

**BROMSGROVE DISTRICT COUNCIL**

**MEETING OF THE CABINET**

**1ST FEBRUARY 2017 AT 6.00 P.M.**

PRESENT: Councillors G. N. Denaro (Leader), K.J. May (Deputy Leader),  
C. B. Taylor, R. D. Smith and P. J. Whittaker

Observers: Councillors S. R. Colella, M. Glass and C. A. Hotham

Officers: Mr K. Dicks, Ms J. Pickering, Ms R. Bamford, Ms D. Poole, Mr M.  
Hanwell, Ms R. Dunne, Mrs J. Burton, Mrs S. Sellers and Ms R. Cole.

77/16 **APOLOGIES FOR ABSENCE**

There were no apologies for absence on this occasion.

78/16 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

79/16 **MINUTES**

The minutes of the meeting of the Cabinet held on 11th January 2017  
were submitted.

**RESOLVED** that the minutes of the meeting of the Cabinet held on 11th  
January 2017 be approved as a correct record.

80/16 **OVERVIEW AND SCRUTINY BOARD**

The minutes of the meeting of the Overview and Scrutiny Board held on  
16th January 2017 were submitted.

Reference was made to the recommendation in Minute 86/16 of the  
Overview and Scrutiny Board regarding the Cabinet Work Programme. It  
was noted that the request from the Board had been discussed with the  
Corporate Management Team by the Chief Executive Officer with a view  
to ensuring that items were included in well in advance on the Cabinet  
Work Programme.

**RESOLVED** that the minutes of the meeting of the Overview and  
Scrutiny Board held on 16th January 2017 be noted.

81/16

**THE COUNCIL PLAN 2017- 2020**

The Cabinet considered a revised version of the Council Plan which had been refreshed following comments from Members at the Council Meeting on 23rd November 2016.

It was reported that the main changes were on pages 6 and 7 of the Plan in that 6 key priorities for the next four years had been included, supported by the Council's six Strategic Purposes. Key actions had also been included to ensure a Sustainable Council. In addition the style of the Plan had been re-designed.

The Leader and Members welcomed the refreshed Council Plan and thanked officers for their work in bringing this about.

**RECOMMENDED** that the Council Plan attached at Appendix 1 to the report be approved.

82/16

**LOW COST HOUSING SCHEME**

Cabinet considered a report on a possible amendment to the Low Cost Housing Scheme which could potentially result in the release of some capital receipt which could then be used to help fund other housing initiatives in support of the Council's Strategic Purpose "help me to find somewhere to live in my locality".

Members were reminded of the background to the Scheme which had been established approximately 25/30 years ago with a view at that time to assisting local first time buyers.

Under the scheme the Council retains a 30% share in the property but this does not generate any income as there is no rent payable. Whilst a number of the homeowners have purchased the remaining 30% the Council still holds a share in 110 properties. At one stage a waiting list of prospective purchasers was maintained by the Council and nominees from the list could purchase when an existing resident wished to sell their 70% share and move. In recent years however it had become very rare for the scheme to be used to assist a household in need which met the criteria. A waiting list was no longer maintained due to the low turnover in properties and properties were sold on the open market.

The report proposed that in future on disposal of the properties by the current home owners the Council's 30% should also be sold. It was noted that in 2016/17 this would have generated a capital receipt of approximately £100k. It was reported however that the sale of 100% of the property could only take place with the owner's agreement.

Members considered that whilst the funding level could not be guaranteed, potentially there was a source of additional capital funding which could be utilised to support appropriate housing projects, possibly in conjunction with a partner organisation.

The report also referred to the views of the Overview and Scrutiny Finance and Budget Working Group who were also aware of the potential asset available.

Following discussion it was

**RESOLVED:**

- (a) that when properties within the Councils Low Cost Housing Scheme are offered for sale, as far as possible the Council's 30% share should also be sold; and
- (b) that any capital receipt generated be ring-fenced to provide funding to assist the Council in meeting its Strategic Purpose "help me to find somewhere to live in my locality."

83/16

**ALLOCATION OF HOMELESSNESS FUNDING 2017/18**

The Cabinet considered a report on proposals to award Homelessness Grant to specific schemes to fund a range of homelessness support services and schemes which focus on the prevention of homelessness and repeat homelessness within the District in 2017/18. The total grant was £142k for 2017/18.

It was reported that constructive discussions had taken place with partners and the table at 3.7 in the report set out the proposed allocations for 2017/18. Following recent cuts to Worcestershire County Council funding, there was a focus on retaining the existing supported housing scheme with St Basil's which provides specialist accommodation for young people.

Following discussion it was

**RESOLVED:**

- (a) that the initiatives set out in section 3.7 of the report, as recommended by the Strategic Housing Manager be approved to receive funding from the Homelessness Grant for 2017/18; and
- (b) that delegated authority be granted to the head of Community Services following consultation with the Portfolio Holder for Strategic Housing to use any unallocated Homelessness grant during the year or make further adjustments as necessary to ensure full utilisation of the Homelessness Grant for 2017/18 in support of existing or new schemes.

84/16

### **PLANNING DEVELOPMENT SERVICES BUSINESS CASE**

The Cabinet considered a report on the business case for a shared Development Management Service between Bromsgrove District Council and Redditch Borough Council. The business case had been recommended for approval by the Shared Service Board and at a previous Cabinet meeting on 2nd November 2016. At the meeting of the Council on 23rd November 2016 however, consideration of the Cabinet recommendation and the business case had been deferred to enable cross party discussion to be held on financial risk and cost apportionment.

Additional information had now been supplied relating to costs including salary, redundancy and pension costs. It was noted that the maximum possible redundancy cost would be £21k which would be split proportionately.

**RECOMMENDED** that the business case for the Development Management shared service be approved.

85/16

### **MEDIUM TERM FINANCIAL PLAN 2017/18 - 2020/21**

The Cabinet considered the report on the Medium Term Financial Plan 2017/18 – 2020/21.

The Executive Director Finance and Resources outlined the issues which had impacted upon to the development of the MTFP. These would continue to result in pressures on the Council over the next four years and included:

- Potential further reductions in the New Homes Bonus Grant;
- Impact of the Negative Revenue Support Grant;
- Impact of the Localisation of Business Rates Scheme; and
- Transfer from Housing Benefit to Universal Credit

Changes introduced by the Government to the New Homes Bonus funding scheme included reduced years for which NHB was payable and the assumption of a “baseline” for housing growth of 0.4%. During 2017/18 however funding had been confirmed as £1.912m which was £210k more than anticipated in the MTFP. Further changes were anticipated and there was a risk to the funding stream in future years.

There was more certainty around the Revenue Support Grant in view of the Council accepting the offer of a four year settlement. The transitional support for 2017/18 was £114k but there was an assumption of a £750k repayment to the Government in 2019/20.

It was noted that Council would consider the level of Council Tax for 2017/18 at its meeting on 28th February 2017. If the recommendations

in this report were approved the demand on the collection fund to meet this Council's own needs would be £7,580,550 which represented a £5 increase on Band D Council Tax compared to the current financial year.

In relation to the General Fund it was anticipated that the draw down over the four years of the MTFP would be £739k. This projected draw down was £1.3m less than originally included in the Efficiency Plan.

It was reported that the Efficiency Plan, which had been agreed by Council in October, had included a number of areas where the Council's costs could be reduced in a variety of ways. The budget included the delivery of savings and income as identified in the Efficiency Plan. It was noted however that whilst annual savings had been included to meet those referred to in the Efficiency Plan, there may be changes to funding and services delivered from 2018/19 which require alternative savings and income profiles to be delivered.

The report set out three pressures and income shortfalls which could not be managed by improved marketing or price increases . These were:

- Shortfall in income from Land Charges due to a reduction in demand on the service (£50k);
- Cost of Licences for Smartphones and iPads to ensure that officers have appropriate resources to undertake their roles (£11k);
- Unavoidable cost increases from Microsoft for Licences (£108k by 2020/21)

In addition to the unavoidable pressures a revenue bid of £15k had been proposed to provide funding for St Basil's Foyer Scheme to enable them to provide 24 hour support for vulnerable young people.

Members acknowledged the significant amount of work undertaken by officers which had resulted in a reduction in the funds required to be taken from balances. Work was still on going to reduce costs without cutting front line services. This would include increasing income by looking at ways of taking advantage of commercial opportunities. It was noted that there would be continual reviews every three months of the budget position.

With regard to the Capital Programme at Appendix 3 of the report, the Leader reported that Councillor C. A. Hotham and Councillor S. R. Colella had requested to speak in support of specific Capital bids from within their Wards and invited them to do so.

### **Barnt Green Millenium Park - Toilet**

Councillor Hotham gave additional information on the bid for £62k in relation to the provision of a unisex pod toilet in proximity to Barnt Green Millenium Park to ensure there were appropriate community facilities for

those visiting the local park and shops and using Barnt Green Railway Station.

Further to the information provided by Councillor Hotham, reference was made to the potential availability of Section 106 funding associated with housing development in Fiery Hill Lane, Barnt Green which amounted to £44k which would leave the remaining sum of £18k to be met from Council balances.

### **Hagley Scout Hut**

Councillor Colella gave additional information on the bid in relation to the proposed replacement of the existing Hagley Scout Hut which was in poor condition and was uneconomic to repair. There was an increased demand for the facility, particularly in view of the new housing developments within Hagley. The Head of Leisure and Culture had advised on the project and a Planning Application had been submitted. A business case was in place.

### **Hagley Community Hub**

Councillor Colella gave additional information on the project relating to the proposed replacement of the existing Hagley Community Centre building which was now in its 50th year, having had an original life expectancy of 25 years. It was intended that a new Community Centre could serve Hagley and the wider community to provide a "One Stop Hub" for services provided by the Council and other public sector organisations.

Additional facilities were required within the area due to an increase in demand and expansion of households due to new housing developments. Councillor Colella confirmed that the Head of Leisure and Culture had advised on the project and was of the opinion that the business case was viable. At present the bid was under further development but it was likely to come forward during 2017/18.

Councillor Colella responded to queries from Cabinet regarding the bids as far as he was able to do so. Councillor Colella confirmed that if necessary, more detailed information could be provided. Cabinet recognised the benefits of the two schemes.

Following discussion it was

#### **RECOMMENDED:**

(a) that the following return/release from balances be approved:

- 2017/18 - £259k (return)
- 2018/19 - £37k (release)
- 2019/20 - £467k (release)
- 2020/21 - £494k (release)

- (b) that the additional income/efficiencies as attached at Appendix 2 be approved:

2017/18 - £1.113m  
2018/19 - £626k  
2019/20 - £177k

- (c) that with the exception of the bids in relation to Hagley Scout Hut and Hagley Community Centre the Capital Programme bids as attached at Appendix 3 be approved:

2017/18 - £145k  
2018/19 - £46k  
2019/20 - £1.108m

- (d) that the increase of Council Tax by £5 per Band D equivalent for 2017/18 be approved.

- (e) that the budget savings and pressures for 2018/19 – 2020/21 be subject to change due to the potential impact of changes to service delivery and the localisation of Business Rates together with any changes to the New Homes Bonus.

- (f) that consideration of the Capital Programme bids in respect of Hagley Scout Hut and Hagley Community Centre be deferred to enable further consideration of the Business Cases for the proposals. In addition officers include additional information to the report to Council on 28th February 2017 to explain the position in respect of the deferral.

86/16

### **LOCAL GOVERNMENT ACT 1972**

That under Section 100 I of the Local Government Act 1972, as amended, the public be excluded from the meeting during the consideration of the item of business the subject of the following minute on the grounds that it involves the disclosure of “Exempt Information” as defined in Part 1 of Schedule 12A to the Act, the relevant part being as set out below and that it is in the public interest to do so.

Minute No  
87 /16

Paragraph  
3

87/16

### **ICT INFRASTRUCTURE REPORT**

Cabinet considered a report on the outcome of the initial procurement exercise in respect of ICT infrastructure resource. It was noted that the outcome would be subject to a recommendation to Council.

Following discussion and consideration of the responses received to the tender exercise it was

**RECOMMENDED** that the Head of Transformation and Organisational Development be requested to proceed with the procurement of a contract with the preferred supplier (being the lowest of the tenders received) to deliver the ICT infrastructure functions.

The meeting closed at 7.05 p.m.

Chairman