

Executive Committee

Tuesday, 2 February 2016

MINUTES

Present:

Councillor Bill Hartnett (Chair), Councillor Greg Chance (Vice-Chair) and Councillors Juliet Brunner, Brandon Clayton, John Fisher, Mark Shurmer, Yvonne Smith, Debbie Taylor and Pat Witherspoon

Also Present:

Councillor Andrew Fry (observing)

Officers:

Kevin Dicks, Sue Hanley, Sheena Jones, Jayne Pickering, Guy Revans and Dave Wheeler

Committee Services Officer:

Debbie Parker-Jones

84. APOLOGIES

There were no apologies for absence.

85. DECLARATIONS OF INTEREST

There were no declarations of interest.

86. LEADER'S ANNOUNCEMENTS

Work Programme

The following reports, which were due to be considered at the meeting or possibly considered at the meeting, had been deferred to a later date:

- Housing Business Case; and
- Winyates Centre Consultation.

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Chair

Medium Term Financial Plan 2016/17 – 2018/19

It was noted that discussions on the Medium Term Financial Plan had taken place at an extraordinary meeting of the Overview and Scrutiny (O&S) Committee meeting the previous evening. Whilst there were no recommendations arising from O&S a copy of the Committee's Summary of Discussions had been emailed to the Executive Committee Members that afternoon, and a hard copy circulated at the meeting.

Owing to a slight formatting problem with the hard copy agendas, Officers had also issued a replacement copy of the 3-year financial summary at page 37 of the agenda as some of the digits in the final column had not printed out.

Roger Hollingworth

The Leader reported the very sad news of the death of Mr Roger Hollingworth, former Leader of Bromsgrove District Council. Members expressed their shock and deep regret at Mr Hollingworth's unexpected passing at the weekend. It was agreed that Councillor Hartnett would send a letter to Mr Hollingworth's family expressing the Council's condolences at the news.

87. MINUTES

RESOLVED that

the minutes of the meeting of the Executive Committee held on 12th January 2016 be agreed as a correct record and signed by the Chair.

88. INDEPENDENT REMUNERATION PANEL REPORT AND RECOMMENDATIONS

Members received a report of the Independent Remuneration Panel which recommended the level of allowances for Councillors for 2016/17. Officers advised that whilst the Council was required to have regard to the Panel's recommendations it was not obliged to agree to them, and could choose to implement them in full or in part, or not to accept them.

Members noted that if accepting the Panel's recommendations in full, the budget for Members' basic and special responsibility allowances for 2016/17 would be approximately £194,500, which would represent an increase of £56,500 on the projected total expenditure for the same allowances in the current year.

Members were supportive of the proposed amendment to the travel allowances section of the Members' Allowances Scheme in relation to the use of taxis in exceptional circumstances and where public transport was not available. However, as in previous years, Members did not support the proposed increases to the Basic Allowance and Special Responsibility Allowances, which were felt to be particularly inappropriate in light of the current financial climate.

RECOMMENDED that

- 1) **the Council has regard to the report and recommendations from the Independent Remuneration Panel for 2016/17;**
- 2) **the Council does not accept the recommendations at appendix 1 to the Panel's report for the following allowances:**

Basic;
Leader;
Deputy Leader;
Portfolio Holders;
Executive Members without Portfolio;
Chair of Overview and Scrutiny Committee;
Members of Overview and Scrutiny Committee;
Chair of Overview and Scrutiny Task Groups;
Chair of Audit, Governance and Standards Committee;
Chair of Planning Committee;
Chair of Licensing Committee;
Political Group Leaders; and
Borough Council representatives on the Local Government Association and General Assembly and West Midlands Employers;
- 3) **the Council accepts the recommendations of the Panel relating to travel, subsistence and dependent carers' allowances;**
- 4) **for 2016/17 the Basic and Special Responsibility Allowances in the Council's Allowances Scheme continue at the level set for 2015/16, as set out in the final column of appendix 1 to the Independent Remuneration Panel's report;**
- 5) **the recommendation relating to the Parish Council be noted; and**

- 6) **the Members' Allowances Scheme for 2016/17 remain unchanged, with the exception of the following inclusion into the travel allowances section:**

“The rate for travel by Taxi Cab shall not exceed:

(i) In cases of urgency or where no public transport is reasonably available, the amount of the actual fare and any reasonable gratuity paid, and

(ii) In any other case, the amount of the fare for travel by appropriate public transport.”

89. MEDIUM TERM FINANCIAL PLAN 2016/17 - 2018/19

The Committee considered a report which set out the proposed budget for 2016/17 and the impact of the provisional local government financial settlement on the Medium Term Financial Plan to 2018/19. Members also noted the Summary of Discussions arising from the extraordinary meeting of the Overview and Scrutiny Committee on 1st February 2016 in relation to the Medium Term Financial Plan. The Chair advised that he had extended an invitation to Councillor Potter, Chair of O&S, to attend Executive Committee, however she was unable to do so owing to a prior appointment and Officers and Members who had attended O&S were also present at the Executive.

Officers gave a detailed presentation on the report and the report appendices, which included:

- the Council's response to the settlement;
- savings and additional income;
- unavoidable pressures;
- new revenue bids; and
- capital bids.

Following announcements made in the government's Autumn Statement in November the Council had been expecting the Revenue Support Grant (RSG) to reduce to zero by the end of the current Parliament in 2019/20, and Officers had been considering plans to address this shortfall in revenue to ensure that a sustainable approach to the delivery of services was in place. Over the last few years the Council had taken every opportunity to deliver savings to meet the reduction in government funding, including the sharing of services with other councils and the transformation of services. Savings of £1.5m per annum had been realised from these initiatives, whilst increasing balances to £1.9m. Officers were continuing to review services and to improve the offer to the Borough's residents whilst delivering savings.

However, under the provisional settlement received in late December funding allocations had changed from 2016/17 and the RSG would disappear for Redditch earlier than anticipated. RSG reductions would be front-loaded and in real terms represented a 121% loss in grant by 2019/20. By 2018/19 the Council would receive only £40k RSG, with payments to the government (negative grant) of £330k having to be made by the Council from 2019/20.

Officers explained the government's new funding methodology and the implications of this, including the Baseline Funding Level, Business Rates Baseline, Settlement Funding Assessment, Council Tax Requirement, Core Funding and Cumulative Reduction. Proposed changes to the New Homes Bonus, which were also subject to consultation, were outlined. Based on current projections this could see a further loss of funding of over £2m by 2020/21. The significant impact of the cuts generally on Redditch in comparison with other authorities nationally was noted. The new methodology for determining authorities' RSG allocations took into account individual authorities' council tax raising ability and the type of services provided, and as such appeared to favour social services authorities.

Officers provided clarification on the report appendices and highlighted an amendment to recommendation 2.1.6 of the report, with the 2016/17 transfer from balances as detailed in the 3-year financial summary at paragraph 3.30 of the report being £579k and not £598k as set out in the recommendation.

The Council's response to the consultation questions at Appendix 1 to the report had been returned in mid-January and a reply from government on this was awaited. Officers advised that the four references to Hewell Road under Savings & Additional Income at Appendix 2 applied to the first entry only, and that the savings from Reserves at Appendix 2 represented reserves which had previously been set aside for intended purposes and not unidentified reserves. Where blank boxes appeared in the Capital Bids table at Appendix 5, Members requested that, to make clear the position, all fields be populated; to show, for example, where bids had previously been approved. Officers stated that details of the final agreed Capital Programme, including any new agreed bids, would be presented to Executive and full Council later in the month.

In relation to future savings, Officers were planning on mapping out the cost of all service demand, with value to the authority and the town's residents being a key factor for consideration. In response to a Member question on underspends, Officers advised that for 2015/16 there was currently an anticipated underspend of £150k, with Officers working on Quarter 3 figures at present. Following the

£2.2m underspend in 2014/15 Officers would, as far as possible, aim to replicate that figure in future years. Comparisons based on the £2.2m would be made for 2015/16 and 2016/17, and Heads of Service were continuing to look at their budgets on a line by line basis for any possible savings. Budgets had to be fluid and any unspent amounts would need to be offered-up by Head of Service.

A Member queried the position in relation to vacant posts and Officers agreed to report back to Executive Members after the meeting on:

- current vacancy numbers;
- the amount of savings made from the vacancies;
- how long the posts had been vacant for; and
- confirmation as to why individual vacancies had not been deleted.

Members expressed their thanks to Officers for their hard work on the budget and for doing everything they could to help the Council move forward in the current financial climate.

RECOMMENDED that

- 1) the savings and additional income for 2016/17 of £619k as detailed in the report be approved;**
- 2) the revenue bids for 2016/17 of £10k as detailed in the report be approved;**
- 3) the capital bids for 2016/17 of £1.220m as detailed in the report be approved;**
- 4) the unavoidable pressures for 2016/17 of £305k as detailed in the report be approved;**
- 5) the increase in Council Tax for 2016/17 of 1.9% be approved; and**
- 6) the transfer from balances for 2016/17 of £579k as detailed in the report be approved.**

90. OVERVIEW AND SCRUTINY COMMITTEE

The Committee received the minutes of the meeting of the Overview and Scrutiny Committee held on 5th January 2016.

It was noted that there were no recommendations to consider.

RESOLVED that

the minutes of the meeting of the Overview and Scrutiny Committee held on 5th January 2016 be received and noted.

91. MINUTES / REFERRALS - OVERVIEW AND SCRUTINY COMMITTEE, EXECUTIVE PANELS ETC.

Subject to the Committee's receipt of the Summary of Discussions of the extraordinary meeting of the Overview and Scrutiny Committee held on 1st February 2016 in relation to the Medium Term Financial Plan (Minute No. 89 refers), there were no additional referrals for the Committee to consider.

92. ADVISORY PANELS - UPDATE REPORT

It was noted that the meeting of the Planning Advisory Panel (PAP) scheduled to take place that evening had been cancelled due to lack of business, and that an update on the Local Plan would be given at the 8th March PAP meeting.

RESOLVED that

the report and additional update be noted.

The Meeting commenced at 7.00 pm
and closed at 8.14 pm

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Chair