



Council

Mon 27 Jun
2022
7.00 pm

Council Chamber,
Redditch Town Hall
Walter Stranz Square
Redditch
B98 8AH

REDDITCH BOROUGH COUNCIL



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

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GUIDANCE ON FACE-TO-FACE MEETINGS

At the current time, seating at the meeting will be placed in such a way as to achieve as much space as possible for social distancing to help protect meeting participants.

Please note that this is a public meeting.

If you have any questions regarding the agenda or attached papers, please do not hesitate to contact the officer named above.

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Members and Officers who still have access to lateral flow tests (LFTs) are encouraged to take a test on the day of the meeting. Meeting attendees who do not have access to LFTs are encouraged not to attend the meeting if they have common cold symptoms or any of the following common symptoms of Covid-19 on the day of the meeting; a high temperature, a new and continuous cough or a loss of smell and / or taste.

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.

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Members of the public will be able to access the meeting if they wish to do so. Seating will be placed in such a way as to achieve as much space as possible for social distancing to help protect meeting participants. It should be noted that members of the public who choose to attend in person do so at their own risk.

Members of the public who still have access to lateral flow tests (LFTs) are encouraged to take a test on the day of the meeting. Meeting attendees who do not have access to LFTs are encouraged not to attend the meeting if they have common cold symptoms or any of the following common symptoms of Covid-19 on the day of the meeting; a high temperature, a new and continuous cough or a loss of smell and / or taste.

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.



Council

Monday, 27th June, 2022

7.00 pm

Council Chamber Town Hall

Agenda

Membership:

Cllrs:

Ann Isherwood
(Mayor)
Tom Baker-Price
(Deputy Mayor)
Salman Akbar
Imran Altaf
Karen Ashley
Joe Baker
Joanne Beecham
Juma Begum
Juliet Brunner
Michael Chalk
Brandon Clayton
Luke Court
Matthew Dormer
Aled Evans
Peter Fleming

Alex Fogg
Andrew Fry
Lucy Harrison
Bill Hartnett
Sharon Harvey
Joanna Kane
Sid Khan
Anthony Lovell
Emma Marshall
Nyear Nazir
Timothy Pearman
Gareth Prosser
David Thain
Craig Warhurst

- 1. Welcome**
- 2. Apologies for Absence**
- 3. Declarations of Interest**

To invite Councillors to declare any Disclosable Pecuniary Interests or Other Disclosable Interests they may have in items on the agenda, and to confirm the nature of those interests.

- 4. Minutes (Pages 1 - 10)**
- 5. Announcements**

To consider Announcements under Procedure Rule 10:

- a) Mayor's Announcements
- b) The Leader's Announcements
- c) Chief Executive's Announcements.

- 6. Questions on Notice (Procedure Rule 9) (Pages 11 - 12)**
- 7. Motions on Notice (Procedure Rule 11) (Pages 13 - 14)**

8. Executive Committee

Executive Committee minutes - 14th June 2022 (Pages 15 – 25)

8.1 Bromsgrove and Redditch Duty to Co-operate (Pages 27 - 36)

8.2 Council Plan (Including Recovery and Restoration Plan) (Pages 37 - 94)

9. Regulatory Committees

Audit, Governance and Standards Committee Minutes - 14th April 2022 (Pages 95 – 96)

An extract from the minutes of the Audit, Governance and Standards Committee meeting held on 14th April 2022, relating to the Committee's consideration of the Capital Strategy 2022/23, has been attached for Council's consideration.

9.1 Capital Strategy 2022/23 Incorporating the Treasury Management Strategy (Pages 97 - 136)

10. Section 151 Officer Appointment (Pages 137 - 142)

11. Urgent Business - Record of Decisions

To note any decisions taken in accordance with the Council's Urgency Procedure Rules (Part 9, Paragraph 5 and/or Part 10, Paragraph 15 of the Constitution), as specified.

(None to date).

12. Urgent Business - general (if any)

To consider any additional items exceptionally agreed by the Mayor as Urgent Business in accordance with the powers vested in him by virtue of Section 100(B)(4)(b) of the Local Government Act 1972.

(This power should be exercised only in cases where there are genuinely special circumstances which require consideration of an item which has not previously been published on the Order of Business for the meeting.)



Council

Monday, 23rd May, 2022

MINUTES

Present:

Councillor Ann Isherwood (Mayor), Tom Baker-Price (Deputy Mayor), and Councillors Salman Akbar, Karen Ashley, Joe Baker, Joanne Beecham, Juma Begum, Juliet Brunner, Michael Chalk, Brandon Clayton, Luke Court, Matthew Dormer, Aled Evans, Peter Fleming, Alex Fogg, Andrew Fry, Lucy Harrison, Bill Hartnett, Sharon Harvey, Joanna Kane, Sid Khan, Anthony Lovell, Emma Marshall, Nyear Nazir, Timothy Pearman, Gareth Prosser, David Thain and Craig Warhurst

Officers:

Melissa Bassett, Claire Felton, Sue Hanley, James Howse and Darren Whitney

Principal Democratic Services Officer:

Jess Bayley-Hill

1. APOLOGIES FOR ABSENCE

An apology for absence was received on behalf of Councillor Imran Altaf.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MAYOR'S OPENING REMARKS

The outgoing Mayor, Councillor Gareth Prosser, commented that it had been an honour and a privilege to serve as Mayor of the Borough of Redditch for two consecutive municipal years from June 2020 to May 2022. Members were reminded that this period had coincided with the Covid-19 pandemic, which had had a significant impact on the local community, although Councillor Prosser commented that he had been impressed by the stoic character and fortitude of the people of Redditch during this time.

Council was informed that £1,800 had been raised over the two years in support of the Mayor's charities, the Redditch Association for the Blind and the Disability Support Project, Redditch.

Chair

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Monday, 23rd May, 2022

Councillor Prosser thanked the Members and community representatives who had raised funds for the charities. In addition, Councillor Prosser made particular reference to the role of his wife, Mrs Lynn Prosser, as his official consort and he thanked her for her support.

4. ELECTION OF THE MAYOR FOR 2022/23

Councillor Ann Isherwood was elected Mayor of the Borough for the forthcoming year. She made the statutory declaration of acceptance of office and then was invested with the Chain of Office. Councillor Isherwood thanked the outgoing Mayor and, on behalf of the Council, expressed gratitude for the work he had carried out as an ambassador for the town.

RESOLVED that

- 1) **Councillor Ann Isherwood be elected Mayor of the Borough of Redditch to serve until the next Annual Meeting of the Council; and**
- 2) **the Council formally express, and record, its gratitude to Councillor Gareth Prosser for his excellent service to the town as Mayor in the 2020/21 and 2021/22 municipal years.**

5. ELECTION OF THE DEPUTY MAYOR FOR 2022/23

Councillor Tom Baker-Price was elected Deputy Mayor of the Borough of Redditch for the forthcoming year. He made the statutory declaration of acceptance of office and was then invested with the Deputy Mayor's Badge of Office.

RESOLVED that

Councillor Tom Baker-Price be appointed Deputy Mayor of the Borough of Redditch to serve until the next Annual Meeting of the Council.

6. MINUTES

RESOLVED that

the minutes of the Council meeting held on Monday 11th April 2022 be approved as a true and correct record and signed by the Mayor.

7. ANNOUNCEMENTS

The following announcements were provided at the meeting.

a) The Mayor's Announcements

The Mayor announced that her consort during the year would be her husband, Mr Paul Isherwood. She thanked him for his ongoing support and assistance during her time serving as the Deputy Mayor.

Members were advised that the Mayor's charity in 2022/23 would be Touchstones. The charity provided bereavement support to children and young people. The Mayor advised that support for the charity would form part of her focus on nurturing and supporting children and young people during her time serving as Mayor.

Council was advised that there were a number of civic engagements that the Mayor was scheduled to attend over forthcoming weeks. This included:

- 24th – 25th May - the Mayor would be acting as a judge for Level 3 students studying beauty and make up courses at the Hereford and Worcester (HoW) college.
- 27th May – the Mayor was booked to attend the Redditch Food Festival that would be taking place at Church Green East.
- 30th May – the Mayor had been invited by the Lord Lieutenant to attend the Queen's Jubilee Garden Party at Hanbury Hall.

b) The Leader's Announcements

The Leader welcomed all new and returning Councillors who had been elected in May 2022 to the Council.

During consideration of this item, former Councillors and unsuccessful candidates who had not been returned at the local elections in May 2022 were thanked for their hard work.

c) The Chief Executive's Announcements

In the absence of the Chief Executive, the Deputy Chief Executive confirmed that there were no announcements on this occasion.

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8. LEADER OF THE COUNCIL

The Council appointed Councillor Matthew Dormer to the position of Leader for the coming four-year period.

RESOLVED that

Councillor Matthew Dormer be, and hereby is, appointed Leader of the Council for the ensuing four years.

9. LEADER'S APPOINTMENTS

The Leader presented his appointments to the Executive Committee for the 2022/23 municipal year.

During consideration of this item, questions were raised about the reasons for the appointment of Executive Committee members without portfolio. Council was informed that the two Executive Committee members without portfolio would be active members of the Committee and would take part in the local decision making process.

RESOLVED that

the appointment by the Leader of the Deputy Leader, of Members to the Executive Committee and to the individual Portfolios be noted.

10. APPOINTMENTS OF COMMITTEES, PANELS ETC. AND THEIR CHAIRS AND VICE CHAIRS

Members considered the Council's political balance and nominations from the political groups to the Council's various Committees and Panels.

Council was informed that, in addition to the nominations detailed in the supplementary agenda for the meeting, Councillor Karen Ashley was being proposed as an extra named substitute for the Conservative Group on the Planning Committee.

During consideration of this item, questions were raised about the agreed figures in the political balance and the seat allocations for each of the political groups. Officers clarified that when the political balance was initially calculated, there had been vacant seats on the majority of Committees that needed to be filled and both political groups were entitled to additional seats in order to receive their overall mathematical entitlement. The political group leaders had entered into negotiations and agreed the distribution of some of these seats in order to achieve their entitlement. The two

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Councillors who were not aligned to a particular political group had been allocated remaining seats on the Council. There was also one seat which no group was entitled to but which group leaders had ultimately agreed to allocate to the Conservative group during their negotiations. The final seat allocations achieved a balanced position for the Council.

RESOLVED that

- 1) **the Political balance of the Committees of the Council be agreed;**
- 2) **subject to the amendment detailed in the preamble above, appointments by political group leaders to the places on each Committee etc. be noted;**
- 3) **the Council appoints Chairs and Vice-Chairs to the Committees and other bodies as set out at Appendix 2;**
- 4) **appointments to Working Groups and other bodies listed in the appendix be agreed; and**
- 5) **the terms of reference for the Committees be confirmed.**

11. OUTSIDE BODIES

The Leader presented the nominations to the Outside Bodies that had been circulated for Members' consideration in a supplementary pack for the meeting. Members were advised that one amendment was being proposed, in respect of the Council's nomination to the Redditch Eastern Gateway Steering Group and Councillor Anthony Lovell was being nominated to this position instead of Councillor Peter Fleming.

During consideration of this item, an alternative nomination was made for Councillor Sid Khan to be appointed to the position of Armed Forces Champion instead of Councillor Aled Evans, as printed in the supplementary agenda pack. On being put to the vote, it was agreed that Councillor Aled Evans should be appointed as the Council's Armed Forces Champion in the 2022/23 municipal year.

RESOLVED that

subject to the amendment detailed in the preamble above, appointments to the places on each of the Outside Bodies, as detailed in Appendix 1 to the report, be agreed.

12. SCHEME OF DELEGATIONS

The Officer Scheme of Delegations was presented for Council's consideration. Members were advised that the Monitoring Officer had delegated authority to update the Scheme of Delegations to reflect changes to legislation and any amendments to the Scheme that had been agreed during the year. However, no additional delegations, or amendments to existing delegations, were proposed for Members' consideration. The current Scheme of Delegations was proposed by Councillor Matthew Dormer and seconded by Councillor Nyear Nazir.

Reference was made to the respective roles of the Council and Constitutional Review Working Party (CRWP) in determining the content of the Council's constitution. Officers confirmed that the Council ultimately made decisions about changes to the constitution, including the Officer Scheme of Delegations, which formed part of the constitution. However, the CRWP reviewed potential changes to the constitution and made recommendations based on the information gathered which, when presented to Council, enabled Members to make decisions about changes to the content in context.

During consideration of this item, Councillor Bill Hartnett proposed four amendments to the Officer Scheme of Delegation. These amendments were seconded by Councillor Joe Baker.

The proposed amendments were:

- At Part 5.05, in respect of the Housing Allocations Policy, it was proposed that future amendments to the policy that were deemed necessary and which would not trigger the statutory obligation to consult with people impacted by the changes, should be determined by the Executive Committee, not Officers.
- At Part 5.05, in respect of the offer of alternative accommodation to the family of a deceased relative, it was noted that consideration of this matter would inevitably take place at a sensitive time for a family. In this context, it was proposed that the decision regarding the offer of suitable alternative accommodation to occupants of Council house properties who were relatives of a deceased tenant, should be taken by the Executive Committee and not by Officers.
- At Part 5.05, in respect of Housing Management Tenancy charges, concerns were raised that the delegation did not specify the charges that would be set or the parameters for setting charges. For this reason, it was proposed that the decision should be taken by the Executive Committee, not officers.

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- At Part 5.10, in relation to the administration of the Right to Buy scheme, it was commented that there was an urgent need for more social and Council housing in the Borough. The proposal was therefore made that decisions in respect of the administration of the Right to Buy Scheme should be taken by the Executive Committee rather than Officers.

On being put to the vote the amendments were lost.

A further amendment was subsequently proposed by Councillor Andrew Fry in respect of Part 5.04 of the Officer Scheme of Delegations on the subject of Garden Waste Charges. This amendment was seconded by Councillor Sharon Harvey.

The amendment proposed that the decision to set or vary the level of charges for the opt-in chargeable garden waste service, in relation to the overall figure agreed, should be taken by the Executive Committee rather than by Officers.

Members briefly discussed this amendment and, in doing so, commented that the delegation referred to the Head of Environmental and Housing Property Services making a decision on this subject following consultation with the relevant Portfolio Holder for Environmental Services. Reference was also made to the involvement of Members each year in considering the Council's fees and charges, which set the parameters in cases where fees could be varied by Officers.

On being put to the vote the amendment was lost.

An amendment was subsequently proposed in respect of Part 5.05 of the Officer Scheme of Delegations by Councillor Juma Begum on the subject of Tenant Recharges. This amendment was seconded by Councillor Joe Baker.

The amendment proposed that the decision to authorise tenant recharges where works had been carried out and were deemed to be the tenant's responsibility, should be taken by the Executive Committee rather than Officers.

In proposing the amendment, Councillor Begum raised concerns that the costs of living were increasing, including the charges for works undertaken on behalf of tenants in these instances, and Member involvement in the decision making process would therefore be appropriate.

In seconding the amendment, Councillor Baker commented that there were concerns that the charges for this type of work could be

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high. In this context, it was important to ensure that the Executive Committee was involved in making the decisions.

On being put to the vote the amendment was lost.

A further amendment was proposed by Councillor Sharon Harvey in respect of Part 5.10 of the Officer Scheme of Delegations, concerning the Council Tax Support Scheme. This amendment was seconded by Councillor Joe Baker.

The amendment proposed that the delegation to officers to carry out statutory consultation on draft Council Tax Support Schemes in accordance with legislative guidance, should instead be determined by the Executive Committee.

In proposing the amendment, Councillor Harvey commented that there was a cost of living crisis impacting on local residents. Members would be held to account for decisions that were taken which could impact on domestic living costs. In this context, it was important for Members to be involved fully in the decision-making process in respect of the Council Tax Support Scheme.

Consideration was given briefly to this proposed amendment. Members were asked to note that the delegation provided officers with delegated authority to undertake consultation with the public concerning proposed changes to the Council Tax Support Scheme but did not provide officers with the power to determine the content of the scheme, which remained a Council decision.

On being put to the vote the amendment was lost.

The final amendment debated during consideration of this item, was proposed by Councillor Joanna Kane in respect of Part 5.07 of the Officer Scheme of Delegations concerning the fees and charges for and concessionary use of the civic suite. The amendment was seconded by Councillor Sharon Harvey.

This amendment proposed that the Executive Committee, rather than Officers, should set and vary the fees and charges for the hire of the civic suite and should also be responsible for agreeing requests for concessionary use of the civic suite.

In considering this amendment, Members commented that the civic suite was hired out to interested parties on a commercial basis. Bookings of the civic suite had to take into account existing commitments, which were managed by Officers. The Mayor had some discretion to offer the opportunity for Voluntary and Community Sector organisations concessionary use of the civic

suite on a small number of occasions, but advice was always taken from officers regarding such requests.

On being put to the vote the amendment was lost.

RESOLVED that

the current version of the Officer Scheme of Delegations be agreed.

13. MEMBERS CODE OF CONDUCT - RECOMMENDATION FROM THE AUDIT, GOVERNANCE AND STANDARDS COMMITTEE

Council considered a recommendation that had been received from the Audit, Governance and Standards Committee on the subject of the Member Code of Conduct. The recommendation was proposed by Councillor Luke Court and seconded by Councillor Emma Marshall.

In considering the proposal, Members commented that the Local Government Association (LGA) had proposed a new model code of conduct based on best practice. The Monitoring Officers in Worcestershire had reviewed the model Member Code of Conduct and agreed arrangements for the Code of Conduct for Members elected across Worcestershire. At the Audit, Governance and Standards Committee meeting held on 14th April 2022, Members had subsequently endorsed the updated code of conduct in an amended form.

RESOLVED that

subject to the amendments proposed at the Audit, Governance and Standards Committee meeting held on 14th April 2022, the Worcestershire-wide draft Code of Conduct and its appendices, be adopted by the Council.

14. ELECTORAL REVIEW REDDITCH - WARD PATTERNING SUBMISSION

Members considered the proposed ward patterning submission that had been drafted by Officers for the consideration of the Local Government Boundary Commission for England.

Officers were thanked for their hard work in proposing the suggested ward boundaries and preparing the report. However, Members commented that additional work was needed to ensure that community ties and identities were reflected in the ward boundaries that would be in place in the Borough. For this reason, Members concurred that the proposed submission that had been

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drafted by Officers would not be endorsed as the authority's formal submission to the Local Government Boundary Commission for England. Instead, Members agreed that no formal submission would be made by the Council in this regard. This recommendation was proposed by Councillor Matthew Dormer and seconded by Councillor Nyear Nazir.

During consideration of this item, reference was made to the number of wards as well as the number of Councillors that would be elected to represent the Borough moving forward. Some Members expressed the view that 30 Councillors representing 10 wards would be preferable to 27 Councillors representing 9 wards. Concerns were also raised that, under the proposals detailed in the report, existing communities would be divided.

Questions were raised about the need for ward boundaries to be set in such a way that there would be approximately 7,000 voters per ward. Members commented that this objective, if applied to considerations about ward boundary divisions, would inevitably result in the break up of existing local communities.

Reference was made to the previous electoral review that had been carried out for the Borough in 2004. Members commented that this had also resulted in some communities being divided and it was suggested that in future, ward boundaries needed to reflect communities that would be recognised by the public.

RESOLVED that

Council note the work undertaken by officers in collating and presenting the warding pattern but that Council agree that there be no formal submission by the Council to the Local Government Boundary Commission for England in this regard.

15. URGENT BUSINESS - RECORD OF DECISIONS

Members were advised that no urgent decisions had been taken since the previous meeting of Council.

16. URGENT BUSINESS - GENERAL (IF ANY)

Council was informed that there was no urgent business for consideration on this occasion.

**Redditch Borough Council
27th June 2022**

Agenda item no. 7 – Questions on Notice

1. From Councillor Sharon Harvey to the Leader:

“Can the Leader provide an update on the progress of the business case which will support the Town Deal Bid, and explain how delays at County Council might affect this?”

2. From Councillor Bill Hartnett to the Leader:

“Can the Leader advise, since becoming Leader in 2018, the locations of all new council dwellings, how many have been started, and how many have been completed with keys handed over to tenants?”

3. From Councillor Peter Fleming to the Leader:

“Does the Leader agree with me that all Members of Redditch Borough Council should support a vote of thanks to HM Queen Elizabeth II on her Platinum Jubilee earlier this month? For seventy years, Her Majesty has served with dignity, reverence and decorum over our United Kingdom and Commonwealth. As Councillors who are elected to serve our Borough, we can understand the sacrifices and lengths Her Majesty has made over the past 70 years. Over the Jubilee weekend, the very best of Redditch was on show. The beacon lighting event at the Arrow Valley Lake was well-attended and after the Deputy Lord Lieutenant had lit the beacon, an impromptu chorus of God Save the Queen gave a glorious ending to the evening’s proceedings. It really was a ‘proud to be British moment’. As the following days went on, every corner of our Borough was brought together, all ages and backgrounds united by their respect, admiration and gratitude for the Queen. It is in the vein that tonight, as the Borough’s representatives, Members should join tonight to support a vote of thanks to HM Queen Elizabeth II.”

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Redditch Borough Council

27th June 2022

Motions on Notice

1. Climate Change Impact Assessment

Proposed by Councillor Sharon Harvey, seconded by Councillor Juma Begum.

“We move that a full climate change impact assessment is carried out for work proposed in the Town Deal Bid, paying particular attention to the proposed Library demolition.”

2. The Market

Proposed by Councillor Joe Baker and seconded by Councillor Joanna Kane

“Due to the success of the recent Food Festival, and the continuing public calls to return the outdoor market to Church Green, Council asks the Executive to consider the reinstatement of the outdoor market with a clear and positive vision of support and sustainability for market traders.”

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Executive Committee

Tuesday, 14th June, 2022

MINUTES

Present:

Councillor Matthew Dormer (Chair), Councillor Nyear Nazir (Vice-Chair) and Councillors Karen Ashley, Joanne Beecham, Peter Fleming, Lucy Harrison, Anthony Lovell, Emma Marshall and Craig Warhurst

Also Present:

Councillors Joe Baker, Juma Begum and Sid Khan

Officers:

Peter Carpenter, Sarah Davis, Claire Felton, Sue Hanley, James Howse and Deb Poole

Principal Democratic Services Officer:

Jess Bayley-Hill

1. APOLOGIES

There were no apologies for absence from Members.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. LEADER'S ANNOUNCEMENTS

The Leader advised that at a meeting of the Overview and Scrutiny Committee held on 9th June 2022, the Committee had pre-scrutinised the Council Plan, the Council Tax Support Scheme and the Review of Learning Online. The Committee had endorsed the proposals in respect of the Council Tax Support Scheme and Learning Online and had made an additional proposal in relation to the Council Plan. An extract from the minutes of the Overview and Scrutiny Committee had been published in a supplementary pack for the Executive Committee meeting in respect of the Council Plan and Members were urged to refer to this during the debate in respect of this item.

Chair

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4. MINUTES

RESOLVED that

the minutes of the Executive Committee meeting held on 22nd March 2022 be approved as a true and correct record and signed by the Chair.

5. BROMSGROVE AND REDDITCH DUTY TO CO-OPERATE

The Head of Planning, Regeneration and Leisure Services presented the Bromsgrove and Redditch Duty to Co-operate report for the Executive Committee's consideration.

Members were informed that, like many local authorities, both Redditch Borough Council and Bromsgrove District Council were in the process of reviewing the content of their Local Plans. In the existing Bromsgrove Local Plan, Redditch was due to receive over 2,000 houses built in the District to help meeting the Borough's housing targets. However, since the previous Local Plan was agreed, it had been found that Redditch would require far fewer new houses by 2040 than had originally been anticipated. Officers were suggesting that the 2,000 houses should be returned to Bromsgrove and Bromsgrove District Council would then determine how this housing would be allocated.

Moving forward, Redditch Borough Council needed to continue to work closely with Bromsgrove District Council on the preparation of the Local Plans. There needed to be a shared understanding of local housing needs between the two Councils and ongoing co-operation.

Following the presentation of the report, Members discussed the content of the report and the possible implications of returning the 2,000 houses to Bromsgrove District Council's housing development figures. Concerns were raised that, in the long-term beyond 2040, this could result in the need for Redditch Borough Council to undertake development on green belt land. However, Officers explained that it was unlikely that a planning inspector would be supportive of arguments that the housing figures should be retained by Redditch Borough Council to help meet housing needs after 2040. There were other local authorities in the region that would potentially need to claim these houses in order to meet their housing development targets.

RECOMMENDED that

the Memorandum of Understanding (MOU) between Redditch Borough Council and Bromsgrove District Council be agreed.

6. COUNCIL PLAN (INCLUDING RECOVERY AND RESTORATION PLAN)

The Head of Business Transformation, Organisational Development and Digital Strategy presented the Council Plan, including the Restoration and Recovery Plan, for Members' consideration.

The Executive Committee was informed that the existing Council Plan had been reviewed at a series of workshops attended by Portfolio Holders and senior officers. The intention of these workshops was to provide an opportunity to review whether the content of the Council Plan remained relevant and viable, following the Covid-19 pandemic. At the workshops no changes had been suggested to the Council's strategic purposes or priorities. However, it had been proposed that the green thread, which ran throughout the plan, should also become a specific priority within the Council Plan.

The Restoration and Recovery Plan had been developed by Officers in 2020/21 in response to the Covid-19 pandemic. Many of the actions detailed in the plan had already been delivered or were in the process of being delivered and a further refresh of the plan was not considered necessary.

During consideration of this item, Members noted that the Overview and Scrutiny Committee had pre-scrutinised the Council Plan at a meeting held on 9th June 2022. The Committee had highlighted the need for action in respect of brown bins, as part of action on the green thread. Members commented that the comments made in respect of this matter by the Committee were valid and reflected the importance of the green thread. However, it was also noted that the Government was due to issue legislation which would provide further clarification as to whether brown bin services would be free or subject to a charge moving forward. In this context, Members commented that it would be appropriate to refrain from amending the content of the Council Plan in respect of this matter at this stage until that legislative position had been clarified.

The Overview and Scrutiny Committee had also commented on the need for the Council Plan to reflect the importance not just of recruiting suitably qualified employees but also of staff retention. Members commented that this was a high priority for the Council and a crucial consideration in respect of the authority's recruitment process.

Members noted that within the report reference had been made to the agile working policy in place for Council staff. Whilst Members recognised that this was an effective and efficient way of working, a

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request was made for the report to also clarify that face-to-face work would continue in order to meet the needs of customers who were unable or unwilling to use digital technology. It was agreed that further information about the division of time for staff between remote and home working would be helpful.

Reference was made to the requirement for Councils to introduce a food waste collection service and to extend garden waste collection services in the future. Members raised concerns about the need to think carefully about any charges levied for these services, particularly for residents living in flats who did not have access to gardens. There was general consensus that the Government's requirements would need to be reviewed carefully and the approach adopted by other Councils would be taken into account to ensure that lessons were learned.

Consideration was given to the progress that was being made by the Council in terms of achieving the authority's strategic purposes and priorities and questions were raised about the potential for data to be shared with Members in respect of this matter. Officers clarified that the Council was in the process of developing a new corporate dashboard that would contain a lot of useful data that could be accessed by Members. There would be reports on the subject for Members' consideration and it was anticipated that Members would also be able to access the data online in the future.

RECOMMENDED that

- 1) the Council Plan Addendum 2022/23 be approved and included alongside the current RBC Council Plan 2020/24; and**
- 2) the Recovery and Restoration Plan 2020/21 be agreed and closed.**

7. DIGITAL STRATEGY

The Head of Business Transformation, Organisational Development and Digital Strategy presented the Customer and Digital Strategy for the Executive Committee's consideration.

Members were advised that during the Covid-19 pandemic there had been an increasing move nationally towards using digital technology for service delivery. The Customer and Digital Strategy assumed that there would be a digital first approach to service delivery at the Council. This would help to improve service efficiency, although it was recognised that there were some customers who were not comfortable with or able to access digital technologies and their needs would continue to be met.

There were four key themes in the Customer and Digital Strategy:

- Digital customer
- Digital workforce
- Digital leadership
- Digital infrastructure

Members welcomed the Customer and Digital Strategy and commented that adoption of this policy would enable the authority to undertake modern ways of working moving forward.

RESOLVED that

**8. the Customer and Digital Strategy be agreed and adopted
FINANCIAL MONITORING REPORT**

The Interim Head of Financial and Customer Services presented the Financial Monitoring report for Members' consideration.

The Executive Committee was informed that the report related to the financial performance of the Council in the first 11 months of the 2021/22 financial year. An underspend was anticipated in the general fund. The Council had not had to use £1 million of Covid-19 grant funding, and this would be retained for use in the following financial year. Whilst some adjustments would be required for the twelfth month of the financial year, it was not anticipated that these would be significant.

A significant underspend was anticipated for the capital budget. A similar situation had been reported by many Councils across the country, due to competition over materials, labour and other key resources needed to deliver capital projects.

The Housing Revenue Account (HRA) was in a better position than previously anticipated. There had been underspends in areas such as on vacant posts and on expenditure in Repairs and Maintenance. However, some capital projects had been delivered, including upgrades to the bin sheds for some of the Council Houses in the Borough.

Members welcomed the report and in so doing commented on the pressures on the Council's budget arising from the Covid-19 pandemic and the action that had been taken to address this.

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RESOLVED to note that

- 1) **the forecast 2021/22 outturn position in relation to revenue budgets based on the financial period April 2021 – February 2022 would be a projected revenue underspend of £136k;**
- 2) **Capital expenditure to date would be £1.3m against a total an approved programme of £9.9m; and**
- 3) **HRA net revenue expenditure would be £240k better than expected although Capital Expenditure would £5.3m less than budget.**

9. COUNCIL TAX SUPPORT SCHEME -UPDATE

The Interim Head of Finance and Customer Services presented an update on the Council Tax Support Scheme for Members' consideration.

The Executive Committee was informed that the report detailed arrangements for the scheme that were already in place as well as proposals for consultation on changes to the scheme for the 2023/24 financial year. There would be a number of options available to the Council in respect of the next Council Tax Support Scheme. Any changes to the scheme would need to be subject to public consultation. There would also need to be consultation with all the precepting authorities.

Members welcomed the report in respect of the Council Tax Support Scheme and the requirement for consultation in relation to any changes to the scheme. It was suggested that it might be helpful to offer incentives within the scheme to encourage people to foster children in the Borough.

During consideration of this item, Members noted that the Overview and Scrutiny Committee had pre-scrutinised the report at a meeting of the Committee held on 9th June 2022. The Overview and Scrutiny Committee was thanked for their hard work scrutinising the scheme.

RESOLVED that

- 4) **the present scheme be noted; and**
- 5) **the proposed consultation process for the 2023/24 scheme be approved.**

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10. OVERVIEW AND SCRUTINY COMMITTEE

The Chair advised that the recommendation detailed in the minutes of the Overview and Scrutiny Committee meeting held on 17th March 2022 had been considered at the previous meeting of the Executive Committee.

RESOLVED that

the minutes of the meeting of the Overview and Scrutiny Committee held on 17th March 2022 be noted.

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

The Chair advised that there were no specific referrals from the Overview and Scrutiny Committee or any of the Executive Advisory Panels on this occasion.

12. ADVISORY PANELS - UPDATE REPORT

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

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

Councillor Lovell advised that a meeting of the Climate Change Working Group had been held in March. The main issues that were in the process of being considered by the group were:

- Electric charging points for vehicles. Consideration was being given to working in partnership with other organisations to deliver electric charging points across the Borough. The Council already planned to install 50 electric charging points.
- Benchmarking data that could be used to help the Council to track progress in tackling climate change. This could be used to monitor areas such as the use of fossil fuels by the Council over time.

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

Councillor Dormer explained that a meeting of the Constitutional Review Working Party was in the process of being rescheduled to take place in July 2022.

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

Councillor Nazir commented that the latest meeting of the Corporate Parenting Board had taken place on 12th May 2022.

During the meeting, a presentation had been delivered on the Corporate Parenting Board's pledges. Members had been advised that these were important aims which covered primary needs such as supporting and listening to looked after children and care leavers. However, it was important to ensure that the pledges were put into practice and prompt cards were being developed with input from young people to help achieve this.

Worcestershire Children First had recognised that there were some weaknesses in their service which were being addressed through the Connect programme, specifically around the 18+ pathway plans. A project to ensure all young people had access to some forms of identification was being delivered, as not all young people had access to this at present.

The Board had heard from three young people who had helped to launch the Kick Start Programme peer mentors' scheme. This had officially been introduced by Worcestershire Children's First's Business Support team. Three new job roles had been created as part of the programme. The Board had heard first-hand how this programme had given these individuals valuable opportunities and enabled personal development.

A new policy was in the process of being developed for when friends and family took care of young people who were classed as children in need. The policy would not be called a fostering policy but would suggest a way of working which allowed family values to be promoted and followed the duty to help children in care to access a connected person to take care of them in the first instance if the parents were unable to cope.

The Board had also noted the content of a quarterly data information report. Members of the Board had requested a report at a future meeting containing more data, with a specific focus on placements outside the county.

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

Councillor Dormer explained that a meeting of the group was in the process of being rescheduled to take place in July 2022.

e) Planning Advisory Panel – Chair, Councillor Matthew Dormer

Members were informed that a meeting of the Planning Advisory Panel had taken place in May 2022. During this meeting, Members had considered the content of the Bromsgrove and Redditch Duty to Co-operate report.

13. REVIEW OF SERVICE PROVISION - LEARN ONLINE

The Head of Legal, Democratic and Property Services presented a report detailing a review of the Council's Learning Online service.

Members were informed that the service had been reviewed as a result of the Council's budget setting process. The Council currently delivered the Learning Online service, which was a discretionary service and the service added value to the local community. However, a key question for Members to consider was whether the authority should continue to deliver the service moving forward. Alternatively, the Council could choose not to renew a contract with Herefordshire and Worcestershire (HoW) College when this came up for renewal in July 2022. The Executive Committee was asked to note that, should the Council choose not to renew the contract, the authority would be obliged to ensure that support was provided to the existing cohort of customers to enable them to complete their studies.

The report had been pre-scrutinised at a meeting of the Overview and Scrutiny Committee held on 9th June 2022. During the meeting, a number of issues had been raised in respect of alternative service providers. Worcestershire County Council had subsequently confirmed that that authority provided the same courses as Learning Online in respect of English and Mathematics. In addition, Worcestershire County Council provided certain IT courses that were not available to access from Learning Online. Worcestershire County Council had been providing remote learning courses during the pandemic, although would be returning to provision of face-to-face training in due course. For both online and face-to-face training the courses were tutor-led.

Should the Executive Committee decide to cease to provide the Learning Online service, this would be subject to the outcomes of formal consultation with staff. As no such decision had been taken to date, formal consultation had not yet been undertaken with staff.

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However, staff had been informally consulted on the proposals. Staff had reported that they provided support to a range of customers, including residents with barriers to learning. The Learning Online service provided a nurturing environment designed to support adult learners and to enable them to achieve their potential.

Members discussed the report in detail and in doing so questioned whether ceasing to provide the service at the end of the financial year, rather than the academic year, would have a detrimental impact on learners. Officers explained that this would be subject to the extent to which customers successfully completed their examinations. Should the Council cease to provide the service in December 2022, all of the current cohort apart from eight customers would have completed their studies. Should the Council wait until the end of the financial year then all of the participants should have completed their studies. There was the potential that some existing customers would want to transfer to alternative service providers whilst others might opt to continue to receive a service from Learning Online until the end of their studies.

Reference was made to the availability of alternative service providers and the organisations that could provide these services. Officers highlighted the information that had been provided in an appendix to the report concerning alternative service provision. Worcestershire County Council and HoW College were the larger local service providers but there were other organisations operating in both the Voluntary and Community Sector (VCS) and private sector that could potentially provide training to adults in future. There was no guarantee that a like-for-like service would be made available to residents should the Council cease to provide the Learning Online service. However, many of the courses offered by the Learning Online service were accessible from other providers operating in the Borough and online.

Reference was made to the number of customers who were currently registered with the Learning Online service. Officers clarified that there were 40 customers registered with the service and in various stages of training, although all would be on track to complete their studies by the end of the academic year in May 2023. Should the Council agree to cease to provide the service, then any potential customers who approached the Council in the future would be referred on to alternative providers. Information would also continue to be published on the Council's website for signposting purposes.

During consideration of this item, Members were advised that if they were minded to cease to provide the Learning Online service, an additional proposal delegating authority to officers to undertake a

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piece of work to enable existing customers to complete their studies by the end of the academic year would need to be approved.

RESOLVED that

- 1) **the Council cease to provide the Learning Online service by the end of the 2022/23 academic year; and**
- 2) **authority be delegated to the Head of Legal, Democratic and Property Services and the Head of Financial and Customer Services to undertake work to enable existing customers of the Learning Online Service to complete their studies by the end of the academic year.**

The Meeting commenced at 6.30 pm
and closed at 7.31 pm

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REDDITCH BOROUGH COUNCIL**Executive Committee**
202214th June**Duty to Co-Operate with Bromsgrove District Council**

Relevant Portfolio Holder	Councillor Matt Dormer
Portfolio Holder Consulted	Yes
Relevant Head of Service	Ruth Bamford
Report Author Ruth Bamford	Job Title: Head of Planning Regeneration and Leisure Contact email: ruth.bamford@bromsgroveandredditch.gov.uk
Wards Affected	All
Ward Councillor(s) consulted	Yes via Planning Advisory Panel
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 RECOMMEND to the Council that

The Memorandum of Understanding (MOU) at appendix 1 between Redditch Borough Council and Bromsgrove District Council is agreed.

2. BACKGROUND

- 2.1 In January 2017 Redditch Borough Council (RBC) adopted the Borough of Redditch Local Plan No4 (BORLP4). At the same time Bromsgrove District Council (BDC) adopted the Bromsgrove District Plan (BDP). A significant element of these plans was the inclusion of the Redditch Cross Boundary Development policy, which will deliver housing growth on the edge of Redditch in Bromsgrove District.
- 2.2 The BORLP4 is now needs to be reviewed as advised in the Executive report of the 26th October 2021. A key element of the review will be the amount of development that the new Redditch Local Plan will need to provide for. Since October officers have commissioned a Housing and Economic Development Needs Assessment (HEDNA). The role of the HEDNA is to look in more detail at local housing issues, as well as the requirement for new housing as required by government. It also plays a key role in assessing how much employment development will be required to compliment the housing growth. The full findings of the HEDNA were reported to members at the most recent Planning Advisory Panel (PAP) meeting.

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- 2.3 The HEDNA for Redditch Borough recommends that review of the local plan should accommodate no more dwellings than is suggested by the government's standard housing method. This equates to 165 dwellings per annum at the time of the HEDNA's completion. It is highly likely that as plan making progresses the proposed housing figure will alter slightly due to the annual release of statistical data that populates the governments standard housing methodology calculation.
- 2.4 These development figures are significantly lower than the 336 dwellings per annum that was previously identified in the BORLP4. The impact of these revised housing figures is that not all of the housing development identified for the needs of Redditch Borough in the BORLP4 are now required in the next plan period to meet its needs. It is pertinent to note that of total 6400 dwellings to be developed under the BORLP4, 3400 are located in the Bromsgrove District. The sites to accommodate the 3400 dwellings were identified through the joint working and Duty to Cooperate the Councils previously entered into.
- 2.5 The table below shows the likely Redditch housing requirement for the next plan period which is being proposed as 2022 – 2040

		2022 – 2040 (18 years)
Redditch:	Need	165dpa / 2970
	Supply	5211
	Surplus	+2241

As can be seen there are currently 5211 dwellings in the Redditch housing supply, this is 2241 dwellings above the new requirement of 2970 dwellings for the period up to 2040. In simple terms this means that Redditch Borough has significantly more housing attributed to it than it needs up to 2040.

- 2.6 Under the current planning system, the Duty to Cooperate remains, and as such RBC needs to engage with other local authorities on plan making. Due to the nature of the existing plans and the shared policy on cross boundary housing, some engagement with BDC has taken place to explore the housing issue which is presented above. This early engagement is key to the development of the new Redditch Local Plan and the strategic direction which it can take.
- 2.7 What is clear is that RBC is not likely to have to commit to developing more greenfield land either in the Borough of Redditch or surrounding authorities to meet its housing needs, and that some of the housing

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which is being provided in Bromsgrove District (circa 2241 dwellings) can now be apportioned back to BDC, as per the table at 2.5 above.

- 2.8 In order to ensure that the new Local Plans for both RBC and BDC can reflect the housing issues above, a similar process of aligning plan making is now being suggested. This allows for a coordinated approach to setting out how the housing needs across both districts will be met taking into account the current allocations. Further to this in some instances the alignment of plans could allow for time and financial savings to be realised as some additional plan making activities could be undertaken jointly.
- 2.9 It must be stressed that RBC will still have a plan that considers the planning issues that Redditch Borough faces in detail, the process being suggested is not one of a shared plan which covers both authorities. There will remain two predominantly separate plans which are only joined by the reallocation of housing numbers from the current plans.
- 2.10 In addition to the shared understanding on housing issues as demonstrated above, an issue which both local authorities will be addressing in the new local plans is the possibility of accommodating some of the housing needs of the wider Greater Birmingham and Black Country Housing Market Areas (GBBCHMA). As yet the details of what, if anything, is going to be required are unclear.
- 2.11 What appears to be clear is that the evidence which supported cross boundary development is unlikely to change significantly. Although it would need to be considered as part of plan making, its likely that large parts of the south west of Redditch Borough remain undevelopable largely due to infrastructure constraints. Should this position remain any requests from the GBBCHMA of Redditch Borough to provide for the growth needs of the GBBCHMA could lead to RBC looking to BDC for assistance.
- 2.12 The MOU addresses this issue, and it is proposed that RBC and BDC, where relevant, coordinate their responses on this issue to ensure that a comprehensive approach is being presented to all the other authorities in the GBBCHMA.
- 2.13 The full MOU can be viewed at appendix 1, but in summary it is proposed that the areas where the Councils work together at this stage are limited to:
- A shared understanding and approach to RBC's housing needs,

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- Agreement to work on plans which are aligned to address the RBC housing needs issue
- Joint consideration of any requests from the GBBCHMA to meet additional growth needs.

3. FINANCIAL IMPLICATIONS

- 3.1 A budget exists for the production of the new Redditch Local Plan, working in conjunction with BDC on some plan making activities should introduce savings. As the plan progresses members will be notified as these savings occur. It is expected that elements of the Plans' Examination in Public will be held jointly which will reduce the cost to RBC as opposed to holding separate examination hearing sessions.

4. LEGAL IMPLICATIONS

- 4.1 The Duty to Cooperate remains a legal duty under the current planning system. The MOU shows the current understanding between the Councils at this present time, although it is non binding. In due course as plan making progresses a Statement of Common Ground will be prepared to formally set out the agreed positions of both Councils with regards to the respective plans.

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

- 5.1 The agreement of the MOU provides clarity on the housing needs of RBC, it allows for a strategic direction to be set to consider what development is required for the future to compliment the already committed housing growth. The new local plan is likely to impact on all of the strategic purposes either directly or indirectly, this will be considered and reported on as the plan progresses.

Climate Change Implications

- 5.2 The development of a new local plan for Redditch will have significant Climate Change implications, this will be considered in detail as the plan progresses and will be report on fully in due course.

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

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- 6.1 There are no Equalities or diversity implications directly connected with the MOU, as the plan progress an Equalities Impact Assessment will be undertaken.

Operational Implications

- 6.2 There are no specific operational implications, the Strategic Planning team is resourced to develop plans for both RBC and BDC concurrently.

7. RISK MANAGEMENT

- 7.1 RBC is required to review its local plan. As part of the review the requirements of the Duty to Cooperate will need to be met. Whilst entering into the MOU with BDC does not ensure that this will be the case, as there will be other DTC considerations to consider as the plan progresses, early engagement in this manner demonstrates positive plan making and allows for RBC to set the strategic direction for its plan with clarity from the outset.

- 7.2 It is acknowledged that there are reforms to the planning system which may impact on the development of a new Redditch Local Plan. At this stage until more is known about the detail and the timescales for these reforms plan making should continue under the current regime.

8. APPENDICES and BACKGROUND PAPERS

- 8.1 Appendix 1 – RBC/BDC Memorandum of Understanding, Duty to Cooperate on housing need, plan making, and the Greater Birmingham and Black Country Housing Market Area

Executive Committee
202214th June**9. REPORT SIGN OFF**

Department	Name and Job Title	Date
Portfolio Holder	Cllr Matt Dormer	24 th May
Lead Director / Head of Service	Sue Hanley / Ruth Bamford	18 th May
Financial Services	Peter Carpenter	18 th May
Legal Services	Claire Felton	18 th May
Policy Team (if equalities implications apply)	N/A	
Climate Change Officer (if climate change implications apply)	N/A	

Bromsgrove District Council and Redditch Borough Council

Memorandum of Understanding (MOU)

Duty to Cooperate on housing need, plan making, and the Greater Birmingham and Black Country Housing Market Area

May 2022

1 This MOU confirms the understanding and agreement between Bromsgrove District Council (BDC) and Redditch Borough Council (RBC) (the Councils), with regard to Duty to Cooperate issues on housing need, plan making and the Greater Birmingham and Black Country Housing Market Area .

Local Housing Need and Plan Making

2 In January 2017 both Councils adopted new development plans, following Examination in Public proceedings and receipt of the Planning Inspector's reports, namely the Bromsgrove District Plan (BDP) and the Borough of Redditch Local Plan No.4 (BORLP4).

3 A significant element of both plans was the provision of housing in Bromsgrove District to meet the needs of Redditch Borough. To enable this to take place both plans had housing needs policies which clarified where the housing developed across both authorities was to be apportioned, (BDP- BDP3 and BORLP4 – Policy 4) and shared policy to allocate two housing sites on the edge of Redditch Borough in Bromsgrove District (BDP - RCB1 and BORLP4 Appendix 1). These plans were developed as individual plans for each authority, prepared concurrently and where necessary examined in tandem to ensure the shared element was judged to be sound.

4 Both adopted plans now need to be reviewed in accordance with the Government's requirement for a five year review period and in response to the requirements set out in BDP4.2 of the BDP, which is about to reach the Preferred Option stage. RBC is commencing the review of BORLP4 and will shortly begin the early stages of plan production. In order to inform the direction that both plans should be taking with regard to housing need, both Councils have independently commissioned Housing and Economic Development Needs Assessments (HEDNA's).

5 The outcomes of both HEDNA's are recommendations that the Councils adopt the local housing need figure derived from the Government's standard methodology for housing need.

This translates to the housing needs below for the period 2022 to 2040

		2022 – 2040 (18 years)
Redditch:	Need	165dpa / 2970
	Supply	5211
	Surplus	+2241
Bromsgrove:	Need	383dpa / 6894
	Supply	2511 (approx.)
	Deficit	4383

6 The table above confirms that the housing need for Redditch Borough is somewhat smaller using the standard method approach required by Government when compared to the local housing requirements set out in the adopted BORLP4 (6,400 homes for the period 2011-2030, averaging 337 dwellings per annum). This smaller local housing need for Redditch Borough results in an oversupply of approximately 2241 dwellings, when all the current housing commitments (allocations and sites with planning permission) apportioned to RBC are taken into account. All these figures are subject to change as the standard method calculation is updated each year, and as such this MOU will be amended to reflect the most recent local housing need figures as the local plans progress. Both new local plans being prepared will need to address this issue and respond to the latest local housing need figures in order to be found sound. BDC's early plan making stages considered this issue and specific questions were asked about the implications of potential oversupply in Redditch at the Issues and Options consultation stage¹.

7 The Duty to Cooperate is the mechanism which enabled the Councils to work together to deliver the adopted local plans with a shared cross boundary policy. The requirement to cooperate is still enshrined in the English planning system. The process by which the plans were prepared before ensured that both plans were found sound following the Examination in Public. As part of the plan review process and to help ensure the same outcome, the creation of two individual development plans which, where necessary, have shared policies or shared evidence is deemed to be the pragmatic approach to address the issues highlighted above.

8 Current agreed Duty to Cooperate position between BDC and RBC in relation to housing needs and plan making

It is agreed that:

- A. The Councils continue to prepare plan reviews which, where possible build on the current Local Plans.
- B. The surplus of housing currently allocated for the needs for Redditch Borough (currently approximately 2241 dwellings) is handed back to BDC for BDC to consider in its plan making, and this figure is kept under review based on revisions to the Office for National Statistics (ONS) household projections/ affordability ratio data, urban capacity in Redditch and any updated housing needs evidence.
- C. The individual local plans for each authority will be progressed in tandem by the shared Strategic Planning Team with the aim of both plans being examined concurrently.
- D. Development provided via the adopted policy RCBD1 at Brockhill and Foxlydiate and which does not form part of the surplus identified above will continue to count towards the local housing need for Redditch Borough.
- E. Both local plans retain relevant existing policies and include new policies to ensure the effective delivery of the RCBD1 sites to completion.

9 Duty to Cooperate with the Greater Birmingham and Black Country Housing Market Area (GBBCHMA)

¹ Bromsgrove District Plan Review – Issue and Options Consultation Document. Sept 2018

10 The agreements above show how the Councils will work together to develop new plans for both Bromsgrove District and Redditch Borough. The unmet housing needs of the GBBCHMA have been an issue yet to be fully addressed across the West Midlands for a considerable number of years. A shortfall of housing exists due to the lack of capacity in Birmingham and the Black Country local authority areas. This issue was referenced in both the current BDP and BORLP4. The scale of the housing shortfall is not yet fully understood until Birmingham City Council publishes its suggested housing need figure, although when combined with the identified shortfall across the Black Country local authorities of circa 28,239 dwellings the challenge of meeting these needs in full is likely to be a significant one.

11 It is expected that in due course a formal request will be received by both Councils to accommodate a proportion of the specific housing need shortfall of both Birmingham and the Black Country. The evidence that justified the allocation of the current housing need of Redditch Borough to be met in Bromsgrove District is still thought to be relevant. This found that due to nature of the Borough's tightly drawn boundaries and the lack of capacity to accommodate large strategic housing and employment sites, consequentially any growth needs for RBC are most deliverable in the adjacent districts such as Bromsgrove.

12 This evidence will need to be reviewed as part of the Redditch Plan Review, and should that review conclude that any growth needs for RBC are most deliverable in adjacent districts such as Bromsgrove, then any request for RBC to meet the needs of the GBBCHMA could lead to a further request from RBC to BDC to assist with this. To prevent this happening a coordinated approach to responding to any such requests from the GBBCHMA will help to ensure that the individual plans for both Councils can progress concurrently as outlined above, and a coherent response can be provided to the GBBHMA authorities.

13 Current agreed Duty to Cooperate position between BDC and RBC in relation to the GBBCHMA

It is agreed that:

- F. That the Councils consider issues in relation to the GBBCHMA together and wherever possible, respond jointly to all requests to assist those authorities which have a shortfall in housing supply.

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REDDITCH BOROUGH COUNCIL

Executive

14th June 2022**Council Plan Addendum 2022/23
Recovery & Restoration Plan 2020/21**

Relevant Portfolio Holder	Councillor Matt Dormer
Portfolio Holder Consulted	Yes / No
Relevant Head of Service	Kevin Dicks – Chief Executive Officer Deb Poole – Head of Transformation, OD & Digital Services
Report Author	Job Title: Head of Transformation, OD & Digital Services Contact email: d.poole@bromsgroveandredditch.gov.uk Contact Tel: 01527 881256
Wards Affected	N/A
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	
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 RECOMMEND that:-**

- 1.1 **The Council Plan Addendum 2022/23, as set out in Appendix 1, be approved and included alongside the current RBC Council Plan 2020/24 (Appendix 3);**
- 1.2 **The Recovery and Restoration Plan 2020/21, as set out in Appendix 2, be agreed and closed.**

2. BACKGROUND

- 2.1 The Covid-19 pandemic has required an unprecedented response from the Council. Even though the requirement to respond to the pandemic is reducing in 2022, the impact of Covid will likely be felt for many years. As a consequence of this ongoing impact, a review of the Council Plan 2020/24, attached at Appendix 3, was undertaken in 2021. A workshop was held with the Corporate Management Team and the Executive to ensure the Council's strategic purposes and priorities remained relevant in a post Covid world and to consider any new areas of focus brought about by the pandemic.

The findings from the review have been used to form a Council Plan Addendum for the period 2022/23. The attached Council Plan Addendum, at Appendix 1, takes the impact of changes brought about by the pandemic into consideration and is designed to work alongside the already approved RBC Council Plan 2020/24. This report asks Members to approve the Addendum document and to agree to it being included alongside the existing Council Plan.

- 2.2 The current Council Plan 2020/24 was built around five long term strategic purposes which are underpinned by a set of key priorities. These strategic purposes have not changed as a result of the addition of the Addendum document. The strategic purposes in the Council Plan 2020/24 are:

- Run and Grow a Successful Business
- Finding Somewhere To Live
- Aspiration, Work and Financial Independence
- Living Independent, Active and Healthy Lives
- Communities which are Safe, Well Maintained and Green

The priorities set out in the Council Plan 2020/24 are:

- Economic Development and Regeneration
- Skills
- Improved Health and Wellbeing
- Housing Growth
- Community Safety and Anti-Social Behaviour
- Financial Stability
- Sustainability
- High Quality Services

- 2.3 As the Council Plan 2020/24 was developed prior to the Covid pandemic it is appropriate to have reviewed the previous priorities to determine if any have changed as a result of the crisis. By considering what matters to our residents and the impacts of the pandemic, it became clear that the existing priorities underpinned by a set of revised focal points and milestones would continue to be fit for purpose. It is envisaged that the Addendum document will sit alongside the approved Council Plan to provide an enhanced framework for delivery. The Council Plan Addendum priorities are:

- Economic Development and Regeneration
- Housing Growth
- Work and Financial Independence
- Improved Health and Wellbeing
- Community Safety and Antisocial Behaviour
- Green Thread
- Financial Stability
- Organisational Sustainability
- High Quality Services

Whilst the majority of these priorities can already be found in the current Council Plan there is one noticeable change around the Green Thread. Whilst the Green Thread is present throughout the current Council Plan it is now more prominent with its own set of focal points. The Council Plan Addendum is designed to provide an intermediary position ahead of a full review of the Councils long term priorities in 2024.

- 2.4 The Recovery and Restoration Plan 2020/21, attached at Appendix 2, was put in place as a response to the pandemic when it began in early 2020. Over the course of the last two years the actions in the plan have been delivered and completed. The details of the completed actions undertaken to deliver the Recovery and Restoration Plan have been included in the attached document.

However, it should be noted that the updates to the actions were completed in late 2021 and have not been updated again since. The plan, therefore, provides details of activity up to that point in time.

3.0 FINANCIAL IMPLICATIONS

3.1 None

4.0 LEGAL IMPLICATIONS

4.1 None.

5. STRATEGIC PURPOSES - IMPLICATIONS

Relevant Strategic Purpose

5.1 The Council Plan and Council Plan Addendum define the councils strategic purposes and key priorities for the years ahead. It impacts on all aspects of the business of the council and the services provided to our residents.

Climate Change Implications

5.2 The green thread has been highlighted as a priority in the Council Plan Addendum and is included throughout the entire Council Plan 2020/24.

6. OTHER IMPLICATIONS

Equalities and Diversity Implications

6.1 None

Operational Implications

6.2 Whilst the continuation of services to our community remains the focus of the councils activities, it is anticipated that service areas will begin to implement the focal points outlined in the attached Council Plan Addendum 2022/23.

7. RISK MANAGEMENT

7.1 None

8. APPENDICES and BACKGROUND PAPERS

Appendix 1 – Council Plan Addendum 2022-2023

Appendix 2 – Completed Recovery and Restoration Plan 2020/21

Appendix 3 – RBC Council Plan 2020-2024

Executive

14th June 2022**9. REPORT SIGN OFF**

Department	Name and Job Title	Date
Portfolio Holder	Cllr M. Dormer, Leader of the Council	May 2022
Lead Director / Head of Service	Kevin Dicks – Chief Executive Officer	May 2022
Financial Services	N/A	
Legal Services	N/A	
Policy Team (if equalities implications apply)	N/A	
Climate Change Officer (if climate change implications apply)	N/A	

Redditch Borough Council Council Plan Addendum – Priorities 2022/23

Introduction

Redditch Borough Council is committed to providing residents with efficient, high quality services that meet their needs. Since March 2020 and the onset of the Covid19 pandemic, Redditch Borough Council has worked closely with a wide network of partner agencies to help limit the impact of the virus and to support our residents in all of our communities.

The development of our Covid-19 Recovery and Restoration Plan, approved in 2020, provided a focus on actions to improve for the future beyond Covid-19. This plan outlined the major initiatives that the Council would deliver both during the crisis and after it, as our communities begin to recover.

The Covid-19 pandemic has required an unprecedented response from the Council. Even though the requirement to respond to the pandemic may well be ongoing for some time, it is important to look towards recovery and to the long term return to business as usual. Whilst the Council has an approved Council Plan in place it is worth noting that this was completed before the Covid-19 outbreak. This Council Plan addendum takes the potential shift in priorities brought about by the pandemic into consideration and sits alongside the current Council Plan

Through considering what really matters to our residents and the impacts of the pandemic, we have developed nine priorities underpinned by a set of key milestones. This document outlines the Council's plan for the next twelve months. It is designed to provide an intermediary position ahead of a full review of the Council's long term priorities next year. This document sits alongside the Redditch Borough Council Plan 2020 – 2024. The key priorities are:

1. Economic Development and Regeneration
2. Housing Growth
3. Work and Financial Independence
4. Improved Health and Wellbeing
5. Community Safety and Anti-Social Behaviour
6. Green Thread
7. Financial Stability
8. Organisational Sustainability
9. High Quality Services

This high level strategic document recognises that Redditch Borough Council cannot deliver all of these priorities on its own. It will need considerable support and input from partner organisations if these priorities are to be successfully achieved. It is for this reason that the Council has determined its role in some of these far reaching projects to be categorised as either:

- **Lead** – to be the lead organisation in the delivery of the activity/project that delivers the priority.
- **Participate** – to be involved with partner agencies who will be leading the activity/project that delivers the priority.
- **Influence** – to work collaboratively with other partner agencies to persuade them to take a particular course of action/undertake a particular project.

Redditch Borough Council Council Plan Addendum – Priorities 2022/23

1 Economic Development and Regeneration

During 2022/23 we will set up a catalyst for local economic growth and strengthen two critical elements of our infrastructure, Redditch Town Centre and our information networks.

1.1 Supporting businesses to start and grow

Progress and learning:

Our businesses have demonstrated resilience and flexibility during the pandemic. We have seen the importance of public/private sector interactions, resulting in success for both. As we emerge from the Covid crisis, green and digital innovations will present new opportunities.

Focal point:

We will renew our emphasis on digital access, and focus on establishing an innovation test bed, utilising funding secured for a Digital Manufacturing & Innovation Centre. We will also look to utilise the Towns Fund to deliver innovative projects that improve the town centre and enhance services for our residents e.g.: development of a community hub and library.

Key milestone:

- Undertake soft market testing for potential operators and occupiers of the Innovation Centre (Lead)

Success measures:

- Take-up of grants
- Business Rates growth

1.2 Regenerating our Infrastructure

Progress and learning:

The past two years have emphasised the economic and wellbeing importance of local (a sense of place) and connection (information networks). We have secured Town Investment Plan (TIP) funding for Redditch Town Centre.

Focal points:

The Redditch Town Centre TIP programme must be progressed with energy, vision and bravery. The Council will work with technology partners to support use of information networks and mobile infrastructure.

Key milestone:

- Develop business cases for the three Town Deal projects (lead)
- Start the delivery of the Town Deal Public Realm Project (participate)
- Apply for UK/regional funds (lead)

Success measures:

- % of empty shops.
- Level of funding secured.

Redditch Borough Council Council Plan Addendum – Priorities 2022/23

2. Housing Growth

During 2022/23 we will accelerate the pace of affordable housing development. We will deliver on the HRA Housing Growth programme as a priority and, where possible, enable the building of market housing on our own land and the creation of additional income for the Council.

Progress and learning:

The Covid-19 experience has shown that the Council has an important role to play in the local housing sector, but best results happen when we partner with others. It has also shown us that there are solutions for homelessness.

Focal point:

We will develop a clear partnership structure and delivery plan for creative land use and affordable housing.

Key milestone:

- Agree the options and financial model to achieve accelerated housing growth and development (lead)
- Release land for development in line with the Local Plan (lead)

Success measures:

- Number of new homes - total and affordable.
- Number of new Council houses (HRA) projected to be built during 22/23.
- Number of homeless approaches.
- Number of threatened with homelessness preventions.
- Number of homeless applicants housed.
- Local housing affordability rate.

Redditch Borough Council Council Plan Addendum – Priorities 2022/23

3. Work and Financial Independence

In 2022/23, we will find ways to further support, engage and empower our residents to maintain / achieve financial independence.

Progress and learning:

Our Financial Independence Team will continue to help residents to gain financial independence both through short and long-term solutions. This includes advising our residents on how to manage fuel and utility costs, maximise their income, manage their personal finances, and access other specialist agency support.

The Financial Independence Team also provides access to a range of support measures for our residents (including Housing Benefit, Council Tax Support, Discretionary Housing Payments, Council Tax Hardship Payments, the Council's Essential Living Fund and Council Tax Support Scheme).

The Council will procure an energy advice service providing residents with information and advice to support them in managing and reducing their energy costs.

Our Starting Well Service will provide parents and prospective parents with comprehensive information about childcare and early years education and support eligible parents in accessing free childcare to support school readiness and to enable parents to work or return to work.

We also work with our partners to support and increase the financial independence of our residents. We will work with Citizens Advice, ensuring that our residents are advised on how to deal with their financial and other related problems. We will work with Community Safety Partners in the provision of youth support interventions, focusing on the impact of Covid, building confidence, raising aspirations, and improving the life chances of young people at risk from crime and anti-social behaviour.

Our 'Home Finance Advisor' will provide a high-quality service that supports and meets the needs and requirements of our tenants who are vulnerable, struggling to sustain their tenancies and at high risk of tenancy failure.

Focal point:

We will provide quality services that help to empower residents through good financial advice, the effective coordination and signposting of services, and partnership working.

Success measures:

- Number of Financial Independence Team client contacts.
- Number of clients accessing Starting Well service.
- Number of young people with positive outcomes as a result of Enhanced Youth Support intervention.
- Number of eligible children accessing nursery funding across the borough.
- Number of households provided with energy advice.
- Number of energy rebate payments.

Redditch Borough Council Council Plan Addendum – Priorities 2022/23

4. Improved Health and Wellbeing

In 2022/23 we will work with communities to help them identify and develop their strengths. We will look at ways to encourage physical movement into part of people's normal routines. We will also look to catalyse an integrated approach to care.

Progress and learning:

Covid-19 helped us see the importance of health and wellbeing on our community, of activity, and of the health and care system.

Focal points:

- **Community Development:** we will embed an Asset Based Community Development (ABCD) model that builds on the assets that are found in local communities and mobilises individuals, associations, and institutions to come together to realise and develop their strengths. Through grant funding, Community Builders within the voluntary sector will be working with local residents and existing organisations to uncover the key community assets and skills of local residents. They will assess how to build a more cohesive community that will lead to a less isolated, healthier, and more connected community, particularly as we move towards Covid recovery.

The Community Builders will focus primarily on Woodrow and Abbeydale, with a secondary focus on Winyates and Church Hill. In addition, a further post will provide support to Community Connectors from underrepresented minority groups to ensure full engagement and equality of access to the benefits of an ABCD approach for diverse communities. A 'Small Sparks' fund is available to facilitate the recruitment of Community Connectors, build capacity within the area identified and support local delivery in line with the project aims and objectives.

- **Active travel:** we will work with local people and experts to explore how we might establish a local transport infrastructure that encourages physical movement.
- **Integrated care:** we will work with local public service partners to establish an integrated care model, using a blend of professional and community led support to ensure those who most need support are properly cared for.
- **Leisure Strategy:** we will develop a Leisure Strategy for the borough.

Key milestone:

- Agree a plan with Worcestershire County Council concerning initiatives and funding streams for active travel (participate)
- Agree a model of collaborative work for the three themes for Redditch; obesity, frailty and mental health (participate)
- Implement new technology opportunities within the Lifeline service (lead)

Success measures:

- Number of Community Builders in post.
- Completion and implementation of the actions in the Leisure Strategy.

Redditch Borough Council Council Plan Addendum – Priorities 2022/23

5. Community Safety and Anti-Social Behaviour

Working with Community Safety partners we will implement crime prevention projects and promote community safety services to reduce the hazards and threats that result from the crime, violence and anti-social behaviour. We will also promote and support victim services that are in place to help and encourage recovery from the effects of crime.

Progress and learning:

We know that prevention is better than cure; that the stronger the bonds within and across communities, the lower the crime and nuisance. We also know that the more perspectives that can be brought to a difficult issue like safety the better will be the solutions.

This year will see the completion of the Home Officer Safer Streets Funding. Over £400k will have been spent on improvements to tackle neighbourhood crime in Woodrow. This included enhance door security, alley gating, CCTV upgrades and home security projects. 2022/23 will see the outcomes of the trials of CCTV redeployable cameras and the investment from the Police and Crime Commissioners office to upgrade other cameras. The redeployable cameras will be embedded into the service with the ability to respond to hot spots of concern and be a tool in reducing crime and disorder across the Borough.

Covid impacted disproportionately on adolescents. Grant funding was secured to support this cohort in the aftermath of the pandemic through the provision of youth work across the Borough Council.

Focal points:

- **Relationships:** we will work to enable stronger networks of relationships within and across communities.
- **Young people:** we will strengthen our youth offer, to prioritise outreach and mentoring approaches, targeting provision directly to young people at risk of perpetrating or becoming a victim of crime alongside supporting mental well-being and personal resilience.

Key milestone:

- Clear and agreed ABCD model (participate)
- Fully deployed youth support model (lead)

Success measures:

- Number of young people engaged through Detached/Outreach youth work.
- Levels of crime.
- Number of crime risk surveys carried out.
- Number of positive outcomes as a result of Safer Streets Woodrow project.

Redditch Borough Council Council Plan Addendum – Priorities 2022/23

6. Green Thread

There will be a renewed focus on innovation as we play our part in the response to climate change and biodiversity challenges. Working with partners across the region, including the LEPs and the Waste Partnership, we will explore the possibilities of bringing new technologies to bear on our fleet but also how new technology can help us deliver greener and more efficient systems internally. We also need to maintain work around waste minimisation and maximising recycling, particularly around recycling quality and the implications of the new Environment Bill.

Progress and learning:

We were able to achieve radical change in response to the pandemic; we can do the same in response to climate change and biodiversity challenges.

Focal points:

- Innovation (lower carbon solutions)
- Travel (less and sustainable)
- Reducing waste and increasing recycling.

Key milestones:

- To identify alternative fuel requirements for fleet and revise the capital replacement programme for the Council's fleet subject to any budget constraints (lead)
- Respond to Government consultation on secondary legislation on changes for Resources and Waste services (participate)
- Work with Strategic waste partnership to develop a plan to respond to the new requirements of national Resources and Waste Strategy and Environment Act (participate)
- An agreed set of focal points where the Council will act on developing the local green economy (lead)
- Commit to the development of a Climate Change Strategy (lead)

Success measures:

- Agreed a funded plan and capital replacement programme for Council's fleet subject to any budget constraints.
- Agreed plan in place to deliver new requirements of national Resources and Waste Strategy and Environment Act.
- Introduce vegetable derived diesel into the councils vehicles to reduce carbon emissions subject to any budget constraints.
- Households supported by the Council's energy advice service.

Redditch Borough Council Council Plan Addendum – Priorities 2022/23

7. Financial Stability

The Council's resources will continue to be constrained. In order to address this we will continue to work to ensure our people, assets and financial resources are focused on the priorities and activities that most effectively deliver wellbeing and progress for our local population.

Progress and learning:

When Covid-19 started, we moved quickly and successfully to reprioritise and redeploy in support of the crisis. We learned that we could change how we do things, and that priorities can and do change. We also learned that we can be better at understanding how we, and our partners, currently manage and exploit our assets.

Focal point:

We will work to ensure closer alignment between what we should be doing and the resources made available to do it. We will have a better sense of the assets we have and what we need, and how we can best contain unnecessary costs so that resources can be deployed where needed.

Key milestones:

- Robust Budget and Medium Term Financial Plan (lead)
- Asset Management Strategy and Plan (lead)
- Agreed HRA 30 year plan (lead)

Success measures:

- Financial performance – actuals consistent with budget.
- Increased levels of General Fund Balances over medium term.
- Towns Fund Project delivered within budget.

Redditch Borough Council Council Plan Addendum – Priorities 2022/23

8. Organisational Sustainability

The Council will work to maximise the use of digital infrastructures, including cloud technologies, to enhance its support for customers. We will encourage residents and businesses to access high speed fibre and wireless technologies to deliver growth in the local economy. Ensuring the Council's infrastructure can securely process the increased demand placed on it by the expanding use of Internet of Things devices will be key to its digital success. Any new delivery models, utilising technology, must deliver improved customer service at a lower cost.

Progress and learning:

Covid-19 helped us to see that new delivery models are possible, delivering better customer service at lower cost.

Focal point:

- **Digital First:** we will ensure that all Council services are designed to exploit digital access and delivery.
- **Evidence-based design:** we will ensure all service improvement will be driven by good quality customer insight and data.
- **Hybrid working:** we will adopt a hybrid working model, to include agile working and bookable office spaces.

Key milestones:

- Development of corporate information management system e.g. performance dashboard (lead)
- Corporate wide use of data and information to design improved services (lead)
- Repurpose of unnecessary office space (lead)
- Increased remote/mobile working in services through utilisation of new IT (lead)

Success measures:

- Number of customer transactions processed online.
- Number of corporate measures accessible through the dashboard.
- % of staff able to work in an agile way.

Redditch Borough Council Council Plan Addendum – Priorities 2022/23

9. High Quality Services

The Council's people are key to its long term success. We need to recruit, retain and motivate the right employees, with the right knowledge, skills and attitude to deliver excellent services and customer care.

Progress and learning:

During Covid-19, we saw how good quality, flexible and responsive people can make a real difference in both the workplace and the wider community.

We also saw how personal and community resilience, or the lack of it, can lead to an escalation of public issues.

Focal point:

- **Recruitment:** ensure that our recruitment processes enable us to attract, engage and retain a talented and motivated workforce that is responsive to change.
- **Development:** support our employees to fulfil their potential and ensure that they possess the right skills to meet future needs through access to effective learning and development.
- **Progression:** Undertake succession and workforce planning to predict potential skills gaps, develop and improve the way we work and identify the right people, at the right cost with the right skills both for now and the future. Ensuring employment and skills development opportunities are explored through the wider use of apprenticeships in service areas.
- **Prevention:** develop a proactive approach to the prevention of vulnerability in the population through improved service delivery.

Key milestones:

- Agree talent and performance plan (lead)
- Achieve minimum level of core management skills in all managers (lead)

Success measures:

- % of Personal Development Reviews undertaken each year.
- % of employees who undertake management training.
- Staff turnover rates in relation to national rates.
- Customer satisfaction with service delivery, measured through the Community Survey.

Redditch Borough Council COVID-19 Recovery & Restoration Plan

2020 – 2021

Version 1.5

Run and Grow a Successful Business

Original Council Plan Commitments	Recovery & Restoration Issues and Actions	New or Modified Actions (what we will do...who with/partners)	By When	Owner	Update	
Economic development & regeneration	Consult businesses to understand current needs, recovery and growth plans, working with partners to support business recovery and growth	North Worcestershire Business Advisor appointed by GBSLEP to engage with businesses in North Worcestershire	On-going	NWEDR	Demand for support from businesses has mainly been for Covid Business Support Grants (administered by the Business Rates Team). Businesses are beginning to focus on recovery with increasing demand for funding for skills and capital investment.	
	For many strategic purposes the planning system can play a key role in contributing to recovery and restoration. For all strategic purposes, where relevant, there will be support through the timely determination of planning applications and the implementation, evidence gathering and review of the Local					
	Continue with the regeneration of the Town Centre, including the train station	Prepare a Town Centre Masterplan and Feasibility Study	Nov 2020	NWEDR	Consultants AR Urbanism completed a Town centre Masterplan in Jan 2021 focusing on several key regeneration sites. This work was incorporated into the Redditch Town Deal submission	
	Ensure businesses access Government's Coronavirus Support Grants.	Ensure all appeals are responded to robustly	End Aug 2020	DR	Both completed, comms has been consistently sent out each time the scheme has changed and eligibility has changed to support and provide guidance. All appeals are responded to robustly and recorded.	
	Provide businesses entering Recovery Cycle for Non-Domestic Rates with information relating to support mechanisms	Advise businesses of support available via comms Advise businesses of support available via comms	Aug – Dec 2020 Weekly / On-going	DR NWEDR	Weekly newsletter sent from NWEDR to local businesses	

	Provide businesses with information on recovery support available internally and nationally. Revisions made to letters that are going out to businesses to explain debt recovery processes	<p>Work with recovery teams to ensure all businesses are provided with support and advice on debt management</p> <p>Work with other recovery officers across the Councils to ensure debt is managed holistically to provide the customer with the correct level of support</p>	<p>Aug – Dec 2020</p> <p>Ongoing</p>	<p>DR</p> <p>CFor</p>	<p>informing of support available throughout the pandemic</p> <p>Completed with advice and support provided as appropriate.</p> <p>Implementation of the Tech1 system is ongoing with bedding in. Once it is in place intend to work with Civica housing and revs and bens to pull together into dashboard</p>
	Liaise with internal partners to provide information in relation to business in arrears and delaying payments of liabilities.	Continue to circulate the weekly Business Bulletin and provide further updates from partners as appropriate.	Nov 2020	NWEDR	Weekly newsletter sent from NWEDR to local businesses informing of support available throughout the pandemic
	Look to provide incubator units or the like through the investment programme to give businesses spaces to open and operate in	Town Centre Masterplan and Feasibility study to assess the feasibility and viability of creating a Digital Innovation Centre in Redditch as part of the Enterprise & Education Quarter	Jan 2021	NWEDR	A new Digital Manufacturing and Innovation Centre was assessed through the Town centre Masterplan work by AR Urbanism, proposed on the Police Station Site which has been acquired through Town deal accelerated funding. Public consultation carried out in Nov 2020 as part of the Town Deal and the project included in the submission in Jan 2021.
	Secure a Town Deal for Redditch as part of the Towns Fund government programme	Submit a Town Investment Plan, which will form the basis of the Town Deal	Jan 2021	NWEDR	Town Investment Plan submitted Jan 2021. £15.6million awarded – June 2021

Develop an economic development strategy, to include stimulating the growth of low carbon industries	Develop a local economic recovery framework	Work with the Worcestershire Economic Recovery Group to ensure Redditch economic recovery needs are addressed in the county wide economic recovery plan.	Oct 2020	NWEDR	Work completed and County Wide Plan produced in September 2020
		Develop and deliver a Redditch Economic Recovery Strategy	Oct 2020 and ongoing	NWEDR	Plan produced and approved by Executive in October 2020
		There are a number of disparate programmes of support to help businesses diversify into the low carbon sector. Pull these together and promote as a cohesive whole	Oct 2020	NWEDR & Kath Manning	The ERDF funded programmes are being managed by WCC and are promoted as a suite of support
		Consider holding a local jobs fair, focusing on reskilling, including carbon friendly skills.	Dec 2020	NWEDR	NWedR is working with Redditch Business Leaders to organise a jobs fair. Options were discussed at the 4th October meeting and a new date is to be agreed by the Business Leaders in November.
Work with partners to improve digital & physical connectivity (to include broadband, 5G & transport infrastructure)	Ensure that adequate digital infrastructure is in place to support the accelerated adoption of digital technologies by local businesses as a result of Covid-19	Work with the West Midlands 5G Company and the GBSLEP and WLEP on a 5G roll-out programme for Redditch	On-going	NWEDR	The Council has designated a Councillor as a Digital Champion to promote Redditch as a location for use of the 5G network. There is a national rollout schedule in place for 5G. The national schedule is underway with larger cities being completed first.
Support local businesses to embrace new technologies in order to maximise	Identify local businesses that plan an accelerated adoption of digital technologies	Work with Betaden Tech Accelerator to promote opportunities to learn about innovative technologies being developed in the county	On-going	NWEDR	Opportunities are promoted through NWedR's business newsletter and the Growth Hubs advisors through direct

business growth, particularly in the knowledge & creative industries		Promote the new Business Recovery Grant, being administered by the Growth Hubs, which is designed to support businesses affected by Covid-19 to access new technology. Grants from £1k-£5k, available for a limited time	Due to be launched late Sept	NWEDR	engagement with local businesses. An email / telephone campaign was undertaken to raise awareness and encourage the local businesses to apply for the grant. The fund was significantly oversubscribed.
		Promote learning and training opportunities for businesses - courses and workshops delivered by GBSLEP Growth Hub and Worcestershire Business Central	Ongoing	NWEDR	On-going – the Growth Hubs have been delivering peer 2 peer training clubs which NWEDR have promoted through usual channels and when engaging with businesses
Look to stimulate adequate supply of land & premises to enable existing & new businesses to grow	Identify brownfield sites and long term empty premises that could be redeveloped	Continue to work with the Worcestershire LEP Land supply group and private landowners and landlords to identify development opportunities in the borough.	On-going	NWEDR	Work is on-going
Strengthen the vibrancy & viability of our towns & district centres	Make the town centre a more attractive place/space to do business	Prepare a Town Centre Masterplan and Feasibility study	Nov 2020	NWEDR	Masterplan completed Jan 2021 by AR Urbanism showing the regeneration of key sites including improvements to public spaces, commercial office space, Innovation centre and Food and Beverage offer. Public Realm enhancements was a project that was prioritised within the Town Investment Plan.

	Make the town centre a more attractive place to spend free time (leisure, arts & culture, well-being)				Arts Development actively work with partners to enhance the arts and culture offer in the Town Centre e.g. Arts in Redditch Pop Up Galleries and in the summer the NHS Now We're Talking with Arts mental health and wellbeing visual arts project.
Undertake a comprehensive review of Council owned assets and assess opportunities for investment privately in land and premises within the Borough with a particular focus on business centre and industrial estates	Investigate alternate sources of funding to PWLB to ensure best value borrowing can be achieved to maximise the range of investment opportunities and returns to the council	Ensuring that the council is compliant with guidance when accessing these funds	Ongoing	CFor	Preliminary Investigations confirmed that (improved) PWLB terms remain best option currently.
	Identify partners to invest with	Revise the treasury management policy to enable all options to be made available to the council	Mar 2021	CFor	Treasury Management Strategy due an update in 2022/23.
		Review the property structure to enable asset reviews to be undertaken	Mar 2021	CFe	Director of Resources and the Head of Legal, Democratic and Property Services are working to determine level of resources required. External support has been sought in this.
		Develop asset management strategy	Mar 2021	CFe	Asset list being compiled with support from interim finance officer
Support development at the Redditch Eastern Gateway	Continue to support the development at Redditch Eastern Gateway	Work with developer / businesses / college to ensure opportunities for Redditch	Ongoing	NWEDR	Site is progressing well and highways works now complete. The first large employer on site has recently begun a recruitment drive
Strengthen the vibrancy & viability of our town & district centres	Work in partnership with the BID to ensure improvements in the Town	Support Revitalise Redditch in collection of BID Levy	Ongoing	NWEDR	Ongoing support provided to the BID in all areas including bid levy collection, communication between stakeholders and overlap on proposed projects. Regular meetings between BID

					Board Directors and NWEDR Regeneration Manager.
Supporting businesses to start and grow within the Borough	Consult businesses to understand current needs, recovery and growth plans, working with partners to support business recovery and growth	North Worcestershire Business Advisor appointed by GBSLEP to engage with businesses in North Worcestershire	Ongoing	NWEDR	On-going. Demand for support from businesses has mainly been for Covid Business Support Grants (administered by the Business Rates Team). Businesses are beginning to focus on recovery with increasing demand for funding for skills and capital investment.
Regenerating our Town Centre	Continue with the regeneration of the Town Centre, including the train station	Town Centre regeneration interventions to be included in the Town Investment Plan (Town Deal)	Ongoing	NWEDR	Town Centre regeneration, specifically the Railway Station Quarter, is progressing and was one of the prioritised projects that formed part of the Town Deal: Town Investment Plan submission.
	Consider what support could be provided to businesses to encourage them to the area	Investigate providing low cost loans to businesses to encourage growth and attract them to the area	Ongoing	CFor	Following consideration by the Exec Director of Resources, the risk profile of this policy is not considered to be acceptable for the Council currently.

Finding Somewhere to Live

Original Council Plan Commitments	Recovery & Restoration Issues and Actions	New or Modified Actions (what we will do...who with/partners)	By When	Owner	Update
Rough Sleepers To continue the legacy of having no rough sleepers in the Borough	To review and adapt work to the Housing First Model in partnership with the voluntary sector, the Police and mental health services.	To identify funding from MHCLG grants and completed claims for those helped.	Dec 2020	MB	Expanded Housing First model in place with St Pauls Hostel provided for through Rough Sleeper Initiative 3 funding.
	To work with WCC and other district colleagues on the submission of a County Next Accommodation Programme Bid.	To identify how needs can be best met to support Redditch rough sleepers and to deliver against the bid	Sept 2020	MB	Undertaken work with MHCLG and Homes England on proposal which was not taken further following advice from them.
	To identify suitable accommodation from within RBC's housing stock and ensure no-one helped in crisis returns to streets	Establish impact on the HRA	Mar 2021	MB HK	Those applicants homeless and at risk of rough sleeping have been provided temp accommodation and Housing Solutions Officers continue to work with them to obtain suitable housing. We continue to accommodate all rough sleepers and there are currently none in the borough
	Capacity around support of all providers – financial health check to ensure continued support available	Write to agencies concerned and ask them to contact the Council with any issues	Sept 2020	MB AG	Discussions held in partnership meetings
Supporting the delivery of appropriate housing in the Borough	Deliver a Housing Strategy for the Borough to address the housing needs now and in the future giving consideration to the impact of Covid 19 and how the impact of crisis on the economy will impact on housing supply and demand	To work with new Govt guidance/legislation issued in response to Covid 19 To include the impact of Covid in the strategy and associated	Oct 2020	MB	Included in the Strategy presented to Executive.

	<p>Use the Local Plan to drive development and use the Council's Housing Growth Programme to increase affordable housing.</p>	<p>actions over the next 12/18 months.</p> <p>Contribute to the countywide housing delivery strategy.</p> <p>Work with development agents Bailey Garner and review and agree revised timelines.</p>	<p>Mar 2021</p> <p>Ongoing</p>	<p>MB</p> <p>MB</p>	<p>Multi-disciplinary Officer input via workshops.</p> <p>Officers regularly meet with Baily Garner to review ongoing development. Site works have started on Edgeworth Close and Loxley Close now in for planning permission. Work to bring the next package of sites forward to be undertaken</p>
<p>Deliver the three-year Housing Strategic Improvement Plan</p>	<p>As part of the 'Change Programme' the R&M Business Support Team trial of working differently was originally planned to start in March 2020. Due to Covid 19 restrictions the trial is planned to restart in September 2020.</p>	<p>The trial is expected to resume in Sept (Covid situation allowing)</p> <p>Deliver the Housing, Tenancy & Advisory Service improvement plan including structure, approach and process to housing and neighbourhood management and housing options</p> <p>Consideration of the impact of rent arrears on the HRA due to Covid and identify actions to redress the impact.</p> <p>Development of an effective HRA 30-year financial plan for stock investment and work programme</p>	<p>6 months</p> <p>Mar 2021</p> <p>Ongoing</p> <p>Dec 2021</p>	<p>SP LP SD HM</p> <p>JW</p> <p>HK</p> <p>SP</p>	<p>Trail undertake4n and review of BSU included in wider inhouse team review that should be completed by end Jan 2022</p> <p>New structure implemented new staff recruited and service improvement plans are in development.</p> <p>Regular reporting and recruitment of a Housing Revenue Manager. Arrears levels, although increased initially have stabilised and believed to be remaining stable post Covid</p> <p>Work is ongoing with Finance to refresh the plan following receipt of the Stock Condition Survey results</p>

		that will keep all RBC properties in good condition and compliant with statutory legislation. Ensure an active asset management regime is in place, that identifies properties which have poor social, economic or environmental performance and either improve them or replace them with properties which are fit for purpose.	2022	SP	An Asset Management Strategy is being drafted for Executive Committee in Feb 2022. This has been delayed to ensure finances can match the strategy.
Support people to help prevent homelessness	Look at any newly emerging homelessness prevention initiatives across West Midlands and explore new ways of working locally	Utilise new ways of working to change working practices	Oct 2020	MB	Ongoing through the work and actions of County-wide Partnership
	Develop the proactive Rent Management system.	Procure and implement the new system	Jan 2021	HK	In progress. implemented as part of the wider Housing CX system.
	Develop a cross cutting and end to end pre tenancy and tenancy sustainment service across social and private rented sectors	Review the current service	Dec 2020	HK MB	Will be delivered through a service improvement plan which is due to commence now new structure in place
	Develop strategy to prevent recourse to legal enforcement options for rent arrears except for the most serious cases where all other interventions have failed	Identify potential funding from grants	Dec 2020	MB	Strategy and actions are being developed across Worcestershire Partnership
Work with tenants across sectors to understand their needs	To consider the findings from the community survey	To develop actions in response to the survey results	Dec 2020	HK	Findings are being built into the housing service improvement plan and this includes a focus on future methods of tenant participation.

Work with developers to deliver more homes utilising renewable technologies	<p>To continue to work with developers to promote upfront investment for long term savings and acknowledging that developers may focus on must-haves and reduce spend on energy efficiency</p>	<p>Monitor post Covid 19 development proposals for new build and influence to achieve this priority</p>	<p>Ongoing</p>	<p>MB</p>	<p>Meeting to be arranged with local developers to understand issues they have with increasing energy efficiency measures.</p>
	<p>Work with the LEP and other national organisations to ensure maximum grant funding for these areas is accessed to make it more affordable for developers to do this</p>	<p>Consider and bid for new energy grant schemes as they are announced including the Green Homes Grant</p>	<p>Ongoing</p>	<p>MB</p>	<p>LADS1a currently progressing but there are issues regarding lack of materials to labour to undertake works increasing costs and effecting £10k average spend per dwelling. Application for LADS 2 funding has been submitted to carry on with this work.</p>
	<p>Government guidance on improved green credentials</p>	<p>by Building Control and advised upon wherever possible staffing resources</p>	<p>Now</p>	<p>AW</p>	<p>Building Regulations are subject to change nationally and all changes have been implemented at the local level.</p>

Aspiration, Work and Financial Independence

Original Council Plan Commitments	Recovery & Restoration Issues and Actions	New or Modified Actions (what we will do...who with/partners)	By When	Owner	Update
Skills for the future	Undertake a skills audit with partners & work together with them to address any gaps	Work with WCC who are leading on the “Creating our Future Workforce” campaign including the skills show and Careers & Enterprise Company	Ongoing	NWEDR and Partners	Worcestershire LEP Local Skills report published in April 2021 Link: <u>Worcestershire Local Skills Report - Worcestershire LEP (wlep.co.uk)</u> In addition, <u>WCC are in the process of commissioning a digital skills strategy for Worcestershire</u>
		Work with partners to see what the needs are in terms of skills	End Nov 2020	NWEDR	Proposal to undertake a county wide skills audit to assess employers’ needs post-pandemic (short-term and longer term) with WLEP and WCC. Decision on whether the undertake the audit on a county wide basis or North Worcestershire basis to be made in November.
Supporting young people to gain the skills they need	Support schools & HOW College to link students to local employers (Note a number of schemes have been launched to help address the effect of the economic downturn on Young People – apprenticeship grants, traineeship grants and kickstart (6-month placements) Understand the partnerships that are already in place	Work to promote the availability of schemes and, in addition, continue to deliver the ‘Opening Doors to Business’ initiative alongside partners	Ongoing	NWEDR and Partners	Most of this activity was paused during the pandemic. The annual skills show was cancelled (March 2021) and whilst Opening Doors to Business is still live, schools and businesses are not undertaking visits. However, ‘virtual visits’ are now being considered as an alternative approach
		Arrange meetings with high schools and HOW to establish their current links with schools	End Nov 2020	NWEDR	

Support schools & HOW College to link students to local employers	Support schools & HOW College to link students to local employers	Work to promote the availability of schemes and, in addition, continue to deliver the 'Opening Doors to Business' initiative alongside partners	Ongoing	NWEDR and Partners	Most of this activity was paused during the pandemic. The annual skills show was cancelled (March 2021) and whilst Opening Doors to Business is still live, schools and businesses are not undertaking visits. However, 'virtual visits' are now being considered as an alternative approach
Work with businesses to utilise the apprenticeship levy & increase the number of apprenticeships	Ensure that the council maximises the levy by taking on the full cohort of apprentices which can be funded through the levy the council pays. In addition, review if the council wants to utilise other organisations levy payments to further increase this number	4 th tier and HOS to undertake a session to identify how training can be funded from the levy in the future	End Dec 2020	BT PS (HR)	Completed. The levy is now being used to support improving managerial skills across the organisation.
Provide support to people to enable them to access employment opportunities in digital & low carbon industries	Promote the support available through the Worcestershire Jobs Match programme and GBSLEP Employment triage programme	Promote GBSLEP skills hub, when launched	Ongoing	NWEDR and Partners	Ongoing promotion through North Worcestershire Business Advisor
Support residents to manage their finances, including working with schools on money management	Development of rent management system and tenancy sustainment team to include money advice and debt relief	Procurement and implementation of the new system	Jan 2021	HK	Money advice delivered – recruited 2 officers into new structure and development of service commenced
	Promote the work that the FIT team do, as part of this create stronger partnership working with CAB	Undertake full-service review to ensure posts are in place to deliver support	Mar 2021	LD	Review completed, restructure to follow
			Ongoing	LD	Underway

	<p>Improve website to include budgeting tips and tools. Get greater awareness to residents.</p> <p>Work with DWP to identify support to jobseekers/ advice re benefits</p> <p>Provide Taxpayers in arrears and failing to maintain CT payments with information in relation to support available.</p>	<p>Utilise accessibility project to improve website and improve information available online</p> <p>Liaise with partners (eg CAB) to identify the support and signposting that they can give</p> <p>Develop script of support advice to customer service teams</p>	<p>Ongoing</p> <p>Ongoing</p>	<p>LD</p> <p>DR</p>	<p>Ongoing</p> <p>This is done as part of the process with advice given as appropriate.</p>
Ensure people get the benefits they need	<p>Development of rent management system and tenancy sustainment team to include money advice, financial inclusion and debt relief</p> <p>Develop a communications plan so Council tenants are aware of what benefits and support they are entitled to.</p> <p>Be prepared for potential spike with regards to furloughed workers – unemployment, UC claims, HB/CTR claims.</p> <p>Optimise spending of DHP budgets to those in need.</p>	<p>Procurement and implementation of the new system</p> <p>Implement the communications plan Liaise with comms to ensure the signposting and social media is up to date</p> <p>Arrange quarterly meetings with DWP to understand impact of Covid on benefit take up and unemployment Restructure to be implemented to ensure staff resource is sufficient to meet demand.</p> <p>Regular meetings with Housing officers to monitor level of spend/staffing.</p>	<p>Jan 2021</p> <p>Ongoing</p> <p>Oct 2020</p> <p>Ongoing</p>	<p>HK</p> <p>LD</p> <p>LD</p> <p>LD</p>	<p>As above</p> <p>Completed</p> <p>Monitoring the situation, will respond as appropriate</p> <p>Ongoing</p>

	Liaise with foodbanks on their capacities and demand, can we assist through ELF and Food Vouchers	Partnerships in place to provide food and essential items- funding to be secured from County	Ongoing	LD	Completed
	Simplify CTR scheme for 2021/22	Present revised scheme to Exec, O&S & Council	Sep 2020	LD	Completed and the new CTR banded scheme was implemented in April 2021

Living Independent, Active & Healthy Lives

Original Council Plan Commitments	Recovery & Restoration Issues and Actions	New or Modified Actions (what we will do...who with/partners)	By When	Owner	Update
Improving health & well-being	To promote the Lifeline well-being checks	To work with communications to promote the benefits of the Lifeline Well-Being checks	Nov 2020	RN	Social media promotion of the service which saw an initial increase in the take up this service, whilst some customers then withdrew from the service once lockdown eased.
Continue to support the Redditch & Bromsgrove Dementia Friendly Communities initiative	Continue to support this work		Ongoing	JW	Work has been ongoing.
With partners, enable targeted activities & initiatives to support mental well-being	<p>Work with WCC on the legacy of Here2Help to support vulnerable residents post Covid</p> <p>To identify projects to support young people during Covid 19 pandemic through the Redditch Youth Providers Forum research project (£10k funding: Lottery, Worcs CC, Worcs Community Foundation)</p>	<p>To promote and support local communities to access the legacy of Here2Help and link this with the work of the Redditch Partnership around the 'deal' approach.</p> <p>Discuss with Partnership officer the demand / need for activities. Liaise with Sports Development and Rubicon to enable community activities to take place</p> <p>To support the work of Support Redditch and BARN's Volunteer Bureau to increase the number of</p>	<p>Dec 2020</p> <p>End Oct 2020</p> <p>Ongoing</p>	<p>JW</p> <p>Dev Service</p> <p>JW</p>	<p>Here2Help is to be retained and developed as an ongoing resource</p> <p>The Redditch Partnership will use an Asset Based Community Development Approach with funding secured from Public Health.</p> <p>Targeted sessions continue with an on-going switch away from virtual sessions.</p> <p>Public Health COMF funding will support the provision of future well-being services for those residents affected by Covid</p>

		volunteers working with VCS mental wellbeing services.			
Support improved access to services that reduce social isolation (including Lifeline)	Promote the Lifeline service locally and through partner agencies including self-installation during the pandemic. Develop and promote a new range of digital equipment and sensors to enhance the service user experience, including devices that will work outside of the home, encouraging independence and peace of mind when going out.	To develop a communications/marketing plan. Monitor conversion rates to establish how many of those, that have the service for free, choose to retain the service and pay for it ongoing.	Nov 2020 Ongoing	RN RN	Self-installation video created and widely shared. Digital catalogue completed. 6 weeks free scheme conversion in yr 20/21 there were 84 units fitted and 80 retained.
	Continue to work with WCC and Amica24 installing complex technology enabled care solutions on their behalf in Redditch. Expand the 6-week free scheme to all health and care professionals.	Review opportunities with County and health colleagues on new tele health technologies post Covid	2021	RN	Ongoing promotion with partner organisation by attending regular meetings i.e. social prescribers, frailty, etc and other regular communications.
	To consider the impact of Covid 19 on the Dial A Ride and Shopmobility services	To review the sustainability of Redditch Dial A Ride and Shopmobility with income projections and plans to work towards self- financing/ commercially viable services being severely affected by Covid 19	Dec 2020	TD	Still in recovery however services now fully open and customer usage increasing – it was agreed we would review the services in 2022 regarding increasing income and considering alternative options for Shopmobility
Develop a Parks & Open Spaces Strategy (including increased physical activity & cycling)	Provide a clear brief on what the detail of the strategy will be.	Phased approach to the work to fine tune the technical documents that would feed into the overall strategy. Produce financial breakdown	Mar 2021 Should this be 2022	RB IKF JC	The consultants are soon to submit interim findings. The Strategy is progressing with key analysis of data. Consultation with various stakeholders is

					currently taking place. Completion is anticipated March 2022.
Enhance sport & cultural opportunities offered by the Council		Discuss with Partnership officer the demand / need for activities. Liaise with Sports Development and Rubicon to enable community activities to take place	Oct 2020	JC	Creative People and Places application for £850k submitted in partnership with a consortium of local organisations. Interview (short listing) secured. Awaiting outcome,
Working with partners, including Rubicon Leisure, to increase activity levels in the Borough	To deliver a range of activities to target the insufficiently active : 1. High and low impact exercise and creativity sessions through <u>referral pathway</u> routes GPs, physios, health stakeholders.		Ongoing	JC	<p>Exercise classes returned in May with restrictions in place. With minimal restrictions now in place we can increase capacity again. Mixed attendance levels across the board which will take a lot of time to market in order to increase participation again.</p> <ul style="list-style-type: none"> • Activity Referral: <ul style="list-style-type: none"> 1 Altered images Bromsgrove 2 The Abbey Stadium Redditch • Strong and Steady <ul style="list-style-type: none"> 5 x sessions Bromsgrove 2 x sessions Redditch • Walking for Health • Lickey End Rec • The Abbey Stadium Track Also training more volunteers increase delivery on 1/9 • Weekly VIRTUAL MS exercise class • Weekly LIVE COPD exercise class. Plus one virtual session • Long Covid Recovery

	<p>2. Funded Positive Activities projects being delivered in partnership with community organisations including Your Ideas, RYCE, YMCA, PAZ (RSA Arrowvale), What's Your Point, Redditch Self Defence, UP Foundation, Redditch Wheels Project.</p> <p>3. Short Breaks disability projects for disabilities being delivered in partnership with Your Ideas and Redditch Road & Path Cycling Club.</p> <p>4. Sport England funded Active Families programme to encourage children 5-11 and their families to get active.</p> <p>5. Working with partners to run Active Kitchen to provide food and activity to reduce holiday</p>				<ul style="list-style-type: none"> • Working with British lung Foundation on provision of programme to help people recover. • Yogi Buggi • R&B – to increase connectivity for moms • Working with Public Health towards a women's exercise group to help immigrants integrate into community • ESCAPE-pain <p>Positive Activities projects being delivered by community organisations face to face as normal under NYA guidance. Funding has been extended until March 2023. Awaiting contract variation to be sent through</p> <p>Restarted climbing project in Bromsgrove open to Bromsgrove and Redditch residents. Looking to restart further provision in spring 2022.</p> <p>Programme started in October. Your Ideas, Redditch Hockey Club and Bodyshot Boxing engaged in the process and delivering sessions.</p> <p>Active Kitchen is now widened to look at provision for a much wider catchment. Holiday Activities &</p>
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	<p>hunger and tackle the drop in physical activity levels in holiday periods.</p> <p>Support targeted activities for healthy lifestyles</p>				<p>Food Programme funded by Ready Steady Worcs. Full summer programme was delivered by partners.</p> <p>October Half Term delivery was funded by “Covid 19 Half Term Grant” through RSW where £8550 supported local community groups and organisations deliver trips, events, activities and food. Successful with Winter / Christmas HAF funding application worth £77K across Bromsgrove and Redditch where local community groups, organisations and schools are providing trips, events and activities with food for free school meal children to access during December.</p>
<p>Work with partners to address smoking & substance misuse levels in the Borough</p>	<p>Work ongoing through the partnerships</p>		<p>Ongoing</p>	<p>HB</p>	<p>Delivery is ongoing through the WCC commission services provider Crounston.</p>

Communities which are Safe, Well Maintained & Green

Original Council Plan Commitments	Recovery & Restoration Issues and Actions	New or Modified Actions (what we will do...who with/partners)	By when	Owner	Update
Reducing crime & disorder	To consider the impact on society of Covid 19 and work with partners and service areas to ensure the Community Safety Partnership action plan reflects this.	To review and update the Community Safety Partnership action plan to contribute to the recovery of consequences from Covid 19	Mar 21	BH	NW Community Safety Partnership Plan 2021-24 produced and agreed by partners on 9 th June 2021
	Support targeted initiatives to reduce anti-social behaviour and embed the corporate anti-social behaviour policy into wider service delivery utilising available ASB tools and powers	Establish a procedure to implement the new ASB Policy and to train teams accordingly	Oct 20	BH / HK	Additional training and support for use of ASB Tools & Powers available via an ASB consultancy network funded by Comm Safety Team. Further training and support to be provided now the new N&T team are in place. HK: Also developed PEG process for ASB which feeds into monthly partnership meetings – ASB training and development being delivered to all officers
Work with partners, schools & communities to reduce crime & the fear of crime	Env Services to support Community Safety/Housing etc in addressing issues relating to crime/disorder/ASB by managing the built environment and soft landscaping appropriately.	Review capital programme for potential future capital investment for improvements.	Ongoing	GR CW DK	A £25K capital hedge and shrub removal project was undertaken earlier this year. ENV Services is supporting Community Safety in the delivery of the Safer Streets project which is enabled by external capital funding. £430k Safer Streets 2 – Community Safety funding from the Home Office will provide significant capital investment in Woodrow to

	Ensure effective Parking Enforcement, via the SLA with Wychavon, covering both On and Off-Street contraventions.	Continue working with County Highways, Police & Schools.	Ongoing	GR KH	improve physical and environmental issues facilitating crime, disorder and ASB Continue to work closely with Wychavon to ensure effective enforcement is carried out within the borough.
	Through the Community Safety Respect Schools Programme, continue to work with partners and provide additional support for young people affected by the impact of Covid 19	Identify funding opportunities to sustain and continue to deliver the Respect Programme	Jan 2021	BH	£83k Additional Containment Outbreak Management Fund (COMF) allocation secured to expand Respect programme and other enhanced youth support projects in Redditch
	Establish & maintain regular partnership meetings to discuss at risk tenants including police and mental health.	Develop an ASB case management system & improvement performance management. Deliver a structure with smaller patch sizes for Neighbourhood Officers to increase visibility and stake holder on local neighbourhoods.	Dec 2020	HK	In progress as part of the new structure and associated service improvement plans. A PEG process has been developed for ASB which feeds into monthly partnership meetings
Review services to understand how we can adapt to address the implications of climate change	To consider the impact of Covid 19 on this commitment	Review the priorities for Climate Change across the Borough	Dec 2020	SH, GR JW	Formal inclusion of aims and actions being built into the review of the Council Plan. Heads of Service working with Lead Members and Working Groups to develop priority action plans. Training and awareness raising sessions ongoing for officers and Members.
		Review of technologies, innovation and funding	Dec 2020	GR JW	

<p>Improve targeted environmental enforcement</p>	<p>Define Council priorities regarding environmental enforcement, and then review existing arrangements and alternative models available either through partnership with adjacent LA's, or Private Sector as a commercial arrangement.</p> <p>Identify effective responses to environmental crime activity to identify perpetrators and take appropriate enforcement action to reduce/ prevent further offences, utilising available ASB tools and powers.</p>	<p>Review enforcement arrangements and impact of Covid 19, e.g. on fly tipping, and new resources/new model of working may be required. Review of council enforcement arrangements, across priority areas.</p>	<p>April 2021</p>	<p>SH</p> <p>GR JW</p> <p>RB</p>	<p>Internal review undertaken. Ongoing dialogue with Worcs Regulatory Services. Support and expertise sourced from Wyre Forest Enforcement Team.</p> <p>Training, support and advice around the use of the 2014 ASB Tools & Powers is available via Community Safety and their membership of a national ASB consultancy network which is open to all service area with enforcement responsibilities. Possible alternative for delivery of Env Enforcement is currently being explored with WRS</p> <p>Further resource has been allocated to the Planning Services Enforcement function and WRS has been engaged to assist with monitoring as required. Although there is a heavy case load there are currently no environmental crime cases within Planning Services.</p>
<p>Understand the different needs of our local areas in</p>	<p>Fully utilise demand data to understand local/community needs and priorities enabling a continuous</p>	<p>To procure and implement new Environmental Services IT system</p>	<p>Sept 2021</p>	<p>GR CW</p>	<p>The new Abavus system is currently being developed with an anticipated go live date of November 2021 for Bulky</p>

<p>order to keep them clean & tidy</p>	<p>review of resource requirements and to develop suitable work programmes.</p> <p>Deliver a structure with smaller patch sizes for Neighbourhood Officers to increase visibility and stake holding on local neighbourhoods.</p> <p>Work with capital and programmes / environment teams to deliver a comprehensive neighbourhood management service with full regard to maintenance services and health and safety</p>	<p>Additional resources may be required to address ASB reports that do not fit into specific service areas enforcement remit.</p> <p>Implement service charging to maximise the income streams to HRA</p>	<p>Dec 2020</p> <p>Dec 2020</p>	<p>JW HK</p> <p>HK</p>	<p>collections, Place work will go live in Dec 21/Jan22 and Waste is planned for go live in Mar/Apr 22</p> <p>In progress as part of the new structure and associated service improvement plans.</p> <p>Working with Simon Parry and our new Neighbourhood and Tenancy Manager to deliver the comprehensive neighbourhood management services and on health and safety aspect.</p>
<p>Explore the options to reduce residual waste, increase recycling & maximise the efficiency of waste collection services</p>	<p>Campaign to increase recycling quality and quantities with residents but suspended due to staffing pressures and Lockdown pressures for residents related to Coronavirus.</p>	<p>Restart recycling quality project from Sept 2020 with direct mail to households in targeted areas</p>	<p>Ongoing</p>	<p>MA AM</p>	<p>Domestic recycling campaign waiting on greater security of staffing as Covid still high risk to service delivery. We have been actively involved with the Environment Bill consultations, which will introduce significant changes to Waste collection, and will link future education and messaging with that once the government response and regulations come out later this year. There will be a Countywide campaign and joint approach to this starting later this financial year</p>

Corporate Priorities

Original Council Plan Commitments	Recovery & Restoration Issues and Actions	New or Modified Actions (what we will do...who with/partners)	By when	Owner	Update
Financial Sustainability	Produce & deliver sustainable financial plans	Development of General Fund 4-year plan to ensure financial impact of Covid assessed.	Feb 2021	CFor	This was done in terms of the MTFP being set at both councils and will be updated as part of the 22/23 Budget setting. 'Project Finance and Resources' includes plans to strengthen the Finance Team and financial management arrangements. Restructure of team completed and first phase of recruitment completed (Dec 2021).
		<ul style="list-style-type: none"> • Clarify impact of Covid • Assess prior year underspends • Review Capital Programme • Identify savings plans • Review fees and charges 	Oct 2020 Oct 2020 Jan 2021 Nov2020 Dec2020		
		Work with managers to better understand budget implications	Sept 2020		
		Recruit additional technical capacity within the finance team	Aug 2020		
		Restructure of financial services team	Dec 2020		
	Improved commerciality: maximising every opportunity to generate income, including review of fees & charges	Ensure that all Housing chargeable work and service charges are billed for.	Dec 2020	HK IR JS	This has been delayed to 2022 – due to Civica Cx Project Plan needing to be changed in light of COVID- recruitment to Charging Officer post will not take place now until 2022 A review of the Policy and processes for recharges is being undertaken. Similarly, the Leaseholder Policy has been drafted with associated processes and

	Review services currently delivered to determine if they offer VFM, and if not and not legally required then consider discontinuing.	<p>Review of fees and charges</p> <p>Maximising income from more commercial services, such as Lifeline, trade waste</p> <p>Work with Members to understand priority services and assess those that are not as a priority against benchmarking to fully understand value for money and associated costs</p>	Sept 2020	CFor	<p>documentation being completed</p> <p>Fees and charges reviewed each year</p> <p>Undertaken as part of MTFP setting</p>
	Undertake effective contract management	<p>Ensure that the Asprey IT asset management system, contract module is fully implemented to ensure effective contract management</p> <p>Continue to work through corporate training and development programme. Work internally to maximise efficiency and economy of scale.</p> <p>Develop comprehensive contracts register and effective contacts management through new finance system</p> <p>Targeted and bespoke departmental training and development</p>	<p>Mar 2021</p> <p>Mar 2021</p> <p>Mar 2021</p> <p>Mar 2021</p>	<p>SP</p> <p>SP</p> <p>CFe</p> <p>CFe</p>	<p>Estate pro the Stock Condition Database has been implemented. Further modules covering Asbestos Servicing and Inspection and Planned Contracts are scheduled for implementation too.</p> <p>A skills audit of posts and people has been completed to develop a training programme for the teams.</p> <p>Work continues to align contracts with new tech on system and actual spend. Final plea to HOS to ensure all spend is identified within the context of a contract and that the contracts are logged and registered with</p>

		Social responsibility policy with focus on local suppliers	Mar 2021	CFe	Carmen. Slow progress to date. We have completed the first part of this process and work closely with local suppliers to ensure that they understand the way to engage with frameworks and tendering process. Carmen working on updating the website to provide clear enabling instructions to businesses. The longer term objective to support a social responsibility policy will require investment and resources
	Manage our assets to get the best outcomes for our residents	Ensure that data validation of the stock condition survey is completed and to inform the 30-year business plan.	Mar 2021	SP	This forms part of the ongoing discussions to review the 30-year business plan.
		Determine non-performing stock which may require alternative solutions like demolition or remodelling.	Mar 2021	SP	Modelling of the effectiveness and performance of stock is ongoing
		Review use of buildings, facilities and assets	Mar 2021	CMT	
		Develop comprehensive assets management strategy and in line with the Council Plan	Mar 2021	CFe	Asset register work continues. HOS to supply list of managed assets.
	Review resource within property services to enable additional support to	Mar 2021	CFe	Interim Finance Officer working to align lists in	

		be secured to develop an asset management strategy for the future			readiness for final accounting process
	Make financially viable strategic acquisitions & investments	Assess all opportunities against the financial modelling we have in place	Ongoing	CFor	Focus has shifted to delivering the circa £15m Towns Fund programme. 22/23 Capital Budget to be updated accordingly.
	Undertake a self-assessment against CIPFA's new Financial Management Code (CPC)	Undertake the self-assessment online	Feb 2021	CFor	To be completed once new team in place.
	Encourage all levels of the organisation to articulate their role clearly and succinctly in delivering financial sustainability (CPC)	Workshops and training on the new ERP system Restructure in the financial services team	Feb 2021 Dec 2020	CFor	Workshops completed, however identified that refreshers are needed. Currently planning content. Restructure completed.
Sustainability	Review alternative delivery models.	Will be outlined in Service Business Plans. Assess business plans future models to enable overall council model to be established	Nov 2020	SMT CMT	Completed. Business service plans considered and endorsed for all areas by CMT including FOM proposals. Programmed review and updates quarterly to CMT. Corporate FOM debated and endorsed.
	Exploit digital technologies, enabling more automation of services through the implementation of the Digital and Customer Strategy to ensure both technology and process change. (CPC)	Develop a delivery action plan for the Digital Strategies.	Oct 2020	DP MH	The action plan has been delayed due to the work needed to implement remote working during the pandemic. The change to remote working fulfils part of the new way of working outlined in the strategy. The completion date will now be Jan 2022.

	Invest in leadership development to reinforce culture change and lay foundations for the future. ILM programme will be started later in 2020 (CPC)	Start the ILM programme later in 2020 Ensure the Apprenticeship Levy is used to cover training costs. Ensure the first cohort focuses on 5 th tier level employees.	Oct 2020	DP BT	Completed Completed Completed
	Utilise external commercial expertise to ensure delivery of agreed priorities (CPC)	Ongoing support via remote working/virtual meeting	Ongoing	GR DP	Completed
	Review key risks on the Corporate Risk Register	Regular review of the added Covid risk – financial and service	Oct 2020	CFor	Completed. Currently undertaking another review with support from Nicola Parry and Zurich.
	Review alternative delivery models	Following development of the business plans assess the new model for the council	Jan 2021	CMT	This is being considered as part of the FOM along with input from CMT.
Review Resources and Services	Review services to understand how we can adapt to climate change	A review of priorities and actions based on service plan proposals.	As above	As above	This is being considered as part of the FOM along with input from CMT.
	Prioritise clearly and resource accordingly (CPC)	Review post Covid	Feb 2021	SMT CMT	Executive Session undertaken and review of Council Plan in progress.
	Ensure that budget manager engagement and ownership is invested in to make self-service a success (CPC)	Workshops and training on the new ERP system Restructure in the financial services team	March 2022	CFor	Initial training delivered to budget managers. Further training required. Recruitment to finance team underway.
	Workforce planning – employee skills, gap analysis, workforce profile, succession planning etc	Create a workforce strategy in light of the ‘new normal’ after the Covid crisis. To consider the impact of remote/agile working on employee numbers/skills.	Dec 2020	DP BT	Data analysis for the current workforce profile has been completed. The skills matrix continues to be used across the organisation to identify employee skills.

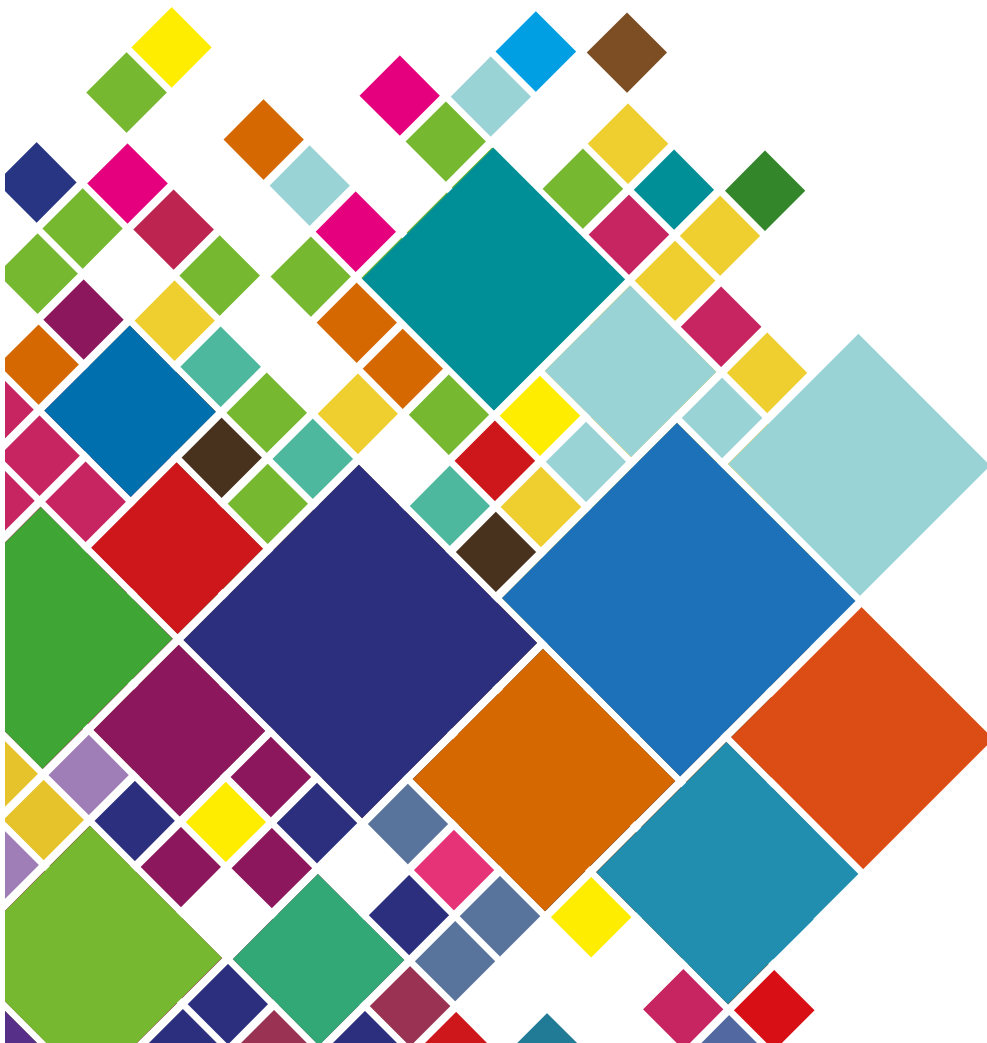
		Develop improved management information for services through a renewed corporate dashboard.	July 2022	DP BG	Development is ongoing. Demo's of the beta site have been carried out to CMT. A data gathering exercise has been completed with Heads of Service to establish data needs. The new date for completion is November 2022.
	Support workforce recovery and transition to 'new normal'	<p>Determine what 'new normal' means and understand what policy changes will be needed to support new ways of working.</p> <ul style="list-style-type: none"> • Deliver a remote working policy. • Arrange management training to develop skills for remote working and performance management. • Review working arrangements of whole organisation. • Explore flexible work arrangements. 	<p>Dec 2020</p> <p>May 2021</p>	<p>DP BT</p> <p>DP BT</p>	<p>Working from home surveys have been carried out with employees and managers to determine how services can work more flexibly in future.</p> <p>A first draft Agile Working Policy has been developed for consideration by CMT. A project and implementation action plan is being developed.</p>
	<p>Capture lessons learned/details from surveys in order to assess impact of remote working.</p> <p>Review appetite for agile working post-crisis</p>	<p>Analyse data and pass this out to service areas.</p> <p>Services to use the data to determine what their service reviews may look like. To include the future operating model, agile working etc</p>	<p>Sept 2020</p> <p>Feb 2021</p>	<p>DP BT</p> <p>SMT CMT</p>	<p>Completed</p> <p>Completed</p>
	Review HR&OD Strategy to ensure recognition and reward are encompassed within it.	Link the strategy to the business planning cycle, development of 'new normal' and workforce planning.	Dec 2020	DP BT	The strategy will be reviewed after the Agile Working Policy is in place as this will impact on the

					organisations future HR needs. Jan 22
Review the Council Plan	Review the delivery of priorities in light of the impact of the pandemic.	Review during 2021 for the next 3 years to link in with the MTFP	April 2021	CMT	Completed Review undertaken with Executive. Council Plan review in progress.
Community Leadership	Explore the development of "Deal" approaches (based on the concepts / principles of the Wigan Deal).	Consider the legacy of the Covid volunteers and how they and the VCS organisations can support the "Deal" approach in terms of community assets.	Aug/ Sept 2020	HoS/ 4th Tier Managers/L SP Managers/ Policy Team	The Deal Approach has been replaced with Asset Based Community Development (ABCD) approach which will continue to help address growing health inequalities and ensure community leadership.
	Continue to work with the support networks (Support Redditch and Support Bromsgrove) and partnerships to underpin future economic and community recovery (CPC)	Undertake / co-ordinate work across Council departments and with partner organisations to create a better understanding of our most vulnerable and in need residents. Bring together data and information the Council and partners hold about vulnerable residents which can be utilised to target future resources, support, and opportunities to those most in need in our communities. This data to also be used for future planning and response in emergencies e.g. any future waves of the Covid-19 pandemic.	Sept 2020	4th Tier Managers/L SP Managers/ Policy Team	The ABCD approach has been strengthened by working with partners to: (a) appoint community builders who can in turn create and support a network of street connectors; and (b) embed the approach by supporting the delivery of ABCD training. Data relating to vulnerable people is being collated to better understand what services we offer to this group of people in our communities.
		To deliver the three consortium based projects : 1. Reimagine Redditch Consortium bid to Creative People & Places	RYPF: End Oct 20	JC	The Reimagine Redditch bid to ACE Creative People

		<p>Arts Council England fund (£1.5m) post covid recovery</p> <p>2. Redditch Youth Providers Forum projects provided through £10k covid recovery fund</p> <p>3. Delivery of consortium based approach to deliver contract with Greater Birmingham and Solihull LEP Cultural Capacity Development Fund (CCDF)</p>	<p>ACE fund tbc</p> <p>CCDF: End of March 2021</p>		<p>and Places was successful in being invited to interview with ACE in late October. We will now need to wait until December to hear if we have been successful with our bid for Redditch.</p>
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2020 - 2024

Redditch Borough Council Plan



REDDITCH BOROUGH COUNCIL

*making
a
difference*

www.redditchbc.gov.uk



This Council Plan sets out Redditch Borough Council's priorities and actions for the next four years, guided by our five strategic purposes. It will help us to focus on the issues that are most important for the Borough and our communities.

Like many Councils, we have had financial challenges to face and going forward we will tackle these challenges head on. We are not afraid to make the difficult decisions required to provide residents with the services they need whilst focusing on robust financial planning for the future.

There is also a 'green thread' throughout this Council Plan; we are committed to addressing our environmental and climate impact and making sustainability central to how we work as a Council.

Our vision for Redditch Borough Council is to enrich the lives and aspirations of all our residents, businesses and visitors through the provision of efficiently run and high quality services, ensuring that all in need receive appropriate help, support and opportunities. We take great pride in our Borough and the communities that make it what it is. We are determined to deliver on the vision, providing services that have a positive impact for our residents and long-term benefits for the Borough.

Cllr Matt Dormer,
Leader of Redditch Borough Council



Our vision is to enrich the lives and aspirations of our residents, businesses and visitors through the provision of efficiently run and high quality services, ensuring that all in need receive appropriate help, support and opportunities.

Strategic Purposes

Run & grow a successful business

Finding somewhere to live

Aspiration, work & financial independence

Living independent, active & healthy lives

Communities which are safe, well maintained & green

A green thread runs throughout our purposes & priorities

Community Priorities

Economic Development & Regeneration

- Supporting businesses to start and grow within the Borough
- Regenerating our Town and District Centres

Housing Growth

- Supporting the delivery of appropriate housing for the Borough

Skills

- Supporting young people to gain the skills they need
- Working with businesses to develop skills for the future

Improved Health & Wellbeing

- Working with partners, including Rubicon Leisure, to increase activity levels in the Borough

Community Safety & Anti-Social Behaviour

- Working with partners to reduce crime and target the causes of anti-social behaviour across the Borough

Organisational Priorities

Financial Stability

- Produce & deliver sustainable financial plans
- Improved commerciality; maximising every opportunity to generate income, including review of fees & charges
- Undertake effective contract management
- Manage our assets to get the best outcomes for our residents
- Make financially viable strategic acquisitions & investments

Sustainability

- Review alternative delivery models
- Exploit digital technologies, enabling more automation of services
- Review services to understand how we can adapt to climate change

High Quality Services

- Enable greater digital access to our services; allowing customers to do things online when they want to, 24/7
- Conduct regular engagement with our communities
- Ensure that all in need get the appropriate help and support

How will we deliver this plan?

Our Purposes & Priorities

Redditch Borough Council is committed to providing residents with effective and efficient services that understand and meet their needs. Through considering what really matters to our residents we have developed six strategic purposes, underpinned by five community priorities for the next four years. Working to these purposes will help us to understand the needs of the Borough and how, together with our partners, we can improve the lives of our residents and the prospects for Redditch Borough as a whole.

Our community priorities:

- Economic development & regeneration
- Skills
- Housing growth
- Improved health & wellbeing
- Community safety & anti-social behaviour

Our Principles



People are the reason our organisation exists and so are at the centre of everything we do. *People* refers to our residents, staff, council members and partners, all of whom have importance in shaping the direction and values of our organisation.

To deliver this plan effectively we need to:

- Utilise and develop the skills of our staff
- Maintain and develop partnership working
- Understand and respond to our performance with a focus on continuous improvement

To ensure we focus on the right things for the organisation, we also have **3 organisational priorities**:

- Financial stability
- Sustainability
- High quality services

Our Finances

The actions in this plan will inform the annual budget setting agreed by full council, ensuring that available resources (both financial and staffing) are used to deliver the council's strategic purposes and priorities. Progress reports on finance and performance will be provided quarterly to Executive.

A financial summary can be found at the end of this Council Plan.

Our Challenges

- The financial challenge – we need to make £1.2m of savings in the next year –this will mean making some difficult decisions
- Potential further reduction in government funding
- Responding to national issues, such as the implications of Universal Credit or Brexit
- Continuing to safeguard those who are most vulnerable, and manage the increasing costs
- Managing risks
- The affordability of the local housing market
- Supporting businesses to develop and grow in the Borough
- Understanding the different community needs across the Borough
- The need for enhanced digital and physical connectivity



Community Priority: Economic Development & Regeneration

• Supporting businesses to start and grow within the Borough

We will:

- Consult businesses to understand current needs and growth plans, working with partners to support business growth

How we will measure it:

- Number of businesses engaged through consultation
- Number of existing businesses supported to grow and develop

• Regenerating our Town Centre

We will:

- Continue with the regeneration of the Town Centre, including the train station

How we will measure it:

- Progression of key town centre development sites

We will	How we will measure progress?
Develop an economic development strategy	<ul style="list-style-type: none"> • Number of VAT/PAYE registered businesses within the Borough • Number of new business start-ups • Total number of enquiries from inward investors / expanding SMEs • Number of businesses supported to understand & improve upon their environmental impact
Undertake a comprehensive review of all Council owned assets and assess all opportunities for investment privately in land and premises within the Borough with a particular focus on business centre and industrial estates	<ul style="list-style-type: none"> • % occupancy at business centres • Number of vacancies on existing employment sites and length of vacancy/turn around (by location/size)
Support development at the Redditch Eastern Gateway	<ul style="list-style-type: none"> • Map the progress of development • Number of businesses located on site (2021/22 onwards) • Number of jobs created (snapshot)
Strengthen the vibrancy & viability of our town & district centres	<ul style="list-style-type: none"> • Progression of district centres development sites • Increased engagement with arts & cultural opportunities in our town & district centres, including creative digital activities



Community Priority: Housing Growth

- Supporting the delivery of appropriate housing in the Borough

We will:

- Deliver a Housing Strategy for the Borough to address the housing needs now and in the future
- Use the Local Plan to drive development
- Use the Council’s Housing Growth Programme to increase affordable housing

How we will measure it:

- Affordability ratio of cost of houses in the Borough compared to income
- Number of house commitments & completions
- Progression of strategic housing sites
- Number of affordable homes (commitments & completions)
- Number of new Council homes (commitments & completions)

We will	How we will measure progress?
<p>Deliver the three year Housing Strategic Improvement Plan</p>	<ul style="list-style-type: none"> • Quarterly exception reporting on the actions/ measures in the improvement plan
<p>Support people to help prevent homelessness</p>	<ul style="list-style-type: none"> • Number of households accepted under the prevention duty • Number of households prevented from homeless through accessing the private rented sector • Number of households accepted under the relief duty • Number of homeless households accepted under the full housing duty • Number of households living in temporary accommodation
<p>Work with tenants across sectors to understand their needs</p>	<ul style="list-style-type: none"> • Number of people assisted by the Private Sector Housing Team • Number of cases assisted through formal enforcement action • Number of tenant involvement activities, including engagement around the tenant’s handbook & the recharge policy
<p>Work with developers to deliver more homes utilising renewable technologies</p>	<ul style="list-style-type: none"> • Improved energy efficiency

Aspiration, work & financial independence



Community Priority: Skills

- Supporting young people to gain the skills they need

We will:

- Support schools & HOW College to link students to local employers

How we will measure it:

- Number of people who live & work in the Borough
- Wages for those who live & work in the Borough

- Working with businesses to develop skills for the future

We will:

- Undertake a skills audit with partners & work together with them to address any gaps
- Develop a Redditch Business Leaders Group to focus on skills development

How we will measure it:

- Number of businesses engaged through the skills audit

We will	How we will measure progress?
<p>Work with businesses to utilise the apprenticeship levy & increase the number of apprenticeships</p>	<ul style="list-style-type: none"> • Number of apprenticeships started in the Borough • Number of apprenticeships completed in the Borough • Number of apprentices undertaking courses in the Borough
<p>Support residents to manage their finances, including working with schools on money management</p>	<ul style="list-style-type: none"> • Number of people supported by Financial Independence Team • Feedback on support from Financial Independence Team • Feedback from students in relation to money management • Reduction in Essential Living Fund payments • Number of people in fuel poverty supported by the Energy Advice Service • Number of Redditch Energy Efficiency grants accessed
<p>Ensure people get the benefits they need</p>	<ul style="list-style-type: none"> • Number of benefits claims processed & accuracy • Number of people helped to access the right benefits by the Financial Independence Team • Reduction in the emergency Essential Living Fund payments • Reduction in the emergency Discretionary Housing payments

■ = Green thread

Living independent, active & healthy lives



Community Priority: Improved health & wellbeing

- Working with partners, including Rubicon Leisure, to increase activity levels in the Borough

We will:

- Support targeted activities for healthy lifestyles

How we will measure it:

- Number of people who access targeted activities
- % of physically active adults
- Number of children & young people accessing sports development sessions

We will	How we will measure progress?
<p>Work with partners to enable targeted activities & initiatives to support mental wellbeing</p>	<ul style="list-style-type: none"> • Number of social prescriptions for mental wellbeing support • Number of staff engaging with 'Time to Talk' events • Depression: recorded prevalence
<p>Support improved access to services that reduce social isolation (including Lifeline)</p>	<ul style="list-style-type: none"> • Number of Lifeline users • Number of Disabled Facilities Grants (DFGs) approved • Number of Dementia Dwelling Grants approved • Number of people using Dial A Ride
<p>Work with partners to address smoking & substance misuse levels in the Borough</p>	<ul style="list-style-type: none"> • % of smokers in the Borough • Number of alcohol related hospital admissions
<p>Develop a parks & open spaces strategy (Including increased physical activity & cycling)</p>	<ul style="list-style-type: none"> • Number of activities using parks as a venue • Feedback from events held in parks & open spaces

Communities which are safe, well maintained & green



Community Priority: Community Safety & Anti-Social Behaviour

- Working with partners to reduce crime and target the causes of anti-social behaviour across the Borough

We will:

- Ensure the Community Safety Partnership action plan is delivered
- Support targeted initiatives to reduce anti-social behaviour

How we will measure it:

- Crime rate per 1000 population
- Number of anti-social behaviour reports

We will	How we will measure progress?
<p>Work with partners to address our communities' crime and disorder concerns, ASB issues and the fear of crime</p>	<ul style="list-style-type: none"> • Number of people assisted by the Community Safety Team • Number of young people engaging in community safety sessions • Monitor use of ASB tools and powers • Monitor use of CCTV in the detection and prevention of crime
<p>Understand the needs of our local areas in order to keep them clean & tidy</p>	<ul style="list-style-type: none"> • Level of demand for environmental services in each area • Level of community participation in environmental activities (e.g. adopt an area; litter picks)
<p>Explore the options to reduce residual waste, increase recycling & maximise the efficiency of waste collection services</p>	<ul style="list-style-type: none"> • Total residual waste • Total amount recycled • Number of bulky waste collections

	2019-20 £000	2020-21 £000	2021-22 £000	2022-23 £000
Departmental Base Budget	9,116	9,173	9,387	9,388
Incremental progression/Inflation on Utilities	132	206	281	483
Unavoidable Pressures	373	287	227	255
Revenue Bids/Revenue Impact of Capital Bids	193	173	165	165
Savings and Additional Income	- 1,127	- 841	- 846	- 816
Reserve Release	- 262	0	0	0
Efficiency Savings Rolled Forwards	1,117	1,271	1,282	1,282
Net Revenue Budget Requirement	9,543	10,269	10,496	10,757
FINANCING				
Contribution to Worcestershire County Business Rate Pool	- 2,855	- 2,899	- 2,941	- 2,986
Council Tax	- 6,241	- 6,524	- 6,857	- 7,178
New Homes Bonus	- 754	- 430	- 231	- 209
Collection Fund Surplus (Council Tax)	- 14	0	0	0
Parish Precept	8	8	8	8
Parish Precept Income	- 8	- 8	- 8	- 8
Bad Debt Provision	50	50	50	50
Investment Income	- 661	- 952	- 1,349	- 1,673
MRP (Principal)	1,004	1,159	1,249	1,610
Interest Payable	158	584	1,002	1,237
Recharge to Capital Programme	- 38	- 38	- 38	- 38
Discount on Advanced Pension Payment	- 193	- 50	- 50	- 50
Funding Total	- 9,543	- 9,099	- 9,164	- 9,237
Current gap	0	1,170	1,332	1,521

Accessibility statement

If you need this information in another language or format, please contact us to discuss how we can best meet your needs.

Email: equalities@bromsgroveandredditch.gov.uk
or phone: 01527 548284

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Audit, Governance & Standards Committee

Thursday, 14 April 2022

MINUTES

Present:

Councillor Juliet Brunner (Vice-Chair) and Councillors Salman Akbar, Tom Baker-Price, Luke Court, Julian Grubb, Emma Marshall and Timothy Pearman

Officers:

Peter Carpenter, Clare Flanagan and James Howse

Senior Democratic Services Officer:

Jo Gresham

48. CAPITAL STRATEGY 2022/23 INCORPORATING THE TREASURY MANAGEMENT STRATEGY

The Executive Director of Resources introduced the Capital Strategy 2022/23 incorporating the Treasury Management Strategy and stated that this was a highly technical report for Members to consider and included borrowing requirements and investments and risks involved.

The Interim Head of Finance and Customer Services (Deputy S151) provided Members with the following broad headlines from the report for Members' information:

- It was a statutory requirement to set the Treasury Management Strategy each financial year and have at least a half yearly update and outturn report. The Council would report progress on a quarterly basis as part of the Quarterly Monitoring Report.
- The Prudential Indicators in Table 6 of Appendix A provided information on the projected levels of the Council's gross

.....
Chair

Audit, Governance & Standards Committee

Thursday, 14 April 2022

debt compared with the Capital Financing Requirement (CFR).

- The Treasury Management Strategy at Appendix B which highlighted how the Authority would invest in the future.
- All future investments would be assessed rigorously through corporate governance led by the Council's Executive Director of Resources in consultation with the Corporate Management Team. Ensuring that a robust framework was in place, as outlined within the report, which would result in mitigating any risks to potential future investments.

RECOMMEND that

- (i) the Capital Strategy as an appropriate overarching strategy for the Council be approved;**
- (ii) the Treasury Management Strategy for 2022/23 and the associated MRP policy be approved;**
- (iii) the policy for Flexible use of Capital Receipts be approved;**
- (iv) the Investment Strategy be approved.**

The Meeting commenced at 7.00 pm
and closed at 9.21 pm

REDDITCH BOROUGH COUNCIL**AUDIT, GOVERNANCE AND STANDARDS COMMITTEE**14th April 2022**Capital Strategy 2022/23 incorporating the Treasury
Management Strategy**

Relevant Portfolio Holder	Councillor Mike Rouse Portfolio Holder for Finance and Enabling
Portfolio Holder Consulted	Yes
Relevant Head of Service	Peter Carpenter
Wards Affected	ALL
Non-Key Decision	

1. SUMMARY

This report for 2022/23 presents the Capital strategy, Treasury Management Strategy, Minimum Revenue Provision Statement, a policy for use of flexible Capital receipts and the Investment Strategy for 2022/23 to be considered for recommendation to Council.

2. RECOMMENDATIONS

Audit, Governance and Standards Committee are asked to RECOMMEND TO COUNCIL that

- i) the Capital Strategy (Appendix A) as an appropriate overarching strategy for the Council be approved**
- ii) the Treasury Management Strategy for 2020/21 (Appendix B) and the associated MRP policy (Appendix C) be approved**
- iii) the policy for Flexible use of Capital Receipts as per appendix D be approved**
- iv) the Investment Strategy (Appendix E) be approved**

3. KEY ISSUES**Financial Implications**

- 3.1 The report for 2020/21 is required following changes in the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Department of Levelling UP Communities and Housing (DLUCH) guidance. It combines an overview of how capital expenditure, capital financing, treasury and other investment activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. The strategies set limits and indicators that embody the risk management approach that the Council believes to be prudent. The strategies are set against the mid-term financial strategy, the context of the UK economy and projected interest rates.

REDDITCH BOROUGH COUNCIL**AUDIT, GOVERNANCE AND STANDARDS COMMITTEE****14th April 2022**

The Council are required to set a balanced operating budget. The role of the treasury function is to manage cash flow within the authority so that the demands of expenditure can be met. The policies included in this report set out the criteria in which the Council can manage its Treasury management function.

The CIPFA Code of Practice for Treasury Management in Public services (the CIPFA TM Code) and the Prudential Code require local authorities to set the Treasury Management Strategy Statement (TMSS) and Prudential Indicators each financial year. The TMSS also incorporates the Investment Strategy as required under the CLG's Investment Guidance. In addition the Council has to receive a report on treasury management and this is reported on a quarterly basis which is included within the Quarterly Monitoring Report.

3.2 CIPFA has defined Treasury Management as:

“the management of the organisation’s investments, cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

3.3 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Treasury management risks are identified in the Council's approved Treasury Management Practices and include:

- Liquidity Risk (Adequate cash resources)
- Market or Interest Rate Risk (Fluctuations in the value of investments)
- Inflation Risks (Exposure to inflation)
- Credit and Counterparty Risk (Security of Investments)
- Refinancing Risks (Impact of debt maturing in future years)
- Legal & Regulatory Risk (Compliance with statutory and regulatory requirements)

3.4 The guidance requires investment strategies to comment on the use of treasury management consultants and on the investment of money borrowed in advance of spending needs.

3.5 In formulating the Treasury Management Strategy and the setting of the Prudential Indicators, the Council adopts the Treasury Management Framework and Policy recommended by CIPFA.

3.6 The Council's 2020/21 accounts have not been formally approved and audited at the time of writing. Entries marked as “actual 2020/21” are therefore pre audited estimates. Following accounts closedown and audit, the Strategies will be updated if required, although this is not anticipated.

REDDITCH BOROUGH COUNCIL**AUDIT, GOVERNANCE AND STANDARDS COMMITTEE**14th April 2022**Legal Implications**

3.7 This is a statutory report under the Local Government Act 2003.

Service/Operational Implications

3.8 None as a direct result of this report, service requirements which form the Capital Programme are the base data for this report.

Customer / Equalities and Diversity Implications

3.9 None as a direct result of this report.

4. RISK MANAGEMENT

Failure to manage the Treasury Management function effectively to ensure the delivery of maximum return within a secure environment.

Controls in place to mitigate these risks are as follows:

- Regular monitoring of the status of the organisations we invest with
- Daily monitoring by internal officers of banking arrangements and cash flow implications.

5. APPENDENCES

Appendix A – Capital Strategy 2022/23

Appendix B – Treasury Management Strategy 2022/23

Appendix C – Minimum Revenue Provision Statement 2022/23

Appendix D – Policy for the Flexible Use of Capital receipts

Appendix E – Investment Strategy 2022/23

AUTHOR OF REPORT

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Appendix A - Redditch Capital Strategy Report 2022/23

Introduction

This capital strategy report gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It has been written in an accessible style to enhance members' understanding of these sometimes technical areas.

Decisions made this year on capital and treasury management will have financial consequences for the Authority for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

Capital Expenditure and Financing

Capital expenditure is where the Authority spends money on assets, such as property or vehicles, that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Authority has some limited discretion on what counts as capital expenditure.

In 2022/23, the Authority is planning capital expenditure of £20.5m as summarised below:

Table 1: Prudential Indicator: Estimates of Capital Expenditure in £ millions

	2020/21 actual	2021/22 forecast	2022/23 budget	2023/24 budget	2024/25 budget
General Fund services	6.3	8.8	4.3	2.4	1.9
Council housing (HRA)	10.7	7.3	14.2	12.6	12.6
Regeneration Schemes	0.6	2.2	2.0	4.0	8.7
TOTAL	17.6	18.3	20.5	19.0	23.2

The main General Fund capital projects delivered over the 3 year Medium Term Financial Strategy (MTFS) period include the fleet replacement programme which totals £3.3m across the budget period, implementing the Disabled Facilities and associated Grants £2.5m. Capital Investments are the successful Town Funds Regeneration bid which will over of £16m.

The Housing Revenue Account (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately.

Governance: Service managers bid annually in November to include projects in the Authority's capital programme. Bids are collated by finance who calculate the financing cost (which can be nil if the project is fully externally financed). The final capital programme is then presented to Executive and Council in February each year.

- For full details of the Authority's capital programme, including the project appraisals undertaken, see the MTFs published on the 16th February 2022.

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Authority's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Table 2: Capital financing in £ millions

	2020/21 actual	2021/22 forecast	2022/23 budget	2023/24 budget	2024/25 budget
External sources	0.8	1.2	3.4	5.7	10.4
Own resources	16.8	17.1	12.8	10.9	10.9
Debt	0	0	4.3	2.4	1.9
TOTAL	17.6	18.3	20.5	19	23.2

Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP) or by taking out new borrowing. Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. Planned MRP and use of capital receipts are as follows:

Table 3: Replacement of debt finance in £ millions

	2020/21 actual	2021/22 forecast	2022/23 budget	2023/24 budget	2024/25 budget
Own resources	0.9	1.0	0.9	0	0

The Authority's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The CFR is expected to increase by £3.2m during 2022/23. Based on the above figures for expenditure and financing, the Authority's estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement in £ millions

	31.3.2021 actual	31.3.2022 forecast	31.3.2023 budget	31.3.2024 budget	31.3.2025 budget
General Fund services/HRA	139.1	136.8	140.1	141.4	142.2
Regeneration Schemes	1.5	2.7	2.7	2.6	2.6
TOTAL CFR	140.6	139.5	142.8	144.0	144.8

Asset disposals: When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. The Authority is currently also permitted to spend capital receipts on service transformation projects until 2022/23. Appendix D sets out that capital receipts are not required for this purpose in 2022/23. Repayments of capital grants, loans and investments also generate capital receipts.

Treasury Management

Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Authority's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Authority at the moment is cash rich in the short-term as revenue income is received before it is spent, and in the long-term as capital expenditure incurred has been financed internally and not through debt financing. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

The Authority currently has £104m of long term external borrowing and £34m in treasury investments at an average rate of 0.11%.

Borrowing strategy: The Authority's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Authority therefore seeks to strike a balance between cheap short-term loans (currently available at around 0.10%) and long-term fixed rate loans where the future cost is known but higher (currently 1.5 to 2.5%), and the use of internal resources.

Projected levels of the Authority's total outstanding debt (which comprises borrowing, PFI liabilities, leases and transferred debt) are shown below, compared with the capital financing requirement (see above).

Table 6: Prudential Indicator: Gross Debt and the Capital Financing Requirement in £ millions

	31.3.2021 actual	31.3.2022 forecast	31.3.2023 budget	31.3.2024 budget	31.3.2025 budget
Debt (incl. PFI & leases)	126.5	127.9	130.5	132.7	134.6
Capital Financing Requirement	140.6	139.5	142.8	144.0	144.8

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the Authority expects to comply with this in the medium term.

Liability benchmark: To compare the Authority's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes that cash and investment balances are kept to a minimum level of £0.2m at each year-end. This benchmark is currently £112.9m and is forecast to rise to £122.1m over the next three years.

Table 7: Borrowing and the Liability Benchmark in £ millions

	31.3.2021 actual	31.3.2022 forecast	31.3.2023 forecast	31.3.2024 forecast	31.3.2025 forecast
Forecast external borrowing	126.5	127.9	130.5	132.7	134.6
Liability benchmark	115.7	112.9	118.1	120.3	122.1

The table shows that the Authority expects to remain borrowed above its liability benchmark. This is because cash outflows to date have been below the assumptions made when the loans were borrowed.

Affordable borrowing limit: The Authority is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit.

Table 8: Prudential Indicators: Authorised limit and operational boundary for external debt in £m

	2021/22 limit	2022/23 limit	2023/24 limit	2024/25 limit

Authorised limit – borrowing	170.0	175.0	180.0	185.0
Authorised limit – PFI and leases	1.5	1.5	1.5	1.5
Authorised limit – total external debt	171.5	176.5	181.5	185.5
Operational boundary – borrowing	160.0	165.0	170.0	175
Operational boundary – PFI and leases	1.5	1.5	1.5	1.5
Operational boundary – total external debt	161.5	166.5	171.5	176.5

The Authorised Limit must not be breached with a combination of long and short term financing – if they are Full Council needs to be informed. The Operational Boundary can be breached but only for short periods. Councils must set these boundaries taking into account long term financing requirements and short term borrowing requirements due to cash flow requirements.

Treasury investment strategy: Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

The Authority’s policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Authority may request its money back at short notice.

Table 9: Treasury management investments in £millions

	31.3.2021 actual	31.3.2022 forecast	31.3.2023 budget	31.3.2024 budget	31.3.2025 budget
Near-term investments	10.8	15.0	12.4	12.4	12.5
Longer-term investments	0	0	0	0	0
TOTAL	10.8	15.0	12.4	12.4	12.5

Further details on treasury investments are in the treasury management strategy which is Appendix B of these papers.

Risk management: The effective management and control of risk are prime objectives of the Authority's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses and details the extent to which financial derivatives may be used to manage treasury risks.

- Further details on treasury investments are in the treasury management strategy which is Appendix B of these papers.

Governance: Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Executive Director of Finance and staff, who must act in line with the treasury management strategy approved by council. Three Reports on Treasury Management activity will be made to Council the initial strategy, a half yearly update and an outturn report on treasury management activity. The Audit, Governance and Standards Committee is responsible for scrutinising treasury management decisions.

Investments for Service Purposes

The Authority may make investments to assist local public services, including potentially making loans to the Authority's subsidiaries that provide services. In light of the public service objective, the Authority is willing to take more risk than with treasury investments, however it still plans for such investments to at least break even after all costs.

Total investments for service purposes are currently valued at £4.3m for 22/23 and are set out in the Capital Programme.

Governance: Decisions on service investments are made by the relevant service manager in consultation with the Executive Director of Finance and must meet the criteria and limits laid down in the investment strategy. Most loans and shares are capital expenditure and purchases will therefore also be approved as part of the capital programme.

Commercial Activities

With central government financial support for local public services declining, and changes to the Capital Financing rules in 2021 in relation to the use of using debt to finance investment for return, Councils must ensure that commercial activities do not make investment primarily for yield. If this was the case it would mean that the Authority could not Public Works Loan Board debt instruments in the future, which are much more advantageous than private sector debt financing.

The Authority will invest in regeneration schemes such as Towns Fund programme but not for purely commercial reasons.

In 2019 the Council did invest in property at Oak Tree Park Offices. The biggest issue facing Redditch's office market is the obsolescence of existing stock. By investing in existing premises, the Council has control over the condition and quality of its assets and therefore contributes to a supply of offices that are fit for purpose and attractive to the end occupiers. Therefore although a return is made this investment is for regenerative purposes.

Governance: Decisions on commercial investments, including for Regeneration reasons, are made in line with the criteria and limits approved by council in the investment strategy. Property and most other commercial investments are also capital expenditure and decisions will therefore also be approved as part of the capital programme.

Liabilities

In addition to the debt detailed above, the Authority is committed to making future payments to cover its pension fund deficit which it does on a 3 yearly basis. The next payment will be in 2024 and will be circa £10m. It has also set aside £428k to cover risks of insurance, NNDR appeals £3,222k and employee benefits £128k.

Governance: Decisions on incurring new discretionary liabilities are taken by service managers in consultation with the Executive Director of Finance. The risk of liabilities crystallising and requiring payment is monitored by finance and reported as required.

Revenue Budget Implications

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

Table 10: Prudential Indicator: Proportion of financing costs to net revenue stream

	2021/22 forecast	2022/23 budget	2023/24 budget	2024/25 budget
Financing costs (£m)	1.1	1.1	1.1	1.2
Proportion of net revenue stream	10.05%	10.05%	10.34%	11.09%

- Further details on the revenue implications of capital expenditure are in the MTFS published on the 16th February 2022.

Sustainability: Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years into the future. The Executive Director of Finance is satisfied that the proposed capital programme is prudent, affordable and sustainable because of the current MTFP forecasts which show that the council is financially sustainable and taking it into account.

Knowledge and Skills

The Authority employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Executive Director of Finance and Head of Service are qualified accountants with significant experience. The Authority pays for junior staff to study towards relevant professional qualifications including CIPFA and AAT.

In line with best practice, the Council has expert external advisers that are specialists in their field. The Authority currently employs Arlingclose Limited as treasury management advisers, Britans & Knowles as property consultants and other as needed. This approach is more cost effective than employing such staff directly, and ensures that the Authority has access to knowledge and skills commensurate with its risk appetite.

Appendix B - Redditch Treasury Management Strategy Statement 2022/23

Introduction

Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Authority's prudent financial management.

Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.

Investments held for service purposes or for commercial profit are considered in a different report, the Investment Strategy.

External Context

Economic background: The ongoing impact on the UK from coronavirus, together with higher inflation, higher interest rates, and the country's trade position post-Brexit, will be major influences on the Authority's treasury management strategy for 2022/23.

The Bank of England's (BoE) increased Bank Rate to 0.25% in December 2021 and again in February 2022 to 0.5% and also announced a tailing down of its erstwhile Quantitative Easing programme. The Monetary Policy Committee (MPC) voted 5-4 to raise rates by 0.25% at the February meeting, the four dissenters had voted for an 0.5% rise at this meeting which means a very high likelihood of further rate rises in 2022.

At the time of the MPC meeting in November 2021, the economic uncertainty surrounding the Omicron variant of coronavirus was much more prevalent and the forecast for growth was depressed as a result. Since then, the uncertainty surrounding this variant had declined and the negative effects that it might have had on the global economy were shown to be less damaging and more short lived than previously expected. On the other hand, exceptionally strong demand for goods combined with supply chain disruptions and rising energy prices have weighed on activity throughout the early parts of Q1 2022.

In its February 2022 Monetary Policy Report the Bank of England noted 12-month CPI inflation for December was 5.4% which is 1% above the expectations set out in its previous Report in November 2021. Rising energy prices and core goods prices are the leading drivers of this inflation.

The MPC projects CPI inflation will continue its upward trajectory in the coming months to around 6% in February and March before peaking at 7.25% in April. The most recent labour market data for the three months to October 2021 showed the unemployment rate fell to 4.2% while the employment rate rose to 75.5%.

The most recent Labour Force Data for the period to November 2021 shows that the labour market continues to recover. The number of job vacancies in Q4 2021 rose to a new record of 1,247,000, and the unemployment rate fell to 4.1%.

Gross domestic product (GDP) grew by 1.3% in the third calendar quarter of 2021 according to the initial estimate, compared to a gain of 5.5% q/q in the previous quarter, with the annual rate slowing to 6.6% from 23.6%. Looking ahead, Q4 growth (data for which will be released in February) is expected to be soft.

According to a first estimation of annual growth for 2021, GDP increased by 5.2% in both the euro area and the EU. Core CPI inflation was 5.1% y/y in December. At these levels, inflation is above the European Central Bank's target of 'below, but close to 2%', putting some pressure on its long-term stance of holding its main interest rate of 0%.

The US economy expanded at an annualised rate of 6.9% in Q4 2021. CPI rose 7% in 2021, the largest 12-month increase since June 1982. In its December 2021 interest rate announcement, the Federal Reserve continue to maintain the Fed Funds rate at between 0% and 0.25% but outlined its plan to reduce its asset purchase programme earlier than previously stated and signalled they are in favour of tightening interest rates at a faster pace in 2022, with three 0.25% movements now expected.

Credit outlook: Since the start of 2021, relatively benign credit conditions have led to credit default swap (CDS) prices for the larger UK banks to remain low and had steadily edged down throughout the year up until mid-November when the emergence of Omicron has caused them to rise modestly. However, the generally improved economic outlook during 2021 helped bank profitability and reduced the level of impairments many had made as provisions for bad loans. However, the relatively recent removal of coronavirus-related business support measures by the government means the full impact on bank balance sheets may not be known for some time.

The improved economic picture during 2021 led the credit rating agencies to reflect this in their assessment of the outlook for the UK sovereign as well as several financial institutions, revising them from negative to stable and even making a handful of rating upgrades.

Looking ahead, while there is still the chance of bank losses from bad loans as government and central bank support is removed, the institutions on the Authority's counterparty list are well-capitalised and general credit conditions across the sector are expected to remain benign. Duration limits for counterparties on the Authority's lending list are under regular review and will continue to reflect economic conditions and the credit outlook.

Interest rate forecast: The Authority's treasury management adviser Arlingclose is forecasting that Bank Rate will continue to rise in 2022 to subdue inflationary pressures and the perceived desire by the BoE to move away from emergency levels of interest rates.

Investors continue to price in multiple rises in Bank Rate over the next forecast horizon, and Arlingclose believes that although interest rates will rise again, the increases will

not be to the extent predicted by financial markets. In the near-term, the risks around Arlingclose's central case are to the upside while over the medium-term the risks become more balanced.

Yields are expected to remain broadly at current levels over the medium-term, with the 5, 10 and 20 year gilt yields expected to average around 1.20%, 1.35%, and 1.55% respectively. The risks around for short and medium-term yields are initially to the upside but shifts lower later, while for long-term yields the risk is to the upside. However, as ever there will almost certainly be short-term volatility due to economic and political uncertainty and events.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at Appendix A.

For the purpose of setting the budget, it has been assumed that new treasury investments will be made at an average rate of 0.15% , and that new long-term loans will be borrowed at an average rate of 2.7%.

Local Context

On 23 March 2022, the Authority held £103.9m of borrowing and £34m of treasury investments. This is set out in further detail at **Appendix B**. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance sheet summary and forecast

	31.3.21	31.3.22	31.3.23	31.3.24	31.3.25
	Actual	Estimate	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
General Fund CFR	139.1	136.8	140.1	141.4	142.2
Investments CFR	1.5	2.7	2.7	2.6	2.6
Total CFR	140.6	139.5	142.8	144.0	144.8
Less: External borrowing **	124.1	124.1	124.1	124.1	124.1
Internal (over) borrowing	16.5	15.4	18.7	19.9	20.7
Less: Usable reserves	-20.2	-21.9	-20	-19	-18
Less: Working capital	-4.9	-4.9	-4.9	-4.9	-4.9
Treasury investments (or New borrowing)	-8.6	-11.4	-6.2	-4.0	-2.2

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing. The underlying availability of internal borrowing will be reduced over the period reflecting the use of the HRA capital reserve and capital receipts held on account and a reduction in HRA working balances to a minimum level of £0.6m in the medium term.

The Authority has an increasing CFR due to the capital programme and minimal investments and will therefore be required to borrow or use internal resources of up to £6.2m over the forecast period.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Authority expects to comply with this recommendation during 2022/23.

Liability benchmark: To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as table 1 above, but that cash and investment balances are kept to a minimum level of £0.2m at each year-end to maintain sufficient liquidity but minimise credit risk.

Table 2: Liability benchmark

	31.3.21 Actual £m	31.3.22 Estimate £m	31.3.23 Forecast £m	31.3.24 Forecast £m	31.3.25 Forecast £m
CFR	140.6	139.5	142.8	144.0	144.8
Less: Usable reserves	-20.2	-21.9	-20	-19	-18
Less: Working capital	-4.9	-4.9	-4.9	-4.9	-4.9
Plus: Minimum investments	0.2	0.2	0.2	0.2	0.2
Liability Benchmark	115.7	112.9	118.1	120.3	122.1

Following on from the medium-term forecasts in table 2 above, the long-term liability benchmark assumes capital expenditure funded by borrowing each year, minimum revenue provision on new capital expenditure based on a 50 year asset life and income, expenditure and reserves all increasing/decreasing in line with the MTFP.

Borrowing Strategy

The Authority currently holds circa £104 million of loans as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 1 shows that the Authority expects to borrow against internal resources in 2022/23. The Authority may however borrow to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing.

Objectives: The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective.

Strategy: Given the significant cuts to public expenditure and in particular to local government funding, the Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal / short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2022/23 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

The Authority has previously raised the majority of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Authority intends to avoid this activity in order to retain its access to PWLB loans.

Alternatively, the Authority may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Authority may borrow further short-term loans to cover unplanned cash flow shortages.

Sources of borrowing: The approved sources of long-term and short-term borrowing are:

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except the Council's Pension Fund)
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

Other sources of debt finance: In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback

Municipal Bonds Agency: UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.

Short-term and variable rate loans: These loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below. Financial derivatives may be used to manage this interest rate risk (see section below).

Debt rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Authority may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

Treasury Investment Strategy

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Authority's treasury investment balance has ranged between £20 and £40 million, and similar levels are expected to be maintained in the forthcoming year.

Objectives: The CIPFA Code requires the Authority to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Authority will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

Strategy: Given the increasing risk and very low returns from short-term unsecured bank investments, the Authority aims to diversify into more secure and/or higher yielding asset classes during 2022/23. The majority of the Authority's surplus cash is

currently invested in short-term unsecured bank deposits. This diversification will represent a continuation of the approved strategy.

Business models: Under the new IFRS 9 standard, the accounting for certain investments depends on the Authority's "business model" for managing them. The Authority aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

Approved counterparties: The Authority may invest its surplus funds with any of the counterparty types in table 3 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 3: Approved investment counterparties and limits

Credit rating	Banks unsecured	Banks secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£3 m 5 years	£3m 20 years	£3m 50 years	£3m 20 years	£1m 20 years
AA+	£3m 5 years	£3m 10 years	£3m 25 years	£3m 10 years	£1m 10 years
AA	£3m 4 years	£3m 5 years	£3m 15 years	£3m 5 years	£1m 10 years
AA-	£3m 3 years	£3m 4 years	£3m 10 years	£3m 4 years	£1m 10 years
A+	£3m 2 years	£3m 3 years	£3m 5 years	£3m 3 years	£1m 5 years
A	£3m 13 months	£3m 2 years	£3m 5 years	£3m 2 years	£1m 5 years
A-	£3m 6 months	£3m 13 months	£3m 5 years	£3m 13 months	£1m 5 years
None	£1.5m 6 months	n/a	£3m 25 years	£1m 5 years	£500k 5 years
Pooled funds and real estate investment trusts		£2.5m per fund or trust			

This table must be read in conjunction with the notes below

* **Minimum credit rating:** Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than [A-]. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

For entities without published credit ratings, investments may be made either (a) where external advice indicates the entity to be of similar credit quality; or (b) to a maximum of £0.5m per counterparty as part of a diversified pool e.g. via a peer-to-peer platform.

Government: Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

Secured investments: Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

Banks and building societies (unsecured): Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

Registered providers (unsecured): Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

Money market funds: Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Authority will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

Strategic pooled funds: Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Real estate investment trusts: Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

Other investments: This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Authority's investment at risk.

Operational bank accounts: The Authority may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £500,000 per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Authority maintaining operational continuity

Risk assessment and credit ratings: Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "negative watch") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other information on the security of investments: The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Authority's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2020, this is not generally reflected in credit

ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

Investment limits: The Authority's revenue reserves available to cover investment losses are forecast to be £21.9 million on 31st March 2022. The maximum that will be lent to any one organisation (other than the UK Government) will be as below. A group of banks under the same ownership will be treated as a single organisation for limit purposes.

Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Table 4: Investment limits

	Cash limit
Any single organisation, except the UK Central Government	£5m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£5m per group
Any group of pooled funds under the same management	£5m per manager
Negotiable instruments held in a broker's nominee account	£5m per broker
Foreign countries	£5m per country
Registered providers and registered social landlords	£2.5m in total
Unsecured investments with building societies	£2.5m in total
Loans to unrated corporates	£1m in total
Money market funds	£20m in total
Real estate investment trusts	£2.5m in total

Liquidity management: The Authority uses detailed spreadsheets to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Authority being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term

investments are set by reference to the Authority's medium-term financial plan and cash flow forecast.

The Authority will spread its liquid cash over at least four providers (e.g. bank accounts and money market funds) to ensure that access to cash is maintained in the event of operational difficulties at any one provider.

Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

Security: The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Target
Portfolio average credit rating	A

Liquidity: The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

Liquidity risk indicator	Target
Total cash available within 3 months	£2.5m

Interest rate exposures: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	Limit
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£500,000
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£500,000

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at new market rates.

Maturity structure of borrowing: This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	50%	0%
12 months and within 24 months	50%	0%
24 months and within 5 years	50%	0%
5 years and within 10 years	50%	0%
10 years and above	100%	0%

The Council has not taken out debt financing for a number of years, therefore all debt is presently over 10 years old. This revised ratio gives flexibility for new debt that will possibly be required.

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal sums invested for periods longer than a year: The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Price risk indicator	2022/23	2023/24	2024/25
Limit on principal invested beyond year end	£1.5m	£1.0m	£0.5m

Related Matters

The CIPFA Code requires the Authority to include the following in its treasury management strategy.

Financial Derivatives: Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for

derivative exposures. An allowance for credit risk calculated using the methodology in the Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.

In line with the CIPFA Code, the Authority will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

Housing Revenue Account: On 1st April 2012, the Authority notionally split each of its existing long-term loans into General Fund and HRA pools. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured at year end and interest transferred between the General Fund and HRA at the Authority's average interest rate on investments, adjusted for credit risk.

Markets in Financial Instruments Directive: The Authority has retained retail client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a smaller range of services but with the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Authority's treasury management activities, the Executive Director of Finance believes this to be the most appropriate status.

Financial Implications

The budget for investment income in 2022/23 is £0.673 million. The budget for debt interest paid in 2022/23 is £0.4 million. If actual levels of investments and borrowing, or actual interest rates, differ from those forecast, performance against budget will be correspondingly different.

Where investment income exceeds budget, e.g. from higher risk investments including pooled funds, or debt interest paid falls below budget, e.g. from cheap short-term borrowing, then 50% of the revenue savings will be transferred to a treasury management reserve to cover the risk of capital losses or higher interest rates payable in future years.

Other Options Considered

The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Executive Director of Finance, having consulted the Portfolio Holder for Finance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

Arlingclose Economic & Interest Rate Forecast – February 2022**Underlying assumptions:**

- The post COVID global economy has entered a higher inflationary phase, driven by a combination of resurgent demand and supply bottlenecks in goods and energy markets. Geopolitics are also playing a role, driving energy prices upwards which are being passed onto consumers. Tighter labour markets due to reduced participation rates have prompted concerns about wage-driven inflation, leading central banks to tighten policy to ensure inflation expectations remain anchored.
- Global inflation is riding high. While some indicators suggest supply bottlenecks in goods markets are easing, oil and gas prices have risen significantly and threaten a more sustained level of uncomfortably high inflation than previously expected. In the UK, Ofgem has confirmed a significant rise in retail energy prices, which will maintain relatively high CPI rates throughout 2022.
- Supply constraints are also evident in the labour market. Underlying wage growth is running above pre-COVID levels despite employment being lower now than in early 2020. Evidence suggests that labour pools have diminished. Higher wage growth will be a contributory factor to sustained above-target inflation this year.
- The lower severity of Omicron means that the economic impact should be limited. The UK economy had a weak Q4 2021 due to the virus, but growth is likely to bounce back in Q1 2022.
- However, higher inflation will dampen demand. In the UK, households face a difficult outlook. Fiscal and monetary headwinds alongside a sharp reduction in real income growth will weigh on disposable income, ultimately leading to slower growth.
- The Bank of England will tighten policy further over the next few months to ensure that aggregate demand slows to reduce business pricing power and labour wage bargaining power. Markets have priced in a significant rise in Bank Rate, but we believe the MPC will be more cautious given the medium term outlook, assessing the impact of the first round of rises rather than following the market higher.
- Bond yields have risen sharply to accommodate tighter monetary policy, including the run off of central bank bond portfolios. The interplay between slowing growth and falling inflation, and tightening policy, will likely keep yields relatively flat.

Forecast:

- The MPC will raise Bank rate further to dampen aggregate demand and reduce the risk of sustained higher inflation.
- Arlingclose therefore expects Bank Rate to rise to 0.75% in March and 1.0% in May. Despite this expectation, risks to the forecast remain weighted to the

upside for 2022, becoming more balanced over time. The Arlingclose central forecast remains below the market forward curve.

- Gilt yields will remain broadly flat from current levels, which have risen sharply since mid-December 2021. Significant volatility is, however, likely which should offer tactical opportunities for borrowing and investment.
- The risks around the gilt yield forecasts are broadly balanced. While gilt yields may face downward pressure as Bank Rate expectations ease from current levels, the run off of the Bank's corporate bond portfolio, and later the gilt portfolio, as it reverses QE, could impact some upward pressure on yields.

	Feb-22	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Official Bank Rate													
Upside risk	0.00	0.00	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Arlingclose Central Case	0.50	0.75	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Downside risk	0.00	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
3-month money market rate													
Upside risk	0.00	0.05	0.20	0.35	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Arlingclose Central Case	0.50	0.85	1.20	1.25	1.15	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
Downside risk	0.00	-0.25	-0.25	-0.30	-0.30	-0.30	-0.35	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50
5yr gilt yield													
Upside risk	0.00	0.35	0.45	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55
Arlingclose Central Case	1.22	1.20	1.20	1.20	1.20	1.20	1.20	1.15	1.15	1.15	1.15	1.15	1.15
Downside risk	0.00	-0.20	-0.25	-0.25	-0.30	-0.35	-0.40	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
10yr gilt yield													
Upside risk	0.00	0.40	0.45	0.55	0.60	0.65	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Arlingclose Central Case	1.37	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35
Downside risk	0.00	-0.20	-0.30	-0.35	-0.40	-0.45	-0.50	-0.55	-0.55	-0.55	-0.60	-0.60	-0.60
20yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.60	0.65	0.65	0.65	0.65	0.65	0.65
Arlingclose Central Case	1.54	1.55	1.55	1.55	1.55	1.55	1.55	1.55	1.55	1.55	1.55	1.55	1.55
Downside risk	0.00	-0.30	-0.35	-0.40	-0.40	-0.45	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
50yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.60	0.65	0.65	0.65	0.65	0.65	0.65
Arlingclose Central Case	1.22	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Downside risk	0.00	-0.30	-0.35	-0.40	-0.40	-0.45	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50

PWLB Standard Rate (Maturity Loans) = Gilt yield + 1.00%

PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%

UKIB Rate (Maturity Loans) = Gilt yield + 0.60%

Existing Investment & Debt Portfolio Position

	Actual Portfolio £m	Average Rate %
External borrowing:		
Public Works Loan Board	98.9	3.35
Barclays	5.0	4.71
Total gross external debt	103.9	3.42
Total treasury investments	34.0	0.11
Net debt	69.9	

Appendix C - Redditch Borough Council

Minimum Revenue Provision Statement 2022/23

Annual Minimum Revenue Provision Statement 2022/23

Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to the Ministry of Housing, Communities and Local Government's *Guidance on Minimum Revenue Provision* (the MHCLG Guidance) most recently issued in 2018.

The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The MHCLG Guidance requires the Authority to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance and a locally determined approach to loans to third parties and asset backed capital expenditure where there are detailed plans in place to demonstrate that all expenditure will be recovered from income streams generated by the expenditure in an appropriate timeline.

- For capital expenditure incurred before 1st April 2008 MRP will be determined as 4% of the capital financing requirement in respect of that expenditure on an annuity basis.
- For unsupported capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset as the principal repayment on an annuity with an annual interest rate of 4%, starting in the year after the asset becomes operational. MRP on purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.
- For assets acquired by leases, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.
- For capital expenditure loans to third parties that are repaid in annual or more frequent instalments of principal, the Council will make nil MRP, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement instead. In years where there is no principal repayment, MRP will be charged in accordance with the MRP policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets

become operational. While this is not one of the options in the MHCLG Guidance, it is thought to be a prudent approach since it ensures that the capital expenditure incurred on the loan is fully funded over the life of the assets.

- No MRP will be charged in respect of assets held within the Housing Revenue Account.
- Where the council makes a capital contribution or loan to another entity or where responsibility for a council asset with borrowing attached is transferred to a third party, and
 - the payments are appropriately covered by assets
 - there are detailed plans demonstrating that all the expenditure will be recovered in an appropriately short time frame

Then no MRP will be set aside. To ensure that this remains a prudent approach the Council will review the expenditure and income regularly to determine if the income or asset values have decreased to the point that MRP needs to be provided for. Should evidence emerge which suggests the expenditure will no longer be recovered MRP will be provided for.

- Where the council uses internal borrowing and receipts of rental income are greater than the MRP calculated then as there are sufficient revenues to repay the capital cost no MRP will be set aside.

Capital expenditure incurred during 2022/23 will not be subject to a MRP charge until 2023/24.

Based on the Authority's latest estimate of its capital financing requirement (CFR) on 31st March 2022, the budget for MRP has been set as follows:

	31.03.2022 Estimated CFR £m	2022/23 Estimated MRP £
Unsupported capital expenditure after 31.03.2008	19.8	910
Total General Fund		
Assets in the Housing Revenue Account	23.3	0
HRA subsidy reform payment	98.9	0
Total Housing Revenue Account	122.2	0
Total	143.0	910

Appendix D - Policy for Flexible use of Capital Receipts Purpose

1. This report reviews the statutory guidance on the flexible use of Capital Receipts and its application within this authority.

Background

2. Capital receipts can only be used for specific purposes and these are set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 made under Section 11 of the Local Government Act 2003. The main permitted purpose is to fund capital expenditure and the use of capital receipts to support revenue expenditure is not permitted by the regulations.

3. The Secretary of State is empowered to issue Directions allowing expenditure incurred by local authorities to be treated as capital expenditure. Where such a direction is made, the specified expenditure can then be funded from capital receipts under the Regulations.

4. The Secretary of State for Communities and Local Government has issued guidance in March 2016, giving local authorities greater freedoms with how capital receipts can be used to finance expenditure. This Direction allows for the following expenditure to be treated as capital,

“expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.”

5. In order to comply with this Direction, the Council must consider the Statutory Guidance issued by the Secretary of State. This Guidance requires authorities to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy with the initial strategy being effective from 1st April 2016 with future Strategies included within future Annual Budget documents.

6. There is no prescribed format for the strategy, the underlying principle is to support local authorities to deliver more efficient and sustainable services by extending the use of capital receipts to support the revenue costs of reform projects

7. The Statutory Guidance for the Flexible Use of Capital Receipts Strategy states that the Strategy should include a list of each project which plans to make use of the capital receipts flexibility, together with the expected savings that the project will realise. The Strategy should also include the impact of this flexibility on the affordability of borrowing by including updated Prudential Indicators.

Flexible Use of Capital Receipts Strategy

8. The Flexible Use of Capital Receipts Strategy is set out below

9. Government has provided a definition of expenditure which qualifies to be funded from capital receipts. This is: “Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service

delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility.”

10. The Council's does not intend to use capital receipts for this purpose in 2022/23.

Impact on Prudential Indicators

11. The guidance requires that the impact on the Council's Prudential Indicators should be considered when preparing a Flexible Use of Capital Receipts Strategy.

12. The indicators that will be impacted by this strategy are none. The scheme is currently funded from capital receipts and the new planned use of capital receipts will be funded from capital receipts which are currently unallocated.

13. The Prudential Indicators show that this Strategy is affordable and will not impact on the Council's operational and authorised borrowing limits.

Appendix E - Investment Strategy Report 2022/23

Introduction

The Authority invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
- to support local public services by lending to or buying shares in other organisations (**service investments**), and
- to earn investment income (known as **commercial investments** where this is the main purpose).

This investment strategy meets the requirements of statutory guidance issued by the government in January 2018, and focuses on the second and third of these categories.

Treasury Management Investments

The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £20m and £40m during the 2022/23 financial year.

Contribution: The contribution that these investments make to the objectives of the Authority is to support effective treasury management activities.

Further details: Full details of the Authority's policies and its plan for 2022/23 for treasury management investments are covered in a separate document, the treasury management strategy.

Service Investments: Loans

Contribution: The Council may in future lend money to its subsidiaries and local businesses to support local public services and stimulate local economic growth.

Security: The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Authority, upper limits on the outstanding loans to each category of borrower have been set as follows:

Table 1: Loans for service purposes in £ millions

Category of borrower	31.3.2021 actual			2022/23
	Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Subsidiaries	0	0	0	5
Local businesses	0	0	0	0.5
TOTAL	0	0	0	5.5

Accounting standards require the Authority to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Authority's statement of accounts are shown net of this loss allowance. However, the Authority makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

Risk assessment: The Authority assesses the risk of loss before entering into and whilst holding service loans by using specialist advice to understand the market and the potential future demands of the market and the customers in it. It will also use benchmarking data from the market to determine future potential risks which need to be planned for. External advice is only sought from credible sources eg acknowledged experts in their fields, and officers ensure that they fully understand any information given to them before decision or advice is taken.

Commercial Investments: Property

Contribution: The Authority will invest in regeneration schemes such as Towns Fund but not for purely commercial reasons. Decisions on commercial investments, including for Regeneration reasons, are made in line with the criteria and limits approved by council in the investment strategy. Property investments are also capital expenditure and decisions will therefore also be approved as part of the capital programme. As set out in the Capital Strategy it invested in offices at Oak Tree Park in 2019 for regenerative purposes. Fully let these premises will generate £76k per annum.

Table 3: Property held for regenerative and investment purposes in £ millions

Property	Actual	31.3.2021 actual		31.3.2022 expected	
	Purchase cost	Gains or (losses)	Value in accounts	Gains or (losses)	Value in accounts
Oak Tree Park	0.9	n/a	0.9	0	0.9
Towns Fund					
TOTAL	0.9	-	0.9	0	0.9

Security: In accordance with government guidance, the Authority considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.

Where value in accounts is at or above purchase cost: A fair value assessment of the Authority's investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment. Should the 2021/22 year end accounts preparation and audit process value these properties below their purchase cost, then an updated investment strategy will be presented to full council detailing the impact of the loss on the security of investments and any revenue consequences arising therefrom.

Where value in accounts is below purchase cost: The fair value of the Authority's investment property portfolio is no longer sufficient to provide security against loss, and the Authority is therefore taking mitigating actions to protect the capital invested. These actions include **Risk assessment:** The Authority assesses the risk of loss before entering into and whilst holding property investments by involving specialist advisors with expertise in the type of property being purchased, looking at historic data and speaking to other councils undertaking similar activities.

Risk assessment: The Authority assesses the risk of loss before entering into and whilst holding property investments by use of consultants and experts in those service areas.

Liquidity: Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions. To ensure that the invested funds can be accessed when they are needed, for example to repay capital borrowed, the Authority ensures that properties purchased are in an active market where there is demonstrable demand to ensure that the authority does not purchase assets which it will not be able to sell on at a later date.

Capacity, Skills and Culture

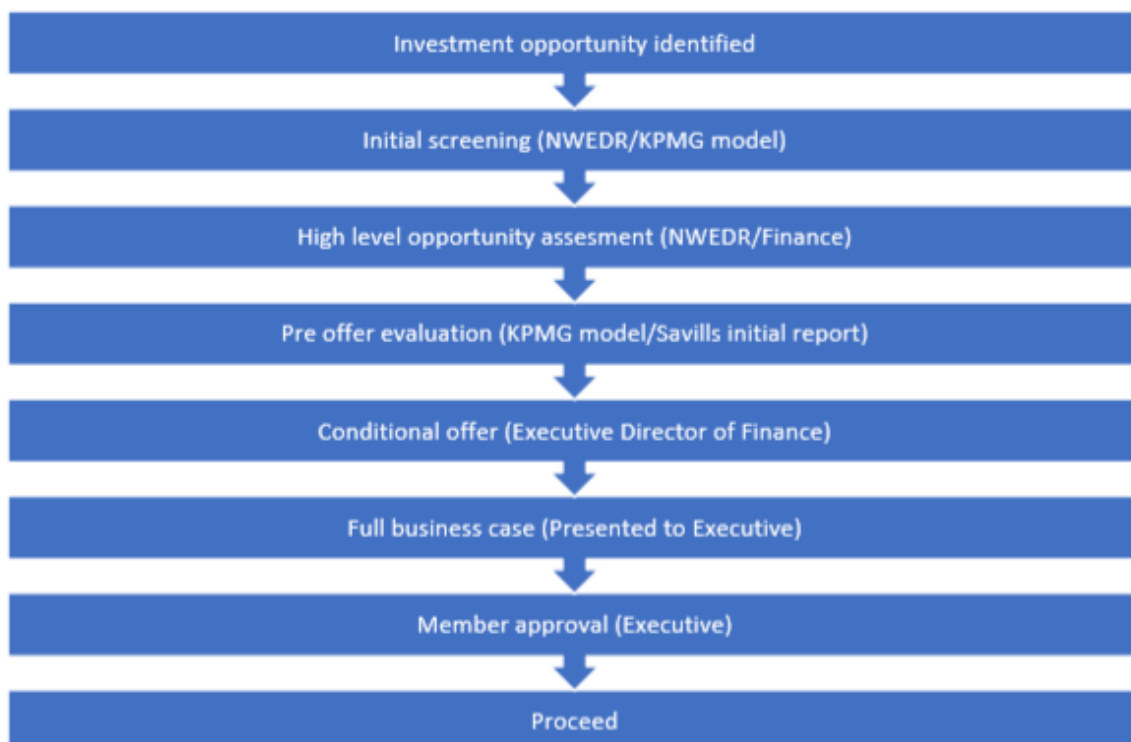
Elected members and statutory officers: Member training will take place annually as part of the induction process. External advisors will provide reports to support investment decisions with officers ensuring that they fully understand them and can relate them to the strategic objectives and risk profile of the authority.

Commercial deals: Significant work has been undertaken using external advisors and relevant training courses have been attended to ensure that officers are fully aware of the code and statutory requirements of a local authority which is investing.

KPMG have developed a modelling tool for the authority to use when assessing potential purchases as a precursor to engaging with external consultants to ensure that potential purchases are likely to make sense from the perspective of the authority

before incurring advisor costs. However, following an internal review of policy, it has been decided that the council may wish to make purchases which do not make a financial return or may indeed make a loss in the short term. On these occasions a business case will be developed which specifies the non-financial benefits of the investment. These are likely to be regenerative schemes for the greater good of the area with an intended long term impact. The regenerative and redevelopment benefits which will flow from the investment will be taken into account in the development of the business case, so if the net investment yield falls below 0.75% it can still proceed if these benefits are deemed to outweigh the lower than target yield.

Corporate governance: when investment decisions are to be made, they are to be led by the Council's Executive Director of Finance in consultation with the Corporate Management Team. They will assess the potential investment opportunity, consulting North Worcestershire Economic Development and Regeneration (NWEDR) and using the KPMG finance appraisal model, and should they decide it presents a strong opportunity for the authority and complies with the relevant criteria a conditional offer can be made. A business case will then be developed and presented ensuring that once greater detail is included, it makes a satisfactory income yield and/or economic redevelopment and regeneration impact. When the business case is completed, if it is still compliant with the council criteria, it will be presented to Executive for approval before purchase is completed.



Once a purchase has been made the Executive Director of Finance will provide quarterly updates, in line with budget monitoring reports on the status of the investment.

Investment Indicators

The Authority has set the following quantitative indicators to allow elected members and the public to assess the Authority's total risk exposure as a result of its investment decisions.

Total risk exposure: The first indicator shows the Authority's total exposure to potential investment losses. This includes amounts the Authority is contractually committed to lend but have yet to be drawn down and guarantees the Authority has issued over third party loans.

Table 5: Total investment exposure in £millions

Total investment exposure	31.03.2021 Actual	31.03.2022 Forecast	31.03.2023 Forecast
Treasury management investments	0	30	10
Service investments: Loans	0	0	0
Commercial investments: Property	0.9	0.9	0.9
TOTAL INVESTMENTS	0	0	0
TOTAL EXPOSURE	0.6	0.9	10.9

How investments are funded: Government guidance is that these indicators should include how investments are funded. Since the Authority does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Authority's investments are funded by usable reserves and income received in advance of expenditure.

Table 6: Investments funded by borrowing in £millions

Investments funded by borrowing	31.03.2021 Actual	31.03.2022 Forecast	31.03.2023 Forecast
Treasury management investments	0	0	0
Service investments: Loans	0	0	0

Commercial investments: Property	0	0	0
TOTAL FUNDED BY BORROWING	0	0	0

Rate of return received: This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Table 7: Investment rate of return (net of all costs) %

Investments net rate of return	2020/21 Actual	2021/22 Forecast	2022/23 Forecast
Treasury management investments	0.11%	0.11%	0.11%
Service investments: Loans	0%	0%	0%
Commercial investments: Property	0%	0%	0%
ALL INVESTMENTS	0.11%	0.11%	0.11%

Table 8: Other investment indicators

Indicator	2020/21 Actual	2021/22 Forecast	2022/23 Forecast
Debt to net service expenditure ratio	1205%	1218%	1279%
Commercial income to net service expenditure ratio	0.7%	0.7%	0.7%

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REDDITCH BOROUGH COUNCIL

**Council
2022**

27th June

Section 151 Officer Appointment

Relevant Portfolio Holder	Councillor Dormer
Portfolio Holder Consulted	Yes
Relevant Head of Service	Kevin Dicks
Report Author	Chief Executive k.dicks@bromsgroveandredditch.gov.uk 01527 881484
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

The Council RESOLVE to:-

Approve the arrangements for an Interim Chief Finance Officer and Section 151 Officer for Redditch Borough Council for a period of 12 months (with any extension subject to review).

2. BACKGROUND

- 2.1 The Council is required to nominate an officer under section 151 of the Local Government Act 1972 to be responsible for the proper administration of its financial affairs, a role designated as part of the Director of Resources position.
- 2.2 At a meeting of Full Council on 25th January 2021 Council ratified the decision taken under the Urgent Decisions Procedure to appoint Mr James Howse as the Council's Director of Resources and the Council's Section 151 officer (Chief Financial Officer).
- 2.3 As Members will be aware, Mr Howse is a Bromsgrove District Council employee made available to Redditch Borough Council under the provisions of the Local Government Act 1972 and in accordance with both Councils' shared service arrangements.
- 2.4 Mr Howse has given notice that he has secured a new role elsewhere and therefore wishes to terminate his contract of employment with the Council. As the post of Section 151 Officer is a statutory post the Council is obliged to appoint an officer to act in that capacity on its behalf.

REDDITCH BOROUGH COUNCIL

**Council
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- 2.5 The role of Chief Finance and Section 151 Officer was attached to the post of Director of Resources. However, as members will be aware, appointing a new Director of Resources would require a comprehensive recruitment and selection process nationally which will take more time than available to the Council. It could take up to 6 months before a new person is in post. Therefore, until such time as permanent recruitment is considered, there is an immediate need to ensure the appointment of a S151 Officer and ensure capacity and continuity remain within Finance team. It is proposed that Peter Carpenter is appointed interim S151 and Chief Finance Officer for a term of 12 months.
- 2.6 Members are advised that Peter Carpenter has over 30 years of experience of Local Government Finance, during which time he has been Section 151 Officer, Deputy Section 151 Officer and Head of Service.
- 2.7 Members will be aware that the Council has been experiencing some significant challenges in recruiting into vacancies within the Finance Team and that this is a challenge that Councils are facing generally across the local government sector.
- 2.8 Members will also be aware that a recent recruitment and selection process resulted in the successful appointment of a permanent Head of Financial Services. Whilst this role has been vacant the duties have been carried out by an interim officer, Peter Carpenter, since February 2022. Members are advised that Mr Carpenter has also been assuming the role of Deputy 151 Officer during this time. In addition to this role, six other (less senior but important) roles in the Team have also been successfully recruited to – including the Financial Services Manager in recent weeks as part of plans to strengthen the team.
- 2.9 Whilst it is noted that the incoming (permanent) Head of Financial Services will commence employment with the Council at the end of June it will still be incumbent on this Council to appoint an officer to the Statutory Role of S151 officer to ensure legislative compliance in this area.
- 2.10 Members are advised that Peter Carpenter, the current interim deputy Section 151 officer, has been working closely with the Council's internal finance team and the Council's external auditor and is heavily involved in the Council's delivery of the recently awarded Levelling Up Funding.
- 2.11 It is imperative that the Council seek to enable continuity in this area. It is also important that the incoming permanent Head of Financial

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Services (alongside the newly strengthened Finance Team) has sufficient coaching, support and leadership over the coming period.

- 2.12 For the reasons detailed above the Council is being asked to consider to appoint an 'Interim' Chief Finance Officer through West Midlands Employers (WME) for 12 months, whilst the Council takes an appropriate recruitment approach to secure a permanent replacement for the Director / S151 role. In the interests of mitigating the risks that are being presented by the loss of knowledge and experience required for the delivery of the statutory 151 functions, Peter Carpenter would undertake this placement via WME to ensure the continuity required by the Council is maintained in the short term.

3. FINANCIAL IMPLICATIONS

- 3.1 The total budgeted cost for the Director of Resources post in 2022/23 is £139,400. This is split equally between Bromsgrove District Council and Redditch Borough Council. The cost to RBC is £69,700.
- 3.2 Whilst the exact cost of the interim role through WME will be determined by the number of days actually worked the estimated cost for 12 months is £155,000. This would be split equally between Bromsgrove and Redditch Councils. The cost to RBC would be £77,300. The additional £7,600 to RBC would be met from the Financial Services earmarked reserve.
- 3.3 If the Council were to determine that it wanted to recruit immediately to the post of Director of Resources it would probably be at least 6 months before the successful candidate were to be in post. This is assuming that the recruitment campaign was successful and as stated above it is an extremely challenging market at present. The post would therefore have to be covered, for the reasons outlined above, by an interim. The normal day rate for an experienced person is approximately £900 per day. For 6 months this would equate to £103,500. Compared to the 6 months cost for the substantive post this would be an additional cost of £33,800 (split equally between the 2 councils). This demonstrates that the solution offered through WME provides a cost effective solution and mitigates risk for the authority.

4. LEGAL IMPLICATIONS

- 4.1 Under Section 151 of the Local Government Act 1972, it is stated: "Without prejudice to section 111 above, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs."

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- 4.2 Section 6 of the Local Government and Housing Act 1989, further states: “(1) On and after the commencement day the Common Council shall – (a) make arrangements for the proper administration of such of its financial affairs as relate to it in its capacity as a local authority, police authority or port health authority, and (b) secure that one of its officers has responsibility for the administration of those affairs.”
- 4.3 Part 1, Introduction to the Constitution – Section 9 Officers - Designations, paragraph 9.1.1 of the Council’s Constitution states that by law the Council must designate Officers to hold statutory offices. The role of Section 151 Officer is a statutory Chief Officer of the Council.
- 4.4 Section 113 of the Local Government Finance Act 1988 requires that the officer appointed as the Chief Finance Officer (CFO) must be a member of a specified accountancy body.
- 4.5 Under section 111 Local Government Act 1972 a local authority shall appoint such officers as they think necessary for the proper discharge by the authority of such of their or another authority’s functions as fall to be discharged by them and under section 113 a local authority may enter into an agreement with another local authority for the placing at the disposal of the latter for the purposes of their functions.

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

- 5.1 Effective financial management underpins all the Council’s operations and achievement of strategic purposes.

Climate Change Implications

- 5.2 None.

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

- 6.1 None.

Operational Implications

- 6.2 This proposal is in order to secure continuity of operations in a critical function.

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- 7.1 As set out above, this proposal aims to mitigate the risks associated with a lack of continuity and senior capacity. This includes ensuring Council maximises the benefit from the recently strengthened Finance Team, and that that Team is appropriately supported.

8. APPENDICES and BACKGROUND PAPERS

None.

9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Cllr Matt Dormer Leader	17/6/22
Lead Director / Head of Service	N/A Report author	N/A
Financial Services	James Howse Director of Resources	17/6/22
Legal Services	Claire Felton Head of Legal, Democratic and Property Services	17/6/22