

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE OVERVIEW AND SCRUTINY BOARD

6TH AUGUST 2020, AT 4.30 P.M.

PRESENT: Councillors M. Thompson (Chairman), J. Till (Vice-Chairman),
A. J. B. Beaumont, S. R. Colella, R. J. Deeming, M. Glass, C.A. Hotham,
A. D. Kriss, P. M. McDonald and C. J. Spencer

Officers: Mrs. S. Hanley, Ms. J. Pickering, Ms. A. Scarce, Mr C. Forrester,
Mr. D. Allen, Mr. D. M. Birch and Ms. C. Flanagan and Ms. J. Gresham

28/20 **APOLOGIES FOR ABSENCE AND NAMED SUBSTITUTES**

Apologies were received from Cllr. R. Hunter, Cllr. J. King whilst named
as substitute for Councillor Hunter, she was unable to attend.

29/20 **DECLARATIONS OF INTEREST AND WHIPPING ARRANGEMENTS**

There were no declarations of interest nor of any whipping
arrangements.

30/20 **MINUTES**

The minutes of the Overview and Scrutiny Board meeting held on 6th
July 2020 were submitted for Members' consideration.

RESOLVED that the minutes of the meeting of the Overview and
Scrutiny Board held on 6th July 2020 be approved as an accurate record.

31/20 **IDENTIFYING AND ADDRESSING RACIAL DISPARITIES TASK GROUP**

The Senior Democratic Officer presented the report in relation to the
Identifying and Addressing Racial Disparities Task Group and explained
that there eight Members who were interested in participating in the
Task Group. It was noted that it was usual practice to have no more than
seven Members of a task group. However, it was noted that it was at
the Board's discretion and this number had been increased on previous
occasions. This group had already set a precedent as being the third
task group to be undertaken at any one time. Members were happy to
accept eight Members plus the Chairman on this occasion.

In respect of the recommendations contained in the report it was suggested by the Senior Democratic Officer that, as there had been discussion regarding the scope and wording within the Terms of Reference at the previous meeting, these be considered at the first meeting of the group which was scheduled for 10th August 2020 at 5pm. Recommendation (a) would not be therefore be voted on at this meeting and any amendments made (by the Task Group) to the Terms of Reference would be considered at the September 2020 meeting of the Board.

As this was an important topic it was suggested that the duration of the Task Group be initially for six months and a report then be brought to the Board and an extension be agreed if needed.

Some Members requested clarification as to whether, given that this was an extra Task Group, there would be any financial cost to the Council or would the suspension of the Corporate Performance Working Group absorb any additional costs. The Senior Democratic Officer reported that the Chairman of the Task Group received a pro-rata allowance however the Members did not receive any payment. It was also confirmed that the Chairman of a Working Group did not receive an allowance.

There was a discussion regarding the number for the quorum as it was thought that it might prove difficult to get all nine Members at a meeting. It was noted that at the first meeting the quorum would be discussed in addition to the number of meetings that a Member could miss before being removed from the Task Group.

RESOLVED that

- (a) the membership of the Task Group be agreed at nine (including the Chairman):
- (b) the length of time the Task Group will have to carry out its investigations be agreed at six months initially; and
- (c) the Task Group commence its investigation as soon as possible.

32/20

BURCOT HOSTEL REPORT - PRE-SCRUTINY

The Strategic Housing Manager presented the Burcot Hostel report and provided the Board with some background to the project and explained that the Burcot Hostel would be replaced by alternative facilities in the district, provided by Bromsgrove District Housing Trust (BDHT).

Members were informed that, following discussion with BDHT, it had been agreed to replace the hostel with six units of alternative temporary accommodation from BDHT stock. This accommodation comprised of the following units:-

- 2 x 1 bedroom units,
- 2 x 2 bedroom units
- 2 x 3 bedroom units

Members' attention was drawn to the section of the report where it stated that, since the Covid 19 crisis, Central Government had actively encouraged homeless services not to place homeless households in facilities with shared living spaces and so, from this perspective, the Burcot Hostel was considered no longer fit for purpose.

Some Members questioned whether there were any families currently in Bed and Breakfast accommodation and it was confirmed by officers that there was not. Following on from that Members questioned whether, given that the ban on evictions was likely to be concluded at the end of August, what contingency plans were in place to assist those residents in need of assistance. The Strategic Housing Manager confirmed that his Team were putting in place a communication plan with BDHT by at the end of August, in order to provide signposting for people who required assistance. It was also reported that BDHT were working behind the scenes to create capacity in their service and that all services including benefits were well connected so residents who required assistance knew where to go and would get the support needed.

An amendment to Recommendation 2.1 regarding funding the scheme from borrowing was suggested as it was felt that, as the Council currently had healthy balances, the funding should come from there. The Executive Director, Finance and Resources advised that whilst this was acceptable for consideration by Cabinet, caution should be shown as to the level of funding (from balances) that might be needed in the future to accommodate changes to services impacted by Covid-19 and associated lockdown. However, she stated that she was comfortable that the recommendation be amended and the £35k that was to be approved be used from balances on this occasion.

Members thanked the officers for the report and asked whether there would be an opportunity to bring the Housing Service in-house in future, depending on the length of contract with BDHT which it was understood had two years left to run. Some Members were concerned at the level of payments being made and wanted confirmation that the Council were

getting value for money. Officers explained that this was a new venture and the figures that had been provided in the report were based on a worst case scenario and that officers were asking for an 'in principle' agreement with the understanding that further work needed to be undertaken.

RECOMMENDED that the creation of a £35k capital budget for the scheme for the 2020/21 capital programme funded from balances.

RESOLVED that the Burcot Hostel report be noted.

33/20

BURCOT LANE SITE REDEVELOPMENT REPORT - PRE SCRUTINY

The Chairman thanked those Officers in attendance and explained to Members that this item would begin in public session, but it was highlighted that should they wish to discuss the detail provided in appendix 1 then the Board would need to consider whether it was appropriate to go into private session.

The Deputy Chief Executive provided a brief overview of the project to date and introduced officers that were involved in it and present at this meeting. They were as follows:

- Sue Hanley – Strategic Lead
- Derek Allen – Strategic Housing Manager
- Chris Forrester – Financial Lead
- Dale Birch – Planning Lead
- Laura Ward – Bailey Garner (external consultants)

A presentation had been circulated to Members prior to the meeting and the Strategic Housing Manager provided further clarification on this and presented the timeline and background to the project.

Councillor McDonald queried what investigations had been carried out by officers in order to ascertain the successes and failures of other Local Authorities around the country who had set up similar housing companies. The Deputy Chief Executive clarified that the officers had liaised with a number of Local Authorities to better understand the establishment of a housing company and had sought robust legal advice on how best to establish a housing company. It was further clarified that a large number of Local Authorities had created their own housing company and although this was not a guarantee in itself, it was a well-established model. It was confirmed that any decision made would be subject to a robust business case. The Strategic Housing Manager explained that reports had been tabled previously regarding research on

Local Authorities and their establishment of a housing company and agreed to circulate information to Members. Councillor McDonald requested that this information also be provided to Cabinet Members.

The Head of Finance and Customer Services reported that the sale of the 6 units at market price would cover construction costs and all other costs would be recouped from the transfer to a Housing Provider and Rental Company. Some Members questioned how service charges would be managed and it was confirmed that whichever provider had responsibility for the housing would apply their own charges which would be covered through rental costs. It was also noted that the percentage of affordable houses from a planning perspective was 30%, which was the level that was considered and approved in the planning application.

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BURCOT LANE SITE REDEVELOPMENT - APPENDIX 1
(CONFIDENTIAL ITEM)

It was reported to Members that the most appropriate way to get best value for the affordable units would be to transfer them to a registered provider. However, as yet those exploratory discussions had not taken place and that other considerations needed to be made around quality, maintenance and value for money for the council.

The Head of Finance and Customer Services explained that in respect of the amount of borrowing, the rental of the units would cover those borrowed funds.

There was detailed discussion around the consideration of the Council becoming a Registered Provider and whether this option had or should be considered. Officers highlighted that the whole scheme was a complex piece of work and any decisions would only be made after a robust and detailed business case was submitted to Cabinet with regard to the arrangements for the private rented units. Some Members felt that this was an opportunity to look at recommendation 2.2 as it seemed like an easier option and that perhaps with more detailed research the Council could look to becoming a Registered Provider itself.

The Portfolio Holder for Strategic Housing and Health and Well Being reported to the Board that this was a very important piece of work and that Members would be able to consider all aspects of the business case. The Principal Solicitor did, however, clarify that any business case that was produced would be as recommended in the officers' report.

Members agreed to amend recommendation 2,1 as detailed below.

RECOMMENDED that

1. Cabinet have full sight of information in respect of other local authorities who have set up housing companies, including successes and failures (to include the reasons for failure).
2. Full consideration be given to the Council becoming a Registered Provider.

(During consideration of this item Members discussed matters that necessitated the disclosure of exempt information. It was therefore agreed to exclude the press and public prior to any debate on the grounds that information would be revealed relating to financial and business affairs. However, there is nothing exempt in this record of the proceedings.)

35/20

TO CONSIDER ANY OTHER BUSINESS, DETAILS OF WHICH HAVE BEEN NOTIFIED TO THE HEAD OF LEGAL, EQUALITIES AND DEMOCRATIC SERVICES PRIOR TO THE COMMENCEMENT OF THE MEETING AND WHICH THE CHAIRMAN, BY REASON OF SPECIAL CIRCUMSTANCES, CONSIDERS TO BE OF SO URGENT A NATURE THAT IT CANNOT WAIT UNTIL THE NEXT MEETING.

There was no other business.

The meeting closed at 5.58 p.m.

Chairman

Burcot Lane Site Redevelopment

Project team



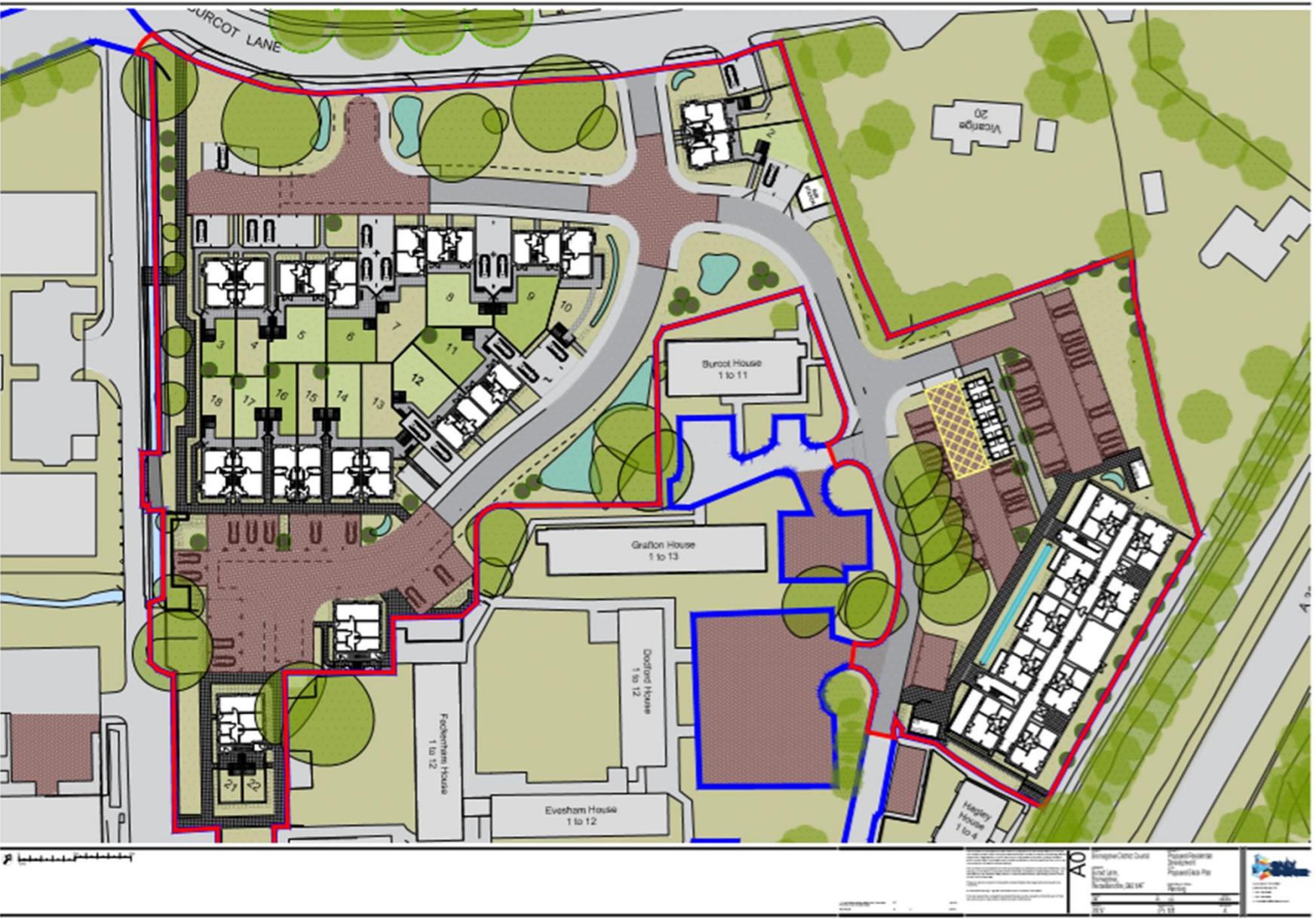
Overview

- Introductions (Burcot Lane Project Team & Baily Garner)
- Overview of scheme and significant steps since 2017

Overview of scheme

- Scheme location – site of the former Council House at Burcot Lane
- Will deliver 61 units of accommodation – this will be a mix of homes for sale, market rent and housing association
- Visual plan of the development





Options

Three options for the site have been considered at length:-

1. Sale to a developer
 2. Work in partnership with a housing association
 3. Council retains and facilitates development
- Homes England grant awarded
 - Option 3 offers the best housing mix and an opportunity for a revenue stream

Significant steps

Significant steps since 2017 include:-

- Baily Garner appointed to drive project development
- Contract signed with Homes England
- Planning permission secured to develop site
- Tender process – developer
- BDHT have agreed to invest in their adjacent properties and local area



Next Steps

- Cabinet report and recommendations
- Business case for housing company
- Disposal of properties
- O&S views/comments/questions



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