



Executive Committee

Tue 2 Feb
2016
7.00 pm

Committee Room 2
Town Hall
Redditch



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**If you have any queries on this Agenda or any of the decisions taken
or wish to exercise any of the above rights of access to information,
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Executive Committee

Tuesday, 2nd February, 2016

7.00 pm

Committee Room 2 Town Hall

Agenda

Membership:

Cllrs: Bill Hartnett (Chair) Mark Shurmer
 Greg Chance (Vice-Chair) Yvonne Smith
 Juliet Brunner Debbie Taylor
 Brandon Clayton Pat Witherspoon
 John Fisher

<p>1. Apologies</p>	<p>To receive the apologies of any Member who is unable to attend this meeting.</p>
<p>2. Declarations of Interest</p>	<p>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.</p>
<p>3. Leader's Announcements</p>	<p>1. To give notice of any items for future meetings or for the Executive Committee Work Programme, including any scheduled for this meeting, but now carried forward or deleted; and</p> <p>2. any other relevant announcements.</p> <p>(Oral report)</p>
<p>4. Minutes (Pages 1 - 12)</p>	<p>To confirm as a correct record the minutes of the meeting of the Executive Committee held on 12th January 2016.</p> <p>(Minutes attached)</p> <p>(No Specific Ward Relevance)</p>
<p>5. Independent Remuneration Panel (IRP) Report and Recommendations (Pages 13 - 28) Sheena Jones, Democratic Services Manager</p>	<p>To consider a report detailing proposals from the Independent Remuneration Panel (IRP).</p> <p>(Report attached)</p> <p>(No Specific Ward Relevance)</p>

<p>6. Medium Term Financial Plan 2016/17 - 2018/19</p> <p>(Pages 29 - 50)</p> <p>Jayne Pickering, Executive Director, Finance and Resources</p>	<p>To consider an update on the Medium Term Financial Plan 2016/17 to 2018/19.</p> <p>(Report attached)</p> <p>All Wards</p>
<p>7. Overview and Scrutiny Committee</p> <p>(Pages 51 - 56)</p> <p>Kevin Dicks, Chief Executive</p>	<p>To receive the minutes of the meeting of the Overview and Scrutiny Committee held on 5th January 2016.</p> <p>There are no recommendations to consider.</p> <p>(Minutes attached)</p> <p>(No Specific Ward Relevance)</p>
<p>8. Minutes / Referrals - Overview and Scrutiny Committee, Executive Panels etc.</p> <p>Kevin Dicks, Chief Executive</p>	<p>To receive and consider any outstanding minutes or referrals from the Overview and Scrutiny Committee, Executive Panels etc. since the last meeting of the Executive Committee, other than as detailed in the items above.</p> <p>(No Specific Ward Relevance)</p>
<p>9. Advisory Panels - update report</p> <p>(Pages 57 - 58)</p> <p>Kevin Dicks, Chief Executive</p>	<p>To consider, for monitoring / management purposes, an update on the work of the Executive Committee's Advisory Panels and similar bodies, which report via the Executive Committee.</p> <p>(Report attached)</p> <p>(No Specific Ward Relevance)</p>

10. Exclusion of the Public

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:

“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 grounds 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.”

These paragraphs are as follows:

Subject to the “public interest” test, information relating to:

- **Para 1 – any individual;**
- **Para 2 – the identity of any individual;**
- **Para 3 – financial or business affairs;**
- **Para 4 – labour relations matters;**
- **Para 5 – legal professional privilege;**
- **Para 6 – a notice, order or direction;**
- **Para 7 – the prevention, investigation or prosecution of crime;**

may need to be considered as ‘exempt’.

11. Confidential Minutes / Referrals (if any)

To consider confidential matters not dealt with earlier in the evening and not separately listed below (if any).



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MINUTES

Present:

Councillor Bill Hartnett (Chair) and Councillors Juliet Brunner, Brandon Clayton, John Fisher, Mark Shurmer, Yvonne Smith and Debbie Taylor

Officers:

Kevin Dicks, Clare Flanagan, Sue Hanley, Rachel McAndrews, Paul McLaughlin, Sam Morgan, Jayne Pickering, Amanda Singleton, Liz Tompkin and Judith Willis

Committee Officer:

Debbie Parker-Jones

69. APOLOGIES

Apologies for absence were received on behalf of Councillors Greg Chance and Pat Witherspoon.

70. DECLARATIONS OF INTEREST

There were no declarations of interest.

71. LEADER'S ANNOUNCEMENTS

Work Programme

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

- Housing Business Case;
- Review of Pay Enhancements for Leisure Assistants; and
- Independent Remuneration Panel Report and Recommendations.

Agenda Item 4 – Minutes

A typographical error in the agenda listing was noted, with the Executive Committee minutes of the 15th December 2015 meeting

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Chair

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and not the 7th December meeting being the required minutes for approval. The correct minutes had however been included in the agenda pack.

72. MINUTES

RESOLVED that

the minutes of the meeting of the Executive Committee held on 15th December 2015 be agreed as a correct record and signed by the Chair.

73. CCTV CODE OF PRACTICE

Members received a report which sought adoption of a revised CCTV Code of Practice for Redditch Borough Council and Bromsgrove District Council Shared Service.

Officers advised that the new Code before Members had been totally revised in order to meet legislative changes under the Protection of Freedom Act 2012, and to adopt the Surveillance Commissioner's Code of Practice. The Code also took into account changes in best practice.

In response to a Member question, Officers confirmed that they would email Members with any future minor revisions to the Code.

RESOLVED that

- 1) the CCTV Code of Practice as appended to the report be approved; and**
- 2) authority be delegated to the CCTV and Lifeline Manager to make minor changes to the Code of Practice to comply with legal requirements and advice from the Surveillance Commissioner.**

74. VOLUNTARY AND COMMUNITY SECTOR GRANTS PROGRAMME - FUNDING RECOMMENDATIONS

Members considered the Notes and recommendations of the Grants Panel Meetings held on 14th and 15th December 2015 for the award of major grants to voluntary sector organisations for 2016/17. Officers highlighted an error in recommendation 2 of the Notes, the second figure of which in relation to the 'Help me to live my life independently' theme should have read £2,200 and not £2,000.

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The Panel had considered a total of 44 applications from a variety of organisations. Each application had been scored in accordance with the Council's Grants Programme requirements, with recommendations then made to either approve or reject the applications. There had been some minor underspends across three of the themes, the unallocated budgets for which it was suggested be re-advertised alongside the Stronger Communities Grant applications in January 2016.

RESOLVED that

- 1) the following grants for 2016/17 be awarded:

Organisation	Project Name	Amount
Help Me to be Financially Independent - £75K		
Bromsgrove and District Citizens Advice Bureau	Citizens Advice Redditch – Financial/Debt and Problem Solving Advice	£75,000.00
Help Me to be Financially Independent - £10K		
Jestaminute Community Theatre CIC	“Money Talks”	£5,000.00
Help Me to Live My Life Independently - £35K		
Redditch Play Council	Redditch Play Council	£35,000.00
Help Me to Live My Life Independently - £30k		
NewStarts	Skills for a New Start	£4,000.00
Compass Community and Education Group Ltd	Work Club and Employability Skills Programme	£5,820.00
Redditch Mental Health Action Group	Coaching for all	£6,000.00
Bromsgrove and Redditch Network	Volunteering and Employability	£5,978.24
Inspire Community Training CIC	Inspiring Journey	£6,000.00

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Provide Me with Good Things to Do, See and Visit - £6K		
Redditch Wheels Project	Accessible Activities	£3,000.00
REACH (Redditch East Aspiring Communities Hub) CIC	REACH Positive Activity Days Out	£2,665.00
Keep My Place Safe and Looking Good - £15K		
The Ditch Youth Project	The Ditch Youth Project	£3,000.00
Sandycroft	DV Support Group	£5,000.00
Connectar Training and Biodiversity Trust	Connectar Training Centre – trainers salary	£5,000.00
Help Me Run a Successful Voluntary Sector Business - £50K		
Touchstones Support CIC	Supporting Bereaved Children	£10,000.00
Carers Careline	Carers Telephone Support Service	£9,306.92
Where Next Association	Where Next	£10,000.00
Bromsgrove and Redditch Network	The Volunteer Centre	£9,867.10
Sandycroft	Sandycroft Support Services	£10,000.00

and

- 2) the following unallocated sums be retained and their availability be re-advertised in parallel with the Stronger Communities Grants applications in January 2016:

Theme	Unallocated sum
Help me to be financially independent	£5,000
Help me to live my life independently	£2,200
Keep my place safe and looking good	£2,000

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75. EARLY HELP COMMISSIONING - CONSULTATION

The Committee was asked to endorse comments on Worcestershire County Council's consultation on the future of Children's Centres and Early Help 0-19 services, and to approve the Council's entering into a partnership/consortium to submit a tender to deliver the new 0-19 integrated prevention services for children, young people and families, and to enter into a relevant contract should any tender be successful.

Officers explained the implications of the new 0-19 service, which would see substantial changes for early health. Commissioning would take place in all services except family support, and Connecting Families would not form part of this. Members were encouraged to complete their own questionnaires on the Children's Centre Buildings Consultation and to return these to the County Council by the 31st January 2016 deadline. Service users had been asked to complete questionnaires and so far Redditch had provided the highest number of responses across the county. The new contract was to be advertised in February, with the contract to be awarded in May and an anticipated start date for the new service of October 2016.

Members supported the proposed response to the redesign proposals and agreed that a local approach to service delivery was key to the future success of this. They felt that this should be based on either the Clinical Commissioning Group boundaries of Bromsgrove and Redditch, Wyre Forest and South Worcestershire, or that consideration could alternatively be given to a North and South delivery model. Members requested that Officers highlight the importance of the local knowledge element in a rider when submitting the Council's response.

RESOLVED that

- 1) the comments on the future of Worcestershire Children's Centres and 0-19 services, as outlined in section 3.10 of the report, be submitted to Worcestershire County Council; and**
- 2) the Council explore participation in a partnership or consortium arrangement to submit a tender, and if successful a contract be entered into for the delivery of the new 0-19 integrated prevention services for children, young people and families service.**

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76. MATCHBOROUGH CENTRE REDEVELOPMENT - CONSULTATION

Members received a report which sought approval to undertake a feasibility study into the redevelopment of the Matchborough District Centre.

It was noted that the former New Town district centres of Church Hill, Matchborough, Winyates and Woodrow had previously been identified as areas for redevelopment. Following on from the success of the Church Hill redevelopment Matchborough District Centre was the next preferred centre for redevelopment, and from a planning perspective this was an excellent opportunity to look at mixed use of the site.

Officers advised that, where possible and in the time available, tenants and shop owners of the Matchborough District Centre had been informally advised as to the position and that the Executive Committee's approval was being sought to undertake a feasibility study. Planning Officers would lead on the study and would work in conjunction with the Place Partnership on this. Ward Members and stakeholders would be consulted and the outcomes of the study would be reported back to Members, together with suggestions from Officers about the next stages of the process of possible redevelopment.

A Member requested that Officers ensure that the following were consulted:

- RSA Academy Arrow Vale;
- Matchborough First School Academy;
- Noah's Ark Nursery;
- Christ Church;
- CCTV; and
- The local Police.

A Member queried what was happening with the S106 money for leisure and when a decision would be made in this regard. Officers stated that they would come back to Members on this, but that they would not expect expenditure to be incurred which might not support any future redevelopment of the area. A request was made by some Members for Member involvement in the stages following the feasibility study, for example on either a working party or sub-committee, which would avoid the need for large numbers of matters being referred to the Executive Committee.

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RESOLVED that

a feasibility study be undertaken as to the merits of the redevelopment of the Matchborough District Centre.

77. PURCHASE OF CROSSGATES HOUSE

The Committee considered a report, for recommendation to full Council, which sought approval for Officers to enter into negotiations with Worcestershire County Council to purchase their interest in Crossgates House.

Members noted that the capital investment, which would be funded from capital from the sale of Threadneedle House, would make a revenue saving of £14,745 per annum with pay back after ten years. It was further noted that there was likely to be an increase in the rent following the rent review due in 2016.

Some Members did not support acquisition of the leasehold and raised issues in relation to staff accommodation at the Town Hall, Crossgates House and Bromsgrove District Council (BDC) following the District Council's relocation. Officers provided clarifications in this regard and confirmed that all three sites were fully used at present. Officers agreed to come back to Members on the numbers of Officers based at the BDC offices.

RECOMMENDED that

authority be delegated to the Director of Finance and Corporate Resources and the Head of Legal and Democratic Services to purchase Worcestershire County Council's leasehold interest in Crossgates House.

78. HOUSING REVENUE ACCOUNT, RENT AND CAPITAL 2016-17

Members were presented, for recommendation to full Council, with the Initial Budget for the Housing Revenue Account (HRA) and the proposed dwelling rents for 2016/17. Officers highlighted an error in the Housing Revenue Account Budget 2016/17 at Appendix A to the report, the 2019/20 Balances carried forward figure of which should have stated £20.415m and not £20.145m.

Officers explained the background to the report recommendations and the impact of the 1% rent reduction to be imposed by central government effective from 2016/17. Over a 30-year period the loss of rent income was estimated at £120.873m, which was almost the same as the £122.158m housing debt, and which would have a significant impact on the HRA Business Plan.

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It was proposed that Officers be instructed to explore ways of balancing the HRA in 2019/20, including rental income from new housing stock and reviewing service charges. Members proposed an additional recommendation that Officers take to Executive Committee a report setting out the available options in light of the implications on the HRA, such options to include, amongst others, further details in relation to the Council's previously successful Mortgage Rescue and Buy Back Schemes.

For transparency purposes, Officers highlighted that the indicative costs of the Housing Business Case, which it had been hoped would be referred to Executive that evening but which had been delayed to the February meeting, had been included in report before Members that evening.

RECOMMENDED that

- 1) **the draft 2016/2017 Budget for the Housing Revenue Account attached to the report at Appendix A be approved;**
- 2) **the four year budget projections 2016/17 to 2019/20, incorporating the 1% rent reduction, be noted and that Officers be instructed to explore ways of balancing the HRA in 2019/20 including rental income from new housing stock and reviewing service charges;**
- 3) **the actual average rent decrease for 2016/2017 be 1% (as per the Welfare Reform and Work Bill 2015/16);**
- 4) **the capital programme for new housing stock be increased from £0.500 million to £1.052 million in 2016/17 and a programme of £1.064m be created in 2017/18 to ensure that all capital receipts retained under the one for one replacement scheme are applied before the deadline;**
- 5) **£2.182 million be transferred to the capital reserve in 2016/17 to fund the future Capital Programme and/or repay borrowing; and**

RESOLVED that

- 6) **Officers take to Executive Committee a report setting out the available options in light of the implications on the HRA, such options to include, amongst others, further details in relation to the Council's previously successful Mortgage Rescue and Buy Back Schemes.**

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79. COUNCIL TAX BASE 2016/17

A report enabling Members to set the Council Tax Base for 2016/17 was considered. It was noted that the Executive could resolve on this matter.

RESOLVED that

- 1) **the calculation of the Council's Tax Base for the whole and parts of the area for 2016/17, be approved; and**
- 2) **in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the figures calculated by the Redditch Borough Council as its tax base for the whole area for the year 2016/17 be 25,144.49 and for the parts of the area listed below be:**

Parish of Feckenham	365.88
Rest of Redditch	<u>24,778.61</u>
	<u>25,144.49</u>

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

Officers provided Members with an update on the impact of the provisional local government finance settlement 2016/17 which had been published on 17th December. On the back of the initial settlement details Heads of Service were currently working through the budget pressures prior to the budget and Council Tax setting reports in February.

In relation to the Revenue Support Grant (RSG) which the authority received from central government to support services across the Borough, Officers had expected this to reduce to zero by 2019/20, as announced previously, and were considering plans to address this. However, as a result of the latest settlement Redditch would lose all of its RSG in 2018/19, and would move into a position of having to contribute funds totalling £330k back to the Government in 2019/20.

Officers illustrated the impact of the settlement on the Council and the loss of the RSG over the next 4 years compared to previous forecasts together with the impact for Redditch compared to other councils which was significantly higher for Redditch than many other councils nationally. There would be a £3m shortfall in funding compared to the original budget assumptions, and a £5m reduction had the RSG have increased by 1% inflation since 2015/16.

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Officers explained that the assumptions on the Council improving its spending power were based on an estimate of the Council Tax base growth exceeding current expectations and therefore increasing available funding to support services. The somewhat optimistic assumptions included Council Tax base increases of approximately 1% initially (which was double the current estimations), rising to 3% increase in future years. Officers felt that this was highly optimistic based on current growth across the Borough. The impact of the growth assumptions on Council Tax resulted in a further £350k shortfall to Government expectations for the Borough finances.

There were also proposals to change the New Homes Bonus Scheme. The Council currently received a 6-year payment for any property built in the Borough and the Government was looking to change this to 4 years. Additionally, there were a number of proposals to reduce New Homes Bonus (NHB) where there was no local plan, where homes had been allowed on appeal or where the growth would have occurred anyway, meaning there was no longer any certainty with this. The potential reduction of income to the Council over the 4-year period was just over £2m. The Government had given assurances that they would look at a 4-year settlement offer, which would sit around an 'efficiency statement'. There was some certainty around the use of capital receipts, although various uncertainties still remained overall. Earmarked balances were also affected.

Officers advised that the first consultation response on the proposed settlement was due by Friday 15th January, which Members would be sent a copy of, with the NHB consultation deadline being 15th March. A joint response from the six county District Leaders expressing their combined concerns was an option, with it being unclear at this stage as to whether 3-year budgets could be produced given the scale of the reductions and timescales involved. Officers stated that they would start with a 1-year budget, and that whilst they could project for 4 years this would not be a balanced budget. One of the key difficulties for Officers was the timescale between the settlement announcement and the setting of the Council Tax and budget. The Leader stated that he had written to the MP about the settlement and what were felt to be some unrealistic assumptions on which this had been based, as well as some inaccuracies with percentages quoted.

Officers would continue to work on customer demand and how this would best be met in the future and thanks was expressed to Officers overall for their work following publication of the settlement.

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RESOLVED that

the position be noted.

81. OVERVIEW AND SCRUTINY COMMITTEE

The Committee received the minutes of the meeting of the Overview and Scrutiny Committee held on 8th December 2015.

It was noted that there were no recommendations to consider as the recommendations at Minute No.'s 52, 53 and 56, in relation to Bereavement Services Review of Cremation Fees and Charges and Proposed Capital Work – Pre-scrutiny, Fees and Charges 2016-17 – Pre-Scrutiny and Review of the Operation of Leisure Services respectively, had been dealt with by the Executive Committee at its last meeting.

RESOLVED that

the minutes of the meeting of the Overview and Scrutiny Committee held on 8th December 2015 be received and noted.

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

There were no outstanding referrals to consider.

83. ADVISORY PANELS - UPDATE REPORT

In addition to the details set out in the report, Members noted that the Planning Advisory Panel which was due to take place that evening had been cancelled due to lack of business and that a meeting of the Housing Advisory Panel was scheduled to take place later in the month.

RESOLVED that

the report and Officer update be noted.

The Meeting commenced at 7.00 pm
and closed at 8.38 pm

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Chair

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**REPORT OF THE INDEPENDENT REMUNERATION PANEL –
RECOMMENDATIONS FOR MEMBERS' ALLOWANCES FOR 2016-17 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 (IRP) which recommends the level of allowances for Councillors. The Panel is made up of five suitably skilled members of the public who are completely independent of the Borough Council. It also makes recommendations to four 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 2016-17;

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 arising from this;

2.3 that the travel allowances section of the Members Allowances scheme be amended to include the following wording regarding the use of taxis:

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

- (i) In cases of urgency or where no public transport is reasonably available, the amount of the actual fare and any reasonable gratuity paid, and**
- (ii) In any other case, the amount of the fare for travel by appropriate public transport.”**

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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. £194,500. This would be an increase of £56,500 on the projected total expenditure 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.
- 3.3 The Council is also required to review its scheme of allowances for Councillors on an annual basis. This review usually takes place at the same time as the IRP's report is considered.

Service/Operational Implications

- 3.4 Currently the Council's allowances scheme for travel expenses does not include reimbursement of taxi fares. Whilst Councillors would be expected to use the most cost effective form of transport when on Council business – usually public transport - there may be exceptional occasions when using a taxi is reasonable in the circumstances.
- 3.5 It is therefore proposed that appropriate wording is included within the Allowances Scheme, as follows:
- “The rate for travel by Taxi Cab shall not exceed:
- (iii) In cases of urgency or where no public transport is reasonably available, the amount of the actual fare and any reasonable gratuity paid, and
 - (iv) In any other case, the amount of the fare for travel by appropriate public transport.”
- 3.6 There are no direct service or operational implications arising from this report. Once the Council has agreed the allowances for 2016-17 Officers will update and publish the Members' Allowances Scheme as appropriate.

Customer/Equalities and Diversity Implications

- 3.7 None arising from this report.

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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 2016-17.

6. **BACKGROUND PAPERS**

Members Allowances Scheme – in the Council Constitution at part 18:
<http://moderngovwebpublic.redditchbc.gov.uk/ieListDocuments.aspx?CId=379&MId=2355&Ver=4>

AUTHOR OF REPORT

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**Independent Remuneration Panel
for Worcestershire District Councils**

Annual Report and Recommendations for 2016-17

Redditch Borough Council

December 2015

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Recommendations

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

1. That the Basic Allowance for 2016-17 shows a 1% increase to £4,250.
2. That the Special Responsibility Allowances are as set out in Appendix 1.
3. That travel allowances for 2016-17 continue to be paid in accordance with the HMRC mileage allowance.
4. That subsistence allowances for 2016-17 remain unchanged.
5. That the Dependent Carer's Allowance remains unchanged.
6. That for the Parish Council 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 Borough Council did not accept our recommendations but decided instead not to increase allowances and for all allowances to remain at the rate agreed by the Council previously.

This year the Panel 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 2015 which gives the mean hourly wage rate for Worcestershire at £14.68
- 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.

This autumn, Worcester City Councillors recorded time spent on Council business for a number of weeks. This enabled the Panel to confirm the number of hours per week for front

line councillors, which is used to calculate the recommended basic allowance. More detail is given about this under the Basic Allowance heading later in the Report.

The figure being recommended by the Panel of £4,250 (1% increase in line with the Public Sector settlement) for the Basic Allowance appears reasonable and appropriate when compared to other Local Authorities.

Arising from our research, in Table 1 we have included information showing the Members' allowances budget for Basic and Special Responsibility Allowances paid for 2014-15 as a cost per head of population for each Council. To give context, we have included details of the proportion of the net revenue budget spent by each Council on basic and Special Responsibility allowances.

In Table 2 we show the average payment per member of each authority of the Basic and Special Responsibility Allowances, which illustrates the balance between the level of Special Responsibility Allowances paid and the Basic Allowance.

Table 1 - Total spend on Basic and Special Responsibility Allowances as a cost per head of population 2014-15 figures

Authority, population¹ and number of Councillors	Total spend Basic Allowances 2014-15 £:	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 £:	Total of basic and SRA as a percentage of Net General Revenue Fund expenditure %
Bromsgrove DC (39) 94,744	168,064	66,417	40%	2.48	234,481/ 12,456,000 =1.88%
Malvern Hills DC (38) 75,339	161,089	63,949	40%	2.99	225,038/ 10,736,000 = 2.10%
Redditch Borough (29) 84,521	95,804	44,709	47%	1.66	140,513/ 10,622,000 = 1.32%
Worcester City (35) 100,405	139,650	58,513	42%	1.97	198162/ 10,690,000 = 1.85%
Wychavon (45) 118,738	185,776.61	70,515.54	37.96%	2.16	256,293/ 12,255,000 = 2.09%

¹ ONS population figures mid 2013. Totals for Basic and Special Responsibility allowances paid are as published by each authority for the 2014-15 financial year.

Table 2 showing average allowance per Member of each authority (Basic and Special Responsibility Allowances, 2014 – 15 figures)

Authority (number of Councillors)	Amount £
Bromsgrove District (39)	6,012
Malvern Hills District (38)	5,921
Redditch Borough (29)	4,845
Worcester City (35)	5,661
Wychavon District (45)	5,695

Basic Allowance 2016 - 17

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.

The Basic Allowance is paid to all Members of the Council.

Whilst each council may set out role descriptions for councillors, the Panel accepts that each councillor will carry out that role differently, reflecting personal circumstances and local requirements. However, 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. We also consider that ICT could be included in the Basic allowance as it is generally more readily available to individuals than in previous years. However, we are comfortable that specific local decisions may be made about how ICT support is provided.

As mentioned earlier, this year Worcester City Councillors recorded the time spent per week on Council business for a number of weeks during the early autumn. This was considered to reflect an appropriate "average" period of time for meetings and other commitments. The results from this survey showed that the average input was 10 hours and 50 minutes per week. This figure matches the one used for a number of years by the Panel, based on previous research with constituent councils, to calculate the basic allowance.

We reviewed the levels of wage rates for Worcestershire as set out in the ASHE data (details in appendix 2) and the benchmark information available to us from the Chartered Institute of Public Finance and Accountancy (CIPFA) "nearest neighbours" authorities as part of our research into the level of basic allowance recommended. We are also aware that after a period of no pay increases, the majority of local government employees received a 2.2% increase in pay in January 2015 in an agreement that lasts through to March 2016.

The Panel has not recommended any increase in the basic allowance since 2012 due to the exceptional economic circumstances which have prevailed nationwide and the challenging

financial climate for local authorities. However, arising from our research and benchmarking, and acknowledging the increase to local government employees' pay this year, we consider that it is appropriate to recommend an increase of 1% to the basic allowance for 2016-17.

The calculation used to arrive at the Basic allowance is set out at appendix 2. This shows an increase higher than 1% for the basic allowance. However, given the continuing pressure on local government finance and pay restraint for employees, the Panel is recommending that the increase in the basic allowance is capped at 1% for 2016-17, which gives a figure of £4,250 (rounded up)

The Council has previously not accepted our recommendations to increase the Basic Allowance to £4,200. For some years it has decided not to increase Members' allowances. However, we believe the scheme of allowances should not create barriers to potential candidates standing for office. 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) 2016-17

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.

The Panel has been asked on occasions to consider recommending SRA's for Vice-Chairmen of Committees. Having considered evidence presented to us and the nature of the roles, as a principle the Panel does not recommend SRA's for Vice-Chairman roles.

Appendix 1 to this report sets out the allowances recommended for 2016-17. We have highlighted changes to previous recommendations below.

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 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 2016-17

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 for Parish Councillors, 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 2016 - 17 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. 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 20 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 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 – the national Society for Horticultural Therapy between 1993 and 2008. A Past President of the professional Institute of Horticulture he returned to the Council in 2012 to achieve chartership with the Royal Charter being awarded in 2014. Currently he is Vice Chair of Governors of Red Hill CE Primary School Worcester and a Chair/Member of the County Council, Academy and Diocesan Panels for Schools Preferences Appeals. Appointed a Member of the British Empire (MBE) in 2011 for services to horticulture and the local community.

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 and Margaret Johnson 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 2016-17**

Role	Recommended Multiplier	Current Multiplier	Recommended Allowance £	Current Allowance (paid) £
Basic Allowance – all Councillors	1	1	4,250	3,350
Special Responsibility Allowances:				
Leader	3	2	12,750	6,697 Plus 1,560 as Portfolio Holder
Deputy Leader	1.75	1.4	7,438	4,687 Plus 1,560 as Portfolio Holder
Portfolio Holders	1.5	0.46	6,375	1,560
Executive Members without Portfolio	0.25	0.32	1,063	1,072
Chair of Overview and Scrutiny Committee	1.5	0.6	6,375	2,009
Members of Overview and Scrutiny Committee	0	0.32	0	1,072
Chair of Overview and Scrutiny Task Groups	0.25	0	1,063	0

Role	Recommended Multiplier	Current Multiplier	Recommended Allowance £	Current Allowance (paid) £
Chair of Audit, Governance and Standards Committee	0.25	0	1,063	0
Chair of Planning Committee	1	0.47	4,250	1,560
Chair of Licensing Committee	0.75	0.4	3,188	1,340
Political Group Leaders	0.25	0.31	1,063	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
- Stevenage
- Worcester City
- Gravesham
- Wellingborough

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/publications/re-reference-tables.html?edition=tcm%3A77-400803>

Table 8.6a – hourly pay for all employees by local authority place of residence

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, which is then multiplied by 44.4 weeks to allow for holidays.. This was the number of hours spent on Council business by frontline Councillors which had been reported in previous surveys and substantiated by a survey with Worcester City Councillors in the autumn of 2015. The rate is then discounted by 40% to reflect the element of volunteering that each Councillor undertakes in the role. For 2016-17 the Panel is recommending that the increase in the basic allowance is capped at 1%.

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 -0.01% for October 2014 – October 2015.

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Relevant Portfolio Holder	John Fisher
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering (Exec Director)
Wards Affected	All
Ward Councillor Consulted	None specific

1. SUMMARY OF PROPOSALS

- 1.1 To enable Members to recommend the proposed budget for 2016/17 and to consider the impact of the financial settlement on the medium Term Financial Plan to 2018/19. .

2. RECOMMENDATIONS**2.1 The Committee is asked to RECOMMEND ;**

- 2.1.1 the savings and additional income for 2016/17 of £619k
- 2.1.2 the revenue bids for 2016/17 of £10k
- 2.1.3 the Capital bids for 2016/17 of £1.220m
- 2.1.4 the unavoidable pressures for 2016/17 of £305k
- 2.1.5 the increase in Council Tax for 2016/17 of 1.9%
- 2.1.6 the transfer from balances of £598k

- 2.2 The Committee is asked to consider and comment on the future years Medium Term Financial Plan and approve the steps proposed to ensure the funding available meets the needs of the Borough over the next 3 years.

3. KEY ISSUES**Financial Implications**

- 3.1 The Council receives a proposed financial settlement on an annual basis from Central Government. Over the last few years the element of the funding allocated that relates to the Revenue Support Grant (RSG) has been reducing and the grant for 2015/16 is £1.567m.
- 3.2 Following announcements made in the Autumn Statement the Council was expecting this RSG to reduce to zero by the end of the Parliament ie 2019/20. Officers were considering plans to address this shortfall in revenue to ensure that a sustainable approach to the delivery of services was in place. Over the last few years the Council has taken every opportunity to deliver savings to meet the reduction in

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Government funding to include sharing of services with other Councils and looking to transform our services to our community. Savings of £1.5m per annum have been realised from these initiatives whilst increasing balances to £1.9m and officers are continuing to review services to improve the offer to our residents whilst delivering savings.

- 3.3 The Provisional Settlement was received in late December and contained more detail on funding allocations. The funding allocations have changed from 2016/17 and therefore the Revenue Support Grant will disappear for Redditch earlier than anticipated and by 2018/19 will only be £40k with payments to Government (negative grant) being made by 2019/20 of £330k.
- 3.4 In previous years the funding reductions have been calculated on the Business Rates Baseline together with the Revenue Support Grant. The Baseline Funding Level is the amount the Council retains from the £39m collected from Business Rates within the Borough. The following table shows the total funding received from Government in 2015/16.

2015/16	£m
Baseline Funding Level	2.003
Revenue Support Grant	1.578
TOTAL FUNDING RECEIVED (Settlement Funding Assessment)	3.581

- 3.5 From 2016/17, the Government has proposed changes to the way cuts are implemented. A new calculation called 'Core Funding' is to be used as the basis for reducing the funding given to the Council from Central Government. The Core Funding now includes the Council Tax Requirement (Council Tax Revenue) from 2015/16 together with the Settlement Funding Assessment (as detailed in 3.4) .For Redditch, the Core Funding was worth £8.978m in 2015/16.

2015/16	£m
Settlement Funding Assessment	3.581
Council Tax Requirement	5.397
CORE FUNDING	8.978

- 3.6 It is proposed that between 2015/16 and 2019/20, uniform annual cuts are to be applied to each tier of local authorities' Core Funding. Over this four year period, the cumulative cut to lower tier services (Borough) will be 19.2%. This results in the new Core Funding Assessment to be £7.254m.

	£m
Settlement Funding Assessment 2015/16	3.581
Council Tax Requirement 2015/16	5.397

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Core Funding 2015/16	8.978
Cumulative Reduction	-19.2%
CORE FUNDING 2019/20	7.254

- 3.7 If Core funding for 2019/20 is £7.254m the Settlement Funding Assessment for Redditch (funding to be received from Government) is £1.857m. This is due to the income from Council Tax being taken as part of the Core Funding.

	£m
Core Funding 2019/20	7.254
Less - Council Tax Requirement	-5.397
SETTLEMENT FUNDING ASSESSMENT	1.857

- 3.8 Once the Settlement Funding Assessment falls below the amount the Council retains from Business Rates which would equate to £2.187m in 2019/20 the Council is then in the position to return funding to Government. In 2019/20 this is assessed to be £330k.

	£m
Business Rates Baseline 2019/20	2.187
Settlement Funding Assessment 2019/20	1.857
PAYMENT TO GOVERNMENT	0.330

- 3.9 It is clear that this new methodology for determining authorities' Revenue Support Grant (RSG) allocations takes into account individual authorities' council tax raising ability and the type of services provided. This is a significant change in the methodology and would appear to favour social services authorities, with significantly larger funding reductions for district councils. It reduces government funding assuming optimistic increases in housing growth and council tax increases and may prove to be unrealistic. Central government intend for local government to be able to spend the same level by the end of this Parliament in cash terms as it does today – therefore a real terms reduction.
- 3.10 The table below reflects the reductions to RSG funding for Redditch based on the Grant received in 2015/16 .

£000's	2015/16	2016/17	2017/18	2018/19	2019/20
Redditch <i>Cumulative Reduction</i>	1,567	900 (-43%)	360 (-77%)	40 (-97%)	-330 (-121%)

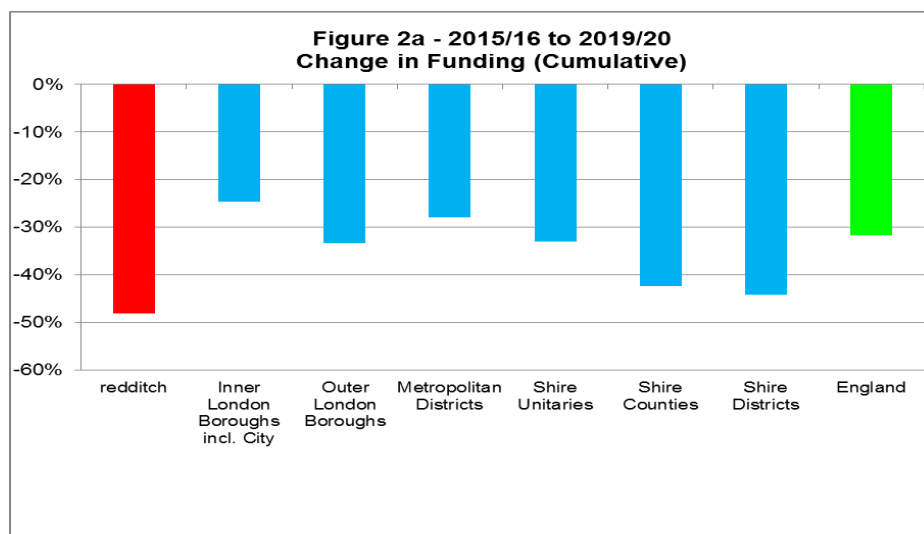
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- 3.11 As Members are aware there were indications in the Summer that the RSG would be withdrawn in full over the next 4 years. An assessment had been made of this loss within the financial planning however the front loading of the grant had not been anticipated. The following illustrates the impact of the settlement on council, the loss of RSG over the next 4 years up to and including 2019/20 compared to previous forecasts.

Revenue Support Grant	Medium Term Financial Plan Assumption £'000	Settlement December 2015 £'000	Reduction to Financial Plan Assumptions £'000
2016/17	1,499	900	-599
2017/18	1,424	360	-1,064
2018/19	700	40	-660
2019/20	350	-330	-680
Total	3,973	970	-3,003

- 3.12 The £3m shortfall in funding relates to that compared with the original budget assumptions. It is worth noting that the £3m loss increases to £5m should real terms inflation be added to the base position for 2015/16. The graph below shows the impact of the significant funding reductions over the 4 year period for Redditch compared to other Councils.



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- 3.13 The Council Tax Discount Scheme funding which was included into the Revenue Support Grant in 2013/14 will also disappear and therefore all funding for Council Tax Support will have to be met by the Borough.
- 3.14 The other element of significant income to the Council is New Home Bonus. The Government have stated that this fund will continue on the current basis for 2016-17. The position beyond 2016-17 is not yet confirmed as it is subject to consultation although it will continue albeit on a reformed basis.
- 3.15 The level of New Homes Bonus for 2016/17 is £1.1m. Based on projections included within the consultation paper the following table shows the impact of the reductions in New Homes Bonus that may face the Council depending on the final scheme implemented.

£000's	2017/18	2018/19	2019/20	2020/21	Total
Redditch	295	493	622	688	2,098

- 3.16 The consultation also include proposals to reduce New Homes Bonus (NHB) where there is no local plan, where homes have been allowed on appeal or where the growth would have occurred anyway.
- 3.17 The consultation on what proposals for the move to 100% business rates retention may look like is expected to be issued in June 2016. This may be of benefit to Redditch but with anticipated appeals on Business Rates and limited information available on the proposals it is difficult to assess the impact of the financial plan.
- 3.18 As part of the financial statement information there was confirmation that Councils could take up a four year deal to ensure stability across the financial plan. There was indication that an efficiency statement would have to be provided to secure this agreement but the details of format or monitoring arrangements of the efficiency arrangements have not yet been released. Further reports will be brought to members for consideration once the details are available.
- 3.19 Other key elements of the Provisional Settlement and Autumn Statement so far as it relates to local government are:
- **A social care council tax 'precept'** of 2% will allow councils responsible for delivering adult social care such as Worcestershire County Council to raise up to £2 billion a year by 2019-20. Local authorities will be given this additional 2% flexibility on their current council tax referendum threshold to be used entirely for adult social care. This is a new power for relevant councils to increase council tax to specifically pay towards social care in their areas;

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- **An extra £1.5bn for the Better Care Fund** by the end of the Parliament – more information needed to understand the impact of this;
- The extension of **Small Business Rate Relief** to continue for another year – this is good news for local businesses and for our Business Rates Accounts;
- “Local authorities running education to become a thing of the past, delivering £600m savings to Education Services Grant”;
- Plans to build an additional 400,000 affordable homes by the end of the decade.
- An apprenticeship levy will be introduced in April 2017 at a rate of 0.5% of an employer’s pay bill, to deliver 3 million apprenticeship starts by 2020. This is estimated to cost this Council around £30k (General Fund) and £17k (HRA) pa from 2017-18.
- Over £500 million by 2019-20 for the Disabled Facilities Grant to fund up to 85,000 housing adaptations pa. More detail on this proposal is needed to fully understand the impact of this change;
- **Homelessness** - increased funding of £10m available to invest in innovative ways of preventing and reducing homelessness. More detail on this proposal is needed to fully gauge the impact;
- Restrictions on **shared ownership** to be removed and planning system reformed to deliver more homes;
- Real-terms protection for the police budget.

3.20 Some further interesting points were included:

- Proposal to reform services and make them more efficient. A package of new flexibilities will be introduced to encourage local authorities to **release surplus assets**. Local authorities will be able to spend 100% of their fixed asset receipts investing in making services more efficient (local authorities currently hold £225 billion in assets). Under this guidance councils will be able to use new capital receipts from April 2016 to March 2019 to pay for the revenue set up costs of projects that are designed to make revenue savings. It will be for individual local authorities to decide if a project qualifies. In order to qualify, councils will be required to prepare an annual efficiency strategy listing all qualifying projects and this strategy, and any variations to it, will need to be approved by full council.
- It is proposed that the regime of referenda for “excessive” council tax increases will continue at the current rate of 2 percent. Council’s are asked to be mindful of prevailing inflation rates when considering increases and the DCLG have confirmed that there is no council tax freeze grant offer for 2016-17. This does not affect past allocations which are locked into the revenue settlement.

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- 3.21 The impact of the settlement and in particular the speed that the RSG is reducing compared to that originally anticipated, together with the uncertainties around the New Homes Bonus funding will make it difficult to identify all the savings required to balance the financial position over the medium term.
- 3.22 A response to the proposed settlement has been sent by the Council and is attached at Appendix 1.
- 3.23 In light of the financial pressures facing the Council a full review of all expenditure and income generated has been undertaken by officers to ensure that only essential spend in delivering services is incurred which will give the Council the ability to increase balances to support the pressures over the next 4 years.
- 3.24 As part of this exercise officers have identified a number of financial unavoidable pressures that they have raised as impacting on their ability to deliver their service against the proposed budgets for 2016/17. In addition they have proposed savings or additional income generated and capital bids for projects and replacement of equipment.
- 3.25 The savings and additional income include:
- General review by managers of all budgets to identify where expenditure budgets can be released to support the financial plan
 - Further savings from the Place review within Environmental Services
 - Funding from earmarked reserves of associated expenditure
 - Significant income generated from the crematorium. As Members are aware the improved facilities will increase income whilst presenting an enhanced environment to the public and funeral officials
- 3.26 The identified unavoidable pressures include:
- The financial cost associated with the increase in properties in the Borough and therefore the additional refuse staffing required
 - The financial cost of the reductions in supporting people funding and the potential loss of the Early Help contract due to commissioning
 - The cost associated with retaining the fraud team within the Council to support identification and prosecution of fraud for the remaining services to be undertaken by the Council following the housing benefit fraud work being transferred to the DWP

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- The shortfall in income following Members decision to defer the alternative model of service delivery in Leisure whilst a full review of customer demand and value is undertaken

3.27 The Capital bids proposed include:

- Purchase of a new refuse vehicle to address the additional demand on the service from the new properties in the Borough
- Improvements to the gym equipment and the dance studio at the Abbey Stadium
- Flood mitigation works

In relation to funding of the Capital Programme from borrowing; the Minimum Revenue Provision (MRP - statutory element of the funding calculation) will be determined by charging the expenditure over the expected useful life of the relevant assets. This will be the principal annuity with an annual interest rate of 4% starting in the year after the asset becomes operational. This is a change from previous years, where MRP was charged in equal instalments over the useful life. This change has come about in order to recognise the time value of money, resulting in less charge in early years, rising as time goes on

3.28 Clearly the impact of the reduction in RSG and the proposed unavoidable pressures have resulted in a financial position that is worse than that originally anticipated and officers have therefore considered all elements of funding to achieve a balanced budget for 2016/17. It is proposed that a number of actions are undertaken to achieve a balanced financial position over the financial plan period and reports will be presented to members during 2016/17 to identify how the shortfalls in future years can be met.

3.29 It is proposed that officers undertake a comprehensive exercise of mapping all demand that is met by the Council. This will involve an full analysis of the associated costs and the value to our residents and community in how we achieve the demand. This will enable the Council to address services across a matrix of cost / demand and value and to focus on those areas whereby high cost / low value/ low demand can be explored further. This would provide opportunities to work with other stakeholders or to enable the Council to decide if a service provided really gives value to both the Council and the community. It is anticipated that further savings and reductions in costs can be realised from this exercise.

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- 3.30 The 3 year financial summary, including the reductions in grant and the proposed pressures and savings is shown overleaf;

REDDITCH 2016/17-2018/19			
	2016-17	2017-18	2018-19
	£000	£000	£000
Departmental Expenditure (Starting Position)	10,717	10,593	10,593
Incremental Progression/Inflation on Utilities	10	221	559
Unavoidables	305	364	370
Revenue Bids/Revenue impact of capital bids	10	10	10
Savings and Additional income	-619	-522	-531
Net Service Expenditure	10,424	10,666	11,002
Investment Income	-494	-494	-495
Cost of Borrowing	835	1,014	994
Recharge to Capital Programme	-505	-505	-505
Net Operating Expenditure	10,260	10,681	10,996
Funding from reserves	0	0	0
Revenue Support Grant	-900	-360	-40
Business Rates Retention (Baseline Funding)	-2,020	-2,060	-2,120
Business Rates Growth	0	0	0
Funding from Business Rate Pool	0	0	0
New Homes Bonus	-1,126	-1,154	-695
New Homes Bonus Community Scheme	0	0	0
Collection Fund Surplus (Council Tax)	-104	0	0
Council Tax	-5,574	-5,725	-5,932
Other Grants	-16		
Admin Subsidy Grant Reduction	101	127	167
Business Rates Growth	-50	-50	-50
Parish Precept	8	8	8
Transfer from Balances	-579	0	0
Funding Total	-10,260	-9,215	-8,663
Shortfall	-0	1,466	2,333

- 3.31 Should the budget projections for 2016/17 be approved the balances will reduce to £1.3m which remains at £550k above the minimum level that is set by the S151 Officer .

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Service / Operational Implications

- 3.32 The pressures as identified will ensure that services are delivered to the community. The additional cuts to RSG will need to be addressed to ensure that quality of service provision is maintained in the Borough.

Customer / Equalities and Diversity Implications

- 3.33 Undertaking a comprehensive review of the financial cost and the value of the demand on all the Councils services will ensure that all customers needs will be identified to enable members to make informed and considered judgements about the budget over the financial plan.

4. RISK MANAGEMENT

- 4.1 To mitigate the risks associated with the financial pressures facing the Authority regular monitoring reports are presented to both officers and Members to enable proactive action being undertaken to address any areas of concern.

5. APPENDICES

- Appendix 1 – response to Settlement
- Appendix 2 – Proposed Savings
- Appendix 3 – Proposed revenue bids
- Appendix 4 – Proposed Unavoidable pressures
- Appendix 5 – Capital Bids

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Appendix 1

Redditch Borough Council response to consultation questions***Question 1: Do you agree with the methodology for allocating central funding in 2016-17, as set out in paragraphs 2.6 to 2.8?***

No. Council tax income should not be used in the formula for calculating the distribution of central resources. Local authorities are pursuing tax base growth and taking decisions on the level of council tax as a means of meeting cost pressures and offsetting reductions in central grant funding.

In addition it is clear that growth in housing (therefore an increase in tax base) results in additional residents to provide services for. Therefore a proportion of the tax base increase also needs to be used to address the resultant pressures associated with this growth, for instance demographic or volume changes in leisure, early help and environmental services eg. waste collection. To build assumed increases in council tax means this growth is required just to maintain a standstill position, and does not contribute to cost pressures over and above this. The Council therefore would have to meet this pressure elsewhere or not provide the services to our residents.

Question 2: Do you agree with the proposed methodology for calculation of the council tax requirement for 2016-17, as set out in paragraphs 2.10 and 2.11?

The calculation of council tax requirement for 2016/17 takes into account increases in the tax base that are due to one off growth as a result of changes to the councils Council Tax Support Scheme. These should not be part of the calculation moving forward as it is not a true reflection of the real growth in the District.

Question 3: Do you agree with the proposed methodology in paragraph 2.12 for splitting the council tax requirement between sets of services?

No specific comments as this does not effect this Council.

Question 4: Do you wish to propose any transitional measures to be used?

Yes. To be faced with such a significant level of funding changes at such a late stage (weeks away from setting the budget) and will no previous indication results in a severe challenge in achieving a balanced budget. The Council would not be able to make considered and informed decisions on savings and this would be impossible in the current timeline. Therefore savings may carry a greater risk that they would not be fully realised in 2016/17. A transitional system which limits the percentage reduction in total funding and which ideally also takes account of cost pressures should be implemented.

The impact could also be reduced should there be continued funding for the Local Council Tax Support Scheme which is currently funded as part of the RSG.

Question 5: Do you agree with the Government's proposal to fund the New Homes Bonus in 2016-17 with £1.275 billion of funding held back from the settlement, on the basis of the methodology described in paragraph 2.15?

For Redditch Borough Council New Homes Bonus represents a significant source of income, however, raising the topslice will increase the impact to local authorities of reductions in overall RSG. Therefore the top slice should remain the same with any unused funds being returned to authorities as in previous years.

Question 6: Do you agree with the Government's proposal to hold back £50 million to fund the business rates safety net in 2016-17, on the basis of the methodology described in paragraph 2.19?

No. The intention was that the business rates safety net should be funded by income from the business rates levy. There has not been a change to this policy and the Council does not see the rationale as to why the Government would require this topslice. Releasing this topslice would provide resources for some transitional protection to those Councils most greatly effected.

Question 7: Do you agree with the Government's proposed approach in paragraph 2.24 to paying £20 million additional funding to the most rural areas in 2016-17, distributed to the upper quartile of local authorities based on the super-sparsity indicator?

Not applicable to this Council but the value does seem high in light of the significant cuts other Councils are facing

Question 8: Do you agree with the Government's proposal that local welfare provision funding of £129.6 million and other funding elements should be identified within core spending power in 2016-17, as described in paragraph 2.28?

As RSG is reduced to minimal or negative amounts by 2019/20: authorities will have to fund this spend from other sources, therefore it is misleading to imply that the funding is available. There needs to be greater transparency in the settlement to enable Councils to understand and explain the changes in funding allocations.

Question 9: Do you agree with the Government's proposal to include all of the grant funding for the Care Act 2014 (apart from that funded through the Better Care Fund) in the settlement, using the methodology set out in paragraph 3.2?

By including the funding in this way it attracts the same levels of reduction rather than protecting this grant element.

Question 10: Do you agree with the Government's proposal to include all 2015-16 Council Tax Freeze Grant in the 2016-17 settlement, using the methodology set out in paragraph 3.3?

Yes, all council tax freeze grant should be included in core funding. However once the negative RSG is applied this funding will no longer be paid and therefore does not provide certainty to Councils.

Question 11: Do you agree with the Government's proposal to include all 2015-16 Efficiency Support Grant funding in the settlement and with the methodology set out in paragraph 3.5?

See answer to question 10. Same applies.

Question 12: Do you agree with the Government's proposal to include funding for lead local flood authorities in the 2016-17 settlement, as described in paragraphs 3.6 and 3.7?

Not applicable – however as with the other grants being included will mean that they are also subject to the cuts and may no longer be paid once the Council is in negative RSG.

Question 13: Do you agree with the Government's proposal to pay a separate section 31 grant to lead local flood authorities to ensure funding for these activities increases in real terms in each year of the Parliament?

Yes

Question 14: Do you have any views on whether the grant for lead local flood authorities described in paragraph 3.8 should be ring-fenced for the Spending Review period?

It is better to give Councils greater flexibility and ringfencing may hinder this.

Question 15: Do you agree with the Government's proposal to adjust councils' tariffs / top ups where required to ensure that councils delivering the same set of services receive the same percentage change in settlement core funding for those sets of services?

No. It is not clear how the "negative RSG" mechanism will work and the basis of the Spending Power/ Settlement Funding assessment is fundamentally flawed.

The new methodology for determining authorities' RSG allocations which takes account of individual authority's council tax raising ability and the type of services provided appears to favour upper tier authorities with significantly larger funding reductions for this Borough. The fact that we also provide some form of Adult Social Care through the provision of services to older people has been completely ignored.

With regard to Council Tax, the calculation of core spending power is distorted by some questionable growth assumptions used in respect of the movement in the taxbase. The formula has used the average growth between 2013/14 and 2015/16, but this is a flawed. Those years saw changes to the tax base through 'one-off' items such as the uplift in the Council Tax Support scheme, and changes made to council tax discounts and exemptions; effectively these one-off items have distorted the calculations. In earlier years, when there was less distortion, the average increases are significantly lower. These assumptions have inflated the Core Spending Power of the Council and therefore increased the level of cuts.

As a result council tax income levels are ambitious and in turn dampen the potential 'real' reduction in core spending power. It is noted that government has chosen not to use the OBR forecast of taxbase growth, but instead calculated individual figures for each council using average growth between 2013/14 and 2015/16. This is a serious concern as it has produced some ambitious projected council tax levels; and as a result it requires modification.

When Business Rates Retention was introduced the policy document stated that "this will provide a strong financial incentive for councils to promote economic growth". It also stated the following regarding tariff and top-up payments "They will not change until the system is reset. The Government has said that this will not occur before 2020 at the earliest. This will provide councils with the certainty they need to plan and budget". Now from 2017/18, a tariff adjustment is being proposed before the system is reset. This is in contradiction of the previous policy document.

Question 16: Do you have an alternative suggestion for how to secure the required overall level of spending reductions to settlement core funding over the Parliament?

While the Council accepts the need for spending reductions within the wider economic context, we believe that there needs to be a full and fair review of both needs and resources to inform these and any redistribution; and that funding allocations must take account of the incidence of future spending pressures and inflation. All these appear to be lacking in the Provisional Settlement proposals. The Mechanism for using Council Tax growth assumptions to calculate the Spending Power and resulting cuts to funding is not fair or transparent way of dealing with delivering a balanced budget.

There are a number of freedoms and flexibilities which we believe would help bridge the shortfall. These include:

- Enabling full cost recovery on fees such as those for planning applications which are set at statutory levels.
- Enabling surplus to be made on Building Control and any other restricted services
- Enable increase in Council Tax over 2%
- Capital receipts flexibility in use to offset revenue shortfalls in the short term
- Review of protected groups in relation to Council Tax Support Scheme

Question 17: Do you have any comments on the impact of the 2016-17 settlement on persons who share a protected characteristic, and on the draft equality statement published alongside this consultation?

The level of cuts facing this Council will result in a review of service provision and a considered judgement and decisions will be made in light of the impact on all of our residents. By making the cuts in the speed and value that are proposed in the settlement will mean that residents will have to see the impact of these cuts in the services and support we provide.

SAVINGS & ADDITIONAL INCOME - RBC

Department	Strategic Purpose	Description of saving	2016-17 £'000	2017-18 £'000	2018-19 £'000	Comments
Leisure and Cultural Services , Hewell Road	Provide Good things to see, do and visit	Rates charge built into 1617 budget but no longer required as building demolished	-5	-5	-5	Rates no longer chargeable as building demolished.
Leisure and Cultural Services , Hewell Road	Provide Good things to see, do and visit	vacant post given up - business Development	-11	-11	-11	Vacant post released
Leisure and Cultural Services , Hewell Road	Provide Good things to see, do and visit	Various	-44	-44	-44	Following full review of all budgets a number of savings can be released
Leisure and Cultural Services , Hewell Road	Provide Good things to see, do and visit	Savings anticipated	300	300	300	There was an expectation to reduce costs associated with Leisure Services by £300k from 2016/17. Members have agreed that further work be undertaken on assessing the demand and value of the services provided therefore it is not appropriate to include savings until this work is completed
Environmental Services	Keep my place safe & looking good	Various savings in Supplies & Services due to the restructure of the Service	-24	-24	-24	Various savings in Supplies & Services due to the restructure of the Service
Environmental Services	Keep my place safe & looking good	Additional savings generated from Service Review	-139	-125	-125	Savings generated from Service Review in addition to £190k savings identified in 15/16 budget round for 16/17 onwards as a result of the service review.
Environmental Services	Keep my place safe & looking good	Additional income - cremation fees	-52	-131	-210	Additional income generated from price 8% annual increase on cremation fees
Environmental Services	Keep my place safe & looking good	Additional income from increase in number of cremations	-125	-130	-135	Anticipated growth in funeral numbers based on actual income achieved over budget in last few years
Corporate - Printing	Enabling	Savings due to print efficiencies	-46	-46	-46	Change to the way print contracts are managed
Community Services	Help me live my life independantly	Various	-53	-53	-53	Following full review of all budgets a number of savings can be released
Business Transformation	Enabling	Central Switchboard	-6	-6	-6	Following full review of all budgets a number of savings can be released
Business Transformation	Enabling	Operational Budgets	-38	-38	-38	Following full review of all budgets a number of savings can be released
Business Transformation	Enabling	Training budget	-5	-5	-5	Following full review of all budgets a number of savings can be released
Legal, Equality and Democratic Services - Elections	Enabling	Local Election savings due to PCC taking place in 16/17 and CC in 17/18	-35	-75		Due to the local election being combined with the PCC in 16/17 there will be lower costs. In 17/18 there are no Local Elections, only County Council

Department	Strategic Purpose	Description of saving	2016-17 £'000	2017-18 £'000	2018-19 £'000	Comments
Legal, Equality and Democratic Services	Enabling	Shared service posts	-16	-16	-16	Vacant posts in Democratic Services
Legal, Equality and Democratic Services	Enabling	Operational Budgets	-13	-13	-13	Following full review of all budgets a number of savings can be released
Customer Access and Financial Support	Help me be financially independent	Reduction in Hours	-17	-17	-17	Reduction in Hours within Customer Services
Finance & Resources	Enabling	Reduction in post costing	-3	-3	-3	Reduction in costs associated with the apprentice post
Reserves	All	Funding from Reserves	-207			Following full review of all expenditure a number of costs can be funded from the reserves previously set aside
Various	All	Review of HRA funding	-80	-80	-80	Following a review of the costs between the General Fund and HRA additional charges can be made to the HRA
TOTAL			-619	-522	-531	

UNAVOIDABLE PRESSURES - RBC

Department	Strategic Purpose	Description of Pressure	2016-17 £'000	2017-18 £'000	2018-19 £'000	Comments
Community Services - Lifeline	Live my life independently	loss of supporting people funding	40	40	40	In 2014/15 WCC removed the £200k Supporting People Funding to the Council. There is a shortfall of £40k following the introduction of charges to customers.
Community Services - Early Help	Live my life independently	loss of support services contribution by Early Help	37	75	75	Early Help contract ceases at Oct 2016 and therefore there is a potential cost back to the Council for the support services that are currently charged to Early Help
Environmental Services	Keep my place safe & looking good	Domestic Waste collection - increase in properties throughout borough	96	98	100	Additional staff resources required to accommodate for borough wide developments - 1 driver, 2 loaders. Includes running costs of vehicles (£30k)
Leisure and Cultural Services-Abbey Stadium	Provide good things to see, do and visit	Increase in Music & PRS Licenses	15	15	15	Relates to the increase in licenses to enable music to be played at the Abbey Stadium
Business Transformation - ICT	Enabling	Microsoft License Costs/Increase	28	44	44	Microsoft are changing the framework arrangements and the associated discounts that the Council current benefits from and therefore the costs will increase
CAFS - Fraud and Compliance	Help me be financially independent (incl education & skills)	Reduction in DWP funding	89	92	96	Following the transfer of housing benefit fraud to the DWP an assessment has been made by officers in liaison with other Councils and it is clear that resources are still required to prevent and manage Council Tax and other compliance fraud. It is therefore proposed to retain the specialist team in house to undertake this work and to lok for opportunities to increase income to the Council in future years.
TOTAL			305	364	370	

NEW REVENUE BIDS - RBC

Department	Strategic Purpose	Description of revenue bid	2016-17 £'000	2017-18 £'000	2018-19 £'000	Comments
Planning - Redditch Town Centre	Give me good things to see, do and visit, help me run a successful business	Provide funding to deliver projects around the Town Centre	10	10	10	To extend the small businesses within the Town Centre budget as agreed in 2015/16 of £20k to further enhance opportunities to promote the Town Centre
TOTAL			10	10	10	

CAPITAL BIDS - RBC

Department	Strategic Purpose	Description	Funding Source i.e. Grant, Borrowing, Reserve, S106	CAPITAL IMPLICATIONS			Comments
				2016-17 £'000	2017-18 £'000	2018-19 £'000	
Community Services - CCTV	Keep my place safe and looking good	Camera Replacement programme	Capital Borrowing	55	0	0	CCTV Camera replacement programme
Leisure and Cultural Services, Abbey Stadium	Provide good things to see, do and visit	Replacement Gym Equipment	Capital Borrowing	85			Includes 25 CV and 9 spin bikes - based on Life Fitness Quotation. Spin bikes based on Start Track quote. This is to replace 15 year old equipment at Abbey Stadium as due to its condition we are experiencing complaints leading to members cancelling memberships. This has an effect on the revenue generated from health and fitness income.
Leisure and Cultural Services Pitcheroak Golf Course	Provide good things to see, do and visit	Installation of Driving Range	Capital Borrowing	10	0	0	This is to try to generate more income to mitigate the shortfalls experienced over the last couple of years. The range will mean that the course will be an all year round facility and schools / residents / club members can enjoy quality practice facilities thus retaining existing golfers and attracting new golfers to the course.
Leisure and Cultural Services Parks & Green Spaces	Provide good things to see, do and visit	Mitigation arising from Water Risk Assessments	Capital Borrowing	10	0	0	As a result of the Rospa report and our own Risk Assessments of the "Hot Spot" inland waterways a range of mitigation methods have been identified to ensure the Council is compliant and the public remain safe
Environmental Services	Keep my place safe & looking good	Crematorium Improvements	Borrowing	200	0	0	To improve the facilities and environment of the crematorium for the public as included in previous reports to members
Environmental Services	Keep my place safe & looking good	Vehicle fleet replacement	Borrowing	0	0	1,138	To provide replacement vehicles and plant to sustain services across the Borough
Environmental Services	Keep my place safe & looking good	Additional refuse freighter	Borrowing	165	0	0	Additional vehicle required to accommodate district wide property developments
Environmental Services	Keep my place safe & looking good	Flood alleviation work in Moons Moat Drive/Hillmorton Close and Yvonne Road	Borrowing	45	0	0	Flood alleviation work in Moons Moat Drive/Hillmorton Close and Yvonne Road.
Environmental Services	Keep my place safe & looking good	Car Parking Enhancements	Borrowing	200	200	200	To continue the enhancements to car parking across the Borough to improve the environment to residents
Leisure & Cultural Services	Keep my place safe & looking good	Maintenances of proctors barn lane kerbing and passing place	Borrowing	40	0	0	Surface has degraded and on recent inspections have identified it as high risk in two area and medium in the rest this is recorded on PSS with photograph's
Customer Access and Financial Support	Enabling	Public Buildings Capitl Programme	Borrowing			250	To continue the planned building works on the Councils public buildings
Customer Access and Financial Support	Enabling	Asbestos	Borrowing			40	To continue the management and monitoring of asbestos in the Councils public buildings
Leisure and Cultural Services Playing Pitches	Provide good things to see, do and visit	Regrading of Playing Pitches at Terrys Field to support Redditch United Junior Section.	S106	21	0	0	This is designed to support the development of the junior section of the club to help them sustain high numbers of junior teams which significantly contributes to increasing participation for children and young people.

CAPITAL BIDS - RBC

Department	Strategic Purpose	Description	Funding Source i.e. Grant, Borrowing, Reserve, S106	CAPITAL IMPLICATIONS			Comments
				2016-17 £'000	2017-18 £'000	2018-19 £'000	
Leisure and Cultural Services Parks and Open Spaces	Provide good things to see, do and visit	Installation of Outdoor Gym equipment in Astwood Bank (Astwood Park)	S106	9	0	0	To provide outdoor gym facilities for the Community to use to improve fitness and well being in Astwood Park
Leisure and Cultural Services Abbey Stadium	Provide good things to see, do and visit	Investment into Health and Fitness Facilities	S106	330	0	0	To expand the dance studio in the Abbey Stadium to ensure memberships are retained and to increase the number of sessions held and the capacity of the provision
Business Transformation - ICT	Enabling	Replace Backup Solution	Revenue (available)	50	0	0	The Backup Solution needs to be replaced - funding available through revenue to support this scheme
TOTAL BIDS				1,220	200	1,628	



Overview and Scrutiny Committee

Tuesday, 5th January, 2016

MINUTES

Present:

Councillor Jane Potter (Chair), Councillor Gay Hopkins (Vice-Chair) and Councillors Joe Baker, Roger Bennett, Andrew Fry and Gareth Prosser

Officers:

Jayne Pickering, Liz Tompkin and Sam Morgan and Jess Bayley

Democratic Services Officers:

Amanda Scarce

61. APOLOGIES AND NAMED SUBSTITUTES

Apologies for absence were received from Councillors David Bush, Paul Swansborough, Jennifer Wheeler and Nina Wood-Ford. Councillor Roger Bennett was present as a substitute for Councillor Bush.

62. DECLARATIONS OF INTEREST AND OF PARTY WHIP

Councillor Andrew Fry declared an other disclosable interest under Minute No 65, as in his capacity as a Worcestershire County Councillor he had contributed, from his divisional funds, to the production costs of the LGBT leaflet.

63. MINUTES

RESOLVED that

the Minutes of the meeting held on 8th December 2015 be confirmed as a correct record and signed by the Chair.

64. HOUSING REVENUE ACCOUNT, RENT AND CAPITAL 2016/17- PRE-SCRUTINY

The Chair reminded Members that this report was being presented for pre-scrutiny and the recommendations within the report would

.....
Chair

Overview and Scrutiny Committee

Tuesday, 5th January, 2016

be considered by the Executive Committee at its meeting on 12th January 2016.

Officers proceeded to present the report and during this presentation the following areas were highlighted:

- The draft 2016/17 budget for the Housing Revenue Account (HRA) taking account of the new Welfare Reform legislation – the main issue being that rents within the social housing sector were to be decreased by one per cent each year for the next four years with effect from 1st April 2016.
- The knock-on effects of this decrease and the negative impact on the HRA Business Plan.
- The actual decrease in rent which would apply for 2016/17 compared to those for 2015/16 and the cumulative impact of the decrease.
- Details of the Right to Buy (RTB) Scheme and the number of sales anticipated and the rent loss arising from those sales.
- The proposals for new housing stock and the options which officers would be putting before the Housing Advisory Panel (HAP) for its consideration.

Following presentation of the report, Members discussed a number of points in detail:

- A breakdown of the Council's income from capital receipts (from Council house sales) and further information about how this money had been used was requested.
- For future years Members requested that this information be included in the HRA report if possible.
- Members asked for further information about the level of rent increases for Council properties over the last three years.
- The borrowings and the potential to repay these within the timescales indicated.
- The number of current Council properties and details of the number and type of properties which needed to be built in the coming years, together with the options open to the Council.
- The restrictions imposed on the Council from the legislation in respect of the HRA.
- The impact on those Councils which had chosen to transfer their stock to other providers and the challenges arising from such transfers.

After further discussion it was

Overview and Scrutiny Committee

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RESOLVED that

the Housing Revenue Account Initial Budget 2016/17 report be noted.

65. OVERVIEW AND SCRUTINY RECOMMENDATION TRACKER

Officers highlighted that this quarterly report provided an update on the actions which had been taken in order to implement recommendations which had been made by the Committee. A number of further updates were provided:

- Voluntary and Community Sector – the Grants Officer post was currently being reviewed and once this review had been completed then it was anticipated that the recommendations would be implemented.
- LGBT Task Group – Councillor Baker, as former Chair of the Task Group, confirmed that LGBT Support Services Redditch was making good progress with producing the leaflet proposed by the Task Group. Legal Services had offered to review the leaflet's content prior to sending it to be printed. Councillor Baker shared his gratitude and thanks with Worcestershire County Councillors from across the County who had contributed from their divisional funds towards the cost of producing this leaflet.
- The recommendations made at the last meeting in respect of fees and charges had not been included within the tracker as final decisions remained to be made by Council.

Following presentation of the report, Members commented on a number of items, in particular there was disappointment in the lack of movement in respect of the Access for Disabled People Task Group's recommendation for the installation of a canopy over the ramp access to the Shopmobility area. Officers were requested to contact the Kingfisher Centre one final time to establish whether this action would be completed in the foreseeable future.

(During consideration of this item Councillor Andrew Fry declared an other disclosable interest in respect of the LGBT Support Services Redditch group's leaflet as he had contributed divisional funding, in his capacity as a County Councillor, to support the development of this document).

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66. EXECUTIVE COMMITTEE MINUTES AND SCRUTINY OF THE EXECUTIVE COMMITTEE'S WORK PROGRAMME

Members' attention was drawn to Minute Nos. 59, 61 and 62 of the Executive Committee's meeting held on 15th December 2015 and which referred to the recommendations put forward by the Overview and Scrutiny Committee, which highlighted that those recommendations had been endorsed, a number of which would also go forward to Council for its consideration.

An additional, more up to date, copy of the Executive Committee's Work Programme had been tabled and Officers highlighted the changes which had been made to this:

- The inclusion of the Winyates Centre Consultation.
- A number of Health and Safety policies, previously recorded on the plan as separate items, had been incorporated into a combined item within the Work Programme.
- The Leisure Intervention update would now be provided to the Executive Committee at its April 2016 meeting.

During consideration of the Work Programme Members discussed the timing of the report from the Independent Remuneration Panel (IRP) and questioned whether it was possible to consider this at a later date. It was commented that at Worcestershire County Council a similar report was brought before the September/October meeting, which Members felt was timelier and would allow for it to be given appropriate consideration outside of the pre-election period.

Members raised concerns in respect of the Matchborough and Winyates Centre consultations and discussed the lessons learned from the re-development which had taken place at Church Hill District Centre. The Committee concurred that it was important that the relevant Ward Members were involved in the process and agreed that it would be prudent for the Committee to also play a role at all stages, including pre-scrutiny of any suggested re-developments.

RESOLVED that

- 1) Officers pass on the Committee's comments, as detailed in the preamble above, in respect of the IRP Report for consideration;**

Overview and Scrutiny Committee

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- 2) the Committee be given the opportunity to pre-scrutinise and monitor any future developments at Matchborough and Winyates Centre;
- 3) the minutes of the meeting of the Executive Committee held on 15th December 2015 be noted; and
- 4) the content of the 1st February to 31st May 2016 edition of the Executive committee Work Programme be noted.

67. OVERVIEW AND SCRUTINY WORK PROGRAMME

In presenting the Overview and Scrutiny Committee's Work Programme Officers reminded Members that, with their agreement, an extra meeting had been arranged for Wednesday 20th January, which would be dedicated to the scrutiny of the Council's budget.

RESOLVED that

the Overview and Scrutiny Committee's Work Programme be noted.

68. TASK GROUPS - PROGRESS REPORTS

Joint Worcestershire Increasing Physical Activity Task Group –
Redditch Borough Council Representative, Councillor Gareth
Prosser

Councillor Prosser confirmed that there had not been a meeting since early December and it was therefore unlikely that the final report would meet its deadline of January 2016. He believed that it would now be ready in March 2015. Members agreed that the Chair of the Task Group, accompanied by Councillor Prosser, should be asked to present the final report to the Committee.

RESOLVED that

Officers contact Officers supporting the Joint Worcestershire Increasing Physical Activity Task Group to request that the Chair of the group present the final report to the Committee.

69. HEALTH OVERVIEW AND SCRUTINY COMMITTEE

In the absence of Councillor Nina Wood-Ford, the Council's representative on the Worcestershire Health Overview and Scrutiny Committee (HOSC), Officers provided Members with a copy of the Minutes of the Committee's latest meeting. Attention was drawn to

Overview and Scrutiny Committee

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minute No. 770 which referred to an urgent item which had been considered in respect of the Quality of Acute Hospital Services following the Care Quality Commission's decision to place the Trust in special measures as a result of an inspection which had taken place in July 2015.

The Meeting commenced at 7.00 pm
and closed at 8.03 pm

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE**

2nd February 2016

ADVISORY PANELS, WORKING GROUPS, ETC - UPDATE REPORT

Relevant Portfolio Holder	Councillor John Fisher, Portfolio Holder for Corporate Management
Relevant Head of Service	Claire Felton, Head of Legal, Equalities and Democratic Services
Non-Key Decision	

1. SUMMARY OF PROPOSALS

To provide, for monitoring / management purposes, an update on the work of the Executive Committee's Advisory Panels, and similar bodies which report via the Executive Committee.

2. RECOMMENDATIONS

The Committee is asked to **RESOLVE** that

subject to Members' comments, the report be noted.

3. UPDATES**A. ADVISORY PANELS**

	<u>Meeting :</u>	<u>Lead Members / Officers :</u> (Executive Members shown <u>underlined</u>)	<u>Position :</u> (Oral updates to be provided at the meeting by Lead Members or Officers, if no written update is available.)
1.	Planning Advisory Panel	Chair: <u>Cllr Greg Chance</u> / Vice-Chair: Cllr Bill Hartnett Ruth Bamford	Meeting dates: Tuesday 2nd February Tuesday 8th March Tuesday 19th April
2.	Housing Advisory Panel	Chair: <u>Cllr Mark Shurmer</u> / Vice-Chair: <u>Cllr Bill Hartnett</u> Liz Tompkin	Last meeting – 26 th January 2016.

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE**

2nd February 2016

B. OTHER MEETINGS

3.	Constitutional Review Working Party	Chair: <u>Cllr Bill Hartnett</u> / Vice-Chair: <u>Cllr John Fisher</u> Sheena Jones	Last meeting – 27 th January 2015
4.	Member Support Steering Group	Chair: <u>Cllr John Fisher</u> / Vice-Chair: <u>Cllr Bill Hartnett</u> Sheena Jones	Last meeting –19 th January..
5.	Grants Assessment Panel	Chair: Cllr David Bush / Vice-Chair: <u>Cllr Greg Chance</u>	Last meetings 14 th and 16 th December.

AUTHOR OF REPORT

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