

**BROMSGROVE DISTRICT COUNCIL**

**MEETING OF THE CABINET**

**23RD NOVEMBER 2022, AT 6.00 P.M.**

PRESENT: Councillors K.J. May (Leader), G. N. Denaro (Deputy Leader),  
P.L. Thomas, M. Thompson and S. A. Webb

Observers: Councillor C. A. Hotham and Councillor R. J. Hunter

Officers: Mr. K. Dicks, Mr P. Carpenter, Ms M. Howell,  
Ms. D. Poole, Ms J. Willis, Mr. K. Hirons, Mrs B. Talbot,  
Mr M. Rowan and Mrs. J. Bayley-Hill

45/22 **TO RECEIVE APOLOGIES FOR ABSENCE**

An apology for absence was received on behalf of Councillor M. Sherrey.

46/22 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

47/22 **TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING OF THE CABINET HELD ON 26TH OCTOBER 2022**

The minutes of the meeting of Cabinet held on 26<sup>th</sup> October 2022 were submitted.

**RESOLVED** that the minutes of the meeting of Cabinet held on 26<sup>th</sup> October 2022 be approved as a true and correct record.

48/22 **MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 24TH OCTOBER 2022**

The Chairman of the Overview and Scrutiny Board, Councillor C. Hotham, presented the minutes of the meeting of the Board held on 24<sup>th</sup> October 2022.

Cabinet was informed that during the meeting, Members had received an update on the Levelling Up Project. Concerns had been raised about the impact of inflation on the building costs required for work on the project. A further update on the subject had been requested by the Board for consideration in 2023.

The Board had also received an update on the UK Shared Prosperity Fund settlement for Bromsgrove District at this meeting. Members had learned that there were limited timescales available in which the funding could be spent in the District.

At the meeting, the Board had pre-scrutinised the Council's Carbon Reduction Implementation Plan, which had been presented by the Portfolio Holder for Leisure, Culture and Climate Change. The Board had agreed a number of recommendations on this subject which had been considered at the previous meeting of Cabinet.

**RESOLVED** that the minutes of the meeting of the Overview and Scrutiny Board held on 24<sup>th</sup> October 2022 be noted.

49/22

### **FUEL POVERTY TASK GROUP REPORT (OVERVIEW AND SCRUTINY)**

The Chairman of the Fuel Poverty Task Group, Councillor R. Hunter, presented the group's final report.

Cabinet was informed that at the start of the review there had already been 5,000 households living in fuel poverty in Bromsgrove and, based on reports from Act on Energy of recent increases in requests for help and support, it was likely that this number was growing. The Fuel Poverty Task Group had obtained evidence from a range of expert witnesses representing both the Council and external organisations and the group's recommendations were based on the evidence that had been gathered. These recommendations were ready to be implemented and this action would be timely.

During consideration of this item, Members noted that the Overview and Scrutiny Board had considered the Fuel Poverty Task Group's report at a meeting held on 21<sup>st</sup> November 2022. The Board had endorsed the recommendations subject to a minor change to recommendation 6, to require that the Cabinet should actively explore all *external* funding options available to the Council to support Voluntary and Community Sector (VCS) groups.

Reference was also made to recommendation 2, which proposed that a poster or booklet should be produced containing a simple guide to the support that was available in the community. Members commented that a leaflet on this subject had already been introduced and it contained useful information for the benefit of local residents.

In considering the report, Cabinet concluded by thanking the Members who had served on the Fuel Poverty Task Group. Expert witnesses, including the Head of Community and Housing Services, were also thanked for attending meetings and submitting evidence.

**RESOLVED** that

- 1) The Council ensures its webpages are up to date and takes a proactive approach in promoting the various areas of support (including an up to date list of Warm Hubs/Spaces and support provided by local libraries in the District) available through as many different mediums as possible. For example, through its social

- media account and by learning from the best practice approaches used by other Councils;
- 2) A poster or booklet is created which includes a simple straight forward guide to all the various areas of support – this should be accessible in local buildings such as the libraries and Councillors provided with copies to hand out to residents or distribute for display on noticeboards;
  - 3) Councillors are provided with the contact details of Act on Energy and encouraged to proactively liaise with the outreach workers to ensure access to support is readily available to residents within their Wards;
  - 4) The Bromsgrove Partnership, supported by the Council, takes a lead role in the collection of high quality intelligence/data to ensure that the Council's partners can target their interventions where support is most needed;
  - 5) the Bromsgrove Partnership (with input from all District Councillors and/or relevant Parish Councils) take a lead role in co-ordinating appropriate support, to ensure it is readily available for residents throughout the whole district, for example this could mean the provision of a Warm Hub/Space and the facilities offered by the local libraries; and
  - 6) the Cabinet actively explores all external funding options (for example the UK Shared Prosperity Fund) available to the Council in order to ensure that, if needed, it is able to provide financial support to VCS organisations throughout the district in providing the support detailed in recommendation 5 above.

50/22

**SHERWOOD ROAD FOOTBRIDGE, ASTON FIELDS - PERMANENT CLOSURE OF FOOTBRIDGE, REMOVAL OF BRIDGE DECK AND TRANSFER OF OWNERSHIP TO SEVERN TRENT WATER LTD**

The Environmental Services Manager presented a report on the subject of the Sherwood Road footbridge in Aston Fields.

Cabinet was informed that the footbridge was located between Sherwood Road and some offices on an industrial estate. The bridge was owned by Bromsgrove District Council and provided structural support to a sewer that ran under the bridge. Severn Trent Water had been contacted about the bridge and had indicated that they would be willing to maintain the bridge but not to maintain a footpath over the bridge. Officers were proposing remedial works to close the footpath and remove the existing bridge deck before transferring ownership to Severn Trent Water.

Members were advised that the Portfolio Holder for Environmental Services and Community Safety had visited the footbridge with officers to view the bridge and footpath. The footbridge had been in a poor state of disrepair and the footpath had been overgrown, with no signs of usage in recent years. Based on the condition of the footbridge, the Portfolio Holder for Environmental Services and Community Safety had reported that she would be supportive of the closure of the footbridge.

Consideration was given to the proposals and Members questioned whether, after the closure of the footpath and removal of the decking, there would be any further financial implications relating to the footbridge for the Council. Officers confirmed that there would be no further financial implications to the Council beyond that which had been detailed within the report.

During consideration of this item, questions were raised about whether the footpath was a designated public right of way. Members commented that there were lengthy and complicated processes that needed to be followed when closing public rights of way, including a requirement for a diversion order. Officers explained that it was understood that the footpath could be closed. It was acknowledged that public consultation had not yet been undertaken with respect to the closure of the footbridge but the overgrown state of the footpath indicated that there was limited awareness or use made of the footpath.

**RESOLVED** that

Subject to receiving confirmation that the footpath on Sherwood Road Footbridge in Aston Fields is not a designated public right of way

- 1) The existing pedestrian footbridge in Sherwood Road be permanently closed, due to its current structural condition;
- 2) After removal of the bridge deck, the remaining structure be declared surplus to Council requirements, and disposed of to Severn Trent Water Ltd at nil cost; and

**RECOMMENDED** that

- 3) A budget of £10k be added to the 2022/2023 Capital Programme to be funded from internal resources.

51/22

**HR AND ORGANISATIONAL DEVELOPMENT / PEOPLE /  
WORKFORCE STRATEGY**

The HR and Organisational Development Manager presented the Workforce Strategy for Members' consideration.

Members were informed that the Workforce Strategy detailed the Council's vision and aspirations for the authority's workforce both at the present time and moving into the future. The Council recognised that staff were the authority's most valuable asset and the importance of employees having a chance to commit time to their personal development.

There were three key themes in the strategy:

- Workforce planning and development.
- Staff engagement.

- The health, safety and wellbeing of staff.

Following the presentation of the report, Members discussed the content of the strategy and in doing so questioned how the strategy would be promoted to staff. Cabinet was informed that the strategy would be available for staff to access on the Council's intranet. In addition, the content of the strategy would be embedded into all working practices and other policies and procedures would link back to the content of the strategy.

Consideration was also given to how the Council could promote the authority's approach to people management at a challenging time for recruiting staff into the public sector, but particularly local government. Officers clarified that opportunities would be offered to staff to develop their skills whilst working for the Council as well as opportunities for promotion internally.

**RESOLVED** that the approach taken by the Chief Executive, as Head of Paid Service, to address the Workforce Strategy be endorsed.

52/22

### **MEDIUM TERM FINANCIAL PLAN 2023/24 TO 2025/26 - UPDATE**

The Interim Section 151 Officer presented an update on the Medium Term Financial Plan (MTFP) 2023/24 to 2025/26.

The Department for Levelling Up, Housing and Communities (DLUHC) had announced that the local government settlement would not be confirmed until the week commencing 19<sup>th</sup> December 2022. This would be the latest in the year that the settlement had been confirmed and in recognition of this, DLUHC had advised that some information would be made available to Councils in the next few weeks.

In the Chancellor's autumn statement, it had been confirmed that district Councils would be able to increase Council Tax by 3 per cent, rather than the 2 per cent that had previously been anticipated. Should Bromsgrove District Council choose to increase Council Tax at this level, the increase would result in an additional £92,000 income for the authority. The Chancellor had also announced that Councils would no longer have to pay increases to National Insurance contributions, which would potentially result in £139,000 savings, although the Government had also indicated that funding would subsequently be removed from grants to Councils as a consequence of this, so the level of savings could reduce. It had also been announced that there would be an extension to the Household Support Grant and the Government was consulting with local authorities on the appropriate approach to implementing this scheme.

Officers had been working hard to secure savings in order to achieve a balanced budget in 2023/24. To date, £1.5 million savings had been achieved. In addition, as part of the monitoring report, the unallocated savings that had been included in the MTFP that had been agreed in

February 2022 had now been allocated. These savings were detailed in the list of proposed savings in tranche 1 of the budget setting process. A pay award for staff of £1,925 per pay point for 2022/23 had been agreed and, as this was a higher figure than anticipated, this would add to pressures in the budget. The budget gap remained large, primarily due to the anticipated increase in costs arising due to the impact of inflation and increases in utilities costs. Therefore, further savings would need to be agreed in tranche 2 of the budget setting process.

Following the presentation of the report, Members discussed the proposals and noted that Officers were requesting funding for an additional Climate Change Officer post. Questions were raised about the extent to which this post was needed, given the Council already employed a Climate Change Officer, another officer who supported the Climate Change Officer and two lead Heads of Service for climate change. Officers explained that all new proposed posts were reviewed by the Corporate Management Team (CMT) to ensure that they were needed. Heads of Service had responsibility for overseeing the delivery of a wide range of services and were not specialists in respect of climate change. The Officer who had been supporting the Climate Change Officer was shortly due to return to working primarily in her substantive post on environmental waste issues and therefore the new Climate Change Officer would help to support the Council's work to address climate change, in line with a key priority of the authority to reduce carbon emissions.

Consideration was given to the types of action that could be taken in tranche 2 of the budget setting process in order to reduce costs and secure further savings. Members were advised that Officers would be exploring all possible actions that could be taken to reduce costs, increase income and secure savings. This would include potentially reducing back-office functions and increasing automation of services.

Questions were raised about the extent to which the Council was likely to need to meet further pressures in relation to staff pension costs moving forward. Officers clarified that the information provided in the report was based on figures provided by the Council's pension actuaries in September 2022. The actuaries had reported that pensions were performing relatively well and the figures detailed in the report would apply for the following three year period.

**RESOLVED** that

Officers continue to work on additional options, as outlined in the Strategy section of the Tranche 1 Report for presentation to Cabinet in February as Tranche 2 of the Budget.

**RECOMMENDED** that

the Tranche 1 savings proposals, Fees and Charges increases including updated WRS charges, and the single Growth item in respect of the

Climate Change Officer are approved for implementation to ensure maximum benefit as at 1<sup>st</sup> April 2023.

53/22

## **FINANCIAL AND PERFORMANCE MONITORING REPORT QUARTER 2**

The Head of Financial and Customer Services presented the Financial and Performance Monitoring report for quarter 2 of the 2022/23 financial year.

Cabinet was advised that at the end of quarter 2, Officers were projecting an overspend of £342,000 in the Council's general fund budget. This overspend was anticipated after the Council had addressed the unallocated savings that had been included in the MTFP for the 2022/23 financial year. A number of service variances had been identified, particularly in relation to housing support which was likely to be overspent by the end of the financial year due to significant growth in demand. The leisure sector continued to recover, following the Covid-19 pandemic, and Officers were suggesting that it would be prudent to forecast a pressure in income from the leisure services provider in the District, SLM as existing contractual income levels were still not deliverable.

There remained a number of factors that would potentially impact further on the budget position which included:

- The cost of living crisis, which was already impacting on demand for services, particularly housing support and homelessness services.
- The impact of inflation on costs, such as in relation to contracted services.
- The pay award of £1,925 extra per staff member, which would create an extra pressure on the budget. The payments would include back pay and would be provided in December 2022 to staff. This would need to be covered from reserves and the figures would be included in the financial and performance monitoring report for quarter 3 of the financial year.

In terms of capital expenditure, there had been £4.8 million expenditure allocated to the Burcot Lane project. Some of this expenditure would need to be carried forward to 2023/24.

The report also provided an update on the Council's performance in relation to the strategic purposes in the Council Plan. Data provided in relation to measures had been included in the report. This data would be important to help inform difficult decisions in respect of tranche 2 of the budget.

Following the presentation of the report, Members discussed the content and in so doing commented on the use of funding from business rates. Concerns were raised that, as no increases had been announced to business rates in the Chancellor's autumn statement, this income might

not be a reliable source moving forward. However, Officers explained that the Secretary of State for Levelling Up, Housing and Communities had recently announced that he was not aiming to reset business rates and Officers were anticipating that this fund would remain available for several years.

Concerns were raised about the financial pressures that had arisen in relation to housing support and the implications for the Council. Officers explained that the Council had spent the authority's allocated housing support grant (DHP) by August 2022. This situation was unusual, as usually some funding remained available until later into the financial year and this helped to demonstrate the level of demand at the present time. Members were advised that other Councils were in a similar position, with Redditch Borough Council also having spent its full grant for housing support.

**RESOLVED** that

- 1) The current financial position in relation to Revenue and Capital Budgets for the period July to September 2022 be noted; and
- 2) The Q2 Performance data for the Period July to September 2022 be noted.
- 3) That £150,000 is allocated from the Financial Services Reserve to fund cross council improvements in HR and ICT.

54/22

**SECTION 24 REPORT**

The Interim Section 151 Officer presented a report on the subject of the Section 24 Notice that had been issued by the Council's external auditors, Grant Thornton, to the Council.

In 2021, the Council had experienced a number of issues that had resulted in the non-submission of the authority's accounts for 2020-21. The Council had been working hard to address these issues, starting with work on the Financial Recovery Plan and various reports and monitoring updates had been presented for Members' consideration on this subject at meetings of the Audit, Standards and Governance Committee, Cabinet and the Finance and Budget Working Group. A lot of progress had been achieved, including through the introduction of combined financial and performance monitoring reports, which were prepared and presented on a quarterly basis, and the provision of regular risk monitoring reports to the Audit, Standards and Governance Committee and Cabinet.

There had been a number of key issues that had impacted on the non-submission of the 2020-21 accounts including:

- Problems with the new finance Tech1 system, particularly with the cash receipting part of the system.



- High turnover of staff from the Financial Services department.
- The Covid-19 pandemic.

The external auditors were aware that the Council had made a lot of progress but had concluded that a Section 24 Notice needed to be issued to the authority in relation to the non-submission of the accounts. The Council had resolved the issues with the cash receipting part of the Tech1 system by the date of the Cabinet meeting and it was anticipated that the authority would be in a position to submit the 2020-21 accounts prior to the Council meeting on 7<sup>th</sup> December 2022.

Members subsequently discussed the report in detail and commented on the discussions that had occurred when the Audit, Standards and Governance Committee had considered the report at a meeting on 9<sup>th</sup> November 2022. It was noted that some Members of the Committee had voted against the Section 24 Notice and questions were raised about whether this was a viable course of action and what the repercussions could be for this action. Officers explained that the key point was to ensure that the 2020-21 accounts were submitted as soon as possible. Once this occurred, all of the recommendations detailed in both the Section 24 Notice and the Interim External Auditor's Annual Report 2020-21 would have been resolved.

Reference was made to the wording of the recommendation detailed in the report and Members noted that whilst all Councillors might be minded to approve the Section 24 Notice, some might not feel comfortable supporting the management responses. In this context, it was suggested that it might have been more appropriate for there to have been two recommendations on this subject made by the Audit, Standards and Governance Committee. However, whilst it was acknowledged that Members could consider proposing this in two parts at the Council meeting, it was important to ensure that the Cabinet considered the Audit, Standards and Governance Committee's recommendation and that there was consistency in the arrangements for reporting on to Council.

**RESOLVED** to note the Audit, Standards and Governance Committee's recommendation that the Section 24 Statutory Recommendation is accepted and that Council review the recommendation, endorse the actions included in the management responses which form the rectification process required as per legislation.

55/22

### **INTERIM EXTERNAL AUDITOR'S ANNUAL REPORT 2020-21**

The Interim Section 151 Officer presented the Interim External Auditor's Annual Report 2020-21 for Cabinet's consideration.

Members were informed that the report focused on the period up to 31<sup>st</sup> March 2022. The external auditors had acknowledged that the Council had already undertaken a lot of work to address issues that had arisen in 2021. However, five key recommendations, focusing on financial

reporting and monitoring arrangements in 2021/22, had been included in the report. In addition, a number of improvement recommendations had also been included in the report.

The action that had already been taken to address the recommendations in the report included:

- Providing an open and transparent assessment of the issues and proposing plans to address these issues in the Financial Recovery Plan.
- Combining financial and performance monitoring reports for the first time. These reports had already been prepared for quarters 1 and 2 of the 2022/23 financial year.
- Updating the Council's risk management arrangements and presenting risk monitoring reports for Members' consideration.
- Delivering savings in the MTFP 2023/24 to 2025/26 in two tranches.

The Audit, Standards and Governance Committee would monitor the Council's progress over time in terms of addressing the recommendations detailed in this report.

**RESOLVED** to note the Audit, Standards and Governance Committee's recommendations that

- 1) They agree the 5 Key Recommendations and 13 Improvement Recommendations within this report.
- 2) They agree the Management Actions contained within this report will rectify these issues.

56/22

### **FEES AND CHARGES UPDATE**

The Interim Section 151 Officer presented an update to the fees and charges 2023/24 for Members' consideration.

Cabinet was reminded that the majority of fees and charges had been approved by Council in November 2022. However, fees for services for which the Council was in direct competition with private sector organisations had not been detailed in that report and these were therefore being reported for Members' consideration at this stage. The majority of fees and charges had increased by 10 per cent and the proposals in the update were consistent with this approach.

**RECOMMENDED** the approval of all exempt fees and charges.

The meeting closed at 7.04 p.m.

Chairman