



Executive Committee

Tuesday, 10th January,
2023

MINUTES

Present:

Councillor Matthew Dormer (Chair), Councillor Nyear Nazir (Vice-Chair) and Councillors Karen Ashley, Joanne Beecham, Peter Fleming, Lucy Harrison, Emma Marshall and Craig Warhurst

Officers:

Peter Carpenter, Sue Hanley and Michelle Howell

Principal Democratic Services Officer:

Jess Bayley-Hill

101. APOLOGIES

An apology for absence was received on behalf of Councillor Anthony Lovell.

102. DECLARATIONS OF INTEREST

There were no declarations of interest.

103. LEADER'S ANNOUNCEMENTS

The Leader advised that, with respect to Minute Item No. 105 - the Council Response to the Birmingham Local Plan Issues and Options Consultation – that the reforms to the planning system, published just before Christmas 2022, had created an element of uncertainty for the planning profession. As a result, a decision had been taken to defer the report, which concerned the local plan and duty to cooperate responses. The documents would be reconsidered at an appropriate later date.

104. MINUTES

RESOLVED that

the minutes of the meeting of the Executive Committee held on 13th December 2022 be approved as a true and correct record and signed by the Chair.

Chair

105. COUNCIL RESPONSE TO THE BIRMINGHAM LOCAL PLAN ISSUES AND OPTIONS CONSULTATION

Members noted that, as detailed during consideration of the Leader's Announcements, this item had been postponed.

106. COUNCIL TAX BASE 2023/24

The Interim Section 151 Officer presented the Council Tax Base report for Members' consideration.

The Committee was advised that the Council Tax Base item was a statutory report. The information provided in the report helped to inform precepting authorities about the amount of income from Council Tax that they could expect to receive during the following financial year. The figures provided in the report had been based on data as of 30th November 2022 for the Borough. The figures also assumed a 98 per cent collection rate, which was standard for Redditch Borough. Members were asked to note that some Councils assumed a 99 per cent collection rate but if the same approach was applied in Redditch, there was a risk that the Council would not collect the extra 1 per cent in income creating an additional pressure on the budget.

Members were advised that only 40 new homes, valued at Council Tax Band D equivalent, had been developed in the previous year adding to the Council Base. This was a relatively low figure.

RECOMMENDED that

- 1) the calculation of the Council's Tax Base for the whole and parts of the area for 2023/24, be approved; and
- 2) in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the figures calculated by the Redditch Borough Council as its tax base for the whole area for the year 2023/24 be 26,304.94 and for the parts of the area listed below be:

Parish of Feckenham	375.79
Rest of Redditch	25,929.15
Total for Borough	26,304.94

107. FINAL COUNCIL TAX SUPPORT SCHEME 2023/24

The Interim Section 151 Officer presented the Final Council Tax Support Scheme for the Committee's consideration.

Members were informed that the draft Council Tax Support Scheme had been subject to consultation in October 2022. There had been a total of 94 responses received during the consultation, of which 87 per cent had been in favour of the proposed changes overall to the Council Tax Support Scheme. These changes would result in an additional cost of £141,000, although this figure would be divided between the precepting authorities and the actual cost to Redditch Borough Council would be closer to £13,000.

All of the precepting authorities had been consulted on the proposed changes to the scheme. In the response received from Worcestershire County Council, it had been clarified that that Council was not particularly in favour of the proposed changes. Officers had responded by highlighting that, if no changes were made, it was likely that the level of Council Tax that could not be collected would increase resulting in a loss of income anyway. The Committee was asked to note that whilst all of the Councils in north Worcestershire were proposing changes to their Council Tax Support Schemes, which would increase support available to their most vulnerable residents, no changes had been proposed to the Council Tax Support Schemes in place for the District Councils in the south of the county. However, no Councils in the county were proposing to reduce the Council Tax support they provided to eligible residents.

Following the presentation of the report, Members discussed the process that had been followed in respect of the consultation and questions were raised about how the Council ensured that people did not respond multiple times, thereby skewing the figures. Officers clarified that an external company undertook this consultation on behalf of the Council as well as many other authorities in the country and were therefore experienced at managing consultation processes. The Committee was informed that further information would be requested about how the company managed this risk.

RECOMMENDED that

- 1) the Council is asked to approve the introduction of a revised and more supportive Council Tax Reduction scheme for working age applicants with effect from 1st April 2023 in line with 1.2 below;**

and RESOLVED to note that

- 2) the scheme is designed to assist the lowest income households and to allow the Council to operate the scheme more flexibly by:**

- (a) increasing the maximum level of support for working age applicants in certain income bands and to increase the income levels within the 'income - grid' scheme. Both of these changes are designed to provide more support to low income households;
 - (b) disregarding certain childcare charges where an applicant (and their partner if they have one) is working more than 16 hours per week;
 - (c) disregarding certain payments paid to taxpayers under special schemes (Local Welfare Provision); and
 - (d) where the Government makes emergency increases to national welfare benefits to assist in a crisis, the scheme will give the Council the discretion to disregard those increases if they would have a negative effect of Council Tax Reduction; and
- 3) all other parts of the existing scheme will remain unchanged.

108. FINANCIAL OUTTURN REPORT 2020/21

The Interim Section 151 Officer presented the Financial Outturn Report 2020/21.

The Committee was informed that an underspend of £291,000 was anticipated for the end of the 2020/21 financial year. This was mainly due to the impact of the Covid-19 pandemic on expenditure and project delivery. The Council had received in excess of £1 million in Covid grant funding during the financial year in a number of different tranches. This had helped to achieve a balanced position, although there had been pressures arising from the pay award to staff. Earmarked reserves had increased to £11.4 million, which was higher than had originally been anticipated, mainly due to the impact of the Covid pandemic. An additional £5.8 million had also been carried forward in the capital programme. The Council's Corporate Management Team (CMT) was reviewing both the earmarked reserves and the capital programme to ensure that these were rationalised as part of the 2023/4 budget process.

In the Housing Revenue Account (HRA) there had been an underspend of £1.9 million and in addition, the HRA capital programme had been underspent by £7 million. Again, the underspends had generally occurred due to the impact of Covid-19 on project delivery.

Following the presentation of the report, Members commented that Covid-19 had had a major impact on expenditure during the 2020/21 financial year. Whilst it was acknowledged that this was

unavoidable, Members commented that it was important to ensure that Council staff did not assume that this represented a standard pattern of expenditure, as the situation by 2022/23 had changed significantly and inflation was placing a lot of pressure on the costs of service delivery. Officers clarified that the report related to the 2020/21 financial year. CMT was ensuring that current expenditure was managed carefully and the reprofiling of earmarked reserves had already resulted in the allocation of funding to help support an anticipated increase in the cost of utilities services for the Council moving forward.

RESOLVED that

- 1) the revenue outturn position, which was reported as an underspent of £373,954.05 is corrected to a position of an underspend of £290,309;**
- 2) the final C-19 Grant position is £580,000 at 31st March;**
- 3) the final level of General Fund and Earmarked Reserves are £1,889k and £11,473k respectively; and**
- 4) the final capital position for the year is a £0.266m underspend against approved budget.**

109. HOUSING REVENUE ACCOUNT RENT SETTING 2023/24

The Interim Section 151 Officer presented the Housing Revenue Account (HRA) Rent Setting 2023/24 report for Members' consideration.

The Committee was informed that traditionally yearly increases to rent for Council houses had been set in accordance with the Consumer Price Index (CPI) plus 1 per cent. However, given the current high level of inflation, the Government had announced that Councils and Housing Associations could increase rent by 3, 5 or 7 per cent.

Members were asked to note that the rent for Council housing would be set in a context where inflation as well as the pay award to staff were both having a significant impact on the Council's costs. There were also likely to be increasing costs arising from new duties placed on housing providers in respect of the management of damp and mould in properties, alongside other compliance issues. To try to minimise the impact on the financial position of the authority, Officers were suggesting that rents should increase by 7 per cent per year over the following two years.

The proposals detailed in the report were subsequently discussed by Members and it was noted that even with a 7 per cent increase in rents, Council tenants would still be paying some of the lowest rents for housing in the Borough. There was a lot of work that the Council's Repairs and Maintenance team needed to undertake on properties and there needed to be the funding available to help pay for repairs, some of which were vital to ensure that homes continued to comply with safety standards.

Reference was made to the tenants who would be paying rent for properties. Members noted that tenants in receipt of benefits could receive funding to help cover this rent increase as per the Chancellor's Statement. Tenants in employment, who might already be struggling with the cost of living, were not necessarily eligible to receive this support and concerns were raised about the impact that increases to rents might have on people in this position. Officers explained that when the Council sent information about new Council Tax rates in the spring to residents, information would be included about support available to help manage the cost of living.

RECOMMENDED that

the actual average rent increase for 2023/24 be set as 7%.

110. MEDIUM TERM FINANCIAL PLAN 2023/24 TO 2025/25 - UPDATE

The Interim Section 151 Officer presented an update on the Medium Term Financial Plan (MTFP) 2023/24 to 2025/26.

Members were advised that the Council had received confirmation from the Government about the Local Government settlement for the authority on 19th December 2022. The funding allocated included contributions from the New Homes Bonus (NHB) and from the lower tier authority grant. A net total contribution of £468,000 had been allocated to the Council.

The Government had confirmed that District Councils could increase Council Tax by 2.99 per cent, rather than the limit of 1.99 per cent that had previously been in place before triggering a local referendum. Should the Council opt to increase Council Tax by 2.99 per cent in 2023/24, this would result in the authority receiving an additional £69,000 income.

In reviewing the budget position for the Council, Officers had taken into account the impact of the pay award, which had been provided to staff in December 2022 and had created an additional pressure. However, the actuarial figures for the local government pension

scheme had improved for the Council and this was having a positive impact on the budget moving forward.

The Capital Programme was in the process of being reviewed. Officers were keen to ensure that expenditure in the capital programme focused on areas for which the Council received grant funding from the Government and other external sources. In particular, the Council had received a significant amount of grant funding for town centre regeneration, levelling up and in the UK Shared Prosperity Fund (UKSPF) and this funding needed to be spent within tight timescales. Other funding included in the capital programme would include that which was derived from Section 106 agreements for specific projects.

Staffing remained a key area of focus for the authority moving forward. The Council remained committed to employing apprentices and opportunities for apprenticeships could be explored further. Staff retention was also considered to be an important priority, and many Councils were struggling to recruit and retain staff, particularly in the West Midlands. The pay award to staff had previously only been calculated for one year but it was important to acknowledge that further awards could be made in subsequent years of the MTFP period. Therefore, Officers were proposing that pay increases should be factored into the budget for each year of the MTFP.

There was a risk that Council reserves could fall below £1.4 million in 2023/24. This situation was not considered to be ideal and the Interim Section 151 Officer advised that it would be preferable to achieve a situation whereby reserves were valued at in excess of £2 million.

Following the presentation of the report, Members discussed the information that had been provided. Reference was made to the figures that had been included in respect of staff redundancies and Members questioned why, at a time when the Council was struggling to recruit and retain staff, some employees were being made redundant. Officers explained that opportunities were frequently made available for staff to apply for Voluntary Compulsory Redundancy (VCR) and all such requests were assessed on a case-by-case basis. Redundancies which were always limited wherever possible, could result where service reviews had been undertaken. In relation to staff redundancies, Members were also asked to note that the Government had recently changed the rules so that staff redundancy costs could no longer be covered using capital funds and this was now being recorded in a different way to previous years. There was a need to retain existing staff as well as to recruit new staff. A particular challenge for Redditch Borough Council was that the average age

profile of staff was 49 and there was a need to plan for the future to ensure service sustainability.

RESOLVED that

Officers continue to work on additional options now the “real gap” for the 2023/24 budget is known, as outlined in the Strategy section of the Tranche 1 Report for presentation to the Executive Committee in February 2023 as Tranche 2 of the Budget.

111. WORCESTERSHIRE REGULATORY SERVICES BUDGET 2023/24 - RECOMMENDATIONS

The Interim Section 151 Officer presented recommendations concerning the budget for Worcestershire Regulatory Services (WRS) for 2023/24.

Members were advised that the service’s budget had been discussed at a meeting of the WRS Board held on 17th November 2022. During the Board meeting, Members had considered the financial pressures that were impacting on WRS, which included the impact of inflation and the recent pay award to staff. Based on the figures provided, it was proposed that Redditch Borough Council should contribute 17.4 per cent of the costs towards the service. Partner authorities would cover the rest of the costs of delivering the shared service.

The Committee considered the content of the report and in doing so questioned whether funding for some of the services that were delivered by WRS could be suspended on a temporary basis whilst the Council was working to address additional costs caused by the increase in inflation. Officers explained that, theoretically, the Council could temporarily suspend most services, although careful consideration needed to be given to the consequences of this type of action. Members also commented that WRS delivered good quality services that represented value for money.

Consideration was given to the fees that could be charged for delivering pest control services. Members commented that these services were available for free to Council tenants. However, in some cases it was suggested that pest control services might be needed as a consequence of actions that had been taken by the tenant and in those circumstances, Members questioned whether it would be possible for the Council to charge those tenants for use of the service.

Reference was also made to the contribution from Redditch Borough Council and why this was higher than the financial

contribution from some of the other partner organisations. Members were advised that the contributions took into account matters such as urban deprivation. It was also understood that Redditch Borough Council received more in terms of service delivery than other authorities. Further information, including from measures monitored by WRS, would potentially help Members to assess the reasons for this higher contribution and it was agreed that WRS should be asked to provide this data.

RECOMMENDED that

- 1) WRS contributions are increased by £22,668 in 2022/23 due to the national pay award of £1,925 per pay point and increases in hosting costs due to the “cost of living” crisis; and**
- 2) WRS Budget contributions are increased to £648,000 in 2023/24 to take account of pay awards and the impact of the “cost of living crisis.**

112. QUARTERLY RISK UPDATE

The Interim Section 151 Officer presented the Quarterly Risk Update for Members’ consideration.

The Committee was reminded that the Internal Audit team had concluded in March 2022 that there was no assurance in a review of the Council’s risk management arrangements. Since that time, an officer group had been established to manage Council risks and each department was represented at meetings of this group. CMT had also reviewed risks and had a meeting each month which focused on risk assurance.

Initially there had been in excess of 100 departmental risks identified for the Council. However, these had been reviewed on a number of occasions and there were 63 departmental risks by the date of the meeting. It was likely that this would increase to incorporate risks in relation to damp and mould in properties but the lead department for this subject still remained to be confirmed.

During consideration of this item, Members commented on the potential risks arising from staff working from home, particularly in relation to new staff receiving induction and training. It was raised that staff would benefit from meeting with managers and other staff in person and to shadow colleagues in the workplace. Officers acknowledged that this was important and noted that the Council was aiming to address this through the Agile Working Policy and performance management arrangements.

RESOLVED that

the report be noted.

113. OVERVIEW AND SCRUTINY COMMITTEE

The Chair advised that at the meeting of the Overview and Scrutiny Committee held on 1st December 2022 Members had discussed the Council's work to address the cost of living. At the end of a detailed discussion in respect of this matter, the Committee had agreed the following recommendation on this subject:

“Recommended that the Executive Committee actively seek external grant funding to enable a borough-wide campaign to subsidise the insulation of poorly insulated dwellings in the private sector.”

Members discussed this recommendation and in so doing commented that the Council had applied on a number of occasions in the past for grant funding, where this became available. Officers were actively encouraged to search for and apply for additional sources of grant funding as and when this became available and where the Council was eligible to apply for funding. In addition, Members noted that it was important to ensure that grant funding continued to be requested to help improve the insulation not just for properties in the private rented sector but also for social housing in the Borough. There had already been some work undertaken to improve the insulation and damp proofing of some Council properties but Members acknowledged that further improvements would always be welcomed. In this context, Members agreed to amend the wording of the recommendation to acknowledge the fact that the Council would be continuing to apply for grant funding and this would be intended to help properties across the Borough, not just in the private rented sector.

RESOLVED that

the Executive Committee continue to actively seek external grant funding to enable a Borough-wide campaign to subsidise the insulation of poorly insulated dwellings across the Borough.

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

There were no referrals from either the Overview and Scrutiny Committee or any of the Executive Advisory Panels on this occasion.

115. ADVISORY PANELS - UPDATE REPORT

The following updates were provided in respect of the Executive Advisory Panels and other bodies:

- a) Climate Change Cross Party Working Group – Chair, Councillor Anthony Lovell

Members noted that there had been a meeting of the Climate Change Cross Party Working Group since the previous meeting of the Executive Committee. In the absence of the Chair of the group, Members agreed that an update in respect of this meeting should be considered at the following meeting of the Committee.

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

Councillor Dormer confirmed that a meeting of the Constitutional Review Working Party was scheduled to take place on 23rd January 2023.

- c) Corporate Parenting Board – Council Representative, Councillor Nyear Nazir

Councillor Nazir explained that she had been unable to attend the previous two meetings of the Board. However, she was due to attend the following meeting of the Board, which was scheduled to take place later in January 2023.

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

The Committee was informed that a meeting of the Member Support Steering Group was due to take place on 17th January 2023.

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

Councillor Dormer advised that a meeting of the Planning Advisory Panel (PAP) had taken place on 4th January 2023. During this meeting, Members had considered updates on various planning policy matters. Further meetings of PAP were due to take place in the year and all Members were encouraged to attend these meetings.

Executive Committee

Tuesday, 10th January, 2023

The Meeting commenced at 6.31 pm
and closed at 7.25 pm