

additional papers 1



Council

Mon 22 Feb
2021
7.00 pm (or as soon as
the meeting of the
Executive Committee
directly before Council
has finished)

Microsoft Teams



www.redditchbc.gov.uk

**If you have any queries on this Agenda please contact
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Council

Monday, 22nd February, 2021

7.00 pm

During the Covid-19 outbreak
Committee meetings are
taking place on Microsoft
Teams

Agenda

Membership:

Cllrs:

Gareth Prosser
(Mayor)
Julian Grubb
(Deputy Mayor)
Salman Akbar
Joe Baker
Tom Baker-Price
Roger Bennett
Joanne Beecham
Juliet Brunner
Michael Chalk
Debbie Chance
Greg Chance
Brandon Clayton
Matthew Dormer
John Fisher

Peter Fleming
Andrew Fry
Bill Hartnett
Ann Isherwood
Wanda King
Anthony Lovell
Gemma Monaco
Nyear Nazir
Mike Rouse
Mark Shurmer
Yvonne Smith
David Thain
Craig Warhurst
Jennifer Wheeler

Minutes from the Meeting of the Executive Committee held on 16th February 2021

As the meeting of the Executive Committee due to be held on 16th February 2021 will be taking place after the publication of the main agenda pack for this Council meeting, the minutes will follow in a supplementary pack.

7. Urgent Business - Record of Decisions (Pages 13 - 16)

There have been two urgent decisions since the previous meeting of Council, which have been taken on the following subjects:

- Decarbonisation funding for the Greenlands Business Centre and Redditch Town Hall
- Dispensations for Members to take part in debates and votes on the subject of the budget and Council Tax resolutions.

(Urgent decisions attached)

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Executive Committee

Tuesday, 16th February,
2021

MINUTES

Present:

Councillor Matthew Dormer (Chair), and Councillors Greg Chance, Brandon Clayton, Bill Hartnett, Anthony Lovell, Nyear Nazir and David Thain

Officers:

Kevin Dicks, Clare Flanagan, Chris Forrester and Sue Hanley

Senior Democratic Services Officer:

Jess Bayley

73. APOLOGIES

An apology for absence was received on behalf of Councillor Mike Rouse.

74. DECLARATIONS OF INTEREST

There were no declarations of interest.

75. LEADER'S ANNOUNCEMENTS

The Leader advised that the Overview and Scrutiny Committee had pre-scrutinised the Medium Term Financial Plan 2021/22 to 2023/24 at a meeting held on 11th February 2021. However, the Committee had made no recommendations on the subject for the consideration of the Executive Committee.

Members were reminded that a meeting of the Executive Committee was due to take place on Monday 22nd February 2021 immediately before Council. This would provide Members with an opportunity to consider the Council Tax resolutions.

76. MINUTES

RESOLVED that

the minutes of the meeting of the Executive Committee held on Tuesday, 19th January 2021 be approved as a true and correct record and signed by the Chair.

Chair

77. PAY POLICY STATEMENT 2021/22

The Head of Financial and Customer Services presented the Pay Policy Statement 2021/22. The Committee was advised that the report had to be prepared each year and outlined the different pay scales of staff employed by the authority, from the Chief Executive to the lowest paid staff.

RECOMMENDED that

the Pay Policy be approved.

**78. MEDIUM TERM FINANCIAL PLAN 2021/22 TO 2024/25
(INCLUDING THE CAPITAL PROGRAMME AND HOUSING
REVENUE ACCOUNT)**

The Head of Financial and Customer Services presented the Medium Term Financial Plan 2021/22 to 2023/24. During the presentation of this report the following matters were highlighted for Members' consideration:

- The preparation of the budget had been really challenging as it had taken place during a global pandemic and at a time of significant uncertainty regarding local authority finances.
- The Council could increase Council Tax by 2.99 per cent or £5. Redditch Borough Council had opted to increase Council Tax by £5 as this would result in a slightly higher return for the authority.
- There had been a gap in the budget for the 2021/22 financial year which had needed to be addressed when balancing the budget.
- The proposed budget would result in a return of £44,000 to balances in 2021/22. However, there remained a gap in place for 2022/23 and 2023/24 which would need to be addressed moving forward.
- The Council had received a significant amount of grant funding from the Government to help manage the impact of the Covid-19 pandemic on the authority's financial position. A large proportion of this grant funding would be allocated to supporting Rubicon Leisure Limited.
- Over £700,00 of earmarked reserves had been used to help balance the budget in 2021/22. Members were advised that these funds could not be reused in future years.
- The Council had received financial contributions from the New Homes Bonus (NHB), which had been unexpected, though this was only available for one year.
- A significant contribution to balancing the budget had also been made through the Lower Tier Services Grant, though

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there was uncertainty about the position of this grant moving forward.

- The budget had been balanced without falling below the minimum balances threshold for the Council. However, there was a risk that, if a similar approach was adopted to balancing the following year's budget, the Council could fall below those minimum levels.
- A significant bid for capital funding had been included for Disabled Facilities Grants, though these were not funded by the Council.
- There was also a relatively large bid for capital funding for electric vehicle charging points, though some of these costs would be offset with grant funding.
- The position of the Housing Revenue Account (HRA) had improved considerably when compared to recent years and Officers were anticipating a return of £96,000 to balances in 2021/22.
- The improving position of the HRA was partly as a result of the increase that the Council was now permitted to make to rents for Council properties.
- Efficiency savings had also been achieved by the Housing Department which had had a beneficial impact on the HRA. There had been a reduction in the turnaround time for void properties and this, together with investment in new Council houses, was resulting in an increase in rent collection for the authority.
- There had been savings in Repairs and Maintenance in 2020/21, as there had been a focus on priority work only during the Covid-19 pandemic. However, Officers recognised that any delayed work would still need to be delivered and therefore those savings had not been built into the budget moving forward.
- The Covid-19 pandemic had impacted on local businesses and the Council had distributed a significant number of business grants to companies that had been affected.
- Brexit was starting to impact on businesses in the Borough, particularly those companies involved in overseas trade. A lot of information was provided on the Council's website to help businesses that were affected. It remained unclear what impact this would have on business rate collection levels in the future.

Following the presentation, Members discussed the report in detail. There was general consensus that the Financial Services team should be thanked for their hard work in preparing the budget, particularly at a time of significant upheaval due to the Covid-19 pandemic. Tributes were also paid to staff working in the Housing Department for their hard work that had helped to improve the position of the HRA compared to previous years.

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Reference was made to the Overview and Scrutiny process and Members noted that both the Budget Scrutiny Working Group and the Overview and Scrutiny Committee had pre-scrutinised the report. It was acknowledged that scrutiny Members had raised some useful points, particularly in respect of the need for clarification on the purpose of some proposed savings and income.

The Committee also noted that the Council remained subject to a Section 24 Notice and questions were raised about the potential for this to be lifted. Officers confirmed that the external auditors were still reviewing the Council's accounts for the 2019/20 financial year and there was some uncertainty about whether the Section 24 Notice would be reissued.

Members commented that at the previous meeting of the Executive Committee reference had been made to the potential for Members to lobby the Government regarding the need for greater certainty about the financial position of local authorities, particularly district Councils, moving forward. The Leader confirmed that this issue had been raised at a central level and that the District Councils Network (DCN) was lobbying the Government on behalf of district Councils about this matter.

The Committee discussed the position with regard to collection of business rates during the Covid-19 pandemic and clarification was requested about how this was operating. Officers explained that the Council could claim 75 pence in the pound of business rates. The authority could also spread bad debt provisions over a longer period of time than usual and this took into account that the Government would step in to cover losses.

During consideration of this matter Members requested the following additional information for consideration in relation to the budget prior to the Council meeting scheduled to take place on 22nd February 2021:

- Further information about the earmarked reserves that had been used to balance the budget for 2021/22.
- Additional information about the Covid-19 grant funding that had been received by the Council from the Government to help manage the impact of the pandemic. Specifically, Members requested further information about the amount of grant funding that had been received and how this had been spent.
- Information about the grant funding that had been distributed to local businesses by the Council, to include the total amount distributed, the number of companies that had applied for

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Committee**

Tuesday, 16th February, 2021

funding, the number of businesses that received funding and the eligibility criteria.

- Further information about the amount of grant funding that the Government had provided to the Council to distribute amongst local businesses.

RECOMMENDED that**1) the Unavoidable costs be approved:**

2021/22 £1.393m
2022/23 £58k
2023/24 £65k

2) the Revenue Bids be approved:

2021/22 £230k
2022/23 £244k
2023/24 £224k

3) the Identified Savings be approved:

2021/22 £1.163m
2022/23 £524k
2023/24 £545k

4) the General Fund Capital Programme bids be approved:

2021/22 £1.064m
2022/23 £999k
2023/24 £904k

5) the General Fund capital programme be approved:

2021/22 £4.269m
2022/23 £6.147m
2023/24 £4.149m

6) the net general fund revenue budget be approved:

2021/22 £10.496m
2022/23 £10.093m
2023/24 £10.080m

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- 7) the Housing Revenue Account Budget be approved:

2021/22 £24.694m

2022/23 £24.893m

2023/24 £25.391m

- 8) the Housing Revenue Account Capital Programme be approved:

2021/22 £12.611m

2022/23 £12.167m

2023/24 £11.881m

- 9) the increase of the Council Tax per Band D at £5 for 2021/22 be approved; and

- 10) the transfer to Balances of £44k for 2021/22 be approved.

79. OVERVIEW AND SCRUTINY COMMITTEE

Members considered the minutes of the meeting of the Overview and Scrutiny Committee held on Monday, 18th January 2021 and noted that there were no outstanding recommendations requiring consideration.

RESOLVED that

the minutes of the meeting of the Overview and Scrutiny Committee held on Monday, 18th January 2021 be noted.

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

The Chair advised that there were no referrals from either the Overview and Scrutiny Committee or Executive Advisory Panels on this occasion.

81. ADVISORY PANELS - UPDATE REPORT

The following verbal updates were provided in respect of the Executive Advisory Panels and external groups:

- a) Climate Change Cross Party Working Group – Chair, Councillor Anthony Lovell

Councillor Lovell advised that a lot of work was being undertaken to tackle climate change. Officers were investigating the potential to introduce a lower carbon fleet.

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Unfortunately, lower carbon vehicles tended to be more expensive than standard vehicles, though could have a positive impact on emissions.

Officers were also reviewing the potential to introduce electric vehicle charging points throughout the Borough. In addition, assessments were being undertaken of all Council buildings in respect of decarbonisation measures that could be taken.

Members were asked to note that the Council needed to take into account the potential for the Council to set a lead with building in a green friendly manner through the Council house building process. There would potentially be options to install solar panels and to explore other actions that could be taken to help reduce energy fees.

b) Constitutional Review Working Party – Chair, Councillor Matthew Dormer

Councillor Dormer explained that a meeting of the Constitutional Review Working Party was scheduled to take place on 29th June 2021.

c) Corporate Parenting Board – Council Representative, Councillor Nyear Nazir

Councillor Nazir confirmed that she had given her apologies for the last meeting of the Corporate Parenting Board. It was agreed that an update should be provided in respect of the outcomes of this meeting once the minutes had been published.

d) Member Support Steering Group - Chair, Councillor Matthew Dormer

The Committee was advised that a meeting of the Member Support Steering Group was due to take place on 2nd March 2021.

e) Planning Advisory Panel - Chair, Councillor Matthew Dormer

Councillor Dormer confirmed that there were no meetings of the Planning Advisory Panel scheduled to take place.

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Appendix 1 - Executive Committee – Additional Information

At the Executive Committee meeting held on 16th February 2021 Members requested additional information in relation to the Medium Term Financial Plan 2021/22 to 2023/24. The questions that were asked have been listed below, together with the response that has been provided by Officers.

Question 1: Please could you provide Further information about the earmarked reserves that have been used to balance the budget for 2021/22?

Answer:

Reserves release breakdown as follows:

Community grants = £1.8k

Economic Growth Development = £200k

Transformational Growth = £50k

Pensions Reserve = £100k

Business Rates Retention Scheme Reserve = £350k

Question 2: Please provide additional information about the Covid-19 grant funding that has been received by the Council from the Government to help manage the impact of the pandemic. Specifically, Members requested further information about the amount of grant funding that had been received and how this had been spent.

Answer:

The Council has received 5 tranches of non-ringfenced general covid-19 grant totalling £1,952,370. There has been expenditure so far of £771,491, which has been spent on general COVID-19 supplies such as new laptops for Council officers, sanitisation stations and equipment and additional support for Rubicon Leisure Limited.

The Council has also received one quarter of ringfenced sales, fees and charges grant to try and help offset the authority's income losses of £157,725. Officers have put a claim in for the second quarter but are still awaiting confirmation of the amount and when this will be paid.

Question 3: Please provide information about the grant funding that had been distributed to local businesses by the Council, to include the total amount distributed, the number of companies that had applied for funding, the number of businesses that received funding and the eligibility criteria.

Question 4: Please provide further information about the amount of grant funding that the Government had provided to the Council to distribute amongst local businesses.

Answer:

A total of £898,000 in Closed Business Lockdown Payments have been released for payment.

In November, the Local Restriction Support Grant schemes were announced, customers are able to apply for these grants on-line and we will use their application to assess entitlement for LRSG for every period from 1st November.

In January when the new lockdown was announced the Government stated a further grant, the Closed Business Lockdown Payment, would be paid for the January lockdown. This would be in addition to the LRSG.

Our software suppliers delivered a solution for the payment of CBLP on 25th/26th January. This solution required that we:

- a) Load the CBLP grant onto the business rates account of the customer
- b) Prompt customers to complete an application for grant.
- c) The grant would then be automatically released to the customer, or held for pre-payment checks, dependant on our parameter choices.

The standard solution was not satisfactory because

- i) There was a danger that customers would not complete both the LRSG and CBLP application and would miss out on grants.
- ii) The customers who had already received payments in November would be required to make a further application
- iii) If pre-payment vetting was not in place there was a danger that customers ineligible for grants would receive the CBLP which we would later discover when assessing the LRSG that they were not eligible for
- iv) The Government provided assurances in relation to the April grants that they would meet the costs of grants paid in error, provided that appropriate steps were taken, no such assurance has been made for CBLP therefore there is a financial risk to the authority if pre-payment assurance is not in place.
- v) Claiming CBLP would only be available where the grant was loaded against the account, if we had not loaded the grant no payment would be available driving demand into the system

We have created a process whereby, when a customer claims LRSG and that claim has been assessed and paid, we are then able to

- a) extract the property reference for which they have claimed
- b) load the CBLP payment into the business rates system
- c) link this payment back to their LRSG claim and pay using the payment details held against their LRSG application.

This process was tested after the release by Civica of their software on 25th/26th January and we were ready to process payments between 8th and 12th of February, unfortunately we lost remote access to the systems due to an update to VM horizon and this removed one and half days testing and delayed the 1st Payment run.

This payment run has been paid today and £898k of CBLP has been released to customers today. We have restricted approximately 15 payments where the NNDR liability and the Grant applicant are not matching. This is mainly due to

customers using their own name on the LRSG application and the business rates account being in a limited companies name. We will run some manual checks on these payments and release them on Friday.

In all future weeks we will pay LRSG claims on Tuesdays and Fridays, we will extract details of these payments and CBLP will be paid the following week.

For information we have received 826 applications for LRSG/ARG and are working on the application in the range 450 to 500 – these were applications received on 18th and 19th January. – we have had an issue with resources on the assessment of RBC grant applications as one of the officers assigned to this task was hospitalised for a number of days due to unexplained dizzy spells, we are moving additional resources to assessment from next week.

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REDDITCH BOROUGH COUNCIL

RECORD OF DECISION TAKEN UNDER URGENCY PROCEDURES

SUBJECT: Decarbonisation of Greenlands Business Centre and Redditch Town Hall using Section 31 grant funding

BRIEF STATEMENT OF SUBJECT MATTER:

Redditch Borough Council has submitted a bid for Salix grant funding under Section 31 decarbonisation of the Greenlands Business Centre and Redditch Town Hall. This action that will be taken using this funding will help to reduce carbon emissions and reduce the Council's energy costs. The grant conditions include delivery of the project by 31st March 2022 at the latest.

DECISION:**RESOLVED that**

- 1) the Capital Budget be increased by circa £250,000 in the first instance to receive the payment of Section 31 grant funding for Greenlands Business Centre and by up to circa £1,175,721 for the grant for Redditch Town Hall; and
- 2) delegated authority be granted to the Head of Democratic, Legal and Property Services following consultation with the Portfolio Holder for Climate Change, to administer delivery of the funding in line with the grant conditions.

(Council decision)

GROUNDINGS FOR URGENCY:

Due to timescales, there was insufficient information to bring a report to the Executive Committee before an application was submitted in late December 2020. Redditch Borough Council was contacted on 26th January 2021 and offered funding directly from BEIS (the Department of Business, Energy and Industrial Strategy) using Section 31, with a decision on accepting the funding required as soon as possible.

DECISION APPROVED BY:

(Deputy) CHIEF EXECUTIVE

ACTING SECTION 151 OFFICER
(if financial implications)

.....
(Signature) (Sue Hanley / Kevin Dicks - (D)CX)

.....
(Signature) (Chris Forrester)

Date: February 2021

PROPOSED ACTION SUPPORTED *(amend as appropriate)*

..... (Signature) (Signature) (Signature) (Signature) (Signature)
<i>(Block Capitals)</i>	<i>(Block Capitals)</i>	<i>(Block Capitals)</i>	<i>(Block Capitals)</i>	<i>(Block Capitals)</i>
MAYOR *	PF HOLDER**	LEADER / LABOUR Group	LEADER / LDR CONSERVATIVE Group	CHAIR O&S Committee
Date:	Date:	Date:	Date:	Date:

Notes:

* In addition to the Executive decision above regarding the matter under consideration, the Mayor is signing to agree both that the Executive decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. This is to ensure that the call-in procedures as set out in Part 8 of the Constitution shall not apply where an Executive decision being taken is urgent.

** There are two Portfolio Holders who will be consulted on this matter. Councillor Lovell, Portfolio Holder for Climate Change, and Councillor Thain, Portfolio holder for Finance and Enabling.

REDDITCH BOROUGH COUNCIL**RECORD OF DECISION TAKEN UNDER URGENCY PROCEDURES**

SUBJECT: Localism Act 2011 – Standards Regime - Dispensations

BRIEF STATEMENT OF SUBJECT MATTER:

Section 33 of the Localism Act 2011 provides that Dispensations can be granted in respect of Disclosable Pecuniary Interests (“DPIs”). In addition, Section 33 (3) provides that a dispensation must specify the period for which it has affect and that period may not exceed four years.

The Audit, Governance and Standards Committee previously approved dispensations for all Members in respect of enabling all Members to debate and vote on the Council’s budget and Council Tax at a meeting held on 29th July 2019. The dispensations applied until the next Borough elections, which were then anticipated as due to take place in May 2020, but which were subsequently postponed to May 2021 due to the Covid-19 pandemic. The proposals detailed in this report will ensure that, for the avoidance of any doubt, Members have the dispensations needed to participate in the debate and vote on the Council’s budget and Council Tax resolutions.

It should be noted that under Section 106 of the Local Government Finance Act 1992 there is a caveat that any Member who is two months (or more) in arrears with their Council Tax payments cannot participate in any Council meeting concerning the budget. In the event that any Members are affected by the provisions of section 106, the statutory rule that they be barred from taking part in the budget decisions would prevail.

DECISION:

RESOLVED that

- 1) subject to the caveat set out above in relation to setting the Council’s Budget, Council grants dispensations under Section 33 (2) of the Localism Act 2011 to allow all Members to participate in and vote at Council when considering the setting of:**
 - a) the Budget;**
 - b) Council Tax; and**
- 2) it be noted that any new or re-granted dispensations will remain valid until the first meeting of the Audit, Governance and Standards Committee following the next Borough Council Elections in 2021.**

(Council decision)

GROUND FOR URGENCY:

The Executive Committee is due to consider and make recommendations in respect of the Medium Term Financial Plan 2021/22 to 2023/24 at a meeting on 16th February and Council is due to debate and vote on the budget and Council Tax resolutions at a meeting on 22nd February 2021. This decision is required urgently to enable the debate and votes to occur at these meetings.

(Deputy) CHIEF EXECUTIVE

ACTING SECTION 151 OFFICER
(if financial implications)

.....
(Signature) (Sue Hanley / Kevin Dicks - (D)CX)

.....
(Signature) (Chris Forrester)

Date: February 2021

PROPOSED ACTION SUPPORTED (amend as appropriate)				
..... (Signature) (Signature) (Signature) (Signature) (Signature)
(Block Capitals)	(Block Capitals)	(Block Capitals)	(Block Capitals)	(Block Capitals)
MAYOR *	PF HOLDER	LEADER / LABOUR Group	LEADER / LDR CONSERVATIVE Group	CHAIR O&S Committee
Date:	Date:	Date:	Date:	Date:

Notes:

* In addition to the Executive decision above regarding the matter under consideration, the Mayor is signing to agree both that the Executive decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. This is to ensure that the call-in procedures as set out in Part 8 of the Constitution shall not apply where an Executive decision being taken is urgent.