

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

WEDNESDAY, 26TH OCTOBER 2022, AT 6.00 P.M.

PRESENT: Councillors K.J. May (Leader), M. A. Sherrey, M. Thompson and S. A. Webb

Observers: Councillor C. A. Hotham

Officers: Mr P. Carpenter, Mrs. S. Hanley, Mrs. R. Bamford, Mrs. C. Felton, Ms. M. Howell, Mr. G. Revans, Ms J. Willis, Ms. A. Delahunty and Ms Karimi Fini (on Microsoft Teams).

32/22

TO RECEIVE APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors G.N. Denaro and P.L. Thomas.

33/22

DECLARATIONS OF INTEREST

There were no Declarations of Interest.

34/22

TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING OF THE CABINET HELD ON 12TH OCTOBER 2022

The minutes of the Cabinet meeting held on 12th October 2022 were submitted.

RESOLVED that the minutes of the Cabinet meeting held on 12th October 2022 be approved as a true and correct record.

35/22

TO CONSIDER ANY RECOMMENDATIONS FROM THE OVERVIEW AND SCRUTINY BOARD MEETING ON 24TH OCTOBER 2022

The Chairman of the Overview and Scrutiny Board, Councillor C. Hotham, presented the recommendations of the meeting of the Board held on 24th October 2022. The four recommendations were in respect of the Carbon Reduction Strategy and Implementation Plan. Members had been particularly interested in the information regarding the latest figures (in tonnes) quantifying Bromsgrove District Council's reduction in carbon emissions. It was felt that the figures provided in the report,

which were from 2019, needed to be updated in order to provide a clearer picture of the carbon reduction improvements that had been made. The second recommendation was in respect of partnership working on carbon reduction with Birmingham City Council and other Worcestershire Councils, particularly as Lickey Hills Country Park, located mainly in Worcestershire, was owned and maintained by Birmingham City Council.

The third recommendation from the Overview and Scrutiny Board was concerned with accessibility of the Carbon Reduction Strategy & Implementation Plan, and the availability on the website, for the benefit of Councillors and members of the public given the complexity and detail of the strategy. The final recommendation proposed that Parish Councils be included as stakeholders in the Bromsgrove District Council Carbon Reduction Strategy & Implementation Plan and its ongoing development.

Members discussed the recommendations that had been made on this subject and reference was made that the data provided within the strategy and it was stated that the data post 2019 was not typical due to Covid-19. In addition to this, it was confirmed that the Council did not currently formally report on carbon. Members discussed that since one of the recommendations contained within the strategy was to restart carbon reporting, it was suggested that Officer time was best spent on implementing the action plan and putting in place effective carbon reporting going forward. Councillor C. Hotham acknowledged that this was acceptable, and that Covid-19 would certainly have impacted on the data collected during this period.

In respect of recommendation 2 it was suggested that rather than highlighting a specific Local Authority area, an amendment to the recommendation be made that partnership working take place with all bordering Local Authorities to support work on carbon reduction.

Members were supportive of the final two recommendations in respect of the accessibility of the strategy and the involvement of the Parish Councils as stakeholders in the Bromsgrove District Council Carbon Reduction Strategy & Implementation Plan and its ongoing development.

RESOLVED that Carbon Reduction Strategy and Implementation Plan be amended to incorporate that

- 1) All bordering Local Authorities be asked to engage in partnership working on carbon reduction with Bromsgrove District Council and other Worcestershire Councils and;

- 2) Parish Councils be included as stakeholders in the Bromsgrove District Council Carbon Reduction Strategy & Implementation Plan and its ongoing development and;
- 3) An easily accessible, infographic version of the Bromsgrove District Council Carbon Reduction Strategy & Implementation Plan be produced for the benefit of Councillors and members of the public on the website.

36/22

NOMINATION OF ASSET OF COMMUNITY VALUE - FORMER SOCIAL CLUB, ALVECHURCH INN

The Head of Planning, Regeneration and Leisure presented a report on the subject of the Nomination of Asset of Community Value - Former Social Club at the Alvechurch Inn.

Members were advised that in order to qualify for asset of community value status the building had to further the well-being or social interests of the local community; and that it had to be realistic to think that this would continue in the future. It was reported that, in terms of the location of this building, the statutory requirements had been met.

Members attention was drawn to the paragraph contained within the report explaining that the final decision to list an asset of community value lay with the Head of Planning, Regeneration and Leisure Services and that Cabinet was being consulted with, as part of the consultation process. With this in mind it was explained that a slight amendment to the recommendation was required as follows:

'Cabinet be asked to RECOMMEND to the Head of Planning, Regeneration and Leisure if it supported the listing of the Alvechurch Inn, Radford Road, Alvechurch, as an asset of community value or otherwise.'

On being put to the vote it was

RESOLVED that Cabinet supported the Head of Planning, Regeneration and Leisure in the listing of the Alvechurch Inn, Radford Road, Alvechurch, as an asset of community value.

AIR QUALITY ENHANCED MONITORING OPTIONS REPORT

The Principal Officer (Planning and Technical Pollution Control) from Worcestershire Regulatory Services (WRS) presented the Air Quality Enhanced Monitoring Options Report for Cabinet's consideration.

The report outlined the background of the proposal for an enhanced monitoring system. It was reported that historically there had been concerns about nitrogen dioxide emissions caused by road traffic in the Bromsgrove area. In addition to this, it was noted that there were limitations to the system currently deployed within Bromsgrove and delays were experienced in reporting using this system. However, it was confirmed that improved technology was now available and that this would provide more readily available data and moveable monitoring units. Cabinet was reminded that air quality enhanced monitoring had been raised by the Overview and Scrutiny Board during its meeting held on 5th July 2022.

Also contained within the report were cost breakdowns of two options for enhanced monitoring for Bromsgrove District Council; one that outlined the cost of 3 units and revenue funding without grant funding and one that outlined the cost of 3 units and revenue funding with Department for Environment Food and Rural Affairs (DEFRA) grant funding. It was reported that, in September 2022, WRS had made an application to DEFRA on behalf of all Councils across Worcestershire of £280k worth of funding. Should this application be successful, it was required that the Council provide match funding of 10% for the capital and revenue costs over three years (£1,350 and £2,250 respectively).

During consideration of this item, it was clarified that the recommendations were subject to the successful outcome of the grant bid to DEFRA and that the Council would be notified of the outcome of this application in April 2023. The Interim S151 Officer confirmed that, subject to the outcome of the application, this would be included in tranche 2 of the budget.

Members also considered how the data collected from the enhanced monitoring system would be used. It was explained that it would feed into the County-wide Air Quality Management Plan and would drive local transport planning and active traffic planning for the future.

RESOLVED that subject to the successful outcome of the grant bid to DEFRA

- 1) the £1,350 capital match funding be incorporated into the Council's capital programme; and
- 2) the £2,250 revenue match funding be incorporated in the Council's revenue budget

as part of the Final Budget and Medium Term Financial Plan 2023/24 to 2025/26 which was due to be presented to Cabinet and Council in February 2023.

38/22

LOCAL LETTINGS PLAN

The Strategic Housing Officer presented the report in respect of the Local Lettings Plan Policy.

Cabinet was informed that the Council currently had a Housing Allocation Policy which provided a framework on housing allocations within the District. However, it was explained that Local Lettings Plans could be applied in order to provide variations to the main scheme. These variations were utilised for a number of reasons, which included ensuring a greater mix of social housing in local developments and Anti-Social Behaviour (ASB). It was clarified to Members that any variations must not dominate the main scheme.

Members were advised that the Housing Allocations Policy did not need to be consulted on, however within the policy it was stated that the Council reserved the right to apply Local Lettings Plans if necessary.

It was reported to Members that an initial Equality Impact Assessment (EIA) had been undertaken on this Local Lettings Plan and that this would remain a live, working document. In addition to this, it was also confirmed that should any Local Lettings Plans be proposed in the future, additional EIAs would also be developed.

RESOLVED that

- 1) the Local Lettings Plan Policy be approved and;
- 2) delegated authority be given to the Head of Community and Housing Services following consultation with the Portfolio Holder for Strategic Housing and Health and Well Being to agree and adopt future local lettings policies.

39/22

CLIMATE CHANGE STRATEGY

The Head of Environmental and Housing Property Services presented the Carbon Reduction Strategy and Implementation Plan for the next 3 years for the consideration of Cabinet.

Members were informed that the strategy set out plans for the Council to achieve net zero carbon emissions by 2040, ahead of the Government's target of 2050. Each of the Council's service areas had contributed to the strategy and it was hoped that taking this approach ensured carbon reduction would become embedded throughout the organisation in the future.

In respect of the additional staffing information contained within the report, it was acknowledged that given the importance of this area of work, it was considered necessary to establish a new officer post to provide support at a more strategic level going forward. It was confirmed that this additional staffing resource would form part of the financial budget bid process later in the municipal year and was included in the Medium Term Financial Plan item due to be considered later in the meeting.

Cabinet was informed that the strategy would be refreshed every three years and reviewed annually. Alongside this, progress against targets would be reviewed twice a year by the Climate Change Working Group and annually by the Overview and Scrutiny Board and Cabinet. The Head of Environmental and Housing Property Services thanked Mr. A. Pearson, from the Midland Net Zero Hub who had been involved in the preparation of the Carbon Reduction Strategy and Implementation Plan.

RESOLVED that the Council's Carbon Reduction Strategy and Implementation Plan, including the three recommendations made by the Overview and Scrutiny Board (agreed at Minute Number 35/22) be endorsed and adopted.

40/22

LEISURE STRATEGY

The Head of Planning, Regeneration and Leisure presented the Leisure and Culture Strategy for Members' consideration.

Members were informed that included in the Leisure and Culture Strategy was an overarching document that set out the vision, aims and objectives for Leisure and Culture services across the Council until 2032. It was reported that the Leisure and Culture Strategy included the

recommendations that had been drawn from three further strategies that underpinned the main strategy. These were reported as being the Arts and Culture Strategy, the Parks and Open Spaces Strategy and the Built Facilities Strategy. It was highlighted that the second resolution included within the report contained recommendations that officers could start work on immediately and had no additional financial implications to the Council.

Members stated that this was a very important report which provided a strategic plan for the Council for the future.

RESOLVED that

- 1) the Leisure and Culture Strategy be endorsed and;
- 2) delegated authority be given to the Head of Planning, Regeneration and Leisure Services following consultation with the Portfolio Holder for Leisure, Culture and Climate Change to implement the following Recommendations 1, 2, 9,10,11,12,13, 15,16,17,20 22, 24,25, 31, 32, 33, 35, 36, 37, 38, 39, 40 a, 41, 42, 43, 44 45 46 as set out in the Leisure and Culture Strategy.

41/22

ASSET STRATEGY

The Head of Legal, Democratic and Property Services presented the Asset Disposal Strategy for the consideration of Members.

The Cabinet was informed that each year the Council must ensure all of its assets were included within the Statement of Accounts, including land, property and other assets. The Asset Disposal Strategy sought to provide a framework within which assets could be assessed for suitability and the likely costs that were associated with maintaining those assets. In addition to this, it was highlighted that the strategy sought to set out a clear mechanism for rationalisation of assets where appropriate. Members were informed that the number of Council owned assets was not huge and were generally already allocated.

RESOLVED that the Asset Disposal Strategy be approved for implementation.

42/22

MEDIUM TERM FINANCIAL PLAN 2023/24 TO 2025/26 - UPDATE

The Interim S151 Officer presented an update on the Medium Term Financial Plan (MTFP) 2023/24 to 2025/26.

It was reported that each year the Council set out a 3-year Medium Term Financial Plan, with the final Council Tax Resolution being approved by Council in February. The Cabinet was advised that this year, the MTFP process would be run in two tranches in order to prepare the budget as early as possible. The initial tranche would use information known as at the end of September and would seek to close as much of the current deficit as possible. The second tranche would be processed after December 2022 and would be approved in February 2023. This second tranche would take into account the Local Government Settlement, details of which would not be known until early January 2023.

Members were informed that budget setting within the current climate would be more difficult due to a number of challenges. These were outlined as follows:

- Starting the process with an initial deficit amount of approximately £1.5m from the 2022/23 MTFP
- This being the first year that the Government began repaying for Covid-19 and the associated pandemic
- The cost of living crisis
- Changes at national level including new Prime Ministers and changes to Cabinet membership
- The Council having limited Reserves and Balances.

The MTFP 2023/24 to 2025/26 – Update report highlighted 10 major items in terms of budget setting for 2023/24 to 2025/26. These were as follows:

- The starting position for the 2023/24 MTFP and the three year “gap” that needed to be bridged in order for the Council’s budget to come back into a balanced sustainable position
- Unallocated savings – These would be considered as part of the Q2 2022/23 Finance and Performance Monitoring report due to be considered in November 2022.
- The emerging national picture which was not clear at the time of this meeting. It was hoped that more information would be available when the new Chancellor released his statement on 17th November 2022. At that point, it was thought more clarity would be available on the new Local Government Financial Settlement, which was expected to still be released the final week before Christmas. Officers informed Cabinet that it was still unknown as to whether this would be a single or multiple year settlement,

however the preference, from a Council perspective, given the current economic conditions, would be a single year settlement.

Officers reported that they had made a number of base assumptions within the report, including the following:

- An assumption on Council Tax on a full 1.99% or £5 increase (whichever was the least)
- An assumption of no growth in Business Rates
- An assumption that there would no New Homes Bonus in 23/24 onwards
- An assumption that there would be no Lower Tier Services Grant from 23/24 onwards

In respect of Pension Fund assumptions, it was noted that the Council's pension fund was in surplus, and the new contributions were approximately £500k less than they had been previously.

Cabinet was informed that the greatest impact on budget setting would be inflation. This was in light of the £1,925 proposed increase to staff wages that would cost an additional £718k. Furthermore, it was stated that 10% inflation on Contracts/Transport would cost an additional £182k alongside the increased cost of utilities. These, in particular, were unknown and it had been concluded that if there was a 200% increase in the cost of utilities this would result in an extra £702k cost to the Council. It was noted that Bromsgrove District Council's utilities contract were due to expire in April 2023 and it was planned that any new contracts would be as short-term as possible and offered the best value for money for the Council in the long term.

In respect of Fees and Charges, it was outlined that was to be an increase of 10% across the services with some exceptions including, WRS, LifeLine and parking charges.

In terms of strategic approach, it was key to move to financial sustainability as quickly as possible

Tranche 2 of the budget would be adjusted for any Government funding that was provided. In addition to this it would also look at other options to close any deficit should the Government settlement not bridge any resultant gap. It should be noted that in Prime Ministers Question Time the previous Prime Minister had said that allocation levels would be in line with 22/23 levels – which would mean the Lower Tier Support Grant and New Homes Bonus, both assumed to be zero in Tranche 1, could

be paid out. This was worth approximately £1m to the Council. However, it was stated that given the recent changes in Government this had still not been confirmed.

Initiatives included in tranche 2 required more time for analysis, however individual options included:

- Ensuring grants were maximised.
- Ensuring agency work reflected the income provided for its delivery.
- Minimisation of Bed and Breakfast temporary accommodation costs.
- Reviewing the effectiveness of the Council's largest contracts.
- Maximising the effectiveness of the Council's refuse fleet.
- Reviewing the location and effectiveness of the Council's depot.
- Assessing the Council's Leisure and Cultural strategy in terms of affordability.
- Reviewing recharging mechanisms between Bromsgrove District and Redditch Borough Councils for appropriateness.
- Rationalisation of back office services in light of the improvement of advanced technology.

In terms of savings in tranche one, the Council had identified £1.62m of savings which would offset the current £1.58m budget deficit. However, when taking into account inflationary pressures, the deficit position would be £863k. In addition to this, the increased costs of utilities would result in an overall deficit position of £1.5m.

Members were provided with information on the Council's Reserves and Balances, and it was explained that the existing MTFP saw general fund balances reduce from £4.257m to £1.046m over the three year planning horizon finishing in 2024/25. This was not considered a sustainable level of general fund reserves where a level of 5% of gross budget was usually advised, which for Bromsgrove District Council would be £2.5m.

The Council had also earmarked reserves which were held for specific purposes. These earmarked reserves were currently at £8.011m. It was reported that all reserves would be reviewed for their ongoing applicability.

In terms of the Capital Programme, it was stated that the Levelling Up Funding and UK Shared Prosperity Fund must take a priority due to the funding linked to these project being time limited. The projects included

within the Capital Program that had not yet commenced (apart from those that were in receipt of grant funding or S106 monies) would have to be rebid for as part of the 2023/24 budget process.

In concluding the detailed update on the MTFP 2023/24 to 2025/26 the Interim S151 Officer referred to the Robustness Statement and the feedback form that were also included within report.

During consideration of the report Members commented on the amount that was included within the report in respect of bus shelters and it was confirmed that as WCC were still not in a position to confirm bus routes until later in 2023 these monies would remain unspent for the time being.

It was recognised that these were very difficult and challenging times for Local Authorities particularly due to the current uncertainty being experienced at a national level.

RESOLVED that

- 1) the inputs into the Council's Medium Term Financial Plan as at the start of October, and the associated risks and opportunities be endorsed and;
- 2) to note that these inputs had been used, along with the 2022/23-24/25 Medium Term Financial Plan (MTFP) agreed by Council in February 2022, to project an initial "gap" to be closed and;
- 3) to note that an initial Tranche of savings proposals, and the associated Savings Proposal Document, that was published on the 17th October and any feedback will be considered by Cabinet in November 2022 and at Council in December and;
- 4) Tranche 2 of this process would add further information such as the Local Government Settlement to give a final financial position for the Council.

43/22

FEES AND CHARGES 2023/24

The Interim S151 Officer presented the Fees and Charges 2023/24 for Members' consideration.

In doing so, it was highlighted to Cabinet that Council Tax could only be increased by 1.99% and that Business Rates were set by Government at a national level. In addition to this, which had been highlighted to Members, was the rise in inflation which was likely to have a severe impact on the Council's finances.

The levels of increase of Fees and Charges had been based on a robust estimate of the impact of cost increases and demand within the services and the Councils overall financial position. This included assessing the affordability of any of these increases to our residents and customers.

Cabinet was informed that the Council's proposal was to increase all Fees and Charges by 10%. The 10% had been applied to Contributions and Fees and Charges budgets but not on services where charges were set statutorily, Lifeline, SLA Income, Parking, or those services that charged across a number of Councils (WRS).

RECOMMENDED that all of the proposed fees and charges for 2023/24 be approved.

44/22

QUARTERLY RISK UPDATE

The Interim S151 Officer presented the Quarterly Risk Update consideration by Members.

The Cabinet were reminded that the Council had received a 'no assurance' audit in relation to 'Risk Management' in February 2022 and as a result of this an action plan had been approved by the Corporate Management Team (CMT) and implemented. Included in the action plan was the establishment of an Officer Risk Board. Members were informed that meetings of this Board had taken place initially on 8th April 2022 and two further meetings had taken place on 22nd June 2022 and 21st September 2022 to embed processes. An additional requirement included within the action plan was that each department nominated a representative and that these representatives met on a quarterly basis and reported back to management teams.

The up-to-date Risk Register had been submitted for consideration of the Audit, Standards and Governance Committee in October 2022 and this formal reporting was also provided to the Corporate Management Team.

It was reported to Members that over the six-month period since the action plan had been in place the number of risks had reduced from 82

to 75. It was clarified that should 'green' risks, which were considered more day-to-day risks remain on the register for more than two iterations of the Officer Risk Board meeting cycle, they would be removed, which would result in a significant change to the number of risks.

A significant risk had been added to the Corporate Risk register in light of the Levelling Up Funding and UK Shared Prosperity Funding particularly since these grants were time limited.

RESOLVED that

- 1) the present list of Corporate Risks be approved and;
- 2) the progress made on the Action Plan approved by CMT on 16th March 2022 be noted.

The meeting closed at 7.06 p.m.

Chairman