

**BROMSGROVE DISTRICT COUNCIL**

**MEETING OF THE COUNCIL**

**21ST SEPTEMBER 2016 AT 6.00 P.M.**

PRESENT: Councillors H. J. Jones (Chairman), M. Glass (Vice-Chairman), C. Allen-Jones, S. J. Baxter, C. J. Bloore, M. T. Buxton, S. R. Colella, B. T. Cooper, R. J. Deeming, G. N. Denaro, J. M. L. A. Griffiths, C.A. Hotham, R. E. Jenkins, R. J. Laight, L. C. R. Mallett, K.J. May, C. M. McDonald, P. M. McDonald, S. R. Peters, S. P. Shannon, R. D. Smith, C. J. Spencer, C. B. Taylor, P.L. Thomas, M. Thompson, L. J. Turner, S. A. Webb and P. J. Whittaker

40\16 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors R. L. Dent, P. Lammas and M. A. Sherrey.

Apologies for late arrival were received from Councillors C. Allen-Jones, L. C. R. Mallett and S. A. Webb.

41\16 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

42\16 **MINUTES**

The minutes of the meeting of the Council held on 20th July 2016 were submitted.

In relation to Minute 28/16 Councillor C. A. Hotham stated that he had not yet received an update from the Leader in relation to the acquisition of Parkside. Councillor Denaro indicated this would be dealt with later in the meeting.

In relation to Minute 30/16 relating to grant funding from the European Union, Councillor M. Thompson queried whether the Leader still understood that the Council received no such funding. Councillor Denaro undertook to check the position and provide a written answer.

In relation to Minute 32/16 Councillor Hotham referred to the budget provision for Neighbourhood Plans. Councillor C. B. Taylor confirmed there was no budget provision for Neighbourhood Plans.

**RESOLVED** that the minutes of the meeting of Council held on 20th July 2016 be approved as a correct record.

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**ANNOUNCEMENTS FROM THE CHAIRMAN**

The Chairman reminded Members of her “Caribbean Night” which was to be held on Monday, 3rd October and stated there were still a small number of tickets remaining.

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**ANNOUNCEMENTS FROM THE LEADER**

The Leader referred to the following :

The heating design for the Parkside Suite had now been agreed with the Conservation Officer and the design drawings would be completed at the beginning of October. This would enable the installation of the system to go ahead as soon as possible. Officers would be liaising with the County Council to ensure that disruption to meetings was kept to a minimum.

In response to queries from Members, the Leader undertook to provide information on the cost of the new heating system and the weekly cost of the temporary heating arrangements. In addition it was queried whether the new system would be funded by the County Council or by this Council and the Leader undertook to clarify this .

The Leader also referred to the absence of Councillor P. Lammas who was at present in hospital and passed on the thanks of Mrs Lammas for all cards and messages received. Members from all parties expressed their good wishes to Councillor Lammas.

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**QUESTIONS OR PETITIONS FROM MEMBERS OF THE PUBLIC**

There were no questions from members of the public.

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**AUDIT FINDINGS REPORT 2015/16 AND STATEMENT OF ACCOUNTS 2015/16**

The recommendations from the Audit, Standards and Governance Committee held on 15th September 2016 in relation to the Statement of Accounts and Audit Letter were proposed by Councillor B. T. Cooper and seconded by Councillor P. L. Thomas.

In proposing the recommendations Councillor Cooper reminded Council that the opportunity to attend the Audit Standards and Governance Committee and to ask questions of the Council’s Auditors had been available to all Members. Copies of the report had been made available.

Councillor Cooper stated that the Council's Auditors had issued an unqualified opinion on the financial statements. They had reported that the process followed to issue the accounts had improved significantly when compared to the previous year, in line with Section 11 recommendations. Grant Thornton had identified key actions for the Council to take to improve further and to address the following recommendations:

- continued progress was needed in respect of financial statements production to ensure earlier closedown and audit timetables could be met in 2018;
- further improvement was required in the reporting of the annual budget and medium term financial plan to members including the impact on reserves and balances; and
- further improvements should be made to ensure that the reporting of the budget throughout the year is clearer to enable accurate forecasts to be made in year of the likely year end outturn.

In relation to Value for Money a qualified "except for" conclusion would be issued. Councillor Cooper referred to the following which had been identified as weaknesses in the Council's arrangements for :

- reliable and timely financial reporting that supports the delivery of strategic purposes;
- planning finances effectively to support the sustainable delivery of strategic purposes and maintain statutory functions;
- financial reporting and governance arrangements

Officers would continue to work with the Auditors to assess the Efficiency Plan and the delivery of savings and budget projections to support the recommendations in relation to Value for Money.

During the debate some Members referred to the issues identified by the External Auditors and commented that these had also been identified in previous years and had not been effectively addressed.

The Leader recognised that there was still some work to be done in terms of reviewing and improving processes. The Audit, Standards and Governance Committee would be involved in this work.

The Value for Money conclusions would also be addressed through the contents of the Efficiency Plan and the development of a detailed budget.

**RESOLVED**

- (a) that the draft letter of representation be approved;

- (b) that the Council's Medium Term Financial Plan be produced displaying the total deficit for the Authority; and
- (c) that the Statement of Accounts 2015/16 be approved.

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## **RECOMMENDATIONS FROM THE CABINET**

### **ICT Infrastructure Resource**

Councillor G. N. Denaro proposed and Councillor P. L. Thomas seconded the recommendations from Cabinet in relation to the proposal to address issues in the recruitment and retention of staff with certain specialised technical skills relating to the ICT infrastructure.

The recommendations included a proposal that the functions provided by the ICT infrastructure roles be outsourced to an external provider. Councillor Denaro emphasised that this proposal related solely to this small area of the ICT department.

As an amendment it was proposed by Councillor L. C. R. Mallett and seconded by Councillor C. J. Bloore that consideration of the proposal be deferred to enable other options to address the issue to be fully explored.

During debate on the amendment some Members expressed the view that the proposal to outsource the infrastructure function may not be the most appropriate solution to the problem and may result in a higher cost for the function to the Authority than that referred to within the report. It was also suggested that it would prove to be difficult to separate this small section from the remainder of the ICT department and to enter into a contract with a private company which could provide a good quality service. There was a need to ensure that the Authority could achieve value for money.

The Leader indicated that on this occasion he was happy to support the spirit of the amendment and to support withdrawal of the recommendation at this stage in order to ensure all options had been considered.

The recommendation was therefore withdrawn.

### **Bromsgrove Energy Efficiency Fund and Scheme**

The recommendation from Cabinet was proposed by Councillor C. B. Taylor and seconded by Councillor R. D. Smith.

In proposing the recommendation Councillor Taylor referred to the benefits of the proposed scheme which would assist local owner occupiers to heat their homes more efficiently and at a lower cost. This would have the effect of improving the health of residents through enabling the provision of warmer homes.

During the debate Members were in support of the proposals but queried whether the funding of £100,000 from the Disabled Facilities Grant Capital Budget would impact on the ability to undertake this work.

Councillor Taylor confirmed that additional funding had been received from central government in relation to DFG's and this meant funding could be released for the Energy Efficiency Scheme. The remaining funding of £109,000 would be rolled forward and consideration would be given at a later date to its utilisation for other projects falling within the criteria of the Better Care Fund.

**RESOLVED** that the capital budget of £100,000 previously allocated to Disabled Facilities Grants be transferred to a capital budget for funding the installation of energy efficiency measures and that this be split over 3 years as follows:

2016/2017 - £34,000  
2017/2018 - £33,000  
2018/2019 - £33,000

### **Efficiency Plan 2016/2017 – 2019/2020**

The recommendation from Cabinet in relation to the proposed Efficiency Plan 2016/2017 – 2019/2020 was proposed by Councillor G. N. Denaro and seconded by Councillor P. L. Thomas.

In proposing the recommendation, Councillor Denaro referred to the proposed 4 year Efficiency Plan which would help to deliver the Council's strategic purposes. Acceptance by the Government of the Efficiency Plan would at least ensure some certainty over the level of central government funding settlement over the next 4 years.

Councillor Denaro reported that due to concerns about the Government's assumptions about the future funding and responsibilities of Local Government, there would be continued discussion with the Secretary of State for Communities and Local Government regarding the level of funding and the other Group Leaders were involved in these discussions. It was intended that the cross party Finance and Budget Working Group would be examining and developing further some of the information contained within the Plan.

Councillor Denaro referred to the importance of promoting growth and providing support to small businesses, making full use of council owned assets and increasing income. It was proposed to invite a Peer Review of the Council through the Local Government Association.

During the debate some Members expressed the view that the Efficiency Plan at present lacked sufficient detail and substantial content and should not be submitted to the Secretary of State until more work had

been undertaken on the document. There was concern that some of the content was based on estimates from officers of savings and increased income and there was reliance on the use of reserves which would be unsustainable in the long term. It was suggested that in order for the Efficiency Plan to be accepted by the Secretary of State there would need to be sufficient evidence of cross party working.

Councillor L. C. R. Mallett proposed and Councillor M. Thompson seconded an amendment that the consideration of the Efficiency Plan be deferred to allow the content to be reviewed and for a more detailed document to be produced.

The Chairman agreed to a short adjournment to allow discussion to take place with officers

When the meeting resumed the Leader stated that he was in agreement with the deferral of the recommendation at this stage to enable further consideration to be given to the information to be included within the Efficiency Plan.

Members thanked the Executive Director Corporate Resources and her team for the work undertaken to date.

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**MINUTES OF THE MEETINGS OF THE CABINET HELD ON 7TH SEPTEMBER 2016**

The minutes of the meeting of the Cabinet held on 7th September 2016 were received for information.

In response to a question, the Leader undertook to circulate information to all Members on car parking income.

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**REPORT FROM THE PORTFOLIO HOLDER FOR FINANCE, ICT, HR AND ENABLING SERVICES**

As Portfolio Holder for Finance, ICT, HR and Enabling Services, Councillor G. N. Denaro presented a report on the areas covered by his Portfolio.

Councillor Denaro referred in particular to recent initiatives to improve the service to residents requiring financial support, this included joint working with Bromsgrove District Housing Trust on benefits claims and extending the financial independence team to assist residents identified as being in financial hardship.

Reference was also made to the work undertaken within the Elections Team. It was noted that the Household Enquiry Form canvass return rate had now risen to 82%.

Councillor Denaro also referred to the development of cross party working through Overview and Scrutiny and the establishment of two Working Groups to look at Finance and Budget issues and the Performance Dashboard.

During discussion on the report Members highlighted a number of issues in respect of which Councillor Denaro undertook to circulate additional information to all Members.

- Roles of Staff within the Chief Executive's Unit;
- Discretionary Housing Payments – how many have been paid and have they been effective in keeping people in their homes;
- Housing Benefits Cap – how much will people lose per month and how can the Council give support;
- Sickness data and frequency of receipt;
- Staff Appraisal Programme;
- Society for IT Managers – the benefits to the Council of membership;
- Significant Redundancy Payment to a member of staff from WRS

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### **APPOINTMENTS TO OUTSIDE BODIES**

Council considered a report of the Head of Legal, Equalities and Democratic Services on a number of appointments to Outside Bodies.

**RESOLVED** that the following Members be appointed to the Outside Bodies as indicated:

Shared Services Board – Councillors S. J. Baxter and R. J. Deeming  
West Mercia Police and Crime Panel – Councillor R. D. Smith  
Bromsgrove Arts Development Trust – Councillor S. P. Shannon

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### **MEMBERSHIP OF COMMITTEES**

**RESOLVED** that the following changes to membership of Committees be noted:

- **Planning Committee** – Councillor K. J. May has replaced Councillor M. Glass;
- **Overview and Scrutiny Board** - Councillors R. J. Laight has replaced Councillor R. D. Smith and Councillor M. Thompson has replaced Councillor C. J. Bloore;
- **Audit, Standards and Governance Committee** – Councillor J. M. L. A. Griffiths has replaced Councillor Smith.

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## **QUESTIONS ON NOTICE**

### **Question submitted by Councillor P. M. McDonald**

“Would the Chairman please inform me of the monies spent over the last two years on external legal advice and any retaining costs associated with legal advice?”

The Leader responded that in 2014/15 expenditure had been £36,658 and in 2015/16 the expenditure had been £53,744.

### **Question submitted by Councillor S. R. Colella**

“Does the Leader agree with the independent Alliance Group that this Chamber and the people of Bromsgrove should never again be faced with the debacle that surrounded the 9th June 2016 agenda item on West Midlands Combined Authority and that the leader of the Council should be responsible for the accuracy of the Agenda and for the professional and competent discharge of Council matters.”

The Leader responded that he agreed.

### **Question submitted by Councillor C. A. Hotham**

“In February 2013 this Council voted to acquire a 50% stake in Parkside for £230,000. It has always been known that Stamp Duty Land Tax (SDLT) would be payable and this liability is a straightforward percentage calculation. For reasons that are unclear the purchase was only completed on 29th July 2016. This delay could have serious consequences on the amount of SDLT due.

SDLT is payable on the value of the acquisition on completion date. As the value of our share of the building has been stated in the latest accounts as £3,584,000 it is possible that rather than BDC paying the budgeted figure of £2,300, it is liable for a figure closer to £170,000. Furthermore, BDC has yet again failed to abide by the law and is now late paying this tax incurring penalties and punitive interest. This is potentially a gross waste of BDC Council tax payer money.

Bearing in mind the qualified account opinion about BDC’s inability to provide value for money, could the Leader please explain why it has taken so long to acquire the freehold and what impact this has had on the SDLT liability and why BDC is in breach of HMRC rules over such a simple calculation?

The Leader stated that that the Stamp Duty Land Tax Return had been completed and submitted to the Tax Office together with the appropriate fee of £2,300. The Council had been obliged to make an additional payment of £200 as a penalty for late payment.



The late payment was a result of the delay between the Council's "de facto" acquisition of the building and the paperwork associated with the transfer. The County Council had confirmed that the delay was a result of competing priorities and it had been felt that because the transaction was between two Local Authorities and all elements involving third parties had been completed it was relatively low risk and was therefore not prioritised.

The Leader reported that the County Council had now been working closely with this Council's legal team to rectify the position. The application for registration had now been submitted by the County Council who had given an assurance that any further issues which may arise would be dealt with as a priority. The County Council had agreed to meet the cost of the £200 penalty for late payment.

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### **NOTICE OF MOTION - PLANNING DELEGATED POWERS**

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

"We call upon the Council to create a Working Party to review Delegated Powers in relation to Planning matters."

The motion was moved by Councillor P. M. McDonald and seconded by Councillor M. T. Buxton.

In moving the motion Councillor McDonald referred to the need to review powers in relation to planning matters which had been delegated to officers over the years in order to understand whether the current arrangements were working well or required further change. Councillor McDonald referred to recent planning applications within his Ward which he felt may have been inappropriate to be dealt with by officers.

During the debate on the Motion reference was made to the cross party Constitution Working Group which had been set up to look at matters such as this. Some Members considered that this was an issue which would benefit from detailed consideration and it was suggested that it could be considered by the Overview and Scrutiny Board.

**RESOLVED** that the Overview and Scrutiny Board be requested to undertake a review of Delegated Powers in relation to Planning matters.

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### **NOTICE OF MOTION - WCC HIGHWAYS AUTHORITY**

Members considered the following amended notice of motion submitted by Councillor L. C. R. Mallett:

"Council Members continue to be concerned about the support and guidance provided to this Council and the District as a whole from

Worcestershire County Council, as the Highways Authority, in relation to strategic matters, long term planning and major projects.

Council calls for the immediate reinstatement of the highways forum as an opportunity to raise local concerns and identify input into highways planning.

Council authorises that the Head of Planning may seek independent highways advice in relation to major applications where the opinion of the highways authority may need to be tested, confirmed or potentially challenged and/or in relation to strategic highways matters, the Head of Planning and Portfolio Holder feel this is required and that the costs of this advice be met from existing planning funding.

Council calls on the Leader, Planning Portfolio Holder and opposition leaders to continue their dialogue with Worcestershire County Council to seek to strengthen Member confidence in the service received”.

The motion was proposed by Councillor L. C. R. Mallett and seconded by Councillor G. N. Denaro.

In moving the motion Councillor Mallett referred to some of the long term difficulties which had arisen in respect of highway matters within the District and which were impacting on the Local Plan and on Planning Applications. There was some concern regarding the advice received from WCC Highways and their use of a new Transport model.

It was suggested that the reinstatement of the Highways Forum would increase effectiveness in addressing local matters. The opportunity to obtain independent highways advice under certain circumstances was also considered to be an important step forward.

Councillor Denaro welcomed the motion and referred to the importance of addressing issues along the A38 and the surrounding road network.

During discussion Members paid tribute to the service to the District received from the Highways Liaison Officer.

On being put to the vote the notice of motion was carried.

The meeting closed at 9.10 p.m.

Chairman