

Public Document Pack



BROMSGROVE DISTRICT COUNCIL

MEETING OF THE COUNCIL

WEDNESDAY 21ST FEBRUARY 2024, AT 6.00 P.M.

PARKSIDE SUITE - PARKSIDE

SUPPLEMENTARY DOCUMENTATION 1

The attached papers were specified as "to follow" on the Agenda previously distributed relating to the above mentioned meeting.

9. **Recommendations from the Cabinet Meeting held on 14th February 2024** (to follow) (Pages 3 - 4)

Members are asked to note that under the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, the Council is required to take a named vote when a decision is made on the budget calculation at a budget decision meeting of the Council.

12. **To note the minutes of the meetings of the Cabinet held on 14th February 2024** (to follow) (Pages 5 - 26)
13. **Key Decisions - Financial Threshold** (Report to Follow) (Pages 27 - 32)

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

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

<u>Item No.</u>	<u>Paragraph(s)</u>
20	3 & 4

20. **Confidential Minutes** (Pages 33 - 34)

At the Cabinet meeting held on 14th February 2024 Members went into private session and the exempt minute for this meeting is attached for Members' consideration under this item.

S. Hanley
Chief Executive

Parkside
Market Street
BROMSGROVE
Worcestershire
B61 8DA

19th February 2024

Recommendations from the Cabinet Meeting held on 14th February 2024

Governance Systems Review

RECOMMENDED that

- 1) The proposed amendments to the Committee Terms of Reference, at Part 5 of the Constitution, in respect of special provisions as to the Chairmen of the Audit, Standards and Governance Committee and the Overview and Scrutiny Board, be approved; and
- 2) The proposed amendments to the Council Procedure Rules, at Part 8 of the Council's Constitution, in relation to the appointments of the Chairman of the Council and the Chairmen of the Audit, Standards and Governance Committee and the Overview and Scrutiny Board, be approved.

Carbon Reduction Strategy – Annual Review

RECOMMENDED that

- 1) Endorse The findings of this annual review of the Carbon Reduction Strategy be endorsed
- 2) The proposal to align Carbon Reduction Strategy measures to the Climate Action Scorecard into an accessible performance dashboard be accepted.

Non-Domestic Rates Discretionary Rate Relief Policy

RECOMMENDED that the amended Non-Domestic Rates Discretionary Relief policy be approved and adopted from 1st April 2024.

Pay Policy 2024/25

RECOMMENDED that the Pay Policy 2024/25 be approved.

Medium Term Financial Plan (including Treasury Management Strategy, Capital Strategy, Minimum Revenue Provision and Investment Strategy) (Tranche 2)

RECOMMENDED the approval of

- 1) The Tranche 2 growth proposals.

- 2) The additional funding to the Council as per the final Local Government Settlement on 5th February 2024, including the estimated levels for 2024/5 and 2025/6.
- 3) The Tranche 2 savings proposals, including an increase of Council Tax of 2.99%.
- 4) The updated five year Capital Programme 2024/5 to 2028/29 along with its ongoing revenue costs.
- 5) The levels of Earmarked Reserve being carried forward into future years.
- 6) That a new Earmarked Reserve for Ward Budgets be set up and £234k allocated to it.
- 7) That a new Regeneration Reserve to seed fund projects linked to district wide capital regeneration priorities be set up for £150,000.
- 8) The level of General Fund balances following additions from the 2024/5 MTFP.
- 9) Members take account of any feedback from the Tranche 2 consultation process undertaken.

Termination of shared service arrangement: North Worcestershire Economic Development and Regeneration

RECOMMENDED that an additional budget of £72,836 be approved for the new structure.

Parking Enforcement Service Level Agreement

RECOMMENDED that

- 1) **An increased budget of £60K for Car Parking be included in the Medium-Term Financial Plan from April 2024.**
- 2) **A one off budget of £50K be included in the MTFP to fund the proposed work.**

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

WEDNESDAY 14TH FEBRUARY 2024, AT 6.00 P.M.

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

Observers: Councillor R. J. Hunter, Councillor P. M. McDonald, Councillor S.T. Nock and Councillor J.W. Robinson

Officers: Mrs. S. Hanley, Mr P. Carpenter, Mr. G. Revans, Mrs. C. Felton, Mrs. R. Bamford, Mr S. Parry, Ms J. Willis, Mr J. Cochrane, Mr. M. Dunphy, Mr. M. Eccles, Ms. M. Worsfold and Mrs J. Gresham

67/23 **TO RECEIVE APOLOGIES FOR ABSENCE**

There were no apologies for absence.

68/23 **DECLARATIONS OF INTEREST**

Councillor S. Colella declared an Other Disclosable Interest in his role as Chairman of Hagley Community Centre and as a Parish Councillor for Hagley in relation to Agenda Item Number 8, Minute Number 74/23 Non-Domestic Rates – Discretionary Rate Relief Policy.

Councillor K. Taylor declared an Other Disclosable Interest as a small business owner in relation to Agenda Item Number 8, Minute Number 74/23 Non-Domestic Rates – Discretionary Rate Relief Policy.

It was confirmed by the Monitoring Officer that all Members present had a standing dispensation in respect of Agenda Item Number 8, Minute Number 74/23 – Non-Domestic Rates – Discretionary Rate Relief Policy which was granted at the Audit, Standards and Governance Committee meeting on 1st June 2023.

Councillor S. J. Baxter declared an Other Disclosable Interest in her role as Trustee and Chair of Wythall Community Association including Wythall Park), in relation to Agenda Item Number 6, Minute Number 72/23 – Playing Pitch Strategy. Following consultation with the

Monitoring Officer, it was agreed that although Councillor Baxter was a trustee of Wythall Community Association there were no financial implications contained within the Playing Pitch Strategy report. Therefore, it was decided that Councillor Baxter could remain in the meeting and take part in the vote thereon.

Councillor K. Taylor declared an Other Disclosable Interest as family members were members of Bromsgrove Cricket, Hockey and Tennis and Hockey Club in relation to Agenda Item Number 6, Minute Number 72/23 – Playing Pitch Strategy.

Councillor S. Webb declared an Other Disclosable Interest as a community member for Catshill Village Meadow in relation to Agenda Item Number 6 Minute Number, Minute Number 72/23 – Playing Pitch Strategy.

Councillors S. Baxter and K. May declared an Other Disclosable Interest as they were carers of family members who were Blue Badge Holders in relation to Agenda Item Number 10, Minute Number 77/23 - Medium Term Financial Plan 2024/25 to 2026/27 (including Worcestershire Regulatory Services Board Recommendations, Treasury Management Strategy, Capital Strategy, Minimum Revenue Provision and Investment Strategy (Tranche 2)

Councillor K. Taylor declared an Other Disclosable Interest as Chairman of the Hereford and Worcestershire Fire Authority in relation Agenda Item Number 15, Minute Number 81/23 - Levelling Up Funding Update

Councillor C. Hotham informed Cabinet that a local resident, Mr. C. Banner K.C. had recently been ennobled as Baron Banner of Barnt Green. However, would be known as Lord Banner. Members congratulated Lord Banner on this appointment.

69/23

TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING OF THE CABINET HELD ON 17TH JANUARY 2024

The minutes from the Cabinet meeting held on 17th January 2024 were submitted for Members' consideration.

RESOLVED that the minutes from the Cabinet meeting held on 17th January 2024 be approved as a true and accurate record.

70/23

REFERRALS FROM THE OVERVIEW AND SCRUTINY BOARD

The Chairman of the Overview and Scrutiny Board provided a verbal update in respect of the Governance Systems Review which had taken place earlier in the municipal year. It was noted that a report had been considered at a meeting of the Board that took place on 12th February 2024. During the update it was noted that the recommendations reflected the wishes of Full Council.

The Monitoring Officer also provided further clarification on this matter and explained that the recommendations made by the Overview and Scrutiny Board were in respect of the relevant Parts of the Council's Constitution and dealt with the future appointment to the roles of the Chairman of the Council, the Chairman of the Overview and Scrutiny Board and the Chairman of Audit, Standards and Governance Committee. It was recommended that, where possible, the above roles would not be allocated to Members of the controlling group of the Council.

In addition to the above, the Chairman of the Overview and Scrutiny Board explained that at its meeting on 12th February 2024, the Board had agreed to initiate a Task Group in respect of Preparing for Extreme Heat Events. This Task Group request had been received by the Board following the Notice of Motion submitted at the Council meeting held on 24th January 2024.

During consideration of this item, it was requested that, as the Overview and Scrutiny Board had not had the opportunity to pre-scrutinise the Bromsgrove Local Heritage List report, it be deferred. It was confirmed that the report would be considered at the next meeting of the Overview and Scrutiny Board on 11th March 2024 prior to its consideration at the Cabinet meeting on 13th March 2023. Members thanked the Strategic Planning Officer and the Principal Conservation Officer for their attendance at the Cabinet meeting.

RECOMMENDED that

- 1) The proposed amendments to the Committee Terms of Reference, at Part 5 of the Constitution, in respect of special provisions as to the Chairmen of the Audit, Standards and Governance Committee and the Overview and Scrutiny Board, be approved; and

- 2) The proposed amendments to the Council Procedure Rules, at Part 8 of the Council's Constitution, in relation to the appointments of the Chairman of the Council and the Chairmen of the Audit, Standards and Governance Committee and the Overview and Scrutiny Board, be approved.

71/23

BROMSGROVE LOCAL HERITAGE LIST

Subject to the preamble at Minute Number 70/23 this item was deferred.

72/23

PLAYING PITCH STRATEGY

The Development Services Manager presented the Playing Pitch Strategy for Members' consideration. In doing so, the following was highlighted:

- The Leisure and Culture Strategy had previously been approved by Members in Autumn 2022 and set out the direction of travel for Leisure and Culture Services. Included in that Strategy was the following supporting evidence:
 - o Arts and Culture Strategy
 - o Parks and Open Spaces Strategy
 - o Built Facility Strategy
- The Playing Pitch Strategy was an assessment of the quality and quantity of existing playing pitch provision in Bromsgrove District. It also provided an analysis of the accessibility of playing pitch provision along with the evidence required to confirm both current and future demand for playing pitches between now and 2040.
- Both Officers and an external consultant had carried out the assessment of playing pitch provision within the District.

Following the presentation of the report, Officers were thanked for their hard work on this detailed and lengthy report. It was requested that in any future reports of this type that the recommendations be presented in a clearer and more 'user friendly' way.

Members were informed that the Overview and Scrutiny Board had pre-scrutinised this report at its meeting on 12th February 2024. At this meeting, some Members had queried some playing pitches in Rubery. It was noted that although goal posts at the playing fields at Waseley Hills were to be installed this would not necessarily result in them being classed as playing pitches.

Some Members commented that it would be useful in future to consult with Ward Members for strategies such as this. This consultation could provide more detailed information and context, particularly as private playing pitches were also included in the Strategy. Officers clarified that some pitches assessed were for private use only however, they had still been included in the Strategy as they provided playing pitch provision within the communities across the District. In terms of Planning, this helped to feed into the understanding of future supply and demand across the District. Officers also confirmed that work was being undertaken with those privately used pitches to assess whether they could also be used for community use.

RESOLVED that

- 1) The Playing Pitch Strategy be endorsed
- 2) That delegated responsibility be granted to the Head of Planning, Regeneration and Leisure following consultation with the Portfolio Holder for Leisure, Culture and Climate Change to implement the following recommendations contained within the Playing Pitch Strategy Executive Summary - 1.1, 2.1, 3.1, 3.3, 3.4, 5.1, 6.1, 6.3, 7.1, 7.2, 8.1, 8.3, 8.5

73/23

CARBON REDUCTION STRATEGY ANNUAL REVIEW

The Climate Change Manager presented the Carbon Reduction Strategy Annual Review. In doing so, the following was highlighted for Members' information:

- There had been several highlights over the previous year in terms of the delivery of the Carbon Reduction Strategy. These included the following:
 1. LAD3 delivery on 12 low-income homes within the District.
 2. A move to remote working and meeting by Council staff which had reduced staff mileage by 41% for 2023.
 3. The recruitment to the role of the new Climate Change Manager which assisted the Council's pledge to be operational at net zero by 2040.
 4. A review of Hydrogenated Vegetable Oil (HVO) use on fleet vehicles to help inform further bids for conversion to HVO for large fleet vehicles in future years.

5. A contract had been signed with Zest for the installation of Electric Vehicle (EV) chargers across car parks in the District.

In terms of the progress on measures included within the Carbon Reduction Strategy it was noted that Officers would continue to assess low carbon fleet fuel options such as HVO for future bids. Particularly as the use of HVO was not considered the long term option but the best option at this time. Officers confirmed that the Council would endeavour to source HVO from recycled sources to ensure that Climate Change was kept to a minimum.

Another measure that had seen progress since Members endorsed the Carbon Reduction Strategy in October 2022 was in the support for Bromsgrove District Housing Trust (BDHT) to apply for funding to improve efficiency of housing stock within the District. There had already been a successful bid made and the delivery of the resulting work was underway. Further bids would be made when the next wave of funding became available at the end of 2025.

Cabinet was informed that some of the measures were concerned with energy efficiency and the reduction of energy consumption within the Council's buildings. Work had already been undertaken in this area and the solar panels had been fitted and were operational at Parkside, along with LED lighting upgrades in Bromsgrove Library and at the Aston Fields depot.

At Bromsgrove Sports and Leisure Centre bids were also being submitted to enable energy efficiency upgrades in this building.

Additional measures that were highlighted were as follows:

- Commercial partners were being sought in respect of the Bromsgrove District Heat Network partnership.
- An energy audit of server rooms was due to take place in 2024.
- The further reduction staff travel and increased use of video conferencing.
- A reduction to the Council's paper waste by offering papers electronically to Members and Officers.
- Implementation of the recommendations of the 2020 report for the 'grey fleet' which included plans across all service areas of the Council.

Members were informed that there were recommendations included within the report that would be implemented during year two of the Strategy. These were as follows:

- Development of a performance dashboard to improve monitoring of progress of the Strategy.
- Progress on measures within the Strategy that had currently made the least progress.
- Continued monitoring of Government policy and announcements that impacted upon delivery of the Strategy.

Following the presentation of the report, Members thanked the Officers for their comprehensive report and agreed that the reigns of this Strategy had been picked up effectively and continued work would be undertaken with Carbon Literacy Training and Cabinet Member Surgeries. It was commented that the implementation of the performance measures dashboard would certainly identify progress and areas of improvement within the Strategy over the coming years.

Although it was noted that there was a need to reduce the Council's reliance on paper documentation, particularly in the production of Council agendas, some Members commented that there would need to be a culture change as some Members preferred receiving paper copies of agendas. However, it was requested that Members use the electronic version of papers where possible and that paper versions of agendas be retained and also reused where possible.

Members queried the progression of the District Heat Network as this was considered as a priority in terms of the reduction of carbon within Bromsgrove. Several options were discussed in terms of the potential site of the network including the site at Windsor Street. Officers explained that a District Heat Network report was to be considered at the Cabinet meeting due to take place in June 2024 and these areas could be investigated as part of the preparation of the report.

Cabinet welcomed the introduction of the performance measures dashboard and requested that this be accompanied by a Red, Amber, Green (RAG) status which quickly identified areas of improvement and success.

RECOMMENDED that the Council

- 1) Endorse the findings of this annual review of the Carbon Reduction Strategy

- 2) Accept the proposal to align Carbon Reduction Strategy measures to the Climate Action Scorecard into an accessible performance dashboard.

74/23

NON-DOMESTIC RATES DISCRETIONARY RATE RELIEF POLICY

The Deputy Chief Executive presented the Non-Domestic Rates Discretionary Rate Relief report. During the presentation the following was highlighted for Members' attention:

- This was a 'sister' policy of the Council Tax Discretionary Council Tax Reduction Policy that had been considered by Cabinet on 17th January 2024 and subsequently agreed by Full Council on 24th January 2024.
- That Section 47 of The Local Government Finance Act 1988 [the act] provided Local Authorities with the power to award discretionary rate relief.
- The Council had awarded approximately £3.1m of Government funded Section 31 funding since the start of Covid-19. Most of which had been awarded to the retail and hospitality sectors.

It was confirmed that the Policy that was presented had not been changed other than when relief could be awarded, which the Council could set. The proposed changes were as follows:

- a) The application for relief was made and determined within 6 months of the end of that financial year; and
- b) Where a hereditament was entered into the rating list for the first time and an application for relief was made within 3 months of the hereditament entering the rating list.

It was reported that this was an important policy that would help protect the Council having to back fund changes over previous years.

This report had been pre-scrutinised by the Finance and Budget Working Group when a number of areas had been raised as follows:

- 1) *What was the actual definition of "Rural"?*

Rural Rate Relief was available for properties which were within rural settlements as identified in the authority's rural settlement list. A rural settlement was one wholly or partly within the authority's area, which had a population of less than 3,000, and was within a rural area as designated by the Secretary of State.

Rural areas were designated in The Non-Domestic Rating (Rural Settlements) (England) Order 1997 – defined rural areas as those areas identified within: The Housing (Right to Acquire or Enfranchise) (Designated Rural Areas in the West Midlands) Order 1997.

Relevant areas within Bromsgrove District were whole Parishes of Belbroughton, Bentley Pauncefoot, Beoley, Dodford with Grafton, Hunnington, Tutnall and Cobley.

Specific Areas within the Parish reference by Maps were Alvechurch, Clent, Frankley, Romsley, Stoke Prior, Wythall and the unparished area (bounded by the parishes of Cofton Hackett, Alvechurch, Tutnall Cobley, Stoke Prior, Dodford with Grafton, Belbroughton, Romsley; and by the borough constituency of Birmingham Northfield in the West Midlands.

The Non-Domestic Rating (Rural Settlements) (England) Order 1998 were identified as Finstall.

There were no relevant areas for Bromsgrove District Council in respect of Non-Domestic Rating (Rural Settlements) (England) (No. 2) Order 1998

The Non-Domestic Rating (Rural Settlements) (England) Order 1999 were identified as Barnt Green, Bourneheath, Catshill and Lickey.

- 2) *The word “Mainly” was used in the Policy – what was meant by mainly?*

The phrase “wholly or mainly used” referred to the use of the premises.

Mainly was usually considered to be more than half – so for example where a charity shop was required to be used wholly or mainly for the sale of goods donated to the charity the expectation would be that all of the goods were donated (wholly) or more than 50% of the goods were donated (mainly).

In some cases, the “wholly or mainly” test also considered the extent of, or actual use of a property, for example a large four storey building where the top three floors were left vacant and the

bottom floor was occupied by a charity and used for charitable purposes would not be considered to be “wholly or mainly” used for charitable purposes as the property is “mainly” unoccupied and not in use.

Members requested that the above explanation be provided in a supplementary papers pack for the Full Council meeting due to take place on 21st February 2024 when this report was to be considered.

RECOMMENDED that

the amended Non-Domestic Rates Discretionary Relief policy be approved and adopted from 1st April 2024.

75/23

PAY POLICY 2024/24

The Deputy Chief Executive presented the Pay Policy 2024/25 report for Cabinet’s consideration.

Members were informed that the Localism Act required English and Welsh Local Authorities to produce a Pay Policy statement which needed to be approved by Full Council on an annual basis. The Pay Policy Statement needed to set out the following:

- (a) The remuneration of its Chief Officers,
- (b) The remuneration of its lowest-paid employees, and
- (c) The relationship between-
 - (i) The remuneration of its chief officers, and
 - (ii) The remuneration of its employees who were not chief officers.

Members were reminded that Council Officers did not receive any bonuses as part of their pay.

RECOMMENDED that

the Pay Policy 2024/2025 be approved.

76/23

PARKING MANAGEMENT AND ENFORCEMENT SERVICE LEVEL AGREEMENT

It was agreed that the above report be considered prior to the Medium Term Financial Plan 24/25 to 2025/26 report as the outcomes of the recommendations contained within the Parking Management and

Enforcement Service Level Agreement report may need to be considered as part of the Medium Term Financial Plan item.

The Interim Head of Environmental Services presented the Parking Management and Enforcement Service Level Agreement report for Members consideration. In doing so the following was highlighted:

- Wychavon District Council had been contracted under a Service Level Agreement (SLA) to manage the Parking Service on behalf of the Council for a ten year period. Over which time an excellent working relationship had been developed. The current SLA came to end at the end of the 2022/23 financial year and was currently being operated in a month by month basis. This was unsustainable for a number of reasons.
- The Overview and Scrutiny Board had looked at this report in detail and after this consideration it was thought that a strategic assessment was required in order to determine what requirements were needed.

Members thanked Wychavon District Council for their work throughout the period of the SLA noting that evolving needs for the Council had resulted in the extension not being for the proposed full five years term.

RESOLVED that

- 1) A strategic review of requirements for parking services including on and off street enforcement, be undertaken. This review would provide a Business Case based on options that would consider agreement of a longer-term SLA with WDC, tendering all or part of the service, in house delivery of the service or other options to be brought back to Cabinet for further consideration.
- 2) Delegation be given to the Interim Head of Environmental and Housing Property Services following consultation with the Portfolio Holder for Economic Development and Regeneration, and the Head of Legal, Democratic Services and Property Services to agree a shorter-term (18 month) SLA with WDC with an appropriate end/term to enable recommendation 4 to take place.

RECOMMENDED that

- 1) An increased budget of £60K for Car Parking be included in the Medium-Term Financial Plan from April 2024.

- 2) Subject to agreement of resolution 1 above, a one off budget of £50K be included in the MTFP to fund the proposed work.

77/23

MEDIUM TERM FINANCIAL PLAN 2024/25 TO 2026/27 (INCLUDING WORCESTERSHIRE REGULATORY SERVICES BOARD RECOMMENDATIONS, TREASURY MANAGEMENT STRATEGY, CAPITAL STRATEGY, MINIMUM REVENUE PROVISION AND INVESTMENT STRATEGY (TRANCHE 2)

The Deputy Chief Executive presented the Medium Term Financial Plan 2024/25 to 2026/27 (Including Worcestershire Regulatory Services Board Recommendations, Treasury Management Strategy, Capital Strategy, Minimum Revenue Provision and Investment Strategy (Tranche 2) for Cabinet's consideration.

It was reported that the Council had set the budget in two Tranches as had been done in the previous 2023/24 financial year. The first Tranche had been approved by Full Council in Autumn 2023. Due to the timing of the second Tranche, Officers had been able to take in to account the final Local Government Settlement figure which had been confirmed in December 2023.

Members were reminded that, at Tranche one, the Council's Revenue position had a projected overall deficit of £795,000 of pressures to mitigate. It was reported that this deficit had now been mitigated and at Tranche two a £27,000 surplus was forecast.

The financial settlement, which had been confirmed on 18th December 2023 by the Government, had allowed the following opportunities for additional funding to be considered. These opportunities included:

- Increasing Council Tax from 1.99 per cent to 2.99 per cent resulting in additional funding of £91,000.
- Increasing Planning fees for small applications by 25 per cent and other applications by 35 per cent. This would recoup £145,000 at present activity levels.
- Additional Business Rates Income, linked to the Local Government Settlement and also being in the Worcestershire and Herefordshire Business Rates Pool of grant funding of £427,000.

By February 2024, the Council fully understood the implications of the 2023/23 and 2023/24 pay awards to staff following the pay award

implementation in December 2023. As a result of this clearer picture, £125,000 could be released from the 2023/24 Pay Award contingency budget which had been approved as part of the Tranche one budget setting process.

Members were advised that were additional pressures amounting to £649,000 that would need to be accounted for. The pressures were highlighted as follows:

- Increase in staffing numbers in Worcestershire Regulatory Services (WRS) due to higher levels of Food Safety compliance testing requirements by the Food Standards Agency at a cost of £33,000.
- Increased Parking SLA charges with Wychavon District Council to take account of staffing cost increases over the past two years at a cost of £60,000.
- The use of WRS Officers for Planning and Environmental Enforcement case at a cost of £85,000
- A Play Audits and Investment Strategy and associated revenue cost implications. These estimated revenue costs were expected to start at £10,000 rising to £50,000.
- A Housing Strategy Review at a cost of £71,000
- The cost of additional Committee support of £40,000 which was approved by Council in September 2023, as part of the Governance Review.
- Following the approach from Wyre Forest to disband the North Worcestershire Economic Development and Regeneration (NWEDR) service, Officers had been working on the exit agreement to ensure that Bromsgrove was protected from any claims brought as a result of the break-up of the service and any decisions made by NWEDR prior to the split. Members were reminded that a separate report was due to be considered by Cabinet at this meeting. The proposed increased costs for the Council were £72,000.
- In light of the Local Government Settlement, although there was a significant increase in Business Rates income, there was a small £30,000 reduction in Grant income compared to budget.
- The yearly Independent Remuneration Panel recommendations which were due to be considered at Full Council on 21st February 2024 and the impact of accepting their recommendations was £33,000.

Agenda Item 12

Cabinet
14th February 2024

- Funding for the Citizens Advice Bureau (CAB) would be put back to a level of £10,000 of funding. This amount had been reduced in 2020/21 Budget. This proposed level put back the £10,000 of funding reduced over the past four years.
- As recommended earlier at this meeting in respect of the administration of Parking, a full District wide review of the function be implemented (following agreement with Full Council). This would result in a one off cost of £50,000 and had been included in the 2024/5 financial year for this review.
- Although 3% was now included for the 2024/5 Local Government Pay Award, and inflation was now at 4% as at December 2023. It was noted that Local Government negotiations were just about to start with the Unions in March 2024. Therefore, it was prudent to increase the Pay Award to this level, at a cost of an additional £154,000 a year.
- That £150,000 be transferred to an Earmarked Reserve in order to seed fund approved District wide Capital Regeneration priorities.
- That an ongoing capital budget of £20,000 be set up for Landlord obligations for The Artrix, with revenue impacts being £1,000, £3,000 and £5,000 in the initial three years.

Cabinet was asked to note that on 23rd January 2024, the Government announced additional measures for Local Authorities worth £600m. As part of these measures, the Government were asking Local Authorities to produce productivity plans which set out how to improve service performance and ensure every area is making best use of taxpayers' money. The Government would monitor these plans, and future funding Settlements would be informed by performance against these plans. The magnitude of these additional sums will not be confirmed by the Government until early February 2024, however initial estimates indication that Bromsgrove would benefit by £126,000.

In addition to this, it was reported that the departmental changes as highlighted above would result in an overall £42,000 surplus in the 2024/5 with slight deficits of £8,000 and then £7,000 in the following two years.

At present the General Fund sat at a value of £5.708m (taking account of the Tranche 2 position) at 31st March 2027. This sum being approximately 14.5% of gross expenditure and above the

5% benchmark quoted by the Government as being a minimum requirement. If Housing Benefit payments, which were passported through the Council were ignored then this percentage rose to 23.1% of expenditure.

Officers explained that there was a proposal to set up an earmarked Reserve, following discussion at Bromsgrove Overview and Scrutiny Committee on 16th January 2024. The proposal was that this reserve be earmarked for a Pilot scheme allowing individual ward members £2,000 per year for appropriate allocation, at a total cost of £62,000 a year. Along with the estimated administration costs of £16,000 a year, the proposed Members' Ward Budget Pilot would be at an annual cost of £78,000, or £234,000 over the three year period. Further details of this scheme were provided to Members in an appendix to the main report.

Significant Council spending continued to be the Fleet Replacement Programme. However, it was noted that this was slipping into the future due to the delays experienced in the confirmation of the Government's final Environment Bill and confirmation of the type of vehicles required after 2030. The Council had applied for an extension to its Levelling Up funding for the Market Hall development following conversations with Department for Levelling Up Housing & Communities (DLUHC). This was provisionally approved by DLUHC on 5th February 2024 and would result in the deadline for completion of use of Levelling Up Funding as being September 2025 rather than March 2025.

A number of additional Capital Bids were approved in Tranche one of the budget. Given that the Council moved to a five year ongoing Capital Programme Members were informed that the key additions/changes were as follows:

- Fleet replacement was backed up by a full listing of all assets.
- Wheely bin purchases were set at £120,000 a year. This would be reviewed over the next financial year.
- A bus shelter budget be reinstated at £18,000 a year.
- Significant investment was required in ICT to ensure this core enabling service was kept up to date. This included updating networks, Hardware and ensuring Cyber Security be continually improved.
- A £20,000 budget to fund landlord obligations of the Artrix.

It was confirmed that both the Treasury Management Strategy and Capital Strategy were closely linked and had been considered by the Audit, Standards and Governance Committee.

The Deputy Chief Executive, in his role as Section 151 Officer reported in his robustness statement that the budget was sustainable over the medium term however more would be needed to embed financial sustainability across the organisation. Furthermore, there were risks that could not be predicted at this time such as the calling of a General Election and the potential financial uncertainty this might bring. Levels of future Local Government Settlements and potential increase in pay awards for staff too remained a risk and more difficult to predict.

Following the presentation of the report Members thanked Officers for their detailed and comprehensive report of a particularly complex process. Members stated that they were pleased that the Council seemed in be such a good financial position.

There were several questions from Members including:

- Pension Fund assumptions - It was noted that the assumptions took into account the latest triennial valuation received in September 2022. It was agreed that this could be a risk if the next revaluation due to be actioned in 2026 was significantly different and as such the 2026/7 figure could well change pending the outcome of that exercise. It was therefore discussed that this review may be undertaken during the next financial year (a year earlier than anticipated) in order to mitigate any risks involved.
- The 'actual' cost impact to residents of the increase in Council Tax in the District – Members were informed that this would be approximately £9 (Band D).
- Car Parking charges – Members were pleased that a solution had been found by Officers and that no parking charges for visits under 30 minutes, no parking charges after 6.00pm and no parking charges for Blue Badge holders would be implemented as part of the Budget.

The Chairman invited Councillor R. Hunter to speak in respect of this report and in doing so he stated that he was pleased to see some of the proposals included in the MTFP. Particularly in light

of the support given by the Liberal Democrat Group in areas such as bus shelters and Blue Badge Holders previously. It was requested that further details be provided in respect of the car parking charges framework. Officers confirmed that clear signage and communications would be provided when the changes were implemented. Some Members noted that this might be useful information to have prior to the Full Council meeting on 21st February 2024.

Councillor Hunter expressed his disappointment that the Play Audit report had not been received prior to consideration of the Budget. However, it was reported that the estimated costs contained within the MTFP were set at £1m. This was based on data provided to Redditch Borough Council's Executive Committee in January 2024.

There was a detailed discussion regarding a potential increase in funding for The Artrix. It was suggested that some of the monies set aside for the proposed Ward Members Budget Pilot Scheme could be used to provide additional funding to The Artrix. It was highlighted that there needed to be more information in relation to how successful the proposed model of running of The Artrix over the next nine months had been. With a view to potentially review operations with a further business case after this nine month period had passed. Furthermore, it was stated that there needed to be significant rigour under Local Government legislation when awarding subsidies with public money and that robust and assurance be given around governance in case of any future challenge to the Council by other organisations. Members commented that although further funding was not being proposed as part of Tranche two of this Budget (with the exception of the Landlord obligations as discussed earlier at this meeting) there might be an opportunity to look at this further when Tranche one was prepared later in 2024.

Officers provided reassurance that the Ward Members Budget Pilot Scheme would have a robust governance structure and monies awarded following a rigorous process.

RECOMMENDED that

- 1) The Tranche 2 growth proposals be agreed.
- 2) The additional funding to the Council as per the final Local Government Settlement on the 5th February

- 2024, including the estimated levels for 2024/5 and 2025/6 be agreed.
- 3) The Tranche 2 savings proposals, including an increase of Council Tax of 2.99% be agreed.
 - 4) The updated five year Capital Programme 2024/5 to 2028/29 along with its ongoing revenue costs be agreed.
 - 5) The levels of Earmarked Reserve being carried forward into future years be agreed.
 - 6) That a new Earmarked Reserve for Ward Budgets be set up and £234k allocated to it.
 - 7) That a new Regeneration Reserve to seed fund projects linked to district wide capital regeneration priorities be set up for £150,000.
 - 8) The level of General Fund balances following additions from the 2024/5 MTFP be agreed.
 - 9) Members take account of any feedback from the Tranche 2 consultation process undertaken.

RESOLVED that

- 10) Members understand and accept the implications set out in the S151 Officers Robustness (S25) Statement of this 2024/25 to 2026/27 Medium Term Financial plan in moving the Council to financial sustainability.

78/23

TERMINATION OF SHARED SERVICE ARRANGEMENT: NORTH WORCESTERSHIRE ECONOMIC DEVELOPMENT AND REGENERATION

The Executive Director (Interim) presented the Termination of Shared Service Arrangement: North Worcestershire Economic Development and Regeneration report for Members' consideration. In doing so the following was highlighted:

- NWEDR was a shared service that served Bromsgrove, Redditch and Wyre Forest Councils and had successfully operated for over a decade.
- The Leader of Wyre Forest DC (WFDC) had approached the Leader of Bromsgrove DC (BDC) and Redditch BC (RBC) in August 2023 to request a mutual termination of the Collaboration Agreement which related to the Provision of Economic

Development and Regeneration Services across North Worcestershire.

- Officers from BDC and RBC (lead by the Executive Director (Interim)) and WFDC (Led by their CEO) had met regularly to draft and agree the Exit Agreement that included indemnity clauses that protected the Council from any future claims that related to staff, or commercial decisions taken by NWEDR or during the separation. The Collaboration Agreement included many similar provisions on establishing the shared service and it was inevitable that they would be mirrored in exiting that agreement.
- Subject to the agreement of the Exit Agreement it had been agreed that the mutual termination, took effect from 30 June 2024.
- Additional funding for the new structure had been included in the MTFP, discussed earlier in this meeting, at a cost of £73,000 per annum.

Following presentation of the report Members expressed that although this termination had not been anticipated it was felt that a suitable solution had been identified. This solution had been arrived at following in-depth conversations with both Members and Officers and that this was a great opportunity to continue to improve Economic Development within the District in the future.

It was noted that this report had been pre-scrutinised by the Overview and Scrutiny Board at its meeting on 12th February 2024.

RECOMMENDED that

- 1) An additional budget of £72,836 be approved for the new structure.

RESOLVED that

- 2) To agree that the Collaboration Agreement relating to the Provision of Economic Development and Regeneration Services should be terminated mutually under clause 15.1 (Determination of this Agreement), with effect from 30 June 2024 and that a new Exit Agreement be entered into;
- 3) Delegation be given to the Executive Director (interim) following consultation with the Cabinet Member for Economic Development and Regeneration, and Executive Director

Resources authority to negotiate, finalise and approve the Exit Agreement and to take any other steps that arise from the termination process.

79/23

TO CONSIDER ANY URGENT BUSINESS, DETAILS OF WHICH HAVE BEEN NOTIFIED TO THE HEAD OF LEGAL, DEMOCRATIC AND PROPERTY SERVICES PRIOR TO THE COMMENCEMENT OF THE MEETING AND WHICH THE CHAIRMAN, BY REASON OF SPECIAL CIRCUMSTANCES, CONSIDERS TO BE OF SO URGENT A NATURE THAT IT CANNOT WAIT UNTIL THE NEXT MEETING

There was no Urgent Business on this occasion.

80/23

TO CONSIDER, AND IF CONSIDERED APPROPRIATE, TO PASS THE FOLLOWING RESOLUTION TO EXCLUDE THE PUBLIC FROM THE MEETING DURING THE CONSIDERATION OF ITEM(S) OF BUSINESS CONTAINING EXEMPT INFORMATION:-

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

<u>Item No</u>	<u>Paragraph</u>
15	3

81/23

LEVELLING UP FUNDING UPDATE (EXEMPT REPORT)

The Deputy Chief Executive presented the update report in respect of Levelling Up Funding (LUF).

In doing so, it was noted that the Council had been awarded £14.1m of LUF in 2022. In addition to this, the Council had added £1.6m of its own funding, bringing the total amount of monies available for projects to £16.1m.

Members were reminded that NWEDR provided overall programme management for the Bromsgrove LUF programmes. Given the changes to this arrangement in the future, plans were to be put in place on how these programmes were to progress moving forward.

Agenda Item 12

Cabinet
14th February 2024

A Memorandum of Understanding (MoU) was to be signed with Worcestershire County Council (WCC) to undertake the Public Realm works.

Officers reminded Members that the Planning application for the Market Hall site was to be considered at the Planning meeting due to take place on 19th February 2024.

The present plan for the Market Hall site would result in a construction completion date of September 2025, which was six months after the present deadline for spending of any Government LUF Grant. The Council had been in communication with DLUHC and sought a six month extension to this project. This was provisionally approved by DLUHC on 5th February 2024.

It was noted that this report had been pre-scrutinised by the Overview and Scrutiny Board at its meeting on 12th February 2024. At this meeting, the Board agreed that they would include a monthly update in respect of LUF on its Work Programme.

The Chairman invited Councillor S. Nock to speak on this matter, in his role as Vice-Chairman of the Overview and Scrutiny Board.

RESOLVED to note the report.

(During consideration of this item, Members discussed matters that necessitated the disclosure of exempt information. It was therefore agreed to move to exclude the press and public prior to any debate on the grounds that information would be revealed Information relating to the financial or business affairs of any particular person (including the authority holding that information).

The meeting closed at 8.10 p.m.

Chairman

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BROMSGROVE DISTRICT COUNCIL

Council 21st February 2024

Increase in Key Decision Levels from £50k to £200k

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

1. **SUMMARY**

This report came to Council for Approval in July and detailed that there are significant changes to procurement requirements that will come into force on the 1st April 2024. Part of this report requested a raising of the Key Decision limit from £50,000 to £200,000, however this was deferred and more information requested. This report contains that additional information.

2. **RECOMMENDATIONS**

Council are recommended to approve that:

- **The Key Decision threshold is raised to £200k.**

3. **KEY ISSUES**

Introduction

- 3.1 Key Decisions are those executive (Cabinet) decisions which are likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function to which the decision relates.
- 3.2 Members, at the Council meeting in July 2023, were informed that Part 6 of the Constitution contained the Officer Scheme of Delegation. The Scheme of Delegation set out what decisions were delegated to Officers. The Council's Constitution set out that from a financial basis a 'Key Decision' was any item that had a combined financial spend (either as a single item or for the length of the contract) of £50,000 or more. This, it was clarified, included Revenue, Capital and Section 106 allocations.

BROMSGROVE DISTRICT COUNCIL

Council 21st February 2024

- 3.3 Notice needed to be provided by the Council in respect of any Key Decisions due to be taken and this was achieved at the Council through the publication of forthcoming items of business on the Cabinet Work Programme. Once this had taken place Cabinet decisions were actioned via a Cabinet Report and decisions delegated to Officers were actioned and further publicised through Officer Decision notice.
- 3.4 Following presentation of the report in July, Members discussed the proposals. Although Members understood the need to potentially raise the Key Decision threshold due to the nature of some of the contracts within the Council, £200k was deemed too high by some Members and it was requested that the increase be in line with inflation. Given that the changes did not need to be implemented until 1st April 2024, it was requested that this item be deferred and that all Members be provided with further information on the changes and the procurement process going forward.

The Updated Position

- 3.5 A meeting took place with a panel of Members on the 7th February to review additional information supplied. At this meeting a further set of information was requested and this was circulated to Members on the 12th February. Following the addition of this information, the request for the change of the Key Decision Level has now been referred back to Council for approval.
- 3.6 **The additional information requested was how many more man hours of work were required at the £50k level to the £200k level. – this needed quantification to ensure members were making an informed decision.**
- 3.7 The present Contracts Register has 28 Contracts over £200k and 48 between £50k and £200k which relate either directly to Bromsgrove or by a shared nature with Redditch.
- The numbers above suggest circa 8 Key Decisions a year and 12 Lower level decisions at the £200k threshold.
 - This equates to out of an available 220 officer days:
 - 120 days to support Contracts over £200k a year.
 - 36 days to support Contracts between £50k and £200k.
 - 50 days for Compliance work, giving procurement advice and reviewing documentation, pre contract work, assisting departments with overall procurement plans, etc
 - 16 days to update rules and train staff and Members (in March).
- 3.8 If we were to move this so that contracts between £50k and £200k had the same amount of vetting as the new £200k threshold, then an additional 144 days would be required which is almost 2/3 of an FTE.

BROMSGROVE DISTRICT COUNCIL

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- 3.9 BDC direct spend overall is fairly low and does not need the input of the procurement team all the time as spend is in the lower quotation threshold. However, a number of contracts procured through Redditch do impact directly on Bromsgrove.
- The Council procures most of its goods/services through Framework Contracts on which the contractors have already been heavily vetted. The Council does not have the resources to individually undertake its own procurements. The logic of the increase to £200k is that contract lengths using GCloud, as an example of a framework provider, can be up to 4 years. As such this is the existing £50K limit expanded to the full term of revenue contracts. This new threshold will apply to all classes of delegated decision.
 - These joint contracts, lead to time and costs savings as duplicate procurements for both Councils are not required.
 - For larger contracts that require complex support regarding T&C we utilise external legal firms.
 - We explore framework contracts that are already in place first before we tender ourselves to see if a suitable solution is available. This considerably reduces the need for significant intervention from Procurement and Legals Services.
 - Presently we have a commercial procurement team that consists of one Lawyer and One Procurement Officer.
 - A typical larger procurement will need up to possibly 2-3 weeks of support. Smaller procurements will require support in high level compliance checking of a couple of days. In addition to this these officers undertake procurement training, ensure the contracts register is up to date, update procurement rules and strategy, and help with departmental procurement advice. Officers also need to ensure that Waivers and Officer Decision notices are correctly delivered.
 - Service managers are responsible for their own contracts (contract managers) and come to Procurement for advice on how to best procure in the future.
- 3.10 To recap for members, the following controls are now in place to manage contracts and ensure transparency of reporting to Members and stakeholders:
- As part of our commitment to providing financial transparency, Bromsgrove District Council will publish, on a monthly basis, details of goods and services for which we have paid £500 or more. Data is available for Viewing to December 2023
<https://www.bromsgrove.gov.uk/media/7967916/December-2023.csv>
 - The contracts register is available to Officers, Members and the Public to view at the following location on our website.<https://www.bromsgrove.gov.uk/business/existing-businesses/doing-business-with-the-council/procurement/the-councils-e-tendering-portal/contracts-register.aspx>
 - The Council has a European Professional Card (EPC) Card system for small expenditure – which has its own controls on what can be spent and where – based on categories. Spend data is updated on a quarterly basis on The Council website as part of the Transparency Agenda. Data is available up to September 2023
<https://www.bromsgrove.gov.uk/media/7930588/BDC-APR21-SEPT23.csv>

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- As part of the Quarterly Finance and Performance Reports there is a Procurement Section that sets out:
 - All Contracts on the Pipeline that are over £50,000 in value
 - All Contracts procured by Redditch over £50,000 in value that are joint procurements on behalf of both Councils.

Although this information is in the Contracts Register, it is felt that more visibility on the Quarterly Control reports is required. This will continue to happen even if threshold is raised to £200k.

- All new suppliers must be approved by the procurement and payments teams.
- The Council's No Compliance No Order regime which was implemented on the TechOne system on 1st April 2023. With this, an order could not be raised unless it was linked to a contract or an identifiable procurement route.

4. Legal Implications

4.1 No Legal implications have been identified.

5. Strategic Purpose Implications

Relevant Strategic Purpose

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

Climate Change Implications

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

6. Other Implications

Customer / Equalities and Diversity Implications

6.1 None as a direct result of this report.

Operational Implications

6.2 Managers meet with procurement officers to consider their current procurement position and to ensure actions are in place to mitigate any expenditure that is not contracted properly.

7. RISK MANAGEMENT

BROMSGROVE DISTRICT COUNCIL

Council 21st February 2024

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

8. APPENDENCES

none

AUTHOR OF REPORT

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