



Executive Committee

Tuesday, 29 October 2019

MINUTES

Present:

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

Also Present:

Joe Baker, Peter Fleming, Ann Isherwood and Wanda King

Officers:

Ruth Bamford, Kevin Dicks, Claire Felton, Sue Hanley, Jayne Pickering, Guy Revans, David Riley and Ian Roberts

Senior Democratic Services Officer:

Jess Bayley

42. APOLOGIES

There were no apologies for absence.

43. DECLARATIONS OF INTEREST

There were no declarations of interest.

44. LEADER'S ANNOUNCEMENTS

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

During consideration of this item the withdrawal of the Concessionary Rents Policy item from the agenda was noted. Concerns were raised about the content of the document that had been published in the agenda and the impact in the local community. However, the Leader explained that the item had been postponed to provide time for meetings to take place with Voluntary and Community Sector (VCS) groups, both collectively and individually.

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Chair

45. MINUTES

RESOLVED that

the minutes of the meeting of the Executive Committee held on Tuesday 10th September 2019 be approved as a true and correct record and signed by the Chair.

46. CONCESSIONARY RENTS POLICY

The Chair confirmed at the start of the meeting that this item had been withdrawn.

47. REVIEW OF COUNCIL TAX SUPPORT SCHEME

The Financial Support Manager presented a report in respect of a review of the Council Tax Support Scheme. Officers had considered whether changes should be made to the scheme but had concluded that this was not necessary at this time.

RECOMMENDED that

No changes are made to the council tax reduction scheme for 2020/21 other than the uprating of allowances, disregards and other financial limits.

**48. TENANCY CONDITIONS AND TENANCY HANDBOOK -
OUTCOME OF CONSULTATION**

The Head of Community Services presented a report in respect of a proposed new tenancy agreement and tenancy handbook. Members were advised that since the publication of the agenda some amendments had been made to the Housing Tenancy Agreement and Conditions, in accordance with legal advice, and a new copy of this document was circulated at the meeting for Members' consideration.

The documents had previously been considered at a meeting of the Executive Committee held on 9th July 2019 when Members had agreed that the Council should consult with tenants about the proposed changes. A significant amount of consultation had been undertaken with tenants in respect of this matter. Many tenants had indicated that it would be helpful for copies of the Tenancy Handbook to be made available for consideration on the Council's website as well as a hard copy at Redditch Library.

Members praised the amount of consultation that had been conducted with tenants in respect of this matter. There was general

consensus that the agreement would help to protect Council assets and enable the authority to more effectively manage tenancies.

During consideration of this item some concerns were raised about the extent to which it would be possible for the Council to undertake enforcement action in accordance with the conditions detailed in the handbook and agreement. Members suggested that there would be a need for enforcement action to be applied consistently to address this issue.

The Committee was informed that the agreement would apply to new Council tenancies and would be reviewed every three to five years. Should there be any problems in relation to existing tenancies the Council would seek to comply with the new conditions moving forward.

RESOLVED that

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.

49. TENANCY RECHARGE POLICY

The Environmental Services Manager presented a report which proposed the introduction of a Tenancy Recharge Policy for the Council. This policy needed to be considered in conjunction with the Tenancy Agreement and new Tenants' Handbook. The aim of the policy was to rebalance the relationship between the Council, which had specific legal responsibilities as a landlord, and tenants living in Council Houses so that tenants took on some responsibilities. The policy would apply in cases where tenants had wilfully caused damage to Council property and would enable the authority to charge the tenant for repair work in those cases. Officers had consulted with tenants about the proposed policy and the feedback that had been received to date in respect of this matter had been largely positive. An equality impact assessment had also been undertaken and Officers had concluded in this assessment that the introduction of the policy would not result in discrimination against residents.

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

- The introduction of the policy would ensure that Council tenants took on some responsibilities for maintaining their Council property in a similar manner to residents who lived in private rented accommodation in the Borough.

- The fee that would be charged would only need to cover the cost of the repair works and would not be designed to generate a profit.
- Concerns were raised about the potential that some tenants would be penalised for wear and tear in a property. Officers explained that the policy would not be applied in those circumstances and the Repairs and Maintenance team would be able to identify malicious damage as opposed to wear and tear.
- Further concerns were raised about the amount of consultation that had been undertaken with tenants in respect of this matter.
- The lack of inclusion of a right of an appeal in the policy was also raised as a concern. Officers explained that fourth-tier managers would determine whether the tenant should be recharged for work under the policy. The tenant could make a complaint to the Council about the application of the policy where this was considered inappropriate and that would provide an opportunity for the decision to be reviewed by senior officers.
- The cases in which the Council would not apply a recharge, despite being eligible to do so under the policy, were briefly discussed. Officers explained that this could occur if the tenant died during the tenancy or in cases where the tenant could prove that they had been the victim of criminal damage.
- Members noted that many Redditch residents were on low incomes or in receipt of benefit payments and the potential for the recharge fee to be waived for residents in this position was raised. Officers explained that there would need to be an assessment on a case by case basis, though the tenant's financial circumstances could be taken into account as part of this process.
- Concerns were raised that some tenants might be charged for electrical tests, which were cited as a responsibility of the Council as the landlord. However, Officers explained that this charge would only apply in cases where tenants had undertaken unauthorised DIY work which resulted in the need for electrical tests.
- The level of the charges that would be applied and how these had been identified were also discussed. Officers explained that a benchmarking exercise had been undertaken, whereby charges in other local authority areas had been considered, and the charges had been set for Redditch Borough Council at a level that was lower than all of the other areas that had been considered as part of this process.
- The methods that would be used to communicate the introduction of the policy were briefly considered by the Committee. Members were informed that the policy would be available for tenants to access on the Council's website and

would be communicated to tenants by Officers working in the Locality teams when new tenancies were signed. Hard copies of the policy could be made available on request.

RECOMMENDED that

the Housing Rechargeable Repairs Policy be adopted.

50. PLANNING OBLIGATION REFORMS - CHARGING FOR SECTION 106 MONITORING

The Head of Planning and Regeneration presented a report in respect of the Council's ability to charge for monitoring work on Section 106 agreements with developers.

National planning regulations had changed in September 2019. These changes had introduced a right for local authorities to charge developers for monitoring the delivery of work in respect of Section 106 agreements. For example, the Council would be monitoring contributions from the developer in relation to highways and open spaces and whether these contributions were being made according to deadline. The Council already undertook this work but the charge would enable the Council to cover the costs of the monitoring arrangements.

The charge that would be levied in order to undertake monitoring work would vary between developments. Therefore, Officers were asking for power to be delegated to the Head of Planning and Regeneration to determine the fee for each development following consultation with the relevant Portfolio Holder. It was anticipated that the fee would be relatively low, would be agreed prior to the start of development and that it would be paid at the start of the monitoring process in many cases.

RECOMMENDED that

- 1) the Council approves with immediate effect the inclusion of a monitoring charge within Section 106 agreements in accordance with the Regulations; and**
- 2) delegated authority be given to the Head of Planning and Regeneration Services following 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.**

51. SECTION 24 UPDATE

The Executive Director of Finance and Corporate Resources presented an update on the Council's response to the Section 24

Notice that was issued by the authority's external auditors, Grant Thornton. The response had already been considered and approved by the Audit, Governance and Standards Committee in September and that Committee would be receiving a further update at a meeting on 31st October 2019.

The Council had a balanced budget for 2019/20 however, from 2020/21 onwards there were significant financial pressures. A number of savings had already been made for 2020/21. Non-essential spend had been stopped, there had been a vacancy freeze and a review of reserves and managers' ability to override budgets where no funds remained available had ceased. There was a need to reduce the Council's overheads, arising from support services. Whilst unidentified savings had been included in the budget for 2019/20 Officers were aiming to ensure that there would be no further unidentified savings included in the Medium Term Financial Plan (MTFP) in future years.

The financial position in subsequent years remained challenging. In the past the Council had approved a balanced budget for the first year but not for the subsequent three years in the plan. However, the external auditors had clarified that the Council would be expected to have a balanced budget for the full four-year period of the plan. Difficult decisions would be required from Members in order to achieve a balanced budget.

Members discussed the report and the progress that had been made in terms of addressing the points that had been raised by the external auditors in the Section 24 Notice. The external auditors had been kept informed about the Council's plans and would continue to engage through meetings with the Portfolio Holders, senior Officers and through attendance at meetings of the Audit, Governance and Standards Committee. Different views were subsequently shared by Members in respect of the reasons why the Council had been issued with a Section 24 Notice and the decisions that might need to be taken to balance the budget moving forward.

RESOLVED that

the Council's responses to the Section 24 recommendations, as approved by the Audit, Governance and Standards Committee on 26th September 2019, be noted.

52. MEDIUM TERM FINANCIAL PLAN 2020/21 TO 2023/24 - UPDATE REPORT (PRESENTATION)

The Executive Director of Finance and Corporate Resources delivered a presentation which provided an update in respect of the MTFP for the period 2020/21 to 2023/24 (Appendix 1).

During the delivery of this presentation the following matters were highlighted for Members' consideration:

- The Council would usually receive final confirmation of the financial settlement from the government in early December. However, the timeframes could change should there be a general election.
- The local authority was in the process of reviewing the capital programme, particularly aspects such as vehicle replacements and investment opportunities. A significant budget had been allocated to investments made by the Council but this had not been spent as anticipated and therefore the budget had been amended to reflect current practice.
- The Council was anticipating that a greater contribution would need to be made to increment payments for staff during the period of the plan than had originally been anticipated.
- The national pay award for staff, at 2 per cent, was 1 per cent higher than had been planned.
- The Council had retendered the authority's insurance and this would result in £80,000 in savings.
- The Council was also making savings in the Minimum Revenue Position (MRP).
- The Government had announced that the Council would receive funding from the New Homes Bonus (NHB) in the first year of the four year plan. This was more than had been anticipated, though it appeared unlikely that further NHB funding would be received in subsequent years.
- The Government had also announced that district Councils would only be able to increase Council Tax by up to 1.99 per cent before triggering a referendum, which was less than the 2.99 per cent that had been anticipated.
- In December the MTFP report would contain a clear position statement in respect of how the Council would deliver savings and balance the budget for the full period of the plan.
- The Housing Revenue Account (HRA), including a review of Council rents, would be considered by the Executive Committee in January 2020.

Members subsequently discussed the Council's budget in detail and in so doing noted that difficult decisions would be required in order to achieve a balanced budget between 2020/21 to 2023/24. Concerns were raised about the loss of NHB funding for district Councils in future years. Members also noted that Worcestershire County Council would receive the majority of funding from Council Tax returns and could raise their Council Tax contributions by up to 3.99 per cent, subject to the additional funding being invested in social care services.

The Committee concluded the discussions by thanking the Executive Director for Finances and Corporate Resources, the Financial Services Manager and the Financial Services team for their hard work.

RESOLVED that

the report be noted.

53. OVERVIEW AND SCRUTINY COMMITTEE

The Committee was informed that there were no outstanding recommendations for consideration.

RESOLVED that

the minutes of the meeting of the Overview and Scrutiny Committee held on 5th September 2019 be noted.

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

Members were advised that there were no referrals for consideration from other Committees on this occasion.

55. ADVISORY PANELS - UPDATE REPORT

The following updates were provided in respect of the Council's Executive Advisory Panels:

- a) Climate Change Cross Party Working Group – Chair, Councillor Brandon Clayton

The Committee was advised that the first meeting of this group was scheduled to take place on 19th November 2019.

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

Members were informed that the latest meeting of the Constitutional Review Working Party had been cancelled due to lack of business.

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

Members noted that Councillor Brunner had provided a written update in respect of the latest meeting of the Corporate Parenting Board.

The Chair advised that, to ensure a member of the Executive Committee represented the Council on this Board in future he would be nominating Councillor Julian Grubb to represent the authority on this body at the following meeting of Council.

d) Member Support Working Group – Chair, Councillor Matthew Dormer

The Committee was informed that at the latest meeting of the Member Support Steering Group Members had considered information about IT support for elected Members. A demonstration had been provided of the new modern.gov app, which the group had agreed should be rolled out to all Councillors to provide them with electronic access to Committee papers. In addition, Members had agreed to participate in a trial using Office 365 software on their iPads.

The group had also discussed the induction process for Members due to be elected in May 2020 and a draft induction programme had been agreed. Furthermore, the group had discussed data protection training and had agreed that it should be mandatory for all Members to attend a data protection training session each year.

e) Planning Advisory Panel – Chair, Councillor Matthew Dormer

Members were informed that Officers were in the process of organising for a meeting of the Planning Advisory Panel to take place.

56. ENFIELD ESTATE REPORT

The Executive Director of Finance and Corporate Resources presented a report in respect of the Enfield estate.

(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.))

Appendix 1 - Budget Update

2020/21-2023/24

29/10/19

Changes to Projections

- Review of Capital Programme
- Full review of actual v budget
- Settlement impact of New Homes Bonus
- Impact of Council Tax increase 2%
- Additional income identified
- Service reviews to be undertaken
- Vacancy freeze & deletion of vacant posts
- Review of Reserves

Current Position 2020/21-2023/24

	2020-21 £000	2021-22 £000	2022-23 £000	2023-24 £000
Starting Gap at 19/20 budget round	1,170	1,333	1,522	1,731
Incremental Progression (Salaries)	133	201	212	342
Inflation on Utilities	25	51	90	120
Unavoidable Pressures - Departments	8	8	8	8
Remove unidentified savings	181	181	181	181
Revenue Bids/Revenue impact of capital bids - Departments	45	45	45	45
Savings and Additional income - Departments	-290	-348	-415	-456
Corporate Savings - Insurance	-80	-80	-80	-80
Management Review	-70	-70	-70	-70
Reserves to be released	0	0	0	0
Net Revenue Budget Requirement	1,122	1,321	1,492	1,821
MRP, interest and investment income	-413	-419	-567	-365
New Homes Bonus (NHB)	-459	0	0	0
Council Tax Base & reduction to 2% in 20/21	92	158	206	-54
Collection Fund surplus	-76	0	0	0
Funding position	-857	-261	-361	-419
Remaining Gap to find	266	1,060	1,131	1,402

Next Steps

- Fees and Charges updated to reflect demand and flexible approach to charging
- HRA Rent setting report to January Exec and Council
- Pressures / Savings all identified
- Review of services provided – value to Strategic Purposes