B R O M S G R O V E D I S T R I C T C O U N C I L

MEETING OF THE NEW HOMES BONUS CROSS PARTY WORKING GROUP

3RD DECEMBER 2014 AT 6.30 P.M.

The meeting closed at 8.05 p.m.

Chairman

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NEW HOMES BONUS CROSS PARTY GROUP

Meeting held on 1st December 2014 18:30 – 20:05

Present: Councillors Sue Baxter, Margaret Sherrey, Kit Taylor and Mike Webb

Officers: Jayne Pickering and Amanda Scarce

1. Apologies

Cllr Luke Mallett sent his apologies.

2. Introduction

Cllr Taylor invited Members to introduce themselves and confirmed that he would be chairing the meeting as the relevant portfolio holder. Housekeeping details were provided and Cllr Taylor informed attendees that questions would be taken at the end of the presentation. Residents in the public gallery were able to come forward and use the microphones if they so wished. It was anticipated that the presentation would take 15 minutes and an hour would be allowed for questions.

3. Presentation

JP explained that a couple of the slides were repeated from the previous forum presentation for the benefit of anyone who had not attended before. It was confirmed that a copy of the presentation would be made available on the Council's website.

The presentation covered the following areas:

- Following the Forum held in July around 160 people had responded and all the feedback from the community have been collated for consideration by the group. There had been a number of further meetings of the Group in order for them to consider and develop recommendations which would be considered by Cabinet in January 2015, potentially Overview and Scrutiny and then on to full Council in February 2015.
- The recommendations had been Member driven with Officers providing technical advice and support.
- What is NHB – non ring-fenced allocation of funding, amount payable per property based on increase in the number of available houses, with an additional amount for affordable housing and payable for 6 years.

- How NHB is worked out – including being based on net average Council Tax Band D, details submitted to Government each October, extra payment of £350 for affordable homes. Residents were also informed that the NHB was split between County and District Councils – 20%:80%.
- The figures for 2014/15 were provided together with details of the actual calculation for 2015/16, although the figures had not been confirmed. These figures included the figure carried forward for previous years' houses together with that calculated for 2015/16 and the split between the District and County Council.
- The proposed scheme as recommended by the Cross Party Group. It was proposed that 20% of the total funds for 2015/16 would be made available for community projects; this amounted to £84k and would be available initially for one year and reassessed each financial year thereafter as part of the budget process.
- The scheme would be open to not for profit groups, for example residents groups and parish councils, who could evidence they were affected by growth and the project met the strategic purposes of the Council. There would be the potential to request a business case for larger bids. A Community Grants Panel would be established to assess the applications, made up of cross party Members.
- The outline of the scheme had been developed and based on a number of schemes used throughout the country.
- Following this evening's meeting and feedback from residents, the Cross Party Group would then put forward its recommendations and the final decision would be made by full Council.

4. Questions

Cllr Taylor as Chairman explained he was conscious that there were a large number of people in the audience and asked that residents restrict comments to clear questions for Members and Officers to respond to wherever possible. During this question and answer session the following points were raised:

- Disappointment at the amount put forward as the 20% proposed (£84k) was actually only approximately 6% of the total sum which the Council would receive in 2015/16 for NHB and no account had been taken of the substantial amount of NHB received in previous years.
- How 20% had been reached and whether other local authorities released such a small percentage for their local communities.
- An explanation as to why the scheme was only for one year – it was explained that this would be reassessed as part of the budget process and there was always the possibility if the funds were available and it had been successful, that the sum released could increase in future years.

- Some Members supported concerns that the amount was too low, but reiterated that in order to move forward, this was a step in the right direction and an opportunity to get support from all Councillors, if they had suggested a larger amount it was likely that at the final stage it would have been rejected. By reviewing the scheme annually it gave an opportunity to improve it.
- Whether NHB was a permanent source of funding from central Government. It was argued that there was the possibility that central Government could at any point cease paying NHB.
- To what extent the Cross Party Group had taken in consideration the views of those residents who had responded to the first forum and how the views put forward at this evening's meeting would be taken into account.
- How the funds from NHB had been used in previous years and the circumstances which had made the Council consider setting up a scheme.
- How the money could be used and the need for improvements in the infrastructure in the District and the role of Planning. It was explained that infrastructure was not the role of the District but that of the County Council and all Members were supportive of the need for improvements to be made. Those Members who were also County Councillors continued to raise this issue at County Council level.
- The Council's current financial position, the under spend of approximately £640k in the previous year and the reasoning behind why, if there was an under spend this could not have been used towards funding community projects. Members highlighted that the savings had been made through the hard work of officers.
- It was explained that the Council had a rolling 3 year budget and whilst it was acknowledged that the Council was currently in a favourable position it had lost some £4.1m in its general grant fund over recent years and it was anticipated that this would continue with a shortfall of £1m being reached in 2016/17.
- The duty of the Council to produce a balanced budget and being totally transparent. Members explained that the Council had received an unqualified opinion from the auditors who had been happy with the accounts.
- Residents reiterated their disappointment and disgust at the small amount of funds being made available and continued to question why the Council had chosen to use the NHB as part of the general funds, particularly in light of the previous years underspend and questioned why it could not have been at least 20% of the overall figure of £950k received.
- Members stressed that the NHB was not ring fenced and the Council was not therefore obliged to make any available to the communities affected. The scheme would therefore provide a good starting point taking forward the views of residents and those that had signed the petition.

- It was explained that for those groups wishing to bid for a large amount of the funds available then a business case would be required. All bids would need to show that the project was both sustainable and met the criteria of the Council's strategic purposes. Full details would be provided within the pack which it was envisaged would be provided along with the application forms, this would also include a clear timetable of when applications needed to be completed and when the bids would be considered by the panel and when the funds would be made available.
- In respect of the scheme residents questioned what would happen if a project needed 3 years funding but the scheme initially would only run for one year and how would they know what would meet the criteria.
- Whether an actual Council policy would be put in place in respect of the scheme or whether it was simply a scheme which would only be in place for a year. It was acknowledged that this had not been looked at in detail and the comment was made that sometimes a policy could be cumbersome and not necessarily did what was required. It would be a policy which was annually reviewed and this was something which the Members would give further consideration to and would also consider what their expectations were of the scheme and what they would like to see the community gain from it.
- Discussion around whether the funds should go directly to only those areas where developments had been built – it was argued that any development could have a knock on effect on a number of areas, particularly if the development was cross boundary. Members envisaged that in some cases groups in such a situation could get together to bid for funds. In the scheme being suggested, any group that could show that they had been affected by a development would be entitled to bid for some of the funds. Whilst the funds were being taken from the 2015/16 NHB areas which had been affected in previous years would still be able to put forward a bid.
- The availability of Section 106 monies and how these were used. The role of Worcestershire County Council Highways department, particularly in respect of advice given on planning applications.

In summing up Cllrs Webb and Taylor assured residents that the feedback at this evening's meeting would be looked at careful at the next meeting of the Working Group, together with further detail for the proposed scheme for 2015/16 and that the scheme, if accepted by full Council, would be reviewed annually with feedback from residents been requested again next year.

In response residents again reiterated that they did not accept the amount being suggested as it only equated to 6% of what the Council would receive. This was very disappointing and not at all satisfactory.