



**BROMSGROVE DISTRICT COUNCIL**

**MEETING OF THE CABINET**

**WEDNESDAY 3RD FEBRUARY 2016, AT 6.00 P.M.**

**PARKSIDE COMMITTEE - PARKSIDE**

**SUPPLEMENTARY DOCUMENTATION**

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

4. Minutes of the meeting of the Overview and Scrutiny Board held on 18th January 2016 (to Follow) (Pages 1 - 10)
  - (a) To receive and note the minutes
  - (b) To consider any recommendations contained within the minutes

K. DICKS  
Chief Executive

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28th January 2016

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## BROMSGROVE DISTRICT COUNCIL

### MEETING OF THE OVERVIEW AND SCRUTINY BOARD

18<sup>TH</sup> JANUARY 2016 AT 6.00 P.M.

PRESENT: Councillors L. C. R. Mallett (Chairman), K.J. May (Vice-Chairman),  
C. Allen-Jones, S. J. Baxter, C. J. Bloore, S. R. Colella, B. T. Cooper,  
M. Glass, R. D. Smith and P.L. Thomas

Observers: Councillors G. Denaro, M. Sherrey, S. Shannon and C. Taylor

Officers: Ms. J. Pickering, Mr. D. Allen, Ms. A. Scarce and Ms. J. Bayley

95/15 **APOLOGIES**

An apology for absence was received on behalf of Councillor R. J. Deeming.

96/15 **DECLARATIONS OF INTEREST AND WHIPPING ARRANGEMENTS**

Councillors S. J. Baxter and S. R. Colella declared pecuniary interests in respect of Minute No. 100/15, Medium Term Financial Plan. As these pecuniary interests specifically related to Capital Project Bids they had submitted to the Council in relation to Wythall Car Park (for Councillor Baxter) and Hagley Scouts and Hagley Chub respectively (for Councillor Colella) they remained in the room during consideration of the report and presentation on the subject of the Council's budget from Officers. However, they left the room during the Board's consideration of these Capital Project Bids and did not take part in these discussions or voting thereon.

97/15 **MINUTES**

The minutes of the Overview and Scrutiny Board held on 14th December 2015 were submitted.

**RESOLVED** that the minutes of the Overview and Scrutiny Board meeting held on 14th December 2015 be approved as a correct record.

98/15 **WORCESTERSHIRE ACUTE HOSPITAL TRUST - UPDATE**

The Leader of the Council, Councillor M. Sherrey, attended the meeting to clarify the Council's position in respect of the future of Worcestershire Acute Hospital's NHS Trust. She explained that the situation with regard to the Trust had been very fast moving since it had been placed in special measures and decisions needed to be taken quickly. Redditch Borough Council and Stratford District Council were both supportive of proposals to break up the Trust as a result of the difficulties that were being experienced. Councillor Sherrey had taken a decision in her capacity as a Strong Leader to support them.

The management arrangements in place at the Trust were also briefly discussed. No announcement had been made to date regarding a permanent appointment of a Chief Executive of the Trust, though Members praised the acting Chief Executive for his hard work. The influence of the Save the Alex campaign over developments in respect of the Trust was also briefly considered and it was noted that there continued to be links between the Leaders of the 3 Councils and representatives of the campaign, though they did not always attend the same meetings.

99/15

## **BURCOT LODGE EMERGENCY HOMELESS UNIT - FINANCIAL IMPLICATIONS REPORT**

The Strategic Housing Manager presented an update on the financial implications of introducing a replacement for Burcot Lodge Emergency Homeless Unit. During the presentation of this report he highlighted the following issues for Members' consideration:

- Burcot Lodge would need to be closed once the sale of the Council House site was completed.
- The level of homelessness in Bromsgrove district was relatively stable, though nationally levels could fluctuate depending on circumstances.
- More homeless applications were received than the number of people placed in temporary accommodation. This could be for a variety of reasons including housing solutions being identified in the meantime.
- Burcot Lodge was only one form of temporary housing provided to residents at risk of homelessness who lived in the district.
- The Council had liaised closely with Bromsgrove District Housing Trust (BDHT) to identify various options which could replace Burcot Lodge.
- Officers were proposing two options for the replacement of Burcot Lodge from which Members could select.
- The Council and BDHT would continue to monitor demand for temporary accommodation and further action could take place in future if required.

Following the presentation the Board discussed a number of issues in further detail:

- The time taken to review options for the replacement of Burcot Lodge since the subject was initially raised for the Board's consideration in August 2015.
- The Council's responsibility to ensure that Bromsgrove district residents at risk of homelessness were provided with temporary accommodation.
- The length of time that the average resident or family spent living in temporary accommodation in Bromsgrove district before a long-term housing solution could be identified.
- The need for BDHT to convert a void property and the impact that this might have on housing provision within the district.
- The work BDHT had already undertaken to identify properties suitable for conversion and the need for some existing tenants to be transferred to alternative accommodation before any conversion works could be undertaken.

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- The length of time that would be required to convert a void property for use as temporary accommodation and the need to ensure there was appropriate timing for these works. The Board was advised that BDHT were estimating the conversion works would take 3 months to complete.
- The options in terms of the sale of the former Council House site, including the choice of whether to demolish the site prior to sale and the impact this might have on the sale value.
- The potential for Burcot Lodge to be retained as temporary accommodation despite the sale of the Council House site. Officers confirmed that this option had been considered but for a variety of financial and legal reasons was not considered viable.
- The availability of temporary housing from alternative social housing providers alongside that supplied by BDHT. Officers confirmed that there was an emergency plan for housing and that the Council worked with a variety of housing providers.
- The original proposal for the Board to launch a scrutiny review of the replacement for Burcot Lodge and the potential for a Task Group to be dedicated to addressing the subject of homelessness in more detail.

During the course of these discussions a number of questions relating to the potential future impact of new housing legislation and welfare reforms on homelessness levels in the district and demand for temporary accommodation. Due to the number of questions and data required to provide answers the Board agreed that this list of questions should be sent to the Strategic Housing Manager for consideration. Given the level of detail and the potential that additional questions might arise upon consideration of the answers Members concurred that further debate of this subject would be useful. The Board considered whether to receive an update on this subject, or whether a Short, Sharp Review would provide Members with an opportunity to focus on the subject in detail.

Members agreed that any further scrutiny of the subject should not delay Cabinet making a decision about the options to replace Burcot Lodge. However, there was general consensus that the review should be completed in relatively short timescales to ensure that the Council could respond to changing legislative requirements and demand from customers. For this reason the Board agreed membership of the scrutiny group during the meeting in order to reduce the potential for any delays to occur in the review process.

**RECOMMENDED** that Proposal 1 to replace Burcot Lodge, as detailed within the Cabinet report, be approved, though the Council should remain open to reconsidering Proposal 2 at a later date if demand for temporary accommodation from residents at risk of homelessness increases.

**RESOLVED** that

- (a) A Short, Sharp Review of homelessness in Bromsgrove District, taking into account the impact of recent Housing legislation and welfare changes, should be launched;

- (b) Councillor C. J. Bloore be appointed as Chairman of the Short, Sharp Review;
- (c) Councillors S. J. Baxter, B. T. Cooper, S. Shannon and R. D. Smith also be appointed to the Short, Sharp Review; and
- (d) Councillor Bloore meet with the Democratic Services Officers to identify suitable terms of reference for the review.

## 100/15 **MEDIUM TERM FINANCIAL PLAN**

The Executive Director of Finance and Corporate Resources provided an update on the Medium Term Financial Plan and delivered a presentation on the subject of the Financial Settlement 2016/17 to 2019/20. During this presentation the following matters were raised for the Board's consideration:

- The financial settlement for the Council from the Government had been much more challenging than anticipated.
- The Council was one of 15 local authorities most severely impacted by reductions to the Revenue Support Grant (RSG) and the only such Council North of the M25.
- The reduction in the RSG was partly due to changes in the way that the Government calculated how much grant funding to provide to Councils. A new approach, Settlement Core Funding, took into account likely Council Tax revenue both from existing stock and any new housing due to be developed.
- Bromsgrove had a relatively high number of E, F, G and H properties. This had impacted on the funding assessment for the district.
- The Planning department had a more conservative estimate than the Government for the number of homes that would be built. By year 4 Officers were anticipating that the Council would receive £500,000 less in Council Tax than levels predicted by the Government.
- The Government was also working on the basis that Council Tax levels would continue to increase at a rate of 2 per cent per annum.
- Under the new funding arrangements the Council would have to repay the Government from 2017/18.
- By 2019/20 Officers were anticipating that the Council would have experienced a 62 per cent reduction in funding.
- Funding changes were also anticipated for the New Homes Bonus (NHB) from 2017/18.
- The Government had launched a consultation about the future of NHB which was due to end in March. The responses to this consultation exercise would be reported to Council in due course.
- There were a number of questions arising from this consultation process that needed to be addressed in order to provide clarification about how NHB would operate in future years.
- The Government had confirmed that in future there would be a maximum of £1.4 billion available to all Councils from NHB, and this would need to be divided between Councils rather than unlimited funding being available as and when developments occurred.
- The 15 Councils that had been the worst affected had produced a Joint Settlement Response, though no feedback had yet been received.

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- Whilst the Government was promising that Councils could retain business rates growth in future years this would only occur once all of RSG funding had been removed.
- The Council had a number of unavoidable pressures, which included limited income from garden waste collection services because the fee was less than Officers had originally anticipated and fewer customers had opted into the service in 2015 than had been predicted.
- Free evening car parking would also be an unavoidable pressure if the decision was taken to continue with this arrangement at the end of the 12 month trial.

Following the presentation a number of key points were considered in further detail:

- The Government's proposal to consider making no NHB payments for homes built on appeal and the potential implications that this had in respect of predetermination at Planning Committee meetings.
- The option for the Council to address the budget deficit for 2016/17 using funding from balances. It was acknowledged that this funding was not finite and would not address funding challenges for every year.
- The advisability of retaining balances at least at the level of £745,000, though the Council had chosen to set the limit at a more comfortable £1.1 million.
- The probability that the Council would be able to set a balanced budget for 2016/17 and that there would be an unbalanced position over the 3 years. The Government's Efficiency Plans were discussed which may enable the Council to secure a 4 year settlement agreement but the details were not yet available from the Government.
- The value of reviewing the fees and charges that had been proposed for 2016/17 as a source of additional funding for the year.
- The limit in terms of the amount by which Councils could increase Council Tax without a referendum. Officers confirmed that any rise of Council Tax over 2 per cent for a district Council would trigger a referendum.
- The financial costs involved in managing a referendum in relation to Council Tax increases and the extent to which residents were likely to vote in favour of an increase.
- The legal implications of holding a referendum in respect of Council Tax at the same time as Local Government elections or the EU referendum were taking place.
- The amount of involvement of the local MP in discussions about the Council's settlement. It was confirmed that the matter had been discussed.
- The level of savings that had been identified by Heads of Service by the date of the meeting and the time available to identify further savings before the budget needed to be balanced.
- The need to avoid making rushed decisions which could be counterproductive in the long-term.

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- The extent to which the Council could achieve more efficiency savings following a period of a number of years where this had already been addressed through service transformation.
- The amount of detail required for inclusion in the efficiency plans.
- The funding settlements for other Councils in the county. Officers confirmed that most local authorities had been surprised by the settlement and were also in the process of attempting to identify savings.
- The potential for the Council to lease vehicles, rather than to invest capital in replacing the fleet. Officers explained that this option had been investigated but the financial costs had been found to be less advantageous than if the Council purchased vehicles.
- The length of time vehicles were used for and the use of spare parts wherever possible once the vehicles were no longer operational.
- The inclusion of Christmas parking in the list of unavoidable pressures. Members noted that this arrangement had been in place for some years and therefore questions were raised as to why this had been included within the list.
- The potential for greater revenue to be generated from Civil Parking Enforcement. Members noted that they regularly observed illegal parking which was inconsistent with reports of increased compliance.
- The possibility of holding an extra meeting of the Board to consider the Cabinet's budget proposals before a decision was made by Council. Members concurred that a further meeting was not needed, but any additional information, in respect of unavoidable pressures, potential savings and why those savings had been identified should be circulated electronically for Members' consideration.

At the end of this debate Councillors S. J. Baxter and S. R. Colella left the room whilst the Board considered the Capital Bids that had been received from elected Members.

In total 4 capital bids had been received from elected Members, though further bids could be submitted throughout the year. It was noted that a separate bid for funding for Hagley Scout Club had been received by the New Homes Bonus Community Grants Panel. The panel had recognised the value of the scouts group's work however the bid had been rejected on the basis that the bid was considered to be premature due to the lack of a clear project plan.

Members concurred that each of the bids were valid and once funded the projects could make a valuable contribution to local communities. For this reason, and in acknowledgement of the time taken to prepare and submit these bids, the Board agreed that they should be discussed further at a forthcoming Council meeting, as Members expressed concerns about any decisions being taken to fund these projects in the current difficult economic circumstances. Members also discussed whether it was appropriate for the bidding process to continue in light of the challenging financial position that the Council was likely to face for the foreseeable future.

**RECOMMENDED** that



- (a) Cabinet note the Board's position, in that Members do not feel able to recommend that any of the Capital Project Bids from elected Members be approved in the current challenging economic circumstances though would support further discussion of these bids and the Capital Project Bid Scheme at a future meeting of Council;
- (b) Cabinet note the Board's position that Members do not feel able to recommend any of the other Capital or Revenue Bids, as detailed in the appendices to the Medium Term Financial Plan, in the current challenging economic circumstances;
- (c) Cabinet reconsider the Council's Fees and Charges for 2016/17, and consider increasing fees and charges by 3 per cent wherever possible.

101/15 **EVENING & WEEKEND CAR PARKING TASK GROUP INTERIM REPORT**

Councillor K. J. May, Chairman of the Evening and Weekend Car Parking Task Group, presented an interim report for Members' consideration. She explained that the group had already identified 2 potential recommendations, though these remained in draft form. Further consultation would be taking place during forthcoming weeks and additional data would be considered before the group finalised their proposals. The Board was advised that the group remained on track to present their final report in March 2016.

In response to questions from the Board Members were advised that the former Portfolio Holder with responsibility for car parks had not been consulted. However, the group had consulted the current Portfolio Holders with responsibility for car parks and Council finances respectively together with relevant Officers, residents and representatives of local businesses.

102/15 **CABINET WORK PROGRAMME 1ST FEBRUARY TO 31ST MAY 2016**

Members considered the content of the Cabinet Work Programme for the period 1st February to 31st May 2016. During consideration of the plan the following matters were discussed:

a) **High Street Refurbishment: Phase 2 Consideration of Options**

The Chairman sought reassurance that the High Street Refurbishment: Phase 2 Consideration of Options report would not be presented for the consideration of Cabinet in February. The Overview and Scrutiny Board had previously asked to pre-scrutinise the report and this timing would prevent the Board from making any contribution. Officers advised that the report had been postponed though a new date for the item to be considered remained to be confirmed.

b) **New Homes Bonus Scheme**

Members were informed that this report would focus on the proposed amended scheme for 2016/17. The outcomes of the national

consultation process regarding the future of the scheme would be reported separately to Council later in the year.

## 103/15 OVERVIEW AND SCRUTINY BOARD WORK PROGRAMME

Members considered the content of the Board's Work Programme. During consideration of this item a number of points were raised:

### a) 29th February meeting of the Board

Officers confirmed that the Board would receive the following reports during this meeting:

- The update on the staff survey.
- The latest report regarding the Planning Application Backlog Data.

### b) 21st March meeting of the Board

The following items would be considered during this meeting:

- The annual update on the North Worcestershire Community Safety Partnership.
- The Evening and Weekend Car Parking Task Group's final report.

### c) Increasing Physical Activities Task Group

The Chairman explained that, as requested at the previous meeting of the Board, Worcestershire County Council (WCC) had been contacted about arrangements for the presentation of the Task Group's final report. Councillor Richard Udall, Chairman of the Task Group, had been invited to attend a meeting of the Board to present the group's final report once the review was completed.

A response had recently been received from WCC with the invitation being declined on the basis that the Task Group was not considered by the County Council to be a formal Joint Scrutiny Committee and therefore it was not felt necessary for the Chairman to attend the District Councils' Scrutiny Committees.

Members expressed disappointment in this response. It was noted that Bromsgrove District Council did not have a formal representative on the group, though Councillor J. M. L. A Griffiths remained a member as a County Councillor, and the Board had been advised that it would not be worthwhile at this stage appointing a replacement. Furthermore, it was noted that for previous joint Task Groups, such as the joint scrutiny of Worcestershire Regulatory Services (WRS), the Chairman and Vice Chairman of the group had attended scrutiny Committee meetings at every participating Council to present the group's report. In this context the Board concurred that the Chairman of the Task Group and Councillor Griffiths should both attend a Board meeting to present the Task Group's findings.

d) The Artrix

Members were advised that The Artrix had asked to present a report to the Board. This would cover many of the areas identified during the Artrix Outreach Provision Task Group. It was likely that the report would be received in either March or April 2016.

e) Overview and Scrutiny Annual Report 2015/16

The Chairman explained that the Overview and Scrutiny Board's Annual Report 2015/16 was due to be presented for Members' consideration in April 2016. He suggested that it would be useful to have a section in this report dedicated to reflecting on how the Board had performed during the year and actions that could be taken to improve the scrutiny process at the Council in future years. There was general consensus that this would be a sensible idea, though Members noted that a number of improvements had already been made during the year. This included good quality debates and the changes to seating arrangements that had encouraged a more participatory and apolitical environment than in previous years and which was much more conducive to effective scrutiny.

The meeting closed at 8.23 p.m.

Chairman

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