



# Executive Committee

Tue 6 Feb  
2018  
7.00 pm

Committee Room Two  
Town Hall  
Redditch

**REDDITCH** BOROUGH COUNCIL

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**If you have any queries on this Agenda please contact  
Jess Bayley**

**Town Hall, Walter Stranz Square, Redditch, B98 8AH  
Tel: (01527) 64252 Ext: 3268**

**e.mail: [jess.bayley@bromsgroveandredditch.gov.uk](mailto:jess.bayley@bromsgroveandredditch.gov.uk)**

# Executive

Tuesday, 6th February, 2018

7.00 pm

Committee Room 2 Town Hall

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## Agenda

### Membership:

Cllrs:	Bill Hartnett (Chair)	Brandon Clayton
	Greg Chance (Vice-Chair)	John Fisher
	Joe Baker	Mark Shurmer
	Juliet Brunner	Pat Witherspoon
	Debbie Chance	

1. Apologies
2. Declarations of Interest  

To invite Councillors to declare any Disclosable Pecuniary Interests and / or Other Disclosable Interests they may have in items on the agenda, and to confirm the nature of those interests.
3. Leader's Announcements
4. Minutes (Pages 1 - 18)
5. Economic Priorities for Redditch Annual Report 2016-17 (Pages 19 - 66)
6. Worcestershire Office for Data and Analytics (WODA) - Endorsement of Data Sharing Charter (Pages 67 - 74)
7. Independent Remuneration Panel Report and Recommendations for 2018/19 (Pages 75 - 88)
8. HRA Initial Budget 2018/19 - 2020/21 (to follow)
9. Medium Term Financial Plan 2018-19 to 2020-21 - Update Report (Pages 89 - 96)
10. Overview and Scrutiny Committee (Pages 97 - 122)
11. Minutes / Referrals - Overview and Scrutiny Committee, Executive Panels etc.

To receive and consider any outstanding minutes or referrals from the Overview and Scrutiny Committee, Executive Panels etc. since the last meeting of the Executive Committee, other than as detailed in the items above.

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Tuesday, 6th February, 2018

**12.** Corporate Parenting Steering Group - Verbal Update

**13.** Advisory Panels - update report (Pages 123 - 124)



## Executive

### Committee

Tuesday, 16 January 2018

## MINUTES

#### Present:

Councillor Bill Hartnett (Chair), Councillor Greg Chance (Vice-Chair) and Councillors Juliet Brunner, Debbie Chance, Brandon Clayton, John Fisher, Mark Shurmer and Pat Witherspoon

#### Officers:

Derek Allen, Ruth Bamford, Michael Birkinshaw, Ray Cooke, Clare Flanagan, Sue Hanley, Jayne Pickering, Deb Poole, Guy Revans and Judith Willis

#### Democratic Services Officer:

Jess Bayley

#### 71. APOLOGIES

An apology for absence was received on behalf of Councillor Baker.

(Councillor B Clayton arrived after the start of the meeting and apologised for being late).

#### 72. DECLARATIONS OF INTEREST

There were no declarations of interest.

#### 73. LEADER'S ANNOUNCEMENTS

The Leader explained that, due to the size of the agenda and the likely length of the meeting, he was tabling his announcements in writing.

#### 74. MINUTES

##### RESOLVED that

**the minutes of the meeting of the Executive Committee held on Tuesday 31<sup>st</sup> October 2017 be approved as a correct record and signed by the Chair.**

.....  
Chair

**75. SUPPLEMENTARY PLANNING DOCUMENT CONSULTATION  
(GOOD DESIGN)**

The Head of Planning and Regeneration presented the draft high Quality Design Supplementary Planning Document (SPD) for the committee's consideration. The report supplemented a number of policies within the Borough of Redditch Local Plan No. 4 (BORLP4). The SPD had been considered by the Planning Advisory Panel (PAP) and the points raised by Members during meetings of this body had informed the content of the document. Officers were seeking to undertake a period of public consultation, the outcomes from which would be reported for the consideration of the Executive Committee in due course. It was anticipated that this consultation would last for at least six weeks.

Following the presentation of the report Members discussed the SPD and questioned the extent to which parking provision in residential developments was addressed. Concerns were raised that in recent years parking provision available to developments had been considered inadequate by some residents and this had led to complaints being made to their local Councillors. The Committee was advised that under previous legislation and guidance Councils had been required to encourage developers to design houses in a way that would enable use of more sustainable methods of transport. National guidance had subsequently changed, with greater emphasis now being placed on the role of the developer in determining parking requirements alongside other considerations. However, parking was not a key focus of this particular SPD.

The existence of a local list of heritage buildings was also discussed. The Committee was advised that this did not form part of the SPD, though a local list had been approved at a previous meeting of the Committee and was available to view from the Council's website.

**RESOLVED that**

**the public consultation for the draft High Quality Design SPD be approved.**

**76. WATER SAFETY POLICY**

The Leisure Services Manager presented the Inland Water Safety Policy. The policy had already been considered by the Joint Corporate Health, Safety and Welfare Committee and all of the points raised by this body had been taken into account. The

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National Water Safety Forum had also been consulted about the content of the policy.

The policy was one of the last two recommendations remaining to be addressed arising from an investigation that had been undertaken by ROSPA. Officers were aiming to bring forward a report in respect of the other outstanding recommendation, relating to re-engineering works at the weirs, the following year.

## RECOMMENDED

**the approval and adoption of the Inland Water Safety Policy.**

### 77. VOLUNTARY AND COMMUNITY SECTOR GRANT PROGRAMME 2018/19 - FUNDING RECOMMENDATIONS

The Head of Community Services presented the funding recommendations from the Council's Grants Panel in respect of the Voluntary and Community Sector Grant Programme 2018/19. Members were advised that there had been some unallocated sums and the Grants Panel had brought forward proposals to ensure that this funding would still be invested in Voluntary and Community Sector (VCS) organisations.

Members noted that a number of applicants had been unsuccessful. Each year there were more applicants than there was funding available and the Grants Panel used particular criteria to ensure that funding was distributed appropriately.

## RESOLVED that

- 1) **the following grants for 2018/19 be awarded to the successful applicants as set out in the table below:**

Organisation	Project Name	Amount Requested
Help me to be financially independent £4k		
REACH CIC	Savvy Savers	£ 4,000
Help me to live my life independently £40k		
REACH CIC	Building Futures	£10,000
Redditch Wheels Project	Skatepark Future	£10,000
Redditch Boxing Club	Fight for peace 'Personal Development Programme'	£ 9,900
Your Ideas Youth & Community Project	Your Ideas Holiday Activities	£10,000
Help me to live my life independently £30k		

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REACH CIC	Positive Change Training Course	£4032
Relate	Counselling Services	£6000
Redditch Mental Health Action Group	Wellbeing Coaching	£6000
Onside	Redditch Community Advocacy Project	£6000
Disability Resource Centre (DRC)	Fit for Life	£5,000
Provide me with good things to do see and visit £6k		
The Ditch	The Ditch Youth Project	£3,000
Redditch Federation of Anglers	Community Fishing Development	£3,000
Keep my place safe and looking good £15k		
P&E Sports CIC	Youth 4 Youth	£ 4,860
NewStarts	Redditch Reach	£5,000
Bromsgrove and Redditch Network	BROS: Home Soil	£4,999.60
Help me run a successful voluntary sector business £50k		
Carers Careline	Carers Telephone Support Service	£ 4,404.00
Where Next	Where Next	£10,000
Touchstones	Supporting Bereaved Children in Redditch	£10,000
Britten Street Hub CIC	Inclusion project	£9,960
Home Start North East Worcestershire	Supporting Families	£10,000

- 2) the unallocated sums of £100.00, £2,968.00 and £140.40, be included in the Stronger Communities Grants funding theme for 2018/2019; and
- 3) the unallocated sum of £5,636.00 relating to the Help Me Run a Successful Voluntary Sector Business Theme be retained and its availability be re-advertised in parallel with the Stronger Communities Grants applications in January 2018.

## 78. FLEXIBLE HOMELESSNESS SUPPORT GRANT (INCLUDING HOMELESSNESS REDUCTION ACT NEW BURDENS FUNDING)

The Strategic Housing Manager presented a report in respect of the Flexible Homelessness Support Grant. The report included information about additional funding that had been provided by the Government to help the Council address additional responsibilities in respect of homelessness set out in the Homelessness Reduction Act 2017. Officers were proposing that £60,000 of this funding should be allocated to recruiting two new trainees in the Private Sector Housing team. Local organisations that delivered services



tackling homelessness in the community would be provided with an opportunity to bid for funding from some of the remaining budget.

Officers confirmed that £50,000 had already been spent on temporary accommodation. In previous years the Government had provided a Temporary Accommodation Advisory Grant for this purpose, but that funding had been combined with this grant in 2018/19. In the long-term local authorities would be required to concentrate on preventing homelessness and it was anticipated that the need for Councils to provide temporary accommodation would decline as a consequence.

#### **RESOLVED**

- 1) to NOTE that the 2018/19 grant funding implications will be included as part of the medium term financial plan report to Council in February 2018, subject to Council approval of the budget;**
- 2) that the Flexible Homelessness Support Grant is made available in line with the table initiatives in 3.9, and that the Homelessness Reduction Act 2017 New Burdens Funding be allocated as set out in section 3.13.**
- 3) that delegated authority be granted to the Head of Community Services, following consultation with the Portfolio Holder for Strategic Housing, to use any unallocated Grant during the year or make further adjustments as necessary to ensure full utilisation of the Grants for 2018/19 in support of existing or new schemes; and**

#### **RECOMMENDED that**

- 4) the Homelessness and Homelessness Prevention Grant Policy as set out in Appendix 1 be approved with delegated authority granted to the Strategic Housing Manager following consultation with the Portfolio Holder for Strategic Housing to award the grants.**

#### **79. FEES AND CHARGES 2018/19**

The Executive Director of Finance and Corporate Resources presented the proposed fees and charges for 2018/19 and explained that in some cases Officers were proposing that the charges should be increased by 3.9 per cent in line with budget assumptions. However, there were some cases where Officers were suggesting no increase to the fees or an increase over 3.9 per cent.

Members were advised that a typographical error had occurred in the report as incorrect figures had been listed for hiring mechanically swept private road / car park mini-sweepers and mechanically swept private road / car park HGV sweepers. This should have been recorded as £30 and £50 respectively per hour rather than as £0.00 in both cases.

The proposed installation fee for lifeline services, due to increase by 38.89 per cent was discussed with concerns being raised about the potential impact on customers. Officers advised that this increase had occurred following benchmarking with other authorities and to ensure that the service achieved full cost recovery. Additional support could be offered to customers who might struggle to meet the costs.

The fees for Bereavement Services had also increased by up to 22.2 per cent and questions were raised about the causes of this. The Committee was advised that these increases had occurred following a rise in the fees charged by organisations that supplied services to the Council at the Crematorium. The fees would enable the Council to recover these costs as well as contribute to meeting administrative and maintenance costs at the site.

Fees had not been published in the papers for Building Control due to recognition of the commercially sensitive nature of these services which were provided in competition with external organisations. A request was made for a sample of these fees to be provided in exempt papers for future editions of this report to enable Members to assess how these charges were changing, though it was acknowledged that the fees for this service could vary according to changing levels of demand within the market.

In many cases there were no proposals for there to be an increase in the fees charged for Worcestershire Regulatory Services (WRS). Officers explained that there was a lot of case law in relation to licensing fees which specified that these fees needed to be self-financing. When calculating Licensing fees issues such as administration costs were taken into account. There were also a number of licensing fees that were set at a statutory level and which the Council could not amend.

Increases had also not been proposed to a number of fees for services provided by the Palace Theatre. Officers advised that a benchmarking exercise had been undertaken and this had discovered that many of the venue's fees were comparable to that of similar venues. To ensure that the theatre remained competitive Officers were advising that these fees should not increase.

**RECOMMENDED that**

- 1) **all fees and charges that are included in Appendix 1 which have a proposed increase for 2018/19 over the currently agreed budget assumption of 3.9% be approved;**

**RESOLVED that**

- 2) **the fees and charges as presented in Appendix 1 that have no increase for 2018/19 be approved; and**
- 3) **the fees and charges as presented in Appendix 1 that have reduced for 2018/19 be approved.**

**80. PERFORMANCE UPDATE REPORT**

The Head of Business Transformation and Organisational Development presented a report outlining the approach Officers were keen to adopt to update Members on the Council's corporate performance. Officers were proposing to present this report to the Executive Committee every two months, each of which would focus on a different strategic purpose. The reports would also include information obtained from the Corporate Dashboard.

Following presentation of the report the Committee discussed Members' familiarity with the Dashboard. There was general recognition that Members of the Performance Scrutiny Working Group were well acquainted with the dashboard but other Councillors had had more limited exposure. Members suggested that it would be helpful for training to be provided to enable Members to review and utilise the data available on the dashboard more effectively.

The regularity with which the data on the dashboard was updated was also discussed by Members. Some Councillors had accessed the dashboard and had found that data did not always appear to be up to date. It was acknowledged that sometimes officers might only be able to obtain data on a quarterly or yearly basis but this was not always clear from the commentary provided for a measure on the dashboard. Officers noted that this would be raised with the lead officers for those measures to ensure that clarification could be provided.

**RESOLVED that**

**the approach to performance reporting to Executive through use of the Measures Dashboard and a bi-monthly report, detailed in the draft template attached at Appendix 1, be approved.**

**81. ACQUISITION AND INVESTMENT STRATEGY**

The Executive Director of Finance and Corporate Resources presented the Acquisition and Investment Strategy and in so doing highlighted that this supported the Council's commercialism strategy. Whilst the report was requesting authority to allowing borrowing of up to £20 million for the strategy there were no projects currently in development and all opportunities would be rigorously assessed to minimise risks to the Council. Officers confirmed that borrowing would only be undertaken should an investment meet the strict criteria as included in the strategy.

The focus of any investment would be on options within Redditch, or areas contiguous to the Borough in order to take advantage of any opportunities that occurred just over the border. The Place Partnership Ltd was working closely with the Council and would provide advice, where appropriate.

Confirmation was provided that the Budget Scrutiny Working Group had pre-scrutinised the content of this strategy. The group had not proposed any amendments to the policy nor had they made any recommendations in respect of this matter.

**RECOMMENDED that**

- 1) the Acquisition and Investment Strategy be approved;**
- 2) the Corporate Management Team (CMT) and Head of the North Worcestershire Economic Development Unit be responsible for identifying suitable opportunities and developing the viability appraisal and business case for the Council; and**
- 3) the Executive Committee have delegated powers to approve business cases and complete acquisitions.**

**82. COUNCIL TAX BASE 2018/19**

The Executive Director of Finance and Corporate Resources presented the Council Tax Base 2018/19 report. Members were advised that the local authority was required to set a calculation in respect of the Council Tax Base for Band D properties and above. The information had to be shared with Feckenham Parish Council. The calculations also underpinned the figures in respect of Council Tax that would be charged in the year ahead, which would be reported to Council on 19<sup>th</sup> March 2018.

**RECOMMENDED that**

- 1) the calculation of the Council's Tax Base for the whole and parts of the area for 2018/19, 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 2018/19 be 26,058.20 and for the parts of the area listed below be:

Parish of Feckenham	372.20
Rest of Redditch	<u>25,686.00</u>
	<u>26,058.20</u>

**83. FINANCIAL REGULATIONS AND CONTRACT PROCEDURE RULES**

The Executive Director of Finance and Corporate Resources presented the updated Financial Regulations and Contract Procedure Rules and in so doing explained that this had provided an opportunity to refresh the Council's rules. As a result of the proposed changes the level at which staff needed to obtain written quotations in line with competition requirements had fallen from quotes over £5,000 to those between £3,001 and £25,000. Information had also been added to the Contract Procedure Rules setting out requirements in respect of services working with consultants. The report also clarified that in future virement between staffing budgets would not be permitted. A formal training process would be introduced to ensure that staff were familiar with the changes.

The frequency with which the Financial Regulations and Contract Procedure Rules should be reviewed was briefly discussed. Officers advised that these would be reviewed every two to three years, though amendments might sometimes need to be made more frequently in response to legislative changes. Members noted that it would be useful for an internal audit of the new rules and regulations to be undertaken once they had been embedded to monitor the impact and compliance amongst officers.

Members noted that the report had suggested that the rules should apply from 29<sup>th</sup> January 2018. However, this was the date on which the Council meeting would take place to determine the policy and there was no guarantee that this would occur. It was therefore agreed that the recommendation from the Executive Committee should be amended to reflect this.

**RECOMMENDED that**

**the updated contract and financial procedure rules be approved. The rules would then apply following Council approval.**

**84. MEDIUM TERM FINANCIAL PLAN UPDATE - PRESENTATION**

The Executive Director of Finance and Corporate Resources tabled a presentation which outlined the Council's current budgetary position (Appendix 1). Whilst delivering this presentation the following points were highlighted for Members' consideration:

- Further information would be available from the Government about the forthcoming Local Government Funding Reform in the spring.
- The service specific cost drivers referred to in paperwork relating to the Local Government Funding Reform were more relevant to Worcestershire County Council as the local provider of social services.
- The Business Rates Baseline Reset in 2020/21 would lead to any growth in business rates in previous years being absorbed into the baseline.
- Officers had built into the budget an assumption that the Council would increase Council Tax by 2.9 per cent following a change to the level of increase in Council Tax that would trigger a referendum to three per cent.
- Worcestershire County Council was consulting with the Government about the reasons why the Worcestershire Business Rates Pilot bid had been unsuccessful. This would help the authorities to amend their proposals for any future opportunities to bid.
- The Council had anticipated, based on performance in previous years, that it would meet the baseline target for growth of Band D properties in order to secure funding from the New Homes Bonus. Unfortunately failure to do so had implications for the Council's budget.
- CMT were in the process of reviewing the Council's budget for 2018/19 on a line-by-line basis. The Council had to achieve a balanced budget in the first year of the Medium Term Financial Plan (MTFP), though this was not necessarily required for the subsequent three years.
- The Council's proposed MTFP for 2018/19 to 2020/21 would be presented for the consideration of the Executive Committee on 6<sup>th</sup> February. This would be subject to detailed scrutiny on the 13<sup>th</sup> February and a final decision would be taken by Council on 19<sup>th</sup> February.

Following delivery of the presentation the Chair explained that he had asked Officers to investigate the potential for the Council to work with other local authorities to lobby the Government over the

deadweight rules in respect of the New Homes Bonus. Unfortunately, whilst there had been significant development in the Borough the majority of these developments involved Band A – C properties.

**RESOLVED that**

**the presentation be noted.**

**85. FINANCE MONITORING QUARTER 2 2017/18**

The Executive Director of Finance and Corporate Resources presented the Finance Monitoring Quarter 2 report which set out the Council's financial position in the period June to September 2017/18. The report highlighted a shortfall of £124,000 which Officers were working hard to address. In addition, the Council's auditors had suggested that the authority needed to revise the allocation of charges to the capital programme which had an impact on the corporate financing budget. Officers advised that there had been significant developments in respect of the budget since September 2017 as managers were addressing the impact of any shortfalls

As part of the Council's work to achieve savings senior officers were undertaking a line-by-line analysis of the budget during quarter three of the financial year. The outcomes of this work would be reported for Members' consideration in the quarter 3 report in March 2018.

The inclusion of vacant posts within the Council's budget was briefly discussed. Officers advised that there would always be some vacant posts due to the departure of staff over time. However, senior officers were working hard to ensure that these posts did not remain vacant for long.

**RESOLVED that**

- 1) the Executive Committee note the current financial positions for the quarter April – September 2017 as detailed in the report; and**

**RECOMMENDED that**

- 2) the virement of £104k from Customer Access and Financial Services Public Capital Building project to Environmental Services Capital Crematorium project. This is due to part of the public buildings contract now being included as part of the bigger crematorium project to minimise disruption.**

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**86. WHISTLEBLOWING POLICY**

The Executive Director of Finance and Corporate Resources presented the Confidential Reporting Code (Whistleblowing) for the Committee's consideration. Members were advised that the policy had been refreshed to update titles and reporting routes. The document also provided transparency about the process that should be followed by staff in the event that they had concerns about something happening at the local authority.

**RECOMMENDED that****the Confidential Reporting Code (Whistleblowing) be approved.****87. OVERVIEW AND SCRUTINY COMMITTEE**

The Committee was advised that all of the recommendations arising from the meeting of the Overview and Scrutiny Committee held on 26<sup>th</sup> October 2017 had already been considered. There were no recommendations arising from the meeting of the Committee held on 7<sup>th</sup> December 2017.

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

Officers confirmed that there had been no recommendations arising from the latest meeting of the Overview and Scrutiny Committee, which took place on 11<sup>th</sup> January 2018.

**89. CORPORATE PARENTING STEERING GROUP - VERBAL UPDATE**

In the absence of Councillor Baker no update was available to provide in respect of the Corporate Parenting Steering Group. Members requested that in future, for meetings that Councillor Baker was unable to attend, a brief update on the work of this group should be provided in writing for Members' consideration.

**90. ADVISORY PANELS - UPDATE REPORT**

Members considered the content of the Advisory Panels update report and noted that the Planning Advisory Panel meeting that had been due to take place that evening had been cancelled.



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Committee

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and closed at 9.07 pm

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## **Executive**

### **Budget Update**

**Jan 2018**

## **Impact of Settlement**

- Local Government Funding Reform – consultation paper published
- Implementation 2020/21
- Business Rates Baseline reset 2020/21
- From 2020/21 all grants to be included in Business Rates Retention
- Business Rate retention at 75% - not 50% - but reset will reduce benefit of any growth
- Council Tax – referendum now at 3% (previously 2%) – 2018/19 & 2019/20
  - Increase included in Budgets £40k
- Business Rate Pilots – Worcestershire not approved as a pilot. Potential for further rounds of bidding
- Redditch to remain in GBS Pool for 2018/19
- No changes to NHB
- Consultation in Spring 2018 in relation to “negative “ grant – currently £330k in 2019/20

## Impact of Settlement

- Local Government Funding Reform – consultation paper published – implementation 2020/21
  - Measuring need
  - Common cost drivers
  - Service specific cost drivers
  - Weighting formula
  - Advises that further detail on transition and locally raised income to follow in future papers
  - Set new baseline for funding allocations
  - Simple/ transparent/ Contemporary/ Sustainable/ Stable

## New Homes Bonus

- No Change to Scheme for 2018/19
- Deadweight remains at 0.4%
- 2018/19 band D 31,617
  - 0.4% = 126.5 units
  - Growth 84 units
  - Therefore Below Baseline
  - Grant advised of £22k for 2018/19
  - Short **£196k** ( £22k not £218k). £218k based on average of previous 3 years

## Current Position

- Current Gap – £550k in 2018/19 - £1m in 2020/21
- Assumes 2% pay award for all staff
- Assumes income from new Leisure trading company
- Assumes 2.99% increase in Council Tax

## Next Steps

- Further work on detailed savings / additional income to be prepared for Feb meeting
- Detailed rationale to demonstrate pressures
- Review of reserves statement
- Balances £1.8m – minimum £750k
- Balance the financial projections to 2021/22
- Agree budget February 19<sup>th</sup> 2018

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REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE**6<sup>th</sup> February 2018**REDDITCH ECONOMIC THEMES, PRIORITIES AND ACTION PLAN- ANNUAL REPORT AND REVISED ACTION PLAN**

Relevant Portfolio Holder	Cllr Greg Chance - Portfolio Holder for Planning, Regeneration, Economy and Transport
Portfolio Holder Consulted	√
Relevant Head of Service	Dean Piper, Head of Economic Development & Regeneration – North Worcestershire
Ward(s) Affected	All
Ward Councillor(s) Consulted	N/A
Key Decision / Non-Key Decision	Non key decision

**1. SUMMARY OF REPORT**

- 1.1 The Council's current economic themes and priorities were agreed by the Council in September 2015 which articulated the ambitions of the Council and its key partners. The economic priorities were developed in close consultation with members of the Redditch Economic Development Theme Group, which includes a number of business representatives and partner organisations.
- 1.2 Since the priorities were adopted by the Executive in September 2015, the Council has made significant progress in delivering against the priorities and action plan; working with the NWEDR shared service but other key partners such as Worcestershire County Council and Local Enterprise Partnerships.
- 1.3 The Council has taken the opportunity to undertake an updated economic assessment to take account of current economic conditions and has also commissioned a piece of work to explore the relationship between the Borough and the West Midlands Combined Authority (WMCA) mainly to understand the potential economic opportunities that membership of the WMCA could help to realise.
- 1.4 This piece of work has resulted in a refresh of the economic themes, priorities and Action Plan.

**2. RECOMMENDATION(S)**

**The Executive Committee is requested to RESOLVE that:**

- 1) The annual report setting out progress against the delivery of the economic themes, priorities and Action Plan be endorsed;**
- 2) The economic narrative set out at Appendix 1 and the challenges and opportunities faced by the Borough is noted and endorsed;**

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- 3) To endorse the need for a 'Redditch Deal' with the West Midlands Combined Authority incorporating the proposed '10 point Action Plan' as set out at paragraphs 3.19 and 3.20;
- 4) To endorse the updated Economic Themes, Priorities and Action Plan set out at Appendix 2;
- 5) An annual report is brought back to this committee in 12 months time.

**3. KEY ISSUES****Financial Implications**

- 3.1 There are no direct financial implications arising from this report. Should additional resources be required in the future, any requests will be subject to the Council's normal budget approval process.

**Legal Implications**

- 3.2 There are no direct legal implications arising from this report.

**Service / Operational Implications****Background**

- 3.3 The Council's current economic themes and priorities were agreed in September 2015; the four themes are as follows:
- An Enterprising Redditch
  - A Vibrant Redditch
  - A Confident Redditch
  - A Skilled Redditch
- 3.4 This report firstly summarises progress made by the Council in delivering against its Economic Priorities and Action Plan over the last 12 months. It also provides a high level summary of the current economic climate in Redditch and some of the key challenges and opportunities.

**Progress report****(i) General context**

- 3.5 Nationally, the effect of the Brexit negotiations continues to create an environment of uncertainty for the economy and the business community. The Chancellor announced in his budget on 22<sup>nd</sup> November a number of programmes designed to stimulate and drive economic growth, housing and investment in infrastructure, with the creation of a £23.6bn National Productivity Fund, a further devolution deal for the West Midlands with a package of funding worth over



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£250m. However, the Office for Budget Responsibility (OBR) revised down its UK economic growth projections for the period 2018 to 2021.

- 3.6 The Redditch economy continues to be reasonably robust but still is underperforming compared to other area near or adjacent to it. Data released by the Office for National Statistics (ONS) shows that in 2016 private sector employment in Redditch stood at 32,300 – a drop of 1,100 from the 2015 figure. Unemployment continues to remain low and the economic activity rate for the working age population stands at 75.5%, which is slightly below the regional rate. However, the Borough continues to fare badly in terms of skills attainment with just 43.8% of the resident population aged 16 to 64 qualified to at least NVQ3 or equivalent – the national average is 56.9%.
- 3.7 Availability of good quality employment sites and premises continues to be an issue with many local businesses and prospective inward investors facing limited options when it comes to selecting sites. There is a particular lack of good quality ‘grow on’ space available for expanding companies.

**(ii) Progress against Economic Themes****3.8 An Enterprising Redditch - Update**

- The Council and the North Worcestershire Economic Development & Regeneration (NWEDR) service work with the two Growth Hubs (Worcestershire Business Central and Greater Birmingham & Solihull Growth Hub) that serve Redditch to promote European funded business support programmes aimed at encouraging new businesses to start up and existing businesses to grow/expand.

*Data for period Sept 2015 to Sept 2017*

- Start up programmes:
  - 121 start-ups assisted (pre and post start support)
  - 11 grants awarded to start up companies
- Growth Programmes (existing SMEs)
  - 48 businesses assisted
  - 41 grants awarded to companies
- The Council and NWEDR organised a special HS2 Business Opportunities event at Heart of Worcestershire College on 15<sup>th</sup> November. Representatives from the WMCA, HS2 Ltd and University of Wolverhampton were on hand to provide an overview of the wealth of supply chain opportunities that will be available through the HS2 investment and the process that businesses will need to go through to compete for contracts. Over 40 local businesses attended the event and further more targeted events are planned over the next 12 months.
- The Council’s Business Centres (Greenlands Business Centre, Heming Road Enterprise Centre and Rubicon Centre) continue to perform well

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with the occupancy rate for all 3 Centres holding steady at around 85%. A review of the Centres has been completed and a separate report with recommendations to improve the offer of the Centres will be presented to the Executive Committee.

- Although as stated above, the availability of new commercial floor space continues to be an issue, the last 12 months has seen some privately owned new sites start to come forward which should help to service local demand, these include:
  - Crescent Trade Park; a 21,000 square feet (sqft) light industrial and trade counter scheme comprised of 12 units adjacent to the Moon's Moat Industrial Estate;
  - Velocity 42; a 20 acre site at Park Farm Industrial Estate, offering 4 industrial/warehousing units of between 40,000 and 400,000 sqft;
  - Royal Enfield Business Park; located adjacent to the existing Enfield Industrial Estate, a new scheme offering 11 new industrial units.

**3.9 A Vibrant Redditch**

- The Council continues to focus on the delivery of the Redditch Town Centre Strategy which is aimed at securing the future of the town centre by creating new opportunities for retail, residential, leisure and commercial development and by improving the environment and public realm.
- The first phase of the £850,000 Town Centre Public Realm improvement works which cover Alcester Street as well as parts of Grove Street and, Peakman Street was completed at the end of January 2018. Further phases will be planned for other areas of the town centre including the area to the south of St Stephens Church, Church Green East & West, Unicorn Hill, Bates Hill and a section of Prospect Hill.
- The One Public Estate Town Centre 'Place Review' process has now finished. The process has seen the Council work with other public sector partners such as the NHS, Police, Fire and Homes & Communities Agency to look at opportunities to regenerate and transform the town centre. A separate report is being presented to the Executive Committee detailing the findings of that report and the recommended next steps.
- Linked to the above, the Council and NWEDR continue to actively seek to secure funding and resources from the LEPs to support the emerging Town Centre regeneration proposals and to this end £5m of funding has already been provisionally secured from GBSLEP; the full business case for the project will be worked up by the Council / NWEDR during 2018.
- The Town Centre Partnership (TCP) has commissioned a feasibility study to examine the potential for a Business Improvement District (BID). Furthermore, the TCP and the Council continues to deliver an active

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events programme and the Redditch Tour Series event again provided to be a success in May 2017.

- District Centres Place Review - Feasibility studies and concept plans for the redevelopment of the District Centres at Matchborough and Winyates have been completed as part of the One Public Estate initiative.

**3.10 A Confident Redditch**

- The Council is committed to continuing to work with NWEDR and its partners to effectively promote and market Redditch as a place to do business and invest.
- Marketing efforts will be stepped up during 2018 as regeneration proposals for Redditch Town Centre are agreed by the Council and partners.
- The Redditch Gateway scheme is moving forward and work will progress during 2018/19 to install the new highways infrastructure required to provide access onto the site. Planning consent for the scheme has been granted by both Bromsgrove and Redditch Councils, with the application still to be determined by Stratford-on-Avon District Council. Furthermore, the Council and NWEDR are also working with Worcestershire LEP to develop a targeted marketing campaign for the Redditch Gateway site ensuring that the site is fully promoted to high value sectors and businesses that can drive up the productivity of our economy.

**3.11 A Skilled Redditch**

- Addressing the skills agenda remains one of the top priorities for the Council. Significant progress has been made during 2017 but many challenges remain, particularly given the poor skills attainment rates for NVQ3 and 4 levels.
- The new £1.5m Engineering Centre of Excellence was officially opened by Margot James MP, Minister for Small Business, Consumers and Corporate Responsibility on 23<sup>rd</sup> January 2017. The Centre is run by a private training provider Midland Group Training Services Ltd (MGTS) and has been funded by both the GBSLEP and Worcestershire LEP. The Centre is now working towards being fully operational and has the target of training up to 200 Engineering Apprentices over the next four years, directly addressing concerns from some of our local companies that there is a shortage of skilled engineers in the area.
- The Council also continues to have a pro-active relationship with Heart of Worcestershire College. The College is continuing to re-focus its curriculum towards areas of need such as manufacturing, engineering and digital skills and in the last 12 months, NWEDR has provided to the

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Council the latest sector data and needs analysis to ensure that the curriculum can be appropriately targeted.

- Launch of the Opening Doors to Business initiative – NWEDR worked in partnership with the RSA Academy Arrow Vale on delivery, providing the opportunity for middle and high school pupils to visit local employers at their premises for a morning or afternoon. Support from businesses has been strong and the programme is being further developed with a roll out from Redditch to include Bromsgrove schools and employers during 2018. The RSA is adopting the model as policy for roll out across all of its schools and a film of the Redditch programme has been made available.
- Employment Support Programme - emanating from the WMCA, £173,200 has been made available to Redditch to support the unemployed and those on low wages in Batchley Ward. The three year programme will run from April 2018 and focus on local households. Any ward resident aged 16 plus and unemployed can access the fund, those on low pay will be encouraged to upgrade their personal skills offer.

**(iii) New Economic Narrative**

3.12 In September 2017, NWEDR (on behalf of the Council) commissioned Brendan Nevin (an academic and public policy consultant) to help develop a clearer picture of what is happening in Redditch from an economic perspective but to also put this into the context of the economic geography that the Borough sits within. Furthermore, the commission sets out to provide an assessment of the opportunities provided by the West Midlands Combined Authority to drive local economic growth whilst identifying the contribution that Redditch can make to the ambitions and targets contained within the WMCA Strategic Economic Plan (SEP). A copy of the final report produced by Brendan Nevin is attached at Appendix 1.

3.13 The 'economic narrative' draws out that there are a number of challenges and opportunities facing the Redditch economy as follows:

- Redditch has a highly resilient workforce which is willing to cross local authority boundaries to secure employment; as such the Redditch employment rate (73% in 2017) is higher than the West Midlands rate of 71.4%;
- Redditch continues to rely on the manufacturing sector for employment opportunities (21.1% of total employment compared to a national rate of 8.3%);

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- The continued reliance on manufacturing means that Redditch and Birmingham have a different 'economic cycle' to the rest of the West Midlands region which relies more on service led employment; both Redditch and Birmingham entered a recession in 2004/5 well before the arrival of the global recession in 2008
- Average earnings levels are depressed in Redditch and in fact both average resident and workplace earnings are the lowest of the 30 local authority areas in the West Midlands region;
- During the period 2000 to 2015, employment levels in Redditch declined by 4.5%, conversely positive growth has been experienced across the county of Worcestershire and high growth can be seen in adjacent areas such as Solihull and Warwickshire

3.14 The analysis identifies that Redditch sits on a 'spatial fault line' that separates areas of high employment growth from areas that have stagnated during the last 10 to 15 years. The Borough has experienced two back to back recessions since the turn of the century and whilst the workforce has remained sufficiently resilient to stay in employment, the evidence suggests that local employment growth in recent years has been relatively modest and the productivity and earnings arising from that growth has remained low.

3.15 Through the development of its economic priorities and associated Action Plan the Council has started to address some of the issues outlined above, however to deliver sustained economic growth, the Council will need to continue to focus on encouraging business growth, enterprise, inward investment, skills and town centre regeneration.

**(iv) Relationship with the wider West Midlands economy**

3.16 The paper at Appendix 1 also explores the wider economic geography that Redditch sits within. Within his paper, Brendan Nevin identifies that the West Midlands economy has now evolved into a southward facing region in respects of economic prosperity, with growth nodes located in and around Birmingham City Centre, the A38 corridor (Life Sciences Park in Selly Oak), Birmingham Airport and the M42/M40 corridor. The scale of investment planned over the next 10 to 15 years will only serve to reinforce the importance of the south of the region and poses a question as to the future role which Redditch will play within it.

3.17 The paper identifies that if Redditch is unable to address some of its key economic challenges that it could continue to experience sluggish economic growth and act as a 'drag anchor' on the ability of the wider WMCA area to achieve its SEP targets of delivering 500,000 additional jobs and increasing GVA

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per head to 5% above the national average by 2030. The paper asserts that if Redditch does not significantly upgrade its 'commercial infrastructure' i.e. availability of good quality sites and premises, there is a risk that existing growth businesses in Redditch will be displaced and seek to move to the areas of the region that are bringing forward new employment sites and improved infrastructure. This view is consistent with feedback from local developers, agents and members of the Economic Development Theme Group who have expressed concerns that the existing Industrial Estates in Redditch are in need of refreshing and that additional employment land needs to come forward to meet local and regional demand.

**(v) Potential 'Redditch Deal'**

3.18 To ensure that Redditch remains competitive in the future there is a need for a policy framework and associated interventions that encourage and drive forward economic prosperity. Redditch has much to offer to the WMCA in terms of helping it achieve its SEP targets if appropriate investment comes forward to re-engineer the local economy.

3.19 Taking into account the recommendations put forward by Brendan Nevin, the Council proposes to put forward a clearly defined offer to the WMCA setting out ten actions that could help to deliver an improvement in the local economy in terms of productivity, wages and skills.

**1) Co-operation;** this action advocates the benefits of having an integrated approach to economic development across the wider West Midlands geography and working to ensure that major infrastructure and development schemes can benefit Redditch by seeking enhancements to the Redditch labour force and business productivity;

**2) Labour market issues, skills and training;** the prosperity of the West Midlands area as a whole is dependent upon the skills base which flows across local authority boundaries; there is a need for an integrated skills strategy across the WMCA area and any future decisions regarding funding for skills initiatives and programmes need to extend to non constituent member areas such as Redditch;

**3) Improving productivity and employment growth in Redditch;** linked to the above, the Redditch business base needs to increase its productivity and there needs to be focus on investing in growth companies/sectors whilst helping companies that have lower than average productivity to 'up their game';

**4) Local and sub-regional procurement;** Given the scale of public and private sector investment planned for the region, consideration needs to be given as to

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how Redditch's supply chains can benefit from this to drive economic and productivity growth;

**5) Town centre regeneration;** the current proposals to renew the retail, leisure and housing offer in the Town Centre should be developed further to re-capture lost expenditure;

**6) Attracting and retaining young graduates;** capitalising upon its proximity to world class universities in Birmingham and Warwick; Redditch should seek to build on its housing offer and align this with town centre regeneration and potentially express train services to Birmingham to attract the young and skilled.

**7) Housing growth;** the Council will look at ways to increase the supply of new market and social housing developments on sites it owns and by working pro-actively with developers to bring forward sites allocated in the adopted Local Plan. To support housing delivery, the Council will look to build the case to Government to lift the cap on borrowing from its Housing Revenue Account (HRA), subject to further guidance being provided by Government on the bidding process for authorities to follow.

**8) Exploring the potential for an Enterprise Zone;** Redditch has a relatively large stock of industrial premises that were built in the 1960s and 1970s; the Borough is vulnerable to losing some of its existing businesses if its industrial stock is not renewed and further employment land is released. A mechanism to achieve a renewal of its industrial estates could be the designation of an Enterprise Zone; the Council should seek support from the WMCA to make the case for an Enterprise Zone to Government;

**9) Partnerships;** the economic analysis identifies that Redditch sits directly adjacent to areas that have fast growing economies; to maximise resources it will be necessary for Redditch to be highly focused on partnerships which can deliver the most impact and to work towards integrating Redditch into the identified growth nodes;

**10) Public service reform;** there is an opportunity for the Borough to work with the WMCA to identify pilot projects / interventions that can help to improve life chances in the most deprived neighbourhoods, thereby improving economic outcomes and reducing the cost to the taxpayer.

- 3.20 It is recommended that the above proposals are incorporated into a 'Redditch Deal' which would form the basis of a shared agreement with the WMCA. The Council will seek to utilise its resources to deliver the aspiration of improved economic growth but will also need support from the WMCA and future Devolution Deals to focus on:

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- Improvements in skills, productivity and land supply;
- Renewal of the commercial, retail and cultural offer of the town;
- Advocacy and support to negotiate with Government for an Enterprise Zone designation;
- Engagement with the Public Service Reform agenda;
- Assisting with greater labour market integration and uplifting productivity through transport improvements and support to businesses.

**(vi) Revised Economic Priorities and Action Plan**

3.21 In light of the refreshed economic narrative and discussion paper from Brendan Nevin, there is a need to update the Council's economic priorities and Action Plan. The work produced by Brendan Nevin has been tested with key stakeholders and members of the Economic Development Theme Group and there was clear consensus that the Council should re-focus its attention on driving economic growth and forging closer relationships with the WMCA and adjacent areas where there is a mutual benefit in working together.

3.22 One of the areas not explicitly mentioned in the Brendan Nevin paper but acknowledged by the Council as being a critical success factor for economic prosperity is 'connectivity'. Therefore, it is proposed to create a 5<sup>th</sup> Economic theme 'A Connected Redditch', recognising that if the Borough is to thrive economically that it needs to be fully connected and integrated into the wider West Midlands region.

3.23 The Refreshed Action Plan attached at Appendix 2.

Where new actions have been added, these are highlighted in **green**.

3.24 To drive forward delivery of the refreshed Action Plan, it is proposed to set up a corporate working group led by the Chief Executive and Head of Economic Development & Regeneration – North Worcestershire and to continue to strengthen the role of the Economic Development Theme Group to ensure that business and key stakeholders views are taken account of.

**Customer / Equalities and Diversity Implications**

3.25 It is anticipated that delivery of the Economic plan will have positive benefits to disadvantaged local residents by assisting them to access employment and training opportunities.

**4. RISK MANAGEMENT**

4.1 Risks associated with the delivery of the individual activities within the Action Plan will be managed on a project by project basis.



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**5. APPENDICES**

Appendix 1: Economic Narrative: 'Redditch: Growth, Infrastructure and Integration – Challenges and opportunities – Discussion Paper' produced for Redditch BC (Brendan Nevin, December 2017)

Appendix 2: Revised Action Plan

**6. BACKGROUND PAPERS**

Redditch Economic Themes, Priorities and Action Plan – Report to Executive Committee 8<sup>th</sup> September 2015

**AUTHOR OF REPORT**

Name: Dean Piper

Title: Head of Economic Development & Regeneration – North Worcestershire

email: dean.piper@nwedr.org.uk

Tel.: (01562) 732192

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# **Redditch: Growth, Infrastructure and Integration Challenges and Opportunities**

**Discussion Paper Produced for  
Redditch Borough Council**



[www.redditchbc.gov.uk](http://www.redditchbc.gov.uk)

**Brendan Nevin**

**NHC**

## 1. Introduction

This Discussion Paper was commissioned by North Worcestershire Economic Development & Regeneration (NWEDR) to provide a high level analysis of the Redditch economy and an assessment of the opportunities provided by the West Midlands Combined Authority (WMCA) to drive local growth while identifying the contribution that Redditch can make to the ambitions and targets contained within the WMCA Strategic Economic Plan (SEP). The commission has coincided with a period rapidly changing public policy as all tiers of UK Government have adjusted to meet the challenges posed by the aftermath of the financial crash in 2008. Nationally the economy has struggled to adjust with productivity stalled and earnings projected to decline for eight of the ten years to 2018. Locally parts of the West Midlands including Redditch and nearby Birmingham and Bromsgrove also experienced a recession earlier in the new Century with high levels of sterling impacting on manufacturing employment, a situation exacerbated by the closure of the Longbridge plant in 2005. This has meant that recovery from the 2008 recession has taken longer in these areas as they have had to absorb multiple shocks to the local economic system prior to 2010.

The patterns of economic change have however, been far from uniform in the WMCA area over the last two decades, and one of the focuses of this paper is to identify how the economic geography of the sub region has shifted and how Redditch is positioned in relation to the new economy which is emerging. Aligned with these geographic shifts, the public policy framework has been transformed to address the issue of low productivity, regional imbalances in economic performance and the challenges of competitiveness posed by the UK exit from the EU post 2019. The challenges of renewal and competitiveness so evident at the national level are mirrored at the local level in Redditch. The District is located in the top 10 areas in the country for concentrations of manufacturing industry, and this reflects its history in providing new industrial space for a rapidly expanding West Midlands in the 1960s when it was designated as a New Town. The Investment in the town is now five decades old and much of the offer to business, consumers and investors needs to be modernised to meet the aspirations that both Central Government and the WMCA has for the West Midlands.

The remainder of this paper explores the following: The public policy framework for growth and the ambitions of the WMCA: The recent performance of the local economy in Redditch and the policy interventions which are currently being deployed to improve performance; The repositioning of the West Midlands economy and its changing geography, and finally; A summary of interventions which can be developed in partnership with the WMCA which can address legacy issues and add value to the ambitions of the SEP while increasing prosperity for businesses and residents in Redditch. These proposals were informed by a round table discussion with public and private sector representatives and Elected Members in Redditch during September 2017.

## **2. Growth, Public Policy and Complexity**

Over the last two Parliaments the UK government shifted to an unambiguous pro-growth agenda which was supported by a £23bn National Productivity Fund designed to support a national industrial strategy and place based growth nodes. The need to renew the nation's infrastructure has also been recognised by the current government who included in their 2017 manifesto a commitment to increasing net capital investment over the duration of this Parliament from 1.7% of GDP to 3%, the highest level since the 1970s. The aspiration to increase capital expenditure to support productivity growth and economic performance has now been confirmed in the Autumn Statement 2017 which has programmed a rise in net investment to just under 2.5% of GDP by 2020/21. Additionally a new Industrial Strategy has been published supported by an enhanced National Productivity Fund which will invest £31bn by 2022/23. The WMCA is one of the key delivery mechanisms which is tasked with delivering the aspirations of the national strategy in the West Midlands, and this is reflected in the approval of a second Devolution Deal which was also announced in the Autumn Statement which devolves further powers to shape the skills and training agenda as well as providing resources for major transport infrastructure.

While national policy initiatives to stimulate growth have regularly been reviewed and updated in recent years and provided new opportunities to invest in local growth, the shift to creating local delivery frameworks has added a level of complexity for local authorities and their public sector partners. New economic development agencies and spending programmes have proliferated to reflect the urgency felt at the national level to see the growth in employment, housing and productivity delivered. Examples of this complexity are evident in the creation of Local Economic Partnerships, Combined Authorities and supra regional initiatives such as the Midlands Engine which all have overlapping boundaries, and complex and sometimes confusing governance arrangements and accountabilities. This expansion of overlapping agencies and partnership structure requires clear thinking on behalf of a local authority such as Redditch Borough Council about how to focus its partnership activity and the appropriate spatial level to develop interventions when resources are finite and capacity constrained by national fiscal policy.

### **The West Midlands Combined Authority**

The establishment of the WMCA has established a policy framework for sub regional economic growth which is based on the functional economic geography of the heart of the West Midlands region. It has taken into account labour market flows and economic and business linkages in determining its spatial boundary. The WMCA is legally constituted with a governance framework which draws its leadership from an Elected Mayor, Constituent Members (largely drawn from the old West Midlands County Council urban areas) and Non Constituent Members such as Redditch which are located in the hinterland of the large conurbations.

The WMCA has the main interface with Central Government in negotiating Devolution Deals which provide some additional resources to stimulate growth as well as devolved budgets and powers which can be shaped more effectively to fit local circumstances to secure better outcomes for skills, training, employment, land remediation, housing and transport investment. The first Devolution Deal for the West Midlands was agreed in 2015 and a second deal has followed in the autumn of 2017. The development of the capacity of the WMCA is accelerating with resources being made available in the second deal to enhance the delivery of land for housing and to support the development of the Mayor's Office. The Co-ordinating role which the WMCA is expected to fulfil across its economic geography is captured in the SEP which sets out how its ambitions and strategy will impact upon localities and business sectors. The spatial and sectoral impact of the SEP is based on the aspirations of the WMEP to add additional outputs and outcomes to the aggregated plans of the LEPs and local authorities. This has been modelled by Oxford Economic Forecasting and illustrates the potential for each area to contribute to the SEP

The WMCA has set out an ambitious agenda in the SEP and its targets to 2030 include:

- 500,000 additional jobs;
- 1.9 million homes;
- GVA 5% above the national average
- Closing the annual £3.9bn gap between the tax revenues generated by the sub region and the HM Treasury contribution to services and welfare payments.

The economic modelling which underpins these targets attributes the following potential contribution from Redditch to the SEP aspirations:

- 8,000 additional jobs
- A 1.3bn increase in Gross Value Added- the standard measurement of productivity

To make this contribution to the overall prosperity of the sub region the Redditch economy will need to engineer a step change in growth and productivity. As the section below will illustrate the district has experienced two back to back recessions since the turn of the century, and while it has experienced strong employment growth in recent years the evidence suggests that the per capita GVA and earnings arising from that growth are relatively low.

### **3. Redditch: A Summary of Recent Economic Performance and Local Policy Responses**

The local economy has been characterised historically by a resilient workforce which has been willing to cross local authority boundaries to find employment. The employment rate for Redditch residents has as a result of this mobility been above the regional average for most of the 21<sup>st</sup> Century despite the local economy struggling to maintain employment levels during this time. In March 2017 the employment rate in Redditch was 73% compared to 71.4% for the region. This gap having reduced from 77.2% and 71.6% respectively in 2004

reflecting the economic downturn experienced locally and its impacts on the Redditch workforce.

The Local Economy has historically had a large manufacturing base which at 21.1% of employment is 2.5 the national rate (8.3% for Great Britain). This characteristic was also shared by Birmingham which unlike other Core Cities entered the 21<sup>st</sup> Century with nearly a fifth of employment in Manufacturing. This reliance on manufacturing meant that that both Birmingham and Redditch had a different economic cycle from most of the rest of the West Midlands which relied more heavily on service based employment. As a result Birmingham and Redditch both entered recession in 2004/5 before the national crash of 2008. The Longitudinal analysis of employment change for both localities therefore looks impressive compared to other areas such as Warwickshire over the same period which has experienced 20 years of unbroken employment growth.

Table 1 shows that earnings for residents of the town are depressed and in fact are the lowest of the 30 local authorities in the West Midlands. This despite the fact that 17,600 residents flow out to adjacent areas such as Birmingham, Bromsgrove, Stratford and Solihull where earnings are considerably higher. Table 2 sets out the employment levels in Redditch and the surrounding localities between 2000 and 2015. Redditch was the only area to lose employment over this period (-4.5%) however Worcestershire as a whole has experienced modest growth with no growth in Bromsgrove which was also impacted by the Longbridge closure. Conversely high rates of employment growth can be seen in Solihull, Stratford and Warwickshire more generally and this is reflected in high earnings and GVA. Redditch therefore sits on a spatial fault line that separates areas of high employment growth from areas which have stagnated during the 21<sup>st</sup> Century. The southward facing nature of the West Midlands economy in terms of income and growth is illustrated in Map 1 which shows Housing Affordability Ratios, with the least affordable housing being shown in a corridor which joins up with the South East of England. In reality this map illustrates the concentrations of high earnings and wealth in the south of the region which are supported by internal employment growth as well as patterns of migration and travel to work

At a micro level the legacy of employment loss and low earnings in Redditch and its exclusion from growth nearby has been reflected in areas of multiple deprivation in the New Town. Maps 1 and 2 show the concentration of Social Housing and concentrations of those residents claiming DWP workless benefits. These maps show a close correlation between concentrations of social housing and the six neighbourhoods which were located in the worst 20% nationally for concentrations of workless residents.

Redditch Borough Council have with local partners developed policy responses to start to address the issues raised although it is recognised that to deliver a prosperous local economy will require a more systemic approach (see Figure 1). The current economic priorities focus on encouraging business growth, enterprise, inward investment and town centre regeneration. Initiatives which are in development or underway include:

- Development of the Redditch Gateway employment site. The scale and ambition of this intervention is illustrated in Figure 2;
- The Employment Support Pilot initiative which is being developed under the auspices of the WMCA;
- Development of an Engineering Centre of Excellence;
- Place based review of the Town Centre, with proposals to foster mixed use developments and drive transformation of the public estate;
- Repositioning Redditch through a strategic marketing commission;
- Delivery of 6,400 dwellings through the local plan and potentially supported by a municipal housing company
- Active procurement of economic development resources through the Greater Birmingham and Solihull and Worcestershire LEPs

#### **4. Looking Forward: Redditch and the New Economy of the West Midlands**

Economic geography changes constantly as employment sectors transform, society evolves, and new consumer preferences emerge. Additionally the competitiveness of localities is impacted by national and international trends and national and local public policy initiatives. A stable state for local economies has never existed in the modern era and the major question policy makers need to ask is “what changes are likely to happen in the short to medium and how extensive will they be?” It is rare for horizon scanning to be totally accurate however it is possible to identify the major factors which are likely to drive change over a reasonable timescale (say ten years). As highlighted earlier the West Midlands economy has already evolved into a southward facing region in respect of economic prosperity, with high levels of employment being located in growth nodes in and around Birmingham City Centre, the A38 corridor, Birmingham Airport and M40 corridor. Investment plans expected to mature over the next decade will have the impact of substantially reinforcing these relatively recent historic trends in development. The two driving forces behind this consolidation and enhancement of growth are the recovery of the Birmingham economy and the planned public/private sector partnerships being developed by the West Midlands Combined Authority (WMCA). Each of these driving forces are set out below.

##### **A Strong Recovery in the Birmingham Economy**

During the first decade of the Century the Birmingham economy under performed in comparison to most major UK cities. As noted earlier this underperformance was related to its relatively large manufacturing base which was still intact as the new millennium emerged. The city was therefore experiencing a different economic cycle to some of the comparator cities which had already shifted to economies which were almost entirely service dominated. Subsequently Birmingham City Council has engaged with extensive redevelopment and regeneration which can be seen within and adjacent to the Redditch boundaries at Longbridge, in East Side and within the city centre itself. The last few years



have seen an increase in foreign direct investment, confidence is improving and since the end of the recession in 2009 employment had increased by nearly 12% from its lowest level by 2015.

The city is therefore recovering from its second phase of deindustrialisation, but in doing so it is decoupling further from its historic economic linkages with the Black Country and reinforcing its labour market and connections with transport infra structure to the south.

### **The Strategic Economic Plan for the City Region**

The WMCA has set a number of highly ambitious targets for the City Region over the period to 2030 which include creating 500,000 additional jobs, reducing the travel time between Birmingham to London to 38 minutes and eliminating the £3.9bn annual spending gap between tax receipts and public expenditure. A close examination of the Strategic Economic Plan (SEP) and Investment Prospectus (WMCA 2016a and b) illustrates that growth in the south of the region will have a disproportionate impact in achieving these objectives. An analysis of the major proposed investment project shows:

- 13 of the proposed investment schemes are residential led- however ten of these are located on sites to the north of Birmingham city centre, this reliance on housing investment reflecting the relative weakness of the economy in these areas;
- Of the 29 employment led schemes, 20 are in Birmingham City centre, the Corridor from the City to the airport, Worcestershire and Warwickshire.

The scale of some of these proposals are significant at a national level and the schemes which will have either a direct or indirect impact on Redditch include:

- The HS2/Curzon Street development which will generate significant employment but also provide an enhanced link to London which will be around 30-40 minutes from Redditch station;
- The Smithfield development and extension to the City Centre;
- The Snow Hill development – the largest speculative development outside London;
- The Birmingham Life Science Park which reinforces the High Technology offer of the A38 Corridor;
- The airport hub at Solihull has in the long term, 1,300 HA of land available for development, and £900 million of investment has been secured for the first phase of the project;

- The MIRA Science Park in Warwickshire- This Enterprise Zone which is linked to Warwick Science Park is delivering a high technology park which is focused on developing and supporting the automotive industry;
- Redditch Gateway- the development of high quality business space which will support 2,500 jobs supported by a £100 million of investment;
- Although not a WMCA investment project the £1bn regeneration of the Longbridge the 500 acre site is also of a scale which makes it nationally significant.

### Summary

The economic corridor which is located adjacent to Redditch is set to capture billions of pounds of public and private sector investment in economic development and infrastructure improvements over the next fifteen years. This scale of economic development will reinforce the shift in the importance of the south of the West Midlands and confirm a two tier regional economy in spatial terms with the city centre forming the northern boundary of the majority of fast track locations. The new era of growth in the south of the West Midlands will pose a number of questions in relation to the future role which Redditch will play within it. There are a number of barriers to integration which public policy interventions will need to overcome in Redditch. While the District has been highly attractive to investors in housing and has over achieved on its housing targets by 75% over a twenty year period, this has not been reflected in employment related investment. For example there was no growth in net office space (zero) in the period 2002-2012, which placed Redditch in the 18<sup>th</sup> place in terms of performance out of 19 local authorities in the WMCA.

The modernisation of the Districts commercial infrastructure is essential if the area is not to become a drag on the aspirations of the SEP. The large site release plans set out in the SEP occupy a corridor from Rugeley through North Warwickshire and follows the motorway network south. If Redditch is not integrated into the offer being made by site release, adjacent large economic development projects and the overall growth of the southern area within the WMCA, there is a danger of the displacement of existing activity within Redditch as growing firms seek to move. There is however the alternative scenario where the area does benefit from the overarching strategy of the WMCA is fully integrated into policies and programmes and adds value to growth nodes in Birmingham, Solihull and Warwickshire and enhances the delivery of the SEP. This is explored further below.

## 5. Enhanced Growth, Infrastructure Renewal and Economic Integration: developing a Strategic Approach with the WMCA

The WMCA is still an organisation in early stages of development. It is therefore investing heavily in developing partnerships based upon the existing infrastructure provided by local government and the three LEPs to deliver growth. The first Devolution Deal which predated the mayoral election provided an *additional* £36.5 m of resources annually for 30 years but also critically devolved some key existing responsibilities and budgets to the Mayor's office. These include the 19+ adult's skills budget from 2018/19 and the Transport budget for the Combined Authority. This means that even at this early stage of development the Combined Authority is delivering additional resource and delivery capacity. The first round of devolution resources have generally supported pre-existing spatially determined priorities and to a large extent the initial recommendations announced through the Land Commission have confirmed this through a retrospective overlay of Action Zones to target land reclamation resources to bring forward brown field land for housing and employment use.

The second round of devolution discussions and the subsequent agreement and resource distribution which will follow, should allow for a progressive development of thinking about how to grow a sub-regional economy characterised by complex linkages in trade and labour markets. This will provide new opportunities for the nonmetropolitan localities to forge policies and programmes which support the ambitions of the SEP and the locality. Forging new partnerships often needs an initial focus to scope the opportunities and challenges involved, and these are set out below. It is also evident from this review that opportunities flowing from a greater integration for Redditch into the delivery of the SEP and public policy in the West Midlands are substantial. If this integration produces a successful partnership with the WMCA it will also raise the potential to mitigate the impacts inherent to many of the challenges highlighted below.

### Opportunities

There are several significant opportunities presented by closer working with the WMCA, and these are summarised below:

- *Economic Development post Brexit:* Within the next three years a new framework to support economic development in the United Kingdom will need to be developed. Post 2020/21 European Structural Funds and the soft loans from the European Investment Bank will no longer be available to stimulate growth in sub regions which contain significant disadvantage. Additionally it is possible that direct State Investment in industry will be permissible if State Aid regulations are no longer applied. The Government will therefore be under pressure to design a new framework for growth relatively quickly and therefore being a member of the WMCA will allow greater influence in the coming policy debate as the Government is unlikely to have the capacity to fully consult with more than 300 local authorities individually;

- *Infrastructure Investment:* Major infrastructure investment crosses local authority borders and therefore participation in a sub-regional body will potentially allow more access to existing budgets. However it is likely that existing budgets will increase with the Conservative Manifesto being committed to an increase in net capital spending from 1.7% of GDP to 3%. This again is almost certainly Brexit related and should be seen as push to break the cycle of low productivity and improve international competitiveness;
- *Better Local Policy Making and Delivery-* The opportunities to secure influence and or control over devolved budgets can lead to better quality delivery, and the added ability to co-ordinate policy around transport , land release and economic development and should improve outcomes for Redditch over time;
- *Additional Resources and Linkages to Economic Opportunity:* These are covered in the main body of the paper, and the impact could be highly significant over the next 20 years;
- *Access to Shared Intelligence and Shared Officer Capacity:* Both of these benefits have a significant value in a time of austerity, and also where there is no sign of restrictions on revenue funding being lifted in the foreseeable future

### Challenges

The challenges for a non-constituent member can be summarised in the following points:

- *Displacement-* Given the extent of economic activity occurring around Redditch there is a possibility that existing economic activity in the district is displaced to adjacent areas which have benefitted from differential levels of public sector investment in land, premises and transport infra structure. The mitigation in relation this negative outcome, is to be fully integrated with the spatial and economic development plans of the sub region. It would of course not be a successful growth strategy if an unintended outcome of the WMCA strategy was to damage productivity and employment in a Non Constituent Member areas as this will undermine the targets in the SEP;
- *The Growth Model for Redditch:* As noted above there are choices to be made around the type of economic growth model deployed and its relationship with housing provision and these are discussed below in the last section of the report;
- *Autonomy and Bidding for Central Government Resources:* This issue is the flip side of being able to bid at scale for devolved resources through the WMCA structures. If devolved resources are not secured at any meaningful level for Non Constituent

Members then effectively the share of expenditure that they may have been expected to achieve independently is being allocated elsewhere;

- *Developing the Role of Non Constituent Members in the development and delivery of the SEP:* The geography of the WMCA has been designed around a functional economic geography which takes in to account employment and labour market linkages. The design of the WMCA geography has therefore taken account of interdependencies which cut across municipal boundaries. Redditch is therefore recognised as an integral part of the SEP economy and it is in the interests of all members to ensure it prospers and contributes to growth targets to 2030.
- *New Ways Of Working and New Priorities:* - In its early stages the WMCA has been focused on the development of the SEP, its staffing structure and managing a governance structure which the Land Commission has referred to as “not fit for purpose”. These challenges are being managed at the same time as funding via the first Devolution Deal is being programmed and delivered, and new bids for resources are being formulated. In time this period of rapid change will settle down and the new geography will develop new priorities and new methods of working- There is considerable opportunity for the Non Constituent Members to influence thinking during this evolutionary phase. The aims and objectives of the WMCA SEP cannot be achieved without approaches to skills, productivity and infrastructure which service the needs of an integrated economy in a manner which does not recognise local authority boundaries and relies increasingly on the movement of goods and labour across the economic geography for prosperity. The role of the Non Constituent Members like Redditch will therefore need to be translated from the theory embraced by economic modelling into practical and deliverable policy and investment priorities.

## **6. The Redditch Offer to the WMCA: A Ten Point Action Plan**

The Redditch District has an offer to make the WMCA which supports its strategic objectives to increase employment, productivity and reduce public sector costs while increasing the tax take in the sub region. This could be delivered through exploring ten key actives set out with their rational below:

1. *Cooperation and synergy:* The focus of economic growth, higher wages and productivity lies to the south of Birmingham City Centre and flows into Warwickshire and Worcestershire. This will be intensified by the development of a number of large projects over the next few years. The impact of these strategic projects will be amplified through cooperation and the provision of a highly skilled and mobile Redditch workforce that can service the new economy. A good illustration of how this can be achieved is through transport improvements which for example could benefit from the provision of express services from Redditch to Birmingham at peak periods.

Rationale: This point stresses the benefits to having an integrated approach to economic development which links up large infrastructure and development projects with the local labour force and businesses. If those links are effectively made then the multiplier impacts of public and private sector investment are amplified in terms of retained expenditure, employment and local growth for employers

2. *Labour Market Issues, Skills and Training:* The prosperity of the WMCA is dependent upon the skills base which flows across local authority boundaries and into the big employment centres growing in the conurbation and the southern corridor. The approach to upskilling the work force should therefore take into account commuting patterns and resource allocation should reflect the potential of the residents of Redditch to help achieve the ambitions contained in the SEP

Rationale: This policy issue extends the point above to note that it isn't just big SEP initiatives which will ensure prosperity for the future, the substantial stock of existing businesses in the area will continue to be the main drivers of growth, and ensuring that there is a skilled and highly productive labour force across the WMCA area is vital to their success. That labour force increasingly flows across local authority boundaries.

3. *Improving Productivity and Employment Growth in Redditch:* Round table discussions have highlighted the need for a layered approach to business in the district which takes account of their starting position and their growth requirements. This approach to business support should encompass bespoke measures to-
  - Focus on existing businesses which are characterised by average or below average levels of productivity;
  - Provide support to businesses who wish to expand either within the district or its immediate vicinity;
  - Attract Inward investment and capitalise on the growth in the southern corridor.

Rationale: Notwithstanding that a skilled and mobile labour force is necessary for higher growth, place and their fixed assets are also important. The WMCA cannot achieve its high growth objectives if some districts lapse into decline. Redditch needs to up its game in relation to productivity and employment growth and requires an approach which is customised to growing firms, inward investors as well as those which are coasting and could enhance performance with assistance.

4. *Local and Sub Regional Procurement :* Given the scale of public and private investment Redditch should explore with the WMCA if a local procurement strategy can be developed to enable the benefits of large scale development to stimulate local supply chains.

Rationale: This is a relatively simple point which highlights that if connections are made between the supply chain and SEP investment the multiplier impact will be greater on employment and incomes.

5. *Town Centre Development*- The current proposals to renew the retail, leisure and housing offer in the town centre should be developed further with an aim of capturing the expenditure and employment multiplier impacts of local growth and preventing its leakage out with the WMCA area.

Rationale: The rationale to improve the offer is succinctly described above; however it is also worth noting that because of the obsolescence of the original infrastructure of the new towns nationally, many are in the process of redeveloping their principle shopping centres, Telford, Corby and Stevenage being recent examples where significant redevelopment has taken place.

6. *Attracting and Retaining Young Graduates*: Capitalising on the proximity of world class universities in Birmingham and Warwick, Redditch should build on its already affordable housing offer and align this with town centre renewal and potentially express train service to Birmingham to attract the young and skilled. This in the long term will have benefits which go beyond the impact of increased consumer expenditure and will stimulate business start-ups and innovation;

Rationale: The objectives of this intervention is to support innovation in the local economy and the renewal of the town centre offer. This task has a backdrop of a relatively low level of residents who are trained to degree level (NVQ 4) of 29.8% compared to regional figure of 31.3% and GB level of 38.2%. To achieve levels of graduate employment closer to the national average will require a medium and long term multifaceted approach encompassing housing, skills and training and economic policy.

7. *Housing Growth*: The potential for housing growth to stimulate consumer driven employment opportunities has been noted and will be explored further. However as the Redditch and Bromsgrove response to the Land Commission noted, the Statutory Planning Frameworks have been updated to facilitate anticipated growth and that will take some time to deliver before it becomes apparent that the housing numbers need to be revisited. However, Redditch Borough Council could sequence a review of its potential for accommodating further housing growth following the delivery of an employment and skills based growth agenda as set out here in this paper. All Local authorities in the WMCA area have housing existing housing targets which have been difficult to achieve given the slow recovery of house building from the financial crash in 2008. Assisting with discussions with Central Government to lift the HRA cap on borrowing would make a contribution to boosting the local supply of housing needed to support the economy in the short term if successful.

Rationale: it is important to note two different points here 1) there will be a two stage approach to assessing the need for *Further* growth in Population which may arise from greater economic prosperity. While 2) the lift on the HRA cap helps deliver existing targets and adds delivery capacity for the future. These points combined should also be seen in the context of the local authority considering the establishment of a local housing company to stimulate new housing supply.

8. *Exploration of the potential for an Enterprise Zone:* Being a mature New Town Redditch has a relatively large stock of premises which are between 40 and 50 years old. The area is vulnerable to losing existing businesses because of this historic legacy of development built in the 1960s and 1970s which will become progressively obsolete. The Borough will find its support for the WMCA growth ambitions frustrated if the land and premises offer is not re-engineered over the next decade to complement developments nearby. One mechanism to achieve an uplift in the renewal of commercial premises could be an Enterprise Zone which could provide the tools to reinvigorate the local land and property market. Local partners should explore in collaboration with the WMCA the potential for an Enterprise Zone to contribute to local Growth and the ambitions of the SEP.

Rationale: WMCA could facilitate the sharing of best practice from the case making, assessment of economic potential and delivery vehicles established in the Wolverhampton and Birmingham EZs. This would support Redditch in thinking through its own approach to these issues and to assess if this is an option worth pursuing with Central Government through the WMCA.

9. *Partnerships-*The Land Commission has noted that the proliferation of partnerships and agencies with overlapping boundaries has made the economic development landscape more difficult to navigate. In an era of constrained capacity and resources it may be necessary for Redditch to be highly focused on those partnerships which will deliver most for residents and the local economy. The clearest economic and labour market links currently exist with Bromsgrove, Birmingham, Warwickshire and Solihull.

Rationale: This highlights the need for careful analysis and need to underpin strategic partnerships so that precious staff, revenue and political energy provide inputs into partnerships based on their ability to deliver the Redditch agenda.

10. *Public Service Reform-* The concentrations of deprivation in some of the neighbourhoods in Redditch lend themselves to interventions to improve life chances and reduce public sector costs. The Local Authority and other partners locally should work with the WMCA to identify pilot projects which can contribute to the development of the overall programme.



Rationale: This would be focused upon areas of high deprivation and benefit dependency, and address skills, employment and complex needs. With the aim to secure less reliance on benefits going forward, while building the resilience of individuals and communities to cope with change.

## **7. Conclusion: A Redditch Deal**

To engineer a step change in the trajectory of the local economy it is important that proposals are developed in a coherent and planned way which deploys resources in a targeted way. It is proposed here that these proposals should be incorporated into *A Redditch Deal* which would form the basis of a shared agreement with the WMCA. The offer to the WMCA should be ambitious and demonstrate the potential of Redditch to assist with the development and delivery of the SEP; this could be set out in a Memorandum of Understanding (MoU) and strategy which can rapidly be turned into a Delivery Plan as the details of the second Devolution Deal become clearer.

It is important that thinking is both bold and deliverable and that timescales are clearly thought through. This process has the potential to develop a new long term vision for Redditch which modernises its economy, form and function for a new era of growth in the West Midlands economy. The locality will of course need to adjust its resources to help deliver this vision but it will also need to rely on support from the Devolution Deals negotiated by the WMCA to focus on:

- Improvements in skills, productivity and land supply;
- Renewal of the Commercial, Retail, and Cultural offer of the town;
- Advocacy and support to negotiate with Central Government for access to initiatives such as Enterprise Zone status and case making to lift the HRA cap;
- Engagement with Public Service Reform agenda;
- Assisting with greater labour market integration and uplifting productivity through transport improvements and innovation.

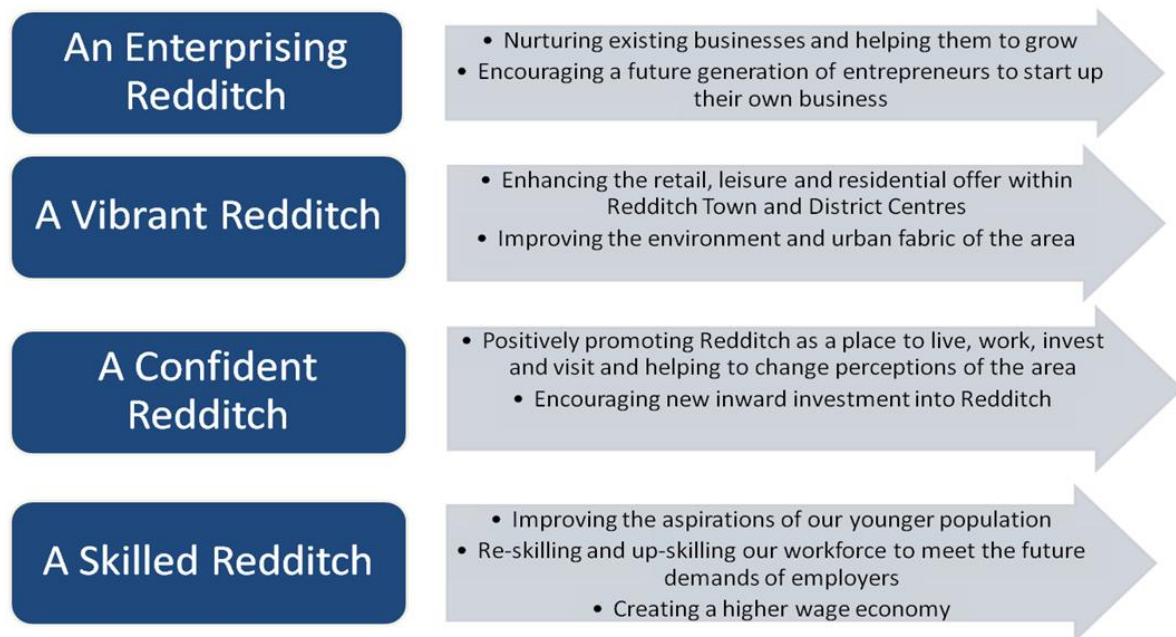
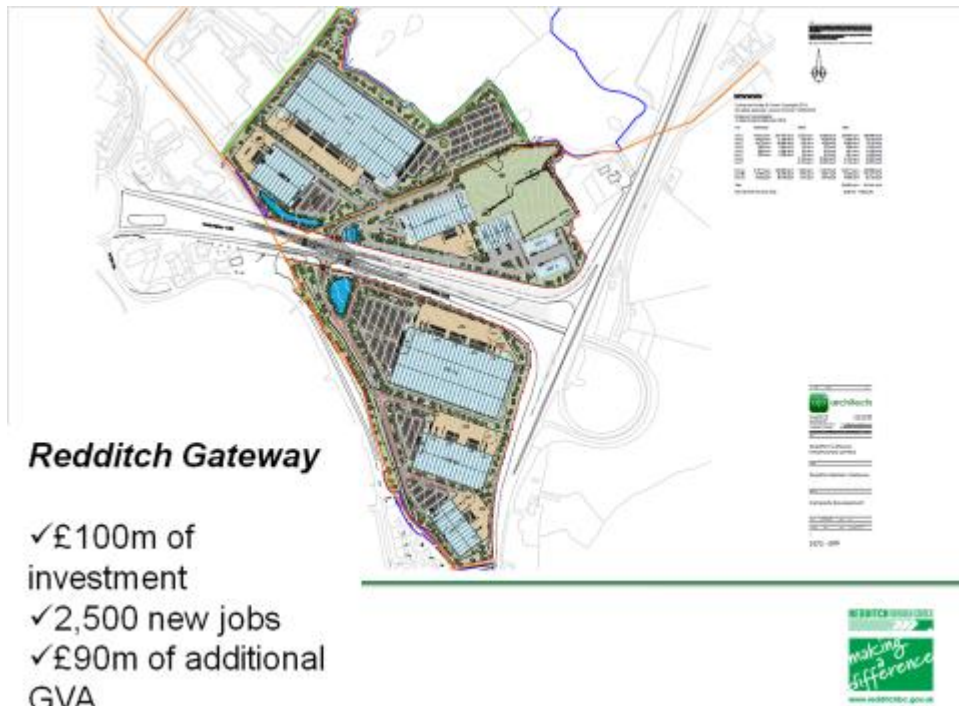
**Figure 1: Current Economic Priorities**

Figure 2: Redditch Gateway



**Table 1 Earnings in Redditch and Comparator Areas 2016**

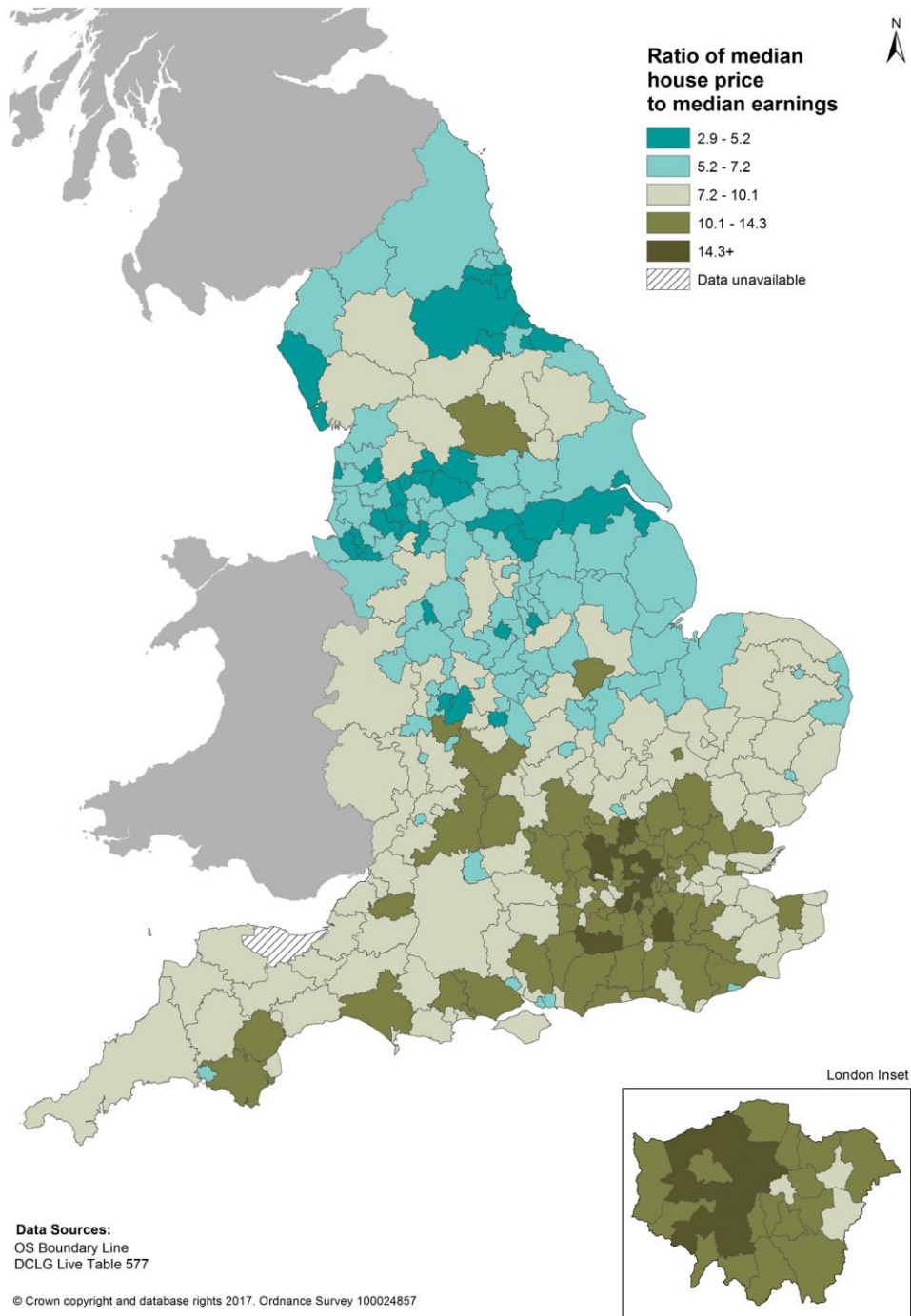
	Earnings by residence 2016 £	Earnings by work place 2016 £
Bromsgrove	592.10	494.80
Redditch	436.40	468.80
Worcestershire	522.30	489.60
Warwickshire	565.40	546.20
Solihull	616.70	586.80
Birmingham	497.40	544.30
West Midlands	n/a	510.20
Great Britain	541.00	540.20

Source NOMIS 2017

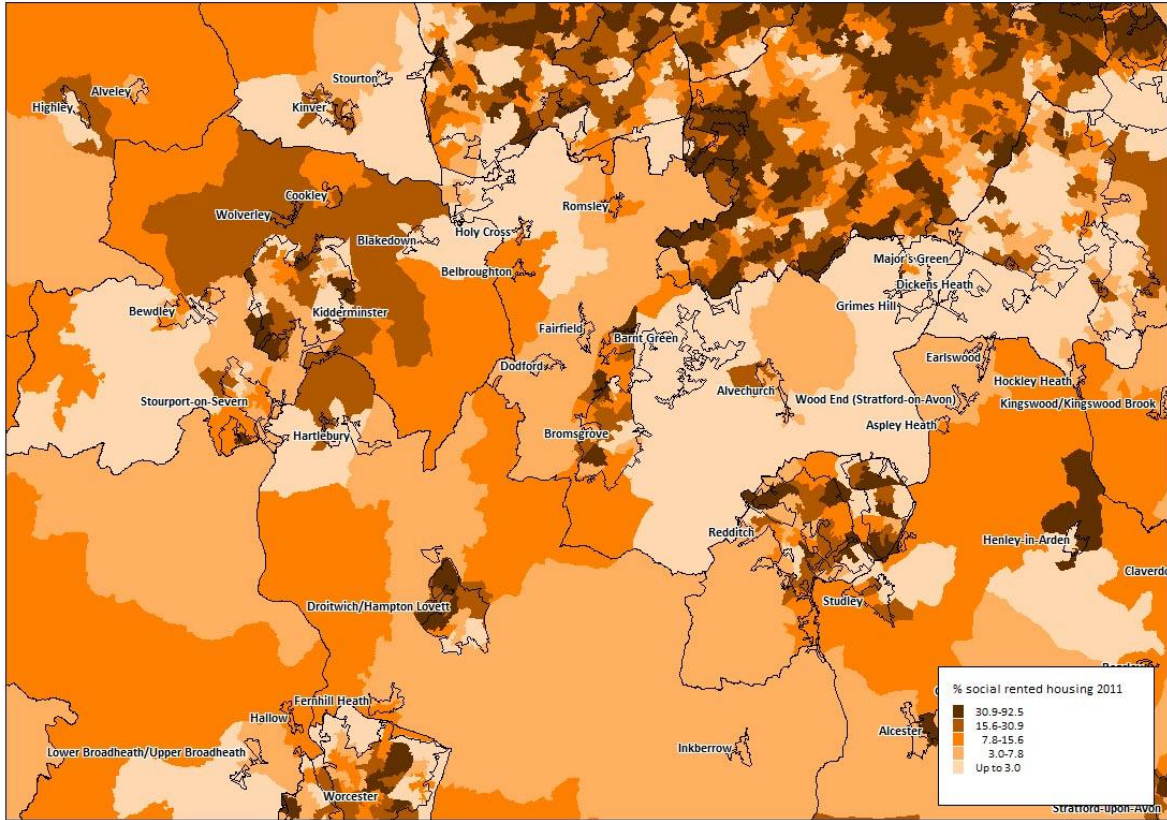
**Table 2 Employment Change 2000-2015**

	2000	2015	+/-	% Change
<b>Redditch</b>	44,000	42,000	-2,000	- 4.5
<b>Bromsgrove</b>	41,000	41,000	0	0
<b>Worcestershire</b>	265,000	274,000	+11,000	3.4
<b>Birmingham</b>	524,000	560,000	+36,000	6.9
<b>Solihull</b>	103,000	121,000	+18,000	14.6
<b>Stratford</b>	58,000	78,000	+20,000	34.8
<b>Warwickshire</b>	249,000	320,000	+71,000	28.5

Source NOMIS 2017

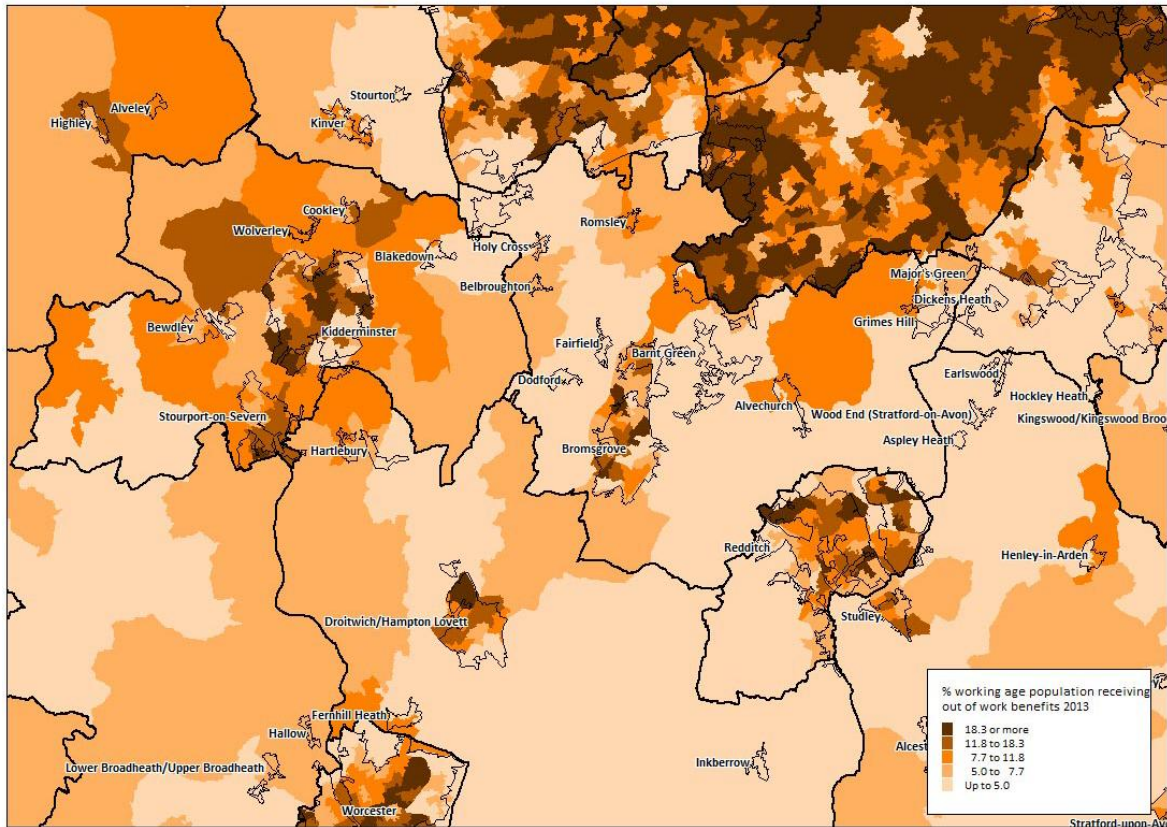


**Map 1 Housing Affordability: Prices and Incomes**



Map 2 Concentrations of Social Housing in Redditch





**Map 3 Concentrations of Worklessness in Redditch**



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The Information in Tables 1 and 2 were sourced from the NOMIS data base in August and September 2017

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## Appendix 2 – REVISED Redditch Economic Development Priorities and Action Plan

Where new actions or measures have been added, these are highlighted in green.

THEME	An Enterprising Redditch		
Priorities	What we will do	Specific deliverables	Measures
<p><b>Nurturing existing businesses and helping them to grow and improve their productivity</b></p> <p><b>Encouraging a future generation of entrepreneurs to start up their own business</b></p>	<ol style="list-style-type: none"> <li>1. Ensure that sufficient land for employment is allocated</li> <li>2. Provide support for growing businesses</li> <li>3. Help people to find premises for their business</li> <li>4. Stimulate entrepreneurial activity</li> <li>5. Provide information and support to help people to start up a business in Redditch</li> <li>6. Ensure that businesses have access to superfast broadband</li> </ol>	<ol style="list-style-type: none"> <li>1. Keep employment land provision under review to ensure that we have an adequate supply to meet business growth requirements.</li> <li>2. Work with partners, including the Local Enterprise Partnerships, to provide a comprehensive business support package for growing businesses and aspiring entrepreneurs.</li> <li>3. Provide a free and searchable property search service with access to available commercial sites and premises.</li> <li>4. <b>Develop a multi layered approach to supporting businesses in the Borough which takes account of their</b></li> </ol>	<ul style="list-style-type: none"> <li>• <b>GVA per head (Productivity)</b></li> <li>• Number of businesses supported through grant support advice (start – up and existing growth companies)</li> <li>• <b>Number of companies in high growth sectors engaged with and supported</b></li> <li>• Amount of commercial floorspace created (square metres)</li> <li>• Number of planning applications received for commercial sites and premises.</li> <li>• Number of new business start ups.</li> </ul>

		<p>growth requirements; the approach should encompass bespoke measures to:</p> <p>(i) Focus on existing businesses which are characterised by average or below average levels of productivity</p> <p>(ii) Provide support to businesses who wish to expand either within the district or within its immediate vicinity</p> <p>(iii) Attract inward investment and capitalise on the growth in the southern growth corridor within the West Midlands</p> <p>5. Explore potential ways that the Council can further stimulate economic growth</p> <p>(i) Introduce a discretionary business rate relief scheme to incentivise new investment into the Borough</p> <p>(ii) Support business investment through the Council's new Investment and Acquisitions Strategy</p> <p>6. Continue to invest and develop</p>	<ul style="list-style-type: none"> <li>• Business survival rates.</li> <li>• Number of enquiries received for commercial land and premises: <ul style="list-style-type: none"> <li>(i) By size</li> <li>(ii) By type</li> </ul> </li> <li>• Occupancy levels for Council owned Business Centres</li> </ul>
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		<p>the current Council owned Business Centres and identify opportunities for the Council to invest in developing new commercial units in particular grow on space.</p> <p>7. Work with key partners such as the West Midlands Combined Authority to develop a local procurement strategy to enable the benefits of large scale development across the WMCA area to stimulate supply chains in the Redditch area.</p> <p>8. Identify the potential opportunities for the Council to work with land/property owners to renew the existing industrial estates / businesses in Redditch; linked to this explore the potential for an Enterprise Zone and work with the WMCA and LEPs to develop the case to Government.</p>	
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THEME	A Vibrant Redditch		
Priorities	What we will do	Specific deliverables	Measures
<p><b>Enhancing the retail, leisure and residential offer within Redditch Town and District Centres</b></p> <p><b>Improving the environment and urban fabric of the area</b></p>	<ol style="list-style-type: none"> <li>1. Deliver the Redditch Town Centre strategy</li> <li>2. Improve the public realm in Redditch Town centre</li> <li>3. Encourage development of the District Centres</li> <li>4. Improve directional and gateway signage into Redditch</li> </ol>	<ol style="list-style-type: none"> <li>1. Deliver key projects identified in the Redditch Town Centre Regeneration Prospectus and One Public Estate / Place Review report.</li> <li>2. Develop the business case to secure £5m of Local Growth funding from GBSLEP to support town centre regeneration projects.</li> <li>3. Continue to develop the retail core of the Town Centre, including pro-active engagement with the owners of the Kingfisher Shopping centre and Redditch Town Centre Partnership.</li> <li>4. As part of the Town Centre regeneration prospectus, identify viable options to help break down the ‘concrete collar’ of the Ringway.</li> <li>5. Progress future phases of a comprehensive public realm improvement scheme for the</li> </ol>	<ul style="list-style-type: none"> <li>• Footfall within Redditch Town Centre both inside and outside the Kingfisher Centre</li> <li>• Number of empty properties at ground floor in Redditch Town centre</li> <li>• Total amount of new development brought forward in Redditch town centre and district centres <ul style="list-style-type: none"> <li>(i) Retail</li> <li>(ii) Leisure</li> <li>(iii) Residential</li> </ul> </li> </ul>

		<p>Town Centre.</p> <ol style="list-style-type: none"><li>6. Improve the vibrancy of the outdoor market.</li><li>7. Develop a scheme to secure improvements to the signage into and around Redditch.</li><li>8. Work with land owners to identify / progress development opportunities in the district centres</li></ol>	
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THEME	A Confident Redditch		
Priorities	What we will do	Specific deliverables	Measures
<p data-bbox="188 323 510 464"><b>Positively promoting Redditch as a place to live, work, invest and visit</b></p> <p data-bbox="188 507 474 611"><b>Encouraging new inward investment into Redditch</b></p>	<ol data-bbox="591 323 913 759" style="list-style-type: none"> <li>1. Identify marketing and promotional efforts that help to promote Redditch more effectively</li> <li>2. Promote key employment / inward investment sites</li> <li>3. Support the development of the Redditch Gateway</li> </ol>	<ol data-bbox="1005 323 1507 1388" style="list-style-type: none"> <li>1. Collaborate with Worcestershire and the Greater Birmingham and Solihull LEPs to identify opportunities to promote Redditch on a regional and national stage</li> <li>2. Identify ‘ambassadors’ from within the local business community that can help to champion and promote Redditch</li> <li>3. Develop and plan an appropriate marketing campaign to re-position Redditch to external investors and address negative perceptions</li> <li>4. Ensure that the NWEDR team works pro-actively with existing land owners and developers to promote available employment sites and premises</li> <li>5. Redditch Gateway: <ul data-bbox="1055 1358 1462 1388" style="list-style-type: none"> <li>▪ Work pro-actively with the</li> </ul> </li> </ol>	<ul data-bbox="1581 323 2047 983" style="list-style-type: none"> <li>• Number of planning applications received for commercial sites and premises</li> <li>• Number of enquiries received for commercial land and properties <ul data-bbox="1626 655 1827 724" style="list-style-type: none"> <li>(i) By size</li> <li>(ii) By type</li> </ul> </li> <li>• Redditch Gateway <ul data-bbox="1626 839 1966 983" style="list-style-type: none"> <li>(i) Proportion of site occupied and developed</li> <li>(ii) Jobs created</li> </ul> </li> </ul>



		<p>land owners &amp; developer to promote this flagship new site</p> <ul style="list-style-type: none"><li>▪ Position the site as a premium business park that is attractive to high value manufacturing and technology companies</li><li>▪ Offer a responsive and flexible 'relationship management' approach to prospective occupiers involving LEPs, business ambassadors and senior members/officers</li></ul>	
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THEME	A Skilled Redditch		
Priorities	What we will do	Specific deliverables	Measures
<ul style="list-style-type: none"> <li>• <b>Improving the aspirations of our younger population</b></li> <li>• <b>Re-skilling and up-skilling our workforce to meet the future demands of employers</b></li> <li>• <b>Creating a higher wage economy</b></li> </ul>	<ol style="list-style-type: none"> <li>1. Encourage investment in skills, workforce development and Apprenticeships</li> <li>2. Ensure that Redditch's skills needs are reflected in the plans of the Local Enterprise Partnerships / Employment &amp; Skills Boards</li> <li>3. Encourage high value employment into Redditch through the availability of land and the supply of skilled labour</li> </ol>	<ol style="list-style-type: none"> <li>1. Work pro-actively with businesses in Redditch to: <ul style="list-style-type: none"> <li>▪ Invest in skills and training</li> <li>▪ Build links with education</li> <li>▪ Offer Apprenticeships</li> <li>▪ Offer Work Placements to unemployed or young people</li> <li>▪ Mentor a potential entrepreneur</li> </ul> </li> <li>2. <b>Ensure that evidence is collected detailing the future skills needs of our businesses, specifically in our key sectors and ensure that this evidence is reflected in the LEPs and WMCA's employment and skills plans</b></li> <li>3. Redditch Eastern Gateway; work in partnership to develop a 'strategic skills plan' to maximise the opportunity for local people to access high value jobs on the site when developed</li> </ol>	<ul style="list-style-type: none"> <li>• Number of apprenticeship starts</li> <li>• <b>Number of students participating in the Opening Doors to Business initiative</b></li> <li>• Average earnings for full time employees by workplace and residents</li> <li>• Proportion of the workforce employed in following occupation levels: <ol style="list-style-type: none"> <li>(i) Managers, Directors and Senior Officials</li> <li>(ii) Professional occupations</li> <li>(iii) Associate Professional and Technical</li> </ol> </li> </ul>

		<ul style="list-style-type: none"><li>4. Work with Midland Group Training Services Ltd (MGTS) to ensure successful delivery of the Engineering Centre of Excellence to ensure that we have a pipeline of skilled engineers locally that can support the needs of the advanced engineering sector</li><li>5. Identify the potential to work with the world class universities that sit adjacent to Redditch to seek ways of attracting/retaining skilled science and technology workers and to develop the innovation capability and productivity of businesses within Redditch</li><li>6. Continue to develop the Opening Doors to Business initiative fully engaging with local schools and key businesses</li><li>7. Identify opportunities to work with the WMCA to pilot new ways of working in the Borough's most deprived wards</li></ul>	
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		to address skills, worklessness and complex needs.	
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THEME	A Connected Redditch		
Priorities	What we will do	Specific deliverables	Measures
<ul style="list-style-type: none"> <li>• <b>Ensure Redditch is well connected into the West Midlands area</b></li> </ul>	<p>1. Work to ensure that Redditch is fully connected and integrated into the wider West Midlands transport network</p>	<p>1. Work with the West Midlands Combined Authority, Transport for West Midlands and Worcestershire County Council to develop a business case to enhance the current rail service from Redditch to Birmingham;</p> <ul style="list-style-type: none"> <li>▪ Introduction of express trains to improve journey times (both directions);</li> <li>▪ Equalisation of train fares from Redditch to Birmingham to ensure that there is parity with fares within the WMCA metropolitan Council areas.</li> </ul> <p>2. Work with Transport for West Midlands to develop the business case to invest in the current railway station and to undertake a joint masterplanning exercise for the wider Railway Gateway area to stimulate regeneration</p>	<ul style="list-style-type: none"> <li>• Reduction in the average duration of train journey between Redditch and Birmingham New Street</li> <li>• Increase in usage of rail network</li> <li>• Reduction in train fares to and from Redditch to Birmingham New Street</li> </ul>

## An Enterprising Redditch

- Nurturing existing businesses and helping them to grow and improve their productivity
- Encouraging a future generation of entrepreneurs to start up their own business

## A Vibrant Redditch

- Enhancing the retail, leisure and residential offer within Redditch
- Improving the environment and urban fabric of the area
- Regeneration of Redditch town and district centres

## A Confident Redditch

- Positively promoting Redditch as a place to live, work, invest and visit and helping to change perceptions of the area
- Encouraging new inward investment into Redditch
- Pro-actively engaging with Local Enterprise Partnerships

## A Skilled Redditch

- Improving the aspirations of our younger population
- Re-skilling and up-skilling our workforce to meet the future demands of employers
- Creating a higher wage economy

## A Connected Redditch

- Work to ensure that Redditch is fully connected and integrated into the wider West Midlands transport network

**EXECUTIVE COMMITTEE**6<sup>th</sup> February 2018**Worcestershire Office for Data and Analytics (WODA): Endorsement of data sharing charter**

Relevant Portfolio Holder	Councillor J.Fisher
Portfolio Holder Consulted	Yes
Relevant Head of Service	Deb Poole, Head of Transformation and Organisational Development
Ward(s) Affected	All
Ward Councillor(s) Consulted	n/a
Key Decision	n/a

**1. SUMMARY OF PROPOSALS**

- 1.1 To endorse the data sharing charter that will underpin the work of the Worcestershire Office for Data and Analytics.

**2. RECOMMENDATIONS**

**Executive is requested to RESOLVE that:**

- 2.1 **subject to the approval of the 2018/19 £10k budget bid by Council , the Worcestershire data sharing charter attached at Appendix 1 be noted and endorsed.**

**3. BACKGROUND**

- 3.1 This report provides an update on the progress of the Worcestershire Office for Data and Analytics. It sets out the background to the programme, summarises progress to date, outlines planned next steps and seeks endorsement of the data sharing charter. Endorsement is currently being sought from all partner organisations.
- 3.2 Arising from the work on public service reform and devolution, in May 2016, KPMG was commissioned to co-produce a roadmap strategy which set out the current state of data sharing across Worcestershire partners, a vision for the future and a set of practical and costed steps and interventions to improve the delivery of public services in Worcestershire. The roadmap recommended the development of a Worcestershire Office for Data and Analytics (WODA) and the Worcestershire Partnership Executive Group agreed to a twelve month pilot to test the benefits of enhanced data sharing, demonstrated through a number of “use cases” (i.e. pilot initiatives that involve practical processes and service delivery being changed and enhanced through better data sharing). WODA aims to facilitate enhanced data sharing between partner organisations. If successful, this will lead to reduced demand for local services and improved outcomes for local service users. It will also promote opportunities for preventative action, support compliance with the General Data Protection Regulation (GDPR) and Data Protection Bill. While several other

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areas have adopted similar approaches, none embraces all local public sector organisations as Worcestershire does.

### 3.3 Key achievements to date include:

**Initiation of the programme** – The WODA programme has been successfully initiated, with an embedded reporting process and clear lines of accountability. The office has a robust governance structure, which has included a Project Steering Group that convened weekly and an Executive Board in the form of the Partnership Executive Group;

**Recruitment of a Chief Data Officer (CDO)** – Neill Crump has been recruited as Chief Data Officer to lead the WODA team and help to publicise the office's activities on both a local and national scale. He commenced in post on 1<sup>st</sup> September 2017;

**Creation of a WODA Information Governance group** – a WODA Information Governance group has been established, comprising information governance leads from a range of partner organisations. It is scheduled to meet on a quarterly basis, with a remit to provide expert support and guidance regarding the ethical and lawful sharing of information;

**Development of use case prioritisation and development process** – six initial use cases (see table below) were selected and there has been close work with local stakeholders to design and develop implementation plans. Implementation has commenced for some of them. Outlined below is a summary of the use cases that are being taken forward:

Use Case	Summary
Business Rate Register	Local partners currently do not have shared access to local business data, such as turnover or employment size. This use case involves the pooling of business data from local partners and HMRC, so that local authorities and the LEP can target business support services to those who would benefit the most.
Patient Flow Integration	This use case aims to support the Patient Flow Centre (PFC), Acute Trust and Brokerage team in organising patient care packages by digitising the referral form and strengthening current information flows between the organisations so that they have access to real-time data.
Domestic Violence	Under the current system, police do not currently share interest markers or flags to indicate whether the individual is a repeat victim/offender. This use case entails the sharing of these data points as well as the enhanced sharing of domestic violence-related data between the Acute Trust and the social care team.
Falls & Frailty	This use case proposes a partnership between GP practices, the Clinical Commissioning Groups and the Fire Service with the aim of providing the Fire Service with the details of local vulnerable individuals who consent to receiving 'Safe and Well' visits. The Fire Service would expand their current service provision to undertake falls assessments, ensuring that individuals get the support they need.



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Local Resilience Planning	The Cabinet Office have developed Resilience Direct, a resilience planning platform, and are currently encouraging Local Resilience Forums across the country to adopt it as their main resilience planning system. This use case focuses on the enhanced sharing of vulnerability data between relevant agencies and first responders, via the Resilience Direct platform.
Connecting Families	The Connecting Families team have struggled to undertake a thorough evaluation of the programme as they face consistent difficulty in accessing the relevant data from partner organisations. This use case involves the creation of information sharing pathways for the transfer of these data points.

## 3.4 The next steps will concentrate on:

- 3.4.1 staffing WODA, which in the pilot phase is expected to be achieved mainly through secondments from partner organisations;
- 3.4.2 use case development and benefits realisation. The use cases are at various stages of maturity. As implementation takes place, it will be possible to collect outcome data which in turn will be used to evidence the efficacy of the programme and provide baseline data against which to make future investment decisions;
- 3.4.3 launching WODA, which is scheduled for November, in order to raise public awareness and provide information about such things as the objectives and strategic ambitions of WODA, and the commitment to lawful sharing and processing of data in order to provide public reassurance that their data are safe and will be used appropriately;
- 3.4.4 developing the business case for WODA beyond its pilot phase. This will draw on evaluation and appraisal activity undertaken for each of the six use cases, as well as the proposed benefits associated with enabling the next tranche of data driven solutions for Worcestershire. It will present a fully costed work-programme addressing both capital and revenue requirements and setting these against the benefits identified. The CDO will lead on compiling the business case and will draw on resources from each of the partner organisations to ensure it reflects their ambition and ability to contribute.

**KEY ISSUES**

- 4.1 The approach to data sharing in Worcestershire is wide-ranging and innovative and has the ability to support transformation of public service delivery. The initial use cases will help to prove the concept and, subject to the business case for the future, offer the prospect of potential significant financial and non-financial benefits for the Council.
- 4.2 In order to demonstrate this Council's commitment to working together with the other partner organisations, Executive is asked to endorse the Worcestershire Data Sharing Charter. The charter sets out the underlying principle which is a duty to share data unless there are legal or ethical reasons that prevent sharing. However

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this in no way undermines compliance with data protection legislation which will continue to govern the partner organisations' work in this area.

**5. FINANCIAL IMPLICATIONS**

- 5.1 There is a financial implication of £10k to the Council arising from its involvement as a partner in the WODA project. A separate business case and 2018/19 budget bid for this has been developed as part of the current budget setting process. This will be presented to members at the budget setting meeting at the end of February. As WODA develops, there may be further financial implications in the future. A detailed business case will be prepared in the coming months to outline these costs as well as addressing potential savings and non financial benefits for partner organisations. A separate decision will then be sought on future financial support for WODA.

**6. LEGAL IMPLICATIONS**

- 6.1 Collection, holding and processing of personal data are subject to the requirements of the Data Protection Act 1998. The legislation will be superseded by the General Data Protection Regulation which comes into force in May 2018 and subsequently by the proposed Data Protection Bill which the Government has announced and which will take full effect once the UK leaves the European Union. The Council operates policies and procedures that comply with the legislation on data protection. Any sharing of data within the framework of WODA will comply with relevant legislation.

**7. CUSTOMER/EQUALITY AND DIVERSITY IMPLICATIONS**

- 7.1 Not applicable.

**Service / Operational Implications**

- 7.2 The improvement in data sharing across Worcestershire agencies should help all parts of the Council, staff and Elected Members to better understand the needs of their customers and residents This will help to ensure that we design and deliver appropriate services which meet the needs of our communities.

**8. RISK MANAGEMENT**

- 8.1 There are no risk management implications arising directly from this report.

**9. BACKGROUND PAPERS**

- 9.1 None.

**10. APPENDICES**

Appendix 1 - Worcestershire Data Sharing Charter

**EXECUTIVE COMMITTEE**

6<sup>th</sup> February 2018

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**AUTHOR OF REPORT**

Name: Deb Poole – Head of Transformation & Organisational Development  
Email: [d.poole@bromsgroveandredditch.gov.uk](mailto:d.poole@bromsgroveandredditch.gov.uk)  
Tel.: 01527 881256

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# Worcestershire Data Sharing Charter

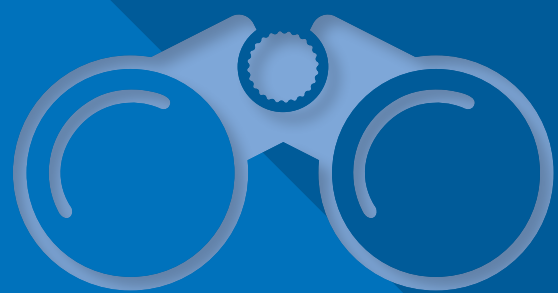
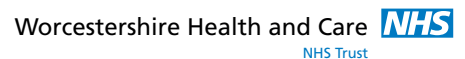
## Our Purpose

Our goal is to ensure that Worcestershire’s residents are safe, happy and healthy. As a Partnership group, we are committed to empowering local service providers with the information they need to make the right decisions. Enhanced data sharing across our organisations will play a pivotal role in shaping our approach and underpin our strategies around prevention, protection and intervention.

## Our Commitment

“Worcestershire partners will deliver cultural and systematic change in the way we approach data sharing across the county. Collectively, we will work from a default premise of the “duty to share” data being equal to the “duty to protect” it. That is, in all circumstances, we will share data unless there is a legal or ethical reason not to. We will do this in the pursuit of improved outcomes for residents, businesses and the wider community.”

The following organisations have agreed to work together to support delivery of this vision:



# Our Guiding Principles

To ensure a consistent approach is taken towards achieving Worcestershire's vision, we have agreed a set of principles that will guide work towards delivering the local mandate:



Worcestershire Partners will **start with a premise of duty to share**, unless there is a legal or ethical reason not to do so.



Worcestershire Partners will **engage with stakeholders regularly and empower organisations and staff** to share data competently through a no-blame culture.



Worcestershire Partners **will comply with all relevant legislation** when sharing data.



Worcestershire Partners will **invest real energy in achieving and delivering change**.



Worcestershire Partners **will develop clear and compelling use cases** to ensure that we are able to demonstrate the impact of data sharing.



Worcestershire Partners **will undertake thorough evaluation of projects and programmes** to ensure value for money is being delivered.



Worcestershire Partners will **be transparent and build trust with residents, businesses and communities** through the publication of key datasets wherever possible. Every effort will be made to put the resident at the centre of decisions about their data.



Worcestershire Partners will **prioritise outcomes led initiatives** with genuine prospects for improving outcomes for residents, businesses and the wider community.



Worcestershire Partners will **provide expert strategic leadership** with clear lines of accountability to ensure confidence throughout the system.



Worcestershire Partners will **provide a clear mandate for prioritising data sharing initiatives**.



Worcestershire Partners **will consider data sharing when commissioning new projects**.



Worcestershire Partners **will champion change in central government** and encourage government departments to lead the way in sharing data and breaking down silos.

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE**6<sup>th</sup> February 2018**REPORT OF THE INDEPENDENT REMUNERATION PANEL –  
RECOMMENDATIONS FOR MEMBERS' ALLOWANCES FOR 2018-19 AND THE  
MEMBERS ALLOWANCES SCHEME**

Relevant Portfolio Holder	Councillors B Hartnett, Leader and J Fisher, Portfolio Holder for Corporate Management
Portfolio Holder Consulted	Yes
Relevant Head of Service	Claire Felton
Ward(s) Affected	All
Ward Councillor(s) Consulted	N/A
Non-Key Decision	

**1. SUMMARY OF PROPOSALS**

Each Council is required by law to have an Independent Remuneration Panel (IRP) which recommends the level of allowances for Councillors. The Panel is made up of five suitably skilled members of the public who are completely independent of the Borough Council. It also makes recommendations to four other District Councils in Worcestershire. The Panel's report is enclosed for consideration by the Executive Committee and ultimately by the Council.

**2. RECOMMENDATIONS**

**The Committee is asked to consider the report and recommendations and RECOMMEND to Council**

**2.1 whether or not to accept all, some or none of the recommendations of the Independent Remuneration Panel for 2018-19;**

**2.2 having considered the Panel's report and recommendations, whether or not changes are required to the Council's scheme of allowances for Members arising from this.**

**3. KEY ISSUES****Financial Implications**

- 3.1 If the Council was to accept the Panel's recommendations in full, the budget for Members' basic and special responsibility allowances for 2018-19 would be approx. £209,900. This would be an increase of £68,500 on the projected total expenditure for the same allowances in the current year. A financial pressure would have to be included within the budget projections to support this additional funding.

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**Legal Implications**

- 3.2 The Council is required to “have regard” to the recommendations of the Panel. However, it is not obliged to agree to them. It can choose to implement them in full or in part, or not to accept them.
- 3.3 If the Council decides to review its scheme of allowances for Councillors, it is also required to take into account recommendations from the Panel before doing so.

**Service/Operational Implications**

- 3.4 There are no direct service or operational implications arising from this report. Once the Council has agreed the allowances for 2018-19 Officers will update and publish the Members’ Allowances Scheme as appropriate.

**Customer/Equalities and Diversity Implications**

- 3.5 None arising from this report.

**4. RISK MANAGEMENT**

Payments to Councillors can be a high profile issue. The main risks are reputational. However, the Council is transparent about the decisions made on allowances. The Allowances scheme and sums paid to Councillors each year are published on the Council’s website.

**5. APPENDICES**

Appendix 1 - Report and recommendations from the Independent Remuneration Panel for 2018-19.

**6. BACKGROUND PAPERS**

Members Allowances Scheme – in the Council Constitution at part 18:

<http://moderngovwebpublic.redditchbc.gov.uk/ieListDocuments.aspx?CId=379&MId=2511&Ver=4>

**AUTHOR OF REPORT**

Name: Darren Whitney

Tel.: 01527 881650

email: [darren.whitney@bromsgroveandredditch.gov.uk](mailto:darren.whitney@bromsgroveandredditch.gov.uk)



**Independent Remuneration Panel  
for Worcestershire District Councils**

**Annual Report and Recommendations for 2018-19**

**Redditch Borough Council**

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**December 2017**

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**Recommendations**

**The Independent Remuneration Panel recommends to Redditch Borough Council the following:**

- 1. That the Basic Allowance for 2018-19 is £4,350 representing approximately a 1% increase.**
- 2. That the Special Responsibility Allowances are as set out in Appendix 1.**
- 3. That travel allowances for 2018-19 continue to be paid in accordance with the HMRC mileage allowance.**
- 4. That subsistence allowances for 2018-19 remain unchanged.**
- 5. That the Dependent Carer's Allowance remains unchanged.**
- 6. That for Parish Council in the Borough, if travel and subsistence is paid, the Panel recommends that it is paid in accordance with the rates paid by Redditch Borough Council and in accordance with the relevant Regulations.**

## **Introduction**

The Independent Remuneration Panel (IRP) has been appointed by the Council to carry out reviews of the allowances paid to Councillors, as required by the Local Government Act 2000 and subsequent legislation. The Panel has carried out its work in accordance with the legislation and statutory guidance.

The law requires each Council to "have regard" to the recommendations of the Independent Panel. We noted that Allowances were not increased and that travel allowances would continue to be paid in accordance with the HMRC mileage allowance.

At this point we would like to stress that our recommendations are based on thorough research and benchmarking. We have presented the Council with what we consider to be an appropriate set of allowances to reflect the roles carried out by the Councillors. The purpose of allowances is to enable people from all walks of life to become involved in local politics if they choose.

The Panel does however acknowledge that in the current challenging financial climate there are difficult choices for the Council to make. Ultimately it is for the Council to decide how or whether to adopt the recommendations that we make.

## **Background Evidence and Research Undertaken**

There is a rich and varied choice of market indicators on pay which can be used for comparison purposes. These include:

- National survey data on a national, regional or local level;
- Focussed surveys on a particular public sector;
- Regular or specific surveys
- Use of specific indices to indicate movement in rewards or cost of living.

As background for the decisions taken by the Panel this year we have:

- Analysed and considered the Annual Survey of Hours and Earnings (ASHE) statistics for 2017 which gives the mean hourly wage rate for Worcestershire at £15.26 an increase of 3.6% but the Local Government Public Sector increase was capped at 1% which has been adopted.
- Benchmarked the Basic Allowance against allowances for comparable roles paid by the Chartered Institute of Public Finance and Accountancy (CIPFA) "Nearest Neighbour" Councils for each authority.

We give more details about these areas of research at the end of the report.

In 2015, Worcester City Councillors recorded time spent on Council business for a number of weeks. This enabled the Panel to confirm the number of hours per week for front line councillors, which is used to calculate the recommended basic allowance. More detail is given about this under the Basic Allowance heading later in the Report.

The figure being recommended by the Panel of £4,350 for the Basic Allowance appears reasonable and appropriate when compared to other Local Authorities.

Arising from our research, in **Table 1** we have included information showing the Members' allowances budget for Basic and Special Responsibility Allowances paid for 2016-17 as a cost per head of population for each Council. To give context, we have included details of the proportion of net revenue budget spent by each Council on basic and Special Responsibility allowances.

In **Table 2** we show the average payment per member of each authority of the Basic and Special Responsibility Allowances, which illustrates the balance between the level of Special Responsibility Allowances paid and the Basic Allowance.

**Table 1 - Total spend on Basic and Special Responsibility Allowances (SRA) as a cost per head of population 2016-17 figures**

<b>Authority, population<sup>1</sup> and number of Councillors</b>	<b>Total spend Basic Allowances</b>	<b>Total spend on SRA</b>	<b>SRA as a percentage of total Basic Allowance</b>	<b>Cost of total basic and SRA per head of population</b>	<b>Total of basic and SRA as a percentage of Net General Revenue Fund expenditure</b>
	<b>£</b>	<b>£</b>	<b>%</b>	<b>£</b>	<b>%</b>
Bromsgrove DC (31) 96,800	133,270	60,553	45.42	2.00	1.62
Malvern Hills DC (38) 75,339	159,138	65,093	41.00	2.98	2.50
Redditch Borough (29) 85,000	95,019	38,852	40.89	1.58	1.17
Worcester City (35) 100,405	147,385	65,004	44.10	2.11	1.82
Wychavon (45) 118,738	189,934	69,800	36.75%	2.21	2.08

<sup>1</sup> ONS population figures mid 2017. Totals for Basic and Special Responsibility allowances paid are as published by each authority for the 2016-17 financial year.

**Table 2 - Average allowance per Member of each authority (Basic and Special Responsibility Allowances, 2016 – 17 figures)**

<b>Authority (number of Councillors)</b>	<b>Amount £</b>
Bromsgrove District (31)	6,251
Malvern Hills District (38)	5,901
Redditch Borough (29)	4,616
Worcester City (35)	6,068
Wychavon District (45)	5,772

### **Basic Allowance 2018 - 19**

#### **Calculation of Basic Allowance**

The Basic Allowance is based on:

- The roles and responsibilities of Members; and
- Their time commitments – including the total average number of hours worked per week on Council business.

We then apply a public service discount of 40% to reflect that Councillors volunteer some of their time to the role.

The Basic Allowance is paid to all Members of the Council.

Whilst each council could set out role descriptions for councillors, the Panel notes that each councillor may carry out that role differently, reflecting personal circumstances and local requirements. However, we consider the Basic Allowance to include Councillors' roles in Overview and Scrutiny, as any non-Executive member of the Council is able to contribute to this aspect of the Council's work. It is for this reason that we do not recommend any Special Responsibility Allowance for members of the Overview and Scrutiny Committee. We also consider that ICT could be included in the Basic allowance as it is generally more readily available to individuals than in previous years. However, we are comfortable that specific local decisions may be made about how ICT support is provided.

As mentioned earlier, in 2015 Worcester City Councillors recorded the time spent per week on Council business for a number of weeks during the early autumn. This was considered to reflect an appropriate "average" period of time for meetings and other commitments. The results from this survey showed that the average input was 10 hours and 50 minutes per week. This figure matches the one used for a number of years by the Panel, based on previous research with constituent councils, to calculate the basic allowance.

We reviewed the levels of wage rates for Worcestershire as set out in the ASHE data (details in appendix 2) and the benchmark information available to us from the Chartered Institute of Public Finance and Accountancy (CIPFA) "nearest neighbours" authorities as part of our research into the level of basic allowance recommended. We are also aware that the majority of local government employees received a 1% increase in pay in April 2017.

The calculation used to arrive at the Basic allowance is set out at appendix 2.

## **Special Responsibility Allowances (SRA) 2018-19**

### **General Calculation of SRAs**

The basis for the calculation of SRAs is a multiplier of the Basic Allowance as advocated in the published Guidance.

The Panel has reviewed the responsibilities of each post, the multipliers and allowances paid by similar authorities. As in previous years, the Panel has benchmarked the allowances against those paid by authorities listed as "nearest neighbours" by CIPFA.

The Panel has been asked on occasions to consider recommending SRA's for Vice-Chairmen of Committees. Having considered evidence presented to us and the nature of the roles, as a principle the Panel does not recommend SRA's for Vice-Chairman roles.

Appendix 1 to this report sets out the allowances recommended for 2018-19.

### **Mileage and Expenses 2017-18**

The Panel notes that the Council has used the HMRC flat rate for payment of mileage for Councillors and recommends that this continues.

The Panel is satisfied that the current levels of subsistence allowances are set at an appropriate level and recommends that these continue.

The Panel notes that the Council's Scheme of Members' Allowances provides that Dependant Carer Allowances are payable to cover reasonable and legitimate costs incurred in attending approved duties and recommends that this provision continues.

### **Allowances to Parish Councils 2017-18**

The Independent Remuneration Panel for Worcestershire District Councils acts as the Remuneration Panel for the Parish Councils in each District.

This year the Panel has not been asked to make recommendations on any matters by any Parish in Bromsgrove/Malvern Hills/Redditch/Worcester City/ Wychavon.

### **The Independent Remuneration Panel**

The Members' Allowances Regulations require Local Authorities to establish and maintain an Independent Remuneration Panel. The purpose of the Panel is to make recommendations to the authority about allowances to be paid to Elected Members and Local Authorities must have regard to this advice. This Council's Independent Remuneration Panel is set up on a joint basis with 4 of the other 5 District Councils in Worcestershire. Separate Annual Reports have been prepared for each Council.

The members of the Panel are:

**Bill Simpson MBE JP, the Chair of the Panel** - - Bill spent 30 years in Further Education culminating in 11 years as Principal of Pershore College. He then entered the private sector as Director of two national Horticultural Societies, one being the Royal Horticultural Society. He served as a magistrate for 9 years until retirement. He is a Trustee of several charities including charring Thrive – the national Society for Horticultural Therapy between 1993 and 2008. A Past President of the professional Institute of Horticulture he returned to the Council in 2012 to achieve chartership with the Royal Charter being awarded in 2014. Currently he is Vice Chair of Governors of Red Hill CE Primary School Worcester and a Chair/Member of the County Council, Academy and Diocesan Panels for Schools Preferences Appeals. Appointed a Member of the British Empire (MBE) in 2011 for services to horticulture and the local community.

**Rob Key** – Rob has 42 years’ experience of working in District Councils in a variety of operational and management roles, including senior positions at Worcester City, Wychavon District and Wyre Forest District. He was an Independent Chair for the Strategic Health Authority for Continuing Care and sits on County Council Appeals Panels for School Preference Appeals and Service Complaints.

**Elaine Bell, JP, DipCrim** – Elaine has been a Magistrate for 20 years on the South Worcester Bench. She was Deputy Chair of the Bench for 5 years, standing down in July 2014 when bench boundaries changed. She was Chair of the Bench Training and Development Committee for 9 years, and sat on the Magistrates Advisory Panel for 9 years (interviewing and selecting applicants for appointment as Magistrates). She sits as Chair in both Adult and Family courts in the newly constructed Worcestershire Bench stretching geographically from Hereford, Kidderminster, Redditch and Worcester. She is also Chair of the Lloyds Educational Foundation, past member of Sytchampton School Appeals Panel; Past Hon Treasurer of Ombersley and Doverdale Tennis Club and a Past Governor of Ombersley Primary School.

**Terry Cotton** - Terry spent 34 years working in central and local Government, mostly managing regeneration programmes across the West Midlands. Until May 2011 he worked at The Government Office for The West Midlands where he was a Relationship Manager between central and local Government and a lead negotiator for local performance targets. Following voluntary early retirement in May 2011, he worked in Birmingham's Jewellery Quarter; setting up a new business led community development trust and currently works part-time for Worcestershire County Council. He is also a trustee of a small charitable trust providing grants to grass roots community initiatives in deprived communities.

**Don Barber** – After several Human Resources and Productivity Improvement Management roles in Industry, Don became Chief Executive of a change management facilitating consultancy. Over the last 20 years he has been an independent consultant and advisor on a number of United Nations, European Commission, and World Bank transition projects, in particular in Europe, Africa, Asia, and Australasia. He also operates in an advisory role to other consultancy groups seeking EU contracts. This experience has included the development of national civil service/public sector reform programmes including aspects of the effect of legislative change for central and local government and, in the U.K., working for the Office of Manpower Economics (advisors to the Prime Minister) on Public Sector Pay, in particular relating to: Civil Service Pay Reform, UK Armed Forces and the Medical Professions.

The Panel has been advised and assisted by:



- Claire Chaplin and Margaret Johnson from Worcester City Council;
- Darren Whitney from Bromsgrove and Redditch Councils;
- Mel Harris from Wychavon District Council;
- Matthew Box from Malvern Hills District Council.

The Panel wishes to acknowledge its gratitude to these officers who have provided advice and guidance in a professional and dedicated manner.

**Bill Simpson, Chairman of Independent Remuneration Panel**

## Appendix 1

**Independent Remuneration Panel for District Councils in Worcestershire  
Recommendations for 2018-19**

**Redditch Borough Council**

<b>Role</b>	<b>Recommended Multiplier</b>	<b>Current Multiplier</b>	<b>Recommended Allowance £</b>	<b>Current Allowance (paid) £</b>
<b>Basic Allowance – all Councillors</b>	1	1	4,350	3,350
<b>Special Responsibility Allowances:</b>				
<b>Leader</b>	3	2	13,050	6,697 plus 1,560 as portfolio holder
<b>Deputy Leader</b>	1.75	1.4	7,613	4,697 plus 1,560 portfolio holder
<b>Portfolio Holders</b>	1.5	0.46	6,525	1,560
<b>Executive Members without portfolio</b>	****	0.32	*****	1,072
<b>Chairman of Overview and Scrutiny Board/Committee</b>	1.5	0.6	6,525	2,009
<b>Chairman of Overview and Scrutiny Task Groups</b>	0.25	0	1,088	0
<b>Members of Overview and Scrutiny Committee</b>	0	0.32	0	1,072
<b>Chairman of Audit, Governance and Standards Committee</b>	0.25	0	1,075	0

<b>Role</b>	<b>Recommended Multiplier</b>	<b>Current Multiplier</b>	<b>Recommended Allowance £</b>	<b>Current Allowance (paid) £</b>
<b>Chairman of Planning Committee</b>	1	0.466	4,350	1,560
<b>Chairman of Licensing Committee</b>	0.75	0.4	3,263	1,340
<b>Political Group Leaders</b>	0.25	0.31	1,088	1,040

**Appendix 2****Summary of Research**

Chartered Institute of Public Finance and Accountancy (CIPFA) "Nearest Neighbour" authorities tool.

No two Councils or sets of Councillors are the same. Developed to aid local authorities in comparative and benchmarking exercises, the CIPFA Nearest Neighbours Model adopts a scientific approach to measuring the similarity between authorities. Using the data, Redditch Borough Council's "nearest neighbours" are:

- Tamworth Borough Council
- Gloucester City Council
- Stevenage Borough Council
- Kettering Borough Council
- Worcester City Council
- Cannock Chase District Council

Information on the level of Basic and Special Responsibility Allowances was obtained to benchmark the levels of allowances recommended to the Council.

Annual Survey of Hours and Earnings (ASHE) Data on Pay

<https://www.nomisweb.co.uk/articles/980.aspx>

Table 8.6a – hourly pay for all employees by local authority place of residence

Published by the Office for National Statistics, the Annual Survey of Hours and Earnings (ASHE) shows detailed information at District level about rates of pay. For benchmarking purposes the Panel uses the levels for hourly rates of pay excluding overtime. This is multiplied by 11 to give a weekly rate, which is then multiplied by 44.4 weeks to allow for holidays.. This was the number of hours spent on Council business by frontline Councillors which had been reported in previous surveys and substantiated by a survey with Worcester City Councillors in the autumn of 2015. The rate is then discounted by 40% to reflect the element of volunteering that each Councillor undertakes in the role.

CPI (Consumer Price Inflation)

In arriving at its recommendations the Panel has taken into account the latest reported CPI figure available to it, published by the Office for National Statistics. This was 3% for October 2017 – October 2018.

REDDITCH BOROUGH COUNCIL**EXECUTIVE**6<sup>th</sup> February 2018**MEDIUM TERM FINANCIAL PLAN 2018/19 – 2021/22**

Relevant Portfolio Holder	John Fisher
Portfolio Holder Consulted	
Relevant Head of Service	Jayne Pickering ( Exec Director)
Wards Affected	<b>All</b>
Ward Councillor Consulted	None specific

**1. SUMMARY OF PROPOSALS**

- 1.1 To enable Members to consider the officer recommendations for the General Fund revenue and capital budget 2018/19 – 2021/22.

**2. RECOMMENDATIONS**

- 2.1 **The Committee is asked to consider the current position and request officers continue to review the savings and pressures with the aim to ensure the MTFP shows a balanced position for 2018/19.**

**3. KEY ISSUES****Financial Implications**

- 3.1 Over the last 3 years the Council has faced a reduction in Government funding of £1.7m in Revenue Support Grant with further cuts faced in the future as detailed below. The Council's Medium Term Financial Plan (MTFP) provides the framework within which the revenue and capital spending decisions can be made over a 4 year period. The plan addresses how the Council will provide financial funding to the Strategic Purposes and ensure residents receive quality services to meet their needs in the future. The Purposes that drive the financial considerations are:

- Help me find somewhere to live in my locality
- Provide good things for me to see, do and visit
- Help me live my life independently
- Help me run a successful business
- Help me be financially independent
- Keep my place safe and looking good

- 3.2 When reviewing the budget projections officers consider the impact of demand on service and the costs associated with this demand. This may result in additional costs (associated with maintaining current service delivery) or reductions in anticipated income revenue over the

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next 4 years. The recommendations included within the current financial position set out in the table at 3.15 are those assessed by officers as being areas where cost saving can be made to enable a balanced budget over the 4 year financial planning period. These potential service changes to realise savings are therefore included in the current projections for members consideration.

3.3 As Members are aware there continue to be considerable pressures facing the Council over the next 4 years as a result of a number of issues including:

- Potential further reductions in New Homes Bonus Grant
- Impact of Negative Revenue Support Grant currently estimated at £330k in 2019/20. There is a consultation paper expected on this in Spring 2018.
- Impact of the Localisation of Business Rates scheme which is now deferred to 2020/21.
- Impact of the fair funding review which is to be implemented in 2020/21.

3.4 Officers will continue to work with our partners to identify the costs that may be associated with some of these changes.

**Government Funding****3.5 Settlement**

3.5.1 The provisional settlement was announced in mid-December 2017. A number of issues were included within the information, including;

- Local Government Funding Reform to be implemented in 2020/21. A Consultation paper to be published in Spring 2018.
- Advised that the Business Rates Baseline reset will be in 2020/21
- From 2020/21 all grants to be included in Business Rates Retention
- Council Tax – can increase Council Tax by 3% (previously 2%) without a referendum for both 2018/19 & 2019/20. This would increase Council Tax by approximately £40k.
- Business Rate Pilots – Worcestershire not approved as a pilot. Potential for further rounds of bidding. Therefore Redditch will remain in GBS Pool for 2018/19
- No changes to New Homes Bonus
- Advised that there will be consultation in Spring 2018 in relation to “negative “ grant – currently £330k in 2019/20

**3.6 Formula Grant**

3.6.1 This Council in common with virtually every other Council in the country signed up to the government offer of a four year funding settlement. This brought more certainty to the funding figures but not complete

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certainty or protection from changes to the funding levels as described below.

- 3.6.2 The formula grant provisional settlement for 2018/19 was notified in December. This represents a 60% decrease when compared with our grant for 2016/17 as shown in the table below:

<b>Financial Year</b>	<b>RSG received £'000</b>	<b>Actual Reduction £'000 (%)</b>
2016/17	901	
2017/18	363	538 (60%)
2018/19	35	328 (90%)

- 3.6.3 Within the current projections there is an assumption that a repayment will be made to Government in 2019/20. This is due to the calculated core spending power for the Council being less than the estimated funding received. For 2019/20 the provisional settlement provides for a £331k repayment. Officers have projected that this will continue into 2020/21 and 2021/22.

### 3.7 **Business Rates**

- 3.7.1 For 2018/19 the government assessed baseline for business rates is £2.03m, if business rates grow above the baseline, then this council keeps a proportion of that funding. The Council is part of the Greater Birmingham and Solihull (GBS) Business Rates Pool and this enables the levy to go into the pool for regeneration projects rather than returned to Central Government. The Council had submitted a bid to form part of a Worcestershire wide Business Rates pilot which would have enabled more income to be retained in the Borough. Unfortunately the council has been advised that the Worcestershire bid was unsuccessful and therefore will remain in the GBS Pool for 2018/19.

- 3.7.2 Within the settlement the Government advised that a reset to Business Rates will be made in 2020/21 which will coincide with the proposed changes to Business Rates within the Business Rates retention framework. Further consultation on this scheme is expected in 2018.

### 3.8 **New Homes Bonus (NHB)**

- 3.8.1 The amount of NHB for 2018/19 has been confirmed as £674k which is £196k less than the £870k anticipated within the MTFP.
- 3.8.1 The Government announced in the settlement figures a reduction in the number of years for which NHB payments are made from six to four. With a transitional year in 2017/18 where five years are payable to the

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authority. They also announced that NHB would not be paid for what they term as baseline growth, or housing growth that would happen naturally. This equates to a 0.4% levy that discounts the circa 126 additional house in Redditch each year from the NHB calculation.

- 3.8.2 In 2017/18 the increase in Band D equivalent properties was less than anticipated at 84 units and therefore a marginal payment of £22k has been made to the Council the growth is below the baseline set by Government.
- 3.8.3 The MTFP will continue to be refreshed annually to take account of future changes in funding and this will be based on future planning assumptions.

**3.9 Council Tax**

- 3.9.1 Within the settlement the Government allowed Councils to increase Council Tax by up to 3% without the need for a referendum for 2018/19 & 2019/20. The Council will decide the level of the council tax for 2018/19 on 19<sup>th</sup> February 2018. If the recommendations contained in this report are approved, the demand on the collection fund to meet the Council's own needs will be £6,097,619 representing a 2.99% (£6.79) increase on Band D Council Tax compared to the current financial year. The Council Tax relating to the Councils services in 2018/19 will rise from £227.21 to £234.
- 3.9.2 An estimation has been made in the budget proposals for the increase to be £5 per annum for 2020/21 & 2021/22 although this may change depending on Government settlements.

**3.10 Collection Fund**

- 3.10.1 The collection fund has a declared surplus of £1.223m as at March 2017 together with a forecast surplus of £59k. The total surplus of £1.82m will be distributed amongst the major preceptors using the prescribed formulae. This Councils share of the surplus payable as a one off sum is £179k.

**3.11 Precepts**

- 3.11.1 The precepts from Worcestershire County Council, the Hereford and Worcester Combined Fire Authority, and the West Mercia Police Authority have not yet been received. The precepting bodies have until 28 February to provide this information, which will be needed to enable the Council to make its formal decisions.

**3.12 Capital Programme**

- 3.11.1 The Capital Programme has been extended to a 4 year rolling plan and officers are currently working to ensure that the level of expenditure falls within the current estimated project allocation. Those schemes that



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are funded from S106 are not included in this report as they have already been approved during the legal agreements, however they will form part of the final programme as reported to members later this month. The borrowing costs associated with any schemes have been factored into the summary statement. The Capital Programme is attached at Appendix 4 for consideration.

**3.12 Efficiency Plan**

3.12.1 The Efficiency Plan as approved in October 2016 included a number of areas whereby the costs to the Council could be reduced in a number of ways. The following key themes were identified to enable officers to manage the shortfalls in funding:

- Identifying opportunities to increase income and growth
- Identify alternative models of delivery in the provision of services and to consider the most appropriate provider
- Identify further efficiency by continuing to drive waste out of services and reduce cost
- Continue to redesign services to provide quality support and service to the customer whilst releasing savings
- Assessing the value for money of service provided and demonstrating where resources can be realigned note 1
- Designing services across public and voluntary sector organisations to secure better outcomes and reduce overall spend
- Resetting future budget to meet prior years expenditure and income

3.12.2 The budget includes the delivery of the savings and income as identified in the Efficiency Plan. It should be noted that whilst annual savings have been included to meet those referred to in the plan there may be changes to funding and services delivered from 2018/19 that require alternative savings and income profiles to be delivered. Therefore further detailed reports will be presented to members advising of the relevant income and savings to be delivered.

**3.13 Current Position**

3.13.1 When proposing the budget officers have also identified a number of budget pressures that have been deemed “unavoidable”. Unavoidable includes the ongoing effects of pressures identified during 2017/18 together with any issues that have been raised as fundamental to maintaining service provision as part of the budget process. In addition income shortfalls that cannot be managed by improved marketing or price increases have been addressed during the budget planning. The pressures and income shortfalls are included at Appendix 2.

3.13.2 In addition officers have identified revenue bids to improve and enhance service delivery.

**Financial Position**

3.14 The current summary includes the following assumptions:

- 2% pay award in relation to the National Agreement in place. The initial budget was increased by 1% but the revised 2018/19-2019/20 takes into account the nationally proposed 2% increase for staff
- General inflationary increases in relation to contract arrangements
- In line with new government regulations, the introduction of a 20% increase in planning fees from Wednesday 17 January
- Payment of “negative grant “ to the Government in 2019/20 - 2021/22 of £330k pa. This remains to be confirmed as part of the localisation of business rates implementation
- Increases as per the fees and charges proposals
- Borrowing costs resulting from the capital programme
- An estimation of the New Homes Bonus income based on planning numbers
- Additional growth income estimated in relation to the Business Rates receivable by the Council
- Council Tax at 2.99% for 2018/19-2019/20 and £5 for 2020/21-2021/22
- Impact of moving to a Local Authority Trading Company for Leisure Services

3.15 The summary below shows the projected shortfall if no further savings were made:

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	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000
Departmental Expenditure (Starting Position)	9,101	9,159	9,090	9,090
Incremental Progression/Inflation on Utilities	-201	-4	287	502
Unavoidables				
Revenue Bids/Revenue impact of capital bids				
Savings and Additional income				
<b>Net Service Expenditure</b>	<b>8,900</b>	<b>9,156</b>	<b>9,377</b>	<b>9,592</b>
Investment Income	-538	-534	-534	-534
MRP (Principal)	1,020	1,134	1,268	1,280
Recharge to Capital Programme	-425	-425	-425	-425
<b>Net Operating Expenditure</b>	<b>8,957</b>	<b>9,332</b>	<b>9,687</b>	<b>9,914</b>
Revenue Support Grant	-35	0	0	0
Admin Subsidy Grant Reduction	0	0	0	0
Transitional Grant	0	0	0	0
Business Rates Retention (Baseline Funding)	-2,051	-2,171	-2,171	-2,171
Tariff Adjustment - negative grant	0	331	331	331
Funding from Business Rate Growth	0	0	0	0
Bad Debt Provision	50	50	50	50
Expected Levy Payment (net)	93	96	98	100
Section 31 Grant Income	0	0	0	0
New Homes Bonus	-674	-743	-619	-619
Collection Fund Surplus (Council Tax)	-167	0	0	0
Council Tax - 2.99% (18/19 & 19/20)	-6,098	-6,428	-6,731	-7,025
Parish Precept	8	8	8	8
Proposed Funding from Balances	0	0	0	0
<b>Funding Total</b>	<b>-8,874</b>	<b>-8,857</b>	<b>-9,034</b>	<b>-9,326</b>
<b>Shortfall</b>	<b>82</b>	<b>474</b>	<b>652</b>	<b>588</b>

- 3.16 As can be seen there is a shortfall to be met from 2018/19 – 2021/22. Officers are continuing to address the shortfall and all savings, additional income and pressures will be reported to the meeting at the end of February.

**General Fund Balances & Reserves**

- 3.17 The level of the general fund balance is currently £1.8m. The current level of balances is sufficient and it is recommended that these should not drop below £750K. In addition there are £1.8m of reserves available for future projects.

**Legal Implications**

- 3.18 None as a direct result of this budget update.

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- 3.19 The MTFP will enable services to be delivered across the Borough within the reduced financial funding arrangement that the Council has faced.

**Customer / Equalities and Diversity Implications**

- 3.20 The impact on the customer has been reduced due to the savings being realised by reduction of waste in the services and ensuring that all service that create value to the customer are resourced.

**4. RISK MANAGEMENT**

- 4.1 To mitigate the risks associated with the financial pressures facing the Authority regular monitoring reports are presented to both officers and Members to enable proactive action being undertaken to address any areas of concern.

**AUTHOR OF REPORT**

Name: Jayne Pickering – Exec Director Finance and Resources

E Mail: [j.pickering@Redditchandredditch.gov.uk](mailto:j.pickering@Redditchandredditch.gov.uk)

Tel: 01527-881400



# Overview and Scrutiny Committee

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## MINUTES

### Present:

Councillor Jane Potter (Chair), Councillor Gay Hopkins (Vice-Chair) and Councillors Natalie Brookes, Michael Chalk, Matthew Dormer, Andrew Fry, Paul Swansborough and Nina Wood-Ford

### Also Present:

S Harris, A Robert, C Bentley and A Pollard

### Officers:

Jayne Pickering

### Democratic Services Officers:

J Bayley

## 59. APOLOGIES AND NAMED SUBSTITUTES

Apologies for absence were received on behalf of Councillors Hill, Prosser and Wheeler. The Committee was advised that Councillor Brookes was attending as a substitute for Councillor Wheeler and Councillor Chalk was attending as a substitute for Councillor Prosser.

## 60. DECLARATIONS OF INTEREST AND OF PARTY WHIP

There were no declarations of interest nor of any party whip.

## 61. MINUTES

### RESOLVED that

the minutes of the meeting of the Overview and Scrutiny Committee held on Thursday 7th December 2017 be confirmed as a correct record and signed by the Chair.

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Chair

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## 62. HEREFORDSHIRE AND WORCESTERSHIRE SUSTAINABILITY AND TRANSFORMATION PLAN - PRESENTATION

The Committee welcomed Officers from the Worcestershire Health and Care NHS Trust and invited them to deliver a presentation (Appendix 1). During the delivery of this presentation the following matters were highlighted for Members' consideration:

- Since the last update to the Committee progress had been made and there was now a Herefordshire and Worcestershire Sustainability and Transformation Partnership (STP).
- A key focus of the partnership was on improving health and wellbeing within the area covered by the plan whilst tackling the financial challenges facing partners in the health service.
- Access and outcomes were important and shaped how the STP was measured at a national level.
- Work had been undertaken since the last update to solidify governance arrangements. There needed to be collective decision making for the STP and to help ensure that this occurred an independent Chair had been recruited to the board.
- An Engagement Officer had also been recruited, supported by external funding, to help improve the approach of partners to consultation in respect of the STP.
- Work was taking place on a Local Maternity Systems Plan, which would involve consulting with women, assessing levels of demand locally and designing services to meet community needs moving forward.
- Consultation was also being undertaken in respect of Cancer Services as it was recognised that this was a challenging area in Herefordshire and Worcestershire.
- Such work sometimes entailed engaging with specialist groups based outside the area, such as the West Midlands Palliative Care end of life group, in order to obtain relevant expertise about how improvements could be made to local services.
- National care was an area that required further investigation. The STP had been able to access external funding to help address the impact of demand for services during the winter period and this had been invested in ambulatory services.
- Neighbourhood teams had been introduced across the two counties, including two in the Borough. This involved integrated partners pooling resources to meet health needs within their locality.

Following delivery of the presentation Members requested further information on a number of areas:

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- The current situation with regard to the Urgent Care Plan for the Alexandra Hospital in Redditch. Members were advised that partners had planned how to manage pressures on winter services as a whole system rather than as individual organisations and this had helped services to meet demand.
- The need to make appropriate plans to enable older patients to return to their homes with the assurance that they would receive appropriate care. A pilot initiative to address this, involving partnership working, had been held in Malvern but it had been concluded that this would be more appropriate to deliver at the Alexandra Hospital.
- The need for more work to be undertaken to review transport links between the north and south of Worcestershire and the impact that this might have both on patients and on staff.
- The extent to which representatives of Hereford and Worcester Fire and Rescue Service had been involved in the work of local neighbourhood teams. The Committee was informed that representatives of the fire service had delivered presentations to the teams on subjects such as fire safety in the home and greater involvement was being piloted in some neighbourhood teams.
- The Local Maternity Systems Plan and the potential impact that this might have on staffing levels. Members were advised that this work was based on national strategies and was in the preliminary stages.
- The recent announcement at the national level by email that more training places were being commissioned for medical staff. Worcester University had a plan to train more medical staff and the STP was investigating action that could be taken to encourage trained staff to remain in the area once they qualified.
- The difficulty with national shortages in respect of a number of specialist medical professions and the impact that this had in Herefordshire and Worcestershire.
- The introduction of new Health Care Assistant roles and the positive impact that this would have on the workforce.
- The availability of perinatal mental health services. Members were advised that the STP had an opportunity to bid for funding to enhance these services, which were currently available in Worcestershire though there were no such services in Herefordshire.
- The potential for neighbourhood teams to encourage people to report to the most appropriate medical professional to meet their needs, helping GPs to concentrate on the most serious cases where their skills were needed.

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- The role of social prescribers in helping to refer patients to alternative sources of support that could help to enhance their health and wellbeing in the long-term.
- The length of time that had been spent working on STPs in the country to date and the extent to which these plans had had a positive impact on health services.
- The negative press that had been received nationally in respect of STPs and the need for health services to improve communications about positive outcomes from work on the STPs in order to reassure the public.
- The extent to which population growth, as a result of housing development, had been taken into account when developing the STPs. Members were advised that Clinical Commissioning Groups (CCGs) had a statutory duty to consult with local Councils and these issues should be picked up through this process.
- The approach taken to monitoring the performance of the STP. The Committee was informed that there were constitutional targets and data was provided in the form of a dashboard, the latest copy of which could be provided for Members' consideration.
- The value of receiving a further update on progress with the STP in approximately six months' time.
- The potential for representatives of the two neighbourhood teams in Redditch to attend the meeting of the Committee when the next update on the STP would be provided.

## **RESOLVED that**

- 1) a further update in respect of the Herefordshire and Worcestershire Sustainability and Transformation Partnership be provided to the Committee in approximately six months' time;**
- 2) representatives of the local neighbourhood teams for Redditch be invited to attend the meeting when this update is delivered; and**
- 3) the report be noted.**

## **63. PLACE PARTNERSHIP - PRESENTATION**

Members welcomed the Managing Director of the Place Partnership Limited to the meeting and invited him to deliver a presentation (Appendix 2). Whilst this presentation was provided the following matters were raised for Members' attention:



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- The Place Partnership Ltd was a public sector mutual in which partners had equal shares.
- The organisation had been incorporated in March 2015, a Managing Director was appointed in June 2015 and the company had been launched in September of that year.
- The partnership had succeeded the previous partnership arrangement that had been managed by Worcestershire County Council on behalf of some partners.
- A range of partner organisations were shareholders in the company including Councils, West Mercia Police and Hereford and Worcester Fire and Rescue Service.
- The partnership provided property services on behalf of partners and had inherited some excellent staff from those organisations. All staff were now on the same terms and conditions.
- The partnership had introduced a graduate programme and were due to recruit three new members of staff to this programme in 2018.
- The partnership had around 500 contracts, though officers were working to simplify this by reducing the number to approximately 15. This included a contract with 188 schools.
- The partnership delivered services across a wide geographical area encompassing Herefordshire, Shropshire, Warwickshire and Worcestershire, though customers were located as far away as Altrincham in Greater Manchester.
- The Place Partnership had been involved in recent work on the One Public Estate exercise.
- A key consideration when managing Property Services was to maximise use of space and this could enable organisations to achieve efficiencies.
- There was a shareholders' agreement, a service agreement, between the company and the shareholders, and properly constituted articles all of which underpinned the governance arrangements.
- Each shareholder had a representative who sat on the board, which met on a quarterly basis, as well as acted as a voice for their organisation. The Executive Director of Finance and Corporate Resources had this role on behalf of Redditch Borough Council.
- There was also a regular forum for shareholders, which was attended by the Chief Executive and Portfolio Holder for Corporate Management. These forums provided an opportunity to consider matters such as the partnership's business plans.
- When the partnership had been launched it had been anticipated that in total services would be delivered at a cost of

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£25 million by year five. In fact, by year two the partnership had running costs of £21 million.

- The partnership was achieving a greater level of savings for partner organisations than the previous shared service arrangement.
- The partnership had inherited some systems that were not considered to be fit for purpose. Action had been taken over the previous two years in an attempt to address this.
- The partnership had worked on a range of projects, including Hindlip Park and Evesham Fire Station each of which had been complicated but had helped to generate new jobs at a limited cost to the public purse.
- The partnership had been scrutinised by the Royal Institute for Chartered Surveyors (RICS).
- The organisation had received recognition as Property Manager of the Year in a national competition.

Once the presentation had been delivered Members discussed a number of points in detail:

- The weaknesses of the partnership and how these could be addressed. Officers acknowledged that improvements could be made, though it was noted that the organisation had only existed for two years. This would take time and would involve a focus on improving customer services.
- The role of staff in helping to improve customer services. A new staff group, Your Place Matters, had been introduced to enable employees to discuss such matters.
- The potential for the partnership to also meet customer services by engaging with the customer to develop service action plans.
- The performance management arrangements for the partnership. The Committee was advised that the initial agreement underpinning the partnership had made no reference to Key Performance Indicators (KPIs) though these had been developed locally. Members requested a copy of these KPIs for information.
- The potential to include KPIs in the new service agreements that were due to apply from 1<sup>st</sup> April 2018 and the need to link these to the Council's strategic purposes.
- The potential for conflicts of interest to arise where shareholders had both representatives on the board and an interest in achieving savings and generating revenue. Independent members had been recruited to the board to help achieve an appropriate balance and address any potential for conflicts of interest to occur.

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- The meetings of the board and the potential for Councillors to attend these. Members were advised that partner organisations learned about meetings of the board through their representative.
- The progress that had been achieved with the One Public Estate project and the extent to which Members would be engaged with this. Officers advised that a draft document was in the process of being considered by the Corporate Management Team (CMT) and was currently due to be considered by the Executive Committee in March, though the item was also scheduled for pre-scrutiny.
- The process that needed to be followed to report matters of concern to the Place Partnership. Members were advised that it was best to report issues to the organisation's contact centre.
- The existence of lead members of staff at the partnership who co-ordinated enquiries relating to a particular local authority area. This individual could help to ensure that any concerns relating to assets within that area were addressed.
- The level of profit that had been achieved by the partnership to date. Members were advised that in the first year of operation there had been a loss of £99,000. However, the audit had recently been completed of the year 2 accounts and this revealed that there had been a profit of £145,000 that year which was being reinvested in services.
- The provision of the same level of dividend to all shareholders regardless of the level of their contribution.
- The potential to generate more business by bidding for new contracts or undertaking specific pieces of work for external customers.
- The potential for the Redditch Fire Station to be regenerated as part of work on the One Public Estate project.
- The need for funding from the Council's capital programme to invest in capital projects delivered by the Place Partnership on behalf of the authority.
- The availability of £200,000 in a Localities Development budget which could be invested by the partnership in projects that met needs within the community.

**RESOLVED that**

**the report be noted**

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**64. MEDIUM TERM FINANCIAL PLAN 2018/19 TO 2021/22 -  
UPDATE REPORT (EXECUTIVE DIRECTOR OF FINANCE AND  
CORPORATE RESOURCES - TO FOLLOW)**

The Executive Director of Finance and Corporate Resources delivered a presentation which updated the Committee on the current position in respect of the Council's budget (Appendix 3) and in so doing she highlighted the following matters:

- The Council was currently able to retain any additional growth over the baseline for growth of business rates. However, the baseline was due to be reset to the level at which business rates had already grown which would reduce the benefit of any growth to the Council in financial terms.
- The level at which the Council could increase Council Tax before triggering a referendum had been increased to three per cent. Within the Medium Term Financial Plan (MTFP) Officers would be working on the basis that there would be a 2.99 per cent increase in Council tax.
- Worcestershire Councils had been in contact with the Government to try to find out why the Worcestershire Business Rates Pilot bid had been unsuccessful. This might help to ensure the success of any future bids.
- As a consequence the Council was remaining in the Greater Birmingham and Solihull Local Enterprise Partnership's (GBSLEP's) business rates pool in 2018/19.
- Many local authorities had raised concerns about the need to pay the Government a negative grant from 2019/20 onwards and the government was therefore consulting on alternative funding models that could be introduced.
- Under the Local Government Funding Reform there would be a number of considerations that would be addressed by the government. However, the service specific cost drivers referred to in the Government's consultation papers were more like to apply to social care providers than to district Councils.
- The Council had assumed that £196,000 would be recovered in New Homes Bonus (NHB) funding but unfortunately fewer planning applications had been approved in the period relating to Band D properties or higher than had been anticipated meaning that the Council could not receive this NHB funding.
- In original forecasts the budget had been designed to take into account a one per cent pay rise per annum but this had since increased to two per cent in line with the national pay agreement.

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- The Senior Management Team (SMT) would shortly be meeting to discuss the budget in further detail which would involve a line-by-line review.
- The Council needed to achieve a balanced budget for 2018/19 in the MTFP. The subsequent three years covered in the plan did not necessarily have to balance.
- The Council's proposed budget would be considered by the Executive Committee on 6<sup>th</sup> February. The Overview and Scrutiny Committee would have an opportunity to scrutinise these proposals and could report any recommendations on to Council on 19<sup>th</sup> February 2018.

Once the presentation had been delivered Members requested further information about the following matters:

- The Government's consultation in respect of the negative grant. Officers advised that this would involve the Government reviewing the options available and consulting with local authorities about these.
- The number of Councils that would need to pay a negative grant under existing arrangements from 2019/20. Officers advised that the majority of local authorities were in this position, with Redditch Borough Council due to pay the Government a similar amount to the majority of other district Councils in Worcestershire.
- The housing development that had taken place in Redditch over the last year and the reasons why this had not been taken into account when reviewing NHB contributions. Officers advised that the majority of these houses had been Band A, B and C properties which were not covered by the NHB scheme.
- The potential for more Band D properties to be built subject to changes being made to the Council's Local Plan.
- The availability of land within the Borough on which to build new properties.
- The development of lots of properties just outside the Borough's borders which would mean that local authorities in those neighbouring areas would receive any associated NHB funding.
- The potential benefits of both residential and commercial development just over the border on the Borough, particularly in respect of economic development and employment opportunities.

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**RESOLVED that**

**the Medium Term Financial Plan Update Report 2018/19 to 2020/21 update report be noted.**

**65. EXECUTIVE COMMITTEE MINUTES AND SCRUTINY OF THE EXECUTIVE COMMITTEE'S WORK PROGRAMME - SELECTING ITEMS FOR SCRUTINY**

Officers advised that due to the inclement weather the meeting of the Executive Committee that had been due to take place on 12<sup>th</sup> December had been cancelled. For this reason there were no minutes from that meeting for Members' consideration.

An updated copy of the Executive Committee's Work Programme published on 8<sup>th</sup> January 2018 was tabled for Members' consideration. Officers advised that the One Public Estate exercise had been postponed and was now scheduled for the Executive Committee's consideration on or after March. At the advice of officers the Executive Committee meeting that had been scheduled to take place immediately prior to Council on 19<sup>th</sup> February 2018 had been cancelled and the work programme had been updated to reflect this.

Members briefly debated the meaning of key and non-key decisions. There was general consensus that the Overview and Scrutiny Committee should focus on pre-scrutinising any reports on the work programme that were likely to have significant implications for the Council, which could be both key and non-key decisions.

**66. OVERVIEW AND SCRUTINY WORK PROGRAMME**

Members considered the Committee's work programme and noted that the meeting of the Committee in March would now take place on 1<sup>st</sup> March 2018. This meeting had been brought forward to provide Members with an opportunity to pre-scrutinise the Leisure Business Case. The One Public Estate report had also been rescheduled for consideration at this meeting.

Officers from Worcestershire County Council were due to attend the meeting of the Committee on 1<sup>st</sup> March to deliver a presentation on the subject of Safeguarding and Early Help services. There was general consensus that that this was likely to be a subject of interest to all Members. It was therefore agreed that all Members should be invited to attend this meeting.

**RESOLVED that**

# Overview and Scrutiny Committee

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**all Members should be invited to attend the meeting of the Overview and Scrutiny Committee due to take place on 1<sup>st</sup> March 2018.**

## 67. TASK GROUPS, SHORT SHARP REVIEWS AND WORKING GROUPS - UPDATE REPORTS

### a) Budget Scrutiny Working Group – Chair, Councillor Potter

Councillor Potter advised that there had been no meeting of the Budget Scrutiny Working Group since the last meeting of the Overview and Scrutiny Committee on 7<sup>th</sup> December 2017. The following meeting of the group would take place on 30<sup>th</sup> January 2018.

### b) Civil Contingencies Short Sharp Review – Chair, Councillor Prosser

In the absence of the Chair Councillor Dormer provided an update on the progress with the review.

Members were advised that there had been no further meetings of the group since the last meeting of the Overview and Scrutiny Committee. The next meeting of the group would take place on 17<sup>th</sup> January. Members had originally intended for this to be their last meeting. However, a key expert witness had recently returned from maternity leave and would be interviewed at this meeting. It was possible that the evidence this witness would provide would change the direction of the review. For this reason the group was requesting an extension to their deadline to provide time for feedback from the witness to be taken into account.

### c) Performance Scrutiny Working Group – Chair, Councillor Dormer

Councillor Dormer explained that two meetings of the group had taken place since the previous meeting of the Committee.

During the first of these meetings officers had been interviewed about the difficulties that Members were experiencing when attempting to access the dashboard on their iPads as well as the problems the group had experienced accessing the dashboard at a recent meeting. Members had been advised that there had been some technical issues with wifi access, though it was anticipated that these problems had

# Overview and Scrutiny Committee

Thursday, 11th January, 2018

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now been resolved. Officers had also introduced a new tab which could be used to help navigate the dashboard more quickly. It was understood that all Members could access this tab on the dashboard on their iPads.

At the latest meeting of the group Members had interviewed officers about a number of measures relating to the work of the North Worcestershire Economic Development Unit (NWEDR). Many of the measures that were discussed involved data where there would be a significant lag in obtaining information from external sources. Members had requested that where this occurred brief commentary was added for clarification.

For the next two meetings of the group Members had invited officers to attend meetings to discuss measures relating to sickness absence and rent arrears.

## **RESOLVED that**

- 1) **the deadline for completion of the Civil Contingencies Short Sharp Review be extended to 1<sup>st</sup> March 2018; and**
- 2) **the update reports be noted.**

## **68. EXTERNAL SCRUTINY BODIES - UPDATE REPORTS (COUNCILLOR NINA WOOD-FORD)**

Councillor Wood-Ford confirmed that there had been no meetings of either the West Midlands Combined Authority Overview and Scrutiny Committee or the Worcestershire Health Overview and Scrutiny Committee (HOSC).

The Meeting commenced at 7.00 pm  
and closed at 9.09 pm



# Herefordshire and Worcestershire Sustainability and Transformation Partnership (STP) update

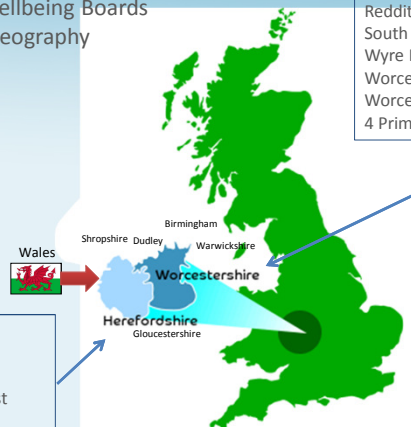
Sue Harris, STP Communication and Engagement Lead  
Ali Robert, STP Programme Manager



## Herefordshire and Worcestershire STP

- Big geography, small population
- 785,000 people (smallest in West Midlands)
- Two Health and Wellbeing Boards
- Relatively simple geography

Worcestershire County Council  
 Redditch and Bromsgrove CCG  
 South Worcestershire CCG  
 Wyre Forest CCG  
 Worcestershire Acute Hospitals NHS Trust  
 Worcestershire Health and Care NHS Trust  
 4 Primary Care Collaborations



Herefordshire Council  
 Herefordshire CCG  
 Wye Valley NHS Trust  
 2gether NHS Foundation Trust  
 Taurus GP Federation




## Leadership and Governance

**Achievements made during Q3**

- Appointment of an **independent Chair** for the STP
- Tested System and Organisational **Governance approach** : Approval and submission of the Local Maternity System plan for Herefordshire and Worcestershire
- STP **Community Engagement Officer** appointed – Completing “Engagement needs assessment” for all STP transformation programmes.- Formally aligned to Cancer, Mental Health, learning Disabilities and Maternity
- STP PMO strengthened reporting and challenge around escalations, risks and assessment of STP Transformation programmes
- Seeking expressions of interest for **Nurse Lead** for the STP
- Engagement with regional groups: Identification of STP representation/roles for:
  - West Midlands Palliative Care Group/ End of Life Group
  - West Midlands Stroke Group

Risks / Issues	Mitigating actions
<ul style="list-style-type: none"> <li>Local and regional strategies are not aligned</li> <li>Capacity to deliver scale and breadth of change</li> </ul>	<ul style="list-style-type: none"> <li>Clear representation at regional groups from the STP</li> <li>Working collectively as a system</li> </ul>



Your Health & Wellbeing  
#YourConversation

**STP Partnership Board**

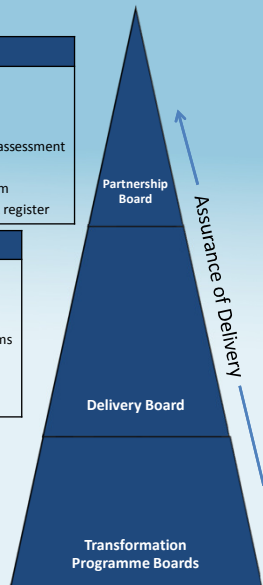
- Commitment to collaborative working and progressing our model for **Accountable Care**
- Received **Winter plans** and assurance statement against delivery
- Agreed NHS E & STP **Partnership Agreement**
- Signed up to MoU supporting the implementation of an integrated approach to the identification and assessment of **Carers’ health and wellbeing** needs across Herefordshire and Worcestershire
- Agreed **Mental Health Checklist** for the STP supporting the promotion of Mental health across the system
- Standing items:** Clinical reference group, Finance and Efficiency, Delivery highlights and Programme Risk register

**STP Delivery Board and Central Team**


- Stocktake of **work programmes and governance** through alignment of STP PMO team
- “**Deep Dive**” Cancer work programme and draft cancer plan (Output included on slide x)
- Commencement of phased Implementation of **shared PMO software** across the STP
- Key Lines of Enquiry** cross cutting STP Programmes agreed as: Prevention, Mental Health, VCS, Comms and Engagement, LD, Children Young people and families
- Agreed to develop an **STP Risk Management Framework**
- Development of a process for prioritisation for of **capital schemes** for the STP

**STP Programme Boards**

- Prevention Board:** Agreed SRO, Host CCG and spec for **Diabetes Prevention Programme** for the STP
- Primary Care Committees:** Submission of **GPFV Workforce plans** to NHS E and Strengthening of aligned reporting for the STP
- LMS Board:** Developed and submitted **Local Maternity Systems Plan**
- A&E Delivery Boards:** Implementing **funding received** for improving urgent care
- LWAB:** Secured funding to implement **Apprentice Hub** for the STP



Assurance of Delivery



Your Health & Wellbeing  
#YourConversation

## Engagement: ongoing focus of our STP

- More staff engagement
- Continued dialogue with voluntary and community sector colleagues, especially around improving support for carers
- Targeted discussions with young people and under represented groups
- Capacity and demand modelling to support developments around community hospitals/community services
- More detailed work around travel and transport challenges and alternatives
- Greater understanding of technology options and how these could be used
- Topic specific engagement and consultations
- Maximising local engagement approaches



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**An Update on Place Partnership**

**Andrew Pollard, Managing Director**



Creating Inspirational Environments




**Private company wholly owned by public sector partners – a unique proposition**


- A Public Sector Mutual
- Delivering innovative, profitable property services and significant savings to its shareholders.
- Development of the One Public Estate programme
- Joint use of shared land and property assets to transform the local economy.
- Using our skills in strategic land and project management, the company will act as a catalyst for regeneration
- By combining the estates depts of the shareholders, Place Partnership is able to increase operational efficiency, providing the platform for economies of scale, cost reduction and significant savings.




- **Operating across 4 Counties**
- **2 Districts & 1 County Council**
- **2 Police & Crime Commissioners**
- **2 Police Forces**
- **1 Fire & Rescue Authority**
- **188 schools**
- **165 directly employed**
- **Significant regional supply chain**
- **Portfolio of 1,400 mixed assets**




**Place**  
PARTNERSHIP

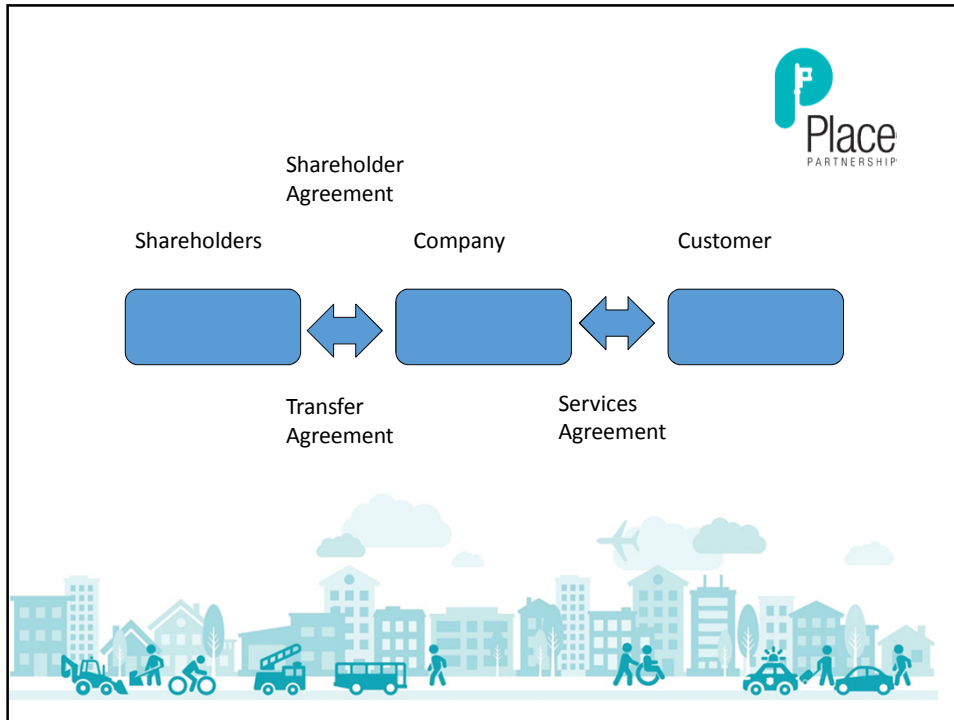


**Key Objectives**



**Place**  
PARTNERSHIP





- 
- Developing our relationship with Redditch Borough Council**
- **“RBC Customer”**
    - RBC client representatives act as “gate-keepers”
    - Regular meetings and dialogue
    - Regular review of KPIs and service performance.
  - **“RBC Nominated Board Member”. Quarterly Board Meetings**
  - **“RBC Shareholder”. Regular forums. AGM**
-



### Principal achievements

- Significant recurring savings to partners to date
- Transforming the estate
- Worcestershire One Public Estate Partnership
  - Redditch – Detailed Place Review Report Delivered
  - City of Worcester – Place Review Report being finalised
  - Wyre Forest – Place Review Report under development
  - Wider opportunities – OPE phase 6



### Principal savings opportunities.....

1. "6 into 1" – streamlined management structure – COMPLETED 28/2/16.
2. FM services integrator model, better procurement, better systems and processes – Launch date: 2/2018. Expected recurring savings: £1m per annum.
3. New profit generating business, reducing partners' net effective estate operating costs – gaining traction, particularly in OPE work
4. Better more efficient real estate, more effective use of real estate – medium term
5. The right real estate for all partners







**...with many more value creation opportunities**

- One Public Estate
- Strategic Asset Management
- Disposals
- Acquisitions
- Investment opportunities
- Focus on achieving a more effective estate



**Recent Project Experience**



**Hindlip Park**

- Proposed joint operational communications centre
- National strategic importance
- Sensitive site in greenbelt
- Frees up land, adds values, delivers significant savings
- Practical completion: December 2017



**Evesham Fire Station**

- Joint venture with District Council
- Redevelopment of contaminated land
- Land release for new Waitrose
- Significant operational efficiencies
- Work commenced January 2016, PC November 2016
- Operational in December 2016

**Place**  
PARTNERSHIP

**Questions?**

11

## Overview & Scrutiny

### Budget Update

Jan 2018

## Impact of Settlement

- Local Government Funding Reform – consultation paper published
- Implementation 2020/21
- Business Rates Baseline reset 2020/21
- From 2020/21 all grants to be included in Business Rates Retention
- Business Rate retention at 75% - not 50% - but reset will reduce benefit of any growth
- Council Tax – referendum now at 3% (previously 2%) – 2018/19 & 2019/20
  - Increase included in Budgets £40k
- Business Rate Pilots – Worcestershire not approved as a pilot. Potential for further rounds of bidding
- Redditch to remain in GBS Pool for 2018/19
- No changes to NHB
- Consultation in Spring 2018 in relation to “negative “ grant – currently £330k in 2019/20

## Impact of Settlement

- Local Government Funding Reform – consultation paper published – implementation 2020/21
  - Measuring need
  - Common cost drivers
  - Service specific cost drivers
  - Weighting formula
  - Advises that further detail on transition and locally raised income to follow in future papers
  - Set new baseline for funding allocations
  - Simple/ transparent/ Contemporary/ Sustainable/ Stable

## New Homes Bonus

- No Change to Scheme for 2018/19
- Deadweight remains at 0.4%
- 2018/19 band D 31,617
  - 0.4% = 126.5 units
  - Growth 84 units
  - Therefore Below Baseline
  - Grant advised of £22k for 2018/19
  - Short **£196k** ( £22k not £218k). £218k based on average of previous 3 years

## Current Position

- Current Gap – £500k in 2018/19 - £800k in 2020/21
- Assumes £220k from the Leisure Company
- Assumes 2% pay award for all staff for 2018/19 & 2019/20
- Assumes 2.99% Council Tax 2018/19-2019/20 then £5 to 2021/22

## Next Steps

- Further work on detailed savings / additional income to be prepared for Feb meeting
- Detailed rationale to demonstrate pressures
- Review of reserves statement
- Balances £1.8m – minimum £750k
- Balance the financial projections to 2021/22
- Agree budget February 19<sup>th</sup> 2018

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REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE**

6th February 2018

**ADVISORY PANELS, WORKING GROUPS, ETC - UPDATE REPORT**

Relevant Portfolio Holder	Councillor John Fisher, Portfolio Holder for Corporate Management
Relevant Head of Service	Claire Felton, Head of Legal, Equalities and Democratic Services
Non-Key Decision	

**1. SUMMARY OF PROPOSALS**

To provide, for monitoring / management purposes, an update on the work of the Executive Committee's Advisory Panels, and similar bodies which report via the Executive Committee.

**2. RECOMMENDATIONS**

The Committee is asked to **RESOLVE** that

**subject to Members' comments, the report be noted.**

**3. UPDATES****A. ADVISORY PANELS**

	<b><u>Meeting</u></b>	<b><u>Lead Members / Officers</u></b>  (Executive Members shown <u>underlined</u> )	<b><u>Position</u></b>  (Oral updates to be provided at the meeting by Lead Members or Officers if no written update is available)
1.	Planning Advisory Panel	Chair: <u>Cllr Greg Chance</u> Vice-Chair: <u>Cllr Bill Hartnett</u> Ruth Bamford	Meeting date: Last meeting – 31st October 2017 Next meeting – 6 <sup>th</sup> February 2018

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE**

6th February 2018

**B. OTHER MEETINGS**

2.	Constitutional Review Working Party	Chair: <u>Cllr Bill Hartnett</u> Vice-Chair: <u>Cllr John Fisher</u> Claire Felton	Last meeting – 30th October 2017 Next meeting – TBC
3.	Member Support Steering Group	Chair: <u>Cllr John Fisher</u> Vice-Chair: <u>Cllr Bill Hartnett</u> Claire Felton	Last meeting – 22nd January 2018 Next meeting – 2 <sup>nd</sup> July 2018
4.	Grants Assessment Panel	Chair: <u>Cllr Gay Hopkins</u> Vice-Chair: <u>Cllr Greg Chance</u> Judith Willis / Helen Broughton	Last meeting – December 2017 Next meeting – March 2018

**AUTHOR OF REPORT**

Name: Jess Bayley  
 Email: [jess.bayley@bromsgroveandredditch.gov.uk](mailto:jess.bayley@bromsgroveandredditch.gov.uk)  
 Tel: (01527) 64252 Ext : 3268