



Council

Mon 26 Jan
2015
7.00 pm

Council Chamber
Town Hall
Redditch

REDDITCH BOROUGH COUNCIL

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Council

Monday, 26th January, 2015

7.00 pm

Council Chamber Town Hall

Agenda

Membership:

Cllrs: Pat Witherspoon (Mayor)
Pattie Hill (Deputy Mayor)
Joe Baker
Roger Bennett
Rebecca Blake
Michael Braley
Andrew Brazier
Natalie Brookes
Juliet Brunner
David Bush
Greg Chance
Brandon Clayton
John Fisher
Andrew Fry
Carole Gandy

Bill Hartnett
Gay Hopkins
Wanda King
Alan Mason
Phil Mould
Jane Potter
Mark Shurmer
Rachael Smith
Yvonne Smith
Paul Swansborough
Debbie Taylor
David Thain
John Witherspoon
Nina Wood-Ford

1. Welcome	The Mayor will open the meeting and welcome all present.
2. Apologies	To receive any apologies for absence on behalf of Council members.
3. Declarations of Interest	To invite Councillors to declare any Disclosable Pecuniary Interests or Other Disclosable Interests they may have in items on the agenda, and to confirm the nature of those interests.
4. Minutes (Pages 1 - 8) Kevin Dicks, Chief Executive	To confirm as a correct record the minutes of the meeting of the Council held on 8 th December 2014.

<p>5. Announcements</p>	<p>To consider Announcements under Procedure Rule 10:</p> <ul style="list-style-type: none">a) Mayor's Announcementsb) Leader's Announcementsc) Chief Executive's Announcements. <p>(Oral report)</p>
<p>6. Questions on Notice</p> <p>Kevin Dicks, Chief Executive</p>	<p>The following question from Councillor Juliet Brunner has been submitted in accordance with Procedure Rule 9.2:</p> <p>"What advice would the Leader of the Council give to any Councillor who was contacted by a resident who did not live in their ward and asked to deal with an issue?"</p>
<p>7. Motions on Notice</p> <p>Kevin Dicks, Chief Executive</p>	<p>No Motions have been submitted under Procedure Rule 11.</p>
<p>8. Executive Committee</p> <p>(Pages 9 - 32)</p> <p>Kevin Dicks, Chief Executive</p>	<p>To receive the minutes and consider the recommendations and/or referrals from the following meetings of the Executive Committee:</p> <ul style="list-style-type: none">(a) 16th December 2014 – there are no recommendations to the Council in these minutes;(b) 20th January 2015 – there are potential recommendations to the Council on the Independent Remuneration Panel report and recommendations on the Housing Revenue Account Initial Estimate 2015-16. <p>Minutes of the meeting held on 16th December are included in the Minute Book, recommendations and reports are enclosed with this agenda.</p>
<p>9. Regulatory Committees</p> <p>Kevin Dicks, Chief Executive</p>	<p>To formally receive the minutes of the following meetings of the Council's Regulatory Committees:</p> <ul style="list-style-type: none">(a) Licensing Committee, 3rd November 2014;(b) Planning Committee, 10th December 2014. <p>Copies of the minutes are included in the Minute book circulated with this agenda.</p>

<p>10. Urgent Business - Record of Decisions</p> <p>Kevin Dicks, Chief Executive</p>	<p>To note any decisions taken in accordance with the Council's Urgency Procedure Rules (Part 6, Paragraph 5 and/or Part 7, Paragraph 15 of the Constitution), as specified.</p> <p>(None to date).</p>
<p>11. Urgent Business - general (if any)</p>	<p>To consider any additional items exceptionally agreed by the Mayor as Urgent Business in accordance with the powers vested in her by virtue of Section 100(B)(4)(b) of the Local Government Act 1972.</p> <p>This power should be exercised only in cases where there are genuinely special circumstances which require consideration of an item which has not previously been published on the Order of Business for the meeting.</p>
<p>12. Exclusion of the Public</p>	<p>Should it be necessary, in the opinion of the Chief Executive, to consider excluding the public from the meeting in relation to any items of business on the grounds that exempt information is likely to be divulged it may be necessary to move the following resolution:</p> <p>“that, under S.100 I of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, the public be excluded from the meeting for the following matter(s) on the rounds that it/they involve(s) the likely disclosure of exempt information as defined in the relevant paragraphs (to be specified) of Part 1 of Schedule 12 (A) of the said Act, as amended.”</p>
<p>13. -</p>	<p>Note: Anyone requiring copies of any previously circulated reports, or supplementary papers, should please contact Committee Services Officers in advance of the meeting.</p>



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COUNCIL

8th December 2014

MINUTES

Present:

Councillor Pat Witherspoon (Mayor) and Councillors Pattie Hill, Joe Baker, Roger Bennett, Rebecca Blake, Andrew Brazier, David Bush, Greg Chance, Brandon Clayton, John Fisher, Andrew Fry, Carole Gandy, Bill Hartnett, Gay Hopkins, Alan Mason, Phil Mould, Jane Potter, Mark Shurmer, Rachael Smith, Yvonne Smith, David Thain and John Witherspoon

Officers:

Kevin Dicks, Sue Hanley, Claire Felton, Sheena Jones and Laney Walsh

Democratic Services Officer:

Amanda Scarce

47. APOLOGIES

Apologies for absence were received on behalf of Councillors Michael Braley, Natalie Brookes, Juliet Brunner, Wanda King, Paul Swansborough, Debbie Taylor and Nina Wood-Ford.

48. DECLARATIONS OF INTEREST

There were no declarations of interest on this occasion.

49. MINUTES

RESOLVED that

The minutes of the meeting of the Council held on 20th October 2014 be agreed as a correct record and signed by the Mayor.

50. ANNOUNCEMENTS

a) Mayor

The Mayor's communications and announcements were as follows:

i) Mayor's Announcements

.....
Chair

COUNCIL

8th December 2014

The Mayor advised that since the last meeting of the Council she and her Deputy, Councillor Pattie Hill, had attended a number of events including Worcestershire Sports Awards, the Redditch Bonfire event, Remembrance Day parades at the war memorial in the Town Centre, Astwood Bank and the Armistice day parade and service at St Stephens Church, the opening night of Jesus Christ Superstar at the Palace Theatre, the Christmas party at Abbeydale. The Mayor's charity quiz evening which was a sell out and a very successful and fun evening and finally the Blind Association Christmas Party.

ii) Forthcoming Engagements

The Mayor advised that her forthcoming engagements included a visit to the Royal Mail Sorting office with a very early start, a number of Christmas Carol Services and finally a visit to the Alexandra Hospital on Christmas Day.

The Mayor also thanked Councillor Hill for standing in for her at those occasions when she had been unable to attend.

b) Leader's Announcements

The Leader thanked members of the Council's new choir, Vocal Authority, which was made up of employees from both Redditch and Bromsgrove Councils, for attending this evening's meeting and singing a number of festive songs.

i) The Heels Walk

For the third year the Leader had joined 16 men including many officers from the Town Hall on the Mile Heels Walk around the town centre as part of the white ribbon campaign part of the 16 days of action, speaking out against domestic violence.

ii) Mayor's Charity Quiz

The Leader had attended this and confirmed what a great evening it had been, with festive tunes once again being provided by Vocal Authority.

iii) Saturday Polish School

The Leader had attended this along with Inspector Rebecca Love and PC Jon Watts all had interacted with the children attending and given them the opportunity to sit in a Police car and sound the siren.

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iv) Remembrance Sunday Parade

The Remembrance Sunday parade and service had been the best to date, with a huge number of public attending along with the deputy Lord Lieutenant.

The Leader also informed Members of a book, Redditch Fallen Heroes, which had been produced locally with the support of the Standard and other local writers. It contained information on all those named on local memorials and provided very interesting reading. It was available to purchase from Heaphys or the Library at a cost of £5.

v) Plymouth Road Memorial Gardens

The tree planting had taken place with two local schools and British Legion representatives. An oak tree was planted to commemorate the 100 years since WW1 and a commemorative bench was also provide depicting soldiers and poppies.

vi) Worcestershire Sports Awards

This had been attended along with the Mayor and officers with the Council being mentioned in respect of the Walking Football which had been set up.

vii) Skills on Show at NEC

This had been a really good event, but the Leader had been disappointed with the small number of Redditch schools who had attended. It was hoped that this would improve at future events.

viii) The Leader had also attended the Jamaican High Commissioners visit which had been arranged by the Caribbean Roots Connection and the Redditch Business Leaders meeting which had also been attended by Councillors Potter and Clayton.

He had also attended a number of Christmas/festive gatherings including the Sunset Club, MHAG, the Chinese Association Communities Together and Batchley Yule by the School. Finally he had attended the pantomime, Cinderella at the Palace Theatre.

51. QUESTIONS ON NOTICE

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No questions had been submitted.

52. MOTIONS ON NOTICE

A Notice of Motion had been submitted by Councillor Bill Hartnett in respect of the Time to change pledge. This was seconded by Councillor Rebecca Blake.

In proposing the Motion Councillor Hartnett thanked the other political groups for supporting the sentiment of this motion and following on from the previous meeting when support had been given to World Mental Health Day. It was believed that the Council was the first organisation in the West Midlands to sign the pledge, which would be formally carried out at the next Executive Committee meeting.

The Time to Change pledge was a public statement of aspiration that an organisation wanted to tackle mental health stigma and discrimination. Any organisation could pledge and there were no restrictions around the size of that organisation or the sector from which it came. Whilst there was a requirement to evidence that any organisational pledge had meaning, it was not a quality mark accreditation or endorsement as such. As an organisation, the Council would own the pledge and action plan. As such the Council would take responsibility for completing any actions it committed to. The Council's action plan would include training, a support programme, and enhanced phone a friend service and health checks.

In seconding the Motion Councillor Blake paid tribute to the tremendous amount of work which had been carried out by Laney Walsh from Unison in promoting the importance of considering mental health. Councillor Blake highlighted that it was important that the Council not only signed the pledge but carried through the work to ensure the mental health and wellbeing of all staff was paramount.

It was

RESOLVED that

The Motion be agreed in the following terms:

“That this Council supports the Time to Change pledge as follows:

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8th December 2014

To reduce the stigma of mental illness and support staff who are experiencing, or who may experience, personal or family mental health issues.”

53. EXECUTIVE COMMITTEE

Members considered the minutes of the Executive Committee meeting of 28th October 2014.

Improved Parking Schemes

In respect of the recommendations from the Committee in relation to Improved Parking Schemes across the Borough, the following points were discussed prior to a decision being taken.

- The majority of schemes being within Council owned estates.
- The potential alternatives methods to operate a scheme.
- Residents seeking to be able to park appropriately close to their homes.
- The areas covered by the scheme.
- The option to roll out the scheme to other areas throughout the Borough.
- Enforcement of the scheme.
- The overall and any additional cost of the scheme.

Fees and Charges

The following areas were debated prior to a decision being taken in respect of the recommendations for the Fees and Charges Review 2015/16 Report.

- Disappointment in the increase in the cost of junior swimming lessons and a suggestion that the Council could show support for children learning to swim by keeping the current charge.
- The discount available through the use of a Redicard.
- The provision of free swimming for both under 16 and over 60 year olds.

An amendment to exclude junior swimming lessons from the list of charges proposed to be increased was declared lost.

Members considered the minutes of the Executive Committee meeting of 25th November 2014.

Public Service Network Compliance

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8th December 2014

Members were informed that further funding was required to maintain Public Services Network (PSN) compliance in the current financial year. There would be further funding requirements to achieve full compliance in 2015 and 2016 which would be included in the budget setting process. The following areas were discussed in detail prior to a decision being taken on the recommendations detailed in the agenda.

- The introduction of Ipads to all Members and how the appropriate level of support required by Councillors could be gauged;
- The pressures from central government to become PSN compliant and the need to make adequate provision for future requirements.

Council Tax Support Scheme 2015/16

Members were pleased to see that there were no proposed changes to this scheme and were supportive of the work which it allowed officers to carry out. However, it was noted that universal credit would be in place at some stage in the future and it was important that people were aware of this.

Joint Property Vehicle Full Business Case

Members were reminded that this had been raised earlier in the year and were now being asked to agree that the Council participate in establishing a Joint Property Vehicle as detailed in the report. Whilst Members queried who would sit on the Board that would be established, it was accepted that it was not possible to say at this stage, but that all members would be advised once the appointment had been made.

Environmental Services Transformation and Shared Services Restructure

Members were reminded that there had been a number of opportunities through the Shared Services Board and Group meeting briefings to receive detailed information and raise any queries about the Environmental Services Transformation and Shared Services restructure. It was confirmed that agreement would also be required from both Cabinet and Council at Bromsgrove District Council.

RESOLVED that

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- a) **The Minutes of the meeting of the Executive Committee held on 28th October be received and all recommendations adopted; and**
- b) **The Minutes of the meeting of the Executive Committee held on 25th November be received and all recommendations adopted.**

54. REGULATORY COMMITTEES

The Council received the minutes of the recent meeting of the Planning Committee.

RESOLVED that

The minutes of the meeting of the Planning Committee held on 12th November 2014 be received and adopted.

55. APPOINTMENTS TO OUTSIDE BODIES

The Council was informed that there had been a slight change to the membership of outside bodies which needed to be resolved by the Council.

It was

RESOLVED that

- (a) **Councillor Phil Mould be appointed as the representative for the 3 northern districts for the Worcestershire Local Transport Body, with Councillor John Campion, Wyre Forest District Council being appointed as substitute;**
- (b) **Councillor Bill Hartnett be appointed as substitute member for the Council to the West Mercia Police and Crime Panel;**
- (c) **Councillor John Fisher be appointed as the substitute Member for the Worcestershire LEP Area EU Structural and Investment Fund Strategy Committee (ESIF) with Councillor Mike Webb, Bromsgrove District Council being appointed as lead representative; and**
- (d) **Councillor John Fisher be appointed as the substitute Member for the Greater Birmingham and Solihull LEP Area EU Structural and Investment Fund Strategy Committee (ESIF) with Councillor Mike Webb, Bromsgrove District Council being appointed as lead representative.**

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8th December 2014

56. URGENT BUSINESS - RECORD OF DECISIONS

There were no urgent decisions to note.

57. URGENT BUSINESS - GENERAL

There were no separate items of urgent business to consider at this meeting.

The Meeting commenced at 7.00 pm
and closed at 8.13 pm

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE**20th January 2015**REPORT OF THE INDEPENDENT REMUNERATION PANEL –
RECOMMENDATIONS FOR MEMBERS' ALLOWANCES FOR 2015-16 AND THE
MEMBERS ALLOWANCES SCHEME**

Relevant Portfolio Holder	Councillors B Hartnett, Leader and J Fisher, Portfolio Holder for Corporate Management
Portfolio Holder Consulted	Yes
Relevant Head of Service	Claire Felton
Ward(s) Affected	All
Ward Councillor(s) Consulted	N/A
Non-Key Decision	

1. SUMMARY OF PROPOSALS

Each Council is required by law to have an Independent Remuneration Panel which recommends the level of allowances for Councillors. The Panel for Redditch also makes recommendations to the other District Councils in Worcestershire. The Panel's report is enclosed for consideration by the Executive Committee and ultimately by the Council.

2. RECOMMENDATIONS

The Committee is asked to consider the report and recommendations and RECOMMEND to Council

2.1 whether or not to accept the recommendations of the Independent Remuneration Panel for 2015-16;

2.2 having considered the Panel's report and recommendations, whether or not changes are required to the Council's scheme of allowances for Members.

3. KEY ISSUES**Financial Implications**

3.1 If the Council was to accept the Panel's recommendations in full, the budget for Members' basic and special responsibility allowances for 2015-16 would be approx. £193,000. This would be an increase of £56,000 on the total for the same allowances in the current year.

Legal Implications

3.2 The Council is required to "have regard" to the recommendations of the Panel. However, it is not obliged to agree to them. It can choose to implement them in full or in part, or not to accept them.

EXECUTIVE COMMITTEE20th January 2015

- 3.3 The Council is also required to review its scheme of allowances for Councillors on an annual basis.

Service/Operational Implications

- 3.4 There are no direct service or operational implications arising from this report. Once the Council has agreed the allowances for 2015-16 Officers will update and publish the Members' Allowances Scheme as appropriate.

Customer/Equalities and Diversity Implications

- 3.5 None arising from this report.

4. RISK MANAGEMENT

Payments to Councillors can be a high profile issue. The main risks are reputational. However, the Council is transparent about the decisions made on allowances. The Allowances scheme and sums paid to Councillors each year are published on the Council's website.

5. APPENDICES

Report and recommendations from the Independent Remuneration Panel for 2015-16.

6. BACKGROUND PAPERS

Members Allowances Scheme – in the Council Constitution at Part 15 and on the website at:

<http://redditch.whub.org.uk/cms/council-and-democracy/councillors-and-committees/members-allowances-redditch.aspx>.

AUTHOR OF REPORT

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**Independent Remuneration Panel for Worcestershire
District Councils**

Annual Report and Recommendations for 2015-16

Redditch Borough Council

December 2014

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Recommendations

The Independent Remuneration Panel recommends to Redditch Borough Council the following:

1. That the Basic Allowance for 2015-16 is £4,200.
2. That the Special Responsibility Allowances are as set out in Appendix 1.
3. That travel allowances for 2015-16 continue to be paid in accordance with the HMRC mileage allowance.
4. That subsistence allowances for 2015-16 remain unchanged.
5. That the Dependent Carer's Allowance remains unchanged.
6. That for Parish Councils in the Borough, if travel and subsistence is paid, the Panel recommends that it is paid in accordance with the rates paid by Redditch Borough Council and in accordance with the relevant Regulations.

Introduction

The Independent Remuneration Panel (IRP) has been appointed by the Council to carry out reviews of the allowances paid to Councillors, as required by the Local Government Act 2000 and subsequent legislation. The Panel has carried out its work in accordance with the legislation and statutory guidance.

The law requires each Council to “have regard” to the recommendations of the Independent Panel and we noted that last year the Council did not accept our recommendations but decided instead to award no increase to allowances and for all allowances to remain at the rate agreed by the Council previously.

This year we offered to meet with the Leader of the Council to discuss any other particular issues. We agreed mutually that there were no specific issues to discuss this year.

At this point we would like to stress that our recommendations are based on thorough research and benchmarking. We have presented the Council with what we consider to be an appropriate set of allowances to reflect the roles carried out by the Councillors. The purpose of allowances is to enable people from all walks of life to become involved in local politics if they choose.

However, we acknowledge that in the current challenging financial climate there are difficult choices for the Council to make. Ultimately it is for the Council to decide how or whether to adopt the recommendations that we make.

Background Evidence and Research Undertaken

There is a rich and varied choice of market indicators on pay which can be used for comparison purposes. These include:

- National survey data on a national, regional or local level;
- Focussed surveys on a particular public sector;
- Regular or specific surveys
- Use of specific indices to indicate movement in rewards or cost of living.

As background for the decisions taken by the Panel this year we have:

- Analysed and considered the Annual Survey of Hours and Earnings (ASHE) statistics for 2014;
- Benchmarked the Basic Allowance against allowances for comparable roles paid by the Chartered Institute of Public Finance and Accountancy (CIPFA) “Nearest Neighbour” Councils for each authority;

We give more details about these areas of research at the end of the report.

The figure being recommended by the Panel of £4,200 for the Basic Allowance does appear reasonable when compared to other Local Authorities.

Arising from our research we have included information showing the members' allowances budget for Basic and Special Responsibility Allowances paid for 2013-14 as a cost per head of population for each Council. We also show the average payment per member of each authority of the Basic and Special Responsibility Allowances, to give context to our recommendations.

Table 1 - Total spend on Basic and Special Responsibility Allowances as a cost per head of population 2013-14 figures

Authority and population¹	Total spend Basic Allowances 2013-14 £:	Total spend on Special Responsibility Allowances (SRA) £:	SRA as a percentage of total Basic Allowance %:	Cost of total basic and SRA per head of population £:
Bromsgrove DC 94,744	168,074	64,150	38%	2.45
Malvern Hills DC 75,339	159,227	61,762	39%	2.93
Redditch Borough 84,521	97,020	39,928	41%	1.62
Worcester City 100,405	139,650	58,937	42%	1.98
Wychavon 118,738	188,650	70,096	37%	2.18

Table 2 showing average allowance per member of each authority (Basic and Special Responsibility Allowances, 2013 – 14 figures)

Authority (number of Councillors)	Amount £
Bromsgrove District (39)	5,954
Malvern Hills District (38)	5,816
Redditch Borough (29)	4,722
Worcester City (35)	5,674
Wychavon District (45)	5,750

¹ ONS population figures mid 2013. Totals for Basic and Special Responsibility allowances paid are as published by each authority for the 2013-14 financial year.

Basic Allowance 2015 - 16

Calculation of Basic Allowance

The Basic Allowance is based on:

- The roles and responsibilities of Members; and
- Their time commitments – including the total average number of hours worked per week on Council business.

We then apply a public service discount of 40% to reflect that Councillors volunteer some of their time to the role.

Having reviewed the levels of wage rates and the benchmark information available to us from the Chartered Institute of Public Finance and Accountancy (CIPFA) “nearest neighbours” authorities, we do not recommend any increases in the Basic Allowance for 2015-16.

Further analysis of relevant research data indicates that there is no justification for increasing the basic allowance from the £4,200 recommended.

The Council has previously not accepted our recommendations to increase the Basic Allowance to £4,200. In this circumstance we suggest it may be appropriate for the Council to consider increasing the Basic Allowance to match the pay award for local government employees and to move towards the rate we recommend for the role.

Special Responsibility Allowances (SRA) 2015-16

General Calculation of SRAs

The basis for the calculation of SRAs is a multiplier of the Basic Allowance as advocated in the published Guidance.

The Panel has reviewed the responsibilities of each post, the multipliers and allowances paid by similar authorities. As in last year, the Panel has benchmarked the allowances against those paid by authorities listed as “nearest neighbours” by CIPFA.

Appendix 1 to this report sets out the allowances recommended for 2015-16.

1. Leaders of Political Groups

In the legislation, a Political Group on a Local Authority consists of 2 or more Councillors.

In most cases the Leader of the Council also leads the main political group on the authority. In the past the IRP for South Worcestershire had recommended payments to political group leaders on a per head basis, based on the number of Councillors in each group. Whilst this reflected changes in group sizes and

allowed for flexibility following changes in political balance, we were persuaded to change this approach for one Council and to recommend a lump sum allowance for the Leader of the Opposition Group. We received a similar request from another Council in 2013.

We noted that in some cases the Allowances Scheme for their authority did not enable a Leader to receive any support for the Group Leader role.

We considered carefully evidence from the data we collected and checked the Statutory Guidance about the potential to be paid more than one SRA. We are content that Councillors can be in receipt of more than one. Therefore, we are have recommended that Leaders of all Political Groups are entitled to an allowance of 0.25 of the Basic Allowance, recognising that they all have an important role to play in the governance of the Council.

2. Deputy Leader

We are recommending that the multiplier for the Deputy Leader role be 1.75 x the Basic Allowance as recommended for 2013-14.

3. Portfolio Holders on the Executive Committee

We are recommending that the multiplier for Portfolio Holders be 1.5 x the Basic Allowance as recommended for 2013-14.

4. Overview and Scrutiny Committee

The Guidance on Members Allowances for Local Authorities in England states that Special Responsibility Allowances may be paid to those members of the Council who have “significant additional responsibilities”, over and above the generally accepted duties of a Councillor. It also suggests that if the majority of members of a Council receive a Special Responsibility Allowance, the justification for this may be questioned.

We consider the Basic Allowance to include Councillors’ roles in Overview and Scrutiny, as any non-Executive member of the Council is able to contribute to this aspect of the Council’s work. It is for this reason that we do not recommend any Special Responsibility Allowance for members of the Overview and Scrutiny Committee.

6. Audit, Governance and Standards Committee

The Panel notes that in 2014-15 the Council merged the work of the former Standards Committee into the existing Audit and Governance Committee. The Panel will review the role of audit and the responsibility for chairing the Committee which deals with this during the next year. The Panel continues to recommend a Special Responsibility Allowance is paid to the Chair of the Committee but notes that Redditch does not currently pay an allowance for this role.

Mileage and Expenses 2015-16

The Panel notes that the Council has used the HMRC flat rate for payment of mileage for Councillors and recommends that this continues.

The Panel is satisfied that the current levels of subsistence allowances are set at an appropriate level and recommends that these continue.

The Panel notes that the Council's Scheme of Members' Allowances provides that Dependant Carer Allowances are payable to cover reasonable and legitimate costs incurred in attending approved duties and recommends that this provision continues.

Allowances to Parish Councils

The Independent Remuneration Panel for Worcestershire District Councils acts as the Remuneration Panel for the Parish Councils in each District.

This year the Panel has not been asked to make recommendations on any matters by the Parish in Redditch. In the past the Panel which covered the three South Worcestershire Districts has considered travel and subsistence, and we consider it appropriate to apply this consideration to each of the Districts. We have reviewed the Parish Council travel and subsistence allowances and recommend for 2015 - 16 that no changes are made.

The Independent Remuneration Panel

The Members' Allowances Regulations require Local Authorities to establish and maintain an Independent Remuneration Panel. The purpose of the Panel is to make recommendations to the authority about allowances to be paid to Elected Members and Local Authorities must have regard to this advice. This Council's Independent Remuneration Panel is set up on a joint basis with 4 of the other 5 District Councils in Worcestershire, the decision having been taken during 2010 to follow the principle previously established by having a joint Panel in the South of the County. Wyre Forest District Council withdrew from the arrangement in 2014. Separate Annual Reports have been prepared for each Council.

The members of the Panel are:

- Rob Key, the Chair of the Panel – Rob has 42 years' experience of working in District Councils in a variety of operational and management roles, including senior positions at Worcester City, Wychavon District and Wyre Forest District. He was an Independent Chair for the Strategic Health Authority for Continuing Care and sits on County Council Appeals Panels for School Preference Appeals and Service Complaints.
- Elaine Bell, JP, DipCrim – Elaine has been a Magistrate for 18 years on the South Worcester Bench. She was Deputy Chair of the Bench for 5 years, standing down in July 2014 when bench boundaries changed. She was

Chair of the Bench Training and Development Committee for 9 years, and sat on the Magistrates Advisory Panel for 9 years (interviewing and selecting applicants for appointment as Magistrates). She sits as Chair in both Adult and Family courts in the newly constructed Worcestershire Bench stretching geographically from Hereford, Kidderminster, Redditch and Worcester. She is also Chair of the Lloyds Educational Foundation, past member of Sytchampton School Appeals Panel; Past Hon Treasurer of Ombersley and Doverdale Tennis Club and a Past Governor of Ombersley Primary School.

- Bill Simpson MBE JP – Bill spent 30 years in Further Education culminating in 11 years as Principal of Pershore College. He then entered the private sector as Director of two national Horticultural Societies, one being the Royal Horticultural Society. He served as a magistrate for 9 years until retirement. He is a Trustee of several charities including chairing Thrive between 1993 and 2008. Currently he is Vice Chair of Governors of Red Hill CE Primary School Worcester and a Chair/Member of the County Council and Diocesan Panels for Schools Preference and Exclusions Appeals.
- Terry Cotton - Terry spent 34 years working in central and local Government, mostly managing regeneration programmes across the West Midlands. Until May 2011 he worked at The Government Office for The West Midlands where he was a Relationship Manager between central and local Government and a lead negotiator for local performance targets. Following voluntary early retirement in May 2011, he worked part-time in Birmingham's Jewellery Quarter, setting up a new business led community development trust and currently works part-time for Worcestershire County Council on sustainable transport initiatives. He is also a trustee of a small charitable trust providing grants to grass roots community initiatives in deprived communities.
- Don Barber – After several Human Resources and Productivity Improvement Management roles in Industry, Don became Chief Executive of a change management facilitating consultancy. Over the last 20 years he has been an independent consultant and advisor on a number of United Nations, European Commission, and World Bank transition projects, in particular in Europe, Africa, Asia, and Australasia. He also operates in an advisory role to other consultancy groups seeking EU contracts. This experience has included the development of national civil service/public sector reform programmes including aspects of the effect of legislative change for central and local government and, in the U.K., working for the Office of Manpower Economics (advisors to the Prime Minister) on Public Sector Pay, in particular relating to: Civil Service Pay Reform, UK Armed Forces and the Medical Professions.

The Panel has been advised and assisted by:

- Claire Chaplin from Worcester City Council;
- Sheena Jones from Bromsgrove and Redditch Councils;
- Mel Harris from Wychavon District Council;
- Matthew Box from Malvern Hills District Council.

The Panel wishes to acknowledge its gratitude to these officers who have provided advice and guidance in a professional and dedicated manner.

Rob Key

Chairman of Independent Remuneration Panel

Appendix 1

**Independent Remuneration Panel for District Councils in Worcestershire
Recommendations for 2014-15**

Redditch Borough Council

Role	Recommended Multiplier	Current Multiplier	Recommended Allowance £	Current Allowance (paid) £
Basic Allowance – all Councillors	1	1	4,200 ²	3,350
Special Responsibility Allowances:				
Leader	3	2	12,600	6,697 Plus 1,560 as Portfolio Holder
Deputy Leader	1.75	1.4	7,350	4,687 Plus 1,560 as Portfolio Holder
Portfolio Holders	1.5	0.46	6,300	1,560
Executive Members without Portfolio	0.25	0.32	1,050	1,072
Chair of Overview and Scrutiny Committee	1.5	0.6	6,300	2,009
Members of Overview and Scrutiny Committee	0	0.32	0	1,072

² This figure takes into account a public service discount of 40%

Role	Recommended Multiplier	Current Multiplier	Recommended Allowance £	Current Allowance (paid) £
Chair of Overview and Scrutiny Task Groups	0.25	0	1,050 paid pro-rata for the length of the Task Group	0
Chair of Audit, Governance and Standards Committee	0.25	0	1,050	0
Chair of Planning Committee	1	0.47	4,200	1,560
Chair of Licensing Committee	0.75	0.4	3,150	1,340
Political Group Leaders	0.25	0.31	1,050 X 2	1,040 X1
Borough Council representatives on the following bodies:				
Local Government Association (LGA) and General Assembly	0	N/A	0	269
West Midlands Employers	0	N/A	0	269

Appendix 2

Summary of ResearchChartered Institute of Public Finance and Accountancy (CIPFA) “Nearest Neighbour” authorities tool.

No two Councils or sets of Councillors are the same. Developed to aid local authorities in comparative and benchmarking exercises, the CIPFA Nearest Neighbours Model adopts a scientific approach to measuring the similarity between authorities. Using the data, Redditch’s “nearest neighbours” are:

- Tamworth
- Cannock Chase
- Wellingborough
- Mansfield
- Worcester City
- Gravesham

Information on the level of Basic and Special Responsibility Allowances was obtained to benchmark the levels of allowances recommended to the District Council.

Annual Survey of Hours and Earnings (ASHE) Data on Pay

<http://www.ons.gov.uk/ons/rel/ashe/annual-survey-of-hours-and-earnings/2014-provisional-results/index.html>

Published by the Office for National Statistics, the Annual Survey of Hours and Earnings (ASHE) shows detailed information at District level about rates of pay. For benchmarking purposes the Panel uses the levels for hourly rates of pay excluding overtime. This is multiplied by 11 to give a weekly rate. This was the number of hours spent on Council business by frontline Councillors which had been reported in previous surveys. The rate is then discounted by 40% to reflect the element of volunteering that each Councillor undertakes in the role.

CPI (Consumer Price Inflation)

In arriving at its recommendations the Panel has taken into account the latest reported CPI figure available to it, published by the Office for National Statistics. This was 1% for November 2014.

REDDITCH BOROUGH COUNCIL**EXECUTIVE
COMMITTEE**20th January 2015**HOUSING REVENUE ACCOUNT INITIAL ESTIMATE 2015/16**

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
Non-Key Decision	

1. SUMMARY OF PROPOSALS

To present Members with the Initial Estimates for the Housing Revenue Account for 2015/2016 and the proposed dwelling rents for 2015/2016.

2. RECOMMENDATIONS

The Committee is asked to RECOMMEND that

- 1) the draft 2015/2016 Estimates for the Housing Revenue Account attached to the report at Appendix A, be approved;**
- 2) the actual average rent increase for 2015/2016 be 2.2% (1.2% CPI plus 1% as per government guidelines); and**
- 3) that £3m be transferred to a reserve as a Revenue Contribution to Capital to fund the future Capital Programme and repay borrowing.**

3. KEY ISSUES**Financial 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 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.

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- 3.3 Self-financing has placed a limit (Debt Cap) on borrowing for housing purposes at the closing position for 2011/12. This is set at £122,158,000. The figures at Appendix A allow for the payment of interest on this sum. This means that all future capital programmes will have to be funded from revenue contribution, capital receipts or grants.
- 3.4 Rent convergence was due to continue until 2015/16, however government policy has changed. In May 2014 Government produced a paper on Guidance on Rents for social Housing which signalled their change in policy. From 2015/16 rents in the social sector should increase by CPI plus 1% annually, rather than the previous formula of RPI + 1%. The move from RPI to CPI follows the office for national statistics' announcement in January 2013 that the formula used to produce the retail price index does not meet international standards.
- 3.5 Failure to increase the rents by the recommended amount will affect the authority's ability to manage the debt in line with the 30 year Business case that was agreed as part of self-financing. The capital programme for maintaining our stock at decent homes standards also requires a high level of investment which can only be achieved by increasing our rents.

2015/16

- 3.6 This section of the report outlines the major issues which have an impact upon the Housing Revenue Account budget setting process for 2015/16.
- 3.7 Based on the CPI figure for September 2014 of 1.2% and using the new government guide lines for calculating dwelling rents, the actual average rent increase for 2015/16 will be 2.2%. The average rent on a 52 week basis will be £80.23 or £86.91 on a 48 week basis. This compares to the actual average for 2014/15 on a 52 week basis of £78.59 and £85.14 on a 48 week basis. See Appendix B for examples of rent by property type.

Capital Resources

- 3.8 From the 1st of April 2004 capital receipts from the sale of housing land and dwellings have been subject to pooling, (75% of Right to Buy (RTB) receipts have to be paid to the Government for redistribution).
- 3.9 In April 2013 the government gave council's 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. In the case where these receipts are not used then the council

REDDITCH BOROUGH COUNCIL**EXECUTIVE
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will have to pay a fee back to the government for retaining them. This council has opted to retain the receipts.

- 3.10 Officers have estimated that in the short term the number of RTB sales for this Council will be around 40 per annum, generating around £600k in usable capital receipts.
- 3.11 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 2015/16 is £5,834,171.
- 3.12 The Council has previously made transfers of monies from the HRA, when resources permit, to a reserve to fund future capital programmes. It is estimated that there will be sufficient resources in the HRA in 2015/16 to allow £3.m to be transferred in this way. With the introduction of a Debt Cap from 1st April 2012 these monies will be required to support the Housing Capital Programme. The approved capital programme for 2015/16 totals £7.48million.

Housing Repairs Account

- 3.13 The budgeted contribution to the Housing Repairs Account as shown at Appendix A is £4,682,986 for 2015/16, including inflationary increases where appropriate.

Right to Buy Scheme – Rent Income

- 3.14 In 2015/16 figures it is anticipated there will be the sale of 40 Council homes. However it is not likely to impact rental income due to the plans to 'buy back' properties and the mortgage rescue scheme which will increase the rental income.

Housing Revenue Account Balances

- 3.15 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 £600,000.
- 3.16 The figures shown in Appendix A indicate that the estimated balance carried forward at the 1st April 2015 will be £1,106,002 which will leave a working balance of £978,097 at the 31st March 2016.

**EXECUTIVE
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Legal Implications

- 3.17 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.

Service/Operational Implications

- 3.18 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 increase.

Customer/Equalities and Diversity Implications

- 3.19 The rents have been increased by the same percentage regardless of property size. The increase enables us to keep rents affordable also enabling the continuation of the capital programme investing in the councils housing stock.

4. RISK MANAGEMENT

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.

5. APPENDICES

Appendix A – Housing Revenue Account Budget 2015/16.
Appendix B – Examples of rent by property type

6. BACKGROUND PAPERS

None.

AUTHORS OF REPORT

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Appendix A – Budget for Housing Revenue Account

	2014/15 Budget £	2015/16 Budget £
B/fwd Balance	1,031,192	1,106,002
INCOME		
Dwelling Rents (Gross)	23,941,960	24,465,780
Non-Dwelling Rents (Gross)	460,000	471,000
Charges for Services and Facilities	298,750	472,040
Contribution towards Expenditure	808,440	231,804
Interest Received	79,750	78,300
TOTAL INCOME	25,588,900	25,718,924

EXPENDITURE		
Supervision and Management (General) (includes 300K JE)	4,314,890	4,597,851
Supervision and Management (Special)	2,256,060	2,794,925
Rent, Rates, Taxes and Other Charges	171,390	188,653
Contributions to the Housing Repairs Account	4,665,630	4,682,986
Depreciation	5,986,920	5,834,171
Financing Charges	4,164,750	4,148,243
Subsidy Limitation transfer to GF	54,450	0
Provision for Bad / Doubtful Debts	400,000	600,000
Revenue Contribution to Capital Programme/set aside to repay borrowing	3,500,000	3,000,000
Transfer to Earmarked Reserves	0	0
TOTAL EXPENDITURE	25,514,090	25,846,829

Surplus / (Deficit) for the Year	74,810	(127,905)
C/fwd Balance	1,106,002	978,097

Appendix B – Examples of Property with current and proposed rents

Property Address	Current Rent	Govt CPI + 1% (2.2%)		Weekly Increase
		New 48wks	New 52wks	
Bedsit				
Salterns Lane Batchley	£ 64.26	£ 65.67	£ 60.62	£ 1.41
Winslow Close Winyates East	£ 61.29	£ 62.63	£ 57.82	£ 1.34
Malvern House Headless Cross	£ 66.62	£ 68.08	£ 62.85	£ 1.46
1 Bedroom Bungalow				
Ilmington Close Matchborough	£ 80.84	£ 82.62	£ 76.27	£ 1.78
Sandhurst Close Church Hill	£ 85.26	£ 87.14	£ 80.44	£ 1.88
1 Bedroom Flat				
Fownhope Close Winyates Wes	£ 71.42	£ 72.98	£ 67.37	£ 1.56
Neville Close Abbeydale	£ 71.67	£ 73.24	£ 67.61	£ 1.57
High Trees Close Oakenshaw	£ 75.22	£ 76.87	£ 70.96	£ 1.65
Bushley Close Woodrow	£ 74.39	£ 76.01	£ 70.17	£ 1.62
2 Bedroom House				
Arley Close Church Hill	£ 88.23	£ 90.17	£ 83.24	£ 1.94
Netherfield Greenlands	£ 88.97	£ 90.92	£ 83.93	£ 1.95
2 Bedroom Flat				
Fownhope Close Winyates West	£ 77.61	£ 79.32	£ 73.22	£ 1.71
Poplar Road Batchley	£ 83.53	£ 85.36	£ 78.80	£ 1.83
Lygon Close Abbeydale	£ 79.58	£ 81.32	£ 75.07	£ 1.74
Woodrow Centre Woodrow	£ 79.08	£ 80.81	£ 74.60	£ 1.73
3 Bedroom				
Loxley Close Church Hill	£ 94.41	£ 96.48	£ 89.06	£ 2.07
Eathorpe Close Matchborough	£ 110.00	£ 112.41	£ 103.77	£ 2.41
Salterns Lane Batchley	£ 97.63	99.78	92.11	2.15
4 Bedroom				
Langley Close Matchborough	£ 103.30	£ 105.57	£ 97.45	£ 2.27
Willow Way Batchley	£ 99.35	£ 101.53	£ 93.72	£ 2.18
Bushley Close Woodrow	£ 96.88	£ 99.00	£ 91.39	£ 2.12
Upperfield Close Church Hill	£ 100.58	£ 102.79	£ 94.89	£ 2.21
5 Bedroom				
Rushock Close Woodrow	£ 103.30	£ 105.57	£ 97.45	£ 2.27
Heronfield Close Church Hill	£ 106.77	£ 109.11	£ 100.72	£ 2.34
Farnborough Close Matchborough	£ 106.02	£ 108.35	£ 100.02	£ 2.33
6 Bedroom				
Barnwood Close Church Hill	£ 134.37	£ 137.33	£ 126.77	£ 2.96
Longdon Close Woodrow	£ 127.24	£ 130.04	£ 120.04	£ 2.80
7 Bedroom				
Beoley Rd Lakeside	£ 136.12	£ 139.11	£ 128.41	£ 2.99

