

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

7TH FEBRUARY 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

Observers: Councillor L. Mallett

Officers: Mr. K. Dicks, Ms. J. Pickering, Mrs. C. Felton, Ms. D. Poole,
Mr. D. Allen, Ms. A. Glennie and Ms. A. Scarce

79/17 **APOLOGIES FOR ABSENCE**

Prior to formally opening the meeting the Chairman invited Members to be upstanding for a minutes silence in memory of Jenny Delorenzo, a well respected colleague who had recently passed away.

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

80/17 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

81/17 **MINUTES**

The minutes of the meeting of the Cabinet held on 10th January 2018 were submitted.

RESOLVED that the minutes of the meeting of the Cabinet held on 10th January 2018 be approved as a correct record.

82/17 **WORCESTERSHIRE OFFICE FOR DATA AND ANALYTICS (WODA)**

The Head of Business Transformation introduced the report and in so doing provided background information in respect of the Worcestershire Office for Data and Analytics, the progress made to date together with planned steps for the future. It was confirmed that endorsement of the charter was being sought from all partner organisations. Whilst there were no direct financial implications it was noted that a revenue bid for £10k had been submitted as a contribution to further support the project.

Councillor Cooper, as Portfolio Holder for Finance and Resources as the Head of Business Transformation to clarify the sort of data that would be

shared in order to reassure residents that only appropriate information would be processed. The Head of Business Transformation confirmed that there were clear guidelines around data sharing and the aim was to improve the services and only appropriate data would be shared.

Members raised concerns around the new GDPR legislation and changes to data protection arrangements, it was confirmed that any arrangements in place would not be affected by the WODA charter and the Council would continue to adhere to the data protection procedures. Members also raised the issue of those Councillors that were dual hatters and whether there would be any changes to how they received data, as currently they needed to have separate equipment for each Council. It was explained that this arrangement was due to constraints from the Cabinet Office and whilst the Council continued to discuss this matter with them it was unlikely that this would be resolved in the near future. It was also added that the ICT Transformation Manager was in discussions with Worcestershire County Council to try and find a satisfactory solution to this issue.

RESOLVED that the Worcestershire data sharing charter attached to the report at appendix 1 be noted and endorsed.

83/17

FLEXIBLE HOMELESSNESS SUPPORT GRANT

The Housing Strategy Manager introduced the report which set out how it was proposed that the homelessness resources would be funded. In addition to the Homelessness Grant there were additional resources which had been made available to the Council and the report set out the background to these additional grants together with details of how it was proposed that these would be used. As BDHT was the Council's recognised provider for this service the funds would be transferred to them in order for them to deal with matters on the Council's behalf.

Councillor Taylor, as Portfolio Holder for Strategic Housing, requested that Cabinet support the recommendations and gave Members the opportunity to comment on the reports content. Members asked for details in respect of the current number of homeless people in the District and an estimate of any increase in future years. Currently the Council had 70 Homelessness Acceptances per annum and between 700 – 800 housing options interviews each year. The position had remained relatively stable; however the Homelessness Reduction Act was likely to lead to more presentations. It was noted that in Wales, where the new approach had been in place for some time, they had seen an initial rise of 60% in households seeking assistance.

RESOLVED:

- a) that it be noted that the 2018/19 grant funding implications be included as part of the medium term financial plan report to Council in February 2018 and, subject to Council approval of the budget b) and c) below be resolved;

- b) that the initiatives in 3.12, 3.16 and 3.17 as detailed in the report be approved to receive allocation of funding in 2018/19; and
- c) that delegated authority be granted to the Head of Community Services following consultation with the Portfolio Holder for Strategic Housing to use any unallocated Grant during the year or make further adjustments as necessary to ensure full utilisation of the Grants for 2018/19 in support of existing or new schemes be approved.

84/17

MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 15TH JANUARY 2018

Councillor Mallett, as Chairman of the Overview and Scrutiny Board attended to present the recommendations within the Minutes of the meeting held on 15th January 2018. He explained that these had arisen from the work of the Finance and Budget Working Group. The initial work it had carried out in respect of the cost allocation of Shared Services had included a retrospective view of work the senior management team carried out at each Council together with a more detailed “time and motion” exercise. It came to light from this information that specific issues at Redditch had led to significant additional time being spent by officers on that work, hence the Working Group’s first recommendation. This then led into the Working Group’s second recommendation that a review of the Management Team re-charge be carried out.

The Executive Director, Finance and Resources confirmed that it was anticipated that the specific issues referred to would be concluded shortly. The Leader confirmed that, at one of his regular meetings with the Leader of Redditch Borough Council, he would discuss the second recommendation.

In respect of the minutes, Councillor Taylor, Portfolio Holder for Planning and Strategic Housing, asked for clarification in respect of the report referred to under the Transport Planning item and it was confirmed that the Strategic Housing and Conservation Manager would attend the March meeting of the Overview and Scrutiny Board with an outline of how he envisaged the report would like, in order to give Members an opportunity to make any changes they saw necessary before it was presented to Cabinet and Council in due course.

RESOLVED:

- a) that Redditch Borough Council refund Bromsgrove District Council for the additional officer time spent due to the additional management time being spent on housing services in Redditch;
- b) that a review of the Management Team re-charge between the two councils be carried out in light of the information received by the Finance and Budget Working Group; and
- c) that the Minutes of the Overview and Scrutiny Board meeting held on 15th January 2018 be noted.

85/17

RISK MANAGEMENT STRATEGY

The Executive Director, Finance and Resources explained that the Council had previously had a Strategy; however in updating it the Council had taken the opportunity to discuss this with its insurers, Zurich Alliance who had provided advice and examples of best practice. The following areas were highlighted:

- What Risk Management was and why it was needed
- How to approach risk management and areas to consider
- The Risk Management Framework
- The roles and responsibilities – which gives a clear guide as to responsibilities at various levels.

It was confirmed that once the Strategy had been endorsed then appropriate training would be rolled out across the Council.

Councillor Cooper, as Portfolio Holder for Finance and Enabling, highlighted that there were responsibilities for Councillors and asked whether appropriate training would also be made available to them. The Executive Director, Finance and Resources confirmed that, this would be included within the training provided to Members of the Audit, Standards and Governance Committee which took place prior to its first meeting in the new municipal year and that all Councillors were invited to attend.

It was also noted that there was a Risk Champion appointed at the Audit, Standards and Governance Committee's first meeting and this was currently Councillor P. Thomas.

RESOLVED that the Risk Management Strategy be approved.

86/17

TREASURY MANAGEMENT STRATEGY 2018/19 - 2021/22

Councillor Cooper, as Portfolio Holder for Finance and Enabling, asked the Executive Director, Finance and Enabling to present the report, which he acknowledged was exceptionally detailed and of a technical nature. The Executive Director, Finance and Resources explained that this was something which was a statutory requirement and that there was a set template which had to be followed. In presenting the report she highlighted the following:

- The finance requirement to produce a forecast to 2021, taking into account both external and internal borrowing.
- Approved investments counterparties and limits – it was noted that the Council used standard credit ratings from Fitch, Moody's or Standard and Poor's.
- Investment limits and non-specific investment limits.
- Authorised limits and operational boundaries.

- Various forecasts around interest rates and a general statement in respect of the Code of Practice.

RECOMMENDED:

- a) that the Strategy and Prudential Indicators at Appendix 1 to the report be approved; and
- b) that the Treasury Management Policy at Appendix 2 to the report be approved.

87/17

PAY POLICY STATEMENT

The Executive Director, Finance and Resources introduced the report and explained that under the Localism Act it was a requirement that local authorities produced a Pay Statement, which needed to be approved by full Council. That statement must include the following:

- The remuneration of its chief officers
- The remuneration of its lowest-paid employees and the relationship between the remuneration of its chief officers and the remuneration of its employees who are not chief officers.

Due to the figures within the Pay Statement being rounded, the Executive Director, Finance and Resources highlighted to Members the following amendments:

- Executive Director - National determined rate – Minimum £92,604 (cost to Bromsgrove becomes £47,212)
- Deputy Chief Executive – National determined rate – Minimum £101,979 (cost to Bromsgrove becomes £51,507)

An explanation was provided in respect of the Council's pay and grading structure and the increased for grades as agreed by the National Joint Council. For senior roles, these posted had been Hay evaluated and the report gave details of the workings of this scheme and the process. The external assessor used for the Council for the Hay Job Evaluation Scheme was West Midlands Councils, a regional grouping of the Local Government Association who were used widely for this purpose.

It was confirmed that it was a statutory requirement to produce this document and the Council would be seen as being non-compliant if it did not do so. It was noted that the cost of the senior management team actually 50% of the overall cost in line with the Shared Service agreement with Redditch Borough Council.

RECOMMENDED that the Pay Policy as detailed in Appendix 1 to the report be approved.

MEDIUM TERM FINANCE PLAN 2018/19 - 2021/2022

The Executive Director, Finance and Resources highlighted a number of areas within the report for further consideration by Members, this included:

- Pressures facing the Council over the coming years; reductions in New Homes Bonus Grant, Negative Revenue Support Grant, impact of the Localisation of Business Rates scheme being deferred until 2020/21.
- It was also highlighted that it had been discovered prior to the meeting that due to an error from the Valuation Office, there was a further small reduction.
- Council Tax – the potential to increase this by 2.99%. It was noted that the amount that this would increase the Council Tax by would equate to £76k.
- Business Rates pilot scheme – feedback was still awaited from Central Government, but it was understood that further rounds of bidding would be available in due course.
- The four year settlement which the Council had signed up to, whilst bringing some certainty there were still a number of areas which the Council was awaiting further information on.
- New Homes Bonus (NHB) had been less than anticipated for a number of reasons; the 0.4% levy on growth equated to 169 properties which would have generated approximately £217k additional income.
- The figures provided were on the assumption of an increase of 2.99% (£6.29) in Council Tax. Figures were also beginning to filter through from preceptors.
- The national pay increase was likely to be 2% as opposed to the 1% originally included.
- An increase in national planning applications fees which Members needed to be aware of as this was to be ring-fenced to cover additional resources.
- Assumptions had also been made in respect of the £20m allocated to Investments and Acquisitions, including income.
- The need for only the 2018/19 budget to be balanced at this stage.

In respect of the appendices for savings and additional income and new revenue bids the Executive Director, Finance and Resources drew Members' attention to £150k to fund transport assessment work, a revenue pressure in respect of the decline in the use of car parks and savings from the new Leisure Centre which would be made in future years.

A number of Capital Bids were also highlighted; £100k funding for Hagley Scouts headquarters extension and refurbishment. It was confirmed that following discussions the Head of Leisure and Cultural Services supported this bid and would be of benefit to the wider

community. The figures for allotment fencing had been revised from £41k to £21k. Members felt this was still high and asked for further detail to be provided.

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

- Members were pleased to note that there was no impact to service delivery.
- Members were happy to support the Hagley Scouts project.
- The capitalisation of wheelie bin replacement and there estimated life expectancy.
- The cost of resurfacing the car park in Catshill and at the depot. The new procurement guidelines were highlighted to Members to assure them that best value would be achieved.
- The Bromsgrove Energy Efficiency Fund – the increase that had previously been agreed at Council would be separated out to show how it was being funded, as would the additional £80k funding for the Hardship Fund.
- A number of queries were raised in respect of vehicle replacement and depot repairs and it was confirmed that the Executive Director, Finance and Resources had asked for further detail to be provided.

Members discussed whether it would be appropriate to include £150k in respect of transport assessment work in future years. However, after consideration it was agreed as there continued to be ongoing discussions with Worcestershire County Council and the desire on both sides to rebuild a working relationship, this would not be appropriate.

RECOMMENDED:

- a) that the additional income / efficiencies as attached at Appendix 1 be approved:

2018/19 £ 580k
2020/21 £ 53k
2021/22 £272k

- b) that the unavoidable pressures as attached at Appendix 2 be approved:

2018/19 £ 515k
2019/20 £ 3k

- c) that the Revenue bids as attached at Appendix 3 be approved:

2018/19 £165k
2019/20 £15k

- d) that the Capital Programme bids as attached at Appendix 4 be approved:

2018/19 £1.293m
2019/20 £999 k

2020/21 £1.940m
2021/22 £1.245m

- e) that the Capital Programme unavoidable pressures as attached at Appendix 4 be approved:
 - 2018/19 £110k
 - 2019/20 £110k

- f) that the budget savings and pressures for 2018/19-2021/22 are subject to change due to the potential impact of changes to service delivery and the localisation of Business Rates together with any future changes to New Homes Bonus; and

- g) that following the decision at Council on 24th January 2018, the sum of £80k is made available from balances to fund potential Hardship cases in relation to Council Tax Support in 2018/19.

The meeting closed at 7.27 p.m.

Chairman