

Open

Overview & Scrutiny Committee

Agenda

6pm
Thursday, 6th February 2020
Council Chamber
Wyre Forest House
Finepoint Way
Kidderminster



Overview & Scrutiny Committee

Members of Committee:

Chairman: Councillor M J Hart
Vice-Chairman: Councillor S J Chambers

Councillor N J Desmond
Councillor S Griffiths
Councillor T L Onslow
Councillor S E N Rook

Councillor C Edginton-White
Councillor S Miah
Councillor M Rayner
Councillor D R Sheppard

Would Members please note that, to ensure continuity in scrutiny, substitutes should only be appointed for the Scrutiny Committee in exceptional circumstances.

Information for Members of the Public:

Part I of the Agenda includes items for discussion in public. You have the right to inspect copies of Minutes and reports on this Agenda as well as the background documents used in the preparation of these reports.

Part II of the Agenda (if applicable) deals with items of "Exempt Information" for which it is anticipated that the public may be excluded from the meeting and neither reports nor background papers are open to public inspection.

Declaration of Interests by Members – interests of members in contracts and other matters

Declarations of Interest are a standard item on every Council and Committee agenda and each Member must provide a full record of their interests in the Public Register.

In addition, alongside the Register of Interest, the Members Code of Conduct ("the Code") requires the Declaration of Interests at meetings. Members have to decide first whether or not they have a disclosable interest in the matter under discussion.

Please see the Members' Code of Conduct as set out in Section 14 of the Council's constitution for full details.

Disclosable Pecuniary Interest (DPI) / Other Disclosable Interest (ODI)

DPI's and ODI's are interests defined in the Code of Conduct that has been adopted by the District.

If you have a DPI (as defined in the Code) in a matter being considered at a meeting of the Council (as defined in the Code), the Council's Standing Orders require you to leave the room where the meeting is held, for the duration of any discussion or voting on that matter.

If you have an ODI (as defined in the Code) you will need to consider whether you need to leave the room during the consideration of the matter.

Co-opted Members

Scrutiny Committees may wish to appoint Co-Opted Members to sit on their committee in order to add value to the scrutiny process. To appoint a Co-Opted Member, a Committee must first agree to appoint either a specific person or to approach a relevant organisation to request that they put forward a suitable representative (e.g. the local Police Authority). Co-Optees are non voting by default but Committees can decide to appoint voting rights to a Co-Optee. The Co-Option of the Member will last no longer than the remainder of the municipal year.

Scrutiny Committees can at any meeting agree to terminate the Co-Option of a Co-Opted Member with immediate effect. Where an organisation is appointed to put forward a Co-Opted Member, they are able to send a substitute in exceptional circumstances, provided that they notify Democratic Services in advance. Co-Opted Members must sign up to the Members Code of Conduct before attending their first meeting, failure to sign will mean that they are unable to participate. This also applies to substitute Co-Opted Members, who will need to allow sufficient time before a meeting in order to sign the Code of Conduct.

The following will apply:

- i) The total number of voting co-opted members on any Scrutiny Committee will not exceed 25% at any one time.
- ii) The total number of voting Co-opted Members on any Review Panel will not be limited.
- iii) Those Co-opted Members with voting rights will exercise their rights in accordance with the principles of decision making set out in the constitution.

For Further information:

If you have any queries about this Agenda or require any details of background papers, further documents or information, you should contact Louisa Bright, Principal Committee and Member Services Officer, Wyre Forest House, Finepoint Way, Kidderminster, DY11 7WF. Telephone: 01562 732763 or email louisa.bright@wyreforestdc.gov.uk

Wyre Forest District Council
Overview & Scrutiny Committee

Thursday, 6th February 2020

Council Chamber, Wyre Forest House, Finepoint Way, Kidderminster

Part 1

Open to the press and public

Agenda item	Subject	Page Number
1.	Apologies for Absence	
2.	Appointment of Substitute Members To receive the name of any Councillor who is to act as a substitute, together with the name of the Councillor for whom he/she is acting.	
3.	Declarations of Interests by Members In accordance with the Code of Conduct, to invite Members to declare the existence and nature of any Disclosable Pecuniary Interests (DPI's) and / or Other Disclosable Interests (ODI's) in the following agenda items and indicate the action that they will be taking when the item is considered. Please see the Members' Code of Conduct as set out in Section 14 of the Council's Constitution for full details.	
4.	Minutes To confirm as a correct record the Minutes of the meeting held on the 5 th December 2019.	7
5.	How Are We Doing? Performance Update To consider a report from the Business Improvement Officer which updates Members on the performance of the Council for quarter 3 from 1 st October to 31 st December 2019.	11
6.	Wyre Forest District Local Plan (2016-2036) To consider a report from the Spatial Planning Manager which summarises the progress on the preparation of a local plan for the period 2016-2036. Please note that the appendices to this report are available electronically http://www.wyreforest.gov.uk/council/meetings/com193.htm#mt8222 <u>2</u>	27

7.	Annual Review of the North Worcestershire Community Safety Partnership 2019/20 To consider a report from the Community Safety & Partnerships Officer which provides an update on the priorities, performance, successes and challenges in relation to the North Worcestershire Community Safety Partnership (NWCSP) during 2019/20.	43
8.	Treasury Management Strategy 2020-21 To consider a report from the Corporate Director: Resources which provides Members with background information on the Chartered Institute of Public Finance (CIPFA) Prudential Code for Capital Finance in Local Authorities (Prudential Code).	59
9.	Feedback from Cabinet To note the content of the Cabinet action list, following consideration of the recommendations from its meeting on 17 th December 2019.	112
10.	Work Programme To review the work programme for the current municipal year with regard to the Corporate Plan Priority, Annual Priorities and the Forward Plan.	113
11.	Press Involvement To consider any future items for scrutiny that might require publicity.	
12.	Procurement Strategy and Business Plan for Brinton Park, National Lottery Heritage Fund (NLHF) Project To consider a report from the Community Development Manager which updates Members on the Procurement Strategy and Business Plan for Brinton Park, NLHF Project	115
13.	To consider any other business, details of which have been communicated to the Solicitor of the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.	
14.	Exclusion of the Press and Public To consider passing the following resolution: “That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting during the consideration of the following item of business on the grounds that it involves the likely disclosure of “exempt information” as defined in paragraph 3 of Part 1 of Schedule 12A to the Act”.	

Part 2

Not open to the Press and Public

15.	Agenda Item 12 - Procurement Strategy and Business Plan for Brinton Park, National Lottery Heritage Fund (NLHF) Project Appendix 1 - Procurement Strategy	
16.	To consider any other business, details of which have been communicated to the Solicitor of the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.	

WYRE FOREST DISTRICT COUNCIL

OVERVIEW & SCRUTINY COMMITTEE

**KIDDERMINSTER/ROCK ROOM, WYRE FOREST HOUSE, FINEPOINT WAY,
KIDDERMINSTER**

THURSDAY, 5TH DECEMBER 2019 (6PM)

Present:

Councillors: M J Hart (Chairman), S J Chambers (Vice-Chairman), N J Desmond, P Dyke, C Edginton-White, S Griffiths, S Miah, T L Onslow, S E N Rook and D R Sheppard.

Observers

Councillors: G W Ballinger, B S Dawes, H E Dyke, N Martin, F M Oborski MBE and J W R Thomas.

OS.48 Apologies for Absence

Apologies for absence were received from Councillor M Rayner.

OS.49 Appointment of Substitutes

Councillor P Dyke was a substitute for Councillor M Rayner.

OS.50 Declarations of Interests by Members

No declarations of interest were made.

OS.51 Minutes

Decision: The minutes of the meeting held on 7th November 2019 be confirmed as a correct record and signed by the Chairman.

OS.52 Car Park Charges

The Committee considered a report from the Corporate Director: Economic Prosperity & Place setting out the Administration's proposed changes to car parking charges across the District, which were intended to form part of the fees and charges that would be considered and decided by Cabinet at the meeting on 17th December 2019.

Each proposed change to car parking charges was presented in detail by the Corporate Director: Economic Prosperity and Place, including the operational and financial consequences of each proposal together with the combined effect on the Medium Term Financial Strategy. Members were afforded the opportunity to ask detailed questions and make comments on each proposal. It was noted that the proposed changes would require an advertisement of the Car Park Places Order.

Councillor N Martin left the meeting at 6:37pm and returned at 6:39pm.

Agreed: Recommend to Cabinet that:

All the changes described in the report should be implemented, namely: introducing the new charges from 6/4/20, introducing a simplified banding charging structure, removal of the first hour free parking on some car parks, introduction of a 'seasonal increase' in charges in car parks in Stourport and Bewdley between April and October, extending the charging period on all car parks to 9.00pm in the evening and revisions to the suite of season tickets to remove the senior citizen 6 month season ticket as well as all restricted season tickets with effect from 6/4/20.

7:31pm - Councillors B S Dawes, N J Desmond, S Griffiths, S E N Rook and J W R Thomas left the meeting.

OS.53 Crown House Capital Works

The Committee considered a report from the Corporate Director: Economic Prosperity & Place setting out the proposals for the capital works at Crown House to create a temporary car park once demolition has been completed, to be funded through the Council's Evergreen Investment Fund.

7:36 pm Councillors S Griffiths and S E N Rook returned at this point.

Members asked questions on the proposal which were comprehensively answered by the Corporate Director: Economic Prosperity & Place.

Agreed: Recommend to Cabinet that:

The allocation of the capital funding necessary to enable the use of the site as temporary car parking be made from the Evergreen Investment Fund.

Councillor P Dyke left the meeting at this point (7:41pm)

OS.54 Effectiveness of PACT Action Plan

The Committee considered a briefing paper from the Community Safety and Partnership Officer which provided an update on the Action Plan which was implemented jointly with Wyre Forest District Council and West Mercia Police, to help improve the effectiveness of PACT (Partners and Communities Together). Members discussed those areas that still held PACT meetings even though the formal meetings had ended and also the other events being held to replace the PACT meetings. It was agreed that each area had different needs and requirements to engage with members of the public.

Agreed: The contents of the briefing paper be noted and the Community Safety and Partnership Officer to discuss with the Chief Inspector of West Mercia Police the need for a bi-annual public meeting to be kept under review.

Councillor T L Onslow left the meeting at 7:50pm and returned at 7:53pm

OS.55 Wyre Forest Health and Wellbeing Plan Update

The Committee considered a report from the Principal Health & Sustainability Officer updating Members on work to improve health and wellbeing in Wyre Forest and to seek endorsement of the new Wyre Forest Health Action Plan 2019-20.

Members were alerted to figures showing the rates of male suicide in Wyre Forest were higher than the national average. They discussed groups identified as being at risk of loneliness, including new young mothers, and childhood obesity figures and work that is planned as part of a whole systems approach to obesity.

Agreed: Recommend to Cabinet that:

The Wyre Health Action Plan 2019- 20 as attached at Appendix 2 of the report is approved with the addition of action points for tackling male suicide and loneliness in 'at-risk' groups in Wyre Forest.

8:11pm - Councillor N Martin left the meeting.

OS.56 Climate Change Update

The Committee considered a report from the Principal Health and Sustainability Officer providing an update on implementation of the Wyre Forest Climate Change Action Plan 2018/19 and sought endorsement of the updated action plan for 2019/20.

Members were happy to acknowledge the successful Greener Living fairs that had been held in the District and thanked Officers for the work that had been carried out.

Agreed: The Committee noted the progress on implementation of the Climate Change Action Plan 2018/19 as detailed in appendix 1 of the report AND

Recommend to Cabinet that:

The Climate Change Action Plan 2019/20 as attached at Appendix 2 of the report is approved.

OS.57 Feedback from Cabinet

Agreed: The content of the Cabinet action list, following consideration of the recommendations from its meeting on Tuesday 12th November 2019 be noted.

OS.58 Work Programme

The Chairman invited Members to submit items for the January meeting. He informed them that the January meeting would be cancelled if no items were received.

Agreed: The work programme be noted.

OS.59 Press Involvement

There were no future items for scrutiny that might require publicity.

There being no further business the meeting ended at 8:20pm.

Overview & Scrutiny Committee

Briefing Paper

Report of: Rhiannon Foxall, Business Improvement Officer
Date: 6th February 2020
Open

How Are We Doing? Performance Update

1. Summary

- 1.1 To update Members on the performance of the Council for Quarter 3 (from 1st October to 31st December 2019).

2. Background

- 2.1 Performance management is instrumental in all council activities as it helps us to keep track of how well we are performing and enables any potential issues to be identified at an early stage so remedial action can be taken. It also informs our decision making processes which underpin the delivery of our Corporate Plan 2019-23.
- 2.2 The Council has a number of processes in place to monitor our performance including:
- Corporate Plan Actions
 - Corporate Risks and associated actions
 - Leading Measures
 - Lagging Measures

3. Progress

- 3.1 **Appendix 1** is a detailed report of performance against our purpose of [‘Place’](#).
- 3.2 **Appendix 2** is an [overview of activity](#) at Bewdley Museum
- 3.3 **Appendix 3** is the [Capital Projects](#) report

4. Key Achievements/Issues

- 4.1 There are no significant issues to highlight at the end of this quarter with regards to actions as there are none that are overdue. Therefore no exception report features as an appendix.
- 4.2 Four satisfaction measures have been removed from the ‘keep my place safe and looking good’ section of the Place report (Satisfaction with household waste, satisfaction with doorstep recycling, satisfaction

with street cleanliness and satisfaction with parks). This data was collected from the Viewpoint Survey which is no longer undertaken.

5. Options

- 5.1 That the progress in performance for quarter 3 be noted.

6. Consultation

- 6.1 Leader of the Council
6.2 Corporate Leadership Team

7. Related Decisions

- 7.1 None.

8. Relevant Council Policies/Strategies

- 8.1 Wyre Forest District Council Corporate Plan 2019-23.

9. Implications

- 9.1 Resources: No direct implications from this report.
9.2 Equalities: No direct implications from this report.
9.3 Partnership working: No direct implications from this report.
9.4 Human Rights: No direct implications from this report.
9.5 E-Government: No direct implications from this report.

10. Equality Impact Needs Assessment

- 10.1 An equality impact assessment has been undertaken and it is considered that there are no discernible impacts on the nine protected characteristics as set out by the Equality Act 2010.

11. Wards affected

- 11.1 None.

12. Appendices

- 12.1 Appendix 1 – Full ‘Place’ report
12.2 Appendix 2 – Museum Overview
12.3 Appendix 3 – Capital Projects

13. Background Papers

Corporate Plan action information is available on the Council's Performance Management System, Pentana Performance. Alternatively, reports can be requested from the Business Improvement Officer.

Officer Contact Details:

Name: Rhiannon Foxall
Title: Business Improvement Officer
Contact Number: Ext. 2786
Email: rhiannon.foxall@wyreforestdc.gov.uk

KEEP MY PLACE SAFE AND LOOKING GOOD

This report details the progress we have made against our purpose of 'keep my place safe and looking good'.

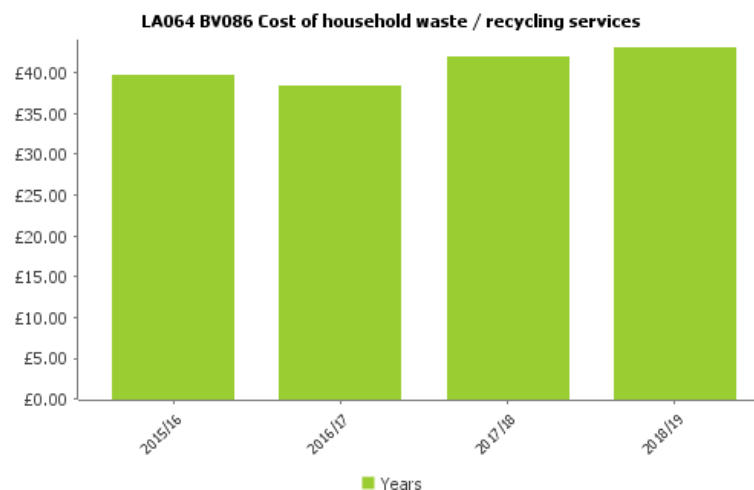


Measures

As a way of measuring the progress with our purpose, we collect key data to monitor trends and patterns. This data not only helps us to understand the impact of the work that we are doing but it also assists with decision making at a corporate level. The latest available data is detailed below:

LA064 Cost of household waste /
BV086 recycling services

Aim to
Minimise



Current
Value £43.00



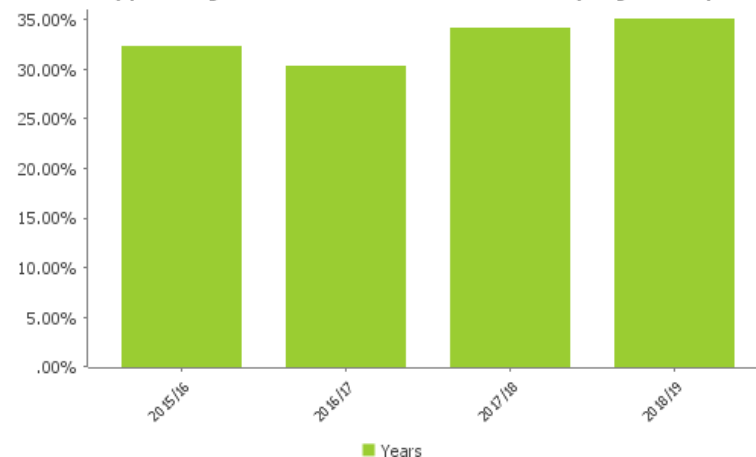
Managed By Steve Brant

Agenda Item No. 5 Appendix 1

LA065 Yearly percentage Of Household Waste Sent For Reuse Recycling And Composting

Aim to
Maximise

LA065 Yearly percentage Of Household Waste Sent For Reuse Recycling And Composting



Current
Value

34.98%

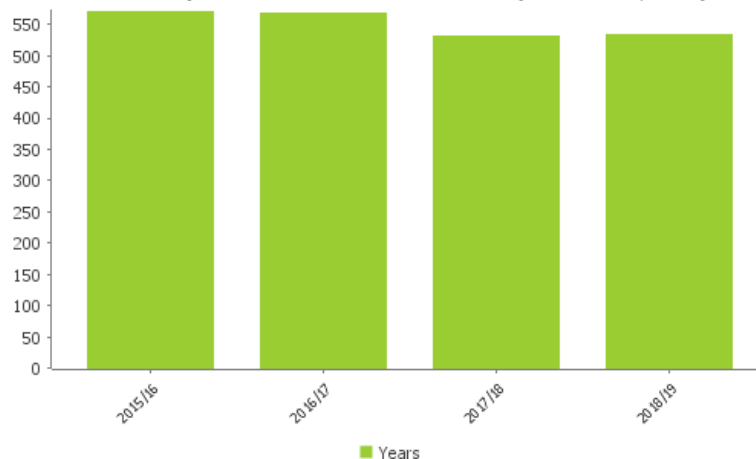


Managed By Steve Brant

LA066a Yearly residual Waste Per Household – KG's (old RES PI 08 /NI191)

Aim to
Minimise

LA066a Yearly residual Waste Per Household – KG's (old RES PI 08 /NI191)



Current
Value

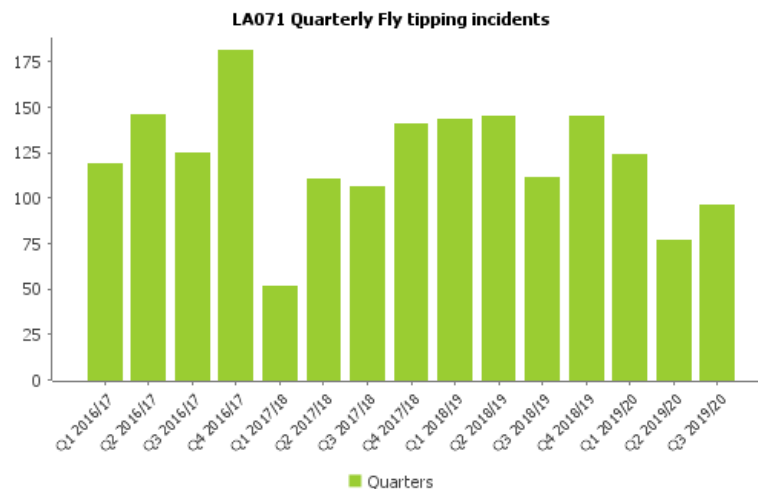
533



Managed By Steve Brant

Agenda Item No. 5 Appendix 1

LA071 Quarterly Fly tipping incidents Aim to Minimise

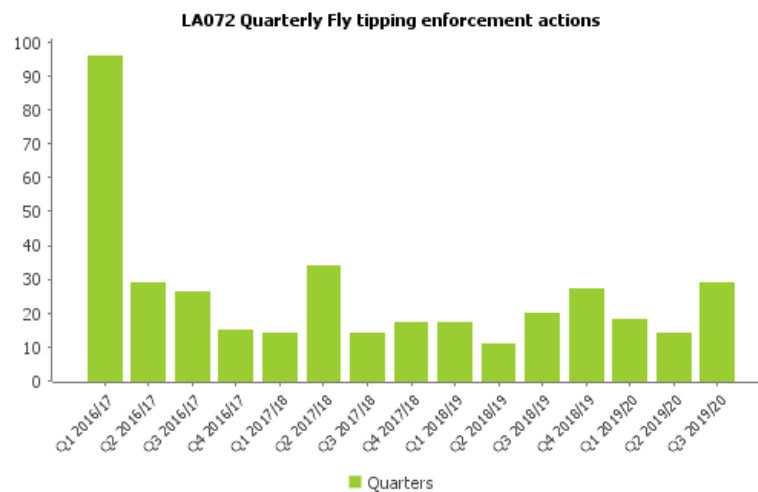


Current Value 96



Managed By Steve Brant

LA072 Quarterly Fly tipping enforcement actions Aim to Minimise



Current Value 29

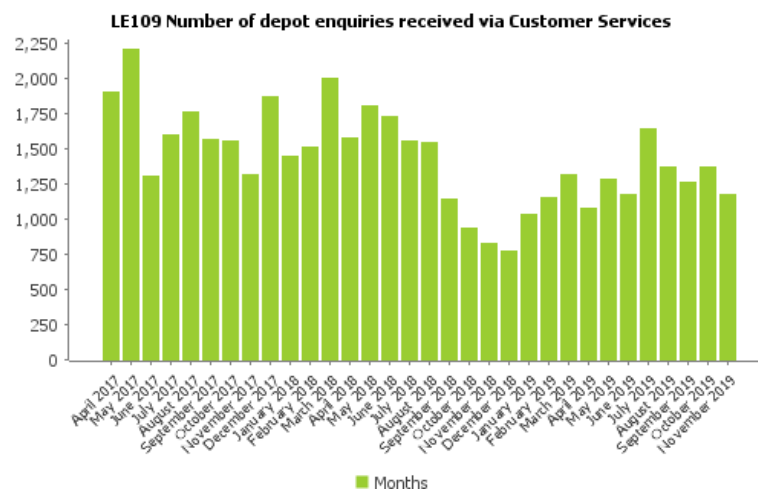


Managed By Steve Brant

Agenda Item No. 5 Appendix 1

LE109 Number of depot enquiries received via Customer Services

Aim to
Minimise



Current
Value

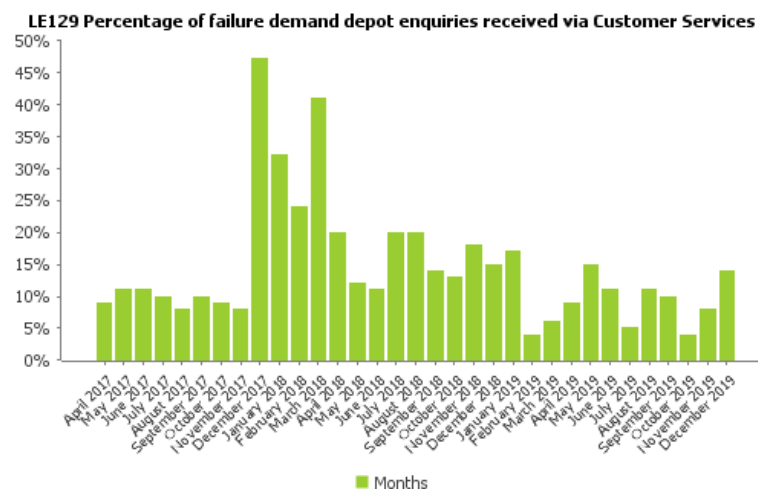
1,181



Managed By Steve Brant

LE129 Percentage of failure demand depot enquiries received via Customer Services

Aim to
Minimise



Current
Value

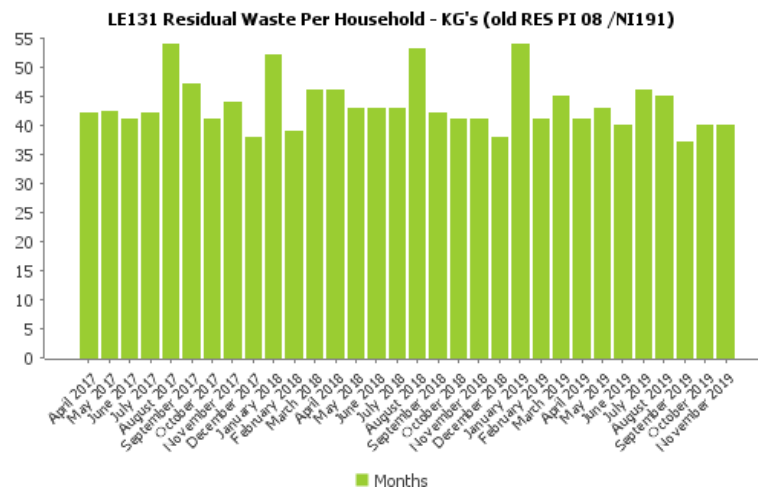
14%



Managed By Steve Brant

Agenda Item No. 5 Appendix 1

LE131 Residual Waste Per Household – KG's (old RES PI 08 /NI191) Aim to Minimise

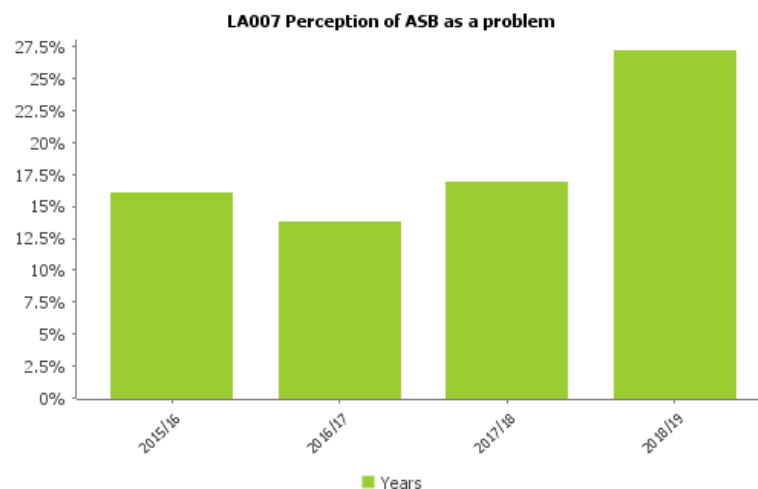


Current Value 40

Managed By Steve Brant

LA007 Perception of ASB as a problem

Aim to Minimise



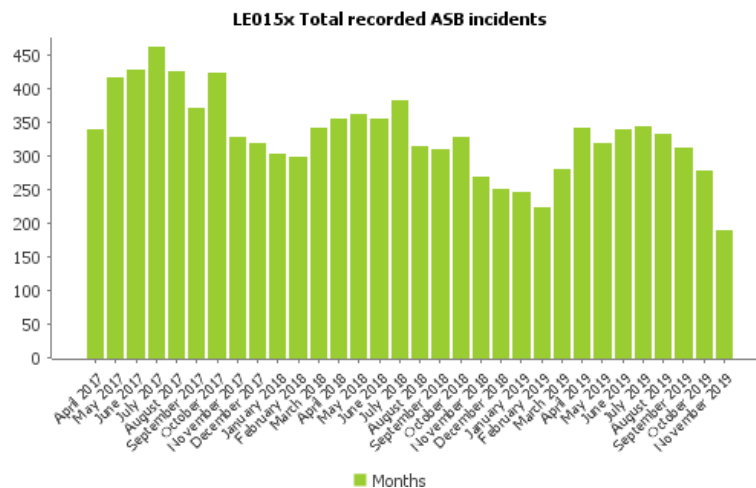
Current Value 27.1%

Managed By Kathryn Underhill

Agenda Item No. 5 Appendix 1

LE015 Total recorded ASB incidents

Aim to
Minimise



Current
Value

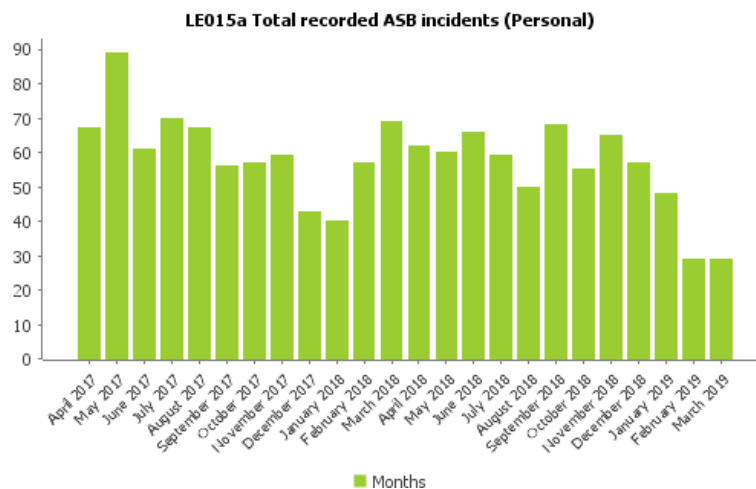
188



Managed By Kathryn
Underhill

LE015a Total recorded ASB incidents
(Personal)

Aim to
Minimise



Current
Value

29

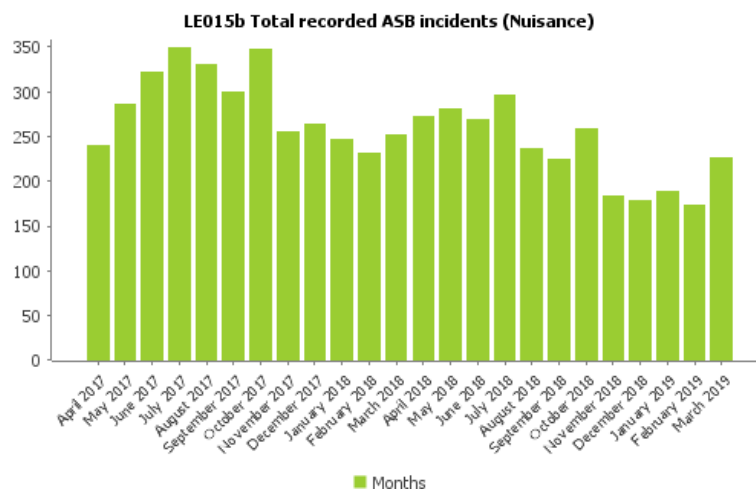


Managed By Kathryn
Underhill

Agenda Item No. 5 Appendix 1

LE015b Total recorded ASB incidents
(Nuisance)

Aim to
Minimise



Current
Value

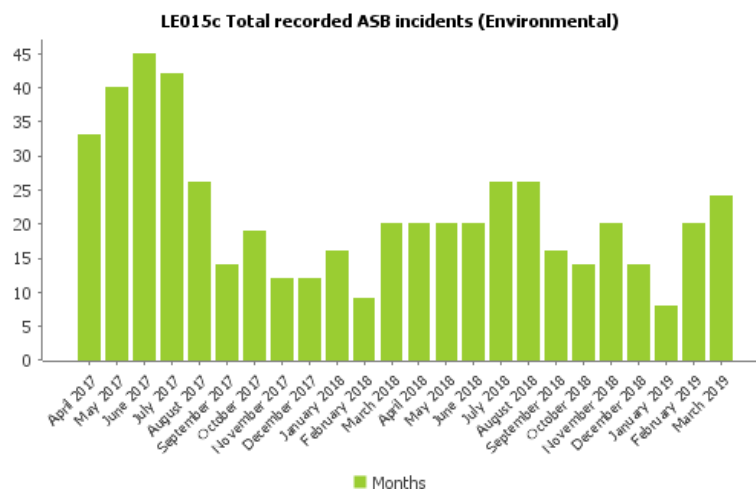
227



Managed By Kathryn
Underhill

LE015c Total recorded ASB incidents
(Environmental)

Aim to
Minimise



Current
Value

24



Managed By Kathryn
Underhill

ENSURE THAT THERE ARE GOOD THINGS FOR ME TO DO, SEE AND VISIT

This report details the progress we have made against our purpose of 'ensure that there are good things for me to do, see and visit'.



Actions

Listed below is the progress against our current major projects that support the delivery of our purpose of 'ensure that there are good things for me to do, see and visit'.



WFF 19/20 69

Stourport Riverside

55%



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2020	Alan Breen; Linda Draycott	Work currently in progress on Part 1 of the improvement and landscaping plans. As this is continuous improvement, due date amended as end of financial year for annual review.	13-Jan-2020

Cross cutting Actions

Listed below are primary actions for other purposes but also impact on this purpose:

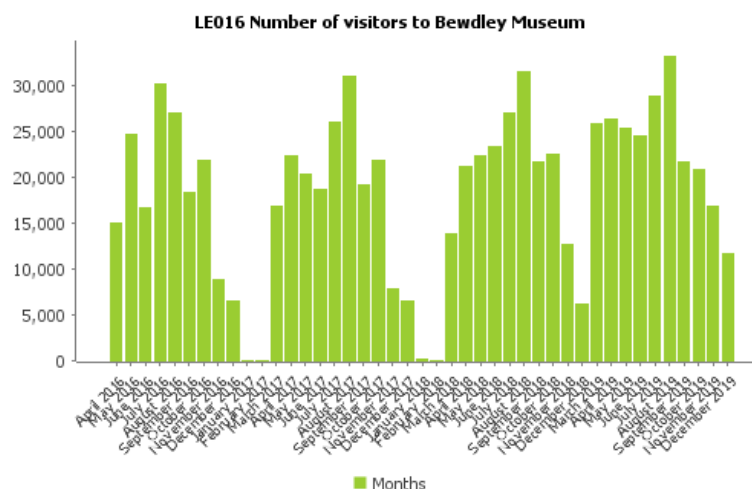
WFF 19/20 30

Stourport Canal Basins

Measures

As a way of measuring the progress with our purpose, we collect key data to monitor trends and patterns. This data not only helps us to understand the impact of the work that we are doing but it also assists with decision making at a corporate level. The latest available data is detailed below:

LE016 Number of visitors to Bewdley Museum Aim to Maximise



Current Value 11,651



Managed By Alison Bakr

Cross cutting measures

Listed below are primary measures for other purposes but also impact on this purpose:

LE032 Participation rates in sport/leisure facilities – Wyre Forest Leisure Centre

Bewdley Museum 2019/20

Our 2019/20 season has seen a huge increase in visitor numbers to 235,459 to date which is an increase of 33,195 at the same time last year. This is significant in a time of uncertainty with Brexit and its implications affecting the economy. The foot fall through the museum is critical for us and for our craft people, cafe and shop. We also generate business for local traders as a large percent of visitors to the museum come from out of the area and will spend time and money in the town.

The museum continues to be a popular venue that offers something for all ages and groups of people. We continue to attract a mix of local and national visitors and many post excellent feedback on trip advisor and face book. Below is a sample of the many comments on Trip advisor where five stars have been awarded. For 2019/20 we were either first or second in things to see and do in and around Bewdley and continue to achieve excellence on their website for the fifth year running.

For the 19/20 season:

Very interesting large museum that features both local history, some information about early Humans and animals such as Mammoths around 60,000 years ago!

Also has a varied selection of displays including tribal dance, transgender, artworks and vintage furniture.

Fascinating place, definitely worth a visit if you in the area

Was a cafe outside but because it was raining didn't go to it as only outdoor seating,

When in Bewdley you must visit the interesting Bewdley Museum.

There are lots of interesting displays of local history, nice tea rooms, activities for children, lovely gardens and small gift shop.

In the summer there are lots of activities outside.

It's is hidden away off the high st, (Load Street) and could easily be missed. It is a hidden treasure and worth a find.

What a lovely little find! Lots of little things a to see and do and all for free which was lovely. They have made what already is a pretty little area look lovely and there looked like there was a nice place for a spot of lunch and a coffee but it was too busy and we had to go elsewhere. A good sign though as there were people waiting to run to the next available table!

- Our ticketed performances in the gardens remained very popular; 900 tickets were sold for the summer theatre productions which were Gangsta Granny, Wuthering Heights and Wind in the Willows. The Cherry Fair, Halloween event and Christmas events were all well attended
- Our Education programme continued to expand and has generated income in line with our business plan. We have regular attendance at dementia workshops and have developed a programmes of guided walks that has been marketed to schools and coach companies.
- Our activities programme for children in the school holidays was bursting at the seams with 1200 children attending drop in sessions and again the cafe and shop both reported higher numbers on those days.

Agenda Item No. 5
Appendix 2

- The revamped shop has proved to be very successful offering unique gift ideas. The offer has been expanded and the team have been working hard to get the offer right. The margins have been raised to 2.6 across the range and we are on track to hit our income target.
- Our heritage wedding open days are attracting lots of customers and the conversion is 50% which is fantastic. We held 21 weddings up to the end of December 19. For the 19/20 season we have a target of 30 weddings and we have 10 booked so far.
- Our site and gardens continue to attract growing numbers of people our focus this year continues to be in the areas we know we can deliver well that are popular with our visitors and critically generate income growth year on year.
- This has been an extremely busy and hard year for the team. Maintaining the site, the operational elements and maintaining an exceptional visitor experience takes commitments and hard work. I would like to express my thanks for the dedication and commitment of the staff which makes the museum the success that it is.

Alison Bakr
Museum Manager
January 2020

Capital Projects

This report details the progress of all of our capital projects



WFF 19/20 16

Crown House/Kidderminster Western Gateway



Due Date	Managed By	Latest Note	Latest Note Date
29-Feb-2020	Mike Parker	Planning permission granted for temporary car park use at Planning Committee on 14th January. Demolition still expected to be complete by end of March. Re-engagement of legal teams to plan for post demolition surrender of lease.	16-Jan-2020

WFF 19/20 68

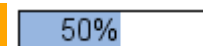
Green street depot 2020 improvement and investment plan



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2020	Steve Brant; Linda Draycott	All works complete apart from off site s278 highways work which were agreed to be completed with WCC after the Christmas period.	20-Jan-2020

WFF 19/20 77

Churchfields



Due Date	Managed By	Latest Note	Latest Note Date
31-Dec-2020	Mike Parker	Works progressing well including reconfiguration of Clensmore Street adjacent St Mary's Church car park. Continue progress with Homes England to satisfy final pre draw down conditions.	16-Jan-2020

Listed below are actions that will become capital projects in the future

WFF 19/20 31

Lion Fields



Overview & Scrutiny Committee

Briefing Paper

Report of: Helen Smith
Date: 6th February 2020
Open

Wyre Forest District Local Plan (2016-2036)

1. Summary

- 1.1 Since 2015, Wyre Forest District Council has been working towards the preparation of a Local Plan for the period 2016 – 2036. The Local Plan sets out the policies and plans to guide future development within Wyre Forest District up to 2036. It will be the statutory document against which individual planning applications are determined. The Local Plan therefore has a key role in shaping the future of the district.
- 1.2 This report summarises the progress that has taken place since 16th July 2019, when Cabinet last made decisions on the Local Plan [to undertake consultation on the pre submission Plan]. The Local Plan and its evidence base were subsequently published on 2nd September 2019 for a 6 week public consultation that took place up to 14th October 2019. Officers have considered the responses to this consultation carefully. Having done so, they are satisfied that there are no obstacles to the submission of the Local Plan as approved by Cabinet on 16th July 2019, that the relevant requirements have been complied with and that the Plan is ready for independent examination by an Inspector appointed by the Secretary of State.
- 1.3 The purpose of this report is to:
- 1.4 Set out the documentation for the proposed Wyre Forest District Local Plan (2016-2036) and Policies Map (together with the associated evidence base, including the Sustainability Appraisal) for the purpose of its submission to the Secretary of State for independent examination under section 20 of the Planning and Compulsory Purchase Act 2004 (the PCPA 2004) (as shown in Appendix 1); and
- 1.5 To present to Members:
 - a) The Table of Minor Modifications to the Wyre Forest District Local Plan (2016-2036) and Policies Map (as shown in Appendix 2);

- b) The submission documents prepared pursuant to Regulation 22 of the Town and Country Planning (Local Planning) (England) Regulations 2012 (the Local Planning Regulations) (see Appendix 3);
- c) The technical study 'Traffic Demand in the Hagley Area (A456 Corridor)' (in Appendix 4) as a background paper (which has yet to be published by the County Council); and
- d) The 'Statements of Common Ground' with third parties such as agencies and adjoining Councils (as shown in Appendix 5).

2. Strategic Implications

- 2.1 By virtue of the PCPA 2004, the Local Planning Regulations and the National Planning Policy Framework (NPPF), each Local Authority should produce a Local Plan for its area. The Council's existing adopted Plan is out of date in certain respects and the Council now needs to ensure that it achieves a 'sound' Local Plan to replace it, in accordance with the Government's planning policy, the NPPF (what is required to meet the soundness test is set out in paragraph 12.4 of this report).

3. Background

- 3.1 The review of the Local Plan began in late 2015 with the Issues and Options consultation. Since the close of that consultation, officers worked with the Council's Local Plans Review Panel (LPRP) (an Overview and Scrutiny Task and Finish Group) to bring forward the next stage of the review which was the Preferred Options consultation (Regulation 18).
- 3.2 The Preferred Options consultation (Reg 18), which commenced on 15th June 2017 and ended on 14th August 2017, outlined a combination of Core sites and options A and B which gave two potential options for growth, concentrated or dispersed. It was carried out in compliance with the Council's adopted Statement of Community Involvement (2013). The consultation included contacting individuals and organisations on the Local Plan consultation database, public drop-in sessions, and information provided via the Council's website and social media. At the end of the consultation process the Council had received over 5,000 responses from members of the public, developers, organisations and statutory consultees.
- 3.3 A summary of the key issues from the Preferred Options consultation was made available to LPRP at the LPRP meeting on 15th January 2018. Feedback from the consultation on the preferred options sites was also provided to LPRP at the meetings held on 19th February 2018 and 19th March 2018.
- 3.4 Following the Preferred Options consultation, work commenced on the Pre-Submission Publication version of the Local Plan. Further technical evidence base work was undertaken in relation to the proposed site allocations and the

findings of this with officer recommendations were presented to LPRP on 24th September 2018 and 15th October 2018. LPRP thus reviewed the proposed site allocations and made their recommendations to officers.

- 3.5 On 15th October 2018 LPRP considered the proposed Local Plan Pre-Submission Publication document (Background Paper 17.2) in its entirety. This enabled the LPRP to consider the draft policies, including the development strategy proposed for the district. This October 2018 version of the Pre-Submission Document and supporting evidence base studies were then approved by Cabinet on 30th October 2018 and consulted on during November/December 2018.
- 3.6 However, following receipt of responses to that consultation, it was agreed with Worcestershire County Council that the transport evidence would benefit from further clarification, and it was necessary to update some of the technical evidence base documents.
- 3.7 The sites to be included in the Pre-Submission document could be finalised only when the technical evidence base studies were completed and consistent with other evidence base documents due to their interdependency. The key studies that were updated/produced are as follows:-
- Transport Evidence Base Paper (June 2019)
 - A450 Corridor Enhancement Report (June 2019)
 - SLC Rail Technical Note on Blakedown Station Car Park Needs (June 2019)
 - Infrastructure Delivery Plan (June 2019)
 - Viability Assessment Note (June 2019)
 - WFDC Golf Facility Review (June 2019)
 - Burlish Golf Course Vision document (June 2019)
- 3.8 The Council's Five Year Housing Land Supply Report (5YHLS) was also updated to provide the most up-to-date information on the Council's five year housing supply as of 1st April 2019. It also incorporated the Government's introduction of the Housing Delivery Test and how this affects Wyre Forest District.
- 3.9 These updates to the various evidence base studies led to sections of the Local Plan Pre-Submission Document needing to be updated. As a result, the Local Plan Pre-Submission Document (October 2018) required updates to the following sections:-
- Foreword
 - Chapter 1 – Introduction and Context
 - Chapter 6 – A Sustainable Future: Development Strategy
 - Policy 8G – Site Provision for Travelling Showpeople
 - Chapter 10 – A Good Place to do Business – amendment to Table 10.0.1
 - Chapter 13 – Transport and Accessibility
 - Part C of Local Plan – Proposed Allocations to include:

- Site allocation at Blakedown and amendment to the settlement boundary for Blakedown village.
 - Removal of Yew Tree Walk site AKR/18.
 - Site allocation LI/10 – a change to employment use.
 - Site allocation LI/12 – a change to Travelling Showpeople use.
 - Site allocation LI/13 – new employment site.
 - Minster Road Outdoor Sports Area.
 - South Kidderminster Enterprise Park.
 - Local Plan Policies Map updates.
- 3.10 The amendments to the Local Plan and the updated technical evidence base documents were presented to LPRP for their consideration and recommendations on 1st July 2019. The amendments to the Local Plan can be viewed in Background Paper 17.1 of this report.
- 3.11 The recommendations of the LPRP were considered by the Overview and Scrutiny Committee on 4th July 2019. Their subsequent recommendations were reported to Cabinet at the meeting on 16th July 2019.
- 3.12 On 16th July 2019, Cabinet agreed to the following recommendations:
- a) Approve the Local Plan Pre-Submission Publication documentation for the re-opened public consultation (Regulation 19);*
 - b) Agree the technical evidence base studies as part of the evidence base for the Local Plan; and*
 - c) Delegate authority to the Corporate Director: Economic Prosperity & Place in consultation with the Cabinet Member for Economic Regeneration, Planning and Capital Investments to make any necessary amendments to the consultation documentation up to the launch of the consultation that may arise from the receipt of additional information following this meeting.*

4. Local Plan Pre-Submission Publication Consultation (Regulation 19)

- 4.1 The Pre-Submission Publication Consultation (Reg 19) represented the third stage in the review of the District's Local Plan. The first stage was the Issues and Options Consultation in late 2015. This was followed by the second stage in Summer 2017 for the Preferred Options consultation.
- 4.2 The aim of the Pre-Submission consultation was to seek views on whether the emerging Local Plan is legally compliant and if it is considered to be 'sound'.
- 4.3 A consultation on the Local Plan Pre-Submission Document was held in November/December 2018. The Council decided to re-open the pre-submission consultation to allow further representations to be made on the Local Plan following updates to some of the evidence base studies. This reopening of the consultation was approved by Cabinet on 16th July 2019. The consultation reopened on 2nd September 2019 and ran for 6 weeks closing on 14th October 2019. A detailed summary of the consultation responses

received for both the 2018 and the 2019 consultations are set out in Appendix 3. These consultation summaries (under Regulation 22) in Appendix 3 will be submitted to the Planning Inspectorate for examination alongside the Local Plan.

- 4.4 The consultation included contacting individuals and organisations on the Local Plan consultation database, public drop-in sessions, and information provided via the Council's website and social media. In total, the Council received 1588 responses to the consultations held in 2018 and 2019. Of these, over 53% were from individuals, 25% from representatives of organisations and the remaining from agents on behalf of either organisations or individuals.
- 4.5 All consultation responses received by the Council for Pre-Submission consultations will be submitted to the Government appointed Planning Inspector. This includes the consultation responses received for both the November/December 2018 consultation and the September/October 2019 consultation.

5. Wyre Forest District Local Plan (2016-36)

- 5.1 The Pre-Submission Publication document took account of:
- The extensive evidence base that has been built up since 2015;
 - The Issues and Options consultation reported in December 2015 to Cabinet;
 - The Preferred Options consultation reported to Overview and Scrutiny and Cabinet in October 2018;
 - Duty to Co-operate conversations with neighbouring local authorities, the County Council, relevant Statutory Organisations and key infrastructure providers;
 - Advice received from the LPRP.
- 5.2 Given the changes to the updated technical evidence base documents and the National Planning Policy context, attention was particularly drawn to the following key issues:
- Housing need and land supply
 - Transport Modelling and transport evidence
 - Infrastructure Delivery Plan
 - Viability Assessment update
 - Changes made to the consultation version of the Local Plan

5.3 Housing need and land supply

- 5.4 The Wyre Forest District Local Plan (2016-36) seeks to allocate a sufficient number of sites to accommodate the housing need identified in the Wyre Forest Housing Need Study (HNS) 2018. The HNS (2018) report considered the future housing need for Wyre Forest District based on the standard methodology developed by the Ministry of Housing, Communities and Local

Government (MHCLG). Based on the standard methodology and 2017 affordability ratios, the minimum local housing need for Wyre Forest was calculated as 276 dwellings per year using the 2016-based MHCLG household projections.

- 5.5 When the standard methodology for calculating housing need was first introduced during September 2018, the 2016-based household projections were used in the calculation. Across the country as a whole, this meant that the Government would not achieve its goal of building 300,000 dwellings a year by the mid 2020s with delivery estimates as low as 212,000 dwellings per annum expected using this methodology. In Wyre Forest, the 2016-based household projections gave a housing need figure of 276 dwellings per annum. This is the figure used in the Wyre Forest District Local Plan (2016-36).
- 5.6 During 2018/19 the Government consulted on proposed changes to national planning policy and its associated guidance including the standardised methodology for assessing local housing need. As a result of this consultation, the NPPF and its associated Planning Policy Guidance (PPG) (in relation to Housing and Economic Needs Assessment) were both updated in February 2019. These changes have implications for the district's housing requirement.
- 5.7 The updated NPPF and PPG now requires housing needs assessments to use the 2014-based household projections to set the baseline for the standard method calculation (as nationally this increased the numbers of dwellings that would be expected to be delivered, compared to using the 2016 figures). Whilst in most cases nationally this would give rise to a higher requirement figure, for Wyre Forest this recalculation gave a lower figure of 248 dwellings per annum.
- 5.8 Using the 2014-based household projections instead of the 2016 ones would generate a national requirement for around 266,000 dwellings which is still far short of the 300,000 the Government aspire to. It should also be remembered that the standard methodology establishes a **minimum** need and not an **actual** housing need.
- 5.9 The PPG Housing and Economic Needs Assessment as updated in February 2019 is clear that the standard methodology provides a **minimum** annual local housing need figure and that a Local Plan will be considered sound if it plans to meet housing need according to the standard method. However, any method reliant on the 2016-based household projections will not be considered sound (presumably on the basis that it was assumed that the new calculation would give rise to a higher figure). The Wyre Forest Local Plan is using the 2016-based data, so this departure from using the standardised methodology will need to be fully justified. In WFDC's situation, the housing need is actually higher using the 2016 data than the 2014 data so this helps to meet the Government's aspirations of delivering more housing.

5.10 As noted, the revised NPPF sets out that the housing requirement calculated using the standard methodology should be used as the **starting point** for looking at housing need and does not constitute the actual need. The justification for using the higher housing number in the Local Plan is as follows:

- Evidence from the Housing Needs Study (2018) suggests that there is a significant need for affordable housing within the District with 158 dwellings needed each year of the Plan period. It is however, not realistic to expect this amount of affordable housing to be delivered. Since April 2010, 777 affordable dwellings have been delivered – an average of 86 a year. The majority of these have been provided by Wyre Forest Community Housing on 100% affordable sites. A target of 90 affordable homes per year has been set for the Local Plan. This is seen as realistic. Viability issues have reduced the amount of affordable housing being brought forward on large brownfield sites such as British Sugar (12%) and Georgian Carpets (24%). According to the Housing Needs Study, 22% of households cannot afford even social rent levels and therefore it is paramount that a higher housing figure is used in the plan to encourage social rent housing on private developments via S106 agreements as opposed to “affordable rent” which is the rental product funded by Homes England to Registered Providers on non-s106 sites.
- The North Worcestershire Economic Development and Regeneration team have been successful in bringing new firms into the district to replace jobs lost with the decline of the carpet industry. In order to attract high quality well-paid jobs into the District, we not only need to provide land for employment development but a wide range of housing on attractive sites at a range of locations. This will encourage people to relocate to the District, not just to live but also to work.
- The Council is now proposing an allocation of approximately 6,365 dwellings over a 20 year period (2016-36). The clear and firm legal advice is that the Council allocates around 15% more than required, to allow for sites not coming forward. Using the 276 figure, the Local Plan would be over allocating by 15%.
- A further reason for using a higher housing figure is to help with the overall national housing supply situation. An annual delivery of 276 dwellings is considered feasible. Proposals for a number of large brownfield allocations are now well-advanced and these are expected to have developers on site prior to the Local Plan examination where potential Green Belt releases will be debated.
- It is proposed that a Topic Paper will be produced for the Examination to assist the Inspector in understanding the Council’s reasons for using the 2016 household projection figures.

5.11 **Transport modelling and transport evidence updates**

- 5.12 The Transport Evidence Paper (June 2019) details the transport modelling work undertaken by the County Council and their consultant, Jacobs, to assess the growth and identify the transport interventions necessary to support the Local Plan.
- 5.13 The results of the modelling work at AM and PM peak travel times has identified impacts on the road network around Kidderminster and the Kidderminster ring road is expected to experience worsening congestion. The A449, A450 and Stourport town centre are also expected to experience worsening congestion. The highway network will experience average speeds reduced to 23 to 24kph during peak periods and journey times along the key routes are all expected to worsen as a result of the proposed growth.
- 5.14 The results of the transport modelling work have been used to identify the measures contained within the transport section of the Wyre Forest Infrastructure Delivery Plan (IDP). In order to mitigate the impact a combination of measures across all modes of travel is required. Investment in alternative modes of travel to provide real travel choice and sustainable options will help to reduce congestion and delays across the transport network. The County Council has produced a separate report on the proposed A450 corridor enhancements which forms part of the evidence base documents and was consulted on during the 2019 consultation.
- 5.15 Since the 2019 pre-submission consultation, Worcestershire County Council have produced a technical study 'Traffic Demand in the Hagley Area (A456 Corridor)' which has yet to be formally published. This technical study has been produced following Duty to Co-operate discussions with Bromsgrove District Council, Worcestershire County Council and Wyre Forest District Council. The study will be a background paper to the Statement of Common Ground that is being prepared by Wyre Forest District Council jointly between Bromsgrove District Council and Worcestershire County Council. The technical study considers the potential traffic impact that the proposed strategic site allocations in the Wyre Forest District Local Plan may have on Hagley, which is located outside of the Wyre Forest District area. The technical study concludes that the traffic impact would be minimal from the proposed site allocations and that some of the congestion caused in Hagley is from traffic passing through the Wyre Forest District and not originating from the district itself. Worcestershire County Council also conclude in the technical study that demand mitigation for the A456 corridor *"centres on focussing investment at Blakedown Station expansion to provide strategic rail-based park and ride facilities and investing in improvements at Kidderminster station and station travel plans to support growth, in line with the sustainable development principles of the National Planning Policy Framework. Together, these stations will provide genuinely attractive travel alternatives for a significant percentage of trips using this corridor, mitigating the impacts of demand growth on the busy A456. When station car park charges come forward at stations within the West Midlands Conurbation in future, this is expected to result in a net uplift in demand to use stations in Worcestershire."*

5.16 **SLC Rail report about Blakedown Station Car Park needs**

5.17 A separate report on Blakedown Railway Station was provided by Worcestershire County Council as part of the suite of documents forming the transport evidence for the Local Plan, and was consulted on as part of the pre-submission consultation undertaken in 2019. This separate report sets out the justification as to why an additional car park is required at Blakedown railway station, which would be in addition to the site already allocated within the emerging Local Plan at Station Yard for 80 car parking spaces. The additional car park would be located on the site off Station Road and would provide an additional 170 car parking spaces plus 50 residential units. The justification for this additional car parking site includes the following reasons:

- The current station only offers car parking for 10 spaces. As a result of this, there are many vehicles parked on the local streets next to the railway. The additional car park would help to relieve the pressure for parking on the local roads.
- Worcestershire County Council's Rail Investment Strategy (WRIS-2017) identifies increased railway station car parking capacity as a key facilitator in providing access to transformed, sustainable rail connectivity between the County and other UK economies.
- The WRIS has assumed that the ratio of car parking spaces to passenger numbers should remain, at minimum, 1 to 9 given the rural nature of the county, requiring in turn a minimum growth of more than 1,577 new spaces across Worcestershire.
- The significant growth proposed at Lea Castle and East of Kidderminster within the Wyre Forest Local Plan Review provide further justification for an increased demand and therefore parking capacity at Blakedown railway station.
- The additional car parking would create a sustainable transport hub.

5.18 The response the Council received from Worcestershire County Council to the Pre-Submission Local Plan consultation held in September/October 2019 stated the following about the site at Blakedown railway station:

"Worcestershire County Council welcome the allocation of land for the further expansion of Blakedown station and associated car parking, in line with WCC recommendations. This reflects the opportunity that rail offers to mitigate existing and future generated demand on strategic highway corridors (especially the A456), enabling genuinely sustainable growth opportunities in the Wyre Forest."

5.19 During the 2019 consultation, the Council also received a response from the Black Country Authorities in support of the Blakedown railway station car park proposal. The response from the Black Country Authorities states:

"The A456 forms part of the West Midlands Key Route Network and a study is underway to bring forward measures to improve the management of this route, which includes a short section beyond the Dudley boundary to the junction at Hagley. However, these resulting measures will not by themselves

deal with the future demands on this corridor. Rail and associated strategic park & ride facilities will have an important role to play. We would therefore like to place on record our support for the proposed development of a park & ride facility at Blakedown. This should intercept trips, particularly those bound for Birmingham, much earlier and will make better use of existing and future rail capacity on the Birmingham-Worcester route. In turn, this should provide relief to the highway network including the heavily congested junctions in Hagley.”

5.20 Churchill and Blakedown Parish Council have objected to the proposed site allocation for car parking and residential at land off Station Drive (WFR/CB/3) near Blakedown railway station. Their reasons for objection include:

- *“The evidence is flawed;*
- *The treatment of Kidderminster and Blakedown Stations should be interchangeable;*
- *The identified housing sites in the Plan to the eastern side of Kidderminster are not sustainable in transport terms which has caused the “push” eastwards to Blakedown;*
- *The Council’s approach is contrary to NPPF;*
- *Over intensification of use of a site and loss of amenity to neighbouring residents;*
- *Compromised Access;*
- *No apparent regard to the recent Churchill & Blakedown Neighbourhood Plan.”*

5.21 **Infrastructure Delivery Plan (IDP)**

5.22 The purpose of the Wyre Forest Infrastructure Delivery Plan (IDP) is to set out the infrastructure requirements as part of the evidence base to support the proposals contained in the Wyre Forest Local Plan Review, which covers the period 2016 to 2036. The revised IDP was published with the Pre-Submission consultation in September/October 2019.

5.23 Infrastructure can be defined in simple terms as the facilities that help local people to live their everyday lives. It includes physical “hard” infrastructure (e.g. roads), physical social infrastructure (e.g. school buildings, new or expanded health centres) and green infrastructure (e.g. woodland).

5.24 The IDP carries ‘living document’ status and is subject to on-going change. It is a technical evidence document designed to inform policy rather than be policy itself. The NPPF requires an IDP to be produced alongside a Local Plan at plan making stage. Key statements in the NPPF are made at paragraphs 16b, 20 and 57.

5.25 The total infrastructure cost for the Local Plan has been identified as £124 million. This is made up of the following infrastructure requirements:-

- Transport = £63.8m

- Education = £45.8m (total cost of primary and secondary education infrastructure)
- Sport & Recreation = £5.05m
- GPs = £4.1m
- Acute Health = £4m
- Police = £749k
- Waterway = £430k

5.26 The IDP has identified secured funding for £19.1m and a possible £27.6m from S106 contributions. Therefore, the IDP has identified a funding gap of £77.3 million. Note that nearly all infrastructure delivery plans produced will have an infrastructure funding gap and this IDP is no different. The funding scenario is always in a state of change and any funding gap will be a snapshot in time. Nevertheless, this version of the IDP can provide a sound estimate of the funding gap as it is currently known. It is important to note the funding gap doesn't mean infrastructure projects will not be delivered. This is because the funding gap is expected to reduce over the lifetime of the plan as contributions are collected and appropriate funding bids are successful. The emerging Local Plan, supported by its IDP, will play an important role in supporting a successful bidding process. Future work with developers, infrastructure providers including WCC and LEPs will be vital to ensure deliverability.

5.27 Viability Assessment update

5.28 A Pre-Submission Viability Note was completed to provide an update of the Wyre Forest District Local Plan viability position prior to submission and was consulted on during the 2019 (Reg 19) consultation. This is the third time viability has been reviewed in this plan making process following:

- Local Plan Viability Assessment (May 2017);
- Local Plan Viability Assessment Update (October 2018).

5.29 The headline issues the report identified included:

- This updated report considers changes in National Planning Policy Framework and Planning Practice Guidance alongside an update to the proposed infrastructure costs on the strategic sites in the plan.
- Since the last assessment infrastructure costs and requests for revenue support for services have increased from an average of £12,994 to £17,494 per dwelling.
- This is due to an increase in transport and education costs with new requests being made by NHS Acute Trust and WFDC Waste Collection.
- Currently only approximately £2,500 per dwelling can be afforded for infrastructure funding.
- The affordable housing percentage was tested at 30% ranging down to 0%.
- With the previous viability position of affordable housing at 25% and full infrastructure costs and revenue costs the viability has worsened.

5.30 Table of Minor Modifications

- 5.31 Table of Minor Modifications is set out in Appendix 2 of this report. The table shows the proposed minor changes to the Local Plan and Policies Map, which includes minor amendments, i.e. typographical edits, formatting and factual amendments to the Local Plan that are necessary for clarity and consistency. It should be noted that these changes will not materially affect the policies in or soundness of the Plan and will be considered by the Planning Inspector at examination stage.

6. Sustainability Appraisal

- 6.1 When producing Local Plans, local authorities are required to consider, at each stage of production, the impacts their proposals are likely to have on sustainable development. The emerging Local Plan is subject to ongoing Sustainability Appraisal incorporating the requirements of Strategic Environmental Assessment (SA/SEA) as required through NPPF. SA/SEA is a means of ensuring that the likely social, economic and environmental effects of the Local Plan are identified, described and appraised to identify how they support the Council's sustainable development objectives.
- 6.2 At the Pre-Submission Publication stage of the Local Plan a SA/SEA was undertaken and made available for the Regulation 19 consultation. The Sustainability Appraisal is a detailed technical document and is an important background paper to the emerging Local Plan. It has been used to inform the Local Plan at each plan making stage and will be submitted to the Planning Inspectorate and undergo examination alongside the Local Plan.

7. Duty to Co-operate and Statements of Common Ground

- 7.1 The Localism Act and NPPF introduced a new Duty to Co-operate, which requires public bodies to work together on cross-boundary strategic priorities. This duty is built into the 'positively prepared' and 'effective' tests of soundness for the examination of development plan documents. The duty is one of co-operation; it is not a duty to agree.
- 7.2 A series of meetings and discussions with neighbouring local authorities and key stakeholders has taken place to ensure joint working on key issues, as part of the preparation of the Wyre Forest District Local Plan (2016-36). These meetings and discussions have also included the Black Country Authorities and Birmingham City Council.
- 7.3 Appendix 5 sets out the Statements of Common Ground which shows how the Council has addressed the Duty to Co-operate during the preparation of the Wyre Forest District Local Plan. These Statements of Common Ground will be submitted to the Secretary of State for examination, along with the Local Plan itself. Some of the Statements of Common Ground may need updating during the course of the examination period as new evidence comes to light which makes it possible to resolve any outstanding issues/disagreements. There are also ongoing discussions with some Duty to Co-operate partners that will

continue after the Cabinet and Full Council meetings in February, which will need approval before submitting to the Secretary of State for the purposes of the examination.

8. Options

8.1 That Overview and Scrutiny Committee note the progress in the preparation of:

- a) The proposed Wyre Forest District Local Plan (2016-2036) and Policies Map (together with the associated evidence base, including the Sustainability Appraisal) for the purpose of its submission to the Secretary of State for independent examination under section 20 of the Planning and Compulsory Purchase Act 2004 (the PCPA 2004) (as shown in Appendix 1); and
- b) The Table of Minor Modifications to the Wyre Forest District Local Plan (2016-2036) and Policies Map (as shown in Appendix 2);
- c) The submission documents prepared pursuant to Regulation 22 of the Town and Country Planning (Local Planning) (England) Regulations 2012 (the Local Planning Regulations) (see Appendix 3);
- d) The 'Statements of Common Ground' with third parties such as agencies and adjoining Councils (as shown in Appendix 5); and
- e) The technical study 'Traffic Demand in the Hagley Area (A456 Corridor)' (in Appendix 4) as a background paper.

And either

8.2 Overview and Scrutiny Committee recommend the documentation set out in 8.1 a – d to Cabinet for their approval and that the paper 8.1e is noted:

Or

8.3 Overview and Scrutiny Committee recommend the documentation set out in 8.1 a – d to Cabinet subject to any appropriate recommendations for amendment that Overview and Scrutiny Committee might wish to propose and that 8.1e is noted:

Or

8.4 To make any other recommendation to Cabinet that the Committee wish to be considered.

9. Consultation

9.1 Corporate Leadership Team.

9.2 The Local Plan has been considered by the Local Plans Review Panel. The Overview and Scrutiny Committee's recommendations will be reported to the Cabinet. Cabinet will then make their recommendations to Full Council.

10. Related Decisions

10.1 Previous stages of development and consultation on the local plan, as set out in the report above.

11. Relevant Council Policies/Strategies

11.1 Amendments to the Wyre Forest District Local Plan Pre-Submission Publication Document (2019).

11.2 Wyre Forest District Local Plan Pre-Submission Publication Document (2018).

11.3 Wyre Forest District Local Plan Review Preferred Options Document (2017).

11.4 Wyre Forest District Local Plan Review Issues and Options Document (2015).

12. Implications

12.1 Financial Implications

The cost of preparing the Local Plan Review has been met by the Planning Policy budget. The District Council will be required to meet the costs of the examination of the Local Plan and this will be met from the existing Planning Policy budgets.

12.2 Legal and policy implications

12.3 The procedures which the Council is required to follow when producing a Local Plan derive from the Planning and Compulsory Purchase Act 2004 (as amended) and the Town and Country Planning (Local Planning) (England) Regulations 2012.

12.4 The legislation states that a local planning authority must only submit a plan for examination which it considers to be sound. This is defined by the National Planning Policy Framework (NPPF, 2019) as being:

- **Positively Prepared** – providing a strategy which, as a minimum, seeks to meet the area's objectively assessed needs, and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;

- **Justified** – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
- **Effective** – deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and
- **Consistent with national policy** – enabling the delivery of sustainable development in accordance with the policies in the NPPF.

12.5 In order for the draft Local Plan to pass the tests of soundness, it is necessary for it to be based on an adequate, up to date and relevant evidence base. The Council also has a legal duty to comply with the Statement of Community Involvement in preparing the Plan and also has a legal 'Duty to Co-operate'.

12.6 Should the Local Plan be successful at examination stage, the District Council will be required to formally adopt the plan and it will become part of the Development Plan for the purposes of determining planning applications.

13. Risk Management

13.1 The main risks in failing to progress a Local Plan for the Wyre Forest District in compliance with laws, regulations and guidance are as follows:

- The plan is found 'unsound' at examination leading to 'withdrawal' of further work;
- Direct interventions by Government into the District Council's Local Plan making;
- Inability to steer, promote or restrict development across its administrative area;
- Potential damage to the Council's image and reputation if a development plan is not adopted in an appropriate timeframe.

14. Equality Impact Needs Assessment

14.1 A number of the policies included within the Local Plan help to promote equality and eliminate discrimination.

15. Wards affected

15.1 All wards within the district are affected.

16. Appendices

- 16.1 Appendix 1 –
- Wyre Forest District Local Plan (2016-36) and Policies Map (Submission version, January 2020)
 - Changes from the Adopted Policies Map (2013) to the Local Plan Submission Policies Map arising from the Wyre Forest District Local Plan Review
 - Amendments to the Pre-Submission Publication Document and Policies Map (July 2019)
 - Pre-Submission Publication Document and Policies Map (October 2018)
- 16.2 Appendix 2 – Table of Minor Modifications to the Wyre Forest District Local Plan (2016-36)
- 16.3 Appendix 3 – Consultation Statement (Regulation 22) and Consultation Summary Reports for the 2018 and 2019 Pre-Submission Consultations
- 16.4 Appendix 4 – Traffic Demand in the Hagley Area (A456 Corridor)
- 16.5 Appendix 5 – Statements of Common Ground

17. Background Papers

- 17.1 Amendments to the Wyre Forest District Local Plan Pre-Submission Publication document (2019):
<https://www.wyreforestdc.gov.uk/media/4656986/Amendments-document-2019.pdf>
- 17.2 Local Plan Review Pre-Submission Publication document (October 2018):
<https://www.wyreforestdc.gov.uk/media/3993526/Pre-Submission-Publication-October-2018-.pdf>
- 17.3 Local Plan Review Preferred Options document (June 2017):
<http://www.wyreforestdc.gov.uk/media/3024240/Preferred-Options-Documents-June-2017.pdf>
- 17.4 Local Plan Review Issues and Options document (September 2015):
<http://www.wyreforestdc.gov.uk/media/1462993/I-O-Consultation-Version-September-2015-WEB.pdf>

Officer Contact Details:

Name: Helen Smith

Title: Spatial Planning Manager

Contact Number: 01562 732195



Overview & Scrutiny Committee

Briefing Paper

Report of: Kathryn Underhill, Community Safety & Partnerships Officer
Date: Thursday, 6th February 2020
Open

Annual Review of the North Worcestershire Community Safety Partnership 2019/20

1. Summary

- 1.1 This report provides an update on the priorities, performance, successes and challenges in relation to the North Worcestershire Community Safety Partnership (NWCSP) during 2019/20. It is a statutory duty for local authorities to scrutinise the work of its local Community Safety Partnership, under Section 19 of the Police and Justice Act 2006.

2. Background

- 2.1 NWCSP has been in existence since May 2013, following the merger of the three district CSPs in Bromsgrove, Redditch and Wyre Forest. The community safety teams that support and administer the Partnership continue to sit within the respective local authorities.
- 2.2 The Crime and Disorder Act 1998 (CDA98) provides the framework for the establishment of Community Safety Partnerships (CSPs). Membership must include the 'Responsible Authorities' as defined by Section 5 of the CDA98.

The Responsible Authorities on the NWCSP are Bromsgrove District Council, Redditch Borough Council, Wyre Forest District Council, Worcestershire County Council, West Mercia Police, Hereford and Worcester Fire and Rescue Service, National Probation Service, Warwickshire and West Mercia Community Rehabilitation Service, NHS Redditch and Bromsgrove Clinical Commissioning Group and NHS Wyre Forest Clinical Commissioning Group.

These organisations are charged with working together, along with relevant partners, to formulate strategies to reduce crime and disorder in their local area.

- 2.3 Local representation on the NWCSP is fulfilled through a number of positions. Wyre Forest District Council's Elected Member representative is the Cabinet Member for Culture, Leisure and Community Protection, Councillor Helen Dyke. Linda Draycott, Corporate Director - Community, Well Being and Environment is the Council's Responsible Authority representative and is also

the Vice Chair of the NWCSP. The Council's Community Safety and Partnerships Officer, Kathryn Underhill, provides support to the NWCSP and is also chair of the Safer Wyre Forest Operational Group.

- 2.4 The strategic arm of the CSP brings together chief and senior officers of the Responsible Authorities, along with relevant partners, to provide strategic level leadership and co-ordination. The Safer Wyre Forest Operational Group, locally known as Tasking, meets locally on a monthly basis with relevant stakeholders to develop and implement responses to district based community safety issues.
- 2.5 Alongside the relationship the Council has with the CSP, there is also a direct role in holding the West Mercia Police and Crime Commissioner (PCC), John Campion, to account through the West Mercia Police and Crime Panel (PCP), which meets four times a year. Wyre Forest District Council's representative on the PCP is the Cabinet Member for Culture, Leisure and Community Protection, Councillor Helen Dyke.

3. Key Issues

3.1 Partnership Structure

District Operational Groups are identified as Safer District Groups and are known as Safer Bromsgrove Group, Safer Redditch Group and Safer Wyre Forest Group. There are also a number of other sub groups as illustrated in Appendix One.

3.2 The Partnership Plan

NWCSP has a statutory duty to produce a three year rolling plan outlining how the Partnership intends to address key crime and community safety priorities, as identified through its annual Strategic Assessment.

The partnership agreed its priorities for 2017-20 in December 2016 and they are:

- Reducing violence and abuse: including sexual offending, domestic abuse and Child Sexual Exploitation (CSE)
- Reducing Theft and Acquisitive crime: including shoplifting, thefts and burglaries
- Reducing Anti Social Behaviour, Damage and Nuisance: including criminal damage, environmental issues and deliberate fires/arson
- Protecting vulnerable communities: including reducing harassment and threatening behaviour motivated by hate
- Reducing offending and reducing the harm caused by drug and alcohol misuse are cross cutting themes which impact on all priorities

The 2019 Strategic Assessment is currently being produced by the CSP Analyst team based at West Mercia Police HQ. This statutory document was presented in draft to the Partnership in September 2019 and a summary of its initial findings are as follows:

Crime Type	Data
All Crime	From April 2018 to March 2019 North Worcestershire recorded a total of 21,066 offences, equating to an average of 1750 offences a month. Offences rose significantly in July 2018 (n = 1932) but this increase was not observed during August to September. 24% of all crime across West Mercia (n = 21,081, 24%) took place in North Worcestershire, comparable volume with South Worcestershire (n = 21,338, 25%).
Domestic Abuse	During 2018 to 2019 there were 5,575 Domestic Abuse Incidents in North Worcestershire, an increase of 4% compared to the previous year. The most Domestic Abuse Incidents were recorded in July 2018, with the likely contributing factors of the Football World Cup, increased alcohol consumption and warmer weather leading to increased reporting. The majority of incidents occurred in residential properties whilst 20 incidents occurred in bars, pubs or nightclubs.
Hate Crime & Targeted Harassment	In 2018/19 there were a total of 158 Hate Incidents and 41 Race or Religiously Aggravated Fear Offences recorded in North Worcestershire. Racial Hatred accounted for the most Hate Incidents (n = 80), followed by Homophobic incidents (n = 38). As hate crime often targets those who traditionally are more reluctant to report being the victim of an offence for a variety of reasons increases in reports are viewed as a positive, reflecting greater confidence by victims to come forward. Additionally, mobile communication devices are allowing offences to be reported sooner after offences occur. There were a total of 92 Harassment Offences and 51 Racially or Religiously Aggravated Offences recorded. The majority of Harassment Offences were considered intentional (n = 51) and were reported to involve verbal abuse and the use of racist terms and offensive language. Offences often occurred in the street or in shops and supermarkets (n = 11, 12%)
Night Time Economy Violence	For the purpose of the Strategic Assessment, offences associated with the night time economy or NTE are categorised as having occurred between 18:00hrs and 06:00hrs and at premises such as bars, clubs, pubs and on the street. All residential properties are excluded from the analysis. NHS Assault data from October 2018 to March 2019 showed that the majority of assaults occurred at night

Crime Type	Data
	<p>and were located in Bars or Pubs (n = 50). The most frequent method used was “punch with fist” (n = 92). Often the victim refused to give suspect relationship details to the NHS (n = 61), this may be due to domestic abuse, loyalty or fear of reprisal. Where a relationship was described, most offenders were recorded as ‘strangers’ (n = 53). The majority of the offences occurred in the Street (n = 63), closely followed by Licensed Premises (n = 58).</p>
Residential Burglary	<p>Between 1 April 2018 and 31 March 2019 there were a total of 1,443 residential burglary offences recorded. October 2018 recorded the highest volume of residential burglary (n = 164). The majority of victims of residential burglaries were older people, likely perceived to pose less of a risk of confrontation to the offender. The most frequent methods of entry were: forced doors (28%), damaged locks (23%), property unsecure (16%) or smashed windows (12%). Garden tools and farm equipment were the most frequently stolen items (13%) alongside cash, cards, wallets and purses (13%) car keys (10%) electrical items (8%) and jewellery (8%) It is highly likely that items are quickly resold and converted to cash and it is widely believed that these items are stolen to fund drug use. There were 136 car key burglaries in the period, most of which involved high value vehicles valued at over £15,000. Improved technology means that cars may now be stolen without the need for keys, referred to as Electronic Compromise Offences or ECOs. Vehicles are entered using an electronic device, often mimicking the electronic key code. Many car key burglaries are believed to be linked to Organised Crime Group (OCG) activity in the West Midlands Police area.</p>
Theft From Store	<p>There were a total of 2,341 offences of Theft from Store recorded across North Worcestershire in 2018/19, which was an increase of 12% in comparison with 2017/18. The volume of offences fluctuated throughout the year with activity between April and August 2018, peaking in May. Overall there were fewer offences during the Autumn and Winter. Most offences occurred at Supermarkets and Shops (n = 1,487, 64%). Commercial garages recorded the next highest volume of offences (n = 41). Items most frequently taken were Alcohol (14%) and Meat (13%).</p>
ASB	<p>There were 9,876 incidents of anti-social behaviour (ASB) in 2018 to 2019 which showed a 5% decrease compared to the previous year. Incidents were highest in July 2018 (n = 1,070, 11%).and then slowly declined until a slight increase in October 2018. This indicates a seasonal trend in activity during the summer months and school holidays, as well as</p>

Crime Type	Data
	October Half Term and Halloween. Qualifiers are recorded against incidents when the key factors that relate to each incident are described. Over half of the reports (54%) had no qualifier recorded. Of the remaining reports (n = 4,501), the following qualifiers were the most frequently recorded; Youth (n = 804), Drugs (n = 572) and Alcohol (n = 516). A key word search of these reports showed the most common themes were Neighbour issues, Noise, and Drugs.
Youth ASB	Youth related incidents accounted for 8% of all ASB (n = 804). Incidents were often reported in town centres in part due to increased visitor population. Youth related ASB decreased by 24% in comparison to the previous year. However, this is likely due to differences in the application of qualifiers or markers. Most youth related ASB occurred in May 2018 and was likely attributable to the warmer weather but not the two bank holidays. Most youth related ASB incidents involved noise complains (n = 65), followed by incidents involving deliberate fires (n = 39).

Further analysis into key areas is currently being undertaken and the results will be used to develop NWCSP's new three-year Partnership Plan for 2020/23. The NWCSP will then undertake a period of consultation, which will be open to all. The NWCSP will use the feedback to shape the final plan, which will be published in April 2020. A lot has changed over the last three years and the new Plan must meet the challenges of a changing delivery landscape and risk profile for community safety.

Drawing on a robust evidence base, the Plan will identify the community safety issues that most impact on the safety, health and wellbeing of North Worcestershire's residents and visitors and sets out what the Partnership intends to do to tackle these issues effectively and achieve safer, healthier and more resilient communities.

3.3 **John Campion, West Mercia Police and Crime Commissioner**

The PCC has a duty to co-operate with CSPs to reduce crime and disorder and there is a reciprocal duty on CSPs to collaborate with the PCC. The PCC and CSP must have regard to each other's priorities within their respective plans. The NWCSP contributes to delivering the PCC's priorities at a local level. The PCC's vision is focused on four key areas:

- Building a more secure West Mercia: CSE, domestic abuse, vulnerable people, sexual offences, ASB, drugs and alcohol, reducing reoffending, road safety

- Reassuring West Mercia's communities: feeling safe as well as being safe, engaging with the public, protecting from cyber-crime, making voices heard around rural crime
- Putting victims and witnesses first
- Reforming West Mercia Police

Tracey Onslow, the Deputy PCC, represents the PCC in communities across West Mercia. Her portfolio includes cyber crime, business and rural crime, victims' services and commissioning. CSPs have worked closely with the Deputy PCC as the PCCs new commissioning model continues to develop. The first commissioning areas to be considered by the Deputy PCC were CCTV upgrades and CSP funding for Data Analysis support. Both reviews have been completed and substantial funding has been provided to deliver in both of these key community safety areas.

Data Analyst Support - The PCC has taken CSP analytical support directly into the Office of the PCC using a proportion of the ring-fenced funding from each of the West Mercia CSPs plus some additional PCC funding. There is now a team of three CSP analyst posts that deliver data and information such as regular CSP Crime and Data Overviews, Serious and Organised Crime Profiles and the annual statutory Strategic Assessments.

CCTV Infrastructure Upgrade - In 2017/18 the NWCSF was allocated £195,000 of PCC funding over a three year period for improvements to the area's CCTV scheme. On behalf of the three Local Authorities, the CSP developed a proposal to use this capital contribution to modernise the CCTV infrastructure that serves the three district areas. The plans will see an upgrade of the current scheme to support Internet Protocol Recording and will therefore upgrade the technological capabilities of the current scheme to digital processing. This will greatly increase the current CCTV scheme, including enhanced digital capability, improved image quality and greater capacity to expand the scheme and/or link to other digital systems across the region, in the future, subject to further funding.

In March 2018, NWCSF agreed to allocate a proportion of its ring fenced revenue grant from the PCC to the project, as the CCTV grant is separate to NWCSF's core funding allocation. January 2019, the PCC then provided an additional £50,000 of capital CCTV funding to each CSP in West Mercia.

Given the amounts of funding involved, this project is the most ambitious undertaken by the Partnership and the project is also being match funded by the North Worcestershire Local Authorities with additional revenue, capital and in-kind contributions being provided to support the project. Wyre Forest District Council's match funding in-kind contribution is £71,840, which is the total revenue expenditure to operate the CCTV scheme, plus officer time from the Community Safety and Partnerships Officer for project management. The total amount of NWCSF funding allocated to the project is £339,000 and work has begun to implement the scheme upgrade. A technical consultant has been commissioned to design the specification for the upgraded scheme and

the tender for the installation and maintenance contract was awarded in October 2019 via a national procurement framework. The project has challenging timescales as the NWCSP funding has to be spent by 31st March 2020; however the Project Management Team is confident that all milestones will be achieved and the project successfully completed on time.

3.4 Grant Funding from the PCC 2019/20

Throughout 2019, the NWCSP allocated its core- funding received from the PCC to various projects and activities across the three district areas. The amount of funding provided to the CSP is based on previous year's allocations and the table below shows the projects agreed by the NWCSP.

Project	Funding Amount
North Worcs CSP contribution to the West Mercia Analyst Team	£20,000
Wyre Forest Keeping Safe Project	£48,125
Bromsgrove and Redditch Schools Respect Programme	£28,125
North Worcs Young Citizens Challenge 2019	£1,000
North Worcs CCTV Scheme Upgrade (CSP Revenue)	£94,000
North Worcs CCTV Scheme Upgrade (PCC Capital)	£245,000

The progress of the grant funded projects is reported quarterly to the PCC and at the end of the financial year there is a requirement for the CSP to provide a comprehensive evaluation of all funded projects. This includes a breakdown of project expenditure and the outputs and outcomes achieved against the PCC's Plan.

3.5 Local Delivery, Key Projects and Progress

The report will now provide an update on some of the key community safety project activity that took place in 2019/20.

The Council's Community Safety Team continues to monitor and respond to district community safety issues, co-ordinating local operational delivery with partners via the Safer Wyre Forest Group. The team is the first point of contact for residents and partners with concerns about local crime and community safety issues and officers are able to call upon other community safety partners when local concerns require a multi-agency response. The Safer Wyre Forest Group meets on an 8 weekly basis to monitor district activity and performance and to review local operational delivery of projects and initiatives.

Wyre Forest Community Safety Project Officers (CSPOs)

The PCC funding for the Wyre Forest Keeping Safe initiative is used to employ two part-time Community Safety Project Officers (CSPOs); Hilary Hollis and Jeannette Lane. Hilary and Jeannette deliver a number of

community safety projects and initiatives and liaise with local communities and groups on crime prevention and personal safety issues. Hilary and Jeannette work with many local community groups (and individual residents) to offer guidance and information about a variety of community safety concerns.

The CSPOs have also responded to a number of ad-hoc calls and emails from residents expressing concern about aspects of crime, Anti Social Behaviour and community safety in their neighbourhood. Hilary and Jeannette have offered appropriate advice, contacted other agencies on their behalf and provided additional support as necessary.

While the PCC has funded the Wyre Forest Keeping Safe, which includes the CSPOs and Community Ambassadors initiative, Wyre Forest District Council has also contributed £12,900 towards project delivery.

Wyre Forest Community Ambassadors

This is the sixth year of the Community Ambassadors (CAs) initiative with 55 young people directly involved. A CSPO is the lead and undertakes all of the project management and liaison with the schools, young people and Safer Schools PCSOs.

The breakdown of High Schools and numbers:

- Baxter College: 12 Community Ambassadors / potential reach 880 students
- Bewdley High School: 9 Community Ambassadors / potential reach 926 students
- Holy Trinity: 6 Community Ambassadors / potential reach 607 students
- King Charles High School: 6 Community Ambassadors / potential reach 1358 students
- Stourport High School: 12 Community Ambassadors / potential reach 1105 students
- Wolverley High School: 9 Community Ambassadors / potential reach 926 students
- Engaging with Wyre Forest School: 272 students

Training for the newly recruited Year 10 Community Ambassadors was held in June. The training went well and the feedback received afterwards was positive. The new Community Ambassadors were formally invested by Deputy PCC Tracey Onslow, at the Young Citizenship Celebration Evening, on 10th July 2019. The CSPO has organised a further training session on 12th February 2020.

Campaigns delivered this year:

- Anti-social behaviour: raising awareness of consequences using presentations and the Community Ambassador ASB film on their
- Water Safety: working in partnership with our local Severn Area Rescue Association (SARA), the CSPO organised interactive activities for the CAs to deliver to help get the message across on the risks of cold water swimming etc.

- Personal Safety: a stand offering personal safety tips and items to keep students safe when out and about. Advice shared during tutor time and assemblies to 600+ students.
- Halloween and Firework safety: a poster competition was held and safety information shared during tutor time to over a 1000 students.
- Healthy minds: covering stress and how young people can improve their own mental health.
- Internet safety: an exhibition was created for the KAFF (Kidderminster Arts and Food Festival) and was on display at Kidderminster Town Hall with over 3000 people seeing it.
- Knife crime: quiz on the consequences of carrying a knife and an information stand.
- Road safety: local survey carried out then advice shared during assemblies to 300+ students.
- Anti-bullying week: raising awareness amongst young people about bullying and the support available whilst embracing the national theme "Change starts with us" through assemblies, tutor time, posters and activities reaching 600+.
- White Ribbon: raising awareness amongst young people about domestic abuse and be able to signpost them to the appropriate services for young people if help or advice is sought. A number of activities were held in each high school creating displays made from pledges and white ribbons distributed and worn by staff and students reaching around 5000 students/teachers.
- Food Bank collection: linking the school with a local organisation and co-ordinating the collection and delivery of items.

All the Community Ambassadors share their work via Instagram which has over 1300 followers.

Young Citizenship Celebration Evening 10th July 2019

This was the 8th annual event organised by the CSPO and took place on 10th July at Kidderminster Town Hall. This year the event was compered by the Community Safety and Partnerships Officer and attended by approximately 250 parents, carers, teachers and partners. The event celebrated the wide range of citizenship work carried out by young people from Wyre Forest schools and other local youth providers.

Deputy PCC Tracey Onslow attended and invested the new Community Ambassadors, helped to present the Be Change Awards and provided the closing words. The Young Citizens Challenge award was presented to the winning school, St Bartholomew's Primary School. A special award was presented to a young person for her exceptional work caring for the local environment. The induction of new cohort of Community Ambassadors took place and West Mercia Police's Young Good Citizen Award was presented to the 2018/19 Community Ambassadors. The ContinU Trust 'Be the Change' awards were presented to the winners.

Detached Youth Team Pilot

Using external funding the Community Safety Team has commissioned KDYT to provide a district wide detached youth scheme on a pilot basis until June 2020. The team commenced in June and work Thursday, Friday and Saturday evenings. They visit all parks and open spaces to engage with young people. The locations visited are determined by community safety and detached youth team input, partners and local knowledge. KDYT's Manager and a CSPO work closely together. Since June 2019, the team has engaged with 1026 young people. Quarterly reports are provided and an evaluation will be undertaken prior to the end of the pilot period.

White Ribbon Campaign and 16 Days of Action 2019

The White Ribbon campaign and the 16 Days of Action, 25 November to 10 December, is an international campaign demonstrating the commitment to never commit, condone or remain silent about domestic abuse and sexual violence.

From a national perspective one in four women and one in six men will in their lifetime experience domestic abuse. On average, two women a week in England and Wales are killed by a violent partner or ex-partner. Domestic abuse is estimated to cost the economy and society £23 billion a year.

Specific Wyre Forest activities were co-ordinated by a CSPO:

- White Ribbons and information flyers were made available to staff and parents at 10:32 Children's Centres.
- White Ribbons and information flyers were made available to staff and parents at Wyre Forest Primary Schools via the Wyre Forest & Hagley Project.
- The Community Ambassadors in Wyre Forest High Schools made pledges, distributed Ribbons, held awareness raising activities and stands. Information about their activities is available on their website www.communityambassadors.org.uk.
- A #makethepromise interactive performance workshop was held at Baxter College for approx 80 Year 9 pupils.
- Safer Wyre Forest partners had information stands and made Ribbons available to staff and public. Information was included in newsletters and partners were encouraged to wear the Ribbon and post photos on social media.
- WFDC Councillors and staff had information and Ribbons available at Wyre Forest House and Green Street offices.
- A Domestic Abuse Awareness Workshop was held for all WFDC Members on 9th December.
- Ribbons and information were made available to staff and customers at the Customer Service Centre in Kidderminster.
- At WFDC, information was included on plasma screens, in bulletins, on Wyred Weekly, Wyred In, WFDC and NWCSF websites.
- A press release was included in the Kidderminster Shuttle at the start of the campaign.

- A comprehensive social media campaign was undertaken on Facebook and Twitter with over 2000 reach on Facebook and 11400 plus on Twitter over the course of the campaign.
- A CSPO attended the conference 'Shining the Spotlight on Coercive and Controlling Behaviour' held on 28th November at Bank House hotel, Worcester.
- 3800 White Ribbons and 1000 flyers were distributed.

North Worcestershire Hate Incident Partnership and Hate Crime

In support of national Hate Crime Awareness Week 12th-18th October 2019, Safer Wyre Forest undertook a programme of activities to raise awareness of how to recognise a hate crime and to encourage members of the public to report incidents whether they are a victim, a witness or third party.

The focus was using all available social media, electronic screens and setting up information stands in prominent places. Facebook, Twitter and Instagram and the NWCSF website were used to raise awareness reaching 9000+ residents. The Community Safety Team funded, co-ordinated and worked with a theatre company to deliver Hate Crime Awareness workshops to Year 8 students at King Charles 1 School, Kidderminster helping them to recognise what a hate crime is and how to report it.

A new simplified NWHIP leaflet has been designed and distributed to all partners. Safer Wyre Forest will continue to promote the work of the North Worcestershire Hate Incident Partnership through events and social media.

Home Security Scheme

During this period, Safer Wyre Forest's Home Security Scheme has supported five victims of domestic abuse and three victims of domestic burglary. A CSPO co-ordinates the scheme and is also trained in providing crime risk surveys of properties.

Loan Sharks Awareness Bite Back Week Campaign 8th July – 12th July

A CSPO worked with the England Illegal Money Lending Team and other partners to hold a week-long 'bite back' campaign across Wyre Forest to warn residents of the dangers of loan sharks. A series of activities took place, including an awareness raising stand in Kidderminster Town centre encouraging residents to receive help and support if they are in debt, while finding out more about why loan sharks should always be avoided and to report the crime if they have been a victim. Awareness raising was undertaken via social media. 'Sid the Shark' toured local primary schools in targeted areas to highlight the perils of loan sharks. Partners delivered leaflets to key areas. A survey was produced with the incentive of a prize draw if completed.

Seasonal Crime Prevention

On behalf of the NWCSF, at a district level the CSPOs have been raising awareness of the following through social media, reaching hundreds of residents. Topics include:

- Running a crime prevention and personal safety stand at the Showcase of Services for Older People event held at Kidderminster Town Hall.
- Vehicle crime during the winter months.
- Scams both on-line and via the telephone.
- Halloween and Firework safety.
- Crime Free at Christmas – covering on-line shopping safety, purse dipping, loan sharks, not leaving Christmas shopping on show in the car or empty present boxes outside until bin collection etc.
- Staying safe over the festive period including drinking, getting home safely etc.
- White Ribbon Day and 16 Days of Action (domestic abuse) including stalking.
- The Safer Wyre Forest Community Safety Bulletin was sent out across Wyre Forest to our 680 subscribers.

Communications and Community Engagement

This year, Community Safety Project Officers attended a number of events in order to speak to local residents, provide crime prevention advice and raise awareness of community safety campaigns. For example, officers attended the Showcase of Services for Older People, Big Local DY10 'Big Picnics' the Fire Station Open Day and spoke to 950 residents across the three events.

Over the course of the year, the Community Safety Team has assisted 52 residents with issues relating to anti social behaviour. This often involves liaising with partners to resolve issues and helping residents to feel that they are being listened to.

The Community Safety Team is proactive with social media and makes effective use of its Twitter, Facebook, Instagram and YouTube accounts. These are all co-ordinated by a CSPO along with the NWCSF website, Community Ambassador Website and a Safer Wyre Forest bulletin.

4. Risks and Challenges

Community Safety Project Officers

Funding for the two part-time CSPOs currently ends on 31st March 2020. Negotiations have taken place with Kidderminster Town Council in the anticipation that the staff can be transferred to the employment of the Town Council. A decision is expected on 29th January 2020, at the Town Council's Full Council Meeting. If alternative arrangements are not able to be made, the CSPOs will be made redundant on 31 March 2021.

Capacity

In addition to changes to the Community Safety Project Officer posts, there have been other deletions to posts at Wyre Forest District Council, which has an impact on capacity for the Council's Community Safety Team. As a result

the Community Safety and Partnerships Officer will have an expanded role that will not just focus on community safety. The Council and the NWCSP need to be mindful of these changes in capacity and expectations must be managed.

Potential review of CSP arrangements

Currently there are two CSPs; one in North Worcestershire and one in South Worcestershire. The possibility of merging to create one CSP to cover the whole of Worcestershire has been raised by the Worcestershire Leaders. Further information is waited upon but there could be a review of Community Safety Partnership arrangements later this year.

Serious Violence duty

In July 2019, the then Home Secretary, Sajid Javid, announced a new legal duty on public bodies to prevent and tackle serious violence. The new 'public health duty' covers the police, local councils, local health bodies such as NHS Trusts, education representatives and youth offending services and it aims to ensure that relevant services work together to share data, intelligence and knowledge to understand and address the root causes of serious violence including knife crime. It will also allow them to target their interventions to prevent and stop violence altogether.

As part of the new duty, the government will amend the Crime and Disorder Act to ensure that serious violence is an explicit priority for Community Safety Partnerships by making sure they have a strategy in place to tackle violent crime. More details can be found here: [House of Commons Library Research Report](#)

PCC Elections and Funding

With PCC elections due to be held in May 2020 there is the potential for the community safety funding landscape to change. The NWCSP is fortunate to have received significant grant funding from the current and previous PCC; however this funding is not guaranteed beyond 2019/20.

5. Options

- 5.1 That progress by the North Worcestershire Community Safety Partnership and the Safer Wyre Forest Operational Group be noted.
- 5.3 Members note the partnership activity engaged in tackling the North Worcestershire Community Safety Partnership priorities in Wyre Forest.

6. Consultation

- 6.1 Cabinet Member for Culture, Leisure and Community Protection, Councillor Helen Dyke
- 6.2 Corporate Director - Community Wellbeing and Environment

7. Related Decisions

7.1 None

8. Relevant Council Policies/Strategies

8.1 Wyre Forest District Council Corporate Plan 2014-19

9. Implications

9.1 Resources: Staff time and funding from internal and external budgets.

9.2 Equalities: There are no negative impacts on equality, which arise as a result of the NWCSP and its associated activities.

9.3 Partnership working: The NWCSP Strategic Group and its delivery groups involve a number of partners at a strategic and operational level.

9.4 Human Rights: No direct implications from this report.

9.5 E-Government: No direct implications from this report.

9.6 Transformation: No direct implications from this report.

10. Equality Impact Needs Assessment

10.1 As this is an update report, no equality impact needs assessment is required.

11. Wards affected

11.1 All wards and across the administrative boundaries of Bromsgrove, Redditch and Wyre Forest.

12. Appendices

12.1 Appendix One: Structure of the North Worcestershire Community Safety Partnership

13. Background Papers

West Mercia PCC's Safer West Mercia Plan 2017-21

Officer Contact Details:

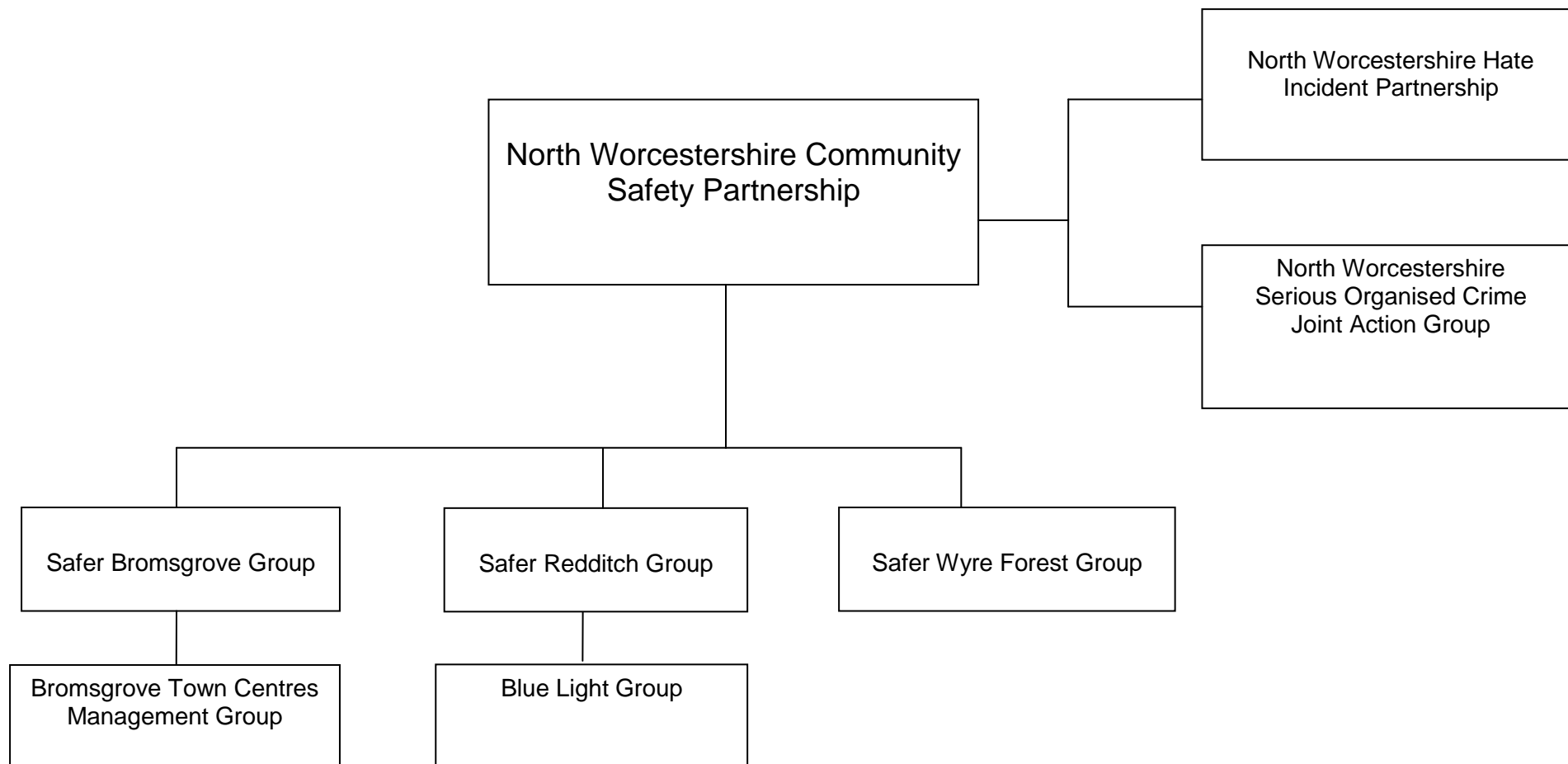
Kathryn Underhill

Community Safety & Partnerships Officer

01562 732956

Kathryn.underhill@wyreforestdc.gov.uk

Appendix One: Structure of the North Worcestershire Community Safety Partnership



WYRE FOREST DISTRICT COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE
6TH FEBRUARY 2020

Treasury Management Strategy 2020-21

OPEN	
CABINET MEMBER:	Councillor G Ballinger
RESPONSIBLE OFFICER:	Corporate Director: Resources
CONTACT OFFICERS:	Tracey Southall - Ext. 2100 tracey.southall@wyreforestdc.gov.uk Helen Ogram – Ext, 2107 helen.ogram@wyreforestdc.gov.uk Lisa Hutchinson - Ext. 2120 lisa.hutchinson@wyreforestdc.gov.uk
APPENDICES:	Appendix 1 - MRP Strategy Appendix 2 - Interest Rate Forecasts Appendix 3 - Prudential and Treasury Indicators Appendix 4 - Economic Background Appendix 5 - Specified and Non Specified Investments Appendix 6 - Approved Countries for Investments Appendix 7 - Treasury Management Scheme of Delegation Appendix 8 - The Treasury Management Role of the Section 151 Officer

1. PURPOSE OF REPORT

- 1.1 To provide Members with background information on the Chartered Institute of Public Finance (CIPFA) Prudential Code for Capital Finance in Local Authorities (Prudential Code).
- 1.2 To restate the Prudential Indicators and Limits for the financial years 2020-21 to 2029-30 and set out the expected treasury operations for this period.
- 1.3 To seek approval for the Council's Treasury Management Strategy Statement for the period 1st April 2020 to 31st March 2021 that sets out how the Council's treasury service will support the capital decisions taken, the day to day treasury management and the limitations on activity through treasury prudential indicators. The key indicator is the Authorised Limit, the maximum amount of debt the Council could afford in the short term, but which would not be sustainable in the longer term. This is the Affordable Borrowing Limit required by Section 3 of the Local Government Act 2003 and is in accordance with the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code.

- 1.4 To seek approval for the Council's Investment Policy and Strategy Statement for the period 1st April 2020 to 31st March 2021 that sets out the Council's criteria for choosing investment counterparties and limiting exposure to the risk of loss.
- 1.5 To seek approval for the Council's Minimum Revenue Provision (MRP) Policy Statement for the period 1st April 2020 to 31st March 2021 that sets out the Council's criteria for repayment of Prudential Borrowing.
- 1.6 This proposed strategy will be considered by the Treasury Management Review Panel on 3rd February 2020 and its views will be reported to the Committee at this meeting. Overview and Scrutiny Committee will now make recommendations to February 2020 Council on this key strategy. This is in compliance with the CIPFA Treasury Management Code of Practice.
- 1.7 To fulfil four key legislative requirements:
 - The reporting of the Prudential Indicators as required by the CIPFA Prudential Code;
 - The Treasury Management Strategy Statement in accordance with the CIPFA Code of Practice on Treasury Management and CIPFA Prudential Code;
 - The Investment Policy and Strategy Statement (in accordance with Ministry of Housing, Communities and Local Government (MHCLG) investment guidance);
 - The Minimum Revenue Provision (MRP) Policy Statement (as required by Regulation under the Local Government and Public Involvement in Health Act 2007).

2. RECOMMENDATIONS

The Overview and Scrutiny Committee recommends to Council to:

- 2.1 **Approve the restated Prudential Indicators and Limits for the financial years 2020-21 to 2029-30 included in Appendix 3. These will be revised for the February 2020 Council meeting, as per paragraph 7.2 of this report, following any changes to the Capital Programme brought about as part of the budget process.**
- 2.2 **Approve the updated Treasury Management and Investment Policy and Strategy Statements for the period 1st April 2020 to 31st March 2021 (the associated Prudential Indicators are included in Appendix 3 and the detailed criteria is included in Section 10 and Appendix 5).**
- 2.3 **Approve the Minimum Revenue Provision (MRP) Statement that sets out the Council's policy on MRP included in Appendix 1.**
- 2.4 **Approve the Authorised Limit Prudential Indicator included in Appendix 3.**
- 2.5 **Notes that the separate, but intrinsically linked, Capital Strategy 2020-30 to be approved separately by Council, sets out the policy statement covering non-treasury investments including the related suite of prudential indicators.**

3. **BACKGROUND**

- 3.1. The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
- 3.2. The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 3.3. The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest, costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.
- 3.4. Whilst any initiatives such as property acquisitions or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day to day treasury management activities.
- 3.5. **CIPFA defines treasury management as:**

"The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

3.6. **Reporting Requirements: Treasury Management**

The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

- **Prudential and treasury indicators and treasury strategy** (this report) -
The first, and most important report is forward looking and covers:
 - the capital plans (including prudential indicators);
 - a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);

- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
 - an investment strategy (the parameters on how investments are to be managed).
- **A mid year treasury management report** – This is primarily a progress report and will update members on the capital position, amend prudential indicators as necessary, and detail whether any policies require revision.
 - **An annual treasury report** – This is a backward looking document that provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

3.7. Reporting Requirements: Capital Strategy

The CIPFA 2017 Prudential and Treasury Management Codes require all local authorities to prepare a capital strategy report, which will provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of the capital strategy is to ensure that all elected members on the full council fully understand the overall long term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

The capital strategy is reported separately from the Treasury Management Strategy Statement; non-treasury property acquisitions, whilst not investments, will be reported through the former for full transparency. This ensures the separation of the core treasury function under security, liquidity and yield principles, and the policy on non treasury investments, such as property acquisitions, usually driven by expenditure on an asset. The capital strategy will show:

- The corporate governance arrangements for these types of activities;
- Any service objectives relating to the investments;
- The expected income, costs and resulting contribution;
- The debt related to the activity and the associated interest costs;
- The payback period (MRP policy);
- For non-loan type investments, the cost against the current market value;
- The risks associated with each activity.

Where a physical asset is being bought, details of market research, advisers used, (and their monitoring), ongoing costs and investment requirements and any credit information will be disclosed, including the ability to sell the asset and realise the investment cash.

If any non-treasury investment sustains a loss during the final accounts and audit process, the strategy and revenue implications will be reported through the same procedure as the capital strategy.

To demonstrate the proportionality between the treasury operations and the non-treasury operation, high-level comparators are shown throughout the Capital Strategy report.

The capital strategy includes capital expenditure, investments, liabilities and treasury management in sufficient detail to allow all members to understand how stewardship, value for money, prudence, sustainability and affordability will be secured.

This introduces further layers of reporting of risk in relation to investments that are not part of treasury management; particularly where prudential borrowing funding is used to achieve multiple objectives, including generating a net return.

CIPFA issued Guidance on Prudential Property Investment on the 15th November 2019 in response to the trend for authorities to acquire property with the effect of supplementing their revenue budgets with rental income. This is more closely related to the Capital Strategy than this report where it is covered in section 3.7.6. The report on the robustness of reserves in Appendix 4 to the main MTFS also contains information in relation to this new Code Guidance.

The Capital Strategy for 2020–30 was considered by Cabinet on 17th December 2019 at the same meeting as the Medium Term Financial Strategy (MTFS) for 2020-23. The Capital Strategy proposed for this budget cycle provides high-level projections over a longer timeframe of 10 years. This extended timeframe is to provide extra information for additional transparency, particularly in relation to movements in the Balance Sheet, Capital Financing Requirements and Minimum Revenue Provision which all impact on the revenue budget and reserves requirement. Final progression to Council following the scrutiny process, as set out below, will align with both the TMSS and MTFS report approval.

3.8. Scrutiny

The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Treasury Management Review Panel who makes recommendations to the Overview and Scrutiny Committee for the Treasury Management Reports. The Strategic Review Panel undertakes the scrutiny role for the Financial Strategy covering the MTFS and the Capital Strategy, making recommendations back to Cabinet for onward progression to Council.

3.9. Treasury Management Strategy for the period 1st April 2020 to 31st March 2021

The strategy for 2020-21 covers two main areas:

i. Capital Issues

- the capital plans and the associated prudential indicators;
- the minimum revenue provision (MRP) policy.

ii. Treasury management Issues

- the current treasury position;
- treasury indicators which will limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

4. TREASURY LIMITS FOR THE PERIOD 1st APRIL 2020 to 31st MARCH 2021

- 4.1 It is a statutory duty under Section 3 of the Act and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the “Affordable Borrowing Limit”. In England and Wales the Authorised Limit represents the legislative limit specified in the Act.
- 4.2 The Council must have regard to the Prudential Code when setting the Authorised Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future council tax levels is ‘acceptable’.
- 4.3 Whilst termed an “Affordable Borrowing Limit”, the capital plans to be considered for inclusion, incorporate financing by both external borrowing and other forms of liability, such as credit arrangements. The Authorised Limit is to be set, on a rolling basis, for the forthcoming financial year and three successive financial years, details of the Authorised Limit can be found in Appendix 3 of this report.

5. CURRENT PORTFOLIO POSITION

- 5.1 The Council’s treasury portfolio position at 10th January 2020 comprised:

Investments Held With	As at 10 th January 2020 £	Average Rate of Return	Duration
Lloyds Bank	25,000	0.65%	Instant Access
Handelsbanken	4,000,000	0.60%	Instant Access
Aberdeen Money Market Fund	4,500,000	Variable (0.68% on 10/01/19)	Instant Access
Black Rock Money Market Fund	4,500,000	Variable (0.70% on 10/01/19)	Instant Access
Federated Prime Money Market Fund	3,305,000	Variable (0.68% on 10/01/19)	Instant Access

Agenda Item No. 8

Federated Prime Enhanced Money Market Fund	1,000,000	Variable (0.89% on 10/01/19)	Trade plus one day
Lloyds	2,000,000	1.10%	95 days notice
Nat West Bank	3,000,000	0.85%	95 days notice
Santander	2,000,000	0.75%	35 days notice
Santander	1,000,000	0.90%	95 days notice
Santander	1,000,000	1.10%	180 days notice
Lloyds Bank	1,000,000	1.25%	Fixed to 21/02/20
Lloyds Bank	1,000,000	1.25%	Fixed to 02/07/20
Nat West Bank Certificate of Deposit (CD)	1,000,000	0.90%	Fixed to 03/03/20
Coventry Building Society	1,000,000	0.86%	Fixed to 31/01/20
Goldman Sachs	1,000,000	0.91%	Fixed to 20/02/20
Total (nb, balance includes circa £10m to be paid to preceptors over February and March)	31,330,000		

- 5.2 The table below details the latest position regarding the Council's remaining two Icelandic investments.

Bank	Original Investment £	Interest Claimed £	Total Claim £	Dividends Received £	Balance Outstanding including Interest Due £	Balance Outstanding Principal Only £
Kaupthing Singer & Friedlander	5,000,000	156,378	5,156,378	4,460,267	696,111	675,000
Heritable Bank	1,000,000	31,110	1,031,110	1,010,488	20,622	20,357
Total	6,000,000	187,488	6,187,488	5,470,755	716,733	695,357

6. BORROWING REQUIREMENT

- 6.1 The Council's Capital Financing Requirement (CFR), its underlying borrowing requirement, is detailed below. Capital expenditure was originally approved by Council on 27th February 2019; slippage in the Capital Programme is now factored into the Prudential Indicators included in this report along with the impact of any changes to the Capital Programme proposed by Cabinet on 17th December 2019.

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual £'000	Estimate £'000	Estimate £'000	Estimate £'000	Estimate £'000	Estimate £'000
Capital Financing Requirement as at 31st March	30,395	59,188	59,179	58,382	56,795	55,222

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000	£'000
Capital Financing Requirement as at 31st March	53,777	53,094	52,467	50,687	49,275	47,863

7. PRUDENTIAL AND TREASURY INDICATORS FOR THE PERIOD 1st APRIL 2020 to 31st MARCH 2021

- 7.1 Prudential and Treasury Indicators (as set out in Appendix 3 to this report) are relevant for the purposes of setting an integrated treasury management strategy.
- 7.2 Within the Budget Report to Council in February 2020, revised Prudential Indicators will be presented for approval (see Recommendation 2.1 of this report) if appropriate.
- 7.3 The Prudential Indicators relating to the non-treasury investments are reported separately within the Capital Strategy report.

8. BORROWING STRATEGY

- 8.1 The Council has undertaken external borrowing to fund the CFR and will continue to do so for any future unsupported capital expenditure.

The Council's external borrowing position at 10th January 2020 totalled £37m, detailed below:

Lender	Principal	Date	Type	Interest Rate	Maturity
PWLB	£1m	15/03/13	Fixed interest rate	2.62%	15/03/22 (9 years)
PWLB	£1m	29/07/14	Fixed interest rate	3.99%	29/07/33 (19 years)
PWLB	£1m	20/10/14	Fixed interest rate	3.54%	20/10/56 (42 years)
PWLB	£1m	02/12/14	Fixed interest rate	3.44%	02/12/39 (25 years)
PWLB	£1m	20/01/15	Fixed interest rate	2.99%	20/01/39 (24 years)
PWLB	£1m	04/02/15	Fixed interest rate	2.87%	04/02/41 (26 years)
PWLB	£1m	04/02/15	Fixed interest rate	2.80%	04/02/37 (22 years)

Agenda Item No. 8

Lender	Principal	Date	Type	Interest Rate	Maturity
PWLB	£1m	08/04/15	Fixed interest rate	2.96%	08/04/35 (20 years)
PWLB	£1m	02/07/15	Fixed interest rate	3.35%	02/07/32 (17 years)
PWLB	£1m	20/07/15	Fixed interest rate	3.40%	20/07/31 (16 years)
PWLB	£1m	29/07/15	Fixed interest rate	3.13%	29/07/30 (15 years)
PWLB	£1m	06/08/15	Fixed interest rate	2.96%	06/08/28 (13 years)
PWLB	£1m	02/02/16	Fixed interest rate	2.99%	02/02/63 (48 years)
PWLB	£1m	24/06/16	Fixed interest rate	2.21%	24/06/26 (10 years)
PWLB	£1m	03/03/17	Fixed interest rate	2.42%	03/03/62 (45 years)
PWLB	£1m	26/03/18	Fixed interest rate	2.28%	26/03/64 (46 years)
PWLB	£1m	14/09/18	Fixed interest rate	2.49%	14/09/68 (50 years)
PWLB	£1m	14/09/18	Fixed interest rate	2.53%	14/09/60 (42 years)
PWLB	£1m	25/09/18	Fixed interest rate	2.59%	25/03/62 (43.5 years)
Charnwood Borough Council	£2m	12/10/18	Fixed interest rate	1.40%	09/10/20 (2 years)
PWLB	£1m	03/12/18	Fixed interest rate	1.79%	03/12/24 (6 years)
PWLB	£1m	12/12/18	Fixed interest rate	2.47%	12/12/68 (50 years)
PWLB	£1m	17/12/18	Fixed interest rate	2.46%	17/12/66 (48 years)
PWLB	£1m	11/02/19	Fixed interest rate	2.38%	11/02/65 (46 years)
PWLB	£1m	12/03/19	Fixed interest rate	2.36%	12/03/66 (47 years)
PWLB	£1m	25/03/19	Fixed interest rate	1.82%	25/09/27 (8.5 years)
PWLB	£1m	25/03/19	Fixed interest rate	2.29%	25/09/59 (40.5 years)
PWLB	£1m	26/03/19	Fixed interest rate	2.20%	26/09/67 (48.5 years)
PWLB	£1m	01/04/19	Fixed interest rate	1.80%	01/04/29 (10 years)
PWLB	£1m	04/06/19	Fixed interest rate	1.74%	04/11/29 (10.5 years)
PWLB	£1m	04/06/19	Fixed interest rate	2.17%	04/11/69 (50 years)

Lender	Principal	Date	Type	Interest Rate	Maturity
PWLB	£1m	24/06/19	Fixed interest rate	2.13%	26/01/61 (41.7 years)
PWLB	£1m	08/07/19	Fixed interest rate	1.86%	08/07/34 (15 years)
PWLB	£1m	20/08/19	Fixed interest rate	1.67%	20/08/69 (50 years)
Crawley Borough Council	£2m	10/12/19	Fixed interest rate	1.40%	10/12/21 (2 years)
Total	£37m				

8.2 Prospects for Interest Rates: View provided by Link Asset Services

The Council's appointed external treasury advisor are Link Asset Services. Part of the service provided is to assist the Council to formulate a view on interest rates. The following table gives their central view.

Link Asset Services Interest Rate View														
	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.25
3 Month LIBID	0.70	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.30	1.30
6 Month LIBID	0.80	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40	1.50	1.50	1.50	1.50
12 Month LIBID	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60	1.70	1.70	1.70	1.70
5yr PWLB Rate	2.30	2.40	2.40	2.50	2.50	2.60	2.70	2.80	2.90	2.90	3.00	3.10	3.20	3.20
10yr PWLB Rate	2.60	2.70	2.70	2.70	2.80	2.90	3.00	3.10	3.20	3.20	3.30	3.30	3.40	3.50
25yr PWLB Rate	3.20	3.30	3.40	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00	4.10	4.10
50yr PWLB Rate	3.10	3.20	3.30	3.30	3.40	3.50	3.60	3.60	3.70	3.80	3.90	3.90	4.00	4.00

Link has also provided a detailed Economic Background, see Appendix 4.

8.3 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

Against this background and the risks within the economic forecast, caution will be adopted with the 2020-21 treasury operations. The Chief Financial Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in borrowing rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then borrowing will be postponed.*
- *if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, perhaps arising from an*

acceleration in the rate of increase in central rates in the US and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

Any decisions will be reported to the Treasury Management Panel and Overview and Scrutiny Committee at the next available opportunity.

- 8.4 In view of the above forecast the Council's borrowing strategy will be to consider all suitable options and take advantage of the most attractive rates available, both from the PWLB and from the Market, including other Local Authorities and other bodies as relevant, as and when required, particularly following the decision by the PWLB on 9th October 2019 to increase their margin over gilt yields by 100 basis points on loans lent to local authorities.

8.5 Policy On Borrowing in Advance of Need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

In determining whether borrowing will be undertaken in advance of need the Council will:

- ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need
- ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered
- evaluate the economic and market factors that might influence the manner and timing of any decision to borrow
- consider the merits and demerits of alternative forms of funding
- consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use
- consider the impact of borrowing in advance on temporarily (until required to finance capital expenditure) increasing investment cash balances and the consequent increase in exposure to counterparty risk and other risks and the level of such risks given the controls in place to minimise them
- ensure there is a clear link to the capital strategy
- be mindful of affordability requirements in latest code guidance.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

8.6 UK Municipal Bond Agency

The UK Municipal Bond Agency has now been established and it is reported that Lancashire County Council has already signed up to be their first borrower. It is hoped that the borrowing rates will be lower than those offered by the Public Works Loan Board (PWLb). The Chief Financial Officer will consider the use of this new source of borrowing as and when appropriate and will continue to monitor progress of this new potential treasury partner. Any arrangement will be subject to compliance with the approved treasury policy in accordance with standard practice.

8.7 Property Investment Funds

Property funds are a vehicle for investing funds and diversifying investments. The Council currently has no investments within these types of funds, but is continuing to review the suitability of this option. Property funds should be seen as a medium to long term investment (5 years minimum) to ensure that the full benefit of the return is seen, and to also ensure that any entry fees, annual management fees and exit costs are covered over the life of the investment. Any fund of this nature incurs costs, and these vary depending on the type of fund. Property funds can provide a regular return on the initial investment amount. As a result of the increased durations required to increase yields our treasury strategy, set out in paragraph 10.3 and Appendix 5, provides the Chief Financial Officer with the flexibility to consider the use of this non-specified investment if appropriate. Any arrangement will be subject to compliance with the approved treasury policy in accordance with standard practice.

8.8 Money Market Funds

There are three structural options for money market funds (MMFs):

- **Public Debt Constant Net Asset Value (CNAV)** MMFs - must invest 99.5% of their assets into government debt instruments, reverse repurchase agreements (repos) collateralised with government debt, cash, and are permitted to maintain a constant dealing net asset value (NAV). This Fund is already in existence and there is no change proposed to the current structure; fund not currently used due to low yields.
- **Low Volatility Net Asset Value (LVNAV)** MMFs - permitted to maintain a constant dealing NAV provided that certain criteria are met, including that the market NAV of the Fund does not deviate from the dealing NAV by more than 20 basis points (bps). Funds will have amortised cost accounting for investments out to 75 days. This means that they can value such investments at par, thus these investments should not affect the underlying Fund's NAV.
- **Variable Net Asset Value (VNAV)** MMFs – Funds which price their assets using market pricing and therefore offer a fluctuating dealing NAV. No change to the current approach for Enhanced Money Market Funds.

Note: all MMFs carry relatively low risk

These separate classes are reflected in the authority's investment criteria (see table at paragraph 10.3).

9. DEBT RESCHEDULING

- 9.1 If short term borrowing rates are considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).
- 9.2 The reasons for any rescheduling to take place will include:
- the generation of cash savings and / or discounted cash flow savings,
 - helping to fulfil the treasury strategy,
 - enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).
- 9.3 Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.
- 9.4 Any rescheduling will be reported to the Cabinet at the earliest meeting following its action. However, rescheduling of any current borrowing is unlikely to occur as the 100 basis point increase in the PWLB rates only applied to new borrowing rates and not to premature repayment rates.

10. ANNUAL INVESTMENT STRATEGY

10.1 Investment policy – management of risk

- 10.1.1 The MHCLG and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy, (a separate report).

The Council's investment policy has regard to the following:

- MHCLG's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code")
- CIPFA Treasury Management Guidance Notes 2018

The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return).

10.1.2 The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
2. Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.
3. Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. This authority has defined the list of types of investment instruments that the treasury management team are authorised to use. There are two lists in appendix 5 under the categories of ‘specified’ and ‘non-specified’ investments.
 - i. **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year.
 - ii. **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
5. Lending limits, (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 10.3.
6. Transaction limits are set for each type of investment in paragraph 10.3.
7. The Council has set a limit for the amount of its investments which are invested for longer than 365 days, (see Appendix 3, paragraph 1.9).
8. Investments will only be placed with counterparties from countries with a specified minimum sovereign rating, (see Appendix 6).
9. This Council has engaged external consultants, (see paragraph 11), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
10. All investments will be denominated in sterling.

11. As a result of the change in accounting standards for 2019-20 under **IFRS 9**, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018 the MHCLG concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years commencing from 1st April 2018.)

10.2 Management Practices for Non-Treasury Investments

10.2.1 The revised CIPFA code introduces a requirement for the Council to adopt the following statements covering non-treasury investments:

- This Council recognises that investment in other financial assets and property primarily for financial return, taken for non-treasury management purposes, requires careful investment management. Such activity includes loans supporting service outcomes, investments in subsidiaries, and investment property portfolios.
- This Council will ensure that all of its investments are covered in the Capital Strategy and the Strategy for the Capital Portfolio Fund and Development Loans fund and will set out the organisation's risk appetite and specific policies and arrangements for non-treasury investments. It will be recognised that the risk appetite for these activities may differ from that for treasury management.
- The Council will maintain a schedule setting out a summary of existing material investments, subsidiaries, joint ventures and liabilities including financial guarantees and the Council's risk exposure therein.

10.3 Creditworthiness Policy

The Council continues to apply the creditworthiness service provided by Link Asset Services.

Link advise that their service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

Agenda Item No. 8

This modelling approach combines credit ratings and any assigned watches and outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Chief Financial Officer is satisfied that this service will continue to provide a high level of security for its investments. It is also a service which the Council would not be able to replicate using in house resources.

The Council will therefore use counterparties within the following durational bands:

- Yellow 5 years * (credit score 1)
- Dark pink 5 years for Ultra-Short Dated Bond Funds (USDBF) (credit score 1.25)
- Light pink 5 years for Ultra-Short Dated Bond Funds (USDBF) (credit score 1.5)
- Purple 2 years (credit score 2)
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks) (credit score 3)
- Orange 1 year (credit score 4)
- Red 6 months (credit score 5)
- Green 100 days (credit score 6)
- No colour not to be used (credit score 7+)

Local flexibility supplementary to the base Link criteria

This local flexibility will take into account market factors and normal due diligence checks.

- The Council's own bank may be used for investment durations up to 1 year in accordance with the limits as specified in the table below and in Appendix 5, subject to it achieving a minimum colour rating of green.

Y	Pi1	Pi2	P	B	O	R	G	N/C
1	1.25	1.5	2	3	4	5	6	7
Up to 5yrs	Up to 5yrs	Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yr	Up to 6mths	Up to 100days	No Colour

The following table shows the standard limits using the Link Creditworthiness Policy. However, details of the limits for Specified and Non-Specified Investments applicable to this Council can be found in Appendix 5.

	Colour (and long term rating where applicable)	% Limit	Time Limit
Banks *	yellow	25%	5yrs
Banks	purple	25 %	2 yrs
Banks	orange	25 %	1 yr
Banks – part nationalised	blue	50% (subject to a maximum value of £5m, whichever is the higher) Requires Chief Financial Officer approval if greater than 25%	1 yr

The Council's Bank	minimum green	50% (subject to a maximum value of £5m, whichever is the higher) Requires Chief Financial Officer approval if greater than 25% and time limit is greater than current colour	1 yr
Banks	red	25 %	6 mths
Banks	green	25 %	100 days
Other institutions limit	green	25 %	100 days
DMADF	AA	unlimited	6 months
Local authorities	n/a	25 %	5 yrs
Housing associations	green	25%	100 days
	Fund Rating	% Limit	Time Limit
Money market funds CNAV¹	AAA	25%	Liquid
Money market funds LVNAV²	AAA	25%	Liquid
Money market funds VNAV³	AAA	25%	Liquid
Ultra-Short Dated Bond funds with a credit score of 1.25	Dark pink / AAA	25%	Liquid
Ultra-Short Dated Bond funds with a credit score of 1.5	Light pink / AAA	25%	Liquid
Property Funds		25%	Up to 5 years and over

¹CNAV – Constant Net Asset Value (see paragraph 8.8)

²LVNAV – Low Volatility Net Asset Value

³VNAV – Variable Net Asset Value

* The yellow colour category is for UK Government debt or its equivalent, money market funds and collateralised deposits where the collateral is UK Government debt.

The Link Asset Services' credit worthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system does not give undue preponderance to just one Agency's ratings.

Typically the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored on a weekly basis as a minimum requirement. The Council is immediately alerted to changes to ratings of all three agencies through its use of the Link Asset Services' creditworthiness service.

- If a downgrade results in the counterparty/investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- In addition to the use of credit ratings the Council will be advised of information in movements in Credit Default Swap (CDS) against the iTraxx European Financials benchmark and other market data on a daily basis via its Passport website, provided exclusively by Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Councils lending list.

Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information, information on any external support for banks to help support the decision making process. Link Asset Services will supply this information to the Treasury team as part of their comprehensive service.

UK banks – ring fencing

The largest UK banks, (those with more than £25bn of retail / Small and Medium-sized Enterprise (SME) deposits), were required, by UK law, to separate core retail banking services from their investment and international banking activities by 1st January 2019. This is known as “ring-fencing”. Whilst smaller banks with less than £25bn in deposits are exempt, they can choose to opt up. Several banks are very close to the threshold already and so may come into scope in the future regardless.

Ring-fencing is a regulatory initiative created in response to the global financial crisis. It mandates the separation of retail and SME deposits from investment banking, in order to improve the resilience and resolvability of banks by changing their structure. In general, simpler, activities offered from within a ring-fenced bank, (RFB), will be focused on lower risk, day-to-day core transactions, whilst more complex and “riskier” activities are required to be housed in a separate entity, a non-ring-fenced bank, (NRFB). This is intended to ensure that an entity's core activities are not adversely affected by the acts or omissions of other members of its group.

While the structure of the banks included within this process may have changed, the fundamentals of credit assessment have not. The Council will continue to assess the new-formed entities in the same way that it does others and those with sufficiently high ratings, (and any other metrics considered), will be considered for investment purposes.

10.4 Non UK Country Limits

The Council has determined that it will only use approved counterparties from countries outside the UK with a minimum sovereign credit rating of AA+ from Fitch Ratings (or equivalent from other agencies if Fitch does not provide). The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 6. This list will be added to or deducted from by officers should ratings change in accordance with this policy.

In addition to the minimum sovereign credit rating, no more than 25% would be placed with any individual non-UK country at any time should they meet the creditworthiness criteria.

10.5 Investment Strategy

In-house funds: Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

Investment returns expectations: On the assumption that the UK and EU agree a Brexit deal including the terms of trade by the end of 2020 or soon after, then Bank Rate is forecast to increase slowly over the next few years to reach 1.00% by quarter 1 2023. Bank Rate forecasts for financial year ends (March) are:

- Q1 2021 0.75%
- Q1 2022 1.00%
- Q1 2023 1.00%

The suggested budgeted investment earnings rates for returns on investments placed for periods up to three months during each financial year are as follows:

- 2019/20 0.75%
- 2020/21 0.75%
- 2021/22 1.00%
- 2022/23 1.25%
- 2023/24 1.50%
- 2024/25 1.75%
- Later years 2.25%

The overall balance of risks to economic growth in the UK is probably to the downside due to the weight of all the uncertainties over Brexit, as well as a softening economic picture.

The balance of risks to increases in Bank Rate and shorter term PWLB rates are broadly similar to the downside.

In the event that a Brexit deal is agreed with the EU and approved by Parliament, the balance of risks to economic growth and to increases in Bank Rate is likely to change to the upside.

10.6 End of Year Investment Report

At the end of each financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

10.7 External Fund Managers

The use of specialist investment managers will be considered by the Chief Financial Officer on an ongoing basis, to manage a proportion of the Council's investments (minimum market requirement is usually £10 million) where market conditions are considered favourable to achieve higher overall investment returns. Specialist investment managers will be appointed by the Chief Financial Officer under delegated powers and subject to the Council's Standing Orders Relating to Contracts, if applicable. It is however highly unlikely the Council will hold sufficient funds for investment to be able to consider the use of External Fund Managers due to diminishing cash reserves and the increasing Capital Financing Requirement.

The Council's external fund manager(s) would comply with the Annual Investment Strategy. Any agreement(s) between the Council and the fund manager(s) would additionally stipulate guidelines and duration and other limits in order to contain and control risk.

11. POLICY ON THE USE OF EXTERNAL SERVICE PROVIDERS

- 11.1 The Council uses Link Asset Services, Treasury Solutions (Link) as its external treasury management advisers, with the current contract ending on 31st August 2020. A procurement exercise will be undertaken during early 2020 in accordance with the Council's Contract Procedure rules to market test these services and ensure we have a new contract in place from September 2020. Members of the Treasury Management Panel will be kept informed of this process as appropriate.
- 11.2 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times. The Chief Financial Officer will ensure that statutory Section 151 responsibilities continue to be met, in close liaison with, but without undue reliance, upon our external service providers and having regard to all available information.
- 11.3 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.
- 11.4 The scope of investments within the Council's operations now includes both conventional treasury investments, (the placing of residual cash from the Council's functions), and also other non-financial assets that councils hold for multiple objectives, including generating a net-yield (for example property investment

portfolios). This may therefore include property acquisitions funded from prudential borrowing that are not managed as part of the normal treasury management processes or under treasury management delegations. This Council's Capital Strategy policy requires that properties are not held purely for commercial purposes/financial gain but must be located within the functional geographical economic boundary, and acquisitions so far have all been purchased for multiple objectives including economic regeneration for the district. It is recognised that the management of risk is a key factor in this wider approach to property acquisitions and the due diligence and governance requirements include the use of specialist advisors including KPMG, Bruton Knowles, Lambert Smith Hampton, GVA Grimley and Savilles. Asset Purchase and Sale Investment advice and Asset Portfolio Management is currently provided by Jones Valerio Ltd. Ongoing Property Management is being managed by BNP Paribas.

12. SCHEME OF DELEGATION

- 12.1 The Council's Treasury Management Scheme of Delegation is detailed in Appendix 7.

13. ROLE OF THE SECTION 151 OFFICER

- 13.1 The Treasury Management Role of the Section 151 Officer is detailed in Appendix 8. The revised Treasury Management Code of Practice has significantly extended the specific role of this officer to include a series of new roles in respect of the capital strategy and also a specific role in respect of investment in non-financial assets. These were also reported as part of the Capital Strategy report for transparency and cross reference.

14. MEMBER AND OFFICER TRAINING

- 14.1 The CIPFA Code requires the responsible officer to ensure that Members with responsibility for treasury management receive adequate training in treasury management. This especially applies to Members responsible for scrutiny. The increased Member consideration of treasury management matters and the need to ensure officers dealing with treasury management are trained and kept up to date requires a suitable training process for Members and officers. The Council has addressed this important issue by:

- Annual Portfolio holder training from the Chief Financial Officer and Treasury Consultants;
- Treasury Management Review Panel annual training updates (with additional updates as necessary);
- Daily Officer monitoring of Treasury and Money Market information by Treasury Officers;
- Regular attendance by Officers at professional Seminars provided by Treasury Consultants, CIPFA and MHCLG

The training needs of treasury management officers are periodically reviewed.

In addition to treasury management, Member training is held annually in relation to the Capital Strategy, Capital Portfolio Fund.

15. LOCAL ISSUES

- 15.1 The Financial Strategy for 2017-20 approved in February 2017 included significant proposals for two Council Policies closely allied to the Treasury Management Service Strategy. The first of these policies was in relation to Loans to Third Parties (now renamed Development Loans Fund) for which an allocation of £10m was allocated in the 2017-18 Capital Programme. The second was to create a £25m Capital Portfolio Fund; both policies support our corporate priority of regeneration and economic development. Expenditure is subject to specific approval and due diligence evidenced by each business case. More detail in relation to these non-treasury investments is contained within the Capital Strategy Cabinet report 17th December 2019 http://www.wyreforest.gov.uk/council/docs/doc55298_20191217_cabinet_agenda.pdf (agenda item 7.2) that will be reported for approval to February Council alongside this TMSS as part of the overall Financial Strategy.
- 15.2 During the next year the funds available for investment will continue to reduce as the Council continues to progress its Transformation Agenda. Wyre Forest Forward initiatives including Localism are being pursued to ensure that the Council can reduce on-going revenue costs of delivering services. As approved capital projects progress and movements in the MRP are reflected, the borrowing requirement will continue to fluctuate, as detailed in this report.
- 15.3 Historically, the most significant issue to affect the Council was the exposure of investments with links to Icelandic Banks. Repayments in respect of the remaining two investments continue in line with expectations. The Council remains optimistic that overall recovery rates for the two remaining investments will be high. Further details can be found in Section 5.2 of this report.
- 15.4 The Prudential Code suggests including Local Indicators where the information will lead to a better understanding of local circumstances. As Councils are now having to take more commercial approaches to generating income it is increasingly apparent that capital investment schemes that generate rental streams are beginning to emerge within Local Government. The strict definition of the current indicator showing financing costs as a proportion of net revenue stream excludes such rental income, thereby skewing the results. A local indicator is included within Appendix 3, to show the effect of the complete investment return upon the net revenue stream, thus demonstrating that the inclusion of these schemes still provides prudent and affordable results.

16. KEY ISSUES

- 16.1 The Council continues to enter into external borrowing in accordance with the current approved TMSS. Loans outstanding as at 10th January 2020 total £37million, and this will increase in line with the CFR over the period of the Financial Strategy. As approved capital projects progress, including the

significant policy for the Capital Portfolio Fund, the borrowing requirement will continue to increase. No expenditure has been made to date in respect of the Development Loans Fund and discussions are in progress with fund managers Finance Birmingham about the future of this scheme. Affordability will be one of the key factors in the specific business cases. Subject to timing of proposals, we will continue to take advantage of historically low borrowing rates, taking into account cost of carry, before they start to rise again. Full details can be found in Section 8.1 of this report.

- 16.2 The 2017 Treasury Management Code of Practice included several changes to the Treasury Management Practices (TMPs) that have been incorporated into this Council's policies. The Chief Financial Officer and treasury team keep the TMPs under review with the assistance of the Council's Treasury Consultants.
- 16.3 The financial situation facing this Council continues to be extremely challenging. The Provisional Local Government Settlement was announced on 20th December 2019 following the General Election earlier in the month. Whilst this was positive in terms of overall Core Spending Power for the sector, this not the case for all district Councils including Wyre Forest; for this Council there is a reduction of 2.7% comparing unfavourably with the overall sector increase of 6.3%. The restriction of council tax referendum limits was also disappointing. There is unlikely to be additional funding from Central Government, particularly for district councils and the uncertainty and risk is set to continue. The Local Government Finance Reforms now deferred until 2021-22 are a major contributory factor to this risk with a multitude of consultation papers on the various elements expected over the next 12 months. Following the Pan- Worcestershire 75% Business Rates Pilot in 2019-20 the new Worcestershire Business Rated Pool for 2020-21 should help to protect this Council's position until the Reforms are introduced. In the meantime, this Council will address it's significant funding gap as set out in the MTFS. This Strategy manages the risks as set out in section 19. All relevant factors will be monitored and if the risks change significantly then further reports will be made to update the Treasury Strategy.

17. FINANCIAL IMPLICATIONS

- 17.1 The Financial Implications of the Treasury Management function are included in the Council's Medium Term Financial Strategy, Capital Strategy and Three Year Budget and Policy Framework.

18. LEGAL AND POLICY IMPLICATIONS

- 18.1 The Local Government Act 2003 supplemented by Regulations set out the current framework for a prudential system for local authority capital finance. This Act, together with CIPFA's Prudential Code for Capital Finance in Local Authorities, came into effect on 1st April 2004. This code together with recent revised editions, guides decisions on what Local Authorities can afford to borrow and has statutory backing under Regulations issued in accordance with the Local Government Act 2003.
- 18.2 Adoption of the CIPFA Code of Practice on Treasury Management in the Public Services as part of the Authority's Standing Orders and Financial Regulations, gives it the status of a "code of practice made or approved by or under any

enactment”, and hence proper practice under the provisions of the Local Government and Housing Act 1989.

- 18.3 The publication of the revised CIPFA Prudential Code and Treasury Management Code in December 2017 introduced further layers of control around risk in relation to investments that are not part of treasury management activity particularly relevant to where prudential borrowing is used and a commercial return is sought. Revised Investment and MRP guidance from the MHCLG (which should be read in conjunction with the codes) was issued in February 2018. Developments will continue to be monitored and updates including associated risks covered in future reports.
- 18.4 In late October 2019 CIPFA issued a Financial Management Code (FM Code) which provides guidance for good and sustainable financial management in local authorities and will provide assurance that authorities are managing resources effectively. The first full year of compliance will be 2021-2022. This reflects the recognition that organisations will need time to reflect on the contents of the code and can use 2020-2021 to demonstrate how they are working towards compliance. This will link to the Financial Resilience Index information recently provided by CIPFA. CIPFA also issued the long awaited Guidance on Prudential Property Investment in Mid November 2019 including a detailed methodology on how authorities could calculate whether their property investments are proportional to the size of their revenue budgets. These developments are covered in Appendix 4 of February MTFS Cabinet Report.

19. RISK MANAGEMENT

- 19.1 The Council is aware of the risks of passive management of the treasury portfolio. With the support of Link Asset Services, the Council’s treasury advisors, the Council has proactively managed the portfolio over the year.
- 19.2 Shorter-term variable rates and likely future movement in these rates predominantly determine the Council’s investment return. These returns can therefore be volatile and, whilst the risk of loss of principal is minimised through the lending list, accurately forecasting returns can be difficult.
- 19.3 In the event of a counterparty default, a formal demand for payment, to include principal, contractual interest and default interest, will be made as soon as possible. Such demand will need to meet the criteria as specified in the Insolvency Act Amendments Rules 2010.
- 19.4 One of the risks associated with the Council’s Capital Programme, allied to this TMSS, is that given the current economy and the outcome of Brexit negotiations, planned asset disposals are not fully realised in terms of timing and valuation assumptions. This may increase external borrowing until such sales proceeds are realised and also incur additional costs, of debt repayment to those already included in Finance Strategy. For major projects, reserves are held to mitigate this risk.

- 19.5 There is no significant change proposed to the Council's counterparty criteria. The Council will continue to aim to achieve the optimum return on its investments commensurate with its investment priorities of security and liquidity. The government continues its programme of selling its stake in Royal Bank of Scotland. The investment criteria for this class of investment has been slightly amended to enable more flexibility for the use of the UK part nationalised banks (currently RBS Group) where necessary. However, this will be kept under review and investments above 25% will only be placed on an exception basis and only with advance Chief Finance Officer (CFO) approval.
- 19.6 Although the rating for the Council's bank, Lloyds, is currently orange (12 months) if this should deteriorate the policy allows for discretion to be exercised allowing longer investments up to 12 months to continue to be placed. The resultant risk is recognised and would be mitigated by approval on an exceptional basis only with advance Chief Finance Officer (CFO) approval.
- 19.7 Proposed expenditure in respect of the two Council Policies, detailed in 15.1 above, that are closely allied to the Treasury Management Service Strategy will be subject to specific approval and due diligence evidenced by each business case in order to minimise risk. These risks are explained in the detailed Capital Strategy 2020-30 report presented to Cabinet on 17th December 2019 http://www.wyreforest.gov.uk/council/docs/doc55298_20191217_cabinet_agenda.pdf (agenda item 7.2) that will follow the same approval route as this TMSS and MTFS.
- 19.8 The ongoing requirement to produce a Capital Strategy will ensure that there is greater focus on risk and longer term affordability of capital plans and include emphasis on non treasury investments.

20. EQUALITY IMPACT ASSESSMENT

- 20.1 This is a financial report and there is no requirement to consider an Equality Impact Assessment.

21. CONCLUSION

- 21.1 See Recommendations.

22. CONSULTEES

- 22.1 Link Asset Services (Treasury Advisors)
- 22.2 Leader of the Council/Cabinet Member for Strategy and Finance
- 22.3 CLT
- 22.4 Treasury Management Review Panel

23. BACKGROUND PAPERS

23.1 Local Government Act 2003.

23.2 CIPFA Prudential Code 2017.

23.3 CIPFA Revised Code of Practice on Treasury Management 2017.

23.4 Local Government and Housing Act 1989.

23.5 Council 27-02-19: Treasury Management Strategy 2019-20.
http://www.wyreforest.gov.uk/council/docs/doc54257_20190227_council_agenda.pdf

23.6 Council 25-09-19: Annual Report on Treasury Management Service and Actual Prudential Indicators 2018-19.
http://www.wyreforest.gov.uk/council/docs/doc55025_20190925_council_agenda.pdf

23.7 Overview and Scrutiny Committee 07-11-19: Treasury Management Strategy Statement and Annual Investment Strategy Mid-year Review Report 2019-20.
http://www.wyreforest.gov.uk/council/docs/doc55164_20191107_o_and_s_agenda.pdf

23.8 CIPFA Treasury Management in the Public Services Guidance Notes 2018.

23.9 CIPFA statement 17/10/2018 on borrowing in advance of need and investments in commercial property.

23.10 CIPFA Bulletin 02 Treasury and Capital Management Update October 2018.

23.11 Overview and Scrutiny Committee 01-06-17: Strategies for the Capital Portfolio Fund and Loans to Third Parties (Development Loans Fund).
http://www.wyreforest.gov.uk/council/docs/doc51960_20170601_o_and_s_agenda.pdf

23.12 Cabinet 17th December 2019 - Capital Strategy 2020-30
http://www.wyreforest.gov.uk/council/docs/doc55298_20191217_cabinet_agenda.pdf
(agenda item 7.2)

23.13 Statutory investment guidance where updated in 2018 (*English local authorities*)

23.14 Statutory MRP guidance where updated in 2018 (*English local authorities*)

23.15 CIPFA Guidance on Prudential Property Investment November 2019.

23.16 CIPFA Financial Management Code October 2019.

APPENDIX 1 MINIMUM REVENUE PROVISION (MRP) POLICY STATEMENT

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required at the discretion of the Chief Financial Officer (voluntary revenue provision - VRP).

MHCLG regulations have been issued which require the full Council to approve **an MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision.

For capital expenditure financed by borrowing after 1 April 2008 the Chief Finance Officer (Section 151 Officer) should determine whether an annuity or equal instalment method is adopted for certain classes of investment to ensure that the most financially beneficial method is adopted.

During 2019-20 the Council's approach to calculating a prudent minimum revenue provision has been kept under review to further take account of the need to evaluate commercial business cases for Capital Portfolio Fund acquisitions that generate a revenue income stream. Following the review some minor additional wording has been added to reflect that discretion may be exercised to charge a VRP even where an MRP is not required by statute, for Development Loans Fund expenditure in particular.

The Council is recommended to approve the following MRP Statement:

For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:

Regulatory Method

Under the previous MRP regulations, MRP was set at a uniform rate of 4% of the adjusted CFR (i.e. adjusted for "Adjustment A") on a reducing balance method (which in effect meant that MRP charges would stretch into infinity). This historic approach must continue for all capital expenditure incurred in years before the start of this new approach. It may also be used for new capital expenditure up to the amount which is deemed to be supported through the SCE annual allocation.

This option provides for an approximate 4% reduction in the borrowing need (CFR) each year.

From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be:

Asset Life Method

Under this option, it is intended that MRP should be spread over the estimated useful life of either an asset created, or other purpose of the expenditure. There are two useful advantages of this option: -

- Longer life assets e.g. freehold land can be charged over a longer period.
- No MRP charges need to be made until the financial year after that in which an item of capital expenditure is fully incurred and, in the case of a new asset, comes into service use (this is often referred to as being an 'MRP holiday').

There are two ways of calculating MRP under the Asset Life Method:

- i. **the equal instalment method** allows the use of a simple formula to generate a series of equal annual amounts over the estimated life of the asset.
- ii. **the annuity method** makes provision for an annual charge to the General Fund which takes account of the time value of money (e.g. whereby paying £100 in 10 years' time is less of a burden than paying £100 now). The schedule of charges produced by the annuity method results in a consistent charge to revenue over an asset's life, taking into account the real value of the annual charges when they fall due. The annuity method also matches the repayment profile to how the benefits of the asset financed by borrowing are consumed over its useful life (i.e. the method reflects the fact that asset deterioration is slower in the early years of an asset's life and accelerate towards the latter years). This is commensurate with a prudent provision matching debt repayment to the period which the capital expenditure provides benefit. This method is most appropriate for use in circumstances where the initial investment is recouped from rental yields that are subject to cyclical, upwards only reviews. It is also appropriate in connection with projects promoting regeneration or administrative efficiencies or other schemes where revenues will increase over time.

The Chief Finance Officer (Section 151 Officer) will determine whether an annuity or equal instalment method is utilised to ensure that a prudent and financially beneficial method is adopted.

Estimated life periods will be determined by the Chief Financial Officer (Section 151 Officer) under powers delegated by Council. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Council as determined by the Chief Financial Officer. However, under these powers delegated by Council, the Chief Financial Officer reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

As some types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. For example, the Guidance recommends that in the case of loans and grants towards capital expenditure by third parties (under Regulation 25(1)(b), a charge should be made over a period "equal to the estimated life of the assets in relation to which the third party expenditure is incurred" and this is the approach adopted in this MRP Policy. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

In accordance with the Guidance, MRP will be charged in the financial year following that in which the asset is completed or becomes operational.

With regards to the Council's Policy on Development Loans Fund, where the capital expenditure relates to shorter term loan arrangements, the policy will be to not charge any MRP to the revenue account if full repayment of loans will be anticipated within the shorter term, as per the agreements. A VRP may however be made at the discretion of the Chief Financial Officer. This scheme is included within the Capital Programme and loan applications will be subject to specific approval by the Cabinet and due diligence of the business case for each proposal. The principal element of the receipts will be set aside for this purpose; hence an element of the CFR will be reduced when repayment of loans are made.

The Prudential Indicators included in Appendix 3 assume that MRP/VRP will be payable on Development Loans Fund in order to present the 'worst case' cash flow position for TMSS purposes. This budget modelling will be revised, based on the approval of specific business cases for allocation of the funding. This has been modelled on a straight line basis.

MRP Overpayments

A change introduced by the revised MHCLG MRP Guidance was the allowance that any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision (VRP) or overpayments, can, if needed, be reclaimed for use in the budget. This policy must disclose the cumulative overpayment made each year. Up until 31st March 2019 there were no cumulative VRP overpayments.

The Council is satisfied that the policy for calculating MRP set out in this Policy Statement will result in the Council continuing to make prudent provision for the repayment of debt, over a period that is on average reasonably commensurate with that over which expenditure provides benefit.

The Chief Financial Officer will, where it is prudent to do so, use discretion to review the overall financing of the Capital Programme and the opportunities afforded by the regulations, to maximise the benefit to the Council whilst ensuring the Council meets its duty to charge a prudent provision.

APPENDIX 2 INTEREST RATE FORECASTS

The data below shows a variety of forecasts published by Link Asset Services and Capital Economics (an independent forecasting consultancy).

The forecast within this strategy statement has been drawn from these diverse sources and officers' own views.

Bank Rate														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	0.75%	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.25%
Capital Economics	0.75%	0.75%	0.75%	0.75%	0.75%	-	-	-	1.00%	-	-	-	-	-
5yr PWLB Rate														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	2.34%	2.40%	2.40%	2.50%	2.50%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.20%	3.20%
Capital Economics	2.34%	2.40%	2.50%	2.50%	2.60%	-	-	-	2.80%	-	-	-	-	-
10yr PWLB Rate														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	2.55%	2.70%	2.70%	2.70%	2.80%	2.90%	3.00%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.50%
Capital Economics	2.55%	2.60%	2.70%	2.80%	2.80%	-	-	-	3.10%	-	-	-	-	-
25yr PWLB Rate														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	3.07%	3.30%	3.40%	3.40%	3.50%	3.60%	3.70%	3.70%	3.80%	3.90%	4.00%	4.00%	4.10%	4.10%
Capital Economics	3.07%	3.00%	3.10%	3.20%	3.20%	-	-	-	3.40%	-	-	-	-	-
50yr PWLB Rate														
	NOW	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Link Asset Services	2.90%	3.20%	3.30%	3.30%	3.40%	3.50%	3.60%	3.60%	3.70%	3.80%	3.90%	3.90%	4.00%	4.00%
Capital Economics	2.90%	3.00%	3.10%	3.20%	3.20%	-	-	-	3.50%	-	-	-	-	-

PWLB rates and forecast shown above have taken into account the 20 basis point certainty rate reduction effective as of the 1st November 2012.

APPENDIX 3 PRUDENTIAL AND TREASURY INDICATORS

1 THE CAPITAL PRUDENTIAL INDICATORS 2020-30

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in prudential indicators, designed to assist members' overview and confirm capital expenditure plans.

The prudential indicators will be revised in February 2020 if required, as part of the Council's approval of the Financial Strategy 2020 to 2023, as the indicators included within this report are based on current recommendations.

1.1 Capital expenditure

This prudential indicator is a summary of the Council's capital expenditure plans.

Capital expenditure £'000	2018-19 Actual	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate
Chief Executive and Solicitor to the Council	-	-	414	-	-	-
Community Well-being and Environment	1,448	2,740	186	-	-	-
Economic Prosperity and Place**	1,848	5,531	3,532	1,000	1,000	1,000
Resources	752	666	113	160	-	-
Capital Portfolio Fund and Development Loans Fund	9,932	25,068*	-	-	-	-
Vehicle, Equipment and Systems Renewals	642	1,465	760	785	199	224
Total	14,622	35,470	5,005	1,945	1,199	1,224

Capital expenditure £'000	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
Chief Executive and Solicitor to the Council	-	-	-	-	-	-
Community Well-being and Environment	-	-	-	-	-	-
Economic Prosperity and Place**	1,000	1,000	1,000	1,000	1,000	1,000
Resources	-	-	-	-	-	-
Capital Portfolio Fund and Development Loans Fund	-	-	-	-	-	-
Vehicle, Equipment and Systems Renewals	363	1,144	1,259	170	547	547
Total	1,363	2,144	2,259	1,170	1,547	1,547

* Whilst it is highly unlikely that the full allocations will be spent as currently estimated, these are included as maximum sums to enable the Council to take advantage of relevant opportunities to support regeneration in the wider sense as they may arise.

** Capital budgets from 2020-21 onwards for Disabled Facilities Grants are subject to annual Better Care Fund allocations from Central Government.

Other long term liabilities - the above financing need excludes other long term liabilities, such as PFI and leasing arrangements which already include borrowing instruments. However, the Council currently has no other long term liabilities.

The tables below summarise the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Capital expenditure £'000	2018-19 Actual	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate
Total	14,622	35,470	5,005	1,945	1,199	1,224
Financed by:						
Capital receipts	137	995	1,188	-	-	-
Capital grants	1,391	4,313	1,345	1,000	1,000	1,000
Revenue	158	524	-	-	-	-
Total net financing need for the year	12,936	29,638	2,472	945	199	224
Net financing need split as follows:						
Net financing need for the year: Capital Portfolio Fund and Development Loans Fund	9,832	25,068	-	-	-	-
Percentage of total net financing need %	76%	85%	0%	0%	0%	0%
Net financing need for the year: Capital Programme	3,104	4,570	2,472	945	199	224
Percentage of total net financing need %	24%	15%	100%	100%	100%	100%

Capital expenditure £'000	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
Total	1,363	2,144	2,259	1,170	1,547	1,547
Financed by:						
Capital receipts	-	-	-	-	-	-
Capital grants	1,000	1,000	1,000	1,000	1,000	1,000
Revenue	-	-	-	-	-	-
Total net financing need for the year	363	1,144	1,259	170	547	547
Net financing need split as follows:						
Net financing need for the year: Capital Portfolio Fund and Development Loans Fund	-	-	-	-	-	-
Percentage of total net financing need %	0%	0%	0%	0%	0%	0%
Net financing need for the year: Capital Programme	363	1,144	1,259	170	547	547
Percentage of total net financing need %	100%	100%	100%	100%	100%	100%

1.2 The Council's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council does not currently have such schemes within the CFR.

The current CFR projections are presented below:

£'000	2018-19 Actual	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate
Capital Financing Requirement						
CFR: Capital Portfolio Fund and Development Loans Fund	9,832	34,807	34,368	33,747	33,134	32,519
CFR: Capital Programme	20,563	24,381	24,811	24,635	23,661	22,703
Total CFR	30,395	59,188	59,179	58,382	56,795	55,222
Movement in CFR	12,328	28,793	(9)	(797)	(1,587)	(1,573)

	Movement in CFR represented by:					
Net financing need for the year (above)	12,936	29,638	2,472	945	199	224
Less MRP/VRP and other financing movements	(608)	(845)	(2,481)	(1,742)	(1,786)	(1,797)
Movement in CFR	12,328	28,793	(9)	(797)	(1,587)	(1,573)

£'000	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
Capital Financing Requirement						
CFR: Capital Portfolio Fund and Development Loans Fund	31,904	31,287	30,668	30,048	29,427	28,806
CFR: Capital Programme	21,873	21,807	21,799	20,639	19,848	19,057
Total CFR	53,777	53,094	52,467	50,687	49,275	47,863
Movement in CFR	(1,445)	(683)	(627)	(1,780)	(1,412)	(1,412)

	Movement in CFR represented by:					
Net financing need for the year (above)	363	1,144	1,259	170	547	547
Less MRP/VRP and other financing movements	(1,808)	(1,827)	(1,886)	(1,950)	(1,959)	(1,959)
Movement in CFR	(1,445)	(683)	(627)	(1,780)	(1,412)	(1,412)

A key aspect of the regulatory and professional guidance is that elected members are aware of the size and scope of any non treasury activity in relation to the Council's overall financial position. The capital expenditure figures shown in 1.1 and the details above demonstrate the scope of this activity and, by approving these figures, consider the scale proportionate to the Council's remaining activity.

1.3 Affordability prudential indicators

Within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances.

1.4 Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream for the period of the Medium Term Financial Strategy (MTFS).

%	2018-19 Actual	2019-20 Estimate	2021-21 Estimate	2021-22 Estimate	2022-23 Estimate
Ratio (Prudential Code)*	7.77	13.61	21.84	23.97	23.95
Ratio (Local Indicator)*	4.45	4.02	11.04	13.08	13.44

* A local indicator was introduced from 2018-19 onwards to reflect the impact of the estimated rental income stream for the Capital Portfolio Fund scheme (currently excluded from the Prudential Code calculation), demonstrating that the capital investment continues to be prudent and sustainable.

The estimates of financing costs include current commitments.

1.5 Incremental impact of capital investment decisions on the Band D Council Tax

This indicator is retained as a local indicator from 2018-19 following the revision to the prudential code in December 2017. It identifies the revenue costs associated with the Cabinet proposals being the proposed changes to the three year capital programme compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of Government support, which are not published over a three year period.

This indicator, shown for the period of the MTFs, will be revised in February 2020 as part of the Council's approval of the Financial Strategy 2020 to 2023.

£	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate
Council tax - band D	3.94	6.79	6.79

1.6 Current portfolio position

The Council's treasury portfolio position (investments and borrowing) at 10th January 2020 is detailed in sections 5.1 and 8.1 of the main report.

The Council's external debt position at 31st March 2019, with forward projections for borrowing are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

£'000	2018-19 Actual	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate
External Debt						
Gross debt at 31st March	29,000	59,000	59,000	58,000	56,000	55,000
The Capital Financing Requirement	30,395	59,188	59,179	58,382	56,795	55,222
Under / (over) borrowing *	1,395	188	179	382	795	222

Within the above figures the level of debt relating to the Development Loans Fund and Capital Portfolio Fund is:

	2018-19 Actual	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate
External Debt for Development Loans Fund and Capital Portfolio Fund						
Actual debt at 31 March £'000	9,000	34,000	34,000	33,000	33,000	32,000
Percentage of total external debt %	31%	58%	58%	57%	59%	58%

£'000	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
External Debt						
Gross debt at 31st March	53,000	53,000	52,000	50,000	49,000	47,000
The Capital Financing Requirement	53,777	53,094	52,467	50,687	49,275	47,863
Under / (over) borrowing *	777	94	467	687	275	863

Within the above figures the level of debt relating to the Development Loans Fund and Capital Portfolio Fund is:

	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
External Debt for Development Loans Fund and Capital Portfolio Fund						
Actual debt at 31 March £'000	31,000	31,000	30,000	30,000	29,000	28,000
Percentage of total external debt %	58%	58%	58%	60%	59%	60%

Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2020-21 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Chief Financial Officer reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the short term.

*However, in the future it may be that the Council will not be able to comply with this indicator introduced in November 2012 since any fixed term maturity loans would not be reduced until they are repaid. The CFR would continue to be reduced by MRP/VRP, hence the gross external debt may eventually exceed the CFR. The debt would attract excessive premiums if it was prematurely repaid. The unexpected change from net to gross debt in 2012 is unachievable for many Councils given past decisions made in full accordance with the Prudential Code. Links' advice is that it is sufficient to disclose this as part of the Strategy review.

1.7 Treasury Indicators: limits to borrowing activity

The operational boundary

This is the limit beyond which external debt is not normally expected to exceed, shown for the period of the MTFS. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational boundary £'000	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate
Debt	65,000	65,000	65,000	65,000
Other long term liabilities	-	-	-	-
Total	65,000	65,000	65,000	65,000

The authorised limit for external debt

A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term, shown for the period of the MTFS.

This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.

Authorised limit £'000	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate
Debt	75,000	75,000	75,000	75,000
Other long term liabilities	-	-	-	-
Total	75,000	75,000	75,000	75,000

1.8 Maturity structure of borrowing

These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

Maturity structure of fixed interest rate borrowing 2020-21		
	Lower	Upper
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years and above	0%	100%
Maturity structure of variable interest rate borrowing 2020-21		
	Lower	Upper
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years and above	0%	100%

These limits give maximum flexibility for borrowing, to ensure financial advantages of each transaction.

1.9 Investment treasury indicator and limit

This indicator sets the limits on total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

Maximum principal sums invested > 365 days			
£m	2020-21	2021-22	2022-23
Principal sums invested > 365 days	£2m	£2m	£2m

APPENDIX 4 ECONOMIC BACKGROUND (PROVIDED BY LINK ASSET SERVICES (TREASURY ADVISORS))

4.1 GLOBAL OUTLOOK

World growth Until recent years, world growth has been boosted by increasing globalisation i.e. countries specialising in producing goods and commodities in which they have an economic advantage and which they then trade with the rest of the world. This has boosted worldwide productivity and growth, and, by lowering costs, has also depressed inflation. However, the rise of China as an economic superpower over the last thirty years, which now accounts for nearly 20% of total world Gross Domestic Product (GDP), has unbalanced the world economy. The Chinese government has targeted achieving major world positions in specific key sectors and products, especially high tech areas and production of rare earth minerals used in high tech products. It is achieving this by massive financial support, (i.e. subsidies), to state owned firms, government directions to other firms, 'technology theft', restrictions on market access by foreign firms and informal targets for the domestic market share of Chinese producers in the selected sectors. This is regarded as being unfair competition that is putting western firms at an unfair disadvantage or even putting some out of business. It is also regarded with suspicion on the political front as China is an authoritarian country that is not averse to using economic and military power for political advantage. The current trade war between the United States (US) and China therefore needs to be seen against that backdrop. It is, therefore, likely that we are heading into a period where there will be a reversal of world globalisation and a decoupling of western countries from dependence on China to supply products. This is likely to produce a backdrop in the coming years of weak global growth and so weak inflation. Central banks are, therefore, likely to come under more pressure to support growth by looser monetary policy measures and this will militate against central banks increasing interest rates.

The trade war between the US and China is a major concern to financial markets due to the synchronised general weakening of growth in the major economies of the world, compounded by fears that there could even be a recession looming up in the US, though this is probably overblown. These concerns resulted in government bond yields in the developed world falling significantly during 2019. If there were a major worldwide downturn in growth, central banks in most of the major economies will have limited ammunition available, in terms of monetary policy measures, when rates are already very low in most countries, (apart from the US). There are also concerns about how much distortion of financial markets has already occurred with the current levels of quantitative easing (QE) purchases of debt by central banks and the use of negative central bank rates in some countries. The latest Purchasing Managers' Index (PMI) survey statistics of economic health for the US, UK, European Union (EU) and China have all been predicting a downturn in growth; this confirms investor sentiment that the outlook for growth during the year ahead is weak.

4.2 KEY RISKS - central bank monetary policy measures

The interest rate forecasts provided by Link Asset Services are predicated on an assumption of an agreement being reached on Brexit between the UK and the EU. On this basis, while GDP growth is likely to be subdued in 2019 and 2020 due to all the uncertainties around Brexit depressing consumer and business confidence, an agreement on the detailed terms of a trade deal is likely to lead to a boost to the rate of growth in subsequent years. This could, in turn, increase inflationary pressures in the economy and so cause the Bank of England to resume a series of gentle increases in Bank Rate. Just how fast, and how far, those increases will occur and rise to, will be data dependent. The forecasts in this report assume a modest recovery in the rate and timing of stronger growth and in the corresponding response by the Bank in raising rates.

- In the event of an **orderly non-agreement exit in December 2020**, it is likely that the Bank of England would take action to cut Bank Rate from 0.75% in order to help

economic growth deal with the adverse effects of this situation. This is also likely to cause short to medium term gilt yields to fall.

- If there were a **disorderly Brexit**, then any cut in Bank Rate would be likely to last for a longer period and also depress short and medium gilt yields correspondingly. Quantitative easing could also be restarted by the Bank of England. It is also possible that the government could act to protect economic growth by implementing fiscal stimulus.

The balance of risks to the UK

- The overall balance of risks to economic growth in the UK is probably even, but dependent on a successful outcome of negotiations on a trade deal.
- The balance of risks to increases in Bank Rate and shorter term PWLB rates are broadly similarly to the downside.
- In the event that a Brexit deal was agreed with the EU and approved by Parliament, the balance of risks to economic growth and to increases in Bank Rate is likely to change to the upside.

One risk that is both an upside and downside risk, is that all central banks are now working in very different economic conditions than before the 2008 financial crash as there has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could therefore either over or under do increases in central interest rates.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- Brexit – if it were to cause significant economic disruption and a major downturn in the rate of growth.
- Bank of England takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the Eurozone sovereign debt crisis. In 2018, Italy was a major concern due to having a populist coalition government which made a lot of anti-austerity and anti-EU noise. However, in September 2019 there was a major change in the coalition governing Italy which has brought to power a much more EU friendly government; this has eased the pressure on Italian bonds. Only time will tell whether this new coalition based on an unlikely alliance of two very different parties will endure.
- Weak capitalisation of some European banks, particularly Italian banks.
- German minority government. In the German general election of September 2017, Angela Merkel's Christian Democratic Union (CDU) party was left in a vulnerable minority position dependent on the fractious support of the Social Democratic Party (SPD) party, as a result of the rise in popularity of the anti-immigration Alternative for Germany (AfD) party. The CDU has done badly in recent state elections but the SPD has done particularly badly and this has raised a major question mark over continuing to support the CDU. Angela Merkel has stepped down from being the CDU party leader but she intends to remain as Chancellor until 2021.
- Other minority EU governments. Austria, Finland, Sweden, Spain, Portugal, Netherlands and Belgium also have vulnerable minority governments dependent on coalitions which could prove fragile.
- Austria, the Czech Republic, Poland and Hungary now form a strongly anti-immigration bloc within the EU. There has also been rising anti-immigration sentiment in Germany and France.

- In October 2019, the International Monetary Fund (IMF) issued a report on the World Economic Outlook which flagged up a synchronised slowdown in world growth. However, it also flagged up that there was potential for a rerun of the 2008 financial crisis, but this time centred on the huge debt binge accumulated by corporations during the decade of low interest rates. This now means that there are corporates who would be unable to cover basic interest costs on some \$19trn of corporate debt in major western economies, if world growth was to dip further than just a minor cooling. This debt is mainly held by the shadow banking sector i.e. pension funds, insurers, hedge funds, asset managers etc., who, when there is \$15trn of corporate and government debt now yielding negative interest rates, have been searching for higher returns in riskier assets. Much of this debt is only marginally above investment grade so any rating downgrade could force some holders into a fire sale, which would then depress prices further and so set off a spiral down. The IMF's answer is to suggest imposing higher capital charges on lending to corporates and for central banks to regulate the investment operations of the shadow banking sector. In October 2019, the deputy Governor of the Bank of England also flagged up the dangers of banks and the shadow banking sector lending to corporates, especially highly leveraged corporates, which had risen back up to near pre-2008 levels.
- Geopolitical risks, for example in North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates

- Brexit – if agreement was reached all round that removed all threats of economic and political disruption between the EU and the UK.
- The Bank of England is too slow in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- UK inflation, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

4.3 United Kingdom (UK) economy

Brexit. 2019 has been a year of upheaval on the political front as Theresa May resigned as Prime Minister to be replaced by Boris Johnson on a platform of the UK leaving the EU on 31 October 2019, with or without a deal. However, MPs blocked leaving on that date and the EU agreed an extension to 31 January 2020. In late October, MPs approved an outline of a Brexit deal to enable the UK to leave the EU on 31 January. Now that the Conservative Government has gained a large overall majority in the **general election** on 12 December, this outline deal will be passed by Parliament by that date. However, there will still be much uncertainty as the detail of a trade deal will need to be negotiated by the current end of the transition period in December 2020, which the Prime Minister has pledged he will not extend. This could prove to be an unrealistically short timetable for such major negotiations that leaves open two possibilities; one, the need for an extension of negotiations, probably two years, or, a no deal Brexit in December 2020.

GDP growth has taken a hit from Brexit uncertainty during 2019; quarter three 2019 surprised on the upside by coming in at +0.4% q/q, +1.1% y/y. However, the peak of Brexit uncertainty during the final quarter appears to have suppressed quarterly growth to probably around zero. The economy is likely to tread water in 2020, with tepid growth around about 1% until there is more certainty after the trade deal deadline is passed.

While the Bank of England went through the routine of producing another **quarterly Inflation Report**, (now renamed the Monetary Policy Report), on 7 November, it is very questionable how much all the writing and numbers were worth when faced with the uncertainties of where the UK will be after the general election. The Bank made a change in their Brexit assumptions to now include a deal being eventually passed. Possibly the biggest message that was worth taking note of from the Monetary Policy Report, was an increase in concerns among MPC members around weak global economic growth and the potential for Brexit uncertainties to become entrenched and so delay UK economic recovery. Consequently, the MPC voted 7-2 to maintain Bank Rate at 0.75% but two members were sufficiently concerned to vote for an immediate Bank Rate cut to 0.5%. The MPC warned that if global growth does not pick up or Brexit uncertainties intensify, then a rate cut was now more likely. Conversely, if risks do recede, then a more rapid recovery of growth will require gradual and limited rate rises. The speed of recovery will depend on the extent to which uncertainty dissipates over the final terms for trade between the UK and EU and by how much global growth rates pick up. The Bank revised its inflation forecasts down – to 1.25% in 2019, 1.5% in 2020, and 2.0% in 2021; hence, the MPC views inflation as causing little concern in the near future.

The **MPC meeting of 19 December** repeated the previous month's vote of 7-2 to keep Bank Rate on hold. Their key view was that there was currently 'no evidence about the extent to which policy uncertainties among companies and households had declined' i.e. they were going to sit on their hands and see how the economy goes in the next few months. The two members who voted for a cut were concerned that the labour market was faltering. On the other hand, there was a clear warning in the minutes that the MPC were concerned that "domestic unit labour costs have continued to grow at rates above those consistent with meeting the inflation target in the medium term".

If economic growth were to weaken considerably, the MPC has relatively little room to make a big impact with Bank Rate still only at 0.75%. It would therefore, probably suggest that it would be up to the Chancellor to provide help to support growth by way of a **fiscal boost** by e.g. tax cuts, increases in the annual expenditure budgets of government departments and services and expenditure on infrastructure projects, to boost the economy. The Government has already made moves in this direction and it made significant promises in its election manifesto to increase government spending by up to £20bn p.a., (this would add about 1% to GDP growth rates), by investing primarily in infrastructure. This is likely to be announced in the next Budget, probably in February 2020. The Chancellor has also amended the fiscal rules in November to allow for an increase in government expenditure.

Inflation. CPI has been hovering around the Bank of England's target of 2% during 2019, but fell again in both October and November to a three-year low of 1.5%. It is likely to remain close to or under 2% over the next two years and so, it does not pose any immediate concern to the MPC at the current time. However, if there was a hard or no deal Brexit, inflation could rise towards 4%, primarily because of imported inflation on the back of a weakening pound.

With regard to the **labour market**, growth in numbers employed has been quite resilient through 2019 until the three months to September 2019 where it fell by 58,000. However, there was an encouraging pick up again in the three months

to October 2019 to growth of 24,000, which showed that the labour market was not about to head into a major downturn. The unemployment rate held steady at a 44-year low of 3.8% on the Independent Labour Organisation measure in October 2019. Wage inflation has been steadily falling from a high point of 3.9% in July 2019 to 3.5% in October 2019 (3-month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings grew by about 2.0%. As the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. The other message from the fall in wage growth is that employers are beginning to find it easier to hire suitable staff, indicating that supply pressure in the labour market is easing.

4.4 Economy outside UK

EZ. Growth has been slowing from +1.8 % during 2018 to around half of that in 2019. Growth was +0.4% q/q (+1.2% y/y) in quarter 1, +0.2% q/q (+1.2% y/y) in quarter 2 and then +0.2% q/q, +1.1% in quarter 3; there appears to be little upside potential in the near future. German GDP growth has been struggling to stay in positive territory in 2019 and fell by -0.1% in quarter 2; industrial production was down 4% y/y in June 2019 with car production down 10% y/y. Germany would be particularly vulnerable to a no deal Brexit depressing exports further and if President Trump imposes tariffs on EU produced cars.

The European Central Bank (ECB) ended its programme of quantitative easing purchases of debt in December 2018, which then meant that the central banks in the US, UK and EU had all ended the phase of post financial crisis expansion of liquidity supporting world financial markets by quantitative easing purchases of debt. However, the downturn in EZ growth in the second half of 2018 and into 2019, together with inflation falling well under the upper limit of its target range of 0 to 2%, (but it aims to keep it near to 2%), has prompted the ECB to take new measures to stimulate growth. At its March 2019 meeting it said that it expected to leave interest rates at their present levels “at least through the end of 2019”, but that was of little help to boosting growth in the near term. Consequently, it announced a third round of targeted longer-term refinancing operations (TLTROs); this provides banks with cheap borrowing every three months from September 2019 until March 2021 that means that, although they will have only a two-year maturity, the Bank was making funds available until 2023, two years later than under its previous policy. As with the last round, the new TLTROs will include an incentive to encourage bank lending, and they will be capped at 30% of a bank’s eligible loans. However, since then, the downturn in EZ and world growth has gathered momentum; at its meeting on 12th September 2019 it cut its deposit rate further into negative territory, from -0.4% to -0.5%, and announced a resumption of quantitative easing purchases of debt for an unlimited period. At its October 2019 meeting it said these purchases would start in November 2019 at €20bn per month - a relatively small amount compared to the previous buying programme. It also increased the maturity of the third round of TLTROs from two to three years. However, it is doubtful whether this loosening of monetary policy will have much impact on growth and, unsurprisingly, the ECB stated that governments would need to help stimulate growth by ‘growth friendly’ fiscal policy.

There were no policy changes in the December 2019 meeting, which was chaired for the first time by the new President of the ECB, Christine Lagarde. However, the outlook continued to be down beat about the economy; this makes it likely there will be further monetary policy stimulus to come in 2020. She did also announce a thorough review of how the ECB conducts monetary policy, including the price stability target. This review is likely to take all of 2020.

On the political front, Austria, Spain and Italy have been in the throes of forming coalition governments with some unlikely combinations of parties i.e. this raises questions around their likely endurance. The latest results of German state elections has put further pressure on the frail German CDU/SDP coalition government and on the current leadership of the CDU. The results of the Spanish general election in November have not helped the prospects of forming a stable coalition.

USA. President Trump's massive easing of fiscal policy in 2018 fuelled a temporary boost in consumption in that year which generated an upturn in the rate of growth to a robust 2.9% y/y. Growth in 2019 has been falling after a strong start in quarter 1 at 3.1%, (annualised rate), to 2.0% in quarter 2 and then 2.1% in quarter 3. The economy looks likely to have maintained a growth rate similar to quarter 3 into quarter 4; fears of a recession have largely dissipated. The strong growth in employment numbers during 2018 has weakened during 2019, indicating that the economy had been cooling, while inflationary pressures were also weakening. However, Consumer Price Index (CPI) inflation rose from 1.8% to 2.1% in November, a one year high, but this was singularly caused by a rise in gasoline prices.

The Federal Reserve (Fed) finished its series of increases in rates to 2.25 – 2.50% in December 2018. In July 2019, it cut rates by 0.25% as a 'midterm adjustment' but flagged up that this was not intended to be seen as the start of a series of cuts to ward off a downturn in growth. It also ended its programme of quantitative tightening in August 2019, (reducing its holdings of treasuries etc.). It then cut rates by 0.25% again in September 2019 and by another 0.25% in its October 2019 meeting to 1.50 – 1.75%. At its September 2019 meeting it also said it was going to start buying Treasuries again, although this was not to be seen as a resumption of quantitative easing but rather an exercise to relieve liquidity pressures in the repo market. Despite those protestations, this still means that the Fed is again expanding its balance sheet holdings of government debt. In the first month, it will buy \$60bn, whereas it had been reducing its balance sheet by \$50bn per month during 2019. As it will be buying only short-term (under 12 months) Treasury bills, it is technically correct that this is not quantitative easing (which is purchase of long term debt). The Fed left rates unchanged in December. However, the accompanying statement was more optimistic about the future course of the economy so this would indicate that further cuts are unlikely.

Investor confidence has been badly rattled by the progressive ramping up of increases in tariffs President Trump has made on Chinese imports and China has responded with increases in tariffs on American imports. This trade war is seen as depressing US, Chinese and world growth. In the EU, it is also particularly impacting Germany as exports of goods and services are equivalent

to 46% of total GDP. It will also impact developing countries dependent on exporting commodities to China.

However, in November / December, progress has been made on agreeing a phase one deal between the US and China to roll back some of the tariffs; this gives some hope of resolving this dispute.

CHINA. Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and shadow banking systems. In addition, there still needs to be a greater switch from investment in industrial capacity, property construction and infrastructure to consumer goods production.

JAPAN. Japan has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy.

APPENDIX 5 SPECIFIED AND NON-SPECIFIED INVESTMENTS**SPECIFIED INVESTMENTS:**

The Council has determined to authorise Specified Investments as follows:

(All such investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum 'high' rating criteria where applicable).

	Minimum 'High' Credit Criteria	Use
Debt Management Agency Deposit Facility (DMADF) – UK Government	-	In-house
The Council's Own Bank – for transactional purposes	End of day balance £1m (at the discretion of the Chief Financial Officer)	In-house
The Council's Own Bank – for investment purposes	Green	In-house
Deposits – local authorities	-	In-house
Deposits – housing associations	Green	In-house
Term deposits – banks and building societies *	Green	In-house
Other Financial Instruments	Green	In-house

Term deposits with nationalised banks, banks and building societies

	Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
UK part nationalised banks*– currently RBS Group.	Blue	In-house	50% (subject to a maximum value of £5m, whichever is the higher). Requires Chief Financial Officer approval if greater than 25%	As per colour
The Council's Own Bank – for investment purposes	Green	In-house	50% (subject to a maximum value of £5m, whichever is the higher). Requires Chief Financial Officer approval if greater than 25% and time limit is greater than current colour	1 year
Banks nationalised by high credit rated (AA+ sovereign rating) countries – non UK**. For UK revert to Link Creditworthiness Methodology	Green	In-house and Fund Managers	25%	As per colour

Collective Investment Schemes structured as Open Ended Investment Companies (OEICs): -		
1a. Money Market Funds (CNAV)	AAA	In-house
1b. Money Market Funds (LVNAV)	AAA	In-house
1c. Money Market Funds (VNAV)	AAA	In-house
2a. Ultra-Short Dated Bond Funds with a credit score of 1.25	AAA	In-house
2b. Ultra-Short Dated Bond Funds with a credit score of 1.5	AAA	In-house
3. Bond Funds	AAA	In-house
4. Gilt Funds	UK sovereign rating	In-house

* Where a bank is part of a group then the total exposure to the group will be the same as the individual exposure assigned to the parent organisation

** e.g. USA (AA+); specified list of countries approved for investing with their banks detailed in Appendix 6 (correct as at date of report)

Additional Information on Specified Investments as Detailed Above

Nationalised/part-nationalised banks. The current Link Creditworthiness Methodology assigns a 12 month (blue) duration to nationalised/part-nationalised banks to recognise the perceived higher credit quality. The Council's Treasury Strategy gives sufficient flexibility to enable a maximum investment level of 50% with such institutions (subject to a maximum value of £5m, whichever is the higher) that would require Chief Financial Officer approval if greater than 25%. The Government currently has a major stake in the Royal Bank of Scotland Group.

Other countries. The Council will only consider investments with non UK countries that are a minimum of AA+ rated (for UK revert to Link Creditworthiness Methodology).

Council's Own Bank – For transactional purposes. Where the Council's own bankers fail to meet the basic credit criteria, balances will be minimised as far as possible with an upper limit of £1m. This allows for reasonable flexibility needed for day to day cash flow management.

Council's Own Bank – For investment purposes. The Council's own bank may be used for investment durations up to 1 year in accordance with the limits as specified in the TMSS and in the table above, subject to it achieving a minimum colour rating of green with the CFO's approval. However, where the Council's own bankers fail to meet the basic credit criteria, it shall not be used for investment purposes.

NON-SPECIFIED INVESTMENTS:

The Council has determined to authorise Non-Specified Investments as follows:

1. Maturities of ANY period

	Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
Fixed term deposits with variable rate and variable maturities: - Structured deposits	Green	In-house	25%	As per colour
Certificates of deposit issued by banks and building societies	Green	In-house	25%	As per colour
Treasury Bills	UK sovereign rating	In-house and Fund Managers	25%	6 months
Bonds issued by multi-lateral development banks	AAA	In-house and Fund Managers	25%	As per colour
Corporate Bonds	Green	In-house and Fund Managers	25%	As per colour
Floating Rate Notes and Covered Bonds	Green	In-house and Fund Managers	25%	As per colour
UK Government Gilts	UK sovereign rating	In-house and Fund Managers	25%	6 months
Bond issuance issued by a financial institution which is explicitly guaranteed by the UK Government e.g. National Rail	UK sovereign rating	In-house and Fund Managers	25%	6 months
Collective Investment Schemes structured as Open Ended Investment Companies (OEICs)				
Corporate Bond Fund	-	Externally Managed	25%	Up to 5 years and over
Property Funds	-	Externally Managed	25%	Up to 5 years and over

2. Maturities in excess of 1 year

	Minimum Credit Criteria/Colour Band	Use	Max % of total investments	Max. maturity period
Term deposits – local authorities	-	In-house	25%	As per colour
Term deposits – housing associations	-	In-house	25%	As per colour

Term deposits – banks and building societies	Green	In-house	25%	As per colour
Certificates of deposit issued by banks and building societies	Green	In-house	25%	As per colour
Collateralised deposit	Green	In-house	25%	As per colour
UK Government Gilts	UK sovereign rating	In-house and Fund Managers	25%	As per colour
Bonds issued by multilateral development banks	AAA	In-house and Fund Managers	25%	As per colour
Corporate Bonds	AAA	In-house and Fund Managers	25%	As per colour
Collective Investment Schemes structured as Open Ended Investment Companies (OEICs)				
Bond Funds	AAA	Externally Managed	25%	Up to 5 years and over
Gilt Funds	AAA	Externally Managed	25%	Up to 5 years and over

For both Specified and Non Specified Investments, due to the continued uncertainty in the financial markets, it is recommended that the Investment Strategy is approved on a similar approach to previous years which will provide officers with the flexibility to deal with any unexpected occurrences. Officers will restrict the pool of available counterparties from this criteria to ensure that security of capital remains the paramount consideration. This may involve the use of the Debt Management Account Deposit Facility (DMADF), AAA rated Money Market Funds and institutions (as deemed appropriate) with higher credit ratings than those outlined in the investment strategy or which are provided support from the Government. Investments are currently being maintained up to 12 months, although this will be kept under review and longer term investments may be considered within the approved policy in the future. This is also applicable to the approved countries detailed in Appendix 6.

APPENDIX 6 APPROVED NON UK COUNTRIES FOR INVESTMENTS (correct as at date of report)

AAA

- Australia
- Canada
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Finland
- USA

The Council has determined that it will only use approved counterparties from non UK countries with a minimum sovereign credit rating of AA+ from Fitch Ratings (or equivalent from other agencies if Fitch does not provide). This list will be added to or deducted from by officers should ratings change in accordance with this policy. For the UK revert to Link Methodology (currently AA). Limits in place will apply to a group of companies

In addition to the minimum sovereign credit rating, no more than 25% would be placed with any individual non-UK country at any time, should they meet the credit worthiness criteria.

This page is correct as at 17th January 2020

APPENDIX 7 TREASURY MANAGEMENT SCHEME OF DELEGATION

(i) Full Council

- receiving and reviewing reports on treasury management policies, practices and activities
- approval of annual strategy.

(ii) Committees/Council/responsible body –Overview and Scrutiny Committee with recommendations from the Treasury Management Review Panel as appropriate

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices
- budget consideration and approval
- approval of the division of responsibilities
- receiving and reviewing regular monitoring reports and acting on recommendations
- approving the selection of external service providers and agreeing terms of appointment.

(iii) Body/person(s) with responsibility for scrutiny – Overview and Scrutiny Committee with recommendations from the Treasury Management Review Panel as appropriate

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

APPENDIX 8 THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
- submitting regular treasury management policy reports
- submitting budgets and budget variations
- receiving and reviewing management information reports
- reviewing the performance of the treasury management function
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- ensuring the adequacy of internal audit, and liaising with external audit
- recommending the appointment of external service providers
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term (20 year) timeframe
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following (*TM Code p54*): -
 - *Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;*
 - *Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;*

- *Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;*
- *Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;*
- *Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*

WYRE FOREST DISTRICT COUNCIL
FEEDBACK FROM CABINET MEETING HELD ON
TUESDAY 17TH DECEMBER 2019

**Agenda
Item No.**

Decision

7.1

Medium Term Financial Strategy 2020-23

Cabinet APPROVED:

1.6 The fees and charges as set out in Appendix 3 – Part 2 (in line with the recommendations from the Overview and Scrutiny Committee on 5th December 2019 in respect of car parking charges);

1.9 The allocation of capital receipts from the Evergreen Investment Fund of £25k to fund works to lay out temporary car parking at the former Crown House site in Kidderminster, in line with the recommendations from the Overview and Scrutiny Committee on 5th December 2019 and as set out in the separate Capital Strategy Report also on the agenda in paragraph 9.2.2.

8.1 a)

Wyre Forest Health and Wellbeing Plan Update

Decision: In line with the recommendations from the Overview and Scrutiny Committee from its meeting on 5th December 2019;

The Wyre Health Action Plan 2019- 20 as attached at Appendix 2 of the report is approved with the addition of action points for tackling male suicide and loneliness in ‘at-risk’ groups in Wyre Forest.

8.1 b)

Climate Change Update

Decision: In line with the recommendations from the Overview and Scrutiny Committee from its meeting on 5th December 2019;

The Climate Change Action Plan 2019/20 as attached at Appendix 2 of the report be approved.

Overview & Scrutiny Committee Work Programme 2019-2020

June 2019

“How are we doing?” Q4 update

Wyre Forest District Local Plan: Revised Local Development Scheme (Project Plan 2019-21)

Tracking Recommendations 2018-2019

July 2019

Treasury Management Review Panel – request for nominations

Wyre Forest District Local Plan: Pre-Submission Publication

Asset Management Strategy

EXEMPT Disposal of Land in Stourport

July 2019 – Sub-Committee

EXEMPT Capital Portfolio Fund – Development Funding Proposal

September 2019

“How are we doing?” Q1 update (Enabling)

Annual Report on Treasury Management Service and Actual Prudential Indicators 2018-19

Worcestershire’s Homelessness and Rough Sleeping Strategy 2019 – 2022

Kidderminster Business Improvement District (BID) – Forward Funding

North Worcestershire Economic Growth Strategy 2019-2024

October 2019 – Meeting cancelled

November 2019

“How are we doing?” Q2 update (Business and People)

To consider whether to progress with establishing a local lottery for Wyre Forest

Capital Portfolio Fund – Quarterly Fund Report

Treasury Management Strategy Statement and Annual Investment Strategy Mid-year

Review Report 2019-20

Conversion of a property in Stourport on Severn

Social Housing Delivery

December 2019

Car Parking Charges

Crown House Capital Works

Effectiveness of PACT Action Plan

Wyre Forest Health and Wellbeing Plan Update

Climate Change Update

January 2020 – Meeting cancelled

February 2020

“How are we doing?” Q3 update (Place)

Wyre Forest District Local Plan (2016-2036)

Annual Review of the North Worcestershire Community Safety Partnership 2019/20

Treasury Management Strategy 2020-21

Procurement Strategy and Business Plan for Brinton Park,

National Lottery Heritage Fund (NLHF) Project

March 2020

Housing Assistance Policy Refresh
EXEMPT Future High Streets Fund Property Acquisition Strategy

2020-2021 Municipal Year

May 2020

Review of Public Space Protection Orders

June 2020

“How are we doing?” Q4 update (Housing and Planning)



Overview & Scrutiny Committee

Briefing Paper

Report of: Lesley Fox, Community Development Manager
Date: Thursday, 6th February 2020
Open
EXEMPT Appendix 1 Procurement Strategy
Appendix 2 Business Plan

Procurement Strategy and Business Plan for Brinton Park, National Lottery Heritage Fund (NLHF) project

1. Summary

- 1.1.1 Brinton Park is a key open space in Kidderminster which supports leisure, health and wellbeing, and tourism across the district, drawing visitors from wider afield. The NLHF project will bring an unparalleled level of investment into the park whilst also reconnecting local people to its heritage. This project is a significant regeneration project for Kidderminster and works alongside other Directorates regeneration schemes for the town.
- 1.1.2 If a successful Parks for People application is awarded in July 2020 there will be a number of contracts that will need to be awarded without delay in order to meet the project timelines.
- 1.1.3 The Procurement Strategy and Business Plan will be submitted to NLHF in the Round 2 application at the end of February 2020.

2. Background

- 2.1 Details of any decisions taken previously:
 - February 2020: MTFs report - Cabinet will be considering the recommendation to delegate authority to the Chief Executive Officer for the procurement of professional and building services contracts in consultation with the Cabinet Member for Strategy and Finance, the Cabinet member for Culture, Leisure and Community Protection and the Corporate Director: Resources.
 - September 2018 - to granted delegated authority to the Cabinet Member for Cultural, Leisure and Community Protection, in consultation with the Director of Community Well Being and Environment, to award the contract for the Consultancy Services for Multi Disciplinary Design Team, Enabling surveys and Conservation Plan for the HLF Parks for People project, following a competitive tender process.
 - June 2018 – Strong Leader report approved the amended tender evaluation model for Project Management.

- June 2017 - to granted delegated authority to the Cabinet Member for Cultural, Leisure and Community Protection, in consultation with the Director of Community Well Being and Environment, to award the contract for the Consultancy Services for Project Management and Activity Planning for the HLF Parks for People project, following a competitive tender process.
- 2.2 Legislative, policy and financial background:
- Procurement implications will need to comply with legislative and Council Corporate Governance requirements as well as NHLF criteria.
- 2.3 The project passed the Round 1 assessment in December 2018 which enabled us to progress with the final Round 2 application. During 2019 the Development phase involved the appointment of Community First Partnership (CFP) as the Project Managers. CFP worked very closely with the client team to procure the design team and Conservation Management plan team and take the project through an initial review period. CFP subsequently also won the tender for activity planning, business planning and management planning. A project steering group and project team were quickly set up to help with decision making.
- 2.4 During the Development phase almost every aspect of the project has been questioned. Assumptions made at Round 1 have been fully tested; key design elements such as the Sons of Rest and Café have had to be integrated with the activity and business plans; the initial ideas for the Emily Jordan Foundation/Twigs nursery area have been revised to meet the needs of their participants; new elements have been brought in and elements that can be delivered in other ways have been removed. We have commissioned specialist surveys to inform designs and reduce risks and we have done detailed planning for the delivery stage of the project.
- 2.5 The end result is not only a deliverable and affordable project that will meet the NLHF outcomes but that it is also the result of a collaborative process between the council, its partners, consultants teams and the local community.
- 2.6 If a successful grant award is received in July 2020 procurement of services must start with the appointment of the design team. This will be followed by procurement of contracts for building services etc. The appointment of a Community Engagement Officer and horticultural apprentice will also be a priority.

3. Key Issues

- 3.1 It is essential that delegations are in place in good time to enable the swift appointment of professional services if the project progresses successfully through Round 2.

4. Procurement Strategy

- 4.1 The project must meet the NHLF criteria with regard to procurement as well as WFDC Procurement Rules. The Procurement Strategy is included in appendix 1.
- 4.2 The procurement criteria and tender documents must be approved by the project's external mentor who is engaged by NHLF. This person also approves the outcome of the process before WFDC can award the contracts.
- 4.3 If a successful grant award is received in July 2020 the Delivery stage starts for 5 years (ends August 2025) and the clock starts ticking. The timeline is submitted as part of the Round 2 application and must be closely adhered to in order to meet the project outcomes (around heritage, people, and community).
- 4.4 The Project Manager contract was awarded for the whole project (unless there was to be a significant failure). The design team contract will be tendered in August 2020 with the appointment of Community Engagement Officers in September – December 2020. The building contracts will be tendered in June - August 2021.
- 4.5 CFP Ltd will prepare the Delivery stage tender for the design team contract for approval by WFDC. This will be a modification and update of the tender in the Development stage.
- 4.6 The evaluation criteria has not been finalised for the procurement of services in Delivery stage. It is too early to produce this detail although the quality & price has been agreed at 70:30 which is the same as the R1 criteria.

5. Business Plan

- 5.1 The business plan is a requirement of NHLF when a cafe and similar revenue generating facilities are part of the project. The business plan is included in appendix 2.
- 5.2 CFP Ltd has the contract to develop and write the business plan in conjunction with the WFDC project team.
- 5.3 Detailed financial projections, covering both income and expenditure, in the form of a trading profile for a 10 year period linked to the management and maintenance plan, have been developed for the business plan.
- 5.4 The business plan will evolve during the Delivery stage and as elements of the project come on stream. For example, when the lease for the cafe operator is agreed the financial position for rent/profit share will be fed into the model.

6. Risk Management

6.1 The project has a risk management plan which is required by NLHF. This is maintained by the Project Manager and regularly reviewed at project team and Steering Group meetings.

6.2 Keys risk and mitigations include:

- Risk assessments and management will be built into all aspects of the project.
- Feasibility works and surveys have been carried out in all areas relating to the capital works.
- Inflation and contingencies have been built into the forward plan.
- The procurement process will ensure that highly qualified and suitable contractors will be appointed.

Unsecured match has been underwritten by the council in the proposed MTRF. This mitigates risk and secures NLHF criteria at the application stage. Council officers will be working with partners to complete funding applications.

7. Options

7.1 To review the Procurement Strategy and Business Plan and recommend that they are adopted to meet the timeline for the project subject to a successful R2 application. The council will be prepared to procure services without delay in summer 2020.

7.2 Make any other comments or recommendations in light of the information within the report.

8. Consultation

8.1 Consultation is a major thread and a key requirement of NLHF projects. Consultation with the public, partners, organisations and individuals has taken place throughout the application process, and for this particular grant submission started in 2017.

8.2 The results have been collated and presented in various forms: Infograph analysis, posters in park, meetings, presentations, reports

9. Related Decisions

9.1 Cabinet will be debating these issues on 11th February 2020 and subject to agreement to the strategy a report will be brought forward to Council on 26 February 2020 to decide on an amendment to the capital programme.

10. Relevant Council Policies/Strategies

10.1 Procurement processes will comply with legislative and Council Corporate Governance requirements.

11. Implications

11.1 Resources:

If a successful grant award is made from NLHF the majority of the project will be externally funded. Approximately 85% will come from NLHF with a minimum cash contribution of 10% to come from WFDC and the remainder from partnership funding and other grant applications.

Cabinet considered the following draft recommendation at its meeting in December 2019 as part of the MTFS to be recommended to Council in February 2020:

The sum of £2.4m is added to the Council's approved Capital Programme for the delivery of the Brinton Park project over the period 2020/21 – 2024/25, including a further £100k funded by prudential borrowing should the proposed external partnership funding not be secured.

The business case will be updated and must be submitted to HF for approval as part of the application process. The net revenue effect of the scheme (at the very least) will be cost neutral. The detailed business case will include predicted revenue income from new income streams such as the cafe lease, more events and outside hirers in the park.

11.2 Equalities:

The project has produced a Demographic profile of the locality, visitor observation surveys to determine users/non users and target audiences. The design and engagement elements of this project take full account of the protected characteristics within the Equalities Act.

11.3 Partnership working:

Project partners are: 21st WF Scouts, Emily Jordan Foundation/Twigs

Working with Kidderminster Town Council, Worcestershire County Council

12. Equality Impact Needs Assessment

- 12.1 Design of the capital improvements and new facilities will take into account equality characteristics. The works will meet DDA requirements as well as improving existing infrastructure to enhance access. For example where a desire line temporary footpath from the car park to the play area has been established for many years this will be replaced with a footpath of the correct gradient to facilitate wheelchairs and pushchairs etc.

Where there are access issues to heritage buildings (Sons of Rest Pavilion) consideration of what is permitted whilst maintaining the conservation value.

13. Wards affected

13.1 Blakebrook & Habberley South ward.

14. Appendices

- 1 Procurement Strategy
- 2 Business Plan

15. Background Papers

Project website: www.brintonpark.com

Officer Contact Details:

Name: Lesley Fox
Title: Community Development Manager
Contact Number: X2976

BRINTON PARK

Agenda Item No. 12 Appendix 2

The People's Park – A project to restore Brinton Park for future generations

PP-17-03016

February 2020

BUSINESS PLAN

Managed by:
Wyre Forest District Council

Compiled by the Brinton Park Project Team
Authored by CFP



people spaces places



ASHMEAD·PRICE
LANDSCAPE PLANNING AND DESIGN CONSULTANTS





Wyre Forest
District Council



HERITAGE
FUND



COMMUNITY
FUND

Brinton Park

Business Plan

Issue number: 10.0

Status: FINAL

Date: 29.01.2020

Prepared by: Cherie Lumby

Authorised by: Ian Baggott

Brinton Park - Business Plan

Contents

1	Executive Summary	1
2	Introduction	3
3	About the Organisation.....	6
4	Strategic Context.....	10
5	Project Details	15
6	Market Appraisal.....	24
7	Financial Appraisal	56
8	Governance, Management & Staffing.....	79
9	Assessing Risk.....	85
10	Monitoring and Evaluation.....	92
11	Organisational Impact.....	94

Appendix A - Brinton Park 10 Year Trading Profile

Appendix B - Sensitivity Analysis

Appendix C - Cafe Case Studies

1 Executive Summary

This Business Plan has been developed to support The National Lottery Heritage Fund (NLHF) Round 2 submission for Brinton Park under the Parks for People grant programme. It has been developed following the guidance developed by NLHF and is structured using the headings contained in the document.

This plan considers the opportunities for generating income at Brinton Park as an integral part of the development and delivery of the project. The Plan looks at options for income generation including existing partner leases, catering, use of the Community Pavilion for room hire and activities, external concessions, public events, outdoor education provision and fundraising and sponsorship opportunities.

The aim of the project and business plan is to enhance the Brinton Park offer, so as to attract more people to the site, increase dwell time and secondary spend and to generate income from a range of commercial activities that sustain the restored assets and a strong partner and volunteer base in order to secure their long term future.

Visitor counts as part of a Visitor Observation Study carried out during the development stage and the data suggests that Brinton Park currently receives around 344,324 annual person visits.

Public consultation at Round 1 and during the development stage has shown that there is significant public support for the restoration of the park, refreshment provision, refurbishment of the community pavilion, recreation of the ornamental pool, improved access and egress and car parking, improved footpaths, signage and interpretation and for establishing a volunteer base and feedback on the proposals during the development phase has been positive.

The financial viability of the project and the income generation forecasts are based on growing the visitor numbers to c. 400,000 annual person visits at the end of the project period.

The capital proposals and planned events and activities for Brinton Park will significantly increase the visitor offer and the attractiveness of the space. In the future, visitors will have a better quality

experience, stay longer, learn about the heritage of the park and hopefully further promote the site through word of mouth to friends and family.

The annual income, including inflation, that will be generated at Brinton Park (excluding NLHF grant funding income and maintenance uplift) increases from £3,301 in year 0 to a peak of £48,423 in year 10. Staff and maintenance costs are forecast to increase from £99,093 in year 0 to £120,507 in year 10. Similarly, operational costs increase from £53,325 in year 0 to £66,259 in Year 10.

Overall, the 10 Year Trading Profile shows an improved position over the net operating balance in Year 0 of -£149,117, as the balance in year 10 is forecast at -£138,342 therefore the site will not require additional support from the Council than it already receives despite increasing maintenance costs.

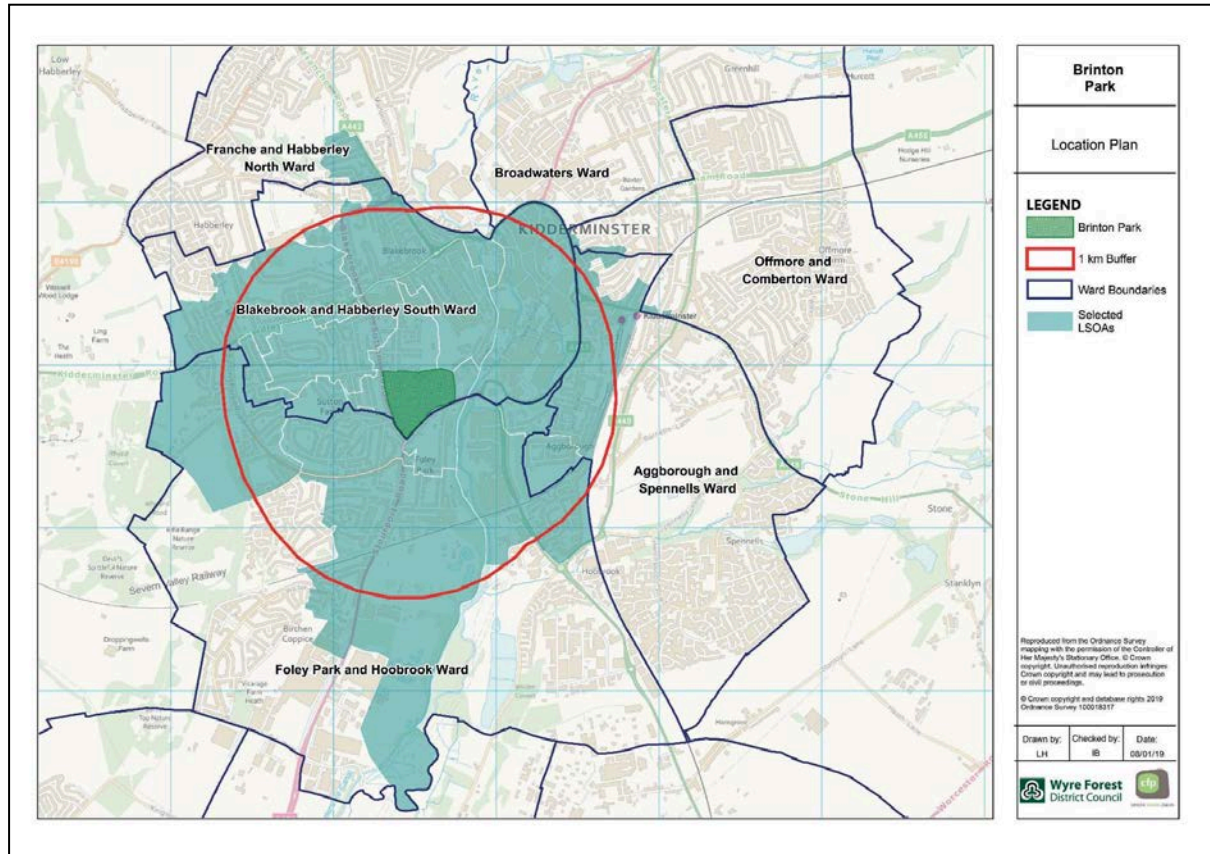
The cumulative balance across the 10 year period shows a modest positive variation from the baseline operating balance of £10,775 in year 10 (including inflation), this will help to ensure that the park is effectively managed and appropriately resourced securing its long-term future.

The main risks associated with the delivery of the project and the impact on the Business Plan are set out in Section 9 of this Plan. The risks are included in the wider project risk log along with appropriate mitigation measures.

The business plan will be reviewed on an annual basis to see how it is achieving against forecasts and will be updated following practical completion.

2 Introduction

Brinton Park is the largest urban park within Kidderminster at 12.9 hectares and is approximately 1.2 miles from Kidderminster Town Centre. The park is located within the Blakebrook and Habberley South Ward in the Wyre Forest District however the Park also draws footfall from Foley Park and Hoobrook ward.



Brinton Park is owned and managed by Wyre Forest District Council (WFDC) and is a District Strategic Park with Green Flag status. It was formerly part of Sutton Common prior to 1882 and is now a public park which was laid out in 1886 and was given to the people of Kidderminster in 1887. Its western and southern boundaries are formed by main A-roads whereas its eastern and northern boundaries are less busy minor roads. The types of adjoining land that surround the Park are late Victorian and modern residential properties, small industrial units and the Cemetery (northern boundary). The main entrance to the park is from Sutton Road with other entrances at Park Lane and Stourport

Road/Park Lane. Many visitors walk in from the surrounding residential areas, but there is a car park on site, which is regularly used.

The Park and adjacent Cemetery (established at the same time) are of significant historic importance as they are largely unspoilt Victorian landscapes. The site as a whole offers a green heart in the town and a tranquil space, perfect for a range of activities and leisure pursuits. It provides a range of leisure facilities and attractions including a children's play area and splash park, two tennis courts, a multi sports area and skate park and a bowling green. It has a car park and hosts a number of buildings and structures including the Sons of Rest building (Community Pavilion), a plant nursery incorporating a bothy building, toilet facilities, a youth shelter, a bandstand and the Richard Eve Memorial. The landscape has large open grassy areas for games and picnics, a sensory garden, ornamental beds and gardens, wildflower displays and showcases a mature collection of deciduous and evergreen trees.

The Park has an annual programme of events put on by WFDC and independent hirers. The site currently has no refreshment provision other than that for ice cream as there is an annual concession for this. The Sons of Rest pavilion is leased to and used by the scouts (Wednesday - Friday evenings), there is an Old Pal's group who use the pavilion Monday's and Wednesday's between 2.00pm and 4.00pm. The pavilion also used to be hired out by a number of external agencies including a Slimming World group however the pavilion was deemed too small and is now seldom used other than by the scouts and Old Pal's. Both the Sons of Rest pavilion and one of the WC buildings on the site have a strong relationship with the surrounding landscape and both overlook the site of the former pool that was filled in and was once a paddling pool (now a grassed area).

Brinton Park receives an estimated 344,324 visitors per year however there is significant potential to develop the park, enhance the visitor experience and increase visitor numbers through a £2.9 million National Lottery Heritage Fund Parks for People grant funded restoration project which will cover three aspects; existing building restoration and improvement and new build, landscape and habitat improvements and an enhanced activity programme.

The current objectives for the park are as follows:

- Enhance and conserve the historic and nature value of the site.
- Improve the use and enjoyment of the park through the provision of new facilities including the horticultural nursery, creating a park cafe with toilet provision, enhancing car park and volunteer accommodation at the park and improved interpretation.
- Significantly improve the utilisation of the Sons of Rest through enhancement and increasing its footprint and creating a multi-purpose, flexible use Community Pavilion.
- Provide an exciting range of activities that will increase the range of audiences including walks, talks, heritage research, oral history, wildlife and nature focused events, photography, events and education.
- Recreation of the former ornamental pool, protecting and enhancing the acidic grasslands and improving biodiversity.
- Increase volunteering opportunities across the park and enhance skills through training.
- Increase income generation through business planning in order to future proof the park and ensure sustained enhanced maintenance regimes.

Improvement measures are intended to make the park safer, more attractive and more fun for local families and visitors from further afield.

The park does currently generate income however this is minimal at £3,301 per annum and is limited to ice cream, circus and fair concessions and partner leases. The site is therefore heavily reliant on core funding from WFDC to cover its running costs including maintenance. This Business Plan will inform the development of the project proposals and set out actions to increase income through catering leases and other leases, concessions, hire of the Community Pavilion, events and activities, education sessions and fundraising throughout the delivery phase of the project and beyond in order to reach a position where financial sustainability of the site is improved and enhanced maintenance costs associated with improvements are covered.

The options for the Business Plan as outlined in this report are linked into the consultation results, the project aims and the NLHF Parks for People grant outcomes. The main outcomes from the consultation show that there is a high demand for provision of a cafe and for indoor community space, a real appetite within the local community to see more events and activities at Brinton Park

with a focus on family fun, creative workshops, wildlife and history, educational visits for schools and local groups, more opportunities for volunteering and improved interpretation.

Throughout the business planning process we have undertaken a market appraisal, situational analysis including comparators and competitors and a market-oriented SWOT evaluation which can be seen in Sections 6.8 and 6.9. Additionally, we have also considered case studies and best practice examples to inform the proposals. Section 7 details the financial projections against each of the cited income generating opportunities proposed for the park.

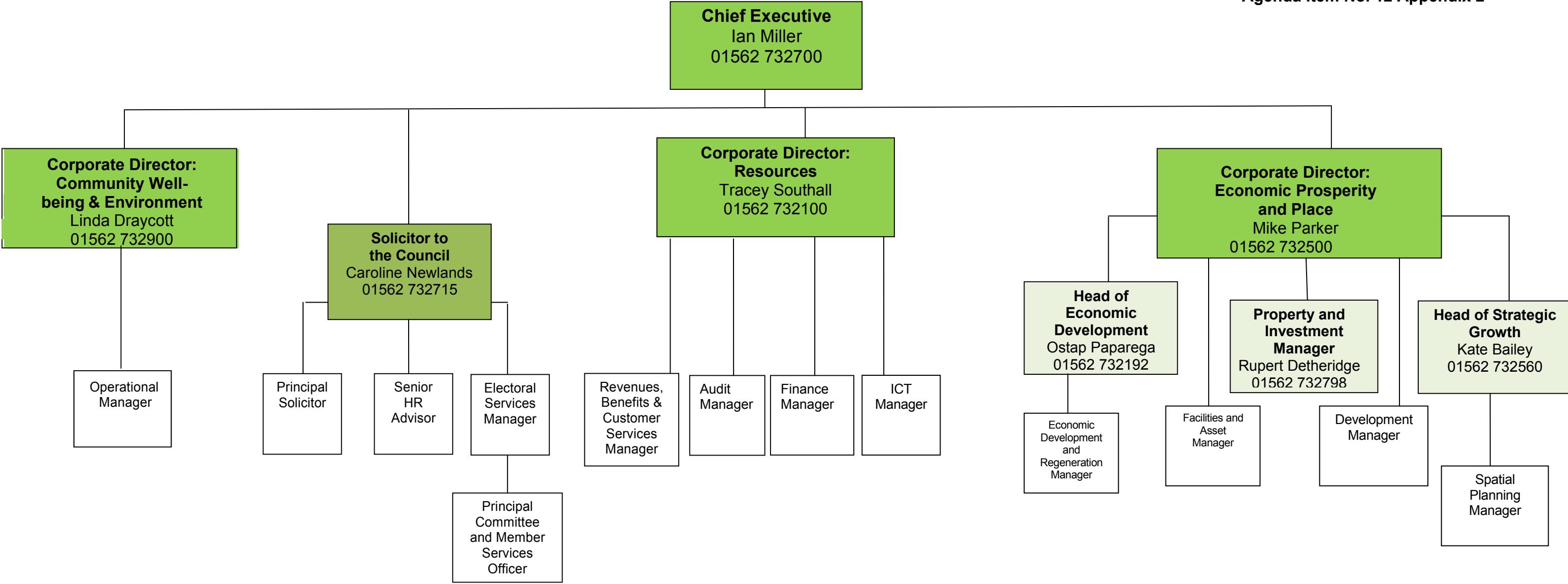
3 About the Organisation

Wyre Forest district is one of 6 districts that form the county of Worcestershire. Wyre Forest works with Parish and Town Council's as well as Worcestershire County Council to deliver services to the public. Wyre Forest District Council has 33 elected Councillors (Members) who form different decision making committees. The cabinet is comprised of 5 members. The cabinet member for Operational Services holds the portfolio for Parks and Open Spaces. Operational Services is responsible for the management and maintenance of Parks and Open Spaces. Front-line staff are managed by senior staff in three departments called directorates; these directorates provide a wide variety of services to the public.

3.1 Structure and Operation

Wyre Forest District Council is organised in 3 directorates whom report to the Chief Executive (see Figure 1). The Wyre Forest District Council Project Management structure overlaps two Cabinet Members' portfolios for Parks Development and Operational Services including Community Wellbeing and Environment Directorate (CWE) and Cultural Services.

The Directorate with overall responsibility for the project is Community Wellbeing and Environment which is led by Linda Draycott. This directorate includes community safety, cultural services, operations including waste/civil enforcement/fleet/garage, parks and open spaces, communications, partnerships and emergency planning. The Head of Operational Services is Steve Brant, Steve has overall responsibility for Parks and Countryside and Community Safety and Partnerships.



Responsibilities

Corporate Director: Community Well-Being and Environment	Chief Executive Other Corporate Leadership Team members: <ul style="list-style-type: none">Solicitor to the Council	Corporate Director: Resources	Corporate Director: Economic Prosperity and Place
Community safety Cultural services Operations inc waste/civil enforcement/fleet/garage Parks and open spaces Communications Partnerships Emergency planning	<ul style="list-style-type: none">Legal servicesHuman resourcesElectionsCommittee administrationPolicy and performance Wyre Forest Forward programme management	Accountancy Internal audit Procurement Payroll ICT services Customer services Revenues, benefits and welfare	Planning policy Economic Development and Regeneration Development Control Land Charges Building Control Strategic Housing Environmental Health Licensing Asset management

3.2 Frontline Staffing

The Parks and Open Spaces team is comprised of a Countryside and Parks Manager, Landscape Officer, 2 Team Leaders and 17 Operatives and the tree gang - Arboricultural Technician and 6 Arborists and all managed by the Head of Operational Services. The Operational Services Officer manages the Waste Team Leader, the Senior Civil and Environmental Protection Officer and the Waste Minimisation Officer.

The Parks and Open Spaces team has developed a ten-year rolling programme which started in 2019 (refer to Management and Maintenance Plan for further details specific to Brinton Park). The programme sets targeted improvements for all of the main open spaces within the district, informs the business plan and assists with delivering broader corporate objectives.

3.3 Key Stakeholders (Project Partners)

WFDC works closely with 3 key stakeholder organisations that currently use the park and its facilities to deliver training, learning and volunteering opportunities as well as hosting events. The stakeholders are committed under a Joint Working Agreement to meeting annually to share planning and ideas, and working together on specific projects as the opportunity arises.

The **Emily Jordan Foundation (EJF)** is a charity that supports people with moderate learning disabilities, physical disabilities and enduring mental health needs to learn work place rules and the basic skills to assist them to secure paid work. These individuals are in receipt of Employment Support Allowance but do not meet the criteria for social care funded personal budgets, therefore, they have little or no income available to them to access opportunities for them to enhance existing or learn new skills.

The **21st Wyre Forest (Brinton Park) Scouts (21st WF)** helps young people achieve their full physical, intellectual, social and spiritual potential as individuals, as responsible citizens and as members of their local, national and international communities. They do this by taking part in a variety of activities and new experiences exploring the outdoors participating in teams and taking responsibility. Brinton Park provides the space for these activities to take place in a safe and challenging environment.

They meet at Sons of Rest Pavilion, which lies on the edge of Brinton Park in Sutton Road. Each section of the group meets one evening per week. The Pavilion gives an indoor space to carry out desk and floor based indoor activities in poor weather, and sleepovers on some weekends. Sleepovers are an introduction to Nights Away activities. More importantly, as the Pavilion opens directly onto the park at the rear, this gives great opportunities for outside activities. The Scouts also use the Pavilion for social and fundraising activities such as quizzes and bingo when they bring together young people and their families to have fun and build relationships.

21st WF has up to 70 young people in the 3 sections at any one time aged between 6 and 15 years. In addition, they have around 30 adult leaders and helpers. Deprivation figures for the catchment wards of Foley Park and Hoobrook show that many more children could benefit from scouting, but the group does not currently have space to increase capacity.

The Pickup Artists are a Kidderminster based group of volunteers that were created in January 2018 when the founder Michelle Medler decided to collect litter while walking her dogs. Following a meeting on 23 February 2019 the Pickup Artists agreed to be part of the Heritage Fund project. Their volunteers regularly litter pick Brinton Park and organise both small scale and large scale events in the park helping the council to keep the park clean and tidy.

The Council have also developed relationships with Kidderminster Camera Club, Foley Park and Sutton Park Primary Schools and a number of local volunteers.

4 Strategic Context

Brinton Park is managed by WFDC. The framework within which the project and business plan will be delivered is defined by the **Wyre Forest District Council Corporate Plan 2019-2023** (overleaf).

The Plan is designed to produce a clear, succinct and coordinated vision for the Council whilst identifying corporate priorities and strategic actions which are underpinned by the Council's values.

The vision is that "Wyre Forest is a network of thriving and confident communities, which minimise their impact on the environment, where people have a decent and affordable home, feel safe and enjoy a good quality of life". This vision directly links with the NLHF PfP priorities and outcomes.

The delivery of this project and business plan will assist in helping to achieve two of the Council's priorities namely;

- A safe, clean and green living environment
- Supporting a successful local economy

Strategic actions that will be delivered through this project include; working with partners to protect the environment and to secure external funding and investment to support the economy. Restoration of Brinton Park will also link to the regeneration of Central Kidderminster.

Wyre Forest District Council

Corporate Plan 2019-2023



Our vision:

Wyre Forest is a network of thriving and confident communities, which minimise their impact on the environment, where people have a decent and affordable home, feel safe and enjoy a good quality of life.



Our priorities:

**A safe,
clean and
green living
environment**

**Supporting
a successful
local
economy**

**Good
quality and
affordable
homes
for all**



Our strategic actions:

Adopt the
new Local
Plan

Implement
measures to
increase
affordable
housing

Work with
partners to protect
our environment,
to address air
quality issues and
to help to tackle
climate change

Work with
partners to secure
external funding
and investment
to support the
economy

Oversee
regeneration
of central
Kidderminster

Support the
visitor economy
in Stourport-
on-Severn and
Bewdley

Work with
partners to
tackle abuse
of vulnerable
people and
environmental
crimes

Work with
town and parish
councils so
that they have
local control
over assets and
services

Establish
Bewdley
Museum as
a self-standing
charity



Within the council, everything staff and councillors do is underpinned by **our values:**

Be honest	Invest in our workforce	Be supportive
<ul style="list-style-type: none"> We are honest, say what we mean and are always courteous We challenge others' ideas constructively and respect decisions once made 	<ul style="list-style-type: none"> We identify what skills are needed and develop our employees We understand our development is a shared responsibility and give ourselves time to learn 	<ul style="list-style-type: none"> We work together and openly help each other We encourage a supportive environment

Other plans, policies and strategies that relate to the project and the business plan for Brinton Park include:

Wyre Forest Adopted Core Strategy (December 2010) - This is the key strategic level document for the District and sets out the broad strategy and vision for development within the District up until 2026.

Wyre Forest District Local Plan - The local plan sets out how much development is required in the District up until 2034 and indicates where and how much land is required to meet these development requirements through the allocation of land for these purposes. It provides protection to Brinton Park from inappropriate development through its policies on parks and gardens, historic landscapes and landscape character.

The Local Plan provides the strategic framework for the future prosperity and evolution of the District's economy. It acknowledges that the District's economy is vital to the prosperity and quality of life of its residents and that economic growth can increase employment opportunities, improve income and regenerate communities. It also highlights that tourism seen as important for the District's economy. The **Local Plan Review (2016 - 2034)** refers to Brinton Park under the **Sustainable Tourism** heading demonstrating that the park is one of the key natural tourist / visitor attractions in the District and that it is a formal park that hosts events. It also refers to the park and the adjacent Kidderminster cemetery under the heading **A Unique Place**, referring to the spaces as designed landscapes and a historic places that contain monuments and memorials.

Worcester County Structure Plan 2011 - The county structure plan policy relates to the development of cycle routes and the local plan cycling strategy. The policy seeks to promote local cycling and Brinton Park was identified as part of the cycle route passing through it in 2006.

Wyre Forest District Council's Open Space, Sport & Recreation Strategy (April 2017) - The Strategy provides an overview of open audit of all open space, sports and recreational facilities, recommendations for setting local open space standards in terms of quantity, quality and accessibility and is the overall strategy for the provision and maintenance of open spaces, sports and recreational facilities across the district.

Worcestershire Biodiversity Action Plan - The BAP and county community strategy's aspirations relating to protecting and enhancing biodiversity – Brinton Park has a role to play in the urban context.

Wyre Forest District Council's Sustainability Strategy - The sustainability strategy's priority areas of "Protecting and enhancing the natural and built environment" and "Promoting effective and minimal use of natural resources" are both relevant to the management and development of Brinton Park.

Wyre Forest District Council Commercial Strategy 2018-2023 – Wyre Forest District Council's goal is to promote and expand commercial activity that will generate revenues and lead to sustainable growth. The overarching aim of this strategy is to deliver a financial return which contributes to the Council's efficiencies and additional income targets, helping to safeguard frontline services that the Council currently provides. The Commercial Strategy will be delivered through a new Commercial Activity Programme Board, chaired by the Corporate Director – Community Well Being and Environment.

The plan looks to formalise the Council's commercial activity through two main work streams to help to realise the ambition of commercialisation set out in this strategy:

- Income Generation – Making money by providing a service which can be charged for, generating revenue that can be reinvested in Council services.
- Creating a Commercial Culture – Behaving in a more business-like way and ensuring staff are equipped with the right skills to enable us to adopt some of the positive culture and behaviours that are associated with commercial organisations.

The Council's income generation priorities are as follows:

- Trade Waste
- Garden Waste
- Wyre Forest Heritage Weddings
- Venues (Bewdley Museum, WF House)
- Advertising

- Property Investment
- Tree Gang
- Grounds Maintenance

Thus, this strategy directly links to the Brinton park restoration project and this Business Plan which aims to increase the income generated at Brinton Park across a 10 year period.

Other Strategies and Plans that support commercialism include:

- WFDC Medium Term Financial Strategy
- Capital Portfolio Investment Strategy
- Depot Operational Services Business Plan
- Heritage Weddings Business Plan
- Corporate Plan

5 Project Details

5.1 History

In 1883, John Brinton, a Member of Parliament for Kidderminster who made his fortune from his family's mills and carpet works in the town, bought 26 acres of Sutton Common and commissioned J.T. Meredith to devise plans for its layout as a "pleasure ground for the enjoyment of the town's residents". The park was officially opened on 1st August 1887 as a "Beacon Park" to celebrate Queen Victoria's Diamond Jubilee and the crests on the original park gates refer to this status. In 1906 the Town Corporation extended the Park by 6 acres. It was adopted by WFDC when it was formed in 1974. Over the last 133 years Brinton Park has been the venue for many celebrations including Coronations, Centenaries, Jubilees and major public anniversaries.

The original layout of Brinton Park displayed all the attributes of a late Victorian Park. The park was subsequently enhanced in the early years of the 20th Century with recreational facilities such as a bandstand, pavilion, and bowling green. Over the years, some of these early features have become unused or been lost, and while other visitor amenities have been added.

5.2 Project Vision

WFDC prepared a successful Round 1 bid to the National Lottery Heritage Fund (NLHF) under the Parks for People programme, for funding to invest in the fabric and future of Brinton Park. The following extract from the Round 2 application sets out what the project aims to achieve:

"This exciting project aims to restore and conserve Brinton Park's built and natural heritage and develop leisure, volunteering and training opportunities for a growing and diverse local audience.

The park will see revitalised indoor community space, improved welfare facilities and infrastructure, new refreshment facilities and the recreation of an ornamental pool, enhanced horticulture, and an increased perception of safety to increase footfall and dwell time.

The project brings together staff, partners and volunteers to deliver a comprehensive programme of activity and will encourage more people to enjoy, learn about and become involved in the park. It will make a difference to communities across Kidderminster which are most in need, creating opportunities to improve health, wellbeing and skills.

The park will be in a better condition and more people will be involved in its management. The project will protect and enhance biodiversity and the heritage of the park will be more accessible through enhanced interpretation and activity”.

5.3 Project Proposals

Following the successful Round 1 grant funding award from the National Lottery Heritage Fund (NLHF) the ambition is to secure funding for implementation of a large scale capital and revenue restoration project.

This exciting £2.9 million investment aims to restore and conserve the park’s historic and natural heritage, fund new and improved facilities in the park as well as develop training, leisure, learning and volunteering opportunities for a growing and diverse local audience.

During the development phase the project has been worked up in detail and the Round 2 application will be altered and based upon the following elements:

Capital components

- Refurbishment of all entrances
- Reinstatement of the former ornamental pool
- Repair of paths, retaining walls, historic boundary wall
- Creation of new horticultural displays (extension of the Senses Garden)
- Restoration of the Victorian gardeners’ bothy and development of the EJF growing area to include heating, improved welfare facilities and access
- Establishment of a dedicated base for volunteers
- Building a new a café and public toilets
- An extension to the existing Sons of Rest building to enable multi-functional community use including for school visits, community hire and events and activities
- Improving access and egress and car parking

Community components

- Community consultation and engagement
- Establish a Project User Group; 'Brinton Park Volunteers' group and increase numbers and the range of volunteers and the range of opportunities

- Develop stakeholder involvement in the park
- Develop a programme of activities
- Interpretation
- Engaging with both users and outreach work to include non-users

5.4 Project Programme

Brinton Park Restoration Project – Delivery Timescales

- Round 2 Grant Submission: February 2020
- Round 2 Award: July 2020
- Permission to Start: August 2020
- Recruitment of 2 x CEO's: September – December 2020
- CEO's contract commences: January 2021
- Horticultural Apprentice appointment: April 2021 – April 2023
- Design Team Procurement: August – October 2020
- Detailed designs: October 2020 – May 2021
- Capital works procurement: June – August 2021
- Works on site: September 2021 – September 2022
- Café / SOR Open: October 2022
- GED / End of CEO Contracts: July 2025

5.5 Project Outcomes

Throughout its delivery the project will address the National Lottery Heritage Fund Parks for People Grants programme 10 outcomes as follows:

Heritage will be:

- **better managed;**
- in better condition;
- better interpreted and explained;
- identified/recorded

People will have:

- **developed skills;**
- volunteered time;
- learnt about heritage.

Communities:

- **the local area/community will be a better place to work, live or visit;**
- environmental impacts will be reduced;
- more people and a wider range of people will have engaged with heritage.

5.6 Why this Project is Important

The project is important for a number of reasons, specifically as:

- This project has the ability to create and assist with the long term delivery of a far better offer for the local community, project partners and wider site visitors.
- The legacy of the park is at risk as many of the original features need to be reinstated, restored, replaced or modernised.
- There is a commitment of £451,745 match funding and the potential of £2.4m of NLHF funding through the Parks for People grant programme to deliver the aims and objectives of the project and sustain the future of the site.

- Kidderminster lacks a central square and Brinton Park provided a community focus and venue for major celebrations and events but as it has deteriorated over time, its use as a civic venue has decreased. Over the years the park has been well used and consultation has shown that people have fond memories of visits.
- The project has the ability to contribute to boosting the tourist economy and enhancing the local environment.
- There is a need to invest in the park and retain the Green Flag Award.
- Horticultural skills are at risk as there is underutilisation of the available growing space because the infrastructure is not suitable. There has been an associated loss of training and skilled WFDC staff to carry out the traditional planting schemes and maintenance.
- There is a need to boost volunteering across the site and tap into local interest with regard to this.
- There is demand for refreshment facilities in the park, indoor space and for an enhanced events and activities programme.
- There is currently a poor understanding of the Parks built and natural heritage.
- The local population is growing and diversifying rapidly and the project and park can provide economic, social and environmental benefits for the District.
- Further Council budget reductions reinforce the need to invest to save and generate income to sustain the future of the park and sustain staffing and maintenance levels.

5.7 Methods & Results of Consultation

A number of different surveys and consultation exercises took place during the development phase of the project across 2019 and 2020 that have informed the business plan for Brinton Park. The outcomes have informed the project proposals to include more activities, improved welfare facilities, better access and refreshments.

To ascertain future demand and guide refurbishment of the Sons of Rest pavilion, a Community Group and Business Survey was conducted between 20 February and 20 March 2019. In total, 30 participants, representing 27 local organisations took part, including political groups, printing and crafting businesses, charities and parenting and educational groups. Currently, 55.6% of the groups currently hire a community room or meeting space, with two (National Citizen Service and Kidderminster Horticultural Society) using the Sons of Rest Pavilion at present.

Visitor Observation Studies were conducted to help establish a user profile and identify popular activities and the most commonly visited areas of the park. The studies were carried out by teams of trained volunteers between 1 – 31 March 2019 and 3 – 29 July 2019. A total of 4,325 visitors were recorded using the park, with 795 cars recorded in the car park, giving an overall annual visitor figure of 344,324.

To assess current audiences, visitor use, satisfaction, heritage awareness and perception of Brinton Park, a Visitor Survey was carried out between 18 January and 15 February 2019. The survey was available online and as a paper copy. In total, 508 respondents completed the survey (80.5% completed it online) identifying current key issues and barriers, sharing memories and aspirations for the future of the park. It also showed that there is interest in future volunteering opportunities as 87 people signed up to volunteer and to a mailing list to receive regular updates.

A volunteer survey was run 4 – 23 September 2019 to gather views about current volunteering in Brinton Park and what opportunities and training volunteers would like to see offered in future. The survey was available online and was completed by nine current volunteers and one potential volunteer.

Focus group consultation has taken place with project partners and the steering group, with WFDC staff, local schools, history groups and local museums and with a local elderly residential centre to establish thoughts from some of the target audiences. In addition to this there has been extensive face to face consultation with individuals and organisations. These meetings have shaped the proposals and use of space within the park, have helped develop project plans including future events and activities, volunteering and training programmes and have ensured the design of facilities are tailored to requirements and the proposed fees and charges are realistic.

Communication with WFDC elected Members has been through briefings, presentations and newsletters. Kidderminster Town Council are committed to the economic regeneration of Kidderminster and have pledged their support to this project as a priority as they have the heritage of the town as a key focus. WFDC Cultural Services have been consulted and will provide expertise in Arts, Sports, Events, Countryside, and Museum Services for the education and sustainability of the project. North Worcestershire Community Safety Partnership has been involved throughout in particular ensuring any developments within the park contribute to safety. WFDC Countryside and

Conservation Officer has been consulted with regard to biodiversity and potential development of habitats to meet the Worcestershire Local BAP (bats and acid grassland). WFDC Legal and Finance teams have been involved to ensure all aspects of legal and financial matters are covered.

Completion of draft designs for the park saw the launch of a final consensus check consultation process in which the designs were displayed during large scale events in the park and at the Council House and were published on the website for people to comment on prior final tweaks being made to the project documents.

The key issues arising from each of the streams of consultation are presented in the table below.

Key Issues Arising
Community Group and Business Survey <ul style="list-style-type: none"> • Future designs for the Sons of Rest Pavilion need to support demand for improved car parking and access, enhanced disabled access and WIFI • 66.7% said that £10-£20 would be an appropriate room hire rate (per hour) indicating room hire charges should only be raised minimally from the current £15 to £20 to be as inclusive as possible and to ensure the building is regularly utilised by the local community and local businesses • Potential future use of the new Community Pavilion appears high, with over two thirds (66.7%) of respondents considering booking the new community pavilion on completion and 76.9% saying they would also make use of the wider parkland • The majority (59.3%) would prefer to book the space on an ad hoc basis. 7 of the remaining organisations would book the room for an average of 7 hours per month, with others saying they would could provide a full programme or use it weekly • To ensure the success of the community pavilion there is a need to enhance promotion of the building, its facilities and booking opportunities.
Visitor Observation Studies <ul style="list-style-type: none"> • Brinton Park receives an estimated 344,324 annual person visits • The site is typically quieter around lunchtime with visitor numbers peaking around 11am-12pm and 5pm-6pm on both weekends and weekdays • The splash pad and play area were the most popular areas of the park, with visitors also commonly observed cutting across the main field between the play area and Richard Eve Memorial, as well as the main pathway (passed the Richard Eve Memorial and old bowling

<p>green) and at the top of the hill, in the MUGA and skatepark</p> <ul style="list-style-type: none"> • The car park was busiest at the weekend, peaking at around 3pm-4pm; on weekdays car numbers peaked much earlier, at around 11am-12pm.
<p>Visitor Survey</p> <ul style="list-style-type: none"> • The majority of visitors (59.9%) live within 1km of the park and travel by foot (58.7%), with three quarters (74.5%) taking less than ten minutes to travel there • 38.0% of visitors travel by car • Two fifths (42.9%) of visitors reported using the main entrance on Sutton Road, making it the most used entrance • There was fairly even demand for a café or a tea room with a total of nearly 9 out of 10 visitors wanting one of these options (87%) • Respondents showed a preference for an indoor area selling a variety of food and drinks, such as a café serving light lunches (46.0%) or a tea room with hot drinks and basic food (41.0%) • Brinton Park is used frequently, with 36.3% of respondents visiting on a weekly basis and over three quarters either visit daily, weekly or monthly (77.9%). 1 in 10 respondents (11.2%) visit on a daily basis. • Results indicated that visitors would use the café facilities on a weekly basis, with 18.8% of respondents stating they would buy snacks or a hot drink a few times a week • Facilities would be most frequently used for snack and hot drinks, followed by lunches (with 31.4% of respondents using the facilities less than once per month for lunch) and finally breakfast, which nearly half of respondents would very rarely or never use the facilities for (48.5%) • There was high demand for future events, with music (80.2%) the most popular reflecting the popularity of the summer bands programme. Other events of interest included events for children and young people (60.5%), nature and wildlife activities (59.7%), community events (58.9%), arts and craft events (48.3%), history and heritage days (48.1%) and health and fitness activities (41.9%) • There was considerable interest in the redevelopment of the Sons of Rest Pavilion, with the most popular suggestion to use the space for a range of arts and craft activities, as well as fitness and exercise classes including yoga, keep fit and dance, children's activities, play schemes, nature-based activities, fairs, history talks, parties and book clubs.

Volunteer Survey
<ul style="list-style-type: none"> • The most popular suggestions for future volunteering opportunities were access, guided tour leads and horticulture & nature conservation • There was a desire for a greater range of volunteering opportunities, the most popular suggestions were access, guided tour leads and horticulture • Current volunteers seem to possess a myriad of skills, however, skills in marketing conservation and building caretaking / management were lacking • There was interest in future training, particularly nature conservation & horticulture, photography, leading walks and talks and landscape maintenance.
Consensus Check Consultation
<ul style="list-style-type: none"> • 79 responses were received • The majority of respondents identified as female (73.1%), aged between 30 and 49 and 98.7% identifying as White British. 9.2% of respondents considered themselves to have a limiting long-term illness or disability which affected their use of Brinton Park • 74 respondents gave their postcodes and, 40 respondents (54.1%) came from within the 1km Catchment. The majority of respondents were from within Kidderminster, with some from nearby towns including Bewdley and Stourport-on-Severn. • The majority of respondents agreed that the proposals would enhance the park, with half (51.9%) giving a rating of 10/10. The average rating was 8.9. • Overall, the responses were very positive, many said it would be great to have a café and liked the idea of reintroducing the ornamental pool, commenting that the additional facilities would encourage more people to visit the park, as well as stay longer. Other elements which respondents appreciated included the increased accessibility, car park and pathway improvements. • Respondents added that there was currently a lack of facilities and that it had “...been neglected over the years” but it was great to see it being looked after and restored. Others added that many groups would benefit from the new development, including the additional space for community groups. • Respondents were asked to rate how strongly they supported the restoration proposals on a scale of 0 to 10. With an average rating of 9.3, the most popular proposal was the café, followed by improved access / parking, the pool and the community pavilion. The least popular proposal was the signage and interpretation, however, this still scored fairly highly with 7.9.

- The responses were overall very positive, including comments that “...the park will be an even better destination for all ages” or adding that the “designs look fantastic” or “excellent”.

6 Market Appraisal

We have carried out a market appraisal to establish the potential market for the project offer and will assess the degree of market penetration that may realistically be achieved.

In carrying out a market appraisal for Brinton Park we have allowed for consideration of good practice from similar local, regional and national provision and have included reference to other HLF funded park projects across the Country. We have listed competitors and have listed precedent and exemplar projects which may be of reference during the development and delivery of this project.

6.1 Park Usage – National Trends

The State of UK Parks 2016 research showed that parks are used frequently with more than half of the UK population, 57%, visiting their local parks at least once a month or more often.

The research also showed that some of the most regular park users are those between 25 and 34 years of age; with 70% of them using their local park at least once a month. It also stated that parks are clearly important for families and households with children under the age of five as over half, 54%, of them use their local parks at least once a week and 90% about once a month or more. Those living in urban areas, 61% use their parks at least once a month and this is 10% higher than residents in rural areas. Black and minority ethnic residents are also frequent park users with 71% of them using their local park monthly or more compared to 56% of white residents.

It reports that it appears that the condition of parks may influence the level of use; as 76% of those who consider their local park to be improving use it at least once a month, compared to 57% of those who consider it to be declining.

The frequency of use of parks nationally appears to be on the rise as visitor numbers are generally increasing. Research from Natural England also supports this view as their five-year MENE1 study on

how people use the natural environment shows that visits to urban parks have been increasing and parks in towns are the most frequently visited location.

Natural England's MENE report from the 2015-16 survey estimated 3.1 billion visits to the natural environment between March 2015 and February 2016, 879 million (28%) of these were to parks in towns and cities. Interestingly this research also captures reasons for visiting and 1.51 billion accounted for those walking with a dog, 869 million visits were walking without a dog and 312 million were to children's play areas.

6.2 District Trends

Tourism is an important element within the overall economy of the Wyre Forest area and the park is one of the key natural tourist / visitor attractions in the District and that it is a formal park that hosts events.

Each year more than 119 million visits are made to the region, generating over £121 million to the local economy and offers employment to more than 2100. During 2014 2.5 million trips were undertaken to Wyre Forest District comprising 2.3 million day trips and 0.2 million overnight visitors. £64 million was spent by day visitors and £23 million by overnight visitors. The local visitor economy supports 2,138 jobs within the area. The majority of visitors to Wyre Forest District visit on day trips and do not stay overnight. Day trips are important but the short break market needs to be supported and encouraged to expand which would help to secure greater economic benefits for the area as a whole (source: WFDC Local Plan Review (2016-2014)).

6.3 Use of the Park

6.3.1 Current Visitor Numbers

Two separate visitor observation studies were undertaken in Brinton Park in March 2019 and July 2019. In total, 24 hours of observations were carried out, including 12 weekend and 12 weekday observations. The datasets were combined to give an overall idea of visitor profile and numbers, as well as tracking changes over the year.

Overall, there were 4,325 people observed using the site over the 48 hours of observations. This equates to around 100.4 visitors per hour on a weekday and 79.8 visitors per hour on a weekend. Based on the data from the visitor observation study, we can estimate that there are approximately

344,324 annual visits to Brinton Park. Throughout the visitor observation study, the number of cars in the car park were also recorded, with a total of 795 cars recorded.

Results of the studies have shown that the site is used slightly more by visitors on weekdays, however, more cars were observed in the car park on weekends. On both weekends and weekdays Brinton Park is most busy around 11am and 12pm, with visitor and car numbers consistently dropping at 12pm. Following this, visitor numbers typically peaked at 3pm and 5pm on both weekends and weekdays. Afternoon car park usage varied more between weekend and weekday use, with a weekday peak occurring around 2-3pm and weekend peak typically occurring an hour later at around 3-4pm. Both car and visitor numbers decreased after 6pm.

An infographic summarising the results of the visitor observation studies at Brinton Park can be seen overleaf.

Brinton Park Visitor Observations

Agenda Item No. 12 Appendix 2

March & July 2019

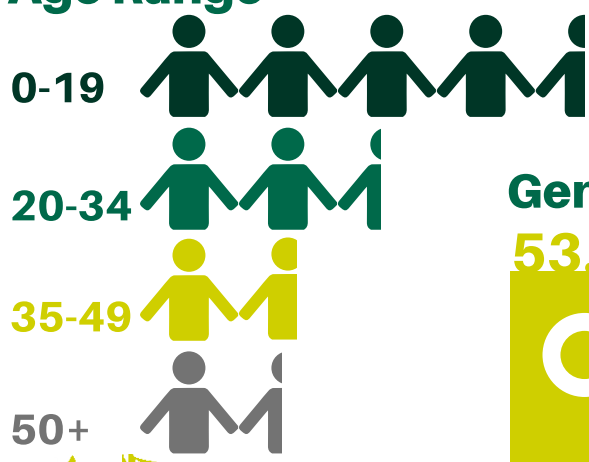
344,324
annual person
visits



54.0% on a weekday



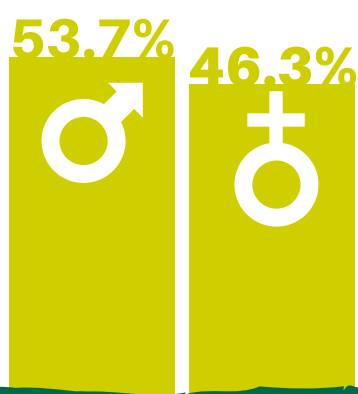
Age Range



Ethnicity



Gender Ratio



BAME

2.1%

Only **1.2%**
observed with a
visible disability



Top activities

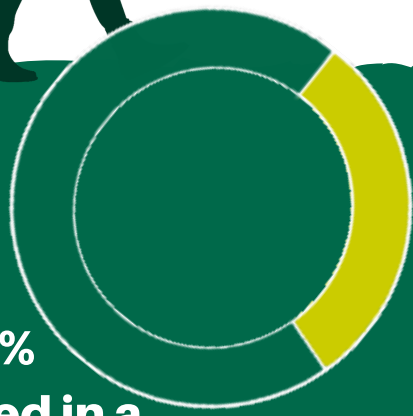
1. Walking
2. Walking dog
3. Playground

Play Area

and

Splashpad

most used areas



29.5%
visited
alone

70.5%
visited in a
group

25.3% of
visitors
had a **dog**



Wyre Forest
District Council



HERITAGE
FUND



COMMUNITY
FUND

6.3.2 Current Audiences

We are aware that the park is heavily used by dog walkers, local residents, people using it as a cut through walking into the town, by families to use the play area and water play, by youths using the stake park and MUGA and by our partners customer base namely, people with learning difficulties at EJP and scouts, beavers and cubs at 21st Wyre Forest (Brinton Park) Scout Group. The water play is a large draw in the summer and is a popular facility across Kidderminster and neighbouring towns.

A full appraisal of park usage has been carried out during the development phase through the delivery of a visitor observation study in March and July 2019 therefore covering both in and out of peak seasons. As well as helping determine annual visitor numbers, the studies also helped establish visitor profile and patterns of use. Both the March and July Visitor Observations demonstrated that the play area and water play are a major draw for families with younger children, however, older users were generally excluded. Other underrepresented groups included women and those with long-term limiting illnesses or disabilities. The study also shows that the most popular current uses of Brinton Park include dog walking (with 25.3% of visitors observed with a dog), walking and using the playground.

A visitor survey was carried out between 18 January and 15 February 2019 which saw 508 respondents. The results show that over a third of respondents visit Brinton Park on a weekly basis (36.3%) and over three quarters either visit daily, weekly or monthly (77.9%). 1 in 10 respondents (11.2%) visit on a daily basis. Respondents were also asked to provide their postcodes, which were mapped and spatially analysed. The majority of visitors live within close proximity to the park (within 1km), with 58.7% of visitors travel by foot and 30% travel by car. Only 9.3% travelled further than 3km, roughly corresponding to the boundaries of Kidderminster.

6.4 Local Residential Market – Demographic Analysis

Brinton Park is located in Blakebrook and Habberley South Ward, within Wyre Forest District. The Ward covers 281.49 Ha and has 9,135 residents. Kidderminster, the town in which Brinton Park is situated, covers 1,624.8 Ha and has 57,697 registered residents (according to the 2017 mid-year estimates).



There is also an expanding population to the South of Brinton Park with residential and business developments currently being undertaken on the former British Sugar site known as the 'Silverwood's development'. Phase 1 saw an additional 200 residential dwellings being built on the site along with retail developments. In the local plan review (2016-2034) there are patches of land marked as core housing and employment sites across this area – this will form Phase 2. This will mean that there will be new audiences using Brinton Park following the restoration.

Brinton Park draws visitors from across the Kidderminster and other neighbouring towns such as Stourport, Bewdley and Stourbridge therefore the potential audience is much wider and higher than that shown above for Kidderminster Town. This is shown by the boundary of the 15 minute drive time as shown in **Figure 2** overleaf.

Brinton Park

Figure 2
Brinton Park with
15 minute Drivetime

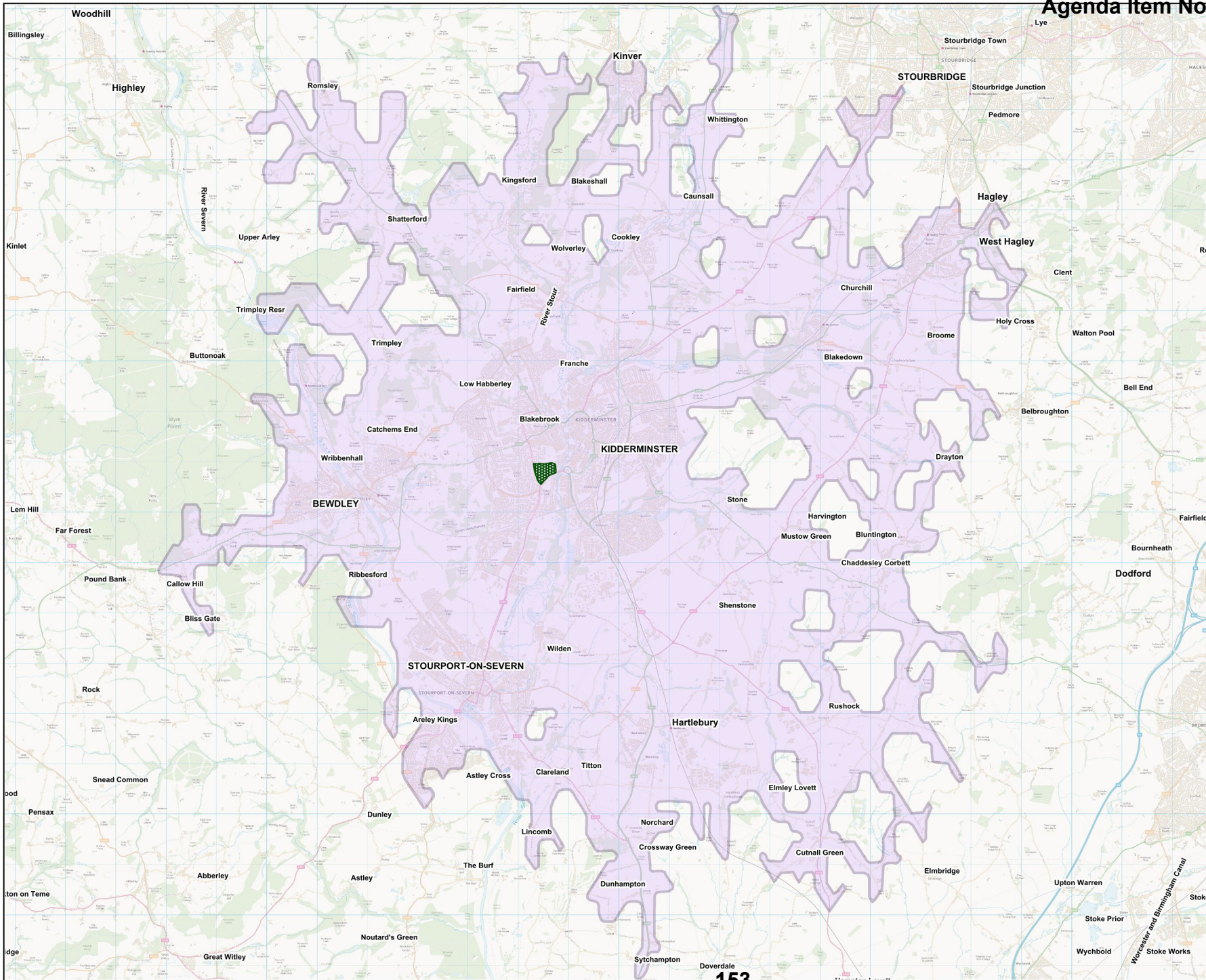
LEGEND

-  Brinton Park
-  15 minute drivetime

Reproduced from the Ordnance Survey mapping with the permission of the Controller of Her Majesty's Stationary Office. © Crown copyright. Unauthorised reproduction infringes Crown copyright and may lead to prosecution or civil proceedings.

© Crown copyright and database rights 2019
Ordnance Survey 100018317

Drawn by: LH	Checked by: CL	Date: 07/02/19
-----------------	-------------------	-------------------



6.4.1 Demographics

Gender – there is a more or less even gender split within the 1km Catchment, with 50.2% of residents identifying as female.

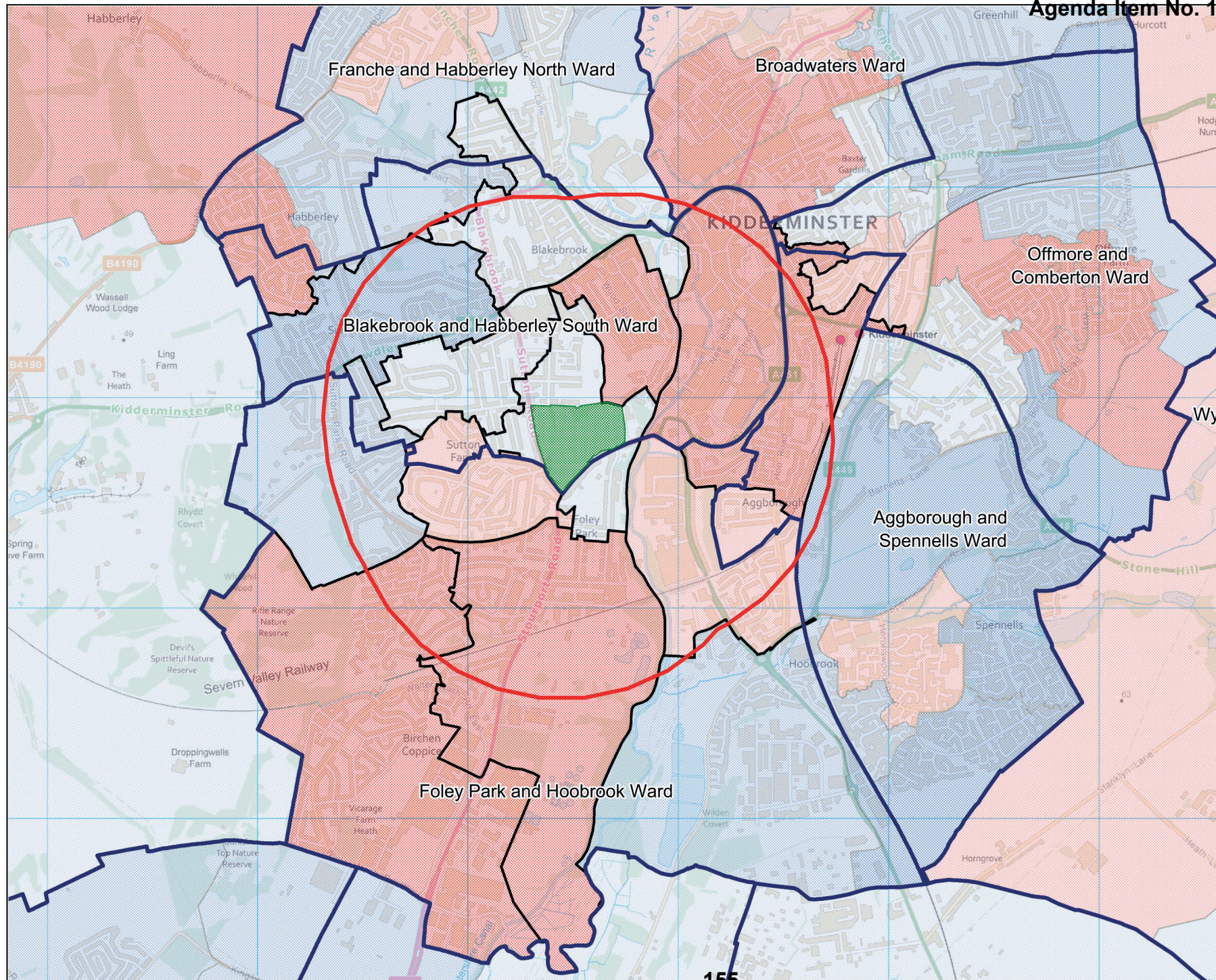
Age – the largest proportion of age ranges within the 1km Catchment, Kidderminster and Wyre Forest District were 35 – 49 at an average of 21.3% of across the three areas. This was closely followed by children under 16, with an average of 18.5%. These statistics indicate that families are a target audience. While there is generally little variation between the three areas with regard to age, the proportion of residents aged 70 – 79 within the 1km Catchment (12.9%) is significantly higher than Kidderminster (7.7%), Wyre Forest District (8.8%) and England & Wales (7.1%). This data suggests that further key target audiences are people over the age of 70 within the 1km Catchment.

Ethnicity – The statistics also show that residents within the 1km Catchment is majority White British (92.9%); this is significantly higher than England & Wales (80.5%) but similar to that of Kidderminster (93.8%) and Wyre Forest District (94.7%).

Disability & Health – with regard to Limiting Long Term Illness 19.0% of the population within the 1km Catchment have their day-to-day activities limited a little or a lot, this corresponds with the dataset for England and Wales (17.9%).

Deprivation – Levels of deprivation around Brinton Park are fairly high (as indicated by the red in **Figure 3** overleaf). Areas to the north and south of the site are within the top 80- 100% most deprived in England, while the Park itself is situated in an area of the 40 – 60% most deprived.

An infographic summarising the demographic data for Brinton Park can be seen overleaf.



Brinton Park

Figure 3
Indices of Multiple
Deprivation Overall
(2015)

LEGEND

Brinton Park

Level of Deprivation
Most deprived

80 - 100

60 - 80

40 - 60

20 - 40

0 - 20

Least deprived

1 km Buffer

Ward
Boundaries

Selected
LSOAs

Contains OS data © Crown copyright
and database right 2018

Drawn by: LH	Checked by: IB	Date: 18/12/18
-----------------	-------------------	-------------------

Wyre Forest
District Council cfp
people space places

Brinton Park Demographics

Agenda Item No. 12 Appendix 2

LSOAs in
1 km catchment

Brinton Park

Brinton Park is located in Blakebrook and Habberley South Ward in Kidderminster, Wyre Forest District.

Data has been derived from data available at Lower Super Output Areas (LSOAs) and aggregated to cover the 1 km catchment, which covers 591 ha and contains 16,995 registered residents.



Gender Ratio



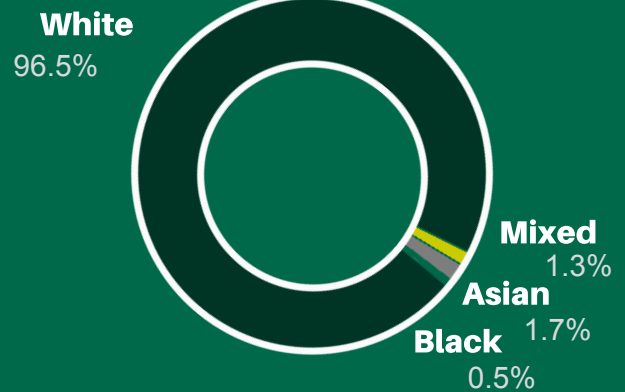
Age Range



Health: Impact on Day-to-Day Activities



Ethnicity



Car Ownership

23.3%

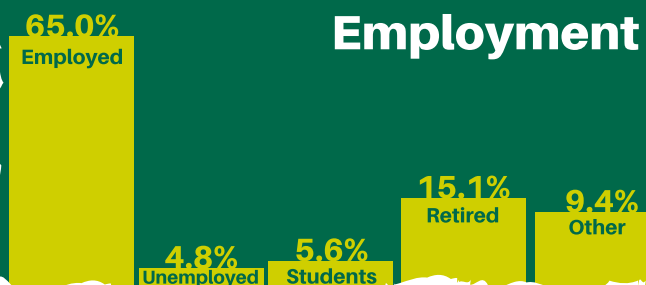
of residents do not have access to a car or van.



Housing Tenure



Employment



people spaces places



156



Wyre Forest
District Council



LOTTERY FUNDED

6.4.2 Audience Segmentation

Audience Spectrum is the segmentation tool developed by The Audience Agency on behalf of the Arts Council. Based on their cultural values, Audience Spectrum has segmented the UK population based on a combination of shared characteristics relating to behaviour; demographic details; geography; and attitudinal. The audience segments criteria also include preferences for art forms; frequency of heritage visits to both built and landscape attractions; non-cultural interests; creative pursuits; and volunteer activity (by sector).

The geographical distribution and frequency of each segment has been mapped through the Audience Segmentation tool and data is available at postcode sector level. There are two postcode sectors within the 1 km catchment (DY10 1 and DY11 6 containing 9,332 residents). These have been analysed, giving the proportions of the population in each segment. These can be seen in **Table 1** below and the chart overleaf, compared to the proportion of the West Midlands population in each segment.

Audience	Brinton Park		West Midlands	
	Area Total	%	Area Total	%
Trips and Treats	2,006	21.5	958,954	20.8
Up Our Street	1,867	20.0	448,880	9.7
Facebook Families	1,316	14.1	720,275	15.6
Home and Heritage	1,072	11.5	478,350	10.4
Dormitory Dependables	1,025	11.0	632,477	13.7
Heydays	845	9.1	267,282	5.8
Commuterland Culturebuffs	692	7.4	494,353	10.7
Kaleidoscope Creativity	253	2.7	393,026	8.5
Experience Seekers	241	2.6	212,097	4.6
Unclassified	15	0.2	132,319	-
Metroculturals	0	0.0	11,843	0.3
Total	9,332	100.0	7,195,248	100.0%

Table 1 Audience segmentation proportions

As **Chart 1** below shows, the three main audience segments around Brinton Park are Trips and Treats (21.5%), Up Our Street (20.0%) and Facebook Families (14.1%).

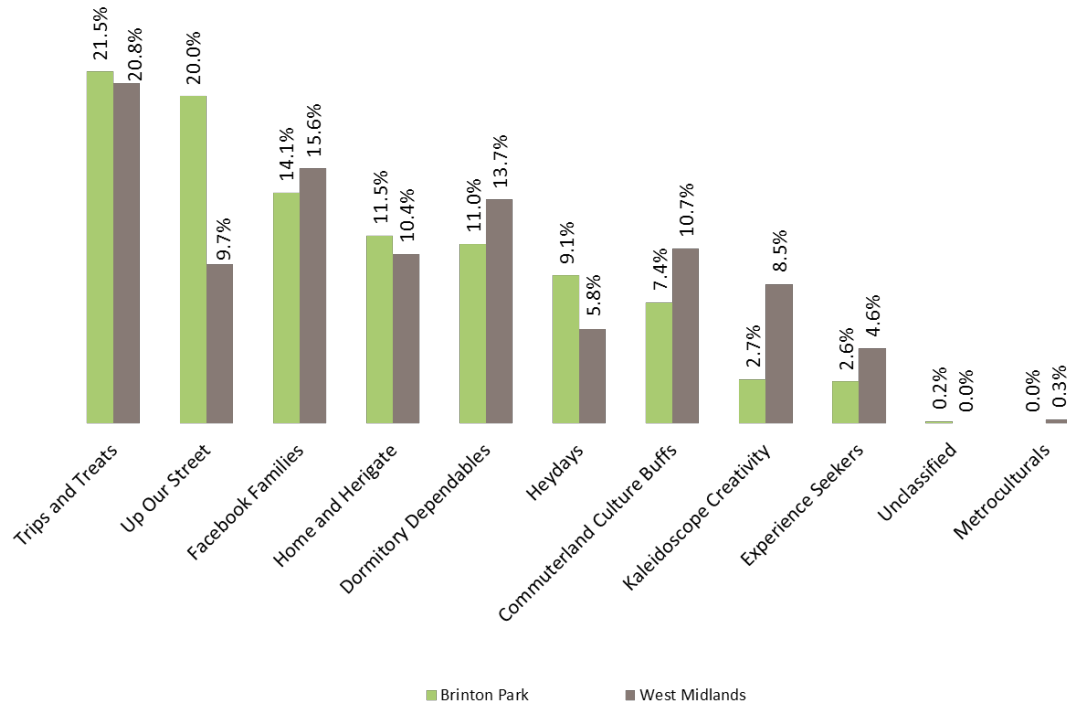


Chart 1 Audience Finder: Brinton Park and the West Midlands

A summary of the characteristics of the top three audience segments is represented in the table below:

Trips and Treats	<ul style="list-style-type: none"> Influenced by children, family and friends Average spend levels Family based leisure pursuits Above average number of heritage visits Prefer mainstream forms of art and culture High use of social media
Up Our Street	<ul style="list-style-type: none"> Older individuals and families, living reasonably comfortable but modest lives Average spend levels Low levels of engagement Rely on recommendations - word of mouth & print Occasional engagement in popular arts, entertainment and museums Like to learn about history and wildlife
Facebook Families	<ul style="list-style-type: none"> Younger families living suburban and semi-urban areas living in areas of high unemployment Low spend levels Low levels of engagement Very high use of social media Enjoy live music, eating out and popular entertainment such as pantomimes, musicals and plays

In summary, the residential market engages with music, arts, heritage and culture and enjoy a variety of family orientated events. They have average to low spending levels and use social media, print and word of mouth as their main communication tools.

6.5 The Wyre Forest Area

Wyre Forest, incorporates the towns of Kidderminster, Bewdley and Stourport-on-Severn and many rural villages, and is located in the Heart of England and is therefore readily accessible from most parts of the country. It is just 18 miles south west of Birmingham, 15 miles to the north of Worcester and less than an hour from Stratford-upon-Avon. It is served by a good motorway network and has excellent links to the M5, M6, M40 and M42. There is a main line train station in Kidderminster and there are regular services to and from Worcester, Birmingham and London. There are also several bus operators that serve the local area. Additionally, there are a wealth of cycling and walking routes across towns and in green spaces and along canals and waterways.

6.6 Potential Audiences

Demographic, audience and market segmentation analysis, visitor observation studies and consultation throughout the development phase of this project has provided us with evidence to suggest that the key under-represented groups and therefore the proposed target audiences for Brinton Park are:

- Local families and children including those from deprived wards
- People with or at risk of developing poor physical or mental health
- Young people / those seeking development opportunities
- People with heritage interest
- People with learning disabilities
- Older people
- New residents on the Silverwoods estate
- Those living within the Brinton Park catchment who fall into the Trips and Treats, Up Our Street and Facebook Families audience segments.

In addition to the above there are a large number of schools and businesses in close proximity to the park and in essence they will form a large part of the primary target market, plus the potential Wyre Forest tourism market, particularly day visitors and the short break market.

6.7 Visitor Projections

The footfall of visitors to the park per annum is currently forecast at 344,324 and a key target for the project is to increase this to 400,000 by project completion (July 2025). It is therefore recognised that the footfall will be built up over time.

6.8 Competitor & Comparator Analysis

Competitors and comparators have been assessed based on options for development which draw on the park's key strengths. A desktop analysis has been carried out online in order to establish potential comparators with information on their offer, pricing and, where available, Trip Advisor customer reviews.

With exception to the main Kidderminster Town Centre and the local shops and coffee shops along the Stourport Road there is little competing provision with regard to community and refreshment facilities.

Brinton Park is Kidderminster's Town Park and generally sees very little competition from other parks and green spaces within the area as can be seen in section 6.8.1.

Successful development of the park will rely on capitalising on the key strengths of the site which are its multi-functional offer, location near Kidderminster Town Centre, its proximity to a very busy highway junction and the A451 - a main road between Kidderminster and Stourport, and the tranquillity of a green space in an urban area. The development of the park should also focus on meeting the needs of its users and those of the surrounding residential population.

Regardless of the restoration that takes place at the park, the following will be required to maximise the chances of success:

- Improved signage from the Town Centre and adjacent highways
- Enhanced online presence via a park website (that allows room bookings) and social media
- Linking up with Town Centre events and local businesses
- Strengthening existing partnerships and developing new partnerships to deliver events and activities.

6.8.1 Other Parks and Green Spaces

The key parks and gardens in Kidderminster, Stourbridge, Bewdley and Stourport have been identified and are presented in the table below. The closest major green space is Habberley Valley at 3.0 miles away.

Name	Type of Space	Managing Organisation	Location (Distance from Brinton Park)	Facilities	Trip Advisor Rating (* out of 5)	Admission Charges
Mary Stevens Park	Park	Dudley Council	Stourbridge (7.3 miles)	Café, Bandstand, Play area, Waterplay, Outdoor gym, Tennis courts, Lake	4.5	N/A
Severn Valley Country Park	Country Park	Shropshire Council	Alveley (8.0 miles)	Café, Visitors centre, Play area, Children's trail	4.5	N/A
Hartlebury Common	Common	Worcestershire County Council	Stourport-on - Severn (3.5 miles)		4.5	N/A
Riverside Gardens	Park	WFDC Wye Forest District Council	Stourport-on - Severn (3.4 miles)	Play area, Skate park, Boat Hire, Crazy golf, Go-karts, Fairground, Putting green, kiosk style catering	4.5	N/A
War Memorial Park	Park	Stourport town council	Stourport (3.1 miles)	Play area, Outdoor gym	N/A	N/A
Wyre Forest National Nature Reserve	Forest	Wyre Forest District Council	Bewdley (6.3 miles)	Children's trail, Go Ape, Play Area, Bike Hire, Café, Visitor Centre	4.5	N/A (£30 discovery pass)
Habberley Valley LNR	Nature Reserve	Wyre Forest District Council	Kidderminster (3.0 miles)		4	N/A

Brinton Park is currently ranked 4.5/5 on Trip Advisor and scores 14 of 46 things to do in Kidderminster. The Severn Valley Railway is regarded as the number one attraction in Kidderminster on Trip Advisor, closely followed by the West Midland Safari Park. It should be the aim of the management team to ensure that once restored Brinton Park is in the top five attractions in Kidderminster.

Not strictly direct competitors of Brinton Park but good comparators and examples of best practice include the Mary Stevens Park in Stourbridge and Lightwoods Park in Sandwell, both have good offerings and have been awarded HLF funding, Waseley Hills Country Park and Worcester Woods Country Parks are further examples. All of these are destination sites and attract large visitor numbers each year. These sites generate income through car parking, catering and gift shops, hosting of regular events such as forest schools, Christmas events, music festivals, arts and crafts and fitness classes. They have waymarked trails, with stops at points of interest and have their own park/cafe websites with downloadable park guides and or apps.

6.8.2 Local Heritage / Other Attractions

Local attractions in and around Kidderminster have been identified and are presented in the table below. These attractions generally attract the tourism market which Brinton Park can help to grow.

Name & Location	Attraction Description	Managing Organisation	Facilities	Pricing	Visitor Numbers
West Midland Safari Park	Safari Park	Looping Group	Food outlets, Theme park, Play area, Animal attractions, Gift Shop,	Adult: £20 Child (3-15): £15 Concession £18	750,000 + per annum
Museum of Carpet	Museum	The Carpet Museum Trust	Venue Hire, Library, Gift Shop,	Adults: £4.50 Concessions: £3.50 Children (5-18): £2 Family (2 adults & up to 4 children): £11	
Harvington Hall	Heritage site – Manor	The Roman Catholic Archdiocese of Birmingham	Tea Room, Gift shop, Gardens, Venue Hire	Inclusive for hall, malt house and gardens: Adult: £9 Children (5-16): £5 Senior Citiz: £8 Family (2 adults, 3 children): £25	17202 in 2017

Name & Location	Attraction Description	Managing Organisation	Facilities	Pricing	Visitor Numbers
Bewdley Museum	Museum	Wyre Forest District Council	Gardens, Café, Craft Stalls, Venue Hire, Brass Foundry,	N/A	200,000
Hartlebury Castle and Worcestershire County Museum	Castle and County Museum	Hartlebury Castle Preservation Trust, Worcestershire County Council, Worcester City Council	Café, Gift Shop, Venue Hire, Gardens	Full admission (grounds only) Adult: £9 (£2.50) Concessions £8 (£2.50) Children £5 (£1) Family ticket £25	2,600 + attended events in August 2017
Little Owl Farm Park	Farm park	Family Run	Play area, Animal attractions, Go karts, Indoor play, Café,	Adult 8.20 Child (1-15) £7.20 Senior Citizen £7.45 Family (2 adults, 2 children or 1 adult, 3 children) £27.60	
Severn Valley Railway	Steam Railway	Severn Valley Railway Society	Engine House, Buffet Car	Full day pass (on the day) Adult £19.50 (£21) Child £13 (£14) Family (2 adults, 2 children) £55 (£59)	211,000 in 2013

6.8.3 Café Provision

Brinton Park does not currently offer catering with exception to the ice cream concession in the summer months.

Consultation confirms that visitors would like to see catering provision in the park and the level of catering they would most like to see is that of hot drinks and snacks (94.5%) and lunch (79%) in a café/tearoom setting (90%), this would include indoor seating and an external seating area. An expanded catering offer will better serve the local community and will increase dwell time and spend. Good examples of cafes in parks include Mary Stevens Park (the inside floor space of the café, including the kitchen area, is around 79.5m²) and Boultham Park, both are of a similar size with between 30 and 40 internal covers. Mary Stevens however, is now at capacity and the café leasee is currently looking to enhance external seating to allow for 80 external covers. Key to the success of a park café in terms of design is its proximity to popular visitor features, that it offers views of the surrounding landscape, has enough space to allow for pushchairs / wheelchairs etc and good acoustics allowing a peaceful rest and that there is an external servery.

In order to inform and support the project proposals to create of a café on the park, the development phase saw a pop-up café created. The café was run by Wyre Forest House chef Lynn Horton and supported by volunteers. The café was planned to open during the advertised 11 dates and times (on the flyer) but needed to remain responsive to weather conditions.

Four of the dates were cancelled due to poor weather however the café was open on May 6 and 18, June 23 and 29, July 14 and 27 and August 25 2019.

BRINTON PARK
The People's Park

Come along to our Pop-Up Cafe

11am until 3pm on the following days

- Monday 6 May
- Saturday 18 May
- Saturday 25 May
- Saturday 8 June
- Sunday 16 June
- Wednesday 22 June
- Wednesday 29 June
- Sunday 14 July
- Saturday 27 July

We hope to see you there!

Wyre Forest District Council

HERITAGE FUND

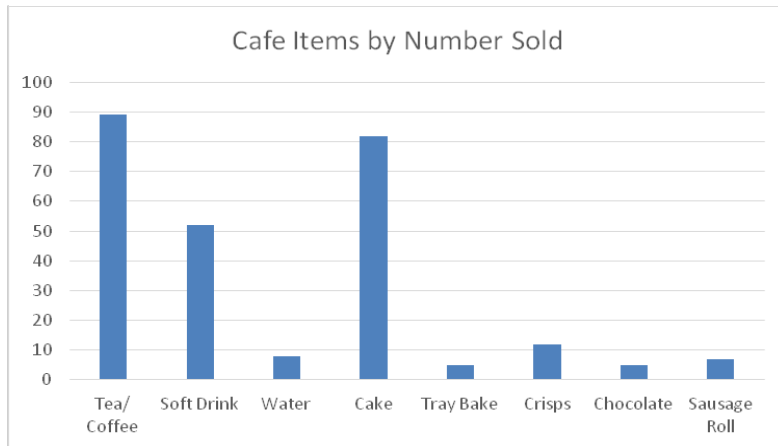
Over 10 volunteers helped during the summer to set up the cafe each week. Nova Training, a college for vocational training of students 16 and over, partnered with the café to provide students with opportunity to work in the community which is part of their course requirements. The café was registered with Worcestershire Regulatory Services.

As a direct result of the outcomes of consultation, the café had an offer of tea and coffee, cakes and tray bakes, soft drinks, crisps, chocolate, sausage rolls and bacon slices.

At four of the seven café sessions the sales of goods and the demographic profile of users was recorded. Over these days the items sold totalled 260 items worth £335.35, with sales per customer averaging £2.08 and sales per hour £20.96 (it should be noted prices were kept modest due to the pop-up nature of the offer).

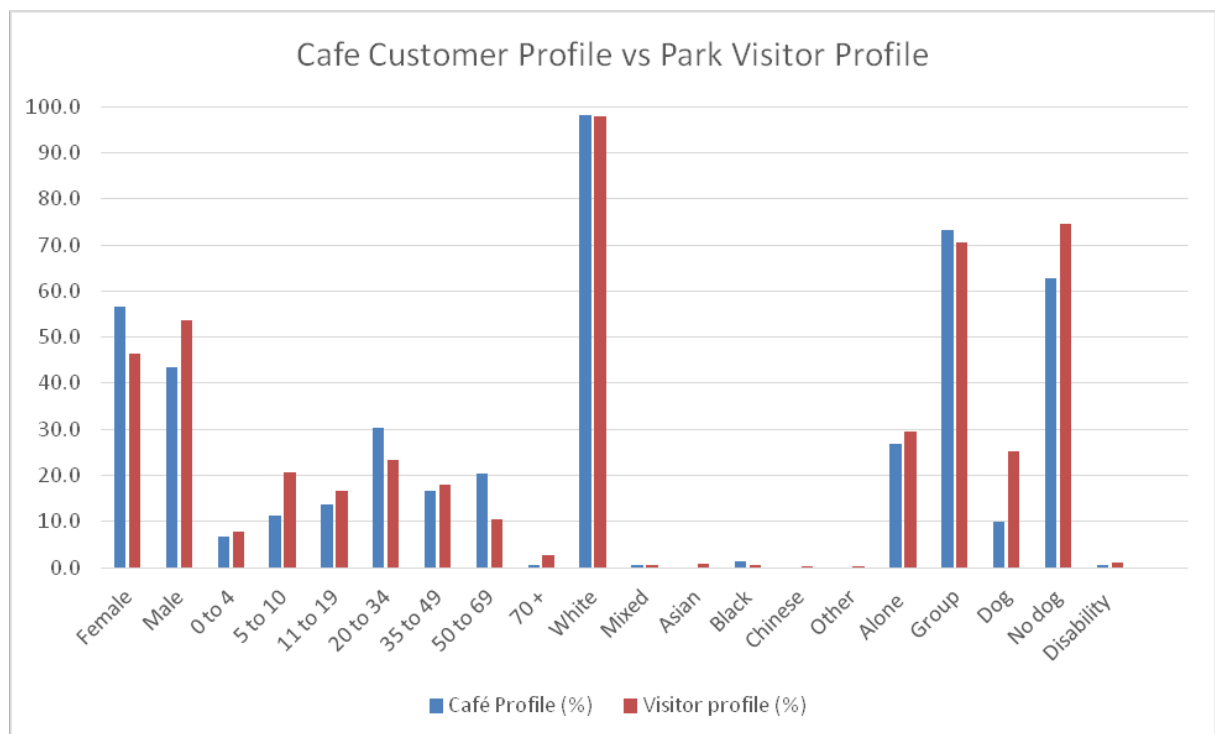
	Drinks			Food				
	Tea/ Coffee	Soft Drink	Water	Cake	Tray Bake	Crisps	Chocolate	Sausage Roll
Number Sold	89	52	8	82	5	12	5	7
Price per item	£1.20	£0.95	£0.85	£1.80	£1.50	£0.50	£0.50	£1.25
Total	£106.80	£49.40	£6.80	£147.60	£7.50	£6.00	£2.50	£8.75
% sales by item	34.2	20.0	3.1	31.5	1.9	4.6	1.9	2.7
% sales by price	31.8	14.7	2.0	44.0	2.2	1.8	0.7	2.6

The most popular items were hot drinks and cake.



Using the data from the Visitor Observation study we would expect visitors in the park at the times the café was open to total 1664. Of these visitors 161 stopped at the café making a conversation rate of approximately 9.68%.

Comparing the profile of the visitors who stopped at the café compared to the visitor profile for the park showed that the female visitors and those in the 35 to 49 and 50 to 69 age group were more likely to stop at the café than other users. People using the park alone, and those visiting with a dog were also under-represented at the café perhaps reflecting these groups are making a routine visit into which a time allowance for a visit to a café is not included currently.



Comments were gathered about the pop-up café and the idea to create a permanent offer in the park and these have been overwhelmingly positive;

Great idea for a cafe. Means a trip to the park can be for longer. More time for children to have a healthy outside play and less screen time.

Great idea – much needed. Hope it becomes permanent. Warm welcome, lovely fresh cakes.

Lovely pop up cafe. Make a permanent one happen!

I love the idea of a cafe here, as a regular dog walker it is great to be able to stop for a coffee and encourage companionship amongst other walkers and dogs. Good for the town.

The pilot activity has demonstrated the success of a potential cafe in the park and the need and desire of local communities to see such provision in the park.

The market for a new catering offer has been researched and analysed and competitive local provision can be seen in the table overleaf (note, we have excluded those in the Town Centre as we feel this is a different offer). Additionally, the project team visited a number of cafes across the UK during the development phase so as to scope out the future catering offer and size of cafe at Brinton Park and to inform the designs. These case studies can be found in Appendix C.

Name	Website	Trip Advisor price guide and review scores	Description	No of covers	Price range			Distance
					Main meals	Sandwiches	Tea/Coffee	
Watermill	www.watermillpub.co.uk	££-£££ / 3.5	Waterside pub, outdoor seating, serves pub meals, play area		£9.95 - £18.95	£5.50	£1.55 - £2.35	0 miles
Dave's snack bar	N/A	N/A	Snack Van	N/A	£2.40 - £3.70	£1.80 - £3.40	80p	0.4 miles
Starbucks	www.Starbucks.co.uk	£/ 3	Starbucks coffee shop, drive through, serves sandwiches, cakes and drinks.		N/A	£2.49 - £4.79	£1.80 - £3.90	0.6 miles
Greggs	www.greggs.co.uk	4	Bakery, coffee shop, serves sandwiches, cakes and drinks.		N/A	£1.75 - £2.60	£1.00 - £2.00	1.2 miles
Silverwoods Leisure Centre Cafe	https://placesforpeopleleisure.org		Free Wi-Fi, take away and eat in, Cafeology Collector card, buy six and get your seventh cup FREE! Fairtrade - range of sandwiches and paninis with a good vegetarian range. Drinks include hot and cold drinks and vegetable smoothies.	40 covers (area of 6m2).	N/A	£1.75 - £2.60	£1.55 - £2.35	1.1 miles

Although Kidderminster Town Centre and the Stourport Road have good numbers of cafes and coffee shops, not all have outdoor seating and views across parkland, overlooking an ornamental pool and provision of this type would capitalise on income.

6.8.4 Meeting Room Providers

Competitor and comparator research and analysis has been carried out with regard to the community use of the Sons of Rest Pavilion in the park. We have assessed local room hire within a mile from the park and reviewed hire rates.

Desktop analysis of similar centres offering a wide array of community uses in the area has been carried out online to establish potential comparators and competitors, including information on facilities, charging structure and customer reviews. The findings are shown in table below:

Name	Description	Room Capacity	Prices	Current Uses	Provision	Google Rating	Distance
Holy Innocents Community Hall	Community Hall	Medium 1 - 150		Pilates Coffee morning for people with depression Monthly talks (Kidderminster Horticultural Society) £3 entry for non-members - Christmas, colour through the seasons Floral art classes (Kidderminster Horticultural Society) Puppy training class Coffee mornings Book sales, bric a brac etc Afternoon tea events Dance & workout classes Craft fairs Easter events Skittle nights Yoga Weight watchers	Meeting room Fully fitted kitchen Car Parking (30 spaces) Wheelchair access Public Entertainment Licence 120 chairs 14 tables Cutlery / crockery Projector & screen PA system	4.1 / 5	0 miles
Gainsborough House Hotel	Hotel available for weddings, functions and conferences	Rooms ranging from 18 to 250	Day Delegate rate - £35pp £150-£600 per half/day		Refreshments and Catering Accommodation High speed internet Stationary Bar and stage		0.5 miles
Kidderminster Town Hall	Hall has range of rooms including music room, corn exchange and council chamber	Up to 700	£19 - £37 p/h		Stage Seating Lighting and sound system		0.7 miles

Name	Description	Room Capacity	Prices	Current Uses	Provision	Google Rating	Distance
					Catering Wi-fi Bar and kitchens		
Cue and Brew Sports Bar	Sports bar				Catering Games tables Bar TV		0.7 miles
St Cecilia's Church	Church Hall			Many different groups meet throughout the week in the church which can be hired for special occasions and has a well equipped kitchen and meeting rooms. Slimming World	Space for meetings Car parking Toilets	4.5 / 5	1 mile
Wyre Forest Leisure Centre	Leisure Centre			Use of dance studios for children's parties and food areas, however during the week the space is used for exercise classes etc. Deliver first aid training courses.	A wide variety of classes for all ages, particularly for older adults plus a café.		1.1 miles

The Wyre Forest Leisure Centre doesn't have meeting rooms and holds children's parties in their dance studio so there is little competition there. Research shows that the main competitor in terms of a community building is the nearby Holy Innocents Community Hall. Current activities taking place there include: Pilates, coffee mornings, monthly talks and floral art classes (Kidderminster Horticultural Society), puppy training class, book sales, afternoon tea events, dance and workout classes, craft fairs Easter events, skittle nights, Yoga and Weight watchers. The church hall secretary has however stated that the Hall is almost full to capacity so any extra expansion in the area would be great for the community.

The Sons of Rest used to be booked by a range of local businesses such as slimming world and a moms and tots group however the room has been deemed too small and is rarely booked out. Use of the space is currently generally solely by the Scouts group and Old Pals group, with the Kidderminster Horticultural Society renting the space once a month for talks.

Consultation has shown that there is demand for an indoor community space. Suggestions for uses of the space from interested members of the local community has included Slimming World, parent and toddler groups, events for school holidays, meditation and relaxation, keep-fit classes, yoga, social events for the elderly, events for SEND children, exhibitions about the park and its history, craft activities and fairs, storytelling sessions, reading and art classes, knitting groups, table sales and plant sales, use by youth groups, children's parties and drama and dance. Round 1 proposals planned for 30% extension in the amount of floor space meaning that the size of the hall would be 108.31m².

Good examples of community buildings in parks that offer a wide range of provision include the Hub building Grosvenor and Hilbert in Tunbridge Wells (available for hire for £19.80 per hour, £61.20 for four hours and £122.40 all day - 8 hours), Lightwoods House in Smethwick (the long hall is rented out at £31.50 per hour with smaller rooms being hired out at £21 per hour) and the Whiteinch Centre in Glasgow (has a 200-seat multi-purpose hall, a conference room, art studio, IT suite and 3 general purpose rooms (their main hall size is 209m² and this is rented out at between £22.50 and £35.00 per hour dependent upon the size of the company hiring the space and children's parties and special events are charged £22.50 per hour).

6.8.5 Events Market Place

The town and surrounding area have a growing programme of annual events and research demonstrates that many of these events are open air events. The location and nature of these is show in the table below.

Name & Location	Event Description	Facilities	Pricing
Christmas at the Castle, Worcestershire County Museum	Stalls, Children's activities, performances by local music groups,	Shops, Café	Same as general admission Adult: £9 (£2.50) Concessions £8 (£2.50) Children £5 (£1) Family ticket £25
Autumn Magic, Worcestershire County Museum	Autumn themed crafts,		Additional £2 per child and further charge for pumpkin.
Music in the Garden, Bewdley	Sunday afternoon concerts in Jubilee Gardens, including Irish, Choir, Brass and Jazz. (August)	No formal seating	Free
Down by the Riverside, Stourport	Sunday afternoon concerts, Brass, Folk,	No formal seating	Free
Bewdley Harvest Fair, Bewdley Museum	Free live music over October weekend, Pie baking competition, Craft activities, Apple hunt, Craft stalls, Tour of brewery with beer tasting		£4 per person crafts £2 per person hunt £4.50 tour
WMSP Firework Festival Weekend	Firework display, bonfire, late theme park and music	Food outlets, Theme park, Animal attractions	Admission £15 (age 3+) Adult wristband £14 Child wristband £11

There are very few events taking place within a 1 mile vicinity of Brinton Park therefore the park has real potential to become an open air venue for larger scale events. Current events that are held in Brinton Park include annual summer bands in the park (Sundays), an outdoor cinema, an annual Easter Egg Hunt event all of which are organised by Wyre Forest District Council. Other events that take place include Pickup Artists and Scouts events, EJF open days and plant sales as well as circuses and fairs. October 2019 hosted the Kidderminster Arts Festival launched in Brinton Park, the event celebrated the 50th anniversary of the moon landing and included stargazing, music and a Guinness World Record attempt to gather the most number of people dressed as astronauts in one place! This had multi media exposure including the BBC.

The park could host additional events such as small acoustic gigs on the bandstand on Sunday afternoons, theatre and comedy and an outdoor cinema. A further variant on events space could be the development of a specific open air or green theatre such as at Queen Elizabeth II Jubilee Gardens, Bewdley, Coronation Gardens, Dudley (developed in collaboration with the Performing Arts department at Dudley College), Regents Park open air theatre or Penlee Park Open Air Theatre, Penzance.

Consultation shows that there is a real appetite within the local community to see more events and activities at Brinton Park with a focus on family fun and creative workshops. An improved setting for the bandstand and open grassy areas will allow for such (the Council must however be cautious not to permit damage to the patches of acidic grassland across the park). Wildlife and heritage events have the potential to be popular in the park and the staff are knowledgeable to run such events including bat walks, wildflower walks and bird and tree identification walks. Fitness events could also work in the park and could attract people of all ages and from a range of backgrounds. Other smaller events could include family fun days encompassing Punch and Judy, outdoor workshops, magic shows and falconry display.

As part of the development phase of the project some pilot activities have taken place in the park including:

- Pickup Artists weekly litter picks every Thursday evening between 6pm and 7pm. Additionally, on April 30 2019 the group held a larger scale event in the park to celebrate the efforts of local people and organisations working together to improve the local environment. There was a variety of stalls, music, a mass litter pick and a talk from conservationist and park volunteer Jen Lloyd-Pain.
- Community gardening activities including creation of a pollinator garden.

- Ecology activities including a land mammal survey delivered by a local volunteer.
- A history walk and talk led by local volunteers.
- Historical research carried out by volunteers and production of interpretation materials.

Under this project there will be an expanded events programme which will build on the existing events programme to extend the site offer. New events will include both outdoor and indoor events making use of the Sons of Rest Pavilion by the project Community Engagement Officers, project partners, WFDC and local event organisers and groups. It is anticipated that there will be significant demand for a combination of events and activities and room hire for meetings and parties driven by local businesses and the local community therefore indoor events will need to be scheduled annually to allow for private hire.

6.8.6 The Schools Market

At WFDC the Countryside Ranger Team deliver environmental education across the districts Local Nature Reserves and Countryside sites.

There is currently no education offer at Brinton Park. It is believed that two schools currently use Brinton Park for outdoor education however this is unofficial and self-led with no charge.

There are around 12 schools within 3km from Brinton Park therefore there is a potential schools market that could tap into new educational offers at Brinton Park. The team have been working with Sutton Park Community Primary, Foley Park Primary School, Birchen Coppice Academy and St John's Primary School during the development phase of the project seeking potential future demand for an outdoor education offer. These schools are the closest to Brinton Park and two (Foley Park Primary School and Sutton Park Primary School) are within walking distance.

The project team has been working closely with Bewdley Museum who are currently running a successful education programme aimed at primary school children and bespoke groups needing an Educational input. The education sessions have been designed by the Education Development Officer based at the Museum and delivered by qualified teachers dressed in period costume, Volunteers and the Museum Assistants. Altogether the team has 3 permanent staff and 3 more which they work with on a casual basis. The museum currently engages 60 schools a year through educational visits. Charges for educational visits are £12.25 with the Severn Valley Railway £7.00/£7.50 for a full day and £4.50 for a half day with a class of minimum 30.

The museum has offered to extend their education programme to run sessions from Brinton Park and has developed a draft education programme for the park in conjunction with a local volunteer who is a Wildlife Conservation Educator and the programme has been shared with the schools cited above. The programme will focus on local history, heritage and environmental elements. The local history programme will be led by the Education Officer at Bewdley Museum and the environmental programme will be delivered by an external provider who will be recruited through a competitive tender process during the early delivery phase of the project. The sessions offered during the project would be 1/2 day sessions charged at £5.00 per child.

The museum staff highlighted that there is a need for facilities on site including storage, drop off coach parking and classroom facilities. A whiteboard, laptop and Wi-Fi would also give more scope to possible sessions. The museum felt it would be excellent for the project to cater for the schools local to the project namely Foley Road and Sutton Park Primary which are within walking distance of the park.

As well as education there are other elements that the project could work with or learn from the museum on including the success of their café concession and potential for summer and weekend activities to be run across both sites (£4.00 per child). They also offer Scout visits (Heritage Badge), guided walks, Fit Steps, two types of Yoga beginners and improvers, Crochet and Dance over 50s.

6.9 Summary SWOT Analysis

An outline market orientated SWOT analysis can be seen in the table below and overleaf.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Attractive green environment in an urban area • Large residential population with 57,697 registered residents living within Kidderminster Town • Current visitor numbers to park are 344,324 • Good heritage and ecological value • Civic and local community pride in the park • A free facility • On site staff presence (EJF and WFDC staff in the summer monitoring the waterplay) 	<ul style="list-style-type: none"> • Current lack of heritage features and identity • Minimal signage and too much highway signage at key entrances • Low wider awareness of the park • Current events and activities offer is limited • Location and access - poor pedestrian links and lack of highways signage directing visitors to car park • No current catering provision

<ul style="list-style-type: none"> • Strong partnerships with key stakeholders • Currently holds a Green Flag Award • Park and buildings are generally in a good condition • Recent boosted marketing activity • High local awareness of the park • Good and quality amenities / activities for children 	<ul style="list-style-type: none"> • Limited resources means a lack of staff capacity to animate the site • Currently poor car parking • No formal volunteer group
<p>Opportunities</p> <ul style="list-style-type: none"> • Investment and new facilities • Enhanced visitor offer will increase dwell time • Refreshment facility will increase income and the offer • Improvements to access and car parking will make getting to the park safer and will allow for charging for car parking, increasing income • Promote the site as part of a wider network of green spaces and linked to the Heritage Town Trail • Development of a comprehensive programme of events and activities to engage new audiences • Opportunities for sponsorship and corporate volunteering with local businesses • Consultation has identified a number of interested potential volunteers - new park user group to be developed plus training • Community Engagement Officers will enhance offer and support partners and volunteers • Improved signage to the park will increase awareness of the park • Improved interpretation and learning offer 	<p>Threats</p> <ul style="list-style-type: none"> • Future WFDC budget cuts • The restoration project must achieve a significant impact to raise quality and provide a range of attractive visitor facilities • The quality of catering must be sufficient to increase dwell time and encourage spend • Relatively high levels of deprivation across the town may impact the opportunities for income generation • Limited staff resources • Vandalism and anti-social behaviour • Perception of poor location for potential businesses

6.10 Marketing & Promotion

Brinton Park is currently listed on the Wyre Forest District Council's website under the heading 'Things to see Do and Visit', 'Parks and Green Spaces'. The content is basic, citing the size of the park, location and the facilities, plus a gallery of images. The park also has its own website <http://www.brintonpark.com/> The page currently has the following pages; mission, history, gallery, map, partners and contact. WFDC has both Facebook and Twitter corporate accounts.

Communication thus far has therefore been via the websites, press articles, a range of WFDC newsletters ("Things to do, see and visit", "Wyre Forest News", "Wyred In" and "NWedR"), Facebook and Twitter and posters and flyers on site and in local venues.

Brinton Park is listed on Tripadvisor and is ranked 14 of 46 things to do in Kidderminster and a 4.5/5 star attraction. Brinton Park currently has a number of reviews on Tripadvisor rating the park between excellent and average. Attractions listed above Brinton Park include: Severn Valley Railway, Museum of Carpet, Hartlebury Castle, Hartlebury Castle, Kidderminster Railway Museum and Stone House Cottage Gardens.

There is the opportunity to greater promote the project, create enhanced awareness of the aims of the project and to encourage greater participation. A Communications Plan has been developed for the Brinton Park Parks for People project that defines future methods of communication covering site based communication, print, press, newsletters, websites and social media. The plan also details planned outcomes against each of the proposed methods. A coordinated programme of awareness raising activities and consultation, which makes effective use of the Council's communication media (and that of partner or associated organisations) is now being implemented.

It is essential that this Communications Plan is continued to be followed and further developed throughout the project to ensure continued development of the dedicated Brinton Park website and improved marketing.

Additionally, the Brinton Park website should allow for back end systems for room and event bookings and customer communication.

7 Financial Appraisal

Detailed financial projections, covering both income and expenditure, in the form of a trading profile for a 10 year period linked to the management and maintenance plan, have been developed for this business plan.

The plan sets out the main direct income generating opportunities for Brinton Park which will be derived from:

- Existing partner leases (EJF and Scouts)
- Catering (café lease)
- Community Pavilion - room hire for meetings, parties, exhibitions and related activities
- Ice cream concession/kiosk
- External concessions in landscape e.g. circus, fairground, fitness instructors
- Public events - both outdoor and indoor making use of the SOR pavilion
- Outdoor education provision
- Fundraising and sponsorship opportunities

All suggested fees and charges have been baselined and cross referenced against local competition.

In addition, a range of community and other initiatives within the Activity Plan will drive visitors to the site which will strengthen opportunities for secondary spend.

The level of income generation will be based on the partnership approach. This model establishes baseline rental arrangements or other performance related structures. This has a number of advantages, not least that it guarantees the annual income and means that the partners absorb a significant proportion of operational costs. It also means that operators with specialist knowledge, experience and potentially activities across multiple sites are able to bring efficiencies and economies of scale to their respective areas of operation.

We propose the trading model shown in Appendix A which represents a 'snapshot' of an established year (Year 7). This shows an income of £39,337 in Year 7 (established year post-NLHF funding) and a

net operating balance of -£106,696, an improved net cost position of £42,421 when compared with the baseline costs in Year 0 of -£149,117. A full ten year profile is also shown in Appendix A.

This model relates to the operational period for the enhanced offer at Brinton Park and sets out realistic opportunities to help sustain and develop facilities, activities and events and the enhanced maintenance requirements. It is also important that the project partners continue to identify and explore all external public funding possibilities notwithstanding the current pressures on the public purse.

The financial appraisal will demonstrate that this project is financially viable through; capital income and expenditure analysis, revenue income and expenditure analysis, inflation and sensitivity analysis.

7.1 Income

The current visitor offer is good however, currently with the exception to the existing leases (peppercorn rents) and ice cream, circus and fun fair concessions the site does not generate any further income. There are a number of commercial opportunities that Brinton Park presents and this section conveys new ideas that will improve the offer for visitors and enhance income generation.

The trading profile shows that the difference in income generated will be increased through the implementation of the Business Plan as the figures show that with inflation in year 0 WFDC is generating £3,301 and post NLHF project delivery the Council could be generating £42,175 in year 7 and £48,423 in year 10.

7.1.1 Existing partner leases

WFDC hold a Statement of Joint Working with EJJ (Spokes CIC), The 21st Wyre Forest (Brinton Park) Scouts and the Pickup Artists.

The statement of joint working states that the Council has permitted the Partners to occupy areas within Brinton Park for reasons connected to the enhancement of the Park and to the additional community value and education purposes offered by the Partners. The aim of the statement is to ensure that the shared aims and objectives of the Partners will be aided and enhanced through cooperation. In summary the shared aims and objectives are for the Park to be used as an education, training and recreational venue; and for the presentation of the Park to benefit from the input of the

Partners in providing experiences to their participants. The statement does not create a legal relationship between the Partners but is a statement of intentions and will help maintain a positive working relationship between the Partners. It is reviewed on an annual basis.

Under the statement The Council consents to each Partner carrying out the following works in the park under the supervision and / or approval of its Parks Landscape Officer:

- Litter picking
- Weeding
- Tidying
- Consultation
- Painting
- Edging
- Raking Leaves
- Removal of Graffiti
- Maintenance of information boards
- Sweeping
- Pruning, digging and planting in agreed areas

Additionally, the partners are committed to promoting projects within the park, attend meetings and ensure the health and safety of their users.

Current lease agreements are as follows:

EJF (Spokes CIC) lease the premises known as the old greenhouse site at Brinton Park for £1.00 per annum. They have use of the premises for the purposes of horticulture and woodwork projects in association with the work of The Emily Jordan Foundation. The lease covers a 5 year term and is dated 31 March 2017. Under the lease EJF are responsible for costs and outgoings associated with the area.

The 21st Wyre Forest (Brinton Park) Scouts (21st WF) currently lease the Sons of Rest pavilion and a revised 15 year lease to 2035 is currently being drafted by WFDC's legal team. New Heads of Terms and the lease state that the rent will commence at £300 per annum and shall not exceed £600 on the first review date (5th anniversary) and not exceed £800 on the second review date (10th anniversary

2030). The lease is a full repairing lease. The lease agreement states that the Group has use of the property as a Scout Hut, for the Old Pals and for community uses.

Additionally, the 21st WF Scout Group also lease a garage in the depot area (set to be demolished under the project proposals and replaced by a storage container). This lease is dated 20 March 2014 and under the lease the group keep the interior in good condition. Rent is £100 per annum plus VAT.

The details of these lease agreements are being reviewed to reflect the project improvements and business planning proposals and the need to ensure that the Community Pavilion is used for community purposes and that the key outputs of the project which include delivering a range of activities with people and communities focused on heritage and learning will be held both in the park and in the Sons of Rest building (Community Pavilion).

It is anticipated that there will be minimal change to the EJF (Spokes CIC) lease but that the lease for the Community Pavilion (Sons of Rest building) will be altered and a revised lease issued as presented in section 7.1.3.

7.1.2 Catering – café

Previous consultations carried out prior to the development phase consultation undertaken in 2019 with the local community, partners and management showed that some form of refreshment service is highly desirable (refer to the Consultation Plan for further details). The results of the 2019 visitor survey which had 508 respondents also showed that there are high levels of interest in having refreshments at Brinton Park as 96% of respondents stated they would like some form of refreshment provision with most of them stating they would visit this type of facility on a weekly basis.

A new cafe is to be provided in the park and the preferred location is on the location of the current toilet block adjacent to the senses garden that overlooks the new ornamental pool. The current café designs show that the number of internal covers will be 27 and will accommodate 46 external covers. The café will also have an external servery hatch that will offer catering in the peak summer months for waterplay users, families and dog walkers.

A cafe will represent one of the main income streams for the Park as it will become one of the main focal points for the park and a base for the new toilet provision.

During the development phase of the project an Options Appraisal for the Cafe was produced. it explored potential locations for the cafe (linked to the Conservation Management Plan, Design Team and outcomes of consultation and research), the type and size of catering offer / building, the potential management structure (presented below) and the design options.

Management Structure - Delivery Options that were considered:

1. Tender the service out to a commercial operator

Contract let to a private operator for the refreshment facility following a robust tendering procedure. The rental fee could be in the form of a flat rent or a profit share based upon turnover. This will reduce the risk to the Council whilst providing a high quality service. This option will be investigated early during the early delivery phase.

2. The Council partners one of their existing commercial partners

Potential partners include; Places For People (Registered Social Landlord and our current leisure centre provider), Midshires Catering or Stourport Sports Club, all of whom have a capacity to branch out. This option will be investigated early during the early delivery phase.

3. The Council operates the cafe

As the Council does not operate any refreshment facilities or even our in house cafe at the Council HQ this is an unlikely option.

The agreed option for management of the café and that is included in this plan is for it to be managed externally through a catering tenancy. This will be achieved through a competitive tender process with commercial operators conducted at an early stage in the project so that the caterer can influence the kitchen design and equipment and so that the highest quality operator can be attracted to the site.

Catering tenancies are becoming more popular but rental levels will be dependent on the terms of any agreement and the confidence in the likely levels of footfall across the site. Most cafes, catering facilities and mobile units are now let out on a concession basis and providing the caterer is judged reputable and honest, the concession is usually a percentage of sales. Subject to what recharges are

incurred by the caterer, the term of the contract and the amount of the caterer's capital contribution, a turnover of £200,000 might attract a concession of 10% of sales to the Council. A sales-based concession contract links and rewards the success of the venture to both landlord and caterer.

A lease is also a good option as it ensures guaranteed levels of annual income. Consideration should be given to a 3 year lease, and an annual review is advised, as catering is a fast-changing industry and it is rare for consistently high standards to be obtained unless a caterer funds the build in which case they will look for a minimum 10 year lease. In the event of poor performance, breach of any terms of the licence or by mutual agreement the licence should not be renewed.

Forms of Agreement

A rental fee will need to be agreed prior to tendering and as outlined above this could be in the form of a flat rent or a profit share based upon turnover. The rent should be reviewed at the end of the third year.

On selection of a successful tenderer a formal contract will need to be set up with the commercial business provider setting out key performance indicators and open book keeping. A lease setting out terms and conditions and granting permission to operate from a council facility such as a café would also need to be drawn up. The form of a non-repairing fixed contract should be considered as it provides a level of income certainty, but it is important to highlight that the option of a lower fixed fee contract with a proportionate share of profits should also be considered as this could be of benefit to both parties.

Minimum Requirements

Whilst it is important to ensure flexibility around the catering offer at Brinton Park, the minimum requirements that should be set are as follows:

- Offer minimum specified opening and closing times for customers (it is assumed that the cafe will be open year round with reduced hours during off peak periods i.e. winter);
- Provide excellent customer service and serve high quality, affordable food;
- Ensure compliance with health and safety and hygiene rules and regulations;

- Ensure staff are well trained and presentable;
- Keep internal and external areas clear of litter and well maintained.

The café would need to be appropriately managed and staffed in order to ensure the customer the best level of service in order to sustain repeat business as it is likely that the majority of customers would be repeat visitors.

Letting of a contract to a private operator with a proven track record in the catering business should ensure a high quality offer is provided whilst also generating the maximum income that can contribute to the long term sustainability of the park. There is no doubt that the best cafes are operated by caterers with real passion, focused on quality and a strong management presence.

Catering Income Forecasts				
Annual Visitors		250,000	344,324 (figure extracted from the March& July 2019 Visitor Observation Study)	400,000 (annual visitor numbers forecast by July 2025)
Number of internal covers (proposed)		27	27	27
Number of external covers (proposed)		46	46	46
Café - conversion rate of 12% & average £2.75 spend per head (ex VAT)		30,000 customers	41,318 customers	48,000 customers
Sales		£82,500	£113,625	£132,000
Rent based on 10% of sales		£8,250	£11,363	£13,200

It has been agreed that the cafe will be outsourced and leased to a third party and suggested rent and therefore indicative income is presented in the table above, starting at £11,363 and increasing to £13,200 at the end of the 5 year project period when visitor figures reach a target of 400,000.

It is assumed that the operator does not have to pay for fit out and pays full rent once opened across years 4 to 10. Management should allow for an annual review of the lease with an additional open

book percentage of turnover deal to allow for room for growth when the park attracts more visitors and increased income through event catering.

It should be noted that the public toilets within the café area will be accessible from the park therefore it is intended that the Council will manage these facilities as they do currently, not the café leasee.

For financial forecasting and based on local competing provision of café operations the following assumptions could be made:

- Average spend of £2.75 per customer (ex VAT)
- The café is located near the attractions to maximise footfall projecting maximum sales
- 12% take up of visitors use the facility
- The park is well sign posted and marketed from the Town Centre
- The café is appealing and has indoor and outdoor seating with heating and shelter
- The café accepts contactless payments
- The café has an external serving hatch to cater for those using the water play facility.

7.1.3 Sons of Rest External Bookings (Room hire)

The main and current users of the Sons of Rest pavilion (SOR) are the 21st Wyre Forest (Brinton Park) Scout Group who meet on Monday's 5.30-7.45pm, Tuesday's 6.30-8.00pm and Wednesday's 5.30-8.30pm. The Old Pals group (around 9 members) also have use of the SOR Monday's and Wednesday's between 2-4pm.

Kidderminster Horticultural Society book the room once per month and the room is hired at £15 per hour. Previous bookings included Slimming World and a Mom's and Tot's group.

The existing main hall space is 54 sqm and the proposed main hall space on completion of the project will be 105.8 sqm with new stores in order to enhance the functionality of what will be the new

Community Pavilion. Use of 'the conference people' room capacity convertor shows that the new space will accommodate:

- Banquet style (60" round tables): max 87 people
- Conference style: max 37 people
- Classroom style: 30" wide desks: max 66 people
- Theatre style: max 126 people
- Reception style (mainly standing): max 126 people

The expansion of the Sons of Rest pavilion will cater for improved use of the facility by the Scouts and the Old Pals and will provide an indoor space that will be suitable for the following community uses:

- Meetings / conferences
- School / education groups
- Film showing / small performances
- Exhibitions
- Children's parties
- Adult/family parties
- Wakes
- Fitness classes e.g. yoga / tai chi
- Indoor classes/group sessions e.g. arts and crafts, workshops, over 50s socials, moms and tots groups, social reading etc
- Lunch clubs
- Employability courses
- Training sessions

Consultation already suggests that there are a number of groups who are interested in using the pavilion and these include; the Women's Institute, the Salvation Army, 10:32 Children's Centre, Orchard St Day care Centre, The Reach Bewdley, Age Concern and NCT charity for Bumps, Babes and Beyond group plus the existing partners including EJJF.

If the meeting room was available between 10.00am and 8.00pm every day, minus the Scouts and Old Pals use the room (Monday's 2-9pm, Tuesday 6-9pm and Wednesday 2-9pm, a total of 17 hours). The SOR pavilion has the potential to be occupied for 53 hours per week (not including current occupancy).

If the room was occupied by the local community 30% of this time (given weekends are most likely to be popular and booked for a likely 12 hours across the two days) this would equate to 16 hours of bookings at a suggested hireable rate of £20 per hour weekly income would be £320. If the building was used 48 weeks per year the annual income would be £15,360.

In addition to room hire and private parties the Community Pavilion could be used for a range of indoor events that could be both free and chargeable. Examples of such events include; craft fairs, antique fairs, exhibitions, workshops e.g. photography, art, crafts, talks and lectures, Christmas wreath and table decoration workshops, Easter and Halloween events and board game / quiz evenings. Income that could be generated from a charged entrance fee or stall holders have not been included in the costs.

In order for room bookings to be a success and for the facility to achieve the most occupancy, a page will need to be set up on the Brinton Park website that enables online bookings of the room and this would need to be regularly monitored by both the Scouts (who will retain a revised lease for the pavilion) and the Community Engagement Officers in line with the revised Head of Terms for the pavilion lease, the SLA and the project's Monitoring and Evaluation Framework. A Paypal account linked to booking will also be set up by the Scouts so that no cash is exchanged at the park. It should be noted that school bookings and activity plan delivery by the two Community Engagement Officers will limit hire of the Community Pavilion as will indoor events in the multi-purpose hall therefore it will be essential that a booking system is set up for room hire. In addition, conference room equipment plus furniture and storage facilities will need to be provided.

It has been agreed that the scouts will lead on and manage bookings for the Community Pavilion and use income generated to pay for the operating costs.

The revised Heads of Terms state that subject to a successful NL Heritage Fund project:

- The scouts must actively market the property for community use for 53 hours a week (this is outside the scouts and Old pals allocated hours). This can be achieved by social media, website, posters and notices in the park.
- The scouts to use reasonable endeavours to obtain at least 16 hours a week of community bookings. The available hours will be weekday, evenings and weekends outside of the scout and Old Pals allocated hours.
- The scouts will set the letting fees to be competitive with other venues and in accordance with their operating costs to ensure all maintenance and repairs are funded as well as utilities and cleaning are affordable etc. The scouts have authority to negotiate the letting fee e.g. late bookings, commercial events and block bookings.
- The scouts will review the letting fee annually to ensure that it is in line with market rates. The scouts will operate a booking system which is available for the public to check availability of the pavilion and make payments online if required.
- Should the scouts have difficulties in letting out the pavilion for community use the council will work with the scouts to try to increase the number of bookings.
- The council will use the pavilion for the delivery of the Heritage Fund Activity Plan.
- A Service Level Agreement (SLA) will be agreed between the scouts and WFDC to detail how the pavilion will be managed on a day to day basis.

It also states that subject to a successful NL Heritage Fund project the scouts will agree to pay turnover rent. WFDC requires 50% of the net profit (open book basis) of the scouts lettings on top the base rent. This income to the council will be used by the Friends of Brinton Park to run events and activities.

The associated expenditure of cleaning, opening and locking the building and utility bills including wifi (WFDC are installing this prior to the delivery phase) has been considered during the business planning process in conjunction with the Scouts who are the current leasee.

In order for the Community Pavilion to be a success it will need to be marketed appropriately so that people are aware that they can hire the space and attend activities being run in it.

It has been agreed that a bookings calendar will be hosted on the Brinton Park website so that people can see when the Community Pavilion is in use. People interested in booking the space will call the Scouts Secretary to book the room. The Community Engagement Officers will insert bookings on the Brinton Park website following notification from the Scouts and could help with open/close if required. Volunteers could also assist with this process. Conditions will include that all hirers clean the room following use and take litter with them.

It is proposed that 50% of the end of year profit from bookings from the Community Pavilion will be reinvested into park wide events and activities and volunteering support and this income has been included in the trading profile of the Business Plan.

- Forecast Income (based on 20% occupancy): £15,360
- Forecast Scout Expenditure on Community Pavilion as presented in Section 7.2: £9,250
- Annual Rent: £300
- Profit: £5,810
- 50% Annual contribution to the park (based on 30% occupancy): £2,905

7.1.4 Ice Cream Concession / Kiosk

There is currently an ice cream concession for the park who has a contract for attending events in the Park, being present on busy summer days as they see fit and depending on the weather. The licence will run between 6 April 2019 and 29 September 2019 and then from 4 April 2020 until 27 September 2020.

Until the opportunity has been tendered it is currently unknown what the income will be for these periods.

Baselining ice cream concession income against that known for other local authorities for parks of a similar size and visitor offering shows that ice cream alone can bring in between £5,000 and £15,000

per annum depending on levels of exclusivity with regard to the sale of ice cream. There is also the opportunity of converting one of the former toilet blocks into a seasonal ice cream kiosk. Provisional income that could potentially be generated for such are shown in the table below.

Catering Concession (Ice Cream Vendor) Income Forecasts				
Annual Visitors		250,000	344,324	400,000
Concession (seasonal) - conversion rate of 20% based on 60% of visitors as seasonal & average £1.50 spend per head (ex VAT)		30,000 customers	41,318 customers	48,000 customers
Sales		£45,000	£61,977	£72,000
Rent based on 10% of sales		£4,500	£6,198	£7,200

Income forecast on the trading profile shows growth from the current very low rent of £1,600 to £6,800 over the 10 year period only as a precautionary measure as the cafe will also be selling such refreshments, however income could be as high as shown in the table above.

7.1.5 Park Wide Concessions (Circus, fair, inflatable's, fitness instructors)

There is capacity for the Council to tender for a variety of park wide concessions enabling activities during the peak periods (Easter - October) which will ultimately generate income.

Examples of concessions that could work in Brinton Park include:

- An annual inflatable (income of £100 per week operating for 3 months, generating £1,200 annually)
- An annual circus (income of £300 per day operating for 5 days, generating £1,500 annually)
- An annual summer fair for small children (income of £600 per week operating for 1 month, generating £2,400 annually)
- Weekly bootcamps / fitness instructors (income of £20 per session – 4 x 12 week programme will generate an annual income of £960). It has been suggested there is the potential to link with the Silverwood's Leisure Centre to deliver outdoor fitness classes at Brinton Park.

The above proposed charges have been benchmarked against other local authority charges in the West Midlands region. If all of the concessions were run on an annual basis the total potential income equates to £6,060 per annum in year 4 (first full year of operation post-restoration).

7.1.6 Events (Indoor and Outdoor)

The Park has a history of events and currently an annual programme of events are hosted by WFDC and independent hirers.

The current events programme at Brinton Park sees an annual Easter egg hunt, an outdoor cinema event and the summer bands programme. Events at the park are popular and attract relatively large audiences to the park.

Recent results of the interim visitor survey analysis show that the types of events that local people would like to see more of include:

Music	78%
History	43%
Community events	60%
Health & Fitness	38%
Children & Young People	64%
Arts & Crafts	46%
Community Gardening	21%
Nature	57%

Following restoration, the park has potential to host both outdoor events and indoor events (in the Community Pavilion). Whilst the activity plan will explore the community events that will be managed by the Community Engagement Officers, the business plan will explore the commercial opportunities of events.

Outdoor events could either be hosted by the Council or the park leased to a third party operator through an events booking process. External events could include a summer fayre, a horticultural show and fair, woodland craft days/country fair, wildlife walks / events, dog training / agility, orienteering, outdoor cinema, forest schools, fitness / leisure events, music events and outdoor theatre.

There are a range of small indoor events that could be hosted in the Sons of Rest pavilion such as exercise classes e.g. Yoga, family friendly and adult workshops, art exhibitions, talks and lectures, Christmas wreath and table decoration workshops, Easter and Halloween events and board game / quiz evenings.

WFDC Booking Process and Fees and Charges

An outline of the current WFDC fees and charges and booking processes for events is outlined below. Fees are dependent on a variety of factors and are reviewed on an event by event basis.

When an initial enquiry is received, event organisers are sent an application form, conditions of hire, flyposting policy and event and health safety templates to complete. It is at this point that hirers are advised that the fees and charges will be assessed individually when application is received and the breakdown of fees will then be provided and a provisional booking made.

The booking is placed in the parks booking calendar marked provisional until paperwork and fees have been received and the event approved. The minimum requirement for each event is an application form, signed conditions of hire, proof of public liability insurance and a detailed risk assessment as well as the fee.

Friends groups are the only applications where a booking fee and deposit is not required but all bookings MUST pay an event safety fee (£45+ VAT).

Once fee is received, a PO is raised for Dragon Leisure and this is sent across along with application form, public liability insurance and risk assessment for the event safety check to take place (must have 3 days notice).

General fees are as follows:

- Charity (must be registered) fees range from £50 -£250 with the deposits being the same range depending on size of event, attractions and venue.
- Commercial fees range from £250 - £650 with refundable deposits between £500 - £2000 depending on size of event, attractions and venue.

Depending on information received on application, other information might be required i.e. registration documents for bouncy castles and fair rides, a temporary events notice or a premises licence for alcohol and music.

Once everything has been received and payments made, parks booking can then be confirmed and added to the weekend rota for any action required.

Benchmarking with other local authorities across the West Midlands show suggested scaled event charges for use of the park as follows:

Size of Event	WFDC Charges	Recommended charge per day
Small community / charity event	£50 - £250	£200
Medium community / charity event	£50 - £250	£500
Small commercial event	£250 - £650	£500
Medium commercial event	£250 - £650	£1,000

The provision of both community and commercial events across the landscape will increase visitor numbers, attract a wider range of audiences and will increase awareness of the site.

If we assume that there will be 8 externally events over a 12 month period a varying sizes then we can forecast annual income at £6,400 (based on the recommended charges), broken down as follows:

- Small community / charity event – 2 events: £400
- Medium community / charity event – 2 events: £1,000
- Small commercial event - 2 events: £1,000
- Medium commercial event - 2 events spanning 2 days: £4,000

7.1.7 School bookings and forest schools

School bookings

As described in section 6.8.6 the Bewdley Museum team and a local conservation volunteer have worked with the project management team to develop a suitable outdoor education programme for Brinton Park and have consulted with schools on the draft programme. The programme will be further developed and finalised in the early delivery phase and Bewdley Museum and an external environmental educator will be appointed, the latter will be tendered. There is also potential to link with the Carpet Museum in Kidderminster to offer a further varied programme of activity.

The education pack will need to include details of how to get to site and relevant health and safety information as well as the topics for activity. It is proposed that the education pack will be promoted by the Museum Team and Community Engagement Officers with details available on both the Brinton Park and Museum's website.

It is proposed that in order to further engage with schools and develop interest in the park, that a number of free taster sessions will be run in the park up to October 2022.

Outdoor education sessions delivered by the Museum Team and Community Engagement Officers will then be charged at £5.00 per pupil for a half day session from October 2022 (on completion of the capital works then we will have 2 years and 10 months of charging for sessions), assuming a Grant Expiry Date of July 2025. Sessions would run from 10am–12pm and / or 12.30pm–2.30pm and it is forecast that 15 sessions will be delivered in the park per annum.

Based on the above assumptions, income would therefore be £5.00 x 30 pupils x 42 sessions across 2 years 10 months = £6,300 total income as shown in the trading profile.

In order to ensure long term sustainability of education provision at Brinton Park, it is proposed that the delivery of such sessions will continue beyond the 5 year activity plan delivery, and that the income will be retained by the Bewdley Museum (covering their staff costs) therefore the income is not shown in the trading profile beyond August 2025.

Forest Schools / Summer & Weekend Activities

There is potential for the appointed Community Engagement Officers to host forest school sessions at the park on evenings and / or at weekends similar to those run at Mary Stevens Park and the Bewdley Museum. At Mary Stevens Park forest schools run on Saturday mornings throughout July with each session lasting 1.5 hours. The charges are £3 per child and around 20 children with their parents / carers attend. Charges are £4 at the Bewdley Museum.

Such sessions could also be delivered by external providers as is the case at Forty Hall (Twiggles Explorers). At Forty Hall charges are £37.50 for 5 sessions which equates to £7.50 per session.

At Brinton Park charges of £4 per child could be introduced and 2 sessions per month for 9 months could be run. It has been assumed that these would run with 14 children per session generating an annual income of £1,008.

7.1.8 Sponsorship Opportunities & Fundraising

This project poses an ideal opportunity to generate income through taking advantage of sponsorship opportunities as a consequence a Fundraising Strategy has been developed.

The production of a masterplan for the park presents an opportunity to embrace new ways of raising income through crowd funding and corporate sponsorship. With regard to corporate sponsorship there is potential to form partnerships with local businesses to support corporate volunteering, events and advertise services on site.

During the development phase of the project an article was published in North Worcestershire Economic Development and Regeneration (NWEDR) newsletter, which is emailed to more than 850 business leaders across North Worcestershire every month. A request was made for local businesses to consider sponsorship for the project.

<https://content.govdelivery.com/accounts/UKWYREFORESTDC/bulletins/262d537>

Additionally, contact has been made with Julian Brinton and his mother Angela Brinton (a trustee on the Worcestershire Community Foundation and on the Queens Voluntary Award panel. She is also Deputy Lord Lieutenant) to explore opportunities to host business breakfast meetings and explore other external funding opportunities to further support the project.

There are other potential sources of funding from community fundraising, memorial tree/shrub and bench donations, fundraising events e.g. bric a brac sales / auctions, coffee and cake mornings, plant and book sales and sponsored walks / fun runs.

The initial plan is to raise £16,000 during the delivery phase of the project through public donations for 10 memorial benches (half the allocation across the park) and therefore this figure has been included in the trading profile. Over and above this figure, a nominal sum of £2,000 per year has also been inputted which the volunteer group and partners could also help to fund.

Further details of the above plus external funding opportunities are explored in the Fundraising Strategy. A plan will be developed by the WFDC Communications Team and implemented following the submission of the Round 2 application and will continue throughout the delivery phase of the project.

7.1.9 Horticultural / Garden Centre

It is proposed that the area adjacent to the senses garden within the horticultural centre that is managed by EJJ will be opened up for public access from the park. From this point plants will be sold to park visitors acting as a low key garden centre. No income projections have been carried out for this income stream as it has been assumed that all income generated from plant sales will be retained by EJJ.

7.1.10 Possible Future Sources of Income

A range of other possible future sources of income were explored during the development phase of the project that if implanted in the future (beyond the 5 year project period or beyond the 10 year business plan period could further help to sustain and maintain the park in the future.

7.2 Expenditure

Direct Costs

Expenditure as shown in the 10 year trading profile allows for current staffing provision to remain the same as present levels (site maintained by a mobile team). Salaries have been increased in line with inflation as advised by WFDC HR.

Annual staffing, grounds and tree maintenance costs increase from a baseline of £99,093 in year 1 (excluding new NLHF funded posts) to £120,507 (inc inflation) in year 10.

During the project, new staff will be recruited as follows (these costs are greyed out across the five year project funding period as they are covered in the activity plan):

1. Community Engagement Officers – 2 posts, 1 x 21 hours and 1 x 16 hours at a total cost of £124,531, appointed between January 2021 and July 2025.

Costs have been worked through with WFDC HR and the assumptions are listed below:

1. That the 21 hour post will be at Band F (supervisor) and the 16 hour one at Band E.
2. That both members of staff join the pension scheme.
3. A pay inflation increase of 3% beyond 2020/21 and this is what WFDC HR have been told to include in the pay estimates (but the pay estimates only go as far as 2023/2024).
4. Used current National Insurance thresholds and the current 13.8% employers' rate.

2. A horticultural apprenticeship (from April 2021 for 2 years during the project at £14,000 per annum) will be provided and these will be partly funded through apprenticeship levy. Costs have been included in activity plan budget therefore do not appear as a separate line in the trading profile but are incorporated into the new staff costs line in the activities cost. Whilst at Brinton Park the apprentice will be managed by Adrian at TWIGs and line managed by Alan Breen and if on other sites then they will be supervised by the Parks Maintenance Team.

Operational Costs

Operational costs for the site cover premises costs, utility and running costs, transport costs and supplies and services costs.

Premises costs have remained the same as with the exception to the volunteer base the remainder of the buildings will be managed via lease agreements and these costs will be met by the leaseholders. The former toilet block will be replaced by a new toilet block retaining current levels of provision. Supplies and services also remain as current with exception of inflation.

Utility costs have been increased taking the volunteer base into account. Cleansing and waste disposal costs have been increased as there will be increased visitors on site and cleansing costs have been increased as there will be more hard surfaces across the park and more park infrastructure.

Annual costs therefore increase from a baseline of £61,547 in year 1 to £78,288 (inc inflation) in year 10.

Cafe and the Community Pavilion

Although not included in the trading profile as they will be managed externally from WFDC the M&E running costs for the Cafe and the Community Pavilion have been forecast and are presented below:

Assumed allowances/parameters

- Café opening hours – 7-days per week, 6-hours per day average (2100 hours per annum)
- Community Pavilion operational hours – 33 hours per week across 48 weeks (1584 hours per annum occupied)
- Electricity rates (£0.12/kWh and £0.25/day standing charge)
- Gas rates - £0.055/kWh and £0.25/day standing charge)
- Water – Based on an allowance for a similar sized café where we obtained a water bill for.
- Telecoms – General allowance of £45/month
- All costs exclude VAT
- Excludes inflation, PAT testing and breakdowns after defects period)

Café

- | | |
|--|-------------|
| • Electricity (based on sketches, with heat pump for heating) - | £4,800/year |
| • Water - | £1,080/year |
| • Electrical periodic (inspection every 5 years – equivalent annual) - | £100/year |
| • Heat pump (annual inspection and filters) - | £450/year |
| • Fire Alarm (6 monthly inspection) - | £650/year |
| • Intruder Alarm annual inspection - | £90/year |
| • Telecoms (based on £45/month general allowance) - | £540/year |

Total - **£7710/annum**

Community Pavilion

Current expenditure is £3,630 per annum (figures supplied by the Scout Group).

Future expenditure is forecast as follows:

- | | |
|--|-------------|
| • Electricity (based on sketches, heating is gas) - | £900/year |
| • Water - | £770/year |
| • Gas - | £1,160/year |
| • Electrical periodic (inspection every 5 years – equivalent annual) - | £100/year |
| • Gas / boiler inspection (annual) - | £400/year |
| • Fire Safety Check / Alarm (6 monthly inspection) - | £650/year |
| • Intruder Alarm annual inspection - | £90/year |
| • Telecoms & Wifi (based on £45/month incl line rental of £9.75 + VAT) - | £540/year |
| • Cleaning products - | £1000/year |
| • Shutters - | £250/year |
| • Gutters & Windows - | £200/year |
| • Legionella Checks - | £240/year |
| • Insurance - | £1500/year |
| • Council Tax - | £450/year |

Total - **£8250/annum**

Note: the above for the Community Pavilion does not include for opening / locking as it is assumed that this will be done in kind by the Scouts, Community Engagement Officers and volunteers and that

regular bookings are made and access arrangements are made. A nominal fee of £1000 has therefore been assigned to this as a contingency. The total running costs for the Community Pavilion would therefore be £9,250 per annum. In addition to the above, as part of the current lease / SLA agreement the Scouts are set to pay an annual rent of £300.

7.3 Core Assumptions & Rationale

Core assumptions include:

- Where applicable all figures in the financial model are net of VAT (currently at 20%).
- The restoration works to buildings and the landscape will be completed in September 2022 and be operational by October 2022.
- The Communications Plan for the park is followed and is further developed with partners input during the delivery phase of the project to ensure appropriate levels of marketing in order to attract more visitors, enhance community and business bookings in the Community Pavilion and generate income.
- The above marketing and promotional strategy will be adopted and early trading periods to ensure a high degree of local awareness.
- The opportunities for booking the Community Pavilion will be widely advertised and the Brinton Park website has online booking procedures that enable ease of use and increased access.
- The Scouts lease and SLA are monitored ensuring appropriate levels of use of the Community Pavilion and that % community use targets are being met by 21st WF Scouts.
- Volunteers and project partners will help with park maintenance, the delivery of activities and helping to staff the Community Pavilion.
- Visitor numbers increase to 400,000 beyond the project.
- Spend per head for the cafe and room hire for the community pavilion is as forecast in the income sections above.
- Café layout enables 27 internal covers and 46 external covers.
- The relationship between the car park, playground, cafe and Community Pavilion is improved.
- All income remains within a Brinton Park budget.

8 Governance, Management & Staffing

8.1 Governance

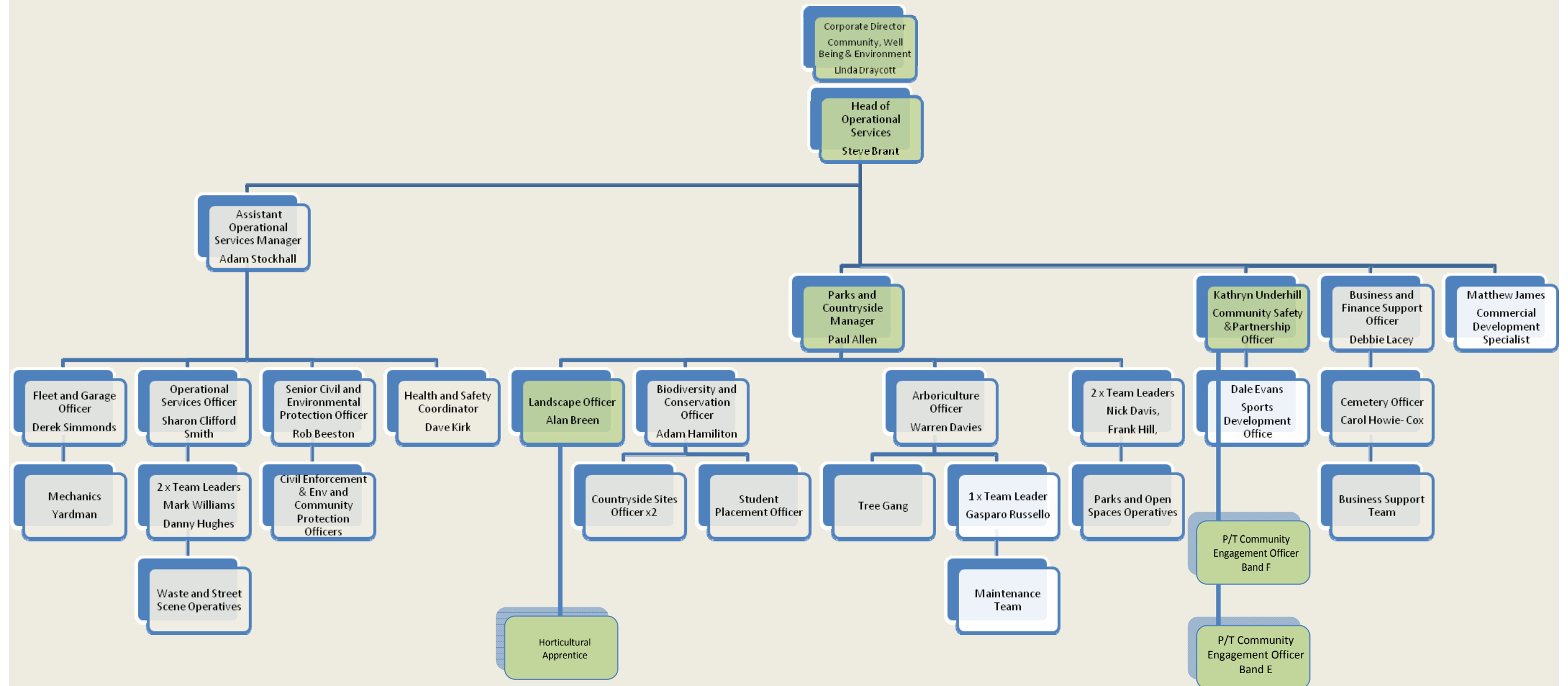
Governance options have been reviewed and a business model for the Park and its facilities has been developed in line with the forecast income streams.

The Council has committed a maintenance allocation of £50,000 over the life of the project as detailed in the Council's high level delivery cost plan. Beyond the 5 year period this figure will be intrinsically linked to additional income generated through the Business Plan. Enhanced maintenance will be managed by a dedicated management team supported by existing staff, partners and existing and new Brinton Park Volunteers, all of whom will be given relevant training during the delivery phase of the project to ensure high quality standard and that the Green Flag Award is retained.

8.2 Project Management

The project is being led by the Community Safety and Partnerships Officer (Kathryn Underhill) who is working with the Parks and Countryside Manager (Paul Allen) and the Parks Landscape Officer (Alan Breen) and as shown in **Figure 4**. These officers will be supported by the wider Operational Services team as well as the WFDC Communications Team, Procurement, Legal, Finance, Property Services and Planning and the appointed external project managers at CFP.

Figure 4 - Operational Services Structure



Kathryn Underhill will be the overall lead on the project and is therefore responsible for:

- Managing consultants and contractors
- Briefing senior officers and directors as required
- Briefing elected Members of WFDC
- Ensuring that the project management team and steering group are well supported and that relevant people attend as required
- Briefing finance, procurement and legal teams as required
- Taking project decisions in close liaison with the Cultural Services Manager and the Cabinet where necessary
- Signing off NLHF progress reports and grant payment requests
- Managing the Community Engagement Officers
- Supporting the development of the Friends / Volunteers of Brinton Park
- Overseeing partnership working and the communications/marketing aspects of the project.

Paul Allen will oversee the development of the project, focuses on designs, maintenance regimes and costs beyond the project lifecycle. Alan Breen will provide support with project management, contractor management and will focus on the park management and maintenance aspects of the project. Alan will line manage the horticultural apprentice at the park with support from Adrian Leonard (Head Gardener TWIGS) .

Project Governance

The Council's decision-making structure and reporting processes will follow lines of communication shown within the organograms (**Figure 1 and Figure 4**).

Two levels of project governance have been set up namely a 'Client Team' (Project Management Team) whom will make the day to day decisions on the project and a wider 'Project Steering Team'.

The project steering group maintain a strategic view of the project and make key decisions, such as any major changes of scope in the project. The group consists of the Director, Cabinet Members, representatives from Kidderminster Town Council, WFDC's Conservation Officer, the client and consultant team and the project partners. The Project Steering Team meet on a quarterly basis.

8.3 Future Management

As part of a successful application the Council will employ two additional members of staff to work in the park from January 2021 to July 2025; part time Community Engagement Officers (CEO's). Their roles will be pivotal in the community development aspects of the delivery phase. They will therefore be responsible the delivery of the Activity Plan, community engagement, developing and training volunteers, promoting events and strengthening partnership working.

The two officers will be managed by the WFDC Community Safety and Partnerships Officer and will be based in the Park's volunteer station, Community Pavilion, and will have office support from the WFDC Depot office only 5 minutes walk from the park.

The two officers will cover shifts across a 37 hour week and will be able to assist with the Community Pavilion bookings when on shift but there will be a requirement for caretaking and room bookings outside of their core hours which the Scout Group will manage.

In addition to the two Community Engagement Officers a Horticultural Apprentice will be appointed for two years, starting in April 2021. The apprentice will be managed by the Landscape Officer. This role will add capacity and sustainability to EJP/Twigs where they currently rely on one qualified horticulture professional, benefit WFDC Parks which has lost horticultural expertise over the years and support the CEO's in their work with volunteers within the park.

Beyond the life of the project it is proposed that staff levels are retained as current and that the site is maintained by mobile staff overseen by the Landscape Officer with an enhanced maintenance budget and increased levels of income generated. Additionally, the park and its events programme will continue to be supported by the WFDC Community Safety and Partnerships Officer, partners and the Brinton Park Volunteers group.

8.4 Partners

As described in Section 7.1.1 WFDC hold a Statement of Joint Working with EJJ (Spokes CIC), The 21st Wyre Forest (Brinton Park) Scouts and the Pickup Artists. The statement of joint working states that the Council has permitted the partners to occupy areas within Brinton Park for reasons connected to the enhancement of the Park and to the additional community value and education purposes offered by the Partners.

The role of partners and volunteers with regard to the delivery of the Activity Plan, Business Plan and Management and Maintenance Plan and will be presented in the next iteration of the Statement of Joint Working. This Statement of Joint Working will subsequently be reviewed annually by WFDC Project Manager and partners and will continue during the delivery phase and beyond.

It is anticipated that during the delivery phase the existing partnerships will be further strengthened and that new partnerships will be formed with local organisations and groups.

With regard to future governance of the two partners who hold leases with WFDC, it is anticipated that there will be minimal change to the EJJ (Spokes CIC) lease but that the lease currently held with the 21st Wyre Forest (Brinton Park) Scout Group for the Community Pavilion (Sons of Rest building) will be reviewed and updated in light of the restoration proposals and any future operational requirements.

Under the project the Community Pavilion will be refurbished and its footprint increased so as to increase public, community and business use of the building and events and activities throughout this business planning process therefore governance, management and staffing options have been reviewed with WFDC and the Scouts with regard to its future operation and a revised lease and SLA agreed..

The revised SLA/lease specifies an annual rent of £300, which will increase to £600 from 2024 and £800 in 2029. Additionally, it states that WFDC requires 50% of the net profit (open book basis) of the scouts lettings of the Community Pavilion on top the base rent and that this income to the Council will be used by the Brinton Park Volunteers to run events and activities. This will also help to sustain the volunteer base at the park for the long term future.

The revised lease with the Scouts also specifies that the scouts must actively market the property for community use for 53 hours a week (a minimum community use of 30% outside the scouts and Old pals allocated hours) ensuring use of the building by the wider community.

Future governance of the building will be that the Scouts will lead on and manage bookings for the Community Pavilion and use income generated to pay for the operating costs. There is an expectation that the building is regularly cleaned for use, opened and closed in line with the bookings and high quality levels of administration are provided in response to enquiries and online bookings (through the Brinton Park website and Scout personnel, supported by the Community Engagement Officers and WFDC staff).

8.5 Volunteers

In 1887 a Parks Committee was formed and more recently there was formerly a Friends group from 2005 but this disbanded in 2012, there is a Friends of Brinton Park Facebook page but it is largely inactive.

The project staff have been recruiting volunteers for the project since the Round 1 grant award and a range of volunteering opportunities in the park are now offered and these are promoted on the Brinton Park website. There are now a number of very skilled and knowledgeable volunteers working on the project and the results of the 2019 volunteer survey demonstrate that a number of them are interested in helping to set up a formal 'Brinton Park Volunteers' group.

One of the things the Council would like to happen is that a Brinton Park Volunteer group is started once again and an early task for the Community Engagement Officers will be to fully constitute the group.

Volunteers will be key to the project delivery and in helping to ensuring the future sustainability of the park assisting staff and partners with maintenance, conservation, ongoing consultation and monitoring and running of events and activities.

The established volunteer programme developed and implemented during the project will continue beyond the project. The intention is to expand opportunities for volunteering into new areas providing further opportunities for people to get involved. Information regarding future opportunities and potential training requirements are described in the Activity Plan.

The partnerships formed with the Pickup Artists, EJP and the Scouts beyond the life of the project as set out in this business plan and the support of dedicated WFDC staff will ensure ongoing support and training for volunteers and the continued delivery of structured volunteering sessions across the park.

9 Assessing Risk

In order to generate the levels of income forecast in the Business Plan, the restoration project must achieve a significant impact to raise quality and provide a range of attractive visitor facilities that will lead to the forecast increase in visitor numbers. The quality of the catering offer must be high and the offer tailored to the park users. Similarly, the use of the Community Pavilion must be enhanced and marketed to attract a wider range of audiences and visits from the target audiences.

Improved standards of maintenance will be required to help address visitor concerns over quality and anti-social behaviour and to enhance and protect the sites biodiversity. Continuing financial cuts to operational budgets may compromise the ability of WFDC to maintain the site and relatively high levels of deprivation close to the site may impact the opportunities for income generation.

Delays to capital works, cost increases to capital works budget and to the activity plan budget will impact upon project delivery if not managed correctly.

A lack of demand and uptake from the local community, groups and businesses for hire of the Community Pavilion will lead to reduced income, along with a lack of demand for events and activities as this will deter external operators running events on site and will not make it profitable for staff to run events.

Similarly, a lack of volunteer input, lack of demand for education programme and a lack of participation by project partners / delivery organisations will have detrimental impacts on the project and the long-term sustainability of the site.

The risks listed in the table overleaf register are live and should be reviewed on a regular basis.

Description of Risk	Likelihood	Impact	Potential Effect	Mitigation
Market				
Inadequate development of events and activities programme	LOW	MEDIUM	Unable to attract target audiences	Project staff will be responsible for developing events and activities and will work closely with the Project Manager and project partners.
Growth in visitor numbers not achieved	LOW	HIGH	Reduced output relating to people and communities. Lower income levels	Estimates of visitor numbers have been carried out at the development stage. Projections assume that numbers will rise conservatively from 344,324 to 400,000 attracted by new visitor facilities, improved parking and a varied programme of events and activities. The programme delivery will need to be monitored closely and corrective action taken as required.
Low level of marketing	LOW	HIGH	Low level of park usage and awareness	A Communications Plan has been developed as part of the project, this is to be refreshed during the delivery phase of the project and the new Brinton Park website further enhanced to allow for online bookings.
Delays to the project	MEDIUM	MEDIUM	Unable to meet funding deadlines	Ensure building contractors are aware of funding deadlines and maintain close control of project programme. Income projections assume minimal income until year 4.

Description of Risk	Likelihood	Impact	Potential Effect	Mitigation
Lack of demand for events and activities	MEDIUM	HIGH	Reduced visitor numbers and levels of income	The activity programme includes a broad range of activities. Should demand be low for some activities there is flexibility to deliver alternative projects.
Visitor experience does not meet expectation	LOW	HIGH	Reduced repeat visitor and levels of income	Project restoration will be of a high quality and a dedicated team will ensure high standards and maintenance and visitor experience
Financial				
Failure of Round 2 application to NLHF	LOW	HIGH	Project unable to proceed	Closely following NLHF guidelines and advice.
Match funding not received	LOW	HIGH	Project unable to proceed to current plan.	Work closely with WFDC Finance and project partners and continue fundraising as per the Fundraising Strategy.
Unforeseen costs	MEDIUM	MEDIUM	Increase in costs to the project, some elements may need to be cut	Contingency allowances have been made for all elements of the building work. Contingencies and inflation allowed for, which take account of nature of events and activities flexibility in delivery of activity programme has been factored in.
Delays to delivery of capital works	LOW	MEDIUM	Reduced levels of income in year 4 and unable to meet funders	There is flexibility in the delivery of the events and activities but delays to construction works would push back the income generated through the café, ice cream concession,

Description of Risk	Likelihood	Impact	Potential Effect	Mitigation
			timescales	the Community Pavilion and through events.
Income targets not achieved	MEDIUM	MEDIUM	Shortfall in income to maintain high quality standards in the park	<p>Estimates of income are considered to be conservative. Income is derived from a number of sources and proposals allow flexible use of the space. Enhanced promotion.</p> <p>Review/adapt commercial offerings.</p> <p>Regular reporting to Project Steering Group. Community Safety and Partnership Officer role to have a greater focus on business development.</p>
Local authority funding cuts	LOW	HIGH	Inability to maintain high quality standards in the park	Income generation will help sustain the site.
Income generated from Community Pavilion is not as forecast	LOW	MEDIUM	Community Pavilion is no longer financially viable for Scouts to manage	<p>Estimates of income are considered to be conservative. Income is derived from a number of sources and proposals allow flexible use of the space. Enhanced promotion.</p> <p>Review/adapt commercial offerings and work closely with the Scouts ensuring marketing support.</p> <p>Regular monitoring of bookings and income by Scouts and Community Engagement Officers and Community Safety and Partnership Officer.</p>

Description of Risk	Likelihood	Impact	Potential Effect	Mitigation
Lack of interest in café lease from local operators	LOW	HIGH	Disused cafe, reduced levels of income and user dissatisfaction	WFDC to ensure early advertising for an operator and to investigate flexible layout potential that can accommodate an incoming operator's needs. Ensure partnership working with the Bewdley Museum with regard to cafe tendering. Rates used have been benchmarked against existing rental rates. Flexibility in the offer and scope of leases.
Lack of demand and uptake of concessions leading to reduced income	MEDIUM	MEDIUM	Reduced income levels	Market appraisal is considered to be realistic rather than optimistic. Rates used have been benchmarked against existing WFDC and nearby local authority rates. Flexibility in the offer and scope of concessions.
Vandalism to building and structures	LOW	MEDIUM	Increased expenditure levels reducing overall budgets	Ensure maintenance regimes are adequate to react to incidents. Security built into design proposals. Activity and volunteering programmes have been designed to increase community ownership and increase number of responsible 'guardians'.
Economic				
Increase in inflation	MEDIUM	HIGH	Insufficient funds to cover costs of works	Construction works inflation included in the cost plan and inflation built into trading profile

Description of Risk	Likelihood	Impact	Potential Effect	Mitigation
Challenging economic climate	LOW	MEDIUM	Reduced number of visitors to the park and so reduced income from café, room hire and car parking	Income projections have been benchmarked and are conservative based on current prevailing conditions.
Management				
Loss of key members of staff / staff turnover	LOW	LOW	Delay to activity elements of the project	Two Community Engagement Officers to be employed on a part time basis. WFDC could redeploy staff in the short term to cover loss of key staff. Partners could also assist.
Appropriate governance arrangements are not in place	MEDIUM	HIGH	Project lacks ownership and management	Multi-disciplinary project team is in place. Steering Group has a role in project governance. Governance discussed with partners during the development phase, to be finalised during the delivery phase.
Failure of partnership approach	LOW	HIGH	Inability to develop joint working. Lack of staff to manage pavilion.	Ensure regular monitoring of Statement of Joint Working and SLA's. Ensure evaluation of the partnership working as part of the approach to measuring success.
Lack of participation by project partners / delivery organisations	LOW	HIGH	Inability to deliver key elements of the Activity	The activity programme has been designed to facilitate participation by a range of partner organisations, which will

Description of Risk	Likelihood	Impact	Potential Effect	Mitigation
			Plan	help mitigate the impact should any one partner withdraw. New partnerships will be developed throughout the project delivery and the forest will be promoted as a venue for third party events and activities.
Lack of new volunteers	LOW	HIGH	Reduced community involvement	Work carried out at development stage to explore potential interest in volunteering and response to volunteer opportunities would suggest the overall risk is low. Volunteer contributions will be reviewed on a quarterly basis and a 'Brinton Park Volunteers' group set up and formally constituted.
Legal				
New legislation	LOW	LOW	May delay implementation of the project	Ensure aware of all current and proposed legislation covering building, planning, health and safety. Closely liaise with planners and building services and the Environment Agency regarding waste disposal licences.

Existing and new staff and volunteers will require support and training to achieve the outputs and demands of delivery. Ensuring the best possible visitor experience will lead to increases in visitor numbers, enhance secondary spend and boost visits from the potential tourism market who will give Brinton Park the best ratings on tourism sites such as Trip Advisor.

10 Monitoring and Evaluation

During the development stage we have established baseline data and set targets against each of the Parks for People Grant outcomes and for the Round 2 application have produced an overall monitoring and evaluation framework, which sets out how the project will be monitored and evaluated throughout the delivery stage. In addition, a detailed toolkit has been developed to assist staff, partners and volunteers with data gathering.

We will also ensure that all consultants, partners and volunteers engaged in the project understand the context of our approach to monitoring and evaluation and their part in helping us monitor and achieve project targets.

The project manager will monitor progress on the project and will report on this on a quarterly basis, ensuring that the NLHF requirements are met and that delivery is in line with the project plans.

10.1 Monitoring

The Community Engagement Officers will play key roles in recording information on performance indicators and targets. The two officers will organise the necessary visitor surveys, with assistance from partners and have a key working relationship with an externally appointed evaluation consultant.

It is expected that data will be gathered on a regular, ongoing basis by project staff (Project Manager and the Community Engagement Officers), project partners and volunteers through use of the toolkit and collated annually for reporting to NLHF.

Current visitor numbers are estimated at 344,324 and one of the project aims in to increase this to 400,000. Visitor numbers will be monitored during the delivery phase of the project through the visitor observation study process that will be delivered by staff, partners and volunteers.

Visitor experiences of the site will be recorded through regular surveys to allow the offer to be adjusted in response to customer's comments. Volunteering, training and events and activities delivered will be captured using monitoring forms, feedback sheets and surveys.

In addition to this, marketing records and financial records will be kept, and the business plan and management plan reviewed on an annual basis to see how it is achieving against forecasts. The business plan and management plan should also be reviewed and updated following practical completion.

10.2 Evaluation

We will evaluate the project's success by:

- On-going measurement of annual visitors to the park with annual visitor numbers increasing to 400,000
- Regular user opinion surveys
- Post-completion project evaluation to NLHF specification
- Increasing dwell time and spend in the park
- Retention of Green Flag Award
- Annual review of Business, Activity and Management and Maintenance Plans
- 5-yearly review/update of Conservation Management Plan
- Ensuring a minimum of 30% community use of the pavilion over and above the current use of 16 hours per week
- Increasing volunteering on the park and establishing a 'Brinton Park Volunteers' group

- Increasing work based learning through the delivery of a horticultural apprenticeship and by offering work experience placements
- Demonstrate economic resilience
- Number of partnerships strengthened and new partnerships formed
- Providing new businesses opportunities (e.g. the Cafe Operator and external event operators)
- Amount of income generated by the community pavilion and successful marketing by the Scouts

11 Organisational Impact

The detailed income and expenditure projections for a ten year period are included in Appendix A. The Trading Profile shows income and expenditure for the five year NLHF funded period and a further four years to 2028 / 29.

We have assumed that the technical design and procurement will commence in October 2020 and be completed by August 2021 and that the construction phase will run from September 2021 to September 2022.

The park will remain open during the phased construction phase with localised closures of specific areas to create safe working zones, access routes and a compound area in liaison with project partners. As such the direct impact of the capital works can be managed and mitigated with respect to the current income generating activities.

The Sons of Rest Pavilion will require complete closure during the construction phase and this will have an impact on the activities of the Old Pals and Scouts. Additionally, areas of EJF will require closure that will affect their operation during the construction works. WFDC will need to mitigate the impact on operations of the three groups during the delivery phase of the project.

11.1 Sustaining the Project

The annual income, including inflation, that will be generated at Brinton Park (excluding NLHF grant funding income and maintenance uplift) significantly increases from £3,301 in year 0 to a peak of £48,423 in year 10. Staff and maintenance costs are forecast to increase from £99,093 in year 0 to £120,507 in year 10. Similarly, operational costs increase from £53,325 in year 0 to £66,259 in Year 10.

Overall, the 10 Year Trading Profile shows an improved position over the net operating balance in Year 0 of -£149,117, as the balance in year 10 is forecast at -£138,342 therefore the site will not require additional support from the Council than it already receives despite increasing maintenance costs.

The cumulative variation from the balance operating balance across the 10 year period shows a modest positive variation of £10,775 by year 10, this will help to ensure that the park is effectively managed and appropriately resourced securing its long-term future.

11.2 Sensitivity Analysis

Sensitivity analysis has been carried out to look at 4 scenarios with income and expenditure changing by 10% or 20%, which are compared against the baseline position described above. These are contained in Appendix B.

Scenario 1 considers a reduction in income of 10% with increased costs of sales of 10%. The impact of this is that income is reduced by £33,976 over the ten year period against the baseline position and this results in an overall variance from the baseline of -£99,545 over ten years.

Under Scenario 2, which considers a 20% reduction in income and a 20% increase in costs, resulting in an overall variance from the baseline of -£199,090 over the ten year period.

Scenario 3 considers a 10% increase in income alongside a 10% reduction in cost of sales and this results in a positive variance from the baseline position by £99,545.

Scenario 4 considers the impact of a 20% increase in income and a 20% reduction in costs. This results in a positive variance from the baseline position by £199,090.

The Sensitivity Analysis would suggest that significant adverse changes in income and costs of between 10% and 20% (Scenarios 1 and 2) results in a deficit over the 10 year period. The impact of this would be a reduction in the amount of funding available to sustain maintenance levels beyond project delivery.

It should be noted however that these figures are skewed by projected low levels of income for years 1 and 2 and half of year 3 during the construction phase of the project. The baseline position and mainstream funding for the continued maintenance of Brinton Park from WFDC should therefore be maintained throughout the 10 year period to give the site the best possible chance of success following project completion.

Appendix A

Brinton Park 10 Year Trading Profile

Agenda Item No. 12 Appendix 2

Trading Profile Brinton Park (No Inflation)												
Income (Net of VAT)		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	Assumptions	Apr 2019- Mar 2020	Apr 2020- Mar 2021	Apr 2021- Mar 2022	Apr 2022- Mar 2023	Apr 2023- Mar 2024	Apr 2024- Mar 2025	Apr 2025- Mar 2026	Apr 2026- Mar 2027	Apr 2027- Mar 2028	Apr 2028- Mar 2029	Apr 2028- Mar 2029
Partner Leases - EJF & Scouts (SoR & Garage)		£401	£401	£251	£101	£701	£701	£701	£701	£701	£701	£701
Catering Leases - café lease	External Operator	£0	£0	£0	£5,682	£11,363	£12,263	£13,163	£14,063	£14,963	£15,863	£16,763
Fees & Charges - Community Pavilion lease & rental agreement		£0	£0	£0	£1,453	£2,905	£2,905	£2,905	£2,905	£2,905	£2,905	£2,905
Mobile catering - ice cream vendor / pop up concession for peak summer months for café caterer	External Operator	£1,600	£1,600	£1,600	£1,600	£4,500	£4,800	£5,200	£5,600	£6,000	£6,400	£6,800
Concessions - bouncy castle	External Operators	£0	£0	£0	£0	£1,200	£1,200	£1,200	£1,200	£1,200	£1,200	£1,200
Concessions - circus and fairs	External Operators	£1,300	£1,300	£1,300	£0	£3,900	£4,000	£4,100	£4,200	£4,300	£4,400	£4,500
Concessions - fitness instructors		£0	£0	£0	£480	£960	£1,060	£1,160	£1,260	£1,360	£1,460	£1,560
Events		£0	£0	£0	£1,000	£6,400	£6,400	£6,400	£6,400	£6,400	£6,400	£6,400
Education Sessions		£0	£0	£0	£1,050	£2,250	£2,250	£750	£0	£0	£0	£0
Forest Schools & Weekend Activities		£0	£0	£0	£504	£1,008	£1,008	£1,008	£1,008	£1,008	£1,008	£1,008
Fundraising & Sponsorship e.g. memorial benches / trees / memorial stones / wildflower seed		£0	£4,000	£6,000	£6,000	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000
	Sub total income	£3,301	£7,301	£9,151	£17,870	£37,187	£38,587	£38,587	£39,337	£40,837	£42,337	£43,837
HF income (over 5 years)												
HF intervention rate 84%	New staff costs (including on costs) - 2 part time Community Engagement Officers from January 2021 & 2 year horticultural apprentice from April 2021	-	£5,230	£32,679	£34,092	£23,922	£25,596	£6,606	-	-	-	-
Figures taken from AP Costs Sheet	Training for staff	-	£0	£2,607	£2,433	£0	£0	£0	-	-	-	-
	Training for volunteers	-	£1,260	£6,031	£4,620	£5,682	£5,682	£4,842	-	-	-	-
	Travel for Staff	-	£0	£168	£168	£168	£168	£168	-	-	-	-
	Travel and expenses for volunteers	-	£0	£840	£840	£840	£840	£840	-	-	-	-
	Equipment and materials	-	£0	£4,389	£1,680	£2,331	£0	£0	-	-	-	-
	Other	-	£0	£12,558	£14,490	£15,346	£14,926	£9,626	-	-	-	-
	Professional fees (activity plan)	-	£0	£1,680	£13,440	£4,200	£0	£0	-	-	-	-
	Recruitment	-	£840	£0	£0	£0	£0	£0	-	-	-	-
	Publicity and promotion	-	£168	£336	£336	£336	£336	£168	-	-	-	-
	Evaluation	-	£0	£0	£4,200	£0	£0	£12,600	-	-	-	-
	Sub total HF funding	£0	£7,498	£61,288	£76,299	£52,825	£47,549	£34,850	£0	£0	£0	£0
Other income												
Partnership funding rate 16%	Match funding contribution	-	£1,428	£11,674	£14,533	£10,062	£9,057	£6,638	-	-	-	-
Maintenance Uplift	Over 5 years from 2020 (Funding Commitment)	-	-	-	£5,000	£10,000	£10,000	£10,000	£10,000	£5,000	-	-
	Sub total other income	£0	£1,428	£11,674	£19,533	£20,062	£19,057	£16,638	£10,000	£5,000	£0	£0
Potential Total Income (Nett of VAT)		£3,301	£16,227	£82,113	£113,702	£110,074	£105,193	£90,075	£49,337	£45,837	£42,337	£43,837
Direct Costs												
Staffing & Maintenance	including site maintenance costs & tree works (and on costs)	£99,093	£99,093	£99,093	£99,093	£99,093	£99,093	£99,093	£99,093	£99,093	£99,093	£99,093
Additional Maintenance Costs	Beyond the 5 year project period	£0	£0	£0	£0	£0	£0	£0	£0	£5,000	£10,000	£10,000
New Staff (during project)	2 P/T CEO's	£0	£6,226	£38,904	£40,586	£28,478	£30,472	£7,864	£0	£0	£0	£0
	Staff Recruitment	£0	£1,000	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Personnel		£99,093	£106,319	£137,997	£139,679	£127,571	£129,565	£106,957	£99,093	£104,093	£109,093	£109,093

WFDC hold existing lease agreements with EJF and the Scouts, the rental contracts in place are currently set at peppercorn rates. Scouts rent for Pavilion is £300 pa, then £600 pa from 2024 and £800 in 2029.
Figures based on the café seeing 41,318 customers per year averaging a £2.75 spend per head

Figures based on 30% occupancy & 50% return on profits following annual rental payment

Seasonal concession up until the completion and opening of the café then there will be a pop up seasonal concession for café caterer. Seasonal concession - conversion rate of 20% based on 60% of visitors as seasonal & average £1.50 spend per head - rent based upon 10% of sales

Taster sessions free up to October 2022. £5 per head for 1/2 day sessions @ 15 per year charged from October 2022 (on completion of the capital works), assuming a Grant Expiry Date of July 2025. Income: £5.00 x 30 pupils x 42 sessions across 2 years 10 months = £6,300.

£16,000 for 10 nr memorial benches Year 1 - Year 3

1 x CEO (Grade E - 16 hours), 1 x CEO (Grade F - 21 hours) & 1 x 2 year Horticultural Apprentice

For breakdown see MMP

For breakdown see MMP

PM HLF funded period only - 2.5 days/week

Cost of Activities												
	Costs associated with delivery of Activity Plan (HF funded period)	£0	£1,700	£34,058	£50,247	£34,409	£26,134	£33,624	£0	£0	£0	£0
Total Cost of Activities		£0	£1,700	£34,058	£50,247	£34,409	£26,134	£33,624	£0	£0	£0	£0
Gross Profit		-£95,792	-£91,792	-£89,942	-£76,224	-£51,906	-£50,506	-£50,506	-£49,756	-£58,256	-£66,756	-£65,256
Operational Costs												
Premises	Administration and central costs	£10,247	£10,247	£10,247	£10,247	£10,247	£10,247	£10,247	£10,247	£10,247	£10,247	£10,247
	Maintenance, repairs & renewals (buildings)	£12,540	£12,540	£12,540	£12,540	£12,540	£12,540	£12,540	£12,540	£12,540	£12,540	£12,540
Utility and running costs	Electricity & Gas	£6,508	£6,508	£3,254	£3,254	£6,508	£6,508	£6,508	£6,508	£6,508	£6,508	£6,508
	Water & Sewerage	£2,647	£2,647	£1,324	£1,324	£2,647	£2,647	£2,647	£2,647	£2,647	£2,647	£2,647
	Telephone / Wifi / IT	£238	£238	£238	£238	£238	£238	£238	£238	£238	£238	£238
	Rates (NNDR)	£2,268	£2,268	£2,268	£2,268	£2,268	£2,268	£2,268	£2,268	£2,268	£2,268	£2,268
	Waste disposal costs	£1,653	£1,653	£1,653	£1,653	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000
	Cleansing	£1,357	£1,357	£1,357	£1,357	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500
	Insurance	£410	£410	£410	£410	£410	£410	£410	£410	£410	£410	£410
Transport	WFDC vehicle recharges	£2,464	£2,464	£2,464	£2,464	£2,464	£2,464	£2,464	£2,464	£2,464	£2,464	£2,464
Supplies & Services	Equipment & materials	£0	£0	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000
	Clothes, uniform and laundry	£37	£37	£37	£37	£37	£37	£37	£37	£37	£37	£37
	Training	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100
	Fees & Charges	£855	£855	£855	£855	£855	£855	£855	£855	£855	£855	£855
	Recharges	£11,931	£11,931	£11,931	£11,931	£11,931	£11,931	£11,931	£11,931	£11,931	£11,931	£11,931
	Printing, stationary & publicity & promotion	£0	£0	£0	£0	£0	£0	£0	£125	£125	£125	£125
	Premises licence	£70	£70	£70	£70	£70	£70	£70	£70	£70	£70	£70
Total Operational Costs		£53,325	£53,325	£50,748	£50,748	£56,815	£56,815	£56,815	£56,940	£56,940	£56,940	£56,940
Potential Total Net Operating Balance		-£149,117	-£145,117	-£140,690	-£126,971	-£108,721	-£107,321	-£107,321	-£106,696	-£115,196	-£123,696	-£122,196
Cumulative Variation from Baseline Operating Balance		£0	£4,000	£8,428	£22,146	£40,396	£41,796	£41,796	£42,421	£33,921	£25,421	£26,921

Agenda Item No. 12 Appendix 2

Trading Profile Brinton Park (With Inflation)											
Income (Net of VAT)		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
		Apr 2019-Mar 2020	Apr 2020-Mar 2021	Apr 2021-Mar 2022	Apr 2022-Mar 2023	Apr 2023-Mar 2024	Apr 2024-Mar 2025	Apr 2025-Mar 2026	Apr 2026-Mar 2027	Apr 2027-Mar 2028	Apr 2028-Mar 2029
Partner Leases - EJF & Scouts (SoR & Garage)		£401	£405	£256	£104	£729	£737	£744	£752	£759	£767
Catering Leases - café lease	External Operator	£0	£0	£0	£5,854	£11,824	£12,889	£13,973	£15,077	£16,203	£17,349
Fees & Charges - Community Pavilion lease & rental agreement		£0	£0	£0	£1,497	£3,023	£3,053	£3,084	£3,115	£3,146	£3,177
Mobile catering - ice cream vendor / pop up concession for peak summer months for café caterer	External Operator	£1,600	£1,616	£1,632	£1,648	£4,683	£5,045	£5,520	£6,004	£6,497	£7,000
Concessions - bouncy castle	External Operators	£0	£0	£0	£0	£1,249	£1,261	£1,274	£1,287	£1,299	£1,312
Concessions - circus and fairs	External Operators	£1,300	£1,313	£1,326	£0	£4,058	£4,204	£4,352	£4,503	£4,656	£4,812
Concessions - fitness instructors		£0	£0	£0	£495	£999	£1,114	£1,231	£1,351	£1,473	£1,597
Events		£0	£0	£0	£1,030	£6,660	£6,726	£6,794	£6,862	£6,930	£7,000
Education Sessions		£0	£0	£0	£1,082	£2,341	£2,365	£796	£0	£0	£0
Forest Schools & Weekend Activities		£0	£0	£0	£519	£1,049	£1,059	£1,070	£1,081	£1,092	£1,102
Fundraising & Sponsorship e.g. memorial benches / trees / memorial stones / wildflower seed		£0	£4,040	£6,121	£6,182	£2,081	£2,102	£2,123	£2,144	£2,166	£2,187
	Sub total income	£3,301	£7,374	£9,335	£18,411	£38,697	£40,555	£40,961	£42,175	£44,221	£46,303
HF income (over 5 years)											
HF intervention rate 84%	New staff costs (including on costs) - 2 part time Community Engagement Officers from January 2021 & 2 year horticultural apprentices from April 2021	-	£5,541	£34,625	£36,122	£25,345	£27,120	£6,999	-	-	-
Figures taken from AP Costs Sheet	Training for staff	-	£0	£2,762	£2,578	£0	£0	£0	-	-	-
	Training for volunteers	-	£1,335	£6,390	£4,895	£6,020	£6,020	£5,130	-	-	-
	Travel for Staff	-	£0	£178	£178	£178	£178	£178	-	-	-
	Travel and expenses for volunteers	-	£0	£890	£890	£890	£890	£890	-	-	-
	Equipment and materials	-	£0	£4,650	£1,780	£2,470	£0	£0	-	-	-
	Other	-	£0	£13,305	£15,352	£16,260	£15,815	£10,199	-	-	-
	Professional fees (activity plan)	-	£0	£1,780	£14,240	£4,450	£0	£0	-	-	-
	Recruitment	-	£890	£0	£0	£0	£0	£0	-	-	-
	Publicity and promotion	-	£178	£356	£356	£356	£356	£178	-	-	-
	Evaluation	-	£0	£0	£4,450	£0	£0	£13,350	-	-	-
	Sub total HF funding	£0	£7,944	£64,936	£80,841	£55,969	£50,379	£36,924	£0	£0	£0
Other income											
Partnership funding rate 16%	Match funding contribution	-	£982	£8,026	£9,992	£6,918	£6,227	£4,564	-	-	-
Maintenance Uplift	Over 5 years from 2020 (Funding Commitment)	-	-	-	£5,000	£10,000	£10,000	£10,000	£10,000	£5,000	-
	Sub total other income	£0	£982	£8,026	£14,992	£16,918	£16,227	£14,564	£10,000	£5,000	£0
Potential Total Income (Nett of VAT)		£3,301	£16,300	£82,297	£114,244	£111,584	£107,161	£92,448	£52,175	£49,221	£46,303
Direct Costs											
Staffing & Maintenance	Including site maintenance costs & tree works (and on costs)	£99,093	£100,084	£101,085	£102,096	£103,117	£104,148	£105,189	£106,241	£107,304	£108,377
Additional Maintenance Costs	Beyond the 5 year project period	£0	£0	£0	£0	£0	£0	£0	£0	£5,414	£10,937
New Staff (during project)	2 P/T CEO's	£0	£6,288	£39,686	£41,816	£29,634	£32,026	£8,348	£0	£0	£0
	Staff Recruitment	£0	£1,010	£0	£0	£0	£0	£0	£0	£0	£0
	Total Personnel	£99,093	£107,382	£140,771	£143,911	£132,751	£136,174	£113,537	£106,241	£112,718	£119,313
Cost of Activities											
	Costs associated with delivery of Activity Plan (HF funded period)	£0	£1,700	£34,058	£50,247	£34,409	£26,134	£33,624	£0	£0	£0
	Total Cost of Activities	£0	£1,700	£34,058	£50,247	£34,409	£26,134	£33,624	£0	£0	£0
	Gross Profit	-£95,792	-£92,782	-£92,532	-£79,914	-£55,576	-£55,147	-£54,712	-£54,067	-£63,497	-£73,010
Operational Costs											
Premises	Administration and central costs	£10,247	£10,349	£10,453	£10,557	£10,663	£10,770	£10,877	£10,986	£11,096	£11,207
	Maintenance, repairs & renewals (buildings)	£12,540	£12,665	£12,792	£12,920	£13,049	£13,180	£13,311	£13,445	£13,579	£13,715
Utility and running costs	Electricity	£6,508	£6,638	£3,385	£3,453	£7,044	£7,185	£7,329	£7,476	£7,625	£7,778
	Water and sewerage	£2,647	£2,700	£1,377	£1,405	£2,865	£2,923	£2,981	£3,041	£3,101	£3,163
	Telephone / Wifi / IT	£238	£243	£248	£253	£258	£263	£268	£273	£279	£284
	Rates	£2,268	£2,313	£2,360	£2,407	£2,455	£2,504	£2,554	£2,605	£2,657	£2,710
	Waste disposal costs	£1,653	£1,686	£1,720	£1,754	£2,165	£2,208	£2,252	£2,297	£2,343	£2,390
	Cleansing	£1,357	£1,371	£1,384	£1,398	£2,602	£2,628	£2,654	£2,680	£2,707	£2,734
	Insurance	£410	£418	£427	£435	£444	£453	£462	£471	£480	£490
Transport	WFDC vehicle recharges	£2,464	£2,513	£2,564	£2,615	£2,667	£2,720	£2,775	£2,830	£2,887	£2,945
Supplies & Services	Equipment & materials	£0	£0	£2,040	£2,061	£2,081	£2,102	£2,123	£2,144	£2,166	£2,187
	Clothes, uniform and laundry	£37	£37	£38	£38	£39	£39	£39	£40	£40	£40
	Training	£100	£101	£102	£103	£104	£105	£106	£107	£108	£109
	Fees & Charges	£855	£872	£890	£907	£925	£944	£963	£982	£1,002	£1,022
	Recharges	£11,931	£12,170	£12,413	£12,661	£12,914	£13,173	£13,436	£13,705	£13,979	£14,259
	Printing, stationary & publicity & promotion	£0	£0	£0	£0	£0	£0	£0	£134	£135	£137
	Premises licence	£70	£71	£73	£74	£76	£77	£79	£80	£82	£84
	Total Operational Costs	£53,325	£54,149	£52,264	£53,041	£60,351	£61,273	£62,210	£63,297	£64,268	£65,255
Potential Total Net Operating Balance		-£149,117	-£146,931	-£144,796	-£132,956	-£115,927	-£116,420	-£116,922	-£117,364	-£127,765	-£138,265
Cumulative Variation from Baseline Operating Balance		£0	£2,186	£4,321	£16,161	£33,190	£32,697	£32,195	£31,753	£21,352	£10,852

Appendix B

Sensitivity Analysis

Brinton Park - Sensitivity Analysis

Baseline

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total 10 Years
Income	Apr 2019-Mar 2020	Apr 2020-Mar 2021	Apr 2021-Mar 2022	Apr 2022-Mar 2023	Apr 2023-Mar 2024	Apr 2024-Mar 2025	Apr 2025-Mar 2026	Apr 2026-Mar 2027	Apr 2027-Mar 2028	Apr 2028-Mar 2029	Apr 2028-Mar 2029	
Income through Fees & Charges / Leases / Activities	£3,301	£7,374	£9,335	£18,411	£38,697	£40,555	£40,961	£42,175	£44,221	£46,303	£48,423	£339,756
Expenditure												
Staffing / Cost of Sales /Activities / Operational	£152,418	£154,233	£153,349	£155,137	£163,468	£165,421	£167,399	£169,538	£176,986	£184,568	£186,765	£1,829,282
TOTAL	-£149,117	-£146,859	-£144,014	-£136,726	-£124,771	-£124,865	-£126,439	-£127,364	-£132,765	-£138,265	-£138,342	-£1,489,526

Scenario 1 - Income -10% / Costs +10%

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total 10 Years
Income	Apr 2019-Mar 2020	Apr 2020-Mar 2021	Apr 2021-Mar 2022	Apr 2022-Mar 2023	Apr 2023-Mar 2024	Apr 2024-Mar 2025	Apr 2025-Mar 2026	Apr 2026-Mar 2027	Apr 2027-Mar 2028	Apr 2028-Mar 2029	Apr 2028-Mar 2029	
Income through Fees & Charges / Leases / Activities	£2,971	£6,637	£8,401	£16,570	£34,827	£36,500	£36,865	£37,957	£39,799	£41,673	£43,581	£305,780
Expenditure												
Staffing / Cost of Sales /Activities / Operational	£157,751	£159,647	£158,575	£160,441	£169,503	£171,548	£173,620	£175,868	£183,412	£191,094	£193,391	£1,894,851
TOTAL	-£154,780	-£153,011	-£150,174	-£143,871	-£134,676	-£135,048	-£136,756	-£137,911	-£143,614	-£149,421	-£149,810	-£1,589,071
Variance from Baseline	-£5,663	-£6,152	-£6,160	-£7,145	-£9,905	-£10,183	-£10,317	-£10,547	-£10,849	-£11,156	-£11,468	-£99,545

Scenario 2 - Income -20% / Costs +20%

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total 10 Years
Income	Apr 2019-Mar 2020	Apr 2020-Mar 2021	Apr 2021-Mar 2022	Apr 2022-Mar 2023	Apr 2023-Mar 2024	Apr 2024-Mar 2025	Apr 2025-Mar 2026	Apr 2026-Mar 2027	Apr 2027-Mar 2028	Apr 2028-Mar 2029	Apr 2028-Mar 2029	
Income through Fees & Charges / Leases / Activities	£2,641	£5,899	£7,468	£14,729	£30,958	£32,444	£32,769	£33,740	£35,376	£37,043	£38,739	£271,805
Expenditure												
Staffing / Cost of Sales /Activities / Operational	£163,083	£165,062	£163,802	£165,745	£175,538	£177,675	£179,841	£182,198	£189,839	£197,619	£200,017	£1,960,421
TOTAL	-£160,442	-£159,163	-£156,334	-£151,017	-£144,581	-£145,231	-£147,073	-£148,458	-£154,463	-£160,577	-£161,278	-£1,688,616
Variance from Baseline	-£11,325	-£12,305	-£12,320	-£14,290	-£19,810	-£20,366	-£20,634	-£21,094	-£21,698	-£22,312	-£22,936	-£199,090

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total 10 Years
Income	Apr 2019-Mar 2020	Apr 2020-Mar 2021	Apr 2021-Mar 2022	Apr 2022-Mar 2023	Apr 2023-Mar 2024	Apr 2024-Mar 2025	Apr 2025-Mar 2026	Apr 2026-Mar 2027	Apr 2027-Mar 2028	Apr 2028-Mar 2029	Apr 2028-Mar 2029	

Scenario 3 - Income +10% / Costs -10%

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total 10 Years
Income	Apr 2019-Mar 2020	Apr 2020-Mar 2021	Apr 2021-Mar 2022	Apr 2022-Mar 2023	Apr 2023-Mar 2024	Apr 2024-Mar 2025	Apr 2025-Mar 2026	Apr 2026-Mar 2027	Apr 2027-Mar 2028	Apr 2028-Mar 2029	Apr 2028-Mar 2029	
Income through Fees & Charges / Leases / Activities	£3,631	£8,111	£10,268	£20,252	£42,567	£44,611	£45,057	£46,392	£48,643	£50,934	£53,266	£373,732
Expenditure												
Staffing / Cost of Sales / Activities / Operational	£147,086	£148,818	£148,123	£149,833	£157,433	£159,293	£161,178	£163,209	£170,559	£178,043	£180,139	£1,763,713
TOTAL	-£143,454	-£140,706	-£137,854	-£129,581	-£114,866	-£114,683	-£116,121	-£116,817	-£121,916	-£127,109	-£126,874	-£1,389,981
Variance from Baseline	£5,663	£6,152	£6,160	£7,145	£9,905	£10,183	£10,317	£10,547	£10,849	£11,156	£11,468	£99,545

Scenario 4 - Income +20% / Costs -20%

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total 10 Years
Income	Apr 2019-Mar 2020	Apr 2020-Mar 2021	Apr 2021-Mar 2022	Apr 2022-Mar 2023	Apr 2023-Mar 2024	Apr 2024-Mar 2025	Apr 2025-Mar 2026	Apr 2026-Mar 2027	Apr 2027-Mar 2028	Apr 2028-Mar 2029	Apr 2028-Mar 2029	
Income through Fees & Charges / Leases / Activities	£3,961	£8,849	£11,202	£22,093	£46,436	£48,666	£49,153	£50,610	£53,065	£55,564	£58,108	£407,707
Expenditure												
Staffing / Cost of Sales / Activities / Operational	£141,753	£143,403	£142,896	£144,529	£151,398	£153,166	£154,957	£156,879	£164,132	£171,517	£173,514	£1,698,144
TOTAL	-£137,792	-£134,554	-£131,694	-£122,436	-£104,961	-£104,500	-£105,804	-£106,269	-£111,067	-£115,953	-£115,406	-£1,290,437
Variance from Baseline	£11,325	£12,305	£12,320	£14,290	£19,810	£20,366	£20,634	£21,094	£21,698	£22,312	£22,936	£199,090

Appendix C

Cafe Case Studies

Case studies for Cafe Operation at Brinton Park

A number of cafes were visited to scope out what is feasible at Brinton Park.

Mary Stevens Park

Park visitor numbers: 1 million per annum.

Café - turnover: Commercial operator so information not available.

Café – staffing: Commercial operator so information not available. However visiting on busy days has shown this cafe has up to 4 members staff. Open 7 days per week 8am-6pm in the summer.

Cafe offer

- hot & cold drinks
- cakes, biscuits
- toast, tea cakes
- sandwiches & wraps - £4.95
- paninis, pancakes & bagels - £4.95 - £5.95
- homemade soup - £3.95
- Jacket potatoes - £6.95
- Children's meals - £2.25

All good range of vegetarian, vegan and gluten free options.

Café design

Approx. 40 indoor covers, offer up to 80 external covers. Limited outdoor shelter.

Simple galley style design.

Wyre Forest Leisure Centre - Places Leisure

Leisure Centre visitor numbers

Approx. 600,000 per annum. (April visitor numbers were slightly down on usual numbers at 43,746 (usually around 50,000) per month).

Café - turnover

The (former) Glades café took around £80 to £100 per day and was felt to be in the wrong place in the building and struggled to make any money at all. The new café makes £500-£800 per day on most days (this equates to 100-200 separate purchases) with £1200-£1500 on Saturdays. Average spend is £4.40.

Café – staffing

The Glades café was double staffed and did cooked food. Staffing at the current café is on a shift basis linked to demand and the wider visitor numbers / activity programme in the leisure centre. Cafe hours are largely manned by 1 member of staff across two shifts a day. Quiet times (between 1.30 and 3.30) are covered by reception staff with busy times requiring two members of staff.

- Weekdays: 8.30 to 1.30 & 3.30 to 8.30
- Saturdays: 7.30 to 12.30, 9-2, 2-6
- Holidays: Extra 12-4 shift to help out

The café is located immediately adjacent to the reception and effectively shares a continuous counter so all front of house staff are double trained – this is how the week day 1.30 to 3.30 periods are covered (i.e. reception staff handle the café as well).

Cafe offer

- hot & cold drinks
- hot & cold sandwiches
- smoothies, slushies
- cakes, biscuits
- toast, tea cakes

They are thinking about offering more gluten free, vegetarian and vegan items as demand for such options is increasing.

A decision was made not to cook / prepare any food on site. Everything is brought in pre-prepared and pre-packed. Everything is disposable (not very environmentally friendly) so that there is no washing up, no dishwasher, no need for crockery storage etc.

It was also decided not to have a barrista style coffee offer as this is not only expensive (machine / equipment costs) but also means a member of staff cannot be as efficient and could mean additional staffing for a small margin. Coffee is still the biggest profit margin item.

Suppliers are negotiated as part of wider Places Leisure purchasing (120 leisure centres) so they use bigger companies like Brakes catering and Adelie sandwiches (both in Tamworth).

Café design

Approx. 40 indoor covers. There is currently no outdoor seating but the team are considering that for summer 2019.

Simple galley style design (see photo) linked to reception.



Front of house: 2 coffee machines, panini type toaster, slushie & smoothie makers, cooling display cabinet, small fridge for milk. Back room is a single store room with 5x4m with racking, two sinks, draining board and hand basin, loose shelving trolleys, 3 fridges and 1 freezer.

CFP calculations

Conversion rate

£500 - £800 per day on weekdays at an average £4.40 spend is 113 to 181 person sales per day (weekdays and Sundays). £1200-£1400 on Saturdays at an average £4.40 spend is 272 to 318 person sales per day in 10.5 hours of opening.

If the centre has 50,000 per month that equates to around 1666 persons per day.

- $113/1666 = 6.8\%$ conversion rate
- $181/1666 = 10.9\%$ conversion rate

Turnover

So assuming weekdays and Sundays are £500- £800 x 52 x 6 = £156,000 to £249,600 per year.

Plus Saturdays £1200-£1400 x 52 = £62,400 to £72,800.

Range is £218,400 to £322,400 (could do with knowing the approx. actual turnover per year) (– this would give approx. 36p to 53p per leisure centre visitor spent in the café, compare this with 50p at Bewdley Museum).

Wyre Forest DC Bewdley Museum

Museum visitor numbers

Approx. 204,000 pa. March alone was 25,500

Café - turnover

Approx. £120,000 per annum

Café – staffing

Commercial operator so information not available. However on an extremely wet March week day with only 4 customers there were 4 staff. Open 7 days per week for 10 months of the year.

Cafe offer

Range of meals prepared on site including Sunday lunches. Extensive menu (breakfast, lunches, snacks, high teas). Cooked meals also evenings for museum event catering.

Café design

Small fully fitted catering kitchen and preparation area.

All outside seating under marquee with heaters.

Café – operating model

Tendered by the Museum with an emphasis on innovation and quality. 60% quality 40% price.

WFDC has 3% of takings.

CFP calculations

Conversion rate

Difficult to work out conversion rate without till information however in March

- Museum visitor numbers 25,500
- Cafe takings £14,500

With a (CFP) estimated average spend of say £3.50 would equate to 4142 person visits so that is about 16%.

Turnover

Approx. £120,000 per annum.

Museum look for £1.50 per head secondary spend – either in café or museum shop.

Estimated average café spend per museum visit (based on March only).

- Museum visitor numbers 25,500
- Cafe takings £14,500

About 57p per museum visitor

Boultham Park Cafe

Café – staffing

Cafe is operated by a charity working with young people with learning disabilities.

Adult supervision of students to operate the cafe.

Cafe offer

- hot & cold drinks
- Homemade sandwiches inc bacon/sausage
- homemade cakes, biscuits
- light lunches, baked potatoes, salads, quiches

Café design

Large kitchen to accommodate wheelchairs.

40 covers inside and up to 40 outside

Headstone Manor Park Cafe

Café – staffing

1 member of staff most times, 2 in peak periods.

Café design

Similar set up to WFLC.

Cafe offer

- Hot and cold drinks – but with barista machine with porcelain tableware
- Pre packed sandwiches hot and cold
- Cakes, ice creams

Meeting with Dale Wild (Commercial), Birmingham City Council

The cafe location is key. Cafe's in parks can become destination venues or act parasitically on footfall. The cafe must be sited on a red route of footfall as to be financially viable the cafe needs to be busy.

There are some primary considerations:

- Car parking is a huge issue. Parent and child car parking spaces are popular.
- Cycle racks are a must.
- The type of audience you bring in – young children and mums aren't necessarily compatible with the elderly.
- The location of the cafe – the ergonomics and design of how you are going to get there.
- What proportion of people pass the entrance to the cafe? Is it located on a main thoroughfare?
- What categories of people use the cafe? Derive the strike rate, spend per head will depend on the category of people you are serving. They will occupy the space in the café for different amounts of time. Convert the passing trade.
- Dog walkers are important category. Make sure they are considered – bowls of fresh water – inside outside the cafe. Different times they use the cafe...special offers, loyalty cards.
- Cafes in parks are dependent on the weather. Good weather affects business as usual. On busy days capitalise on increased footfall. Change the offer when the weather improves and offer a Grab and Go menu. Utilise the outside space in good weather. Have sails and shade and create natural drafting for children, dogs, and elderly to get out of the sun.
- The menu is key.
- Completely alter the way you do food in summer – satellite units outside – ice cream and cold drinks. Separate these customers from queuing ones. Set up a kiosk for ice cream and cold drinks.

Avoid constant overheads with the yield:

- F/T permanent staff drain you
- Business rates
- R & M costs
- Think about having a walk in cold room (£10,000 & 5 year guarantee) rather than 4 fridges (£700 each). A cold room is cheaper to run, more space, no doors.