

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

10TH JANUARY 2018, AT 6.00 P.M.

PRESENT: Councillors G. N. Denaro (Leader), K.J. May (Deputy Leader),
B. T. Cooper, M. A. Sherrey and C. B. Taylor

Officers: Mr. K. Dicks, Ms. J. Pickering, Mrs. C. Felton, Mr. M. Dunphy
and Ms. A. Scarce

72/17 **TO RECEIVE APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor P. Whittaker.

73/17 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

74/17 **MINUTES**

The minutes of the meeting of the Cabinet held on 6th December 2017
were submitted.

RESOLVED that the minutes of the meeting of the Cabinet held on 6th
December 2017 be approved as a correct record.

75/17 **MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY
BOARD HELD ON 27TH NOVEMBER 2017**

It was noted that there were no recommendations to be considered
within the Minutes of the Overview and Scrutiny Board meeting held on
27th November 2017. The minutes were therefore noted.

76/17 **LOCAL DEVELOPMENT SCHEME 2018**

Members' attention was drawn to the supplementary agenda, which
contained a revised copy of the Local Development Scheme 2018.

Councillor Taylor, as Portfolio Holder for Planning introduced the item
and explained that it was the timetable for the review of the Local Plan
and that it was anticipated that the Strategic Planning Review Group
would have a lot of input into this process, which would be Member led.

The Strategic Planning and Conservation Manager highlighted that the first consultation would take place in May/June which would feed into the review of the Greenbelt. Once the site submissions had been completed a further report would go to the Strategic Planning Review Group and Cabinet. This would then lead into the Consultation which it was anticipated would last 8 weeks.

Members discussed a number of areas in more detail following presentation of the report:

- Whether there was nationally approved methodology in respect of the review of the Greenbelt. The Strategic Planning and Conservation Manager confirmed that there was not, it was in Members gift to establish what was acceptable locally through the site allocation process and through asking questions of other partners and by seeking their support.
- It was highlighted that it was understood there would be changes coming forward over the next 12 months through the National Planning Policy Framework, but it was not known at present what these would entail and therefore there was always the likelihood that they would impact on the review. It was suggested that the strategic lead should take this up with the local MP to try and establish what could be expected, or at least to establish a more detailed timeframe to work towards.
- Members questioned whether it was appropriate to carry out the review whilst changes were being planned at a national level and Officers responded that as this would be at a high level, it was not anticipated that there would be major changes which would affect the work currently being carried out.
- The need for the Leader to speak to other Leaders within the Birmingham and Solihull Local Enterprise Partnership to ensure the Council was fully aware of work that was being proposed in order for this to be taken into account within the review.
- The need for the recommendation to be considered at Council.

RECOMMENDED that appendix A, Bromsgrove District Council Local Development Scheme 2018 be approved as the Council's programme for strategic plan-making, effective as of 24th January 2018.

77/17

COUNCIL TAX BASE 2018/19

The Executive Director, Finance and Resources introduced this report and in so doing explained to Members that it set out the details of the calculation of the District's tax base for Council Tax setting purposes. This was required as part of the determination of the level of Council Tax for 2018/19. It was calculated using a prescribed formula to generate the equivalent number of Band D properties in the District and the information was then provided to the Parish Councils in order for them to calculate their precepts.

RESOLVED that the amount calculated by Bromsgrove District Council as the Council Tax Base for the whole area for 2018/19 is approved at £36,531.10 as detailed in Appendix 1 of the report to include the individual parish elements.

78/17

MEDIUM TERM FINANCIAL PLAN 2018/19 - 2021/22 UPDATE
(PRESENTATION)

The Executive Director, Finance and Resources gave a presentation (attached to these Minutes) which covered the following areas:

- The impact of the settlement received from Central Government – including Local Government Funding Reform and Business Rates Baseline and retention.
- Council Tax: The level at which a referendum would need to take place locally had increased from 2% to 3%. If the higher figure was to be included than the budget would be increased by approximately £47k.
- Business Rate Pilot Scheme – the Worcestershire pilot scheme bid had not been successful and Bromsgrove would therefore remain in the Greater Birmingham and Solihull Pool for 2018/19.
- There was no change to New Homes Bonus.
- There would be a consultation in the Spring of 2018 in relation to the “negative” grant which had been previously reported and was currently £740k for 219/20.
- Current Position – there was a balanced position for 2018/19 and assumptions which had been made, including income from the Leisure Centre which would be generated from year 2 onwards and a 2% pay award for all staff. Borrowing costs had also been offset by projected income.
- Next steps – further work would be carried out in respect of where savings could be made and the reserves statement would be reviewed to establish whether funds could be drawn down from this.
- Current balances and the recommended minimum required. Together with the need to agree the budget on 21st February 2018.

Following receipt of the presentation Members discussed a number of areas in more detail, this included:

- Whether the £740k to be repaid to Central Government was a one off payment or whether there would be further amounts in the following years. It was confirmed that clarification was being sought in respect of this.
- The need for further clarity to enable the Council to be able to create a three or four year plan and whether the assumption should be made that there will be a need to factor in further repayments to Central Government in future years.

- The Efficiency Plan which Members had submitted to Central Government had been based on a four year plan.
- Criticism from the Auditors in respect of only having a one year plan, but the problems in being able to create anything further due to the uncertainty and the need for this to be made clear to the Auditors.
- Whether it was worth taking the matter up with the local MP in his role as Secretary of State for Communities and Local Government.
- Whether the Council had received any feedback in respect of the reason why the Worcestershire Business Rates Scheme bid had not been successful. It was explained that there had not been any feedback as yet, but it was understood that Worcestershire County Council had contacted Central Government and requested it.
- New Homes Bonus and the impact of the number of housing developments being agreed this year and the knock on effect. The impact of this on the available funds for the NHB Community Grants Scheme, which was estimated at £80k for 2018/19.

Members thanked the Executive Director, Finance and Resources for the presentation.

The meeting closed at 6.32 p.m.

Chairman

Cabinet

Budget Update

Jan 2018

Impact of Settlement

- Local Government Funding Reform – consultation paper published
- Implementation 2020/21
- Business Rates Baseline reset 2020/21
- From 2020/21 all grants to be included in Business Rates Retention
- Business Rate retention at 75% - not 50% - but reset will reduce benefit of any growth
- Council Tax – referendum now at 3% (previously 2%) – 2018/19 & 2019/20
 - Increase included in Budgets £47k
- Business Rate Pilots – Worcestershire not approved as a pilot. Potential for further rounds of bidding
- Bromsgrove to remain in GBS Pool for 2018/19
- No changes to NHB
- Consultation in Spring 2018 in relation to “negative “ grant – currently £740k in 2019/20

Impact of Settlement

- Local Government Funding Reform – consultation paper published – implementation 2020/21
 - Measuring need
 - Common cost drivers
 - Service specific cost drivers
 - Weighting formula
 - Advises that further detail on transition and locally raised income to follow in future papers
 - Set new baseline for funding allocations
 - Simple/ transparent/ Contemporary/ Sustainable/ Stable

New Homes Bonus

- No Change to Scheme for 2018/19
- Deadweight remains at 0.4%
- 2018/19 band D 42,335
 - 0.4% = 169 units
 - Growth 379 units
 - Therefore 209 additional units
 - Grant advised of £315k for 2018/19
 - Total for community groups £79k

Current Position

- Balanced position for 2018/19 – arising to £1.2m in 2021/22 due to negative grant £740k
- Assumes pressure included for the Leisure Centre as income will be generated in years 2 onwards
- Assumes 2% pay award for all staff
- Assumes borrowing costs offset by projected income

Next Steps

- Further work on detailed savings / additional income to be prepared for Feb meeting
- Detailed rationale to demonstrate pressures
- Review of reserves statement
- Balances £4.2m – minimum £1.1m
- Balance the financial projections to 2021/22
- Agree budget February 21st 2018