95	95	95
Alternative Methods of Service Delivery	24	349	356
ICT Shared Service	62	62	62
CCTV Control Shared Service	81	81	81
Procurement Review	100	100	100
	<u>396</u>	<u>760</u>	<u>871</u>
Total Efficiency Savings	<u>1,119</u>	<u>1,614</u>	<u>1,725</u>
As a percentage of 2007/08 baseline (£17.339m as per DCLG requirements)	6.45%	9.31%	9.95%

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Bromsgrove District Council

Organisational Assessment

Pre-publication version dated 03 December 2009

Provided under embargo



Bromsgrove District Council

Overall, Bromsgrove District Council performs adequately

Managing performance	2 out of 4
Use of resources	2 out of 4
Managing finances	2 out of 4
Governing the business	2 out of 4
Managing resources	2 out of 4

Description of scores:

1. An organisation that does not meet minimum requirements, Performs Poorly
2. An organisation that meets only minimum requirements, Performs Adequately
3. An organisation that exceeds minimum requirements, Performs Well
4. An organisation that significantly exceeds minimum requirements, Performs Excellently

Summary

Bromsgrove District Council performs adequately overall. Local people recognise the Council's priorities as issues that are important to them. Improving the town centre has been made more difficult because of the recession. Crime is reducing and the Council is working with its partners to help people through the recession. But the Council knows where it needs to improve, and works closely with other councils to help it improve. The costs of some services are high and the Council doesn't always know if its services are giving good value for money.

The Council scores 2 out of 4 for managing performance.

The Council involves local people in the work it does and decisions it makes. But it knows it needs to improve the way it tells people what it has done because at the moment they don't feel they can influence decisions. The Council provides some good services, such as street cleaning and recycling, and most people are happy with these services. It uses its own resources (land or money) to help provide more housing that people can afford to rent or buy.

It is starting to understand how it can make a difference on climate change. The Council listens to vulnerable people to make sure that they have access to the services that they need. And it is working well to provide things for young people to do. People in Bromsgrove have a strong sense of belonging and feel that people from different backgrounds get on well together and treat each other with respect. Satisfaction with Bromsgrove as an area is about average.

People feel that Bromsgrove is a safer place to live in than it was. Crime is

reducing and the Council and the police work well together so that anti social behaviour is less of a problem. The Council is also working to support local people and businesses through the recession.

The Council has a good approach to engaging with black and ethnic minorities and vulnerable groups. There are now over 20 reporting centres throughout the district set up for reporting hate crimes, and the Council has been successful in recruiting local people to be trained. A special focus week for lesbian, gay, bi-sexual and trans-sexual people has been planned for February 2010. The Council encourages disabled people to have a stronger voice as demonstrated by the building of the new disabled toilet facility. Members of the Disabled User Group were on the community transport project team and will be involved in planning the new railway station. This shows that the Council listens to people though it recognises that it needs to improve the way it feedback to people about how it's responded to consultation.

The Council's performance in 2008/09 continues to show an overall marked improvement, although slightly fewer performance indicators met their (improvement) targets, 72 per cent compared to 79 per cent last year

The Council is open and honest about its achievements and the areas that it has to improve. It has strengthened the way it monitors its performance and is improving its ability to do more things better by working closely with other councils. In the Council plan for 2009-2012 the Council describes the outcomes they want to achieve from their work. This should help officers, members and the public see the benefit of actions more clearly. Councillors have good working relationships with staff. The way councillors and officers manage the Council's business has improved, but there is a concern about how to maximise involvement by all councillors at appropriate levels. Sickness levels are high and the Council is reviewing how it deals with staff who are ill.

The Council scores 2 out of 4 for use of resources. This is because the Council's understanding of its costs is improving but it doesn't always know whether its services are delivering value for money. The council's spending is higher than many others yet satisfaction is average or lower than average. There is a good system in place for making savings from non-priority services to help improve the performance of priority services. Members of the public are involved in the budget decisions through a budget jury, an on-line budget consultation and by talking to young people and staff.

Each year an independent auditor looks in detail at the Council's accounts. During the audit for the year to 31st March 2009 there was a problem with the way that certain amounts were allocated in the accounts. None of the £4.5m cost of a programme to radically transform the Councils Technology and customer access was allocated to the income and expenditure account for the year. Instead it has all been charged into capital. This is what the Council planned to do, but there was insufficient evidence available during the audit to convince the auditor that this was the right way to account for at least £2.1m of this spending. The Council is seeking government approval to enable the costs to be allocated to Capital and in addition are requesting external advice as to the treatment of this project in the accounts. If approval is not given the Council would have to meet an element of these costs from revenue balances which would impact on the medium term financial plan. Due to the lack of evidence available to demonstrate these costs met the correct criteria the auditor could not say that the accounts presented a fair

overall picture of the Council's finances.

Different ways of providing services are being looked at. The Council shares a joint Chief Executive with Redditch Borough Council. Services will be shared between the two councils and combined savings made of about £1.2 million over five years. The Council is also working with the County Council and all Worcestershire district councils to share some services. The Council is developing its staff plans to make sure it has a skilled and flexible workforce for the future. It is good at managing changes and has an open and honest way of letting staff know what is happening.

About Bromsgrove District Council

Bromsgrove is a mostly rural district in north Worcestershire. It has a population of around 92,300 with a high number of older people, greater than regional and national averages. Many people in Bromsgrove are White British residents, with its ethnic minority population much lower than the national average.

Bromsgrove is an affluent district. Unemployment is below the national average but there have been more job losses as a result of the recession. The number of benefit claimants is lower than regional and national averages. Average house prices are higher in Bromsgrove than the regional and national average. People living in Bromsgrove enjoy better health than elsewhere in the region but children are not active enough.

The Council has 39 councillors. At the moment there are 26 Conservative councillors, 6 Labour councillors, 5 Independent councillors and 2 Residents Association councillors.

The Council's priorities are: town centre, housing, a sense of community, and clean streets and climate change.

Organisational assessment

A sense of community

People in Bromsgrove have a stronger sense of belonging to their community than most other Worcestershire districts. The number of people who are satisfied with where they live is about average compared to those in similar areas. Crime and disorder in Bromsgrove is reducing, and residents are less likely to think that anti social behaviour is a problem. Despite this, many people still fear being a victim of crime.

The Council is good at addressing what matters to local people and demonstrates good community leadership. For example, a mini festival to be held in Cofton Hackett this summer had raised local fears of an increase in anti social behaviour and the Council, together with the police, and festival organisers attended a public meeting to address and calm concerns. Local people were worried about planning approval being granted for the Foyer Scheme, a scheme for homeless people. However, officers have talked to

people about their concerns and what action could be taken. The Chief Executive has offered to meet with local residents.

The Council works with the County Council to meet the needs of young people. Working together means that funding is available from both the County's FLOSS (Funds Lots of Super Stuff) budget and the District Council's budget. As a result a wider age range of children in Bromsgrove are involved in deciding what their needs are, compared to the rest of the county. Children and young people have said they want improved parks, safer play areas, for example, at the Asda supermarket so that they don't have to go around the store with parents/carers.

Schools are also being made more eco friendly. People are being helped to become healthier. For example, sessions for fathers and sons are being held at allotments in Charford, and taster sessions for sports. As a result of the Council using its own budget, the work with children and young people is more likely continue when the FLOSS funds finish in 2011, and so children and young people will benefit in the longer term. Play schemes continue to be re-equipped, and children tell the manufacturers about the designs they would like. The newly refurbished Dolphin Leisure Centre is meeting the targets set for new joiners, and usage and income figures are improving. The number of adults doing sport is above the national average.

A lot of older people live in the district. The Council has not done enough to meet the needs of the growing number of older people, but this is changing. The Council is working with its partners to provide more and better accommodation for older people. Exercise sessions for older people have been set up working with NHS Worcestershire and with Bromsgrove District Housing Trust. More and smaller allotments have been made available, some with raised beds which are more suitable for older people. A community transport scheme will start in the autumn. A new high dependency toilet has opened. Councillors are reviewing how better to meet the needs of older people. The Council has achieved level three of the equality standard which means it is providing services that are fair for everyone and is one of only a few district councils to do so.

Town centre and housing

The Council wants to make a difference in the town centre, but regenerating this area is a difficult project because of the recession. Talks to move the 'blue light' emergency services to a new location to free up sites in the town centre are progressing. A new medical centre is set to go ahead. Plans to regenerate the Longbridge site are at a temporary standstill because of the recession.

Providing enough housing is a challenge for the area. A number of schemes are helping to provide housing that meets local needs. The number of affordable homes has increased (145 units in 2008/09) though there are still too few houses that people can afford to buy or rent. The Council uses its own resources to help provide affordable housing, offering land for housing development and funding for Bromsgrove District Housing Trust (BDHT). Affordable housing is being provided in rural areas such as Stoke Prior where lettings will be restricted to those who live or have previously lived in the parish. The housing needs of the more vulnerable people in the community

are being addressed. Funding has been obtained for the Foyer Scheme - a hostel for young people helping them in the move from prison to living on their own - with the Council using its own funding to help encourage others to provide finance.

The number of households in temporary accommodation has fallen which means that more families are settled. Bromsgrove District Housing Trust was given grant funding by the Council and BDHT now have a pool of flats to use for temporary accommodation. The Council with BDHT was until August 2009, the regional centre of excellence for youth homelessness, and together with the youth homelessness forum held an event recently to share their good practice. 'Step up', a private tenancy scheme for vulnerable people to access private rented accommodation, has been set up. The scheme gives a deposit of one months rent up front to people so they can have more choice of housing. The client pays back the deposit on more flexible terms. A mortgage rescue scheme has been put in place with the Citizens Advice Bureau and an information pack is available so that people can properly prioritise debts, and be aware of what benefits and advice are available.

With growing numbers of older people, a 'choices for older people' board is in place. This has looked at housing and support needs for older people. As a result the Council with the housing association, County Council and Primary Care Trust partners, are planning another extra care scheme at Perryfields. This is being designed to have bungalows with easily manageable gardens suitable for more independent older people as well as extra-care facilities for those who need more help.

Clean streets

The Council has been encouraging more people to recycle and compost their waste - and more people are. During 2009/10 the Council recycled 43 per cent of household waste. The overall amount of household waste collected per person is dropping though it is still relatively high, and the service remains quite expensive. Charges are now made for green waste collection and people are using this service.

Streets are cleaner. Local people say they are pleased with the standards of cleanliness of streets and open spaces. Operators are being trained to use more machinery so they can clear undergrowth and improve levels of cleanliness. Campaigns to improve waste collection and recycling continue and much is being done to keep local people informed. Fast food outlets are being encouraged to reduce the amount of litter they produce, and get these businesses to take more responsibility for the litter produced by encouraging people to put rubbish in bins.

Climate change

A new group has been formed to help contribute to climate change work. A climate change officer has been jointly recruited with Redditch Borough Council. The Council knows what its own carbon emissions are, and it has a travel plan to reduce mileage for staff. A survey was sent to more than 4000 households claiming benefits, to find the best way of helping those struggling with fuel bills. The Council aims to use the information along with results from

the countywide thermal flyover project (where all properties were thermally imaged so that heat loss could be seen) and make people aware of the various grants that are available.

A water course and flooding group has been set up to look at problems with flooding. A risk assessment has been carried out about where flooding is most likely to happen. The state of culverts and water courses has been reviewed. Properties affected by flooding in 2007 are issued with 'flood blox's' - self inflating flood blockers - in response to severe weather warnings. The flood blockers are easier to store and carry, and are more hygienic than sandbags. The Council is clear what it needs to do about flooding. It also recognises the need to make sure that land owners understand their responsibilities and plans to contact them about this.

CAA looks at how well local public services, working together, are meeting the needs of the people they serve. It's a joint assessment made by a group of independent watchdogs about the performance of local public services, and how likely they are to meet local priorities. From 9 December you will find the results of Comprehensive Area Assessment on the Oneplace website - <http://oneplace.direct.gov.uk/>



for an independent overview
of local public services

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Appendix

COUNCIL AND COMMITTEE DATES 2010-11

Bank Holidays:

2010 – 3rd May, 31st May, 30th August

2011 – 2nd May, 30th May, 29th August

Easter:

2010 – 2nd April (Good Friday), 5th April (Easter Monday)

2011 – 22nd April (Good Friday), 25th April (Easter Monday)

Christmas:

2010 – 27th December (Christmas Day), 28th December (Boxing Day)

2011 – 27th December (Boxing Day)

New Year:

2011 – 3rd January (New Year's Day)

Elections:

2010 – General Election possible early May

2011 – Local Elections 5th May

Wednesday 12th May 2010

Monday 17th May 2010

Monday 17th May 2010

Wednesday 19th May 2010

Monday 24th May 2010

Tuesday 25th May 2010

Council (Annual Meeting)

Planning Committee

Performance Man. Board

Standards Committee

Licensing Committee

Scrutiny Board

Tuesday 1st June 2010

Wednesday 2nd June 2010

Monday 7th June 2010

Monday 14th June 2010

Monday 14th June 2010

Tuesday 15th June 2010

Wednesday 23rd June 2010

Monday 28th June 2010

Tuesday 29th June 2010

Wednesday 30th June 2010

Overview Board

Cabinet

Audit Board

Planning Committee

Performance Man. Board

Scrutiny Board

Council

Audit Board (Accounts)

Overview Board

Cabinet

Monday 12th July 2010

Tuesday 13th July 2010

Wednesday 14th July 2009

Monday 19th July 2010

Wednesday 21st July 2010

Monday 26th July 2010

Tuesday 27th July 2010

Planning Committee

Scrutiny Board

Standards Committee

Performance Man. Board

Council

Licensing Committee

Overview Board

Wednesday 4th August 2010

Monday 9th August 2010

Tuesday 31st August 2010

Cabinet

Planning Committee

Overview Board

Wednesday 1st September 2010	Cabinet
Monday 6th September 2010	Planning Committee
Monday 6th September 2010	Licensing Committee
Monday 13th September 2010	Audit Board
Wednesday 15th September 2010	Council
Monday 20th September 2010	Performance Man. Board
Wednesday 22nd September 2010	Standards Committee
Tuesday 28th September 2010	Scrutiny Board
Tuesday 5th October 2010	Overview Board
Wednesday 6th October 2010	Cabinet
Monday 11th October 2010	Planning Committee
Monday 18th October 2010	Performance Man. Board
Monday 25th October 2010	Licensing Committee
Tuesday 26th October 2010	Scrutiny Board
Monday 1st November 2010	Planning Committee
Tuesday 2nd November 2010	Overview Board
Wednesday 3rd November 2010	Cabinet
Monday 15th November 2010	Performance Man. Board
Wednesday 17th November 2010	Council
Tuesday 23rd November 2010	Scrutiny Board
Wednesday 24th November 2010	Standards Committee
Monday 29th November 2010	Licensing Committee
Tuesday 30th November 2010	Joint Overview & Scrutiny Board (Budget Briefing)
Wednesday 1st December 2010	Cabinet
Monday 6th December 2010	Planning Committee
Monday 13th December 2010	Audit Board
Monday 20th December 2010	Performance Man. Board
Tuesday 4th January 2011	Joint Overview & Scrutiny Board (Budget Review)
Tuesday 4th January 2011	Overview Board
Wednesday 5th January 2011	Cabinet
Monday 10th January 2011	Planning Committee
Monday 10th January 2011	Licensing Committee
Monday 17th January 2011	Performance Man. Board
Wednesday 19th January 2011	Council
Tuesday 25th January 2011	Scrutiny Board
Wednesday 26th January 2011	Standards Committee
Tuesday 1st February 2011	Overview Board
Wednesday 2nd February 2011	Cabinet
Monday 7th February 2011	Planning Committee
Monday 14th February 2011	Performance Man. Board
Monday 21st February 2011	Licensing Committee
Wednesday 23rd February 2011	Council (Extraordinary Meeting – Council Tax)
Thursday 24th February 2011	Scrutiny Board

Tuesday 1st March 2011
Wednesday 2nd March 2011
Monday 7th March 2011
Monday 14th March 2011
Wednesday 16th March 2011
Monday 21st March 2011
Tuesday 22nd March 2011
Wednesday 23rd March 2011
Monday 28th March 2011

Overview Board
Cabinet
Planning Committee
Performance Man. Board
Council
Audit Board
Scrutiny Board
Standards Committee
Planning Committee

Tuesday 5th April 2011
Wednesday 6th April 2011
Monday 11th April 2011
Monday 18th April 2011
Tuesday 19th April 2011
Wednesday 20th April 2011
Tuesday 26th April 2011

Overview Board
Cabinet
Planning Committee
Performance Man. Board
Scrutiny Board
Council
Overview Board

Wednesday 11th May 2011

Council (Annual Meeting)

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APPENDIX 1

SUMMARY - Period 5 (August) 2009/10						
Monthly (August) performance				Estimated Outturn		
	No.	%age ³		No.	%age ³	
Improving or stable.	19	61%	On target	16	59%	On target
Declining	12	39%	Missing target by less than 10%	8	30%	Missing target by less than 10%
No data	3		Missing target by more than 10%	3	11%	Missing target by more than 10%
			No data ²	7		No data ²
Total Number of Indicators reported this period ¹	34		Total Number of Indicators reported this period ¹	34		Total Number of Indicators reported this period ¹

SUMMARY - Period 6/Quarter 2 (September) 2009/10						
Monthly (September) performance				Estimated Outturn		
	No.	%age ³		No.	%age ³	
Improving or stable.	28	62%	On target	23	58%	On target
Declining	17	38%	Missing target by less than 10%	11	28%	Missing target by less than 10%
No data			Missing target by more than 10%	6	15%	Missing target by more than 10%
			No data ²			No data ²
Total Number of Indicators reported this period ¹	45		Total Number of Indicators reported this period ¹	40		Total Number of Indicators reported this period ¹

SUMMARY - Period 7 (October) 2009/10						
Monthly (October) performance				Estimated Outturn		
	No.	%age ³		No.	%age ³	
Improving or stable.	21	68%	On target	22	73%	On target
Declining	10	32%	Missing target by less than 10%	7	23%	Missing target by less than 10%
No data	6		Missing target by more than 10%	1	3%	Missing target by more than 10%
			No data ²	7		No data ²
Total Number of Indicators reported this period ¹	37		Total Number of Indicators reported this period ¹	37		Total Number of Indicators reported this period ¹

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Ref	Description	Report - ed?	Cum or Snap?	2008/09		2009/10		Comments						
				Actuals	Target	Est. Outturn	Est. Outturn Target							
Street Scene & Community														
NI 191	Residual Household waste per household (KG)	M	C	586.26	294.81	288.68	343.08	340.15	399.21	390.71	590.00	590.00	I	Trade tonnage not yet received for Oct & Nov therefore actual will improve slightly on those currently shown. Updated ONS data for number of households has now been released and has increased from 38828 to 38929 therefore this has also improved monthly scores slightly.
NI 192	Percentage of household waste re-used, recycled and composted	M	C	43.25	36.76	42.68	35.84	41.86	34.93	40.93	37.00	30.00	S	Garden Waste Tonnage is falling due to change in seasons therefore resulting in less waste being composted. Trade tonnage not yet received for Oct or Nov therefore actual will improve slightly on those currently shown.
LPI Depot	Number of missed household waste collections	M	C	1,136	570	563	665	642	760	701	958	1,140	W	59 Missed collections of which 26 were garden waste = 0.15%
LPI Depot	Number of missed recycle waste collections	M	C	281	120	76	140	85	160	98	121	240	W	13 missed collections = 0.007%
NWBCU5	Total Crime	M	C	New	2,802	2,645	3,276	3,043	3,736	3,451	5,303	5,588	I	Crime year to date continues to be down and was published in local newspapers recently. We are currently reviewing Operation Ghost to see its effect on disorder during the Halloween Festivities and we are launching a CDRP Winter Safety Plan early December to tackle retail crime and purse theft in the High Street, Night Time Disorder, and raise awareness of burglary prevention. There will be a number of public reassurance campaigns delivered throughout the coming months. Full details will on the Public Web Site by early to mid December. There is currently an increase in burglary of non-dwelling which the CDRP are monitoring which is thefts from sheds, garages and other buildings detached from the home.

Ref	Description	Reported?	Cum or Snap?	2008/09										Comments			
				Actuals	Sep. Target	Sep. Actual	Target & Trend	Oct Target	Oct Actual	Target & Trend	Nov Target	Nov Actual	Target & Trend				
NWBCU1	The number of domestic burglaries	M	C	438	195	141	I	227	152	I	260	171	W	369	300	I	Domestic Burglary continues to be of low volume with only 19 offences during November. This is despite the seasonal increase in relation to the clocks changing resulting in darker nights. Persistent Prolific offenders with burglary offending habits remain in custody. Our next spike is normally expected following the Christmas period. The CDRP Winter Safety plan tackles this trend through various awareness raising campaigns throughout December and January. These include, media and other communications, attendance at local events offering advice, guidance and free security products such as 24hour segment timers.
NWBCU2	The number of violent crimes	M	C	973	496	537	W	573	616	I	644	681	I	922	959	I	Violent Crime in November is at its lowest volume than any other previous month this year. We normally expect an increase in violent crime incidents in the Town Centre during the Christmas and New Year festivities. This is being tackled with the CDRP Winter Safety Plan -Operation Christmas Presence will put dedicated uniformed presence in high streets during the evening to tackle public disorder normally as a result of people consuming too much alcohol during celebrations.
NWBCU3	The number of robberies	M	C	61	29	24	W	34	27	I	39	32	W	58	51	I	Similar to previous months comments: These reports continue to be young people using force (but not physical harm) to steal mobile phones from other young people. The low volume nature of this crime type means that any specific intervention are difficult to deliver, each incident will be dealt with accordingly by our colleagues at West Mercia Police.

Ref	Description	Reported?	Cum or Snap?	2018/09		2018/10		Est. Outturn Target	Comments				
				Actuals	Actual	Target	Est. Outturn						
NWBCU4	The number of vehicle crimes	M	C	744	346	351	405	389	461	446	675	690	The level of vehicle crime has increased again in November compared to October but not to the high level that we have been experiencing earlier in the year. These crimes are predominantly thefts from motor vehicles with a trend of tools being stolen from vans. A full analysis has been presented to the CDRP Tasking Group who will be developing responses over the next month to be delivered from January. Vulnerable Vehicle Checks are being carried out throughout December by Neighbourhood Wardens as part of the CDRP Winter Safety Plan.
NWBCU6	The number of Criminal Damage Incidents	M	C	1,064	538	468	615	543	699	621	963	1041	We seem to be experiencing consistent levels of criminal damage which are at lower levels than previous years. A lot of targeted patrols have been delivered at key times and we will continue to do so throughout December and January. Most offences are related to vehicles - for example wing mirrors, dents and scratches, and aerials.
LPI CS 1a	CCTV incidents reported - Crime	M	C	3,407	1,698	1,594	1,981	1,939	2,264	2,148	3,400	3,400	Incidents of theft, ASB, and Assault were all considerably lower than the previous month
LPI CS1b	CCTV incidents initiated by CCTV	M	C	991	492	453	574	544	656	613	1,047	1,047	Staff observations were low but with the reduced number of ASB incidents and Assaults this would be expected.
LPI CS4	No. of hate crime incidents (activity measure)	M	S		n/a	1	n/a	2	N/A	2	n/a	n/a	2 reports of hate crime received during November. 1 report through BDHT and one direct to the Community Safety Team. Both reports were classified as racism. Both cases are currently being considered for further action.
LPI CS5	% of reported hate crime incidents requiring further action that received further action	M	S		100	100	100	100	100	100	100.00	100.00	See above
LPI SC1	Number of attendances at arts events	M	C	20,642	18,455	20,153	19,165	20,916	21,165	23,141	23,500	21,261	The Bromsgrove Christmas Lights Switch On event was well attended and supported by the local community, despite it raining throughout the event. Rubery Christmas Lights Switch On event was very well attended and supported by the local community, with the weather being dry throughout the event. The entertainment programme was very well received at the 2 events, with both events including local school children lantern parades

Ref	Description	Reported?	Cum or Snap?	2023/09		2023/10		2023/10 Est. Outturn	2023/10 Est. Outturn Target	Comments	
				Actuals	Target	Actual	Target				
SC3	Dolphin Centre Usage	M	C	627,404	216,064	204,523	261,827	240,090	309,022	275,367	Usage for November was down on target and similar to previous month. We had 2 swimming gala's booked which cancelled at short notice, reducing the availability of party slots for the pool. Gym usage is good, with a small increase in members. This is not as much as in previous months due to the time of year. This is to be expected and is an industry trend exhibited at most facilities. Usage for December is expected to be quieter than previous months due to the time of year, reduced opening hours during the festive period and swim school not running during this period. We have had full uptake on our new swimming lessons for January, increasing income and usage.
SC4	Sports development usages	M	C	21,219	13,082	14,307	15,112	17,371	17,142	21,035	Increased usages due to Hockey and Rugby festivals, Sport Unlimited coaching and free gym sessions.
	Down Centre Car Park Usage	M	S	n/a	n/a	124,060	n/a	134,654	n/a	130,995	Usage is slightly lower than last month
	Shopmobility Centre Usage (Monthly)	M	S	n/a	150	196	150	163	150	156	continues to be above target
LPI LL1	Life line units in use	M	S	547	690	725	700	733	710	728	There were 2 PTG referrals and 13 private referrals, this was unusually low. Cancellations were high. Research found this was mainly due to Service Users passing away, not service user dissatisfaction.

M* = in the months when available
(3 times per year)

Planning & Environment Services

MI 157	The percentage of major planning applications determined within 13 weeks	M	C	68.80	80.00	100.00	80.00	100.00	80.00	100.00	<p>Major: 0/0 = N/A National Target 60% (Local Target 80%)</p> <p>There has been a reduction in major applications with none in July and only 1 in August 3 in September. No applications determined in this category in October or November.</p>
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Ref	Description	Report - ed?	Cum or Snap?	2018/09		2018/10		Target & trend	Nov Actual	Nov Target	Target & trend	Comments
				Actuals	Target & Trend	Sep. Target	Sep. Actual					
NI 157	The percentage of minor planning applications determined within 8 weeks	M	C	76.50	I	85.00	84.00	I	86.00	85.00	I	Minors; 9/9 = 100% National Target 65% (Local Target 85%) Previous months had seen; 16 in July, 17 in August and a reduction to 7 applications were received in September. October saw a minor increase to 9 November also saw 9 applications all determined in time
NI 157	The percentage of other planning applications determined within 8 weeks	M	C	89.50	W	90.00	89.00	I	90.00	90.00	I	Others; 46/47 = 98% National Target 80% (Local Target 90%) Minor applications have been similar this month to October. (Previously applications in this month were 48 in June, 56 in July and 55 in August.) One application went over (St Elizabeth's cottage Client) due to complexities associated with tree issues.

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E-gov & Customer Services

CSC	Description	Report - ed?	Cum or Snap?	2018/09		2018/10		Target & trend	Nov Actual	Nov Target	Target & trend	Comments
				Actuals	Target & Trend	Sep. Target	Sep. Actual					
CSC	Monthly Call Volumes Customer Contact Centre	M	S	n/a		7,204	7,637		7,161			Contact centre call volumes consistent with last month and mach last years profile
CSC	Monthly Call Volume Council Switchboard	M	S	n/a		4,495	4,247		4,295			Calls to the council switchboard demonstrate a 2% fall compared to last month, the overall call profile matches last years
CSCLP19.1	Resolution at First Point of Contact all services (percentage)	M	S	99.00	I	95.00	97	I	97	95.00	I	Overall resolution figure has increased this month compared to last month and is now in line with previous performance during this year
CSCLP19.2	% of Calls Answered	M	S	87.00	W	85.00	86.00	I	92.00	85.00	S	Performance is consistent with last month
CSCLP19.3	Average Speed of Answer (seconds)	M	S	30.00	W	20.00	24.00	I	15.00	20.00	W	Good performance is consistent with last months improvement

Chief Executive's department

Ref	Description	Reported?	Cum or Snap?	2018/09		2018/10		Comments
				Actuals	Actual	Actual	Est. Outturn	
LPI CCPP01	Number of complaints received (Council wide) Monthly. Source new complaints system.	M	C	270	108	n/a	n/a	Complaints received were: 1 about an error in Together Bromsgrove, 1 about Highways, 1 about a benefit claim, 1 about the Dolphin Centre, 1 about Parking Staff, 2 about Refuse lorries driving on to residents drives, 1 about replacement green bin, 1 about Tr
LPI CCPP03	Number of compliments received	M	C	70	28	n/a	n/a	Compliments received were - 2 about events organised by Sports Development, 1 about the excellent service provided by Sports Development, 2 about the service given by Street Cleansing and 1 about excellent customer service by the
LPI CCPP05	Community transport income (£)	M	C	n/a	300	n/a	1,875	Income exceeded target for November

Financial Services

NH181	Time taken to process HB/CT benefit new claims or change events (days)	M	C	15.03	10.39	15.00	13.00	The high performance achieved last month has been maintained in December, resulting in a further improvement in the year to date processing times as a result of the hard work of the staff. They have also managed to reduce the number of items outstanding and the oldest item of work is now just over one month old, compared to 6 weeks in previous month
	Percentage of invoices paid within 10 days of receipt	M	C	n/a	83.29	90.00	90.00	There has been an increase in number of invoices paid within 10 days, it has increased from 83.69 in October to 84.59 in November
FP001	Percentage of invoices paid within 30 days of receipt	M	C	99.38	98.39	98.00	98.00	On Target

Legal, Equalities and Democratic Services

There are no PIs reported monthly for this department

Human Resources & Organisational Development

LPI BV12)	The average number of working days lost due to sickness.	M	C	10.66	5.95	4.97	9.97	Although sickness absence increased slightly in November it was still within the monthly target, consequently the projection for year end has reduced for the 4 th month in succession. Currently 4 out of the 7 service areas are Green, with the other 3 being Red.
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2009/10 Monthly Performance figures

Ref	Description	Freq	Cum or Snap	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	
				Target	C	Actual	numerator	denominator	Target	C	Actual	numerator	denominator	Target	C	Actual
NI 191	Residual Household waste per household	M		48.61	50.01	49.12	49.00	49.04	49.03	48.27	50.13	54.61	49.32	45.74	50.11	
		C		52.56	48.10	50.50	52.11	45.49	48.33	51.33	51.45	0.00	0.00	0.00	0.00	0.00
	Percentage of household waste re-used, recycled and composted	M		2,040.68	1,867.76	1,960.96	2,023.16	1,770.84	1,881.36	1,998.31	2,002.82	38,828	38,828	38,828	38,828	38,828
		C		38,828	38,828	38,828	38,828	38,828	38,828	38,828	38,828	38,828	38,828	38,828	38,828	38,828
NI 192	Improved street and environmental cleanliness - fly tipping	M		32.07	31.98	32.58	33.12	33.78	34.29	34.51	34.57	37.49	33.16	32.68	32.72	
		C		39.30	42.29	42.19	41.85	42.41	43.32	36.86	33.80					
LPI Depot	Number of missed household waste collections	M		1,321,289	1,368,698	1,430,866	1,455,837	1,303,929	1,437,871	1,166,589	1,022,766					
		C		3,361,969	3,236,478	3,391,822	3,478,997	3,074,769	3,319,231	3,164,899	3,025,586					
LPI Depot	Total crimes	M		20	20	20	20	20	20	20	20	20	20	20	20	
		C		18	6	20	18	9	5	9	13					
NWBCU1	The number of domestic burglaries	M		459	475	459	475	475	459	475	459	475	475	428	475	
		C		459	409	427	488	473	431	408	415					
NWBCU2	The number of violent crimes	M		32	33	32	33	33	32	32	33	33	33	30	33	
		C		35	13	33	16	25	23	11	19					
NWBCU3	The number of robberies	M		76	85	85	82	85	79	77	71	69	70	63	76	
		C		81	81	75	93	103	107	83	66					
NWBCU4	The number of vehicle crimes	M		5	5	5	5	5	5	5	5	5	5	4	5	
		C		4	4	3	4	4	5	3	5					
NWBCU6	The number of criminal damage incidents	M		58	59	57	59	59	57	59	57	59	59	53	59	
		C		59	37	65	77	66	49	38	57					
NWBCU6	The number of criminal damage incidents	M		84	99	92	85	75	103	77	84	96	77	73	96	
		C		75	79	60	95	76	83	75	78					

LPI CS 1a	CCTV incidents reported - Crime	M	C	Target	283	283	283	283	283	283	283	283	283	283	283	283	283	283	283	283	283	283	283	283	283	283				
				Actual	258	257	250	228	248	353	345	216																		
LPI CS1b	CCTV incidents Initiated by CCTV	M	C	Target	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82	82			
				Actual	76	80	62	74	74	87	91	69																		
LPI CS4	No. of hate crime incidents (activity measure)	M	S	Target	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a			
				Actual	1	3	2	1	1	1	2	2	1	1	1	1	2	2	1	1	1	2	2	2	2	2	2			
LPI CS5	% of reported hate crime incidents requiring further action that received further action	M	S	Target	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00		
				Actual	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
LPI SC1	Number of attendances at arts events	M	C	Target	75	470	1,010	3,025	13,175	700	710	2,500																		
				Actual	80	495	840	5,405	12,575	758	763	2,225																		
SC3	Dolphin Centre Usage	M	C	Target	34,058	35,173	35,173	35,173	35,173	40,199	45,233	309,022																		
				Actual	29,123	37,336	34,221	33,982	30,797	34,468	35,567	275,367																		
SC4	Sports development usages	M	C	Target	1,804	2,030	2,481	2,481	2,256	2,030	2,030	1,804																		
				Actual	1,966	2,514	2,686	2,849	2,951	1,941	3,064	3,664																		
	Town Centre Car Park Usage	M	S	Target		n/a	n/a	n/a	n/a	n/a	n/a	n/a																		
				Actual	127,106	129,167	130,092	130,092	125,458	124,060	134,654	130,995																		
	Shopsmobility Centre Usage	M	S	Target	150	150	150	150	150	150	150	150																		
				Actual	130	136	166	178	156	196	163	156																		
	Life line units in use	M	C	Target	640	650	670	660	680	690	700	710																		
				Actual	643	644	682	657	687	725	733	728																		

M* = in the months when available
(3 times per year)

Planning & Environment Services

NI157	The percentage of major planning applications determined within 13 weeks	M	C	Target	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	
				Actual	100.00	100.00	n/a	n/a	100.00	100.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
NI157	The percentage of minor planning applications determined within 8 weeks	M	C	numerator	1	2	0	0	1	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
				denominator	1	2	0	0	1	3	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
				Target	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00
				Actual	92.00	85.70	70.00	94.00	70.50	100.00	100.00	89.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
NI157	The percentage of other planning applications determined within 8 weeks	M	C	numerator	12	12	7	15	12	7	8	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	
				denominator	13	14	10	16	17	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
				Target	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00
		Actual	89.00	98.00	85.00	89.00	89.00	89.00	89.00	81.00	90.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	
				numerator	41	54	41	50	49	39	38	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46	

	denominator	46	55	48	56	55	48	42	47	
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E-gov & customer services

	M	S	Target	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CSC	Monthly Call Volumes Customer Contact Centre		Actual	8,599	6,714	7,870	8,277	7,637	7,204	7,161					
CSC	Monthly Call Volume Council Switchboard		Actual	4,631	4,203	4,580	4,452	4,247	4,495	4,295					
CSC LPI 3.1	Resolution at First Point of Contact all services (percentage)		Actual	95.00	95.00	95.00	95.00	95.00	95.00	95.00					95.00
CSC LPI 3.2	% of Calls Answered		Actual	99.00	99.00	99.00	93.50	97.00	91.00	97.00					
CSC LPI 3.3	Average Speed of Answer (seconds)		Actual	85.00	85.00	85.00	85.00	85.00	85.00	85.00					85.00
CSC LPI 3.3	Average Speed of Answer (seconds)		Actual	89.00	92.00	92.00	86.60	86.40	92.00	92.00					
CSC LPI 3.3	Average Speed of Answer (seconds)		Actual	20	20	20	20	20	20	20					20
CSC LPI 3.3	Average Speed of Answer (seconds)		Actual	21	16	16	29	24	13	15					20

Chief Executive's

	M	C	Target	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LPI CCPP01 (SS)	Number of complaints received (Council wide) Monthly. Source new complaints system.		Actual	25	22	20	12	5	12	11					
LPI CCPP03 (SS)	Number of compliments received (Council wide)		Actual	4	2	4	5	1	7	6					
LPI CCPP05 (DM)	Community transport income (£)		Actual	n/a	n/a	n/a	n/a	n/a	250	275				300	375

Financial Services

	M	C	Target	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
NI 181	Time taken to process HB/CT benefit new claims or change events		Actual	11.17	10.29	14.58	9.28	12.73	6.38	6.74					
			denominator	12,836	13,475	18,746	10,690	16,342	12,919	9,656					
	Percentage of invoices paid within 10 days of receipt		Actual	90.00	90.00	90.00	90.00	90.00	90.00	90.00				90.00	90.00
FP001	Percentage of invoices paid within 30 days of receipt		Actual	80.88	83.71	84.77	85.80	83.83	83.69	84.59				98.00	98.00
			Actual	98.00	98.00	98.00	98.00	98.00	98.00	98.00				98.00	98.00
			Actual	99.34	98.39	97.97	98.42	98.02	98.17	98.49				98.00	98.00

Legal, Equalities and Democratic Services

Human Resources & Organisational Development

	M	C	Target	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
LPI (formerly BV12)	The average number of working days lost due to sickness.		Actual	0.85	0.93	1.15	1.16	0.51	0.50	0.70				0.79	0.79

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