



Executive Committee

Tue 29 Oct
2019
6.30 pm

Committee Room Two
Town Hall
Redditch

REDDITCH BOROUGH COUNCIL

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

Committee

Tuesday, 29th October, 2019

6.30 pm

Committee Room 2 - Town Hall
Redditch

Agenda

Membership:

Cllrs:	Matthew Dormer (Chair)	Julian Grubb Bill Hartnett
	David Thain (Vice- Chair)	Mike Rouse Craig Warhurst
	Greg Chance	
	Brandon Clayton	

1. Apologies

2. Declarations of Interest

To invite Councillors to declare any Disclosable Pecuniary Interests and / or Other Disclosable Interests they may have in items on the agenda, and to confirm the nature of those interests.

3. Leader's Announcements

4. Minutes (Pages 1 - 10)

5. Concessionary Rents Policy (Pages 11 - 16)

6. Review of Council Tax Support Scheme (Pages 17 - 20)

7. Tenancy Conditions and Tenancy Handbook - Outcome of Consultation (Pages 21 - 24)

8. Tenancy Recharge Policy (Pages 25 - 36)

9. Planning Obligation Reforms - Charging for Section 106 Monitoring (Pages 37 - 40)

10. Section 24 Update (Pages 41 - 72)

11. Medium Term Financial Plan 2020/21 to 2023/24 - Update Report (Presentation)

12. Overview and Scrutiny Committee (Pages 73 - 80)

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13. Minutes / Referrals - Overview and Scrutiny Committee, Executive Panels etc.

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.

14. Advisory Panels - update report (Pages 81 - 82)

Members are invited to provide verbal updates, if any, in respect of the following bodies:

- a) Climate Change Cross Party Working Group – Chair, Councillor Brandon Clayton;
- b) Constitutional Review Working Panel – Chair, Councillor Matthew Dormer;
- c) Corporate Parenting Steering Group – Council Representative, Councillor Brunner (written update attached);
- d) Member Support Steering Group – Chair, Councillor Matthew Dormer; and
- e) Planning Advisory Panel – Chair, Councillor Matthew Dormer.

15. Exclusion of the Press and Public

Should it be necessary, in the opinion of the Chief Executive, during the course of the meeting to consider excluding the public from the meeting on the grounds that exempt information is likely to be divulged, it may be necessary to move the following resolution:

“That, under S.100 (A) (4) of the Local Government Act 1972, 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”.

These paragraphs are as follows:

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

- Para 3 – financial or business affairs;

and may need to be considered as ‘exempt’.

16. Enfield Estate Report (Pages 83 - 94)



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MINUTES

Present:

Councillor Matthew Dormer (Chair), and Councillors Juliet Brunner, Greg Chance, Brandon Clayton, Julian Grubb, Bill Hartnett, Mike Rouse, David Thain and Craig Warhurst

Also Present:

Councillor Roger Bennett

Officers:

Derek Allen, Mark Cox, Kevin Dicks, Clare Flanagan, Jayne Pickering and Guy Revans

Senior Democratic Services Officer:

Jess Bayley

29. APOLOGIES

There were no apologies for absence.

30. DECLARATIONS OF INTEREST

There were no declarations of interest.

31. LEADER'S ANNOUNCEMENTS

A list detailing the Leader's announcements was circulated at the meeting.

32. MINUTES

RESOLVED that

the minutes of the meeting of the Executive Committee held on Tuesday 9th July 2019 be approved as a correct record and signed by the Chair.

.....
Chair

33. CLIMATE CHANGE CROSS-PARTY WORKING GROUP

The Senior Democratic Services Officer (Redditch) presented a report proposing that Members should establish a Climate Change Cross-Party Working Group.

The subject of climate change had been raised by a resident in a question that had been addressed to the Leader of the Council at a meeting of Council in June 2019. In response to the question the Leader had indicated that the Council would be prepared to declare a climate emergency. Following this meeting the Portfolio Holder with responsibility for climate change, the Portfolio Holder for Environmental Services, had approached Officers and asked them to draft a report setting out the requirements to introduce an Executive Advisory Panel that would focus on climate change. Should Members agree to introduce this Executive Advisory Panel it would operate in a similar manner to the Planning Advisory Panel, whereby whilst there would be specific Members of the group all Members would be welcome to attend.

The membership of the group was briefly discussed and it was noted that there would be five members appointed to the group, in accordance with the standard membership number for an Executive Advisory Panel. The political party group leaders would nominate Members to sit on the group and the Chair indicated that a member from each party could sit as the Chair and Vice Chair of the group respectively.

During consideration of this item Councillor Bill Hartnett proposed an amendment to the draft terms of reference for the group. This amendment was seconded by Councillor Greg Chance. The amendment called for the meetings of the a Climate Change Cross-Party Working Group to be open to the public to attend.

In proposing the amendment Councillor Hartnett commented that climate change was an increasingly serious problem on a national scale and action needed to be taken to tackle this. It was likely that many residents and groups would be interested in the discussions at meetings of the group.

In seconding the amendment Councillor Chance suggested that by opening meetings of the group to the public this would demonstrate that the Council was taking the subject of climate change seriously.

Members discussed the amendment in detail and in so doing noted that the purpose of the group was to provide elected Members with an opportunity to discuss climate change issues in detail prior to reporting to the Executive Committee. This arrangement was already in place for the Council's previous Climate Change Advisory

Panel that had ceased to exist some years ago as well as for the Planning Advisory Panel, meetings of which took place in private. As the group did not have decision making powers any findings arising from the meetings of the group would be reported to the Executive Committee, meetings of which were held in public. Committee meetings held in public were subject to the Access to Information rules, which required various arrangements including that agenda packs should be published at least five working days in advance of a meeting. As an alternative Members could decide to invite representatives of interested groups to provide evidence to specific meetings of the group and could choose to convene particular meetings to consult with the public. It was suggested that the local authority was already demonstrating that the Council took the subject of climate change seriously by establishing a Climate Change Cross-Party Working Group.

On being put to the vote the amendment was lost.

RECOMMENDED that

- 1) **a Cross Party Working Group on Climate Change be established in accordance with the Terms of Reference at Appendix 1;**
- 2) **the Council appoint a Chair and Vice Chair of the Cross Party Working Group on Climate Change; and**
- 3) **the Council approve nominations from the political group leaders to the places on the Cross Party Working Group on Climate Change.**

34. AMENDMENT TO THE REDDITCH HOUSING ALLOCATIONS POLICY

The Housing Strategy Manager presented a proposed amendment to the Redditch Housing Allocations Policy. Members were advised that this amendment was required to increase the savings and equity level required of applicants from £50,000 to £90,000.

RESOLVED that

the Housing Allocations Policy 2019 be adopted.

35. WORCESTERSHIRE REGULATORY SERVICES (WRS) ENFORCEMENT POLICY - REFERRAL FROM THE WRS BOARD

The Technical Services Manager from Worcestershire Regulatory Services (WRS) presented a report detailing proposed changes to the WRS Enforcement Policy.

The Committee was informed that the WRS Board, which comprised elected Members from all of the partner authorities in receipt of WRS's services, had already considered and endorsed the proposed changes to the policy. The six Worcestershire District Councils needed to consider and approve the policy before it could be enforced. The proposed changes to the policy took into account intelligence that had been received as well as a range of experiences across the county.

RECOMMENDED that

the Council adopt the Worcestershire Regulatory Enforcement Policy 2019.

36. BUDGET FRAMEWORK REPORT 2019

The Executive Director of Finance and Corporate Resources presented the Budget Framework Report 2019.

During the presentation of the report the following points were highlighted for Members' consideration:

- The report outlined the overarching objectives for the Council's budget moving forward.
- The Council had been issued with a Section 24 notice in July 2019 by the authority's external auditors. This had raised concerns about the local authority's financial sustainability.
- During a meeting of the Audit, Governance and Standards Committee that was due to take place on 26th September, Members would be invited to consider the contents of an action plan that would set out the Council's strategy to address the issues that had been raised in the Section 24 notice.
- In 2019/20 the Council was on track to achieve projected savings that had been built into the Medium Term Financial Plan.
- There was a gap of £1.2 million in the Council's budget for 2020/21 and the figure increased in subsequent years.
- The Council needed to demonstrate to the authority's external auditors that there was a realistic financial plan in place for 2020/21. Officers were working hard to ensure that there was a clear savings plan in place for this year and the subsequent three years of the Medium Term Financial Plan.
- As part of this work to produce a clear financial strategy Officers were aiming to ensure that all spend related to the Council's strategic purposes.
- Officers were aspiring to identify more investment opportunities for the Council and these would continue to be reported to Members.

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- The capital budget was also in the process of being reviewed to ensure that all projects included on the programme would be delivered on time. The Council had to borrow to fund capital spending and this had implications for the authority's revenue budget, particularly when expenditure did not take place according to deadline.
- The recent Spending Round 2019 statement had indicated that limits might be placed on the level at which Council Tax could be increased. It was possible that the maximum increase would be either 2 per cent or £5 per household. It was also stated that there might not be a change to the New Homes Bonus but the Council would have to wait until the settlement to get the detail on this fund.
- The Council's funding settlement from the Government was expected in December 2019. This would provide greater clarity in respect of the local authority's financial position moving forward.
- Whilst action was being taken in relation to the Council's budget, a freeze had been placed on central spending costs and recruitment in business critical cases. Staff would also not be able to allocate any expenditure involving costs outside of available budgets and all such cases would be referred to the relevant Head of Service for review.

Following the presentation of the report Members discussed the various reasons why the Council had been issued with a Section 24 notice. Reference was made to decisions that had been taken both in 2018/19 and in previous years which had impacted on the Council's budget position.

RESOLVED that

- 1) **the Section 24 notice be noted and the regular reporting of the action plan once approved by the Audit, and Governance and Standards Committee through to the Executive Committee be agreed; and**
- 2) **the overarching financial objectives and framework, to be used in developing the detailed financial plan, to enable the Council to realise savings and additional income whilst delivering the strategic priorities of the Council, be noted.**

37. FINANCE MONITORING QUARTER 1 2019/20

The Executive Director of Finance and Corporate Resources presented the Financial Monitoring Report for the period April to June 2019.

The figures provided for this quarter of the financial year indicated that there had been an underspend. Essential spend only was being permitted, following the publication of the Section 24 Notice. The Council had received some additional income already and new commercial opportunities to secure additional income were being explored.

The Committee was advised that at this stage in the financial year a detailed forecast in respect of the Council's budget for the year end did not tend to be provided. However, a forecast had been provided for the Housing Revenue Account (HRA). In the following Financial Monitoring Report information would be provided about both overspending and underspending on budgets as well as an overarching forecast in respect of the Council's budget.

The HRA was receiving the level of income that had been anticipated. Whilst the budget for Repairs and Maintenance had been overspent in 2018/19 expenditure appeared to be on target in 2019/10. Savings had also been achieved in relation to vacant management posts within the Housing Department. There was a significant amount of capital expenditure scheduled to take place, however, £18 million of this related to updating the Council's housing stock.

Further savings would be made from combining the Council's insurance premiums with other local authorities in a group. A review was being undertaken of the authority's minimum revenue provision. In addition, the Council's assets were being reviewed and Officers were aiming to learn lessons from other Councils.

RESOLVED that

the current financial position in relation to revenue and capital budgets for the period April – June 2019 be noted.

38. OVERVIEW AND SCRUTINY COMMITTEE

RESOLVED that

the minutes of the Overview and Scrutiny Committee meeting held on Thursday 4th July be noted.

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

The Chair proposed that the recommendations from the Overview and Scrutiny Committee meeting on 5th September 2019, in respect of the disposal of the HRA asset located at Green Lane, Studley, should be considered under the relevant item on the agenda.

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There were no further recommendations arising from that meeting of the Overview and Scrutiny Committee for Members' consideration.

40. ADVISORY PANELS - UPDATE REPORT

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

- a) Constitutional Review Working Party – Chair, Councillor Matthew Dormer

Councillor Dormer explained that a meeting of the Constitutional Review Working Party was due to take place on 1st October 2019.

- b) Corporate Parenting Board – Councillor Representative, Councillor Juliet Brunner

Councillor Brunner advised Members that a meeting of the group was due to take place later in the month.

- c) Members Support Steering Group – Chair, Councillor Matthew Dormer

Councillor Dormer informed the Committee that a meeting of the group was due to take place on 8th October 2019.

- d) Planning Advisory Panel – Chair, Councillor Matthew Dormer

The Committee was advised that there were no scheduled meetings of the Planning Advisory Panel due to take place.

41. DISPOSAL OF HRA ASSET AT GREEN LANE, STUDLEY

The Head of Environmental Services presented a report in respect of the disposal of an HRA asset at Green Lane, Studley.

The property at 64, Green Lane, Studley was no longer considered to be habitable and the report proposed that it should be demolished. A railway bridge, which was owned by the Council, was located close to this property. The bridge was in a state of disrepair and it would require significant financial investment to secure the structure and then on an ongoing basis due to the requirement for an annual inspection. Officers were proposing that the bridge should be demolished and the site levelled. This would increase the size of the plot and allow for two four-bedroom properties to be built at that location, subject to planning permission. The Council had discussed the plans with Stratford-on-

Avon District Council and Warwickshire County Council, in relation to the planning and highways implications of the works.

Members noted that the proposed works would help to make the site safer for the public. The planned works would not impact on the sustrans route that traversed the site. There was also the likelihood that this approach to managing the property and bridge would help to reduce the financial costs to the Council in the long-term.

During consideration of this item Members noted that the report had been pre-scrutinised by the Overview and Scrutiny Committee at a meeting on 5th September 2019. At the end of their discussions scrutiny Members had endorsed the recommendations detailed in the report. The Leader thanked the Overview and Scrutiny Committee for their hard work in respect of this item.

RECOMMENDED that

- i) No. 65 Green Lane, Studley be declared surplus to requirements and officers to dispose of the site;**
- ii) any HRA capital receipt achieved based on the current market value of No. 65 Green Lane, be used to increase the HRA stock;**
- iii) Option C - The Capital Engineering Scheme be approved, with Authority be delegated to the Head of Environmental Services to submit a detailed planning application to Stratford-on-Avon District Council, for the complete scheme. If successful, the Planning consent will include an outline approval for the erection of 2 No. 4 bed houses;**
- iv) the sites for the 2 No. 4 bed houses be marketed and the received monies, after deduction of the amount as described in ii) above, shall be used as Capital funds towards the cost of the Engineering Works;**
- v) the additional funds required to complete the Engineering Works be taken from the Capital Locality Scheme Capital Programme 2019/20, as the proposed works are of the nature that the budget was set up for in the first instance; and**
- vi) the estimated cost of the Engineering Works cannot be finalised at this time, as Officers are currently endeavouring to determine the most cost effective method of disposing of the extensive surplus material from the excavated embankments. However, subject to**

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**the satisfactory outcome of this analysis the total
Engineering Works should not exceed £200k.**

The Meeting commenced at 6.30 pm
and closed at 7.44 pm

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REDDITCH BOROUGH COUNCIL**EXECUTIVE
COMMITTEE**29th October 2019**POLICY FOR VOLUNTARY AND COMMUNITY (VCS) CONCESSIONARY
RENTS**

Relevant Portfolio Holder	Councillor David Thain, Portfolio Holder for Corporate Management
Portfolio Holder Consulted	Yes
Relevant Head of Service	Claire Felton, Head of Legal, Equalities and Democratic Services
Wards Affected	All
Ward Councillor Consulted	N/A
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 This report recommends that the Council withdraws its Concessionary Rents Policy for VCS organisations. It is recommended that VCS organisations currently receiving a concession on their rent be placed into transitional arrangements in order to wind the scheme down over a period of two years.

2. RECOMMENDATIONS

The Executive Committee is requested to **RECOMMEND** that

- 1) the VCS Concessionary Rents Policy end on 31st March 2022;
- 2) all VCS organisations currently in receipt of a concessionary rent on a Council owned property be placed onto transitional arrangements as detailed in Appendix 1; and
- 3) the Concessionary Rent Scheme budget be increased to £47k for 2020/21 and to £23k by 2021/22 to accommodate the transitional period of the scheme. Should this funding be approved there would be an increase of £32k in 20/21 that would have to be met from other savings within the Council.

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3. KEY ISSUES**Financial Implications**

- 3.1 The current budget for the VCS Concessionary Rents scheme is set at £15k. All VCS organisations currently in receipt of a discount in their rent as part of the scheme can receive up to a 70% reduction. All are currently at that level. The shortfall between the amounts of income the Council receives and the market rent of the properties leased to VCS organisations is £82k, per annum and therefore is an annual overspend to allocated budget. In the current financial climate and with the amount of savings the Council needs to make now and in the future, it is suggested that the amount of Council subsidy is no longer sustainable. It is therefore recommended that this scheme be phased out and the VCS groups who currently utilise the scheme be placed onto transitional arrangements until the scheme is completely withdrawn in 2022.
- 3.2 Appendix 1 sets out the transitional arrangements in more detail but essentially all VCS Group will be moved to a 40% level of rent reduction for the first year of the transition process and then for year 2 will receive a 20% reduction in their rent. By year 3, all VCS groups will be paying full market rent on their property should they chose to continue to rent their property. It is worth noting that charitable organisations and small businesses will continue be eligible for discount on their business rate payments.
- 3.3 The amount the Council will subsidise the scheme through the first year of the transition process will fall to £47k. For the second year it will fall to £23k. There will remain a shortfall to budget of £32k (£47k-£15k) and this will have to be met from other savings within the Council.

Background

- 3.4 The Council has historically offered the opportunity to VCS organisations in the town to rent Council owned commercial properties at a reduced rate. Various changes have been made to the policy over the past 7 years; however the maximum level of concession has been kept at 70%. Owing to increasing financial pressures the Council can no longer maintain this level of subsidy.

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Legal Implications

- 3.5 There are a number of properties where leases have been let subject to receiving a concession although the lease itself recites the full commercial rent that would be due. A number of the leases and concessionary rent terms have expired. VCS organisations in this position will be offered the option of taking up the proposed transitional arrangements.

Service / Operational Implications

- 3.6 The proposed transition arrangements will start from April 2020. This will enable any VCS groups currently leasing a property from the Council and in receipt of a concessionary rent to work with Property Services to agree any appropriate changes to their lease if needed so as to align with the new transitional arrangements.
- 3.7 Property Services will work with any VCS organisations which are currently in arrears or who may fall into arrears during the transition period. Issues around arrears will be dealt with by the terms of the lease.

Customer / Equalities and Diversity Implications

- 3.8 VCS organisations currently in receipt of a concessionary rent have been contacted by letter to advise them that changes to the policy will be made in the near future.
- 3.9 An Equalities Impact Assessment has been conducted for the withdrawal of the scheme. It is difficult to know what impact this eventual loss of support given by the Council will have on the VCS organisations involved. It could have a direct financial impact and may result in organisations cutting back on the delivery of certain services or giving up their property altogether if they cannot afford to pay the rent. This will have an impact on service users from all backgrounds. Many of the VCS organisations that receive a concessionary rent are based in areas of high deprivation where service users tend to come from. If VCS organisations do not obtain alternative funding there could be a negative impact on their ability to provide the same level of service to this particular set of customers.

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4. RISK MANAGEMENT

- 4.1 From a financial perspective there is a significant risk by not acting now to reduce the amount the Council subsidises this scheme. The current level is financially unsustainable and is not commensurate with the budget which has been set for the scheme.
- 4.2 As set out in 3.9 there is also a risk that by lowering the level of discount which VCS organisations receive for these properties and phasing out the scheme may impact financially on those organisations affected. There is a balance to be struck between supporting the local VCS and ensuring that the Council has a financially viable commercial property portfolio. The Council does support the local VCS in many other ways such as through other grant processes like the Councillor Community Grants Process, Homelessness Support Grant and Metals Recycling Scheme Grant.
- 4.3 The risk of properties becoming void because of these changes has been evaluated. There clearly would be additional costs such as utility charges and void inspections costs to the Council if properties were left empty. The risk is counterbalanced by the fact that currently, without any advertising, there have been a number of other businesses requesting properties, in particular in the District Centres. This would assume that there is demand and potential new businesses that can take units on at full market value.

5. APPENDICES

Appendix 1 – VCS Concessionary Rents Transition Arrangements

6. BACKGROUND PAPERS

- Policy for Leases of Council Land & Property at a Concessionary Rent – Executive Report – 18th December 2012
- Concessionary Rents – pre-decision scrutiny, short, sharp review – final report to Executive Committee from O&S Committee - 18th December 2012
- Review of Policy for Leases of Council Land & Property at a Concessionary Rent – 9th July 2013

AUTHOR OF REPORT

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Wind Down Process for the Policy for Voluntary and Community Sector (VCS) Concessionary Rents

Purpose

The purpose of this document is to set out the process of winding down the Policy for VCS Concessionary Rents and transitioning current VCS groups who utilise the policy onto standard rental arrangements.

Process:

- The current policy for VCS Concessionary Rents is to be withdrawn. No concessionary rents will be available to the VCS other than these transitional arrangements for current VCS Groups in receipt of a concessionary rent.
- With immediate effect, no new applications will be approved for a concessionary rent.
- Once their current concessionary rent period ends, VCS groups will be moved onto transitional arrangements as set out below. There are eight concessionary rent periods (out of thirteen) which have or will imminently come to end.
- The remaining five concessionary rent periods are due to expire between now and October 2020.
- If this policy change is adopted it will be implemented from 1st April 2020. This will give some time to deal with issues regarding the transition process and individual leases.
- Groups will not be required to go through an application process to move onto the new transitional arrangement.
- The level of concession once these new arrangements begin will be set at 40% for one year.
- The level of concessionary rent will then move to 20% for a further year.
- Once this second year is up, all groups will receive a zero level of concession on their rent and have to pay full rent for their units.
- This means that organisations will have two years of receiving a concession on their rent before they have to pay full market rent.
- All VCS organisations currently receiving a concessionary rent will be paying rent at full value by November 2022.
- Property Services Officers will need to work with affected VCS groups to renew lease terms as appropriate.
- Any VCS organisation currently in arrears or who accrues arrears during their transitional concessionary rent period will be dealt with through the terms of their lease.

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LOCAL COUNCIL TAX SUPPORT SCHEME 2020/21

Relevant Portfolio Holder	Cllr David Thain
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering
Ward(s) Affected	All
Ward Councillor(s) Consulted	None Specific
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 In each year the council must consider whether to revise or replace its council tax reduction scheme (CTRS).
- 1.2 The report proposes no changes are made to the scheme for 2020/21 other than the uprating of personal allowances, disregards and other financial matters as already provided for by the scheme.

2. RECOMMENDATIONS

Executive is asked to note the information and RECOMMEND that

- 2.1 No changes are made to the council tax reduction scheme for 2021/22 other than the uprating of allowances, disregards and other financial limits.**

3. KEY ISSUES**Financial Implications**

- 3.1 The Council's local Council tax reduction scheme was amended with effect from 1st April 2014 and the maximum level of support for working age claimants was capped at 80% of Council Tax liability.
- 3.2 It is proposed that there are no changes to the level of support provided by the Council, and as previously agreed the various allowances be uprated in line with the Secretary of State's annual announcement.
- 3.3 There are currently 37,006 properties within the Redditch Borough and 4,783 CTRS claimants. 3,846 claimants are working age and 6,578 claimants are pension age.
- 3.4 The total cost of council tax reduction for the 2019/20 tax year is projected to be £5,031,895. Council tax reduction is a discount on the council tax payable and

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the costs are shared between precepting authority with roughly 13% of the costs falling on Redditch Borough Council (RBC).

- 3.5 The cost of support for working age claimants is £2,510,147. This cost is based on the current 80% maximum support.
- 3.6 The costs of council tax reduction in 2020/21 will increase in-line with the general increase in the level of council tax.

Legal Implications

- 3.7 On 1 April 2013 Council Tax Benefit was abolished and replaced by a new scheme of Council Tax support called "Council Tax Reduction Schemes". Under s13A and Schedule 1A of the Local Government Finance Act 1992 (inserted by the Local Government Finance Act 2012), each billing authority is required to make and adopt a council tax reduction scheme specifying the reductions which are to apply to the amounts of council tax payable within their districts
- 3.8 As the billing authority the Council is required by Schedule 1A of the Local Government Finance Act 1992 to consider whether to revise its scheme or to replace it with another scheme, for each financial year.
- 3.9 The council must adopt its scheme, and make any revisions, no later than 11th March in the financial year preceding the one when it will take effect. It will be necessary for the Council's 2019/20 scheme to be in place by 11th March 2020.
- 3.11 Paragraph 3 to Schedule 1A into The Local Government Finance Act 1992 set out the preparation that must be undertaken prior to the replacement or revision of a scheme, including prescribed consultation requirements. As the recommendation is that no revisions to the current scheme should be made for the financial year 2020/21 (to which this report applies), the requirement to consult does not have to be met. However, officers will publicise the fact that the current scheme is to continue, subject to up-lift in rates as set by the Department of Work and Pensions, as referred to at 3.12 below.
- 3.12 Instruction is received from the Department of Work and Pensions on an annual basis, of changes to benefits rates and personal allowances. These must be taken into account for housing benefit calculations and it streamlines the claims process if they are also applied to the local council tax reduction scheme.

Service / Operational Implications

- 3.13 The continuation of the existing scheme into 2020/21 will provide for stability within the service and allow for capacity for a full review of the council tax reduction scheme, which is essential following the full roll-out of universal credit.

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- 3.14 The existing council tax reduction scheme is structured in-line with the default scheme introduced in April 2013. This scheme does not provide for integration with universal credit and places administrative burdens on the council.
- 3.14 The introduction of Universal Credit led to a number of challenges to the administration of CTR and also the collection of Council Tax generally. Following the Universal Credit full service roll out in Redditch, and nationally, we have seen:
- The reluctance of Universal Credit claimants to make a prompt claim for CTR leading to loss of entitlement;
 - A high number of changes to Universal Credit cases are received from the Department for Work and Pensions (DWP) requiring a change to CTR entitlement. On average 40% of Universal Credit claimants have between eight and twelve changes in entitlement per annum.
 - These changes result in amendments to Council Tax liability, the re-calculation of instalments, re-issued bills, delays and the loss in collection; and
 - An increased cost in administration as a result creating a need for additional staff resource.
- 3.15 The existing means tested CTRS is too reactive to change and is no longer viable. UC changes frequently and each change currently results in a re-assessment of CTR because of the way the current scheme is structured. To be able to manage the workload and maintain administrative costs we must consider a scheme which is less reactive to every small change in income.
- 3.16 The move to a new more efficient scheme from 2021 must be considered to avoid increased staffing costs and to simplify the administration scheme for the Council and for applicants.

Customer / Equalities and Diversity Implications

- 3.28 The 'uprating' of the benefits rates and personal allowances to be taken into account, in line with the Secretary of States announcement on those that must be taken into account for other benefits, will potentially result in small changes to the amounts of support provided. These will vary according to circumstances.

4. RISK MANAGEMENT

- 4.1 Any reduction to council tax support whilst increasing council tax income to the Council and our major preceptors has financial implications for our residents and therefore officers ensure that support on managing finances and advice on other potential benefits is made available.

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4.2 An increase in support has a direct impact on the budgets of the main precepting authorities.

5. APPENDICES

None

6. BACKGROUND PAPERS

None

AUTHOR OF REPORT

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email: david.riley@bromsgroveandredditch.gov.uk
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Executive Committee29th October 2019**Housing Tenancy Agreement and Conditions**

Relevant Portfolio Holder	Cllr Craig Warhurst
Portfolio Holder Consulted	Yes
Relevant Head of Service	Judith Willis
Wards Affected	All
Ward Councillor Consulted	No
Non-Key Decision	

1. SUMMARY OF PROPOSALS

Following approval of Executive Committee on 9th July 2019 to proceed to consult on the proposed implementation of a revised Housing Tenancy Agreement and Conditions. This report contains the outcomes of the consultation and seeks final approval of the Agreement and Conditions.

2. RECOMMENDATIONS

The Executive Committee RESOLVE that:-

2.1 Following formal consultation, the Housing Tenancy Agreement and Conditions be adopted; The proposal to introduce a new Tenants Handbook to be endorsed by members to compliment the Housing Tenancy Agreement and Conditions.

3. KEY ISSUES**Financial Implications**

3.1 There are no direct financial implications from the adoption of the new Housing Tenancy Agreement and Conditions, however, the new document will provide tenants with a clearer understanding of both landlord and tenants requirements and obligations. Consequently the Council will be able to pursue the recovery of costs from tenants where appropriate, for example replacement keys, or charging for repairs from deliberate damage. A Tenants Recharge Policy has been developed to support these proposals and is the subject of a separate Committee report to Executive.

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Legal Implications

- 3.2 It is a legal requirement for social housing landlords to provide social housing tenants with a written tenancy agreement setting out the terms and conditions applicable to both tenants and landlords.
- 3.3 There are other legal obligations for both tenants and the Council, which may not be 'spelled out' in the agreement, however are implicit in all tenancy agreements. An example is required compliance with other statutory frameworks which impact on both parties
- 3.4 The statutory duties of a Local Authority Housing Landlord are set out in section 3 'Our Responsibilities' of the Housing Tenancy and Conditions document.
- 3.5 Under the Legislative Reform (Regulator of Social Housing) England Order 2018, the Regulator of Social Housing became a stand-alone Regulator, from 1 October 2018.
- 3.6 The RSH proactively seeks assurance from social housing providers that they are meeting Economic and Consumer standards.
- 3.7 A Tenancy Standard (being part of the Consumer Standards) regulated by the RSH states the following: *registered providers shall meet all applicable statutory and legal requirements in relation to the form and use of tenancy agreements or terms of occupation*. It is therefore essential that we have an appropriate tenancy agreement in place enabling compliance.

Service / Operational Implications

- 3.8 To ensure the effective operational management of social housing tenancies it is essential to ensure that a contract is in place between the tenant and the council as the landlord. Full details were set out in the Executive report dated 9th July 2019. A copy of the proposed Housing Tenancy Agreement and Conditions are attached at Appendix 1.

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- 3.9 Following approval by Members in July 2019, a four week consultation has taken place via social media, local press and direct contact with tenants. Detailed information on the consultation and the responses received are contained within Appendix 2. In summary the responses showed:
- (a) 83% of the people that responded agreed that the document was well laid out, 21% agreed strongly.
 - (b) 85% of the people that responded agreed that the document was easy to follow, 20% agreed strongly
 - (c) 81% of the people that responded agreed that the tenants responsibilities in the document were clear, 31% agreed strongly
 - (d) 87% of the people that responded agreed that the landlords responsibilities in the document were clear, 26% agreed strongly
 - (e) 76% of the people that responded agreed that the notes/information in the document are helpful, 24% agreed strongly
- 3.10 To sit alongside the new 'agreement', a new 'Tenancy Handbook' will also be introduced and made available to tenants. As part of the consultation undertaken a Focus Group was held with residents who had indicated that they wished to participate in such a group. Details of outcomes of the Focus Group are contained within Appendix 2.
- 3.11 In summary, the responses showed collective agreement that the Council should produce a Tenants Handbook that is available for all tenants via the website. There was also an agreement that tenants should not automatically be sent a copy of the Handbook, particularly as it is a lengthy document. However copies could be provided to tenants that did not have access to the website, with copies also available at key access points erg Town Hall, libraries.

Customer / Equalities and Diversity Implications

- 3.12 It is considered best practice under Housing Regulatory Standards to provide tenants and customers with information that helps them understand their contractual obligations, and their rights as tenants.
- 3.13 Tenants also have the right to be consulted with and participate in the monitoring of services

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- 3.14 It is essential in law that agreements take into account the diverse needs of tenants. Throughout the Housing Tenancy Agreement and Conditions it indicates where help and assistance can be obtained for those tenants with diverse needs. An Equality Impact Assessment has been undertaken and shows no detrimental effect.
- 3.15 Information on data protection rights and privacy statements are included as part of the agreement.

4. RISK MANAGEMENT

- 4.1 There are no specific risks associated with the revisions to the Tenancy Agreement and Conditions, however, should the agreement not be sufficiently robust enough to manage contracts with tenants, the following are the key risks associated:
- (a) Increase in none rent payers and arrears
 - (b) Sustainment of the Housing Revenue Account
 - (c) Increase in Officer workloads
 - (d) Increase in Anti-social behaviour
 - (e) Organisational reputation
 - (f) Risks to Tenants rights
 - (g) Disputes between tenants and the Council
- 4.2 There is a risk that tenants may find it challenging to navigate the new style tenancy agreement, with its combination of tenancy provisions and information notes; however, this risk was not identified/raised during consultation.

5. APPENDICES

Appendix 1: Housing Tenancy Agreement and Conditions
Appendix 2: Housing Tenancy Agreement and Conditions Survey
Responses and feedback on Tenants Handbook Focus
Group

6. BACKGROUND PAPERS

None

AUTHOR OF REPORT

Name: Jayne Baylis – Housing Tenancy Manager
Tel: 01527 64252 ext 3131

Executive Committee29th October 2019**Housing Rechargeable Repairs Policy**

Relevant Portfolio Holder	Cllr Craig Warhurst
Portfolio Holder Consulted	Yes
Relevant Head(s) of Service	Guy Revans / Judith Willis
Wards Affected	All
Ward Councillor Consulted	No
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 This report proposes the implementation of a Housing Rechargeable Repairs Policy.

2. RECOMMENDATIONS

The Executive Committee RECOMMEND that:-

- 2.1 The Housing Rechargeable Repairs Policy be adopted.**

3. KEY ISSUES**Financial Implications**

- 3.1 The Council is responsible for providing a cost effective, efficient Housing Landlord service whilst meeting its obligation to deliver value for money for its tenants alongside a sustainable Housing Revenue Account.
- 3.2 The introduction of a Rechargeable Repairs Policy enables the Council to charge tenants for the cost of repair works which are their responsibility under the terms of their tenancy conditions. This will generate income to offset against costs.

Legal Implications

- 3.3 Social Housing landlords have certain repair obligations owed to their tenants which are set out in the Housing Act 1985 and Section 11 of Landlord and Tenant Act 1985. The **landlord** must perform any maintenance work that is necessary for keeping the rental unit liveable for the tenant and the **landlord** also legally responsible for **repairing** any defects, and will be liable for any injuries resulting from a defect that the **landlord** failed to **repair** or **repaired** ineffectively

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- 3.4 It is a legal requirement for social housing landlords to provide tenants with a written tenancy agreement setting out the terms and conditions that are applicable to both tenants and the landlord.
- 3.5 The Housing Tenancy Agreement and Conditions for the Council set out the responsibilities of tenants in relation to repairs. Tenants are:-
- a) responsible for keeping their homes in a good condition and doing necessary repairs
 - b) responsible for keeping their garden tidy and in good condition
 - c) responsible for repairing, renewing or replacing as necessary any parts of the structure, installations fixtures or fittings, inside or outside of the building that are **damaged** by them, a member of their household or someone they allow into the property including children.
- 3.6 The agreement also stipulates that:
- a) If the Council carry out any urgent repairs that are the tenant's responsibility they will be recharged
 - b) Tenants will be recharged for any other repairs that the Council consider it is the tenants responsibility to fix.
 - c) If a tenant fails to undertake repairs for which they are responsible for, and if the Council has to undertake the work on their behalf, tenants will be recharged.
- 3.7 There is a legal implication on the tenant in the instance of wilful neglect or damage, and as such would result in a breach of tenancy. This could result in a Notice of Seeking Possession being served on the tenant and court action being taken against them which could result in possession of the property (eviction).
- 3.8 The costs imposed by any court action for breach of tenancy in law, can be rechargeable to the tenant.
- 3.9 It is a legal requirement to consult with tenants on matters of housing management.

Service / Operational Implications

- 3.10 The introduction of a Rechargeable Repairs Policy requires a new written procedure for managing, charging and the recovery processes.
- 3.11 The new procedures will require additional activities to be undertaken by repairs officers, housing officers, income officers and administrative staff however will be carried out within existing resources.

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- 3.12 A full list of rechargeable repairs has been detailed in Appendix 1 of the policy for the approval of members as part of fees and charges is sought. These charges will also attract inflationary costs.
- 3.13 To ensure that the Council meets its obligation to consult on housing management matters, tenants and residents were asked to attend a Housing Focus Group to consider the proposals contained within a draft Housing Rechargeable Repairs Policy.
- 3.14 9 tenants and 1 resident attended the Focus group. They were split into groups and provided with a copy of the draft policy, thereafter discuss and respond to a series of questions.
- a) Do you think the Council should apply this policy?
 - b) What would you consider to be the council's responsibility to provide, when setting the letting standards
 - c) What would you consider to be 'necessary' repairs that the tenant should be responsible for?
 - d) How do you consider that charges should be applied. eg full costs upfront /invoiced ?
 - e) Do you think some tenants should have discounts applied eg: OAP's or in receipt of benefits?
 - f) What do you consider to be reasonable costs for: doors, lock changes, blocked toilets/sinks, no access/left card?
 - g) Overall would you consider this to be a fair policy?
- 3.15 Housing Officers worked with the groups and recorded responses and comments.
- 3.16 At the end of the session all groups provided their feedback. Overall there was an agreement amongst those present that a Rechargeable Repairs policy should be implemented. Appendix 2 contains a full list of responses and comments provided.

Customer / Equalities and Diversity Implications

- 3.17 All housing tenants and former tenants will be subject to the Rechargeable Repairs Policy.
- 3.18 In some (exceptional?) circumstances the council may decide not to apply a recharge. A Senior Housing Manager will have the authority to make discretionary decisions. For example: where damage to a property is a result of a reported crime.
- 3.19 An Equality Impact Assessment has been undertaken and details no detrimental effect to existing and future tenants.

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4. RISK MANAGEMENT

- 4.1 The risk of not adopting the Rechargeable Repairs Policy is that the Council will lose significant income and put pressure on the Repairs and Maintenance budgets.

5. APPENDICES

Appendix 1: Housing Rechargeable Repair Policy (to include list of Rechargeable Repairs)
Appendix 2: Housing Focus Group feedback forms

6. BACKGROUND PAPERS

Background Papers: Housing Tenancy Agreement and Conditions.
(NB: being considered for adoption also at Executive 29.10.19)

AUTHOR OF REPORT

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and
Ian Roberts – Environmental Services Manager
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Redditch Borough Council

Housing Re-chargeable Repairs Policy

Contents

1. Introduction
 2. Principles
 3. Recharges – Day to Day Repairs
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 7. Recharge Process
 8. Equality and Diversity
- Appendix 1 : List of Rechargeable Repairs

1. Introduction

This Policy covers the subject of rechargeable repairs and other reasons why the Council may recharge for repair works.

Note: Repairs works also includes removal costs e.g.: rubbish, furniture left within the property boundary and in any communal/shared areas which includes gardens.

This policy is intended to apply to all Council tenants.

This Policy sits alongside the Housing Tenancy Agreement and Tenants Handbook and provides guidance on recharging for the cost of repairs undertaken by the Council under the following circumstances:

- Repairs that are caused by neglect, wilful/malicious or accidental damage
- Repairs that are the responsibility of the tenant's throughout the tenancy
- Repairs that are the responsibility of the tenant to include:- following the service of a notice to quit; termination of tenancy, where a tenant has been evicted or where a tenant has transferred.

2. Principles

- We will deliver 'Value for Money' in service provision and ensure maximum and efficient use of the Councils maintenance budgets
- We will charge reasonable costs
- We will be consistent and fair in the treatment of all tenants
- We will aim to raise recharges promptly and accurately with a minimal administration cost
- We will provide evidence to explain why tenants are responsible

3. Recharges – Day to Day Repairs

- 3.1 When a repair is requested through the Repairs Contact Centre, staff will determine whether the request is a landlord's responsibility, a tenant's responsibility or a rechargeable repair.

The following list, which is not exhaustive, are repairs which the Council deems as rechargeable to both the current or former tenant of the property: For example:

- The removal or disposal of any items left in common areas that should not be there or that you have left once you have moved out of your property.
- The completion of any work we have asked you to do but you have failed to do
- Repairing or replacing what we consider to be your responsibility eg: broken windows, lock changes for lost keys, plugs and chains to sinks and baths.
- Damage; e.g. smashed doors, DIY which has damaged the fabric of the property
- Blockages from placing items down sinks/drains; eg: wet wipes, nappies, cooking fat
- Delays in providing emergency access for repair works where it detrimental to the property or another property and causes works that could have been avoided.
- Missed appointments; eg a contractor that incurs a call out fee for missed appointments
- Court costs to gain access for essential or statutory repairs, maintenance or services – also covered below
- Damage to the property when failing to report a problem – also covered below

NOTE: Further information on Tenants and Landlord Responsibilities are set out within the Housing Tenancy Agreement and Conditions. Further advice is also provided in the Tenants Handbook.

Costs associated with rechargeable repairs are listed in Appendix 1 and in fees and charges for rechargeable works.

NOTE: Fees and Charges are reviewed each year, they also attract inflationary costs. Elected Members approve all Council Fees and Charges.

- 3.2 Tenants must report any problem to the Repairs Contact Centre as soon as they are aware. The Council cannot accept any liability to repair the property until it has been reported. This includes communal/shared areas.

Where a delay in reporting the repair has resulted in further damage to the property e.g.: damp that has resulted in damage that could have been prevented; tenants will be charged for the cost of the repair.

- 3.3 The Council are responsible for carrying out specific services to the property; e.g. gas servicing and electrical testing. Tenants must provide access for the Council to carry out their responsibilities.

If a tenant doesn't provide access to carry out these services the Council will take legal action (involve the Courts) to gain access. The tenant will be recharged for the associated costs of this action.

4. Emergency Repairs

- 4.1 In an emergency, such as a flood, the Council may have to take immediate action to gain access to your home to limit damage to your property or adjoining property. The Council may have to gain access if you are not at home.

If this emergency is deemed as tenant's responsibility; e.g. leaking washing machine resulting in water damage to your or neighbouring properties, you will be recharged for the cost of any repairs to include the cost of gaining access.

NOTE: Emergency repairs are deemed to be something that would be a risk to life, serious injury or affect the health and safety of an individual or property.

5. Recharges – End of Tenancy

- 5.1 When a tenant wishes to end their tenancy they must complete a valid 28 days' notice to end their tenancy. The procedure associated with the ending of a tenancy in relation to rechargeable repairs is as follows:
- a. A housing officer will make contact with the tenant and arrange a pre-termination inspection. A housing officer and or a repairs and maintenance supervisor will carry out the inspection.
 - b. At the inspection the tenant or their next of kin/executor (who must be present) will be advised of all of their responsibilities prior to moving out or termination of the tenancy.

NOTE: The inspection will include all aspects within the boundary of the property e.g.: gardens, sheds, garages (to include separately rented garages) and lofts.

- c. The tenant, housing officer and or the repairs and maintenance supervisor will view the whole of the property discussing and agreeing what repairs need to be completed by the tenant prior to handing in the keys.
- d. If any repair responsibilities are identified and agreed to be completed by the tenant; a further appointment for re-inspection will be arranged.

- e. If any repairing responsibilities are identified that the tenant is unable to carry out, advice will be provided regarding the rechargeable cost of the repair that the Council will have to carry out following termination of the tenancy.

NOTE: During the inspection a Pre-termination Inspection Form will be completed by the Housing Officer. Any repairing responsibilities and agreement for the Council to repair and recharge for will be noted; both the officer and the tenant will sign forming an agreement between the tenant and the council.

If the tenant fails to allow us to inspect the property or they fail to carry out repair works as agreed during the inspection they will still be recharged the cost of completing repairs that are deemed as their responsibility.

NOTE: In the cases of transfers to another council property the offer of the new tenancy will be withdrawn.

- f. On receipt of the property keys by the Voids Team, the property will be inspected again. Any rechargeable repairs identified will be noted and a Repair and Rechargeable Works form will be completed by the Inspector. Photographs of anything deemed as tenant's responsibility and rechargeable will be taken.

The Repairs and Rechargeable Works form will be sent with supporting evidence to the Income Team, who will raise an invoice and send out to the former tenant.

- g. The Income Team will liaise with the former tenant in making the necessary payment arrangements.

NOTE: Failure to make payment arrangements or keep to them will result in the Council following their recovery procedures which could result in the former tenant being taken to Court and a Money Judgement order being made against them for the outstanding debt.

- 5.2 Where the tenant is deceased and their next of kin/executor complete a Termination of Tenancy on their behalf, the Council may not seek to recover any costs that would have been deemed to be rechargeable.

6. Recharges – Tenancy Management

- 6.1 Recharges may also be identified by housing officers in the following circumstances/ reasons:

- Damage identified following routine property inspections, maintenance or servicing
- Mutual exchange/transfer inspections
- Unauthorised alterations

- Rubbish, fly tipping, blocked refuse chutes
- Excessive hoarding of items within the property
- Dog fouling within the property boundary or any shared/communal areas to include gardens and open spaces.
- Graffiti within the property boundary or any shared/communal areas
- Garage evictions (to include clearance costs and lock change costs)
- Removal of garden shrubs and trees
- Removal of garden rubbish
- Maintenance of gardens where it is the responsibility of tenant(s)

In these instances the tenant will have the opportunity to put matters right at their own cost to avoid recharges, a housing officer or maintenance supervisor will provide the appropriate advice and assistance.

NOTE: Any repairs tenants have carried out must be done so by a competent and suitably qualified person. The Council reserves the right to inspect repairs after completion.

7. Recharging Process

7.1 There are two methods of recharging.

Method 1: The tenant pays for a rechargeable repair in advance of the work being carried out. e.g. lock changes and blocked drains.

Method 2: The tenant will be sent an invoice following the works being carried out e.g.: where an emergency repair has been carried out or the repairs are identified as rechargeable after it is completed.

In most circumstances **method 1** will be applied, however, the Council accepts that some tenants will not be in a financial position to pay for rechargeable repairs in advance. In these cases **method 2** will be applied.

Also, if by delaying a rechargeable repair due to lack of financial means will cause further damage to the property **method 2** will also be applied.

Any rechargeable repairs that won't cause further damage to the property will not be undertaken until the tenant complies with **method 1**.

7.2 In some circumstances the Council may decide not to recharge. A Senior Housing Manager will have authority for making discretionary decisions:

The type of instances where discretion may be applied are as follows:

- Where damage to property is due to a reported crime e.g. a broken window

- Where a tenant is unable to meet their repairing responsibilities; e.g. for health/mental health and has no other means to meet their responsibilities; e.g. family, financially
- 7.3 There is no right of appeal against rechargeable decisions; however, should a tenant be dissatisfied with the manner in which the Council applies this policy the tenant should make a formal complaint following the Council's Complaints policy.

8. Equality and Diversity

This Council has an Equality and Diversity Policy, which is related to the implementation of this policy. Equality Impact Assessments will also be conducted to ensure the needs of all communities are met in adopting this policy.

APPENDIX 1 : LIST OF RECHARGEABLE REPAIRS

Trade	Work detail	Charge
General	Gain Entry or where a warrant is required	£20.00
General	Call out charge or make safe + the repair work undertaken	£20.00
General	Boarding up window or door - Small, Medium & Large	£50.00
Glazing	Replace single glazed 6mm thick glass pane - Small, Medium & Large	£80.00
Glazing	Replace 28mm double glazed unit - window or door (all sizes)	£145.00
Plumbing	Unblock sinks, wash basin, bath or WC	£30.00
Plumbing	Replacing plugs and chains to baths, sinks and wash hand basins	£15.00
Plumbing	Replace wash hand basin- Inc. fixtures & fittings	£145.00
Plumbing	Replace WC pan & cistern - Inc. fixtures & fittings	£140.00
Plumbing	Replace bath - Inc. fixtures & fittings (not Inc. bath panel)	£460.00
Plumbing	Replace bath panel	£65.00
Plumbing	Replace stainless steel sink Inc. F&F	£165.00
Plumbing	Blocked drainage systems and soil stacks	By Quotation
Plumbing	Replace toilet seat	New in TC
Carpentry	Replace keys and locks to doors, windows and garages if they are lost or stolen	£60.00
Carpentry	Replace lost or stolen key fobs	£5.50
Carpentry	Replace kitchen unit draw or door	£70.00
Carpentry	Replace cupboard latches and handles	£30.00
Carpentry	Repair kitchen unit draw or door	£70.00
Carpentry	Replace internal doors - none fire door 110/door	£100.00
Carpentry	Replace external doors (UVPC) - None Fire Door	£720.00
Carpentry	Replace Wooden door - Fire door Inc. Intumescent strips	£500.00
Carpentry	Replace door handles and latches (internal doors only)	£50.00
Electrics	Replace florescent light fitting and tubes/starters	£45.00
Electrics	Re-fix or renew electrical accessories - switch, sockets, pendant	£50.00
Electrics	Replace damaged/broken 240v smoke alarm + new test certificate	£90.00
Electrics	Disconnect/remove illegal wiring & electrical accessories & reinstate wiring + Tests	£400.00
Electrics	Carry out electrical test certificate	£120.00
Gas	Turning gas on following capping	£50.00
Gas	Rehang radiator	£80.00
Gas	Replace TRV thermostat	£35.00
Building	Repair Plastering	By Quotation
Building	Repair of walls/patio's	By Quotation
Environmental	Garden maintenance	By Quotation
Environmental	Garden rubbish removal - small	By Quotation
Environmental	Garden rubbish removal - large (skip load/van load)	By Quotation
Environmental	Bulky Waste removal	£8.50 per

		single unit
Environmental	Loft clearances	By Quotation
Environmental	Property Clean - Easy Clean	By Quotation
Environmental	Property Clean - Deep clean	By Quotation
Environmental	Pest control TBC	By Quotation New in TC
External	Fencing (other than privacy panels)	By Quotation New in TC
External	Gate and shed latches, bolts and catches	By Quotation New in TC

Executive Committee**29 October 2109****Planning Obligation Reforms – Charging for Section 106
Monitoring**

Relevant Portfolio Holder	Cllr M Dormer
Portfolio Holder Consulted	Yes
Relevant Head of Service	Ruth Bamford
Wards Affected	All
Ward Councillor Consulted	All
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 The Town and Country Planning Act 1991 under Section 106 (S106) introduced planning obligations. Planning obligations assist in mitigating the impact of unacceptable development to make it acceptable in planning terms. These obligations are more commonly known as Section 106 agreements.
- 1.2 Regulation 10 of The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 (“the Regulations”) brings into legislation powers to allow a sum to be paid under S106 for monitoring the delivery of planning obligations. This report seeks approval to use this power to charge a S106 monitoring fee where applicable in accordance with the regulations.

2. RECOMMENDATIONS

It is Recommended that:

- 2.1 **The Council approves with immediate effect the inclusion of a monitoring charge within Section 106 agreements in accordance with the Regulations; and**
- 2.2 **That delegated authority is given to the Head of Planning and Regeneration Services in consultation with the Portfolio Holder for Planning and Regulatory Services, to develop and implement as soon as possible a charging approach in line with the Regulations as stated below at para 3.4**

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3. KEY ISSUES**Financial Implications**

- 3.1 The full financial implications at this stage are currently unknown. As identified below at para 3.4 there are regulations governing the amount that can be charged for the monitoring of planning obligations. It is envisaged that a simple charging regime can be developed to ensure the charges are both transparent and within the regulations.
- 3.2 The funding that can be collected to assist in the monitoring of S106 agreements will help to offset the additional requirement to produce an infrastructure funding statement which is also required by the new regulations. If the funding is not collected this additional work would have to be done within existing budgets and staff resources.

Legal Implications

- 3.3 Regulation 10 of The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 brings into legislation powers to allow a charge to be made and for monitoring the delivery of s106 planning obligations. This report seeks approval for that power to be used by the Council.
- 3.4 The amendment to the legislation by this new regulation requires that any fee for s106 monitoring is lawful provided that

(a) the sum to be paid fairly and reasonably relates in scale and kind to the development; and

(b) the sum to be paid to the authority does not exceed the authority's estimate of its cost of monitoring the development over the lifetime of the planning obligations which relate to that development.

Service / Operational Implications

- 3.5 Planning obligations assist in mitigating the impact of unacceptable development to make it acceptable in planning terms. Planning obligations may only constitute a reason for granting planning permission if they meet the tests that they are necessary to make the development acceptable in planning terms. They must be:
- necessary to make the development acceptable in planning terms;
 - directly related to the development; and
 - fairly and reasonably related in scale and kind to the development.

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- 3.6 The reforms to the planning obligations process introduced by the Community Infrastructure Levy Regulations 2019, contain a number of key elements, which includes not only the ability to charge a monitoring fee, but also removing the restriction on the number of planning obligations that can be used to fund a single project (known as pooling restrictions) and introducing new reporting requirements through Infrastructure Funding Statements (from December 2020).
- 3.7 Both the removal of the pooling restrictions and the need to produce and infrastructure funding statement will increase the sometimes substantial workload and cost the Council has to cover when producing, monitoring and reporting on S106 agreements, which work is currently unfunded by the developer. It is seen as essential that this funding is secured.
- 3.8 The amount of funding available from this source will continue to be explored by officers; the regulations are not specific on how it is calculated. Delegations are being sought for officers to work alongside the portfolio holder for Planning and Regulatory services, to develop a robust and transparent methodology, which establishes the appropriate level of funding developments where the section 106 agreement will need to be monitored. It may be that specific viability / technical work is undertaken to evaluate the quantum and extent of developer contributions payable towards the monitoring of S106 planning obligations without causing development viability issues.

Customer / Equalities and Diversity Implications

- 3.9 There are no Customer / Equalities and Diversity Implications of this report.

4. RISK MANAGEMENT

- 4.1 Without this funding there is a risk that the funding infrastructure statement is not prepared adequately or resources are diverted from other key areas within the planning service.

5. APPENDICES

None

6. BACKGROUND PAPERS

None

Executive Committee

29 October 2109

AUTHOR OF REPORT

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REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE**29th October 2019**SECTION 24 RESPONSE AS APPROVED BY AUDIT COMMITTEE ON 26/9/19**

Relevant Portfolio Holder	Councillor David Thain, Portfolio Holder for Corporate Management
Portfolio Holder Consulted	√
Relevant Head of Service	Jayne Pickering, Executive Director Finance and Resources
Wards Affected	All Wards

1. SUMMARY OF PROPOSALS

This report details the formal responses to the Section 24 Notice as submitted to the Council in relation to future financial sustainability. This report enables members to note the approved action plan to ensure the Council has a balanced financial position for the medium term financial plan commencing 2020/21.

2. RECOMMENDATIONS

The Committee is asked to NOTE the responses to the Section 24 recommendations as detailed at 3.6.4, 3.6.5 and 3.6.6 of this report and as approved by the Audit, Governance and Standards Committee on 26/9/19.

3. KEY ISSUES

- 3.1 In July 2019, Grant Thornton, the Councils External Auditor undertook the relatively unusual step of issuing a number of Statutory Recommendations under Section 24 of the Local Audit and Accountability Act 2014. This measure was a strong warning to the Council of the Auditor's concerns but stops short of a public interest report.
- 3.2 A S24 notice requires the Council to agree its response to the points included within the recommendations within 1 month of issue and to publish how it proposes to address the issues raised.
- 3.3 As permitted in the legislation, an extension was sought from the Auditor to 27th September 2019 to ensure an additional Audit Committee could be set up to consider and approve the responses and this was granted
- 3.4 The formal Section 24 recommendation as included in the Audit Opinion and approved at Audit Committee stated :

EXECUTIVE COMMITTEE29th October 2019

That the Council needs to take urgent action to prevent both its General Fund and HRA balances being exhausted by the end of 2020/21. Failure to take effective action will put the Council at risk of breaching its statutory duty to set a balanced budget. It must agree and implement an achievable financial strategy that ensures a sustainable level of General Fund and HRA balances is maintained in the medium term (at least the next three years up to and including 2021/22), taking into account the current uncertainties about future local authority funding.

This must include the following:

- A full assessment of the deliverability of the £1.13 million savings challenge for 2019/20 and the agreement and monitoring of actions by the Executive that either prevent or minimise the further use of both General Fund and HRA balances in 2019/20.
- A financial plan for 2020/21 that includes the identification of further deliverable savings and income generation schemes, cost base reductions and Council Tax increases that eliminates the planned £1.17 million use of General Fund balances and ensures there are no further calls on HRA balances. This will require Members to take difficult decisions about sustainable levels of service and increases in Council Tax.
- Agreement of a realistic financial plan for 2021/22 that has deliverable savings and seeks to ensure that there are no further planned uses of General Fund and HRA balances that would put them below a financial sustainable level.

3.5 Section 151 Officer (Executive Director of Finance and Resources Comments)

- 3.5.1 The Council has faced significant financial pressures over the last 5 years with savings and additional income being delivered whilst protecting front line services. The continued uncertainty around Local Government funding has made it increasingly difficult to manage the budget process and identify specific savings over the last 4 years. The Council continues to face challenging and uncertain times ahead if it is to deliver high quality services to its residents and businesses, at a cost that is within the annual resources available to it as it no longer has balances to support general fund budget shortfalls.
- 3.5.2 As with the rest of the local government sector, funding cuts and significant local expenditure pressures have made the Council's job far more difficult and has required over £5.5m savings (cumulative £18m) over the seven years to 2018/19. This is more than 40% of total net

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expenditure and the Council forecasts a further £1.5m savings to 2022/23.

The last three years have been especially difficult for the Council with services continuing to be delivered with a significantly reduced funding level and with planned savings and income falling below the planned level. In addition new spending pressures have emerged which have led to the balances position reduced to a lower level than anticipated.

Lessons Learned

- 3.5.3 It is critical that in future the impact of all decisions are made clear to all members to include potential impact on the balances / reserves position. This must include background to previously proposed officer recommendations and where funding will be sourced. This will enable all members to understand the options available to them in relation to decisions with full clarity of financial implications for the present time and ongoing impact to the Council .
- 3.5.4 There have been a number of decisions made that have impacted on the current and planned financial position of the Council, these include:
- Additional draw down of balances to fund:
 - Transfer back of property services from Place Partnership (£150k)
 - Feasibility of Town Centre regeneration works (£200k)
 - Financial cost due to delay in implementation of Rubicon Leisure (£74k)
 - Additional severance costs for Rubicon Leisure
 - Reduction in the approved increase to Council Tax to 2.2% which was below the Executive Director of Finance and Corporate Resources planned increase of 2.99% (£50k pa)
 - Reduction in the increase to cremation fees to 3.2% which was below the initially approved increase of 8% following the capital works undertaken at the crematorium (£40k pa)
 - Unidentified savings not delivered as anticipated due to alternative methods of service delivery not undertaken and income estimated not delivered as initially assumed
 - Management review delays due to staffing issues
 - Increase in members allowances above the estimated budget position (£60k)
- 3.5.5 If the Council is to move towards financial stability, then it must ensure that it develops robust and deliverable spending and saving plans. If problems are identified in year, resolutions must be identified from within existing budgets, with any use of reserves being the option of last resort. Budget monitoring must be undertaken in a robust manner monthly by Heads of Services and quarterly to members to ensure

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saving plans are being delivered and any overspends are being managed.

- 3.5.6 The Council must address these issues, however difficult the decisions it needs to take to address them. This may involve re-designing some services, working in partnership with other bodies to deliver other services, reducing service levels and stopping some services altogether. Without these actions, the Council will not be able to provide services within the reducing funding allocation. It is essential therefore that the Council is clear as to its priorities and indeed its non priorities – these will need to be articulated within the Council Plan.

3.6 Redditch Borough Council Response to the Audit Statutory Recommendations

- 3.6.1 The Council recognises its responsibility in responding to the Statutory Recommendation under section 24 of the Local Audit and Accountability Act 2014.

The Act requires the Council to:

- consider the recommendation at a meeting held within one month of the recommendation being sent to the Council; and
- at that meeting the Council must decide:

- a) whether the recommendation is to be accepted, and
- b) what, if any, action to take in response to the recommendation.

- 3.6.2 The Audit Committee on 29th July agreed to accept the recommendation and a report to include the responses to the recommendations was presented to a meeting of the Audit Committee on the 26th September 2019.
- 3.6.3 Prior to the issue of the recommendation the Council had already acknowledged that it needed to plan for and manage the impacts of budget pressures and non-deliverable savings in the current and future years. Actions to address specific recommendations are set out below and it is proposed that the Audit Committee be asked to monitor progress on the achievement of the proposed actions.
- 3.6.4 Recommendation 1 (from Grant Thornton S24 Notice)**
- A full assessment of the deliverability of the £1.13 million savings challenge for 2019/20 and the agreement and monitoring of actions by the Executive that either prevent or minimise the further use of both General Fund and HRA balances in 2019/20.

- 3.6.4.1 **Redditch Borough Council Response :**

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- All savings are monitored on a monthly basis with Heads of Service and budget holders during finance meetings with individual finance representatives
- Quarterly reports to Executive and Audit and Governance Committee are presented to include detailed savings schedules showing delivery of savings or areas of concern where additional income or cost reductions are not being achieved. Action plans to be in place from Quarter 2 2019/20 to identify how any shortfalls will be met
- Quarterly identification of further additional income and savings detailed on separate schedule to ensure vacancy management savings and non allocated savings of £181k are being met
- Budgets to be adjusted to draw down additional savings to increase general fund balances where appropriate
- HRA – plans in place to mitigate spend on Repairs and Maintenance to ensure savings made to protect HRA balances
- Vacancy and non essential spend freeze in place with the aim to delivery additional savings to support the balances position for both HRA and General Fund
- Override on budgets no longer available and list of orders considered by the HOS on a monthly basis

It is clear in reviewing the April – June financial reporting that the expenditure is reducing for 2019/20 to enable the balances position to be strengthened.

3.6.5 Recommendation 2(from Grant Thornton S24 Notice)

- A financial plan for 2020/21 that includes the identification of further deliverable savings and income generation schemes, cost base reductions and Council Tax increases that eliminates the planned £1.17 million use of General Fund balances and ensures there are no further calls on HRA balances. This will require Members to take difficult decisions about sustainable levels of service and increases in Council Tax.

3.6.5.1 Redditch Borough Council Response:

For future years the Council will adopt a financial framework and strategy that focuses on the following aims:

- To ensure resources are directed to the council's strategic purposes and priorities
- To set financially sustainable budgets over the 4 year period for General Fund and HRA

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- To increase balances to £1.5m in the General Revenue Fund and £1m in the HRA
- To maximise income opportunities whilst supporting the vulnerable
- Identify and disinvest in non priority areas
- To ensure all savings are achievable and developed with robust data
- To reduce overheads & direct costs over the 4 year period
- To maximise use of assets and disinvest surplus or non performing assets
- To further develop the commercial culture within the Council
- To consider and adapt to the uncertain future financial climate
- To work with the public, members and staff to engage and inform partners on the impact of the financial pressures of the Council

3.6.5.2 Current estimated savings for the 4-year period will be around £1.5m. There are challenges to achieve this and impact on services and staffing are inevitable.

3.6.5.3 The process for the 2020/21 – 2023/24 four-year cycle commenced in July 2019 – considerably earlier than in previous years. This involved Heads of Service commencing a detailed review of prior year spend and income compared with budget projections over the following four years.

3.6.5.4 The following actions are in place for the next 5 months to ensure that the spending and income plans for the 4 year period deliver the £1.2m in 2020/21 arising to £1.5m by 2022/23:

- Portfolio Holder and CMT workshop arranged to consider future direction (priorities and non-priorities) against the backdrop of the financial position to enable robust and deliverable saving proposals to be made
- Present to members from September onwards options for savings and additional income generation to be proposed for medium term financial plan
- Delivery of financial strategy for October Executive to address concerns on financial sustainability
- Detailed review of 2018/19 actual v 2019/20 budget to enable any additional budget allocated to be released for the period 2019/20-2021/23

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- Consideration of all vacant posts by Head of Service and Strategic Lead to ensure any excess vacant posts are released for the period 2019/20-2021/23
- Review of costs associated with support services and robust estimates of savings realised from new systems and automation to be made
- Full and detailed review of the Capital Programme to assess need of spend against projects and vehicles (including replacement period of vehicles).
- Robust business cases to be presented where additional spend is required to meet strategic priorities
- Maximise asset sales to receive capital receipts where appropriate to balance revenue streams within the Council.
- Maximise rental income from assets
- Consideration by budget scrutiny to enable challenge of savings proposed
- Work with Grant Thornton and other Councils to identify best practice in the identification and monitoring of savings
- Further review of use of agency staff to reduce spend
- Staff briefings in September to explain the current financial issues
- Consideration of further efficiencies that can be achieved by digitisation / automation of services
- Realistic assessment of income that can be achieved by more commercial activity

3.6.5.5 Central to ensuring delivery will be ownership by the Management Team and the establishment of challenge sessions with the Strategic Directors, Heads of Service and Portfolio Holders to enable robust discussions to be held as to the level of savings and additional income identified to deliver services over the 4 year period.

Corporate Management Team consider updates to the budget position on a regular basis during their weekly meetings and a number savings and additional income have already been identified that will be reported to members in the next few months.

EXECUTIVE COMMITTEE29th October 2019**3.6.6 Recommendation 3(from Grant Thornton S24 Notice)**

- Agreement of a realistic financial plan for 2021/22 that has deliverable savings and seeks to ensure that there are no further planned uses of General Fund and HRA balances that would put them below a financial sustainable level.

3.6.6.1 Redditch Borough Council Response:

The current level of savings or additional income are most significant in 2020/21 at £1.2m, this rises to £1.5m over the following 3 year period as currently defined in the Medium Term Financial Plan.

As detailed above one of the aims of the financial strategy is to have a balanced position for the 4 year period when the budget is agreed for 2020/21. Therefore the actions as detailed in Recommendation 2 will cover the 4 year period to enable the delivery of a financially sustainable plan and mitigate the risk of any further reduction in General Fund or HRA balances.

4 Financial Implications

- 4.1 As detailed above the financial position of the Council needs urgent review and consideration in order to meet the projected future budget shortfall.

5 Legal Implications

- 5.1 The Council has a statutory responsibility to comply with financial regulations. Included within the report is a recommendation to the Council under section 11(3) of the Audit Commission Act 1998.
- 5.2 Following the Audit for 2018/19 Grant Thornton have issued the Council with a Statutory recommendation made under section 24 of the Local Audit and Accountability Act 2014. Grant Thornton has powers and duties under this Act to include making written recommendations to the Council and the Council is required by the Act to hold a public meeting to consider such recommendations and publicly respond to them.
- 5.3 Grant Thornton have concluded that it is appropriate for them to use their powers to make a recommendation under section 24 of the Act due to the Council's current and forecast financial position. It is a legal obligation for the Council to submit a full response to the

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recommendations that are considered and approved in a public meeting.

6 Service/Operational Implications

- 6.1 The future financial position of the Council and the ongoing uncertainties for Local Government funding will require significant savings and additional income. It is clear that there will have to be changes to service delivery to meet the required level of savings and officers will be working with members to ensure any impact on service delivery is considered in full with all impacts understood.

7 Customer / Equalities and Diversity Implications

- 7.1 Should any service delivery be revised or reduced then full impact assessments will be undertaken to ensure the impact on members of our community is understood and assessed.

8 RISK MANAGEMENT

- 8.1 The Section 24 recommendation will be included on the Corporate Risk Register to ensure it is given the highest priority for resolve over the next few months.
- 8.2 The financial sustainability of the Council is a risk that will be managed and reported to members on a regular basis.

9 APPENDICES

Appendix 1 – Minutes of the Audit, Governance and Standards Committee meeting held on 26/9/19

10 BACKGROUND PAPERS

None

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Audit, Governance & Standards Committee

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2019

MINUTES

Present:

Councillor John Fisher (Chair), Councillor Mark Shurmer (Vice-Chair) and Councillors Salman Akbar, Tom Baker-Price, Roger Bennett, Michael Chalk, Ann Isherwood, Yvonne Smith and David Thain

Also Present:

Julian Grubb and Jennifer Wheeler

Officers:

Jayne Pickering and Sue Hanley

Senior Democratic Services Officer:

Jess Bayley

17. APOLOGIES AND NAMED SUBSTITUTES

An apology for absence was received on behalf of Councillor Nyear Nazir and Councillor Roger Bennett attended as her substitute.

18. DECLARATIONS OF INTEREST

There were no declarations of interest.

19. MINUTES

RESOLVED that

the minutes of the meeting of the Audit, Governance and Standards Committee held on Monday 29th July 2019 be approved as a true and correct record and signed by the Chair.

.....
Chair

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20. PUBLIC SPEAKING

The Chair confirmed that there were no registered speakers on this occasion.

21. SECTION 24 ACTION PLAN

The Executive Director of Finance and Corporate Resources presented the Section 24 Action Plan, which detailed the Council's response to the Section 24 Notice that had been issued by the external auditors, Grant Thornton, to the authority.

The external auditors had confirmed that the Council's accounts for 2018/19 were unqualified. The auditors also issued a Value for Money (VfM) assessment, which focused on the Council's financial sustainability moving forward. The Council had been issued with an adverse VfM assessment because the external auditors had concerns that the authority was not financially sustainable in the long-term. The Section 24 was intended to provide a warning to the Council that it needed to take action to change the way the authority's budget was managed moving forward. Local authorities that were subject to a Section 24 Notice needed to determine whether to accept the external auditor's recommendations and then to demonstrate how the Council would respond to those recommendations. The Audit, Governance and Standards Committee had already accepted the Section 24 notice and recommendations in July 2019. Should the Committee approve the Section 24 Action Plan the report would be considered by the external auditors the following day and they would subsequently monitor the progress achieved by the Council.

A Section 24 Notice would be followed by further action should the Council not secure a balanced budget moving forward. Should the Section 151 Officer have concerns about the budget position by January/February 2020 it was possible that she would need to issue a Section 114 Notice against the authority. This is the action that had been taken in relation to Northamptonshire County Council some years previously. However, Members were advised that progress was being achieved by Officers and the Executive Committee in terms of realising savings and identifying new opportunities for income generation and it was not therefore anticipated that a Section 114 Notice would need to be issued.

There remained financial challenges for the Council. In particular there was uncertainty about the financial settlement from the

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Government which made it difficult to balance the budget over the course of the full four years of the Medium Term Financial Plan (MTFP). Lots of other Councils faced similar uncertainty but many did not deliver the same number of services as Redditch Borough Council nor did they necessarily have the same demand placed on their services by local residents. The Government had announced that there would be no change to the New Homes Bonus (NHB), which meant that the local authority would receive over £100,000 more than had been budgeted for from this source of funding. However, the Government had also indicated that local authorities would only be able to increase Council Tax by a maximum of 2% in future, rather than the 2.99% that had been possible in recent years and this would have a negative impact on the Council's budget position.

The Executive Director of Finance and Corporate Resources addressed each of the recommendations from the external auditors in turn. The first recommendation focused on the challenge of delivering £1.13 million savings in 2019/20. Members were advised that £1.1 million of savings had already been identified for delivery in 2019/20. The financial monitoring that had been undertaken to date indicated that the Council was on track to deliver these savings. The second recommendation focused on the need for the Council to deliver further significant savings for the 2020/21 budget, so that the Council would not need to use funding from balances in order to secure a balanced budget. Members were advised that there was an aim to increase balances to £1.5 million in the General Fund and £1 million in the Housing Revenue Account (HRA). The third recommendation called on the Council to produce a realistic financial plan for 2021/22 onwards. The Council would need to achieve £1.5 million in additional savings over the four-year period up to 2023.

A range of actions were already being undertaken in order to achieve ambitious saving targets. Vacant posts would not be filled unless they were considered to be business critical. Financial savings could not be retained in departments. In cases where budgets had not been spent for the last few years these would be removed from a Department. Any overspends were discussed by the Corporate Management Team (CMT) and the Executive Committee, Budget Scrutiny Working Group and CMT all received regular monitoring updates in respect of the budget position. For the HRA a review was in the process of being undertaken in respect of spending on repairs and maintenance (R&M).

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A number of lessons had been learned by the Council as Officers and the Portfolio Holders had reviewed the causes of the situation. The Committee was asked to note that in the last ten years only two services had ceased to receive funding; pre-9.30 am bus travel and free swimming. The Council had also made very few changes in terms of how services were delivered, with the exception of the introduction of Rubicon Leisure to deliver leisure services on behalf of the Council. Difficult decisions would be required from Members in respect of Council services in order to address the points raised by the external auditors.

Lessons had also been learned with respect to reporting on the financial implications of decisions that were taken by Members. In previous years information had been provided on this subject, though this had often been included within an appendix to a budget report. In future Officers intended to clearly specify the cost of action requested by Members compared to the cost of alternative actions that could be taken and this information would be included in the covering report.

The inclusion of unidentified savings in previous MTFPs had also created challenges, particularly in 2018/19. There had been £770,000 of unidentified savings to achieve in the 2019/20 budget which had not been addressed, though senior Officers had achieved the majority of identified savings that had been included in the budget. It was anticipated that this would not be a problem in future as there were only £180,000 in unidentified savings to achieve in 2019/20 and unidentified savings would no longer be included in future budgets.

The Executive Committee had approved the Council's Financial Framework. In line with this framework Officers would work to ensure that resources were allocated in accordance with the Council's strategic purposes. Further work would be undertaken to identify more savings and income generation opportunities, including at a Portfolio Holders' workshop.

The financial position of Bromsgrove District Council, with which Redditch Borough Council shared many services, was also briefly discussed. Members were advised that Bromsgrove District Council had reserves of £4 million and was achieving similar levels of savings to Redditch Borough Council every year. However, Bromsgrove District Council received more in Council Tax, both due to the larger population and to the fact that many of the properties in their district were of a higher band than in Redditch. Bromsgrove

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District Council also did not have the same costs as Redditch Borough Council as the authority did not provide the same services.

During consideration of this item the Chair explained that he had written to the Executive Director of Finance and Corporate Resources prior to the meeting with a number of questions about the Section 24 Notice. A copy of this letter was tabled at the meeting (Appendix 1).

Officers proceeded to provide a verbal response to each of the Chair's questions, as follows.

- 1) 2018/19 delivery of promised savings: The Efficiency Plan published in September 2016 contained various commitments in terms of finding budget savings through transformation and service reviews. The 2018/19 budget then committed to delivering £777,000 worth of savings over the course of that year, but only £594,000 of these were subsequently delivered, leaving a variance of £168,000. Could you please explain the reasons for this variance and give your views on the Council's ability to deliver future savings?

The Committee was informed that Bereavement Services had received less income than expected on cremations, additional electricity charges and additional costs due to cremator repairs. In addition, whilst a significant growth in income had been achieved within core waste services, there had been additional costs required for running the domestic waste services. Furthermore there was a shortfall in the amount of eligible housing benefit that the Council could recover. All of these issues were being addressed as part of the current budget and financial monitoring actions.

In addition to this point Members were advised that there were a number of actions in place to ensure that savings were made in this financial year to include:

- All savings were monitored on a monthly basis with Heads of Service and budget holders during meetings with representatives of Financial Services.
- Quarterly reports to the Executive and Audit, Governance and Standards Committees would be presented which would provide detailed savings schedules, showing delivery of savings or areas of

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concern where additional income or cost reductions were not being achieved. Action plans were due to be in place from Quarter 2 2019/20 onwards to help identify how any shortfalls would be met.

- Quarterly identification of further additional income and savings was detailed on a separate schedule to ensure vacancy management savings and non-allocated savings of £181,000 were being met.
- Budgets were being adjusted to draw down additional savings in order to increase General Fund balances where appropriate.
- HRA – plans were in place to mitigate spend on R&M to ensure savings were made and to protect HRA balances.
- A freeze had been placed on vacancies and non-essential spend to help deliver additional savings to support the balances position for both the HRA and the General Fund.
- An override had been introduced for budgets where funds were no longer available and a list of orders was considered by Heads of Service on a monthly basis.

In addition the Committee was advised that work had commenced earlier than in previous years to address the MTFP deficits. Actions, both in the short-term and for the future included:

- Transparent consideration by Members of the impact of future decisions on balances and the Council's financial position.
- A detailed review of actual spend in the 2018/19 budget compared to the 2019/20 budget to enable any additional budget allocations to be released for the period 2019/20 to 2021/23.
- Consideration of all vacant posts by Heads of Service and the strategic lead Directors to ensure any excess vacant posts were released for the period 2019/20 to 2021/23.
- A review of the costs associated with support services and robust estimates of savings realised from new systems. There were particular opportunities available from automating certain services.
- A detailed review of the Council's Capital Programme to assess the need for any expenditure on projects and

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vehicles (including the replacement period for Council vehicles).

- A requirement for robust business cases to be presented where additional spend would be needed in order to meet strategic priorities.
- Maximisation of asset sales to enable the Council to receive capital receipts that could balance revenue streams within the Council.
- In addition, maximisation of rental income from remaining Council assets.
- Consideration by the Budget Scrutiny Working Group of proposed actions and progress in delivering these actions to enable proper challenge of the savings that had been proposed.
- Working with the external auditors, Grant Thornton, and other Councils to identify best practice in the identification and monitoring of savings.
- Undertaking a realistic assessment of income that could be received by the Council as a result of participating in more commercial activity.

- 2) 2018/19 in year decisions with financial impacts: Last year there was a decision to delay the implementation of the creation of a 'Council owned leisure company', subsequently called Rubicon Leisure. This delay cost the Council £74,000, as the expected savings could not therefore be made. Could you explain how this decision was arrived at and what was your advice regarding the financial impact?

Officers explained that a decision had been taken to review the position in relation to the establishment of the new Leisure Company to enable the new political administration elected in May 2018 to be made aware of the detailed aims and objectives of the company. This led to a four month delay in the company being launched. There were costs associated with this delay and they were reported to Members.

Over the course of 2018/19 the likely redundancy costs arising from the introduction of Rubicon Leisure had become clearer. This revealed that those costs were higher than had originally been anticipated.

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2b) Were these increasing costs known at the time of the decision to delay the 'Leisure Co' and was their impact on the viability of the 'Leisure Co' plan understood and taken into account?

The Committee was advised that the severance costs, including pension strain figures, were estimated and not confirmed until the restructure had been implemented. This did not occur until February 2019. Therefore the costs were not known when the decision was taken to delay.

3) 2018/19 overspends and change in the level of General Fund Balances: At the close of the 2017/18 municipal year, General Fund balances stood at £1.79 million, with £250,000 additionally being added to Reserves. A year later, General Fund balances stood at £1.2 million when the amount was projected to be £1.7 million. This is a significant deterioration in the Council's financial resilience as noted by Grant Thornton. Could you please explain how this position was arrived at over a single financial year, and whether you believe there are lessons to be learnt in terms of budget monitoring?

Members were informed that there were a number of costs, totalling £560,000 that were funded from balances during 2018/19 which had not been previously anticipated. This included releasing from balances:

- £39,000 arising following the return of Property Services to Council control from the Place Partnership.
- £150,000 for the Public Sector Services Hub.
- £74,000 for general costs associated with Leisure Services.
- £89,000 to cover the general budget shortfall.
- A significant figure to cover the redundancy costs arising from the introduction of Rubicon Leisure.

3b) Were the Council's actions over the course of 2018/19 sufficient, timely and effective? For example in terms of dealing with any projected overspends / new pressures / savings shortfalls.

Officers confirmed that they accepted that decisions relating to new budget pressures could have been outlined more clearly for the consideration of Members in

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respect of the impact on balances and the future financial position of the Council. This would be addressed in future reports.

Members were asked to note that additional income and savings had been achieved in 2018/19 and regular discussions held by CMT in relation to the ongoing financial monitoring position. However, given the level of unidentified savings that had been included in the budget it had been difficult to deliver these when a number of services had unexpected overspends and shortfalls in income which could not be controlled.

- 4) 2019/20 budget decisions: In the 2019/20 budget there was a decision to increase Council Tax by 2.2% when previous financial plans assumed a 2.99% increase. This decision will cost the council £218K over 4 years. What were the S151 officer recommendations in relation to this, and how was this decision taken in view of the fact that it was effectively unfunded?

The Committee was informed that the MTFP had included a 2.99% increase every year across the four years of the plan. Members had been advised that any reduction in Council Tax would have a very small impact on individual Council Tax increases for the public but a significantly adverse impact on the financial position of the Council across the years. However, a decision had been made at Council in February 2019 to increase Council Tax by 2.2% in 2019/20.

- 4b) In the face of the projected future deficits, highlighted by Grant Thornton, were the implications for the future council tax base and the impact on these future deficits clearly put before members to decide upon?

Officers confirmed that it was accepted that the full implications for the Council's budget had not been clear to Members when the decision had been taken at Council. This would be addressed in future through implementing the proposed changes to the authority's budget reports.

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- 4c) In December 2015 the Council agreed to invest in the Crematorium facilities and for this to be funded by increases in charges over future years of approximately 8% pa. In February last, the 2019/20 Fees and Charges report proposed an increase in charges of 3.2% instead of the previously budgeted 8%. This was approved and the decision will cost the council approximately £160K over 4 years. What were the officer recommendations in relation to this and how was this decision taken in view of the fact that it was effectively unfunded?

The Committee was advised that Officers had included an assumption that fees would increase by 8% in the budget forecast and Members had been advised of this. However, a decision had been made at a meeting of Council to increase Bereavement Services' fees by 3.2%. Officers had reduced the additional income that was expected from Bereavement Services by approximately £43,000 to reflect the loss of income.

- 4d) In the face of the projected future deficits, highlighted by Grant Thornton, were the implications of the loss of income and its impact on these future deficits clearly put before members to decide upon?

Officers noted that this information had been recorded in the MTFP report, though only in an appendix. Therefore, Officers accepted that the financial implications may not have been clear to Members. Planned changes to budget reports would be designed to ensure greater clarity for Members in future.

- 4e) Regarding Member Allowances, in the 2018/19 budget over four years, inflation only increases were assumed over those upcoming years. In February 2019 Members voted to increase allowances by £60,000 per annum starting in the 2019/20 municipal year, costing the Council £240,000 over four years. What were officer recommendations in relation to this and how was this decision taken in view of the fact that it was effectively unfunded with the predicted funding deficits?

Officers explained that a report had been presented for Members' consideration on behalf of the Independent Remuneration Panel (IRP) on 5th February 2019. In the

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report it had been stated that if the Council was to accept the Panel's recommendations in full, the budget for Members' basic and special responsibility allowances for 2019 to 2020 would be approximately £200,000. The report had acknowledged that this would be an increase of £51,000 on the budgets for Members' allowances. Therefore, Members had been advised that a financial pressure would have to be included within the budget projections to support this additional funding.

- 4f) Were the financial implications, the unfunded nature of this increase, and the Section 151 Officer's advice on this matter, clearly spelt out to Members in the relevant reports before the proposals were voted on?

The Committee was informed that a budget pressure was included in the final MTFP to enable Members to agree the additional cost. However, Officers confirmed that it was accepted that this could have been made clearer.

- 5) Council's future position regarding the deficit and financial sustainability: When Council approved the four year plan starting with the 2018/19 municipal year, the projected deficit for 2020/21 was £448,000, which assumed that Redditch Borough Council would need to pay £330,000 to central government as a negative grant. The 2020/21 funding deficit is now projected to be £1.2 million, despite the negative grant being removed from all budget forecasts. Can you explain why this is now the position?

Members were informed that there were a number of additional pressures and changes to Government funding that were projected for the future. From the initial estimate of £448,000 the additional £719,000 changes comprised salary adjustments and funding for a new national pay model, price inflation in areas such as utilities costs, unavoidable costs, revenue bids and changes to specific grant funding. Whilst the Council had achieved over £800,000 in savings this could not offset all of those additional costs.

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- 5b) The Efficiency Plan published in September 2016, contained a figure of £2.82 million of savings to be delivered in the year 2019/20. Can you say how much of this we now expect to achieve in the current financial year?

The Committee was informed that the Efficiency Plan was published in 2016 to enable the Council to secure a four year financial settlement from Government. Whilst this plan provided some certainty, it did not include NHB or business rates. The expectation was that the Efficiency Plan would be superseded by future budget reviews and therefore for 2019/20 savings had been identified of £1.4 million to ensure the budget was balanced for the financial year.

Following the presentation of the report and the letter from the Chair of the Committee Members discussed a number of areas in further detail:

- The work of the Financial Services team and the Section 151 Officer. The Committee noted that the Officers' professionalism had not been questioned and they had not been criticised in the Section 24 notice.
- The response of the external auditors to date to the action that had already been taken to address the points raised in the Section 24 Notice as well as to the Council's plans. The external auditors appeared to be satisfied with the direction of travel at the Council and had been sharing information about best practice within local government.
- The reasons for the delays with the launch of Rubicon Leisure. The Committee was advised that following the local elections in May 2018 a decision had been taken to postpone in order to provide the new political administration with time to learn more about the TECKAL company and the implications for the Council.
- The savings that had been anticipated as a result of introducing Rubicon Leisure. Officers explained that the Council had forecast £420,000 of savings over a 12 month period arising from the introduction of Rubicon Leisure.
- The extent to which the Council continued to use agency staff and the reasons why agency staff might be employed. Members were informed that agency staff continued to be utilised by the Environmental and Housing Departments for the delivery of frontline services. Agency staff were also used

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in cases where there were vacancies that needed to be filled in the interim period before a restructure took place which helped to protect permanent members of staff.

- The costs of agency staff. Members were advised that there were financial costs attached but Matrix matched the Council's expenditure on posts which helped to keep the costs at a reasonable level.
- The freeze on capital spending and the impact that this had on the Council's cash flow. Officers explained that this would have a beneficial impact on the budget for future years in relation to the Council's minimum revenue position.
- The level of balances that were considered to be financially sustainable for the Council and who determined this level. Members were informed that the Council's Section 151 Officer had identified that there needed to be £750,000 as a minimum in the Council's balances, though in the current financial circumstances the authority aimed to secure balances at a minimum of £1 million.
- The external auditor's view of the Section 151's determination in respect of the minimum level of balances that should be permitted. The Committee was informed that the external auditor's had signalled that they agreed.
- The potential for Members to vary the minimum level of balances. Officers explained that at Bromsgrove District Council Members had agreed that the minimum level of balances should be set at a higher level than that which had been identified by the Section 151 Officer.
- The savings that could be accrued from vacant posts. Members were advised that there would be salary savings for the period which would be returned to the General Fund balances rather than retained in departmental budgets.
- The asset sales which would need to take place and the rules for local authorities in respect of using capital receipts for revenue purposes. The Committee was advised that when assets were sold they could help to release money for revenue which helped to lower borrowing costs. Some capital receipts could be used for revenue as long as this was on an invest to save basis.
- The location of remaining Council assets. Members were advised that there were some small pockets of land owned by the Council, including at Far Moor Lane and the former Upper Norgrove House site.

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- The potential for the Council to provide estimates of the likely costs arising from vacant posts. Officers explained that this was included in the MTFP on a departmental basis.
- The financial returns from Housing Benefits. The Committee was informed that the Council had not been able to recover as much of the ineligible part of Housing Benefits as anticipated as there had been a number of errors due to pressures on the team. The team had since been turned around and the response times to new applications had fallen from an average of 72 days to 22.
- The use of reserves and the impact that this could have on the Council's balances. Officers explained that reserves were allocated to specific projects and staff were being encouraged to use this funding where appropriate rather than to just rely on revenue expenditure.
- The changing position of the Council's balance sheet and the need to make an assessment at the end of the financial year. Members were advised that at some stages in the year the figures could be misleading, particularly after an influx of Council Tax payments as the majority of these funds needed to be paid over to Worcestershire County Council.
- The potential for reserves to be moved into balances. The Committee was advised that where reserves were not used or no longer considered to be needed they would be moved into balances.
- The Council's arrangements for financial monitoring and the effectiveness of these arrangements. Members were advised that the external auditors had highlighted that the Council had good financial monitoring arrangements in place.
- The extent to which target points were included as part of the Council's financial monitoring arrangements. Officers explained that the monthly meetings between Heads of Service and Finance Officers and consideration of financial data at meetings of CMT would help to identify where any savings targets might not be on track.
- The role of the Budget Scrutiny Working Group in scrutinising the Council's budget position and plans to address this in detail. The Chair explained that he also sat on that group and it had recently concluded that it would be helpful for commentary to be provided in the financial monitoring reports to help build a picture over the year.
- The role of the Audit, Governance and Standards Committee in taking a more strategic overview of the budget position.

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- The impact of the Council's decision to increase Council Tax by 2.2% in 2019/20 on the budget over the four years of the MTFP. Members were advised that this represented a loss of £43,000 each year over the period of the plan.
- Capital expenditure on vehicles and whether the Council owned its vehicles. Members were advised that the Council owned all of its vehicles, though the Head of Environmental Services was in the process of undertaking a review of this.
- The standard arrangements in the private sector whereby vehicles tended to be leased. Officers advised that the difficulty could be in terms of returning vehicles in an appropriate condition at the end of a lease arrangement as there could be significant wear and tear, particularly for waste collection vehicles.
- The financial position of the Council should the authority not secure savings in 2019/20 and 2020/21. Members were advised that if savings were not achieved then by 2020/21 the Council would be spending £30,000 more per week than it would be receiving in income. This financial position was not sustainable.
- The potential that cuts would need to be made to services in order to achieve a balanced budget. Members were advised that there were a range of options available to the Council including savings, generating additional income, introducing charges for services or increasing charges to cover the costs of service delivery, changing services and ceasing to provide services. The Council did, however, need to do more than just achieve efficiency savings.
- The Council's support costs and the need to protect frontline services. The Committee was informed that overheads from support service costs needed to be reduced from 14% to closer to 10 %.
- The need for the Council to effectively achieve savings in relation to 10% of the existing budget.
- The potential for Members to make decisions about the budget based on an assessment of which services were statutory and which were discretionary. However, Officers explained that this was difficult to achieve as Councils interpreted how to deliver statutory services in different ways and the scale of that service was partly determined by need within the community. Removal of discretionary services could also have knock on implications for other services as well as the general wellbeing of local communities.

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- The influence of the Council's strategic purposes and service transformation on spending. Officers confirmed that these were both still being implemented at the Council.
- The difficult decisions that would need to be taken by Members and the issues that would be coming forward for the consideration of the Executive Committee over the next few months.
- The services that Redditch Borough Council provided which were not delivered by Bromsgrove District Council. Officers advised that there were a number of differences including the following:
 - Bromsgrove District Council did not provide grant funding to local Voluntary and Community Sector (VCS) groups like Redditch and did not have a Councillor grant scheme. The only community grant that Bromsgrove did provide was to the Citizens Advice Bureau (CAB).
 - Bromsgrove did not have an equivalent service to Dial A Ride. In Bromsgrove the BURT community transport service was managed by Age UK.
 - Bromsgrove District Council had sold the Council's housing stock in the early 2000s. Bromsgrove District Housing Trust (BDHT) had taken on responsibility for much of the social housing in the district and the Council did not have an HRA.
 - Bromsgrove District Council had chosen to outsource the Council's Leisure Services many years ago.

RESOLVED that

the responses to the Section 24 recommendations as detailed at 3.6.4, 3.6.5 and 3.6.6 of the report be approved.

(During consideration of this item there was a brief comfort break from 19.30 to 19.35 pm).

22. WORK PROGRAMME

Members were advised that the following meeting of the Committee was scheduled to take place on 31st October 2019.

**Audit,
Governance &
Standards
Committee**

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APPENDIX 1

Dear Jayne,

Following the decision by Grant Thornton to issue a Section 24 notice to Redditch Borough Council, I am writing to you as Chair of the Audit, Governance and Standards Committee.

This is an extremely serious position for the council to find itself in, and it is almost unprecedented for Grant Thornton to take such action. It is clear from this notice and from their annual report, that there has been a significant deterioration in their confidence in the council's ability to take the decisions necessary to be financially sustainable.

They have stated that this is a very rare occurrence, and they specifically cite 'member decisions' as a major reason for the deterioration in confidence since the same report last year.

The AG&S committee has a duty 'to ensure good stewardship of the Council's resources and assist the Council to achieve value for money in the provision of its services'. We have a duty therefore to ensure that the council responds appropriately to the Section 24 notice, and deals with the causes of any lack of confidence expressed by Grant Thornton which motivated it to be issued.

With this in mind and acknowledging the need for transparency, I would like to ask you as Section 151 Officer the following questions, which I have categorised to help in structuring the issues appropriately

1/ 2018/19 delivery of promised savings

The Efficiency Plan published in September 2016 contained various commitments in terms of finding budget savings through transformation and service reviews. The 2018/19 budget then committed to delivering £777K worth of savings over the course of that year, but I understand only £594K of these were subsequently delivered, leaving a variance of £168K.

Could you please explain the reasons for this variance and give your views on the council's ability to deliver future savings?

2/ 2018/19 in year decisions with financial impacts

Last year there was a decision to delay the implementation of the creation of a 'council owned leisure company', subsequently called Rubicon Leisure. This delay cost the council £74K, as the expected savings could not therefore be made.

Could you explain how this decision was arrived at and what was your advice regarding the financial impact?

Additionally, I understand that the likely redundancy costs associated with the 'Leisure Co' policy became clearer over the course of last year and were seen to be increasing.

Were these increasing costs known at the time of the decision to delay the 'Leisure Co' and was their impact on the viability of the 'Leisure Co' plan understood and taken into account?

3/ 2018/19 overspends and change in level of General Fund Balances

At the close of the 2017/18 municipal year, General Fund balances stood at £1.79M, with £250K additionally being added to Reserves. A year later, General Fund balances stood at £1.2M when the amount was projected to be £1.7M. This is a significant deterioration in the council's financial resilience as noted by Grant Thornton.

Could you please explain how this position was arrived at over a single financial year, and whether you believe there are lessons to be learnt in terms of budget monitoring?

Were the council's actions over the course of 2018/19 sufficient, timely and effective? For example in terms of dealing with any projected overspends / new pressures / savings shortfalls.

4/ 2019/20 budget decisions

In the 2019/20 budget there was a decision to increase Council Tax by 2.2% when previous financial plans assumed a 2.99% increase. This decision will cost the council £218K over 4 years.

What were the S151 officer recommendations in relation to this, and how was this decision taken in view of the fact that it was effectively unfunded?

In the face of the projected future deficits, highlighted by Grant Thornton, were the implications for the future council tax base and the impact on these future deficits clearly put before members to decide upon?

In December 2015 the council agreed to invest in the Crematorium facilities and for this to be funded by increases in charges over future years of approximately 8% pa. In February last, the 2019/20 Fees and Charges report proposed an increase in charges of 3.2% instead of the previously budgeted 8%. This was approved and the decision will cost the council approximately £160K over 4 years.

What were the officer recommendations in relation to this and how was this decision taken in view of the fact that it was effectively unfunded?

In the face of the projected future deficits, highlighted by Grant Thornton, were the implications of the loss of income and its impact on these future deficits clearly put before members to decide upon?

Regarding Member Allowances, in the 2018/19 budget over 4years, inflation only increases were assumed over those upcoming years. In February 2019 members voted to increase allowances by £60K pa starting in the 2019/20 municipal year, costing the council £240K over 4 years.

What were officer recommendations in relation to this and how was this decision taken in view of the fact that it was effectively unfunded with the predicted funding deficits?

Were the financial implications, the unfunded nature of this increase, and the Section 151 Officer's advice on this matter, clearly spelt out to members in the relevant reports before the proposals were voted on?

5/ Council's future position regarding the deficit and financial sustainability

When council approved the 4 year plan starting with the 2018/19 municipal year, the projected deficit for 2020/21 was £448k, which assumed that RBC would need to pay £330k to central government as a negative grant. The 2020/21 funding deficit is now projected to be £1.2m, despite the negative grant being removed from all budget forecasts.

Can you explain why this is now the position?

The Efficiency Plan published in September 2016, contained a figure of £2.82M of savings to be delivered in the year 2019/20.

Can you say how much of this we now expect to achieve in the current financial year?

6/ Summary

I apologise for the number of questions, but I feel that they are appropriate and responsible given the serious nature of the position that Redditch Borough Council finds itself in. The Audit Governance & Standards Committee is responsible for approving the council's response to the Section 24 notice, and crucially for ensuring that any lessons are learnt and addressed going forward.

Therefore, I would request that these questions are considered and then discussed by the Audit, Governance & Standards committee at our meeting on Thursday September 26th.

Yours sincerely

Councillor John Fisher

Chair of Audit, Governance & Standards Committee.

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Overview and Scrutiny Committee

Thursday, 5th September,
2019

MINUTES

Present:

Councillor Joe Baker (Chair), Councillor Debbie Chance (Vice-Chair) and Councillors Joanne Beecham, Michael Chalk, Peter Fleming, Andrew Fry, Mark Shurmer and Jennifer Wheeler

Officers:

Matthew Bough, Sue Hanley and Guy Revans

Senior Democratic Services Officer:

Jess Bayley

25. APOLOGIES AND NAMED SUBSTITUTES

An apology for absence was received on behalf of Councillor Salman Akbar.

26. DECLARATIONS OF INTEREST AND OF PARTY WHIP

There were no declarations of interest nor of any party whip.

27. MINUTES

RESOLVED that

the minutes of the meeting of the Overview and Scrutiny Committee held on Thursday 4th July 2019 be approved as a correct record and signed by the Chair.

28. PUBLIC SPEAKING

There were no registered public speakers on this occasion.

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Chair

Overview and Scrutiny Committee

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29. EXECUTIVE COMMITTEE MINUTES AND SCRUTINY OF THE EXECUTIVE COMMITTEE'S WORK PROGRAMME - SELECTING ITEMS FOR SCRUTINY

The Committee considered the minutes of the meeting of the Executive Committee held on 9th July 2019 as well as the content of the Executive Committee's Work Programme for the period 1st October 2019 to 31st January 2020.

Members noted that there were a significant number of items scheduled for the consideration of the Executive Committee in October 2019. Should Members seek to pre-scrutinise many of these items it was suggested that consideration might need to be given to holding an additional meeting of the Overview and Scrutiny Committee in October.

RESOLVED that

- 1) the minutes of the meeting of the Executive Committee held on 9th July 2019 be noted; and**
- 2) the content of the Executive Committee's Work Programme for the period 1st October 2019 to 31st January 2020 be noted.**

30. OVERVIEW AND SCRUTINY WORK PROGRAMME

Members noted that a significant number of items were scheduled for the Overview and Scrutiny Committee's consideration in October. The majority of these items involved the Committee undertaking pre-decision scrutiny of items that were on the Executive Committee's Work Programme for consideration in October. The Chair suggested that should these items be debated in October an additional meeting of the Overview and Scrutiny Committee would be required to ensure that Members could dedicate sufficient time to scrutinising each subject in detail. However, there was the possibility that some of these items might be postponed and therefore a decision would be taken by the Chair at a later date as to whether an additional meeting might be required.

31. TASK GROUPS, SHORT SHARP REVIEWS AND WORKING GROUPS - UPDATE REPORTS

The following updates were provided in respect of the work of various scrutiny Task Groups and Working Groups.

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- a) Budget Scrutiny Working Group – Chair, Councillor Jenny Wheeler

Councillor Wheeler confirmed that a meeting of the group was due to take place on 16th September 2019.

- b) Parking Enforcement Task Group – Chair, Councillor Mark Shurmer

Councillor Shurmer explained that the group had held a number of meetings since the last meeting of the Overview and Scrutiny Committee. During these meetings Members had interviewed the Head of Environmental Services and the Environmental Services Manager about the Council's existing contract with Wychavon District Council for parking enforcement services and the background to the introduction of this service in the Borough. The group had also considered the content of scrutiny reports produced by other local authorities on this subject as well as information that was published on the Council's website in respect of parking enforcement.

The group had issued a survey to all elected Members, which was designed to elicit information about the extent to which parking enforcement problems were reported by residents to councillors and whether there were any variances between wards. These surveys had been issued both electronically and in paper form. All Members were encouraged to complete a copy and to return this to Democratic Services as soon as possible.

Councillor Shurmer advised that a meeting of the group was due to take place on 9th September 2019. During this meeting Members would be interviewing a representative of West Mercia Police.

- c) Performance Scrutiny Working Group – Chair, Councillor Andrew Fry

Councillor Fry advised that the group had held a number of meetings. Each Councillor had taken responsibility for monitoring performance in respect of the measures for a particular strategic purpose. The group had also scrutinised the content of a couple of the performance reports that had been issued during the municipal year and had interviewed Officers about the detail within these reports.

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Meetings of the group in 2019 had already been booked. The Chair would be meeting with Democratic Services Officers at the end of the calendar year to book more meeting dates for 2020.

d) Suicide Prevention Task Group – Chair, Councillor Debbie Chance

Councillor Chance explained that the group had been undertaking a lot of research into the subject. A range of witnesses had been identified and interviews had been arranged which would help the group to gather further evidence. However, Members were advised that due to the complexity of the subject it was unlikely that the review would be completed by December 2019. To ensure that Members could undertake an effective review of an important subject Members agreed that the deadline for the Suicide Prevention Task Group should be extended.

RESOLVED that

- 1) **the deadline for the Suicide Prevention Task Group should be extended to a future date, to provide Members with an opportunity to review the subject in detail; and**
- 2) **the update reports be noted.**

32. EXTERNAL SCRUTINY BODIES - UPDATE REPORTS

The following updates were provided in respect of external scrutiny bodies:

a) West Midlands Combined Authority (WMCA) Overview and Scrutiny Committee – Council representative, Councillor Michael Chalk

Members were advised that during the course of the 2019/20 municipal year to date no meetings of the WMCA Overview and Scrutiny Committee had been quorate. Meetings of the Committee did, however, continue to take place and during a recent meeting the subject of the 5G network and how this should be rolled out across the region had been discussed.

During consideration of this item Members raised concerns about the fact that the meetings of the WMCA Overview and Scrutiny Committee were not quorate and questions were raised about the potential to change the quorum and the

Overview and Scrutiny Committee

Thursday, 5th September, 2019

action that was being taken to address the problem. The Committee was advised that the quorum for meetings of a Combined Authority's Overview and Scrutiny Committee was set in statute so could not be change by the WMCA Overview and Scrutiny Committee unilaterally. The WMCA Overview and Scrutiny Committee and combined authority staff had been working hard to encourage Members to attend the meetings to ensure that the meetings were quorate but unfortunately the number of Members required to be present was relatively high and many Members had a range of responsibilities which could impact on their availability to attend meetings. The WMCA Overview and Scrutiny Committee was trialling the circulation of meetings around the region and it was possible that this might have an impact on turnout.

- b) Worcestershire Health Overview and Scrutiny Committee (HOSC) – Council representative, Councillor Michael Chalk

Councillor Chalk advised Members that there had been no formal meetings of HOSC since the previous meeting of the Redditch Overview and Scrutiny Committee. However, a number of partners with an interest in health services had recently been invited to attend a meeting at Chateau Impney, which had provided an opportunity for those present to discuss health challenges in Worcestershire.

33. PRE-DECISION SCRUTINY - DISPOSAL OF HRA ASSET AT GREEN LANE, STUDLEY - TO FOLLOW

The Housing Strategy and Enabling Team Leader presented a report in respect of the disposal of a Council asset in the Housing Revenue Account (HRA) located at Green Lane, Studley and the removal of a railway bridge from an adjacent site.

Number 65 Green Lane was an asset owned by Redditch Borough Council but situated within Stratford-On-Avon District Council's boundaries. The property was void and was not considered to be in a habitable condition. A significant amount of expenditure would be required from Redditch Borough Council to make the property fit for purpose. The railway bridge was also considered to be in a poor condition and this required a lot of financial investment in structural works to rectify. Should the bridge remain in situ it would be subject to annual inspections, which could result in additional financial costs to the Council. In this context Officers were proposing that the bridge structure should be completely removed and the site realigned to allow for two new four-bedroom properties to be built at

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the site. This would be subject to planning permission that would need to be granted by Stratford-on-Avon District Council.

Members discussed the site highlighted in the report and questions were raised about the potential historic value of the bridge. Officers advised that it was an original brick built bridge. There was the possibility that railway enthusiasts would have a view on the historic value of the bridge and these points could be raised through the planning process.

Concerns were raised by Members about the condition of the railway bridge and the potential safety risks in terms of the bridge continuing to remain on site in its current condition. Furthermore, it was noted that it was unlikely that the bridge would be in the correct condition to bear the weight of modern trains, should a railway route be reintroduced on that track.

During consideration of this item reference was made to the Sustrans Route that incorporated the bridge and concerns were raised about the potential impact that the removal of the bridge could have on this route. The Committee was informed that following the removal of the bridge the site would be graded and a crossing point would be provided as part of the realignment works. Therefore the Sustrans route would remain in place.

The reasons why the Council owned the bridge were also debated. Members were advised that officers believed that the bridge had been transferred to Redditch Borough Council ownership as part of the transfers from the Commission for New Towns.

Members also discussed the planning process that would need to be followed in order to make the proposed changes at the site. The Committee was advised that public consultation had not yet taken place but would occur as part of the planning process. Members were assured that as the planning application would be considered by Planning Officers and potentially the Planning Committee at Stratford-on-Avon District Council, proposals by Redditch Members at the Overview and Scrutiny and Executive Committees would not compromise any Redditch members of the Council's Planning Committee.

At the end of the debate on this item the Committee

RECOMMENDED that

- i) No. 65 Green Lane, Studley be declared surplus to requirements and officers to dispose of the site;**

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- ii) any HRA capital receipt achieved based on the current market value of No. 65 Green Lane, be used to increase the HRA stock;
- iii) Option C - The Capital Engineering Scheme be approved, with Authority be delegated to the Head of Environmental Services to submit a detailed planning application to Stratford-on-Avon District Council, for the complete scheme. If successful, the Planning consent will include an outline approval for the erection of 2 No. 4 bed houses;
- iv) the sites for the 2 No. 4 bed houses be marketed and the received monies, after deduction of the amount as described in ii) above, shall be used as Capital funds towards the cost of the Engineering Works;
- v) the additional funds required to complete the Engineering Works be taken from the Capital Locality Scheme Budget, as the proposed works are of the nature that the budget was set up for in the first instance; and
- vi) the estimated cost of the Engineering Works cannot be finalised at this time, as Officers are currently endeavouring to determine the most cost effective method of disposing of the extensive surplus material from the excavated embankments. However, subject to the satisfactory outcome of this analysis the total Engineering Works should not exceed £200k.

(During consideration of this item Members discussed matters that necessitated the disclosure of exempt information. It was therefore agreed to exclude the press and public prior to any debate on the grounds that information would be revealed relating to the financial affairs of any particular body (including the authority holding that information.) However, there is nothing exempt in this record of the proceedings)

The Meeting commenced at 6.30 pm
and closed at 7.01 pm

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Corporate Parenting Board
8th October 2019.

Agenda items,

1. The use of Bed and Breakfast accommodation.

*The Corporate Parenting Board will support the Borough to make appropriate accommodation available for all care leavers even those who are deemed as vulnerable, complex therefore seem high risk.

*The Borough is asked to assist by inputting and supporting a Countywide Prevention Of eviction process.

*The identification and development of more accommodation for Young people so that Housing officers and young people's pathway workers have robust and supported accommodation options for care leavers who are vulnerable or present complex or risky behaviours who are at risk of eviction.

2. Ofsted update.

The authority has made considerable progress in improving the quality of services to children and families since 2016.

Essential steps have been taken to meet the goals in the service improvement plan.

3. Quarter 1 2019/20 data.

*The data for Redditch is available via link.

*The data includes the number of young people in care in Redditch.

The numbers of Children in Need.

It also gives the data for the whole county.

Get Safe and the IRO Annual Report are both available on-line at -

<https://worcestershire.moderngov.co.uk/ieListDocuments.aspx?CId=421&MId=2691&Ver=4>

4. Meetings

The Corporate Parent Board would like the district councils to host a meeting each. The host council would be able to decide the agenda and invite local stakeholders to attend.

The responsible Member to arrange with Worcestershire County Council officers.

Councillor Juliet Brunner

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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