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 CABINET

27TH JUNE 2018, AT 6.00 P.M.

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

Observers: Councillor C. A. Hotham and Councillor L. C. R. Mallett

Officers: Mrs. S. Hanley, Ms. J. Pickering, Mrs. C. Felton, Mr. M. Dunphy, Ms. J. Bayley and Mr M. Goodall

8/18 **TO RECEIVE APOLOGIES FOR ABSENCE**

An apology for absence was received on behalf of Councillor C. B. Taylor.

9/18 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

10/18 **TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING OF THE CABINET HELD ON 30TH MAY 2018**

The minutes of the Cabinet meeting held on 30th May 2018 were submitted.

RESOLVED that the minutes of the Cabinet meeting held on the 30th May 2018 be approved as a correct record.

11/18 **MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 24TH MAY 2018**

The minutes of the meeting of the Overview and Scrutiny Board held on 24th May 2018 were noted.

12/18 **ALVECHURCH PARISH NEIGHBOURHOOD PLAN**

The Strategic Planning and Conservation Manager presented the Alvechurch Parish Neighbourhood Plan for Members' consideration and in so doing highlighted the following:

- This was the first neighbourhood plan produced by a Parish in the district that had reached this stage.

- Neighbourhood plans are prepared by Parish Councils or neighbourhood planning groups. District Council Officers provided Parishes with technical advice on these plans.
- The plan had been through various stages of consultation and had been well received.
- The team in Alvechurch had worked hard on this plan in their own time.
- The next stage would involve Bromsgrove District Council taking the plan forward for examination, subject to a period of six weeks in which people could make representations. Any feedback received through these representations would be reported to the examiner.
- Should the examiner approve the plan, including potentially in a modified form, the plan would then be the subject of a referendum.
- The Council would receive £20,000 to cover the costs involved in co-ordinating the referendum.

Following the presentation of the report Members discussed a number of matters in detail:

- The process for developing a neighbourhood plan, which could be time consuming and hard work.
- The period covered by the plan, from 2011 to 2030. Members were advised that the decision had been taken to apply the plan from 2011 as this was the period which Bromsgrove District Council's local plan covered.
- The potential for the plan to be aligned with the new Bromsgrove District Plan. Members were advised that this would not be possible as the district plan was in the early stages of development, however, the neighbourhood plan could be amended at a later date once the district plan had been approved.
- The links between the neighbourhood plan and the district plan. Members were informed that no elements conflicted with the district plan.
- The potential for other Parish Councils to work on producing a neighbourhood plans. Members were informed that it might be advisable to wait until the new National Planning Policy Framework (NPPF) had been confirmed.
- The role of the NPPF, which would help to clarify the approach to the how numbers of houses should be allocated to the neighbourhood planning process.
- The methods that could be used to calculate the potential number of houses that could be developed in each parish until the new NPPF had been finalised.
- The financial costs to the Council involved in providing technical support to a Parish Council when developing a neighbourhood plan. Members were advised that the Government had provided the Council with £5,000 to help fund this support, though it was uncertain whether this had covered the full costs.
- The potential need for further resources in the planning department should more Parish Councils start to develop and submit

neighbourhood plans. Members agreed that Cabinet needed to consider this matter further.

RESOLVED that

(1) Cabinet approves the District Council response to the APNP submission version;

(2) Cabinet approves a six week statutory representation period on the APNP;

(3) Cabinet gives delegated authority to the Head of Planning and Regeneration to appoint an independent examiner to undertake examination of the APNP following the consultation period; and

(4) Cabinet gives delegated authority to the Head of Planning and Regeneration to proceed to a referendum on the APNP, subject to receipt of a favourable report from the independent examiner in assessing whether the APNP meets the 'Basic Conditions'.

13/18 **FINANCIAL OUTTURN 2017/18 AND RESERVES**

The Executive Director of Finance and Corporate Resources presented the Financial Outturn 2017/18 and Reserves report and in so doing raised the following matters for Members' consideration:

- The Council's accounts had been submitted on 29th May 2018.
- The Executive Director of Finance and Corporate Resources would meet with the external auditors shortly and at this stage a position statement would be provided.
- Officers were hoping that the Council would achieve an unqualified statement of accounts and an unqualified Value for Money rating.
- From quarter 2 onwards more detail would be provided for Members' consideration.
- A £200,000 overspend was reported in respect of the strategic purpose ' keep my place safe and looking good'. A lot of this was due to a shortage of income in this area.
- There were very few variances, though some had been reported under enabling services for IT costs and a refund on Heads of Service costs.
- In total, however, £300,000 in savings had been achieved which would be returned to balances.
- £1.5 million savings had been achieved in the Capital programme. However, only £1.3 million would be carried forward in the Capital carry forwards.
- Previously Officers had determined the capital carry forward but Members had asked to consider these figures as part of the budget process.

- The Council had £3.4 million in reserves, though this included funds received from external sources which were earmarked for specific purposes.

During consideration of this matter Councillor L. Mallett spoke to Cabinet in his capacity as the Chairman of the Finance and Budget Working Group. Members were informed that the group had been advised that there were different types of reserves. This included some reserves held in accordance with Government requirements and others that were held for contingency purposes. Unfortunately the group had found that some funds were held as reserves because the budget holder was trying to carry forward that funding and Members had agreed that this was not appropriate. Members of the group had concluded that the Council's reserves were higher than necessary and that some of the funding could be returned to balances. The group was therefore proposing that a full and detailed review of the Council's reserves should be carried out.

Cabinet subsequently discussed both the report and the recommendation from the Finance and Budget Working Group in some detail. The following points were considered during this discussion:

- The hard work that had been undertaken by the Council's Financial Services team to ensure that the accounts were submitted according to deadline.
- The need to ensure that appropriate funding only was included in the Council's reserves.
- The extent to which income from car parks had been taken into account in the figures provided for 'keep my place safe and looking good'. Members were advised that officers would check this with the Head of Environmental Services prior to Council.
- The discrepancy between the total figure listed for capital carry forward requests, at £1.3 million, and the figure of £1.2 million in the capital programme quoted in the recommendations in the report. Members were advised that this figure was correct as the difference reflected the capital receipts.

RECOMMENDED

(1) That a transfer to balances of £303k is actioned as a result of revenue outturn savings 2017/18;
(2) Approval of the movements of £257k in existing reserves as included in Appendix 1 which reflects the approval required for 2017/18;
(3) Approval of the addition of new reserves of £55k as included in Appendix 1. This reflects the approval required for 2017/18;
(4) Approval of an increase in the 2018-19 Capital Programme of £66k for the Disabled Facilities Grants. This is due to the budget allocations now being announced by the Ministry of Housing, Communities and Local Government. This will increase the available budget to £846k;

(5) Approval of the carry forward to the 2018/19 capital programme of £1.215m as detailed at Appendix 3; and
(6) That a full and detailed review of reserves be carried out.

14/18 **TO CONSIDER, AND IF CONSIDERED APPROPRIATE, TO PASS THE FOLLOWING RESOLUTION TO EXCLUDE THE PUBLIC FROM THE MEETING DURING THE CONSIDERATION OF THE ITEM OF BUSINESS CONTAINING EXEMPT INFORMATION.**

RESOLVED that under S.100 I of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, the public be excluded from the meeting for the following matters on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12 (A) of the said Act, as amended:

This paragraph is:

Subject to the "public interest test", information relating to Paragraph 3 – financial or business affairs.

Minute 15/18 – Future Provision of the Council's Core HR and Finance Systems.

15/18 **FUTURE PROVISION OF THE COUNCIL'S CORE HR AND FINANCE SYSTEM (ENTERPRISE SYSTEM PROJECT BUSINESS CASE) - REPORT TO FOLLOW**

The Executive Director of Finance and Corporate Resources and the ICT Application Support Officer presented a report in respect of the future provision of the Council's core HR and Finance system, the Enterprise System Project Business Case. Whilst presenting this report the following matters were highlighted for Members' consideration:

- The Council was using outdated finance and cash receipting systems and whilst the HR system was linked to payroll it was not particularly functional.
- Staff, particularly those who managed budgets, had highlighted that the systems in place were not the most appropriate for cash receipting purposes.
- The Corporate Peer review of the Council had identified the potential for these systems to perform more efficiently thereby enabling the Council to operate in a more commercial manner.
- The Council was working to introduce a more integrated system.
- Recent legislation permitted Councils to use capital receipts to drive efficiencies and it was proposed that this approach be adopted to help pay for the new system in this instance.
- The proposed new system would provide data in real time and would be more efficient and more accurate. The system would engender a self-service culture amongst managers.

- The system would have a more modern interface than at present and would need to integrate with other Council systems.
- Included within the system would be software that would undertake some of the more mundane tasks, providing staff with capacity to concentrate on qualitative areas of work.
- Officers had consulted with other local authorities that used this system and had been reassured by advice that the system had worked for those Councils.

Following the presentation of the report Councillor L. Mallet spoke to Cabinet in his capacity as Chairman of the Finance and Budget Working Group. Cabinet was advised that the group had considered the report and had concluded that further clarification was required with regard to potential savings that could be achieved following the introduction of the new system. Members had felt that the finance part of the system was fairly easy to define. However, the group agreed that the HR systems needed further definition. There was the potential to introduce HR systems which enabled managers to post job adverts directly and to receive applications immediately after the deadline for a post had passed. In conclusion, however, the group had been supportive of the proposed new system.

Cabinet subsequently discussed the report in detail and raised the following points:

- The extent to which savings had been achieved by other local authorities that had utilised this system. Members were advised that a number of other Councils had used this software and reduced their costs.
- The potential for the system to be introduced on a staged basis. Officers advised that staged implementation of such large systems was considered good practice and would be implemented in this case.
- The potential for a further report to be presented to Cabinet in the future outlining the savings that had been achieved as a result of introducing the new system.

RECOMMENDED that the business case for the implementation of an integrated Enterprise Resource Planning System (ERP) is approved.

[During consideration of this item Members discussed matters that necessitated the disclosure of exempt information. It was therefore agreed to exclude the press and public prior to any debate on the grounds that information would be revealed which relates to financial or business affairs].

The meeting closed at 6.55 p.m.

Chairman