

# Public Document Pack

Cabinet  
10th December 2024

## **BROMSGROVE DISTRICT COUNCIL**

### **MEETING OF THE CABINET**

**TUESDAY 10TH DECEMBER 2024, AT 2.00 P.M.**

PRESENT: Councillors K.J. May (Leader, in the Chair during Minute No's 46/24 to 53/24), S. J. Baxter (Deputy Leader, in the Chair during Minute No's 38/24 to 45/24), B. McEldowney, K. Taylor (during Minute No's 38/24 and part of 47/24), S. A. Webb and P. J. Whittaker

In attendance: Councillor P. M. McDonald, Chairman, Overview and Scrutiny Board

Officers: Mrs. S. Hanley, Mr P. Carpenter, Mrs. R. Bamford, Ms J. Willis, Mr. G. Revans, Ms. N Cummings, Ms. M. Worsfold, Mr. M. Dunphy, Ms. A. Delahunty, Mr. M. Eccles, Mr. M. Cox and Mr. C. Poole, Worcestershire Regulatory Services (both via Microsoft Teams), Ms. Karimi Fini, Mrs. C. Green (both via Microsoft Teams), and Mrs. P. Ross

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#### **TO RECEIVE APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor S. R. Colella.

It was noted that the Leader had been called to an emergency Cabinet meeting at Worcestershire County Council, and would therefore be late joining the meeting.

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#### **DECLARATIONS OF INTEREST**

Councillor S. J. Baxter declared an Other Disclosable Interest as the Chair of Trustees for Wythall Community Association and Park, in relation to Agenda Item Number 9, Minute Number 46/24 – Bromsgrove Play Audit and Investment Strategy.

Councillor Baxter remained in the meeting for the consideration of this item and took part in the vote thereon.

There were no further Declarations of Interest.

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#### **BROMSGROVE LOCAL HERITAGE LIST**

Members received a report on the Bromsgrove Local Heritage List (LHL).

The Principal Conservation Officer presented the report and in doing so informed Members that the Local Heritage List, as detailed at Appendix 1 to the report, was for the following parishes to be adopted:-

- Alvechurch
- Beoley
- Belbroughton and Fairfield
- Dodford with Grafton

In preparing this report the governance and decision making background for approval of the LHL was re-visited. This had resulted in the need for some adjustments as set out in paragraphs 3.16 to 3.20 in the report. The changes were around ensuring that the final list was approved by the correct decision making arm of the Council, and did not affect the consultation process itself or the day to day work being carried out by the Conservation Team.

Cabinet approved a revised LHL Strategy in March 2024, a summary of the Strategy was detailed on page 8 of the main agenda pack.

Draft lists for Alvechurch, Beoley, Belbroughton and Fairfield, and Dodford with Grafton Parishes, were compiled earlier this year, ready for consultation. These lists add 140 properties to the draft LHL, and covered a diverse range of properties including houses, schools, village halls, places of worship and canal infrastructure.

A six-week consultation period commenced on Monday 27th May. Letters were sent to all owners/occupiers providing information about the consultation, including the listing for their property. This included a description and information on how the building met the LHL criteria. It also detailed the consultation event to be held in each parish as well as other ways of contacting the Conservation Team. Parish councils and Ward Members were also notified. The LHL page on the Conservation Section on the Council's website also provided details of the consultation, with links to all relevant documents as well as the draft lists by parish. The Council's Communications Team also promoted the consultation using social media.

Conservation officers also held conservation events in the village hall in each parish.

Seven objections were received. The Conservation Team considered these objections and reconsidered the properties. In all cases it was considered that the properties met the criteria and therefore should be included on the list, although descriptions and reasons for inclusion were amended in light of the comments and the re-examination.

Five further nominations were submitted. Of these, two were supported by the Conservation Team, one had already been considered and rejected, one was listed so could not be included, and the Wiggins Memorial Park in Alvechurch would be considered when officers

considered parks and gardens as a separate category within the LHL. The owners of the two supported nominations were consulted with.

The LHL was pre-scrutinised by the Overview and Scrutiny Board, and a further update on the LHL was presented at the Overview and Scrutiny Board meeting on 23<sup>rd</sup> July 2024.

**RECOMMENDED** that

1.1 the Local Heritage List, as set out in Appendix 1 to the report for the following parishes, be adopted:-

- Alvechurch
- Beoley
- Belbroughton and Fairfield
- Dodford with Grafton;

1.2 the wording of the Officer Scheme of Delegations for the Local Heritage List be updated, as set out in Appendix 2 to the report; and

1.3 the amended Local Heritage List Strategy as set out at Appendix 3 to the report, be approved.

41/24

**HOMELESSNESS PREVENTION GRANT AND DOMESTIC ABUSE GRANT**

The Housing Development & Enabling Manager presented a report on the Homelessness Prevention Grant and Domestic Abuse Grant Allocation for 2025/26, and in doing so informed Members that, the report sought Members approval to award the MHCLG Homelessness Prevention Grant and Domestic Abuse New Burdens Grant and the Council's own Homelessness Grant to specific schemes as recommended.

Additionally, it further sought to delegate authority to the Assistant Director Community and Housing Services, in consultation with the Portfolio Holder for Strategic Housing, to allocate any underspend of the grant during 225/26 on schemes to prevent homelessness and to assist those who became homeless.

Members' attention was also drawn to the financial implications, as detailed in the report, in that in addition to the annual Homelessness Grant £112,000, the Council was expecting to be awarded by the Ministry of Housing and Local Government (MHCLG), Homelessness Prevention Grant £260,432 and £35,298 Domestic Abuse New Burdens funding. The report sets out how the Council intended to utilise this funding to create a package of support and services to prevent homelessness and support those who became homeless.

Paragraph 3.5 in the report highlighted how the monies would be allocated, however, Members were informed that CCP service had been

funded across Bromsgrove and Redditch since 2017/18 and had provided a good service. However, this service was no longer providing value for money. Therefore, as detailed in paragraph 3.8 in the report, MAGGS service would now be providing this service, as they were more cost effective.

The Homelessness Prevention Grant and Domestic Abuse Grant supported the Council's strategic priority of Housing.

Furthermore, the Homelessness Grant and Homelessness Prevention Grant would benefit customers by offering household's more options to prevent their homelessness, support them to remain in their own homes or help the Council to manage and support households in Temporary Accommodation.

Members' attention was drawn to risk management and that if the recommended schemes were not approved there was a risk that more households who were threatened with homelessness, or who were in housing need, would have limited alternative options. There was also the risk that they might have to make a homeless approach, and this could consequently lead to the following negative outcomes:-

- Increased B&B costs with 80% having to be picked up by the local authority.
- Increased rough sleeping in the District.
- Impacts on physical and mental health, educational achievement, ability to work and similar through increased homelessness.

Councillor S. A. Webb took the opportunity to express her sincere thanks to the Housing Development & Enabling Manager and team for all their hard work, in dividing the funds to worthy agencies and support workers, and the funds for St. Basil's, which was a vital service for Bromsgrove.

The Housing Development & Enabling Manager responded to a number of questions from Members with regards to the following:-

- The location of St. Basils and St. Basils Crash pad.
- The revenue funding for an additional 4 static temporary accommodation units, which were used to help eliminate the use of unsuitable bed and breakfast accommodation for families.
- Spend to Save Top Up.

**RESOLVED** that

1.1 the following initiatives be approved to receive an allocation of funding 2025/26;

<b>Homelessness Grant Allocation</b>	<b>2025/26 £ (up to £396,328)</b>
BDHT Housing Agency Agreement Top Up	52,475
St Basils Young Persons Pathway Worker – support to prevent homelessness for under 25's and Crash Pad to provide a unit of emergency accommodation for young people.	40,316
Worcestershire Strategic Housing Partnership Co-ordinator – contribution towards county-wide development and delivery of housing initiatives in partnership with other agencies	7,500
CCP Single Person and Childless Couples Homelessness Prevention Service	18,347
NewStarts - Provide Furniture and Volunteering Opportunities for Ex-Offenders – supports tenancy sustainment and provides future employment opportunities/reduces risk of reoffending	10,000
GreenSquare Accord Housing Related Support – helping ex-offenders remain housed/seek employment	26,227
St Basils Foyer – provides stable accommodation/support for young people - 14 units – fully occupied during last financial year	48,616
St Basils Crash pad – provides emergency temporary accommodation for 16 and 17 year olds	16,596
Maggs Rough Sleeper outreach and prevention service targeting rough sleepers and those at risk of rough sleeping.	34,302
North Worcestershire Basement Project - Support for young people at risk of homelessness	24,541
Step Up – Private Tenancy Scheme	23,000
BDHT - Sunrise Project intensive support	45,300
Revenue Funding for an Additional 4 Static Temporary Accommodation units	30,688
Mental Health Link Worker (part funded)	6,800

CAB – Affordability Assessments	5,490
Spend to Save Top Up	6,130
<b>Total committed expenditure</b>	<b>£396.328</b>
<b>Underspend</b>	<b>£0</b>

<b>Domestic Abuse Grant Allocation</b>	<b>2025/26 Up to £35,298</b>
County Domestic Abuse Co-ordinator	4,813
County Domestic Abuse Research and Intelligence Officer	4,426
Top up to DA Housing Options Officer	5,600
NewStarts Furniture Project	5,000
Basement Project	15,459
<b>Total committed expenditure</b>	<b>£35,298</b>
<b>Underspend</b>	<b>£ 0</b>

and

- 1.2 delegated authority be granted to the Assistant Director Community and Housing Services following consultation with the Portfolio Holder for Strategic Housing, to use any unallocated Grant during the year or make further adjustments as necessary, to ensure full utilisation of the Grants for 2025/26 in support of existing or new schemes.

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### **LOW COST HOUSING CAPITAL RECEIPTS**

The Housing Development & Enabling Manager presented a report on Bromsgrove Low Cost Housing Scheme capital receipts and increasing the supply of accommodation, and in doing so referred to the Recommendations, as detailed on page 27 of the main agenda report.

Members were informed that a report was taken to Cabinet at the meeting held on 1<sup>st</sup> February 2017, whereby Members resolved that:

“As and when these properties are offered for sale, so far as possible the Council’s share should also be sold and;

That any Capital receipt be ring-fenced to provide funding to assist the Council in meeting its Strategic Purpose “Help me find somewhere to live in my locality”

The capital receipts received from this decision amounted to £547,912.26, and to date none of this capital money had been spent. This report was asking Members to approve a plan to increase the supply of affordable housing to support its homelessness function through the use of these capital receipts in partnership with Bromsgrove District Housing Trust (BDHT).

The Council had seen a significant reduction in the number of affordable housing units becoming available since Covid. Some of this was due to households not being able to afford to move. It was also due to a shortage of new build developments in the District.

The cost of B&B had increased significantly over this period. This was not unique to Bromsgrove. According to analysis of the Local Government Association's (LGA) revenue account data, the total amount spent by councils on temporary accommodation had soared by more than £733m since 2015/16. According to the LGA, temporary accommodation bills presented a growing risk to councils. Other authorities were under the same pressure.

Some Members referred to paragraph 2.2 in the report, which detailed that Bromsgrove District Council had launched a low cost housing scheme approximately 27 years ago. Through this scheme the Council currently held a 30% share in each of the 111 remaining low cost housing properties.

Members questioned if this would make it more difficult to purchase under the shared ownership scheme.

The Housing Development & Enabling Manager stated that yes it would.

Councillor S. A. Webb took the opportunity to thank the Housing Development & Enabling Manager and the team.

**RESOLVED** that the Supply and Demand of Temporary Accommodation report, be noted; and

**RECOMMENDED** that

- 1) the low cost housing receipts be used to purchase existing properties, flip shared ownership into social or affordable rented accommodation or invest in new build developments with BDHT to increase the supply of affordable housing and temporary accommodation to meet the growing demand; and
- 2) delegated authority be granted to the Assistant Director Community and Housing Services following consultation with the Portfolio Holder for Strategic Housing, to approve individual proposals for new developments or the purchase of existing satisfactory dwellings and flipping Shared Ownership to

affordable or social rented properties and the spend relating to these, as and when they were brought forward.

43/24

## **CARBON REDUCTION STRATEGY AND IMPLEMENTATION PLAN**

The Climate Change Manager presented the Carbon Reduction Strategy Annual Review.

The UK Government had committed to Net Zero by 2050.

Members were informed that the Strategy and Action Plan supported the Council's priorities of Environment, Housing and Infrastructure, and carbon reduction measures were contained with the Council Plan. In addition, it supported the delivery of achieving carbon reduction across council services.

This Strategy was specifically to achieve carbon reduction and net zero for our internal activities across all service areas. Furthermore, the Strategy also identified our influencing role in supporting the reduction of carbon emissions from other organisations e.g., our contractors.

The Section on Measuring and Setting Emissions Targets in the Strategy outlined the targets to be achieved to ensure net zero by 2040. The Strategy was key to addressing Climate Change. The Strategy and action plan sought to deliver a 50% reduction by 2030 and 100% by 2040. As part of our current work to establish a figure for the council's activities we arrived at an estimated figure of 1,746 tonnes of carbon emissions per year for 2021.

As highlighted in the report the Council's fleet would be fuelled by HVO until alternative vehicles were sourced.

As detailed in the Strategy, currently the carbon emission figure for the district of Bromsgrove was 669,200 tonnes per year (2019). The latest carbon emission for BDC was 818 tonnes (2019). In order to reach an interim target of 50% by 2030 we needed to reduce our emissions by approximately 41 tonnes of carbon dioxide per year. To achieve net zero in the remaining 10 years to 2040 we would need a target of approximately 51 tonnes of savings per year.

Carbon savings had been made at Parkside and the Leisure Centre. Staff mileage claims were being looked at. Claims were reducing but this did not take into account officers driving from Parkside to the Depot.

Other initiatives including in the Strategy were:-

- Support BDHT to apply for funding to improve efficiency of housing stock.
- Reduce staff travel and make further use of video conferencing.



- Assess the viability of Council car parks and other sites for EV charges and Solar Canopies. Continue to work with Worcestershire County Council on a standardised approach to EV charger facilities.

The Strategy and Action Plan would be reviewed annually and refreshed every three years.

Members raised a number of questions with regards to video conferencing and meetings that brought people together face to face.

The Chief Executive informed Members that there was currently a Government consultation on Local Authority Remote Meetings – Call for Evidence, which related to formal council meeting. Senior officers would respond to the consultation, once their responses had been shared with Group Leaders.

Should Members require face to face meetings, officers would try and accommodate this. Officers did join meetings remotely, but meetings were not routinely hybrid meetings. Senior officers did promote face to face meetings for team engagement.

**RECOMMENDED** that the Council endorses the findings of the Annual Review of the Carbon Reduction Strategy, as detailed at Appendix 2 to the report.

44/24

### **DISTRICT HEAT NETWORK REVISIONS**

The Deputy Leader announced that prior to the commencement of the meeting, it was agreed that the running order of the agenda would, if necessary, be changed in order to accommodate the officers from Worcestershire Regulatory Services who had a prior commitment until 14:45pm.

The Climate Change Manager therefore continued and presented the District Heat Network Revisions.

Members were informed that Bromsgrove District Council was developing a zero-carbon heat network project to supply clean heat to homes, businesses, and public buildings in Bromsgrove Town Centre, with potential for future expansion to Bromsgrove Town. A feasibility study conducted in 2019 identified a low-carbon district heating network based on an open loop aquifer ground source heat pump as the preferred technology. However, the project's original approach, which included a natural gas-fired combined heat and powerplant, was no longer aligned with current government decarbonisation targets.

The Council had already secured £247,500 in funding for the project in 2020. This included £227,500 from the Department of Business, Energy & Industrial Strategy (BEIS) Heat Network Delivery Unit (HNDU) and contributions from Bromsgrove School £10,000 and Worcestershire

Health and Care NHS Trust £10,000. In addition, the Council had matched the funding with a contribution of £112,500.

The government's approach to heat network development had evolved since the feasibility study, with a focus on:

- **Phased out of Combined Heat and Power.**
- **Heat Network Zoning.**
- **Green Heat Network Fund (GNHF).**

Recognising the importance of maximizing the initial impact of the project, the Council proposed to explore alternative locations for Phase 1 of the heat network within the Bromsgrove Town Centre area.

Bromsgrove District Council recognised that it did not currently have the internal expertise and knowledge to fully deliver a district heat network project. Therefore, the Council was actively seeking a strong and experienced partner organisation to collaborate with.

The key criteria for partner selection included:

- **Proven track record.**
- **Financial strength and stability.**
- **Commitment to sustainability.**
- **Community engagement.**

Members thanked the officer for a very interesting report, which was in theory fantastic. However Members questioned the practicality for new developments, and it being expensive to retro fit. The Government was looking to phase out combined heating power, which then left air / water heat pumps or small plant that burnt waste.

Members further commented that moving forward the Council needed to know where houses were going to be built in order to agree what would be put in place.

In response the Deputy Chief Executive stated that it was about putting an infrastructure in place prior to a major development.

The Chief Executive reassured Members that mitigation strategies were included in the report.

A brief debate followed on the English Devolution White Paper.

The Assistant Director Assistant for Planning, Leisure and Culture Services briefly stated that in terms of the Local Plan review, it was in our gift to concur what the Council wanted, and that developers could be asked to look at new developments.

**RESOLVED** that

- 1) the revised approach to deliver the Bromsgrove District Heat Network, be approved; and
- 2) the exploration of alternative locations for phase one of the Bromsgrove District Heat Network, be approved.

45/24

### **BROMSGROVE DRAFT AIR QUALITY ACTION PLAN**

The Assistant Director Community and Housing Services briefly presented the report, and in doing so referred to paragraph 2.3 in the report.

“Section 83A of the Environment Act 1995 requires Local Authorities (in response to declaring an AQMA) to prepare a written Air Quality Action Plan (AQAP). This must set out how the local authority and other stakeholders will take the necessary measures to secure the achievement, and maintenance, of air quality standards and objectives in the area to which the plan relates and must in relation to each measure specify a date by which it will be carried out and how it will be reviewed.”

The report further highlighted that in September 2023 officers contacted DEFRA raising concerns regarding the process and requested an alternative timetable for submission of AQAPs for four Worcestershire districts including Bromsgrove District Council. A revised timetable for submission of an AQMA was agreed and submission of a final AQAP was due to be submitted by April 2025.

The Assistant Director Community and Housing Services then took the opportunity to introduce the officers from Worcestershire Regulatory Services (WRS), the Technical Services Manager and the Specialist Lead Officer (Air Quality).

The Technical Services Manager informed Members that a piece of work was carried out with colleagues from Public Health and BDC to look at nitrogen dioxide (NO<sub>2</sub>) levels and the legal requirements.

The highest concentration of NO<sub>2</sub> was 36.6µ/m<sup>3</sup> (microgrammes per meter cubed) recorded across the monitoring network in 2023 within the Worcester Road AQMA. As this was within the 10% of the national Air Quality objective for annual NO<sub>2</sub> the Council were required to put in place an Air Quality Action Plan.

The last exceedance of NO<sub>2</sub> or measured concentrations within 10% of the annual objective within the Redditch Road and Lickey End AQMAs were recorded in 2016. Due to the number of years, they had not exceeded the annual objective, Bromsgrove District Council were now required to undertake the work to revoke both of these AQMAs.

Therefore, following discussions with the Defra LAQM team in May 2024 it was confirmed that an AQAP was required for the Worcester Road, Bromsgrove AQMA only.

In response to questions from Members with regards to levels declining due to cleaner running engines, the WRS officers commented that there was a national trend with figures declining. This could possibly be due to cleaner running engines from vehicle manufacturers. However, modern vehicles would decline their efficiencies over time.

Recent data from Worcestershire County Council. Highways indicated that travel had gone up but NO<sub>2</sub> levels were down.

**RECOMMENDED** that

- 1.1 the Draft Air Quality Action Plan 2025-2030 be approved;
- 1.2 a Consultation on the Plan be undertaken for 2 months from Mid-December to February 2025: and
- 1.3 authority be delegated to the Assistant Director Community and Housing, following consultation with the Portfolio Holder for Planning, Licencing Worcestershire Regulatory Services, to approve the final Plan following the consultation, and for submission to DEFRA by April 2025.

46/24

### **BROMSGROVE PLAY AUDIT AND INVESTMENT STRATEGY**

The Assistant Director Planning and Leisure Services presented the Bromsgrove Play Audit and Investment Strategy, and in doing so informed Members that the Bromsgrove Play Audit and Investment Strategy was presented at the Overview and Scrutiny Board meeting on 9<sup>th</sup> December 2024.

Appendix 1 to the report detailed all of the play areas locations and their condition.

Appendix 2 to the report detailed the order of investment needed for play areas that would be within 10/15 minutes walking time for nearby residents.

The report detailed that currently there were 85 play areas across the district. A total of 40 of these were owned and managed by Bromsgrove District Council, the other 45 were owned / managed by other organisations including parish councils, community associations, and private management companies.

Bromsgrove Play Investment Strategy was focused on the 40 play spaces that Bromsgrove District Council were responsible for.

At the invitation of the Leader, Councillor P. M. McDonald, Chairman of the Overview and Scrutiny Board stated that the Board had raised a few minor questions, with regards to some minor detail anomalies in the cfp document.

Councillor McDonald drew Members attention to the Boards suggested amendment to Recommendation 2 in the report, as follows:-

2. That the approach to capital investment as presented in The Bromsgrove Play Audit and Investment Strategy (Appendix 2) is accepted and that officers are requested to prepare bids for capital funding, as applicable, to be considered in due course and in the context of other funding bids in consultation with Ward Members.

The Leader thanked Councillor McDonald.

The Leader further referred to the English Devolution White Paper and sought reassurance from the Deputy Chief Executive (and s151 officer) in securing funding for Bromsgrove ensuring that the Council had enough reserves. We needed to ensure sustainable provision.

The Deputy Chief Executive (and s151 officer) that the capital programme funding and capital spend, along with earmarked reserves would be looked at.

The Deputy Leader commented that funding could not be secured for broken play equipment only for the replacement of play equipment. Should this be referred to in the Risk Management, as this could impact on the delivery of the Strategy.

In response the Assistant Director Planning and Leisure Services agreed this was correct and that Parish Council mapping needed to be carried out and included in the next MTFP. The Deputy Chief Executive further agreed that this would be included in Tranche 2 of the MTFP.

Further discussions followed on the play areas that were managed by management companies and their maintenance.

**RESOLVED** that

- 1) the approach to improve the accessibility of equipped children's play as presented in the Bromsgrove Play Assessment, as detailed at Appendix1 to the report, be adopted; and

the amended Recommendation, from the Overview and Scrutiny Board, as referred to in the preamble above, as follows:-

- 2) the approach to capital investment as presented in, The Bromsgrove Play Audit and Investment Strategy, as detailed

at Appendix 2 to the report, be accepted and that officers be requested to prepare bids for capital funding, as applicable, to be considered in due course and in the context of other funding bids in consultation with Ward Members.

47/24

**MEDIUM TERM FINANCIAL PLAN - TRANCHE 1 BUDGET INCLUDING FEES AND CHARGES (PRIOR TO CONSULTATION)**

The Deputy Chief Executive presented the Medium Term Financial Plan (MTFP) – Tranche 1 Budget including Fees and Charges.

**MTFP 2025/6 Tranche 1**

The Council sets a 3-year Medium Term Financial Plan every year, with the final Council Tax Resolution being approved by Council in February. This year's process takes account of the following factors:

- The starting point from the 2024/5 MTFP being neutral starting balances.
- This was the first budget of a new National Government and would be for only 1 year in duration. Future budgets would be multi year.
- The present cost of living crisis which continued to impact our most vulnerable residents.
- Three years accounts (2020/21 to 2022/23) where the Council had/would receive a disclaimer opinion (like many other Councils).
- The continued uncertainty of the existing movement of the Government to funding projects as per the Chancellors Statement on the 30<sup>th</sup> October and not knowing yet those allocations.
- Uncertainty over what would be required by the new Government, and other stakeholders.
- Loss of key personnel, present vacancies rates, and staff retention
- Business Rates and Council Tax Income – and associated collection rates and reliefs linked to the “cost of living” crisis and C-19 grants working their way through our system.
- Inflation now moving back to the Government target of 2%.

As such, it was prudent to split the budget process into two tranches,

- Having an initial Tranche which sought to close as much of the deficit as possible using information known as at the end of October, after the Chancellors Statement but before the Local Government Settlement) and seeking approval for those savings to be implemented at Council in January,
- Having a second Tranche after the Christmas break, for which approval would be sought in February, that takes account of the Local Government Settlement whose final detail would not be known until early January.

**The emerging national picture was in many ways quite similar to last year**

- The War in Ukraine had still not been resolved impacting inflation rates that impacted everyone.
- Councils having declared “Climate Emergencies” and having challenging carbon reduction targets to deliver by 2030, 2040 and 2050. These needed to move into implementation.
- We had the Office for Local Government in 2023 looking at Council data to assess performance and trying to predict if Councils were getting into difficulty.
- The data provided was important as the Government now worked on an allocation’s method using data to inform its decisions.
  
- In the Local Government area
  - There were a number of Local Authorities who had now issued S114 Statements.
  - Bromsgrove would have 3 years of accounts that would have a Disclaimer Opinion issued by the External Auditor.
  - That in the Local Government sector, there were still circa 700 Audits up to 2022/23 that were still not Audited at this time across Councils in England.

The Chancellors Autumn Statement made on the 30<sup>th</sup> October had the following impacts on Council budgets:

- A 3.2% real-terms increase in Core Spending Power (CSP) for the whole sector in 2025-26. This would include £1.3b additional grant funding, of which at least £600m would be directed to social care.
- The Budget was silent on council tax referendum limits, but the DCN expectation was that referendum principles would stay at 2.99% for districts.
- £233m new funding for homelessness prevention. This would be in addition to the £1.3b grant funding mentioned above.
- £1b to extend the Household Support Fund and Discretionary Housing Payments into 2025-26.
- £1.1b new funding through implementation of the Extended Producer Responsibility scheme for recycling.
- Right to Buy: councils would be permanently allowed to retain 100% of receipts locally and discount levels would revert to pre-2012 levels from 21st November.
- Business Rates support to the retail, hospitality and Leisure sector, although it was not known the route of compensation yet for Councils.
- A £500m increase to the Affordable Homes Programme in 2025-26.
- UK Shared Prosperity Fund had been extended for 2025-26 at a reduced level of £900m, a 40% decrease on the current year. It was not yet clear whether this funding would continue.
- to be allocated directly to district councils in two-tier areas.

It was good news that the sector would get a real-terms funding increase, but it was not yet clear how this increase would be distributed.

The Government signalled it would reform the local government funding system after 2025-26. It had also signalled its intention to embark on local government reorganisation to deliver “efficiency savings”. It would set out more detail in the English Devolution White Paper, likely to be published in late 2024.

It was expected to publish a finance policy statement in mid/late November to set out the key decisions and principles for the provisional Local Government Finance Settlement.

On the cost side, as an employer there were the following additional costs:-

- Employer national insurance (NI) contributions would increase by 1.2% to 15% from April 2025 but the public sector would be covered. Our rates if not funded would have been £144k.
- The National Living Wage would increase by 6.7% to £12.21. Minimum wage for 18- to 20-year-olds would increase by 16% to £10 per hour. Officers were assessing the impact of this.

The report takes account of the Council’s new Strategic Plan which was set out in Sections 3.15 thought to 3.19. The Council’s strategic approach continued to be to set a balanced budget over the next three year period having over the past 2 years moved to a fair level of financial sustainability.

In building the 2025/6 budget, our base assumptions were set out in paragraphs 3.25 to 3.30.

Tax Base and Corporate Financing underlying assumptions were as follows:

- Council Tax – Figures assumed the full 1.99% allowable increase over all years of the 3 year MTFP, with growth of 200 and 150 over these years.
- Business Rates increases assumed growth based on Pooling with the other Districts and the County Council.
- There would be no New Homes Bonus .
- Central Government Grants were at similar levels to previous years.

Other Corporate Pressures:-

- At Q2 the overall revenue financial position was a £344k overspend position. This position was set out in detail in an additional report to the Cabinet today.
- The Pay Award was increased from 2% to 3% for 25/6. This would be an additional £154k cost. In her Statement on the 30th July, the Chancellor did say that Government would accept acceptance of the recommendations of the independent Pay Review Bodies for public sector workers’ pay. It was not clear if this was included in the 3.2% Spending uplift.



- Pension Fund Actuarial Triennial Revaluation. Although the fund continued to perform well we were concerned on the reducing numbers of live members in the scheme and so had included an amount from 2026/7 of £200k as a potential risk.
- Fees and Charges had assumed an increase of 2%. However, given 50% of fees and charges costs were linked to staff costs and these possibly would increase at 5% for the 2024/5 financial year. Therefore, to keep pace on this increase of costs it was proposed that 3%, 4% and 5% increases were looked at. These amounted to additional income of the following for each scenario:
  - 3% Increase - £100k
  - 4% Increase - £200k
  - 5% Increase - £300k
- Until more information was understood in the detailed Local Government Settlement in December, it was assumed that Grant levels would remain at present levels.
- The largest change however would link to upcoming Waste Requirements. The Council was required to implement these proposals from April 2026, which the Council challenged present Government Funding allocations. The impact on Council budgets was significant in terms of both Revenue and Capital:
  - There was the requirement for additional Capital Investment, over and above any Grant, of £540k. It assumed that this was required to be spent in 2025/6 and costs apportioned accordingly.
  - At the present time, additional revenue costs were estimated to be circa £950k a year.
- Bromsgrove School loses its Business Rates reliefs as part of the Budget. Presently, circa £600k of business rates were charged against the school to which it received 80% relief. This relief of circa £500k would become part of the collection fund calculation, with planning purposes circa 50% coming to the Council and 50% going back to the Government.
- Additional Artrix Costs were limited at the Empty Business rates which amounted to £31k.
- Additional inflation of 5% on contract was included at 5% which was £90k.
- A review had been undertaken of Corporate Budgets (Council Tax/Business Rate, Investment Income and Debt) against expected numbers and due to a number of factors there was a positive position.
- The Council had 4% in to cover staff inflation in 2024/5. This pay award was now circa 5% and a 1% adjustment had also been made in the corporate budgets. To be adjusted for actual in Tranche 2.
- As set out in section 3.9 the Chancellors Statement on the 30th September set out significant additional grant funding. The allocation

of these grants would not be known until December and the Provisional Local Government Finance settlement.

- Adjustments, following the establishment review would need to be made across both Councils to account for the £1m in-balance between pay budgets and recharges across both Councils.
- Analysis would be undertaken on Benchmarking data as well – as this would inform areas where further savings, if required, would be initially looked at.

Corporate pressures were summarised in the table at 3.30 and amounted to a surplus of £329k in 2025/6 changing to an ongoing deficit of £858k in 2026/7 and £644k from 2027/8.

Departmental pressures were requested to be returned by the 24<sup>th</sup> October. These were attached in Appendix A and covered both revenue and capital pressures. These departmental changes resulted in an overall £1.387m revenue pressure in the 2025/6 financial year and then £938k by 2027/8. This was summarised in the table at 3.31. This table was reviewed during the meeting.

This resulted in an ongoing pressure of circa £1m rising to £1.5m. It should be noted that if the Council received the full 3.2% Core Spending Power increase set out in the 2024 Chancellors budget, then this would result in circa £490k of additional funding, reducing the gap to circa £500k in 2025/26 and £1m by 2027/8. It should be noted that there would also be political pressures as well.

Another key factor in balancing the budget would be the allocation methods for Grants set out in para 3.9 as they impacted a number of the “pressure areas. This would not be known until the Provisional Local Government Finance Settlement.

To meet strategic priorities, the Council required more funding. For Tranche 2 it needed to review a number of areas including:

- Ensuring Grants were maximised.
- Ensuring Agency work reflected the income provided for its delivery.
- Reviewing the effectiveness of the Council’s largest Contracts.
- Reviewing the location and effectiveness of our Depot
- Assessing the Council’s leisure and cultural strategy in terms of affordability
- Reviewing recharging mechanisms between the Councils for appropriateness.
- Rationalisation of Back Office services as we embrace technology.

The Transformation Team had looked at Income and fees/charges levels for:

- Its deliverability in 2023/4 and 24/5

- Views on if additional % increases would be deliverable

The outcome of that high level analysis was that:

- A blanket % increase on all controllable fees and charges and budgets would not be advisable, as this would just increase the rolling year variances in specific areas. Those budgets needed adjusting to the correct base (both up and down).
- Car parking, given the changes in 2024/5 should not be increased and allowed to stabilize at the new rates and take account of the full VAT implications.
- Knowledge of the full extent of what was or was not Vatable in income lines also needs to be clarified – so the right budgets were set.
- Garden and trade waste and cesspools were all areas where above inflation increases could be variable with previous years and current forecasting showing promise.

Detailed Fees and Charges, at a 4% increase were set out in Appendix B.

The existing 24/25 MTFP saw general fund balances increase by £27k over the three year period as the original plan moved the Council towards sustainability. Now that the 2020/21 and 2021/22 accounts had been closed and we had far clearer positions on the 2022/23 and 2023/4 outturn positions a stronger reserves position was reflected in Appendix C.

Appendix D sets out the present capital programme as agreed at Council in February. Spend to date at Q2 is £1.993m. The table at 3.44 highlights the present Capital programme position to 2029/30 rolling forward the “Rolling Budgets” for an additional year. To date only two new capital items had been added.

Initial Risk Assessments and Robust Statement implications were set out in paragraphs 3.46 to 3.52. It should be noted that the MTFP highlights that the current financial position was potentially untenable without some form of intervention or further substantial savings, and that this would become clearer with the Provisional Local Government Settlement in December.

Tranche One was the first Phase of the 2025/26 budget process. There would be consultation via the quarterly “Customer Survey” to see if more stakeholders could be reached. This would happen over November and December.

At the invitation of the Leader, Councillor P.M. McDonald commented that the Finance and Budget Working Group had raised some questions with regards to the Parking Report and Parking Machine Replacements.

The Executive Director - Environment and Communities agreed to check on the progress of this.

Members referred to the upcoming waste requirements and the impact on the Councils budgets in meeting these proposals. Officers provided brief information on local authorities that had moved to three weekly collections, a reduction in grey bin collections and paper and card specific collections. Officers also referred briefly to the green bag scheme in Norway.

The Leader commented that a number of local authorities had been running such services for a number of years and had therefore made service savings.

**RESOLVED** that Cabinet notes

1. the inputs into the Council's Medium Term Financial Plan as at the start of October, and the associated risks and opportunities;
2. these inputs had been used, along with the 2024/25-26/27 Medium Term Financial Plan (MTFP) agreed by Council in February 2024, to project an initial "gap" to be closed;
3. an initial Tranche of savings proposals, as set out in Section 3.25 and the associated Savings Proposal Document in Appendix A, published on the 2<sup>nd</sup> December and any feedback would be considered by Cabinet in January 2025 prior to seeking approval at Council in January 2025; and
4. Tranche 2 of this process would add further information such as the Provisional Local Government Settlement to give a final financial position for the Council.

48/24

## **QUARTER 2 REVENUE AND PERFORMANCE MONITORING 2024/2025**

The Deputy Chief Executive presented the Quarter 2 Finance and Performance Monitoring report.

Members were informed that the purpose of this report was to set out the Council's draft Revenue and Capital Outturn position for the second quarter of the financial year July 2024 – September 2024 and associated performance data. This report presented:-

- The Council's forecast outturn revenue monitoring position for 2024/25 based on data to the end of Quarter 2.
- The position in respect of balance sheet monitoring as requested by the Audit, Governance and Standards Committee.
- The spending as of Q2 of Ward Budget Funds.
- The updated procurement pipeline of Council projects to be delivered over the next 12 months in order to properly plan for the delivery of these projects.
- The organisations performance against the strategic priorities outlined in the Council Plan Addendum, including operational

measures to demonstrate how the council was delivering its services to customers.

### **Financial Performance**

The draft position was a £343k overspend position, up from the £103k position set out in the Q1 report. As this was expenditure at Q2 it was important to note that, at this stage in the financial year there were a number of instances where annual expenditure or accruals may distort the profiling as reflected in the Q2 actual. The above profiles had assumed support services and grant were adjusted to budgetary levels and accruals were netted out of the figures.

Detail of the overspends were set out in paragraph 3.5. The overspends (£1.364m) were offset by additional income (£1.02m) in Corporate Financing from additional grant income together with increased investment interest receivable and lower interest payable. It should be noted that in the Planning, Regeneration and Leisure area there were £385k of additional UKSPF costs. These needed to be assessed at this should be grant funded. This would bring the overspend position back to parity.

As set out in the MTFP report, additional funding had been added for the level of the Pay Award made recently, which was above the 4% allowed for in the 2024/5 budget.

### **Cash Management**

Borrowing - As of the 30th September 2024, there was no short-term borrowings. The Council had no long-term borrowings.

Investments - On 30<sup>th</sup> September 2024 there were £4.5m short-term investments held.

### **Capital Monitoring**

A capital programme of £7.1m was approved in the Budget for 2024/25 in April 2024. The table in 3.9 and the detail in Appendix A set out the Capital Programme schemes that were approved for the MTFP time horizon.

The outturn spend was £1.994m against a capital budget totalling £7.069m and was detailed in Appendix A. It should be noted that as per the budget decision carry forwards of £7.166m would be rolled forward from 2023/24 into 2024/25 to take account of slippage from 2023/24.

Included in this funding the Council also had the following Grant Funded Schemes which were being delivered in 2024/25:

- The two Levelling Up schemes – Old Fire Station and Market which were funded via £14.5m of Government Funding, and the Council was funding £1.6m of works.
  - With the Market Hall, the Council had agreed the final works contract with Kier in October. A report went to Cabinet in September to approve the overall budget for the works. The Council did have a 6-month extension until the 30<sup>th</sup> September 2025 to “spend” government funding on this project. After this point it would become the Council’s responsibility for the payment.
  - The Windsor Street demolition tender had been awarded to City Demolition and they were now on site starting the demolition process.
  - Public Realm work was under way and expected to be completed before the end of the calendar year.
  - The report in September set out that there would be an overspend position on the overall projects of circa £1.1m although there was scope to bring this down by £300-£500k. To mitigate this position the Council could either fund through debt financing or use other potential funding routes. One of these was the former GBSLEP. The Council could claim up to £2.45m although this would require the final costs as a complete application process needed to be followed.

UK Shared Prosperity Schemes totalling £2.8m (although it should be noted that these grants funded schemes were a mix of capital and revenue) needed to be completely spend by the end of the 2024/5 financial year.

### **Earmarked Reserves**

The updated position, taking account of the now submitted draft accounts for 2020/21 and 2021/22 as well as the reported outturn positions for 2022/23 and 2023/4 were set out in Appendix B. As part of the MTFP all reserves were thoroughly reviewed for their requirement and additional reserves set up for inflationary pressures such as utility increases. At the 30th June 2024, the Council held £10.867m of Earmarked Reserves.

Cabinet were asked to consider allocating £40,000 from the earmarked reserves to support community hubs (following the recent allocation to support Cost of Living initiatives there was £50,000 remaining in this reserve. The cost would be around £120,000 – and it was proposed that this was funded a third by the Council , a third from other partners and a third via VCS funding bids. A PTC was operating in Malvern District Council, with a £50k contribution from the Council.

### **Ward Budgets**

This report was the first quarterly report to show what had been spent to date on Ward budgets. Each Ward Member had £2,000 to spend on Ward Initiatives subject to the rules of the Scheme which were approved by Council in February. To date, there had been 13 approved applications totalling £5,579. This year's funding allocations must be spent by the 31<sup>st</sup> March. The full detail was set out in Appendix C.

### **Balance Sheet Monitoring Position**

This initial balance sheet reporting was set out as the Q2 Treasury Report which was attached as Appendix D. This report sets out the Council's debt and borrowing position for Q2 2024/5. Included in this was how the Council was using its working capital as well as measurement of the Council's Prudential Indicators. It should be noted that one indicator was not compliant. This was a short term loan between Redditch and Bromsgrove undertaken at year end which was repaid at the start of Quarter 2 2024/5. As reporting on the half yearly treasury position was a Statutory Requirement, this appendix would need to be noted and approved that Council note the position.

### **Procurement Pipeline**

The Procurement pipeline was shown in Appendix E. The Council's Procurement Pipeline included details of contracts expected to be reprocured and new procurement projects expected to be undertaken in the future. Those happening in the next 12 months would need to be within the next 12 Months and over £200k would need to be put on the forward Plan. The pipeline would be refreshed quarterly.

- There were 16 contracts between the old threshold of £50k and the new threshold of £200k.
- There were 7 contracts that were over the key decision threshold of £200k.
- There were no new contracts procured by Redditch Bromsgrove on behalf of Bromsgrove.

### **Performance**

The first section of this report showed the organisations performance against the strategic priorities outlined in the Council Plan Addendum. Additional comments and updates had been provided for the success measures to explain progress/activity. The final section of the report included some operational measures to demonstrate how the council was delivering its services to customers. This was Quarter 2 of a new financial year, and as this year moved forward these indicators would link to business plans and the requirements of the new Council Plan which was approved at Cabinet and Council in July.

The process of performance reporting would develop iteratively; however, this document was a snapshot in time and very much a temperature check of the organisation, the layout comprised:-

- Strategic Priorities – success measures
- Operational Measures – by service area
- Financial Data
- Corporate Projects (by exception)

These measures were the same as what was reported in the 2023/4 financial year and were shown in Appendix F.

New performance indicators required by the Council Plan approved in July were set out in Appendix G for reference. These would be incorporated into the Q3 Performance Report along with updated performance measures from departmental business plans.

At the invitation of the Leader, Councillor P. M. McDonald stated that with regards to Community Hubs, that this had been brought to the attention of the Overview and Scrutiny Board. A number of organisations did their best and the Overview and Scrutiny Board Members would be scrutinising projects and their funding, as some funding was being spent on projects in Evesham.

Councillor McDonald further referred to the Poverty Truth Commission in Bromsgrove, as he had never heard of this.

In response the Leader and Chief Executive suggested that it would prove useful if the Bromsgrove and Redditch Partnership Manager be asked to provide an all Member Briefing on the Poverty Truth Commission in Bromsgrove.

Following a query from the Overview and Scrutiny Board with regards to one of the performance measures, as follows:-

“Increased number of sustainable transport projects being progressed or implemented across the district.”

The Deputy Chief Executive agreed to look into this. The Chief Executive commented that this performance measure may have originally come from the Corporate Plan.

In response to Councillor McDonald, in respect of the Planning Appeal costs, the Assistant Director Planning and Leisure Services confirmed that information on Planning Appeal costs was reported to the Planning Committee.

**RESOLVED** that

- 1) the current Revenue overspend position of £344k and actions the Council were taking to mitigate this position be noted;
- 2) the current Capital spending of £1.99m against a budget of £7.07m be noted;



- 3) the Ward Budget allocation position to date was 13 approved allocations at £5,759;
- 4) there was an updated procurements position set out in the appendix, with any new items over £200k to be included on the forward plan; and
- 5) the Q2 Performance data for the Period July to September 2024 be noted.

**RECOMMENDED** that

- 6) Council approve the £40,000 from the Community Hub earmarked reserves to be allocated to contribute to a Poverty Truth Commission in Bromsgrove;
- 7) The Balance Sheet Monitoring Position for Q2 be noted – which was the Treasury Monitoring Report and required to be reported to Council; and
- 8) the £50,000 be transferred to earmarked Reserves from the General Fund for Planning Appeal costs.

49/24

**TO CONSIDER, AND IF CONSIDERED APPROPRIATE, TO PASS THE FOLLOWING RESOLUTION TO EXCLUDE THE PUBLIC FROM THE MEETING DURING THE CONSIDERATION OF ITEMS OF BUSINESS CONTAINING EXEMPT INFORMATION:-**

It was agreed by Members that exclusion of the press and public was not necessary in relation to Minute Numbers 50/24 and 51/24 (To confirm the accuracy of the minutes of the Cabinet held on 21<sup>st</sup> October 2024 and the Overview and Scrutiny Board held on 17<sup>th</sup> October and 19<sup>th</sup> November 2024). The meeting remained in public session for its entire duration.

50/24

**MINUTES OF THE MEETING OF CABINET HELD ON 21ST OCTOBER 2024**

The minutes from the Cabinet meeting held on 21<sup>st</sup> October 2024 were submitted for Members' consideration.

**RESOLVED** that the minutes from the Cabinet meeting held on 21<sup>st</sup> October 2024 be approved as a true and accurate record.

51/24

**MINUTES OF THE MEETINGS OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 17TH OCTOBER AND 19TH NOVEMBER 2024**

The Chairman of the Overview and Scrutiny Board was present for consideration of this item. It was noted that there were no outstanding recommendations from the meetings of the Board held on 17<sup>th</sup> October and 19<sup>th</sup> November 2024.

This included the Recommendation from the Foodbank and Community Shop Provision Task Group – Proposed Amendment to Recommendation, as detailed in the Minutes from the meeting held on

19<sup>th</sup> November 2024, Minute Number 54/23. The suggested Recommendation to Council had now been approved by the Overview and Scrutiny Board.

**RESOLVED** that the minutes from the Overview and Scrutiny Board meeting held on 17<sup>th</sup> October and 19<sup>th</sup> November 2024 be noted.

52/24

## **SHAREHOLDERS COMMITTEE REPORT**

In the brief absence of the Council's Principal Solicitor and with the agreement of the Leader, the Deputy Chief Executive presented the Shareholders Committee Report.

The report detailed the arrangements for the operation of the Shareholders Committee for the Council company, Spadesbourne Homes Limited.

The draft Terms of Reference for the Cabinet Shareholders Committee were detailed at Appendix 1 to the report.

The Table of Reserved Matters for the Shareholders Committee were detailed at Appendix 2 to the report.

Members were now being asked to nominate five Members of the Cabinet to sit on the Shareholders Committee, with one of those Members also being nominated as Chairman of the Committee.

Having joined the meeting, the Council's Principal Solicitor commented that the report was quite self-explanatory.

At a meeting of Cabinet held on 12<sup>th</sup> July 2023, Members had agreed to establish a housing company limited by shares and wholly owned by the Council to manage retained housing stock initially at Burcot Lane in Bromsgrove. This company was named Spadesbourne Homes Limited.

A further report on this subject, detailing proposed arrangements for the governance structure for the company, specifically the introduction of a Shareholders Committee as a sub-committee of the Cabinet, was considered at a meeting of the Cabinet subsequently held on 13<sup>th</sup> September 2023.

As the Shareholders Committee was a sub-committee of Cabinet, only Cabinet Members could be appointed to serve on the Committee.

A brief discussion took place with Members agreeing the nominations and Chairman of the Shareholders Committee, as follows:-

1. Councillor K. J. May – Committee Member and Chairman
2. Councillor S. R. Colella
3. Councillor S. J. Baxter
4. Councillor P. J. Whittaker

5. Councillor B. McEldowney

**RESOLVED** that

- 3) the proposed terms of reference for the Shareholders Committee be noted;
- 4) Members agree five Members of the Cabinet to be appointed to sit on the Shareholders Committee for the remainder of the 2024/25 municipal year. (Members nominated as detailed in the preamble above);
- 5) Members agree one of these five Members of the Cabinet to be the Chairman of the Shareholders Committee. (Chairman nominated as detailed in the preamble above); and
- 6) the matters reserved to the Shareholders Committee for determination under the terms of the Council's agreement with Spadesbourne Homes Limited, be noted.

53/24

**TO CONSIDER ANY URGENT BUSINESS, DETAILS OF WHICH HAVE BEEN NOTIFIED TO THE ASSISTANT DIRECTOR OF LEGAL, DEMOCRATIC AND PROPERTY 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 Urgent Business on this occasion.

The meeting closed at 4.15 p.m.

Chairman

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