

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE COUNCIL

24TH JULY 2018, AT 6.00 P.M.

PRESENT: Councillors M. J. A. Webb (Vice-Chairman), C. Allen-Jones, M. T. Buxton, S. R. Colella, B. T. Cooper, R. J. Deeming, G. N. Denaro, R. L. Dent, M. Glass, R. E. Jenkins, H. J. Jones, R. J. Laight, L. C. R. Mallett, K.J. May, C. M. McDonald, P. M. McDonald, S. P. Shannon, M. A. Sherrey, C. B. Taylor, P.L. Thomas, M. Thompson, K. J. Van Der Plank, S. A. Webb and P. J. Whittaker

23\18

TO RECEIVE APOLOGIES FOR ABSENCE

At the start of the meeting the Vice Chairman advised that since the previous meeting of Council former Councillor, Mr Colin Wilson, had passed away. Members paid their respects to Mr Wilson by observing a minute's silence. Councillor P. McDonald subsequently paid tribute to Mr Wilson, noting that he had chaired the Personnel Committee during his time serving as a Councillor and he had developed a good relationship with staff and the trade unions. Mr Wilson had been well respected, approachable, devoted to his family and had worked hard to represent the people of Rubery.

Apologies for absence were received from Councillors S. Baxter, C. Bloore, J. Griffiths, C. Hotham, S. Peters, C. Spencer and L. Turner. Members were also advised that Councillor R. Jenkins would be a little late and would need to leave the meeting early.

In the absence of the Chairman the Vice Chairman, Councillor M. Webb, chaired the meeting.

24\18

DECLARATIONS OF INTEREST

Councillors L. Mallett and M. Sherrey declared other disclosable interests in respect of minute no. 33/18 due to their positions as trustees of the Basement Project, which worked to prevent youth homelessness. As they had no pecuniary interest in the item they remained present during the discussions thereon.

25\18

MINUTES

The minutes of the meeting of Council held on Wednesday 13th June 2018 were submitted. A small number of points for clarification were raised during consideration of these minutes:

- A typographical error was identified at Minute No 16/18, in respect of the spelling of the Medium Term Financial Plan.
- The minutes recorded at Minute No 17/18 that Councillor M. Webb had commented that he believed this Council was in a better financial position than many others. Councillor M. Thompson noted that Councillor C. Bloore had made particular comment in respect of the financial position and the impact of the negative grant and borrowings, and asked for his comments to be included in the minutes.
- In respect of Minute No 19/18 Councillor M. Thompson questioned whether clarification had been provided in respect of the letter in the local paper from the Governors of North Bromsgrove High School (NBHS) which indicated that use of the school's sports hall for 48 weeks had never been an option.

RESOLVED that the minutes of the Council meeting held on Wednesday 13th June 2018 be approved as a correct record.

26\18

TO RECEIVE ANY ANNOUNCEMENTS FROM THE CHAIRMAN AND/OR HEAD OF PAID SERVICE

Members were advised that there were no announcements from the Chairman or Head of Paid Service on this occasion.

27\18

TO RECEIVE ANY ANNOUNCEMENTS FROM THE LEADER

The Leader advised that the Council had received a positive response to the authority's submission of a bid to Homes England for help with redeveloping the site at Burcot Lane. Preliminary work was now underway between the Council and Homes England to review viability and to discuss the next steps for the land. There was still a considerable amount of work to be done before any offer could be finalised but the Leader advised that he would keep Council fully appraised on further developments as and when they occurred.

This progress moved the Council forward in terms of the local authority's potential to access the Accelerated Construction Programme. The programme would allow housing schemes to be constructed much more quickly using innovative construction methods and a wider range of builders. In particular, small and medium-sized companies that were often locally based could be utilised.

Councillor M. Thompson noted that at the previous meeting of Council a Motion had been considered which called for the Council to build and maintain its own Council Housing stock. Whilst this motion had been lost the Leader was asked whether the housing that would be developed at the Burcot Lane site would be Council Houses. The Leader advised that the Council would need to work with Homes England on their requirements whilst still aiming to meet the needs of local residents.

Councillor P. McDonald raised concerns that expenditure on senior management of both the Council and a future Housing Company would divert funds from investment in additional housing. However, Members were advised that Homes England would not be minded to grant the Council funding if it was to reintroduce a Housing Revenue Account (HRA).

Councillor Mallett asked the Leader to comment on speculation in the local press that a fee was due to be introduced for parking at Sanders Park. The Leader responded by advising that he was not aware of any plans to charge for parking at Sanders Park.

28\18

TO RECEIVE COMMENTS, QUESTIONS OR PETITIONS FROM MEMBERS OF THE PUBLIC

The Vice Chairman advised that no questions or petitions had been received from the public on this occasion.

29\18

CHANGE TO COMMITTEE MEMBERSHIP

Council was asked to note that Councillor P. McDonald would be replacing Councillor L. Mallett as a member of the Audit, Standards and Governance Committee.

RESOLVED that the change to the membership of the Audit, Standards and Governance Committee be noted.

30\18

RECOMMENDATIONS FROM THE CABINET

Air Quality Management Area – Kidderminster Road, Hagley

The recommendation from Cabinet in respect of the Air Quality Management Area (AQMA) in Hagley was proposed by Councillor P. Whittaker and seconded by Councillor G. Denaro.

In proposing the recommendation Councillor Whittaker noted that the item had been considered by Council on a number of occasions. The AQMA on Kidderminster Road in Hagley had been declared in February 2010. Since then the Nitrogen Dioxide (NO₂) levels had been monitored and Worcestershire Regulatory Services (WRS) had observed that average levels of NO₂ had fallen below the national objectives that required the adoption of an AQMA. Members were advised that WRS would continue to monitor air pollution in the location, should the AQMA be revoked, and this would focus on a number of areas that had been highlighted by Councillor S. Colella. Council had previously agreed to postpone making a decision on this subject to provide time for the Overview and Scrutiny Board to consider figures arising from the monitoring process in 2017. The Board had considered this information at a recent meeting and therefore it was suggested that a decision could now be taken.

Whilst discussing this item Members debated a number of areas in more detail:

- The work of the Overview and Scrutiny Board to review this matter. Councillor Colella raised concerns that limited information about meaningful cost options or about the potential to use mobile NO₂ monitoring equipment had been provided for the consideration of the Board.
- The impact that the recent period of sustained hot weather might have on air quality in Hagley.
- The potential for WRS to undertake a detailed survey of air quality using mobile monitoring equipment.
- The need for WRS to engage constructively with Worcestershire Highways Department in relation to air pollution.
- The congestion on the main roads in Hagley and the impact that this had on air pollution.
- The extent to which the figures that had been provided during monitoring of the air quality by WRS could be considered to have scientifically proved there was a trend towards an improvement in air quality in the area.
- The impact that poor air quality could have on the health and wellbeing of residents living in Hagley and the responsibility of the Council in relation to public health.
- The recent announcement by the Government of a new Clear Energy Strategy which would require local authorities to make numerous changes, and the investment to address this that might be available for AQMAs.

During consideration of this item Councillor S. Colella proposed an amendment to the recommendation. This proposal was seconded by Councillor K. Van Der Plank.

The amendment proposed the following:

Bromsgrove District Council should not revoke the Hagley AQMA but instead should do the following:

- a) procure mobile NO₂ monitoring equipment to monitor air quality;
- b) carry out regular surveys of air quality across the district; and
- c) WRS should engage regularly with Worcestershire Highways Department.

Members discussed the proposed amendment in some detail and in so doing considered the following:

- The choice made by other Councils to invest in electric vehicles. A question was raised about when the Council would invest in such vehicles and Councillor Whittaker advised that a considered opinion would be provided in response to this question at a later date.

- The concerns amongst residents about the public health implications of poor air quality.
- The increase in traffic in recent years and the impact that this was having on air pollution levels.
- The extent to which high polluting vehicles and the causes of this had been highlighted by car manufacturers with consumers.
- The national standards set by the Department of Environment, Food and Rural Affairs (DEFRA) in respect of arrangements for monitoring air quality. Council was advised that the mobile NO₂ monitoring equipment did not meet those standards.
- The length of time that the DEFRA standards had been in place. Councillor Colella commented that these had been the national standards for 17 years.
- The times when air quality had been monitored in Hagley. Councillor Colella suggested that it was important for air quality to be monitored at peak times.
- The potential to utilise mobile NO₂ equipment throughout the district, not just in Hagley.

On being put to the vote the amendment was lost.

Following consideration of this amendment the recommendation was put to the vote.

RESOLVED that Kidderminster Road, Hagley AQMA be revoked.

Bromsgrove Sport and Leisure Centre – Sports Hall Appraisal

The recommendation from Cabinet in respect of the sports hall was proposed by Councillor B. Cooper and seconded by Councillor P. Whittaker.

In proposing the recommendation Councillor Cooper noted that the item had been debated at the meeting of Council in June but the matter was deferred because there was misleading information on the potential revenue from the new sports hall. Two paragraphs about the estimated income from and running costs of a new sports hall had been included in the report tabled for Members' consideration. A new table had also been included to clarify that the maximum revenue projection figure was £70k per annum.

Councillor Cooper noted that at the previous Council meeting Councillor Whittaker had outlined the history of the sports hall project and how the Council arrived at the current position. As Finance Portfolio Holder Councillor Cooper had looked at the Sports Hall project from the point of view of whether it was in the interests of the Council Tax payers of Bromsgrove District to fund a sports hall. The maximum revenue projection from the sports hall of £70k per annum would allow borrowing of up to £1.9 million from the Public Works Loans Board (PWLB) towards the Sports Hall project at a favourable rate of interest. This

would leave a funding shortfall of £1.95 to £2.835m depending on the type of building selected.

Members were asked to note that up to £1.8m might be realised from the sale of land on School Drive. This sale was included in the business case for the new Leisure Centre and when the money was received, would go towards paying off the loan on the Leisure Centre and so reduce the borrowing costs, therefore was not available for building a sports hall.

Councillor Cooper advised that at the end of the financial year 2017/2018, the Council had £4.7m in balances. The Council was required to maintain balances of at least £1.1 million as a contingency. On the face of it, it seemed that the Council might be able to make up the funding shortfall from balances. However, Councillor Cooper reminded Members of the considerable uncertainty surrounding the finances of the Council and all other local authorities over the medium term, which had been discussed at Council in February. Members were asked to note that in the Medium Term Financial Plan that was passed by Council in February, it was proposed that to balance the budget and to maintain services, it would be necessary to take money from balances to a total of £2.11m for the three years 2019/20 to 2021/22, which would leave no more than £1.49m available in balances; not enough to make up the short fall on the sports hall project.

Members were informed that the Council could not be confident that the finances of local government would improve after 2022, so it was possible that the Council would have to take more money from balances to balance the budget and maintain services in the years after 2022. Whilst there was increasing optimism that the negative revenue support grant or tariff adjustment might be reduced after a review in 2018, Members were advised that it would be naïve to assume that the Treasury would remove the negative grant completely.

In this context the Cabinet had concluded that it would be financially irresponsible for the Council to spend up to £2.8 million of the Council's balances on a sports hall at this time. Members needed to consider the impact that this could have in the long-term, including the potential that spending this money on a sports hall could result in a reduction in services provided by the Council in the years to come.

Councillor Cooper concluded by noting that should the Council decide not to build the Sports Hall, the Council would need to demolish the old buildings and finish off the site. Consequently the Cabinet was asking Council to approve capital funding of £600,000 to be released from balances.

Council then proceeded to debate the subject and raised the following points:

- The different views of the Council and the governors of NBHS in respect of the length of time it had been agreed that people would have access to the school's sports hall.
- The reasons why an application for the sports hall to become an asset of community value had been turned down.
- Recent reports that a fire had broken out at the new leisure centre in Bromsgrove, during which a group of people with disabilities had struggle to be evacuated from the building.
- The impact that the loss of the sports hall at the former Dolphin Centre had had on community groups and vulnerable people.
- An approach that had been received from My Time Active about the potential to take over the sports hall.

During consideration of this item Councillor M. Thompson proposed an amendment. This proposal was seconded by Councillor L. Mallett.

The amendment proposed the following:

A decision about the sports hall should be postponed for three months whilst a working group considers the proposal received from My Time Active.

Members discussed this proposal in detail and in so doing considered a range of issues:

- The Council's commitment in the Local District Plan to helping residents to become and remain healthy and the contribution that the sports hall could make to this objective.
- The one month extension that had been offered at the previous meeting of Council to enable interested parties to come forward to express an interest in managing the sports hall and the extent to which one month was an adequate length of time for this purpose.
- The offer that had been made by My Time Active. Councillor L. Mallett questioned whether the Portfolio Holder for Leisure, Councillor Whittaker, had met with representatives of the organisation, whether he was aware of their model and whether due diligence had been undertaken in respect of this.
- The importance of the sports hall to residents living across the district as a leisure facility.
- The contribution of concerns about the impact of the negative support grant on the Council's finances to the proposal to complete phases 2 and 3 of the works at the former Dolphin Centre.
- The work of MACE to undertake the options appraisal in respect of the sports hall and the extent to which other organisations were considered in respect of undertaking this work on behalf of the Council.

In accordance with Council Procedure Rule 18.3 a recorded vote was taken on this amendment and the voting was as follows:

For the amendment: Councillors Buxton, Colella, Mallett, C. McDonald, P. McDonald, Shannon, Thompson and Van der Plank. (8)

Against the amendment: Councillors Allen-Jones, Cooper, Deeming, Denaro, Dent, Glass, Jones, Laight, May, Sherrey, Taylor, Thomas, S. Webb and Whittaker. (14)

The Vice Chairman declared the amendment to be lost.

Following the defeat of the proposed amendment a number of Members expressed disappointment that further time would not be allocated to exploring an additional option that was available in respect of the long-term management of the sports hall. In particular a number of Members noted that this represented a final chance to save the sports hall from demolition.

In this context Councillor M. Thompson proposed a further amendment. This proposal was seconded by Councillor P. McDonald.

The amendment proposed the following:

The Council should postpone a decision in respect of the sports hall for 2 months and 20 days to provide time to consider My Time Active's offer.

In proposing the amendment Councillor M. Thompson called for an adjournment to provide time for him to meet with the Leader of the Council and a representative of the Independent Alliance in the absence of that group's leader to consider this matter further.

In seconding the proposal Councillor P. McDonald commented that Members had been in favour of upgrading the Council's leisure centre but had expected this replacement to be on a like-for-like basis. Members were asked to consider that 2 months was not a lengthy period of time to wait and there was a need to explore all available options to ensure that Council funds were spent in accordance with residents' needs.

On being put to the vote the amendment was lost.

Following the vote on the second amendment Councillor Whittaker spoke on the proposals in his capacity as the relevant Portfolio Holder for Leisure Services. He assured Members that NBHS had decided to change the timeframes in which residents could access the school's hall from 48 to 38 weeks. Councillor Whittaker had not been aware of the fire at the new leisure centre. The decision had been taken in 2014 not to proceed with having a sports hall. The sports hall in the Dolphin Centre would not meet the requirements of Sport England and a significant amount of refurbishment work would be required to bring it up to standard. Councillor Whittaker had not yet spoken to representatives

of My Time Active, though he had received written correspondence from a representative of the organisation before the start of the meeting.

A number of points of order were subsequently raised by Members. In the first place Councillor S Colella questioned the legality of proceeding with the proposal in the report in light of an alternative course of action having been identified. Officers advised that given the existing budgetary commitments that needed to be met by the Council and that the project was already part way through there was nothing to stop the Council from proceeding with the proposals in the report. The offer from My Time Active did not impact on this.

The second point of order was raised by Councillor K. Van Der Plank who questioned whether an equality impact assessment had been carried out in respect of this matter, given the recent experience of the group with physical disabilities during the fire at the new leisure centre. Members were advised that this had already been addressed at the report stage.

At the end of these deliberations in accordance with Council Procedure Rule 18.3 a recorded vote was taken and the voting was as follows:

For the recommendation: Councillors Allen-Jones, Cooper, Denaro, Deeming, Dent, Glass, Laight, May, Sherrey, Taylor, Thomas, S. Webb and Whittaker. (13)

Against the recommendation: Councillors Buxton, Colella, Jenkins, Mallett, C. McDonald, P. McDonald, Shannon, Thompson and Van der Plank. (9)

Abstentions: Councillor Jones. (1)

The Vice Chairman declared the recommendation to be carried.

RESOLVED that capital funding of £600,000 be released from balances in 2018/19 to complete phase 2 and 3 works associated with the project.

Finance Monitoring Outturn 2017/18

The recommendations from Cabinet in respect of the Finance Monitoring Outturn report for 2017/18 was proposed by Councillor B. Cooper and seconded by Councillor G. Denaro.

In proposing the recommendations Councillor Cooper explained that the figures provided in the agenda papers were available prior to the audit but no material differences had been found by the auditors since the audit of the Council's accounts had been completed and would be presented to Council by the Chairman of the Audit, Standards and Governance Committee during the meeting.

The Council's revenue budget showed performance for each of the strategic purposes. The first column showed the budget set at the beginning of the year, the second column showed the revised budget. These budget figures were compared with actual performance in the third column.

The main incoming resources were £7.43m from Council Tax, £1.917 million from the New Homes Bonus, £962,000 from business rates growth, and £114,000 in revenue support grant. The Council also received £1.105m for Section 31 business rate relief grants and paid £268,000 in borrowing costs.

Members were asked to note that the corporate finance spend included transfers of money to the reserves.

There was an underspend of £728,000 (i.e. 5.6%), against budget. However when corporate financing was considered, the underspend fell to £303,000 (2.3% of the budget) and this was the sum which would be transferred to balances. These stood at £4.789 million on 31st March 2018, which was £475,000 higher than on 1st April 2017.

The variances and the overall underspend raised concerns about the budgeting process, which was discussed by Members at Council in July 2017. The Council had tightened the budget setting procedures at the end of the previous year for the 2018/19 budget and the departmental budget performances were scrutinised more thoroughly, especially those which had significant variances. In total 2 departments were now setting a zero base for their departmental budgets. All departments would be encouraged to do this in the coming budget process. Consequently the budgeting process would be more challenging to departmental heads in 2018/19. The new integrated financial system would, if approved, make a major contribution to better budgeting in time.

Councillor Cooper was pleased to announce that savings had been made during the year. In the budget for 2017/ 2018, £659,000 was reallocated to the efficiency plan. During the year, the Council made efficiency savings of £1.29 million made up of £263,000 additional income and £1.03 million savings and budget resetting including the £659,000 mentioned earlier.

Members were asked to note that some funds allocated for vehicles and for the new leisure centre were being carried over to the current financial year. There was a desire to carry forward £1.215 million to the capital programme for 2018/19. The Cabinet asked Council to approve an increase in the 2018/19 capital programme of £66,000. This entailed more money received from government for disability facilities grants, which would increase the available budget to £846k.

The first column of the financial reserves position showed the position at 1st April 2017. The second column showed monies transferred to existing reserves in 2017/ 2018, which totalled £700,000, of which

£600,000 were grants received. The third column showed the monies that had been moved out of reserves in the last financial year; this total was £956,000. At year end, the total reserves of the Council stood at £3.405 million. Councillor Cooper requested Council's approval for the movements of £257,000 in existing reserves and approval of the addition of new reserves of £55,000.

Cabinet was aware that the reserves information in the report was opaque. It was not clear what the reserves were for, why some funds were in reserves and not in balances, and why some reserves were not being used. Therefore it might be that some monies in reserves could be transferred to balances so that the money was available for delivering Council's strategic purposes. The Cabinet was therefore recommending to Council that there should be a comprehensive review of the Council's reserves policy.

Councillor Cooper congratulated all the Council's officers for the financial performance of the Council in what were increasingly difficult and uncertain financial times. The Council had, in effect, generated a surplus and Councillor Cooper expressed the view that in this day and age, it was a minor triumph to deliver a surplus in local government with no reduction in services and with no use of money from balances.

The financial results for 2017/18 showed that the Council was currently solvent and it could approach the difficult financial years ahead with concern rather than dread.

The medium term financial position for the Council was uncertain. The Council would be losing the revenue support grant in 2018/19 and from 2019/20, would have to pay a negative grant or tariff adjustment of £740,000 per year. Councillor Cooper explained that he was hopeful that this sum would be reduced as a result of the review of the tariff adjustment, which would be announced in the Chancellor's autumn statement. The New Homes Bonus (NHB), which generated £1.9m in 2017/18, was going to be reduced; it was predicted that as a result the Council might lose as much as £400,000 a year. There were uncertainties about the government plans for business rates, inflation was predicted to increase and there were the general financial uncertainties related to Brexit. Councillor Cooper also noted that some of the Council's capital spending (e.g. on vehicles and the leisure centre replacement) was being deferred.

In the Medium Term Financial Plan, the Council was proposing to use a total of £2.1m from balances to balance the budgets in the three years 2019/20 to 2021/22. Councillor Cooper expressed the view that this was unsustainable in the long-term despite the Council's current healthy financial situation. Therefore the balances and reserves could not be used to ride out the severe financial challenges and the government was expecting Councils to be more self-sufficient financially. Councillor Cooper suggested that the Council had to review its strategic priorities and continue to drive down costs. Members would also have to consider

using the Council's balances and reserves to generate income in order to maintain good quality services for residents. Senior officers and the Cabinet were considering ways that the Council might use the reserves, balances or borrowing for income generation.

Therefore Councillor Cooper noted that whilst the Council could be reassured by its financial performance in 2017/18, with the end of year underspend and good balances and reserves, the Council had to be sanguine about the future.

Councillor Cooper concluded by thanking the Executive Director of Finance and Corporate Resources and the Council's Finance Team for all their excellent work.

Following the presentation from Councillor Cooper Members discussed the Financial Monitoring Outturn report for 2017/18 in further detail and raised the following matters:

- The surplus that had been generated during the year and the extent to which this corresponded with concerns about the budget that had been raised in February 2018.
- Savings that had been achieved in respect of CCTV earlier in the year and the response that had been provided by Councillor Cooper in his capacity as the relevant Portfolio Holder for finance at that stage.
- The criticisms of the Council raised in previous audits with regard to the use of savings from vacant costs to help balance the budget.
- The causes of the £200,000 overspend in relation to the strategic purpose 'keep my place safe and looking good'. Councillor Cooper explained that this overspend had largely arisen due to a shortfall in income from Building Control and in relation to planning applications.
- The different figures recorded as savings in the capital programme and the figure that had been carried forward in that programme. The Section 151 Officer explained that whilst the Council had achieved savings of £1.5 million in the capital programme Officers were only proposing to carry forward £1.2 million.

RESOLVED:

- (1) that a transfer to balances of £303,000 is actioned as a result of revenue outturn savings 2017/18;
- (2) approval of the movements of £257,000 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 £55,000 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 £66,000 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 £846,000;

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

Future Provision of the Council's Core HR and Finance System

As a public and private version of the report in respect of the Council's Core HR and Finance system were due to be considered by Members the Vice Chairman proposed that the report and the recommendations arising should be considered together towards the end of the meeting.

31\18

TO RECEIVE THE MINUTES OF THE MEETINGS OF THE CABINET HELD ON 27TH JUNE 2018

The minutes of the Cabinet meeting held on 27th June 2018 were received for information.

During consideration of these minutes Councillor M. Thompson requested clarification in respect of Minute No. 12/18 the Alvechurch Parish Neighbourhood Plan. In the minutes it was noted that technical support had been provided by the Planning Department to Alvechurch Parish Council for this work at a cost of £5,000 and a further £20,000 would be awarded should a referendum be launched in respect of the plan. Councillor Thompson questioned why these funds were required and whether the costs could be met by the Parish Council.

Councillor G. Denaro explained that the £20,000 towards the costs of a referendum would be provided by the Government if needed, though he undertook to provide a more detailed response in writing.

32\18

RECOMMENDATIONS FROM THE AUDIT, STANDARDS AND GOVERNANCE COMMITTEE MEETING HELD ON 23RD JULY 2018

Councillor S. Colella, Chairman of the Audit, Standards and Governance Committee, proposed the recommendations arising from the meeting of the Committee held on 23rd July 2018. These were seconded by Councillor R. Laight.

Members were advised that the external auditors had issued unqualified opinions in respect of both the Council's accounts and in relation to the Value for Money (VfM) opinion. This represented significant progress after a number of years in which the Council had received qualified opinions for these areas. The Council was in a financially sustainable position, though there remained a number of financial challenges moving forward. The valuable work of the Finance and Budget Working Group in terms of helping the Council to reach this position with its finances had been recognised. Councillor Colella thanked the Executive Director of Finance and Resources and the Finance team for their hard work,

together with the members of the Audit, Standards and Governance Committee.

In seconding the recommendations Councillor R. Laight congratulated Councillor Colella on his appointment as the Chairman of the Audit, Standards and Governance Committee. Councillor Laight also highlighted that the external auditors had commented that the Council was on a sound financial footing.

Councillor B. Cooper also paid credit to the Finance Team and praised the contribution of the Finance and Budget Working Group. Members were advised that the external auditors had reported that the Council was in a good place financially and was solvent. However, whilst the Council had a significant amount in balances this would not last forever.

Councillor M. Thompson noticed that the focus of the auditors was on the Council's book keeping in respect of the accounts. The auditors were not, however, required to review what the Council chose to invest in. The Council was also borrowing funds and would soon need to pay funding back to the Government in the form of the Negative Revenue Support Grant.

RESOLVED that

- (1) the Council approves the Statement of Accounts 2017/18, including the Accounting Policies provided at pages 25 to 35 of the report; and
- (2) the Council approves the draft letter of representation as included in Appendix 2 of the covering report.

33\18

TO RECEIVE AND CONSIDER A REPORT FROM THE PORTFOLIO HOLDER FOR PLANNING AND STRATEGIC HOUSING

As Portfolio Holder for Planning and Strategic Housing, Councillor C. Taylor presented his annual report. Councillor Taylor thanked officers working in the Planning and Strategic Housing Departments for their hard work.

Following the presentation of the report Members questioned Councillor Taylor on a number of points:

- The levels of homelessness in the district and whether these were an appropriate indicator of the condition of the local housing market.
- The Planning Policy requirements for developers to build up to 40 per cent of affordable properties on housing developments in the district.
- The recent appointment of the Chairman of the Planning Committee and the reasons for his absence on the date the appointment was made. Councillor Taylor suggested that this

question needed to be directed to the Chairman of the Planning Committee.

- The assessment of the Council's Planning Department undertaken by an external organisation and the Portfolio Holder's view of this. Councillor Taylor requested this question in writing and agreed to respond in writing.
- The types of properties that required action from Planning Enforcement Officers and the types of enforcement cases that could be closed. Councillor Taylor explained that enforcement action could be taken in a variety of circumstances; he requested further information and agreed to respond in writing.
- The Council's relationship with Worcestershire County Council's Highways Department in relation to the planning process and the potential for funding to be received back from the County Council in relation to this. Councillor Taylor explained that the authority was in discussions with the County Council about this matter.
- The attendance of Worcestershire County Councillor K. Pollock at an Overview and Scrutiny Board meeting some months previously and the delay in providing the Board with the information that had been requested during the meeting.
- The latest report from Mott MacDonald, which commented on the A38 and referred to works being undertaken to widen the footbridge.
- The costs of the work undertaken by Mott MacDonald. Councillor Taylor commented that he was confident there were sufficient funds in the Planning Department's budget to cover these costs. Councillor Taylor also agreed to respond in writing to questions about the Council's relationship with the Highways Department.
- The request that had been received from full Council for the authority to work with Mott MacDonald moving forward.
- The progress that had been made in terms of providing more affordable and family homes in the district. Councillor Taylor advised that a number of affordable properties had been built in recent years, though there remained room for improvement. In relation to family housing the Council was aiming to have a mix of large and small houses.
- The approach taken by Birmingham City Council to providing affordable housing to residents. Councillor Taylor advised that up to 35 per cent of housing in Birmingham needed to be affordable, though the proportion sometimes fell once viability studies were undertaken.
- The proportion of social housing and genuinely affordable housing in the district. Councillor Taylor agreed to provide a written set of statistics for information.

34\18

QUESTIONS ON NOTICE (TO BE CIRCULATED AT THE MEETING)

Question submitted by Councillor R. Jenkins

“The McCarthy and Stone development Park Road, Hagley required an infrastructure improvement, namely a public footway, to be installed as a specific planning condition of planning approval being granted by this Council in 2014.

The footway was required to be open to the public before the first occupation (which was in December 2015) and the intention of the public footway was for wider community use and it gives direct pedestrian access from the 192 homes Wychbury Fields and 77 homes Wychbury Lawns developments to local schools, public transport and the village centre and shops.

Question. Can the Portfolio Holder for Planning give a full explanation as to why the footway has remained unopened for public use for at least the 31 months since it should have opened, including how soon after December 2015 the Planning department first took action to remedy the breach.

Also how the Planning department's actions to resolve this issue have complied with its own Enforcement policy, and also state on what date the public footpath will finally open.

In addition, as this is a long standing breach of a planning condition it continues to deny a public facility to many hundreds of people, including being an obstacle to the encouragement of people to walk and/or cycle, use public transport and a healthier lifestyle.

Whilst the breach continues does this place the Council in contravention of policies of its own current adopted Local Plan, namely Strategic Objective SO6 (encouraging walking and cycling), BDP12 (8.96) Sustainable Communities, BDP16 (8.132, 8.133) Sustainable Transport and BDP25 (8.247) Health and Well Being? If so what redress is there and to whom?”

As the Portfolio Holder for Planning and Strategic Housing, Councillor C. Taylor responded that officers had been working with Worcestershire County Council with the aim of opening up the footpath. However, the layout of the footpath caused complications, which meant that the Highways Department was unwilling to adopt the footpath due to the potential costs involved. McCarthy was aware of its responsibilities and as soon as they responded to the Council Councillor Taylor agreed to notify Councillor Jenkins.

Councillor Jenkins expressed concerns that the answer provided had not addressed her question and she requested a full response in writing to all of the points raised in her question. Councillor Taylor advised that he would ask the Development Control Manager to provide a detailed written response.

Question submitted by Councillor S. Colella

“The Overview and Scrutiny Board meeting planned for 30th July has been cancelled due to lack of business. The substantive item on the agenda was to have been the Transport Planning Review draft report, but this report is still awaited from WCC and therefore the report will not be ready. A letter from the Chairman has been sent to WCC chasing up the outstanding information. The next planned meeting of the Board will be 3rd September.

This is totally unacceptable raising significant concerns as regards the willingness and cooperation of WCC in supporting BDC in one of the most strategically important issues that face the residents of Bromsgrove yet we can't get a timely meaningful report. This shows a total disregard to the problems that we face in this district and concerns me greatly that as a responsible authority for producing a Strategic Supplementary Planning document that will inform the Bromsgrove Development Plan it continues to give me absolutely no confidence whatsoever that our transport and travel problems will be resolved anytime soon.

Does the leader and Cabinet agree with me that this lack of cooperation and fulfilment is not acceptable and that this council supports the Overview and Scrutiny Board by writing to the leader of WCC expressing our my deepest concerns?”

The Leader responded by advising that he would be happy to write to Worcestershire County Council. This letter would emphasise that all aspects of highways information required by Bromsgrove District Council should be provided in a timely manner. This was not an issue in relation to the County Council preparing a planning document; instead this was about having appropriate input and responding to the Overview and Scrutiny Board in a timely manner.

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MOTIONS ON NOTICE

LEP

Members considered the following notice of motion, submitted by Councillor S. Colella.

"This motion calls on the Leader to formally withdraw from the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) in favour of more heightened involvement in the Worcestershire LEP."

In considering the motion Councillor Colella requested that the Leader provide an update in respect of the LEPs.

The Leader explained that the government had recently published a report in respect of LEPS. This report outlined requirements which stipulated that LEPs should no longer overlap in terms of the areas that they covered. The Chairmen of the LEPs would be required to meet to discuss how to resolve this issue, including the Chairmen of

Worcestershire LEP and the Greater Birmingham and Solihull LEP. A decision would need to be taken by the end of September in relation to this matter, though would not come into effect until 2020.

Councillor Colella commented that he would be keen for full Council to have a chance to consider which LEP the Council would remain a member of moving forward.

Based on the update provided, Councillor Colella withdrew the motion.

Prayers

Members considered the following notice of motion, submitted by Councillor S. Webb.

"Council notes:

- Of the 6 district councils in Worcestershire, 4 councils currently have a space for prayer and reflection. Since 2015, the right of Councils to decide to hold prayers has been enshrined in law.
- A space for prayers and reflection gives an opportunity to welcome different communities and faiths into the heart of local government in Bromsgrove, and sends a powerful message to all communities that they are welcome here.
- That it is important to make local democracy as open and inclusive as possible, with a role for every faith community and none. Council emphasises that including a space for reflection and prayer is an opportunity to allow all faiths and none to play a role in local government, **not** to appear to subscribe to one faith in particular, and those who do not wish to participate in a prayer or thought for the day have no obligation to do so.

Council resolves:

- To introduce a space for prayers and reflection as a part of Full Council meetings at the beginning. Council takes this opportunity to welcome all faiths and none to play a role in local government in Bromsgrove, and resolves to write to representatives of different faiths and nonreligious local figures to ask if they would like to participate."

The motion was proposed by Councillor S. Webb and seconded by Councillor R. Laight.

In proposing the motion Councillor Webb commented that Councils that practised prayers and moments of reflection across the country often chose to have a rotating series of local faith representatives play a part in the Council's business from week to week. This provided a chance to open the doors of local government to representatives of all communities so that members of the public could be involved. Prayers would provide an opportunity to welcome everyone to a Council meeting.

Members, staff and residents would not be forced to participate in the prayer if they did not wish to do so and could stand or sit as they felt appropriate during the course of the prayer. Public office inevitably meant that Members would come into contact with many different faiths, cultures and ceremonies. However, Councillor Webb suggested that it was important to distinguish between this, which could sometimes involve being present in a room where prayers were taking place, and active participation in the prayer.

Councillor Webb expressed the view that Council meetings in Bromsgrove could be quite lively and she raised concerns that this could be off-putting for some residents. Members got involved with the Council in order to make a difference and to represent their residents and Councillor Webb suggested that a quiet space for reflection in the Council Chamber was needed to help remember this.

Finally, Councillor Webb concluded by suggesting that the reintroduction of prayers and a space for reflection would provide Members with space to welcome representatives of all faiths and none to the heart of local government in Bromsgrove whilst reminding Members why they were there.

Following the presentation of the motion Members discussed the subject in detail and raised a number of issues:

- Concerns were raised that the Council Chamber was a place where politics should be conducted and it was suggested that politics and religion should be separate issues.
- Members noted that many people had a strong religious faith but often this would be private and they might not want to take part in the prayers.
- Further concerns were highlighted that some people could be made to feel uncomfortable if they felt they wanted to leave the Chamber during the course of the prayer.
- The suggestion was made that another room should be made available close to the Parkside Suite which could be used by those who wanted to participate in a prayer immediately before the start of a Council meeting.
- It was noted that there was a long tradition of holding prayers at the start of Council meetings in Bromsgrove.
- The prayer would provide those present with an opportunity for reflection and this would not necessarily require religious faith.
- Prayers were held at the start of Council meetings by a number of other local authorities, including Worcestershire County Council.

In accordance with Council Procedure Rule 18.3 a recorded vote was taken and the voting was as follows:

For the motion: Councillors Allen-Jones, Deeming, Denaro, Dent, Glass, Jones, Laight, May, Sherrey, Taylor, Thomas, S. Webb and Whittaker.
(13)

Against the motion: Councillors Buxton, Colella, Jenkins, Mallett, C. McDonald, P. McDonald, Shannon, Thompson and Van der Plank. (9)

Abstentions: Councillor Cooper. (1)

The Chairman declared the motion to be carried.

Court Leet

Members considered the following notice of motion, submitted by Councillor P. McDonald.

"Although the Court Leet is fictitious the cost to this Council is not. At a time of political austerity with many people going without and local food banks unable to cope with demand; valuable resources cannot be justified for people to dress up as ancient lords of the manor in the twenty first century. Therefore, this Council no longer in anyway facilitates either in monies or kind the antics of those professing to be of the defunct Court Leet."

The motion was proposed by Councillor P. McDonald and seconded by Councillor S. Shannon.

In proposing the motion Councillor McDonald expressed concerns that the Council was supporting the Court Leet at a time of austerity. Many families were struggling financially as a result of austerity so it was important to ensure appropriate investment of Council resources. The Court Leet celebrated an historical matter and it was suggested that those participating in the celebrations could raise funds and obtain support from other sources. Councillor McDonald also expressed concerns that police resources were used as security during the Court Leet which could have been used for other purposes.

In seconding the motion Councillor Shannon expressed concerns that the Court Leet appeared to be receiving indirect support from the Council at a time when local government finances were challenging. Councillor Shannon suggested that the Council should instead focus on supporting those in need in the district.

In responding to the motion the Portfolio Holder for the Economic Development and the Town Centre, Councillor K. May, explained that the Court Leet was key to Bromsgrove's market town identity. The event encouraged visitors to the town who would subsequently return, which had a positive impact on the local economy. The Court Leet celebrated the charter awarded to Bromsgrove in 1199. The Council had provided a few staff hours prior to the event for set up purposes at a cost of £250 and had also provided some market stalls for free, though if a charge had been applied the cost would have been approximately £250.

Councillor May went on to note that over the past few years there had been a number of events in the town centres in the district which had attracted visitors. Furthermore there had been 6,000 views of a video of the Festival of Light Parade on social media. All of this raised the profile of Bromsgrove and this highlighted the benefit associated with holding events in the town like the Court Leet.

On being put to the vote the motion was lost.

Housing Shortage

Members considered the following notice of motion, submitted by Councillor M. Thompson.

“Council notes the impact of the housing shortage in Bromsgrove. The necessity of this town to provide affordable housing for all is paramount to our economy, livelihoods and wellbeing. Noting this, council resolves to refer the following matters to the Strategic Planning Steering Group for consideration as part of the ongoing review of the Local Plan.

1. Introduce a minimum of 60% affordable housing on all new developments, of which half of this quota is for social rent.
2. 20% of all new developments be made "lifetime homes" (or similar) so that, where necessary, homes are more easily adaptable for the less able.
3. Reduce the minimum quota (for the above) to 5 dwellings (or equivalent on land mass).
4. Publicly declare any variation made by commercial developers.
5. Undertake a feasibility study on cooperative housing developments in Bromsgrove.”

The motion was proposed by Councillor M. Thompson and seconded by Councillor P. McDonald.

In proposing the motion Councillor Thompson commented that there was a need for the Council to increase the supply of affordable housing in the district. Councillor Thompson urged Council to remove the cap on affordable housing, to increase the proportion of social housing in the district and to require developers to build more lifetime homes suitable for people with physical disabilities. Where developers failed to meet these targets Councillor Thompson suggested that this needed to be addressed.

In seconding the motion Councillor P. McDonald commented that there were many working people employed on the minimum wage and on zero hours' contracts who struggled with living costs. There was a disparity between affordable housing and properties that were priced at the

market value in the district and Councillor McDonald expressed concerns that young people living in parts of Bromsgrove would struggle to afford a home. To address this Councillor McDonald suggested that the cap for affordable housing in local planning policies needed to be increased from 40 per cent to 60 per cent. Furthermore he suggested that if developers asked for a change to their planning conditions following approval to reduce the number of affordable homes in a housing estate this should be made public. Members were asked to note that at Manchester City Council such requests from developers were made public.

Following the presentation of the motion Members discussed a number of points in detail:

- The waiting list for social housing in Bromsgrove and the need to provide people on the list with housing.
- The potential to undertake a feasibility study to ensure that any plans in respect of housing development met the needs of local residents.
- The approach to housing residents in Redditch, including Council Housing and social housing provision, and the potential to replicate this in Bromsgrove district.
- The potential for 100 per cent of houses built in the district to be lifetime homes.
- The impact that a requirement for 60 per cent of houses to be affordable would have on development in the district. Councillor P. Whittaker expressed the view that this would deter developers from building houses in the district as it would impact on the viability of the development.
- The role of the Strategic Planning Steering Group in reviewing planning policy moving forward. The Portfolio Holder for Planning and Strategic Housing, Councillor Taylor, urged all Members to attend meetings of this group as it would provide them with an opportunity to shape planning policy moving forward.
- The position of housing developers. Councillor Taylor noted that developers had a right to make 20 per cent on their return.
- The potential to amend the local plan so that instead of requiring up to 40 per cent of houses to be affordable developers could be asked to build at least 40 per cent of a development as affordable housing.

On being put to the vote the motion was lost.

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TO CONSIDER, AND IF CONSIDERED APPROPRIATE, TO PASS THE FOLLOWING RESOLUTION TO EXCLUDE THE PUBLIC FROM THE MEETING DURING THE CONSIDERATION OF ITEM(S) 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 37/18 – Future Provision of the Council’s Core HR and Finance Systems.

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RECOMMENDATION FROM THE CABINET MEETING HELD ON 27TH JUNE 2018

Future Provision of the Council’s Core HR and Finance System

The recommendation from Cabinet in respect of the future provision of the Council’s Core HR and Finance system was proposed by Councillor B. Cooper and seconded by Councillor G. Denaro.

In proposing the recommendation Councillor Cooper explained that over the last few years, weaknesses had been identified in the financial management, planning and forecasting capabilities of the systems that were used by the Council. It had been reported by officers, by external and internal audit, and more recently within the Corporate Peer Challenge, that the Council’s finance systems did not enable the authority to make decisions based on accurate, timely or easily retrievable information. This would be increasingly important if the Council was to meet future challenges in the commercial environment.

Councillor Cooper commented that there were a significant number of manual processes that were undertaken in payroll, payments and HR to ensure that data could be accessed and reported on by officers and external partners. Furthermore there were no seamless links between systems and information had to be manually transferred between the systems. This could cause potential data issues when considering consistent and reliable information. Councillor Cooper expressed the view that it was worrying that managers were unable to see their budgets on the existing financial systems and had to rely on spreadsheets to undertake budget monitoring. This could lead to a lack of ownership and accountability, and to poor forecasting and financial monitoring.

The Council’s contract with the provider of the existing finance system was coming to an end so Councillor Cooper suggested that it was an excellent time to look at the wider back office systems and improve the core services of ICT, HR, and Finance, including the general ledger, payroll, payments and cash receipts.

The back office functions were delivered by a variety of systems and

there were advantages to having an integrated system. A number of options had been considered by Cabinet when reaching a decision including:

- To continue as at present with existing systems.
- To implement the best system for each function, but this would not lead to integration of systems.
- To implement an Enterprise Resource Planning solution (ERP) (an integrated collaborative system).
- To partner with a Local Authority that was using an ERP solution.
- To outsource services.

Officers had concluded that an ERP system would provide a flexible, integrated solution for the Council, and this had been supported by the Cabinet.

Councillor P. McDonald questioned the impetus for reviewing the systems used by the Council and for deciding to invest in a new integrated system. Councillor Cooper advised that this was due to an emerging realisation that these systems were not fit for purpose. Councillor McDonald also requested clarification about the length of time since the Council had last invested in new systems for HR, finance and cash receipting and the costs of these systems. Members were advised that over £8 million had been invested in various IT systems over a period of time.

Finally Councillor Van der Plank suggested that alongside investment in this new system there needed to be improvements in relation to the accuracy of the data used by the Council as well as to the culture within the organisation. An IT system alone would not resolve these issues and it was important that the appropriate training for officers was provided.

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

[Once Members had gone into exempt session the Chairman agreed that a five minute comfort break should take place. During this comfort break Councillors M. Buxton, R. Jenkins, L. Mallett, C. McDonald, P. McDonald, S. Shannon and M. Thompson left the meeting. They therefore took no part in the discussions regarding the exempt matters and did not vote during that exempt session.

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 9.06 p.m.

Chairman