

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE COUNCIL

13TH JUNE 2018, AT 6.00 P.M.

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

11\18 **APOLOGIES**

Apologies for absence were received from Councillors S. R. Colella, S. P. Shannon and C. B. Taylor and Members were advised that Councillors R. Jenkins and L. C. R. Mallett would be a little late.

12\18 **DECLARATIONS OF INTEREST**

There were no declarations of interest on this occasion.

13\18 **MINUTES**

The Minutes of the meeting of Council held on 25th April 2018 were submitted. A number of areas of clarification were sought in respect of the following:

- Councillor M. Thompson requested an update from the Leader in respect of Burcot Lane and the Leader responded that he hoped to be able to provide more detail after 2nd July.
- Councillor M. Thompson requested an update from the Leader in respect of the Sports Hall correspondence referred to at the previous meeting and whether the Leader had investigated the matter further. The Leader confirmed that the matter had been dealt with.
- Councillor M. Thompson referred to the item in respect of the Electoral Matters Committee and advised that he did not believe that the minutes reflected the discussions which had taken place. He wished it to be noted that he had made a number of critical observations in respect of the Parish Council in his ward which had been brought to his attention by a number of residents.

RESOLVED that subject to the preamble above, the minutes of the meeting of the Council held on 25th April 2018 be approved as a correct record.

The Minutes of the meeting of the Council held on 16th May 2018 were submitted.

RESOLVED that the minutes of the meeting of the Council held on 16th May 2018 be approved as a correct record.

14\18

TO RECEIVE ANY ANNOUNCEMENTS FROM THE CHAIRMAN AND/OR HEAD OF PAID SERVICE

The Chairman announced that there were two events coming up to which all Members had been invited. These were:

- The Court Leet Fayre on 23rd June.
- The Court Leet Patronal Service which would take place at St John's Church on 24th June.

The Chairman advised that she would also be attending a Muslim Community event that St John's Church was hosting to commemorate the genocide at Srebrenica at 1pm on 8th July 2018.

Councillor M. Thompson questioned the relationship between the Council and the Court Leet and those that were members of it. The Chairman advised that the relationship was historic and that all Members of the Council were invited to attend such events as those she had referred to.

15\18

TO RECEIVE ANY ANNOUNCEMENTS FROM THE LEADER

The Leader advised that he had no announcements to make at this time.

Councillor S. Baxter noted that whilst there was a question later on the agenda in respect of the recent flooding which had taken place in Wythall, she asked for her thanks to be placed on record to the Leader and those officers who had been involved in the incident and the ongoing clear up. Councillor Baxter had been on holiday at the time and said it was testament to the hard work which had been carried out that she had not received any phone calls asking for help over the period.

Councillor C. Bloore, also thanked officers but advised that as he still had family and friends in the area had received a number of phone calls from residents who had been unable to get information or access help, as it had appeared that the emergency phone lines had not been working or were overloaded. He requested that a lessons learnt exercise be carried out to ensure that this did not happen again in the future.

The Leader confirmed that the relevant partners were continuing to meet and that he would highlight the concerns raised by Councillor Bloore to ensure these issues were addressed in the future.

16\18

TO RECEIVE COMMENTS, QUESTIONS OR PETITIONS FROM MEMBERS OF THE PUBLIC

The Chairman announced that there had been a question raised by a member of the public.

Julie Woods

When the new leisure centre project started we were told that the existing sports hall couldn't be retained and refurbished, My understanding was that there could be structural issues as a result of having to demolish the old leisure centre.

When negotiations with BAM for the use of NBHS was unsuccessful refurbishment of the old sports hall became one of the five options available to the Council.

Can you explain why this became an option recently when it wasn't before please?

Was the initial information presented to Councillors, to aid their decision making, inaccurate or possibly the full facts unknown?

Councillor P. J. Whittaker, Portfolio Holder for Leisure, Cultural and Community Services responded that when the new leisure project was agreed by elected Members the redevelopment proposals were predicated on the new centre being able to generate sufficient revenue from the facilities to meet the prudential borrowing requirements in place from the Public Loans Board. The context of this had been to ensure that the new facilities did not place a greater burden on the general tax payer than was already the case by providing the Dolphin Centre.

Councillor Whittaker reminded everyone that when the feasibility study was completed and the associated costs and available funding reviewed, a decision had been made on the facility mix for the new site that did not include a replacement Sports Hall. This was because, as part of the wider project, the extra capital cost that would have been required to build the extra facilities and the limited return that would be offered would have meant that the prudential borrowing requirements would not be satisfied. Therefore the whole scheme could not have been progressed without alternative funding being brought forward from within the Council's Medium Term Financial Plan.

At the time reference had been made to the possibility of refurbishing the current Sports Hall and for a wide variety of reasons which included:

- Additional Costs that would be incurred.

- Risk of demolition given the structural concerns that existed and whether professional indemnity could be achieved.
- Increased operational costs and the impact on the prudential borrowing position.
- Lose of enabling land and reduction in capital receipt that was underpinning the prudential borrowing position of the agree scheme.

This option was not felt to be economically viable as the costs incurred would still mean that the prudential borrowing requirements would not be satisfied and the position would remain the same regardless of which option was considered to be the preferred route to maintain a Sports Hall within the facility mix.

As such the discussions that were held and the decisions that were made were based on affordability and viability as detailed in the feasibility studies that were commissioned.

Refurbishment of the Sports Hall was not an option that was within the feasibility studies and the possibility of its refurbishment was only raised after the formal decision was made. It was confirmed that these questions had been responded to at the time and it is clear that the structural issue and concerns were part of the reasoning as to why it was not considered to be appropriate. However, the overriding reasoning was based on the financial viability implications for the whole project and the Sport England Facility Planning Model data sets that showed an oversupply of sports halls in the local area following the demolition of the Dolphin Centre site.

Councillor Whittaker reminded Members that they would be debating the Sport Hall position and the Cabinet's recommendation later in the agenda as a separate feasibility study had been commissioned to review this matter in order to understand what the position was at this time. Within the studies cost proposals there was an allowance for the risks associated with the demolition and structural risk which had been factored into the financial appraisal provided.

Officers had also asked the current operator to provide provisional running costs for the refurbishment option and the option to have a proposed new sports hall adjacent to the BSLC building to ensure sufficient information was provided to understand the issue before a detailed design and financial assessment was undertaken.

It was highlighted that as part of the report the Council had reviewed the possibility of a refurbishment option and as suggested previously this remained unaffordable as the gap between the available funding and the capital costs meant the scheme could not meet prudential borrowing requirements.

Councillor M. J. A. Webb, the most recent Chairman of the Audit, Standards and Governance Committee presented its Annual Report for 2017/18.

Councillor M. Thompson questioned whether it was appropriate to discuss this report as he did not believe that it gave a true reflection of the work of the Audit, Standards and Governance Committee and contained no foreword from the Chairman. He therefore proposed that the report be deferred for further detail to be included within it. This proposal was seconded by Councillor P. M. McDonald.

It was highlighted that the report had been approved by the Committee Members and therefore there would have been ample opportunity for them to have input into it and by discussing it at this meeting any additional comments could also be considered.

Reference was made to the content of the Overview and Scrutiny Board Annual Report which appeared to be much more comprehensive than the Audit, Standards and Governance Committee report. It was also commented that the report should have contained more detail in respect of the charges made by the external Auditors. It was however highlighted that the charges for this service were set by Central Government and outside of the Council's control.

On being put to the vote the amendment was lost.

Councillor M. Webb, as Chairman of the Audit, Standards and Governance Committee went on to introduce the Committee's annual report and in so doing took the opportunity to thank all the Members involved with it and advised Members that he felt it had been a good example of cross party working. He also thanked the Portfolio Holder for Finance and Resources for his help and support, together with thanks to Council Officers and Officers from the external and internal auditors. He highlighted the areas which were covered regularly at the Committee's meetings including the monitoring officer's report, which included the opportunity for parish council representatives to feed into the Committee should they so wish. Whilst the report was not as detailed as some Members had obviously hoped it was highlighted that the minutes and agendas for all the Committee's meetings were readily available on the Council's website.

Significant other items which had been considered by the Committee included the Audit Findings and Statement of Accounts and it should be noted that the accounts had been submitted a month earlier than the previous year, in preparation for the revised deadline for local authority accounts which had been brought forward in 2017/18.

Councillor Webb confirmed that Members were welcome to suggest areas for inclusion on the Committee's Work Programme and to

contribute to future annual reports. He then responded to a number of points raised by Members, including:

- The new deadline for production of the accounts and whether this had been achieved. It was confirmed that this was the end of July and that the Accounts needed to be submitted by the end of May 2018 and this had been achieved.
- The Council's current financial situation. Councillor Webb commented that he believed this Council was in a better financial position than many others.
- The impact of the negative grant on the Council's future financial position. It was acknowledged that the Council would face a number of challenges in the future.
- The involvement of the Parish Councils at the Committee. It was confirmed that Parish Representatives were invited to attend and were given the opportunity to contribute to the agenda should they wish to.
- The External Auditor fees and any additional charges for work that has needed to be carried out. The Portfolio Holder for Finance and Enabling reiterated that the fees were set by Central Government and were outside the control of the Council.

RESOLVED that the Audit, Standards and Governance Annual Report be noted.

18\18

TO RECEIVE THE ANNUAL REPORT OF THE OVERVIEW AND SCRUTINY BOARD

Councillor L. Mallett, as Chairman of the Overview and Scrutiny Board introduced the Annual Report and in so doing highlighted that the role of the Board was one of effective challenge to Cabinet and Council, to ensure that value for money was achieved and efficient services were provided with the right decisions being made. He reminded Members that it was not a party political committee and that in the last year he believed it had carried out more work than ever before and had covered a wide range of topics, including the Sports Hall and Transport. It had made a number of recommendations to Cabinet, who had always listened, if not always agreed with the views of the Board. A number of task groups had also been undertaken covering a wide variety of topics from social media to CCTV. He took the opportunity to thank all those Board Members who had chaired these groups. He thanked all Board Members and advised that the Board had not shied away from controversy and had tackled some important issues, asking difficult questions of a number of witnesses including officers and Members from Worcestershire County Council. The Working Groups, which had been introduced more recently, had also played an integral part in the work of the Board. Councillor Mallett concluded by thanking all those who had been involved in the work of the Board and Councillor S. Webb as Vice Chairman.

Councillor B. Cooper, Portfolio Holder for Finance and Resources commented that he had seen both sides of the Board, that of a Member and more recently in his role as Portfolio Holder and reaffirmed the good work that had been carried out by the Finance and Budget Working Group in particular. Its work had been very helpful and played an important role in the budget setting process. He also thanked the Executive Director, Finance and Resources for her support in his role and with the Working Group.

The Leader took the opportunity to also thank the Overview and Scrutiny Board and its working groups for the work carried out.

RESOLVED that the Overview and Scrutiny Board Annual Report be noted.

19\18

RECOMMENDATIONS FROM THE CABINET

Bromsgrove Sport & Leisure Centre – Sports Hall Options Appraisal

The recommendation from Cabinet in respect of the Sports Hall was proposed by Councillor P. J. Whittaker, Portfolio Holder for Leisure, Cultural and Environmental Services and seconded by Councillor B. Cooper.

Councillor P. Whittaker advised Members that the Council had, today 13th June, received a nomination for the Sports Hall to be considered for listing as an Asset of Community Value. This application had been acknowledged and would be processed in the usual way. The listing of an asset as an “Asset of Community Value” operates to delay any proposed sale of the listed asset by the owner, by giving a community group the time to declare an interest in acquiring the asset and to make a bid to buy it. Councillor Whittaker advised that for this reason, receipt of this nomination did not affect the recommendation from Cabinet, which was before Council. As landowners of the site, the Council could make this decision.

In presenting the report Councillor Whittaker reminded Members that the decision to replace the old Dolphin Centre was taken in 2014, based on Sport England’s appraisal that there was no need to build a replacement Sports Hall as there was adequate provision within the district (Councillor Whittaker believed that there were some 7 halls around the District). Officers were tasked to enter negotiations with BAM, North Bromsgrove High School (NBHS) and Worcestershire County Council (WCC) in order to gain access to NBHS’s sports hall which was adjacent to the new leisure centre. This was to allow a continuation of sports provision after school and at weekends.

The agreed facility mix of the new leisure centre allowed the Council to meet the prudential borrowing criteria which would allow the Council to borrow sufficient funds for the project to proceed. The Capital

Programme was subsequently increased after the Council received news that Sports England would grant some £1.5m to facilitate the climbing wall and estimates suggested an increase in the total cost of the project. Construction started some two years ago, around August 2016 and Phase 1 was completed at the end of November 2017.

Councillor Whittaker went on to explain that after long and protracted negotiations Heads of Terms were agreed with regard to the BAM agreement and the documents were in the process of being written when there was a change of Head Teacher at NBHS. The Head insisted that the hall was needed for exams for a longer period than had been suggested and BAM were informed that the availability of the sports hall would now be for some 38 weeks instead of the 48 weeks as originally envisaged. BAM then communicated to the Council that the offer of 48 weeks could no longer proceed.

Councillor Whittaker therefore asked officers to prepare a report for consideration into the possibility of refurbishment of the existing Sports Hall or the building of a new facility. Knowing that it would be difficult to separate the Sports Hall from the Dolphin Centre, due to the structural issues, together with the fact that the Sports Hall was already nearly 40 years old, and was an add on to the Dolphin Centre, where all the services originated from. He had also tasked Officers to communicate with the Council's preferred operator of the new Leisure Centre for their requirements for a unique selling point for Bromsgrove, which would provide a greater income than simply a Sports Hall, which would not be able to sustain prudential borrowing on its own.

Councillor Whittaker concluded his presentation by advising Members that the report before them had been well aired at Cabinet when the reluctant decision not to proceed was taken. The report had also been seen and discussed in detail at the Overview and Scrutiny Board, when all comments had been considered. Councillor Whittaker then handed over to Councillor Cooper for clarification in respect of the financial implications.

In seconding the recommendation, Councillor B. Cooper, Portfolio Holder for Finance advised that he had looked at the Sports Hall project from the point of view as to whether it was in the interests of the council tax payers of the Council to fund it. He highlighted that the financial information was summarised at page 74 of the agenda papers and referred to paragraph 4.2 which gave the various build options and costs. Paragraph 4.5 showed the best predicted revenue from the sports hall, £70k per annum, which meant that the Council could borrow prudentially up to £1.9m from the Public Works Loans Board towards the project. Unfortunately this would still leave a funding shortfall of between £1.95 and £2.835m.

Members' attention was drawn to paragraph 4.4 which showed that £1.8 m may be realised from the sale of land on School Drive. This was included in the business case for the new Leisure Centre and when the

money was received it would go towards paying off the loan on it, to reduce the borrowing costs. Therefore this was not available for building a sports hall.

Following presentation of the report Councillor M. Thompson referred to a letter which had been published in the local paper, from NBHS School Governors who had refuted the suggestion that use of the sports hall for 48 weeks had ever been an option. Councillor Thompson suggested that the item should be deferred until clarification of this could be made, as it appeared there was some confusion and the information before Members was contradictory to what the Governors had advised. The Leader commented that negotiations with BAM were continuing and that this did not impact on the decision that would be made at this meeting.

Members went on to discuss a number of areas in more detail, including:

- Whether consideration had been given to giving the sports hall to BAM or another operator who may be able to make it more financially viable.
- Clarification as to whether the decision was being made as to whether the Council could not afford to build a sports hall or whether it did not need a sports hall.
- The need to look at all options before a decision was made and the lack of information in respect of other options.
- The need for the Council to take the views of its residents into consideration when making a decision such as this.
- The need for the facility to stay open for residents.
- Councillor R. Jenkins highlighted a scheme from the Lawn Tennis Association which was looking for indoor courts and the availability of funding from them. She questioned whether this had been considered.

Councillor C. Hotham suggested that the idea of someone else operating the sports hall was a good one as from the revenue figures in the report the Council would not be able to raise sufficient borrowing. However, he raised a query within the report and drew Members' attention to Page 109 of the agenda pack where it stated that the achievable income was £20k per court per annum, which with four courts was significantly more than the £70k quoted within the report and which would increase the amount of prudential borrowing available to the Council.

Councillor L. Mallett supported the deferral of the report until all options had been considered and also highlighted a number of areas which needed to be investigated further before a decision could be made on this matter. He reiterated the comments in respect of whether the decision was being made because the Council could not afford to build a sports hall or whether it was because it did not believe it needed one. He reminded Members that there was support for the Sports Hall from the public and it was the Council's duty to ensure that all avenues had

been explored before making a decision. This was particularly important in light of the fact that there appeared to be a discrepancy within the financial information provided in the report.

The Chairman called for the meeting to be adjourned.

When the meeting resumed, Councillor Whittaker, as Portfolio Holder for Leisure and Cultural Services acknowledged that the figures in the Mace Options Appraisal were ambiguous and that as a result he would agree to a deferment of the report for one month.

Councillor Whittaker then went on to make reference to the possibility that it might be possible for third parties who wanted to take over the site to come forward.

The debate continued and Members generally felt that a month was insufficient time for such a process to be put in place as there was a need to follow the appropriate procurement process in order to protect the Council's position.

The Chairman called for a further adjournment in order for the Group Leaders to clarify matters with the relevant officers.

After a short adjournment and after taking professional advice from the Council's Monitoring Officer, S151 Officer and Chief Executive, the Leader formally accepted the unconditional deferral of the report and advised that the item would be brought back to the July Council meeting and that inviting expressions of interest from third parties at this stage was not a viable option.

20\18

TO RECEIVE THE MINUTES OF THE MEETINGS OF THE CABINET HELD ON 30TH MAY 2018

The minutes of the Cabinet meeting held on 30th May 2018 were received for information.

21\18

QUESTIONS ON NOTICE

Question submitted by Councillor P. Thomas

"To the Leader of the District Council, what action has been taken to help residents in Wythall affected by the flash floods?"

The Leader responded that he would like to put on record his thanks to Bromsgrove's Emergency Team who responded so ably on Bank Holiday Monday. The Leader advised that they were around on the morning to assist where they could along with the County Council Highways Team and Fire assistance on the Sunday evening. The Leader highlighted that there had only been two Councillors out of a possible six County/District Councillors around at the time. The latest figures from the Multi Agency Recovery Team was that approximately

300 properties had been affected with 220 having full internal flooding which would take some time to dry out and make homes habitable again. As it had been a mixture of surface and drain water, a large area had been contaminated and would require decontamination by Severn Trent.

The Council had provided sandbags and further support over subsequent days with a presence in the Community Hub. The National Flood Team van was around for four days last week and North Worcestershire Water had three teams knocking on doors to check residents. Severn Trent had advised that it was a “one in 2,000 year event” with over 130mm of rain (5 inches) in 2 hours and more rain had fallen on Wythall than in Tewkesbury in 2007.

The Leader concluded that the Council’s task would be ongoing for some time as many people would have to leave their homes and would want advice on Council tax and other areas and the Council would continue to be proactive in helping its residents.

Question submitted by Councillor S. Webb

“What activities are available for families and children in the town centre parks over the summer?”

Councillor P. J. Whittaker, Portfolio Holder for Leisure, Cultural and Community Services highlighted to Members the Better Bromsgrove magazine which contained details of all activities which were planned for the summer months throughout the District. Copies of the magazine were available for all Members and details of the events were also available on the Council’s website.

22\18

MOTIONS ON NOTICE

Water Fountains

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

“That we call upon the Cabinet Member responsible to consider implementing a programme for the installation of water fountains throughout our recreation grounds.”

The motion was proposed by Councillor P. McDonald and seconded by Councillor C. McDonald.

In proposing the motion Councillor McDonald referred to the previous decision by the Council to no longer use single use plastics at its sites and advised that the damage to the environment from single use plastics had been well documented in recent months. He believed that this was the next step in assisting its residents to reduce the number of single use water bottles for example and also to contribute to the reduction in

obesity in children as he believed that by providing water fountains in its parks and open spaces then it would encourage people of all ages to choose the healthy option of water rather than sugary drinks. Similar schemes had been successful in a number of other local authorities and there were now clean modern water fountains which could be installed successfully.

In seconding the motion Councillor C. McDonald informed Members that she believed this was an important step in helping residents live a healthier life, by providing fresh water whilst they were being active within the parks and would reduce the need to buy single use plastics as Councillor P. McDonald had highlighted.

Councillor B. Cooper, Portfolio Holder for Finance and Resources spoke in support of the motion and reiterated the various benefits. He highlighted that there were cost implications and first estimates appeared to be between £3.5k and £6k per fountain, the Council would therefore need to consider the cost implications against the various benefits before making a final decision.

Councillor P. Whittaker concurred with Councillor Cooper and was happy to support the motion subject to detailed costings being provided. However, Councillor Whittaker commented that not all parks may be suitable for water fountains. It was therefore suggested that a report be brought to Cabinet for consideration in due course.

On being put to the vote the Chairman declared the motion to be agreed.

BDC Planning Review

Members considered the following notice of motion, submitted by Councillor C. Hotham:

“The recent exposure by the members of the Independent group of the potential conflict of interest surrounding the BDC plan review is deeply concerning. This has been brought about by the Council employing the co-author of the Hearn-Wood study as consultant to advise on our own plan review. It appears these commissions ran concurrently. This has created the impossible circumstance whereby the average Bromsgrove resident is highly likely to lose faith in the impartiality of the plan review process. It is therefore only right and proper that: “This council suspends the entire plan review until such time as residents, developers and elected members can have faith that, via an independent audit, the review is being and has been conducted in an open and transparent manner and that no perceived or actual conflict of interest exist.”

The motion was proposed by Councillor C. Hotham and seconded by Councillor S. Baxter.

In proposing the motion Councillor Hotham highlighted a number of concerns in respect of what he believed to be a conflict of interest

between G. L. Hearn who had prepared the report to which he referred and the use of Wood in preparing a report for the Council as part of the process for reviewing the Local Plan. The Hearn report referred to was signed off by both G. L. Hearn and Wood and made suggestions of a large number of houses from the Birmingham area and had proposed sites for these to be built in the Bromsgrove District.

Councillor Hotham explained that it had become apparent at the Strategic Planning Steering Group meetings that the consultants had also been used to carry out work for this Council's Plan Review. It was only after further investigation that it had become clear to Councillor Hotham that Wood had been involved in the G. L. Hearn report, and that this had not been made clear from the outset. Councillor Hotham explained why he believed there was a conflict of interest and questioned whether it was appropriate, as they would have access to potentially confidential information whilst preparing the sustainability appraisal, which would look at potential areas for housing. This appeared to be clearly in conflict with the work of the G. L. Hearn report as it entailed looking at potential sites and undertaking the Green Belt Review. Councillor Hotham was of the view that there must be a conflict when Wood had also undertaken work for neighbouring authorities.

Councillor Hotham went on to provide details of the procurement process for the contract for this work, which he had had the opportunity to examine following raising these concerns. He explained that three companies had put forward proposals, all of which seemed more than capable of carrying out the work. However, he highlighted what appeared to be a number of discrepancies in the process and quotations received and he suggested that this should be investigated further through the Audit, Standards and Governance Committee.

In the absence of the Portfolio Holder for Planning and Strategic Housing, the Leader provided a detailed response to the motion as follows:

Context – a sustainability appraisal (SA) was a part of the evidence base that would underpin the progress of the Plan Review to ensure that the sustainability factors had been fully considered at each stage of the Plan preparation process. The SA was only one part of a very lengthy and exhaustive process and was not in itself the sole determinant of any policy decision or land allocation.

Scope of SA – an SA was a highly technical, specialist and niche piece of work, which was tailored specifically to each individual client, its location and the detailed extent of the appraisal needed. An SA from regional level to District level was a sifting process whereby the level of detail taken into consideration increased at a more local level and was being tested against specific local objectives, not overarching regional objectives. Each iteration of the SA was published for public consultation, which offered an opportunity to challenge the assessment.

SA Objectives – an SA was carried out against a framework of objectives and decision making criteria which was specific to the Plan/Study being assessed. The SA framework included 15 objectives and 78 decision making criteria questions which guided the assessor's thought process during the SA. The Strategic Growth Study SA Report had 9 SA objectives and 14 decision making criteria. There was therefore no like for like comparison between the two.

Why Wood – the explanation of the proposed approach to undertaking this work for the Council was well set out with clear explanation of what would be undertaken at each stage and the outputs the Council could expect. Wood was able to offer a vast resource pool to ensure work for the Council was undertaken in a timely manner. The vast pool of staff resources also ensured that different staff could be drafted in to a project should a potential conflict of interest occur.

Why not another consultant – the third placed consultant (RSK ADAS) did not present a very clear understanding of the brief and there were concerns relating to the underestimate of hours allocated to specific tasks. Some aspects of the brief were not responded to at all. The second placed consultant (Lepus) had the same level of expertise at the most senior level (Project Director) as Wood. However, there were concerns relating to the level of experience of the Project Leader at Lepus (only two years), compared with the approximately 20 years at Wood. In addition, the team was very small with no additional staff resources available.

Conflicts of Interest – there was a limited number of consultancies which carried out this specialist technical work and inevitably there would be working overlaps between local authorities irrespective of whether regional or local level work was being undertaken. Both Wood and Lepus had undertaken SA work at the regional level. The question of conflict of interest was raised in the ITT document, to which all responded that there was none in relation to undertaking the SA of the emerging District Plan. Wood acknowledged that within the company, they represented HCA in relation to land holdings at Barnsley Hall. There is no evidence to suggest that the conclusions reached in the G L Hearn Report were in any way beneficial to the HCA in relation to land at Barnsley Hall.

Professional integrity – as professional planners, both Council Officers and consultants were bound by the RTPPI professional code of conduct.

The Leader went on to say that he did not believe that Councillor Hotham realised that professionals were bound by a code of ethics and were answerable to the regulatory bodies of their profession. All professional had to deal with what might be seen by outsiders to be conflicts of interest. However, any transgression of the rules within regard to conflict of interest would lead to suspension by the relevant professional body. The Leader believed that the professional ethics of

Wood were being denigrated without any evidence and as such believed this was a dangerous path to follow.

Following presentation of the motion and the response from the Leader, Members discussed a number of areas in more detail, this included:

- Concerns around the perception with residents and the need for this matter to be given further consideration before taking the matter further and the need to put the interests of residents first.
- What clearly appeared to be a conflict and the need for this to be clearly explained to give everyone the confidence that the matter had been dealt with appropriately.
- The tendering process – the need for this to be investigated to ensure that the correct procedures were followed and the right company for the work had been appointed.
- That the process should be suspended under an investigation by the Audit, Standards and Governance Committee has been carried out.
- Concerns around the impact on the reputation of the Council.

Councillor P. Whittaker proposed an amendment to the motion in that the process should not be suspended, but the LGA should be asked to clarify the position in respect of conflict of interest and a report be brought back to Council in respect of this.

Councillor M. Sherrey seconded the proposed amendment.

In speaking to the amendment Councillor L. Mallett raised concerns that from the information provided at this meeting, which was now in the public domain, that the Council it appeared to have engaged an organisation who were “working for the other side” with a procurement process that also appeared not to have been followed appropriately. He questioned whether this in particular could leave the Council open to a legal challenge from the unsuccessful contractors and therefore the Council should suspend the process until the external auditors had looked at the matter to ensure that the appropriate process had been followed, as it was important that the Council was seen by its residents to be doing the right thing. Councillor Whittaker responded that he was happy for this investigation to be carried out by the external auditors.

The Leader responded that he understood the procurement of this work had in fact been carried out by Worcestershire County Council and therefore suggested that the matter needed further investigation before being brought back to a future Council meeting, but he could not agree to the suspension of the Plan Review.

In summing up, Councillor Hotham thanked Members for their cross party support and highlighted that it was a conflict of interest from Wood and not from the Council’s officers. He was happy with the suggestion from Councillor Whittaker that the external auditors investigated the procurement process to ensure that this had been followed correctly.

A point of clarification was raised in respect of the appointment of Wood and the contract. The Monitoring Officer confirmed that the contract had been awarded and as such caution should be shown in respect of conditionality.

New Homes

Members considered the following notice of motion, submitted by Councillor M. Thompson:

Council Notes

- Bromsgrove District Council closed its Housing Revenue Account when it transferred its housing stock to Bromsgrove District Housing Trust.
- The LGA states “local government shares the collective national ambition to build one million new homes, which will only be achieved with strong national and local leadership working together. As house builders, housing enablers, and landlords; as planners, place-shapers, and agents of growth, transport and infrastructure; as responsible guardians to the vulnerable and the homeless; and as democratically accountable to communities – local government is at the heart of the housing solution.”
- Local authorities, such as Bromsgrove District Council, are limited in how much they can build because of the cap on borrowing within Local Authority Housing Revenue Accounts.
- In Autumn Budget 2017, the Government raised the borrowing cap for councils in areas of high affordability, like Bromsgrove, by £1 billion to help achieve its target of 300,000 new homes per year. Private housebuilders have consistently provided 150,000 units per year, so the target is unlikely to be met without a significant increase in supply by local authorities.
- The precarious financial position of local authorities, such as Bromsgrove District Council, and the necessity to identify and pioneer new areas of income generation.

Council Believes

- Bromsgrove residents deserve the opportunity to live in good quality and affordable homes in Bromsgrove District.
- The only way for Bromsgrove District Council to meet its housing responsibility to its residents is if it starts building council houses again.
- If Bromsgrove District Council builds council homes, not only will they help provide an essential service to its residents, but also create a much-needed source of income.

Council Resolves

- That Bromsgrove District Council sets up a new Housing Revenue Account.
- To form a cross party committee, including the leader and cabinet member for housing, to formulate a policy paper that prepares the

Council to enter the housing market and build council houses on its own or in partnership or with social housing associations.

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To write to the Prime Minister, Chancellor of the Exchequer and Secretary of State for Housing to call for the Local Authority Housing Revenue Account borrowing cap to be removed.

The motion was proposed by Councillor M. Thompson and seconded by Councillor C. Bloore.

In proposing the motion Councillor Thompson highlighted the lack of social housing problem within the District and the housing that was available was not fit for purpose. Whilst he accepted that there was a national Government drive to build new houses, the Council needed to ensure that opportunities of investment met the needs of those most vulnerable residents and that the Council must ensure that it meets the needs of its residents. By building houses for those in need it would contribute towards the economic development of Bromsgrove and much needed improvements to the infrastructure.

In the absence of the Portfolio Holder for Strategic Planning and Housing, the Leader responded to the motion and advised that it had given him the opportunity to explain how the Council intended to increase the number of homes available to local residents. He reminded Members that the Council had transferred its stock to BDHT in 2004 and the Housing Revenue Account was closed down. Members were advised that the housing sector had changed significantly since then, including the subsequent switch to self-financing for stock holding authorities in 2012. The Leader went on to say that given that the Council wanted to boost housing supply locally, building directly-owned council homes was an option that could be pursued and would require the opening of a Housing Revenue Account in line with the requirements of Part 2 of the Housing Act 1985. However, it was important to note that this option came with a number of ongoing challenges which were well-documented, including restrictions on rent levels, limited borrowing and the impact of right to buy. The Council had explored how other councils in a similar position had tackled this situation and it had become clear that a large number of authorities had opened housing companies to stimulate housing growth. Such companies take on ownership and management of the properties created, an arrangement which was permitted under Sections 1-7 of the Localism Act 2011.

This allowed for a far more flexible approach to housing delivery. Councils were able to use it to influence the private rented sector or to provide a mixture of affordable rent and sale, plus open market rent and sale. The Leader advised that other benefits included jobs and regeneration locally and the potential to generate an income stream. There were also numerous funding streams which could be pursued through this route that would not be available via a Housing Revenue Account. The Council's bid for support to develop Burcot Lane via the

Homes England Accelerated Growth Fund was one such example as the funding criteria prevented Housing Revenue Account applications.

The Leader advised that when a comparison of the two options was made the evidence suggested that launching the Council's own housing company was the most effective way of moving forward. He concluded by noting that establishing housing companies was a way of increasing housing numbers had seen cross party support. The University College London Published a report in December 2017 entitled "Local Authority Direct Provision of Housing" which included a snapshot of political control in 80 councils who had opened housing companies, 40% of which had been Labour-controlled.

The Leader concluded that it was his intention to involve all Group Leaders in the Housing plans and he would continue to do so, he did not therefore believe a committee was necessary and the Council would continue to follow the route of a housing company which gave the Council more flexibility.

During the ensuing debate a number of areas were discussed in more detail, including:

- Concerns that properties would be purchased and rented out at rates which those in most need would be unable to afford and the need for homes for first time buyers.
- The number of affordable homes included within developments throughout the district and the need for this figure to be increased if the Council were to meet the needs of its residents.
- The length of time some people were on the housing waiting list and the increase in homelessness, the use of hostels and "sofa surfers" of all ages.
- The percentage of households in Bromsgrove who were unable to afford to buy a property and the percentage of secondary rented accommodation.
- The level of earnings in the District in contrast to those outside of it and the impact this had on the housing market.
- The impact on families of the "bedroom" tax.
- Young people and their families moving outside of the area due to the lack of affordable housing.
- The inability of the Council to be able to meet its housing needs.

Councillor K. May, Deputy Leader and Portfolio Holder for Economic Development explained that by going down the route suggested by the Leader then the Council would be in a better position to ensure that any new houses met the needs of its residents and contribute towards the economic growth of the District together with rebalancing the housing market. A housing company would be able to help address the current problems, which would not be the case with an HRA, as it would give much more flexibility.

A number of Members were keen to see more detail around the suggested plans put forward by the Leader and asked that a report be brought to Council in order to have an opportunity to see the plans in more detail. The Leader explained that the proposal for the Burcot Lane site would be for one bedroomed flats and that a meeting had been arranged for 2nd July after which he hoped he would have further information; but was unable to confirm at this stage, whether a report would be available for the July Council meeting. However, a report would be brought before Council as soon as possible.

In summing up Councillor Thompson reminded Members that everyone was guilty of taking their home for granted, but some people were unable to be in that position for whatever reason and it was the responsibility of the Council to meet the needs of those residents.

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

For the motion Councillors Baxter, Bloore, Buxton, Hotham, Mallett, P. McDonald, C McDonald, Peters, Turner, Thompson, Van der Plank. (11).

Against the motion Councillors Allen-Jones, Cooper, Deeming, Denaro, Dent, Glass, Jones, Laight, May, Sherrey, Thomas, M. Webb, S. Webb, Whittaker (14).

Abstentions Councillor Jenkins (1).

The Chairman declared the motion to be lost.

The meeting closed at 9.07 p.m.

Chairman