

POLICY AND RESOURCES COMMITTEE

5th February 2019

Present: Councillor Louis Stephen in the Chair

Councillors Agar, Bayliss (Vice-Chairman), Berry, Geraghty, Gregson (Vice-Chairman), Hodges, Mrs L. Hodgson, Knight, Mitchell, J. Squires, Stalker and Stanley

Officers: Mark Baldwin, Head of Finance
David Blake, Managing Director
Shane Flynn, Corporate Director – Finance and Resources
David Sutton, Deputy Director - Corporate Policy and Strategy
Rishi Verma, Corporate Strategy and Policy Manager

71 Appointment of Substitutes

Councillor Stalker for Councillor Denham.

72 Declarations of Interest

The following declarations of interest were made:

Councillor Gregson – Report of Grants Task and Finish Group – (Minute 86) – As an employee of Worcestershire County Council

Councillor Mrs L. Hodgson – Report of Grants Task and Finish Group – (Minute 86) – As a representative of Lyppard Grange Community Centre

Councillor Hodges – Report of Grants Task and Finish Group – (Minute 86) – As a Trustee of Worcester Community Trust

Councillor J. Squires – Report of Grants Task and Finish Group – (Minute 86) – As a Trustee of Worcester Arts Workshop

73 Public Representations

None.

74 Minutes

RESOLVED: That the Minutes of the meeting held on 11th December 2018 be approved as a correct record and signed by the Chairman.

75 Minutes of Personnel and General Purposes Sub-Committee

RESOLVED: That the Committee receive the minutes of the meeting held on 12th December 2018.

76 Minutes of Income Generation Sub-Committee

With reference to minute 64 (Fees and Charges 2019/20) the Chair of the Environment Committee clarified that the proposal did not include Cookers/Washing Machines/Dishwashers/Spin Driers, as stated in the minutes.

RESOLVED: That the Committee receive the minutes of the meeting held on 15th January 2019.

77 Quarter 3 Performance Report for 2018/19

The Committee considered a report on progress for projects and activities which support the delivery of the Council's City Plan, current priority projects within the Excellence Programme and the corporate suite of Key Performance Indicators. Officers responded to questions from Members on detailed aspects of the report.

In the ensuing discussion, the following main points were made:

- Officers acknowledged that that there will need to be amendments of the milestones in relation to demolition of the Sansome Walk Pool site. There will be a report on this project to Audit and Governance Committee in March.
- In relation to a question about stage 1 complaints resolution, Officers will report back to the Chairman on the red/amber/green parameters.
- It was suggested that Officers should collate and/or report data on compliments received.
- In response to a question regarding oversight of performance of the Worcestershire Hub Shared Service, Officers advised that information is provided to the Management Board and a copy of the latest report can be circulated to Committee Members.

RESOLVED: That the Committee:

- 1. note the Council's Quarter 3 performance for 2018/19; and**
- 2. note the proposed revised due dates for key projects as stated in the relevant project narrative in Appendix 1.**

78 Quarter 3 Financial Monitoring Report for 2018/19

The Committee reviewed the financial monitoring details including budget variances and performance indicators for the 3rd quarter ended 31st December 2018 and the proposed write-offs of Council Tax and Business Rates for the quarter.

In the ensuing discussion, the following main points were made:

- In response to questions on Council Tax and Business Rates write-offs, Officers can provide more information to Members on follow-up procedures contained in the agreement with Civica. Information can also be provided in a future report on whether there are trends within any particular sector.

- Officers have explored the benefits of leasing vehicles, it appears there would be only marginal gains. A report on this can be presented to a future meeting.
- In response to a comment on the Small Projects Development Fund and whether outstanding balances can be re-allocated, this will be picked up in monitoring report to next Income Generation Sub-Committee.
- A question was raised on warranties on new vehicles and what is covered. Officers will explore and report back.

RESOLVED: That the Committee:

- 1. note the financial monitoring details including budget variances and performance indicators for the 3rd quarter ended 31st December 2018; and**
- 2. agree to approve the proposed write-offs of Council Tax and Business Rates for the quarter.**

79 Feedback Report from the Policy Committees on the Draft Budget Proposals

The Committee considered feedback from the Council's Policy Committees on the Draft Budget proposals. There were four proposals for consideration. These were set out in Appendix 1 to the report.

The Chairman proposed that the feedback proposals be considered as part of the discussion on the Budget in the subsequent agenda item. Other Committee Members agreed to proceed on this basis.

In addition to the above proposals, the Place and Economic Development Sub-Committee had approved a new policy on Street Naming and Numbering which included proposals for the introduction of fees. The potential income to be derived had been included in estimates within the Income and Efficiency Plan. If approved by this Committee, the final budget report to Council on 19th February would include the proposed schedule of fees and charges shown at Appendix 2, for Council approval.

RESOLVED: That the Committee agree the proposed fees for Street Naming and Numbering, as set out in Appendix 2.

80 Proposed Budget 2019/20 and Medium Term Financial Plan 2019/20 - 2023/24

The Committee considered the proposed Budget and Council Tax for 2019/20 and the proposed Medium Term Financial Plan for the next five year period 2019/20 – 2023/24. The Corporate Director – Finance and Resources presented the report, which included Key Financial Assumptions, the Provisional Financial Settlement, the outcome of the Budget Consultations and details of changes incorporated into the budgets following further review since the budget-setting processes between October and January, the Capital Programme 2018/19 to 2023/24 and the Impact on Reserves.

There were four proposals for consideration as part of the feedback from the Council's Policy Committees on the Draft Budget proposals, as follows:

- New pedestrian bridge
- Environmental Sustainability Officer
- Out-of-hours street cleansing
- Adjustment to Income and Efficiency Plan - Retained CEO posts

In the ensuing discussion, the following main points were made:

- With regard to fees in respect of tennis provision, these had been considered at the Income Generation Sub-Committee meeting of 15th January 2019. Councillor Bayliss commented that the Sub-Committee were not aware that the proposals - which are scheduled to be considered by the Communities Committee in March 2019 - do not include any provision for free access to tennis courts.
- There was a discussion on the proposals for collaboration on service delivery. It was noted that these changes would result in a budget pressure of up to £250,000 to the City Council. Members were advised that agreements over how these proposals will be taken forward require separate decisions by the relevant committees.
- With regard to the budget amendment proposals, a range of views were expressed by Members about the proposed further capital contribution to new pedestrian bridge. The Chairman asked the Committee to consider and vote on the proposals as a package, rather than individually.

RESOLVED: That the Committee agree to:

- 1. endorse the proposed Budget and Council Tax for 2019/20 and the proposed Medium Term Financial Plan for the next five year period 2019/20 – 2023/24, and recommend its approval to Full Council on 19 February 2019 including the following resolutions:**
 - a. That the Budget Requirement for Worcester City Council (excluding Parish Precepts) 2019/20 be set at £10.240m;**
 - b. That the Council Tax Requirement for Worcester City Council (excluding Parish Precepts) 2019/20 be set at £5,930m; and**
 - c. That the Band D Council Tax for Worcester City Council (excluding Parish Precepts) be set at £185.88;**
- 2. approve the Treasury Management Strategy, including the MRP policy statement and the prudential indicators set out in the Strategy; and**
- 3. include the proposals brought forward by the Policy Committees during January 2019 in the recommendations to Full Council.**

81 Fees and Charges 2019/20

The Committee considered the proposed Fees and Charges 2019/20. The Corporate Director – Finance and Resources presented the report and explained that the proposals had been reviewed by the Income Generation Sub-Committee at the meeting on 15th January 2019.

In the ensuing discussion, the following main points were made:

- It was highlighted that the Sub-Committee approved one proposed change to the charges for Bulky Waste Collection.
- The Income Generation Sub-Committee had approved an increase of £1.50 (2.6%) for the annual fee for Garden Waste charges. However, following discussions with Members as part of the consultation process for the budget, a proposal has been made to increase the costs by £5.00 from £57.50 to £62.50 (8.7%).
- Reference was made to the Fees and Charges that had been approved by the Joint Museums Committee. The Committee were advised that these will be incorporated into the report to Full Council.

RESOLVED: That the Committee:

- 1. receive the report of the review of Fees and Charges for 2019/20 from the Income Generation Sub-Committee and recommend its approval to Full Council on 19th February 2019; and**
- 2. approve an increase to the annual fee for Garden Waste collection of £5.00.**

82 Capital and Investment Strategies 2019/20 - 2021/22

The Committee considered a report on the Capital Strategy for 2019/20 – 2021/22 and Investment Strategy for 2019/20 – 2021/22, and revised Operational Boundary and Authorised Limit for external debt. The Corporate Director – Finance and Resources presented the report and explained that the Strategies were new documents for 2019/20 required under statutory guidance. The Council had revised the Operational Boundary and Authorised Limit for external debt in October 2018 as part of the establishment of the Development Fund. However the limits must be reviewed annually as part of the prudential regime.

Committee Members expressed support for the proposals, as set out in the report.

RESOLVED: That the Committee agree to recommend to Council that:

- i. the Capital Strategy and Investment Strategy for 2019/20 be adopted; and**
- ii. the Authorised Limit and Operational Boundary for external debt be revised in accordance with the proposals set out in the report.**

83 Council Tax - Long Term Empty Homes Premium

The Committee considered a report on the introduction of a Council Tax premium for properties that have been vacant for two or more years. The Corporate Director – Finance and Resources presented the report and explained that the relevant legislation, which received Royal Assent on 1 November 2018, permitted charges to be levied as follows:

- from 2019/20, for properties empty for more than 2 years, the maximum long term empty homes premium is 100%
- from 2020/21, for properties empty for more than 5 years, the maximum long term empty homes premium is 200%
- from 2021/22, for properties empty for more than 10 years, the maximum long term empty homes premium is 300%.

In the ensuing discussion, Officers advised that more information can be provided to Members on procedures for establishing whether a property is empty.

The Committee agreed to recommend that the Council implement the change in respect of those properties that are vacant for two or more years and to defer a decision on charging additional premiums for properties empty for more than five, or more than ten, years while further information is gathered.

RESOLVED: That the Committee recommend to Full Council that from 1 April 2019 properties empty for 2 years or more be charged a Council Tax long term empty homes premium equivalent to 100% of the Council Tax and that the Corporate Director Finance and Resources be authorised to agree individual exemptions based on government guidance.

84 Referral Report from Communities Committee - Strategic Housing Transformation Temporary Accommodation Supply

The Communities Committee on 30th January 2019 considered and approved the business case and overall approach to acquiring properties for direct letting and management in order to reduce the Council's reliance on private bed & breakfast and guest house accommodation. The Committee agreed the acquisition by the Council of the following properties in order to deliver up to 12 units of temporary accommodation, namely 145 Bromyard Rd – up to 8 units (minimum of 6 units) and 197 – 203 Oldbury Road - 4 units.

The Reserves Policy states that: "Where specific delegated authority to commit expenditure from a reserve has not been established, responsibility falls to the Policy and Resources Committee upon advice from the Section 151 Officer."

The Chairman of the Communities Committee recommended the Committee to approve the proposal.

RESOLVED: That the Committee agree that the cost of acquiring properties at 145 Bromyard Road and 197-203 Oldbury Road and bringing them into use is met from the Affordable Housing Bid Reserve of £236,000.

85 Referral Report from Communities Committee - Extension of the Single Person and Childless Couples Homeless Prevention Support Service (HoPES) and Recommissioning of New Service

The Communities Committee on 4th February 2019 had approved a 6 month extension (until 30th September 2019) to the existing Worcestershire Single Person and Childless Couples Homeless Prevention Support Service Contract at a cost of £85,472 to the Council.

The Reserves Policy states that: "Where specific delegated authority to commit expenditure from a reserve has not been established, responsibility falls to the Policy and Resources Committee upon advice from the Section 151 Officer."

The Chairman of the Communities Committee recommended the Committee to approve the proposal.

RESOLVED: That the Committee agrees the 6 month extension of the contract, to be funded from the Affordable Housing Bid Fund.

86 Referral Report from Communities Committee - Report of the Grants Task and Finish Group

The Communities Committee on 30th January 2019 had considered and approved the adoption of a revised protocol for the administration, management and delivery of small, medium and large community grants by the Council, as recommended by the Grants Task & Finish Group. The Committee recommend the Policy and Resources Committee to agree the allocations to support the proposed approach. The proposals had been incorporated into the Budget report.

In the ensuing discussion, support was expressed for the overall approach. However, it was proposed and seconded that the Task and Finish Group be requested to meet to look again at the thresholds around medium size grants. Upon being put to the vote, this was agreed.

RESOLVED: That the Committee agree:

- 1. the allocation of £111,890 in 2019/2020 to support the Council's proposed approach to deliver small and medium grants, and £3, 500 to secure administration;**
- 2. the allocation of £199,420 in 2019/2020 to support the Council's proposed approach to deliver large community grants; and**
- 3. that the Task and Finish Group be requested to meet to look again at the thresholds around medium size grants.**

87 Referral Report from Environment Committee - Street Scene Excellence - Review of Litter Bins in City Centre

The Environment Committee on 29th January 2019 had considered and approved proposals for procurement of 28 'Smart' litter and recycling bins for the City Centre. The anticipated cost of purchasing the bins was up to £144k.

The Budget Report considered earlier on the agenda included the costs associated with this decision in the proposed capital programme and related revenue budgets.

In the ensuing discussion, reference was made to the proposed approach and the level of investment. A number of detailed operational points were also raised. The Chairman proposed that the Environment Committee be recommended to agree to procure the bins in phased manner so as to be able to evaluate their effectiveness.

RESOLVED: That the Committee:

- 1. Agree to approve in principle capital funding of up to £144,000 for procurement of 28 'Smart' litter and recycling bins for the City Centre; and**
- 2. recommend the Environment Committee to consider a phased procurement so as to be able to evaluate the effectiveness of the bins.**

88 Any Other Business

None.

89 Item Involving the Disclosure of Exempt Information

RESOLVED: That under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of information as defined in Schedule 12A of the said Act.

90 Minutes of Income Generation Sub-Committee

RESOLVED: That the Committee receive the minutes (exempt items) of the meeting held on 15th January 2019.

91 Fees and Charges 2019/20

The Committee agreed to recommend the Council to approve the proposed Fees and Charges for Trade Waste and Building Control.

Duration of the meeting: 7.00p.m. – 9.50p.m.

Chairman at the meeting on
19th March 2019