

additional papers 1



Overview and Scrutiny Committee

Tue 10 Jan
2017
7.00 pm

Committee Room 2
Town Hall
Redditch



www.redditchbc.gov.uk

**If you have any queries on this Agenda please contact
Jess Bayley and Amanda Scarce
Democratic Services Officers**

**Town Hall, Walter Stranz Square, Redditch, B98 8AH
Tel: (01527) 64252 Ext: 3268 / 881443
e.mail: jess.bayley@bromsgroveandredditch.gov.uk /
a.scarce@bromsgroveandredditch.gov.uk**

Overview and Scrutiny

Tuesday, 10th January, 2017

7.00 pm

Committee Room 2 Town Hall

Committee

Agenda

Membership:

Cllrs:	Jane Potter (Chair)	Andrew Fry
	Gay Hopkins (Vice-Chair)	Paul Swansborough
	Joe Baker	Jennifer Wheeler
	Tom Baker-Price	Nina Wood-Ford
	Matthew Dormer	

4. Council Plan (including Leisure Intervention Work) - Pre-Scrutiny

(Pages 1 - 26)

Rebecca Dunne, Policy Manager, Deb Poole, Head of Business Transformation and Organisational Development, Jayne Pickering, Executive Director, Finance and Resources

To consider the content of the Council Plan, including an update on the leisure intervention work, and to determine whether to make any recommendations on this subject.

(Report and presentation to follow)

(No Specific Ward Relevance)

6. Housing Revenue Account 2017/18 - Pre-Scrutiny

(Pages 27 - 36)

Sam Morgan, Financial Services Manager, Liz Tompkin, Head of Housing

To pre-scrutinise the Housing Revenue Account Rent and Capital 2017/17.

(Report to follow)

(No Specific Ward Relevance)

7. Medium Term Financial Plan Update Report - Pre-Scrutiny

(Pages 37 - 38)

Jayne Pickering, Executive Director, Finance and Resources

To receive an update on the Council's Medium Term Financial Plan and to determine whether to make any recommendations on this subject.

(Report and presentation to follow)

(No Specific Ward Relevance)

Overview and Scrutiny

Committee

Tuesday, 10th January, 2017

8. Executive Committee Minutes and Scrutiny of the Executive Committee's Work Programme

(Pages 39 - 42)

To consider the minutes of the latest meeting(s) of the Executive Committee and also to consider whether any items on the Executive Committee's Work Programme are suitable for scrutiny.

(Executive Committee minutes and December edition of the Executive Work Programme attached, January edition of the Executive Work Programme to follow).

(No Specific Ward Relevance)

Executive17th January 2017**COUNCIL PLAN**

Relevant Portfolio Holder	Cllr John Fisher
Portfolio Holder Consulted	Yes
Relevant Head of Service	Deb Poole, Head of Business Transformation
Ward(s) Affected	All
Ward Councillor(s) Consulted	
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 To agree the structure, content and design of the draft Council Plan, including actions relating to the Council's strategic purposes

2. RECOMMENDATIONS

- 2.1 **Executive is asked to RECOMMEND to the Council**

that the Council Plan attached at Appendix 1 be approved.

3. KEY ISSUES**Financial Implications**

- 3.1 The transformation programme that the Council has embarked upon led to the development of the strategic purposes documented in the Council Plan. As the programme continues, finances will start to become aligned with these purposes and the priority actions contained within the Council Plan, allowing the Council to be more responsive to our customers' needs.

Legal Implications

- 3.2 There are no legal implications arising directly from this report.

Service / Operational Implications

- 3.3 The Council Plan and the strategic purposes contained within it will help to set the direction for the Council and how it works with its partners. Service areas will be working towards these purposes and the priority actions, supported by operational purposes and measures to ensure that everything we do relates to the demands and needs of our customers. The Council Plan will be supported by an implementation plan, including measures, barriers and ownership, to ensure that the actions within the Council Plan are delivered.

Customer / Equalities and Diversity Implications

- 3.4 The strategic purposes set out in the Council Plan are all designed to be from our customers perspective, in order for their needs to be the driver for all that we do. The corporate principles also highlight the importance of understanding and listening to our customers, whilst providing excellent customer care at all times. When approved, the Council Plan will be published on the Council's website and the ORB.
- 3.5 There are no equality and diversity implications arising directly from this report; however, the customer focus referred to above is designed to understand the individual needs of our customers and as such empower officers to meet those needs, which would include specific issues relating to equality and diversity.

4. RISK MANAGEMENT

- 4.1 By publishing a Council Plan the strategic direction of the Council will be clear to employees and Members and as such will support the management of risks identified around the delivery of the strategic purposes, robust decision making and the accuracy/effectiveness of performance data.

5. APPENDICES

Appendix 1 - Council Plan

AUTHOR OF REPORT

Name: Rebecca Dunne, Policy Manager
email: r.dunne@bromsgroveandredditch.gov.uk
Tel.: 01527 881616

Redditch Council Plan 2017-2020



REDDITCH BOROUGH COUNCIL

making
a
difference

www.redditchbc.gov.uk



Welcome from the Leader and the Chief Executive





Redditch Borough - about us

The Borough of Redditch is in Worcestershire, approximately 15 miles south of Birmingham. The Borough has a population of 84,500 with a higher percentage of young people (age 0-15 years) compared with the rest of the County.

There is a very diverse population within the Borough and there are four areas that are within in the top 10% most deprived in England.



There are a number of **international companies** established in the Borough and the **Kingfisher Shopping Centre** boasts many big name department stores.



Redditch Borough has many open spaces; there are

6 Sites of Special Scientific Interest



24 Special Wildlife Sites and numerous Local Nature Reserves.



Health priorities in Redditch include improving **mental health** and **wellbeing**, reducing harm from **alcohol** and **drugs** and increasing **physical activity**.





Redditch Borough - looking back

The **increased take up** of our bulky waste service has seen a **reduction in fly tipping.**



During 2015/2016 there were **250** homeless preventions.

There were over **36,000** attendances at Redditch Borough Council events during 2015/2016.



attendances at Redditch Borough Council events during 2015/2016.

During 2015/2016



55 affordable homes were completed

During 2015/2016 there were over **22,000** free swims provided by the Borough Council

North Worcestershire **edR** Through **North Worcestershire Economic**

Development and Regeneration and the Local Enterprise Partnerships we will continue to **support new and established businesses** within the Borough to grow.



Worcestershire Local Enterprise Partnership



Redditch Borough Council supported the launch of the **Safe Place Scheme** in Redditch.

Through the partnership project, **Connecting Families**, we have been able to **support many more families** across the Borough.



The **Redditch and Bromsgrove Community Safety schools programme**



has provided one to one mentoring sessions for **81 young people** across both districts since september 2015.

Our **Financial Inclusion Team (FIT)** is working with residents to help them manage their finances and debt and the Fusion job coaching project has been working to **help people move into employment.**



Fusion.

Our **Financial Inclusion Team**

(FIT) is working with residents to help them manage their finances and debt

and the Fusion job coaching project has been working to **help people move into employment.**

Finances

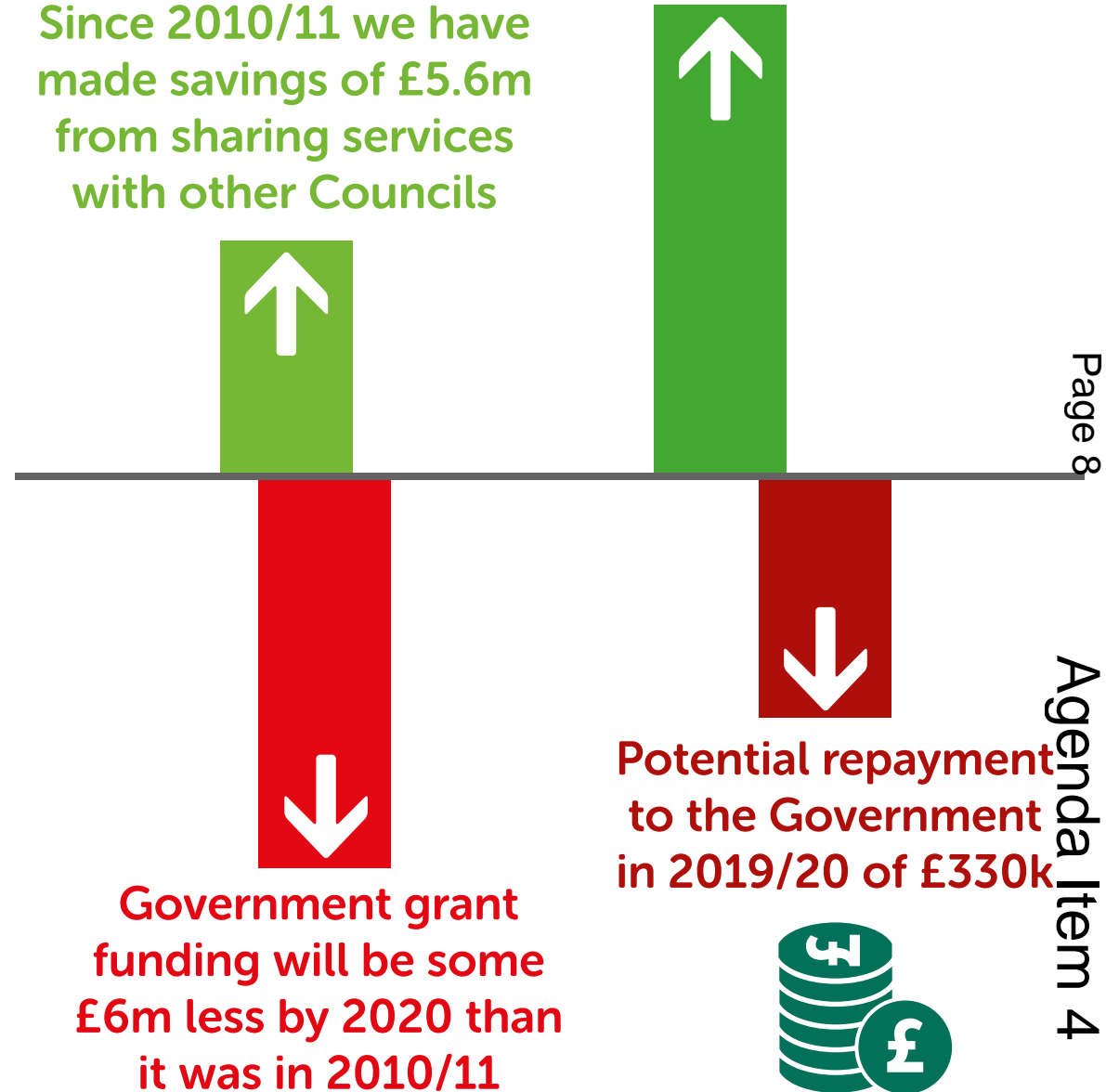
The December 2015 Government Spending Review announced an indicative four year funding settlement for local authorities. Government grant funding will be some **£6m** per year less in real terms by the end of this plan than it was in 2010/11. This equates to losing funding for just under half of the Council's net budget and the whole of the Revenue Support Grant with an unexpected repayment to Government in 2019/20 of **£330k**.

The Council has a proven track record in delivering cost and efficiency savings. Since 2010/11 the Council has made savings from sharing services with other Councils of **£5.6m** and generated other savings of approximately **£4m** from additional income and increasing efficiencies. With the continued cuts to our funding we will have to find more innovative ways to meet the on-going financial pressures that the Council faces and we are working with partners to achieve savings across the public purse that will ensure that valuable front line services continue to be delivered to our communities. The financial funding available will be aligned to our purposes as detailed in this document to ensure we meet customer and community need. We are working with partners to achieve savings across the public purse which will ensure that valuable front line services continue to be delivered to our communities.

The financial funding available will be aligned to our priorities as detailed in this document to ensure we meet customer and community need. In order to address the financial challenges, over the financial planning period the Council will look at generating growth in our services to increase income, redesigning services to make them as flexible and efficient as possible and to work with others to maximise the value of Council services with the limited funding we have available.

Since 2010/11 we have generated savings of **£4m** from additional income & increasing efficiencies

Since 2010/11 we have made savings of **£5.6m** from sharing services with other Councils



Our Strategic Purposes

Redditch Borough Council is committed to providing residents with effective and efficient services that not only meet their needs but understand them too. We have listened to demand from our customers in order to understand what goes on in our communities and considered how we work with partners to support the issues within those communities.

Through considering what really matters to our residents we produced a set of seven strategic purposes to guide us; they are based on customer demands and data and evidence about the needs of and issues affecting the people of Redditch Borough.



Help me run a successful business

How we achieve this:

Nurture existing businesses and encourage a future generation of entrepreneurs

- Keep employment land provision under review to ensure that we have an adequate supply to meet business growth requirements
- Work with partners, including the Local Enterprise Partnerships, to provide a comprehensive business support package for small and growing businesses and aspiring entrepreneurs
- Help people to find business property in the Borough
- Understand employers' needs and aspirations
- Support local businesses to obtain contracts when large developments take place
- Develop and continually update an Economic Development Strategy
- Review the availability of flexible business workspace within Redditch including Council owned property



Enhancing the retail, leisure and residential offer

- Produce a regeneration prospectus setting out key investment, development and improvement opportunities in the Town Centre
- Aim to bring forward development in the Town Centre on opportunity sites at Edward Street and Church Road
- Develop the Town Centre, including proactive engagement with the owners of the Kingfisher shopping centre
- Identify options to improve access into the Town Centre
- Improve the vibrancy and variety of the outdoor market
- Work with Worcestershire County Council to improve signage and waymarking in Redditch
- Work with land owners to identify / progress development opportunities in the district centres



Positively promote Redditch as a place to live, work, invest and visit and encourage new inward investment

- Work with partners and the local business community to promote Redditch to external investors
- Work pro-actively with existing land owners and developers to promote available employment sites and premises
- Work with the Kingfisher Centre to promote Redditch Town Centre
- Bring forward the appropriate development of the Redditch Gateway site



Work with partners to improve the aspirations of our younger population and develop skills to meet the future demands of employers

- In conjunction with partners, commission skills research to identify the future skills needs of our businesses and develop an action plan to pro-actively work with businesses and partners agencies
- Work with schools to promote businesses and employment opportunities

Redditch Gateway:

- Work in partnership to develop a 'strategic skills plan'
- Identify the potential to work with the University of Birmingham



Help me to be financially independent (including education & skills)

How we achieve this:

Develop education and skills to sustain financial independence

- Work with young people and schools to deliver life skills in money and debt management
- Work with businesses to identify the skills that are required to enable local people to secure employment in their community
- Support people into sustainable work, education or training



Support communities during changes to welfare and benefits

- Provide advice and guidance to help residents understand their benefit entitlement and maximise their income and reduce debt





Support residents to reduce levels of individual debt

- Support residents to understand and manage their finances and reduce their debts
- Work with voluntary sector and other partners to provide debt advice and support using the grant scheme
- Promote schemes that encourage savings & financial independence
- Raise awareness of support available through locality teams
- Work with the Police to address the issue of loan sharks and unregulated payday lenders



Support reduction in fuel poverty

- Work with partners to improve energy efficiency in homes across the Borough
- Work with ACT on Energy to support people to manage their energy effectively
- Provide funding to improve homes to reduce fuel poverty



Help me to live my life independently (including health & activity)

How we achieve this:

Understand and support the additional needs of our residents

- Work with health and other partners to reduce hospital admissions and hospital stays
- Work with partners to support victims of domestic abuse
- Work with partners to support people with mental health needs
- Support people to access to appropriate housing
- Work with partners including the voluntary sector to raise awareness of available services
- Engage people in the design and delivery of the services we provide
- Continue to promote Redditch as a Dementia Friendly Community



Page 14



Promote independence and reduce social isolation

- Enable people to be able to stay in their homes and communities
- Work with partners to support and promote access to clubs and services
- Enable residents to access appropriate and sustainable transport and mobility schemes



Agenda Item 4

Help people to have active bodies and active minds

- Work with partners to promote and deliver appropriate mental wellbeing support
- Support and promote the delivery to the Five Ways to Wellbeing
- Support residents to be physically active



Strengthening and supporting families and individuals

- Work with partners within localities to deliver preventative services/family support
- Support people into sustainable work, education and training



Help me to find somewhere to live in my locality

How we achieve this:



Support the development and delivery of appropriate housing in the borough

- Understand community housing needs
- Use the Local Plan to drive development



Raise housing standards and the quality of the local environment across the Borough

- Use the capital programme to raise housing standards
- Provide support and advice to landlords and the private sector and take appropriate action where needed
- Work in partnership with other housing providers to increase and improve the quantity and quality of housing stock



Greater involvement and empowerment of tenants and residents in service delivery and reform

- Develop and implement a strategic plan for tenant involvement
- Create opportunities for tenants and residents to be involved in decision making around their homes and communities





Identify and support vulnerable people to prevent homelessness

- Work with partners to support and prevent the causes of homelessness
- Together with partners, provide access to suitable accommodation



Build sustainable communities and neighbourhoods

- Work together with partners including the voluntary sector to empower individuals and communities to take an active role in their localities
- Provide support to residents and neighbourhoods to build sustainable communities

Keep my place safe and looking good

How we achieve this:



Participate in the creation of safe and well maintained places

- Establish the agreed standards for each Place area and its communities and allocate sufficient and flexible resources
- A targeted and proportionate education and enforcement approach based on community priority and risk
- Establish community safety principles in the planning process through safe by design standards
- Use the capital programme to improve localities and respond to issues



Demonstrate concern and care for the environment

- Working with partners to ensure the Worcestershire Joint Municipal Waste Strategy (JMWS) reflects the needs of Redditch
- Explore opportunities to enhance recycling
- Endeavour to limit the effect of climate change and reduce our emissions



Create a sense of belonging and pride in our neighbourhoods

- Develop a programme of community and public involvement around education and prevention awareness to understand what is important in local areas
- Encourage communities to help and support each other
- Support people to build cohesive communities





Provide good things for me to see, do and visit

How we achieve this:



Help create flourishing town and district centres

- Review the best use of buildings in the town centre area
- Progress the redevelopment of Matchborough and Winyates
- Work with Town Centre Partnership to promote and enhance the Town Centre
- Improve the vibrancy and variety of the outdoor market
- Develop and manage a targeted town centre arts and events offer



Support the provision of leisure opportunities for the whole Borough

- Develop a Sports and Physical Activity Strategy
- Ensure leisure facilities are fit for purpose and engage with residents to understand their needs
- Review concessions to best support the vulnerable and those on lower incomes
- Deliver the best option for the provision of leisure services
- Promote healthy lifestyle by utilising our parks and green spaces and our leisure facilities



Page 20

Agenda Item 4

Provide well maintained community parks and green spaces

- Review allotment provision to ensure it is sustainable and meets customer need
- Develop a Parks Strategy to ensure parks and green spaces meet resident and visitor needs
- Ensure play areas and parks meet the needs of all ages of the community
- Provide appropriate and well maintained facilities in parks



Page 21



Provide and support high quality, culturally diverse events and arts activities

- Engage with communities to review the events programme
- Work with communities and partners to develop a diverse range of arts and cultural activities and promote Redditch as a location of choice for arts professionals and organisations
- Develop an Arts and Events Strategy to reflect community need
- Work with partners to develop a programme to address social isolation through the arts and social activities

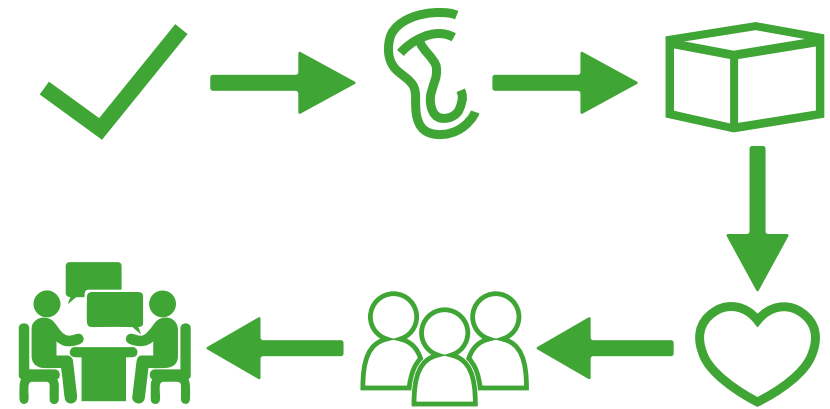
Agenda Item 4

19



How we work



- Provide excellent customer care at all times
- Listen to our residents to understand their needs
- Deliver our core services efficiently and effectively
- Make the best use of our resources, with residents at the heart of all we do
- As a community leader, work with partners in the public, voluntary and private sectors to ensure residents of Redditch Borough get the services and support they need
- As a good employer, support our employees to provide services that meet the needs of our residents



Our Principles

1. Design all our services from the customer's perspective to ensure we respond to the needs of our communities
2. Help people to help themselves where appropriate
3. Be corporately responsible by ensuring we meet our ethical, environmental and social responsibilities, and that services support our communities to develop
4. Constantly innovate, to make the best use of our resources to ensure we deliver efficient, quality services and eliminate waste
5. Make decisions and provide challenge based on data, evidence and learning
6. Use the Council's unique position in the community to encourage and support change amongst partners and other agencies
7. Put the customer at the heart of what we do, treating people and issues fairly, with respect and honesty
8. Identify the best way to work, to satisfy customers' needs, by pushing departmental and organisational boundaries







“We will lead the way
for the future of reshaped public services,
enriching the lives of our citizens by
providing high quality services to all, as well as radically
improving outcomes for those most in need, by removing
barriers and solving their underlying problems.

We will meet our challenging goals
by designing all of our services from a customer perspective
accepting that they differ from area to area,
community to community.

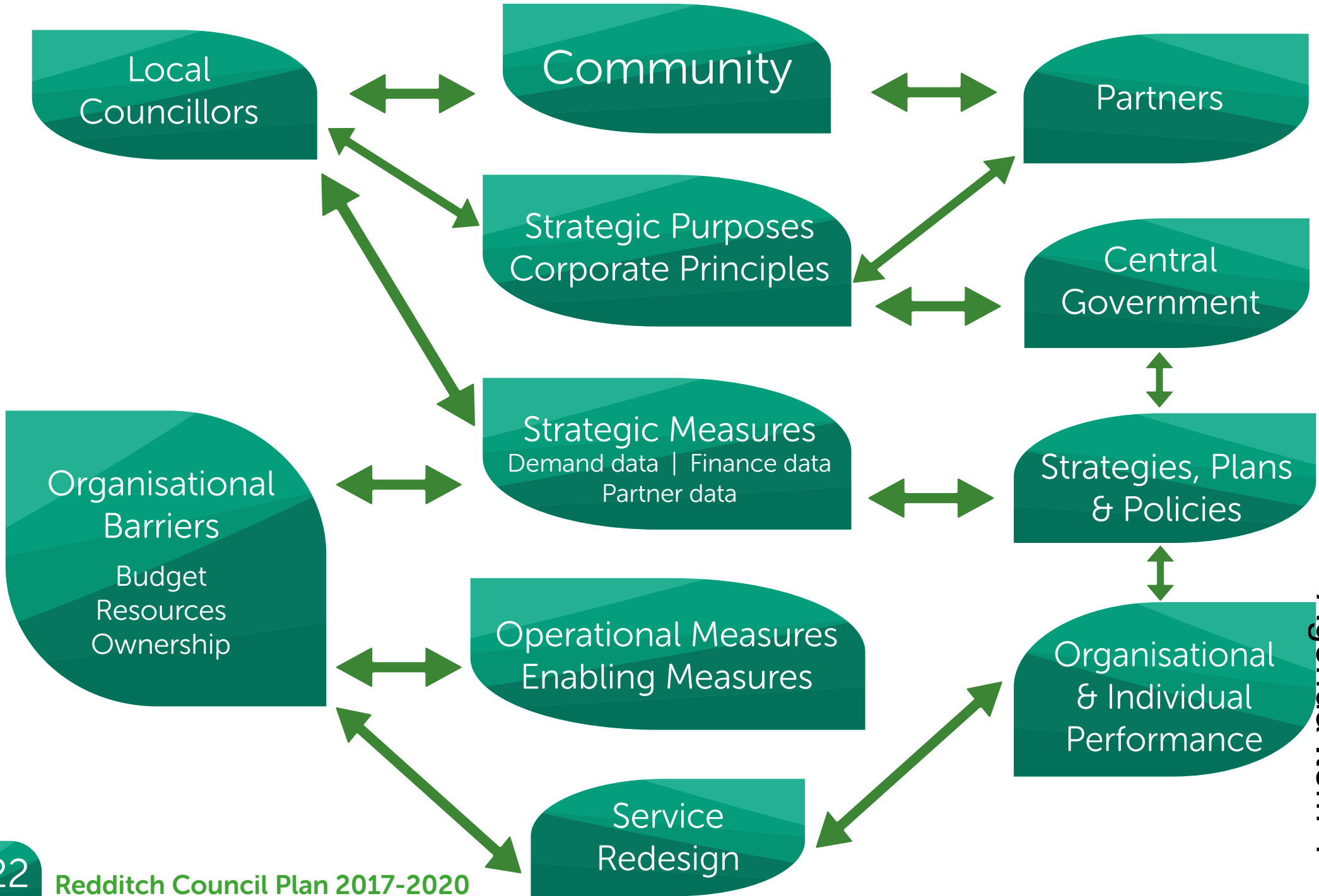
This approach will enable us to **work with partners
and towards organisational change.**

This includes posing questions around whether we are the
right people to do what we determine is necessary.

We will treat our workforce fairly,
with respect and honesty, engaging their passion
and talent and growing leaders”.



How we work





Partnership Working

In order to deliver our Strategic Purposes we are working differently with our partners. We are continuing to work in a more locality and place driven way, which helps the Council to understand the differing needs of communities within our Borough and how public services can support them. Redditch Partnership, the local strategic partnership for Redditch Borough, brings together representatives from public, private, community and voluntary agencies to work together effectively to deliver a range of local projects, services and initiatives.

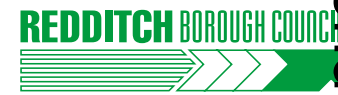
The Redditch Sustainable Community Strategy, developed by the partnership, sets out the four key partnership priorities for the Borough.

These are:

- Health inequalities - with particular focus on smoking, obesity alcohol/drugs, and mental health;
- Education attainment and raising aspirations of young people;
- Developing the economy of Redditch; and leading on transformational change of services for citizens in Redditch

This Council Plan contributes to the delivery of these partnership priorities and the Redditch Partnership is a key stakeholder in developing and supporting new ways of working.





www.redditchbc.gov.uk

If you need this information in another language or format,
please contact us to discuss how we can best meet your needs.

Phone: 01527 548284

Email: equalities@bromsgroveandredditch.gov.uk

REDDITCH BOROUGH COUNCIL**EXECUTIVE
COMMITTEE**17th January 2017**[HOUSING REVENUE ACCOUNT BUDGET 2017/18 to 2019/20]**

Relevant Portfolio Holder	Councillor Mark Shurmer, Portfolio Holder for Housing
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering, Director Finance & Resources Liz Tompkin, Head of Housing
Wards Affected	All Wards
Ward Councillor Consulted	N/A
Key Decision	

1. SUMMARY OF PROPOSALS

To present Members with the Initial Budget for the Housing Revenue Account and the proposed dwelling rents for 2017/2018.

2. RECOMMENDATIONS

The Committee is asked to **RECOMMEND** that

- 1) the draft 2017/2018 Budget for the Housing Revenue Account attached to the report at Appendix A, be approved;
- 2) the three year budget projections 2017/18 to 2019/20, incorporating the 1% rent reduction be approved;
- 3) the actual average rent decrease for 2017/2018 be 1%
- 4) that £780,614 be transferred to the capital reserve in 2017/18 to fund the future Capital Programme and/or repay borrowing.

3. KEY ISSUESFinancial Implications

- 3.1 This report only considers those items included in the Housing Revenue Account (HRA). General Fund items will be considered separately when setting the Council Tax.
- 3.2 The rent increase that would have applied in 2017/18, if it were not for the Welfare Reform and Work Bill, would have been 2 %, the September CPI being 1%. In 2017/18 there is a loss of rent income of

**EXECUTIVE
COMMITTEE**17th January 2017

£1.26 million compared with the HRA Business Plan model (rents going down by 1% rather than increased by 2%). Over a 30 year period the loss of rent income is estimated at £120.873 million. This will have a significant negative impact on the HRA Business Plan. The rent income lost is almost the same as the £122.158 million debt.

- 3.3 The system of housing revenue account subsidy ceased on the 31st March 2012 and was replaced with a devolved system of council housing finance called self-financing. The proposal in the form of a financial settlement meant a redistribution of the 'national' housing debt. This resulted in the Council borrowing £98.929 million from the PWLB.
- 3.4 Self-financing has placed a limit (Debt Cap) on borrowing for housing purposes at the closing position for 2011/12. This is set at £122.158 million. The figures at Appendix A allow for the payment of interest on this sum.
- 3.5 In May 2014 the Government produced a paper on Guidance on Rents for Social Housing and from 2015/16 rents in the social sector were to increase annually by CPI plus 1% for 10 years.
- 3.6 Government policy has subsequently changed and from 1st April 2016, as per the Welfare Reform and Work Bill, rents within the social housing sector are to be decreased by 1% each year for the next 4 years. This decrease is to take place on the 1st April for 2016, 2017, 2018 and 2019. This will be the second year of a 1% rent reduction.
- 3.7 There has also been an increased number of right to buys reducing rent income to the HRA. The overall impact is that the over the next 4 years the contribution to the capital reserve for capital investment/debt repayment will reduce from £3.000 million in 2015/16 to £2.35 million (2016/17), £0.78m (2017/18). Then zero in (2018/19). By 2018/19 the HRA will need to find savings or additional income of £0.240m to balance the account. It is unlikely that the Council will be in a position to repay the debt within the 30 year plan but it will have the base budget to pay for the interest.

2017/18

- 3.9 This section of the report outlines the major issues which have an impact upon the Housing Revenue Account budget setting process for 2017/18.
- 3.10 Based on the proposed legislative changes the actual average rent decrease for 2017/18 will be 1%. The average rent on a 52 week basis will be £78.63 for 52 weeks or £85.18 on a 48 week basis. This

**EXECUTIVE
COMMITTEE**17th January 2017

compares to the actual average for 2015/16 on a 52 week basis of £79.42 and £86.04 on a 48 week basis. See Appendix B for examples of rent by property type.

- 3.11 The impact of the 1% rent reduction over four years has a significant negative impact on the HRA. For this reason the HRA projected budget for the four years 2016/17 to 2019/20 has been included in Appendix A. This identifies that by 2018/19 savings or additional income of £0.240m will be required to balance the account.
- 3.12 New housing stock through the right to buy one for one replacement scheme will help balance the account and work is currently being undertaken to explore the extent that this can be maximised.
- 3.13 The introduction/extension of services charges may also provide an opportunity to increase income to the HRA. If this is an existing service current tenants would be protected until there is a change in tenancy.

Capital Resources

- 3.14 In April 2013 the Government gave local authorities the option to retain these receipts in agreement that they would be used to replace the sales with either new build, buy back of properties or purchase on the open market (new stock). In the case where these receipts are not used then the Council will have to pay a back the capital receipts to the Government together with interest at 4% above base rate. Redditch has opted to retain the receipts.
- 3.17 The introduction of the Major Repairs Allowance from April 2001 provided the Council with additional capital resources. Following the introduction of self-financing the Council is able to continue to use this amount for a transitional period of 5 years. The figure has been adjusted for the reduction in stock and uplifted by CPI in line with the rents. The figure for 2016/17 is £5.854 million.
- 3.18 The transitional period for the Major Repairs Allowance expires at the end of 2016/17 and it will be replaced from 2017/18 by component depreciation. Component depreciation is similar to a sinking fund where money is set aside annually so that there is enough to replace key components when required. The key components being bathroom, kitchen, roof, wiring, boiler, central heating system, windows and structure. An exercise has been undertaken to calculate the potential impact of component depreciation and it is estimated that it will increase the cost, compared with major repairs allowance, by £0.258 million. However, this should ensure that sufficient resources

REDDITCH BOROUGH COUNCIL**EXECUTIVE
COMMITTEE**17th January 2017

are then set aside to meet future investment requirements. The cost is built into the four year projection attached as Appendix A.

Housing Repairs Account

- 3.19 The budgeted contribution to the Housing Repairs Account as shown at Appendix A is £5.037 million for 2017/18, including inflationary increases where appropriate.

Right to Buy Scheme – Rent Income

- 3.20 In 2014/15 41 council homes were sold, from 1st April 2015 to 1st December 2016 53 council homes have been sold. The budget and four year forecast assumes 70 right to buys per annum and this equates to a rent loss of £0.315 million per annum. Over four years the rent loss totals nearly £1.260 million.

Housing Revenue Account Balances

- 3.21 The Section 151 Officer has previously advised Members on the minimum level of revenue balances to be maintained in lieu of unforeseen events affecting the Housing Revenue Account and the Council's housing stock. Members have previously approved the retention of a minimum balance of £0.600 million.
- 3.22 The figures shown in Appendix A indicate that the estimated balances will be £1.476m throughout the four year plan.

Legal Implications

- 3.23 Section 76 of the Local Government and Housing Act 1989 requires that the Council sets its budget relating to the Housing Revenue Account such that the account does not plan to be in a deficit position.
- 3.24 Section 21 of the Welfare and Reform Bill part 1 requires 'In relation to each relevant year, registered providers of social housing must secure that the amount of rent payable in respect of that relevant year by a tenant of their social housing in England is at least 1% less than the amount of rent that was payable by the tenant in respect of the preceding 12 months.'

Service/Operational Implications

- 3.25 The Council needs to approve the rents in a timely manner in order to allow officer time to notify the tenants of the annual rent.

**EXECUTIVE
COMMITTEE**17th January 2017

Tenants must have 28 calendar days' notice of any change to their rent charge.

Customer/Equalities and Diversity Implications

- 3.26 The rent decrease will be applied by the same percentage regardless of property size. The 2016/17 Budget provides for continuity of existing services but the four year forecast estimates that base budget savings/additional income of £0.610m will be required by 2019/20. The equality and diversity implications of the changes will be evaluated and considered as part of the decision making process.

4. RISK MANAGEMENT

- 4.1 There is a risk to the HRA Capital Programme if sufficient resources do not exist within the Housing Revenue Account to provide funding now that the Council is unable to borrow to fund the housing capital programme. This risk reduces with the introduction of component depreciation and changes to the estimated life of components prove inaccurate
- 4.2 The risk continues to be recorded in the Risk Register for the Council.

5. APPENDICES

Appendix A – Housing Revenue Account Budget 2017/18
Appendix B – Examples of rent by property type

6. BACKGROUND PAPERS

None.

AUTHOR OF REPORT

Name: Emma Cartwright
Email: emma.cartwright@bromsgroveandredditch.gov.uk
Tel: 01527 64252

Name: Sam Morgan
E Mail: sam.morgan@bromsgroveandredditch.gov.uk
Tel: 01527 587088

HOUSING REVENUE ACCOUNT (HRA) DRAFT**Appendix A**

	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget
<u>INCOME</u>				
Dwelling Rents	24,056,000	23,387,280	22,685,660	22,005,090
Non-Dwelling Rents	485,000	499,000	499,000	499,000
Tenants' Charges for Services & Facilities	631,590	591,330	598,885	606,645
Contributions towards Expenditure	53,580	53,580	53,580	53,580
Total Income	25,226,170	24,531,190	23,837,125	23,164,315
<u>EXPENDITURE</u>				
Repairs & Maintenance	4,779,000	5,036,730	5,101,140	5,160,640
Supervision & Management	6,866,660	7,352,730	7,435,300	7,523,790
Rent, Rates, Taxes & Other Charges	188,650	188,650	188,650	188,650
Provision for Bad Debts	400,000	400,000	400,000	400,000
Depreciation & Impairment of Fixed Assets	5,854,240	5,596,536	5,634,661	5,669,936
Interest Payable & Debt Management Costs	4,178,930	4,178,930	4,178,930	4,178,930
Total Expenditure	22,267,480	22,753,576	22,938,681	23,121,946
Net cost of Services	-2,958,690	-1,777,614	-898,444	-42,369
Provision for Job Evaluation	300,000	0	0	0
Net Operating Expenditure	-2,658,690	-1,777,614	-898,444	-42,369
Interest Receivable	-58,000	-53,000	-54,000	-53,000
Revenue Contribution to Capital Outlay	369,370	1,050,000	1,071,000	1,092,420
Levy re high value stock	0	0	117,320	117,320
Transfer to Earmarked Reserves	2,347,320	780,614		
(Surplus)/Deficit on Services	0	0	235,876	1,114,371
<u>HOUSING REVENUE ACCOUNT BALANCE</u>				
Surplus as at 1st April 2016	1,476,100	1,476,100		
Surplus/(deficit) for year 2016/17	0			
Surplus as at 31st March 2017	1,476,100			

Property Address	Current Rent	48 weeks	52 weeks	This Year's Weekly Decrease
Bedsit				
Salters Lane Batchley	£65.01	£64.36	£59.41	£0.65
Winslow Close Winyates East	£62.00	£61.38	£56.66	£0.62
Malvern House Headless Cross	£67.40	£66.73	£61.59	£0.67
1 Bedroom Bungalow				
Ilmington Close Matchborough	£81.79	£80.98	£74.75	£0.82
Sandhurst Close Church Hill	£86.27	£85.41	£78.84	£0.86
1 Bedroom Flat				
Fownhope Close Winyates Wes	£72.25	£71.53	£66.03	£0.72
Neville Close Abbeydale	£72.51	£71.78	£66.26	£0.73
High Trees Close Oakenshaw	£76.10	£75.34	£69.54	£0.76
Bushley Close Woodrow	£75.25	£74.50	£68.77	£0.75
2 Bedroom House				
Arley Close Church Hill	£89.27	£88.38	£81.58	£0.89
Netherfield Greenlands	£90.01	£89.11	£82.26	£0.90
2 Bedroom Flat				
Fownhope Close Winyates Wes	£78.53	£77.74	£71.76	£0.79
Poplar Road Batchley	£84.51	£83.66	£77.23	£0.85
Lygon Close Abbeydale	£80.51	£79.70	£73.57	£0.81
Woodrow Centre Woodrow	£80.00	£79.20	£73.11	£0.80
3 Bedroom				
Loxley Close Church Hill	£95.52	£94.56	£87.29	£0.96
Eathorpe Close Matchborough	£111.29	£110.17	£101.70	£1.11
Salters Lane Batchley	£98.78	£97.79	£90.27	£0.99
4 Bedroom				
Langley Close Matchborough	£104.51	£103.47	£95.51	£1.05
Willow Way Batchley	£100.51	£99.51	£91.85	£1.01
Bushley Close Woodrow	£98.01	£97.03	£89.57	£0.98
Upperfield Close Church Hill	£101.76	£100.74	£92.99	£1.02
5 Bedroom				
Rushock Close Woodrow	£104.51	£103.47	£95.51	£1.05
Heronfield Close Church Hill	£108.02	£106.94	£98.71	£1.08
Farnborough Close Matchborough	£107.27	£106.19	£98.03	£1.07
6 Bedroom				
Barnwood Close Church Hill	£135.96	£134.60	£124.24	£1.36
Longdon Close Woodrow	£128.74	£127.45	£117.65	£1.29
7 Bedroom				
Beoley Rd Lakeside	£137.72	£136.34	£125.85	£1.38

Property Address	Current Rent	48 weeks	52 weeks	This Years Weekly Decrease	Previous Years Weekly Decrease	Cumulative Decrease 2015-2017
Bedsit						
Salters Lane Batchley	£65.01	£64.36	£59.41	£0.65	£0.66	£1.31
Winslow Close Winyates East	£62.00	£61.38	£56.66	£0.62	£0.63	£1.25
Malvern House Headless Cross	£67.40	£66.73	£61.59	£0.67	£0.68	£1.35
1 Bedroom Bungalow						
Ilmington Close Matchborough	£81.79	£80.98	£74.75	£0.82	£0.83	£1.64
Sandhurst Close Church Hill	£86.27	£85.41	£78.84	£0.86	£0.87	£1.73
1 Bedroom Flat						
Fownhope Close Winyates Wes	£72.25	£71.53	£66.03	£0.72	£0.73	£1.45
Neville Close Abbeydale	£72.51	£71.78	£66.26	£0.73	£0.73	£1.46
High Trees Close Oakenshaw	£76.10	£75.34	£69.54	£0.76	£0.77	£1.53
Bushley Close Woodrow	£75.25	£74.50	£68.77	£0.75	£0.76	£1.51
2 Bedroom House						
Arley Close Church Hill	£89.27	£88.38	£81.58	£0.89	£0.90	£1.79
Netherfield Greenlands	£90.01	£89.11	£82.26	£0.90	£0.91	£1.81
2 Bedroom Flat						
Fownhope Close Winyates Wes	£78.53	£77.74	£71.76	£0.79	£0.79	£1.58
Poplar Road Batchley	£84.51	£83.66	£77.23	£0.85	£0.85	£1.70
Lygon Close Abbeydale	£80.51	£79.70	£73.57	£0.81	£0.81	£1.62
Woodrow Centre Woodrow	£80.00	£79.20	£73.11	£0.80	£0.81	£1.61
3 Bedroom						
Loxley Close Church Hill	£95.52	£94.56	£87.29	£0.96	£0.96	£1.92
Eathorpe Close Matchborough	£111.29	£110.17	£101.70	£1.11	£1.12	£2.24
Salters Lane Batchley	£98.78	£97.79	£90.27	£0.99	£1.00	£1.99
4 Bedroom						
Langley Close Matchborough	£104.51	£103.47	£95.51	£1.05	£1.06	£2.10
Willow Way Batchley	£100.51	£99.51	£91.85	£1.01	£1.02	£2.02
Bushley Close Woodrow	£98.01	£97.03	£89.57	£0.98	£0.99	£1.97
Upperfield Close Church Hill	£101.76	£100.74	£92.99	£1.02	£1.03	£2.05
5 Bedroom						
Rushock Close Woodrow	£104.51	£103.47	£95.51	£1.05	£1.06	£2.10
Heronfield Close Church Hill	£108.02	£106.94	£98.71	£1.08	£1.09	£2.17
Farnborough Close Matchborough	£107.27	£106.19	£98.03	£1.07	£1.08	£2.16
6 Bedroom						
Barnwood Close Church Hill	£135.96	£134.60	£124.24	£1.36	£1.37	£2.73
Longdon Close Woodrow	£128.74	£127.45	£117.65	£1.29	£1.30	£2.59
7 Bedroom						
Beoley Rd Lakeside	£137.72	£136.34	£125.85	£1.38	£1.39	£2.77

Current Position 2017/18-2019/20

	2017-18	2018-19	2019-20	2020-21
	£000	£000	£000	£000
Departmental Expenditure (Starting Position)	10,838	10,081	9,762	10,065
Incremental Progression/Inflation on Utilities	262	335	289	250
Unavoidables	121	6	84	
Revenue Bids/Revenue impact of capital bids	80	-76	0	
Savings and Additional income	-1,220	-584	-70	
Net Service Expenditure	10,081	9,762	10,065	10,315
Investment Income	-494	-495	-495	-495
Cost of Borrowing	1,014	994	994	994
Recharge to Capital Programme	-505	-505	-505	-505
Net Operating Expenditure	10,096	9,756	10,059	10,309

Current Position 2017/18-2019/20

Revenue Support Grant	-360	-35	0	0
Transitional Grant	-44			
Business Rates Retention (Baseline Funding)	-2,059	-2,120	-2,187	-2,187
Business Rates Growth	-50	-50	-50	-50
Tariff Adjustment	0	0	331	331
New Homes Bonus	-860	-720	-708	-708
Council Tax	-5,776	-5,947	-6,060	-6,175
Admin Subsidy Grant Reduction	127	167	167	167
Parish Precept	8	8	8	8
Funding Total	-9,014	-8,697	-8,498	-8,614
Shortfall	1,082	1,059	1,561	1,695

EXECUTIVE COMMITTEE LEADER'S WORK PROGRAMME

1 February 2017 to 31 May 2017

(published as at 3rd January 2017)



This Work Programme gives details of items on which key decisions are likely to be taken by the Borough Council's Executive Committee, or full Council, in the coming four months. "Key Decisions" are ones which are likely to:

- (i) result in the Council incurring expenditure, foregoing income or the making of savings in excess of £50,000 or which are otherwise significant having regard to the Council's budget for the service or function to which the decision relates; or
- (ii) be significant in terms of its effect on communities living or working in the area comprising two or more wards in the Borough;
- (iii) involve any proposal to cease to provide a Council service (other than a temporary cessation of service of not more than 6 months).

If you wish to make representations on the proposed decision you are encouraged to get in touch with the relevant report author as soon as possible before the proposed date of the decision. Contact details are provided. Alternatively you may write to the Head of Legal, Equalities and Democratic Services, The Town Hall, Walter Stranz Square, Redditch, B98 8AH or e-mail: democratic@bromsgroveandredditch.gov.uk

The Executive Committee's meetings are normally held at 7pm on Tuesday evenings at the Town Hall. They are open to the public, except when confidential information is being discussed. If you wish to attend for a particular matter, it is advisable to check with the Democratic Services Team on (01527) 64252, ext: 3257 to make sure it is going ahead as planned. If you have any other queries, Democratic Services Officers will be happy to advise you. The full Council meets in accordance the Council's Calendar of Meetings. Meetings commence at 7.00pm.

EXECUTIVE COMMITTEE MEMBERSHIP

Councillor Bill Hartnett, Portfolio Holder for Community Leadership and Partnership
Councillor Debbie Chance, Portfolio Holder for the Local Environment
Councillor Greg Chance, Portfolio Holder for Planning, Regeneration, Economic Development and Transport
Councillor John Fisher, Portfolio Holder for Corporate Management
Councillor Yvonne Smith, Portfolio holder for Community Safety and Regulatory Services
Councillor Mark Shurmer, Portfolio Holder for Housing
Councillor Pat Witherspoon, Portfolio Holder for Leisure and Tourism
Councillor Juliet Brunner
Councillor Brandon Clayton

Decision including Whether it is a key Decision	Decision Taker Date of Decision	Details of Exempt information (if any)	Documents submitted to Decision Maker / Background Papers List	Contact for Comments
Medium Term Financial Plan Update Key: No	Executive 17 Jan 2017 Executive 7 Feb 2017 Council 20 Feb 2017		Report of the Executive Director Finance and Resources	Jayne Pickering, Executive Director, Finance and Resources Tel: 01527 881207
Council Procurement Rules Key: No	Executive 7 Feb 2017		Report of the Executive Director Finance and Resources	Sam Morgan, Financial Services Manager Tel: 01527 64252 ext 3790
Financial Regulations Key: No	Executive 7 Feb 2017 Council 20 Feb 2017		Report of the Executive Director Finance and Resources	Sam Morgan, Financial Services Manager Tel: 01527 64252 ext 3790
Shopmobility Service Key: No	Executive 7 Feb 2017		Report of the Head of Community Services	Judith Willis, Head of Community Services Tel: 01527 64252 ext 3284
Engagement Strategy Key: No	Executive 7 Feb 2017 Council 20 Feb 2017		Report of the Head of Transformation and Organisational Development	Deb Poole, Head of Business Transformation and Organisational Development Rebecca Dunne, Policy Manager Tel: 01527 881256 Tel: 01527 881616

Decision including Whether it is a key Decision	Decision Taker Date of Decision	Details of Exempt information (if any)	Documents submitted to Decision Maker / Background Papers List	Contact for Comments
Housing Business Case Key: No	Executive 7 Feb 2017 Council 20 Feb 2017		Report of the Head of Housing Services	Liz Tompkin, Head of Housing Tel: 01527 64252 ext 3304
Health Commission - report of findings Key: No	Executive 2 Mar 2017		Report of the Leader of the Council	Kevin Dicks, Chief Executive Tel: 01527 64252 ext 3250
Redditch Sports and Physical Activity Strategy 2017-2022 Key: Yes	Executive 4 Apr 2017		Report of the Head of Leisure and Cultural Services	Dave Wheeler, Leisure Services Manager Tel: 01527 64252 ext 3313
Overview and Scrutiny Committee Annual Report 2016-17 Key: No	Council 24 Apr 2017		Report of Overview and Scrutiny Committee	Jess Bayley, Democratic Services Officer Tel: 01527 64252 ext 3268

