

# additional papers 1



## Shareholders Committee

Mon 2 Dec  
2024  
6.30 pm

Oakenshaw Community  
Centre  
Castleditch Lane  
Redditch  
B97 7YB



**If you have any queries on this Agenda please contact  
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# Shareholders Committee

Monday, 2nd December, 2024

6.30 pm

Oakenshaw Community Centre  
- Oakenshaw Community  
Centre

## Agenda

### Membership:

Cllrs:

Sharon Harvey  
(Chair)  
Bill Hartnett (Vice-  
Chair)  
Joe Baker

Jen Snape  
Ian Woodall

## 6. Budget Monitoring Report (To Follow) (Pages 5 - 10)

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**Redditch Borough Council****Shareholders Committee 2<sup>nd</sup> December 2024****Council Funding and Support Update**

Relevant Portfolio Holder	Councillor
Portfolio Holder Consulted	Yes
Relevant Head of Service	Pete Carpenter
Report Author	Job Title: Peter Carpenter – Director of Resources/Deputy Chief Executive Email: peter.carpenter@bromsgroveandredditch.gov.uk Contact Tel: 0152764252
Wards Affected	N/A
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	All
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	
This report contains exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, as amended.	

**1. SUMMARY**

The Council set up Rubicon Leisure Limited in 2018 to deliver the Council's Leisure and Cultural activities. As part of the arrangements the Council provide ongoing support services to Rubicon.

**2. RECOMMENDATIONS**

**Shareholders Committee are asked to Note and Comment on the:**

- The position in terms of:
  - Rubicon related items in Tranche 1 of the 2025/6 Budget.
  - The Closure of the 2023/4 Accounts.
  - VAT.
  - The Culture Fund.

**3. KEY ISSUES****Outstanding Issues**

- 3.1 The outstanding issues from the last meeting of this committee in relation to this report were updates on VAT and the Closure process. These are both contained within this report.
- 3.2 Progress on the lease. The Council has entered into negotiations with the Sailing Club over the present lease terms.

Redditch Borough CouncilShareholders Committee 2<sup>nd</sup> December 2024**2025/6 Budget Process**

- 3.3 As in previous years, the Council are delivering its budget in a two phase process. The first phase, which happened before Christmas sets out all the known pressures. The Provisional Local Government Settlement will be known just before Christmas.
- 3.4 As part of this process a significant number of Capital bids relating to Rubicon have been included, some initiated by Rubicon as potential ways to increase revenue and some by the Councils property department as a requirement to maintain the quality of the Council's assets.
- 3.5 The Rubicon initiated items included the following:
- Abbey Stadium – Refurbishment of the indoor changing rooms and toilets £300k.
  - Forge Mill – New outdoor Kiosk and toilet refurbishment £90k.
  - Pitcheroak,- Refurbish mail changing and 2nd Green rebuild £90k.

Given that the Culture application is now out to consultation and likely to be withdrawn, there is the requirement for an extension to the Arrow Valley building to increase kitchen size and provide rooftop terrace at £750k.

- 3.6 Items required by the Councils Property Team include the following 2 items:

		2025/26 £	2026/27 £	2027/28 £	2028/29 £
<b>Property Services</b>					
Replace/Upgrade Track at Abbey Stadium	The sports athletic track is inspected to achieve the UKA Track mark and identified the Track is at it's minimum thickness, while still offering a good surface has signific reduction in its slip resistance. Track lighting is becoming a costly maintenance operation and requires upgrading to LED lighting which will also provide an energy	300,000	0	0	0
Abbey Stadium Roof Replacement	Abbey Stadium Sports Hall roof ( to be read inconjunction with Rubicon proposal for Sports hall redevelopment) . The sports hall roof is a steel Profile roof and has reached the end of its life. Protective coating on the external is failing exposing the steel roof below. Currently not leaking but a matter of time . Rubicon leisure have proposals to refurbish the sports hall and would be prudent to replace the roof at the same period of time. Incorporating new lighting/ heating and ventiation systems . While sports hall is closed provide temporary marquee on the Carpark to	250,000	0	0	0

- 3.8 It should be noted, in their plans up to 2030 Rubicon also require investment in:
- Sports Hall conversion/fitness extension at Abbey Stadium
  - Additions to the outdoor area at Arrow Valley to grow the recreational offer eg. adventure golf.
  - Cover the cloisters to create an internal cultural space and café at Forge Mill.
  - Redevelop and reinterpret the museum.
  - Community Centre redevelopments.
  - New clubhouse at Pitcheroak.

- 3.9 It should be noted – items in Tranche 1 of the budget will be subject to the normal consultation process and be agreed by Council at the end of January.

**2023/4 Accounts**

- 3.10 Council updates have been made to the Rubicon Board on the 30<sup>th</sup> April and 5<sup>th</sup> August in relation to finance and Support items. In addition to this, a Rubicon Audit Committee has been convened and this has been supported since the last Shareholder Committee,

**Redditch Borough Council****Shareholders Committee 2<sup>nd</sup> December 2024**

at an Audit Committee meeting in October and an update to the Board in November. The Board are looking to sign off the Accounts on the 17<sup>th</sup> December. Updates on the VAT position are in the next section.

- 3.11 A key impact on the Audit and its classification will be the state of the Councils Accounts Audits. At the Councils Audit, Governance and Standards Committee on the 10<sup>th</sup> December, due to the government imposed “backstop date” for accounts to be delivered up to 2022/23 by the 13<sup>th</sup> December, the Council will receive “disclaimer opinions on all three years sets of accounts. All these accounts are on the Council’s Website. This “Disclaimer Opinion due to an imposed backstop date” will be issued to significant numbers of Councils.

**VAT**

- 3.12 Payments have been made to Q2 2024/5. The Council have been making payments by central assessment and had hoped that the Q2 payment was the first payment that would be done on “actual” expenditure. The Council, on behalf of Rubicon have been in liaison with HMRC through their VAT consultants PS Tax. This has taken longer than expected and HMRC contacted the Council on the 20<sup>th</sup> November apologising for the slowness in their response and granting an extension for the work to be done until the end of this calendar year. This mail is in Appendix A..

**Culture Grant**

- 3.13 The Council were awarded £5m from the Government for Cultural activities with proposals being required to be submitted to DLUHC on Monday 3<sup>rd</sup> June. As part of these proposals £3.32m will be invested in Rubicon run facilities. These were set out in the previous Committee papers in August.
- 3.14 Minister Norris wrote to Councillor Baker of 30<sup>th</sup> October informing the Council that, subject to consultation, the Government was minded to withdraw funding for the Council’s five projects.
- 3.15 However, before this can happen there is a 6 week consultation which opens on 31<sup>st</sup> October and closes at 11:59pm on 13<sup>th</sup> December 2024. The objective of the consultation is to fully understand the impacts of withdrawing this funding, including the financial, local, strategic and community implications (including but not limited to housing and regeneration).
- 3.16 The Council will respond to the Consultation, in liaison with partners within the required deadlines. Once the results of the consultation have been considered, the government will notify the Council in writing of the outcome. They anticipate the process to take approximately 12 weeks.

The Rubicon schemes that are part of this consultation process are:

**Redditch Borough Council****Shareholders Committee 2<sup>nd</sup> December 2024**

- Improvements to the Palace Theatre - £1.18m
- Improvements at Arrow Valley Country Park – £2.14m

**4. Legal Implications**

4.1 No Legal implications have been identified.

**5. Strategic Purpose Implications****Relevant Strategic Purpose**

5.1 The Strategic purposes are included in the Council's corporate plan and guides the Council's approach to budget making ensuring we focus on the issues and what are most important for the borough and our communities. Our Financial monitoring and strategies are integrated within all of our Strategic Purposes.

**Climate Change Implications**

5.2 The green thread runs through the Council plan. Every report has potential financial implications and these in term can have implications on climate change. These will be addressed and reviewed through individual reports when relevant by climate change officers will ensure the correct procedures have been followed to ensure any impacts on climate change are fully understood.

**6. Other Implications****Customer / Equalities and Diversity Implications**

6.1 None as a direct result of this report.

**Operational Implications**

6.2 Managers meet with finance officers to consider the current financial position and to ensure actions are in place to mitigate any overspends.

**7. RISK MANAGEMENT**

7.1 The financial monitoring is included in the corporate risk register for the authority

**8. APPENDENCES****Appendix A – Response from HMRC (Exempt)****AUTHOR OF REPORT**

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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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