



Executive Committee

Tuesday, 10 July 2018

MINUTES

Present:

Councillors David Bush (Chair), Tom Baker-Price, Roger Bennett, Greg Chance, Brandon Clayton, Bill Hartnett, Gareth Prosser and Craig Warhurst

Also Present:

Councillors Joe Baker and Andrew Fry

Mr Raymond Groves (RYCE)

Officers:

Kevin Dicks, Claire Felton, Martin Goodall, Sue Hanley, Jayne Pickering and Dean Piper

Committee Services Officer:

Jess Bayley

1. APOLOGIES

An apology for absence was received from Councillor Matthew Dormer. In his absence the Deputy Leader, Councillor David Bush, chaired the meeting.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. LEADER'S ANNOUNCEMENTS

The Chair explained that the Leader's Announcements had been tabled in writing for Members' consideration.

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Chair

4. MINUTES

RESOLVED that

the minutes of the meeting of the Executive Committee held on 6th March 2018 be held as a correct record and signed by the Chair.

5. SCRUTINY OF CARE LEAVERS SHORT SHARP REVIEW - FINAL REPORT (TO FOLLOW)

The Chair confirmed that this item had been postponed.

6. REDDITCH GATEWAY PROJECT

The Head of Economic Development and Regeneration – North Worcestershire presented a report in respect of the Redditch Gateway. Members were advised that the report was calling for the Council to apply for grant funding from the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) and Worcestershire LEP to pay for a new junction at the Redditch Gateway. Officers were estimating that the junction would cost £3 million to develop and grant funding would help to meet these costs. Planning permission had been granted for the gateway development in Redditch Borough, Stratford District and Warwickshire County Councils, with the latter acting as the relevant Highways Authority for the new junction. Should Members agree to apply for the funding it was anticipated the outline business case would be submitted by the end of July and works would begin on site by November 2018.

Following the presentation of the report Members discussed the timescales for the project. The Committee was advised that the timescales detailed in the report were based on best estimates though it was hoped that these could be followed. There was the potential for the Redditch Gateway scheme to have a positive impact on the local economy, particularly in respect of providing job opportunities.

During the discussions about this item Officers explained that the project would have implications for the Council's capital programme. For this reason it was proposed that an extra decision, in addition to those detailed in the report for this item, should be determined by the Committee.

RESOLVED that

- 1) delegated authority is given to the Executive Director of Finance and Resources to prepare and submit**

applications for grant funding for highway infrastructure works on the A4023 to relevant Local Enterprise Partnerships following consultation with the Portfolio Holder for Economic Development, Town Centre and Commercialism, Head of North Worcestershire Economic Development & Regeneration and Head of Legal and Democratic Services;

- 2) should the relevant funding applications be successful, that delegated authority is given to the Executive Director of Finance and Resources to enter into any grant agreements as necessary following consultation with the Portfolio Holder for Economic Development, Town Centre and Commercialism, Head of North Worcestershire Economic Development & Regeneration and Head of Legal and Democratic Services;
- 3) delegated authority is given to the Head of Legal and Democratic Services for the Council to enter into an agreement under section 278 of the Highways Act 1980 or such other agreements as Warwickshire County Council as the relevant highway authority reasonably requires to allow the highway infrastructure works to be undertaken;
- 4) delegated authority is given to the Head of Legal and Democratic Services for the Council to enter into any ancillary contractual arrangements with the developer that may be required to ensure the highway junction scheme is monitored and delivered and that the Council's position is appropriately protected; and

RECOMMENDED that

- 5) should the application for funding be successful that the Council approves an increase of up to £3m in the 2018/19 capital programme.

7. REDI CENTRE - LEASE ARRANGEMENTS

The Executive Director of Finance and Corporate Resources presented a report in respect of the lease arrangement for the REDI Centre. During the presentation of this item the following points were highlighted for Members' consideration:

- Redditch Youth and Community Enterprise (RYCE) had occupied the REDI Centre since 2014. During this time RYCE had provided a number of community activities.
- The REDI centre as a building was increasingly not fit for purpose.

- RYCE had already secured £67,000 to spend on improvement works.
- In addition RYCE had submitted an application for £465,000 funding from the Big Lottery. This would be used to fund further improvement works in the interior of the building. A number of conditions were attached by the Big Lottery to this funding.
- The conditions included a requirement for the lease to last for at least 10 years, restrictions on what the building could be used for in that period if anything was to happen to RYCE and the rent payable for the premises could not increase during the time.
- The Council was proposing that the rent payable during the period of the lease should be £7,000.
- The Council needed to achieve best value and therefore alternative available options had been outlined for Members' consideration.
- There were some risks that had been identified in relation to RYCE's income projections which were considered to be ambitious. However, RYCE had confirmed that the organisation's income had doubled in recent years.
- As part of the improvement works RYCE was intending to introduce a changing places facility in the building. This would be the second such facility in Redditch as another was already available to use in the Abbey Stadium.
- There was no guarantee that the Big Lottery would agree to the Council's terms.

Following the presentation of the report Councillor Baker was invited to speak in his capacity as Chair of the Overview and Scrutiny Committee. Members were advised that the Committee had pre-scrutinised the report at a meeting on 5th July 2018. There had been general consensus during this meeting that RYCE provided a range of valuable activities to the local community. The Overview and Scrutiny Committee had therefore proposed that the Executive Committee take into account the first three proposals detailed in the report and this had received cross-party support.

During consideration of this item Mr Raymond Groves, from RYCE, was invited by the Chair to speak. Members were advised that the Big Lottery had been consulted about the proposed rent for the REDI Centre and had agreed with the figure. The improvement works that would be undertaken using the lottery funding would enhance facilities for people with physical disabilities and provide an important venue in which local community groups could meet.

The Committee discussed the report in detail. Reference was made in particular to the social value of the work delivered by RYCE within the local community. Members expressed some

concerns about the meanwhile lease arrangement that had previously been in place with RYCE for the REDI Centre and noted that the proposals in the report would be more sustainable.

RESOLVED that

- 1) a 12 year lease is granted to RYCE for the use of the REDI Centre subject to commence when the Lottery Funding for works on the building is approved;**
- 2) approval of a rent of £7k per annum is agreed for the period of the lease; and**
- 3) should the Lottery grant be unsuccessful that a further report be presented to members on the future opportunities for the centre.**

8. CONSOLIDATED REVENUE AND CAPITAL OUTTURN AND FINANCIAL RESERVES STATEMENT 2017/18

The Executive Director of Finance and Corporate Resources presented the Finance Monitoring Outturn Report 2017/18 and in so doing highlighted the following points for the Committee's consideration:

- The Chief Executive and the Executive Director of Finance and Corporate Resources had met with the external auditors that day and had received some positive feedback.
- There were a number of variances in the final accounts when compared to the Council's budget.
- In some cases there had been higher costs than anticipated, including for the Planning Department and the waste collection team. In the latter case this was due to hiring temporary works to deliver services whilst staff were absent due to sickness and Officers were investigating how to support those on long-term sick leave back into work.
- There had also been a shortfall in income in some areas.
- However, a substantial saving had been achieved in respect of the strategic purpose 'help me find somewhere to live in my locality'. This was partly due to salary savings, though a new service structure would be in place in due course.
- Overall a saving of £20,000 had been achieved by the end of the year. This was partly due to the Council adopting a more robust approach to forecasting.
- The capital budget would be underspent by £1.6 million. Some of the funding concerned would be carried forward to the following year to spend on any delayed projects.
- There had been significant expenditure on supervision and management costs in the HRA, though at the end of the year

there were balances of £1.4 million and £19 million in housing capital reserves.

- The auditors had advised that the Council did not need to continue to monitor expenditure in relation to the Efficiency Plan as the content was now out of date.

Following the presentation of the budget Members discussed the budget position and welcomed news that there was a surplus of £20,000. However, Members also noted that funding from reserves had been used to help balance the budget and there remained a funding gap that would need to be addressed moving forward. Therefore the authority would continue to face challenging financial circumstances in the future. At the request of the Portfolio Holder for Corporate Management future financial monitoring reports would take into account variances of £20,000 or above. This would help to ensure that more detail was provided.

RECOMMENDED

- 1) that the financial position on Revenue and Capital for the financial year 2017-18 as detailed in the report and the transfer to balances £20k as at 31st March 2018 is noted;**
- 2) approval of the movements of £410k in existing General Fund reserves which reflects the approval required for April - March 2018;**
- 3) approval of the addition of new General Fund reserves of £212k. This reflects the approval required for April - March 2018;**
- 4) approval of the movements of £324k in existing HRA reserves as included in Appendix 2 which reflects the approval required for April - March 2018;**
- 5) that an increase in the 2018-19 Capital Programme of £777,858k for the Disabled facilities Grants is approved. This is due to the budget allocations now being announced by the Ministry of Housing, Communities and Local Government;**
- 6) that an increase in the 2018-19 Capital Programme of £2.4k s106 monies for the maintenance and improvements to playing pitches and sports facilities in Feckenham Cricket Ground; and**
- 7) approval of the carry forward to 2018-19 capital programme of £1.256m.**

9. PERFORMANCE REPORT - HELP ME TO RUN A SUCCESSFUL BUSINESS

The Chief Executive presented the performance report for the strategic purpose 'help me run a successful business'. A number of matters were raised for Members' consideration during the presentation of this report:

- The external auditors had confirmed that they were satisfied the Council had a much more robust framework in place, compared to previous years, for performance monitoring purposes.
- There were three strategic measures for this strategic purpose. Unfortunately the data for these measures was often not available until at least 12 months had passed and this needed to be addressed.
- The average earnings for Redditch residents unfortunately continued to be lower than for residents living in other parts of Worcestershire, and was also lower than the national average.
- The Council was working closely with HOW College and the Chief Executive and Portfolio Holder for Economic Development would be meeting with representatives of the college shortly.

Members discussed the report and there was general consensus that HOW College had an important role to play in the economic development of the Borough and this role could be developed further. There was a need to support local businesses and to take action to ensure that average wages in Redditch increased. Businesses located in the Eastern Gateway would potentially require more skilled staff which could have a positive impact on wage growth.

RESOLVED that

the report be noted.

10. PERFORMANCE REPORT - HELP ME TO BE FINANCIALLY INDEPENDENT

The Executive Director of Finance and Corporate Resources presented the performance report for the strategic purpose 'help me be financially independent'. During this presentation the following matters were raised:

- The Council's Financial Inclusion Team (FIT) had been working hard to help residents become more financially independent. This had included a review of education and skills for customers who were claiming benefits.
- The data that had been gathered for this strategic purpose indicated that action was needed to help residents struggling with fuel poverty.
- Officers were working with customers to try to understand why people got into debt. Frequently this occurred because there had been a delay before a person could access their benefits.
- The level of rent accounts in arrears was generally comparable to the national average. A dip occurred each year as rent was paid on a 48 week basis leaving a number of weeks where no rent needed to be paid.
- The Council's sickness absence figures for staff had increased over the past 12 months. This was possibly due to introducing a new system which was enabling managers to record the absences properly.
- Cash payments had fallen slightly but some residents continued to pay for services using cash, which was more expensive for the Council to process than other payment methods.

Following the presentation of the report Members raised a number of points:

- The action that could be taken by the cashiers to encourage residents to pay by direct debit instead. Officers advised that cashiers did advise customers about other payment methods and advice was also provided about the variety of payment options available on the Council's website.
- The proportion of Redditch residents paying in cash. Members were advised that a higher number of residents in Redditch opted to pay for service using cash than residents living in other parts of the county.
- The need for the Council to communicate more effectively with residents about the costs involved in processing cash payment and the alternative payment methods that were available.
- The action that was already being taken to address fuel poverty, which would involve assessing the methods used by other local authorities to tackle this problem.
- The potential to make changes to Council Tax support, both for care leavers and other social groups. This would be considered further by the Executive Committee later in the year.

RESOLVED that

the report be noted.

11. OVERVIEW AND SCRUTINY COMMITTEE

RESOLVED that

the minutes of the Overview and Scrutiny Committee held on 31st May 2018 be noted.

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

Officers confirmed that there were no further recommendations from any Committees for Members' consideration at this meeting.

13. ADVISORY PANELS - UPDATE REPORTS

The Chair explained that verbal updates would be provided by lead Members during the year in respect of the work of the Advisory Panels. The following updates were then provided:

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

In Councillor Dormer's absence Officers confirmed that the next meeting of the Constitutional Review Working Party would take place on 17th July.

b) Corporate Parenting Steering Group – Council Representative, Councillor Gareth Prosser

Councillor Prosser advised that he would be attending the first meeting of the Corporate Parenting Steering Group on Thursday 12th July.

c) Grants Panel – Chair, Councillor Greg Chance

Councillor Chance explained that Panel Members had met for a training session. The first proper meeting of the Panel would take place shortly.

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

In Councillor Dormer's absence Officers reported that a meeting of the Member Support Steering Group had taken place on 2nd July. During the meeting the group had considered feedback for Members elected in May 2018 about the induction programme. There had been some training session that had been positively received by Members,

including the Code of Conduct training and the Overview and Scrutiny training. However, other elements of the induction process had been criticised, particularly the use of PowerPoint by Officers when delivering training.

- e) Planning Advisory Panel (PAP) - Chair, Councillor Matthew Dormer

In Councillor Dormer's absence Officers advised that the Chair had decided to continue to convene meetings of PAP directly before Executive Committee meetings. It was anticipated that the first meeting would take place in August.

14. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED that

under S.100 I of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, the public be excluded from the meeting for the following matters on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12 (A) of the said Act, as amended:

Minute 15 – Enterprise System Project Business Case

15. ENTERPRISE SYSTEM PROJECT BUSINESS CASE

The Executive Director of Finance and Corporate Resources and the ICT Application Support Officer presented a business case in respect of the Enterprise Resource Planning System. Members were informed about the following matters during the presentation of this report:

- A number of the Council's existing computer systems were not fit for purpose as they were not flexible or integrated with other systems.
- Concerns in relation to these systems had been raised by officers, including many budget holders as well as internal and external audit.
- The Enterprise Resource Planning System would be fully integrated and incorporate systems for HR, finance, procurement and cash receipting.
- The Council would be using capital receipts to fund the introduction and installation of the system.
- By basing the data on one system officers would have easier access to this when needed.

- Officers would be able to incorporate systems from other departments if needed without requiring the Council to incur any additional costs.
- There was the potential when using this system to use robotic software to complete mundane tasks on behalf of teams.
- A separate system for the Housing Service would need to be introduced at a later date.

The Committee discussed the report in detail and raised the following points as part of this debate:

- The timescales for delivering the project. Officers advised that the Council would need to be realistic about the timescales involved and it was suggested that to ensure a smooth transition a phased approach should be adopted.
- The potential for the new system to meet customer needs. The Committee was informed that stakeholders would be consulted and a focus group of customers would be convened so that their needs could be taken into account.
- The background research that had been undertaken by officers, which had included investigating the impact of similar systems utilised by other local authorities.
- The training that would be provided to staff when the new system was introduced. Members were informed that this was likely to involve a number of training sessions.
- The budget that had been allocated to training staff to use the system. Members were advised that this budget had been included in the calculations contained in the report.
- The length of time that the Council's existing systems had been in place and why these had not been replaced at an earlier date. Officers advised that the Council's finance system had been procured three years ago and as the contract for this service was due to expire it had been considered timely to explore this subject.
- The potential for the Council's future Housing system to be integrated with the Enterprise Resource Planning System. The Committee was informed that this had been taken into account and it would be possible to integrate the systems.
- The lifespan of the system and the extent to which upgrades would be required. Officers advised that the system would be built to work seamlessly like a mobile phone and like that equipment would need to be upgraded from time to time.
- The likely cost of any upgrades. Officers agreed to investigate this matter further and to report back to Members.
- The Palace Theatre's booking system and the extent to which this could be integrated with the Enterprise Resource Planning System. Members were advised that there would be links, such as through cash receipting arrangements, but these two systems would not be integrated.

RECOMMENDED that

the Business case for the implementation of an integrated Enterprise Resource Planning System (ERP) is approved.

[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 during the course of the debate on the grounds that information would be revealed which relates to the financial and business affairs of the local authority].

The Meeting commenced at 7.00 pm
and closed at 8.25 pm