



Executive Committee

**Council Chamber,
Redditch Town
Hall**

Tue 13 Jul
2021
6.30 pm

REDDITCH BOROUGH COUNCIL

*making
a
difference*

www.redditchbc.gov.uk

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

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Tel: (01527) 64252 (Ext. 3268)
e.mail: jess.bayley@bromsgroveandredditch.gov.uk /**

GUIDANCE ON FACE-TO-FACE MEETINGS

Due to the current Covid-19 pandemic Redditch Borough Council will be holding this meeting in accordance with the relevant social distancing arrangements for holding face-to-face meetings at a local authority.

Please note that this is a public meeting.

GUIDANCE FOR ELECTED MEMBERS ATTENDING MEETINGS IN PERSON

In advance of the Committee meeting, Members are encouraged to consider taking a lateral flow test, which can be obtained for free from the NHS website. Should the test be positive for Covid-19 then the Member should not attend the Committee meeting, should provide their apologies to the Democratic Services team and should self-isolate in accordance with national rules.

Members and officers are encouraged to wear face masks during the Council/Committee meeting, unless exempt. Face masks should only be removed temporarily if the Councillor/officer requires a sip of water and should be reapplied as soon as possible. Refreshments will not be provided by the venue, therefore Members and officers are encouraged to bring your own supply of water.

Hand sanitiser will be provided for Members to use throughout the meeting.

The meeting venue will be fully ventilated and Members and officers may need to consider wearing appropriate clothing in order to remain comfortable during proceedings.

PUBLIC ATTENDANCE

Members of the public are able to access meetings of the Executive Committee in person if they wish to do so. However, due to social distancing requirements to ensure the safety of participants during the Covid-19 pandemic, there will be limited capacity and members of the public will be allowed access on a first come, first served basis. Members of the public in attendance are encouraged to wear face-masks, to use the hand sanitiser that will be provided and will be required to sit in a socially distance manner at the meetings. It should be noted that members of the public who choose to attend in person do so at their own risk.

In line with Government guidelines, any member of the public who has received a positive result in a Covid-19 test on the day of a meeting should not attend in person and should self-isolate in accordance with the national rules.

Notes:

Although this is a public meeting, there are circumstances when Council might have to move into closed session to consider exempt or confidential information. For agenda items that are exempt, the public are excluded.



Executive

Tuesday, 13th July, 2021

6.30 pm

Council Chamber Town Hall

Agenda

Membership:

| | | |
|--------|------------------------------|----------------|
| Cllrs: | Matthew Dormer (Chair) | Nyear Nazir |
| | Gemma Monaco (Vice-Chair) | Mike Rouse |
| | Brandon Clayton | David Thain |
| | Peter Fleming | Craig Warhurst |
| | Anthony Lovell | |

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 - 10)

5. Bomford Hill Pathway (Pages 11 - 18)

6. Members' ICT Policy (Pages 19 - 30)

7. Covid-19 Business Grant Funding (Pages 31 - 60)

8. Covid-19 Grant Funding - Delegations (Pages 61 - 64)

9. Overview and Scrutiny Committee (Pages 65 - 72)

There were no recommendations arising from the meeting of the Overview and Scrutiny Committee held on 18th March 2021.

10. 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.

11. Advisory Panels - update report

Members are invited to provide verbal updates, if any, in respect of the following bodies:

- a) Climate Change Cross-Party Working Group – Chair, Councillor Anthony Lovell;
- b) Constitutional Review Working Panel – Chair, Councillor Matthew Dormer;
- c) Corporate Parenting Board – Council Representative, Councillor Nyear Nazir;
- d) Member Support Steering Group – Chair, Councillor Matthew Dormer; and
- e) Planning Advisory Panel – Chair, Councillor Matthew Dormer.

12. To consider any urgent business, details of which have been notified to the Head of Legal, Democratic and Property Services prior to the commencement of the meeting and which the Chair, by reason of special circumstances, considers to be of so urgent a nature that it cannot wait until the next meeting

13. Exclusion of the press and public

Should it be necessary, in the opinion of the Chief Executive, during the course of the meeting to consider excluding the public from the meeting on the grounds that exempt information is likely to be divulged, it may be necessary to move the following resolution:

“That, under S.100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting for the following matter(s) on the grounds that it/they involve(s) the likely disclosure of exempt information as defined in the relevant paragraphs (to be specified) of Part 1 of Schedule 12 (A) of the said Act”.

These paragraphs are as follows:

Subject to the “public interest” test, information relating to:

- Para 3 – financial or business affairs;

14. Financial Update Regarding Leisure Services (Pages 73 - 82)

15. Land at Upper Norgrove, Webheath (Pages 83 - 94)

This report will be subject to pre-scrutiny at a meeting of the Overview and Scrutiny Committee due to take place on 8th July 2021. Any recommendations on this subject that are agreed at that meeting will be reported for the Executive Committee’s consideration in a supplementary pack.

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Executive Committee

Tuesday, 23rd March, 2021

MINUTES

Present:

Councillor Matthew Dormer (Chair), Councillor Mike Rouse (Vice-Chair) and Councillors Greg Chance, Brandon Clayton, Bill Hartnett, Anthony Lovell, Nyear Nazir, David Thain and Craig Warhurst

Officers:

Matthew Bough, Claire Felton, Chris Forrester, Sue Hanley, James Howse, Kath Manning and Simon Parry

Senior Democratic Services Officer:

Jess Bayley

90. APOLOGIES

There were no apologies for absence.

91. DECLARATIONS OF INTEREST

There were no declarations of interest.

92. LEADER'S ANNOUNCEMENTS

The Leader advised that the Budget Scrutiny Working Group had pre-scrutinised the Financial Monitoring Report – Quarter 3 at a meeting held on 17th March 2021. However, as no recommendations had been made on the subject, the minutes of that meeting had not been provided for Members' consideration.

During consideration of this item the Leader advised Members that the Council had entered into the pre-election period. Members were asked to be mindful of this moving forward.

93. MINUTES

RESOLVED that

Chair

the minutes of the meeting of the Executive Committee held on Monday, 22nd February 2021 be approved as a true and correct record and signed by the Chair.

94. GREEN HOMES FUNDING

The Climate Change and Energy Support Officer presented a report which detailed the Council's application for funding that could be used to improve the energy efficiency of homes located in the Borough.

The distribution of the grant funding that was available was managed by Local Energy Hubs. Redditch was located in the West Midlands and the Midland Energy Hub (MEH) was managing the distribution of funding locally. There was additional funding available to support Councils and partner organisations with the administration of the scheme.

The intention was for the grant funding to be used to improve the energy efficiency of the worst performing properties, which had received energy efficiency ratings of E, F G. Many of these properties were managed as social housing, including Council houses managed by Redditch Borough Council, and therefore the Housing Department would be actively involved in the project. Residents in these properties were often impacted by fuel poverty and therefore the work would have a beneficial impact on their finances. The deadline for the completion of funded projects would be 31st December 2021 and the funds would need to be spent in accordance with the grant guidance.

There were risks attached to the project, particularly in respect of the relatively tight timescales available to complete the works. In addition, there were risks associated with Coronavirus, though Covid secure practices would be adopted.

Following the presentation of the report, Members discussed a number of points in detail:

- The average expenditure of £10,000 per property and the works that could be funded at this level.
- The works that would be undertaken on Council house properties. Officers explained that measures such as the

installation of loft, wall and garage insulation would feature in these works.

- The match funding required from the Council in respect of Council properties that were supported through this process. Members were advised that this funding would be provided as part of the capital programme for the Housing Revenue Account (HRA).
- The availability of some of the funding for other social housing providers.
- The number of houses that would benefit from the programme. Officers explained that it was difficult to quantify the number of houses that would benefit at this stage.
- The extent to which a plan had been developed to ensure that the funding could be spent and works completed by the deadline of 31st December 2021. Officers advised that there was an aim to get on site quickly and to complete the works as efficiently as possible within the time available.
- The Council's energy efficiency programme. Members were informed that this project formed part of that programme.
- The extent to which the funding was available to support improvements to the energy efficiency of properties in the private sector. Officers advised that many privately owned homes were already performing well but there were some exceptions and applications could be submitted in relation to these properties.
- The criteria for applications for the funding and the potential for some applicants to be turned down. Officers clarified that all eligible properties in the private sector would be provided with an opportunity to apply for funding, with funding being granted on a first come first serve basis. However, the Council was not anticipating that demand would outstrip supply.
- The detrimental impact that fuel poverty could have on households.

RECOMMENDED that

- 1) **the Capital and Revenue Budgets (Housing and General Fund) are increased to receive Redditch Borough Council's Green Homes Grant scheme Local Authority Delivery Part 2 allocation of £280,700; and**

- 2) **delegated authority is granted to the Head of Environmental and Housing Property Services and Head of Community and Housing Services following consultation with the Portfolio Holders for Housing and Climate Change to administer the funding received in line with the grant conditions.**

95. FINANCE MONITORING QUARTER 3 2020/21

The Head of Finance and Customer Services presented the Financial Monitoring Report for the third quarter of the 2020/21 financial year.

Members were advised that Officers were anticipating a £150,000 overspend at the end of the financial year. The Council had recently been informed that the Government would be allocating a further £35,000 to the authority to help cover lost income from fees and charges, which would help to offset this overspend.

Additional expenditure was anticipated in respect of the benefits subsidy and payments. This was because there had been no court processes during the Covid-19 pandemic and this work would need to be addressed at a later date.

The budget for Enabling Services was overspent by £172,000. A significant contribution to this overspend had been pressures arising from the Local Government Pension Scheme. This overspend had been partly offset by salary savings from vacant posts.

There was a significant underspend in the capital programme and this was projected to continue over the three year period of the programme. Senior Officers were in the process of reviewing the content of the Capital Programme to ensure that expenditure aligned more closely with the budget in future years. However, Members were asked to note that many of the delays to expenditure in the capital programme had been caused by the Covid-19 pandemic.

In respect of the HRA, the Council was anticipating a significant surplus by the end of the financial year of £750,000. In part, this was due to a delay in respect of work by the Repairs and Maintenance department, as during the Covid-19 pandemic the

focus had been on delivering essential works. The works that had not been completed at this time would eventually need to be progressed and therefore the surplus generated in 2020/21 had not been incorporated into the budget for future years out of recognition that these funds would need to be spent.

After the report had been presented Members discussed the following points in detail:

- The repairs and maintenance jobs that had not been completed during the Covid-19 pandemic and the extent to which this had created a backlog.
- The potential for a plan to be developed in respect of undertaking the repairs and maintenance jobs that had not been undertaken during the Covid-19 pandemic. Officers advised that proposals were being developed to ensure that an organised approach was adopted to addressing this matter. Health and safety would need to be considered as part of this process, with staff currently working for a maximum of three hours at properties in order to keep people safe.
- The possibility that assistance might be required from external contractors in order to address the backlog in repairs and maintenance. Officers confirmed that it was anticipated that a limited amount of support would be required from external contractors for this purpose.
- The potential for Members to be notified once the Council started to address the backlog in repairs and maintenance.
- The reserve that had been included in the budget to offset any business rates that were lost at appeal. Officers explained that this reserve had been considered prudent to include in the budget to ensure that the Council had financial reserves to fill any gaps that might arise as a result of companies successfully appealing against the level of their business rate payments.
- The reserve of £432,000 recorded for the Financial Services team and the purpose of this reserve. The Committee was advised that this reserve was intended for expenditure on the new finance system and would be largely spent by the end of the financial year.
- The purpose of the reserve that had been recorded for Green Lane, Studley, which had been recorded as funding for negotiations through the planning process. Members commented that this reserve was intended to help fund

ongoing negotiations with Stratford-on-Avon District Council and Warwickshire County Council in respect of the assets owned by Redditch Borough Council at that location.

RESOLVED that

- 1) **the current financial position in relation to revenue and capital budgets for the financial period April 2020 – December 2020 be noted;**

RECOMMENDED that: -

- 2) **an increase to the Capital programme 2020/21 of match funding with the West Mercia Police and Crime Commissioner (PCC) for a digital upgrade of CCTV £21,000 be approved; and**
- 3) **the revised fees and Charges for Bereavement services be approved for 2021/22.**

96. WORCESTERSHIRE REGULATORY SERVICES BOARD - BUDGET RECOMMENDATIONS

The Head of Finance and Customer Services presented the minutes of the meeting of the Worcestershire Regulatory Services (WRS) Board held on 11th February 2021. Members were advised that during this meeting Wyre Forest District Council had advised that they would be withdrawing a request for additional income to host the IT service and premises provided to WRS. The recommendations detailed in the minutes of the Board meeting outlined the resulting changes to the budget for WRS in 2021/22 accordingly.

Members discussed the minutes and in doing so welcomed the change in the position that had been adopted by Wyre Forest District Council in respect of this matter.

RECOMMENDED that the following figures be approved for 2021/22 and 2023/24:

- 1) **the 2021/22 gross expenditure budget of £3,726k;**
- 2) **the 2021/22 income budget of £529k;**

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Tuesday, 23rd March, 2021

- 3) the revenue budget and partner percentage allocations for 2021/22 onwards:

| Council | £'000 | Revised % |
|--------------------------|-------|-----------|
| Redditch Borough Council | 562 | 17.57 |

- 4) the additional partner liabilities for 2021/22 in relation to unavoidable salary pressure.

| | |
|--------------------------|------|
| Redditch Borough Council | £10k |
| Total | £60k |

- 5) the additional partner liabilities for 2021/22 in relation to three Technical Officers.

| Council | Tech Officer Income Generation £000 | Tech Officer Animal Activity £000 | Tech Officer Gull Control £000 |
|--------------------------|--|---|--|
| Redditch Borough Council | 6 | 2 | 0 |

97. OVERVIEW AND SCRUTINY COMMITTEE

Members were advised that there were no recommendations from the Overview and Scrutiny Committee for consideration on this occasion.

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

Members were advised that there were no referrals from either the Overview and Scrutiny Committee or any of the Executive Advisory Panels for consideration on this occasion.

99. ADVISORY PANELS - UPDATE REPORT

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

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

Councillor Lovell explained that consideration was being given by the Council to electric charging points for vehicles and the grant funding available for this purpose. The Council would aim to submit bids for this funding moving forward.

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

Councillor Dormer informed Members that a meeting of the Constitutional Review Working Party was scheduled to take place on 29th June 2021.

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

Councillor Nazir advised that the minutes of the previous meeting of the Board had not yet been published. There was a further meeting of the Board scheduled to take place on 27th May 2021.

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

Councillor Dormer commented that a meeting of the Member Support Steering Group had taken place on 2nd March 2021. During this meeting Members had discussed the induction process for Councillors due to be elected in May 2021. Reference had also been made to the potential for the Council to continue to live stream meetings once meetings resumed in person. An additional meeting of the group, prior to the end of the municipal year, had been requested to enable Members to discuss the available webcasting options further.

During the delivery of this update, Councillor Dormer explained that the Member Support Steering Group had

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discussed the requirement for local authorities to return to holding meetings in person from 7th May 2021 onwards. This would apply to formal Committee meetings and the group had agreed that informal and private meetings, such as meetings of the group, Portfolio Holder Briefings and Scrutiny Task Group meetings, should continue to take place virtually wherever possible. Concerns had been raised by Members of the group that it would be too early to return safely to physical Committee meetings by 7th May 2021, particularly as the Covid-19 pandemic remained in place. For this reason, the Leader had spoken to the leader of the opposition and they had agreed to write together to the Rt Hon Robert Jenrick, Secretary of State for Housing, Communities and Local Government to set out their concerns on behalf of the Council.

e) Planning Advisory Panel – Chair, Councillor Matthew Dormer

Councillor Dormer explained that there were no meetings of the Planning Advisory Panel scheduled to take place.

The Meeting commenced at 6.42 pm
and closed at 7.30 pm

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Executive Committee
2021

13th July

Report title: Bomford Hill Pathway

| | | |
|--|---|--|
| Relevant Portfolio Holder | | Councillor Michael Rouse |
| Portfolio Holder Consulted | | Yes / No |
| Relevant Head of Service | | |
| Report Author | Job Title: Ishrat Karimi Fini Contact email: Ishrat.karimifini@bromsgroverredditch.gov.uk Contact Tel: | |
| Wards Affected | | Church Hill |
| Ward Councillor(s) consulted | | Yes |
| Relevant Strategic Purpose(s) | | Living independent and healthy lives” and “Communities which are safe, well maintained and green” Community Purpose - “Improving Health and Wellbeing” |
| Non-Key Decision | | |
| If you have any questions about this report, please contact the report author in advance of the meeting. | | |

1. RECOMMENDATIONS**The Executive Committee RECOMMEND that:-**

- 1) the capital programme be amended to incorporate the budget for the works detailed in recommendation 2, subject to Council agreement that works be undertaken to introduce a gravel pathway at Bomford Hill to access the recently installed peace memorial; and**
- 2) the receipt of the total value of (£31,727.37) for the project plus a maintenance figure (£3,127) is received from Church Hill Big Local.**

2. BACKGROUND

- 2.1 The Bomford Hill Park is in the heart of the community of Church Hill and has recently undergone a development to provide a War Memorial Monument at the top of the hill, funded and installed by a third party, (Church Hill Big Local Charity Group).
- 2.2 The Memorial Monument (known as the Peace Memorial) has created a place for remembrance within this natural environment enabling the local community to pay respects and reflect throughout the year about those who lost their lives during WW1 and WW2.

Executive Committee
202113th July

- 2.3 Church Hill Big Local (CHBL) has consulted with the local community within Church Hill to ascertain the need for a more accessible route to this new feature to ensure this provides inclusive access to all visitors. Local surveys have been carried out to review the need and increased demand following the installation of the Memorial.
- 2.4 The Council's Engineering Design team has produced the planned route along with a quotation for the full works using the council's Approved Framework Civils Contractors to complete the works.
- 2.5 CHBL has secured funds through their Big Lottery Community Project granted to the council to provide this essential pedestrian route. This will also include a maintenance payment to RBC of 10% one off payment to manage the pathway within its open space.
- 2.6 CHBL has approached the Council with a proposal for the Council to undertake the works on Council land for which they will provide the funding.

3. FINANCIAL IMPLICATIONS

- 3.1 Project costs of £31,272.37 will be funded through the grant fund received from the CHBL (Big Lottery Funding) which will include an additional £3,127.00 maintenance payment to support the ongoing maintenance of this informal permeable route.
- 3.2 The order for the pathway will be raised by the Council and CHBL will be invoiced for full value. A letter of commitment/intent has been received from CHBL to confirm funding availability as well as the Big Lottery representative for CHBL.
- 3.3 CHBL has undertaken to cover any additional or unforeseen costs arising from the installation of the pathway.

4. LEGAL IMPLICATIONS

- 4.1 It is appropriate for the Council to undertake these works on Council land. Therefore, the asset will be managed and maintained by Redditch Borough Council.

5. STRATEGIC PURPOSES - IMPLICATIONS**Relevant Strategic Purpose**

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2021

13th July

- 5.1 The pathway will support RBC Strategic and Community Purposes and priorities:

“Living independent and healthy lives” and “Communities which are safe, well maintained and green” as well as supporting the community Purpose of “Improving Health and Wellbeing”

- Enabling communities to access the Bomford Hill and the new Peace Memorial by providing a safe and enabling route for those with mobility issues and with pushchairs. The route will also encourage the local community to visit this green space throughout the year to improve both physical and mental health.

Climate Change Implications

- 5.2 The proposed pedestrian route will use permeable materials (Breedon Gravel) to limit the needs for alternative landscape materials such as blacktop. Wooden kerb edging will also be used to blend into the natural landscape and soften the scheme. The line of the pathway will ensure water runoff is managed within the site’s woodland and longer grassed areas.

6. OTHER IMPLICATIONS**Equalities and Diversity Implications**

- 6.1 The provision of the pathway will be a grant funded from the CHBL to the Council to ensure accessibility for all abilities to the new Memorial site.

The overall offer would contribute to the improvement of local green spaces and encourage local community and those with mobility issues to be able to visit this Memorial Site and the ability to access the vistas from the top of the hill.

This would also provide the opportunity to encourage more people to use the Bomford Hill park during Autumn and Winter months when ground conditions are poor with prams/buggies/wheelchairs.

Operational Implications

- 6.2 There are no operational implications – the project will be delivered by contractors within the Council’s Approved Civils Framework and therefore all the necessary due diligence has been carried out. The

Executive Committee
2021

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contractors will be overseen and managed by the Leisure Parks
Projects team with support from the design and engineering team.

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2021**

13th July

7. RISK MANAGEMENT

- 7.1 Reputational risk has been mitigated through consultation carried out by the Church Hill Big Local Charity group with the local community.
- 7.2 Risk Assessment and Method Statement will be subject to standard Framework civils contract and overseen by the Leisure Parks Project Officer.

8. APPENDICES and BACKGROUND PAPERS

Appendix 1 - Engineering Design Team design of new pathway



9. REPORT SIGN OFF

| Department | Name and Job Title | Date |
|---------------------------------|-------------------------------------|-------------|
| Portfolio Holder | Councillor Michael Rouse | |
| Lead Director / Head of Service | Ruth Bamford | |
| Financial Services | Chris Forester | |
| Legal Services | Clare Flanagan, Principal Solicitor | June 2021 |

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Key

-  Woodland Area
-  Proposed Footpath Route

| Date | Rev | Details |
|------|-----|---------|
| | | |

Project:

**Bomford Hill Park
Proposed footpath Route**

Drawing:

General Layout

| | | | |
|-----------|----|--------|----------|
| Drawn: | MW | Scale: | 1/1500 |
| Surveyed: | OS | Date: | Jan 2016 |

Drawing No: **P2174/Jan16**

Engineering and Design Services
 Town Hall
 Walter Stranz Square
 Redditch
 Worcs B98 8AH



www.redditchbc.gov.uk


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District Council**
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REDDITCH BOROUGH COUNCILExecutive Committee

Date: July 2021

| | |
|--|--|
| Relevant Portfolio Holder | Cllr Mike Rouse |
| Portfolio Holder Consulted | Yes |
| Relevant Head of Service | Deb Poole – Head of Transformation, OD & Digital Services |
| Report Author | Job Title: ICT Transformation Manager Contact email: m.hanwell@redditchbc.gov.uk Contact Tel: 01527 881248 |
| Wards Affected | N/A |
| Ward Councillor(s) consulted | N/A |
| Relevant Strategic Purpose(s) | An effective & sustainable Council |
| Key Decision / Non-Key Decision | |
| If you have any questions about this report, please contact the report author in advance of the meeting. | |

1 RECOMMENDATIONS

The Executive Committee is asked to RECOMMEND

- 1.1 That the proposed Member ICT Policy be agreed and implemented for all Members and that the options within it be made available to Members.

2 BACKGROUND

- 2.1 The existing members ICT Policy is over 12 months old and requires updating to encompass the following :-
- 2.1.1 Two main options for device choice.
 - 2.1.2 Removal of reference to Blackberry Software for BYOD option.
 - 2.1.3 Added 2 year retention on policy for emails and the Teams chat facility.
 - 2.1.4 Reference to Microsoft Office 365 and Microsoft Teams instead of Skype.
 - 2.1.5 Added Asset Insurance provided by the council.

3. FINANCIAL IMPLICATIONS**Equipment Options****3.1 Option One**

The Council will provide Members with a choice of a standard Laptop or a lighter, portable, touch screen MS Surface Pro device.

The cost for providing a standard Laptop is approximately £450. The cost of providing an MS Surface Pro device would be £680.

There are some options for additional equipment which can enhance the usability of these devices. In particular, docking stations which allow the device

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to be used like a desktop computer where an additional larger screen can be attached. These range in cost from £200 to £250 each.

3.3 Option Two

The option of Bring Your Own Device has no additional financial implications as this option, and the associated licenses for Members, are already available. There would be some potential ongoing savings if Councillors decided to use their own equipment, as the Council would not incur any costs to provide hardware.

4 LEGAL IMPLICATIONS

4.1 None.

5 STRATEGIC PURPOSES - IMPLICATIONS

An effective & sustainable Council

5.1 The ICT equipment proposed within the policy will allow Members to access corporate information to assist in supporting this, and other, strategic purposes.

Climate Change Implications

5.2 Using the ICT equipment proposed within the policy will enable less travel through the use of online meetings.

5.3 Any ICT equipment issued by Redditch Borough Council will be sent for recycling at the end of its useful lifespan using an approved ISO-IEC27001, WEEE specialist or to a relevant charity once cleared down by the ICT department.

6. OTHER IMPLICATIONS**Equalities and Diversity Implications**

6.1 None.

Operational Implications

6.2 The Members ICT Policy includes the removal of Blackberry Software and now includes the use of Microsoft Office 365 and Teams.

7. RISK MANAGEMENT

7.1 Insurance for equipment provided by the council, is provided by the Authority but Members are asked to ensure they store the device securely and take any appropriate measures to protect the device whilst in use. Insurance claims made will incur a £100 excess charge to the Democratic Services department

Executive CommitteeDate: July 2021**8. APPENDICES and BACKGROUND PAPERS**

8.1 None.

9. REPORT SIGN OFF

| Department | Name and Job Title | Date |
|---|---------------------------|-------------|
| Portfolio Holder | | |
| Lead Director / Head of Service | | |
| Financial Services | | |
| Legal Services | | |
| Policy Team (if equalities implications apply) | | |
| Climate Change Officer (if climate change implications apply) | | |

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Redditch Borough Council

Members ICT Policy

July 2021

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1 Policy Statement

Redditch Council Members require access to information that enables them to perform their duties as a councillor. Much of this information can be provided electronically via email, word processing and spreadsheet files. The Council's general presumption is for electronic provision of information / transaction of business.

2 Purpose

The purpose of this policy is to ensure that Redditch Borough Councillors can access Information and Communication Technology (ICT) facilities whilst maintaining compliance with Central Government's Public Service Network (PSN) and other related policies.

The Council holds large amounts of personal and restricted information. Information security is very important to help protect the interests and confidentiality of the Council and its customers. Information security cannot be achieved by technical means alone. Information security must also be enforced and applied by the people who use it and those who provide support for it.

3 Scope

This policy applies to any Councillor that requires access to Council information systems such as email or other documents, whether it is a temporary or permanent arrangement.

4 Definition

The Council understands that to reduce the risk of theft, fraud or inappropriate use of its information systems, anyone that is given access to Council information systems **must**:

- Be suitable for their roles.
- Fully understand their responsibilities for ensuring the security of the information.
- Only have access to the information they need.
- Request that this access be removed as soon as it is no longer required.
- Complete Data Protection training to ensure Members are clear on how information can be used when they are working on behalf of the council and when they are working on behalf of constituents, and how it should be stored.
- Ensure that no personal information that could be in breach of the data protection act, is stored on their laptop or other unencrypted device.

This policy must therefore be applied prior, during and after any user's access to information or information systems used to deliver Council business.

5 Provision for ICT equipment.

The Council recognises that individual Councillors have a requirement to access electronic information.

The governments zero tolerance approach to compliance with the PSN code of connection, has required the implementation of innovative methods of accessing ICT, whilst remaining within the budget and resource limitations of the Authority. Should the limits of the budget be reached, the Leader of the Council will revisit current ICT needs for the future.

The council will not automatically forward Council emails to personal email accounts such as Hotmail, Google mail etc. This is to ensure the authority complies with the Government's PSN code of connection.

Option One

The Authority will provide either a standard Laptop or a lighter, more portable, touch screen MS Surface Pro device. This will enable the Councillor to access the internet, corporate emails, corporate calendars, Microsoft Teams, Modern.Gov, MS Office suite and necessary documents. This option will include a security practice known as two factor authentication (2FA). This provides an additional security step using either a mobile phone or a physical token device. Members can choose which of these 2FA methods they wish to use and a token device will be provided if a mobile phone is either not available or not preferred.

Additional security may be added at a future date to keep in line with new PSN policy requirements.

Broadband services are to be provided by the Councillor and expenses for these claimed through the normal expenditure claim process at £100 per year (maximum 1 per household).

Support for the Laptop or Surface Pro Device will be provided by the authority's ICT department by telephoning 01527 881766 Mon-Fri 8:30 to 17:00.

All internet usage and electronic communication – including but not limited to emails and chat, sent and received via the corporate device, will be subject to automated scanning, monitoring and filtering to assist with ICT security and adherence to additional policies as described in section 9. This information can also be used to ensure relevant laws are adhered to.

Emails and Chat messages are automatically erased on a rolling 2 year basis but Members are requested to delete all information as soon as it becomes no longer needed.

It is the Councillor's responsibility to ensure their password for accessing any Corporate Information service is not shared with any other person and that connection to such services is ended by logging off the system, as soon as work is completed or the connection is left unattended. This is to prevent unauthorised access to information.

If it suspected that someone else may know their password, or any security problem has occurred, Councillors must report this to the helpdesk immediately so it can be rectified.

Insurance for equipment provided by the council, is provided by the Authority but Members are asked to ensure they store the device securely and take any appropriate measures to protect the device whilst in use. Insurance claims made will incur a £100 excess charge to the Democratic Services department

The Council provides the Laptop or Surface Pro device together with ancillary equipment and materials required, for the Councillor's functions as a Councillor. Use of this equipment for any other reason, including personal use or use by anyone other than a Councillor is not permitted.

All ICT equipment provided by the authority remains the property of the Council and must be returned at the end of the election term.

Option Two (can be in addition to Option One)

The Councillor provides their own Microsoft Laptop, Android or Apple device and the council provides technically secure software to enable the Councillor to access the internet, corporate emails, corporate calendars, Microsoft Teams, Modern.Gov, MS Office suite and necessary documents. This option will include a security practice known as two factor authentication (2FA). This provides an additional security step using either a mobile phone or a physical token device. Members can choose which of these 2FA methods they wish to use and a token device will be provided if a mobile phone is either not available or not preferred. The same 2FA can be used as per option1 if this option has already been selected.

Additional security may be added at a future date to keep in line with new PSN policy requirements.

Broadband services are to be provided by the Councillor and expenses for these claimed through the normal expenditure claim process at £100 per year (maximum 1 per household).

Support for the Councils Software, but not the device it is installed on, will be provided by the authority's ICT department by telephoning 01527 881766 Mon-Fri 8:30 to 17:00.

All internet usage and electronic communication sent via the councils login credentials – including but not limited to emails and chat, both sent and received, will be subject to automated scanning, monitoring and filtering to assist with ICT security and adherence to additional policies as described in section 9. This information can also be used to ensure relevant laws are adhered to.

It is the Councillor's responsibility to ensure their password for accessing any Corporate Information service is not shared with any other person and that connection to such services is ended by logging off the system, as soon as work is completed or the connection is left unattended. This is to prevent unauthorised access to information.

If it suspected that someone else may know their password, or any security problem has occurred, Councillors must report this to the helpdesk immediately so it can be rectified.

All ICT equipment (including software licenses) provided by the authority remains the property of the Council and must be returned at the end of the election term.

6 Policy Compliance

If any Member is found to have breached this policy, IT provision will be withdrawn. If a criminal offence is considered to have been committed further action may be taken to assist in the prosecution of the offender(s).

If you do not understand the implications of this policy or how it may apply to you, please seek advice from Members' Services or ICT.

7 Policy Governance

The following table identifies who within the council is Accountable, Responsible, Informed or Consulted with regards to this policy. The following definitions apply:

- **Responsible** – the person(s) responsible for developing and implementing the policy.
- **Accountable** – the person who has ultimate accountability and authority for the policy.
- **Consulted** – the person(s) or groups to be consulted prior to final policy implementation or amendment.
- **Informed** – the person(s) or groups to be informed after policy implementation or amendment.

| | |
|--------------------|---|
| Responsible | ICT Transformation Manager |
| Accountable | Head of Transformation, Organisational Development & Digital Services |
| Consulted | Corporate Management Team, Members' Services |
| Informed | All Councillors |

8 Review and Revision

This policy will be reviewed as it is deemed appropriate, but no less frequently than every twelve months.

Policy review will be undertaken by the ICT Transformation Manager.

9 References

The following Redditch Borough Council policy documents are directly relevant to this policy.

- Central Government's PSN Policy
- Information Security Policy.
- Members' Code of Conduct and related Codes and Protocols.
- Social Media Policy.

10 Receipt and acceptance statement

I, Councillor _____ agree to comply with the policy items as stated within this document.

Signed _____ Date _____

PLEASE RETURN COMPLETED STATEMENT AS SOON AS POSSIBLE TO :

Democractic Services
Redditch Borough Council
Town Hall
Walter Stranz Square
Redditch
Worcestershire
B98 8AH

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REDDITCH BOROUGH COUNCIL**COVID-19 BUSINESS GRANT SCHEMES UPDATE**

| | |
|----------------------------|--|
| Relevant Portfolio Holder | Cllr D Thain |
| Portfolio Holder Consulted | Yes |
| Relevant Head of Service | Chris Forrester, Head of Financial and Customer Services |
| Wards Affected | All Wards |
| Ward Councillor Consulted | N/A |

1. SUMMARY OF PROPOSALS

- 1.1 This report provides a summary of the authority's administration of the Government's Covid-19 business support grants.

2. RECOMMENDATIONS

- 2.1 Executive Committee is asked to RESOLVE that the contents of the report are noted.

3. KEY ISSUES**Background**

- 3.1 In response to the coronavirus pandemic Government has, over the period from March 2020 to June 2021, requested that local authorities administer a series of business support grant schemes.
- 3.2 The tabulation below sets out the periods for which grants have been payable, and the application deadlines for each grant scheme. Section 7 of this report provides a key to each grant scheme name, and further details on eligibility for the schemes are included in Appendix A - Covid-19 Business Support Grant Eligibility Summary.

REDDITCH BOROUGH COUNCIL

| Period Start | Period End | Restriction Level | Grants Available | Application Deadline |
|--------------------------------|--------------------------------|-----------------------|---|--|
| 1 st April 2020 | 31 st August 2020 | N/A | SBGF RHLG LADGF | 31 st August 2020 |
| 1 st November 2020 | 4 th November 2020 | Tier 1 | LRSG(S) | 14 th May 2021 |
| 5 th November 2020 | 1 st December 2020 | National Restrictions | LRSG(C) addendum | 14 th May 2021 |
| 2 nd December 2020 | 30 th December 2020 | Tier 2 | LRSG(O) LRSG(C) LRSG(S) CSP | 14 th May 2021 28 th February |
| 31 st December 2020 | 4 th January 2021 | Tier 3 | LRSG(O) LRSG(C) LRSG(S) | 14 th May 2021 |
| 5 th January 2021 | 15 th February 2021 | National Restrictions | LRSG(C) 5 th January CBLP | 14 th May 2021 |
| 16 th February 2021 | 31 st March 2021 | National Restrictions | LRSG(C) 5 th January | 31 st May 2021 |
| 1 st April 2021 | 30 th June 2021 | N/A | Restart | 30 th June 2021 |

- ARG funding is available to support businesses during any period from 1st November 2020 to 31st March 2022; funding for ARG has been released in phases with an initial grant made available from 1st November 2020 and a top-up provided in January 2021. A further top-up of funding is available where authorities have defrayed phase one and two funding in full by 31st July 2021.

SBGF: Small Business Grant Fund
 RHLG: Retail, Hospitality and Leisure Grant Fund
 LADGF: Local Authority Discretionary Grant Fund
 LRSG(S): Local Restriction Support Grant (Sector)
 LRSG(C): Local Restriction Support Grant (Closed)
 LRSG(O): Local Restriction Support Grant (Open)
 CSP: Christmas Support Payment for Wet-Led Pubs
 CBLP: Closed Business Lockdown Payment
 Restart: Restart Grant Scheme
 ARG: Additional Restrictions Grant

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Small Business Grant Fund (SBGF), Retail Hospitality and Leisure Grant Fund (RHLG) and Local Authority Discretionary Grant Fund (LADGF)

- 3.3 In March 2020 Government announced that support would be provided to businesses impacted by the coronavirus outbreak under two grant schemes. The grants were the small business grant fund (SBGF), and the retail, hospitality, and leisure grant fund (RHLG).
- 3.4 The two initial grant schemes did not provide support to all the business that were impacted by coronavirus restrictions. The operation of the grant eligibility criteria meant that some businesses, such as small local charities, were excluded from the schemes. An additional local authority discretionary grant fund (LADGF) was created under which local authorities were provided with discretionary funding to provide support to the businesses excluded from SBGF and RHLG.
- 3.5 The council's data was interrogated to identify businesses that met the eligibility criteria for the SBGF and RHLG. The grant was then pre-loaded to the business rates account for the customer, and they were invited to apply for grant.
- 3.6 Grant applications were made through a dedicated on-line portal which required the customer to provide their business rates account reference, and information relating to their business rates account, the grant payment was generated automatically, and payments were then vetted and released to the customer.
- 3.7 LADGF was available on application basis and the council's scheme provided three tiers of priority business, all applications in tier-one were assessed for support and when tier-one was determined in full applications in tier-two, and then-three were assessed. In this way the Council ensued that funds were allocated fully based on an assessed level of priority.
- 3.8 The tiered approach for support allowed the authority to target support to the businesses in the Government's priority groups, who fell into tier one, and to then target support to the businesses that had the greatest impact from Coronavirus restrictions.
- 3.9 In line with Government guidance market traders, business in shared office space, small local charities and bed and breakfast providers were prioritised for support and placed into tier-one.
- 3.10 Tier-two businesses comprised events and exhibitions businesses - whose industry has in effect been closed since March 2020 - and travel and leisure businesses which either operated a distance selling business model or managed the organisation and delivery of travel excursions who in both cases were not providing services to visiting members of the public and were therefore excluded from RHLG.

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- 3.11 Within tier-three larger pubs, gyms and children's activity centres – which were excluded from RHLG because the rateable value of the premises occupied was above a set ceiling – and retail, leisure and hospitality supply chain businesses were targeted for support.
- 3.12 Applications for LADGF were made using an on-line portal and all applicants in the tier one, two and three groups received support.
- 3.13 Applications for the first three grant schemes were closed on 31st August 2020 and payments were distributed to businesses by 30th September.

Local Restriction Support Grants (LRSG)

- 3.14 The implementation of new coronavirus restrictions under the tier system, in place from November 2020, required Government to provide additional support to businesses.
- 3.15 The Government created a scheme of Local Restriction Support Grants (LRSG) which would give support to business for set periods of time when tier restrictions or national restrictions were in place.
- 3.16 There were three separate LRSG schemes:
 - LRSG (Open): a discretionary scheme, which during tier 2 and tier 3 restrictions, provided support to business which could open but were significantly impacted by restrictions on socialising.
 - LRSG (Closed): a scheme which - during tier 2, tier 3, tier 4, or national restrictions - provided support to business that were ordered to close by law.
 - LRSG (Sector): a scheme which provided support to businesses operating in specific sectors which were closed by law on a sector-wide basis.
- 3.15 LRSG (Open) and LRSG (Closed) were subject to several variations and there are two variations of LRSG (Open) and five of LRSG (Closed). The eligibility criteria under each variation are broadly similar but the level of payment and the number of days for which payments are made is adjusted under each iteration of the scheme.
- 3.16 LRSG grants were open for applications through a dedicated web-portal, the application process captured sufficient information to allow officers to determine eligibility for the scheme and to proactively re-categorise applications to ensure the maximum level of support to eligible businesses. For example, where a dry-cleaning business - which would not be eligible for LRSG (Closed) as this business was not mandated to close by law - made an application for support the application would be re-categorized to discretionary grant and if an

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impact from coronavirus restrictions had been identified then an appropriate payment would be made using the ARG.

Christmas Support Payment for Wet-Led pubs (CSP)

- 3.17 The tier system of restrictions continued during December and to provide additional support to pubs the Government introduced the Christmas Support Payment for Wet-Led pubs (CSP). A one-off payment for pubs in areas subject under tier 2 or tier 3 restrictions between 2nd December and 29th December.
- 3.18 The CSP application process was proactively managed with the ratepayers for all pubs, social clubs, bars and other potential eligible businesses contacted by phone and advised of the scheme and the information that would be required for a payment to be made.

Closed Business Lockdown Payment (CBLP)

- 3.19 The Government was required to introduce a further period of national restrictions from 4th January 2021. The new national restrictions lead to the creation of an additional grant, the Closed Business Lockdown Payment (CBLP). The CBLP was provided to business that were required to close by law from January 2021 and was in addition to any LRSG (Closed) payment that was payable during that period.
- 3.20 The qualifying criteria for CBLP mirrored the criteria for LRSG (Closed) and therefore any business that was awarded LRSG (Closed) for the period from 4th January 2021 to 15th February 2021 was automatically paid the additional CBLP.

Additional Restrictions Grant (ARG).

- 3.21 Government announced the implementation of the tier system of restrictions in October 2020, and at this time, in addition to LRSG they also introduced an additional fund for local authorities called the additional restrictions grant (ARG). ARG was a one-off fund, calculated on a per capita basis at £20.00 per head of population and intended to provide support to businesses during covid restrictions or to provide wider business support.
- 3.22 Government guidance on ARG specifically stated that ARG would be a one-off payment which would be paid when an authority entered tier 3 restrictions, and which authorities should use to support businesses during any periods of restrictions between October 2020 and March 2022. The announcement made it clear to local councils that the fund would not be topped up during any subsequent restriction periods.
- 3.23 The council utilised ARG to adopt a discretionary grant scheme which would provide support equivalent to LRSG (Closed) to any businesses that was able to remain open during restrictions, but which had suffered

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a significant impact due to coronavirus restrictions – an example would be a newsagent in a town centre which was able to remain open, as newsagents were not required by law to close, but had seen a significant reduction in trade due to the other businesses in the locality closing or due to people self-isolating and remaining at home.

- 3.24 When the January 2021 restrictions commenced Government announced that, in contradiction to the earlier statement, the ARG allocations would be topped-up. Additional funding was made available, and this additional funding allowed an expansion of the local discretionary scheme. The scheme was adapted to enable businesses that would not otherwise be eligible to access an additional grant payment which would be equivalent to CBLP.
- 3.25 In line with delegated authority's adjustments to the level of support provided under the discretionary ARG scheme have been made to ensure that the maximum benefit is provided to businesses within the borough.
- 3.26 The ARG scheme can be used to provide support to business which pays business rates and is impacted by coronavirus restrictions, and also to provide support to businesses such as mobile businesses, which do not occupy premises liable for business rates. The local authority is limited (by Government guidance) to the level of support that can be provided to mobile businesses or home workers as the ARG scheme cannot be used as a wage-support mechanism and must be utilised for genuine and identifiable business costs.
- 3.27 The ARG scheme was initially open for applications from the same web-portal used for the administration of LRSG payments. With the LRSG scheme being wound down from April 2021 a new on-line application for discretionary grants was made available from April 2021.

Restart Grant scheme

- 3.28 The tier restrictions and the LRSG scheme ended on 31st March 2021 and LRSG was replaced with a new grant scheme, Restart Grants, intended to be the final such scheme. The Restart Grant scheme provides support to businesses that were required by law to close in January 2021 and has two tiers of support, the lower tier providing support to non-essential retail businesses and the higher tier providing support to leisure, hospitality, personal care, and gym and sports businesses.
- 3.29 Eligibility for restart grant is dependant on the business having been closed in January 2021 and therefore most eligible businesses will have received LRSG (Closed) and CBLP. The list of businesses in receipt of the grants was interrogated to identify the potential qualifiers for restart grant. The relevant grant was created and debited to the business rates account and made available for businesses to claim.

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- 3.30 Applications for restart grant were made through an on-line portal and where a pre-vetted grant was held on the business rates account the application was approved and moved to payment. If the restart grant was not available then the customer was advised that they were not eligible and were given information on how to challenge this decision, and information on the availability of the ARG discretionary grant scheme.

Proactive marketing and engagement

- 3.31 The grant schemes have been proactively promoted by the authority through a mixture of
- Direct-mail and email promotion of grants;
 - social media based promotion;
 - dedicated covid business support webpages; and
 - direct contact with eligible businesses including a 100% check in case of CSP.
- 3.32 Applications for grant have been made through an on-line portal which provides initial validation to ensure that the applicant is the registered business ratepayer and to enable relevant state-aid and grant subsidy declarations to be made.
- 3.33 Where an application for a mandatory grant has been unsuccessful, for example where a business which has been able to remain open has applied for a closure grant, the applicant is automatically considered for the discretionary grant schemes.

Summary of Grant Payments

- 3.34 The following table summarises the amount of funding distributed.
- 3.35 It should be noted that the Council is not able to award/distribute 100% of the funding allocated by central Government. This is because the allocations are based on a broad estimate of the number of business premises which may be eligible for grant. However, we are required to award grants to businesses only if they meet the conditions of grant set by Government and summarised in Appendix A. We are then required to return to government any funding allocated to us over and above the eligible spend.

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| Scheme | Funding Received | # Grants Made | Total grant expenditure | % funding allocated |
|---------------------|-------------------|---------------|-------------------------|---------------------|
| SBGf | | 927 | 9,270,000 | |
| RHLG | | 238 | 4,720,000 | |
| Total SBGF and RHLG | 14,480,000 | 1,165 | 13,990,000 | 96.6% |
| | | | | |
| LADGF | 724,000 | 68 | 724,000 | 100% |
| LRSG (S) | 0.0 | 0 | 0.00 | 0.00% |
| LRSG (C) | 3,085,542 | 1,229 | 2,708,934.63 | 87.8% |
| LRSG (O) | 169,968 | 305 | 125,668.13 | 73.9% |
| CSP | 25,600 | 26 | 26,000 | 101.6% |
| CBLP | 2,763,000 | 377 | 1,960,000 | 70.9% |
| Restart* | 2,904,075 | 268 | 2,066,016 | 71.1% |
| ARG* | 2,462,598 | 524 | 1,392,986.51 | 56.6% |
| Totals* | 26,614,783 | | 22,993,605 | 86.4% |

* Note: Restart and ARG are ongoing and remain open for applications, therefore numbers subject to further change.

3.36 The table shows that the Council has distributed £22.99m as of 15th June 2021. The payments have been made to over 2000 businesses. In aggregate this represents 86.4% of the funding received being allocated to businesses to provide support during the pandemic. Detailed benchmarking analysis- as set out in Appendix B Covid-19 Business Support Grant Expenditure - demonstrates that the levels achieved are consistent with national levels.

3.37 It should be noted that measures are taken to monitor the speed and accuracy of the grant payments made. These steps include:

- Management oversight of awarding officer decisions and regular team meetings to discuss key issues.

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- Provision of detailed guidance notes to officers to assist in determination of grants.
- Liaising with BIES for key judgements and guidance
- Receiving and reviewing notifications from National Anti-Fraud network for attempted fraudulent applications and adjusting processes to prevent fraudulent applications.
- Reviewing the reasons for declining applications to ensure consistency in administration.
- Monitoring a formal appeals process as outline in Appendix C Covid-19 Business Support Grants Appeals and Refusals
- Monitoring the proportion of the allocated funding spend - using benchmarking data against peers (see Appendix)
- Completing Post Grant Assurance reviews to identify grants paid in error and overall risk of fraud and error.
- Recovering grants paid in error and fraudulent applications.

Next steps re ARG and Restart

- 3.38 The restart grant and ARG schemes remain live and open for applications. Applications for the restart grants will close on 30th June 2021 and the current round of ARG applications will close on 15th June 2021.
- 3.39 The payment of restart grants and ARG will continue until 31st July 2021 and 31st March 2022 respectively after which time and following the completion of any further post payment assurance and grant reconciliation activities the council's administration of the grants will end.
- 3.40 To ensure the maximum take up for the restart grant eligible business have received direct email or mail shot letters advising of the availability of restart grant and inviting an application for support.
- 3.41 An amount of £1.07m remains available under the ARG scheme to support eligible businesses, provisional assessment of applications received show £739,000 pending for payment to qualifying businesses, leaving a balance of approximately £330,600 available for further support.
- 3.42 Where all available ARG funding is defrayed by 31st July 2021 an authority can access a third tranche of funding.

REDDITCH BOROUGH COUNCIL

3.43 In line with delegated authorities, prior to 31st July steps will be taken to ensure that ARG spending will be maximised to access the third tranche of funding. Actions to maximise ARG expenditure will include

- Clearing pending applications
- reviewing the support provided to existing applicants to enable the businesses with the greatest impact from Covid-19 to receive an additional payment of ARG.
- Where a business has been required to pay their business rates during the period of the pandemic but has been unable to make payments due to the impact on their industry then the additional grant may include a payment equivalent to the business rates liability. This payment must be made to business and cannot be offset against the business rates account.

Financial Implications

3.44 The costs of Covid-19 support grants are met by direct funding received from central Government. The authority is required to administer grants in accordance with guidance set out by Government and where expenditure has been made that is not in-line with the guidance then the costs of grants provided will be required to be met by the authority.

3.45 The costs of administering grants, including ICT investment and staff resources are met through the provision of section 31 new burdens funding.

Legal Implications

3.46 No specific implications.

REDDITCH BOROUGH COUNCIL**Service/Operational Implications**

- 3.47 The administration of scheme has placed significant additional pressures on resources within the Revenue Service Section. This pressure has resulted in delays in the administration of routine business as usual
- 3.48 The service is being supported by provision of external processing capacity from Northgate Public Services and the re-allocation of routine council tax and non-domestic rates enquires to the council's customer services team.

Customer / Equalities and Diversity Implications

- 3.49 No Specific Implications

4 RISK MANAGEMENT.

- 4.1 The table below identifies specific risks and mitigations in relation to the administration of grants. The table is not exhaustive and provides information on the main identified risks.

| Risks | Mitigations |
|---|--|
| Financial Impact on authority due to the payment of Non-Compliant Grants | <p>Detailed guidance notes for the provision of grant schemes provided to officers.</p> <p>Briefings and lessons learned meetings held throughout period of grant administration.</p> <p>Management review of grants paid to customers to identify errors or potential issues in administration.</p> <p>Post Payment Assurance processes in place to review grants and recover payments made in error.</p> <p>Application forms include declaration from customer to confirm they have read scheme guidance; they meet eligibility criteria and understand grants paid in error are recoverable.</p> |
| Reputational harm from failure to pay grants to businesses /Businesses failing to access all available support. | <p>Availability of grants promoted through social media channels.</p> <p>Grant payments made automatically where schemes allow for proactive payment.</p> |

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| | |
|---|--|
| | All applications for LRSG vetted for eligibility to other grant schemes. |
| Administration burden on Revenue Services | Offsite processing support provided by Northgate Public Services Adjustments to Council Tax and Non-Domestic Rates recovery processes to remove spikes in demand and control reactive demand. Re-allocation of telephone enquires to Customer Services Team. |
| Fraudulent Applications for support | Subscription to NAFN alerts to identify national identified frauds. Post Payment assurance processes to identify grants paid in error and recover overpayments. Management review of grant payments to ensure payments are made in line with schemes. Bank Account validation and evidence of valid bank account required for grant applications. |

5. **APPENDICES**

Appendix A: Covid-19 Business Support Grant Eligibility Summary

Appendix B: Covid-19 Business Support Grant Expenditure

Appendix C: Covid-19 Business Support Grant Appeals and Refusals

6. **BACKGROUND PAPERS**

Grant Expenditure and Monitoring Reports held within Revenues Services.

Government Grant Guidance manuals including:

- Small Business Grant Fund (SBGF) and Retail, Hospitality and Leisure Grant Fund (RHLCGF): Guidance for local authorities
- Local Authority Discretionary Grant Fund: Guidance for local authorities.
- Restart Grant
- Business Support Package for January 2021 lockdown:
- Local Restrictions Support Grant (Closed) Addendum
- Additional Restrictions Grant (ARG)
- Local Restriction Support Grant (Closed) Version 2

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- Local Restriction Support Grant (Closed)
- Local Restriction Support Grant (Closed) Addendum Tier 4
- Local Restrictions Support Grant (Open) Version 2
- Local Restrictions Support Grant (Open)
- Local Restrictions Support Grant (Sector)
- Christmas Support Payment for Wet-Led Pubs

All guidance available on-line at

[Local Restrictions Support Grants \(LRSG\), Restart Grant, Additional Restrictions Grant \(ARG\): guidance for local authorities - GOV.UK \(www.gov.uk\)](#)

[Coronavirus \(COVID-19\): business support grant funding - guidance for local authorities - GOV.UK \(www.gov.uk\)](#)

7. **Key**

| | |
|----------|--|
| SBGF: | Small Business Grant Fund |
| RHLG: | Retail, Hospitality and Leisure Grant Fund |
| LADGF: | Local Authority Discretionary Grant Fund |
| LRSG(S): | Local Restriction Support Grant (Sector) |
| LRSG(C): | Local Restriction Support Grant (Closed) |
| LRSG(O): | Local Restriction Support Grant (Open) |
| CSP: | Christmas Support Payment for Wet-Led Pubs |
| CBLP: | Closed Business Lockdown Payment |
| Restart: | Restart Grant Scheme |
| ARG: | Additional Restrictions Grant |

AUTHOR OF REPORT

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Tel: 01527 548 418

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Appendix A – Covid-19 Business Support Grant Eligibility Summary

The sections below provide a basic summary of the relevant support grants and the qualifying conditions for each grant. A greater depth of explanation is available within the relevant guidance published by the Department of Business Energy and Industrial Strategy.

For each grant businesses that are in liquidation, administration, are insolvent or are subject to a striking off notice will be ineligible for support. A business that has exhausted its state aid, or subsidy allowances will not be eligible for support.

The tabulation closing the appendix provides a summary of the periods for which grant schemes were in operation and the deadlines for making applications for grant.

Small Business Grant Fund

Small Business Grant Fund is a grant to support businesses that on 11th March 2020 were eligible for small business rates relief or rural rate relief.

To be eligible for small business rates relief a business must occupy only one property in England and that property must have a rateable value of below £15,000.

When we determine whether a business occupies one property, we do not count any additional properties with a rateable value of less than £2,900 provided that

- a) SBRR is not payable for that property; and
- b) the total combined RV of premises occupied by the business is less than £20,000

Rural Rate Relief is payable, subject to rateable value limits, to the only post office, general store, petrol filling station or public house, or a food shop within a designated rural settlement.

Retail, Hospitality and Leisure Grant

Retail, Hospitality and Leisure Grant is payable to businesses which occupied premises with a rateable value below £51,000 and on 11th March 2020 would have been eligible for expanded retail discount, if the rules in place from 1st April 2020 had applied at that date.

To be eligible for expanded retail discount a property must be used wholly or mainly as

- a) a shop, restaurant, café, drinking establishment, cinema or live music venue;
or
- b) for assembly and leisure; or

- c) as a hotel, guest or boarding house, or as self-catering accommodation.

The expanded retail guidance includes specific definitions for each of these qualifying purposes, but in all cases the premises must be used by visiting members of the public. Therefore, premises used for the sale of goods or provision of services by distance selling, or mainly for on-line or wholesale trade to business would not be eligible for discount and wouldn't meet the criteria for payment of RHLG.

Local Authority Discretionary Grant Fund

LADGF has been provided to local authorities to support businesses which were ineligible for SBGF or RHLGF each local authority can determine its own scheme of support.

Redditch Borough Council implemented a scheme which was available for application from any business within the district, however, applications to the scheme would be prioritised to ensure that support was targeted to those businesses which had experienced the greatest impact from Covid-19.

The council's scheme had three tiers of support businesses in tier 1 would have their applications determined first, and when all applications in that tier were determined and paid businesses in tier 2 were assessed. The process was applied again in respect of tier 2 and tier 3 businesses, and when all businesses in the tier groups had their applications assessed any remaining applications were determined.

The amount of funding available for LADGF was capped at £1.0135m if there was insufficient funding to pay all businesses in a tier group then there would be no cascade down of support. For example, if funding was exhausted at tier 2 then no support would be provided to tier 3 businesses.

Central Government had asked that local authorities prioritised support to specific businesses which were

- a) charities ineligible for small business rates relief because they received mandatory charitable rate relief.
- b) Regular market traders
- c) Bed and Breakfast providers paying council tax and not business rates
- d) Occupiers of shared office and shared business accommodation

The Government's priority businesses were treated as tier 1 applicants.

Tier 2 applicants included businesses from

- a) the events and exhibitions sector which were ineligible for expanded retail discount and RHLG because they did not provide in-person services from their premises; and
- b) Travel and Leisure businesses engaged in the distance selling of travel and leisure packages or engaged solely in the management and organisation of travel and leisure excursions and excluded from RHLG.

Tier 3 applicants included

- a) Gyms, Children's Activity Centres, and pubs with a rateable value of more than £51,000
- b) Businesses in the retail, leisure, and hospitality supply chain.

Government rules prevented the payment of LADGF to any business that had received support under SBGF, RHLG or certain sector specific grant support schemes administered by central Government.

Local Restriction Support Grant (Sector)

The LRSG (Sector) is a grant intended to support businesses that have been required to close at a national level since March 2020. The grants became payable from 1st November and provide support for each subsequent 14-day period of closures.

Where national or tier 4 restrictions are implemented LRSG (Sector) ends, entitlement to grant is paid on a pro-rata basis and the business becomes eligible for LRSG (Closed) addendum payments.

LRSG sector is payable to a business which:

- Was trading on 23rd March 2020; and
- Was liable for business rates on the date that any relevant period of restrictions began; and
- Is used for a qualifying purpose,

The qualifying purposes are premises used as

- a) Nightclubs
- b) Dance Halls
- c) Discotheques
- d) Sexual Entertainment Venues
- e) Hostess Bars; and
- f) Shisha Bars

If a business has re-purposed their premises so that they were able to open at any point after 23rd March 2020, for example a hostess bar which open as a pub or drinking establishment then they will not be eligible for LRSG (Sector).

Local Restriction Support Grant (Closed)

LRSG (Closed) is a scheme of support grants which provide funds to business which are required to close when an area is within Local Covid Alert Level “High” (tier 2 restrictions, Local Covid Alert Level “Very High” tier 3 restrictions or when tier 4 or national restrictions have been implemented.

There are five iterations of the LRSG (closed) scheme

- LRSG (Closed)
- LRSG (Closed) addendum
- LRSG (Closed) version 2
- LRSG (Closed) Addendum Tier 4
- LRSG (Closed) Addendum 5th January onwards

The schemes differ in the periods for which support is paid, with grants payable for 14-day, 28-day, 42-day or 44-day periods dependant on the scheme in place.

To be eligible for a grant a business must:

- have been established and trading on the day before the restrictions came into effect; and
- have been providing in-person services to customers from their business premises; and
- have been required to close for a consecutive period of no less than 14 days
- occupy premises appearing in the local rating list on the date of the commencement of restrictions.

If a business is required to close but fails to do so then they will be ineligible for the grant; a business which remains open only to provide a click and collect, delivery or take-away services will be treated as closed for the purposes of grant.

LRSG (Open)

LRSG (Open) is a scheme of support which is available to businesses during period in which an are is within Local Covid Alert Level “High” (tier 2) or Local Covid Alert Level “Very High” (tier 3).

The scheme is a discretionary scheme, and each local authority may determine its own policy administration.

The scheme in place for Redditch prioritises support to

- a) Hospitality, Hotel, Bed and Breakfast and Leisure businesses.
- b) Businesses within the supply chain, or providing services to the hospitality, hotel, bed and breakfast or leisure businesses.
- c) Businesses that are dependant on the night-time economy.

To be eligible for a grant a business must be able to demonstrate a significant impact from the coronavirus restrictions.

Where funding is available businesses from outside the priority groups will be considered for support where they can demonstrate a significant impact from the coronavirus restrictions.

Christmas Support Payment for Wet-Led Pubs

CSP is a one-off payment intended to provide support for wet-led pubs which are within areas which were subject to tier 2 or tier 3 restrictions during the period of 2nd December 2020 to 29th December 2020.

The grant will be payable to the ratepayer occupying a property within the local rating list on 1st December 2020 and which meet the definition of a wet-led pub.

For the purposes of the grant a wet-led pub is:

- a) Open to the general-public; and
- b) Allows free entry other than when occasional entertainment is provided; and
- c) Allows drinking without requiring food to be purchased; and
- d) Permits drinks to be purchased at a bar.

A pub will exclude restaurants, cafes, nightclubs, hotels, snack bars, guesthouses, boarding houses, sporting venues, music venues, festival sites, theatres, museums, exhibition halls, cinemas, concert halls and casinos.

Closed Business Lockdown Payment

CBLP is an additional grant available to businesses which are required to close due to the national lockdown from 5th January 2020.

The payment is an additional payment to the LRSG (Closed) addendum 5th January onwards scheme. The eligibility criteria are the same as those for LRSG (Closed).

Additional Restrictions Grant

ARG is a fund that has been provided to local authorities to support businesses within their local area. ARG is provided to authorities when they enter Local Covid Alert Level “Very High” – Tier 3 restrictions, or when national restrictions are imposed.

The funding was announced as a one-off payment paid when restrictions are first put into place. In the guidance issued by Government in December 2020 local authorities were advised that the fund would not be topped-up if further national restrictions were implemented.

In January 2021 Government announced a top-up to the scheme for the period of the third national lockdown a further top-up will be provided if existing funds are used by 30th June 2021.

ARG is a discretionary fund which is designed to provide support to business which have been significantly impacted by the coronavirus restrictions. Each local authority can determine its own scheme of support.

Redditch Borough Council has implemented a discretionary grant scheme intended to mirror the support available to businesses under the LRSG (Closed) Schemes. ARG (Discretionary Grant) will be provided to businesses which are not eligible for LRSG schemes and are:

- a) Occupying rateable premises and are in the supply chain for businesses within the retail, hospitality, or leisure sectors.
- b) Occupying rateable premises and are within the events, exhibitions or travel and tourism sector
- c) Occupy premises that are not included in the rating list but have been ordered to close.

- d) Occupy premises which have not been ordered to close and are supported by the night-time economy.
- e) Other businesses which can demonstrate a significant loss in income because of the coronavirus restrictions.

Businesses will need to demonstrate a significant impact on income due to the coronavirus restrictions. This will be a loss in income of over 30%.

Restart Grant

Restart Grant is intended to support businesses that offer in-person services where the main activity takes place in a fixed rate-paying business property.

The restart grant scheme has two tiers of support with lower grants of up to £6,000 paid to businesses in tier 1 and grants of up to £18,000 paid to businesses in tier 2.

To be eligible for a grant the business must be one which would have been required by law to close in January 2021 and must be in occupation of qualifying premises and trading on 1st April 2021.

Tier 1 grants are paid to non-essential retail businesses; non-essential retail is a business used wholly or mainly for the purposes of the retail sale or hire of goods or services to the public where the primary purpose of products or services provided are not necessary to the health and well-being of the public.

Tier 2 grants are payable to hospitality, leisure, accommodation, gym and sports, and personal care businesses.

The specific definitions for tier 2 businesses are:

Hospitality: a business whose main function is to provide a venue for the consumption and sale of food and drink

Leisure: a business that provides opportunities, experiences and facilities, in particular for culture, recreation, entertainment, celebratory events, days and nights out, betting and gaming.

Accommodation: a business whose main lodging provision is used for holiday, travel and other purposes.

Gym & Sport: a commercial establishment where physical exercise or training is conducted on an individual basis or group basis, using exercise equipment or open floor space with or without instruction, or where individual and group sporting, athletic and physical activities are participated in competitively or recreationally.

Personal care: a business which provides a service, treatment or activity for the purposes of personal beauty, hair, grooming, body care and aesthetics, and wellbeing.

Restriction Periods and Grant Schemes Operating

| Period Start | Period End | Restriction Level | Grants Available | Application Deadline |
|--------------------------------|--------------------------------|-----------------------|---------------------------------|--------------------------------|
| 1 st April 2020 | 31 st August 2020 | N/A | SBGF | 31 st August 2020 |
| | | | RHLG | |
| | | | LADGF | |
| 1 st November 2020 | 4 th November 2020 | Tier 1 | LRSG(S) | 14 th May 2021 |
| 5 th November 2020 | 1 st December 2020 | National Restrictions | LRSG(C) addendum | 14 th May 2021 |
| 2 nd December 2020 | 30 th December 2020 | Tier 2 | LRSG(O) | 14 th May 2021 |
| | | | LRSG(C) | |
| | | | LRSG(S) | |
| | | | CSP | 28 th February 2021 |
| 31 st December 2020 | 4 th January 2021 | Tier 3 | LRSG(O) | 14 th May 2021 |
| | | | LRSG(C) | |
| | | | LRSG(S) | |
| 5 th January 2021 | 15 th February 2021 | National Restrictions | LRSG(C) 5 th January | 14 th May 2021 |
| | | | CBLP | |
| 16 th February 2021 | 31 st March 2021 | National Restrictions | LRSG(C) 5 th January | 31 st May 2021 |
| 1 st April 2021 | 30 th June 2021 | N/A | Restart | 30 th June 2021 |

- ARG funding is available to be distributed to business or used as wider business support during the period 1st November 2020 to 31st March 2022.

SBGF: Small Business Grant Fund
LADGF: Local Authority Discretionary Grant Fund
LRSG(C): Local Restriction Support Grant (Closed)
CBLP: Closed Business Lockdown Payment
CSP: Christmas Support Payment for Wet-Led Pubs

RHLG: Retail, Hospitality and Leisure Grant Fund
LRSG(O): Local Restriction Support Grant (Open)
LRSG(S): Local Restriction Support Grant (Sector)
ARG: Additional Restrictions Grant
Restart: Restart Grant Scheme

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Appendix B Covid-19 Business Support Grant Expenditure

The appendix provides a summary of the funding received for distribution under each grant scheme, details of the total amount distributed to business by Redditch Borough Council, an explanation as to how the funding was calculated and a comparison with the amounts distributed nationally by other authorities.

Small Business Grant Fund; Retail, Hospitality and Leisure Grant Fund;

Funding for the operation of SBGG and RHLG was provided to local authorities in March 2020. The funding was determined by Department for Business, Energy, and Industrial Strategy (BEIS) based on an estimate of the number of qualifying businesses within the Redditch Borough. The estimate will not take account of premises that are empty or premises where the business activity taking place within the premises means that eligibility for RHLG will not be met. An initial £14.5m in funding was provided to Redditch Council.

Local Authorities were not expected to exhaust the funding in full and any underspend was returned to BEIS as a requirement of the administration of the schemes.

The table below sets out the funding and expenditure for the SBGF and RHLG schemes.

| Funding Allocation | # Grants Made | Expenditure | % Distributed |
|--------------------|---------------|-------------|---------------|
| 14,518,000 | 1,165 | 13,990,000 | 96.36 |

The following table sets out relevant benchmarking information on national and regional grant expenditure

| | National | West Midlands | County |
|-------------|----------|---------------|--------|
| Lower Level | 39.22% | 78.36% | 86.45% |
| Upper Level | 138.60% | 99.94% | 96.29% |
| Median | 92.14% | 90.48% | 94.14% |

Local Authority Discretionary Grant Fund

On 6th May 2020 the Government announced that a further 5% uplift in funding would be provided to create a Local Authority Discretionary Grant fund. The amount of funding paid to each authority was calculated based on their projected expenditure for SBGF and RHLG on 6th May.

A maximum amount of funding of £724,000 was made available to Redditch Council for the operation of the discretionary grant scheme. The initial funding of £14.5m was topped up by £686,000 to ensure sufficient funding was available for the operation of the discretionary grant fund.

The fund was capped at £724,000 and would not be topped up; any expenditure above the funding allocation would be required to be met from a local authority's general fund.

Expenditure by local authorities ranged from 28.99% of available funding to 124.13% and expenditure by Redditch fell in line with the median of 99.96%.

| Funding Allocation | # Grants Made | Expenditure | % Distributed |
|---------------------------|----------------------|--------------------|----------------------|
| 724,000 | 68 | 724,000 | 100 |

The table below sets out the relevant benchmarking data for LADGF expenditure.

| | National | West Midlands | County |
|-------------|----------|---------------|---------|
| Lower Level | 28.99% | 72.40% | 96.54% |
| Upper Level | 124.13% | 124.13% | 100.00% |
| Median | 99.96% | 99.85% | 99.81% |

Local Restriction Support Grant (Open)

LRSO (Open) grants were available to businesses that could open during tier 2 and tier 3 restrictions but were significantly impacted by restrictions on socialising.

Funding was released to authorities for each 14 day, or part of a 14-day period of restrictions. Redditch was subject to tier 2 and tier 3 restrictions for the period from 2nd December 2020 to 4th January 2021 and funding totalling £169,968 was provided to the authority.

The funding was calculated by BEIS based on an estimate of the number of qualifying premises in the hospitality, accommodation, and leisure sectors. The estimate did not take account of premises which had closed permanently during the pandemic, national businesses that chose not to apply, or businesses that would not qualify for support as they did not meet eligibility criteria.

The level of spending under LRSO(Open) was capped and authorities could not exceed the funding threshold. Where an authority exceeded their funding the overspend would be required to be met from ARG or general fund expenditure.

Any underspend on LRSO(Open) was returned to Government after the completion of a reconciliation exercise.

The expenditure within Redditch was monitored on a weekly basis to ensure that the costs of the grant scheme remained below the funding threshold.

The expenditure under the LRSO (Open) scheme is summarised in table below; an additional table provides relevant benchmarking information published by Government on grant expenditure up to 28th March 2021 point expenditure at Redditch was 71.52%

| Funding Allocation | # Grants Made | Expenditure | % Distributed |
|---------------------------|----------------------|--------------------|----------------------|
| 169,968 | 305 | 125,668.13 | 73.94 |

| | National | West Midlands | County |
|--------------|----------|---------------|---------|
| Lower Level | 0.00% | 0.00% | 33.04% |
| Upper Level | 205.93% | 111.71% | 111.71% |
| Mean Average | 66.90% | 61.42% | 76.63% |

Expenditure under LRSO (Open) was managed to ensure that there was no overspend, and the total expenditure was comparable to national and regional averages.

Local Restriction Support Grant (Closed)
Closed Business Lockdown Payment

LRSO(Closed) grants were payable to business when they were mandated to close by law during tier 2, tier 3, tier 4 or national restrictions. Funding was provided for each period of tier restrictions and the table below summarises the funding provided to Redditch Council.

Payments of the additional CBLP, payable to business closed in January 2021, are reported by Government as part of the LRSO(Closed) expenditure. The row in the table below marked labelled Closed Business Lockdown Payment shows the funding provided to the authority for the CBLP scheme.

| Period Start | Period End | Tier Level | Funding Provided |
|----------------------------------|--------------------------------|-----------------------|------------------|
| 5 th November 2020 | 1 st December 2020 | National Restrictions | 921,204 |
| 2 nd December 202 | 18 th December 2020 | Tier Two | 8,745 |
| 19 th December 2020 | 30 th December 2020 | Tier Two | 46,181 |
| 31 st December 2020 | 4 th January 2021 | Tier Three | 0.00 |
| 5 th January 2020 | 15 th February 2021 | National Restrictions | 1,381,806 |
| 16 th February 2020 | 31 st March 2021 | National Restrictions | 1,447,606 |
| Closed Business Lockdown Payment | | | 2,763,000 |
| Total Funding Received | | | 6,568,542 |

The table below shows the current level of expenditure within Redditch under LRSO(Closed) and CBLP.

| Funding Allocation | # Grants Made | Expenditure | % Distributed |
|--------------------|---------------|--------------|---------------|
| 6,568,542 | 1,606 | 4,668,934.63 | 71.08 |

The national benchmarking data for LRSO(Closed) and CBLP expenditure is detailed in the following table: the information shows expenditure up to 28th March 2021 at which point Redditch had defrayed 67.54% of funding.

| | National | West Midlands | County |
|--------------|----------|---------------|--------|
| Lower Level | 5.35% | 5.35% | 55.24% |
| Upper Level | 368.18% | 104.64% | 74.85% |
| Mean Average | 66.77% | 65.47% | 65.44% |

The national upper range of expenditure at 368.18% of funding relates to Forest of Dean District Council which reported expenditure £38.1m from funding of £10.3m. This figure is an outlier within the data with the next highest level of expenditure being Swale Borough Council at 105.04%.

Local Restriction Support Grant (Sector)

There has been no specific allocation of funding for LRSG(Sector) Grants, and the costs of the scheme will be met from the balance of LRSG(Closed) and CBLP expenditure.

There is no published national grant information.

Christmas Support Payment for Wet-Led Pubs

Christmas Support Payments were provided to businesses after a targeted take-up campaign whereby the ratepayer for each potential qualifying property was telephoned and invited to make a claim for grant.

The tables below detail the grant expenditure under CSP within Redditch and the national, regional, and county benchmarking information.

| Funding Allocation | # Grants Made | Expenditure | % Distributed |
|--------------------|---------------|-------------|---------------|
| 25,600 | 26 | 26,000 | 101.56 |

| | National | West Midlands | County |
|--------------|----------|---------------|---------|
| Lower Level | 6.25% | 49.01% | 68.18% |
| Upper Level | 323.44% | 162.50% | 119.79% |
| Mean Average | 91.79% | 93.51% | 85.68% |

Restart Grant

Restart Grant became payable from 1st April 2020; expenditure under the Restart Grant scheme is summarised in the table below. The latest benchmarking information was published by BEIS on 25th April 2020, however, this is too early within the administration of the scheme from which to draw meaningful comparisons.

| Funding Allocation | # Grants Made | Expenditure | % Distributed |
|--------------------|---------------|-------------|---------------|
| 2,904,075 | 268 | 2,066,016 | 71.14% |

Additional Restrictions Grant

The additional restrictions grant is a discretionary grant which is payable to businesses which have experienced an impact from Coronavirus restrictions.

Funding of ARG has been made in tranches; with the tranche of funding received in November 2020, the second in January 2021 and subject to all expenditure being made by 31st July 2021 a third tranche of funding will be paid.

The expenditure within Redditch is summarised in the table below and information on national, and county expenditure is included in the additional table.

Redditch's expenditure of 56.57% is currently below mean average, however, an additional round of applications has been open for the period to 15th June 2021. An additional £739,000 has been provisionally allocated for distribution to businesses which will raise expenditure to 86.57% of funding.

Additional steps will be taken to proactively provide support to applicants through a combination of top-ups to earlier awards, and targeted sector grants to applicants in events and hospitality sectors.

The authority will be targeting 100% allocation of funding by 31st July 2021.

| Funding Allocation | # Grants Made | Expenditure | % Distributed |
|---------------------------|----------------------|--------------------|----------------------|
| 2,462,598 | 524 | 1,392,986.51 | 56.57 |

| | National | West Midlands | County |
|--------------|----------|---------------|---------|
| Lower Level | 0.79% | 21.39% | 30.46% |
| Upper Level | 113.83% | 102.91% | 100.60% |
| Mean Average | 64.70% | 70.98% | 65.62 |

Executive Committee
202113th July**Report Title: Covid-19 Grant Funding - Delegation of Authority**

| | |
|--|--|
| Relevant Portfolio Holder | Councillor David Thain, Portfolio Holder for Finance and Enabling Services |
| Portfolio Holder Consulted | |
| Relevant Head of Service | Chris Forrester Head of Finance and Customer Services |
| Report Author | Name: Chris Forrester Job Title: Head of Finance and Customer Services Contact chris.forrester@bromsgroveandredditch.gov.uk email: |
| Wards Affected | All |
| Ward Councillor(s) consulted | n/a |
| Relevant Strategic Purpose(s) | All |
| Non-Key Decision | |
| If you have any questions about this report, please contact the report author in advance of the meeting. | |

1. RECOMMENDATIONS**Executive Committee is asked to RECOMMEND that**

authority be delegated to the Executive Director of Resources to accept, administer and distribute any Government Funding, or Funding from bodies acting on behalf of Government, relating to or in response to the Covid 19 emergency and to make the necessary and corresponding adjustments to the MTFP following consultation with the Leader and subject to meeting the conditions of grant funding.

2. BACKGROUND

- 2.1 Since the start of the Covid pandemic there have been a high number of grants awarded by central government to local authorities to distribute. These grants are often given with short notice periods and a requirement to start spending immediately based on the specific conditions of the grant. This is made more challenging as at the point in time the authority is made aware of them the government announces them to the public which leads to a high level of contact from the public, pressuring council officers whilst they are trying to set schemes up to spend the monies.

Executive Committee
202113th July

-
- 2.2 The above Government response to the Covid Pandemic is likely to continue, with grants being announced with short timescales. These funding initiatives, distributed to local Councils, aimed at stimulating local communities and economies being put in place need to be paid out and spent as quickly as possible. The most recent is the Welcome Back Fund (WBF), a new £56 million national fund to support a safe and successful reopening of high streets and seaside resorts (Redditch Borough Council's allocation being circa £75,088).
- 2.3 This funding is provided to Councils with specific conditions of grant applied and is repayable if it is not defrayed within a timetable set by Government.
- 2.4 There are likely to be a number of other such Covid related (non business specific) grants (over and above business related grants such as the Local Restrictions Support Grant which are administered by the Council on behalf of central government in accordance with specific grant entitlement policies).
- 2.5 Due to the nature of the Council approval cycle, it is often not possible to get reports through the reporting mechanisms in a timescale which allows compliance with grant conditions and can delay the speed at which monies are paid out in line with the grant conditions. This was made apparent by the number of urgent decisions required for the business grants schemes. With businesses and individuals seeing severe challenges arising from the impact of Covid any delay in funding can have severe repercussions and as such this delegated authority would allow the authority to respond in an agile and transparent manner for the benefit of Redditch.
- 2.6 Where the funding is area specific or for the benefit of area based activity members are advised that officers will consult with the relevant ward councillors

3. FINANCIAL IMPLICATIONS

- 3.1 The proposal that authority be delegated to the Executive Director of Resources will be in line with good financial practice.
- 3.2 The delegation to accept administer and distribute any Government Funding or Funding from bodies acting on behalf of Government relating to or in response to the Covid 19 emergency and to make the necessary and corresponding adjustments to the MTFP will be done following consultation with the Leader.

Executive Committee
202113th July

-
- 3.3 Any additional funding or expenditure will be spent in accordance with the conditions of grant and be reported retrospectively to the Executive Committee and Council either in a standalone report should it be a particularly large, or complex grant scheme or in the quarterly finance monitoring report.

4. LEGAL IMPLICATIONS

- 4.1 Review and revision of the Constitution is governed by Article 15 of the Constitution.
- 4.2 Section 101 of the Local Government Act 1972 (as amended) gives a general power to local authorities to discharge functions through officers. Local Authorities are required by the same Act to maintain a list of these, which is referred to as the Scheme of Delegation. This sets out those powers of the Council which can be carried out by officers of the Council.

5. STRATEGIC PURPOSES - IMPLICATIONS**Relevant Strategic Purpose**

- 5.1 The Strategic purposes are included in the Council's corporate plan and guides the Council's approach to expenditure ensuring we focus on the issues and what are most important for the Borough and our communities. Grants will be paid out in line with grant conditions whilst ensuring that they align with the Council's strategic purposes as far as is possible.

Climate Change Implications

- 5.2 The green thread runs through the Council plan. Any grants which have implications on climate change will be addressed and reviewed when relevant by climate change officers to ensure the correct procedures have been followed to ensure any impacts on climate change are fully understood.

6. OTHER IMPLICATIONS**Equalities and Diversity Implications**

- 6.1 No direct implications as a result of this report.

Executive Committee
202113th July**Operational Implications**

6.2 Appropriate grant monitoring will be in place in line with the financial procedure rules and will be accounted for appropriately.

7. RISK MANAGEMENT

7.1 Grants are monitored in line with the financial procedure rules and grant conditions.

8. APPENDICES and BACKGROUND PAPERS

N/A

9. REPORT SIGN OFF

| Department | Name and Job Title | Date |
|---------------------------------|--|-------------|
| Portfolio Holder | Councillor David Thain | |
| Lead Director / Head of Service | James Howse, Executive Director of Resources | |
| Financial Services | James Howse, Executive Director of Resources | |
| Legal Services | Claire Felton, Head of Legal, Democratic and Property Services | |



Overview and Scrutiny Committee

Thursday, 18th March, 2021

MINUTES

Present:

Councillor Joe Baker (Chair), Councillor Jennifer Wheeler (Vice-Chair) and Councillors Salman Akbar, Michael Chalk, Peter Fleming, Andrew Fry, Ann Isherwood, Mark Shurmer and Yvonne Smith

Officers:

Sue Hanley

Democratic Services Officers:

Jo Gresham and Kerry Somers

79. APOLOGIES AND NAMED SUBSTITUTES

Prior to consideration of the first item of the agenda, the Chair thanked all Members of the Committee for their hard work during the municipal year. He expressed particular thanks to Councillor Y. Smith and Councillor M. Shurmer who were standing down from their roles of Councillors and wished them well for the future.

Apologies for absence were received from Councillor A. Fry.

80. DECLARATIONS OF INTEREST AND OF PARTY WHIP

There were no declarations of interest nor of any Party Whip.

81. MINUTES

RESOLVED that

the minutes of the meeting of the Overview and Scrutiny Committee held on Thursday, 18th March 2021 be approved as a true and correct record and signed by the Chair.

Chair

Overview and Scrutiny Committee

Thursday, 18th March, 2021

82. PUBLIC SPEAKING

There were no registered public speakers on this occasion.

83. OVERVIEW AND SCRUTINY ANNUAL REPORT 2020-2021

The Chair introduced the item in respect of the Overview and Scrutiny Committee Annual report 2020-2021 and read out the Chair's Foreword to provide a summary of the Committee's work over the municipal year.

"Over the last year it has been a pleasure to be the Chair of the Overview and Scrutiny Committee. It has been a good year as there has been a lot of cross-party working. This is significant in a number of different ways; the importance of cross-party decision-making when representing the community as a whole, in addition it shows that by working together in partnership we can move things forward as a Council. The majority of the recommendations made by the Overview and Scrutiny Committee were cross-party recommendations.

It is noted that there have been two specific Task Groups established during the year the Dementia Task Group and the Parking on Unicorn Hill Task Group. We have had in-depth group discussions at meetings of the Overview and Scrutiny Committee which have resulted in these task groups being set up. It is worth noting that the Parking on Unicorn Hill Task Group was set up as a result in closer working with the Leader of the Council. Frequently we discussed individual items put forward by the whole Committee and raised issues that mattered to the community.

Overview and Scrutiny Committee used its powers to scrutinise decisions made by the Executive Committee as well as to pre-scrutinise items before the Executive Committee made a decision.

During the year, training was provided to reinforce Members' understanding and skills to undertake scrutiny effectively. Since that training was delivered, we've had some really constructive, apolitical meetings.

Overview and Scrutiny Committee

Thursday, 18th March, 2021

I would like to take this opportunity to thank Members of the Overview and Scrutiny Committee who have contributed their time and energy to make this a successful year for Overview and Scrutiny.

It has been a difficult year during lockdown with the meetings being online. However, we have got through this and continued with the job in hand. Thanks also go to Andy Fry, Jenny Wheeler as well as to Councillor Mike Chalk who has provide excellent written updates on the work of the West Midlands Combined Authority Overview and Scrutiny Committee and Worcestershire Health Overview and Scrutiny sub-Committees during the year.

I am proud that I have been able to continue in my role as Chair.

I would also like to pay tribute to Councillor Pattie Hill and the work and dedication she put in during her time on the Overview and Scrutiny Committee.”

During this item, the Chair thanked Councillor M. Chalk for his work in chairing the Dementia Task Group and Councillor P. Fleming for chairing the Parking on Unicorn Hill Task Group. He also thanked the Democratic Services Officer for the hard work undertaken in preparation of the report.

RESOLVED that

the report was noted.

84. RECOMMENDATION TRACKER UPDATE

The Democratic Services Officer presented the Recommendation Tracker Update and advised that this was a regular update from officers in respect of the recommendations that had been made by the Committee in this, and previous municipal years. She explained that if Members had any questions regarding the update, they could request further clarification from officers.

Councillor M. Shurmer queried the recommendation regarding the Parking Enforcement Task Group. He was particularly interested in whether the parking enforcement scoped trial had taken place

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outside schools and if it had taken place, what had been the results. The Democratic Services Officer undertook to obtaining further clarification from the Environmental Services Manager and circulate the response to Members accordingly.

RESOLVED that

the Recommendation Tracker Update be noted.

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

Members considered the minutes of the meeting of the Executive Committee held on Monday 22nd January 2021.

The latest edition of the Executive Committee's Work Programme for the period 1st April to 31st July 2021 was also considered by the Committee.

Members requested that the following items be placed on the Committee's Work Programme for consideration in the new municipal year:

- Future Plans for Auxerre House
- Church Green Conservation Area
- Endorsement of Proposals for the Redevelopment of Matchborough and Winyates for the Purposes of Public Consultation
- Asset Management Strategy and investment programme for council housing stock
- Redditch Town Centre Regeneration Business Cases.

RESOLVED that

- 1) the minutes of the meeting of the Executive Committee held on Tuesday, 22nd February 2021 be noted; and**
- 2) the content of the Executive Committee's Work Programme for the period 1st April to 31st July 2021 be noted.**

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86. OVERVIEW AND SCRUTINY WORK PROGRAMME

The Democratic Services Officer present informed Members that any items selected for pre-scrutiny from the Executive Committee Work Programme would be placed on to the Committee's Work Programme for consideration at future meetings. It was also highlighted that an update in respect of E-Scooters and a 6-monthly update regarding the Redditch Town Deal as agreed at a previous meeting of the Committee had also been included on the Committee's Work Programme.

Councillor M. Shurmer suggested that a possible work programme item that might need to be added for future consideration would be Housing Options as it seemed that this had been an area of increased concern for some residents during the pandemic.

Members queried the item regarding the Endorsement of Proposals for the Redevelopment of Matchborough and Winyates for the Purposes of Public Consultation. The Deputy Chief Executive informed Members that during consideration of this item at the Executive Committee meeting officers would be seeking endorsement of the proposals prior to the consultation.

RESOLVED that

the Overview and Scrutiny Work Programme be noted.

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

The following updates were provided in respect of the work of the Scrutiny Task Groups and Working Groups:

- a) Budget Scrutiny Working Group – Chair, Councillor Jenny Wheeler

Councillor Wheeler advised the Committee that the final meeting of the Budget Scrutiny Working Group had taken place on 17th March 2021. During that meeting, the group had interviewed Officers summarising Covid-19 grant funding received and distributed during the pandemic. In addition to

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this, Professor Peter Latchford attended the meeting to update Members on the Council's progress on commercialism. The Committee was informed that during this meeting, the Head of Finance and Customer Services presented the Third Quarter Monitoring Update in respect of the Council's Budget and highlighted to Members that the Section 24 had been removed.

Councillor Wheeler took the opportunity to thank Councillors J. Fisher and Y. Smith for all of their contributions to the Working Group during their time as Members of the Council.

b) Dementia Task Group – Chair, Councillor Michael Chalk

Councillor Chalk explained that the group were due to meet on 25th March 2021 when a representative from Age UK would be in attendance primarily to discuss their work with veterans diagnosed with Dementia in the Borough.

During consideration of this update Members were advised that it was unlikely that the group would be able to report back to the Overview and Scrutiny Committee on 18th March 2021 as originally intended. Therefore, the Chair agreed that the Dementia Task Group be afforded an extension to their investigation and that a report be considered at the meeting due to be held in June 2021.

c) Performance Scrutiny Working Group – Chair, Councillor Andrew Fry

The Chair updated the Committee in the absence of Councillor Fry and informed Members that no meeting had taken place since the last meeting of the Committee.

d) Unicorn Hill Task Group – Chair, Councillor Peter Fleming

Councillor Fleming informed the Committee that the Short, Sharp Review Group had met on 3rd March 2021 and had had a very productive meeting. The next meeting was due to take place on 30th March 2021 when Members would interview Councillor M. Dormer as the Topic Proposer of the

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Short, Sharp Review. The Chair thanked Members of the Group for a successful meeting and for the cross-party working that was taking place as part of the review.

RESOLVED that

- 1) the Dementia Task Group be extended until June 2021; and**
- 2) the update reports be noted.**

88. EXTERNAL SCRUTINY BODIES - UPDATE REPORTS

In addition to his written reports, Councillor Michael Chalk provided a verbal update in respect of the West Midlands Combined Authority (WMCA) and Worcestershire County Council Health Overview and Scrutiny Committee (HOSC), which had been published as part of the meeting agenda. During the update Members were informed that, as the meetings were public, the YouTube live streams were all available online should Members wish to watch them to further understand the work of the External Scrutiny Bodies.

Before the close of the meeting the Chair took the opportunity to thank all the Members of the Committee, Democratic Services Officers and the I.T. Support Staff who had worked so hard behind the scenes to enable the virtual meetings to take place during the pandemic.

Councillor S. Akbar also requested to speak and in doing so thanked Councillor J. Baker for successfully undertaking his role as Chair for the municipal year.

RESOLVED that

the External Scrutiny Bodies Update Reports be noted.

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REDDITCH BOROUGH COUNCIL**Executive Committee**
2021

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Finance Report: Taking stock of the Council's financial position and the risks specifically presented by Rubicon at May 2021

| | |
|--|---|
| Relevant Portfolio Holder | Councillor David Thain |
| Portfolio Holder Consulted | YES |
| Relevant Head of Service | Chris Forrester, Claire Felton |
| Report Author | Job Title: James Howse, Executive Director of Resource and Section 151 Officer, and Chris Forrester, Head of Financial and Customer Services. Contact, email:james.howse@bromsgroveandredditch.gov.uk Contact Tel: 0152764252 |
| Wards Affected | N/A |
| Ward Councillor(s) consulted | N/A |
| Relevant Strategic Purpose(s) | |
| Non-Key Decision | |
| If you have any questions about this report, please contact the report author in advance of the meeting. | |
| This report contains exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, as amended | |

1. RECOMMENDATIONS**The Executive Committee RESOLVE that:-**

- 1) The financial context and risks set out in section 3 are noted;**
- 2) The decision taken by members of the Shareholders Committee (in line with the Council's Constitution) to approve a revised one-year Rubicon Business Plan is noted;**
- 3) The requirement to support the mitigating actions as set out in Section 7 is noted as is the work undertaken by officers to determine a longer term business plan focusing on financial sustainability and relevant and appropriate service delivery**

2. BACKGROUND

- 2.1 The impact of Covid-19 (and related business restrictions) on Rubicon Leisure, and the Council's budget, has been previously identified as an area of risk (by the Executive, the Council's Section 151 Officer, Monitoring Officer and broader Corporate Management Team).

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- 2.2 On 25th March 2021, a Joint Board of Rubicon Directors and Shareholders Committee Business Planning meeting was held. At this meeting the prospect of additional (Covid related) costs of over £1.2 million in 2021/22 were raised (over and above the originally contracted £0.6m cost).
- 2.3 In the context of the Council's fragile financial position (noting the still relatively recent statutory recommendation from the external auditors under section 24 of the Local Audit and Accountability Act 2014 in relation to the Council's financial position), and in the context of the above, a number of measures have therefore been put in place with the support of the Executive to manage and mitigate the financial risk posed by Covid-19 and Leisure.

REPORT PURPOSE

- 2.4 The purpose of this report is therefore to:
- i) Set out in broad terms the Council's financial position / financial context - in light of the approved 21/22 Budget and Medium-Term Financial Plan and Covid-19;
 - ii) Set out the financial risks associated specifically with Rubicon Leisure;
 - iii) Update the Executive on the steps taken and mitigating actions;
 - iv) Update the Executive on the decision taken by members of the Shareholders Committee (in line with the Council's Constitution) to approve a revised one-year Rubicon Business Plan and note the subsequent operational and service delivery changes required to achieve a balanced position in 2021/2022.
 - v) Update members on the progress to date in preparing the longer term business plan, and the on-going dialogue between officers and the Rubicon Board to enable this to be finalised and presented to the Shareholder Committee for approval in due course.

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3. FINANCIAL IMPLICATIONS**Financial Context**

- 3.1 The Council faces a challenging financial context having:
- i) recently received a statutory recommendation from its external auditors under section 24 of the Local Audit and Accountability Act 2014 in relation to its financial position;
 - ii) identified (but still needs to deliver) significant savings over the medium term;
 - iii) reserve balances (General and HRA) only marginally above minimum levels; and
 - iv) high levels of planning uncertainty with regards to the levels of available funding in coming years
- 3.2 It must also be noted that there remains a number of significant additional risks and uncertainties including:
- i) The Council's finances and operations have been significantly impacted by the Covid-19 outbreak. Further work is required as part of closing down the 20/21 Outturn position to clarify all the short term cashflow implications and the medium to long term impact of Covid-19 on our residents, our economy and (therefore) our cost base remain uncertain.
 - ii) There remains a lack of clarity and certainty with regard to the future of local government finance. The Government's 'Fairer Funding Review' has been delayed again until 2022/23 at the earliest and the Government only provided a one-year financial settlement for 2021/22. What the Council's available resources will be over the medium term, therefore remains uncertain.
- 3.3 **Based on the above, the Executive Director of Resources has therefore described the Council's current financial position as 'fragile' and further work is planned with members as part of the 2022/23 budget setting processes to strengthen the Council's financial position.**

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Context: Rubicon Leisure

- 3.4 The contracted management charge (set pre Covid-19) is circa £660k for 2021/22. Dividing this management fee cost on the basis of the number of Band D properties in Redditch for 2021/22 (26,158), the base management charge of £660k represents a cost per year of £25.23 per band D property.
- 3.5 The total cost to the Council in 2020/21 is estimated to be £1.5m, which included £0.8m of additional funding provided to Rubicon from the general Covid grant funding received by the Council from central government. Netting this general Covid-19 funding off the 20/21 cost reconciles back to the agreed 20/21 management fee of £0.6m.
- 3.6 It should be noted that the cost to the Council in (the pre Covid-19) year 2019/20 were £1.1m which included an additional cost over and above the contracted management charge of £0.4m.
- 3.7 As a consequence of the impact of Covid-19 on Rubicon Leisure's ability to do business, a potential additional cost in 2021/22 of £1.258m was originally put forward in discussions with the Rubicon Managing Director (including at the Joint Board of Rubicon Directors and Shareholders Committee Business Planning meeting on 25th March).
- 3.8 Whilst this potential additional cost had been foreseen and therefore has been budgeted for in 21/22 – this budget provision does not represent a commitment to pay.
- 3.9 This additional cost (of circa £1.2m) is significant, and would represent an additional annual cost equivalent to £48.09 per band D property.
- 3.10 The total Rubicon Leisure cost (of circa £1.9m in 21//22) would represent a total annual cost equivalent to £73.32 per Band D property, which could be further broken down as follows:
- a. £31.30 pa for the Abbey Stadium (per Band D)
 - b. £6.93 pa for the Arrow Valley (per Band D)
 - c. £5.77 pa for the Community Centres (per Band D)
 - d. £7.23 pa for the Forge Mill (per Band D)
 - e. £19.08 pa for the Palace Theatre (per Band D)
 - f. £3.01 pa for the Pitcheroak Golf course (per Band D)
 - g. (Making £73.32 in Total per Band D)
- 3.11 **Based on the above, steps have therefore been taken (with the support of the Executive) to press Rubicon for a short term (one**

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year) plan and savings options necessary to close the £1.2 m identified for 2021/22.

Rubicon: Short term (one year) plan and savings options necessary to close the £1.2 m identified for 2021/22

- 3.12 On 5th July, the Shareholders Committee received and approved an updated one year business plan for 21/22.
- 3.13 Within this plan the Rubicon Board identified savings of £615,483 (which will reduce the forecast £1.9m cost scenario for 21/22 highlighted above). The report to the Shareholders Committee is included in Appendix 1 for information.
- 3.14 In addition to this, Rubicon are reviewing operational structures in order to deliver additional savings. Further work is also proposed regarding the following:
- Review of Community Centres
 - Review Forge Mill
 - Explore Capital Investment Projects to increase income and reduce expenditure
- 3.15 These matters represent savings, and as such remain within the Council's approved budget and policy framework. The implications of these savings, should they be delivered, is that the Council's 21/22 budget could be reduced by some £615,483. At this stage however, it is not proposed that the budget is changed due to the need to first:
- a) gain assurances over coming months through budgetary control that this saving has been achieved in practice;
 - b) consider any one off (invest to save) costs; and
 - c) consider the wider impact on Council finances of both the impact of Covid-19 on service costs and of Covid general grants.
- 3.16 It should also be also noted that while the above savings represent a much improved position in this regard, further work is required to ensure that the Council's financial position is strengthened.

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4. LEGAL IMPLICATIONS

- 4.1 Rubicon Leisure (“RL”) entered into a Leisure Operating Contract (the “LOC”) with the Council on 30 November 2018.
- 4.2 The terms of the LOC require RL to provide leisure services at specifically identified sites as defined in the LOC for a period of 30 years (subject to a Council break clause at year 10).
- 4.3 The Council recognises the significant impact that the COVID -19 pandemic (the “Outbreak”) has had on the leisure industry and has worked with RL to reach a mutually acceptable agreement (the “COVID Agreement”) in response to the Outbreak. The Agreement balances the need for operational local leisure facilities with the legal requirement of periods of forced closure and varies the LOC.
- 4.4 The Covid Agreement divides the Outbreak into distinct phases. These are detailed in Appendix 1 of the Agreement. Certain phases of the Outbreak were periods of enforced closure by the Government under *Health Protection (Coronavirus Restrictions) (England) Regulations 2020* (the **Restrictions**). Other phases of the Outbreak were periods in which leisure facilities were permitted but not required by the Government to open.
- 4.5 The Agreement recognises that the phases of forced closure (detailed at Appendix 1 of the Agreement) are Specific Changes in Law under the terms of the LOC.
- 4.6 This means that provided RL complies with its obligations to mitigate the effects of the Specific Change in Law the Council is required under the LOC to make payments to cover RL’s operating costs during the periods of forced closure. These payments will not include any element of profit.
- 4.7 The Agreement also recognises that the periods of limited operation of leisure facilities during periods of reopening do not constitute a Specific Change in Law. Contractually therefore the Council is not required to make payments to RL but acknowledges RL’s need for support during these challenging circumstances.
- 4.8 The Agreement therefore states that the Council will make payments to RL to cover any operating losses sustained by RL during these periods of limited operation provided that RL take all steps to mitigate their losses, and allow the Council full open book access to its accounts.

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5. STRATEGIC PURPOSES - IMPLICATIONS**Living independent, active and healthy lives**

- 5.1 The Council's partnership with Rubicon Leisure is part of its commitment to support activities for healthy lifestyles in the borough.

Climate Change Implications

- 5.2 None identified.

6. OTHER IMPLICATIONS**Equalities and Diversity Implications**

- 6.1 None identified.

Operational Implications

- 6.2 The Council provides (under agreement) a number of services to Rubicon Leisure under individual service level agreements. These include but are not limited to Finance, Legal and HR.

7. RISK MANAGEMENT

- 7.1 The financial risk is that the Council's financial position becomes unsustainable – either through failure to respond to the S24 notice, failure to deliver savings, inadequate reserve balances and / or changes to funding levels in future years.

- 7.2 The mitigations to this risk can be summarised as follows:

- i) a short term (one year) plan and savings options necessary to close the £1.2 m identified for 2021/22.
- ii) medium term (3 year) plan including service changes and business case for any investment requirements
- iii) Plans for growth, efficiencies and / or service reductions on a site by site basis (over the short and medium term).

- 7.3 Detailed discussions with the Managing Director of Rubicon Leisure and the Rubicon Board, together with a joint business planning session with the Councils Shareholder Committee outlining the Councils requirements in the short medium and longer term taking account of the covid context culminating in a formal letter to the Rubicon Board (from

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the Council's S151 Officer and Monitoring Officer) following the Joint Board on 25 March 2021.

- 7.4 Further work to be undertaken more broadly (led by the Executive Director for Resources and the Head of Financial and Customer Services) to take stock of the Council's financial position and to identify and implement plans to improve the sustainability of the Council's finances, including plans to:
- i) increase general fund reserve balances;
 - ii) improve the robustness of financial management across the council;
 - iii) identify and deliver savings;
 - iv) plan and prioritise resources effectively.
- 7.5 Further work to be undertaken to revisit, reconsider and potentially revise the Leisure Operating Contract following the Covid pandemic, to reflect both the impact of Covid-19 and the Council's financial position.
- 7.6 Report back to the Executive progress against actions a) to d).

8. APPENDICES and BACKGROUND PAPERSBackground papers:

Rubicon Business Plan, Shareholders Meeting Report dated 5 July 2021 (This report contains exempt information as defined in Paragraphs 3 and 4 of Part I of Schedule 12A to the Local Government Act 1972, as amended)

9. REPORT SIGN OFF

| Department | Name and Job Title | Date |
|---------------------------------|-----------------------------------|------|
| Portfolio Holder | Councillor David Thain | |
| Lead Director / Head of Service | James Howse, S151 | |
| Financial Services | Chris Forrester, Head of Services | |

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| Legal Services | Claire Felton, Monitoring Officer | |
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Report title: Upper Norgrove House

| | |
|--|--|
| Relevant Portfolio Holder | Councillor M. Dormer |
| Portfolio Holder Consulted | Yes |
| Relevant Head of Service | Claire Felton |
| Report Author | Job Title: Head of Legal, Democratic and Property Services Contact email:c.felton@bromsgroveandredditch.gov.uk Contact Tel: |
| Wards Affected | West |
| Ward Councillor(s) consulted | Yes – The ward councillors both serve on the Executive Committee |
| Relevant Strategic Purpose(s) | Finding Somewhere to Live |
| Non-Key Decision | |
| If you have any questions about this report, please contact the report author in advance of the meeting. | |
| This report contains exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, as amended | |

1. RECOMMENDATIONS**The Executive Committee RESOLVE that:-**

- 1) The advice document at appendix 1 to this report is noted;**
- 2) Approval is given to a joint marketing exercise of the site known as Upper Norgrove Webheath with the adjacent landowner; and**
- 3) Authority is delegated to the Head of Legal Democratic and Property Services and the Executive Director of Resources following consultation with the Leader of the Council to market and dispose of the site**

2. BACKGROUND

2.1 On 23 July 2008, Executive Committee resolved that:

- 1) Upper Norgrove House be declared surplus and disposed of at Market Value;
- 2) the Property Services Manager be permitted to enter into negotiations with third parties to consider joint

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disposal/development; and

- 3) the Property Services Manager to work up a scheme to be recommended to Members at a future Executive Committee.
- 2.2 The site was allocated for housing in the Redditch Borough Council Local Plan adopted on 30 January 2017 and to deliver 400 - 600 houses within the Plan period to 2030. Some housing development has already taken place.
- 2.3 In 2019 there was a further report to update Members on proposals for the development of the Council's site at Upper Norgrove House. This sought approval for the proposed development of the site in partnership with adjacent land owners, who have expressed interest in developing their sites with the Council and also sought delegated authority to enter into partnership agreements with them to implement the proposal as approved.

It was resolved that:

- 1) The Council-owned site at Upper Norgrove House be developed for the provision of housing, in co-operation with adjoining land owners who wish to develop their land in collaboration with the Council;
 - 2) Authority be delegated to the Head of Legal Equalities & Democratic Services to negotiate and enter into collaboration agreements with those adjacent owners (and third parties identified as necessary), to deliver the proposal if approved;
 - 3) That the Head of Legal, Equalities and Democratic Services be delegated authority to agree the appointment of an external legal advisor as a member of the development group, and an independent legal advisor to advise the Council in relation to the implementation of the decision and the legal arrangements required to deliver it.
- 2.4 In the context of that delegation members are advised that initial discussions with all landowners became problematic and that as a result a more productive dialogue has continued with the adjacent landowner who is currently at pre application stage for a development of circa 165 houses to be served by a single access via Crumpfields Lane
- 2.5 The Council is also in pre application discussions with regard to its own land and as a result further discussions with the adjacent land owner have taken place to explore the extent to which the site and the access

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thereto can be improved with the benefit of a joint scheme over the two sites.

- 2.6 In this regard the Council has received advice from Savills supporting this proposal and this is included at appendix 1 to this report.
- 2.7 It is clear that the history of this site is complex and that in planning terms the provision of an access over the Council owned land would enable a more acceptable scheme in planning terms.
- 2.8 It is also clear that historically the complexity of the site has been exaggerated by the lack of foresight in planning for future phases of the site to be enabled.
- 2.9 That said the negotiations to date appear able to offer a solution to this problem and the Council will continue to work to enable a sustainable and developable site in accordance with its local plan provisions.

3. FINANCIAL IMPLICATIONS

- 3.1 It should be noted that advice has been obtained from Savilles in order to ensure that the Council can secure best value for money. Further information about this can be found in appendices 1 and 2.
- 3.2 Members are asked to note that any proceeds (as detailed in Appendix 1) will be a capital receipt which will be allocated to an earmarked reserve in the capital budget for future use in meeting the Council's capital commitments (and asset management requirements). While this will help reduce the Council's future borrowing requirement (and hence borrowing cost position) such capital receipts cannot be used for revenue purposes, and therefore the Council's need to identify further recurring revenue budget savings as part of its Medium Term Financial Plan remains.

4. LEGAL IMPLICATIONS

- 4.1 The terms of sale have been validated by Savills to ensure that the Council meets its requirements under the provisions of Section 123 of the Local Government Act 1972 not to dispose of land for a consideration less than can be reasonably obtained.

5. STRATEGIC PURPOSES - IMPLICATIONS**Relevant Strategic Purpose**

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- 5.1 The proposals detailed in this report support the strategic purpose Finding Somewhere to Live, as there is the potential in the long-term that the proposed action will result in much needed housing development within the Borough.

Climate Change Implications

- 5.2 None as a direct result of this report

6. OTHER IMPLICATIONS**Equalities and Diversity Implications**

- 6.1 None as a direct result of this report

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Operational Implications

6.2 None have been identified.

7. RISK MANAGEMENT

7.1 Members will be aware that this site has been vacant for some considerable time and that the local plan identifies it as being an appropriate development site for the provisions of housing. It has taken a considerable time to reach a position where the site can progress to the development stage and the adjoining owner has confirmed that in the absence of an agreement to market jointly they will proceed with their individual application.

8. APPENDICES and BACKGROUND PAPERS

Appendix 1 – Advice Received from Savilles (This advice is exempt as it relates to the financial or business affairs of any particular person (including the authority holding that information)).

Appendix 2 – summary of additional advice received from Savilles (This advice is exempt as it relates to the financial or business affairs of any particular person (including the authority holding that information)).

Background Papers:

Upper Norgrove House – Initial Options Appraisal – report to the Executive Committee considered at a meeting held on 23rd July 2008.

Upper Norgrove Site, Webheath – Development of Land – report to the Executive Committee considered at a meeting held on 11th June 2019.

9. REPORT SIGN OFF

| Department | Name and Job Title | Date |
|---------------------------------|---------------------------|-------------|
| Portfolio Holder | | |
| Lead Director / Head of Service | | |
| | | |

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| Financial Services | | |
| Legal Services | | |

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of the Local Government Act 1972.

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of the Local Government Act 1972.

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