

additional papers 1



Audit, Governance & Standards Committee

Wed 5 Mar
2025
7.00 pm

Arrow Valley Visitors
Centre, Battens Drive,
B98 0LJ



**If you have any queries on this Agenda please contact
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Audit, Governance & Standards

Wednesday, 5th March, 2025

7.00 pm

**Arrow Valley visitors Centre -
Arrow Valley**

Agenda

Membership:

Cllrs:

Gemma Monaco
(Chair)
Chris Holz (Vice-
Chair)
Juma Begum
William Boyd
James Fardoe

Andrew Fry
Joanna Kane
David Munro
Gary Slim

10. Risk Champion Update (Pages 5 - 8)

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Risk Champion Update January 2025

There are significant pieces of legislation that will impact on how the Council operates and its view of risk in how it operates. Two good examples are the English Devolution White Paper which came out just before Christmas and the anticipated Environment Act which has been delayed but is expected early this year. These will both have significant impacts on how the Council works over the next three years and impact on its view/approach to operational and financial risk.

Using the most recent English Devolution White Paper as an example to assess and highlight the risk appetite and impact to our Council.

Here is the devolution paper - [English Devolution White Paper Web Access](#)

Members need to fully understand the outcomes of what is laid out in the paper. The information given to Local Authorities within the paper will have a major impact on all aspects of service delivery for Redditch Borough Council. It will change the risk profile of Council risks. Risk is a shared accountability by all members acting in partnership and it is a shared accountability to manage future risks that could damage the Council and the services that it needs to deliver. We need to be able to serve the residents and manage a smooth transition.

Members, having read the paper:

1. Have they found it easy to understand and take on the information?
2. Do they have the need for Officers to help them understand what is included in the White Paper and the associated implications?
3. Are they sure that in delivering to the Devolution White Paper's requirements that they act in a Fit, Legal and Decent way? (This was an overarching theme as stated in managing the transition from current tier to the new authority as and when this takes place)

To note - I'm also on the WMCA Overview and Scrutiny Committee. The White Paper was discussed at their latest meeting on Monday (20 January). Members felt it would strengthen accountability – and therefore the powers of Overview and Scrutiny – and were keen to know more about how this would work in practice.

There are the following Risks that come out of the English Devolution White Paper:

Workforce

1. What is the effect on the any workforce of change of this nature & how do we manage it?
2. Are managers at all levels equipped to manage these teams going forward?
3. What is the fallback position to run the Council up to "Vesting Day"?
4. How do we continue to motivate teams and staff to deliver the required standard?
5. Vacancies and the process of filling them? What is their experience of winding down a service whilst maintaining service delivery?

Operational Impact on District and Borough Councils

1. There are announcements about the changes to local Government funding. We need to assess the impact of the changes through Audit, Governance and Standards Committee in terms of delivery to new requirements.
2. Some projects/initiatives that are underway and that have a long completion date could be beyond the dismantling of the authority. Are they still relevant to continue with?
3. Can we still manage spend appropriately and responsibly for our residents and stakeholders during this period?
4. Have we the Member and Senior Officer capacity in present structures to cope with the impact of extra work required. If not, what might need to change?
5. How do we work with any shadow authority that is put in place to ensure continuity of Services?

Continuity of Council Strategic Plans.

1. How do we make sure that all decisions are made well and have longevity and a positive result for our residents.
2. What will be the appropriate Communication streams for employees, members and residents. This is a massive part of what will endeavour to give a good transition and maintain brand reputation with all of the Borough.
3. Manage outstanding projects within that plan so that they are delivered to time and before "Vesting day".
4. Revising any initiatives or plans that will go beyond handover date to ensure they are completed.

Risk Champion Update – Redditch – 5th March 2025

I have a couple of things to bring to Members' attention as we move forward and consider Risk both in these meetings and also when we conduct day to day business.

- 1) We are discussing **devolution** at Full Council on the 17th March. In my last Risk review we agreed that Members be updated on devolution including any new information on devolution proposals for Worcestershire.

The papers for full Council will be available on the 7th March. These papers will set out the options that Members will be debating as well as updated comments from the Worcestershire Leaders Board which will happen tomorrow (Thursday 6th March). The present timetable is:

21st March 2025 – Deadline for Interim Plan to be sent to the MHCLG

28th Nov 2025 - Final proposals for re-organisation to be sent to MHCLG

Although everyone will be focussed on devolution, it is important that the Council ensure that processes for delivering “business as usual” continue. The Corporate Management Team is updating the forward plan for the year to include all main contracts, strategies and policies that need to be delivered. Members of this Committee need to be aware of this plan once it is agreed and ensure that it is delivered.

- 2) The Government's **financial settlement** resulted in a zero increase in Core spending power. We are looking at additional sources of Grant Income, to supplement existing funding Sources. If Members are aware of “new” funding pots could they please let the S151 Officer know.

The increase in employer National Insurance, although funded for the Council is a significant issue for both our Contractors and Rubicon, who were not funded for increases. Members need to understand that the only real way they can recoup these additional costs is through increased charges or reductions to service levels. These are potential key risks to the Council's reputation and need to be carefully monitored.

- 3) The **budget** had significant additional costs in relation to future waste/recycling costs, and in particular Food Waste collection. Across the Country, the largest risk to this service has been collection rates and how to get them high enough to remain viable.
- 4) There is a new corporate Risk in relation to the Councils having appointed a **new Chief Executive and Deputy Chief Executive**. Both will start on the 31st March 2025. Given the magnitude of the risks set out in this report, especially Local Government Re-organisation, this Officer change is significant. Relationships will need to be remade/reset both internally and externally and this will need to be done quickly. The Councils are putting in place mitigations and processes to de-risk this process as much as possible. Do Members have any suggestions in relation to making this process easier for them?

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