

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

21ST FEBRUARY 2018, AT 4.00 P.M.

PRESENT: Councillors G. N. Denaro (Leader), K.J. May (Deputy Leader),
B. T. Cooper, M. A. Sherrey, C. B. Taylor and P. J. Whittaker

Observers: Councillor L. C. R. Mallett

Officers: Mr. K. Dicks, Ms. J. Pickering, Mrs. C. Felton and Ms. A. Scarce

89/17 **TO RECEIVE APOLOGIES FOR ABSENCE**

There were no apologies for absence.

90/17 **DECLARATIONS OF INTEREST**

There were no declarations of interest on this occasion.

91/17 **MINUTES**

The minute of the meeting held on 7th February 2018 were submitted.

RESOLVED that the minutes of the meeting of the Cabinet held on 7th February 2018 be approved as a correct record.

92/17 **MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 12TH FEBRUARY 2018**

The Leader welcomed the Chairman of the Overview and Scrutiny Board and invited him to present the minutes, which were included within the supplementary agenda pack dated 19th February 2018.

Councillor L. C. R. Mallett, Chairman of the Overview and Scrutiny Board explained that it was an extract from the minutes, which had been prepared following the Board's recent meeting. The lateness of these reflected the challenges faced in the budget round this year. There were four main areas of discussion and the Board had been grateful for the attendance of Heads of Service. Councillor Mallett summarised each of the recommendations and explained the thinking behind each one.

The Portfolio Holder, Finance and Resources thanked Councillor Mallett for attending and provided the following response to each recommendation:

- a) The amended table within the report for consideration at this evening's meeting reflected the comments with the pressures shown cumulatively every year.
- b) There was a difficulty in this as the Council had not had the options appraisal and therefore was unable to ring fence something which was not known at present. It was likely that this would be included in next year when the detailed information had been made available. The Executive Director, Finance and Resources advised that it was her understanding that the building would cost approximately £2m with additional costs for other associated works. It would not be appropriate to ring fence figures which were unknown at this time. Consideration would be given to this once the options appraisal had been received. The Leader further commented that the impact of the negative tariff arrangements in the future would also potentially impact on any decisions. Members discussed whether there was some way in which this could be flagged up and it was noted that there was reference to it within paragraph 3.10.2 of the report.
- c) In respect of the Management Team model scenarios, it was agreed that consideration needed to be given to all models and this would be reviewed in the coming year. The Executive Director, Finance and Resources added that the Council was constantly looking at different models and would, if needed, include the review of the shared service agreement. The Leader confirmed that work was being carried out around the risk element and any that was identified would be considered through either the Finance and Budget Working Group or the Overview and Scrutiny Board. Work was also being carried out as part of the commercialisation agenda.
- d) It was explained that that the Council had to make a judgement in respect of monies received and if the planning application fees were not included it was likely that the Council would be criticised by the Auditors for receiving a windfall, therefore the recommendation could not be agreed. The Executive Director, Finance and Resources confirmed that she would speak to the relevant officers to establish whether there was a more "scientific" form of modelling in respect of the larger planning applications to ensure a similar situation did not arise in future years.

RESOLVED:

- 1) That the budget table as presented in the Medium Term Financial Plan reflects the cumulative position over the four years for unavoidable and other cost pressures; and
- 2) That the Management Team model scenarios in relation to shared service exist arrangements, due to financial sustainability, to include alternative wider options.

MEDIUM TERM FINANCIAL PLAN 2018/19 - 2021/22

The Executive Director, Finance and Resources introduced the report and explained to Members that it was similar to that which had been considered at the Cabinet meeting on 7th February, with a small number of changes. These included the unexpected withdrawal of funding of £25k by Worcestershire County Council (WCC) in respect of reception demand. As this had been such short notice WCC had agreed to pay for April/May but following that it would be withdrawn. The main change however was in respect of borrowing as detailed on page 16 of the additional papers. Members were reminded that the £20m borrowing was in respect of the Investment and Acquisition Strategy which had recently been agreed and there was a potential to borrow this over the next 4 years. Similarly the income from that had been spread over a period with a break even return rate being used. It was hoped that this would be exceeded and if so would generate an additional £250k, but this could not be guaranteed.

In respect of the Council Tax resolutions, Members were informed that unfortunately the Council was reliant on receiving the information from the other preceptors and that the one Parish Council preceptor had sent the information in later than the deadline. It was general that the resolutions were sent later than the main reports due to waiting for precepting bodies.

Following presentation of the report Members discussed the removal of funds from WCC in respect of the reception support provided. It was explained that this included telephone enquiries and face to face visitors. WCC have advised that officers should simply sign post in future. However Members discussed that it was our responsibility to satisfactorily respond to any enquiries and the Portfolio holder confirmed that as a consequence of this he would be arranging for a record to be kept of contacts which were purely WCC based in order to have supporting data should the need arise to go back to WCC to discuss the issue further.

It was noted that there was a slight error in the number of the recommendations and it was agreed that these would be re-numbered 2.1. 4 a) and b). It was agreed that as there had been a number of amendments made to the reports and these had also been issued as follows there would be an adjournment at the Council meeting in order to allow members time to consider the reports and is necessary for the Executive Director, Finance and Resources to take them through these.

RECOMMENDED:

- 2.1.1 that the additional income / efficiencies as attached at Appendix 1 be approved:**
2018/19 £ 580k
2020/21 £ 53k
2021/22 £272k

- 2.1.2 that the unavoidable pressures as attached at Appendix 3 be approved:**
2018/19 £ 540k
2019/20 £ 346k
2020/21 £200k
2021/22 £200k
- 2.1.3 that the Revenue bids as attached at Appendix 2 be approved:**
2018/19 £165k
2019/20 £15k
2020/21 £15k
2021/22 £15k
- 2.1.4(a) that the Capital Programme bids (to exclude the energy efficiency programme) as attached at Appendix 4 be approved:**
2018/19 £1.293m
2019/20 £999k
2020/21 £1.940m
2021/22 £1.245m
- 2.1.4(b) that the unavoidable Capital Bids in relation to the energy efficiency programme be approved:**
2018/19 £110k
2019/20 £110k
- 2.1.5 that the funding from balances be approved :**
2018/19 £ 9k
- 2.1.6 that the Increase of Council Tax by 2.99% (£6.29 pa) per Band D equivalent for 2018/19 be approved**
- 2.1.7 that the budget savings and pressures for 2018/19-2021/22 are subject to change due to the potential impact of changes to service delivery and the localisation of Business Rates together with any future changes to New Homes Bonus.**
- 2.1.8 that following the decision at Council on 24th January 2018, the sum of £80k be made available from balances to fund potential Hardship cases in relation to Council Tax Support in 2018/19.**
- 2.1.9 that the Council Tax resolutions for 2018/19 as attached at Appendix 5 be approved.**

The meeting closed at 4.31 p.m.

Chairman