



## **BROMSGROVE DISTRICT COUNCIL**

### **MEETING OF THE COUNCIL**

**WEDNESDAY 23RD FEBRUARY 2022**

**AT 6.00 P.M.**

**PARKSIDE SUITE - PARKSIDE**

MEMBERS: Councillors R. J. Laight (Chairman), A. J. B. Beaumont (Vice-Chairman), S. J. Baxter, S. R. Colella, R. J. Deeming, G. N. Denaro, S. P. Douglas, A. B. L. English, M. Glass, S. G. Hession, C.A. Hotham, R. J. Hunter, R. E. Jenkins, H. J. Jones, A. D. Kent, J. E. King, A. D. Kriss, L. C. R. Mallett, K.J. May, M. Middleton, P. M. McDonald, S. A. Robinson, H. D. N. Rone-Clarke, M. A. Sherrey, C. J. Spencer, P.L. Thomas, M. Thompson, J. Till, K. J. Van Der Plank, S. A. Webb and P. J. Whittaker

### **AGENDA**

#### **WELCOME**

1. **To receive apologies for absence**

2. **Declarations of Interest**

To invite Councillors to declare any Disclosable Pecuniary Interests or Other Disclosable Interests they may have in items on the agenda, and to confirm the nature of those interests.

3. **To confirm the accuracy of the minutes of the meeting of the Council held on 26th January 2022 (Pages 1 - 22)**

4. **To receive any announcements from the Chairman and/or Head of Paid Service**

5. **To receive any announcements from the Leader**

6. **To receive comments, questions or petitions from members of the public**

A period of up to 15 minutes is allowed for members of the public to make a comment, ask questions or present petitions. Each member of the public has up to 3 minutes to do this. A councillor may also present a petition on behalf of a member of the public.

7. **Urgent Decisions**

8. **Appointment of External Auditors (Pages 23 - 30)**

At the latest meeting of the Audit, Standards and Governance Committee held on 2<sup>nd</sup> February 2022 Members considered a report on the subject of the appointment of external auditors for the Council. The recommendation from the Committee together with the report have been attached for Council's consideration.

9. **Recommendations from the Cabinet meeting held on 16th February 2022 (to follow)**

10. **Recommendations from the Cabinet meeting held on 23rd February 2022 (to be tabled)**

Members are asked to note that under the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, the Council is required to take a named vote when a decision is made on the budget calculation or Council Tax at a budget decision meeting of the Council.

Under Section 106 of the Local Government Finance Act 1992, any Councillor who is 2 or more months in arrears with their Council tax payments cannot participate in any item at the Council meeting concerning the budget.

(i) Alternative Budgets (Pages 31 - 34)

Members are asked to note that under the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, the Council is required to take a named vote when a decision is made on the budget calculation or Council tax at a budget decision meeting of the Council. This includes any votes in respect of any alternative budgets that are proposed.

11. **Background Information on the recommendations from the Cabinet meetings held on 16th February and 23rd February 2022**

(i) Sustainable Warmth Funding (considered at the Cabinet meeting held on 16th February 2022) (Pages 35 - 42)

The background paper for the Sustainable Warmth Funding report has been published in a separate Background Papers Pack.

- (ii) Pay Policy Statement 2022/23 (considered at the Cabinet meeting held on 23rd February 2022) (Pages 43 - 54)
  - (iii) Medium Term Financial Plan 2022/23 to 2024/25 (including Capital Programme) (considered at the Cabinet meeting held on 23rd February 2022) (Pages 55 - 84)
  - (iv) Council Tax Resolutions 2022/23 (considered at the Cabinet meeting held on 23rd February 2022) (to follow)
12. **To note the minutes of the meeting of the Cabinet held on Wednesday 16th February 2022** (to follow)
13. **Questions on Notice** (Pages 85 - 86)
- To deal with any questions on notice from Members of the Council, in the order in which they have been received.
- A period of up to 15 minutes is allocated for the asking and answering of questions. This may be extended at the discretion of the Chairman with the agreement of the majority of those present.
14. **Motions on Notice** (Pages 87 - 88)
- A period of up to one hour is allocated to consider the motions on notice. This may only be extended with the agreement of the Council.
15. **To consider any urgent business, details of which have been notified to the Head of Legal, Democratic and Property Services prior to the commencement of the meeting and which the Chairman, by reason of special circumstances, considers to be of so urgent a nature that it cannot wait until the next meeting**

K. DICKS  
Chief Executive

Parkside  
Market Street  
BROMSGROVE  
Worcestershire  
B61 8DA

15th February 2022



If you have any queries on this Agenda please contact  
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## **GUIDANCE ON FACE-TO-FACE MEETINGS**

Due to the current Covid-19 pandemic Bromsgrove District Council will be holding this meeting in accordance with the relevant social distancing arrangements for holding face-to-face meetings at a local authority.

Please note that this is a public meeting.

If you have any questions regarding the agenda or attached papers, please do not hesitate to contact the officer named above.

### **GUIDANCE FOR ELECTED MEMBERS ATTENDING MEETINGS IN PERSON**

In advance of the Council meeting, Members are strongly encouraged to take a lateral flow test on the day of the meeting, which can be obtained for free from the NHS website. Should the test be positive for Covid-19 then the Member must not attend the Committee meeting, should provide their apologies to the Democratic Services team and must self-isolate in accordance with national rules.

Members and officers must wear face masks during the Council meeting, unless exempt. Face masks should only be removed temporarily if the Councillor / officer requires a sip of water and should be reapplied as soon as possible. Refreshments will not be provided by the venue, therefore Members and officers are encouraged to bring your own supply of water.

Hand sanitiser will be provided for Members to use throughout the meeting.

The meeting venue will be fully ventilated and Members and officers should consider wearing appropriate clothing in order to remain comfortable during proceedings.

## **PUBLIC ATTENDANCE**

Members of the public can access meetings of Council in person if they wish to do so. However, due to social distancing requirements to ensure the safety of participants during the Covid-19 pandemic there will be limited capacity and members of the public will be allowed access on a first come, first served basis. Members of the public in attendance are strongly encouraged to wear face masks, to use the hand sanitiser that will be provided and will be required to sit in a socially distanced manner at the meetings. It should be noted that members of the public who choose to attend in person do so at their own risk.

In line with Government guidelines, any member of the public who has received a positive result in a Covid-19 test on the day of a meeting must not attend in person and must self-isolate in accordance with the national rules.

### **Notes:**

**Although this is a public meeting, there are circumstances when Council might have to move into closed session to consider exempt or confidential information. For agenda items that are exempt, the public are excluded.**



## **INFORMATION FOR THE PUBLIC**

### **Access to Information**

The Local Government (Access to Information) Act 1985 widened the rights of press and public to attend Local Authority meetings and to see certain documents. Recently the Freedom of Information Act 2000 has further broadened these rights, and limited exemptions under the 1985 Act.

- You can inspect agenda and public reports at least five days before the date of the meeting.
- You can inspect minutes of the Council, Cabinet and its Committees/Boards for up to six years following a meeting.
- You can have access, upon request, to the background papers on which reports are based for a period of up to six years from the date of the meeting. These are listed at the end of each report.
- An electronic register stating the names and addresses and electoral areas of all Councillors with details of the membership of all Committees etc. is available on our website.
- A reasonable number of copies of agendas and reports relating to items to be considered in public will be made available to the public attending meetings of the Council, Cabinet and its Committees/Boards.
- You have access to a list specifying those powers which the Council has delegated to its Officers indicating also the titles of the Officers concerned, as detailed in the Council's Constitution, Scheme of Delegation.

You can access the following documents:

- Meeting Agendas
- Meeting Minutes
- The Council's Constitution

at [www.bromsgrove.gov.uk](http://www.bromsgrove.gov.uk)

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## **BROMSGROVE DISTRICT COUNCIL**

### **MEETING OF THE COUNCIL**

**26TH JANUARY 2022, AT 6.00 P.M.**

PRESENT: Councillors R. J. Laight (Chairman), A. J. B. Beaumont (Vice-Chairman), S. R. Colella, R. J. Deeming, G. N. Denaro, S. P. Douglas, A. B. L. English, M. Glass, S. G. Hession, C.A. Hotham, R. J. Hunter, R. E. Jenkins, J. E. King, A. D. Kriss, K.J. May, M. Middleton, P. M. McDonald, H. D. N. Rone-Clarke, M. A. Sherrey, C. J. Spencer, P.L. Thomas, M. Thompson, J. Till, K. J. Van Der Plank, S. A. Webb and P. J. Whittaker

Officers: Mr. K. Dicks, Mrs. S. Hanley, J Howse, Mrs. C. Felton, Mr D Riley, Mrs. J. Bayley-Hill and J Gresham

70\21 **TO RECEIVE APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of Councillors S. Baxter, A. Kent, L. Mallett and S. Robinson.

71\21 **DECLARATIONS OF INTEREST**

Councillor P. Whittaker declared a pecuniary interest in Minute Item No. 80/21 – Recommendations from the Cabinet – Council Tax Empty Homes Discounts and Premiums - as he owned a property that had been or would have been vacant for two or more years by 1<sup>st</sup> April 2022. He left the room during consideration of that item and took no part in the debate or vote thereon.

72\21 **TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING OF THE COUNCIL HELD ON 1ST DECEMBER 2021**

The minutes of the Council meeting held on 1<sup>st</sup> December 2021 were submitted.

With reference to Minute Item No. 67/21, Councillor S. Douglas clarified that her question to the Chairman of the Overview and Scrutiny Board, consideration of which had been postponed from the previous meeting of Council, was on the subject of fireworks.

**RESOLVED** that the minutes of the Council meeting held on 1<sup>st</sup> December 2021 be approved as a true and correct record.

73\21 **TO RECEIVE ANY ANNOUNCEMENTS FROM THE CHAIRMAN AND/OR HEAD OF PAID SERVICE**

The Chairman advised that on Thursday 27<sup>th</sup> January 2022 there would be events dedicated to the international Holocaust Memorial Day. In

Bromsgrove, a service was scheduled to take place at 11am in Sanders Park. All Members were invited to attend this service, which would also be attended by the Queen's representative, Deputy Lieutenant Sir Nicholas Lechmere and representatives of a number of local schools.

The Head of Paid Service confirmed that he had no announcements to make on this occasion.

74\21 **TO RECEIVE ANY ANNOUNCEMENTS FROM THE LEADER**

There were no announcements from the Leader on this occasion.

75\21 **TO RECEIVE COMMENTS, QUESTIONS OR PETITIONS FROM MEMBERS OF THE PUBLIC**

There were no comments, questions or petitions from members of the public for consideration on this occasion.

76\21 **URGENT DECISIONS**

Members were informed that there had been no urgent decisions taken since the previous Council meeting.

77\21 **CHANGES TO COMMITTEE MEMBERSHIP**

The Leader advised that Councillor M. Glass was replacing Councillor P. Thomas on the Planning Committee and Councillor P. Thomas was replacing Councillor A. Kent on the Worcestershire Regulatory Services (WRS) Board. Council was also informed that, as previously communicated to Members, Councillor G. Denaro had been appointed as Deputy Leader of the Council.

78\21 **INDEPENDENT REMUNERATION PANEL RECOMMENDATIONS 2022/23**

The Portfolio Holder for Finance and Enabling presented the recommendations from the Independent Remuneration Panel (IRP) concerning Members' allowances in 2022/23 and in doing so thanked the Panel for their hard work in difficult circumstances during the pandemic.

Members were asked to note that, based on information provided by local authorities in Worcestershire, Bromsgrove Members were paid the lowest per head of population. However, when comparisons were made based on revenue expenditure by Council, Bromsgrove allowances ranked in the middle of the table.

Having considered the report in detail, the Portfolio Holder for Finance and Enabling was proposing to increase the basic allowance for Councillors by 1.75 per cent, as recommended by the IRP. This would increase the basic allowance to £4,732 per annum. In addition, he

proposed the IRP's recommendations that Members' travel allowances should be paid in accordance with the HMRC mileage allowance, that subsistence allowances and dependant carers' allowances should remain unchanged and that where paid, travel and subsistence allowances for Parish Councillors should be in accordance with those paid to District Councillors. However, Members were asked to note that the IRP's second recommendation, in respect of the Special Responsibility Allowances (SRAs) paid to particular Members for certain roles, would not be supported on this occasion.

The recommendations were proposed by Councillor G. Denaro and seconded by Councillor K. May.

**RESOLVED** that

- 1) the Basic Allowance for 2022-23 is £4,732, representing a 1.75% increase;
- 2) travel allowances for 2022-23 continue to be paid in accordance with the HMRC mileage allowance;
- 3) subsistence allowances for 2022-23 remain unchanged;
- 4) the Dependent Carer's Allowance remains unchanged; and
- 5) for Parish Councils in the District, if travel and subsistence is paid, the Panel recommends that it is paid in accordance with the rates paid by District Council and in accordance with the relevant Regulations.

79\21

**TO RECEIVE AND CONSIDER A REPORT FROM THE PORTFOLIO HOLDER FOR ENVIRONMENTAL SERVICES AND COMMUNITY SAFETY**

Council received a report concerning the work that had been undertaken by the authority within the remit of the Portfolio Holder for Environmental Services and Community Safety. The Chairman advised that, due to the recent changes to Portfolio remits amongst members of the Cabinet, a decision had been taken to only present information in respect of Environmental Services at this stage. A further Portfolio Holder report would follow later in the year on the subject of Community Safety.

The Portfolio Holder for Environmental Services and Community Safety presented the report and in so doing highlighted the following points for Members' consideration:

- Staff employed at the depot had worked incredibly hard throughout the pandemic to ensure the continuation of service delivery. The Portfolio Holder for Environmental Services and Community Safety thanked them for their hard work at this difficult time.

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- The Council was working closely with Wyre Forest District Council in respect of tackling fly tipping and taking legal action against people who committed fly tipping.
- There had been an increase in the overall tonnage of waste collected during the pandemic. This was primarily due to the fact that more people had been working from home and so the rubbish that would usually have been disposed of at work was being placed in residential bins.
- There had been an increase in the amount of items placed in recycling bins that had been rejected at the EnviroSort facility. However, the proportion of items that were rejected out of the total number of items recycled was broadly similar to previous years, at 14 per cent.
- Nationally, there was a rejection rate in respect of articles placed in recycling bins of between 5 and 25 per cent.
- The costs of handling items that had been rejected at EnviroSort were covered by Worcestershire County Council as the Waste Disposal Authority for the county.

During consideration of this item the following issues relating to Environmental Services were debated by Members:

- The action that was being taken to prosecute people who committed fly tipping and the extent to which the Council could publicise this action in order to deter other people from fly tipping. Members were advised that those found guilty of fly tipping would be named and shamed. This action had already started to have a positive impact, with the number of reported offences having declined from 196 in January 2020 to 60 in January 2022.
- The reasons why an external energy savings consultant had been used to review arrangements for procuring a new, decarbonised fleet and the potential for an outline report on this subject to be circulated for Members' consideration. The Portfolio Holder for Environmental Services and Community Safety requested that this question be put to her in writing and explained that a response would then be provided in writing. Members were asked to note that decarbonisation of the Council fleet had been discussed at a recent meeting of the Climate Change Working Group.
- The number of staff working at the depot who had received training to secure an HGV driving license. Members were advised that three members of staff had received training and there were other members of staff who already had an HGV driving license. It was confirmed that opportunities to obtain an HGV driving license were provided to staff in the waste collection team.
- The report in respect of water course maintenance referenced in the update. The Portfolio Holder for Environmental Services and Community Safety confirmed that this report would be shared with Councillor R. Hunter, Chairman of the Flooding Task Group. Members were also advised that this report would be pre-scrutinised at a meeting of the Overview and Scrutiny Board.

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- The possible changes that might be required to the Garden Waste Collection service, subject to forthcoming legislative changes that were being considered by the Government, and the potential for an update to be provided to Members on this subject as soon as possible.
- The relatively quick timescales in which staff acted to address reports of fly tipping in the District.
- The successful partnership bid with Wyre Forest District Council to the West Mercia Police and Crime Commissioner (PCC) for support for landowners dealing with fly tipping on their land and the potential for information about this scheme to be shared with Members. Council was informed that it might be possible to share information on this subject at a later date.
- The potential for the Garden Waste Collection Service to be extended to operate for a longer period of time in the year. Members commented that the service had been provided in different months during the pandemic and it was noted that Members had received favourable feedback about this approach to service delivery from many residents. The Portfolio Holder for Environmental Services and Community Safety commented that Officers would be asked to investigate this matter further.
- The recent reports in the local press about items being placed in the recycling bins that could not be recycled and the financial costs associated with this. Members commented that often people placed items in recycling bins because they thought they could be recycled and it was important to note that Bromsgrove District Council did not need to cover the costs in these circumstances, because this was the responsibility of Worcestershire County Council.
- The information that was provided to the public on Bromsgrove District Council's website regarding the items that could be recycled and those articles that would be rejected, such as black plastic.
- The recent issues that had been reported in parts of the District, whereby some customers using the Garden Waste Collection service had received two bills for the service. Council was informed that two bills had been issued in error and had later been recalled. Customers had been sent updated invoices and an apology for the error.
- The increase in the tonnage of waste that had been reported in Bromsgrove District during the pandemic. Members were informed that this was consistent with increases nationally during the period.

80\21

## **RECOMMENDATIONS FROM THE CABINET (TO FOLLOW)**

### **Bromsgrove Response to South Staffordshire Preferred Option Local Plan**

The Portfolio Holder for Planning and Regulatory Services presented the Council's proposed response to South Staffordshire Council's Preferred Option Local Plan.

South Staffordshire Council had identified that there would be a need for a total of 4,000 houses to be developed in the Greater Birmingham and Black Country Housing Market Area (GBHMA). Whilst the figure was welcomed, Bromsgrove District Council would adopt a different method to calculate this figure when the Council's approach to the Bromsgrove Local Plan was published later in the year.

During consideration of this item, reference was made to the outcomes of the discussions that had been held with representatives of other Councils in the GBHMA area on 15<sup>th</sup> December 2021. Council was informed that there had been no further representations made as a result of that meeting and this had been reported for Members' consideration at a meeting of the Strategic Planning Steering Group.

The recommendation was proposed by Councillor P. Thomas and seconded by Councillor K. May.

**RESOLVED** that the Council endorse the officer response to the South Staffordshire Local Plan and that it is confirmed with South Staffordshire Council as such.

## **Bromsgrove District Council Car Parks – Adoption of Cashless Payments and Operational Procedures for Recreation Road South Car Park and Churchfields Multi-Storey Car Park**

The Leader presented a report on the subject of the adoption of a cashless payment system and operational procedures for this system in Council owned car parks in Bromsgrove. The residents who had taken part in the Council's survey on this subject were thanked for their time and contributions. Based on the feedback that had been received, a cash payment system would remain available to customers alongside a cashless option at all of the car parks except for Churchfields multi-storey car park, due to concerns about the potential for a machine to be the target of anti-social behaviour.

Reference was made to the potential for signage to be situated in the car parks to enable customers to locate the cash payment machines where required. Council was informed that clear signage would be made available in the car parks for this purpose.

The recommendation was proposed by Councillor K. May and seconded by Councillor G. Denaro.

**RESOLVED** that a reduced Budget, as shown in 3.1 - Budget Comparisons Table, be amended as part of the medium-term financial plan review.

## **Council Tax Empty Homes Discount and Premiums**

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The Portfolio Holder for Finance and Enabling presented a report on the subject of Council Tax Empty Homes Discounts and Premiums. Members were advised that the recommendation was proposing changes to the level of Council Tax discount, and the implementation of premiums for long-term empty properties. There were three areas where the Council had discretion, and the recommendation would determine the level of discount for each of these classes of property from 1<sup>st</sup> April 2022.

There were properties classified as second homes, which were dwellings which were furnished and which were no one person's sole or main residence. There were two classes of second home; Class A and Class B. No changes were proposed for second homes, and the Council would continue to apply a zero per cent discount, as had been the case since April 2013. However, the recommendation had been amended at Cabinet to reflect a typographical error in the report and to clarify that Class B referred to second homes with no planning restrictions.

Vacant Homes were those properties which were unoccupied and substantially unfurnished. There were two classes of vacant home – Class D which were properties that required major repair works to make them habitable and Class C which were all other vacant dwellings.

Under the proposals, Class D properties would continue to receive a 100% discount. However, the level of discount for Class C properties would be amended. The current discount applied to these homes was 50% for six months followed by zero per cent thereafter. For new homes, a graduated discount was applied of 100% for three months, followed by 50% for the following three months. Under the proposals, the graduated discount for new homes would be removed and these properties would receive the standard vacant home discount. The discount for vacant homes would be set at 100% for the first 30 days the property was empty. This recommendation was amended at Cabinet from 14 days to 30 days, following discussions at a meeting of the Finance and Budget Working Group, where concerns had been raised about the relatively short length of time available to property owners if 14 days applied. After 30 days, the discount would be zero per cent. A discount of 100% would be applied to vacant homes owned by a local housing authority and used for the provision of social housing.

The final area for which changes were recommended was the level of premium applied to long-term empty homes. Long-term empty homes were those which had been vacant for two years or longer. It was recommended that the full premium should be applied for these properties from April 2022.

Following the presentation of the report, Members noted that this subject had previously been raised in a Motion on Notice at Council. Members agreed that this was an area of concern because of the demand for housing in the District and Members agreed that it was important to

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provide as many housing options as possible to meet the needs of local residents. There were over 400 properties in the District that were empty and therefore any action that could be taken to release these properties for housing would be welcomed.

During consideration of this item, Members noted that there had been a typographical error in the list of recommendations circulated in the supplementary pack for the Council meeting in relation to the discount for vacant homes. However, Members noted that Cabinet had agreed at a meeting held on 19<sup>th</sup> January 2022 that the discount should apply for 30 days and not 14 days.

Reference was made to the length of time that long-term vacant properties would need to be vacant in order for a premium to start to apply and questions were raised about whether it should be specified that a premium of 100 per cent would apply to properties that had been vacant for between two and five years. Members also suggested that a definition could be provided in the resolution in respect of what constituted a “long-term vacant property”. However, Officers explained that the legislative requirements with respect to both Council Tax discounts and premiums were very specific and technical. For this reason, it was suggested that the wording should remain as printed in the Cabinet minutes.

Consideration was also given to the types of properties that were classified as Class C vacant dwellings. It was suggested that people who owned properties in Class C might need to spend time making those properties fit for habitation and that the removal of a Council Tax discount after 30 days could disincentivise landlords from taking this action. However, it was also commented that a 100 per cent discount up to 30 days was more generous than the previous scheme.

Concerns were raised about the proportion of affordable houses available to residents living in the District. Whilst action to tackle vacant homes was welcomed, Members commented that further action needed to be taken to increase the availability of affordable homes in the District to meet demand.

The recommendations were proposed by Councillor G. Denaro and seconded by Councillor K. May.

## **RESOLVED** that

- 1) From 1<sup>st</sup> April 2022 the level of Council Tax discount to be applied under Section 11A (4) and Section 11A (4A) for each class of dwellings as defined by The Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 (as amended) will be:

Class A [“second homes with a planning restriction”] 0%: no discount



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Class B [“second homes without a planning restriction”] 0%: no discount

Class C [“vacant dwellings”]

- a. Where the dwelling has been unoccupied and unfurnished for a continuous period of not more than 30 days - 100% discount
- b. Where the dwelling has been unoccupied and unfurnished for more than 30 days - 0%: no discount.
- c. Where the dwelling is
  - i. unoccupied and substantially unfurnished; and
  - ii. the owner of the dwelling is a local housing authority; and
  - iii. when next in use the dwelling will be occupied under the provisions of the Housing act 1985

100% discount.

Owner will be defined by reference to section 6(5) and 6(6) of the Local Government Finance Act 1992 .

For the purposes of Class C when considering whether a dwelling falls within the description any period of occupation, not exceeding 6 weeks, during which it was not unoccupied and substantially unfurnished shall be disregarded.

Class D [“dwellings requiring major repair works”] - 100% discount

- 2) From 1<sup>st</sup> April 2022 the additional council tax premium applied under section 11B of the LGFA '92, for long-term empty dwellings will be
  - i) For a dwelling that has been a long-term empty dwelling for less than 5 years – 100% premium
  - ii) For a dwelling that has been a long-term empty dwelling for 5 years or more, but less than 10 years – 200% premium
  - iii) For a dwelling that has been a long-term empty dwelling for at least 10 years – 300% premium
- 3) The Head of Financial and Customer Services on a case-by-case basis may consider a reduction to the long-term empty premium.

(Prior to consideration of this item, Councillor P. Whittaker declared a pecuniary interest as he owned a property that had been or would have

been vacant for two or more years by 1<sup>st</sup> April 2022. He left the room and took no part in the debate or vote thereon.)

## **Worcestershire Regulatory Services Board – Budget Recommendations**

The Portfolio Holder for Planning and Regulatory Services presented recommendations that had been made at a meeting of the Worcestershire Regulatory Services (WRS) Board held in November 2021 on the subject of the service’s budget in the 2022/23 financial year.

The recommendations were proposed by Councillor P. Thomas and seconded by Councillor G. Denaro.

**RESOLVED** that the following be approved for 2022/2023:

- a) the 2022/23 gross expenditure budget of £3,891k.
- b) the 2022/23 income budget of 634k.
- c) the revenue budget and partner percentage allocations for 2022/2023 onwards:

<b>Council</b>	<b>£’000</b>	<b>Revised %</b>
Bromsgrove District Council	475	14.55

- d) the additional partner liabilities for 2022/2023 in relation to unavoidable salary pressure:

<b>Council</b>	<b>£’000</b>
Bromsgrove District Council	12

- e) the additional partner liabilities for 2022/2023 in relation to hosting costs:

<b>Council</b>	<b>Increase in Rent £000</b>	<b>Increase in ICT Hosting £000</b>	<b>Increase in Support Hosting £000</b>
Bromsgrove District Council	1	2	1

- f) the additional partner liabilities for 2022/23 in relation to three Technical Officers.

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Council	Tech Officer Income Generation £000	Tech Officer Animal Activity £000	Tech Officer Gull Control £000
Bromsgrove District Council	5	7	

## Fees and Charges 2022/23

The Portfolio Holder for Finance and Enabling presented the Fees and Charges report 2022/23. In general, an increase of 5 per cent had been proposed for most of the Council's fees and charges, although there were some exceptions to this. The Finance and Budget Working Group were thanked for their hard work in scrutinising the proposed fees and charges. The group had interviewed Officers about the proposed fees and had made useful suggestions which had been taken into account.

Following the presentation of the report, reference was made to the fees and charges for gambling licenses and questions were raised about how these fees were set and whether this funding was allocated to the Council or directly to WRS. Council was informed that many of the fees for services provided by WRS were statutory and therefore the Council could not determine the level at which these were set. In addition, Members were informed that the income was allocated directly to WRS as part of Bromsgrove District Council's financial contribution to the shared service.

Consideration was also given to the fees for car parking and questions were raised about whether consideration had been given to phasing in these fees in order to encourage visitors to stay for longer in town. Council was advised that the fees for car parking had not been increased since 2010 and this would help to encourage people to continue to visit Bromsgrove.

Concerns were raised about increasing the Council's fees and charges by 5 per cent at a time when residents' household bills were also increasing. However, it was also noted that the income generated from fees and charges was reinvested in Council services and this benefited local residents.

The recommendations were proposed by Councillor G. Denaro and seconded by Councillor K. May.

**RESOLVED** that the proposed fees and charges 2022 – 23 be approved.

81\21

## **TO NOTE THE MINUTES OF THE MEETING OF THE CABINET HELD ON 19TH JANUARY 2022 (TO FOLLOW)**

The minutes of the Cabinet meeting held on 19<sup>th</sup> January 2022 were noted.

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## **QUESTIONS ON NOTICE**

The Chairman explained that six Questions on Notice had been received for consideration at the meeting and would be considered in the order in which they had been submitted. A maximum of 15 minutes was allocated to consideration of these questions and the answers provided and there were no supplementary questions.

### **Question submitted by Councillor S. Douglas**

“Can the Chairman of the Overview and Scrutiny Board update council on the progress that has been made with the scrutiny of fireworks, which occurred following Councillor Hunter’s submission of a Motion on this subject in December 2020?”

The Chairman of the Overview and Scrutiny Board responded by explaining that the Motion from Councillor Hunter that was submitted to Council in December 2020 had been discussed initially at a meeting of the Board on 11<sup>th</sup> January 2021. During this meeting, Members had discussed the Motion and eventually agreed that further information should be requested from a relevant source before deciding whether or not further investigation was required. This proposal was seconded by Councillor Douglas. At the meeting of the Board held on 26<sup>th</sup> April 2021 there was a further discussion of this subject.

During the April meeting of the Board, Members received a report on the subject of fireworks. This reported that the Council was undertaking a procurement process and would take into account issues such as the noise of fireworks at Council-run events. The Board was also informed that the Council always issued communications in relation to any Council-run events and aimed to avoid holding fireworks events on the same night as other organisations to minimise disruption to the community.

There was no firework event in Bromsgrove Town Centre in 2021 due to concern about potential Covid-19 transmission and instead an Illuminating Autumn event took place in Sanders Park. The Board therefore had not discussed the matter again in 2021. However, the Board were due to discuss the matter further in March 2022. Councillor Douglas was advised that she would be very welcome to attend this meeting. The Chairman of the Board also offered to share copies of the minutes of the previous Board meetings with Councillor Douglas together with a copy of the report that was considered at the meeting held in April 2021.

## **Question submitted by Councillor R. Hunter**

“Street Name Plates

What is Council’s policy on timescales for the replacement of missing street name plates? How long should the maximum waiting time be?”

The Portfolio Holder for Environmental Services and Community Safety responded by explaining that there had never been a timescale agreed for the replacement of Street Name Plates. The process that the Engineering Team followed was that once a report was received, an inspection was undertaken to establish what was required as it could mean re-erecting the existing sign or a completely new sign might be needed. If a new sign was found to be required, subject to the budget being available, an order was placed with the approved manufacturer. (At this stage delivery times could vary dependant on their workload). Once the sign had been delivered, the Council’s Minor Works Team could plan for the installation. (Again, at this stage the timing of this would depend on the volume of work that the Minor Works Team had and the urgency of that work).

Council was asked to note that during the Covid restrictions, this work was somewhat delayed, as the Minor Works Team were heavily engaged on other Health and Safety and Covid related issues and helping to ensure important Council Services were maintained. The Minor Works Team were concentrating on clearing the backlog of new street name plates awaiting erection, and all were programmed to be in place by the end of January. With a return to normality with the Council’s working arrangements, post Covid, any future issues with Street Name Plates could be addressed with greater efficiency.

## **Question submitted by Councillor J. King**

“Local Heritage List

When will Council finalise and publish a local heritage list, which identifies the location of heritage assets valued by the community and defines their significance, in order to protect them from being lost or damaged?”

The Portfolio Holder for Planning and Regulatory Services responded by explaining that the conservation team were working on the Local List but progress had been delayed by the corporate land registry project, although Officers were in a position to now focus fully on the list. Unfortunately, one of the conservation officers had left the Council the previous Friday. The intention was to replace this officer as soon as possible. The primary focus of the new officer’s role would be to progress the list, splitting up the task on a parish-by-parish basis. Where there were no parishes, the Council would use the non-parishad area as if it were a parish to help better manage the task. Officers continued to work hard on identifying non-designated heritage assets

through the development management process, and this was helping to protect valuable assets from any harm.

## **Question submitted by Councillor S. Robinson**

Councillor R. Hunter asked the following question on behalf of Councillor Robinson:

“This council declared a climate emergency over two years ago. Could the portfolio holder please update council on what steps have been taken to replace BDC’s diesel-fuelled vans and fleet with the far more sustainable electric alternative vans? Additionally, how will the legacy diesel vehicles be disposed of in a sustainable way, that also delivers value for money to the taxpayer?”

The Portfolio Holder for Leisure, Culture and Climate Change responded by commenting that Officers had been working with the Energy Savings Trust, which had undertaken an investigation and produced a general report on the Council’s current fleet considering both the possible savings in carbon emissions and funding. Alternative fuelled vehicles were an emerging technology and with the information available currently, it was worth noting that electric vehicles might not be the best option for all elements of the Council’s fleet.

The next step would be to engage with a specialist consultant who could undertake a detailed investigation looking at each vehicle within the fleet and consider; the task undertaken by a vehicle and where this was, vehicle availability, alternative fuel options that were suitable for the task and what was the right fuel for that vehicle. In addition, they would also advise on the right time to invest, grant funding availability, infrastructure and energy suppliers. The consultant had confirmed that due to the high level of demand for their services, they would not be able to start work until July 2022 and the review itself would take several months to complete.

Once the Council had received the detailed review, officers would produce a report towards the end of the following financial year providing a ‘Blueprint’ of the Council’s proposed fleet replacement for the following 5 years. It was vitally important that the authority should get this right due to the high level of future investment required to replace the Council’s fleet and to ensure that the authority’s services could operate efficiently and effectively.

Replaced vehicles were sold via a compliant bidding process to achieve best value. Vehicles that had little or no resale value were sold as scrap and disposed of correctly.

## **Question submitted by Councillor K. Van Der Plank**

“More and more details are being uncovered on a daily basis, about the alleged behaviour of the Prime Minister and leading government

officials. It's clear this is having a hugely negative impact on public trust which not only affects national government but impacts local government too. This Council worked hard to navigate the problems presented throughout the pandemic and I would ask the Leader what she and her administration will be doing to try to maintain faith and confidence in public life here in Bromsgrove?"

In response to the question, the Leader provided an update on the actions that the Council had been taking during the Covid-19 pandemic, in addition to continuing service delivery. This included the following:

- Leading a District Incident Management Team alongside local partner organisations. The objectives of this team were; to explore district specific issues and outbreaks, examine the drivers of Covid-19 transmission, generate population specific mitigations and solutions and problem solving across all sectors.
- Working with Worcestershire County Council and NHS data specialists to develop a list of clinically vulnerable residents in the District in order to target support.
- Playing a leading role in participation and escalation of issues where required to the Health Protection Board, Local Resilience Forum and other local groups.
- Taking part in community engagement work, including the vaccine hesitancy survey.
- Organising for a team of Covid Advisors to work in the District to support businesses and the community.
- Providing operative support, marshalling and car parking space at testing sites.
- Issuing staff bulletins and frequently asked questions (FAQ) guidance.
- Co-ordinating a communications programme with messages disseminated via social media, local media and colleges.
- Carrying out a comprehensive review of business continuity and service-based risk assessments.
- Working with Bromsgrove District Housing Trust (BDHT) on an ongoing basis to ensure that there was nobody rough sleeping in the District.
- Supporting Worcestershire County Council with work to establish Here to Help.
- Facilitating staff into volunteer roles that supported the community, such as door knocking vulnerable residents.
- Supporting Voluntary and Community Sector (VCS) organisations to obtain Government grant funding.
- Enhancing youth work provision in the District.
- Offering the flu vaccination to Council staff.

The Leader commented that she intended for the Council to continue operating in this manner moving forward.

**Question submitted by Councillor A. English**

“With news that the energy price cap is going to increase by 51% on 1st April, what is this Council going to do to mitigate the impact of spiralling energy costs on the poorest and most vulnerable people in our communities?”

The Portfolio Holder for Finance and Enabling responded by explaining that the benefits section at Bromsgrove District Council were committed to supporting residents who were struggling financially both in the short and long term. The Council had a dedicated Financial Independence Team (FIT) who could help with; income maximisation, benefit take up and budgeting advice as well as being able to signpost to other specialist agencies and partners. The Council administered a range of benefits to support residents, Housing Benefit, Council Tax Support, Discretionary Housing Payments and Council Tax Hardship Payments. The authority also had an Essential Living Fund (ELF) scheme which could help with utility costs, food parcels and supermarket vouchers.

The Council’s teams also promoted the Worcestershire Household support fund which was running via Act on Energy. This included winter fuel payments, fuel debt payments and physical interventions such as boiler replacements. Full details and how to apply could be found via the Act on Energy web site.

In addition, the Council funded an energy advice service, currently delivered by YES Energy. Householders could call the energy advisors to receive guidance on how best to reduce their fuel bills, with support on a range of topics including:

- Finding the best tariff and energy deals
- How to best use heating controls
- Lifestyle changes that could make significant savings

Funding was also available for eligible residents to support the installation of a range of energy and money saving home improvements such as insulation and heating. This included the Council funded Bromsgrove Energy Efficiency Fund, which acted as a safety net for vulnerable low-income owner occupiers needing new heating systems and simple insulation.

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## **MOTIONS ON NOTICE**

The Chairman opened this item by explaining that four Motions on Notice had been submitted for consideration at this meeting of Council. However, Councillor S. Robinson, who had submitted one of these Motions, had agreed that her Motion could be referred on for consideration at the following meeting of the Constitution Review Working Group and it would not therefore be debated at Council. There were therefore three Motions for debate at the meeting.



## **Ethical Banking**

Members considered the following Motion on Notice submitted by Councillor H. Rone-Clarke:

“Ethical banking – divesting from the big polluters

In doing business with banks such as Lloyds, who are profiting from climate breakdown, Bromsgrove District Council is itself having a negative impact on our environment, as well as failing to ‘walk the walk’ on climate change. This hurts our credibility when we call upon residents to make necessary changes to their own lifestyles in order to lessen their carbon footprint.

Therefore, Council resolves to divest from the offending banks in favour of institutions with an ethical policy that refrains from investing in fossil fuel firms.”

The Motion was proposed by Councillor H. Rone-Clarke and seconded by Councillor P. McDonald.

In proposing the Motion, Councillor Rone-Clarke explained that it was calling for the Council to divest from financial institutions that profited from climate change. The Council used Lloyds Bank, and for this reason it had been referenced in the wording of the Motion. However, there were other banking options available to the local authority, including banks that did not invest in fossil fuels, such as The Co-operative Bank and The Unity Trust Bank.

Councillor Rone-Clarke commented that a number of Councillors had taken a decision to stand back from the Climate Change Working Group, which might have tackled this subject. However, many of the Councillors who had decided not to participate in the work of that group were meeting privately to discuss climate change matters. The action proposed in the Motion was one that could be taken by the Council to address climate change.

In seconding the Motion, Councillor McDonald reminded Members that the Council had declared a climate emergency some years previously. Action to tackle climate change was also considered to be a priority at both the local and national level and there was more that could be done to address this. The Council could exert influence by banking with an institution that did not invest in fossil fuels. Councillor McDonald also commented that the Council could have a greater impact on tackling climate change if a Climate Change Strategy was developed for the authority.

The Leader responded to the Motion by commenting that banking facilities were of tremendous importance to a local authority. Credible banking suppliers which were in practice available to the Council, given the broad level of service required and level of creditworthiness required,

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were quite limited. In 2020, the Group Sustainable Business Director of Lloyds Bank PLC had stated that they were delighted to be the highest-ranking UK bank and second overall in the latest ShareAction Banking on a low carbon future report that recognised the significant progress made over a number of years by the bank. Lloyds Bank had worked hard to be transparent in their efforts to manage both the risks and opportunities associated with climate change. Lloyds Bank was respected for the work they were doing in this area and were also welcomed as a key business on the High Street.

Members subsequently discussed the motion in detail and in doing so raised the following points:

- The work of Lloyds Bank to address climate change and to actively encourage their customers to take action to tackle climate change.
- The need for Council investments to be appropriately considered and the potential for the staff pension fund to avoid investing in the fossil fuel industry.
- The banks utilised by local Parish Councils and the potential to influence climate change at a Parish level.
- The extent to which it was appropriate to highlight a single bank in the wording of the Motion when many banks invested in the fossil fuel industry.
- The benefits of an ethical investment policy for a local Council.

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

Members voting FOR the Motion:

Councillors A. English, R. Jenkins, P. McDonald, H. Rone-Clarke and K. Van Der Plank. (5)

Members voting AGAINST the Motion:

Councillors A. Beaumont, R. Deeming, G. Denaro, M. Glass, S. Hession, R. Hunter, A. Kriss, K. May, M. Middleton, M. Sherrey, C. Spencer, P. Thomas, M. Thompson, J. Till, S. Webb and P. Whittaker. (16)

Members voting to ABSTAIN:

Councillors S. Colella, S. Douglas, C. Hotham and J. King. (4)

On being put to the vote the Motion was therefore lost.

## **Parking Enforcement**

Members considered the following Motion on Notice submitted by Councillor P. McDonald:

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*"In view of the lack of and in many cases no enforcement officer operating out of the Town Centre, that at least three enforcement officers of the total employed are fully committed to operating outside of the Town Centre. Therefore, reducing the amount of illegal, dangerous and inconsiderate parking, to encourage sensible and safe parking, to cut congestion and improve road safety."*

The Motion was proposed by Councillor P. McDonald and seconded by Councillor H. Rone-Clarke.

In proposing the Motion, Councillor McDonald commented that there was a focus of enforcement activity in the District on Bromsgrove town centre. This had implications for parts of the District located outside Bromsgrove town centre and residents were reporting concerns about problem parking involving HGVs parking on double yellow lines and drivers urinating outside residential properties. There had been Civil Enforcement Officers (CEOs) operating in outlying areas in December 2021 but Councillor McDonald expressed concerns that this had only occurred because there was free parking at the car parks in the town centre in the build up to Christmas. Members were asked to note that where issues had been reported to CEOs, they had not always felt able to act, having reported that an observation period had to pass before a ticket could be issued to a driver.

In seconding the Motion, Councillor Rone-Clarke raised concerns that residents living in areas outside Bromsgrove town centre were potentially not receiving their fair share of support in terms of enforcement action. Councillor Rone-Clarke further commented that enforcement action seemed to only take place in areas outside Bromsgrove town centre when the CEOs were not needed there.

In responding to the Motion, the Portfolio Holder for Finance and Enabling commented that there were six CEOs working on a shift rota pattern covering seven days per week and they covered both on and off-street enforcement. Taking into account annual leave and sickness, it was not possible to permanently allocate three officers to operate outside of Bromsgrove Town Centre every day. CEOs operated different shifts each week, not only covering enforcement within the town and outer areas of the District and also monitored the Pay on Foot system.

However, with the proposal to change the Pay on Foot system to a Pay and Display model of operation, an additional CEO would become available to support the enforcement activity both in the town of Bromsgrove and across the wider District on a needs and intelligence led basis.

It was also worth noting that On-Street Enforcement was a County Council responsibility that was passed on to the District to manage via a Service Level Agreement (SLA) with no specific funding, which meant that any expansion of the team would rely on income from enforcement that could not be guaranteed. Alternatively, expansion of the team could

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be funded by Bromsgrove District Council, as had already been done with the additional funding allocated to support enforcement around schools in the district.

Members subsequently discussed the Motion in detail and in doing so considered the following points:

- The volume of complaints that Councillors received from local residents about parking infringements in the District.
- The six CEOs that were available to operate in the District and the extent to which half of these resources could be realistically allocated to locations outside Bromsgrove town centre.
- The potential for the CEO who would become available once the Pay on Foot system was replaced with Pay on Display to be allocated specifically to working in areas outside Bromsgrove town centre.
- The extent to which this CEO would be expected to concentrate on working in Bromsgrove town centre at night.
- The SLA that the Council had for the civil enforcement service, which was due for renegotiation. Council was informed that a mapping exercise was due to be undertaken regarding the work of the CEOs and demand for the service.
- The need for flexibility in the parking enforcement system in the District to meet changing demand.
- The potential for Members to report any concerns regarding problem parking directly to relevant senior officers when these problems occurred.

During consideration of this item, Councillor C. Hotham proposed that the wording of the Motion could be amended to state that “...*the extra Civil Enforcement Officer should be fully committed to operating outside of the Town Centre.*” However, this amendment was not seconded.

In concluding the discussions in respect of this Motion, Councillor McDonald commented that he would be prepared to amend the wording of the Motion. This amendment to the end of the first sentence of the Motion stated “...*surplus capacity will be used in the outlying districts.*” Councillor McDonald stated that the amendment was being made on the understanding that the surplus capacity in the Civil Enforcement team would operate in the outlying areas of the District and that Members could report parking concerns directly to officers.

On being put to the vote the Motion was carried.

## **RESOLVED** that

In view of the lack of and in many cases no enforcement officer operating out of the Town Centre, that surplus capacity will be used in the outlying districts. Therefore, reducing the amount of illegal, dangerous and inconsiderate parking, to encourage sensible and safe parking, to cut congestion and improve road safety.

## **Promoting Cycling**

Members considered the following Motion on Notice submitted by Councillor R. Hunter:

“Promoting cycling through our leisure offer.

Council is committed to promoting cycling wherever possible to help prevent climate change and encourage healthy lifestyles. Council notes significant progress has already been made, with recent improvements including a new cycle route through Sanders Park. However, there is still much more work to do.

Council calls on the Cabinet Member and officers to explore using general covid recovery grant to invest in a more ambitious recreational cycling offer for young people across our District’s parks as part of the development of our new Leisure and Culture Strategy. This will include a children’s cycling training area, which imitates road features to help young riders learn to cycle safely, and cycling trails and pump tracks for more experienced young riders.”

The Motion was proposed by Councillor R. Hunter and seconded by Councillor J. King.

In proposing the Motion, Councillor Hunter commented that the Motion was asking the Council to investigate doing something positive for the District. There was flexibility available to the Council in respect of how the Covid grant funding that had been awarded by the Government to the authority was used. Should any of this funding remain available, the Motion was proposing that it could be invested in something that would constitute a positive covid legacy. An innovative cycling scheme had already been introduced in Stratford-on-Avon District and a similar scheme could potentially benefit residents living in and visiting Bromsgrove District. This type of scheme would also particularly benefit young people who had been impacted significantly by the pandemic.

In responding to the proposed Motion, the Portfolio Holder for Finance and Enabling explained that a lot of the Covid grant funding had already been allocated. It was likely that only £400,000 remained available, once existing allocations were calculated, and it was possible that this would need to be used to offset any losses in terms of income from car parking, which was likely to be lower than in previous years. Therefore, it was unlikely that there would be much Covid grant funding available to use for other purposes. Further information about the Council’s use of the Covid grant funding would be available to view in the Medium Term Financial Plan 2022/23 to 2024/25.

During consideration of this item, the Portfolio Holder for Strategic Housing and Health and Well Being advised that the Council had commissioned Leisure and Culture Strategy Development Consultants.

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By the date of the meeting, they were consulting with residents, stakeholders and Parish Councils about many aspects of the Council's Leisure provision. This included finding out about current and future needs and demands for the authority's parks and open spaces and recommending viable improvements for inclusion in a proposed future parks management plan. The suggestion of a cycle training area had been passed to the consultants to consider for possible inclusion in the future management plan. Amongst other things, the consultants would consider need, demand, costs, viability and land use.

In the interim, the Portfolio Holder for Strategic Housing, Health and Well Being commented that, with the wider pathways in Sanders Park, it was hoped that young cyclists would be encouraged to cycle within the safety of the park.

Members subsequently discussed the Motion in detail and in doing so noted a number of points:

- The consultation event that had taken place on 17<sup>th</sup> January 2022 which had been attended by some Members and the difficulties that other Members with work commitments had had in respect of attending this session.
- The need for Covid grant funding to be utilised appropriately and the difficult decisions that needed to be taken by the Council when identifying which areas to prioritise for funding.
- The potential for a cycling route to be supported using alternative sources of funding.
- The scale of the potential cycling route for Bromsgrove, which would be significantly smaller than that in place in Stratford.

On being put to the vote the Motion was lost.

The meeting closed at 8.38 p.m.

Chairman

**AUDIT, STANDARDS and GOVERNANCE COMMITTEE**  
**2<sup>nd</sup> FEBRUARY 2022**

**RECOMMENDATIONS TO THE COUNCIL – 23<sup>rd</sup> FEBRUARY 2022**

**DECISION TO OPT INTO THE NATIONAL SCHEME FOR AUDITOR APPOINTMENTS MANAGED BY PSSA AS THE ‘APPOINTING PERSON’**

At the meeting of the Audit, Standards and Governance Committee on 2<sup>nd</sup> February 2022, Members considered a report on the ‘Decision to opt into the National Scheme for Auditor Appointments managed by PSSA as the ‘Appointing Person’

The current auditor appointment arrangements cover the period up to and including the audit of the 2022/23 accounts. The Council opted into the ‘appointing person’ national auditor appointment arrangements established by Public Sector Audit Appointments (PSAA) for the period covering the accounts for 2018/19 to 2022/23.

PSAA is now undertaking a procurement for the next appointing period, covering audits for 2023/24 to 2027/28.

The Council has the option of arranging its own procurement and to make the appointment itself, or it has the option of running a joint procurement in conjunction with other bodies, or the Council can join and take advantage of the national collective scheme administered by PSAA, as detailed in the full report at **Appendix A**.

As a result of the discussions had by the Audit, Standards and Governance Committee Members, at the meeting on 2<sup>nd</sup> February 2022;

It is therefore **RECOMMENDED** that Council: -

- a) accepts Public Sector Audit Appointments’ invitation to opt into the sector-led option for the appointment of external auditors to principal local government and police bodies for a procurement period of five financial years from 1 April 2023 (that is to say from 2023/24 to 2027/28).

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## Audit, Standards & Governance Committee

2nd February 2022

### DECISION TO OPT INTO THE NATIONAL SCHEME FOR AUDITOR APPOINTMENTS MANAGED BY PSAA AS THE 'APPOINTING PERSON'

Relevant Portfolio Holder	Councillor Geoff Denaro
Portfolio Holder Consulted	Yes
Relevant Head of Service	
Report Author	Job Title: Executive Director of Resources Contact email:james.howse@bromsgroveandredditch.gov.uk Contact Tel: 0152764252
Wards Affected	N/A
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	N/A
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

#### 1. RECOMMENDATIONS

The Audit, Standards and Governance Committee **RECOMMEND** to Council that it:

- **accepts Public Sector Audit Appointments' invitation to opt into the sector-led option for the appointment of external auditors to principal local government and police bodies for a procurement period of five financial years from 1 April 2023 (that is to say from 2023/24 to 2027/28).**

#### 2. BACKGROUND

- 2.1 This report sets out proposals for appointing the external auditor to the Council for the accounts for the five-year period from 2023/24.
- 2.2 The current auditor appointment arrangements cover the period up to and including the audit of the 2022/23 accounts. The Council opted into the 'appointing person' national auditor appointment arrangements established by Public Sector Audit Appointments (PSAA) for the period covering the accounts for 2018/19 to 2022/23.
- 2.3 PSAA is now undertaking a procurement for the next appointing period, covering audits for 2023/24 to 2027/28.
- 2.4 The Council has the option of arranging its own procurement and to make the appointment itself, or it has the option of running a joint

### **Audit, Standards & Governance Committee**

2nd February 2022

procurement in conjunction with other bodies, or the Council can join and take advantage of the national collective scheme administered by PSAA. This report concludes that the sector-wide procurement conducted by PSAA will produce better outcomes and will be less burdensome for the Council than a procurement undertaken locally because:

- a) collective procurement **reduces costs** for the sector and for individual authorities compared to a multiplicity of smaller local procurements;
- b) if it does not use the national appointment arrangements, the Council will need to establish its **own administrative arrangements** including an auditor panel with an independent chair and independent members to oversee a local auditor procurement and ongoing management of an audit contract;
- c) it is the best opportunity to **secure audit quality** through the appointment of a qualified, registered auditor (noting that there are only nine accredited local audit firms, and a local procurement would be drawing from the same limited supply of auditor resources as PSAA's national procurement); and
- d) supporting the sector-led body offers the best way of ensuring there is a continuing and **sustainable public audit market** into the medium and long term (noting that the Local Government Association strongly supports the PSAA option).

2.5 If the Council wishes to take advantage of the national auditor appointment arrangements, it is required under the local audit regulations to make the decision at full Council. The opt-in period starts on 22 September 2021 and closes on 11 March 2022.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 There is a risk that current external audit fee levels could increase when the current contracts end under all options. It is clear that in recent years the scope of audit has increased, requiring more audit work. There are also concerns about capacity and sustainability in the local audit market.
- 3.2 Opting into a national scheme provides maximum opportunity to ensure fees are as realistic as possible, while ensuring the quality of audit is maintained, by entering into a large scale collective procurement arrangement.
- 3.3 If the national scheme is not used some additional resource may be needed to establish an auditor panel and conduct a local procurement.

## **Audit, Standards & Governance Committee**

2nd February 2022

Until a procurement exercise is completed it is not possible to state what, if any, additional resource may be required for audit fees from 2023/24.

### **4. LEGAL IMPLICATIONS**

- 4.1 Section 7 of the Local Audit and Accountability Act 2014 requires a relevant Council to appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding year.
- 4.2 Section 8 governs the procedure for appointment including that the Council must consult and take account of the advice of its auditor panel on the selection and appointment of a local auditor.
- 4.3 Section 12 makes provision for the failure to appoint a local auditor. The Council must immediately inform the Secretary of State, who may direct the Council to appoint the auditor named in the direction or appoint a local auditor on behalf of the Council.
- 4.4 Section 17 gives the Secretary of State the power to make regulations in relation to an 'appointing person' specified by the Secretary of State. This power has been exercised in the Local Audit (Appointing Person) Regulations 2015 (SI 192) and this gives the Secretary of State the ability to enable a sector-led body to become the appointing person. In July 2016 the Secretary of State specified PSAA as the appointing person.
- 4.5 If the Council wishes to take advantage of the national auditor appointment arrangements, it is required under the local audit regulations to make the decision at Full Council, hence the purpose of this report.

### **5. STRATEGIC PURPOSES - IMPLICATIONS**

#### **Relevant Strategic Purpose**

- 5.1 No direct impact.

#### **Climate Change Implications**

- 5.2 No climate change implications identified.

### **6. OTHER IMPLICATIONS**

#### **Equalities and Diversity Implications**

## **Audit, Standards & Governance Committee**

2nd February 2022

6.1 No equalities implications noted.

### **Operational Implications**

6.2 The Finance Team and Section 151 Officer have experience of working with auditors appointed under the PSAA arrangements.

## **7. RISK MANAGEMENT**

7.1 The principal risks are that the Council fails to appoint an auditor in accordance with the requirements and timing specified in local audit legislation; or does not achieve value for money in the appointment process.

7.2 These risks are considered best mitigated by opting into the sector-led approach through PSAA.

## **8. APPENDICES and BACKGROUND PAPERS**

8.1 None.

## Audit, Standards & Governance Committee

2nd February 2022

### 9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Cllr Geoff Denaro	17/1/2022
Lead Director / Head of Service	James Howse, Exec Director	17/1/2022
Financial Services		
Legal Services	Clare Flanagan – Principal Solicitor	18/01/2022
Policy Team (if equalities implications apply)	N/A	
Climate Change Officer (if climate change implications apply)	N/A	

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Proposed changes to the budget being put forward.

**Reduce council tax by 1% which on the present figures presented would be:**

£5 Increase	£187,000
1%	£87,000
Total to be found	<u>£274,000</u>

**Savings**

**NEW REVENUE BIDS - BDC**

Addition of one Business Improvement Advisor - shared with RBC £20,000

Environmental Services: We are currently looking to procure the services of a consultant who could offer us the detailed advice needed to gradually change our fleet to Low Carbon emission vehicles. £12,000

**Additional Savings**

Mott McDonald £50,000

From: General Fund Balances £192,000

Total £274,000

Therefore, our proposal is for a 1% reduction in the council tax for 22/23.

**Financial Implications: Officer Notes on the above alternative budget proposal:**

1. There is a recurring element associated in the above proposals.
2. The above decision to reduce Council Tax would have a knock impact on 23/24 and 24/25 (due to the limitations on CT increases in any one year and the fact that the current MTFP assumes maximum allowable increases of £5).
3. Of the above items recorded as 'savings', £20k would be recurring savings in 23/24 and 24/25, the rest would be one off savings in 22/23.

Therefore (and assuming that the other savings above are deliverable / achievable) the following table compares the forecast General Fund Balance - as proposed in the 22/23 Budget / MTFP Report compared to this alternative budget:

<b>General Fund Closing Balance</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>Updated (per Budget Report Para 4.12)</b>	<b>3,846</b>	<b>2,259</b>	<b>1,046</b>
<b>This Alternative budget</b>			
Starting position budget per Para 4.12	3,846	2,259	1,046
Less reduced CT income from above	(274)	(548)	(822)
Add recurring savings	20	40	60
Add non-recurring savings	62	0	0
<b>Alternative budget General Fund</b>	<b>3,654</b>	<b>1,751</b>	<b>284</b>

In terms of the recommendations set out in the Council's 22/23 Budget and MTFP Report proper the above would impact on recommendations 1,3,5 and 6. It would also significantly change 'Appendix 6 – Chief Financial Officer (CFO) Opinion on the Estimate Process and Reserve Levels'.

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## **Alternative Budget 2**

Regarding the planned reallocation of £0.382m from Earmarked reserves to General Fund Balances as set out at Appendix 5 and Recommendation 1.1 (7) in the Council's 22/23 Budget and MTFP Report.

- 1) Add £55,000 to the Community grants reserve as a 1 year transitional scheme.

Created to provide a transitional scheme for 2022/23 whilst awaiting long term local government funding and post covid stability.

- 2) Add £20,000 to Business cases reserve.

Created to fund a business case for local centres and rural minibuss scheme and also free car parking in town centre car parks for blue badge holders scheme

This would then reduce the possible transfer to general balances (per Appendix 5 and Recommendation 1.1 (7)) by £75,000, from £382,000 down to £307,000.

## **Financial Implications: Officer Notes on the above alternative budget proposal:**

In terms of the recommendations set out in the Council's 22/23 Budget and MTFP Report proper the above would impact on recommendation 7 as set out above.

It should be noted that any financial implications in relation to any subsequent business case recommendations are not included / modelled within the Budget / MTFP.

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#### **SUSTAINABLE WARMTH FUNDING**

<b>Relevant Portfolio Holder</b>	Councillors Shirley Webb/Michael Thompson
<b>Portfolio Holder Consulted</b>	Yes
<b>Relevant Head of Service</b>	Judith Willis
<b>Report Author</b>	<b>Name:</b> Kath Manning <b>Job Title:</b> Climate Change Officer <b>Contact email:</b> kath.manning@bromsgroveandredditch.gov.uk <b>Contact Tel:</b> Ext 3044
<b>Wards Affected</b>	No specific ward relevance.
<b>Ward Councillor(s) consulted</b>	n/a
<b>Relevant Strategic Purpose(s)</b>	<ul style="list-style-type: none"> <li>- Affordable and Sustainable Homes</li> <li>- Living independent, active &amp; healthy lives</li> <li>- Work &amp; financial independence</li> <li>- Communities which are safe, well maintained &amp; green</li> </ul>
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

#### **1. RECOMMENDATIONS**

The Cabinet **RECOMMEND** that:

- 1) The Capital and Revenue Budgets are increased to receive Bromsgrove District Council's Sustainable Warmth scheme allocation of £429,000.
- 2) Delegated authority is granted to the Head of Community & Housing Services in consultation with Portfolio Holders for Housing and Climate Change to administer the funding received in line with the grant conditions.

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**2. BACKGROUND**

- 2.1. The Sustainable Warmth Competition originating from the Secretary of State for Business, Energy and Industrial Strategy (“**BEIS**”) awarded funding to the Midlands Energy Hub (“**MEH**”) administered by Nottingham City Council, after MEH successfully submitted a proposal for West Midlands local housing authorities to deliver this funding.

The Sustainable Warmth funding will support energy efficiency measures and low carbon heating, with an aim of upgrading homes with poor energy efficiency (Energy Performance Certificate (EPC) rating D, E, F or G) to a target energy efficiency rating of EPC C, or EPC D where this is not possible.

Sustainable Warmth Funding has two components:

- Home Upgrade Grant (HUG) Phase 1 for properties not connected to mains gas
- Local Authority Delivery (LAD) Phase 3 for properties connected to mains gas

Bromsgrove District Council (BDC) has been allocated funding based on the proportion of housing in the borough likely to have a poor Energy Performance rating and the proportions of properties connected to mains gas.

The deadline to accept the allocation is 28<sup>th</sup> February 2021.

- 2.2. Key information regarding BEIS scheme criteria:

- Eligibility is based on fuel poverty risk – having a low income and living in a home with poor energy efficiency.
- Measures must be targeted at properties with the worst energy efficiency – Energy Performance Certificate (EPC) E, F and G. Up to 30% EPC D properties can also be included.
- Households must be either
  - private owners or renters with an income of less than £30k or with other factors which are a proxy for low income such as receipt of means tested benefits, food and fuel vouchers
  - social housing tenants.
- Sustainable Warmth funding focusses on owner occupier and private rental properties. Social housing stock is capped at 10% of the total number of HUG 1 homes and 10% of the total number of homes for LAD 3 to enabling mixed tenure area-based schemes.

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- Maximum average grant per property is £10,000 for LAD3 and £15,000 for HUG. For privately rented or social housing properties, the grant can only be up to one third of the cost of measures and of the above amounts. Any owner occupier properties are required by BEIS to be fully funded using the grant monies.
  - Funding must be delivered to Publicly Available Specification (PAS) 2035 (PAS 2035:2019 Specification for the energy retrofit of domestic buildings) using Trustmark accredited contractors. This includes use of Retrofit Assessors, Coordinators and Designers to ensure that measures are appropriate to the whole property and the longer term and delivered to an agreed standard.
  - Any installations proposed should follow the recommendations of the Retrofit Co-ordinator. This means maximising the proportion of insulation and clean heat measures installed (measures including solid wall, cavity wall and loft insulation, and heat pumps) and limiting the proportion of other measures (measures such as Solar PV/thermal, windows and doors).
  - The period of this Grant is from the date of allocation until 31<sup>st</sup> March 2023 unless extended by MEH with permission from BEIS and HM Treasury as required.
- 2.3. The deadline for delivery of LAD 2 has been extended to July 31<sup>st</sup> 2022 and therefore will overlap with Sustainable Warmth funding.

### 3. FINANCIAL IMPLICATIONS

- 3.1. BDC's allocation is as follows (with the maximum amount for Social Housing shown in brackets):

	Capital	Administrative Allocation (Admin and Ancillary)
<b>Home Upgrade Grant (HUG) Phase 1</b>	£190,000 (£19,000)	£19,000 (£1,900)
<b>Local Authority Delivery (LAD)Phase 3</b>	£200,000 (£20,000)	£20,000 (£2,000)

- 3.2. As per government guidance, the scheme will be targeted at privately owned housing, as there are other funding streams dedicated to Social Housing e.g. the Social Housing Decarbonisation Fund (SHDF). The

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social housing allocation will be used to also enable upgrades to neighbouring social housing stock owned by any Registered Provider e.g., in a mixed tenure block of flats. This may include but is not limited to works by Bromsgrove District Housing Trust (BDHT), who are working with BDC on LADS 2 delivery.

- 3.3. Where the Grant includes capital funding, accounting standards permit, in certain circumstances, the capitalisation of costs incurred when delivering the capital assets for the fund (for example, administrative and ancillary). The Council will keep such costs incurred in delivery to below 10% of the HUG 1 total Grant and 10% of the LAD 3 total Grant independently provided by the Secretary of State. In all other cases capital funding must not be spent on revenue.
- 3.4. The Administrative Allocation may be used for administration and ancillary work including, but not limited to:
  - Project management, reporting and governance costs;
  - Pre-installation EPCs to target households, verify eligibility and evidence improvements to the property;
  - Building works to prepare for installation;
  - Retrofit co-ordinator training costs; and
  - Resident targeting, low-income verification and sign-up including lead generation and communication activities.
- 3.5. The Grant shall be paid in the following way:
  - 10% of the total Grant Amount shall be paid to the Council within 30 days following the receipt by MEH of the signed copy of the grant letter. This is intended to be used to support any required survey works and can be used as capitalisation;
  - 10% shall be released within 30 days of approval by MEH of the Council's Development Plan and meeting of any pre-conditions;
  - Additional 20% quarterly payments will be released within 30 days of the 1st April, 1st July, 1st Oct and 1st Jan following receipt by MEH of ongoing timeline monthly reporting and maintaining 80% of their delivery profile provided in the Development Plan.
- 3.6. The amount of the Grant shall not be increased in the event of any overspend by the Council.
- 3.7. Any unspent Grant monies shall be returned to MEH within 25 calendar days of the end of the Grant Period unless otherwise agreed between the parties.

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#### 4. LEGAL IMPLICATIONS

- 4.1 The general power of competence in s1 of the Localism Act 2011 empowers the council to undertake such a project.
- 4.2 The Grant is part of a capital funding scheme distribution by way of Section 31 of the Local Government Act 2003. The Grant must therefore be used in line with Section 11 of the Local Government Act 2003 and any regulations or subsidiary legislation made under that Section.
- 4.3 An existing OJEU compliant framework contract between Bromsgrove District Council and Surefire Management Services will be used to procure delivery of the works.
- 4.4 A legal review of the Grant Conditions will be undertaken prior to acceptance.

#### 5. STRATEGIC PURPOSES - IMPLICATIONS

##### Relevant Strategic Purposes

- 5.1 The funding aligns as follows:
  - **Affordable and Sustainable Homes:** decarbonising and improving the energy efficiency of homes
  - **Living independent, active & healthy lives:** healthier home environments
  - **Work & financial independence:** addressing fuel poverty
  - **Communities which are safe, well maintained & green:** reducing carbon emissions

##### Climate Change Implications

- 5.2 This funding is specifically to reduce energy consumption with an emphasis on decarbonisation, so is key for addressing Climate Change.

#### 6. OTHER IMPLICATIONS

##### Equalities and Diversity Implications

- 6.1. Allocation of the funding will be based on criteria set by BEIS and will not be based on personal characteristics other than related to income.
- 6.2. Equality and Diversity considerations particularly in relation to accessibility will be included in all aspects of the project, with the Policy Team consulted as necessary.

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#### Operational Implications

- 6.4. The Council must submit a Development Plan for their project to MEH
- to MEH by 28<sup>th</sup> February 2022.
  - The Development Plan must be submitted in accordance with the Midlands Energy Hub’s Guidance for Local Authorities and BEIS schemes guidance:  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/993972/sustainable-warmth-competition-guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/993972/sustainable-warmth-competition-guidance.pdf)
- 6.5 MEH have appointed local energy advice agency Act on Energy to deliver the ‘customer journey’ and all referrals will be directed to them.
- 6.6 As part of the Development Plan, the Council will be responsible for carrying out or arranging for the reasonable ongoing due diligence, controlling, monitoring, reporting, as well as managing any specific cases of suspected or identified fraud.
- 6.7 Capacity for this within the Council is extremely limited, so the intention is to use the administration funding to secure external support e.g. from Worcestershire County Council, otherwise the project would unlikely to be able to go ahead.
- 6.8 To ensure sufficient technical expertise, appropriately qualified and experienced Retrofit Assessors, Coordinators and Designers will be procured, either using the existing SMS framework contract or using the MEH Dynamic Purchasing System (DPS).

#### **7. RISK MANAGEMENT**

<b>Risk</b>	<b>Effect</b>	<b>Mitigation</b>
No funding	Benefits not realised.	<ul style="list-style-type: none"> <li>• Accept funding</li> </ul>
Timescales - deadlines not met	Funding not accessed or needs to be returned.	<ul style="list-style-type: none"> <li>• Secure adequate capacity.</li> <li>• Regular monitoring of spend.</li> <li>• Close communication with Midlands Energy Hub regarding potential delays and any need for reallocation.</li> <li>• Finance and legal to review Grant Conditions regarding</li> </ul>



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		any risks related to returning funding.
Covid19	Transmission and resultant harm, impact on timescales.	<ul style="list-style-type: none"> <li>• Covid-secure practices.</li> <li>• Health and Safety involvement in project planning.</li> </ul>
Insufficient experience of low carbon technologies	Measures underperform	<ul style="list-style-type: none"> <li>• Procure suitably qualified and experienced retrofit assessors, coordinators and designers</li> </ul>

#### 8. APPENDICES and BACKGROUND PAPERS

Background papers:

- MEH Green Homes Grants Sustainable Warmth – Grant Letter Bromsgrove

#### 9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	<ul style="list-style-type: none"> <li>• Cllr Shirley Webb Portfolio Holder for Strategic Housing and Health and Well Being</li> <li>• Cllr Michael Thompson Portfolio Holder for Leisure, Culture and Climate Change</li> </ul>	24/1/2021
Lead Director / Head of Service	<ul style="list-style-type: none"> <li>• Judith Willis Head of Community &amp; Housing Services</li> </ul>	24/1/2021
Financial Services	<ul style="list-style-type: none"> <li>• James Howse Executive Director of Resources</li> <li>• Chris Forrester Head of Finance and Customer Services</li> </ul>	25/1/2021

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Legal Services	<ul style="list-style-type: none"><li>• Clare Flanagan Principal Solicitor</li></ul>	21/1/2021
Climate Change Officer	Kath Manning Climate Change Officer	Report author

**Pay Policy Statement**

Relevant Portfolio Holder		Councillor Denaro
Portfolio Holder Consulted		Yes
Relevant Head of Service		Deb Poole, Head of Transformation and Organisational Development
Report Author	Job Title: B Talbot Contact email:becky.talbot@bromsgroveandredditch.gov.uk Contact Tel: 01527 64252	
Wards Affected		N/A
Ward Councillor(s) consulted		N/A
Relevant Strategic Purpose(s)		An Effective and Sustainable Council
Non-Key Decision		
If you have any questions about this report, please contact the report author in advance of the meeting.		

**1. RECOMMENDATIONS**

**The Cabinet RECOMMEND that:-**

- 1) Recommendation 1;  
the Pay Policy as detailed in Appendix 1 to the report be approved.**

**2. BACKGROUND**

The Localism Act requires English and Welsh local authorities to produce a Pay Policy statement ('the statement'). The Act requires the statement to be approved by Full Council and to be adopted by 31<sup>st</sup> March each year for the subsequent financial year. The Pay Policy Statement for the Council is included at Appendix 1.

The Statement must set out policies relating to-

- (a) The remuneration of its chief officers,
- (b) The remuneration of its lowest-paid employees, and
- (c) The relationship between-
  - (i) The remuneration of its chief officers, and
  - (ii) The remuneration of its employees who are not chief officers.

The provisions within the Localism Act bring together the strands of increasing accountability, transparency and fairness in the setting of local pay.

**3. FINANCIAL IMPLICATIONS**

- 3.1 All financial implications have already been included as part of the budget setting process and posts are fully budgeted for.

The information provided is based on the current pay structure and is subject to any national pay award for 2021/22 being agreed

**4. LEGAL IMPLICATIONS**

No legal implications have been identified.

**5. STRATEGIC PURPOSES - IMPLICATIONS**

**Relevant Strategic Purpose**

- 5.1 An Effective and Sustainable Council

**Climate Change Implications**

- 5.2 There are no implications in relation to this report

**6. OTHER IMPLICATIONS**

**Equalities and Diversity Implications**

- 6.1. There are no implications in relation to this report

**Operational Implications**

- 6.2 There are no implications in relation to this report

**7. RISK MANAGEMENT**

- 7.1 There are no implications in relation to this report

**8. APPENDICES and BACKGROUND PAPERS**

Appendix 1 – Pay Policy Statement 2022/23

9. **REPORT SIGN OFF**

<b>Department</b>	<b>Name and Job Title</b>	<b>Date</b>
Portfolio Holder	Councillor Denaro	02/02/2022
Lead Director / Head of Service	Deb Poole	02/02/2022
Financial Services	James Howse	02/02/2022

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### **BROMSGROVE DISTRICT COUNCIL PAY POLICY STATEMENT**

#### **Introduction and Purpose**

1. Under section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as authority thinks fit”. This pay policy statement sets out the Council’s approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. It shall apply for the financial year 2021/22 and each subsequent financial year, until amended. The information provided is based on a proposed model that is still subject to approval and consultation.
2. The purpose of the statement is to provide transparency with regard to the Council’s approach to setting the pay of its employees by identifying;
  - a. the methods by which salaries of all employees are determined;
  - b. the detail and level of remuneration of its most senior staff i.e. ‘chief officers’, as defined by the relevant legislation;
  - c. the Committee(s) responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and for recommending any amendments to the full Council
3. Once approved by the full Council, this policy statement will come into immediate effect and will be subject to review on a minimum of an annual basis, in accordance with the relevant legislation prevailing at that time.

#### **Legislative Framework**

4. In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. With regard to the equal pay requirements contained within the Equality Act, the Council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality proofed Job Evaluation mechanisms. These directly relate salaries to the requirements, demands and responsibilities of the role.

#### **Pay Structure**

5. The Council’s pay and grading structure comprises grades 1 – 11. These are followed by grades for Managers 1 - 2, Head of Service 1, Head of Service 2, Head of Service 3, Executive Director, Deputy Chief Executive and then Chief Executive; all of which arose following the introduction of shared services with Redditch Borough Council.
6. Within each grade there are a number of salary / pay points. Up to and including grade 11 scale, at spinal column point 43, the Council uses the nationally negotiated pay spine. Salary points above this are locally determined. The Council’s Pay structure is set out below.

# Agenda Item 11b

Grade	Spinal Column Points		Nationally determined rates	
			Minimum £	Maximum £
1	1	2	17,842	18,198
2	2	5	18,198	19,312
3	5	9	19,312	20,903
4	9	14	20,903	23,080
5	14	19	23,080	25,481
6	19	24	25,481	28,672
7	25	30	29,577	33,782
8	30	34	33,782	37,890
9	34	37	37,890	40,876
10	37	40	40,876	43,857
11	40	43	43,857	46,845
Manager 1	Hay evaluated	43%	57,284	59,618
Manager 2	Hay evaluated	45%	59,597	62,066
Head of Service 1	Hay evaluated	51%	68,128	70,910
Head of Service 2	Hay evaluated	61%	81,754	85,091
Head Of Service 3	Hay evaluated	68%	91,208	94,546
Executive Director	Hay evaluated	74%	98,994	102,888
Deputy Chief Executive	Hay evaluated	80%	N/A	111,230
Chief Executive	Hay evaluated	100%	N/A	139,038



7. All Council posts are allocated to a grade within this pay structure, based on the application of a Job Evaluation process. Posts at Managers and above are evaluated by an external assessor using the Hay Job Evaluation scheme. Where posts are introduced as part of a shared service, and where these posts are identified as being potentially too 'large' and 'complex' for this majority scheme, they will be double tested under the Hay scheme, and where appropriate, will be taken into the Hay scheme to identify levels of pay. This scheme identifies the salary for these posts based on a percentage of Chief Executive Salary ( for ease of presentation these are shown to the nearest whole % in the table above). Posts below this level (which are the majority of employees) are evaluated under the "Gauge" Job Evaluation process..
8. In common with the majority of authorities the Council is committed to the Local Government Employers national pay bargaining framework in respect of the national pay spine and annual cost of living increases negotiated with the trade unions.
9. All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council policy. In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community; delivered effectively and efficiently and at all times those services are required.
10. New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.
11. For staff not on the highest point within the salary scale there is a system of annual progression to the next point on the band.

## **Senior Management Remuneration**

12. For the purposes of this statement, senior management means 'chief officers' as defined within S43 of the Localism Act. The posts falling within the statutory definition are set out below, with details of their basic salary as at 1<sup>st</sup> April 2021 (assuming no inflationary increase for these posts).
13. Bromsgrove District Council is managed by a senior management team who manage shared services across both Redditch Borough and Bromsgrove District Councils. All of the posts listed below have been job evaluated on this basis, with the salary costs for these posts split equally between both Councils.

# Agenda Item 11b

<b>Title</b>	<b>% of Chief executive salary</b>	<b>Pay range (minimum) £</b>	<b>Pay range (maximum) £</b>	<b>Incremental points</b>	<b>Cost to Redditch Borough Council</b>
Chief Executive	100%	133,586	139,038	3	50%
Deputy Chief Executive	80%	109,017	111,230	3	50%
Executive Director of Finance and Resources. (Also S151 Officer)	74%	98,994	102,888	3	50%
Head of Worcestershire Regulatory Services	68%	91,208	94,546.69	3	<i>This is a shared post across 6 district Authorities</i>
Head of Finance and Customer Support	61%	81,754	85,091	3	50%
Head of Planning, Regeneration and Leisure Services	61%	81,754	85,091	3	50%
Head of Transformation, Organisational Development and Digital Services	61%	81,754	85,091	3	50%
Head of Legal, Democratic and Property Services	61%	81,754	85,091	3	50%
Head of Environmental	61%	81,754	85,091	3	50%

and Housing Property Services					
Head of Community and Housing Services	61%	81,754	85,091	3	50%

### Recruitment of Chief Officers

14. The Council's policy and procedures with regard to recruitment of chief officers is set out within the Officer Employment Procedure Rules as set out in the Council's Constitution. When recruiting to all posts the Council will take full and proper account of its own equal opportunities, recruitment and redeployment Policies. The determination of the remuneration to be offered to any newly appointed chief officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment. Where the Council is unable to recruit to a post at the designated grade, it will consider the use of temporary market forces supplements in accordance with its relevant policies.
15. Where the Council remains unable to recruit chief officers under a contract of service, or there is a need for interim support to provide cover for a vacant substantive chief officer post, the Council will, where necessary, consider and utilise engaging individuals under 'contracts for service'. These will be sourced through a relevant procurement process ensuring the council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service. The Council does not currently have any Chief Officers under such arrangements.

### Performance-Related Pay and Bonuses – Chief Officers

16. The Council does not apply any bonuses or performance related pay to its chief officers. Any progression through the incremental scale of the relevant grade is subject to satisfactory performance which is assessed on an annual basis.

### Additions to Salary of Chief Officers ( applicable to all staff)

17. In addition to the basic salary for the post, all staff may be eligible for other payments under the Council's existing policies. Some of these payments are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfilment of duties. The list below shows some of the kinds of payments made.
  - a. reimbursement of mileage. At the time of preparation of this statement, the Council pays an allowance of 45p per mile for all staff, with additional or alternative payments for carrying passengers or using a bicycle;
  - b. professional fees. The Council pays for or reimburses the cost of one practicing certificate fee or membership of a professional organisation provided it is relevant to the post that an employee occupies within the Council.
  - c. long service awards. The Council pays staff an additional amount if they have completed 25 years of service.

- d. honoraria, in accordance with the Council's policy on salary and grading. Generally, these may be paid only where a member of staff has performed a role at a higher grade;
- e. fees for returning officer and other electoral duties, such as acting as a presiding officer of a polling station. These are fees which are identified and paid separately for local government elections, elections to the UK Parliament and EU Parliament and other electoral processes such as referenda;
- f. pay protection – where a member of staff is placed in a new post and the grade is below that of their previous post, for example as a result of a restructuring, pay protection at the level of their previous post is paid for the first 12 months. In exceptional circumstance pay protection can be applied for greater than 12 months with the prior approval of the Chief Executive.
- g. market forces supplements in addition to basic salary where identified and paid separately;
- h. salary supplements or additional payments for undertaking additional responsibilities such as shared service provision with another local authority or in respect of joint bodies, where identified and paid separately;
- i. attendance allowances.

## **Payments on Termination**

- 18. The Council's approach to discretionary payments on termination of employment of chief officers prior to reaching normal retirement age is set out within its policy statement in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007.
- 19. Any other payments falling outside the provisions or the relevant periods of contractual notice shall be subject to a formal decision made by the full Council or relevant elected members, committee or panel of elected members with delegated authority to approve such payments.
- 20. Redundancy payments are based upon an employee's actual weekly salary and, in accordance with the Employee Relations Act 1996, will be up to 30 weeks, depending upon length of service and age.

## **Publication**

- 21. Upon approval by the full Council, this statement will be published on the Council's website. In addition, for posts where the full time equivalent salary is at least £50,000, the Council's Annual Statement of Accounts will include a note on Officers Remuneration setting out the total amount of:
  - a. Salary, fees or allowances paid to or receivable by the person in the current and previous year;
  - b. Any bonuses so paid or receivable by the person in the current and previous year;
  - c. Any sums payable by way of expenses allowance that are chargeable to UK income tax;
  - d. Any compensation for loss of employment and any other payments connected with termination;

- e. Any benefits received that do not fall within the above.

## **Lowest Paid Employees**

- 22. The Council's definition of lowest paid employees is persons employed under a contract of employment with the Council on full time (37 hours) equivalent salaries in accordance with the minimum spinal column point currently in use within the Council's grading structure. As at 1<sup>st</sup> April 2020 this is £17,842 per annum.
- 23. The Council also employs apprentices (or other such categories of workers) who are not included within the definition of 'lowest paid employees' (as they are employed under a special form of employment contract; which is a contract for training rather than actual employment).
- 24. The relationship between the rate of pay for the lowest paid and chief officers is determined by the processes used for determining pay and grading structures as set out earlier in this policy statement.
- 25. The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010). The Hutton report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. The report concluded that "it would not be fair or wise for the Government to impose a single maximum pay multiple across the public sector". The Council accepts the view that the relationship to median earnings is a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median average salary of the whole of the authority's workforce.
- 26. As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate.

## **Accountability and Decision Making**

- 28. In accordance with the Constitution of the Council, the Council is responsible for setting the policy relating to the recruitment, pay, terms and conditions and severance arrangements for employees of the Council. Decisions about individual employees are delegated to the Chief Executive.
- 29. The Appointments Committee is responsible for recommending to Council matters relating to the appointment of the Head of Paid Service (Chief Executive), Monitoring Officer, Section 151 Officer and Chief Officers as defined in the Local Authorities (Standing Orders) Regulations 2001 (as amended);
- 30. For the Head of Paid Service, Monitoring Officer and the Chief Finance Officer, the Statutory Officers Disciplinary Action Panel considers and decides on matters relating to disciplinary action.



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#### THE COUNCIL'S 2022/23 BUDGET AND MEDIUM TERM FINANCIAL PLAN FOR 2022/23 TO 2024/25

Relevant Portfolio Holder	Councillor Geoff Denaro
Portfolio Holder Consulted	Yes
Relevant Head of Service	Chris Forrester
Report Author	Name: Chris Forrester Job Title: Head of Service email: chris.forrester@bromsgroveandredditch.gov.uk Contact Tel:
Wards Affected	N/A
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	All
Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

#### 1. RECOMMENDATIONS

##### 1.1 The Cabinet RECOMMEND that Full Council approve: -

- 1) the overall net general fund revenue budgets (as set out in Section 4.9) of:

2022/23:   £12.069m  
2023/24:   £11.947m  
2024/25:   £12.076m

- 2) the unavoidable costs as attached at Appendix 1:

2022/23:   £0.250m  
2023/24:   £0.016m  
2024/25:   £0.016m

- 3) the Revenue Bids as attached at Appendix 2:

2022/23:   £0.148m  
2023/24:   £0.107m  
2024/25:   £0.086m

- 4) the Identified Savings as attached at Appendix 3:

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2022/23: £0.176m  
 2023/24: £0.176m  
 2024/25: £0.176m

- 5) an increase of the Council Tax per Band D equivalent of £5 for 2022/23.
- 6) the transfer from General Fund Balances of £0.411m for 2022/23.
- 7) the planned reallocation of £0.382m from Earmarked reserves to General Fund Balances as set out at Appendix 5.
- 8) the General Fund capital programme as at Appendix 4 of:

2022/23: £2.410m  
 2023/24: £1.390m  
 2024/25: £1.946m

**1.2 And that the Cabinet ask the Council to note**

- 1) the 2020/21 Capital Outturn as reported at Appendix 7.
- 2) The Chief Financial Officer (CFO) Opinion on Estimates and Reserve Levels as reported in Appendix 6.

**2. BACKGROUND**

**Purpose**

- 2.1 The purpose of this report is to set the Council's (General Fund) Revenue and Capital Budget for 2022/23, as well as the Medium-Term Financial Plan (MTFP) for the period 2022/23 to 2024/25.
- 2.2 The Council's Medium Term Financial Plan (MTFP) provides the framework within which the revenue and capital spending decisions can be made.
- 2.3 The Strategic Purposes that drive the financial considerations are:
  - Run and grow successful business
  - Work & financial independence
  - Living independent, active & healthy lives
  - Affordable & sustainable homes
  - Communities which are safe, well maintained & green



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- 2.4 This report includes recommendations to Council to enable a balanced budget to be set for 2022/23 and the proposed Council Tax for 2022/23. The recommendations will then be presented to Council on 23<sup>rd</sup> February 2022 together with the resolutions once we have received all the precepting bodies Council Tax calculations.

#### **Financial Context**

- 2.5 The Council faces a challenging financial context having:
- i) identified (but still needs to deliver) significant savings over the medium term;
  - ii) reserve balances which are currently adequate (but no more) and above minimum levels – but which are forecast to reduce without further action; and
  - iv) high levels of planning uncertainty with regards to the levels of available funding in coming years and with regard to the impact of Covid-19 on key income streams such as car parking and Leisure.
- 2.6 The Council therefore needs to continue to carefully consider how it prioritises resources and balances budgets in a sustainable and affordable way, as part of this (and future) budget round(s).
- 2.7 Members and officers have therefore reviewed the services provided by the Council over the last 6 months to consider the levels of funding available to the Council and identified where potential savings can be made or additional income generated.
- 2.8 The Finance and Budget Working Group established by the Overview and Scrutiny Board has met on a regular basis to review budget related issues (including reports on underlying risks, pressures and uncertainties as well as income matters and fees and charges opportunities).

#### **Unprecedented Levels of Uncertainty**

- 2.9 It should be noted that the future of the system of local government finance remains uncertain. The government has committed to re-assess the baseline need for spend in each local authority (through its 'Fair Funding review'). This has been pushed back (again) to 2023/24 at the earliest - but is still expected to happen. This review will have a significant impact on the government's calculation of the Settlement Funding Assessment for (and therefore the amount of funding available to) this council - and remains therefore a significant risk.

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- 2.10 It also remains uncertain as to what the Government's plans are with regards to the system of business rates - including the share of business rates retained locally.
- 2.11 A one-year provisional Local Government Finance Settlement was announced on 16<sup>th</sup> December 2021 and has been incorporated into this report. It remains unclear as to when Government will announce more funding certainty through a multi-year financial settlement for Local Government.
- 2.12 Furthermore, the short, medium and long term impact of the Covid- 19 pandemic and UK's exit from the European Union (on residents, the economy and the state of national and local government finance) remains uncertain. Locally, the impact of Covid-19 on car parking and Leisure services income is particularly relevant given the importance of these income streams.
- 2.13 Taken together therefore (the outcome of the fair funding review, the future of business rates and the local government financial settlement, COVID-19, Brexit and the state of the local and national economy) represents a challenging context within which to set the budget and MTFP - one characterised by an unprecedented level of uncertainty.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 In order to clearly explain the basis of the Budget proposals this report (which sets out all financial implications) will be structured as follows:

#### **4) General Fund Revenue**

##### **i. The Prior Year MTFP 2021/22 – 2023/24**

*This section which will summarise the previous Council approved MTFP as a reminder of the previously approved starting point.*

##### **ii. Updated Forecast Outturn Position for 2021/22**

*This section will update the starting revenue position for 21/22 and therefore update the opening balances for 22/23.*

##### **iii. The 22/23 Budget and (updated) MTFP for the period 22/23 – 24/25**

*This section will set out the updated Budget and MTFP forecast for approval.*

**iv. The Updated MTFP and General Fund Forecasts**

*This section will summarise the impact of the updated 22/23 Budget and MTFP forecast on the Council's General Fund balance position over the medium term.*

**v. Reconciling the current updated MTFP to the Feb 2021 Approved MTFP**

*This section will analyse and explain the movements from the previous approved Budget and MTFP to the updated 22/23 Budget and MTFP.*

**vi. Council Tax increase**

**vii. Reallocation of Earmarked Reserves to General Fund**

This section sets out those reserves previously earmarked for specific purposes that can be release back to the General Fund Reserve.

**viii. Covid General Grant**

This section summarises the position on general Covid grant funding received by the Council.

**5) Collection Fund and Precepts**

**6) Capital Programme**

**4. GENERAL FUND REVENUE**

**The Prior Year MTFP 2021/22 – 2023/24 (approved February 2021)**

4.1 The Council's MTFP is updated annually and was previously approved for the three-year period 2021/22 to 2024/25 by full Council in February 2021.

4.2 The following table sets out what, at that point (Feb 2021) the MTFP forecast in terms of annual budget deficits and opening and closing general fund balances.

Table 1: The Prior Year MTFP and General Fund Balance Forecasts

	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>
<b>General Fund</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Opening Balance	4,284	4,306	3,206
Annual (Deficit) / Surplus	22	(1,099)	(1,472)
<b>Closing Balance</b>	<b>4,306</b>	<b>3,206</b>	<b>1,735</b>

- 4.3 Table 1 shows that the previously (Feb 2021) approved MTFP predicted a surplus of £22k in 2021/22. The Council was expected to move to an in-year deficit position of £1.099 million in 2022/23 and £1.472 million in 2023/24.
- 4.4 Annual deficits require the Council to utilise its General Reserve balances. As at February 2021, the MTFP, based on the annual deficits forecast above, showed that the Council's General Fund Balances would reduce from £4.284 million a 1st April 2021 to £1.735 million at 31st March 2024.

Updated Forecast Outturn Position for 2021/22

- 4.5 The forecast outturn position for the General Fund balance at the end of this current year (2021/22) is currently £4.257m (after forecast 21/22 Outturn and technical adjustments but before any unplanned transfers from Earmarked Reserves).

**The 22/23 Budget and (updated) MTFP for the period 22/23 – 24/25**

- 4.6 The MTFP has been updated for the period 2022/23 to 2024/25 to model the impact of changes in assumptions, budgetary pressures, reductions in funding and savings.
- 4.7 The 22/23 Budget and updated MTFP is summarised (in terms of its annual revenue and general fund forecasts) for the period 2022/23 to 2024/25 in the table below:

Table 2: The Updated MTFP and Annual Revenue Budgets

- 4.8 The proposed budget is summarised in the table below:

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	2022-23	2023-24	2024-25
	£000	£000	£000
<b>Departmental base budget</b>	11,673	11,682	11,890
Incremental Progression/Inflation on Utilities	174	318	260
Unavoidables Pressures	250	16	16
Revenue Bids & Revenue impact of capital bids	148	107	86
Savings and Additional income	-176	-176	-176
Changes in Specific Grant/Funding Movements	0	0	0
<b>Net Revenue Budget Requirement</b>	<b>12,069</b>	<b>11,947</b>	<b>12,076</b>
<b>Financing</b>			
Funding from reserves	-100	0	0
Lower Tier Services Grant	-700	0	0
Business Rates Net Position	-2,510	-2,510	-2,510
New Homes Bonus	-363	0	0
Collection Fund Deficit (Council Tax)	-175	0	0
Council Tax	-8,937	-9,243	-9,560
Investment Income	-0	-0	-0
Interest Payable	260	262	249
MRP (Principal)	1,081	1,172	1,078
Discount on advanced pension payment	-214	-40	-120
<b>Funding Total</b>	<b>-11,658</b>	<b>-10,360</b>	<b>-10,864</b>
<b>General Balances</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Opening Balances 21/22 (projected)	4,257	3,846	2,259
Contribution (from) / to General Balances	-411	-1,588	-1,213
<b>Closing Balances</b>	<b>3,846</b>	<b>2,259</b>	<b>1,046</b>

#### Explanatory Notes

- 1) All Service Teams / Departments have a base budget which includes staff budgets.
- 2) Staff budgets are subject to incremental progression as staff become more experienced within graded posts.
- 3) A number of budget pressures that have been deemed “unavoidable” and are further analysed in this report.
- 4) Budget setting includes a ‘bidding process’ for additional resources – set out below.
- 5) Budget setting includes the identification of savings and income – set out below.
- 6) Specific grant funding, where confirmed, is set against services as appropriate.
- 7) Financing includes an element of planned reserve usage.
- 8) The Council receives a ‘Lower Tier’ grant from Central Government.
- 9) The Council retains an element of its business rates receipts to fund services.
- 10) The Council retains its own element of council tax bills (it collects for all precepting authorities). The budget includes an increase of £5 (band D) - the maximum allowable without a referendum.
- 11) An element of Collection Fund surplus / deficit impacts on the Council General Fund.
- 12) New Homes Bonus has been confirmed by Central Government.
- 13) The Council earns interest on investment balances.
- 14) Minimum Revenue Provision costs reflect capital borrowing / repayment costs.
- 15) Borrowing costs based on forecast interest rates.
- 16) The Council has benefitted financially from paying some of its Pension commitments calculated at the last Actuarial Review in one lump sum (to Worcestershire Local Government Pension Fund).

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4.9 The above table sets out how the Council's expenditure profile will be met by a combination of external funding and use of reserves over the period.

4.10 The table also shows that the General Reserve Balance is forecast to remain above minimum levels (currently set at £1.5m) until partway through the 24/25 financial year.

#### **Analysis of key changes to the MTFP – Forecast General Fund Balances**

4.11 The following table sets out how the draft MTFP (as summarised in Section 4.9) compares to the previous MTFP in terms of forecast closing general fund balances:

4.12 Table 3: The Updated (versus Previous) MTFP and General Fund Forecasts

<b>General Fund Closing Balance</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>Previous approved</b>	<b>4,306</b>	<b>3,206</b>	<b>1,735</b>	<b>N/A</b>
<b>Updated (per this report)</b>	<b>4,257</b>	<b>3,846</b>	<b>2,259</b>	<b>1,046</b>

4.13 The table above shows that the 2021/22 General Fund closing position remains largely unchanged (£4.257 million as opposed to £4.306 million) than that forecast when the budget was approved in Feb 2021.

4.14 The table demonstrates that the updated MTFP forecasts a General Fund Balance of £3.846 million at the end of 2022/23 (compared to £3.206 million) which remains above minimum set levels of £1.5 million.

4.15 Table 4 shows that the General Fund balance is now forecast to total £2.259 million at the end of 2023/24 (compared to £1.735 million in the previous MTFP), and (without further action) reduce to £1.046m at the end of 24/25 which is below minimum set levels.

#### **Reconciling the current updated MTFP to the Feb 2021 Approved MTFP**

4.16 Changes need to be made to the Council's budget and MTFP to keep them up to date and robust. In order to make these changes as transparent as possible these changes have been summarised in Table 4 below.

4.17 Table 4: Reconciliation of Previous and Updated MTFP - Adjustments made to the Annual Budget Forecasts 22/23 and 23/24

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	22/23	23/24
	£000s	£000s
<b>Previous Forecast Deficit (Feb 21 Budget)</b>	<b>1,099</b>	<b>1,472</b>
+ Corrections and Assumption changes	45	169
+ Pressures	250	16
+ Funding impact	-956	0
+ Resource Planning and Prioritisation (RPP)	-28	-69
<b>= Updated Forecast Surplus / Deficit</b>	<b>411</b>	<b>1,588</b>

4.18 The above summary shows that the annual budget deficits (before appropriation of General Fund Balances or General Covid Grant) are now forecast at £0.411m for 2022/23 (previously £1.099m), and £1.588m for 23/24 (previously £1.472m).

4.19 In order to better explain what is driving these changes in budget forecasts, this summary is further explained and analysed below:

#### **Corrections and Assumption changes (net £45k in 22/23)**

4.20 All budgets include estimates and assumptions. Eg. Inflation and interest rates. These are updated annually.

4.21 One of the outcomes of budgetary control, closedown and setting procedures is also the identification of inaccuracies. There are a large number of such amendments which are individually usually small. The larger factors to the overall changes here include:

- Inflation. One of the pressures to the budget is general inflation on utility costs along with additional costs in relation to pay. The costs relating to pay inflation are above that initially anticipated. The original budget included a 1% pay award however the best estimate is now 2% which adds an additional pressure of circa £80k pa. Other pressures have been contained within budgets where possible.
- MRP, interest costs and investment income budgets lines have all been reviewed and reduced compared to prior year forecasts. These changes are due to a review of the capital programme to reflect more accurately planned spend. This reduces significantly MRP and borrowing costs – but also investment income (which has also been revised to take account of the short-term focus on delivering the Levelling up Programme of work rather than alternative strategic investments). The overall net impact is a £129k saving in 22/23.
- This budget also includes the impact of recent decisions to amend the Council's policies with regards to Council Tax premiums and

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discounts which aim to incentivise more empty homes being brought back into use from 2022/23.

**Pressures**

- 4.22 Expenditure (and income) budgets required to deliver previously approved strategies and plans are subject to a multitude of market forces, sector issues, demographics and other matters.
- **Unavoidable Costs/Bids (£250k 22/23).** When proposing the budget officers have also identified a number of budget pressures that have been deemed “unavoidable”. These unavoidable pressures include the ongoing effects of pressures identified during 2021/22 together with any issues that have been raised as fundamental to maintaining service provision as part of the budget process. In addition, income shortfalls that cannot be managed by improved marketing or price increases have been addressed during the budget planning. They are set out in full in Appendix 1.
  - Unavoidable pressures include a £200k estimated reduction on car park income which represents the best estimate of the impact of Covid-19 on usage in 22/23. As part of the RPP process, proposals to increase car park income through higher charges were put forward and discussed. In light of concerns about the impact of price increases on demand, and the knock-on impact on the High Street, these proposals were not progressed within this Budget. This budget area remains an area of risk for the Council which will require careful monitoring – particularly given the circa £1 million (pre Covid) annual budgeted income level. Fees will inevitably also need to be revisited in future budget rounds.
  - It should be noted that the Council’s Leisure budgets remain a risk area for the Council given the degree of uncertainty concerning Covid-19 and its impact on the leisure sector. The Council’s budget includes (Pre Covid agreed contracted) income levels of £0.557m for 2022/23. It is not proposed that this income budget is amended at this time. However, it is acknowledged that this is an area of very specific risk that must be considered in the context of the Council’s reserve balances (including Covid General Fund grant funding).
  - A new approach to budget setting was outlined in the S151 Officer’s Budget Framework to Cabinet in October 2021 and pre-scrutinised by the Overview and Scrutiny Board, which highlighted the Member engagement process for budget setting in 2022/23. As a result, the Finance and Budget Working Group considered a number of areas during the year. This included pre-scrutinising proposals to introduce Council Tax premiums in relation to empty homes, which was



originally raised in a Motion on Notice that was referred to the group. Council Tax empty homes discounts and premiums were subsequently agreed at Council on 26th January and the financial implications are reflected at paragraph 4.21 of the MTFP report. A Motion on Notice in respect of free parking for Blue Badge holders was also referred to the group for consideration In November 2021. The group was advised that it was estimated that this would cost circa £85,000 per annum and therefore would reduce the Council's General Fund Balance forecast by £85,000 in 2022/23, £170,000 in 2023/24 and £255,000 in 2024/25. Further information in respect of this matter can be found at paragraphs 4.8 and 4.12 of the MTFP report. This proposal, in light of the Council's declining reserves position and challenging financial situation set out in Section 2, has not been included within the recommendations of this budget report.

#### **Resource Planning and Prioritisation (RPP):**

4.23 RPP is the outcome of the steps taken to identify options to do things differently and more efficiently, to identify savings but also required areas of investment. It is the culmination of a 'check and challenge' process with regards to the Council's budgets, led by the Corporate Management Team and presented to Cabinet (and ultimately full Council). It is a critical element of the Council operating within available resources.

- **Bids (£148k 22/23).** In addition to the unavoidable pressure's revenue bids have been identified and included at Appendix 2. Bids relate to new funding requests made by officers to improve service delivery or to realise future efficiencies. Revenue 'bids' included in these budget proposals include developments relating to ICT (re maintaining core digital and cyber security related infrastructure) and supporting greater agile work. Work is also planned in relation to lower carbon emissions which requires investment. Additional capacity is also required for Business Improvement activity.
- **Identified Savings/additional income (£176k).** A number of savings have been identified which are set out in Appendix 3. These relate to a variety of areas and relate to delivering efficiencies (eg cutting paper and print costs and reduced insurance costs) and additional income (eg bulky waste, lifeline and recharge income).

#### **Funding Impact (£0.956m in 22/23)**

4.24 The main factors to the changes related to funding include:

- **Lower Tier Services Grant (£0.7m).** The finance settlement in December announced we are due to receive a Lower Tier Services

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Grant for £0.7million in 2022/23 most of which was not previously budgeted for. This grant is intended to compensate those local authorities whose core spending power did not increase in the finance settlement.

- **New Homes Bonus (NHB) (£0.068m).** The amount of NHB for 2022/23 has been confirmed as £0.363 million which is £68k more than anticipated in the MTFP. This is due to the Government funding an additional year of New Homes Bonus.
- The Councils share of the Collection Fund surplus is £175k which was not budgeted for previously.

Council Tax Increase

- 4.25 As part of the Financial Settlement the Council can increase Council Tax by up to 2% or £5 whichever is higher without the need for a referendum. These budget proposals include £5 increase for 2022/23 (Band D). The Council Tax relating to the Councils services will rise for Band D from £233.00 to £238.00. This is unchanged from the previous approved MTFP.

**Reallocation of Earmarked Reserves to General Fund**

- 4.26 A review has been undertaken of reserves previously earmarked for specific purposes. This has identified £0.382 million that can provisionally be released back to the General Fund Reserve. See Appendix 5.
- 4.27 In addition as set out in Appendix 5, some reallocations have been made within Earmarked Reserves to reflect current priorities.

**Covid General Grant**

- 4.28 In recognition of this negative impact on the Council's resources (and particularly for councils reduced income levels achievable for car parks and Leisure), the Council was awarded £1.666 million of General Covid-19 Grant across a number of tranches received in 2020/21 and the early part of 2021/22.
- 4.29 After allocating this funds against Covid related pressures in 20/21 some £0.949 million of this grant was carried forward to the current financial year (ie 21/22). It is forecast that £397k of this General Covid Grant will be carried forward at 31/3/2022 (after funding the negative impact on 21/22 Budgets). This will be available (alongside General Fund balances) to mitigate pressures on budgets – at least in the short term – particularly in relation to prevalent risks associated with car park income and contracted income from the Council's Leisure services provider.

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- 4.30 It must however be emphasised that this funding is not expected to be a recurring income stream to the Council. Further work must therefore be done to reduce the gap between spend and income on a sustainable and ongoing basis.

#### **5. COLLECTION FUND AND PRECEPTS**

- 5.1 The anticipated collection fund surplus £1.431m, which will be distributed amongst the major preceptors using the prescribed formulae. The Council's share of the surplus payable as a one-off sum is £175k (prior year £36k).

- 5.2 The precepts from Worcestershire County Council, Hereford and Worcester Fire Authority and the West Mercia Police and Crime Commissioner are due to set their precepts in the week commencing 8<sup>th</sup> February. This will enable the Council to set the Council Tax on 23<sup>rd</sup> February 2022. The precepting bodies Council Tax requirements will be included in the formal resolutions which will be presented to Council on 23<sup>rd</sup> February.

#### **6. CAPITAL PROGRAMME**

- 6.1 The Capital Programme has also been updated including proposed new bids required to deliver services to the community. These are included in the proposed Capital Programme at Appendix 4. The borrowing costs have been factored into the revenue budget for the financial plan. It should be noted that a housekeeping review of the Capital Programme has been recently undertaken in order to challenge the deliverability (and timing) of some schemes which has resulted in some rationalisation.

- 6.2 It should also be noted that there are a number of capital related businesses cases in the pipeline that may require further consideration, and subject to those business cases, amendment to the budget in line with the Council's constitution.

#### **7. LEGAL IMPLICATIONS**

- 7.1 As part of the budget and the Council Tax approval process, the Council is required by the Local Government Finance Act 1992 to make specific calculations and decisions in approving a balanced budget for the following financial year and setting the Council Tax Level. These will be included in the resolutions and presented to Council on 23<sup>rd</sup> February 2022.

- 7.2 The Council has a legal obligation to set a balanced budget (s32 of the Local Government Finance Act 1992). The amount of the budget requirement must be sufficient to meet the Council's budget commitments

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and ensure a balanced budget. The 2022/23 budget requirement must leave the Council with adequate financial reserves.

7.3 A lawful Council Tax is required to be made on or before 11 March 2022.

7.4 Section 25 of the Local Government Act 2003 requires the Chief Financial Officer (CFO) to report to the Council the robustness of estimates included in the budget and the adequacy of the reserves when it is making the statutory calculations required to determine its Council Tax or precept. See Appendix 7.

### 8. **STRATEGIC PURPOSES - IMPLICATIONS**

#### **Relevant Strategic Purpose**

8.1 The Strategic purposes are included in the Council's corporate plan and guides the Council's approach to budget making ensuring we focus on the issues and what are most important for the district and our communities. Delivering against all our Strategic Purposes is therefore integrated within our MTFP.

#### **Climate Change Implications**

8.2 No direct implications identified.

### 9. **OTHER IMPLICATIONS**

9.1 No direct equalities and diversity implications identified.

#### **Operational Implications**

9.2 The MTFP will enable services to be maintained.

### 10. **RISK MANAGEMENT**

10.1 The risks posed by the challenging financial context and the unprecedented levels of uncertainty (re the outcome of the fair funding review, the future of business rates and the local government financial settlement, COVID-19, Brexit and the state of the local and national economy) with regard to the budget have been set out within Section 2 as background to this report.

10.2 Risks prevalent in this area also include:

- Reductions in government funding leading to a reduction in the level of services delivered to the public

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- Reductions in business rates income as a result of appeals or reduction in the rateable value leading to a lower level of income for the Council.
  - Identification of sufficient and ongoing revenue savings to deliver a balanced budget.
  - Allocation of sufficient resources to meet the needs of service delivery and the Councils priorities.
  - Maintain adequate revenue and capital balances as identified in the MTFP to ensure financial stability.
- 10.3 This budget (and the processes underpinning it including the check and challenge of the Resource Planning and Prioritisation and 'bidding' processes, revisiting all budget assumptions and the identification of income and savings) provides a framework for managing and mitigating this risk.
- 10.4 In addition, Section 25 of the Local Government Act 2003 requires the Chief Financial Officer (CFO) to report to the Council the robustness of estimates included in the budget and the adequacy of the reserves when it is making the statutory calculations required to determine its Council Tax or precept. This is set out in full within Appendix 7.

### **11. APPENDICES and BACKGROUND PAPERS**

- Appendix 1 - Unavoidable costs
- Appendix 2 - Revenue Bids
- Appendix 3 - Identified savings
- Appendix 4 - Proposed Capital programme
- Appendix 5 - Earmarked Reserves
- Appendix 6 - Chief Financial Officer (CFO) Opinion on the Estimate Process and Reserve Levels.
- Appendix 7 – Capital Outturn Position

### Cabinet

23<sup>rd</sup> February 2022

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#### 12. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Councillor Geoff Denaro	
Lead Director / Head of Service	James Howse, Exec Director of Resources (S151 Officer)	
Financial Services	Chris Forrester, Head of Finance and Customer Services	
Legal Services		
Policy Team (if equalities implications apply)		
Climate Change Officer (if climate change implications apply)		

## UNAVOIDABLE PRESSURES - BDC

Appendix 1

Department	Strategic Purpose	Description of Pressure	2022-23 £'000	2023-24 £'000	2024-25 £'000
Building Control	Communities which are safe well maintained and green	New dangerous structures budget line	3	3	3
Building Control	Communities which are safe well maintained and green	Shared service recharge to RBC	-1	-1	-1
Development Control	Communities which are safe well maintained and green	Underacheived planning application income	22	0	0
Development Control	Communities which are safe well maintained and green	Overspend on advertising and publicity	3	0	0
Development Control	Communities which are safe well maintained and green	Overspend on advertising and publicity	-1	0	0
ICT	Enabling the Authority	Idox Uniform Application (Extension of contract)	7	7	7
ICT	Enabling the Authority	Idox Uniform Application (Extension of contract) - Shared service recharge to RBC	-4	-4	-4
ICT	Enabling the Authority	Orb Intranet Upgrade and migrate to Hyrbid Cloud	10	0	0
ICT	Enabling the Authority	Orb Intranet Upgrade and migrate to Hyrbid Cloud - Shared service recharge to RBC	-5	0	0
ICT	Enabling the Authority	Power Bi - his is to provide additional licenses required for the Corporate Dashboard	5	0	0
ICT	Enabling the Authority	Power Bi - his is to provide additional licenses required for the Corporate Dashboard - shared services recharge to RBC	-5	0	0
Reg Client	Communities which are safe, well maintained and green	Additional WRS Hosting Charges	5	5	5
Democratic Services	Enabling the Authority	Member Remuneration - recommendation from Independent Remuneration Panel	5	5	5
Environmental Services	Communities which are Safe, Well Maintained and Green	Agency budget due to Covid & Other Sickness affecting front line staff	5	0	0
Environmental Services	Run and Grow a Successful Business	Due to the effects of Covid we have seen a rapid decline in car park usage which is stedely returning. However we are not seeing a return to usage and income levels pre-covid	200	0	0
<b>TOTAL</b>			<b>250</b>	<b>16</b>	<b>16</b>

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**NEW REVENUE BIDS - BDC**

Appendix 2

Department	Strategic Purpose	Description of revenue bid	2022-23 £'000	2023-24 £'000	2024-25 £'000
Business Transformation	Enabling the Authority	Addition of one Business Improvement Advisor - shared with RBC	40	40	40
Business Transformation	Enabling the Authority	Addition of one Business Improvement Advisor - shared with RBC - recharge	-20	-20	-20
ICT	Enabling the Authority	Internet & Customer Portal	117	59	59
ICT	Enabling the Authority	Internet & Customer Portal	-59	-29	-29
ICT	Enabling the Authority	Members 2nd ICT Support Person	42	42	0
ICT	Enabling the Authority	Members 2nd ICT Support Person -shared service recharge to RBC	-21	-21	0
ICT	Enabling the Authority	Cyber Security Post	42	42	42
ICT	Enabling the Authority	Cyber Security Post - shared service recharge to RBC	-21	-21	-21
Policy	Enabling the Authority	Youth Council Support	5	5	5
Environmental Services	Communities which are Safe, Well Maintained and Green	We are currently looking to procure the services of a consultant who could offer us the detailed advice needed to gradually change our fleet to Low Carbon emmision vehicles.	12	0	0
Environmental Services	Communities which are Safe, Well Maintained and Green	Increase to promotional budget to support increased income generation.	10	10	10
<b>TOTAL</b>			<b>148</b>	<b>107</b>	<b>86</b>

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## SAVINGS & ADDITIONAL INCOME - BDC

Appendix 3

Department	Strategic Purpose	Description of saving	2022-23 £'000	2023-24 £'000	2024-25 £'000
Corporate Administration / Central Post Opening	Enabling of the Authority	Non recruitment to vacancy post - Shared Service Rchg Reduction	-19	-19	-20
Reg Client	Communities which are safe, well maintained and green	Additional WRS Hosting Charge	-10	-10	-10
Environmental Services	Communities which are Safe, Well Maintained and Green	Increase to promotional budget to support increased income generation.	-10	-10	-10
Environmental Services	Communities which are Safe, Well Maintained and Green	Bromgrove District Council Place teams review	-30	-30	-30
Environmental Services	Communities which are Safe, Well Maintained and Green	Bulky waste income	-10	-10	-10
Environmental Services	Communities which are Safe, Well Maintained and Green	Savings from vacant post not required	-52	-51	-50
Environmental Services	Communities which are Safe, Well Maintained and Green	Savings from vacant post not required - shared service recharge	27	26	26
Lifeline	Living independent, active & healthy lives	Future income generation options	-20	-20	-20
Financial services	Enabling of the Authority	Life insurance scheme saving	-35	-35	-35
Corporate Administration / Central Post Opening	Enabling of the Authority	Reduction in consumables eg paper and reduction of MFDs in print contract	-14	-14	-14
Democratic Services	Enabling the Authority	Services restructure	-3	-3	-3
<b>TOTAL</b>			<b>-176</b>	<b>-175</b>	<b>-175</b>

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Description	Department	Strategic purposes	2022/23 Total £	2023/24 Total £	2024/25 Total £
Cisco Network Update	Business transformation & Organisational Development	Enabling the Authority	5,717	11,574	0
Server Replacement Est(Exact known Q2 2022)	Business transformation & Organisational Development	Enabling the Authority	83,250	2,000	177,500
Laptop Refresh	Business transformation & Organisational Development	Enabling the Authority	5,000	25,000	150,000
Home Repairs Assistance	Community & Housing GF Services	Living independent, active & healthy lives	50,000	50,000	50,000
Energy Efficiency Installation	Community & Housing GF Services	Living independent, active & healthy lives	110,000	0	0
Funding for DFGs	Community & Housing GF Services	Living independent, active & healthy lives	913,000	913,000	913,000
New Digital Service	Community & Housing GF Services	Communities which are safe, well maintained and green	33,668	33,668	0
Bus Shelters	Environmental Services	Communities which are safe, well maintained and green	18,000	0	0
Cemetery extension infrastructure at at North Bromsgrove Cemetery Phase Two	Environmental Services	Communities which are safe, well maintained and green	6,500	0	0
Fleet Replacement	Environmental Services	Communities which are safe, well maintained and green	600,000	204,000	175,000
Wheelie Bin Purchase	Environmental Services	Communities which are safe, well maintained and green	144,000	55,000	60,000
Cashless Parking Scheme	Environmental Services	Communities which are safe, well maintained and green	253,000	96,000	421,000
Install Solar panel and Upgrade lighting	Legal, Democratic and property services	Enabling the Authority	150,000	0	0
Play Area, POS and Sport improvements at Lickey End Recreation Ground in accordance with the S106 Agreement	Planning, Regeneration & Leisure Services	Communities which are safe, well maintained and green	37,956	0	0
			2,410,091	1,390,242	1,946,500

Note:

\* The Council has previously approved a Regeneration Fund of £20 million. Levelling Up Grant funding has now been secured (subject to an approved programme business case) in order to drive regeneration. The capital programme therefore excludes any Regeneration Fund activity and will therefore be updated, in line with the Council's constitution, following any business case approval.

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**FINANCIAL RESERVES STATEMENT 2020/21**
**Appendix 5**

Please note these figures have been rounded

Description	Balance b/fwd 1/4/2020	C/fwd 31/3/2020	Planned use for 2021/22 Budget	Estimated closing balance 2021/22	Proposed release/addition of reserves from RPP exercise	Planned use for 2022/23 Budget	Comment
	£'000	£'000	£'000	£'000	£'000	£'000	
Building Control	(7)	(7)	0	(7)	7	0	To Fund the mobile working project
Building Control Partnership	(69)	(83)	0	(83)	0	0	Partnership income has to be reinvested back in to the service.
Commercialism	(10)	0	0	0	0	0	To help fund costs in relation to commercialism projects
Community Services	(43)	(274)	0	(274)	0	0	To help towards a district network feasibility study and unauthorised trespass prevention.
Economic Growth Development	(1,342)	(1,347)	350	(997)	75	0	To fund the Economic Development opportunities across the District. There is provision within this reserve to take into account the potential impact of Covid 19 on service delivery in particular Leisure Services.
Election Services	(96)	(51)	0	(51)	25	0	To support the delivery of individual electoral registration and to set aside a reserve for potential refunds to government
Environmental Services	0	(47)	0	(47)	0	0	To support the costs of the Environmental Services Vehicles
Financial Services	(479)	(1,422)	0	(1,422)	(50)	0	A number of reserves / grants have been set aside to support residents through the changes to welfare reform along with a reserve to support our Business continuity plans. This also includes funds to support the new enterprise system and the balance of the Covid general grant received in 20-21. The proposed addition is in recognition of the need to strengthen the finance team and short term capacity issue risk
Corporate Financing	(2,784)	(3,906)	100	(3,806)	100	100	The reserve has been created to offset the loss on Business rates collection and appeals in 2019/20.
Housing Schemes	(475)	(487)	142	(345)	0	0	To support the feasibility and implementation of housing schemes across the district
ICT/Systems	(87)	(80)	0	(80)	80	0	To provide replacement ICT and systems across the authority.
Leisure/Community Safety	(291)	(329)	0	(329)	0	0	Grant received and reserves set aside to support a number of leisure and well being schemes across the District
Local Neighbourhood Partnerships	(16)	(16)	0	(16)	0	0	Grant received in relation to liveability schemes
Other	(115)	(107)	44	(63)	(75)	0	General reserves including - support for apprentices, set up costs and Brexit reserve. Funds to create an Invest to save reserve to increase efficiencies within the organisation
Planning	(108)	(133)	0	(133)	20	0	Reserves in relation to a custom build grant to provide support to the council towards expenditure lawfully incurred in relation to the provision and maintenance of a self-build register, along with reserves to help towards future planning appeals.
Regulatory Services (Partner Share)	(35)	(47)	0	(47)	0	0	BDC Share of WRS grant related reserves
Shared Services Agenda	(311)	(311)	0	(311)	200	0	To fund potential redundancy and other shared costs
<b>Grand Total</b>	<b>(6,268)</b>	<b>(8,648)</b>	<b>638</b>	<b>(8,011)</b>	<b>382</b>	<b>100</b>	

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**Appendix 6: Section 25: Report of the CFO - Robustness of the Estimates**

In line with Section 25 of the Local Government Act 2003, this report of the Chief Financial Officer (CFO) sets out the robustness of estimates included in the budget and the adequacy of the Council's reserves.

**The Chief Financial Officer's opinion is that the estimates are robust.**

Relevant budget holders are responsible for individual budgets and their preparation. All estimates are then scrutinised by Financial Services staff and the Corporate Management Team prior to submission to Members.

All budget assumptions have been reviewed and reconsidered – including those related to inflation, business rate growth and interest rates.

The Council's revenue and capital budgets are 'joined up', both for next year's budget and for the longer term. This means that the full cost of the proposed Capital Programme is reflected in the revenue estimates. Both revenue and capital budgets include the funding needs of the Council.

There are however a number of risks and uncertainties as set out below.

The main risks in the 2021/22 budget relate to:

- General levels of uncertainty regarding the outcome of the fair funding review, the future of business rates and the local government financial settlement, COVID-19, Brexit and the state of the local and national economy. This has been mitigated by prudent business rate growth assumptions and by close monitoring of the Covid Grant account.
- The delivery of income and managing the impact of savings proposed. Mitigating actions are in place within departmental to ensure managers are aware of budgeted savings.
- Business Rate Income – whilst this is essentially part of Central Government funding, the actual income received will vary depending on actual Business Rates growth. It is difficult to precisely predict this growth. It is also difficult to predict the level of appeals by ratepayers against their rating assessments. That said, prudent assumptions in this area have been applied.
- Central Government Funding – the MTFP shows income from NHB continuing in 2022/23, however the longer term future of this income stream remains unclear.

- Costs associated with the delivery of the Council's Levelling Up Fund programme. The Council holds some risk on this programme – including the cost of overruns. As the Accountable Body close monitoring will take place to manage effective delivery (to time and to budgeted cost).
- General inflationary pressures – particularly in relation to pay costs and utility bills. This budget therefore includes significant additional pressures for these matters.
- The impact of Covid and Leisure Services. The Council's Leisure budgets could be further impacted by Covid-19. Significant levels of income are assumed within this budget report in 2022/23 – in line with the Council's contract with its Leisure provider. The risks in this area will continue to be mitigated through working closely with our Leisure services contractor to oversee its progress, operations and cost, and through appropriate contractual and legal advice concerning that contract.
- The impact of Covid on the capacity of management to deliver change, efficiencies and associated savings. This continued to be a watching brief. Budget proposals include an investment in Business Improvement capacity and an 'Invest to Save' Earmarked Reserve.

### **Adequacy of Reserves**

Budget and MFTP proposals forecast the level of General Fund balances to remain above minimum set levels of £1.5m until 2024/25.

The reserves position, alongside the General Covid Grant account, will allow the Council to be robust and make coordinated plans to address the deficit position.

Taking account of the above, and the level of risk within the budget, the Chief Finance Officer judges that reserves are at an appropriate level throughout the period of the MTFP. This will be subject to ongoing review.

That said, further work must be undertaken to ensure that expenditure levels are sustainable and matched by income over the medium to long term. Plans are therefore in place to continue to review budgets and identify further savings opportunities.

**The Chief Financial Officer's opinion is that the estimates are robust.**

Report by: James Howse, Executive Director of Resources (Chief Financial Officer / Section 151 Officer)

**BDC Capital Programme 2020-21 Outturn**

**Appendix 7**

Description	Department	NEW Strategic Purpose	Revised Budget April - Outturn 21 £	Actual spend 2020-21 £	Variance 2020-21 £	Previously approved slippage to 2021/22	Revised & additional slippage into 21-22 £
Funding for DFGs	Community & Housing GF Services	Living independent, active & healthy lives	600,000	595,930	-4,070	503,101	507,171
OLEV ULEV Taxi infrastructure scheme	Community & Housing GF Services	Communities which are safe, well maintained and green	200,000	0	-200,000	200,000	200,000
New Digital Service	Community & Housing GF Services	Communities which are safe, well maintained and green	57,400	22,281	-35,119	0	35,119
Affordable homes (BDHT)	Community & Housing GF Services	Living independent, active & healthy lives	150,000	150,000	0	0	0
Home Repairs Assistance	Community & Housing GF Services	Living independent, active & healthy lives	30,000	0	-30,000	61,221	91,221
Energy Efficiency	Community & Housing GF Services	Work and financial independence	0	0	0	5,000	5,000
CCTV	Community & Housing GF Services	Living independent, active & healthy lives	100,000	129,726	29,726	67,376	37,650
Energy Efficiency Installation	Community & Housing GF Services	Living independent, active & healthy lives	30,000	19,182	-10,818	65,988	76,806
Greener Homes	community & Housing GF Services	Living independent, active & healthy lives	180,000	0	-180,000	0	180,000
Burcot Hostel	community & Housing GF Services	Living independent, active & healthy lives	35,000	35,384	384	0	0
Bus Shelters	Environmental Services	Communities which are safe, well maintained and green	0	0	0	18,000	18,000
Boundary Security at Depot	Environmental Services	Communities which are safe, well maintained and green	20,000	12,908	-7,092	0	7,092
Fleet Management Computer System	Environmental Services	Enabling the Authority	0	0	0	16,600	16,600
Environmental Services Computer System	Environmental Services	Enabling the Authority	0	0	0	157,200	157,200
Cemetery Extension infrastructure at at North Bromsgrove Cemetery Phase Two	Environmental Services	Communities which are safe, well maintained and green	4,000	9,884	5,884	4,000	0
Fleet Replacement	Environmental Services	Communities which are safe, well maintained and green	1,441,253	834,976	-606,277	95,000	701,277
Wheelie Bin Purchase	Environmental Services	Communities which are safe, well maintained and green	94,000	181,051	87,051	0	0
Replacement lighting at the Depot	Environmental Services	Communities which are safe, well maintained and green	3,642	3,642	0	19,358	19,358
Infrastructure Works Bdc Depot	Environmental Services	Communities which are safe, well maintained and green	0	0	0	252,000	252,000
Replacement Parking machines	Environmental Services	Communities which are safe, well maintained and green	12,000	0	-12,000	108,000	120,000
BDC Combined F/Path & Cycl	Environmental Services	Communities which are safe, well maintained and green	71,357	0	-71,357	0	71,357
New Finance Enterprise system	Financial & Customer Services	Enabling the Authority	218,108	380,562	162,454	0	0
Burcot Lane	Financial & Customer Services	Communities which are safe, well maintained and green	830,000	24,592	-805,408	0	805,408
Regeneration Fund	Financial & Customer Services	Communities which are safe, well maintained and green	0	0	0	4,350,000	4,350,000
Salix project	Legal, Democratic and property services	Enabling the Authority	615,000	0	-615,000	0	615,000
Re-landscaping of Recreation Ground	Planning, Regeneration & Leisure Services	Communities which are safe, well maintained and green	0	0	0	211,000	211,000
Sanders Park Play Area - Replacement for Tripod Swing (Health and Safety)	Planning, Regeneration & Leisure Services	Living independent, active & healthy lives	0	0	0	35,000	35,000
BDC Christmas lights	Planning, Regeneration & Leisure Services	Communities which are safe, well maintained and green	13,000	5,490	-7,510	0	7,510
Bittell road recreation ground	Planning, Regeneration & Leisure Services	Communities which are safe, well maintained and green	44,000	43,603	-397	18,000	18,000

New Leisure Centre	Planning, Regeneration & Leisure Services	Communities which are safe, well maintained and green	0	712,816	712,816	0	0
Rubery Redevelopment Works	Planning, Regeneration & Leisure Services	Communities which are safe, well maintained and green	0	-3,262	-3,262	32,738	32,738
Sanders Park dda play provision	Planning, Regeneration & Leisure Services	Communities which are safe, well maintained and green	3,550	0	-3,550	0	3,550
Wythall Park POS Improvement	Planning, Regeneration & Leisure Services	Communities which are safe, well maintained and green	15,000	15,547	547	0	0
Birdbox	Planning, Regeneration & Leisure Services	Communities which are safe, well maintained and green	210,180	209,522	-658	0	0
			<b>4,977,490</b>	<b>3,383,832</b>	<b>-1,593,658</b>	<b>6,219,582</b>	<b>8,574,057</b>

**Notes:**

\* The new enterprise system had an increase in budget over that presented above funded from the flexible use of capital receipts. This was approved as part of the treasury strategy and so the difference is funded from this approval.

\* The expenditure on Scheme New Leisure centre is due to funds not yet being settled with external contractors. Should these monies come in the subsequent year they will be added back into the capital programme.

## Bromsgrove District Council – 23rd February 2022 Member Questions

**1. From Councillor R. Hunter  
Question for the Leader**

“What actions are the Cabinet taking to lobby Government to provide a much needed longer term financial settlement for councils such as BDC?”

**2. From Councillor J. King  
Question for the Portfolio Holder for Leisure, Culture and Climate Change**

“In 2019 this Council declared a climate emergency and set up a working group to drive efforts to decarbonise our activities. Yet despite all the work that has been done, a recent scorecard of UK local authorities’ climate change progress, compiled by Climate Emergency UK, put Bromsgrove very close to the bottom of our peer group, with a 10% achievement score. What are you doing to restore our reputation and ensure Bromsgrove is recognised as a leader in tackling climate change?”

**3. From Councillor S. Robinson  
Question for the Leader**

“Is there a future for district councils such as BDC given the Government’s Levelling Up White Paper sees us as merely being ‘non-constituent members’ of the new regime for local decision making?”

**4. From Councillor S. Baxter  
Question for the Leader**

“I congratulate the Council on being awarded the levelling up grant of £14m and recognise that there will be an indirect benefit of having a prosperous town centre for the whole district, however, bearing in mind that Bromsgrove’s grant equates to one of the largest per capita awards in the country, please can the leader explain how delivering the project will achieve a levelling up to those areas of greatest need across the district?”

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**NOTICE OF MOTION**

The following Notice of Motion has been submitted in accordance with Procedure Rule 10 by Councillor S. Colella:

"Members welcome the successful application of £14.5 million from the Government's 'Levelling up' fund and thank officers for their hard work in the successful grant application.

It is important that we try to "level up" the whole of the district so Council agrees to work cross party with all Members to ensure regular and timely engagement of all parties to ensure that this happens. This will include the town and all outlying areas."

*(Group leaders have agreed that this Motion will not be debated at this meeting)*

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