



Executive Committee

Tue 13 Jun
2023
6.30 pm

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

REDDITCH BOROUGH COUNCIL

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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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Notes:

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

Executive

Tuesday, 13th June, 2023

6.30 pm

Committee Room 2 Town Hall

Agenda

Membership:

Cllrs:	Matthew Dormer (Chair)	Luke Court
	Gemma Monaco (Vice-Chair)	Lucy Harrison
	Joe Baker	Bill Hartnett
	Joanne Beecham	Craig Warhurst
	Brandon Clayton	

1. Apologies

2. Declarations of Interest

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

3. Leader's Announcements

4. Minutes (Pages 5 - 18)

5. Corporate Peer Challenge - Action Plan (Pages 19 - 92)

6. Recommendations from the Audit, Governance and Standards Committee - Bromsgrove Audit Task Group (Pages 93 - 108)

7. Renewal of the Enterprise Resource Planning (ERP) Contract (Pages 109 - 112)

8. Quarter 4 Performance Monitoring Report 2022/23 (Pages 113 - 150)

9. Quarterly Risk Update (Pages 151 - 166)

10. Overview and Scrutiny Committee (Pages 167 - 186)

There are two sets of minutes attached from meetings of the Overview and Scrutiny Committee held on 23rd February and 16th March 2023. There are no outstanding recommendations for consideration.

11. Minutes / Referrals - Overview and Scrutiny Committee, Executive Panels etc - Recommendation from the Audit, Standards and Governance Committee (Pages 187 - 192)

The attached minute extract details a recommendation that was agreed at the meeting of the Audit, Governance and Standards Committee held on 30th May 2023 for the consideration of the Executive Committee. An extract from the minutes of that meeting has been attached for Members' consideration.

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

13. Exclusion of the press and public

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

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

These paragraphs are as follows:

Subject to the "public interest" test, information relating to:

- Para 1 – any individual;
- Para 2 – the identity of any individual; and
- Para 3 – financial or business affairs.

14. Compulsory purchase of a long-term empty property (Pages 193 - 206)



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MINUTES

Present:

Councillor Matthew Dormer (Chair), and Councillors Karen Ashley, Joanne Beecham, Peter Fleming, Lucy Harrison and Craig Warhurst

Officers:

Peter Carpenter, Mark Cox, Kevin Dicks, Jonathan Elger, Claire Felton, Sue Hanley, Michelle Howell, Claire Jones, Helen Keightley, Ryan Keyte, Simon Parry, Chris Poole and Judith Willis

Principal Democratic Services Officer:

Jess Bayley-Hill

136. APOLOGIES

Apologies for absence were received on behalf of Councillors Anthony Lovell, Emma Marshall and Nyear Nazir.

137. DECLARATIONS OF INTEREST

There were no declarations of interest.

138. LEADER'S ANNOUNCEMENTS

The Leader explained that three agenda packs, including two supplementary packs, had been published for consideration at the meeting. Due to the length of the Housing Policies report, only the covering report had been included in the main agenda pack. The full report had been published in a supplementary pack together with a copy of the presentation prepared for the item and a small number of paper copies of this pack had been printed in order to minimise the amount of paper generated for the meeting, in line with the Council's commitments in the Carbon Reduction Plan.

The Executive Committee was advised that at a meeting held on 16th March 2023, the Overview and Scrutiny Committee had pre-scrutinised Minute Items No.s 140 and 142 – the Air Quality

Chair

Enhanced Monitoring Options Report and the Housing Policies report. At the end of lengthy debates in respect of both items, the Committee had endorsed the recommendations in the reports. On behalf of the Executive Committee, the Leader thanked the Overview and Scrutiny Committee for their hard work reviewing these reports.

139. MINUTES

RESOLVED that

the minutes of the meeting of the Executive Committee held on Monday 27th February 2023 be approved as a true and correct record and signed by the Chair.

140. AIR QUALITY ENHANCED MONITORING OPTIONS REPORT

The Technical Services Manager, Worcestershire Regulatory Services (WRS), presented the Air Quality Enhanced Monitoring Options report for the Executive Committee's consideration.

The report outlined WRS's air quality monitoring regime, which focused on monitoring pollutants that could impact on air quality. WRS had submitted a bid to the Department of the Environment, Food and Rural Affairs (DEFRA) for grant funding to support enhanced air quality monitoring. This bid had been successful, although DEFRA required recipients of this grant funding to agree to 10 per cent match funding in order for the grant to be provided.

The grant funding would enable WRS to monitor additional particulates in the air that were not usually monitored in the Borough. It was proposed that this funding should be used to support monitoring over a two-year period in two particular areas in the Borough.

Members were asked to note that there were no particular areas of concern in terms of air quality in Redditch, when compared to other parts of the country. However, Officers would be analysing the potential impact of solid fuel burning in urban areas as well as pollutants relating to agricultural work in rural parts of the Borough. There was the possibility that, depending on the outcomes of the monitoring and the data uncovered, behaviour change might be needed.

RECOMMENDED that

following the successful outcome of the air quality grant bid to Defra, match funding totalling £2,300 be funded from Corporate Earmarked Reserves over the life of the project.

141. OFF-STREET PARKING ORDER

The Litigation Solicitor presented a report on the subject of the Off Street Parking Order for Council car parks.

Members were advised that the Council did not have an Off Street Parking Order in place and it had been felt that one was needed. There were specific legislative requirements in relation to the process for introducing Off Street Parking Orders and the Council needed to comply with these rules. The Executive Committee had previously considered the subject of Off Street Parking Orders in 2009 but this had never been implemented. The proposed Off Street Parking Order had been updated since the version considered in 2009, to include reference to matters such as electric charging points for vehicles. The order would enable the Council to issue Penalty Charge Notices (PCNs) and to undertake enforcement action in the car parks covered by the order.

The full list of Council car parks had not been included within the list of car parks that would be subject to the order. Instead, a decision had been taken to focus on providing enforcement powers at car parks where this was considered to be desirable. Additional car parks could be added later by updating the schedule.

Following the presentation of the report, Members welcomed the proposed Off Street Parking Order and commented that this would support the ongoing redevelopment of Redditch Town Hall.

Questions were raised about whether enforcement action would be undertaken in cases where vehicles parked in electric charging bays when not charging their vehicles. Officers clarified that if vehicles were parked in electric charging bays but were not being charged, enforcement action could be undertaken, as these bays were intended solely for charging purposes. Similarly, enforcement action would be taken in cases where vehicles were parked in

residential parking bays where the vehicles had not been registered for the use of residents.

During consideration of the item, the Leader reminded Members that a parking permit form had recently been circulated for the considered of all elected Members to enable them to register their vehicle's details on the Council's new parking system. Members were urged to return a completed copy of this form to Democratic Services as soon as possible.

RESOLVED that

- 1) the Executive note the Council's ability to manage and control its off-street parking environment in the form of implementing this Order;**
- 2) authority be delegated to the Head of Environmental and Housing Property Services and the Head of Legal, Democratic and Property Services to take all necessary steps to finalise the draft Order, schedules and car park plans and then publish, consult upon, make and implement an Off Street Parking Order in terms similar to the draft "Redditch Borough Council (Off Street Parking Places) Order 2023" ("the Order"); and**
- 3) authority be delegated to the Head of Environmental and Housing Property Services and Head of Legal, Democratic and Property Services to issue any passes or season tickets in accordance with the Order.**

142. HOUSING POLICIES

The Head of Community and Housing Services introduced the Housing Policies report for Members' consideration. Members were advised that changes were proposed to various housing policies in the report to ensure that the Council remained compliant with best practice. There were varying amounts of discretion available to the Council in relation to the content of these housing policies, although there were also a lot of specific legislative requirements that applied to the delivery of Housing Services which the Council needed to comply with.

During consideration of this item, Officers from the Housing Department delivered a presentation that provided further information about the updates to the various housing policies for Members' consideration. In addition, information was provided on the subject of the updated Tenancy Management Policy and Tenancy Management Agreement and Members were advised that, whilst the latter document did not need to be presented, Officers had wanted to consult with Members on the content. The proposed changes to both of these documents would subsequently be subject to consultation in a two-stage process with local tenants and each tenant would be provided with a paper copy of the policy as part of this process.

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

- The significant amount of work that had been undertaken by Officers in preparing the report. Members thanked Officers for their hard work in respect of this matter.
- The value of the Council's housing stock in providing social housing to some of the most vulnerable residents in society.
- The increasing demand for social housing in a cost of living crisis.
- The need for the Council to provide support to tenants whilst also protecting and preserving the Council's housing stock.
- The benefits to both tenants and the Council of clarifying the respective rights and obligations of both Council tenants and the Council as landlord.
- The need for the Council to ensure compliance with safety standards for Council properties.
- The arrangements by which Officers could access Council houses where needed, such as to undertake gas maintenance inspections.
- The need to protect Council houses from malicious damage that could be caused by tenants. Members noted that the tenants who caused such damage were in the minority.
- The potential for tenants to be incentivised, where appropriate, to downsize, thereby providing larger properties for the use of families.
- The extent to which tenants would be required to acknowledge receipt of their copy of the Tenancy Management Policy. Officers clarified that copies of the policy would be posted to tenants and tenants would not be required to acknowledge

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receipt. A similar approach had been taken at other local authorities and this approach was considered to be reasonable.

- The action that would be taken to ensure that responses received to the consultation in respect of the Tenancy Management Agreement and Tenancy Management Policy were not submitted by the same person from the same IP address multiple times. Officers explained that an email address had been created for consultation purposes and Officers could monitor whether multiple submissions were being received from the same IP address.
- The level of engagement that was anticipated in the consultation process. Officers explained that it was difficult to determine in advance how many responses would be received through consultation and this might vary between the two stages of that process. The Council did not have to consult with a specific proportion of local tenants however, officers were hoping to receive feedback from tenants from a range of demographic backgrounds.
- The need for alternative consultation options to be made available to tenants who did not have access to electronic forms of communication, such as paper copies of the consultation papers. The Executive Committee was advised that a paper copy of the consultation papers could be included in the papers dispatched in the post to tenants.
- The potential for roadshows to take place as part of the consultation process, whereby Officers could meet with tenants face-to-face. Officers advised that this could be included in the consultation process.
- The powers available to the Council to assess the condition of Council houses during the course of a tenancy. Members were informed that there would be annual tenancy audits which would provide an opportunity to identify issues. In addition, staff in the Tenancy team, through their familiarity with their tenants, would be in a position to identify any issues mid-year that needed to be addressed.
- The potential for the Council to require residents to pay a deposit before moving into a Council property and other methods available to the Council to recharge tenants for the costs of causing malicious damage. Officers explained that the various options available to the Council were detailed in the Recharge Policy.

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- The potential for residents to be housed in accommodation outside the local authority's boundaries. Officers clarified that the Council did make placements in other local authority areas but the Council continued to have ongoing duties to these residents.
- The temporary accommodation options available to the Council and the implications to the authority of placing residents in bed and breakfast accommodation. The Executive Committee was advised that residents could be placed in bed and breakfast accommodation but legally these placements could only last a maximum of six weeks.
- The potential for some of the Council's existing housing stock to be repurposed to provide temporary accommodation. Members were advised that the Council was already in the process of converting a unit into medium-term temporary accommodation.
- The opportunities available for the Council to work with private sector and Voluntary and Community Sector (VCS) organisations to provide additional social housing to meet demand. Officers clarified that the Council was involved in a private sector housing project with Cornerstone Housing and had also been working closely with St Basils in respect of providing suitable accommodation to young people at risk of homelessness.
- The potential for the Council to offer content insurance to tenants, which could help in the event of a fire. Officers explained that all tenants were offered the chance to pay for the Council's content insurance when they signed up as tenants, but this could not be made into a mandatory condition of tenancy and some residents chose not to pay for the cover.
- The extent to which photographs of the impact of fire damage might encourage more residents to opt for content insurance and the potential for Council staff to share this with tenants who did not have any coverage. Officers confirmed that photographs could potentially be shared and action to encourage take up of content insurance would be welcome as the number of fires had increased in the Borough since the emergence of the Covid-19 pandemic.
- The possibility of Redditch Borough Council developing a consultation app that could be used for all consultation exercises undertaken by the authority. Members commented that this could be used to help mitigate against the risks of fraud occurring during consultation.

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- The difficulties that could arise where tenants reported that they had not been visited by Council staff when booked to undertake property inspections, particularly where this was contradicted by reports from staff. The Executive Committee was informed that the Council had tracking devices to identify where Council vehicles were located. In the future reminder text messages would be sent to residents about forthcoming appointments, including on the date of the appointments, with messages also sent when operatives arrived at a tenant's property.
- The potential for bereavement training to be provided to staff to enable them to support residents experiencing bereavement in a sensitive manner, including in cases where there were no succession rights available to family members to remain living in a property. Officers explained that they were in the process of attempting to identify bereavement training that could be delivered to Council staff. Members suggested that a couple of staff members could be asked to specialise in providing support to tenants experiencing bereavement under these circumstances.
- The need to house victims of domestic abuse in appropriate accommodation where they could access key facilities, in order to help them manage their lives without needing to make contact with their abusers.

During consideration of this item, Members referred to the Overview and Scrutiny Committee's pre-scrutiny of the Housing Policies report at the meeting that took place on 16th March 2023. Members noted that the Overview and Scrutiny Committee had requested an update in the new municipal year on the outcomes of the consultation process with respect to the Tenancy Management Agreement and Tenancy Management Policy and Members welcomed the contribution of the Committee in this context.

RECOMMENDED that

- 1) **the following Housing Policies be approved for adoption:**
 - (a) **Tenancy Management Policy**
 - (b) **Housing Revenue Management Policy**
 - (c) **Garage Policy**
 - (d) **Repairs and Maintenance Policy**
 - (e) **Rechargeable Repairs Policy**

- (f) **Equipment and Adaptations Policy**
- (g) **Voids Policy**
- (h) **Temporary Accommodation Placement Policy**
- (i) **Temporary Accommodation Charging Policy; and**

- 2) **delegated authority be given to the Head of Community and Housing Services and/or Head of Environmental and Housing Property, following consultation with the Portfolio Holder for Housing, to agree any revisions to the Housing Policies following the consultation and in line with any legislative or government guidance updates.**

143. FINANCIAL AND PERFORMANCE MONITORING REPORT QUARTER 3 - 2022/23 (TO FOLLOW)

The Head of Finance and Customer Services presented the Financial and Performance Monitoring Report for the third quarter of 2023/24.

The projected budget position for the Council, based on figures from Quarter 3 of the financial year, would be £750,000. This represented a £381,000 increase on the £369,000 overspend that had been reported for the end of Quarter 2 and was largely caused by the allocation of a £1,925 pay award to staff, which had been paid in December 2022. In addition to this, there had been increased fuel and fleet maintenance costs during the period.

The Council's budget position would continue to be reviewed; however, this in-year budget forecast reflected the best information available at the time. Members were advised that it was important to note that there were a number of key factors that might impact upon the financial position which were not yet reflected fully within the forecast, including:

- The cost of living crisis and the impact that this might have upon demand for Council services, including the impact of homelessness and bed and breakfast temporary accommodation costs.
- Inflationary increases – general inflation had been running at 10 per cent and would impact upon transport costs, utilities and contracts in particular.

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- Ensuring all invoicing was up to date – especially as the Council moved closer to the end of the financial year at the end of March 2023.

A capital programme of £4.1 million had been approved in the Medium Term Financial Plan (MTFP) for 2022/23 in March 2022. This had been fully reviewed as part of the MTFP using actual data as at the end of December 2022. Many of the schemes in the capital programme were already in partial delivery in the 2022/23 financial year. The capital programme included the sums not spent in 2022/23 (and 2021/22 by default if schemes originated earlier than 2022/23, as sums had been carried forward from the previous year's final MTFP) to be carried forward into 2023/24.

The budget included Town's Fund grant funding schemes, such as the Digital Manufacturing and Innovation Centre, improvements to the Town Centre Public Realm and the business case for the Library site, subject to approval of the latter scheme. There was also £294,000 in UK Shared Prosperity Funding (UKSPF). Expenditure at Quarter 3 of the 2022/23 financial year was at £1.88 million against the overall 2022/23 capital budget totalling £5.4 million.

A review of the Council's reserves position had been undertaken as part of the MTFP process. At Quarter 2, the General Fund had been impacted by the significant 2022/23 overspend position, which was £1.424 million. This was what was reflected in the MTFP. However, Quarter 3 monitoring set out a significant improvement of this position to a £750,000 overspend and therefore improved the General Fund position to a forecast £2.506 million at 31st March 2026.

The Executive Committee was being asked to approve implementation of the Council Tax Support Fund Policy for 2023/24. The Council was keen to support all eligible taxpayers within the authority's boundaries and, as such, would implement the scheme strictly in accordance with Central Government Guidelines. A reduction of up to £25 would be made to the Council Tax Account of taxpayers who were in receipt of a Council Tax Reduction on 1st April 2023. The reduction in liability would apply to both working age and pension age Council Tax Reduction applicants. When any funds remained after applying for the reduction in liability, the Council would use the funds as part of its Exceptional Hardship

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Fund, which assisted low-income taxpayers facing exceptional financial hardship.

The Council was administering the Government's Energy Bill Support Schemes. The Executive Committee was being asked to approve the release of £8,000 from General Fund Reserves to administer the Energy Fund Support Schemes if the Government did not grant New Burdens Funding to cover these costs. Members were advised that although it was highly likely that this funding would be made available, it would be prudent at this stage to plan for the worst-case scenario. Redditch Borough Council was distributing a £19,000 Alternative Fuel Payment Scheme and £250,000 for the Energy Bill Support Scheme Alternative Funding.

The Executive Committee was also being asked to approve amendments to the Dial a Ride and Shopmobility fees and charges. An amendment was highlighted as being necessary to paragraph 3.18 of the report in respect of this matter and Members were advised that this should have recorded the following:

“Officers have been in discussion with the Portfolio Holder for Community Services and Regulatory Services to trial a scheme to support residents in Beoley being able to access services in Redditch. The community transport scheme in Bromsgrove does not have capacity. As part of the trial it is proposed to charge an increased fee to take into account that the bus will have to travel outside of the Borough. The new fee proposed is as below and would only apply to residents on the border with Redditch. The community transport service in Bromsgrove is supportive of this trial. The new fee for Dial A Ride is:

‘Charge for residents outside the Borough’ - to be ‘£1 additional fee to existing charges’.”

An amendment was also requested to the Shopmobility fees and charges relating to ‘the assisted shopping escort service’ and to increase the charge from £2.50 to £12 an hour. This was to support the service to be closer to full cost recovery. The proposed fee was comparable to the Age UK hourly rate for assistance with shopping. The service was keen to promote this service, which historically had not been well advertised to customers.

The Housing Revenue Account (HRA) budget, totalling £25.4 million, was approved in March 2022 and funded from rents and

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tenants' contributions. The approved HRA capital programme for 2022/23 totalled £14.2 million. As at Quarter 3 of 2022/23, it was forecast that the HRA would outturn with a surplus in the region of £56,000, which was a reduction of £85,000 on the £141,000 figure reported at Quarter 2.

The main variances in the HRA that had contributed to this surplus included:

- Anticipated repairs and maintenance efficiency savings arising from improved work planning and timely delivery of works.
- Vacant posts due to ongoing operational reviews and reduced consultancy/professional fees.
- Increases in arrears especially from former tenants due to economic conditions prevailing and corresponding bad debt adjustments.

As at Quarter 3 of 2022/23, it was forecast that the HRA capital programme budget would outturn with a spend of £10.3 million against a £14.2 million budget. The £3.9 million underspend was primarily as a result of delays in project start dates and changes in assumptions regarding Housing purchases. This was a £200,000 improvement on the Quarter 2 HRA capital position.

The performance report set out to provide data and information that linked all activity back to the Council's strategic purposes as set out in the Council Plan and Council Plan Addendum. It was recognised that effective performance management would enable the Council to use its limited resources in a more targeted manner, maximising the value of Council services and allowing the Council to be even more responsive to customers' needs.

Members subsequently discussed the content of the report and in doing so questioned whether the proposed increase of £1 on the fee for customers who lived outside the Borough using the Dial A Ride service was sufficient. It was noted that this was being proposed in a context in which ongoing roadworks on the Birmingham Road were causing traffic delays and the suggestion was made that the increase could potentially have been higher. Officers suggested that this could be investigated further and it was noted that Members had the power to amend the charge further if considered necessary.

RESOLVED that

- 1) the current financial position in relation to Revenue and Capital Budgets for the period April to December 2022 be noted for both the Council and the HRA;
- 2) the Quarter 3 Performance data for the Period October to December 2022 be noted;
- 3) the updated Redditch Borough Council - Council Tax Support Fund Policy 2023-24 be approved;
- 4) £8,000 be approved to be released from General Fund Reserves to administer the Energy Fund Support Scheme if the Government did not Grant New Burdens Funding to cover these costs; and
- 5) the increases to Dial a Ride and Shopmobility charges be approved.

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

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

145. ADVISORY PANELS - UPDATE REPORT

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

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

In the absence of Councillor Lovell, Members noted that there was no update in respect of the Climate Change Cross Party Working Group.

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

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Councillor Dormer advised that the following meeting of the Constitutional Review Working Party was scheduled to take place in the 2023/24 municipal year.

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

Members were informed that there was no update on the latest work of the Corporate Parenting Board.

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

The Executive Committee was advised that there was due to be a meeting of the Member Support Steering Group on 22nd March 2023.

- e) Planning Advisory Panel – Chair, Councillor Matthew Dormer

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

146. OVERVIEW AND SCRUTINY COMMITTEE

Members considered the content of the minutes of the meeting of the Overview and Scrutiny Committee held on 2nd February 2023.

During consideration of these minutes, Members queried the reference to the Council's accounts having not yet been submitted and the timeframes in which it was anticipated that this would be resolved. Officers confirmed that this was referring to the Council's 2021/22 accounts and not to the 2020/21 accounts, which had already been submitted to the external auditors.

RESOLVED that

the minutes of the meeting of the Overview and Scrutiny Committee held on 2nd February 2023 be noted.

The Meeting commenced at 5.30 pm
and closed at 6.41 pm

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Corporate Peer Challenge – Bromsgrove DC and Redditch BC 2023

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

It is recommended that Executive:

- a. discuss and note the Local Government Association (LGA) Corporate Peer Challenge (CPC) Feedback report (Appendix A) which took place in March 2023.**
- b. discuss and endorse the Council's response (Appendix B) and supporting action plans (Appendices C to G).**

2. BACKGROUND

- 2.1 Since 2012 the LGA has provided, as part of its support to the sector, the facilitation of CPC reviews whereby senior members and officers from other local authorities, supported by LGA staff, visit the Councils with the objective to inform their improvement plans and how to develop corporate learning. It is designed to be forward looking, and to facilitate reflection on issues and how they may be resolved. While it can be used as an external 'health check' on the authorities' corporate governance, the peer challenge is not a form of inspection.
- 2.2 On the 7th December 2022 at the Bromsgrove District Council (BDC) Full Council meeting Members discussed a report which detailed the section 24 Statutory Recommendation given by the council's External Auditors, Grant Thornton. This outlined the key reason being the non-delivery of the 2020/21 financial statements, with further detail available in the Interim Auditor's 2020/21 Annual Report issued by the Auditors. Although an action plan to address the issues was agreed, Full Council agreed to commission a LGA CPC with a specific focus on corporate governance based on the information contained within these

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two reports. Redditch Borough Council (RBC) received similar reports in November 2022 and accepted the recommendation along with the action plan to address the issues identified. Due to the shared nature of the councils and the issues identified BDC and RBC agreed to jointly commission this CPC.

- 2.3 The five high-level themes adopted for all LGA CPCs provides the initial framework:
- a. Local priorities and outcomes: Are the Council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities and achieving improved outcomes for all its communities?
 - b. Organisational and place leadership: Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
 - c. Governance and culture: Are there clear and robust governance arrangements? Is there a culture of respect, challenge and scrutiny?
 - d. Financial planning and management: Does the Council have a clear understanding of its current financial position? Does the council have a strategy and a clear plan to address its financial challenges?
 - e. Capacity for improvement: Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?
- 2.4 The CPC was weighted to have a specific focus on corporate governance (within theme c of the above). In the context of the Section 24 recommendation and the associated Interim Auditor's 2020/21 Annual Report this focussed on understanding improvement requirements around governance systems and decision making. The CPC did not investigate the circumstances which led to the s24 notice, as this was part of a separate review undertaken by the Bromsgrove Audit, Standards and Governance Committee and was not requested at Redditch and sought to identify any learning and focus on areas of improvement for the future. As part of this, the wider system of checks and balances in place for local government including relevant council duties and legislation were considered in order to provide additional assurance to both BDC and RBC on their position. This included the peer team reviewing, but not being limited to the following areas:
- a. Governance and Culture:
 - Are governance arrangements effective?
 - How does the council deliver on its duty to deliver best value?
 - Are the roles of Members and officers clear?
 - What are the key governance issues from a political and officer perspective?

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- E.g. clarity, transparency, speed of decision making, accountability. To what extent are they structural or cultural / behavioural?
- Is scrutiny welcomed and supported – both formal O&S and scrutiny more generally? Do all Members have the opportunity to inform and influence?
- Does the Annual Governance Statement cover the key issues – and is it reflective / self-critical? When and how are the governance essentials reviewed? E.g. Constitution, Scheme of Delegation, etc.
- How effective is the Audit, Standards and Governance Committee (BDC) and the Audit, Governance and Standards Committee (RBC)?
- How strong are audit and governance arrangements - are the officer and Member responsibilities clear? Are the terms of reference for the Audit, Standards and Governance/Audit, Governance and Standards Committee effective?
- Are there effective governance arrangements in place e.g. Audit, risk and the delivery of corporate objectives?
- Are the arrangements for managing and monitoring delivery fit for purpose?
- How does the council work with its Audit, Governance and Standards Committee and its internal and external auditors to ensure effective financial controls are in place and to address issues raised?
- How are major audit issues addressed, especially in relation to findings in the two reports highlighted earlier in this scope?
- How is Worcestershire Internal Audit Shared Service working for BDC and RBC?
- How are statutory officers fulfilling their role as laid out in relevant legislation?
- Are there clear strategic risk management arrangements?
- Is there a positive organisational culture – e.g. respect, transparency, performance management and challenge – and how is this reflected in behaviours and practice?

b. Financial planning and management:

- Are financial reporting and audit seen as essential management and oversight tools?
- Are financial systems, processes and controls adequate to ensure accountability for public money and accurate information for decision makers?
- Do lead Members and management receive up to date and reliable financial management information when they need it?

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- Are there effective and proportionate arrangements in place for the delivery of services across Bromsgrove and Redditch councils e.g. the approach to cross charging?
- Is the reporting of monthly, annual and quarterly figures timely enough for action to be agreed and, if necessary, taken before the end of the next period?
- Are external auditors listened to and regarded as key partners in ensuring effective value for money and transparent governance?
- Are good and effective systems of financial management and administration in place, in areas such as income collection, investment returns, buying and paying and fraud and audit?

2.5 The CPC team comprised of:

- Joanne Wagstaffe - Chief Executive at Three Rivers District Council
- Councillor Peter Fleming OBE - Leader at Sevenoaks District Council
- Councillor Georgina Hill – Independent Member at Northumberland County Council
- Councillor Alan Rhodes – Labour Member at Bassetlaw District Council
- Peter Stachniewski - LGA Associate on Finance
- Sanjit Sull - Assistant Director (Legal and Democratic Services) at North Northamptonshire Council
- Helen Whiting - Head of Human Resources & Organisational Development at City of York Council
- Satvinder Rana - Senior Regional Adviser at the LGA

The Process

- 2.6 The peer team were based at both the Bromsgrove and Redditch offices during the four-day review. There was an initial 'scene setting' and 'checking the brief' discussion with the Chief Executive and Leaders of the Council.
- 2.7 Meetings and discussion sessions then took place with a range of officers, members and other stakeholders/partners enabling the peer team to explore the issues relevant to the purpose, scope and suggested terms of reference for the CPC.
- 2.8 At the end of the initial on-site activity (10th March) there was a feedback session and members of the Executive (Redditch), Cabinet

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(Bromsgrove), Group Leaders, Corporate Management Team were invited to attend and presented with the findings of the CPC.

- 2.9 This has been followed by a written feedback report (Appendix A), summarising the peer team's feedback with their recommendations for improvement.
- 2.10 Following consideration by the Corporate Management Team and Leaders of both Councils, a Council response to the CPC Feedback Report has been developed (Appendix B) along with more detailed Action Plans (Appendix C to G) to support the Councils response.
- 2.11 Members views are particularly sought as to what, if anything, else the Council should do to address Recommendations 2 and 6 (Appendix D).

Six-month Check-In

- 2.12 Six months after the CPC, the LGA will organise a CPC Check-In. This will be a short-facilitated session which creates space for the council's senior leadership to update peers on its progress against the action plan and discuss next steps. Following this, the LGA will produce a short note which reflects the council's progress and provides examples of any good or innovative practice. The estimate dates for the Check-In at both councils would be around December 2023.

3. FINANCIAL IMPLICATIONS

- 3.1 The cost of the CPC is included within the authorities' annual subscription to the LGA. Other costs are internal ones related to officer time. The cost of implementing the CPC action plan will be met from current budgets (unless separate specific reports are required).
- 3.2 There are no direct financial implications arising from this report.

4. LEGAL IMPLICATIONS

- 4.1 None arising directly from this report.

5. STRATEGIC PURPOSES – IMPLICATIONS

- 5.1 All Strategic Purposes.

Climate Change Implications

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5.2 None directly associated with this report.

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6. OTHER IMPLICATIONS

Equalities and Diversity Implications

6.1 None directly associated with this report.

Operational Implications

6.2 Addressed within the action plans.

7. RISK MANAGEMENT

7.1 No risks have been identified arising directly from this report.

8. APPENDICES and BACKGROUND PAPERS

Appendix A – Local Government Association (LGA) Corporate Peer Challenge (CPC) Feedback Report

Appendix B – Council response to CPC Feedback Report

Appendix C – Recommendation 1 Action Plan – Council Plan

Appendix D – Recommendation 2 and 6 – Governance and Engagement

Appendix E – Recommendation 3 – Workforce Strategy Action Plan

Appendix F – Recommendation 4 – Agile Working Action Plan

Appendix G – Recommendation 5 – Finance Recovery Action Plan

9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Councillor Matthew Dormer	May 2023
Lead Director / Head of Service	Kevin Dicks, Chief Executive	May 2023
Financial Services	Pete Carpenter, Interim Section 151 Officer	June 2023
Legal Services	Claire Felton, Head of Legal, Democratic and Property Services	June 2023

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LGA Corporate Peer Challenge

Redditch Borough Council

Dates: 7th – 10th March 2023

Feedback report



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1. Executive summary

Redditch Borough Council serves an area that is a mixture of old and new. The town of Redditch is an urban town with a rich industrial history which was once the international centre for the needle and fishing tackle industry. It is divided into several districts with the 'new town districts' built in the 1970s and 1980s to the east and the older 'former village districts' and open countryside to the south and west of the town. The council is ambitious in providing help and support to enrich the lives and aspirations of all its residents, businesses and visitors through the provision of efficiently run and high-quality services. The Leader has a very ambitious agenda on economic regeneration.

There is an ongoing commitment to shared services with Bromsgrove District Council and this arrangement is working well across both councils. It is commendable that whilst each council retains political and democratic sovereignty, people see themselves as working for one organisation and are committed to serving the residents of both councils.

There is a dedicated and long serving cadre of staff who have a strong sense of belonging to the organisation and feel the organisation cares for them. There are also good Member and officer relationships but these need to translate into enhanced joint working so that the ambitions of the council can be delivered in the most effective way.

The council has a stated vision, strategic purposes and a set of priorities outlined in the Council Plan for 2020-24 and updated in the Council Plan addendum. However, there is a disconnect between what the council wants to deliver and achieve and the activities the organisation is pursuing. A lack of specific clarity about the desired outcomes from the delivery of the priorities means that priorities are open to interpretation. Clearer communication to staff on the priorities and the expected outcomes backed up with a robust performance management framework to track progress should help to ensure that organisational effort is invested in the right places.

There are also issues of capacity and operational mechanisms to deliver on ambitions and priorities; and whether these are aligned to make an impact. For

example, capacity is constrained at the senior level in the organisation and in programme and project management both of which are critical in delivering on some of the ambitions particularly around the economy, regeneration and skills agenda.

Elected Members in Redditch are hard-working, ambitious for their areas and focused on improving the quality of life for their residents. Whilst Members are engaged, their focus on strategic delivery of corporate priorities could be strengthened. Governance and decision-making processes are important, and the active involvement of Members should be supported to move Members into a strategic space and away from operational delivery. There was some evidence of negative behaviours emerging, Member to Member relationships could be improved by the modelling of positive behaviour. This is the responsibility of all Members, and group leaders have a particular role in modelling behaviour.

There are strong, honest and trusting partner relationships in place at the senior levels through the Redditch Partnership and the 'Redditch District Collaborative' to develop the Integrated Care System. These are driven by a desire to improve local services, and everybody is committed to making a difference. Partner relationships now need to be better invested across the whole organisation. This calls for appropriate officers to start building those relationships and networks at different levels within partner organisations to support more co-design and co-production of solutions and services, particularly at community and neighbourhood levels.

The council navigated the pandemic well and is now supporting its residents through the cost-of-living crisis – all within the constraints of the financial challenges facing local government generally. The organisation was able to put in place working arrangements that enabled it to respond to the challenges in the most effective way. However, the time is now right for a post-pandemic reset, particularly on working arrangements, across the organisation so that its modus operandi is fit for purpose and is geared to delivering the councils priorities in the most effective and impactful way.

Residents identified strongly with the areas in which they live, and they were broadly positive about the council. Nevertheless, there is room for improved, consistent, and timely communication and engagement across the organisation for Members, staff and residents so that they all understand what the council is doing, how it is doing it

and the impact it is making.

The council is financially stable with a balanced budget, which in the current financial climate is positive. The task now is to ensure that plans for ensuring financial sustainability over the medium to longer term are in place and supported by robust delivery arrangements. The council must also ensure the recommendations in the Section 24 Notice and 2020/21 Interim Annual Audit Report are fully implemented.

2. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the council:

2.1. Recommendation 1

The council needs to review its strategic priorities and realign resources accordingly.

Getting the right priorities in place to maximise emerging opportunities and deal with the challenges will provide the council with the strategic framework for engaging with citizens, collaborating with partners, improving the quality of life for residents, facilitating the transformation of the organisation, and will enable everybody to better understand their place and role in delivering for Redditch.

2.2. Recommendation 2

The organisation should consider a governance review to improve decision-making.

There is room for improvements in the council's governance arrangements and a review will strengthen decision-making through more Member engagement and provide a greater level of scrutiny, challenge and assurance. It will also improve the processes and support arrangements across the council to enable Members to deliver on their democratic and leadership responsibilities.

2.3. Recommendation 3

Embed the 2022-2026 Workforce Strategy and develop an action plan which needs to be implemented at pace.

This will help to align organisational capacity, corporate resources, transformation,

workforce development, succession and talent management, and performance management to the new priorities. It will also strengthen the link between the council's ambitions and delivery as well as providing a clear corporate line of sight on how resources are being deployed, what is being achieved and how the organisation is feeling.

2.4. Recommendation 4

Agile working principles and policies need to be implemented consistently.

This calls for flexible and hybrid-working plans to be supported by clear management and staff guidance on how this will work in practice for the whole workforce in an equitable way. Not having clear guidelines and parameters in place exposes the council to potential unequal and discriminatory practices leading to inconsistencies across the organisation.

2.5. Recommendation 5

Ensure the Section 24 Notice and Interim Annual Audit Report recommendations are fully implemented.

This is a key priority for the council as it impacts on the reputation of the council and statutory compliance. Furthermore, the implementation of the recommendations will lead to improved governance and financial management in the organisation.

2.6. Recommendation 6

Use engagement, shared values, and improved processes to create a positive democratic culture.

This means finding ways to involve a greater number of Members in the work of the council and fostering a more supportive and cordial culture between Members and enhanced understanding and joint working between Members and staff to strengthen the democratic process.

3. Summary of the peer challenge approach

3.1. The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- **Joanne Wagstaffe** - Chief Executive at Three Rivers Borough Council
- **Councillor Peter Fleming OBE** - Leader at Sevenoaks Borough Council
- **Councillor Georgina Hill** – Independent Member at Northumberland County Council
- **Councillor Alan Rhodes** – Labour Member at Bassetlaw Borough Council
- **Peter Stachniewski** - LGA Associate on Finance
- **Sanjit Sull** - Assistant Director (Legal and Democratic Services) at North Northamptonshire Council
- **Helen Whiting** - Head of Human Resources & Organisational Development at City of York Council
- **Satvinder Rana** - Senior Regional Adviser at the LGA

3.2. Scope and focus

The peer team considered the following five themes which form the core components of all Corporate Peer Challenges. These areas are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its

current financial position? Does the council have a strategy and a plan to address its financial challenges?

5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

In addition to these questions, the peer team was asked to weight feedback on corporate governance in the context of the Section 24 recommendation and the associated Interim Auditor's 2020/21 Annual Report so that it focuses on understanding improvement requirements around governance systems and decision making.

3.3. The peer challenge process

This corporate peer challenge was a combined peer challenge conducted at Redditch Borough Council and Bromsgrove District Council over a four-day period.

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information to ensure they were familiar with both councils and the challenges they are facing. The team then spent four days onsite at Redditch Borough Council and Bromsgrove District Council, during which they:

- Gathered information and views from around 55 meetings, in addition to further research and reading.
- Spoke to over 130 people including a range of council staff together with members and external stakeholders.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and members.

4. Feedback

4.1. Local priorities and outcomes

The council has articulated its vision, strategic purpose and a set of priorities around economic development & regeneration, skills, health & wellbeing, housing, crime & disorder, financial stability, high quality services, and sustainability in the Council Plan for 2020-24 – and these have been reviewed as part of the Council Plan addendum. These are all based on the needs of residents and the locality and demonstrate a good understanding of the current and medium-term issues facing the council and the area it serves. Staff say they understand the council's vision and priorities and partners are complimentary about what the council is trying to achieve. Nevertheless, more work is required to embed the vision and priorities with partners and within communities so that residents also fully understand the direction of travel and the progress that is being made.

The council communicates and consults its residents on critical issues but should now move to better engagement to ensure wide and deep buy-in to its vision, which is critical. Members have a crucial role to play in the engagement exercise, as do staff. The council's workforce should be seen as critical to the communication and promotion of the vision and strategy because a proportion of council staff are local residents and thus capable ambassadors for the council.

As the council refreshes its Council Plan post 2024 there is an opportunity to develop, with partners and strategic stakeholders, an aspirational and forward-looking longer-term (5-10 year) shared vision and a strong and compelling 'place narrative' about how the council would like to see the area and its communities developing in the future. Developing a shared place vision through a strong story about the future of Redditch and communicating this through clear and consistent messaging, engagement and communication with residents, businesses, and strategic partners will help to consolidate the council's place leadership role and secure both awareness and sustained buy-in to its ambitions and priorities. It will also bring clarity about how it will impact on residents, partners, businesses, and staff so that everybody understands how they fit into its future, what their responsibilities might be, and what outcomes they can expect.

At present there is a disconnect between what the council aspires to achieve and

what is being delivered. There is ample evidence of the outputs being achieved, but less so of the tangible outcomes.

There is a capacity issue in the council, and this is being compounded by three factors:

- (i) A lack of capacity at senior officer and programme/project management levels.
- (ii) Capacity being deployed on activities that may not be making an impact on delivering the priorities.
- (iii) Recruitment and retention in some the core areas, which is an issue across the local government sector.

The organisation needs to match and better align resources to its vision and priorities. It also needs to improve performance management across the organisation so that there is a greater focus on measuring outcomes as well as outputs and not simply reporting on progress against activities. This calls for the political and managerial leadership to have a clear line of sight on performance information – presented in an easy to digest format such as a traffic light dashboard - to enable them to take corrective action where performance may be faltering. That said, it is good to see that the organisation is moving towards a data-driven model, and this should help to build a more robust performance management system and culture throughout the organisation.

There are stated objectives and documentation on equalities, diversity and inclusion issues, including an Equality Strategy 2022-26, in place. These now need to be translated into measurable outcomes for staff and residents so that all sections of the community and council workforce can benefit from not just investments in services but also the economy and access to education, training and good quality jobs – including those within the Council. The starting point for this is for the organisation to have accurate information on the make-up of its workforce against the protected characteristics as outlined in the Equality Act 2010.

There is clarity in the council on the importance of the Green Agenda, but it needs to focus on delivery through a well-defined programme of work.

4.2. Organisational and place leadership

There is established political and managerial leadership in the organisation, and it is delivering for the residents of Redditch. Members are hard-working, ambitious for their areas and focused on improving the quality of life for their residents. The Leader demonstrated personal knowledge of local communities and his passion for the local area. His leadership skills are recognised, and he is very well liked by partners and residents the peer team spoke to – *“he is ambitious, business like and straight-talking”*

The Chief Executive and senior managers are approachable, liked and well regarded by staff and partners. However, there is a lack of capacity at the senior officer level as well as a high turnover of staff, which is holding the council back in terms of delivering its priorities at pace.

The council effectively uses partner capacity to shape and deliver priority outcomes. For example, the ‘Redditch District Collaboratives’ with health providers to support local communities to deal with mental health and wellbeing, obesity and frailty is seen as a very positive initiative by partners, and the Asset Based Community Development work which make connections between local people and services and activities. The success of these partnerships is due to strong and productive partnership relationships at senior level which have been praised by strategic partners, community and voluntary sector and the wider county networks – *“we have the best relationship of any council in the patch and the council can be trusted to be fair”*.

The organisation plays its part at local and regional levels, but it could go further to benefit from shared learning and shared agendas. At present there is a lot vested in the role the Chief Executive plays on external forums – *“95 per cent relationship with the council is framed by the relationship with the Chief Executive”*. Whilst this is very positive, there is a risk that relationships are vested in one individual and both leading Members and other senior officers are detached from this. They also need to carve a place for themselves in this space to widen their perspective and provide more distributive leadership of place.

There are a number of partnerships in place in Redditch, such as the North Worcestershire Community Safety Partnership (NWCSP), the Redditch Partnership,

the Redditch District Collaborative, problem-solving task groups, etc. There is an opportunity to strengthen partnership working in Redditch by increasing the visibility of Members and middle managers in partner activities and improving communication on ambitions, priorities and strategies. Lack of good and managed communication with the public and partners was recently demonstrated by the negative publicity and opposition to the relocation of the library – *“we found out the council’s plans from the newspaper”*.

There are productive relationships with the trade unions and the council’s workforce strategy provides a good framework to develop the organisation and its people. It now needs to be implemented at pace through a measurable action plan. Some of the critical areas to address are filling vacancies in key areas, for example finance, putting in place the necessary policies and guidelines to facilitate agile working, and improving internal and external communication and engagement. This means bringing more clarity on what is expected from staff and how they should work and ensuring that there are timely responses to external enquiries.

There is evidence that managers have discretionary leadership to manage services, however, lack of resources within current structures and recruitment and retention of staff was raised across numerous services by front line staff and service managers. This in turn is impacting on motivation and ability to deliver at the appropriate and needed pace in some areas.

Succession planning, creative recruitment and development of the workforce is acknowledged as a key strand within the workforce strategy to address capacity, but it was not clear that there was a commitment at all levels to enact.

Members in Redditch have the potential to become more actively involved in the business of the council and within communities and become forceful ambassadors for the area with the right kind of training, development and support. This is inconsistent at present and needs to be improved so that they are fully briefed on their areas of responsibility and are working as effectively as they can. Members need good officer support, and they need to take up training opportunities which may be available through Member development programme. These opportunities may incorporate induction training for new Members; external mentoring for new portfolio holders; corporate governance; leadership skills; equality, diversity and inclusion

training; chairing skills; decision making; and communication – some of which should be mandatory for all Members. The Local Government Association can support the council in this work.

The council's shared services arrangement with Bromsgrove District Council provides a huge opportunity to tackle some of the big issues in collaboration and bring consistency to the 'one organisation' ethos. Regular meetings between the Executive and Cabinet (in Bromsgrove DC) to discuss issues common to both councils and how priorities of each council are to be delivered could help move this forward and enable both Member and officer capacity to be maximised.

4.3. Governance and culture

The necessary and standard governance, decision-making and risk management arrangements appear to be in place in Redditch. The Executive is providing political leadership and the Leader is supported by eight Executive Members with portfolios loosely aligned to the priorities of the Council. Executive Members bring some valuable skills and could benefit from top team development within the council context. The senior management team provides strategic and managerial leadership with the Chief Executive supported by two directors and seven service heads.

Whilst governance, decision-making and risk management arrangements are in place it is not clear they are adequate or that good governance and decision-making and the management of strategic risk flows from them. There are various examples, such as the effectiveness of overview and scrutiny and robust organisational challenge, the visibility and role of front-line members in council business, officer accountabilities on delivery, and the role of Executive in policy and strategy development which demonstrate that governance and decision-making needs to improve and become better embedded within the organisation so that they can provide the necessary assurances.

There are generally good Member and officer relationships but these need to translate into improved joint working so that the ambitions of the council can be delivered in the most effective way. At present the roles of Members and officers are often misunderstood. This is partly due to frustration around provision of information and perceived lack of delivery where Members find the need to step into the officer space. Clearer role definitions, greater understanding of demarcation lines, and

better communication on delivery can help to resolve some of these issues. To ensure that this is embedded within the organisation the council may want to revisit the codes of conduct which regulate Member and officer behaviours and working relationships with each other. Members should lead this review through the Audit, Governance and Standards Committee. This will make it clear what the expectations of each party should be and how robust challenge can be handled to ensure proper accountability. Officers need to recognise the legitimate rights of Members for information in a timely way to enable them to perform their role and for Members to recognise that policy is the preserve of the council unless delegated and officers saying no is a legitimate outcome. Crucially, officers should ensure Members are fully briefed on the reasons for the approach.

Members could be even more effective if a larger number of them engaged more fully in the business of the council by providing constructive political leadership. Members raised issues around their ability to take part in the democratic process due to issues with timeliness of reports, shaping agendas, asking questions, provision of information, etc. These issues are easily rectified by putting in place the necessary processes and timelines.

Governance is a matter for the whole organisation, and everyone needs to play their part and ensure the process and the timelines work smoothly for the whole organisation. It is important that everybody starts thinking about corporate discipline and what good governance looks like to them at their level. This may be facilitated through a governance review which will require everyone to think about what needs to change and then to agree and make the necessary changes and incorporate them into the Constitution and business processes.

In addition, Member to Member relationships and behaviours requires attention. A better working culture at the political level needs to be fostered so that some of the strained and challenging Member to Member relationships are smoothed and become more constructive. This is the responsibility of all Members, and group leaders have a particular role in modelling behaviour.

There is a dedicated and long serving cadre of staff who have a strong sense of belonging to the organisation and feel the organisation cares for them. The workforce also looks after each other and have established good support mechanisms between

teams, peers and colleagues. Staff groups that the peer team met did indicate that they are fatigued and there is a need for an injection of clear messaging to ensure that priorities and support are known, and the workforce can be resilient to the future challenges.

The organisational culture is one where the staff feel supported and empowered to bring forward improvements. They are happy and want to help the council to respond to the needs of the different communities.

There is good staff communication and engagement with the Chief Executive through his monthly staff briefings and these need to continue and embed across all levels of the organisation. This could be extended to include the Leader so there is joint delivery of messages. Embedding this communication across the organisation will require the platforms and methods of staff communication to be widened so that correct and timely information reach all levels of the organisation. In addition, wider management engagement with staff could be improved through more face-to-face interactions which brings more visibility to managers and encourages them to go and talk to all their team members.

The council navigated the pandemic well and was able to put in place working arrangements that enabled it to respond to the challenges in the most effective way. Staff are proud of their response to the pandemic, and rightly so, however, some of the working methods deployed during the pandemic have continued and these may now not be the most effective for organisational performance. The time is, therefore, right for a post-pandemic reset across the organisation so that its modus operandi is fit for purpose and is geared to delivering the priorities of the council in the most effective and impactful way. It is important to ensure that the positive relationships, partnership working and cross directorate working that excelled during the pandemic are embraced and embedded into business as usual before silos begin to form again.

At present there is inconsistency around flexible and hybrid-working and it is not clear whether they are working for everyone in the way intended. The flexible and hybrid-working plans need to be supported by clear management and staff guidance on how this will work in practice for the whole workforce in an equitable way. Lack of clear parameters and guidelines introduces the potential risk for unequal and discriminatory practices leading to inconsistencies across the organisation.

Investments in Agile working must lead to a more responsive and efficient organisation with a refreshed set of organisational values to help deliver better customer interactions and service delivery that meets the changing needs and expectations of residents. This means an increasingly flexible customer-focused workforce and improved processes that embraces the use of digital technology to deliver services and information online.

4.4. Financial planning and management

A key focus of the financial element of this review was the extent to which the financial issues that had resulted from the implementation of the financial system (which in turn had given rise to the Section 24 Notice) had been addressed.

The most significant issue was accuracy of the data available from the new system and the issues this caused for assessing the council's financial position. The cash receipting system implemented in February 2021 did not correctly allocate income between Redditch BC, Bromsgrove DC and Rubicon Leisure. Since November 2022, income has been correctly allocated, but work is ongoing on allocating cash received between February 2021 and November 2022. In addition, there are issues about the robustness of the data transfer from the old to the new system. Resolving past data issues has delayed the audit of accounts, with the audit of the 2020/21 accounts not expected to be completed until the middle of 2023 and consequential delays in subsequent year audits. Whilst discussions with council officers suggest that a reasonable level of confidence can be placed on the data they are using for financial reporting purposes, there remains a degree of uncertainty.

Issues arising from the finance system implementation together with staff turnover in the finance team meant there was a period of over a year during which members did not receive reports on the financial position of the council. There was no financial reporting to Members until the final month of 2021/22 financial year, but it recommenced in 2022/23. There was a first financial quarter monitoring report to the Executive Committee in September 2022, followed by a second quarter monitoring report in December 2022, with the third quarter monitoring report going to the Executive Committee in March 2023. There is confidence that issues of financial reporting to members have been addressed although the reliability of this is dependent on the robustness of the underlying data produced by the financial

system.

Staffing turnover in the finance team has also been a major issue. Eleven out of the sixteen staff in the finance team left the council over an 18-month period. There is a new interim director of finance and Section 151 officer who has been in post for just over a year and a permanent head of finance who has been in post for 9 months. Posts have been filled at lower levels of the structure although some key posts, including chief accountant, remain vacant. Members and officers indicated confidence in the way that the finance department is now being run. There remains a significant risk about what happens when the interim director of finance's contract comes to an end in June 2023 but the process for recruiting to the permanent role is underway.

Based on the best information available, it appears that council General Fund reserves are at an adequate level. The current forecast, following publication of the 2022/23 third quarter monitoring report, is that overall reserves will stand at £10.1m at 31st March 2023, with £2.6m held in a general balance and £7.5m held in earmarked reserves. These figures are at an adequate level for a council of the size (£10.5m net revenue budget in 2022/23), and with the risk profile of Redditch BC.

The council has historically maintained overall spending within budget. The impact of pay and price inflation in 2022/23, which is significantly above levels forecast when budgets were set, has made it particularly difficult to maintain spend within budget in 2022/23. The 2022/23 budget variance was forecast at £0.4m in quarter 2 monitoring but increased to £1.3m at the time that the 2023/24 budget estimates were reported to Full Council, largely because of the impact of the higher than budgeted pay award. The latest forecast in the quarter 3 budget monitor is that the overspend will be £0.8m. Whilst most of this is due to pay and price inflation, there was a significant (£0.3m) projected overspend in housing support costs for people in temporary accommodation.

Provision was made within the budget for the impact in 2023/24 of the 2022 pay award, for energy and contractual price increases, but no additional provision was made for pressures on the temporary accommodation budget which remains a risk area. The budget also assumed a 2% increase in pay in 2023 but this has been overtaken by the subsequent pay offer by the local government employers which will

lead to a shortfall in budget provision for 2023/24. This issue will need to be addressed at quarter one monitoring in 2023/24. Overall, however, budget assumptions seem reasonable and, given the quarter three forecast overspend in 2022/23 is less than when the 2023/24 budget was set, the council should be in a position to manage spending within budget.

The council's Medium-Term Financial Plan runs to 2025/26. It is based on the assumption that external resources remain broadly at 2023/24 levels in future years and builds in assumptions about pay, prices and council tax increases. The only significant savings item forecast for future years (beyond 2023/24) is from service reviews tied in with implementation of the customer and digital strategy and redesign of Redditch Town Hall which were expected to deliver savings of £0.1m in 2023/24 rising to £0.4m in 2025/26. The forecast for the General Fund balance is that it will remain broadly at the level projected for 31st March 2023 at 31st March 2026 i.e. around £2.5m.

In order to ensure that the council's General Fund remains financially sustainable in the longer term and can meet local priorities, the council has identified a number of measures it needs to take to improve the efficiency and effectiveness of its services, including reviewing the effectiveness of the council's largest contracts, assessing the council's leisure and cultural strategy in terms of affordability, rationalisation of the asset estate, possible redevelopment of depots, and implementation of a new operating model tied in with digitisation of services. Each of these is a large project and the council needs to ensure that it has the programme and project management arrangements in place to deliver them. It will also need to identify one-off resources not only to meet the cost of these programme and project management arrangements but also to ensure that posts can be backfilled so that business as usual activity is maintained and that any redundancy payments can be met. Key to successful delivery of these changes will be lessons learnt from the financial systems implementation project.

There is a need for greater collective ownership by Members in the way council priorities are reflected in financial plans. Members need to be involved in identifying what the key priorities of the council are and what they are not and reflect those in the way the council allocates budgets to services. This also means portfolio holders having oversight of budgets in their areas of responsibility and overview and scrutiny

being able to scrutinise budget proposals. Furthermore, thought needs to be given to how stakeholders' views can be considered in budget decision-making processes. The council went out to consultation on the budget last year, but it is unclear how that then informed the budget later. Every council finds this difficult, but it is easier once priorities are clear, and people are aware of how delivery of the priorities ties in with the resources available.

The council has a Housing Revenue Account (HRA) with a housing stock of around 5,600 properties. The 30-year HRA Business Plan has recently been reviewed alongside the development of an HRA Asset Management Strategy. A key risk to the council is loss of further housing from Right to Buy sales and the council has an ambition to build new council houses. The 30-year plan envisages retaining an HRA general balance of just over £2m per year, with surpluses within the HRA being transferred to earmarked reserves which can be used to fund new housing. The council currently has 19 units under construction and there are a further 8 sites agreed for development which are expected to provide an additional 37 units of accommodation over the next 3 years. Additional sites are expected to be added to allow more housing to be developed. The council will need to ensure there are robust programme and project management arrangements in place to deliver the additional homes the council needs.

One of the improvement recommendations of the external auditor is the need to improve the council's capital budgeting and ensure that the capital programme is delivered. There appears to have been considerable slippage in the General Fund capital programme in previous years which was mainly due to limited opportunities, particularly during Covid, to use the council's Investment Fund. As part of its budget setting for 2023/24 the council is focusing its regeneration efforts on delivery of the Towns Fund programme and using all its capital programme to provide match funding for the Towns Fund programme. The council should bear in mind that government funding is time limited and failure to deliver on time could have significant implications for the organisation.

In addition, redevelopment of the Town Hall is key to both Redditch BC and Bromsgrove DC delivering changes to the way they work and savings in their revenue budgets and it is important therefore that arrangements are in place that ensure delivery of the project on time and to budget.

The council should also look at arrangements that could improve the effectiveness of its internal audit arrangements. Weaknesses in strategic risk management mean that internal audit activity has not always targeted the highest risk areas. This led, for example, to internal audit's role in the financial systems implementation not being clearly defined. In addition, there do not appear to be clear processes in place for ensuring that internal audit recommendations are implemented. Improved effectiveness of internal audit would in turn contribute to increased effectiveness of the Audit, Standards and Governance Committee. Internal audit now starting to report to Corporate Management Team on progress is a good start.

4.5. Capacity for improvement

There is potential for the council to make significant improvements in the way it does business. The refresh of the Council Plan is due next year and once the priorities have been redefined it will be important to ensure that resources (both financial and human) are realigned to them. This means putting the right skills in the right place with the necessary governance and decision-making arrangements to ensure the right kind of delivery. It will also be important to prioritise the actions that will lay underneath the priorities to ensure timely delivery.

Realigning resources will inevitably mean reviewing the current operational arrangements to ensure organisational capacity is utilised in the most effective way to facilitate the delivery of those priorities. The key areas to focus on will be the deployment of available workforce capacity; organisational culture and development; programme and project management; equality, diversity and inclusion; communications; systems and processes to ensure they facilitate delivery of priorities. Concerted effort and focus will, therefore, be needed to ensure that some key management processes are further developed and embedded into the organisation to enable it to move to the next level. This could include:

- (i) A much clearer and integrated strategic planning process that aligns the corporate plan with the financial plan, service plans, team plans and the employee appraisals process – all backed up with analytics and data.
- (ii) A robust performance management framework that tracks progress against corporate priorities through SMART and ambitious targets for the outcomes

the council wants to achieve and provides a clear line of sight on progress to senior management and Executive through an easy to digest dashboard and traffic light system.

- (iii) A system for receiving, fielding, and responding to Member enquiries in a solution-based and timely manner.
- (iv) Ensuring the customer interface is effective and makes full use of digital communication, engagement, and transactions in addition to face-to-face interactions.

Getting these in place and strengthening existing management processes can provide some quick wins for the organisation.

5. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a six-month check-in session, which provides space for the council's senior leadership to update peers on its progress against the action plan and discuss next steps.

In the meantime, Helen Murray, Principal Adviser for West Midlands, is the main contact between your authority and the Local Government Association. Helen is available to discuss any further support the council requires at Email:

helen.murray@local.gov.uk or Tel: 07884 312235.



Satvinder Rana
Senior Regional Adviser, LGA
(On behalf of the peer challenge team)

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Bromsgrove District Council and Redditch Borough Council – Corporate Peer Challenge Action Plan

Key Recommendations

Recommendation	Response / Action	Lead Officer	Timescale
<p>Recommendation 1 <i>The council needs to review its strategic priorities and realign resources accordingly.</i></p> <p>Getting the right priorities in place to maximise emerging opportunities and deal with the challenges will provide the council with the strategic framework for engaging with citizens, collaborating with partners, improving the quality of life for residents, facilitating the transformation of the organisation, and will enable everybody to better understand their place and role in delivering for Redditch.</p>	<ul style="list-style-type: none"> • Agree with the recommendation. The Management Team will work with the Executive (RBC) and Cabinet (BDC) to review the priorities and non priorities. This work will start immediately with a view to seeking agreement to new Council Plans (in both Councils) in September. The new Council Plans will drive the review of the Medium Term Financial Strategy. • Action Plan attached 	Kevin Dicks / Deb Poole	September 2023 (for new Council Plan)
<p>Recommendation 2 <i>The organisation should consider a governance review to improve decision-making.</i></p> <p>There is room for improvements in the council's governance arrangements and a review will strengthen decision-making through more Member engagement and provide a greater level of scrutiny, challenge and assurance. It will also improve the processes and support arrangements across the council to enable Members to deliver on their democratic and leadership responsibilities.</p>	<ul style="list-style-type: none"> • Agree with the recommendation. Significant work is already being undertaken in this regard (attached) – members are asked to identify what if anything else is required. Depending on this there may be a requirement to commission external support (LGA/Peer lead(s)) 	Kevin Dicks / Claire Felton	TBC

<p>Recommendation 3 <i>Embed the 2022-2026 Workforce Strategy and develop an action plan which needs to be implemented at pace.</i></p> <p>This will help to align organisational capacity, corporate resources, transformation, workforce development, succession and talent management, and performance management to the new priorities. It will also strengthen the link between the council's ambitions and delivery as well as providing a clear corporate line of sight on how resources are being deployed, what is being achieved and how the organisation is feeling.</p>	<ul style="list-style-type: none"> • Agree with the recommendation. Members agreed the Strategy commencement date should be 2023. • Action Plan attached 	<p>Sue Hanley / Deb Poole</p>	<p>As per Action Plan</p>
<p>Recommendation 4 <i>Agile working principles and policies need to be implemented consistently.</i></p> <p>This calls for flexible and hybrid-working plans to be supported by clear management and staff guidance on how this will work in practice for the whole workforce in an equitable way. Not having clear guidelines and parameters in place exposes the council to potential unequal and discriminatory practices leading to inconsistencies across the organisation.</p>	<ul style="list-style-type: none"> • Agree with the recommendation. • Implementation Plan attached 	<p>Sue Hanley / Deb Poole</p>	<p>As per Action Plan</p>

<p>Recommendation 5 <i>Ensure the Section 24 Notice and Interim Annual Audit Report recommendations are fully implemented.</i></p> <p>This is a key priority for the council as it impacts on the reputation of the council and statutory compliance. Furthermore, the implementation of the recommendations will lead to improved governance and financial management in the organisation.</p>	<ul style="list-style-type: none"> • Agree with the recommendation. • Action Plan Attached 	<p>Pete Carpenter / Michelle Howell</p>	<p>As per Action Plan</p>
<p>Recommendation 6 <i>Use engagement, shared values, and improved processes to create a positive democratic culture.</i></p> <p>This means finding ways to involve a greater number of Members in the work of the council and fostering a more supportive and cordial culture between Members and enhanced understanding and joint working between Members and staff to strengthen the democratic process.</p>	<p>Agree with the recommendation. Significant work is already being undertaken in this regard (attached) – members are asked to identify what if anything else is required. Depending on this there may be a requirement to commission external support (LGA/Peer lead(s))</p>	<p>Kevin Dicks / Claire Felton</p>	<p>TBC</p>

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Redditch Council Priorities – Council Plan

Currently Redditch Borough Council (RBC) has a number of priorities which are underpinned by a set of key milestones. These priorities and milestones are set out in the current Council Plan 2020 – 2024 and in the Council Plan Addendum 2022/23. The Council Plan Addendum was created to provide an intermediary position ahead of a full review of the Councils long term priorities in 2023. The current key priorities for RBC are:

1. Economic Development and Regeneration
2. Housing Growth
3. Skills
4. Improved Health and Wellbeing
5. Community Safety and Antisocial Behaviour
6. Green Thread
7. Financial Stability
8. Sustainability
9. High Quality Services

These high level strategic documents, whilst outlining the direction of travel, also recognise that the council cannot deliver all of these priorities on its own. Considerable support and input from partner organisations will be needed if these, and future priorities, are to be successfully achieved. It is for this reason that the council will again need to determine its role in the delivery of its priorities and in the associated 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.

Further highlighting the importance of the councils priorities were the findings from a recent Corporate Peer Challenge which recommended that:

The council needs to review its strategic priorities and realign resources accordingly.

Getting the right priorities in place to maximise emerging opportunities and deal with the challenges will provide the council with the strategic framework for engaging with citizens, collaborating with partners, improving the quality of life for residents, facilitating the transformation of the organisation, and will enable everybody to better understand their place and role in delivering for Redditch.

In order to deliver this recommendation the council will need to review its council plan and priorities during the coming months in order to have a clear direction of travel for the next four year council plan period. The high level timeline below sets out the four stages that will be required in order to have a refreshed council plan by September 2023.

Stage One – Community Panel Engagement

May 2023

Lead Officers – DP, BG, HM, EP

During the recent Corporate Peer Challenge, a number of members of the councils Community Panel volunteered to take part in a discussion with the peers about their opinions of the council.

These sessions were extremely successful and have led to the proposal to ask for Community Panel volunteers to take part in a priorities workshop to better understand what our communities think the council should be paying attention to over the next four years.

No	Task	Date	Lead
1	Establish a set of questions to initiate the discussions	May 2023	DP/HM/BG
2	Engage with the group to ask for volunteers	May 2023	HM/BG/EP
3	Set up meeting arrangements (remote or F2F)	May 2023	HM/BG/EP
4	Deliver the workshop	TBC	HM/BG/EP

Stage Two – Create Feedback Datasets

June 2023

Lead Officers – BG, HM, TB, KJ

After the Community Panel workshop there will be a requirement to analyse the feedback and develop datasets for Members to use during a future Executive priorities workshop.

This analysis will also need to include Community Survey findings, recent and relevant Census data as well as the feedback from the volunteer community panel members. SMT and CMT will need to consider the areas for discussion ahead of the priorities workshop. A discussion will be scheduled for a CMT meeting at the end of June where the data can be discussed.

No	Task	Date	Lead
5	Collate feedback from panel meeting, include Census and Community Survey data	June 2023	HM/BG/TB
6	Develop user friendly data sets for Member workshops	June 2023	HM/BG/TB
7	Circulate data to SMT/CMT prior to the Member workshop	June 2023	HM/BG

Stage Three – Member/SMT/CMT Priorities Workshop

July 2023

Lead Officers – KD, ?? ??

This workshop will allow the Executive along with the senior leadership team to discuss and explore what the priorities for the next four years should be. This will also provide an opportunity to rationalise and focus in on the right priorities. By establishing a clear and concise set of priorities the council will be better able use its resources to deliver the things that matter to our communities.

The datasets and agenda will be circulated closer to the date.

It may be possible to hold an all Member workshop subject to the Leader being in agreement.

No	Task	Date	Lead
8	Create agenda and establish approach	July 2023	DP/HM/BG/KD
9	Set up workshops meeting arrangements (remote or F2F)	July 2023	HM/BG
10	Capture feedback from the meeting	July 2023	HM/BG/EP

Stage Four – Develop New Council Plan

August/Sept2023

Lead Officers – DP, BG, HM

The new council plan will need to be ready to go forward to members for approval in September 2023. A draft will be required for SMT/CMT in early September for comments and amendments ahead of member approval.

The Council Plans will go to Council for approval after consideration by Executive. There is a requirement in the constitution for the Council Plans to be considered by Overview and Scrutiny. Those dates are also shown below.

No	Task	Date	Lead
11	Collate feedback from Member workshop	Aug 2023	HM/BG
12	Create first draft Council Plan	Aug 2023	DP/HM/BG
13	Circulate draft to SMT/Leader for feedback	Aug 2023	HM/BG
14	Include final feedback and create final draft	Sept 2023	HM/BG
15	Final draft to Executive for approval	Sept 2023	DP/HM/BG

Redditch

Overview & Scrutiny – 7th September 2023

Executive – 12th September 2023

Council – 25th September 2023

Links to the Medium Term Financial Strategy

The review and update of the Council Plan and priorities will create a clear direction of travel for the next four year council plan period. Internal resources are already allocated to this project for the May to September period and therefore fully budgeted. Any updated set of priorities, once agreed by Council in September, will then become part of the 2024/25 Medium Term Financial Plan (MTFP) Process. Like the 2023/4 MTFP process, the initial Tranche of pressures and savings linked to the new Corporate Plan will be actioned before Christmas. A second tranche will be delivered in February 2024.

Where Council Plan priorities affect the 2023/4 year financially, changes to budgets will be actioned and approved through the quarterly financial and performance monitoring reports.

CPC Action Plan – Governance and Engagement Recommendations 2 and 6

There are a significant number of actions already taking place which will hopefully improve the position:

- The Constitutional Review Working Party (CRWP) – The CRWP meets throughout the year to review the Council's constitution. Proposed changes are designed to make the Council operate in a more effective manner.
- Key decision threshold – the threshold for key decisions which have significant implications in terms of expenditure and savings is in the process of being reviewed to make sure that this is made fit for purpose, having not been reviewed for many years. Proposed changes will be reported to the CRWP before reporting on to the Executive Committee and Council for consideration.
- Officer decisions
 - Training has been delivered to CMT and some fourth-tier managers on the subject of officer decisions.
 - Officer decision training has been booked into the corporate training calendar which the Monitoring Officer will deliver.
- Committee Report template
 - The template was reviewed and updated in 2021 to streamline and simplify report writing processes. For the first time, report authors were required to link their proposals to the Council's strategic purposes.
 - The report writing guidance was produced at the same time to provide a helpful guide for report authors on how to write a report using the template. It also provides useful information such as guidance on the information in a report that can be exempt etc.
 - The Committee report template, guidance and officer decision forms can be accessed by staff from the home page of the Orb.
 - There is a sign off section at the bottom of the report template. The aim is to provide senior officers with a chance to check whether their staff are following the proper process by consulting with the right people. This will be enforced.
- Report writing training – report writing training is being provided by an external trainer, following consultation with Democratic Services regarding the Council's report processes. Good feedback has been received from people who have attended this training.
- Late reports – The Interim S151 Officer and Monitoring Officer now hold meetings just prior to the statutory deadline for the receipt of Executive Committee reports. They are rejecting any late reports received after the report deadline, unless considered urgent and / or there are reasonable grounds for late submission (e.g. the Council Tax Resolutions report is generally received late due to reliance on precepting authorities to provide the Finance team with information for inclusion in the reports).
- The Council has introduced and tested meeting owls. The owls are much more efficient to use and easier to set up than the Council's polycom devices, with a better quality audio visual system. This enables staff, partners and members of the public who are unable to attend a meeting in person to participate remotely via Microsoft Teams in a hybrid arrangement. The tests

have also successfully involved live streaming meetings, involving a member of staff logging onto Teams remotely. Subject to further discussion by CMT, further use of the owls and live streaming may assist the Council to improve the transparency of the local decision making process.

- Hybrid and remote meetings – whilst Members continue to be required to attend formal meetings in person, Council staff (with some exceptions), partners and members of the public can be offered the chance to attend Committee meetings remotely, via Microsoft Teams. Informal meetings, such as Chairs' briefings, are often held remotely. This builds on using skills developed during the pandemic and allows for greater flexibility as well as a reduction in carbon emissions associated with Committee meetings.
- Independent Person – Standards Regime – The Council is in the process of exploring the potential to join the Worcestershire Independent Persons pool. This will help to achieve efficiencies and enable the Council to involve a greater number of independent people with relevant expertise in standards investigations.
- BDC Audit Task Group investigation – Redditch Borough Council has considered the group's findings and the implications for the authority.
- Budget Setting – the budget setting process has improved considerably, from a democratic perspective, this year. The Budget Scrutiny Working Group was regularly involved at every stage. The inclusion of different tranches of savings allows for Overview and Scrutiny Members to consult on different options with interested parties, should they wish to do so.
- Modern.gov Report Management – the Democratic Services team have been working closely with the Business Improvement Team (BIT) on the introduction of the report management system. This will take time to implement but should result in improving the efficiency of the democratic process, improvements in version control in respect of reports and encourage report authors to take greater ownership of their own reports, thereby supporting positive culture change.
- Executive Committee's Work Programme – The work programme is published on the Council's website using the modern.gov system. This has been an arrangement in place for many years in Redditch. In addition to giving notice of forthcoming key decisions in the work programme, the Council also gives notice of forthcoming non-key decisions in the work programme, to ensure that the authority is as transparent as possible in relation to forthcoming business.
- Reducing Committee paperwork
 - Members have agreed that there should be an assumption that all Members will go paperless unless they opt to receive paper copies of agenda packs. This helps to support one of the actions in the Carbon Reduction Strategy Action Plan to reduce paper waste. Currently, 15 councillors have gone paperless in Redditch.
 - Members and senior Officers use the modern.gov app, including the private modern.gov, to access and annotate Committee papers.
 - Modern.gov app training has been provided to Members and a training session was delivered to Councillors from both Councils on 25th May. Further training can be offered.
- Democratic Services team – two members of the team are currently in the process of undertaking the Association of Democratic Services (ADSO)

Certificate in Democratic Knowledge. This will help those team members to learn about best practice for implementation in the workplace. The Principal and Senior Democratic Services Officers are both members of ADSO and monitor key developments in the sector based on information shared by this professional body.

- Constitution Review – External support has been secured for a review of the constitution.
- A Governance Review is currently being undertaken with regard to Rubicon Leisure Limited.
- Two members of the opposition have been offered Non Portfolio Holder roles on the Executive Committee.
- Improved Performance and Project Management is in place with a need for clearly agreed project plans. Project Management of key projects is included in the quarterly Monitoring Reports.
- The Council has a Member Support Steering Group which co-ordinates member training and induction arrangements.
 - Meetings take place throughout the year and extra meetings can be convened where required.
 - The group can and do consider requests for additional training to take place during the year. For example, in 2022/23, extra Code of Conduct training sessions were held in November and January.
- The induction event was held at the Council on the evening of 9th May 2023.
 - This provided an opportunity for new Councillors to meet senior officers and to learn about some key issues – e.g. the Council's strategic purposes.
 - Induction packs, containing useful information, including the induction programme which details forthcoming training sessions, was handed to elected Members at these events. Some members requested electronic access to these packs and were emailed links to the paperwork.
 - Members were invited to sign the declaration of acceptance of office at this event.
 - The induction programme was emailed to all other Redditch Councillors who had not taken part in the local elections, to ensure that they were provided with notice of forthcoming training.
 - New Members were also introduced to their officer buddies, senior officers who provide helpful support and guidance in the first few months.
- Joint training - at the request of the Member Support Steering Group, a lot of the training is taking place jointly this year with Bromsgrove District Council. This helps to achieve efficiency savings and provides opportunities for Members to network with Councillors from another authority. However, where members did not feel joint training was appropriate, separate sessions are being held. (E.g. the Council's Overview and Scrutiny training session is being delivered to Redditch Members only).
- In person training - At the request of the Member Support Steering Group, a lot of the training in the first few months after the elections is being held in person, rather than remotely. Members felt that this would support new Councillors more effectively and would also be helpful in the first few weeks until new Councillors received their Council IT equipment. Since the elections, some Members have indicated that they might struggle with attending training in person. Therefore, it has been agreed with group leaders

that the assumption will remain that training will be attended in person but where reasonable notice is provided, a link to the training will be provided to a Member, if possible, to enable remote participation.

- The following training is due to be provided to Members this year as part of the induction process:
 - Code of Conduct (covering the Member Code of Conduct and standards regime. Separate code of conduct training sessions are provided to Parish Councillors.)
 - Planning (including two planning refresher training sessions)
 - Licensing (including training in respect of chairing Licensing Sub-Committees.)
 - Chairing skills training – There is a training session due to take place on 5th July but one-to-one training has also been offered to new chairs prior to this to enable them to fulfil their roles (An LGA booklet on chairing meetings has also been included in the induction packs.)
 - Data Protection
 - Equalities
 - Safeguarding
 - Civility in Public Life including Social Media – this training is being delivered jointly to Councillors from all Councils in Worcestershire apart from Wyre Forest District Council (The LGA's guide to Members' use of social media was also included in the induction packs)
 - Overview and Scrutiny
 - Audit, governance and standards (covering audit functions and corporate governance)
 - Carbon literacy
 - IT training including cyber security training (For new Councillors. Cyber security training was provided to Members at both Councils in December 2022)
 - Modern.gov app
 - Civil leadership in emergencies
 - Shareholders Committee
 - Domestic Abuse
- LGA training
 - The LGA sessions designed for new Councillors have been included in the induction programme and promoted to new Councillors.
 - The political leadership sessions provided by the LGA will be promoted to group leaders and specific Members following the elections.
- Mandatory Training
 - Invitations are sent to Members in plenty of time and for the induction process the induction programme, detailing all forthcoming training, has been included in the induction packs so notice is being provided to all newly elected members on forthcoming training dates.
 - There is a long standing practice whereby Members are mandatorily required to attend planning and licensing training before they are permitted to serve on the Planning Committee and Licensing Sub-Committees.
 - The Member Support Steering Group agreed that attendance at data protection, safeguarding, code of conduct and equalities training should also be treated as mandatory. Political group leaders will be informed of

- any members of their groups who do not attend this mandatory training and will be expected to enforce attendance by their members.
- Officers are in the process of reviewing arrangements in place to enforce compliance with mandatory training attendance in other parts of the country. Any findings arising from this research will be reported for the consideration of the Member Support Steering Group.
 - Evaluation forms are being circulated after every session and the feedback will be reported to the Member Support Steering Group to provide them with an opportunity to consider amendments that could be made to improve the induction and training arrangements in future. The Member Support Steering Group has tended in recent years to circulate a survey for the consideration of new Councillors in the autumn and the feedback provided informs arrangements for induction and training the following year.
 - Interactive training - At the request of the Member Support Steering Group, training is designed to be interactive wherever possible and trainers are always asked to avoid “death by PowerPoint”. For example, the Overview and Scrutiny training provides Members with an opportunity to explore items that they might wish to scrutinise during the year.
 - Housing clinics - In response to the findings of the Corporate Peer Challenge, the Housing team are proposing to introduce Housing clinics to enable Members to report and discuss housing cases with Tenancy Officers. A briefing on how this will work has been included in the induction programme.

The main areas of concern as outlined in the CPC report were as follows. Included under each area are possible other actions / ideas to address:

These are the 5 things:

- **The effectiveness of overview and scrutiny and whether there is robust challenge within the organisation**

The Chairs of both the Audit, Governance and Standards Committee and the O&S Committee have been offered places on LGA training / development sessions.

Specific training, including the detailing of the key legislative documents and the responsibilities of Statutory Officers, Auditors (Internal and External) and the Audit Committees has taken place at the Council.

The Local Government Association’s (LGA’s) Introduction to Audit event on 10th July, aimed at new councillors, has been promoted to all new councillors elected in May 2023.

Overview and Scrutiny training is being delivered to Non-Executive Councillors on the evening of 5th June 2023 as part of the Member induction process. This training is designed to be interactive and provides Members with an opportunity to both learn about best practice as well as to identify potential items that would be suitable for scrutiny during the year.

The Council could ask for LGA support for a facilitated session for Audit and O&S Committees (at a cost).

- **The visibility and role of front-line members in council business and whether they are adequately engaged**

All members have access to reports of the Executive Committee and can attend meetings to observe discussions. There is also the opportunity for O&S to scrutinise any items.

More all member briefings will be arranged on key policy / strategic items / items of interest for members. Feedback from Group Leaders on areas to be covered is welcomed.

- **Officer accountabilities on delivery and how that is built into the performance management framework**

This is already being addressed through improved performance and project management and more rigour being applied to the quality and timeliness of reports. The Constitution is also being reviewed and where necessary the Member and Officer Codes of conduct will be reviewed. Any changes to the Performance Management Framework will be picked up as part of the Workforce Plan.

An updated report on project management and the effective “programme” management of the 60 plus projects being delivered at the Councils and their complex interrelationships including the prioritisation of resources will come to Executive in July.

- **The role of the Executive Committee in policy and strategy development and whether that is strong enough**

The Executive Committee plays a strong role in policy development with Portfolio Holders working closely with officers on both. This will be continued and reviewed where necessary and appropriate.

- **Improve joint working between Members and officers through clearly set out roles, responsibilities and demarcation lines – and improving communication and flow of information to Members.**

This will be picked up by a number of actions outlined above and those that are currently happening.

Workforce Strategy – Strategic Action Plan

The council has approved a four-year Workforce Strategy that sets out how the organisation will develop the capacity and capability of the workforce to achieve the Strategic Priorities set out in the Council Plan. The aim is to create a high-performance culture that drives effective and efficient service delivery.

The Council Plan will set out a clear vision for the outcomes the council wants to deliver for residents. The Workforce Strategy describes the way we plan to develop our current and future workforce to ensure we have the right people with the right skills, to enable the council to deliver the council plan. The strategy sets out the aims and plans for the next four years and demonstrates a commitment to our workforce.

It is recognised that the workforce is the organisation's most valuable asset. For the Workforce Strategy to be successful we must ensure that all staff feel engaged and motivated so that they can deliver the best possible outcomes for residents.

Delivering the Workforce Strategy will be vital for the long-term success of the council. It will be challenging and will take time to embed across the organisation. To support the delivery of the strategy a detailed operational action plan is being developed, which services will work to deliver over the next four years.

This action plan is based on the three key themes of the Workforce Strategy:

1. Workforce Planning and Talent Management
2. Engagement
3. Health, Safety and Wellbeing

Further highlighting the importance of workforce planning were the findings from a recent Corporate Peer Challenge which recommended that the council:

Embed the 2023-2026 Workforce Strategy and develop an action plan which needs to be implemented at pace.

This will help to align organisational capacity, corporate resources, transformation, workforce development, succession and talent management, and performance management to the new priorities. It will also strengthen the link between the council's ambitions and delivery as well as providing a clear corporate line of sight on how resources are being deployed, what is being achieved and how the organisation is feeling.

A high-level strategic action plan has also been developed to demonstrate the direction of travel and to outline the key action points that sit under the three main strategic themes of the plan.

Some actions span across all three of the themes, but for ease have been included under the theme where most actions fall. The themes have been subdivided into broad subject areas. The actions consist of a combination of business as usual, new projects which have already been started and completely new workstreams. There are a total of 118 different actions within the action plan ranging from short term "quick wins" to long-term complex activities and projects.

Whilst the enclosed action plan gives indicative dates, these will be refined in accordance with the more detailed action plans managed within the organisation. The Strategic Action Plan will not be a static document but will grow and evolve over time as we see the impact of our actions and / or we are faced with new challenges. There are many interdependencies within the Action Plan and many of the activities cannot be done in isolation.

Whilst Human Resources and Organisation Development have had a major role in shaping the Action Plan and will provide extensive support around its delivery, the principal players in implementing the plan will be CMT, Heads of Service and service managers. Without them to lead on initiatives and activities staff will not engage in the changes we are trying to bring about to align our workforce with the changing environment in which we operate.

The strategic action plan is detailed in the following pages.

Theme One – Workforce Planning and Talent Management

Lead Officers – SH, DP, CF, BT, PS, HoS

Workforce Planning and Talent Management - the way we secure and retain the workforce that we need now and, in the future, whilst achieving an increasingly diverse workforce where everyone's contribution is recognised and valued.

This is the largest of the three themes within the Action Plan with 65 separate activities allocated to it. These have been broken down into three areas for ease of communication:

1. Workforce Planning
2. Recruitment and Retention
3. Corporate Human Resources Policies

1. The main actions and timeframes for the **Workforce Planning** area are as follows:

No	Overarching Task	Examples of Key Activities	Date
1	Build on the work already undertaken to embed workforce planning as a key business process, using apprenticeships and other ways to build talent pipelines and make wider use of HR metrics to support decision making	Develop and implement robust service-level business plans containing longer-term detailed workforce plans, knowledge transfer plans and recruitment and retention plans	TBC
		Managers to use HR metrics to support decision-making, workforce planning etc	31/03/2024
		Increase the number of "true" apprentices employed by the council to help build a talent pipeline to support workforce planning by developing and launching a Corporate Apprenticeship programme. Encourage further use of the Apprenticeship Levy to support the development of existing staff to develop internal capacity for the future	31/03/2024

		Review the provision of agency staff so that it aligns to our Workforce Strategy and Workforce Plans for both ad hoc and fixed term agency provision	31/03/2024
2	Continue to support the development of our staff, extending this to explore opportunities for career development and succession planning	Managers to explore the options for career pathways and career graded posts, and provide development opportunities which allow staff to progress	31/03/2025
		Look at ways of evaluating the impact of L&D activities on performance, including creating measures to report on how these impact on performance	30/12/2024
		Use a variety of learning and development initiatives and tools to upskills staff including the corporate and service-based training programmes, Apprenticeship Levy, coaching and mentoring programmes, awareness sessions and on-line resources etc	31/03/2024
3	Embed leadership and management development within the culture of the organisation to provide a pipeline for future managers and leaders	Create inspiring leadership development programmes for both aspiring future leaders and potential senior leaders	31/03/2024
		Relaunch our Level 3 and Level 5 Management Apprenticeship programmes	30/06/2023
		Simplify and align Skills Matrix and Manager Role Profile with our Principles and expand the use of these tools in one-to-ones and appraisals	31/12/2023
4	Extend the use of appraisals and one-to-ones to support workforce planning, career development and succession planning to help us overcome the challenges that have been identified through the initial work on workforce planning	Review and relaunch corporate Appraisals, Personal Development Plans and One-to-One meetings ensuring that these are linked to workforce planning, career development and succession planning along with the allied knowledge transfer plans	31/08/2023
		Build on our approach to performance management to reflect the changing environment in which we work, understanding what “good” looks like, providing staff with recognition for high performance, and supporting staff if they struggle to achieve this	31/03/2025

	and to develop our workforce of the future	Identify potential high performing individuals and those with potential to be high performers as part of the appraisal process and set them personal development plans accordingly. Ensure that conversations about aspirations form part of appraisal and one-to-one discussions for all staff no matter what point there are at in their career	31/12/2024
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2. The main actions and timeframes for the **Recruitment and Retention** area are as follows:

No	Overarching Task	Examples of Key Activities	Date
1	Continue to review and develop our recruitment processes and methodologies, supporting managers with training, engaging with local schools and colleges to increase the pool of potential candidates and raise the council's profile as an employer of choice, thereby increasing our chances of securing the best possible candidates for vacancies	Continue to review our recruitment processes to ensure that they are flexible, fit for purpose and relevant to the roles being recruited to, and produce new recruitment policies, processes and procedures as necessary	31/03/2024
		Develop and promote our corporate brand as an employer of choice and promote the wider benefits of working in the public sector to make the councils more attractive to potential candidates	31/03/2024

2	Continue to review and build on ways of retaining talented members of staff eg HR policies and terms and conditions of employment, and further develop our induction process to support the successful on-boarding of new starters and staff moving into new roles within the council, to help us to become an employer of choice	Ensure that our policies and procedures support staff retention eg allowing opportunities for secondments and acting up arrangements etc. Review the current induction process and develop / launch a revised induction programme and process for all new starters and staff moving within the organisation which is used consistently for all new starters at both Corporate and Service level	30/09/2023
3	Continue to review ways of working such as Agile working and the use of digital and technological advances to enable more effective ways of working which support both customer-focused service delivery and employee wellbeing	Develop and launch the Agile Working Policy and ensure that the move to Agile Working is driven by a customer-service delivery focus	31/08/2023
		Understand how staff are using the workspaces at the councils' office locations and provide appropriate workspaces to enable staff to work in-house instead of remotely when needed	31/03/2024
		Managers, supervisors and team leaders to undertake training to enable them to manage remote and hybrid workers effectively and consistently	Ongoing

The main actions and timeframes for the **Corporate HR Policies** area are as follows:

No	Overarching Task	Examples of Key Activities	Date
1	Ensure that our policies and procedures are fit for purpose, promote our principles and culture and support recruitment and retention	Continue to review all corporate employment policies according to the agreed timetable, to ensure that they are fit for purpose and contribute towards developing the culture and behaviours which the organisation espouses	Ongoing
		Ensure that equalities, diversity and inclusion considerations are built into all our policies and procedures	31/07/2024
		Provide training for managers and staff to embed new policies and behaviours	31/03/2024
		Ensure that we have policies and procedures that enable us support recruitment and retention	31/09/2024
2	Look to introduce more creative ways of reaching potential candidates, using more varied ways of selecting the best talent for our organisation and recruiting for future potential. Provide wider opportunities for our residents through work experience and apprenticeships	Explore the options for broadening our range of recruitment tools and techniques to provide more flexible approaches which are aligned to our workforce plans and Principles. Establish a policy for regular, more formal opportunities for work experience and internships, taking into consideration the remote working nature of the workforce, to give potential applicants an insight into the careers available within the organisation and local government more widely	31/03/2025

Theme Two – Engagement

Lead Officers – SH, DP, BT, PS, HoS

Engagement - the ways employees are motivated and engaged in the delivery of the Councils' Strategic Purposes.

There are a total of 26 different activities which fall under the Health, Safety and Wellbeing theme and these fall broadly into three areas:

1. Culture
2. Equalities, Diversity and Inclusion
3. Engagement, Communication and Consultation

No	Area	Overarching Task	Examples of Key Activities	Date
1	Culture	Further develop our culture to allow our staff to be high performers, who understand their role in, and are committed to, contributing to our success	Promote our Principles and build them into the heart of who we are and how we behave, both individually and as an organisation. Enable our managers to build on their abilities to have open and supportive conversations with staff which help build a culture of trust and which engage our staff in two-way discussion	31/03/2024
			Continue to implement the Culture Working Group's work programme and review this alongside the WFS Action Plan	31/03/2024
2	Equalities, Diversity and Inclusion	Ensuring our Equalities, Diversity and Inclusion (EDI) policies are reflected in our processes, procedures, behaviours and culture	Work to achieve an increasingly diverse workforce which has a high level of awareness of EDI and behaves in a way which reflects our EDI policies	31/03/2025

3	Engagement, Communication and Consultation	Increase the level and effectiveness of employee engagement and motivation and increase the involvement of staff, especially front-line staff, in our consultation and communications processes.	Continue to hold regular staff surveys and extend these to other forms of internal consultation and communication, reviewing the effectiveness of these over time. Broaden the delivery of the current, successful Chief Executive's Q&A sessions to other Heads of Service and to cover specific topics of interest and importance	31/03/2025
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Theme Three – Health, Safety and Wellbeing

Lead Officers – SH, DP, BT, PS, MB, HoS

Health, Safety and Wellbeing – *the health, safety and wellbeing of our staff is important, and we will strive to provide a safe and healthy working environment that promotes everyone's wellbeing, and we will focus on helping staff to make better choices, change behaviours and better manage their overall wellbeing.*

There are a total of 26 different activities which fall under the Health, Safety and Wellbeing theme and these fall broadly into three areas:

1. Health and Safety
2. Occupational Health
3. Workforce Wellbeing

No	Key Areas	Overarching Task	Examples of Key Activities	Date
1	Health and Safety	Ensure compliance with our legal obligations to staff in relation to workplace health and safety and support managers in carrying out their role within this.	Continue to enhance the provision of training, advice and support for managers and staff around H&S, enabling them to carry out their roles effectively, supported by robust policies	31/12/2024

			and procedures. Ensuring that up-to-date and accurate risk assessments are in place throughout the organisation.	
2	Workforce Wellbeing	Ensuring the wellbeing of all our staff so that they can function effectively and deliver high performance and make a significant shift from reactive to preventative approaches to wellbeing	Build on the range of resources and awareness sessions available around important health and wellbeing topics so staff can take good care of themselves. Extend the use of the Health & Safety Executive's Stress Management Standards throughout the Workforce Strategy to prevent stress-related illness as far as reasonably practicable, and to minimise the impact of stress-related issues on the workplace. Support managers so that they can continue to address wellbeing related issues in the workplace	31/03/2024
3	Occupational Health	Ensure that current OH services meet the needs of the organisation, through shadowing with teams on the frontline to establish where the issues lie, providing focused Mental Health, Menopause Awareness and Men's Health Champions training, in addition to enhancing the health surveillance profiling and checks for frontline staff	Work with our current occupational health provider to ensure that the provision continues to meet the needs of the organisation including developing new and appropriate approaches for dealing with stress and other health issues in the workplace. Ensure that the provision of occupational health services is understood by staff and managers and are accessed as needed.	30/12/2023

May 2023

High Level Agile Working Implementation Action Plan

Overview

The project has worked with a number of service areas as a trial to understand how agile working is best implemented to meet the customer needs, provide performance data and make the service as effective as possible in a new way of working. This has involved looking at the ICT requirements, the facilities needed, performance measures, management of staff and more. Alongside the work with specific services there has been a training programme for all managers and leaders within the organisation to help them with managing an agile workforce. The Policy has been developed with input and approval from CMT and 4th Tier CMT and this along with the feedback from the service areas has shown that it is now important to implement the policy for all staff. This has all been overseen and managed by the project board made up of Sue Hanley (Project Sponsor), Deb Poole (Senior User), Becky Talbot (Senior User) and Chris Wells (Project Manager).

Objective

The project board has used the learning from the trial service areas, the feedback from the Corporate Peer Challenge and response of the fourth tier CMT team to understand that the time is right to release the Agile Working Policy for all staff. Then following the policy being implemented it will then be important for all service areas to apply the new corporate policy being led by the Heads of Service and Fourth Tier Managers. The objective will be for the project team to facilitate the implementation, provide additional guidance where required and review the effectiveness of the implementation.

High Level Tasks

No	Action	Details	Owner	Completion Date
1	Create a final version of the Policy for publication.	The policy has been approved corporately and with Trade Unions having been briefed and the policy being shared with the regional representative. So now prior to publication to all staff a final version with cover will be produced with the help of the design team.	Becky Talbot/Design Team	May 2023
2	Communicate with all of CMT and 4th Tier about the policy and the expectations on staff and managers.	A session will be held with all of CMT and 4 th Tier to provide an overview of the policy, the expectations on service areas and managers. This will make sure that they are all aware of what	Project Board	May 2023

High Level Agile Working Implementation Action Plan

May 2023

		will be expected of them corporately.		
3	Agile Working Policy launch and communication to all staff.	<p>The Agile Policy will be launched to the organisation and a communication plan will be developed to ensure that messaging goes out to all staff in a variety of ways to make sure they are aware of the policy, that it has been read and its impacts understood. This will be done through a variety of internal communication channels.</p> <p>A staff event where the practicalities of Agile working will be demonstrated, staff will have an opportunity to understand how the new set up in the offices will work for them as well as other support on offer. This is going to be held on June 14th for all staff to have the opportunity to attend.</p>	Chris Wells/ Comms Team	June 2023
4	Member Briefing	All new and existing members to be briefed on the new policy and the implementation of Agile working by both Councils.	Project Board	June 2023
5	Training and Development	<p>The mandatory manager training will be extended to allow all managers who have not yet attended the sessions on managing an agile workforce the chance to do so.</p> <p>Customer service training will also be provided for managers to help them to ensure their services remain customer focused and are providing the best customer service possible.</p>	Phillippa Smith	December 2023
6	Communication Plan - Continued	A further round of communications will be put in place to make sure that as the policy and new ways of working continue to be implemented as expected and that all staff are aware of these.	Chris Wells/ Comms Team	December 2023
7	Facility Development	New working environments are being developed to allow staff to work in an agile way whilst in one of the Councils buildings. This will include new hotdesking spaces, suitable meeting rooms and quiet spaces. This will also include a booking system to allow the spaces to be managed and used effectively.	Chris Wells and Neil Perrett	September 2023
8	Implementation Review	As the policy is implemented there will be a review process to look at how this is being achieved service by service and corporately. There will also be the opportunity for shared	Chris Wells	December 2023

High Level Agile Working Implementation Action Plan

May 2023

		learning across the organisation.		
9	Lessons Learned Review	The implementation phase of the project has a scheduled completion date of December 2023. However, the project board recognise that the implementation across the organisation will take time to embed. The project will be carried out alongside the new policy so it will be important to do a lessons learned review in order to ensure the policy remains fit for purpose.	Project Board	March 2024

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Finance Delivery Plan CPA Assessment Recommendation 5

Ensure the Section 24 Notice and Interim Annual Audit Report recommendations are fully implemented.

This Report will cover:

- 1) Progress and actions arising from the Recommendations contained in the S24 Statement.
- 2) Progress and actions arising from the Recommendations contained in the Draft External Audit Report for 2020/21.

Progress on Recommendations of the Draft External Audit Report for 2020/21

On the 31st October 2022, the Councils External Auditors Grant Thornton issued a S24 Statement in relation to late delivery of the 2020/21 Accounts and a Draft External Audit Report for the 2020/21 Financial year. The External Audit Report had 6 Key Recommendations for Redditch and 13 Improvement Recommendations.

The initial responses to the **Statutory Recommendations** were included in the reports that went to Audit Committees, and Executive and Council in November. The Statutory Recommendation set out the following:

Financial Systems and Governance

The Council cannot yet produce its 2020/21 Draft statements of accounts due to long-standing issues in relation to cash receipting requiring resolution. The Council must ensure that arrangements allow for the successful implementation of the remaining issues with its ERP system, with long-standing issues being resolved to allow key elements of financial governance and compliance to be undertaken routinely and in a timely manner. In order to achieve this the Council should:

- ensure the Council has access to the necessary knowledge and expertise to resolve the remaining key issues with the ERP system in a timely manner to provide management with sufficient assurance over the completeness and veracity of the data included within the system;
- undertake appropriate testing of the fixes and ensure that appropriate sign-off of these is received prior to running them on live system data; and
- ensure budget holders and other relevant officers possess the skills and knowledge to appropriately use the ERP system as intended, including relevant training and updates to key documentation and process manuals.

Once system issues are properly resolved, the Council must:

- undertake key control activities such as bank and control account reconciliations on a monthly basis and ensure that these are kept up to date;
- produce the 2020/21 and 2021/22 draft financial statements, along with high quality supporting working papers;
- conclude the 2020/21 and 2021/22 RO and CO submissions, and other key Government returns including Whole of Government Accounts; and

- ensure timely reporting of budget outturns and report publicly on in-year financial monitoring, including updates on the capital programme and savings scheme achievement.

The Council's response, as set out in the S24 notice issued on the 31st October stated that:

- The Finance Recovery Plan which is a wider schedule of finance deliverables – monitoring, delivery of returns, budget, reported to CMT on a Monthly basis, and reviewed by the Senior Finance Team on a weekly basis.
- Weekly meetings held both internally on reconciliation and associated issues. Monthly ERP Board is in place. Two weekly meetings on utilisation of assets.
- Cash Receipting issues escalated on Tech1 side to worldwide Head of Local Government (met 6 July 2022) for resolution. Solution implemented on the 5/6th November 2022 to ensure cash receipting relates to the 3 specific entities at both Councils.
- The Council is the first and only TechOne user for cash receipting and there is limited Tech1 expertise to resolve ongoing design issues which require scheduling.
- System Tech1 expertise was commissioned to fully document the solution in October to aid full understanding.
- The Council have Documented a plan to correct 20/21 and 21/22 entries which will be reviewed by Internal Audit before being presented to External Audit.
- Handovers have taken place to new establishment Staff who were on-boarded up to August 22 in preparation for delivery of 20/21 accounts and user training.
- Financial Governance is being reviewed as part of Finance Recovery plan and is basis for revised training and responsibilities being implemented in the Autumn.
- User Guides and manuals being redrafted for Autumn training launches.
- Tech1 User Group set up in September to assess documentation and support across the Sector.
- Tech1 has the Tech1 University which is comprehensive but not site specific to base documentaiton on. Staff have access to this to deliver updated guides and manuals.
- Staff in place to undertake bank rec but this was dependent on final cash receipting fix, which happened on the 5/6th November 2022. Bank reconciliation on system could only start following the fix as it was causing more transactions to be produced.
- Other monthly controls set up for the end of August.
- Internal Audit Recommendations will be added to the Recovery plan
- Members have been updated on issues through Audit Committee and Executive during 2022.

Since the initial response to the S24 Statutory Notice and it's associated recommendations, the following progress has been made:

S 24 Statement Progress

a) Redditch

- An Emergency Audit Governance and Standards Committee was convened on the 10th November to review the Reports (minutes available). At that committee it was decided that Audit, Governance and Standards Committee would change its frequency to every 2 months to ensure challenging progress and ensuring the recommendations of the S24 Statement and the Draft External Audit Report were implemented.
- Council debated the issue 14th November (minutes available).

- An Emergency Audit, Governance and Standards Committee convened on the 15th December to review the draft Accounts for comment (minutes available).
- Audit, Governance and Standards Committee on the 26th January, reviewed progress.
- Auditors were on site from Wednesday 25th January. They have started their work by reviewing the data transfer balances (old to new system) and it has been agreed between the Auditors and the Council that draft 20/21 Accounts will be provided to Auditors after both sides have signed off the data take on balances. It was expected that this work would be complete by the 30th April 2023 but the Auditors require more assurance.
- The Audit, Governance and Standards Committee on the 23rd March also had an update on progress on the Statement of Accounts and the Internal Audit Progress Report.
- On the 23rd March, the Committee had for the first time an Accounting Policies Report.
The Accounting Policies Report will go to every Audit Committee and sets out:
 - The Accounting Policies being used their Source and associated Governance Arrangements be noted.
 - The Accounting Policies report be considered at each Audit, Governance and Standards Committee meeting to alert Members to possible no compliance issues.
 - On the 23rd March it also included the Bromsgrove District Council Audit Task Group Report into the issuing of the S24 Statement be noted.

In addition, The Audit, Governance and Standards Committee RECOMMENDED that Any improvements arising from the recommendations in the Bromsgrove District Council Audit Task Group Report into the issuing of the S24 Statement be considered by Executive.

- Noted that they have produced Rubicon Accounts for 20/21 in June 2022 and have produced the 2021/22 accounts by 31/3/23 as per companies act requirements but had a disclaimer opinion due to the Council Accounts not being closed for 2021/22 and possible transactions belonging to Rubicon being part of Council balances.
- At the Audit, Governance and Standards Committee on the 30th May 2023, the external Auditors estimated that the 2020/21 Accounts Audit would be completed by November 2023 and that each subsequent year would take 6 months to complete. These updates are reflected in the closure section below.

b) Officer side

C1) Closure

- Data Take on working paper had completed ready for Auditors (efin to tech1) including description of issues found while undertaking the reconciliation. First meeting with the external auditors with all this information held on the 11th January 2023. Data take on is key given that treatments have to be agreed as the starting point and this is where the Auditors are starting their work.
- A Solution to the cash receipting issues were finally resolved in the live environment on the 5/6th November 2022.
- Draft accounts produced between 6 November and 14th December for Audit Committee. In the Audit Committee meetings it was highlighted that items in suspense were still higher than wanted and will work on driving numbers down before have to issue the final draft accounts.
- An audit deliverables list supplied by the External Auditors on the 16th January in preparation for arrival on 23 January.
- Rubicon Accounts (20/21 delivered by 30/6/22, 21/22 need to be delivered by 31/3/23 but with a disclaimer opinion.

- **The key closure deliverables for each financial year are set out below. The owner of these deliverables are the S151 and Deputy S151 Officers. Closure and Audit of the 2020/21 Accounts delivers the S24 Recommendations. The owners of these deliverables are the S151 and Deputy S151 Officers:**
 - Closure 2020/21
 - Agreement of Treatment of Take on Balances – April 23
 - Provision of Draft 2020/21 Accounts to Audit (to begin Audit) 28th April 23. This is dependent on the External Auditors confirmation that they have approved both Council’s take-on balances work. The auditors are having issues in how they need to test the transactional data due to their “normal” models not working on our data.
 - 2020/21 Audit – July to September 23 (estimated)
 - Sign Off of 20/21 Accounts - November 2023
 - Closure 2021/22
 - Updated Outturn position – July 2023
 - Draft Accounts to Auditors November 2023
 - Audit of Accounts December to February
 - Sign off of the Accounts – May 2024
 - Closure 2022/23
 - Budget Manager Closure Training – 23rd-28th March 2023 – 83 staff attended closure training at the end of March.
 - Completion of “nuts & bolts” 2022/23 closure – 28th April 2023 – “Nuts and Bolts” items input by the 28th April.
 - Provisional Outturn Report – July 2023 – A draft outturn report will be presented to CMT on 28/6. This will show outturn as well as amount in suspense to be cleared. It will be refined for PHB before proceeding to Executive in July.
 - Draft Accounts to Audit – November 2024

C2) Wider Actions linked to the S24 Recommendation

- Finance Delivery Plan and overall deliverables converted to more BAU with an Assurance Meeting (last Wednesday CMT each month) taking items on board. Updated report format showing deliverables (linked to the Accounting Policies Report) launched in March 2023.
- Lanluas, a TechOne consultancy, has undertaken a TechOne Health check on 7/8/16/17 November with deliverables reports. This identifies areas where the Council can move the system forward. Following the upgrade more independent resource will be commissioned to ensure full system functionality is leveraged.
- TechOne now using AMS days to ensure other priorities delivered now that the cash receipting solution has been fixed on 5/6 November
- The Council are Upgrading TechOne to latest version with regression testing under way. It was expected this would go live in March 2023 but the Council are delaying this to June and will move to the latest version at that point. The delay is due to the fact that TechOne Cash Receipting consultants will be in the UK in Early June and their time is being books so this work can be done “face to face” given the Council is still the only TechOne Cash Receipting user and specific testing must be undertaken in this area.
- Additional reconciliation staff were engaged in February to address the backlog in suspense and key reconciliations to get the Council up to date.

- Back Office Protocols launched in December. This sets out what the “back office” provides and what the expectations are for Service managers. Finance services are a considerable part of these protocols.
- Implementation of controls is very dependent on completing clearance of suspense items which we have engaged additional staff.
- Still an issue replacing staff – due to Market shortages which are now more acute and driving up day rates. The Head of Finances maternity leave has been covered for a year with the replacement starting in the first week of May to allow handover. We are still struggling with recruitment (agency) of a Chief Accountant and a Head of Management Accountancy.
- **Progress on the following key financial and compliance indicators are reported monthly to CMT monthly and to both Audit Committees bi-monthly by the S151/Deputy 151 Officers. There is a requirement to report all finance deliverables as per the Recommendations of the Audit Task Group:**
 - Budget
 - Delivered by 11th March in preceding financial year – **delivered Feb 2023**
 - Council Tax Base – Yearly – **2023/24 delivered in January 2023**
 - Council Tax Resolution – **Yearly 2023/4 delivered in February 2023**
 - Council Tax Billing – Yearly (2 weeks before 1st DD is due to be taken) – **Bills distributed in March 2023**
 - Closure
 - Draft Accounts delivered to Audit by 30th June
 - Audit Completed by 30th November (will change in 22/23 Audit)
 - Government Returns
 - VAT – Monthly
 - **Still to be delivered for 20/21 – dependent on closure of accounts**
 - Revenue Outturn Reports – July
 - **Still to be delivered for 20/21 – dependent on closure of accounts**
 - Capital Outturn Reports – July
 - **Still to be delivered for 20/21 – dependent on closure of accounts**
 - Quarterly Revenue Outturn Estimates
 - **Quarters 1-3 delivered (have warnings from previous year as not delivered)**
 - Quarterly Capital Outturn Estimates
 - **Quarters 1-3 delivered (have warnings from previous year as not delivered) Q4 to be delivered on 21st April 2023**
 - Quarterly Borrowing Return
 - **22/23 Quarterly Returns delivered - Q4 delivered on 11th April 2023**
 - Quarterly Council Tax and Business Rates Returns
 - **22/23 Quarterly Returns delivered - Q4 due 5th May 2023**
 - Whole of Government Accounts Returns – August
 - **Still to be delivered for 20/21 – dependent on closure of accounts**
 - RA – Revenue Budgets – April
 - **2022/23 Delivered on the 5th May 2022 and 2023/24 delivered on 14th April 2023**
 - Capital Estimates Return – **to be delivered by 24th March 2023**
 - Public Works Loans Board Certainty Rate – April
 - **2022/3 delivered on 28th April 2022**
 - Pooling of Housing Capital Receipts – May
 - **2022/23 Delivered 13th May**
 - NNDR1 Return (Business Rates) – January

- **Delivered December 2021 for 2022/23 and January 2023 for 2023/24 return**
 - NNDR3 Return (Business Rates) – June and September
 - **Delivered in June 22 for 2022/23**
 - **Draft 22/23 NNDR3 provided to Worcestershire County Council for view of the pool. Final draft NNDR3 to be submitted to DLUHC by 30th April 2023**
 - Housing Benefit Subsidy Return – Yearly
 - **Sent 29th April 2022**
 - **2022/23 subsidy return due to be delivered on 28th April 2023**
 - DHP Claim – Yearly
 - **Sent 29th April 2022**
 - CTB1 (Council Tax Base) – October
 - **Sent October 2022**
 - CTR1(Council Tax Requirement) – March
 - **22/23 sent 16 March 2022**
 - **23/24 sent 7 March 2023**
- Policies
 - Treasury and Asset Management Strategies
 - Initial Strategies as part of the MTFP – **2023/4 Strategy Approved in March 2023**
 - Half Yearly Report
 - **Update provided in Q1 Revenue Return**
 - Yearly Outturn Report
 - **To be produced in July**
 - Council Tax Support Scheme – Yearly – **Approved in Jan 2023 after consultation**
 - Minimum Revenue Provision – yearly – **Approved as part of the 2023/4 to 2025/6 Medium Term Financial Plan**

Local indicators include:

- Financial Monitoring – quarterly – **quarters 1-3 2023 delivered in September, November and March**
- Risk Management – quarterly – **2023 updates delivered in July, November, January and May.**
- Financial Controls (still in development)
 - Clearance of suspense accounts
 - Bank Reconciliation
- Over £500 spending.
 - **Updated to February 2023**

The key returns that have still not been delivered are the Revenue and Capital Outturn forms for 2020/21 and 2021/22. Although the Government now allow these returns to be completed based on estimates, the level of uncertainty due to the Cash Receipting means these cannot be completed until the External Auditors sign off the Councils take on balances and the Council provides the draft accounts to Audit for each Council.

C3) Compliance

There are a number of areas where compliance will be measured going forwards. Compliance to process and timetable is a key underlying theme of the Draft External Audit Report 2020/21. These items are being measured to improve how we work and change behaviours. This will lead to an improved financial health/knowledge across both Councils. Not all these measures can be put in place instantly but there should be the full suite by the

middle of the summer (Debt indicators depend on the clearing of suspense and the updating of the bank reconciliations).

Training:

- Number on Closure Training 23, 24, 27, 28 March – by Service Area – 83 attended.
- Number on Mandatory Budget Manager Training – June/July - by Service Area – Corporate Finance team trained on budget loading processes on 20th April.
- Number on Mandatory Financial Awareness Training – June – by Service Area
- Number on TechOne Budget Manager Training June/July – by Service Area.
- Number on Payments Purchase Order Training (Monthly) by Service Area.

Errors:

- Non delivery of GPC Card Data (monthly basis) – will begin in Quarter 1 23/24.
- Mis-codings on TechOne per month – by Service Area - will begin in Quarter 1 23/24.

Process updates:

- Finance time to respond to queries
 - Finance
 - Payments and Insurance
 - Income
- Procurement
 - The new 'No Compliance No Order' process has been live a month now, we have a few issues to resolve with T1 but hoping these will be resolved with the upgrade on the system.
 - Many departments are now proactively getting quotations for lower value works. A lot of the issues we have are now training issues that are being resolved.
 - We still have no contracts for garage related matters, but we now have dates for these to be resolved by and a meeting is to be set up monthly to ensure progress on these.
 - The number of contracts in place is growing regularly and we are confident that this process is having a positive effect. We hope that eventually we get to the place where the number of orders coming to us is minimal.
 - A spreadsheet is being collated for requests with no contracts and we will discuss this with teams going forward. We hope that eventually we get the place where the number of orders coming to us is minimal.

General Finance Indicators:

- Council Tax collection rates – 2022/23 RBC 95.7%, April 2023 so far RBC 8.9%, April 2023 so far
- Business rates collection rates - 2022/23 RBC 94.8%, April 2023 so far RBC 6.8%
- Number of invoices paid within 30 days – update to be provided in next report
- Outstanding debt over 30 days (Accounts Receivable) – RBC £1.7m, Rubicon £0.2m
- Bank reconciliations – significant progress on 2021/22 reconciliation
- Volume of items in suspense:

	2021/22 (work ongoing to transfer items out of suspense)	2022/23

	Number of Transactions on Suspense Codes (including any correcting lines)	Value (£m)	Number of Transactions on Suspense Codes (including correcting lines)	Value (£m)
RBC	28,846	(17.9)	18,146	25.1
Rubicon	-	-	2,994	1.3

Draft External Auditors Annual Report 2020/21

Statutory Recommendation – see above

On the 31st October 2022, the Councils External Auditors Grant Thornton issue a Draft External Audit Report for the 2020/21 Financial year. The External Audit Report had 6 Key Recommendations for Redditch and 13 Improvement Recommendations.

The initial responses to the 6 recommendations are included in the reports that went to both Audit Committees, and Executive and Council in November are as follows:

Recommendation 1

The Council needs to ensure that the Medium Term Financial Plan presented to Members is completely transparent regarding the financial challenge and that any savings schemes included are fully worked up and approved by Members in advance.

Council Response 31st October –

- Unallocated savings amount from the existing MTFP has been highlighted in the Q1 monitoring that went to Executive in September. Decision has been taken to apply these amounts to vacancies at Q2 to resolve the issue. This was reflected in the Q2 monitoring which was presented to Executive in November.
- 2023/24 MTFP will be delivered in 2 Tranches. As set out in the existing MTFP there is a deficit of £949k to close in 2023/24 rising to £1,040k in 2025/26. Tranche 1 documentation was presented to Cabinet on the 26th October sets out how could be bridged without the use of Reserves. Fuller detail is given on underlying assumptions and a Savings Proposal Document gives the required transparency and allocation to the correct budgets.

- Given the present financial crisis, and including inflation running at over 10%, with utilities even higher, the Tranche 1 Reports have a draft Robustness statement setting out the viability of the budget at this time as the projected Gap with present inflationary and utility pressures would extinguish reserves within 2 years.
- 20/21 forecast outturn report presented to Executive in January 2021.
- 21/22 P11 set out that revenue would be delivered within budget, confirming the savings built into the budget were anticipated to be delivered in year.

Recommendation 2

The Council needs to ensure that key reports and appropriate supporting documentation are provided to Members in a timely way and in an accordance with relevant Codes of Practice.

Council Response 31st October –

- Updated Capital Strategy, Treasury Management Strategy, MRP Policy for the 2022/23 Financial year was presented to Executive for approval and then Council in July.

Recommendation 3

The Council needs to improve management of key projects, such as the financial ledger implementation, to ensure that expected benefits are realised. As part of this the Council needs to undertake a comprehensive review of the financial ledger implementation and ensure lessons are learned for future key projects.

Council Response 31st October –

- The Council has set up a Back Office Working Group which meets on a 2 weekly basis. Part of this groups remit is to “gatekeep” major projects to ensure the correct resources are allocated to projects up front and that there is clarity if an initiative cannot be resourced and this is linked to benefits realisation. This also applies to ongoing contract management.
- A Level 4 Group, which is a sub Group of CMT, now meets on a 2 weekly basis. Part of the remit of this group, which is cross Council, is to future scan for new “projects” and again ensure the right officers/expertise is involved from initiation.
- The Present MTFP has assessed projects and deliverability.
- Key Council projects are reported to CMT on a Quarterly basis for review.
- The present CIVICA implementation has taken on board learning points around interfaces and reconciliations from the ERP implementation with significant Finance input to ensure full system integration to Tech1 and the Benefits system.
- That a shortcoming of the ERP implementation – full documentation of the system is now being addressed through a third party.
- The ERP was implemented in a time of restrictions due to C-19. A key learning point has been the limitations of remote working on a major implementation and the effects on staff – most of whom have left the Authority.
- A full post implementation review will take place once the system moves to steady state.

Recommendation 4

The Council should review and implement effective governance arrangements in respect of performance monitoring to allow Members to make informed decisions. In order to achieve this the Council should reinstate public reporting on performance, linking this to the Council Plan and the related strategic objectives, allowing Members to scrutinise performance. This should be done at least twice per year.

Council Response 31st October –

- During this period the council did have a corporate performance dashboard which was available to Members. This is now being replaced with a Power BI based application. The corporate management team currently have access to this new application. Member access will be available by the end of 2022.
- The Q1 2022/23 Finance and Performance Monitoring Report was presented to Members in September. This has been reviewed by the Budget Working Group in September.
- CMT reviews performance data on a monthly basis as part of its monthly assurance meeting
- The Q2 Finance and Performance Monitoring Report will be presented to Executive in November.

Recommendation 5

The Council should review and implement effective governance arrangements in respect of risk monitoring to allow Members to make informed decisions. In order to achieve this the Council should make risk management reporting a standing item on the Audit, Governance and Standards Committee agenda, with Members considering the Corporate Risk Register and Risk Management arrangements in an appropriate forum.

Council Response 31st October –

- Risk Management was relaunched in April and went to both Executive and Audit Committees in July 2022 as part of a quarterly monitoring regime.
- An updated Risk Approach agreed by CMT in April 2022.
- Risk data is reviewed monthly by Departmental Management Teams, quarterly by a Council wide officer risk board before being presented to CMT as part of the Assurance meeting.
- The Risk Management report to the 21st September will be presented to both Executive and Audit Committee in October.
- Risk Management is planned to be reported quarterly to Audit Committee.
- Internal Audit have recently conducted a follow up Audit on Risk Management where progress on the Risk Action plan was reviewed.

Recommendation 6

The Council should ensure timely and relevant financial monitoring reporting is undertaken and presented to the appropriate public forum.

Council Response 31st October –

- As reflected above financial monitoring was delivered for P11 in 2021/22.
- There was internal financial reporting in 21/22 to managers to ensure operation delivery could be maintained.
- There is a monthly CMT Assurance meeting where progress on key controls is reviewed.
- The 2022/23 Q1 combined Finance and Performance monitoring was presented to Executive in September.
- Unallocated savings amount from the existing MTFP of £595k has been highlighted in the Q1 monitoring that went to Executive in September. Decision has been taken to apply these amounts to vacancies at Q2 to resolve the issue. This will be reflected in the Q2 monitoring which will be presented to Executive in November.

- The 2022/23 Q2 Combined Finance and Performance Monitoring will be delivered to Executive in November.
- The Tranche 1 2023/24 Budget (see Recommendation 1) sets out the ongoing position and moves to balance the budget. This will be presented to Executive in October.

Progress on Key Recommendations since 31st October have been:

- The Council has resolved Cash Receipting Issue, and is in the process of upgrading the TechOne system so that it is the latest release. TechOne AMS support days, which were being used to clear the Cash Receipting issue are now reducing the overall issue list (which is down to 17 logged issues). This resource can also start to be proactively used for training. We also will be engaging again with Lanlaus for external support and to drive improvements forward.
 - **Once TechOne is updated the Council will engage with Lanlaus for further system improvements and efficiencies.**
- With the issuing of the back-office protocols, and the impending upgrading of TechOne, there will be the requirement at year end to undertake a significant tranche of retraining on system and wider back office “requirements. This includes budget monitoring (system and finance perspectives). These training requirements and respective delivery timescales have been detailed earlier in this document.
 - **Delivery of Financial training detailed in this document will move staff to right level of skills.**
 - **TechOne will be upgraded to the latest version in June 2023.**
- There is still a resource issue across both Councils with vacancies covered by Agency and temporary staff. The Council, through WM Employers have been engaged with Opus since the 1st April to deliver and more closely manage agency staff and reduce vacancies.
- Financial monitoring activities are now combined with performance reporting, and this is provided to Members on a quarterly basis with Quarters 1, 2 and 3 having been provided to both Cabinet and Executive and also the appropriate scrutiny committees. Monitoring is a significant overspending position in both Councils due to a number of factors including the pay award. Unallocated savings amounts from previous years in both Councils have been either cleared or reduced to a low figure.
 - **Quarterly combined financial and performance monitoring will continue in 2023/4.**
- The 2023/24 Budget is being delivered in two tranches:
 - Tranche 1 has been approved by both Councils (December and January)
 - Tranche 2 in Redditch
 - 23/4 is a £311k deficit, reducing to £67k and then a £63k surplus in 25/6
 - Reserve have been fully reviewed with G/F balances at the end of the period £2.1m and Earmarked Reserves £4m.
 - Capital programme concentration is on time limited Towns Fund Schemes with the high-cost fleet replacement being deferred until more clarity on Environment Bill with fleet being refurbished instead.
 - The Savings Document in Tranche 1 did have a consultation section, but there were no responses. This needs to be rethought in future years.
 - As per Robustness Statement there is still significant Risk – although most of this is sector wide.
 - Tranche 2 in Bromsgrove
 - 23/4 is a £250k deficit, reducing to £44k surplus before increasing to a £431 deficit in 25/6.

- Reserve have been fully reviewed with G/F balances at the end of the period £5.6m and Earmarked Reserves at £4.8m.
 - Capital programme concentration is on time limited Levelling Up Fund Schemes with high-cost fleet replacement being deferred until more clarity on Environment Bill with fleet being refurbished instead.
 - The Savings Document in Tranche 1 did have a consultation section, but there were no responses. This needs to be rethought in future years.
 - As per Robustness Statement still significant Risk – although most of this is sector wide.
- **The 2024/5 MTFP will start in the summer. As part of this process the approach to consultation will be rethought.**
- **The MTFP will include Scenario analysis given short term Government guidance on central support.**
- Capital and Treasury Management Strategies have been delivered as part of both the 2022/3 budget process and the 23/4 process:
 - Strategy Documents provided as part of Tranche 2 of the budget.
 - Update for 22/23 indicators in Quarter 1 monitoring as needed to change the cash at bank Indicator.
- Working Groups meeting that span levels of control below CMT to ensure projects and projects delivery are more joined up:
 - Final CMT meeting each month is on assurance and reviewing where the Council is on those matters. This now includes a review on progress with outstanding Internal Audit Recommendations.
 - This includes an update from the 4th Tier and Back Office Working Groups
 - Bromsgrove Audit Task Group report assessing why the S24 was issued and this fed into March Audit Governance and Standards Committee and the Peer Review.
 - **Integrate/endorse Audit Task Group Recommendations**
- Risk Management, has improved from a Limited Assurance rating in March 2022 to a Moderate Assurance level in April 2023, through the implementation plan which is now being embedded (and a further follow up internal audit has just been scoped to review progress) as part of business as usual has been through three reporting cycles to CMT and the respective Audit Committee. Next deliverable will be, following the elections in May, a review of the Audit Committee and Executive's view of Risk.
 - **Run Risk workshops to assess Risk Appetite of Audit Committees.**
 - **Implement Internal Audit Risk Review recommendations.**
 - **Change order of Audit Committee to deal with risk earlier as per the Recommendations of the Audit Task Group.**

The Draft External Audit Report 2020/21 also had Improvement Recommendations. Those not already mentioned above and required to be assessed/implemented are:

- Capital monitoring is being integrated with normal reporting. This is part of the assurance reports that come to CMT. In addition, there is a Governance Group meeting bi monthly that oversees the “major projects” such and Levelling Up Fund and Town Fund which is where the majority of the spend takes place.
- We are in the process of implementing a workforce plan and this went to Cabinet/Executive in November. Retaining and attracting staff is a major issue for councils in Worcestershire.

- We are still to use the CIPFA comparative data fully although we do now have access to it through the CIPFA Benchmarking Club.
- We have clear procurement policies and have done extensive training with staff. The major issue has been culture change to compliance with process.

Actions

- **The Accounting Policies Report will go to every Audit Committee.**
- **The key closure deliverables for each financial year are set out below. The owner of these deliverables are the S151 and Deputy S151 Officers. Closure and Audit of the 2020/21 Accounts delivers the S24 Recommendations. The owners of these deliverables are the S151 and Deputy S151 Officers.**
- **Progress on the following key financial and compliance indicators are reported monthly to CMT monthly and to both Audit Committees bi-monthly by the S151/Deputy 151 Officers. There is a requirement to report all finance deliverables as per the Recommendations of the Audit Task Group.**
- **Delivery of Financial training detailed in this document will move staff to right level of skills.**
- **TechOne will be upgraded to the latest version in June 2023.**
- **Once TechOne is updated the Council will engage with Lanlaus for further system improvements and efficiencies.**
- **Quarterly combined financial and performance monitoring will continue in 2023/4.**
- **The 2024/5 MTFP will start in the summer. As part of this process the approach to consultation will be rethought.**
- **The MTFP will include Scenario analysis given short term Government guidance on central support.**
- **Integrate/endorse Audit Task Group Recommendations**
- **Run Risk workshops to assess Risk Appetite of Audit Committees.**
- **Implement Internal Audit Risk Review recommendations.**
- **Change order of Audit Committees to deal with risk earlier as per the Recommendations of the Audit Task Group.**

Appendix A Recommendations of the Audit Task Group

The following 10 general recommendations and 4 ERP recommendations are the findings of the Audit Task Group which reported to both Bromsgrove Audit Standards and Governance Committees on the 9th March 2023 and Redditch Audit Governance and Standards Committee on the 23rd March 2023. These recommendations now form part of the overall finance recovery program.

1. Recommendations

1. BDC to ensure that subject specialists, internal or external, are involved in the design of relevant procurement specifications for all major projects.
2. Given a number of substantial and important projects on the horizon for BDC, set up a permanent Project Management Office at BDC to support the full range of projects undertaken by the Council. This Project Management Office would report to CMT/ SMT as part of its remit. CMT is tasked with setting out the requirements of this new programme office and resource requirements to ensure compliance with the recommendations in this Report. This Report will be presented to the first Cabinet meeting after the BDC elections in May 2023.
3. In order to establish that a system chosen is fit for purpose, future scoring criteria as part of all procurement exercises will include the need for evidence that the system on offer to BDC is tried and tested.
4. Internal Audit should be cited on all major projects, together with a professional member of the Project Management Office. If necessary, independent or peer validation of technical specifications and/or bid due diligence should be considered.
5. Staff required on any major projects should be backfilled, to ensure no work over-load impacting BDC staff well-being.
6. Should staff training be required as part of any new system or project implementation, BDC as a purchaser of that system/solution, should ensure that all training requirements are included as part of the project specification.
7. The Agile Working Policy should take account of the need, from time to time, for officers to work collaboratively and in line with the needs of the project.
8. The Council should fully and accurately record action points at project board meetings (and potentially, other Council meetings). They should then be implemented by the specific person responsible and reported upon at the following project meeting within a suitable and reasonable time scale. Where this is not possible, there should be RAG rating to escalate this further, to secure a suitable resolution is discussed by the relevant project team.
9. Officers, as a standard Report, will highlight to Audit, Standards and Governance Committee any possible finance and governance issues in the next six months not delivering to standard or timescales. This will include the timescales of delivery of finance training, delivery of VAT returns, delivery of the 2021/22 and 2022/23 accounts.
10. The Corporate Risk Register to be discussed as an early item on the agenda at meetings of the Audit, Standards and Governance Committee. Any risks are to be clearly flagged to the members of the Committee, particularly where they are rated as red.

ERP Recommendations

1. All finance staff and Council users are to be trained as a matter of urgency and no later than by 31st August 2023 on how to use the ERP system and that the progress with this is reported to the next meeting of the Audit, Standards and Governance Committee as a regular agenda item.
2. BDC to work with a specialist with the knowledge of the TechOne

system and Cash Receipting to help in real time with the completion of the implementation of the new ERP system and all of its components and to help with any training needs and improvements to the system.

3. VAT returns to be up to date for 2020-21 and 2021-2022 by the end of May 2023 and for 2022-2023 by the end of August 2023.

4. The 2021-2022 Accounts to be in draft format by 30th June 2023. 5. The 2022-2023 Accounts to be in draft format by 30th September 2023.

(All of the above milestones will be dependent on resources and will be reported to the Committee as per recommendation 9 above.)

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REDDITCH BOROUGH COUNCIL**Executive 13th June 2023****Recommendations from the Audit, Governance and Standards Committee in respect of Bromsgrove District Council's Audit Task Group**

Relevant Portfolio Holder	Councillor Luke Court – Portfolio Holder for Finance and Enabling
Portfolio Holder Consulted	Yes
Relevant Head of Service	Michelle Howell, Head of Finance and Customer Services
Report Author Peter Carpenter	Job Title: Interim S151 Officer Contact Pete Carpenter email: peter.carpenter@bromsgroveandredditch.gov.uk Contact Tel:
Wards Affected	All
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	Aspiration, work and financial independence
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. SUMMARY

This report sets out Council activity to identify, monitor and mitigate risk.

2. RECOMMENDATIONS

The Audit, Governance and Standards Committee RECOMMENDED:

- 1) That any improvements arising from the recommendations in the Bromsgrove District Council Audit Task Group Report into the issuing of the Section 24 Statement be adopted by the Executive Committee; and
- 2) An additional recommendation that a formal note of thanks be sent to the Bromsgrove District Council Audit Task Group by the Executive Committee

3. KEY ISSUES**Background**

- 3.1 The issuing of the S24 Report by our External Auditors meant that a key legislative deliverable had not been delivered to the appropriate timescales.
- 3.2 In Bromsgrove, an Audit Committee Task Group was charged with investigating the reasons why the S24 Report was issued. The full report, which went to the Bromsgrove Audit, Standards and Governance Committee on the 9th March is attached in Appendix A.

REDDITCH BOROUGH COUNCIL**Executive 13th June 2023**

- 3.3 This report found that the major reasons for the issuing of the S24 statement were linked to the following areas:
- The specification of the ERP System
 - Governance
 - Implementation
 - Risk Management
 - Accounts and Resources
- 3.4 Redditch Borough and Bromsgrove District Council have their financial support delivered by a shared service, therefore the recommendations of the Task Group were also considered by the Audit, Governance and Standards Committee on the 23rd March as they could well be relevant for Redditch as well.
- 3.5 Those recommendations were (the full Report is set out in Appendix A)

General

1. BDC to ensure that subject specialists, internal or external, are involved in the design of relevant procurement specifications for all major projects.
2. Given a number of substantial and important projects on the horizon for BDC, set up a permanent Project Management Office at BDC to support the full range of projects undertaken by the Council. This Project Management Office would report to CMT/ SMT as part of its remit. CMT is tasked with setting out the requirements of this new programme office and resource requirements to ensure compliance with the recommendations in this Report. This Report will be presented to the first Cabinet meeting after the BDC elections in May 2023.
3. In order to establish that a system chosen is fit for purpose, future scoring criteria as part of all procurement exercises will include the need for evidence that the system on offer to BDC is tried and tested.
4. Internal Audit should be cited on all major projects, together with a professional member of the Project Management Office. If necessary, independent or peer validation of technical specifications and/or bid due diligence should be considered.
5. Staff required on any major projects should be backfilled, to ensure no work over-load impacting BDC staff well-being.
6. Should staff training be required as part of any new system or project implementation, BDC as a purchaser of that system/solution, should ensure that all training requirements are included as part of the project specification.

REDDITCH BOROUGH COUNCIL**Executive 13th June 2023**

7. The Agile Working Policy should take account of the need, from time to time, for officers to work collaboratively and in line with the needs of the project.
8. The Council should fully and accurately record action points at project board meetings (and potentially, other Council meetings). They should then be implemented by the specific person responsible and reported upon at the following project meeting within a suitable and reasonable time scale. Where this is not possible, there should be RAG rating to escalate this further, to secure a suitable resolution is discussed by the relevant project team.
9. Officers, as a standard Report, will highlight to Audit, Standards and Governance Committee any possible finance and governance issues in the next six months not delivering to standard or timescales. This will include the timescales of delivery of finance training, delivery of VAT returns, delivery of the 2021/22 and 2022/23 accounts.
10. The Corporate Risk Register to be discussed as an early item on the agenda at meetings of the Audit, Standards and Governance Committee. Any risks are to be clearly flagged to the members of the Committee, particularly where they are rated as red.

ERP Related

1. All finance staff and Council users are to be trained as a matter of urgency and no later than by 31st August 2023 on how to use the ERP system and that the progress with this is reported to the next meeting of the Audit, Standards and Governance Committee as a regular agenda item.
2. BDC to work with a specialist with the knowledge of the TechOne system and Cash Receipting to help in real time with the completion of the implementation of the new ERP system and all of its components and to help with any training needs and improvements to the system.
3. VAT returns to be up to date for 2020-21 and 2021-2022 by the end of May 2023 and for 2022-2023 by the end of August 2023.
4. The 2021-2022 Accounts to be in draft format by 30th June 2023. 5. The 2022-2023 Accounts to be in draft format by 30th September 2023.

(All of the above milestones will be dependent on resources and will be reported to the Committee as per recommendation 9 above.)

- 3.6 Following the presentation, some Members commented to the effect that recommendations of the Bromsgrove District Council Audit Task Group were logical and sensible. It was suggested in that respect that joint work of the audit committees at Bromsgrove and Redditch could be undertaken, provided that joint overview and scrutiny had been undertaken in the past by the two Councils. The two recommendations of this report were also approved.

REDDITCH BOROUGH COUNCIL**Executive 13th June 2023****4. Legal Implications**

4.1 No Legal implications have been identified.

5. Financial Implications

5.1 The control environment is key to the operation of the Council's financial Framework.

6. Strategic Purpose Implications**Relevant Strategic Purpose**

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

Climate Change Implications

6.2 The green thread runs through the Council plan. This includes risks linked to activities and actions that link to our climate.

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

7.1 There are no direct equalities implications arising as a result of this report.

Operational Implications

7.2 Operational implications have been dealt with as part of the 2023/24 MTFP, quarterly monitoring and the Closedown process.

8. RISK MANAGEMENT

8.1 The financial stability and sustainability of the Council is a core underlying theme of the Council's Risk Management Strategy.

9. APPENDENCES

Appendix A – Bromsgrove Risk Task Group Report

REDDITCH BOROUGH COUNCIL**Executive 13th June 2023****AUTHOR OF REPORT**

Name: Pete Carpenter– Interim Director of Finance
E Mail: Peter.Carpenter@bromsgroveandredditchbc.gov.uk

Appendix A BDC Audit Task Group Report and Recommendations**1. Introduction and acknowledgments**

The Audit Task Group (“Audit Group”), comprised of six members of Bromsgrove District Council’s (“BDC”) Audit Committee, was set up with the purpose of investigating the reasons behind the recent receipt by BDC of a Section 24 Notice under the Local Audit and Accountability Act 2014 (“Section 24 Notice”) from its external auditors, Grant Thornton (“GT”). The Audit Group was also tasked with providing recommendations for future similar project implementation, based on any lessons learnt as a result of this process.

The investigation conducted by the Audit Group entailed reviewing various background documents, including, amongst other things, minutes of meetings of the project board set up in and around the autumn of 2019, to implement BDC’s new accounts and finance management system, enterprise resource planning (“ERP”), and other related relevant information in respect of the implementation of the ERP by BDC.

The Audit Group also conducted interviews with various officers of BDC involved in the implementation of the ERP system (“ERP System”), whether as part of its original implementation or using and continuing to roll out the ERP today. In addition to officer interviews, the Audit Group interviewed the Chief Executive of BDC, Kevin Dicks, and the Portfolio Holder for Finance and Governance, Councillor Geoff Denaro, and the Leader of BDC, Councillor Karen May.

This report (“Report”) is the summary and conclusions of the investigation carried out by the Audit Group. The Report is structured in two parts, the first part dealing with the various elements that the Audit Group considers contributed to the issuing of the Section 24 Notice to BDC and the second, providing recommendations for BDC in respect of future complex and key projects.

It must be acknowledged that even though the ERP System implementation was challenging, the majority of the modules implemented did not present the same issues, as did one specific module of the new system, i.e. cash receipting. The cash receipting module, however, was such a fundamental part of BDC’s finance and accounting process and system, that the challenges relating to that element had a significant impact on the overall implementation and embedding of the ERP by BDC.

Before moving into the body of the Report, the Audit Group wanted to thank all the Finance staff currently in place, who worked through the early phases of the implementation of the ERP, came in part-way through its challenging implementation and are continuing to help with its roll

REDDITCH BOROUGH COUNCIL**Executive 13th June 2023**

out today. This has been a difficult and challenging process, and the Audit Group is grateful to these staff members for their contribution. Additionally, the work of the Audit Group would not have been possible, without the enormous support and assistance from the current acting Section 151 Officer, Peter Carpenter and Head of Finance and Customer Services, Michelle Howell, the Head of Legal, Democratic and Property Services, Claire Felton and very efficient and able support from Jo Gresham and Jess Bayley-Hill who have worked tirelessly to help the Audit Group.

Finally, it is important to bring up as early as possible the impact, on the issues being discussed in this Report, of the Covid 19 pandemic. This is in order to acknowledge its important impact on the ERP System's implementation and delivery and, as will be seen later, the receipt of the Section 24 Notice by BDC. The ERP Project implementation timing was unfortunate, given the key contracts and decision making had been finalised just before the pandemic started and the UK went into lockdown.

New remote and online ways of working, lack of physical access to systems, teams and line managers, be it from the BDC's side or Technology One ("TechOne"), the delivery supplier for the ERP Project, and staff illnesses due to the pandemic, played arguably, a significant part in the challenges experienced by BDC in the implementation of a major new finance system. It could be argued that were the Council operating outside of the pandemic environment, the ERP implementation is likely to have been more successful, but, as can be seen later, still with real challenges.

2. Reasons for the Section 24 Notice

The Section 24 Notice was issued to BDC by GT on 31st October 2022 on the basis that the 2020-2021 Accounts for the Council were not submitted by the relevant statutory deadline of 31st July 2021, which was later extended by the Government, due to the Covid-19 pandemic, to 30th November 2021.

Based on the findings of the Audit Group, the 2020-2021 Accounts for BDC were late in being delivered largely due to the challenges with the implementation of the ERP System, as set out below, and the resulting unavailability of the relevant audit-related data in time for the deadline.

It is the Audit Group's view that the audit-related data was not available due to a number of aspects relating to the ERP Project implementation, namely:

1. The specification for the ERP system and how it was marked-up
2. Governance of the ERP Project
3. Implementation of the ERP Project
4. Risk Management of the ERP Project and escalations

2.1 Specification of the ERP System

REDDITCH BOROUGH COUNCIL**Executive 13th June 2023**

The new ERP System, including the complex cash receipting (“Cash Receipting”) element, was purchased by BDC from TechOne, following a procurement exercise conducted during the course of 2019.

The new system was to replace the existing finance system eFin and the Civica Cash Receipting system, which relied on various manual interventions, needed further updates due to it being non-compatible with Windows 10 and costly upgrading and was beginning to present issues from the fitness for purpose point of view. There appears to have been a good case for implementation of a new more up-to-date and fit-for-purpose solution.

In relation to the new ERP System purchased from TechOne, the tender document and the answers provided by TechOne (“ERP Tender”) were shared with the Audit Task Group. The scoring was not available for review.. From the review of the ERP Tender document, it was evident that, with the exception of Cash Receipting, detailed specifications were set out for all relevant ERP areas and sectors. Conversely, however, despite its complex nature, the Cash Receipting element contained a limited number of entries. This element of the ERP Tender was considered as part of the Audit Group’s investigations, which concluded that a more extensive specification for the Cash Receipting module should have been set out in the tender documentation, if the expectation was that that module was to be developed and tailored to BDC’s specific activities and requirements. The limited specification for Cash Receipting, therefore, could indicate that a stand-alone “plug-in” solution was anticipated for Cash Receipting, such as for example continuing to use Civica plug-in for this element alone.

A number of key staff involved in the ERP tender specification were unavailable for interview, due to them having since left BDC, and as a result, it is not clear what the exact expectation was in respect of Cash Receipting, and, in fact, whether there was a separate specification in this regard, which was not available for the review by the Audit Group.

The supplier of the new ERP System, TechOne, did not wish to be interviewed or to answer the Audit Group’s questions as part of this review process. But, based on the interviews with BDC’s staff and from the review of the background project documentation, it appears that TechOne did not have a suitable Cash Receipting solution module to offer, and that it was therefore looking to develop that module with a Council such as BDC. BDC therefore appears to be the first Council in the UK to have worked with TechOne on the design and development of this bespoke and complex module.

Given the lack of available documentation, key staff leaving BDC employment and lack of engagement from TechOne, it is not possible for the Audit Group to establish whether officers from BDC were fully aware at the outset of the functionality of the ERP package that was being purchased, including:

- (i) it being the only Council in the UK implementing TechOne’s Cash Receipting module,
- (ii) the requirements to self-document processes as these would be unique to BDC in regard to Cash Receipting, or

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- (iii) heavy reliance on self-directed training, following initial TechOne training only a hand-full of key super users at BDC understood the operation of the new ERP system

During the interview with the Chief Executive, he confirmed that he had not understood that BDC would be the first Council in the UK to have implemented TechOne's cash receipting element of the ERP System.

As mentioned earlier, the Audit Group did not see the scored tender document provided by TechOne and therefore cannot confirm upon what basis the contract was awarded to TechOne, particularly in respect of the Cash Receipting element. The staff who took part in the decision making are no longer working for BDC.

2.2 Governance

Based on the Audit Group's review, BDC did not appear to have set up this major project within a formal and recognised public sector project management framework such as Prince2 and consequently there was no robust framework for escalation, systemic reporting, identification, and follow up of critical action points.

The Audit Group could not identify clear project milestones and formal setting of milestones as required from the information provided.

This Audit Group was not able to evidence and identify a training programme for affected staff implementing the ERP system as part of the ERP project design, from the information provided. There is evidence of training being considered and delivered to staff, as the project was in the midst of implementation and the training appears to have been delivered ad hoc, not in advance, and in a reactive manner.

Following various interviews, the Audit Group learned that this major project was not included in the Corporate Risk Register, which is used by BDC in respect of major projects and uses Red-Amber-Green ("RAG") ratings in respect of the progress of projects against key elements, such as the timing of delivery, resourcing, staff availability and costings.

The project was not included within the remit and scope of Internal Audit. Roles and responsibilities including the Chief Executive, Audit, Standards and Governance Committee, the Leader of the Council and Portfolio Holder for Finance and Governance were not considered as part of any escalation process in respect of this major and fundamental project for BDC. The former Section 151 Officer (appointed in March 2021) did not attend any ERP Project Board meetings. The reason for this is not known, given the Section 151 Officer has a statutory responsibility for the stewardship of the Council's financial data and systems.

2.3 Implementation

The Audit Group's review concluded that there was a lack of understanding or experience of the Cash Receipting functionality by TechOne or officers of the Council, and that BDC (and Redditch Borough Council) were the first Councils in the country to implement the same. There

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is no evidence to suggest that BDC was aware of this, although there is no apparent information within the minutes of the ERP Project Board meetings to question this.

It appears that the lack of full understanding of the “self-service” and first developer nature of the Cash Receipting solution as part of the ERP Project resulted in an inadequate specification in the tendering process and the inadequate staff resourcing and backfilling. Staff allocated to this major project were continuing to do their day job as well as testing and implementing the new system.

The lack of backfilling of staff meant that the pressures on the Finance Team were unsustainable, particularly as the Covid pandemic started and pressures increased. It was evident from some of the comments in the minutes of the ERP Project board meetings, as well as discussions with the interviewees, that this was taking its toll on the officers involved in the ERP Project.

Eleven out of the sixteen of the original Finance Team members, including key project owners, left the employment of BDC over an 18-month period, including key officers involved in the ERP design, implementation and training roll out. The exit interviews with these staff members were either not offered or did not take place due to the choice of the individual concerned. Where interviews were completed, they did not provide any clear information about the reasons for leaving or feedback on the ERP implementation issues.

Replacing the departed skilled staff members, with temporary or permanent resource proved challenging, particularly in view of the Covid pandemic, as other public sector organisations also struggled with the increased responsibilities and staff capacity issues.

Critically, due to contractual obligations with TechOne, any training modules for BDC staff were time limited. Therefore, once the trained staff left the organisation, there was a training gap for any new staff, and for information cascading to other team members.

One has to also appreciate that this was at the time of Covid-19 where the team were having to work remotely. Had the team been together in the same environment there could have been a different outcome.

Some challenges of implementation continue to this day including, for example, in relation to VAT returns, Revenue Outturn and Capital Outturn returns. However, a solid Finance Team is now in place to address these historic issues.

In relation to ERP Board meetings the Audit Group was not able to identify clear action points from each meeting, for any subsequent interrogation of actions given to particular members of the ERP Project Team. Indeed, some of the minutes contained repeated information from previous meetings and were confusing, with limited clarity of structure

It is clear that the implementation of any system causes culture change within an organisation. New ways of working were being introduced, that would require staff to change and learn new

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skills. The new ERP System should have been implemented with clear and regular staff communications regarding the rationale and benefits, together with training and upskilling offered in a systemic manner. It was not clear from the evidence presented to the Audit Group that the organisational culture impacts of the fundamentally new system and new ways of working were fully considered as part of the ERP Project design and implementation.

2.4 Risk Management

The Audit Group could not identify that there was a specific corporate level risk management assessment of the ERP Project. In particular, there did not appear to be a systematic and organised escalation of issues to the Corporate Management Team or Senior Management Team (CMT/ SMT) by the Head of Service or Director with responsibilities for this area, with regard to the timing, delivery, necessary additional resourcing and monetary implications amongst other things. It is acknowledged that there was risk management at a more day to day and micro level, but key reportable issues and issues with milestone delivery failed to be escalated .

Internal Audit were not sighted on the ERP Project, despite the importance of its role for BDC, and could not therefore offer an independent and critical challenge at various stages of implementation, including at the procurement stage, or in respect of impacts on the budgets and the accounts preparation for delivery to GT.

2.5 Accounts

Non-delivery of the 2020-2021 Accounts in the required timescales occurred due to the inability to access all required financial data on the new financial system.

BDC's accounting and finance staff were resourced into design, processing and implementation of the new Cash Receipting system. Although consideration had been initially given to back-filling, it was considered not necessary, as the above problems with implementation of TechOne were not anticipated. Therefore the finance staff were expected to implement the new system and continue with their day jobs.

This was felt by the Audit Group to be the major contributing factor to the failure of the full and timely implementation of the new Cash Receipting module as part of the ERP System implementation and the inability of the Council to close/deliver the accounts

It is clear that there were some failings in the reporting to the Audit, Standards and Governances Committee and that staff turnover was in part responsible for this. The departure of staff members also resulted in a loss of knowledge and experience that was key to ERP Project delivery and the ability to deliver the day-to-day accounting functions fully and systematically. This impacted not only on delivery of the 2020-2021 Accounts, but it also continues to affect the delivery of the 2021-2022 and 2022-2023 Accounts.

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Consequently, given the challenges of the implementation of the ERP Project and the impact it had on BDC's compliance data and statutory accounting deadlines, the Audit Group would make the following recommendations for future major projects:

3. Recommendations

1. BDC to ensure that subject specialists, internal or external, are involved in the design of relevant procurement specifications for all major projects.
2. Given a number of substantial and important projects on the horizon for BDC, set up a permanent Project Management Office at BDC to support the full range of projects undertaken by the Council. This Project Management Office would report to CMT/ SMT as part of its remit. CMT is tasked with setting out the requirements of this new programme office and resource requirements to ensure compliance with the recommendations in this Report. This Report will be presented to the first Cabinet meeting after the BDC elections in May 2023.
3. In order to establish that a system chosen is fit for purpose, future scoring criteria as part of all procurement exercises will include the need for evidence that the system on offer to BDC is tried and tested.
4. Internal Audit should be cited on all major projects, together with a professional member of the Project Management Office. If necessary, independent or peer validation of technical specifications and/or bid due diligence should be considered.
5. Staff required on any major projects should be backfilled, to ensure no work over-load impacting BDC staff well-being.
6. Should staff training be required as part of any new system or project implementation, BDC as a purchaser of that system/solution, should ensure that all training requirements are included as part of the project specification.
7. The Agile Working Policy should take account of the need, from time to time, for officers to work collaboratively and in line with the needs of the project.
8. The Council should fully and accurately record action points at project board meetings (and potentially, other Council meetings). They should then be implemented by the specific person responsible and reported upon at the following project meeting within a suitable and reasonable time scale. Where this is not possible, there should be RAG rating to escalate this further, to secure a suitable resolution is discussed by the relevant project team.
9. Officers, as a standard Report, will highlight to Audit, Standards and Governance Committee any possible finance and governance issues in the next six months not delivering to standard or timescales. This will include the timescales of delivery of finance training, delivery of VAT returns, delivery of the 2021/22 and 2022/23 accounts.

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10. The Corporate Risk Register to be discussed as an early item on the agenda at meetings of the Audit, Standards and Governance Committee. Any risks are to be clearly flagged to the members of the Committee, particularly where they are rated as red.

ERP Recommendations

1. All finance staff and Council users are to be trained as a matter of urgency and no later than by 31st August 2023 on how to use the ERP system and that the progress with this is reported to the next meeting of the Audit, Standards and Governance Committee as a regular agenda item. 2. BDC to work with a specialist with the knowledge of the TechOne system and Cash Receipting to help in real time with the completion of the implementation of the new ERP system and all of its components and to help with any training needs and improvements to the system.

3. VAT returns to be up to date for 2020-21 and 2021-2022 by the end of May 2023 and for 2022-2023 by the end of August 2023.

4. The 2021-2022 Accounts to be in draft format by 30th June 2023. 5. The 2022-2023 Accounts to be in draft format by 30th September 2023.

(All of the above milestones will be dependent on resources and will be reported to the Committee as per recommendation 9 above.)

Summary Conclusion

Based on the above findings, the Audit Group does not feel that GT had any alternative, but to issue BDC a Section 24 Notice.

Given the shortcomings with the acquisition of and implementation of the TechOne system, the challenges presented as a result of a global pandemic and the significant staffing issues in the Finance Team generally, there were inevitable consequences for the Council's ability to deliver its accounts in accordance with the legislative requirements. However, it is clear that the failings associated with this project are not endemic and that the issues were isolated and the result of 'a perfect storm'.

To the credit of BDC, it recognised it should review the ERP implementation, given its challenges, by commissioning and participating fully and openly in this review of the whole ERP process. The Audit Group has not identified any significant cultural issues in the Council, and this is not how the authority generally does business.

The recommendations from this Audit Group have been made to help make improvements to future projects.

Audit Group members:

Councillor Steve Colella (Chairman)

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Councillor Peter Whittaker (Vice Chairman)

Councillor Andrew Beaumont

Councillor Janet King

Councillor Adrian Kriss

Councillor Maria Middleton

Date of Report: 7 March 2023

NOTE: Whilst it is noted that the BDC's Finance Team are part of a shared service with Redditch Borough Council and that the issues surrounding the section 24 notice are equally relevant to both Councils, this report and investigation has been conducted for and on behalf of BDC alone.

REDDITCH BOROUGH COUNCIL**Executive 13th June 2023****Appendix A to the report – List of Resources**

This Audit Task Group met on 8 occasions between 1st February and 6th March 2023 for a cumulative total of 20 hours. There were 6 Members appointed to the Audit Task Group. Councillor Steve Colella (Chairman), Councillor Peter Whittaker (ViceChairman), and Councillors Andrew Beaumont, Janet King, Adrian Kriss and Maria Middleton.

Nearly all the Members attended every meeting although some experienced occasional issues with connectivity. The meetings were also attended by the Interim Section 151 Officer, the Head of Legal, Democratic and Property Services and the Head of Finance and Customer Services. The Principal Democratic Services Officer and the Senior Democratic Services Officer attended to take notes of the meeting and produced the agenda packs.

During the course of the meetings, the Task Group received the following information which informed their recommendations.

Reports and Minutes**Members' Meetings**

Members Meetings Reports between 6th June 2018 and 17th October 2022 including reports considered at the following:

Council

- Future Provision of the Council's Core HR and Finance System – July 2018 (30 pages)
- Report from the Portfolio Holder for Finance and Enabling – September 2018 (6 pages)
- Enterprise Resource Planning System Report
- March 2019 (3 pages) - Portfolio Holder Report – Finance and Enabling – October 2022 (12 pages)
- Cabinet (& also Leader's Group)
- Enterprise Resource Planning System Project Business Case – June 2018 (30 pages)
- Enterprise Resource Planning System Report – March 2019 (3 pages)
- Financial Recovery Report – Published September 2022 (7 pages)

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- Overview and Scrutiny Board
- Enterprise Resource Planning System – Update (Briefing Paper) – July 2019 (1 page) •

Audit, Standards and Governance Committee

- Updates on the ERP System were received in a number of External and Internal Audit reports between November 2020 and 13th October 2022 and noted within the Minutes for the meeting.

- Finance and Budget Working Group
- Enterprise Resource Planning System Project Business Case – June 2018 (30 pages)
- Finance System – presentation – March 2019 (7 slides)
- ERP System – Update – November 2021 (4 slides)
- Financial Recovery Plan Report – Published September 2022 (7 pages)

Corporate Management Team Meetings (71 pages)

Corporate Management Team Reports between 22nd May 2018 to 5th October 2022 including the following:

- Corporate Management Team – Finance Project Updates (Peter Carpenter) between 8th April 2022 and 28th September 2022
- Corporate Management Team Notes and Actions between 16th October 2019 and 28th September 2022

Project Board Meetings (347 pages)

Notes between 9th September 2019 and 20th December 2022.

Housing Project Board Minutes (29 pages)

Notes between 10th June 2019 and 14th November 2022.

Notes for the Task Group meetings

76 pages of notes were taken at meetings of the Audit Task Group held between 1st February and 21st February 2023 (whilst the notes of the other three meetings had not yet been completed by the date of this report being published Members are asked to note the total length of the notes of the Audit Task Group will be well in excess of 100 pages).

Written Submissions

- Grant Thornton – External Auditors

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- Human Resources
- List of officers who left Bromsgrove and Redditch Councils' Finance Department October 2019 – September 2022
- PSAA Appointed Auditors – Quality of Audit Services, (report published by the Local Government Association in May 2022)

Expert witnesses

The following expert witnesses were interviewed, unless otherwise stated below:

- Councillor Geoff Denaro – Portfolio Holder for Finance and Governance
- Councillor Charlie Hotham – Chairman of the Finance and Budget Working Group
- Councillor Karen May – Leader of the Council
- Andy Bromage – Head of Worcestershire Internal Audit Shared Service
- Peter Carpenter – Interim Section 151 Officer (Pete was asked a number of questions at the first meeting in relation to the setting up of the ERP system and to explain the data that Members had been given in the agenda – 456 pages)
- Kevin Dicks – Chief Executive
- Mark Hanwell – ICT Transformation Manager
- Mike John – Final Project Manager
- Deb Poole – Head of Business Transformation, Organisational Development and Digital Strategy Sanjay Sharma – System Implementation Support Officer
- Becky Talbot – HR and Organisational Development Manager (submitted written evidence)
- Carmen Young – Procurement Officer

REDDITCH BOROUGH COUNCIL**Executive 13th June 2023****Renewal of the ERP System**

Relevant Portfolio Holder	Councillor Luke Court – Portfolio Holder for Finance and Enabling
Portfolio Holder Consulted	Yes
Relevant Head of Service	Michelle Howell, Head of Finance and Customer Services
Report Author Peter Carpenter	Job Title: Interim S151 Officer Contact Pete Carpenter email: peter.carpenter@bromsgroveandredditch.gov.uk Contact Tel:
Wards Affected	All
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	Aspiration, work and financial independence
Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. SUMMARY

This report sets out Council activity to renew its ERP System.

2. RECOMMENDATIONS

Executive is asked to RESOLVE that:

- 1) the Council reprocures TechOne but at a reduced licence fee to reflect that HR and Payroll will not be used and delegate the finer negotiations to the Executive Director of Resources;**
- 2) the AMS contract continues until the Council have confidence that their inhouse resource is capable of delivering all or part of that function; and**
- 3) the Wincave contract is renewed via a tender process in the autumn.**

3. KEY ISSUES**Background**

3.1 The TechnologyOne contract expires in June. The initial call off contract via G Cloud was signed in June 2019 meaning that the contract is due to expire in June 2023. Presently the Council is paying:

- A total of £191k a year on the system.

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- 3.2 The original contract included: Finance, Cash Receipting, Payroll and Human Resources. The Council has not implemented Payroll or Human Resources. Given the experience where the Council have been the only implementer of Cash Receipting, the Council would not implement Human Resources or Payroll, despite present system “creaking” until there were a number of Councils using TechOne. Presently, there is only one Council using HR/Payroll and then not all the functionality and their setup is much simpler than ours. It is not likely that multiple Councils will have gone through a whole cycle and associated year end processes until September 2024. Therefore, it is safe to assume that any implementation would not take place until at least the 2025/6 financial year.
- 3.3 The Council will need to reduce the scope of the contract to just finance and cash receipting to reflect need over the next two years. It is not feasible to move to another system and typically implementation costs will be of the order of magnitude of £1m. There are still issues with the system but these are now moving to resolution and by the end of this financial year we should be caught up with our accounts.
- 3.4 TechOne is still available via G Cloud and we are also looking for other frameworks that might be more applicable and flexible for the Council. The Council does not have the capacity to contract direct with TechOne.
- 3.5 The Wincave contract is not due to expire until December 2023. This will need to be retendered by September.

4. Legal Implications

- 4.1 Legal and procurement will be fully involved in the re-procurement of the Contract.

5. Financial Implications

- 5.1 The control environment is key to the operation of the Councils financial Framework.

6. Strategic Purpose Implications**Relevant Strategic Purpose**

- 6.1 The Strategic purposes are included in the Council’s Corporate Plan and guides the Council’s approach to budget making ensuring we focus on the issues and what are most important for the borough and our communities. Our Financial monitoring and strategies are integrated within all our Strategic Purposes.

Climate Change Implications

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6.2 The green thread runs through the Council plan. This includes risks linked to activities and actions that link to our climate.

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

7.1 There are no direct equalities implications arising as a result of this report.

Operational Implications

7.2 Operational implications have been dealt with as part of the 2023/24 MTFP, quarterly monitoring and the Closedown process.

8. RISK MANAGEMENT

8.1 The financial stability and sustainability of the Council is a core underlying theme of the Council's Risk Management Strategy.

9. APPENDENCES

None

AUTHOR OF REPORT

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Quarter 4 2022-23 – Financial and Performance Report

Relevant Portfolio Holder	Councillor– Portfolio Holder for Finance and Enabling
Portfolio Holder Consulted	Yes
Relevant Head of Service	Michelle Howell Deborah Poole
Report Authors	Head of Finance and Customer Services michelle.howell@bromsgroveandredditch.gov.uk Head of Business Transformation, Organisational Development and Digital Strategy d.poole@bromsgroveandredditch.gov.uk Contact Tel: 01527 64252
Wards Affected	All Wards
Ward Councillor(s) consulted	No
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 Executive Committee is asked to RESOLVE that:**

- 1) The Q4 Performance data for the Period October to December 2022 be noted.**

2. BACKGROUND

- 2.1 This report presents at Quarter 4 (January - March) 2022/23:
 - The organisations performance against the strategic priorities outlined in the Council Plan Addendum, including operational measures to demonstrate how the council is delivering its services to customers.
- 2.2 The 2022/24 Q4 financial Outturn position would usually also accompany this report. This will come to Executive in July to give the team more time to reduce the volume of items in Suspense (as reported through to Audit, Governance and Standards Committee as part of the Accounting Standards Report) and then also enable the Council to complete the Revenue Outturn (RO) and Capital Outturn (CO) suite of reports which are due on the 31st July.
- 2.3 Although the 20/21 and 21/22 RO/CO suite of reports have not been completed due to the ongoing Closure of Accounts timetables, the

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22/23 Suite of reports with a fix for Cash Receipting being implemented in November can be delivered due to less items needing clearance from suspense accounts.

3. DETAILED PERFORMANCE**3. Performance Report**

3.1 The performance report sets out to provide data and information that links all activity back to the Council's strategic priorities as set out in the Council Plan and Council Plan Addendum. Whilst the report focuses primarily on corporate, strategic measures there is a section that provides some operational measures data to provide a general overview of service delivery.

3.2 Whilst the Council has an approved Council Plan in place it was completed before the Covid-19 outbreak. Recently the Council reviewed this plan to ensure it remains fit for purpose. As a result of this review, the Council developed the Council Plan Addendum to take any change in focus brought about by the pandemic, into consideration. The addendum document will sit alongside the current Council 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 in 2023. Currently the Council's key strategic priorities are:

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

3.3 It is recognised that effective performance management will enable the Council to use its limited resources in a more targeted manner, maximising the value of Council services and allowing the Council to be even more responsive to customers' needs.

3.4 Appendix A sets out the Strategic Priorities and Performance Measures in detail. For the 9 priorities there is data contained in the Appendix on:

- The Performance Measure being used.
- An update on how it is being used.

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- Where relevant, contextual information.

The Strategic Performance Measures and their respective outputs are set out below. Full context is given in Appendix A:

- Economic Development and Regeneration
 - Supporting businesses to start to Grow
 - Measure – Take up of Grants – **Table in Appendix A shows by year**
 - Regenerating our Infrastructure
 - Measure - % of empty shops – **First data in Q4 in Appendix A**
 - Measure – Level of funding secured - **£15m**
- Housing Growth
 - Measure – Number of new Homes – total and affordable (Annual) – **132 and 19, (132 and 19), (185 and 65)**
 - Measure – Number of new council houses (HRA) projected to be built during 2022/23 – **0, delayed to Q1 23/4, (19), (19)**
 - Measure – Number of homeless approached - **Chart in Appendix A sets out by quarter and year**
 - Measure – number of threatened with homelessness preventions (cases prevented - **Chart in Appendix A sets out by quarter and year**
 - Measure – Number of homeless applicants housed - **Chart in Appendix A sets out by quarter and year**
 - Measure – Local housing affordability rate – **8.68, 7.57, (7.57) (7.57)**
- Work and Financial Independence
 - Measure – Number of Financial Independence Team client contacts - **Chart in Appendix A sets out by month and year**
 - Measure – Number of eligible children accessing nursery funding across the borough – **84%, (70%), (59%), (59%)**
 - Measure – Number of energy rebate payments – **31,454 direct payments and 5,585 credit to council tax account, (31,251 direct payments and 3,038 credit to council tax account (26,440)). No change in Q4**
- Improved Health and Wellbeing
 - Measure – Number of Community Builders in post – **3, (3), (3), (3)**
 - Measure – Completion and implementation of the actions in the Leisure Strategy – **Strategy approved Oct 2022**
- Community Safety and Anti-Social Behaviour
 - Measure – Number of young people engaged through Detached/Outreach youth work – **235, (117), (122)**

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- Measure – Levels of crime – **chart sets out by type and year**
 - Measure – Number of crime risk surveys carried out – **15, (7), (10), (14)**
 - Measure - Number of positive outcomes because of Safer Streets Woodrow project – **Detailed in previous quarters reports**
 - Green Thread
 - Measure – Have an agreed and funded plan and capital replacement programme for the Council's fleet subject to any budget constraints – **EST reports to assist**
 - Measure - Introduce vegetable derived diesel into the Council's vehicles to reduce carbon emissions subject to any budget constraints – **Organisation has now had first delivery of HVO. Due to this large increase in costs, and the wider financial pressures on the Council, Environmental Services have reverted back to using diesel for the vehicle fleet and will continue to monitor costs until they stabilise and settle down.**
 - Measure - Households supported by the Council's energy advice service – **New contract June 2022, full review of the data expected in Q4 - 57**
 - Financial Stability
 - Measure - Financial Performance – actuals consistent with budget – **via Finance Report**
 - Measure – Increased levels of General Fund Balances over the medium term – **via Finance Report**
 - Towns Fund Project delivered within budget – **via Finance Report**
 - Organisational Sustainability
 - Measure – Number of corporate measures accessible through the dashboard – **43, (43), (39)**
 - Measure - % of staff able to work in an agile way – **New, will be reported from Jan 23**
 - High Quality Services
 - Measure - % of employees who undertake management training - **tbc**
 - Measure – Customer satisfaction with service delivery, measured through the Community Survey – **40.9%, (40.9%), (40.9%) (40.9)**
 - Measure – Staff Turnover Rate – **14.6%, (17.0%), (16.6%)**
- 3.5 In addition, Appendix D sets out Operational Service Measures. More context is given in the Appendix, these include:
- Sickness Absence Rates – **7.0 days, (6.6 days)**

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- Percentage of Household Waste sent for reuse, recycling and composting – Table by Month and year – **March 23 – 39.82%**, (**Dec 22 – 25.61%**), (**Sept – 34.69%**), (**June 25.82%**)
- NI 191 – Residual Waste per household (Kg) – **March 23 – 39.23kg**, (**Dec 22 – 42.52kg**), (**Sept – 36.11kg**), (**June 47.97kg**)
- Fly Tips – **Dec 22 66**, (**Sept 154**), (**June 137**)
- Third Party Gas Audit Compliance (target 85%) – **March 23 – 88.89%**, (**Dec 22 100%**), (**Sept 91.25%**), (**June 98.31**)
- Average time to complete repairs to standard voids (target 20 calendar days) – **March 23 – 35.2 days**, (**Dec 22 – 26.3 days**), (**Sept 18.7 days**), (**June 21.4 Days**)
- Council Tax Collection Rate – **March 23 – 0.6% Below Target**, (**Dec 22 – 2.0% below target**), (**Sept 1.5% below**), (**June 1% below**)
- Business Rates Collection Rate – **March 23 – 1.3% below Target**, (**Dec22 – 4.0% below target**), (**Sept 3.2% below**), (**June 2.8% below**)
- Benefits Change of Circumstances turnaround – **9 days**, (**9 days**)
- Benefits New Claims Turnround – **20 days**, (**20 days**)
- Customer Services calls by type – **Charts set out by department**
- Customer Services Revenues calls – **March 23 – 4,274**, (**Dec – 1,945**), (**Sept 2,977**)
- Customer Services Web Payments – **March 23 – 2990**, (**Dec – 3,144**), (**Sept 2,657**)
- Planning – Total number of applications determined in Q – **46**, (**49**), (**77**), (**63**)
- Planning – Speed of decision making for major applications – **100%**, (**100%**), (**95%**), (**94.7%**)
- Planning – Speed of decision making for non-major applications – **85.7%**, (**84.3%**), (**83.3%**), (**82.6%**)

4. FINANCIAL IMPLICATIONS

- 4.1 The financial implications, which are usually detailed in the body of the report will be reported to Executive in July.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising as a result of this report.

6. STRATEGIC PURPOSES - IMPLICATIONS

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Relevant Strategic Purpose

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

Climate Change Implications

- 6.2 The green thread runs through the Council plan. The Financial monitoring report has implications on climate change and these will be addressed and reviewed when relevant by climate change officers to ensure the correct procedures have been followed to ensure any impacts on climate change are fully understood.

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

- 7.1 There are no direct equalities implications arising as a result of this report.

Operational Implications

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

8. RISK MANAGEMENT

- 8.1 The financial monitoring is included in the corporate risk register for the authority.

11. APPENDICES and BACKGROUND PAPERS

Appendix A – Strategic and Operational Performance Measures

12. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder		

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Lead Director / Head of Service		
Financial Services		
Legal Services		
Policy Team (if equalities implications apply)		
Climate Change Officer (if climate change implications apply)		

APPENDIX A – Q4 Performance Report**1. Introduction**

The first section of this report shows the organisations performance against the strategic priorities outlined in the Council Plan Addendum. Additional comments and updates have been provided for the success measures to explain progress/activity. The final section of the report includes some operational measures to demonstrate how the council is delivering its services to customers.

The process of performance reporting will develop iteratively, this document is a snapshot in time and very much a temperature check of the organisation, the layout comprises:

- Strategic Purposes and performance measures
- Operational Measures – by service area
- Financial Data (separate report)
- Corporate Projects (by exception)

2. Background

The Council has an approved Council Plan in place that was completed before the Covid-19 outbreak., the Council then developed the Council Plan Addendum to take the potential shift in priorities brought about by the pandemic into consideration. A full review of the Councils long term priorities will take place mid 2023. The current 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

The performance measures for these priorities are shown in the next section.

3. Strategic Priorities and Performance Measures**3.1 Economic Development and Regeneration**

We will set up a catalyst for local economic growth and strengthen two critical elements of our infrastructure and Redditch Town Centre.

3.1.1 Supporting businesses to start and grow

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Performance measures:

- Take-up of grants

Start-up grants

Period	Number of Grants	Value of Grants
2020/21	7	£1,365.50
2021/22	11	£13,125.00
2022/23	2	£2,058.93

Grants to Established Businesses

Period	Number of Grants	Value of Grants
2020/21	14	£231,490.66
2021/22	13	£279,669.14
2022/23	21	£240,480.43

EU funded business support schemes are scheduled to close 31/03/23. It is anticipated that support programmes funded by UK Shared Prosperity Fund will commence delivery in Q1 2023/24.

3.1.2 Regenerating our Infrastructure

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

Performance measure

- % Of empty shops.

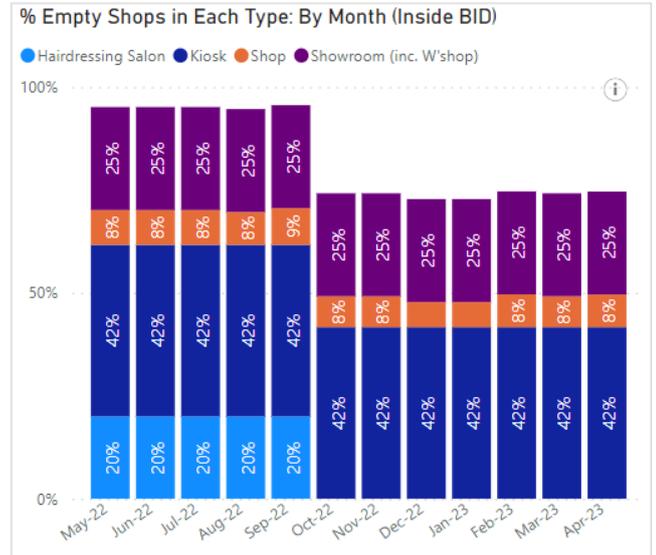
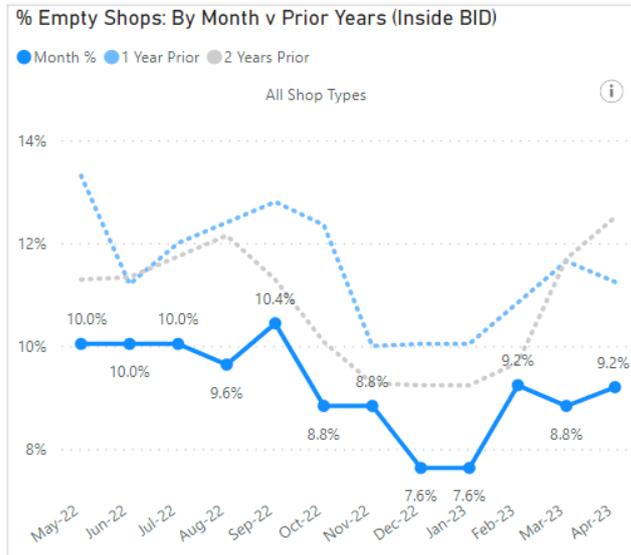
Update

Understanding the level of vacancies over a period of time is useful for showing trends and formulating possible courses of action. At the time of writing there is no further historical vacancy information available. Officers are currently considering the Redditch town centre vacancy rates against national trends and comparable other towns.

In the interim it has been decided that there should be officer attendance at the BID (Business Improvement District) Board so that the council can work with partners on the compilation of data/ consideration of next steps.

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Performance measure

- Level of funding secured

Update

Approximately fifteen million pounds.

3.2. Housing Growth

During 2022/23 we will accelerate the pace of affordable housing development. We will deliver on the Housing Revenue Account (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.

Performance measure

- Number of new homes - total and affordable (annual)

<p>New Homes Completed</p> <p>Latest Period: 2021-22</p> <p>Interval: Financial Year</p> <p>Contact: Mike Dunphy</p>	<p>Latest Period</p> <p style="font-size: 2em; text-align: center;">132</p>	<p>Total by Year</p>	<p>Top 3 by Bedroom Size</p> <table border="1"> <thead> <tr> <th>Property Size</th> <th>Last FY</th> <th>1Yr Pr</th> <th>2Yrs Pr</th> </tr> </thead> <tbody> <tr><td>1 Bed</td><td>47</td><td>11</td><td>36</td></tr> <tr><td>2 Bed</td><td>44</td><td>51</td><td>82</td></tr> <tr><td>3 Bed</td><td>24</td><td>84</td><td>75</td></tr> </tbody> </table>	Property Size	Last FY	1Yr Pr	2Yrs Pr	1 Bed	47	11	36	2 Bed	44	51	82	3 Bed	24	84	75				
Property Size	Last FY	1Yr Pr	2Yrs Pr																				
1 Bed	47	11	36																				
2 Bed	44	51	82																				
3 Bed	24	84	75																				
<p>Affordable Homes Completed</p> <p>Latest Period: 2021-22</p> <p>Interval: Financial Year</p> <p>Contact: Mike Dunphy</p>	<p>Latest Period</p> <p style="font-size: 2em; text-align: center;">19</p>	<p>Total by Year</p>	<p>Top 3 by Bedroom Size</p> <table border="1"> <thead> <tr> <th>Property Size</th> <th>Last FY</th> <th>1Yr Pr</th> <th>2Yrs Pr</th> </tr> </thead> <tbody> <tr><td>2 Bed</td><td>17</td><td>35</td><td>43</td></tr> <tr><td>1 Bed</td><td>2</td><td>4</td><td>2</td></tr> <tr><td>3 Bed</td><td>0</td><td>22</td><td>19</td></tr> <tr><td>4 Bed</td><td>0</td><td>4</td><td>0</td></tr> </tbody> </table>	Property Size	Last FY	1Yr Pr	2Yrs Pr	2 Bed	17	35	43	1 Bed	2	4	2	3 Bed	0	22	19	4 Bed	0	4	0
Property Size	Last FY	1Yr Pr	2Yrs Pr																				
2 Bed	17	35	43																				
1 Bed	2	4	2																				
3 Bed	0	22	19																				
4 Bed	0	4	0																				

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Update

Housing completions which contribute towards meeting the Borough's housing requirement come from several sources including newly built properties, change of use to a dwelling from another use such as an office, conversions (for example from a barn to a dwelling) or sub-division (for example from a house to flats). In addition, dwellings are also either private for the open market or affordable for rent through Registered Providers, which meet the needs of those on the Council's housing waiting list. The supporting measure records all new build dwellings by size (number of bedrooms) but makes no distinction between tenure.

Performance measure

- Number of new council houses (HRA) projected to be built during 22/23.

Update

There were nineteen units projected to be built; however, due to delay in the build progress, the properties will not be expected until the end of Q1 2023/34. The development at Edgeworth Close is expecting practical completion end of June/beginning of July.

Performance measures

- Number of homeless approaches.
- Number of threatened with homelessness preventions
- Number of homeless applicants housed

Update

Measure	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
Total Approaches	39	58	27	30	55	41	40	40	50	53	40	56
Cases Prevented	2	9	3	4	11	12	6	11	5	7	6	3
Total Housed	31	49	22	23	40	26	22	13	33	29	24	17

There are and continue to be a large number of private sector landlords issuing 'with' and 'without fault' S.21 notices on their tenants. Many are selling their portfolios, due to cost of living rises and subsequent rent arrears of tenants already affected by rent affordability and cost of living.

Homelessness approaches are as a result of the cost-of-living crisis, private rent affordability and economic struggles. The impending introduction of the banning of 'no fault' evictions by private landlords is likely to further exacerbate this situation, as landlords look to sell.

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In comparison, the local housing allowance has not increased to compensate this, as such – the gap for those who claim benefits or on low incomes means that the private rented sector is and will continue to be inaccessible for many. Demand continues to outweigh supply in the social housing sector, and we as other local authorities need to identify increased build programmes.

The pressure on resources and limited exit options continues to put pressure on temporary accommodation. The Homelessness and Housing Solutions (HHS) Manager is committed to upskilling the housing officers to identify more innovative temporary accommodation arrangements, with friends/family where possible.

The Voids, Allocation and Lettings Manager and HHS Manager are meeting with the young people’s providers to facilitate a better move-on policy, and a single point of access arrangement to reduce the spaces offered to homeless individuals outside of the Redditch area. This should provide an increased streamlined through-put , less bed blocking and increased availability.

We are in discussions with providers who are keen to discuss what they can offer in Redditch. Furthermore, we are working with a couple of landlords with a socially ethical approach, with the possibility of leasing properties. This will be let at an affordable rent . It is early days, but consideration is being given to all appropriate tenures to relieve the pressure on our service.

We are committed to reduce the use of bed and breakfast and looking at all viable options that we can use to facilitate this.

This winter we are hoping to offer a cold weather provision which is communal – although we understand that this may not directly affect the B&B usage as it is Severe weather emergency protocol (SWEP) led, it does mean that our available spaces are used by SWEP and this has on occasions forced us to source hotels outside of our usual providers which have been less favourable cost-wise.

We continue to look at ways to reduce costs, reduce reliance on B&B for temporary accommodation and identify appropriate solutions for our households.

Performance measure

Local housing affordability rate.

Update

Data extracted from Officer for National Statistics (ONS) – House Price Statistics for Small Areas, Annual Survey of Hours, and Earnings.

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The affordability ratio in England is currently 9.05.

There are a number of affordability ratios and the above relates to workplace-based income so looking at the median earnings of those employed in Redditch.

	Median House Price (Year ending Sept)	Median Earnings
2018	£200,000	£24,254
2019	£215,000	£25,472
2020	£220,000	£26,984
2021	£239,250	£31,692
2022	£235,000	£27,062

As the rate continues to rise this will push more households into needing affordable housing. We are working with developers to secure the maximum provision of affordable housing on developments and RP's to bring forward affordable housing. A Housing First policy with a local connection criterion is being presented to Council to ensure these discounted homes are provided for local applicants in the first instance.

3.3 Work and Financial Independence

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

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.

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

Performance measure

- Number of Financial Independence Team client contacts. The chart relates to the number of FI Team cases opened. The top 5 referral reasons (where a value has been provided) for the last 12 months are:
 - 'Under occupancy charge' (55)

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- 'Other' (49),
- 'Debt' (44)
- No value selected (27) - excluded from 'top 5'
- 'Cost of Living Crisis' (25) and
- Physical Health Issues (24)



For Q4, the top referral reasons were:

- 'Under occupancy charge' (24)
- 'Debt' (12)
- 'Cost of living crisis' (9)

The Assistant Financial Support Manager is currently liaising with the communications team to promote the FI Team where possible, so those in need are aware.

Performance measure

- Number of eligible children accessing nursery funding across the borough.

Update

Although data is shared termly (with a lag) from Worcestershire County Council, this has been inconsistent. It is hoped this will improve going forward.

Term	% 2 year olds accessing funding
Summer 2019/20	56%
Summer 2020/21	59%
Summer 2021/22	70%
Spring 2022/23	84%

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The take up of nursery places supports parents in taking up work and the two year old funding considers vulnerable families to try and support reducing the early years attainment gap. In respect of the above, Redditch performance has increased and is higher than the County average of 77.3% for Spring Term 2023. The overall national average for 2022 was 72%.

Previously we received a list from Worcestershire Children First so we could contact families who had applied for 2-year-old funding but had not processed their application. Unfortunately, there is an ongoing issue between our commissioners (WCC Public Health/ H&W Health and Care Trust and Worcestershire Children's First WCF) Early Years. The DWP created an information sharing agreement which currently prevents WCF sharing the DWP list with us, this is yet to be resolved.

We continue to promote childcare funding at all our community events with a particular focus on 2-year-old funding and school readiness to encourage those eligible to take up the funding. We promote on our website and social media pages and with any families we encounter who may be eligible.

Performance measure

- Number of energy rebate payments.

Update

The energy rebate scheme closed in quarter 3 and as such, no further payments have been made.

In total £4,718,100 was allocated under the main scheme and a further £157,750 was paid under the discretionary scheme.

This measure will be removed from any future reporting.

3.4 Improved Health and Wellbeing

In 2022/23 we worked 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.

Success measures:

- Number of Community Builders in post.

Update

- There are 3 currently in post:
 - Abbeydale (started end of Jan 2022)
 - Woodrow (started end of Apr 2022)
 - Focussing on BME (started mid-Jul 2022)

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Asset Based Community Development (ABCD) is an approach built on tried and tested methods from sustainable community development practice. The aim of ABCD approaches is to create the conditions that will enable both place and people to flourish, reduce inequalities, improve quality of life that supports communities to thrive and to reduce or delay the need for long term care and support.

The Bromsgrove and Redditch Shared Learning Network continues to meet, supported by Public Health at Worcestershire County Council, which includes community builders, the voluntary and community sector hosts, relevant RBC and BDC officers and the relevant portfolio holders. The purpose of the Network is to provide a forum to support and encourage the development of ABCD good practice locally. The most recent meeting fed back on very successful Christmas events, support being provided to vulnerable individuals and the in-depth scoping that has been undertaken by the BME Community Builder.

Community Builders are on fixed term contracts, but funding has been confirmed to extend the posts until end of March 2024. The longer-term aim remains that other areas will be covered if funding becomes available for additional Community Builders.

Performance measure

- Deliver improved outcomes from the actions in the Leisure Strategy

Update

All short term priority recommendations in the Leisure and Culture Strategy endorsed by Council are now being progressed and plans are in place to roll out all medium and longer term recommendations in due course.

3.5 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.

Performance measure

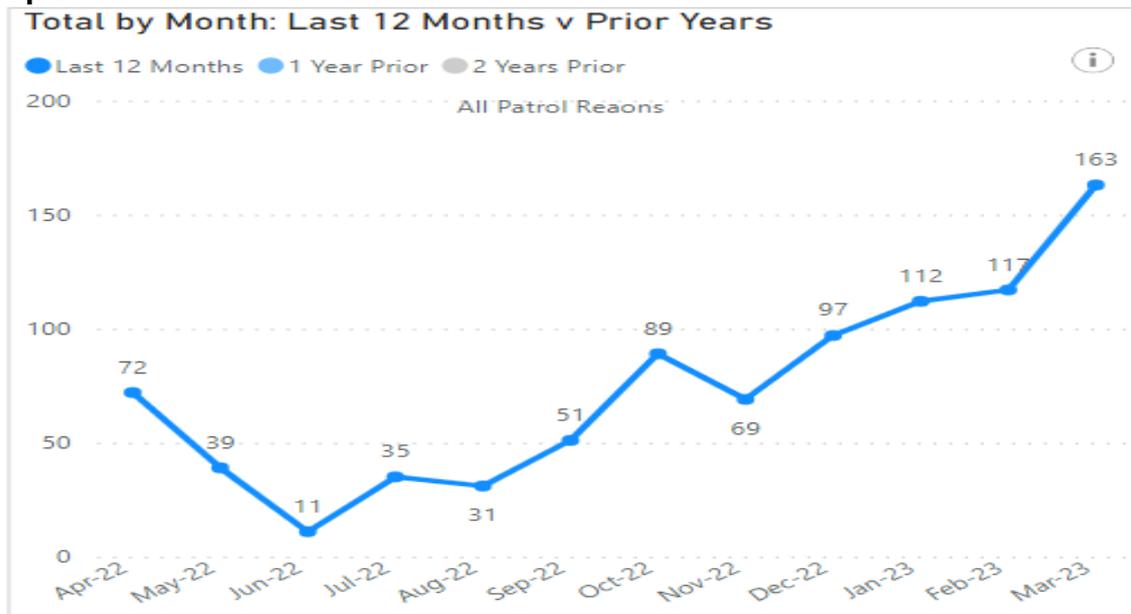
- Number of young people engaged through Detached/Outreach youth work.

This is a new measure from April 2022.

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Update



There were an increasing number of young people engaged during the final quarter of 2022/23. It is possible some of the increase was due to half-term in February and the nights starting to get lighter; there were also intelligence reports of youth gatherings and disturbances. Youth workers undertook patrols in the areas of Abbeydale, Batchley, Enfield, Smallwood, St Georges and the Town Centre.

During March 2023 two patrols were carried out in the 'Night Time Economy' hours to engage and sign post young people found on-street in the areas around late-night entertainment venues.

Performance measure

- Levels of crime. (up to and including February 2023)

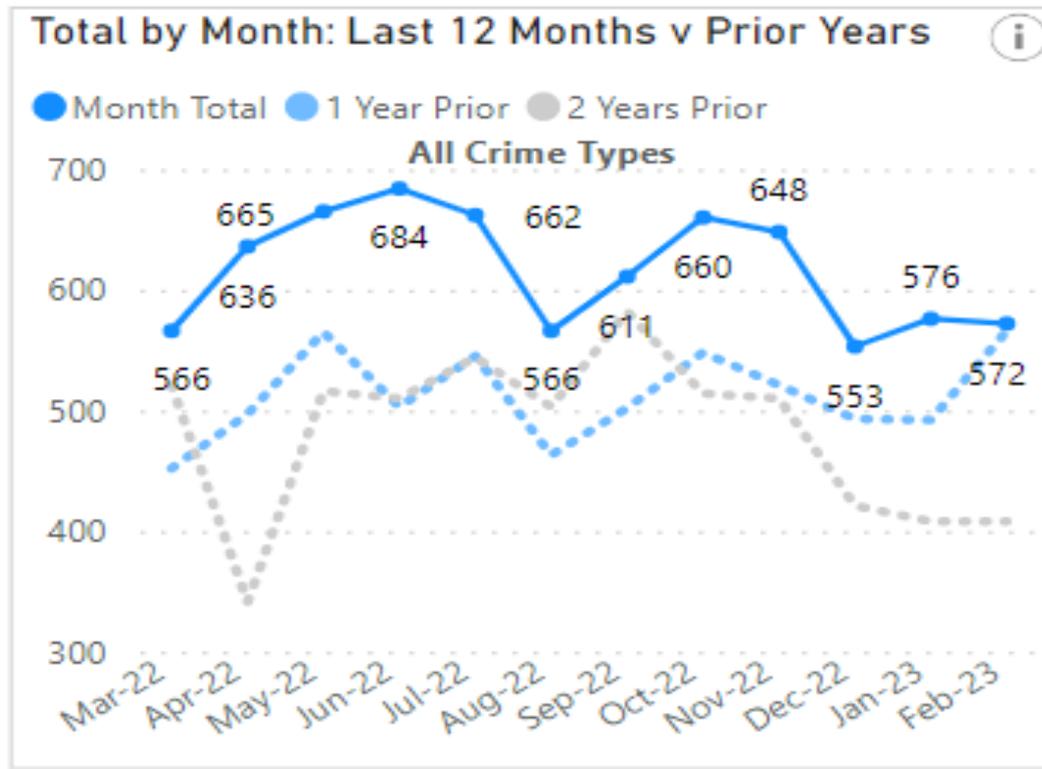
Update

Data extracted from 'data.police.uk' below – there is a lag in data reporting

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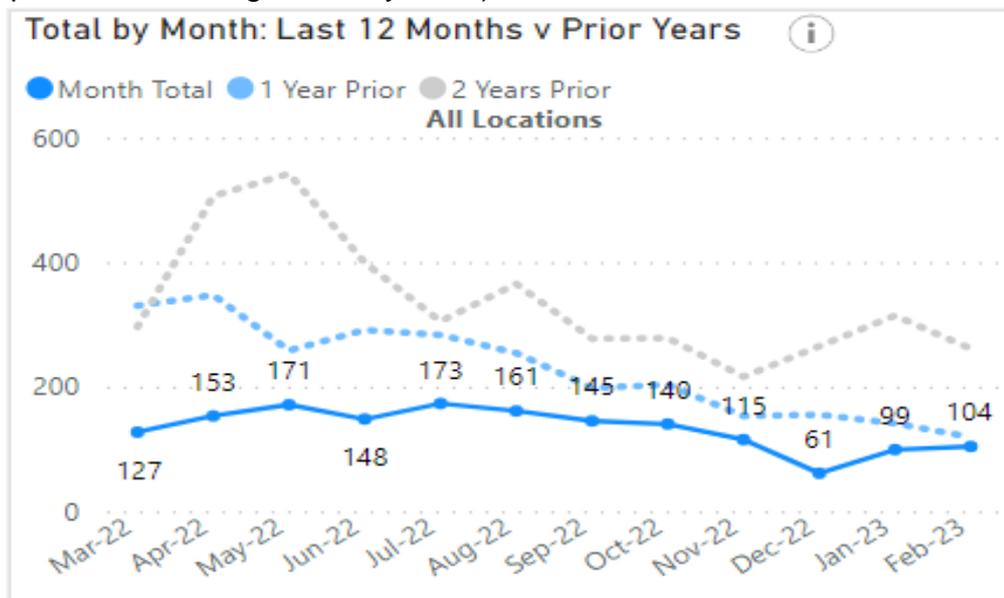
Crime Type	Total	% of Total	v 1 Mth Prior	v 1 Yr Prior	12 Mth. Avg.
Violence and sexual off...	3,559	48.1%	-3 ↓	390 ↑	296.6
Public order	798	10.8%	-1 ↓	202 ↑	66.5
Criminal damage and a...	662	8.9%	-6 ↓	131 ↑	55.2
Other theft	610	8.2%	15 ↑	173 ↑	50.8
Shoplifting	504	6.8%	-10 ↓	112 ↑	42.0
Vehicle crime	433	5.9%	17 ↑	130 ↑	36.1
Burglary	303	4.1%	-2 ↓	89 ↑	25.3
Drugs	172	2.3%	2 ↑	-35 ↓	14.3
Other crime	149	2.0%	-8 ↓	20 ↑	12.4
Possession of weapons	87	1.2%	-5 ↓	39 ↑	7.3
Robbery	59	0.8%	-2 ↓	11 ↑	4.9
Theft from the person	35	0.5%	-1 ↓	-2 ↓	2.9
Bicycle theft	28	0.4%	0 —	-8 ↓	2.3
Total	7,399	100.0%	-4	1,252	616.6

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Violence without injury continues to be the most common crime type reported in North Worcestershire. It accounted for 29% of all crime reported between Feb 22 to Jan 23 and this was a 14% increase in reports compared to the same period the year before (21/22).

Within this period (Feb 22 to Jan 23) reported crime in Redditch accounted for 17% of all crime in North Worcestershire with 'Common Assault' and 'Theft from Shops' being the highest volume offences recorded. Abbey Ward, which includes the Town Centre, had the highest number of recorded crimes in the Borough.

ASB (up to and including February 2023)

There were significant reductions in ASB reports between Oct and Dec which was likely due to changes in police recording practices. Some incidents previously recorded as ASB are being recorded as Public Order offences and crimed to reflect the harm caused to individuals and communities. However, since Dec there has been a slight increase in reports, possibly due to the lighter evenings, better weather and school holidays.

Performance measure

- Number of crime risk surveys carried out. (New measure from April 2022)

Q1	10
Q2	14
Q3	7
Q4	15

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Update

The majority of surveys undertaken in quarter 4 2022/23 were due to domestic abuse (7) and as a result of reports of ASB (Batchley (5) and Woodrow (2)). In addition, a written crime prevention recommendation was provided for a planning application during the period.

3.6 Rubicon Leisure

As reported in Q3 Rubicon were implementing a new system, this has now been implemented and so measures data will be available for Q1 2023/4. Unfortunately, this data is not yet available.

3.7 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 modern technologies to our fleet but also how innovative 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.

Performance Measure:

- Have an agreed and funded plan and capital replacement programme for the Council's fleet subject to any budget constraints.

Update

Nottingham City Council, through their government funding grant to undertake a review of its fleet, is providing an external consultancy service to the council. Officers have been working with Nottingham City Council and have now received a copy of their report which will be used to create the basis of the fleet replacement programme report that will go to CMT in readiness for Executive in September.

Performance Measure:

- Introduce vegetable derived diesel into the councils' vehicles to reduce carbon emissions subject to any budget constraints.

Update

Hydrogenated Vegetable Oil (HVA) has seen a severe increase in cost due to external influences like the war in Ukraine. Due to this large increase in costs, and the wider financial pressures on the Council, Environmental

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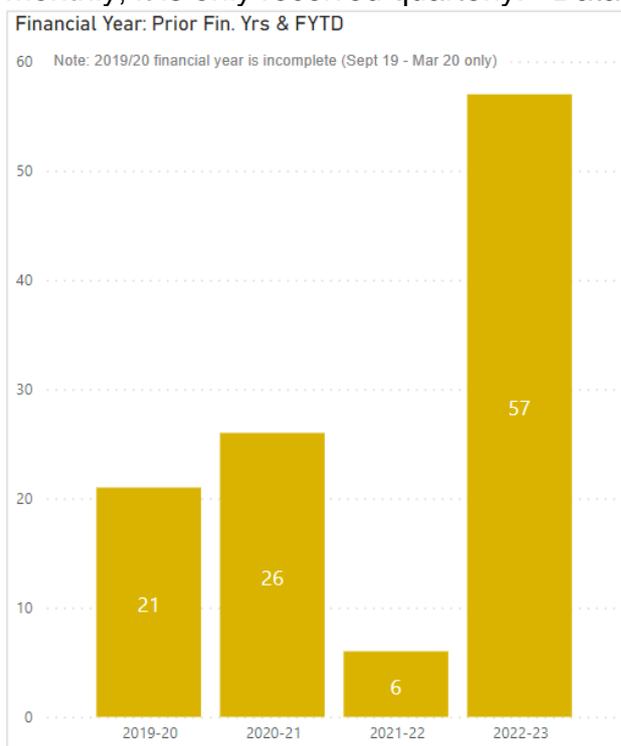
Services have reverted back to using diesel for the vehicle fleet and will continue to monitor costs until they stabilise and settle down.

Performance measure

- Households supported by the Council's energy advice service

Update

A new contract commenced in June 2022. Whilst the data for this measure is monthly, it is only received quarterly. Data for 2022/23 is for Q1 and Q2 only.

**3.8 Financial Stability**

The Council's resources will continue to be constrained. 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.

Success measures:

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

The financial information is provided in a separate report.

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3.9 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.

Performance measure

- Number of corporate measures accessible through the dashboard.

Update

The organisation is moving from the current legacy dashboard to a new Power BI dashboard. Power BI is an interactive data visualisation software product with a primary focus on business intelligence. Currently there are 34 strategic measures available via the dashboards.

Performance measure

- % of staff able to work in an agile way.

Update

This new measure is aligned with the ongoing agile project; we are continuing to work to devise an effective method of data capture.

3.10 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.

Performance measure

- % of employees who undertake management training.

Update

The management training was launched for the first time in Summer 2022. It is an annual measure; the first data will be reported in late 2023.

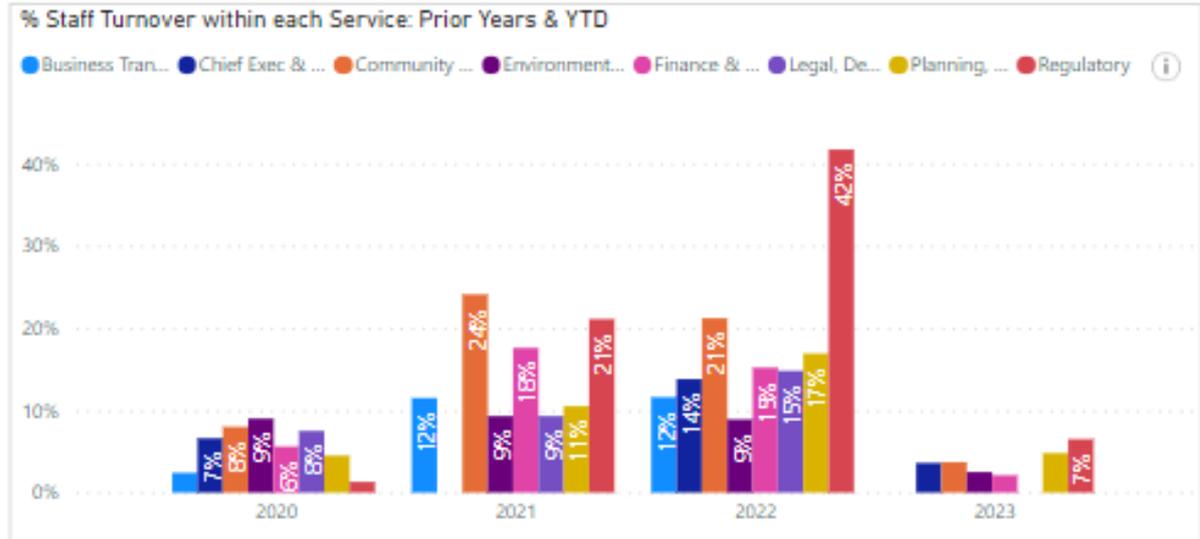
Performance measure

- Staff turnover rates in relation to national rates

Update

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Since January 2023, it can be seen there has been a continued improvement in turnover rates which brings the authority under the national average. We will be launching a process for exit interviews before the next quarterly report cycle. We will utilise this data to further understand context and undertake necessary actions.

Performance measure

- Customer satisfaction with service delivery, measured through the Community Survey.

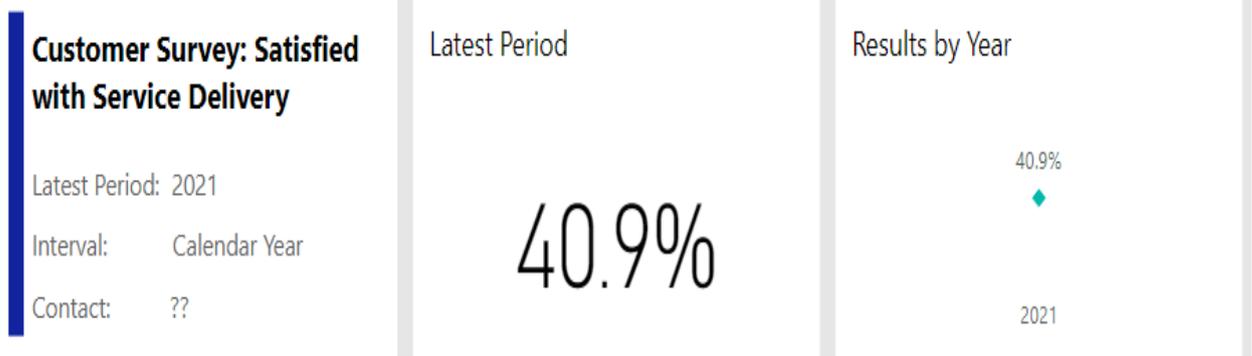
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Update

This is a new data set and as such, there is no historical data to provide context until after the next survey in October/November 2022. However, national customer satisfaction with LA's according to the Local Government Chronicle is currently at 40%.

The 2022 survey was carried out Oct/Nov 2022; the top lines have been completed and detailed analysis is to follow, with results reported to CMT and elected members ahead of the next performance report.

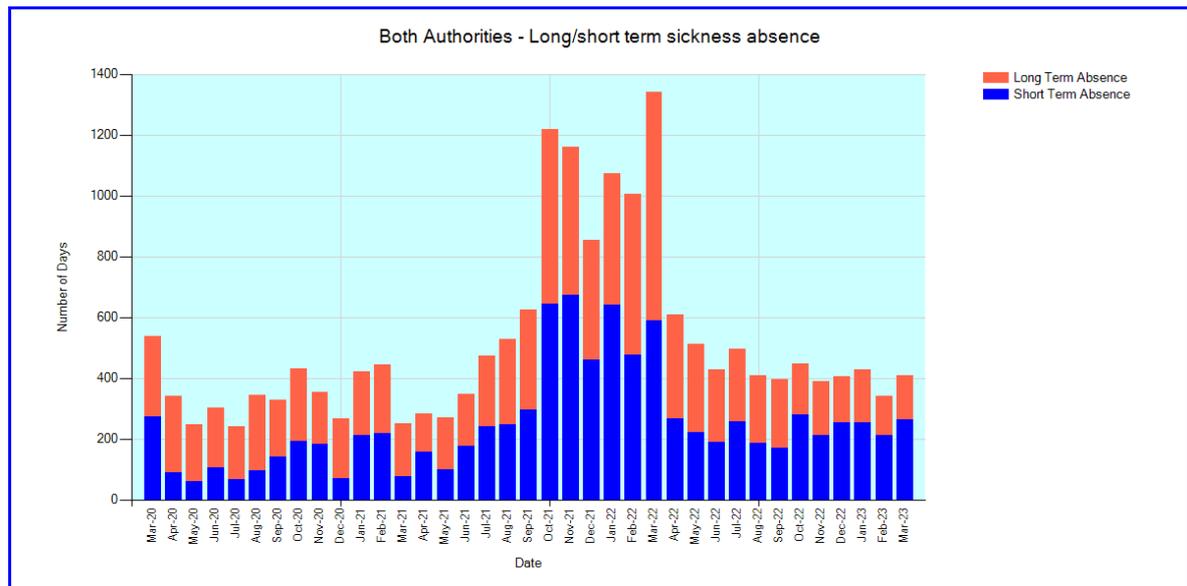


4. Operational Measures

4.1 Business Transformation, Organisational Development & Digital Services

Performance measure

- Sickness absence



Update

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The year end days lost per FTE is 7.04 which is lower than the previous year; the national average data for end of 2022/23 is not yet available; We are currently undertaking a fundamental review of data capture and calculation, in order to utilise the increased functionality of Power BI which will enhance both the overview and more in-depth analysis for this measure and in turn enable actions from the understanding gained.

**4.2 Environmental and Housing Property Services
Environmental Services - RBC Domestic Waste Collection****Performance measure**

- Percentage of household waste sent for reuse, recycling and composting

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2022/23	36.65	31.20	25.82	26.57	34.13	34.69	32.52	27.38	25.61	34.91	30.52	39.82
2021/22	35.27	28.45	28.16	29.31	39.52	38.06	33.21	27.96	28.89	38.44	30.74	37.50

Update

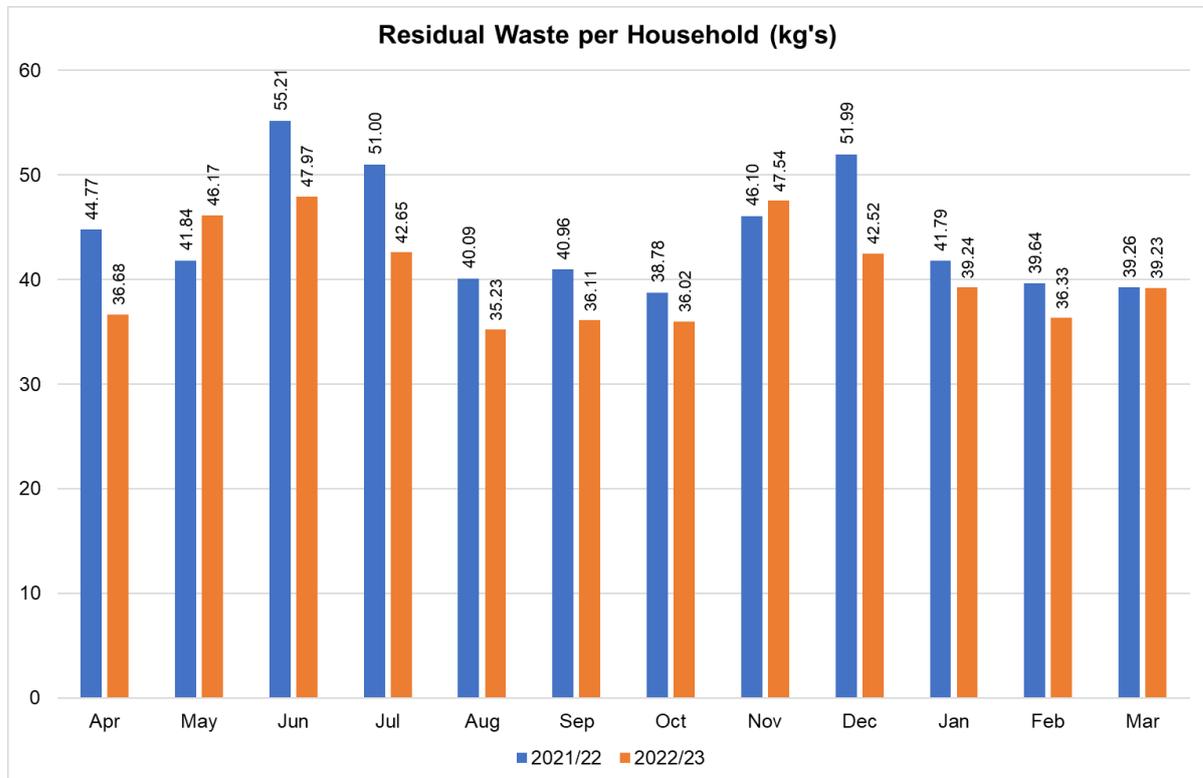
This is a National Indicator measuring the percentage of household waste arisings which have been sent by the Authority for reuse, recycling, and composting, and is used in the national league tables ranking Local Authority performance. In 2021/22 Redditch was ranked 309th in the national league tables – Up from 315th in 2020/21. (Ranking is limited due to the lack of a widespread garden waste service in Redditch).

Performance measure

- Residual Waste per household (kg)

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Update

This measures non-recyclable waste thrown away per household and shows an average reduction per household of 45.72kg over the year when compared with 2021/22 figures, which is a positive trend for sustainability but may be due to financial pressures on households as much as greater awareness of the environmental benefits of reducing our waste.

The response from Central Government on their waste consultation, which will give details on precisely what is required of us as the Waste Collection Authority under the Environment Act 2021, was deferred again and is now expected to be released shortly after the May 2023 elections. Funding linked to the planned changes to waste is expected to start being supplied to LA's within the 2023/24 financial year, and DEFRA have confirmed funding mechanisms need to be agreed to achieve this, so high confidence that consultation response will be released as stated, and associated guidance/regulations will be implemented quickly thereafter.

This will allow Redditch BC to consider expansion of the garden waste service, and also support the Members Task and Finish group that has been established with the other Worcestershire LA's to review best practice and provide recommendations on future collection arrangements for all of our residents' waste to meet the new duties contained within the Environment Act 2021.

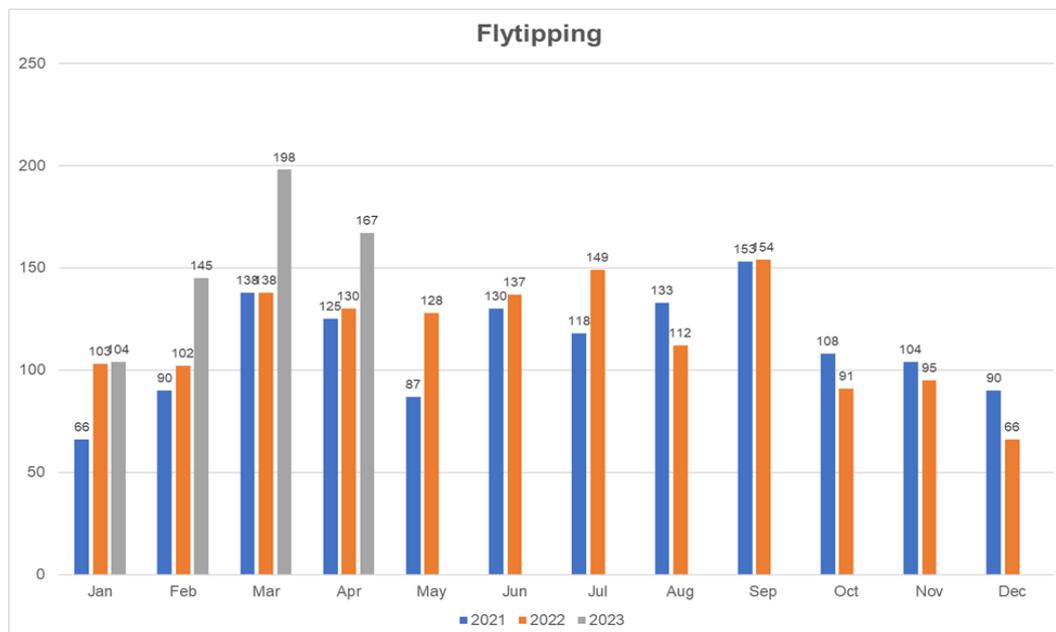
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Waste Composition Analysis was carried out across the Borough to sample waste during 2022, and identify what is being thrown away in our residual waste to support discussions on the future of our services, and any communication/education campaigns we may need to implement to support further recycling. In the samples taken, up to 20% of the residual waste put out for collection could have been collected as recycling, with nearly 8% of that being garden waste. Up to 35% of the residual waste was food waste (47% of that was still in its packaging unused). This information is being considered as part of the wider Task and Finish project to consider future options for how we collect our residents waste in the future.

Performance Measure:

- **Fly Tipping**

**Update**

The type of fly-tips is unchanged and is mainly small domestic fly-tips. An increase in the numbers is due to the IT system making it easy for the crews to record/report fly-tips when they are out on site.

Housing Property Services

The initial Operational KPIs for Housing Property Services are shown below. The Housing Property Services Manager has established several KPIs to provide both Operational and Strategic monitoring of Services delivered.

These are supplemented by the 22 KPIs created by the Regulator of Social Housing (RSH), of which 10 are the responsibility of the Landlord to provide and 12 of which are as a result of Tenant Perception Survey, the format of which is dictated by the RSH. In the interim however please see below:

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Performance measure

- Third Party Gas Audit Compliance – Frequency Monthly – Target 85%

Update

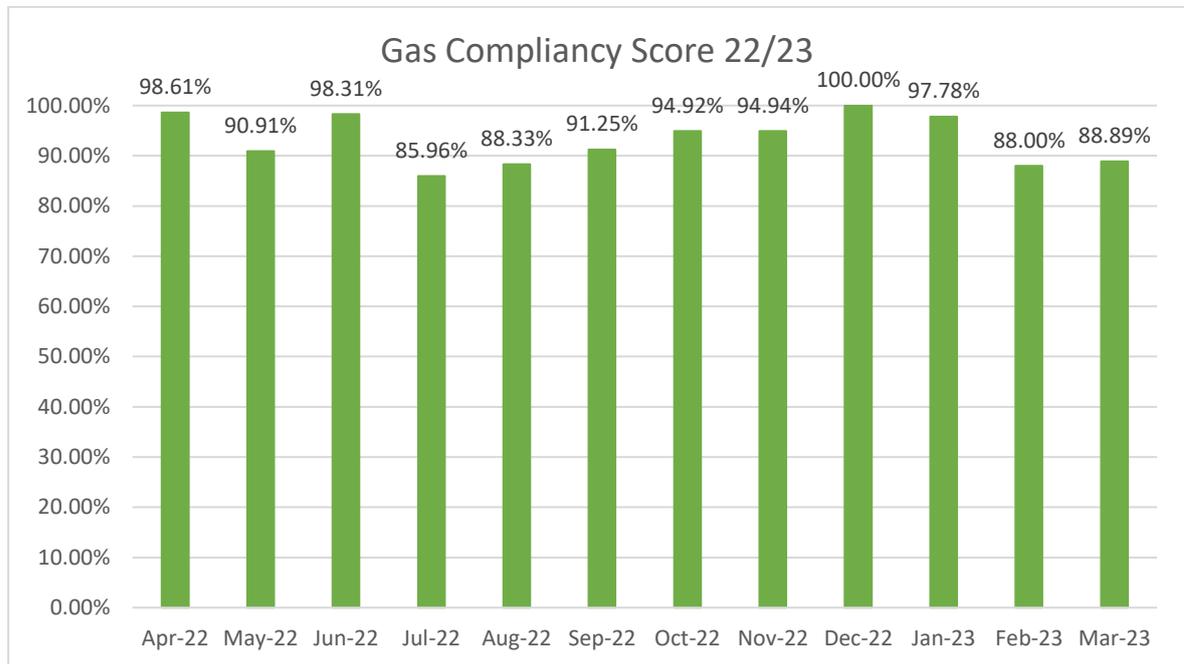
The Performance Indicator is a measure of the compliance with Gas Regulations and Codes of Practice for the work undertaken by the in-house Gas Team. An Independent external company undertakes a random sample of Audits across several properties to assess the standard of workmanship and compliance and reports their findings monthly.

The maintained compliancy score can be attributed to the ongoing improvements within the Gas Team. These improvements include regular Toolbox Talks, coupled with regular manufacturer appliance training to ensure the Gas Engineers have the knowledge and confidence to carry out the tasks at hand effectively and efficiently. The dip in performance in February and March 2023 was attributed to errors identified in paperwork such as the wrong year being entered on a certificate together with an error with a boiler model number, rather than issues with the safety aspects of the boiler.

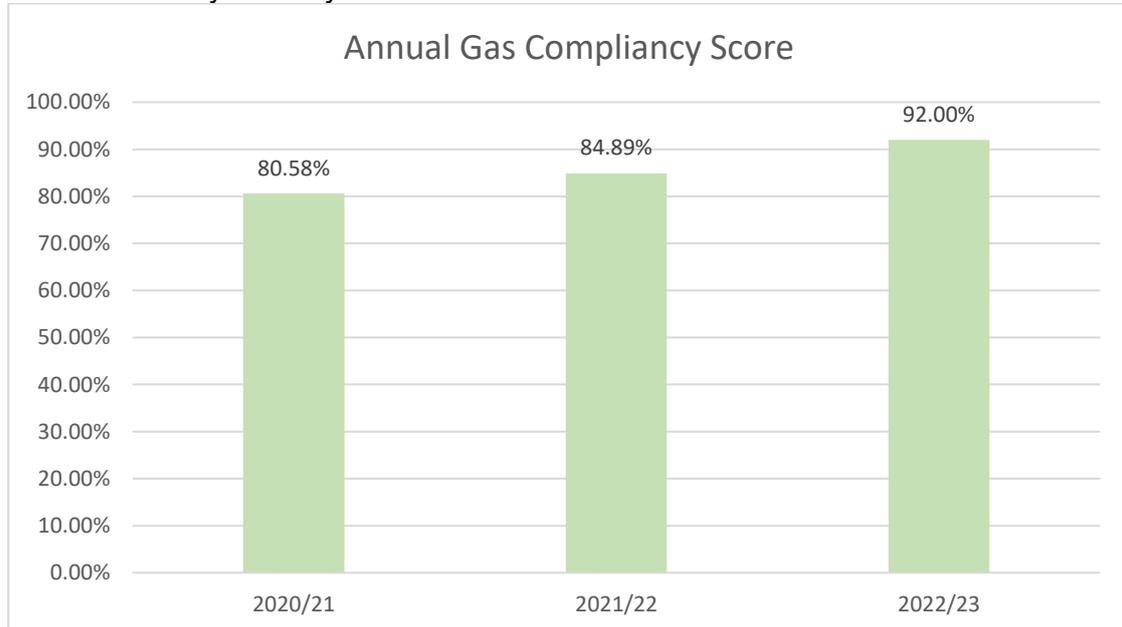
Quarter 1, 2022/23		Quarter 2, 2022/23		Quarter 3, 2022/23		Quarter 4, 2022/23	
April 2022	98.61%	July 2022	85.96%	Oct 2022	94.92%	Jan 2023	97.78%
May 2022	90.91%	Aug 2022	88.33%	Nov 2022	94.94%	Feb 2023	88.00%
June 2022	98.31%	Sep 2022	91.25%	Dec 2022	100%	Mar 2023	88.89%

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In context, since the major structure changes occurred within Housing Properties Services starting in Autumn 2020, annual performance against this KPI has risen year on year.



Performance measure

- Average time taken to complete repairs to standard voids – Frequency Monthly – Target 20 Calendar days

Update

The performance indicator is a measure of the number of calendar days taken on average to complete works to standard voids. (This does not include

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properties requiring major works, decant properties, insurance claims following fire damage and currently dispersed units of accommodation).

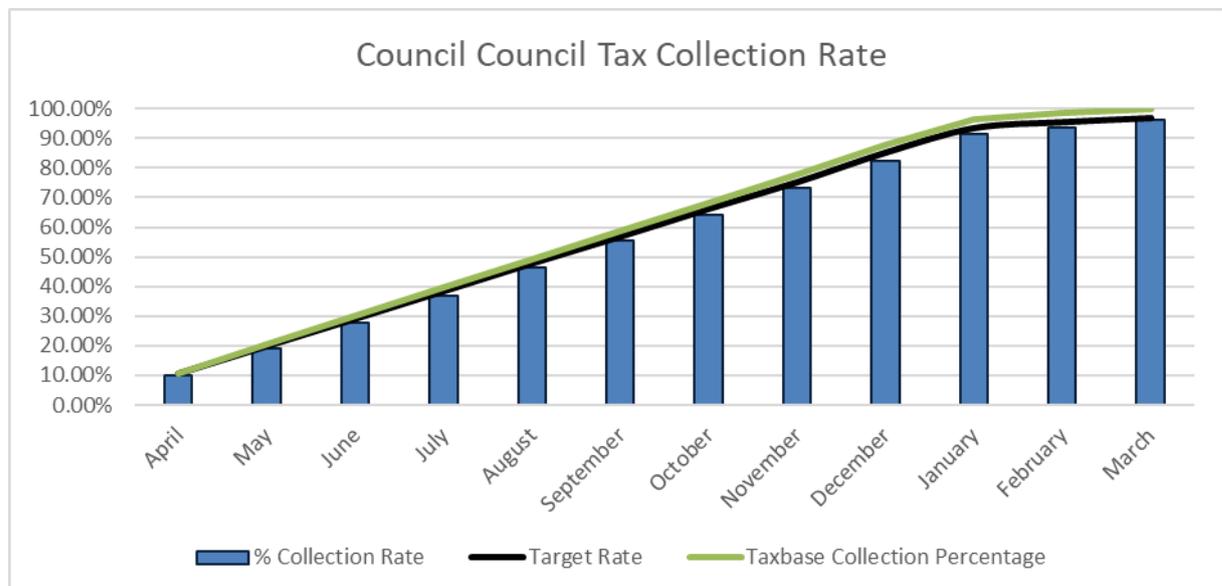
Quarter 1, 2022/23		Quarter 2, 2022/23		Quarter 3, 2022/23		Quarter 4, 2022/23	
April 2022	23.6 days	July 2022	16.3 days	Oct 2022	15.3 days	Jan 2023	30.2 days
May 2022	20.5 days	Aug 2022	11.3 days	Nov 2022	14.2 days	Feb 2023	31.0 days
June 2022	21.4 days	Sep 2022	18.7 days	Dec 2022	26.3 days	Mar 2023	35.2 days

The increase in void time from December was predicted due to the metering issues which has prevented repairs works going ahead in some properties. The electrical and gas safety checks require a live energy supply for the testing to be completed. A void utility provider was sourced in November and together we worked through the complex metering issues, but it significantly impacted on Voids performance during this period.

Overall, the annual average for Repairs to standard voids was 22.0 days, however removing the properties affected by meter issues resulted in an outturn of 18.4 days.

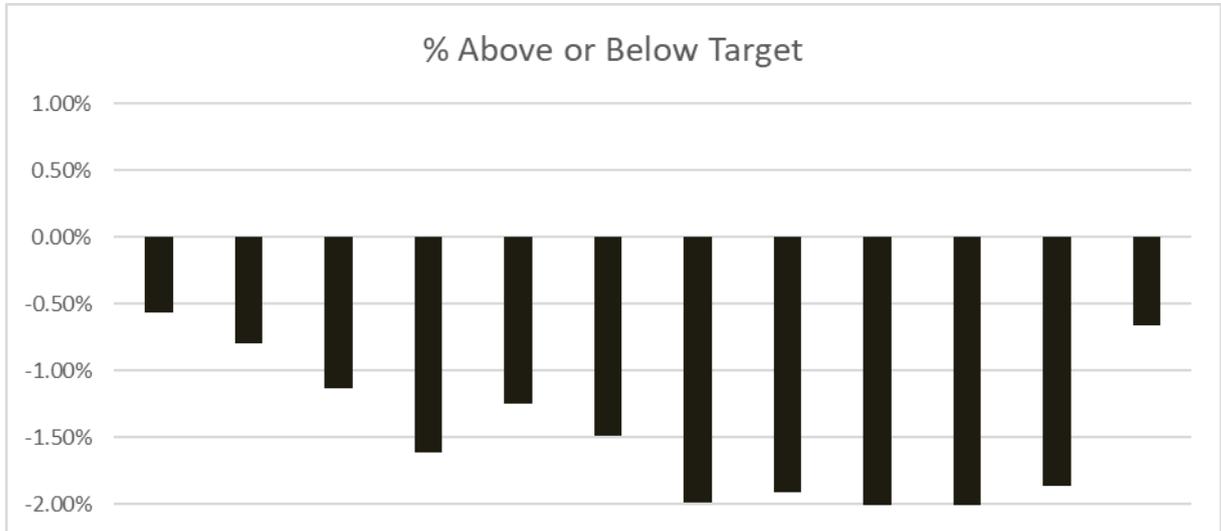
4.3 Finance & Customer Services (inc Revenues & Benefits) Performance measure

- Council Tax Collection Rate



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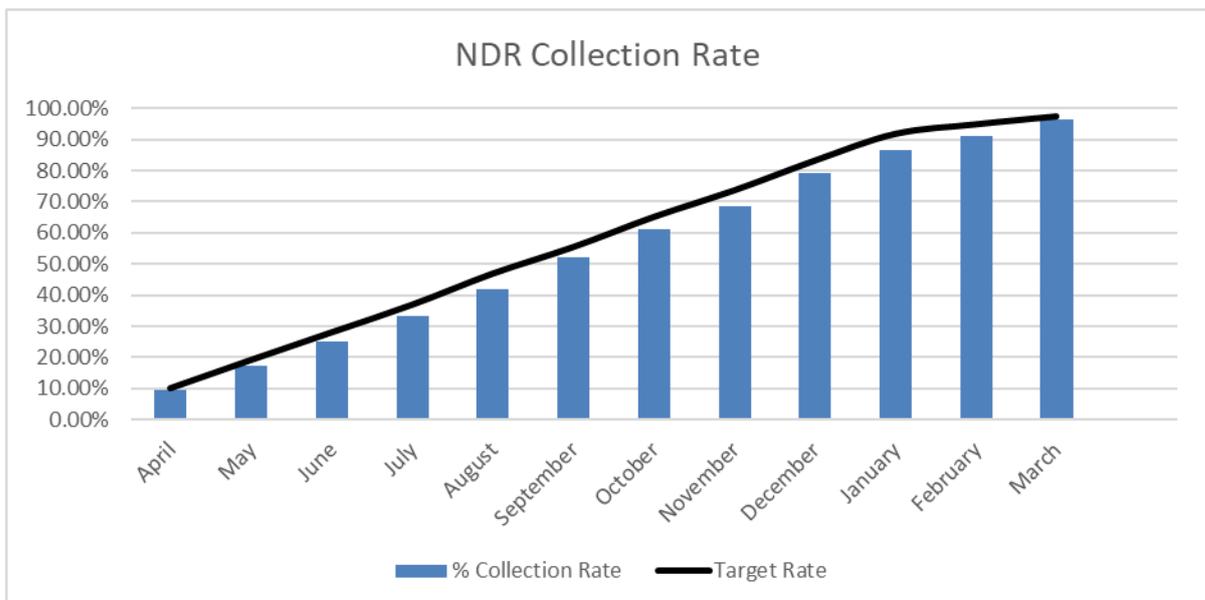


Update

The Council is responsible for the collection of Council Tax income on behalf of itself and precepting authorities such as the County Council, The Police and Crime Commissioner for West Mercia, and the Hereford and Worcester Fire Authority. Any reductions to the target collection rates result in additional charges to the precepting authorities in the following financial year. Collection rates reflect the economy and with the current “cost of living crisis” it is expected that collection rates might fall.

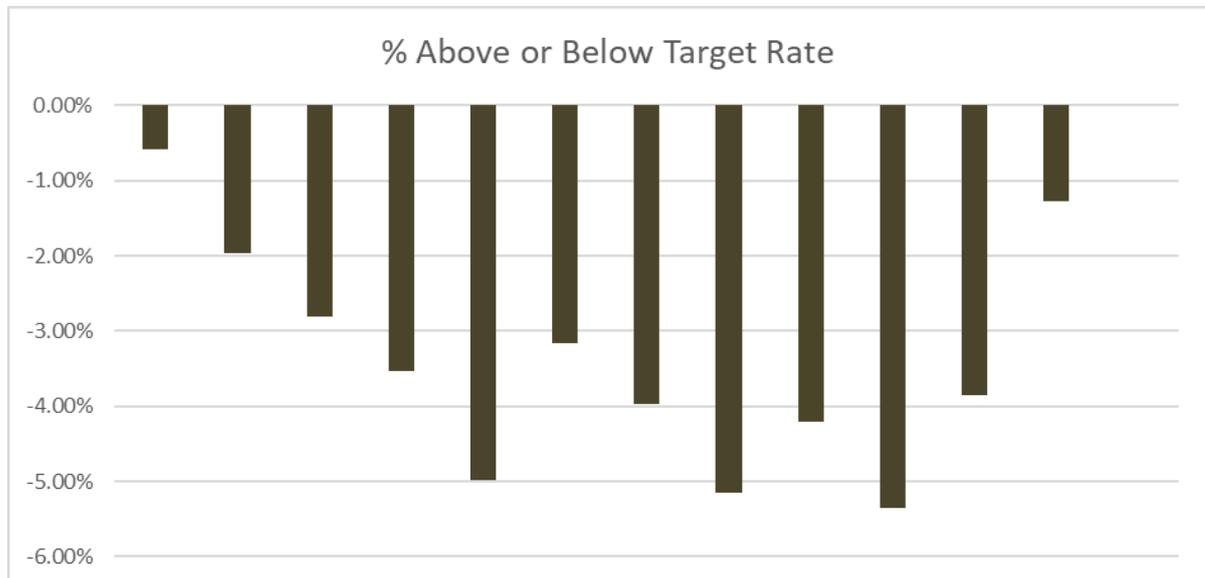
Performance measure

- NDR Collection Rate



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**Update**

The Council is responsible for the collection of Business rates on behalf of itself and the Government. Like the Council Tax, any reductions to the target collection rates result in additional charges to the collecting authorities in the following financial year. Collection rates reflect the economy and with the current “cost of living crisis” it is expected that collection rates might fall. As of December 2022, we were 4.2% below target rates, the final quarter of the year saw some correction to this figure and the gap was reduced to 1.3% below target.

It should be noted that for the past 2 years during the C-19 pandemic there were significant reliefs for businesses. 2022/23 is the first year without those reliefs.

Performance measure

- Revenues Processing

Month	Comp Items	Comp < 7 Days	Comp < 14 Days	Comp < 21 days	Comp < 28 Days	Comp > 28 days	Outstanding
Apr	2082	588	301	308	517	368	1869
May	1659	409	230	138	75	807	2044
Jun	2115	442	239	152	201	1081	2031
Jul	2107	393	253	202	293	966	1605
Aug	1340	325	182	148	429	256	1421
Sep	2408	692	402	222	445	647	1430
Oct	3324	1070	675	338	537	704	1402
Nov	2778	1052	546	232	192	756	1399

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Dec	2150	879	350	135	114	672	1270
Jan	3231	1391	361	234	215	1030	928
Feb	3376	1848	289	202	273	764	895
Mar	4357	2611	635	435	209	467	862

'Comp' = 'completed'

Update

There are always significant quantities of items being processed by the Revenues team including both on Council Tax and Business Rates queries. This activity has been increased in the initial 3 months of 2022/23 by the administration of the Energy Rebate Payments, a further spike in items for processing was seen in September 2022 due to the administration of the discretionary energy rebate scheme.

Performance measure

- Online Customer Interactions

Online Customer transactions and Revenues calls (the next two tables) were significantly affected by the administration of the Energy Rebate scheme which affected almost 28,000 households in the borough; online service requests have been falling each quarter since Q2.

Month	On-Line Service Requests	Auto Processed	Referenced	Rejected
Apr	1340	385	384	571
May	6811	5734	460	617
Jun	4242	3413	328	501
Jul	3199	2275	403	521
Aug	1427	527	386	514
Sep	2729	1785	396	548
Oct	1518	499	459	560
Nov	1183	197	401	585
Dec	906	170	283	453
Jan	973	186	274	513
Feb	752	138	235	379
Mar	1426	380	390	656

Customer Service**Performance measure**

- Revenues Calls (shared service)

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Date	Calls Answered	Avg in Queue	Avg Wait (mm:ss)	Avg Logged in	Avg call length (mm:ss)
Jan 23	3083	1.1	05:47	5.05	08:02
Feb 23	2869	0.63	04:04	5.14	07:17
Mar 23	4274	1.54	05:32	5.03	07:34

Update

The service met expectations with regards to answering calls during the quarter. The spike in calls is due to the annual council tax billing which occurs in March and April. Where demand exceeds supply, particularly during March and April, then officers from the revenues team are requested to assist.

Performance measure

- Number of Web Payments

Update

Date	Number of Payments
Jan 2023	3439
Feb 2023	2739
Mar 2023	2990

Performance measure

- Customer Service calls (Switchboard)

Date	Calls Answered	Avg in Queue	Avg Wait (mm:ss)	Avg Logged in	Avg call length (mm:ss)
Jan 23	3869	0.08	00:44	1.91	00:50
Feb 23	3807	0.07	00:44	1.82	00:47
Mar 23	4187	0.07	00:43	1.95	00:47

Update

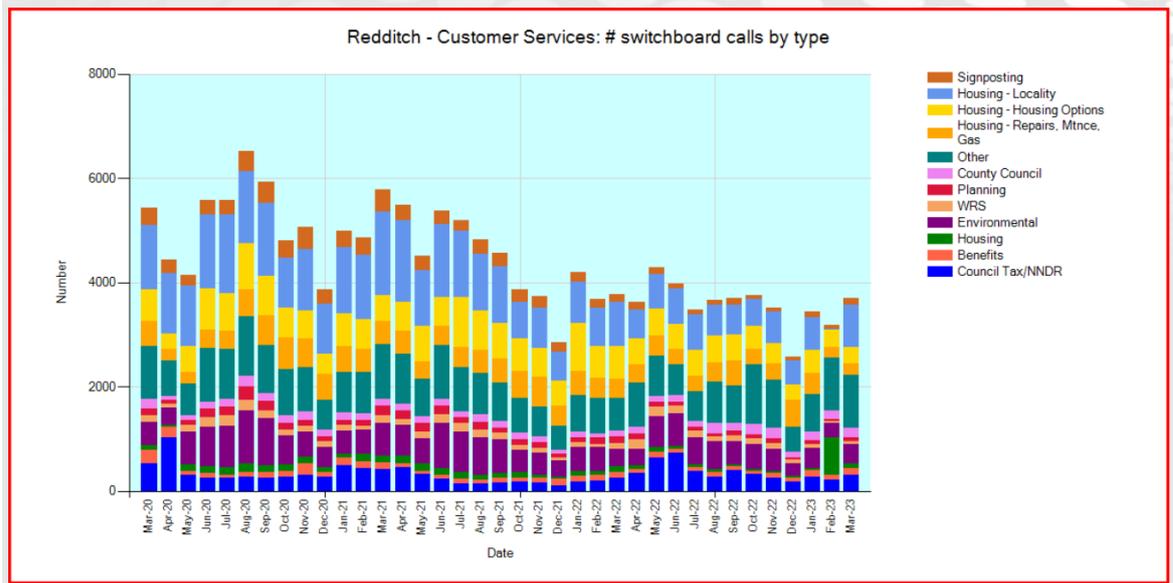
Switchboard - The service met expectations with regards to answering calls during the quarter. There are 2 officers in total which provide switchboard service across both Bromsgrove and Redditch Switchboard.

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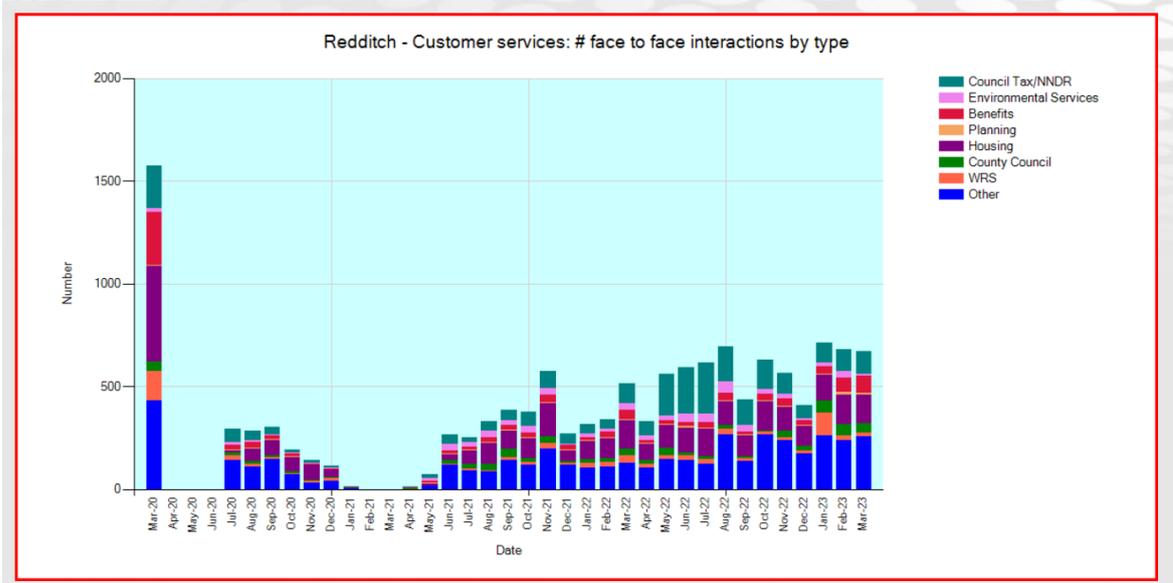
13 June

Reception – There was a record high in visitor numbers presenting at main reception during the quarter, attributed to an increase in benefits, housing and licensing enquiries at Town Hall.

Measures Dashboard - Customer Services - Switchboard calls by type



Measures Dashboard - RBC Customer Services - Reception visits by type



4.4 Planning, Regeneration & Leisure Services

The Leisure and Cultural Strategy has been endorsed by Committee. Recommendations in the strategy have been prioritised and are being worked through.

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Performance measure

- Total number of applications determined in quarter (all types)

Update

Period	Number Determined
Quarter 1, 2022/23	63
Quarter 2, 2022/23	77
Quarter 3, 2022/23	49
Quarter 4, 2022/23	46

Performance measure

- Speed of decision making for 'major applications' (over a rolling 2-year period)

Update

Period	% Determined 'on time'
Quarter 1, 2022/23	94.7%
Quarter 2, 2022/23	95.0%
Quarter 3, 2022/23	100%
Quarter 4, 2022/23	100%

Governmental targets for determining applications in time (or within an agreed extension of time) on major applications is 60%

Performance measure

- Speed of decision making for 'non-major applications' (over a rolling 2-year period)

Update

Period	% Determined 'on time'
Quarter 1, 2022/23	82.6%
Quarter 2, 2022/23	83.3%
Quarter 3, 2022/23	84.3%
Quarter 4, 2022/23	85.7%

Governmental targets for determining applications in time (or within an agreed extension of time) on non-major applications is 70%

5. Corporate Project Oversight & Monitoring

Currently twenty projects are being monitored. The tables below provide a summary as of 18th April 2023. As can be seen, 50% have been rated as green for overall status.

All Projects (Number)	Overall Status RAG	Time Status RAG	Scope Status RAG	Budget Status RAG
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	No.	%	No.	%	No.	%	No.	%
Red	0	0.0%	3	13.6%	0	0.0%	0	0.0%
Amber	9	40.9%	7	31.8%	5	22.7%	7	31.8%
Green	11	50.0%	10	45.5%	15	68.2%	10	45.5%

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REDDITCH BOROUGH COUNCIL**Executive Committee****13th June 2023****Quarterly Risk Update**

Relevant Portfolio Holder	Councillor Luke Court – Cabinet Member for Finance and Enabling
Portfolio Holder Consulted	Yes
Relevant Head of Service	Michelle Howell, Head of Finance and Customer Services
Report Author Peter Carpenter	Job Title: Interim S151 Officer Contact Pete Carpenter email: peter.carpenter@bromsgroveandredditch.gov.uk Contact Tel:
Wards Affected	All
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	Aspiration, work and financial independence
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. SUMMARY

This report sets out Council activity to identify, monitor and mitigate risk.

2. RECOMMENDATIONS

Executive is asked to RESOLVE:

That the present list of Corporate and Departmental Risks be considered and to request any additional risks to be considered.

3. KEY ISSUES**Background**

- 3.1 In 2018/19, an audit of Risk Management provided an assurance level of limited assurance due to weaknesses in the design and inconsistent application of controls. As a result of the audit, a review was commissioned and undertaken by Zurich Municipal to consider the Council's risk management arrangements and to advise of any recommendations. In response to the Zurich review a Risk Management Strategy was produced for both Bromsgrove District Council and Redditch Borough Council.
- 3.2 A follow-up review was carried out by Internal Audit in March 2021 (Final Report June 2021) with the purpose of identifying what progress had been made against the Risk Management Strategies. At that time there was a lack of evidence that the actions within the Risk Management Strategies had been fully completed and embedded within the Councils and therefore no assurance could be given.

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3.3 This is now the Fourth cycle of reviewing Corporate and Departmental Risks since the original baselining of Risks in April 2022. Over this period, we have seen:

- Departmental ownership of risks and reviews at Management Teams on a monthly basis;
- Active review, mitigation, and reduction of risks – ensuring they become managed as part of business as usual;
- Updating of the 4Risk System – as the Authorities repository of this information;
- That the Officer Risk Group have actively reduced risk numbers through their work and that a common approach to risk is now being embedded within the organisation.

The Definition of a Corporate Risk

3.4 The Council has existing Corporate and Departmental Risks. Members of the Risk Board were not sure of the link on how Risks on system had become Corporate in nature.

3.5 The following definition of a of how Risks move from being “departmental” to being “corporate” in nature was recommended by the Risk Group and approved by CMT.

“For a **Risk** to move from being **Departmental** in nature to being **Corporate** in nature that it ***must have significant impact on Councils finances, be cross departmental in nature and/or result in Serious reputational damage.*** The Officer Risk Board will vet departmental risks using this definition to move then to Corporate Risks at their quarterly meetings.”

3.6 At the June Officer Risk Board it was agreed that “Green” Departmental Risks should be taken off this list if they have been to two consecutive meetings and mitigating actions have been fully put into place for them. This report takes account of this requirement being 2 meetings since the original baseline was reported.

Departmental Risks

3.7 The Council procured the 4Risk system to manage its risks. Risks are subdivided into Corporate Risks and then Departmental Risks. Each risk has an individual record applied to it to ensure all the pertinent information is captured.

The original Risk Baseline in April 2022 was (as shown in Appendix A):

- 119 Departmental Risks – 16 Red, 42 Amber, 61 Green

This reduced through the first set of reviews in June 2022 to:

- 96 Departmental Risks – 3 Red, 36 Amber, 57 Green

This reduced through the second set of reviews in September 2022 to:

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- 83 Departmental Risks – 4 Red, 26 Amber, 53 Green

- 3.8 December, being the third cycle following the baselining exercise has seen a complete review of all departmental risks. Twenty-seven risks have been removed and a number of others have been re-categorised. This review process has been done in two stages
- All items have been reviewed by Risk Champions and respective DMT's in each Service Area. Service representatives continue to challenge individual items, which is on the data in the following Tabs underneath each Risk, to ensure that all controls and assurances are properly monitored.
 - The Risk Board on the 14th December also went through all open risks to assess their validity, to ensure that assessment practices were consistent across service areas. This took account of the view that "Green" Departmental Risks should be taken off this list if they have been to two consecutive meetings and mitigating actions have been fully put into place. This was tested in the case of all remaining Green Risks

Service Area	Red	Amber	Green	Total
Customer Access and Financial Support	1	5	10	16
Finance	0	2	2	4
Environmental Services	0	5	3	8
Leisure & Cultural Services	0	1	0	1
Legal, Equalities, Democratic Services & Property	0	1	5	6
ICT	0	2	2	4
Planning Services	0	1	0	1
Housing	0	9	6	15
Community Services	0	1	5	6
HR	0	0	1	1
Total	1	27	34	62

Red Risks – 2 in total

REV7 - Revenues - Performance Indicator data is not robust

The previous two ICT Risks and Housing Risk have been mitigated

Position as at the 22nd March 2023

- 3.9 This report sets out the position a year following the initial baselining of council risks. This is the fourth review, following the implementation of the Action Plan due to the "No Assurance" internal Audit reports. The key point a year in is to ensure that risk management is embedded within the organisations:
- Officer Risk Board to take place on a quarterly basis, having taken place on the 8th April 2022, the 22nd June, the 21st September, the 21st December, and now the 22nd March to embed processes.

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- Each department has nominated a representative to a Risk Board. These representatives meet on a quarterly basis and report back to management teams.
- Departmental Risk Register are updated at least quarterly to feed into the Risk Board.
- The Audit Committee's of both Councils reviewed Risk Registers on a quarterly basis. These reports have also been presented to Executive.
- CMT are updated on risk management issues in their monthly "assurance" meeting, which is a week after the Risk Board meets.

Service Area	Red	Amber	Green	Total
Customer Access and Financial Support	1	6	9	16
Finance	0	2	0	2
Environmental Services	0	5	3	8
Leisure & Cultural Services	0	1	0	1
Legal, Equalities, Democratic Services & Property	0	3	2	5
ICT	0	2	1	3
Planning Services	0	1	0	1
Housing	0	10	5	15
Community Services	0	1	5	6
HR	0	0	1	1
Total	1	31	26	58

Red Risks – 1 in total

REV7 - Revenues - Performance Indicator data is not robust

In addition to this, Worcestershire Regulatory Service (WRS) Risks, which are reported to its board on a quarterly basis are contained in Appendix B. The significant risk for WRS centres around finance and contracts with other Local Authorities.

3.10 In Bromsgrove, the Audit Task Group looking into the reasons behind the issuing of the S24 Statement in both Councils had the following recommendations linked to risk

Management:

- Given a number of substantial and important projects on the horizon for BDC, set up a permanent Project Management Office at BDC to support the full range of projects undertaken by the Council. This Project Management Office would report to CMT/ SMT as part of its remit. CMT is tasked with setting out the requirements of this new programme office and resource requirements to ensure compliance with the recommendations in this Report. This Report will be presented to the first Cabinet meeting after the BDC elections in May 2023. This will happen at the June Bromsgrove Cabinet Meeting.
- The Corporate Risk Register to be discussed as an early item on the agenda at meetings of the Audit, Standards and Governance Committee. Any risks are to be clearly flagged to the members of the Committee, particularly where they are rated as red.

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There is a report on this agenda addressing the Bromsgrove Audit Task Group Report which was reviewed by Redditch Audit, Governance and Standards Committee in March. Risk Management at the May 30th Audit, Governance and Standards Committee was move earlier in the Agenda to action the second recommendation.

- 3.11 The Councils risk processes are now under a follow up Internal Audit review. The assurance level has moved from Limited Assurance to Moderate Assurance. Feedback from Risk Team members interviewed that the Auditor moved from the corporate level to the Departmental level – which was logical. However, there were queries over risks logged at a level below “departmental. These are operational matters generally dealt with on a day to day basis and so seen by departments as being business as usual. It should be noted that green departmental risks are reviewed after two months to see if they can be to “business as usual”.
- 3.12 An example of this where ICT look at a solution/software/applications they also need to assess the impact on other people and systems. They have a system that logs this.

In terms of departmental lists:

- 3.13 Community risks, even though many are green, are still all relevant as departmental and cannot be moved to the lower level of “business as usual”. The most significant risk is lifeline, although the risk here is the works carried out in upgrading networks under streets and how these changes can affect the lifeline system.
- 3.14 The majority of Housing risks are compliance led. A significant risk that underlies compliance risks are the present “disrepair” claims where there has been a significant rise due to an impending change in legislation. There are over 60 of these claims which could result in a significant financial impact on the Housing Revenue Account. Another trend to note is that of fires in premises, which has increased significantly over the past 2 years. Given the present cost of living crisis a number of these tenants do not have contents insurance. Generally if tenants have insurance they also have PI insurance. In these cases neighbours are making claims against the Council including for injuries. Over 260 have come out of contents insurance schemes recently.
- 3.15 It should be noted that the Members Data Protection risk in ICT clearly depends on Members undertaking the training. Given the significant cyber risks faces by Council’s it is important Members engage to mitigate this risk.
- 3.16 Insurance claims, due to the cost of living crisis, are increasing although the types of claim and levels of those claims are variable.

Corporate Risks

- 3.17 The Officer Risk Board reviewed the risks in the above table at their meetings on the 8th April, 22nd June, 21st September, 14th December, and 22nd March using the new definition

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of “Corporate Risks”. The table below sets out the updated Corporate Risk Register that the Risk Board took to CMT and gained their approval.

Risk Ref	Risk Title	Risk Status
 COR 9	Non Compliance with Health and Safety Legislation	Open View
 COR 10	Decisions made to address financial pressures and implement new projects that are not informed by robust data and evidence	Open View
 COR 14	Non adherence with Statutory Inspection Policy	Open View
 COR 15	Impact from Changes to Partner Funding Arrangements	Open View
 COR 16	Management of Contracts	Open View
 COR 17	Resolution of the Approved Budget Position	Open View
 COR 18	Protection from Cyber Attack	Open View
 COR 19	Adequate Workforce Planning	Open View
 COR 20	Financial Position Rectification	Open View
 COR 22	Delivery of Levelling Up, Towns Fund, UK SPF Initiatives	Open View
 COR 23	Cost of Living Crisis	Open View
 COR 24	New Customer Facing Interface	Open View

The number of Corporate Risks have increased to 12 in total. Only one is at the highest level and a number of these risks, including Changes to Partner Funding Arrangements and Resolution of the Approved Budget Position will reduce in the next cycle of meetings.

- 3.18 The new risk relates to the replacement process of the Councils existing Customer interface, which is linked to significant budgetary savings in the 2025/26 financial year.
- 3.19 Mitigating factors for the Corporate Risk are:

Non-Compliance of Health and Safety Data Standard Operating Procedures - SOP (H&S etc) Health and Safety Committee meets regularly H & S training for staff Health checks DSE assessment and reporting software First Aid training in place Safeguarding Policy and procedures Risk Assessments Updated inspection policy Regular review of policies Continued updates to Health and Safety Committee Data on intranet

Projects being informed by robust data and evidence - Robust budget-setting process in place

- Developed budget bids for pressures and details of savings proposed using 5 case model
- Data used to evidence need in business cases
- Performance Dashboard in place

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- Established "whole-life" or "end to end" approach to assessment of savings proposals

Non Adherence with the statutory inspection policy - Specialist resource in place to support delivery actions.

- Further review of monitoring arrangements
- Further implementation of insurance recommendations
- Contracts reviewed to ensure suppliers undertake roles
- Training plan developed to ensure staff clear of responsibilities
- Development of robust action plan

Impact from changes to partner funding arrangements - Council Members are on WRS Board and S151 Officer is the S151 Officer for the WRS therefore will know ofn issues well before they happen.

Management of contracts - Procurement Strategy updated by C Young and training provided. Service Protocols, setting out expectations of service user and procurement went live 1st Jan 23 and now being monitored. No PO No Pay Policy goes live 1st April 23.

Resolution of the approved budget position - MTFP process now 2 stages. Stage 1 approved by Jan 23, Stage 2 approved by March 23. Final MTFP contains S151 Officers robustness statement which is key to sign off of a robust sustainable budget. Budget working group in both councils scrutinise proposals before executive.

Protection from cyber attack – weekly penetration test, annual PSN Security Audit, regular internal audits, occasional LGA audit, Cyber Insurance requirements.

Adequate workforce planning - Workforce plan has been circulated to services who now know their high risk areas. The challenges remain on delivering to these high risk areas however, they are identified.

Financial position rectification - External Audit reports financial recovery process Reporting to Executive, Audit & Council.

Delivery of Levelling Up, Towns Fund, and UKSPF Projects - Monthly project Board overseeing all projects Formal governance structures for levelling up and Towns Fund projects

Cost of Living Crisis - Housing Register Access to Housing Benefit and Universal Credit Council budget, communication to stakeholders of alternative methods of help on via the website and the yearly Council Tax Bills, monitoring of additional service demand.

New Customer facing interface - Presently delivered by a number of systems that are not linked together and require manual intervention for internal reporting.

REDDITCH BOROUGH COUNCIL**Executive Committee****13th June 2023****The Risk Management Framework**

3.20 Risk Management Training. Given the active management of risks by service departments, we have seen numbers of departmental risks reduced by almost 50% although Corporate Risks have increased. At this time, it is felt that a series of Risk Management Training is not required as processes are being embedded in the organisation. However, the Internal Audit update delivered in April (see 3.11 above) has highlighted cross Council training as an issue and this will be addressed during the 2023/24 financial year.

4. Legal Implications

4.1 No Legal implications have been identified.

5. Financial Implications

5.1 The Council spend significant sums insuring itself and must also hold Reserves to mitigate the costs of risks should they happen. A comprehensive Risk Management approach ensures risk and its consequences, including financial ones, are minimised.

6. Strategic Purpose Implications**Relevant Strategic Purpose**

6.1 A comprehensive Risk Management approach ensures **Risk and its Consequences** is minimised for the Council.

Climate Change Implications

6.2 The green thread runs through the Council plan. This includes risks linked to activities and actions that link to our climate.

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

7.1 If risks are not mitigated it can lead to events that have Customer/Equalities and Diversity implications for the Council.

Operational Implications

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7.2 Risks are inherent in almost all the Councils operational activities and therefore significant risks need to be identified, monitored and mitigated.

8. RISK MANAGEMENT

8.1 This report is about Risk Management.

9. APPENDENCES

Appendix A – Previous Risk Reports

Appendix B – WRS Risk Report

AUTHOR OF REPORT

Name: Pete Carpenter– Interim Director of Finance

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REDDITCH BOROUGH COUNCIL**Executive Committee****13th June 2023****Appendix A - Previous Quarters Risk Reports**

The baseline risks April 2022 are included in the following table – this is prior to any Risk Board meetings.

Original Baseline April 2022

Service Area	Red	Amber	Green	Total
Customer Access and Financial Support	12	20	13	45
Finance	0	0	4	4
Environmental Services	0	2	11	13
Leisure & Cultural Services	0	3	3	6
Legal, Equalities and Democratic Services	0	0	7	7
ICT	2	4	5	11
Planning Services	0	1	1	2
Housing	1	11	11	23
Community Services	1	1	5	7
HR	0	0	1	1
Total	16	42	61	119

After the Risk Board on the 22nd June, the following changes have been made which saw the number of risks reduce as follows to 96 Risks

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Service Area	Red	Amber	Green	Total
Customer Access and Financial Support	0	6	12	18
Finance	0	2	2	4
Environmental Services	0	2	11	13
Leisure & Cultural Services	0	3	3	6
Legal, Equalities, Democratic Services & Property	0	3	9	12
ICT	2	6	2	10
Planning Services	0	2	1	3
Housing	1	10	10	21
Community Services	0	2	6	8
HR	0	0	1	1
Total	3	36	57	96

The two departmental red risks are:

- ICT 7 - Failure to identify, maintain and test adequate disaster recovery arrangements
- ICT 11 - System functionality to manage records

After the Risk Board on the 21st September, the following changes have been made which saw the number of risks reduce as follows to 83 Risks

Service Area	Red	Amber	Green	Total
Customer Access and Financial Support	1	5	13	19
Finance	0	2	2	4
Environmental Services	0	1	11	12
Leisure & Cultural Services	0	1	0	1
Legal, Equalities, Democratic Services & Property	0	1	9	10
ICT	2	4	4	10
Planning Services	0	1	0	1
Housing	1	9	7	17
Community Services	0	2	6	8
HR	0	0	1	1
Total	4	26	53	83

Red Departmental Risks were:

- REV7 - Revenues - Performance Indicator data is not robust.
- ICT7 - IT - Failure to identify, maintain and test adequate disaster recovery arrangements.
- ICT11 - IT – System functionality to manage records.

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- Hou26 - Housing – Failure to deliver a service to QCQ requirements at St David's House.

Appendix B - Worcester Regulatory Services Risks

Risk Description	Consequences	When is this likely to happen	Current Position			Control measures
			Likelihood	Impact	Matrix RAG Status	
Loss of Data through IT failures	Disruption to Service Provision. Inability to produce records and data.	On-going	Low	High	Green	Wyre Forest ICT has effective processes and business continuity plans in place. WFDC upgraded relevant systems including Windows. The service is in the process of moving to Office 365 during 2021/22, which will provide better access to a range of provisions including Microsoft Teams and Power BI.
Issues with the WRS database system	Impact on work planning. Self-help may not enable savings required	On-going	Low	High	Amber	Current contract due to expire February 2023. Work has commenced on negotiating new contract.

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Effective and efficient Business Continuity arrangements in place	Disruption to service if e.g., Major Power failures or other reasons that access to Wyre Forest House is not possible.	On-going	Very Low	Medium	Amber	The pandemic has shown that we were well prepared for the need to maximise working from home and now all staff, including some previously regarded as office based can now do this. Touchdown stations remain available in partner council locations. WRS Managers do need to redraft contingency plans in the event of a prolonged IT failure or cyber-attack that will allow services to be maintained.
Maintain our capacity to achieve service delivery	Disruption to service e.g., Major staff sickness (e.g., flu pandemic) or Unable to recruit or retain suitably qualified staff.	On-going	Low	Medium	Amber	The pandemic response has shown that the service was well-placed to respond and less than a handful of officers have themselves suffered the illness. Consultants are available to provide short term cover and, whilst this worked well in peacetime to cover peak demand periods, the pandemic has revealed the limits to this type of capacity. These pressures will only be resolved in the longer term by local and central government investing in additional capacity and additional training to bring more people into the regulatory professions. Having taken on contracts with additional authorities the demand has increased, and neighbouring authorities have lost the ability to assist with some technical specialisms. This is the double-edged sword of effectively operating as a centre of excellence. Whilst we have good resource of our own, in event of an issue, there are limits to who we can ask for help.

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						<p>Regional and sub-regional groups are in place so can provide shared resources for local authorities if required.</p> <p>Effective training and development processes are in place to ensure recruitment and retention of staff. There is increased training budget pressure, reduced technical knowledge in neighbouring authorities and increased importance in maintaining heightened skills for contractual obligations and commercial edge.</p> <p>Regular inventory and maintenance of equipment is undertaken. In the future, budget for replace may be an issue but would be a relatively small amount for partners to share.</p>
Pest contractors cease operations.	<p>Disruption to service.</p> <p>Negative media coverage.</p> <p>Increased public health risks</p>	On-going	Low	High	Green	The Pest control framework contract has multiple pest control suppliers so the loss of one allows work to be moved to the others. This should limit or eliminate risk, although the unlikely loss of multiple companies might create capacity issues.
Effective and efficient contract arrangement for dog control	<p>Disruption to service if no kennels available.</p> <p>Negative media coverage.</p> <p>Increased public health risks</p>	On-going	Low	High	Amber	The Out of Hours and Kennelling contracts were re-tendered to enhance the existing arrangements and provide resilience however there are increases in numbers of stray dogs, dog disease and contracts are restricted by geographical location. Retendering for additional kennels has been fruitless.
Hosting support does not deliver necessary financial	Efficiency of management reduced;	On-going	Low	High	Amber	Issues around access to the financial system from Wyre Forest House should have been

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and HR support to ensure efficient management	staffing issues remain unaddressed, and performance suffers					relieved with new BDC finance system procurement, however workarounds remain in place due to some unforeseen issues.
One or more partners continue to be under great financial pressure and may consider alternatives to the partnership to deliver their service	Creates reputational issues for remaining partners and increases the need to manage overheads. Difficulties in delivering highly varied levels of service	On-going	Medium	High	Amber	New legal agreement limits variations in contribution before partners must move to contractual relationship but this is quite high before it kicks in (20%.) Leanness of organisation minimises overheads and focuses resource at the front line. Growth strategy should generate income to support partners in the future but there are limits to this without additional capacity being added to the system. Invest to save capacity has been committed by partners to see if this achieves the necessary outcomes.
Robust arrangements in place in relation to obtaining legal advice and monitoring legislative changes.	Loss of cases is costly and damages reputation.	On-going	Low	Medium	Green	Continued close working with BDC legal team and other partners who don't use BDC for advocacy. Technical and legal training days for staff. Difficulty in keeping informed of Case Law developments. Membership and attendance of Officer Technical Groups outside the County does assist.
Service provision complies with Government requirements	Adverse comments following audits e.g., FSA Intervention by Government bodies i.e., FSA, whilst highly unlikely, is damaging to reputation.	On-going	Low	High	Amber	Limited detail of what statutory minima are can make decision making difficult around what is required in law as a minimum. The LGA is clearly aware of impact of budget reductions on regulation and has made it clear Government cannot expect what it had previously. Fewer interventions/ audits by government. The Service has developed systems that follow the principles of the requirements of bodies like

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						<p>FSA so can show some level of compliance, but service isn't operating to the letter of the current Code. The Code is however currently going through major changes and likely to move to a point where it is closer to the WRS model of operation.</p> <p>Environmental reporting for Local Air Quality Management, Pollution Prevention and Control and Private Water Supply Inspection reports to Defra and DWI have received positive responses with no issues of concern raised by these bodies.</p>
Failure to deliver external contract work at the level expected by the business or local authority with whom we have the contract	Damage to reputation, loss of future income streams, financial impact of paying damages	On-going	Low	High	Green	<p>Ensure contract negotiations are clear on performance criteria and these are clearly recorded in the final documentation. Monthly reviews against performance criteria. Select staff to ensure competence of those undertaking work outside Worcestershire. Maintain strong links with the customer's monitoring staff. Intervene early with corrective action</p>



Overview and Scrutiny Committee

Thursday, 23rd February,
2023

MINUTES

Present:

Councillor Bill Hartnett (Chair), Councillor Joanna Kane (Vice-Chair) and Councillors Salman Akbar, Tom Baker-Price, Sid Khan, Timothy Pearman, Luke Court and Ann Isherwood

Also Present:

Councillor Craig Warhurst (Portfolio Holder for Housing and Procurement)

Officers:

Sue Hanley, Peter Carpenter, Guy Revans, Simon Parry and Melissa Basset (on Microsoft Teams)

Democratic Services Officers:

J Bayley-Hill and Gavin Day

99. APOLOGIES AND NAMED SUBSTITUTES

Apologies were received from Councillors Imran Altaf and Michael Chalk with Councillors Luke Court and Ann Isherwood attending as substitutes respectively.

Apologies were also received from Councillor Brandon Clayton.

100. DECLARATIONS OF INTEREST AND OF PARTY WHIP

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

101. MINUTES

The minutes of the meeting held on 1st December 2022 were submitted for Members consideration.

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Chair

Overview and Scrutiny Committee

Thursday, 23rd February, 2023

RESOLVED that

The Minutes of the Overview and Scrutiny Committee held on 1st December 2022 be approved as a true record and signed by the Chair.

102. PUBLIC SPEAKING

There were no public speakers who registered to speak on this occasion.

103. 30 YEAR HRA BUSINESS PLAN, INVESTMENT PROGRAMME AND ASSET MANAGEMENT STRATEGY FOR COUNCIL HOUSING - PRE-DECISION SCRUTINY

The Housing Property Services Manager presented the report on the 30 year Housing Revenue Account (HRA) business plan and in doing so drew Members' attention to pages 5 to 37 of the Additional Papers 1 pack.

Officers presented an overview of the 30-year HRA business plan, the asset management strategy for housing stock and the 2023-2027 capital investment programme. These were key strategic documents for the HRA strategy for the management of the condition of the Council's stock. The HRA also enabled the Council to deliver a wide range of services to tenants including the maintenance and servicing of properties.

Officers detailed the key assumptions which the HRA needed to use for a long-term projection these included:

- The right to buy sales.
- The number of properties developed, acquired or remodelled.

Officers also detailed the sensitivity analysis which had been undertaken on the aforementioned assumptions, The analysis took into consideration, the number of void properties and the performance on turning those around, rent increases, management costs and any debt/borrowing. The plan also ensured that reserves were maintained in the eventuality of changes to those assumptions.

Officers detailed that modern facilities, such as kitchens, bathrooms, new central heating systems and electrical rewiring, were considered high priorities in the plan and these would be delivered via a contract to commence in the 2023/2024 financial year.

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Clear guidance had been received from the government to achieve a minimum of an Energy Performance Certificate (EPC) rating of C for all Local Authority housing stock by 2030.

To achieve the EPC targets and modern facility upgrades there would be £40m available over 5 years to develop existing properties, with an additional £15m for new developments.

Officers clarified the following points following questions from Members.

- That there were currently 15 void properties, and the turnaround was approximately 24 days.
- The 2019/2020 stock condition survey was very comprehensive and covered 70% of the Council's housing stock.
- A new system (Civica CX) was being implemented which had been used successfully by a number of Local Authorities. The system had only just completed Phase 1, therefore, there were still some teething problems that would be found with any new system, around training and implementation.
- An administrative assistant and a team leader were being employed to efficiently address tenant concerns.
- Regarding the financial estimates, Officers used government guidance and the assumption that the national financial situation should improve within 3 years, including interest rates returning to standard values.
- That the net loss of 600 houses over 30 years was deemed appropriate. There had been a total net gain of only 34 houses in 2021/2022, therefore, the assumption of losing 20 houses a year would be valid.
- The 30 Year HRA report was based on a standard model which had been adapted to suit the Council's trends.
- There were no plans to reduce the HRA debts, the loans were over an extended period of time and usually refreshed upon expiry. Officers could not give an exact timescale but indicated that the loans had a minimum of 20 years left on their duration.
- The £600k shortfall mentioned in respect to the right to buy sales was the net loss to the account due to the loss of rental income and already accounted for sale income, of which a portion went to the local Council.
- Officers detailed that there would be funding for garages/car parking provision under appendix 3, covered by

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“estate/environmental improvements” and *“estates/parking/paving”* both under capital receipts.

- The non-standard materials used, referenced in the report, referred to funding being kept to one side to maintain buildings in the existing stock which were constructed using non-standard building materials.
- Damp and mould issues came under the repairs and maintenance budgets and this was not treated as a capital project.
- Assessments were underway on properties to assess their needs and requirements to meet EPC targets. When completed, Officers would be able to identify any additional capital projects.

Officers explained that there would be a nationally driven survey undertaken in the new financial year which would be used to get baseline data to be compared against during subsequent years. There was expected to be 500 responses required which needed to be from an adequate cross section of tenants in the Borough. Officers also detailed the strict IT guidelines that needed to be adhered to, therefore, there would be no room for adaptation to tailor the survey to the needs of the Borough. It was noted that the data could be used to form a league table of sorts for Local Authorities, however, Members expressed the opinion that the Council should not compare itself to other authorities but instead use the data to strive for improvements year on year.

Members raised concern regarding the funding to retrofit properties to an EPC rating of C. Officers detailed that some of the funding would be covered by government awards but there would be some built into the HRA. The extent of the work and any capital projects would be decided after assessments were completed. Members also expressed a view that more could be done in particular regarding solar panels with new and existing properties.

Officers outlined plans to try and manage the housing stock which included incentivising occupants to move into smaller properties to free up much needed family homes. Officers also detailed that they would decide on what type of properties to prioritise during construction based on current demand at the time.

At the end of a lengthy debate the Committee

RECOMMENDED that

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- 1) The Housing Revenue Account 30-year Business Plan 2023-2053 be approved as set out in Appendix 1.
- 2) The Housing Asset Management Strategy be approved as set out in Appendix 2.
- 3) The Housing Capital Programme 2023-2027 be approved as set out in Appendix 3.
- 4) The Executive Committee consider the following:
 - a) Providing more parking spaces or being more specific about when and where parking spaces will be provided for Council houses.
 - b) Transferring funding for handling mould and damp on properties from the Repairs and Maintenance (R&M) budget to the Capital Programme.
 - c) The Overview and Scrutiny Committee highlights the projected loss of 600 properties and the need to consider what can be done to reduce this figure.
 - d) Fitting solar panels to new build properties and / or suitable existing properties in the Council's housing stock.
 - e) Adding a provisional budget, which could be amended at a later date, to pay for works needed to improve the energy efficiency of the Council's housing stock to at least an EPC C rating.

104. EXTERNAL SCRUTINY BODIES - UPDATE REPORTS

RESOLVED that

the External Scrutiny Bodies update be noted.

105. OVERVIEW AND SCRUTINY WORK PROGRAMME

The Chair advised that two items had been added to the Executive Committee's Work Programme which were due to be considered at the meeting of the Executive Committee scheduled to take place on 21st March 2023. This included:

- The Air Quality Enhancement Monitoring Report
- The Off-Street Parking Order report

Members agreed that the Air Quality Enhancement Monitoring Report should be added to the Overview and Scrutiny Committee's Work Programme for pre-scrutiny.

RESOLVED that

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1. the Air Quality Enhancement Monitoring Report be added to the Overview and Scrutiny Committee's Work Programme for pre-scrutiny; and
2. the Overview and Scrutiny Committee's Work Programme be noted.

The Meeting commenced at 6.30 pm
and closed at 8.07 pm



Overview and Scrutiny Committee

Thursday, 16th March, 2023

MINUTES

Present:

Councillor Bill Hartnett (Chair), Councillor Joanna Kane (Vice-Chair) and Councillors Salman Akbar, Imran Altaf, Tom Baker-Price, Michael Chalk, Brandon Clayton, Sid Khan and Timothy Pearman

Also Present:

Councillor Nyear Nazir (Deputy Leader and Portfolio Holder for Community Services and Regulatory Services)

Officers:

Sue Hanley, Judith Willis, Mark Cox (on Microsoft Teams), Jonathan Elger, Claire Jones, Helen Keightley, Simon Parry (on Microsoft Teams) and Chris Poole (on Microsoft Teams).

Democratic Services Officers:

Mat Sliwinski

106. APOLOGIES AND NAMED SUBSTITUTES

There were no apologies for absence.

107. DECLARATIONS OF INTEREST AND OF PARTY WHIP

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

108. PUBLIC SPEAKING

There were no members of the public who had registered to speak at this meeting.

109. ENHANCED AIR QUALITY MONITORING PROPOSAL - PRE-DECISION SCRUTINY

Chair

Overview and Scrutiny Committee

Thursday, 16th March, 2023

[At the discretion of the Chairman, item 5 on the agenda – the Enhanced Air Quality Monitoring Proposal – Pre-Decision Scrutiny – was considered on the before item 4 – Housing Policies – Pre-Decision Scrutiny.]

The Committee was informed that the Department for Environment, Food and Rural Affairs (DEFRA) confirmed that Worcestershire Regulatory Services (WRS) had been successful in a County wide air quality grant application to cover a significant proportion of costs for enhanced air quality monitoring equipment across Worcestershire. As part of this, WRS had requested grant funding for two enhanced air quality monitors in Redditch, in locations that had yet to be determined.

Members were informed that 10 percent match funding for the installation and operation of the enhanced air quality monitors project would be required from each district council. It was therefore proposed that the Council provide £2,300 match funding, to be funded from Corporate Earmarked Reserves over the life of the project.

Officers explained the different techniques used to monitor levels of nitrogen oxide and other air pollutants. It was explained that the standard technique for monitoring nitrogen oxide emissions was through utilising passive diffusion tube monitoring techniques. However, across the Worcestershire more enhanced techniques had been trialled, including electrochemical gas measuring system, that were able to provide detailed air quality measurements in real-time. Part of this project was to begin investigating and investing in these new solutions.

Following the presentation, Members asked questions to which the following responses were provided:

- There were currently no Air Quality Management Areas (AQMA) declared in Redditch, which were areas where the local air quality was unlikely to meet the Government's national air quality objectives.
- There had not been much monitoring of particulate matter in the Borough, and there had been some concern around the air quality at older, terraced-housing streets. It was noted that no routine excess of pollution that would necessitate declaring AQMA had been currently identified in Redditch.
- It was explained that if issues with air quality were identified, there was a requirement on the Council to declare the AQMA in the areas affected.

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- It was highlighted that part of the DEFRA project was about influencing behaviour change, for example with regards to such issues as school run traffic which was resulting in poor air quality around schools.
- There were to be 24 air quality monitors across the County providing pollution data in real-time. There was currently real-time air monitoring station data for some locations in the County, for example for Kidderminster-Stourport Road. The real-time data was available on the WRS website, under the air quality tab.
- The two air quality monitors to be installed in Redditch would be the new types of monitors utilising the more enhanced air monitoring techniques. The cost of these monitors (purchase plus operational costs for the project lifetime) would be £23,000, and, if agreed by the Council, Redditch would be required to contribute 10 per cent match funding, which amounted to £2,300.
- Officers assured Members that the air quality project was about working with people in the Borough to drive behavioural changes, such as using modes of public transport other than cars more often, and not about putting additional costs on people, particularly in more deprived areas of the Borough. It was noted that there were currently no plans for an introduction of a clean air zones or similar schemes in Redditch.

RECOMMENDED that

following successful outcome of air quality grant bid to Defra, that match funding totalling £2,300 be funded from Corporate Earmarked Reserves over the life of the project.

110. HOUSING POLICIES - PRE-DECISION SCRUTINY

The Committee received a detailed presentation on the Housing Policies that related to the management of the Council's housing stock, both in terms of tenancy and capital/repairs and maintenance management.

Members were informed that the Housing Policies had been reviewed and updated taking in to account the latest legislation and best practice. A review of the Council's Tenancy Management Policy (Appendix 1) had consequently led to a review of the Tenancy Agreement (Appendix 2). Members were advised that Appendix 3 to the report presented set out a comparison table of the old and new tenancy agreement.

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Members were further informed that the Executive Committee had in August 2020 delegated authority to Officers to update and implement those housing policies that were set out in government legislation and guidance and as such were non-discretionary. Those policies that had some discretionary elements to them were now to be considered by the Executive Committee on the 21st March 2023, and if approved, would be subject to a full tenant consultation exercise in accordance with legislative requirements. The policies that had some discretionary element and required Executive Committee endorsement and approval by the Council were as follows:

- Tenancy Management Policy (Appendix 1)
- Housing Revenue Management Policy (Appendix 4)
- Garage Policy (Appendix 5)
- Repairs and Maintenance Policy (Appendix 6)
- Rechargeable Repairs Policy (Appendix 7)
- Equipment and Adaptations Policy (Appendix 8)
- Voids Policy (Appendix 9)
- Temporary Accommodation Placement Policy (Appendix 10)
- Temporary Accommodation Charing Policy (Appendix 11).

Officers provided further details on the above Housing Policies.

It was explained that there would be consultations undertaken by writing to tenants regarding their views on the Tenancy Management Policy, and tenants could receive copies and respond online, or by post if a tenant had no internet access. With regards to consultation and comment on the new tenancy, as this was to be a new contractual document, the Council was obliged to send all tenants a physical copy of their new tenancy agreement to comment on.

It was explained that the Council would consult on the Tenancy Management Policy first; to be followed by the new tenancy consultation. Each consultation period was planned for six weeks, to allow time for feedback and the Council to respond. Once the second consultation on the new tenancy consultation, taking into account any feedback from tenants, a new tenancy agreement would be written and would be implemented, subject to the agreement of Members (by Full Council). It was anticipated this would be in August or September 2023.

Following the Officer presentation, Members commented on the Housing Policies and asked questions to which the following responses were provided:

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- **Introductory Tenancies** – Officers noted that being on an introductory tenancy did not affect the tenant's credit rating and that an introductory tenancy changed to a secure tenancy, normally after a period of 12 months, subject to the tenant not breaching the terms of the tenancy. The introductory tenancy period could be extended by the Housing Authority.
- **Social Housing Rents** – It was explained that the Council had discretion over setting the rents charged to tenants housed in its own housing stock but the rents charges must be 'reasonable' and take into account Government guidance and the Rent Standard set by the Regulator for Social Housing.
- **Affordable Rents** – For tenancies subject to Affordable Rent terms, the Council set the rent charged by determining what the market rent was in the area for a similar type, size, location, and condition of the property and set a rent at 80% of that market rent. Officers noted that only a small number of tenancies in the Borough were subject to Affordable Rent terms.
- **Property Condition Inspections** – It was explained that the Council had a standard checklist used for inspections of the Council's housing stock properties, applying consistent criteria to determining property condition. Officers noted that the target was for all properties to be inspected once per year, however, the time lag between inspections was greater in many cases at the moment.
- **Number of Tenants in Arrears** – Officers explained that exact figures on the number of tenants in arrears were currently unavailable as the Council had just implemented a new housing management system, which would also provide more accurate recording of this. However, Officers noted that there were around 2,000 arrear cases on the system which could be for any amount owed.
- **Tenants' Rights** – It was explained that rights of tenants, including those in social housing, were set out in statute, for example in the Housing Acts 1988 and 2004. The tenancy agreement proposed by the Council would not alter tenants' rights in any way but would provide a more clear explanation of those rights.
- **Main Types of Council-Tenant Disputes** – The main disputes related to tenant arrears and anti-social behaviour (mainly noise nuisance). Officers that disputes and cases of breaches of the tenancy agreement were examined in an equitable manner by the Council.
- **Energy Efficiency of Properties and Solar Panels** – Some Members commented that Overview and Scrutiny Committee

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had proposed a number of additional recommendations to the Executive Committee among which was proposal for fitting solar panels to existing and new Council housing stock properties. These proposals were rejected, and it was asked whether this would affect the drive to improve energy efficiency. Officers explained that the use of more renewable energy sources and fitting of more efficient appliances to properties would be increasingly demanded by regulators.

- Cleaning of Communal Areas in Blocks of Flats – Officers noted that only in blocks of flats was there a cleaning service charge, and where such charge was taken, cleaning took place every two weeks. On some blocks of flats in Redditch cleaning took place more often. It was also noted it was the aim to undertake health and safety inspections of common areas in blocks every month, but it was challenging as there were 280 blocks across the Borough and only 10 Officers assigned to these checks.
- It was noted that the lack of cleanliness in communal areas in some blocks was a legacy of lack of historic health and safety inspections and Members commented that it was necessary for the Council to lead by example by undertaking regular inspections and cleaning in order for culture and behaviour change in terms of communal cleaning to be embedded.
- Members commented around the state of disrepair around Evesham Mews.
- Enforcement and Prosecution at Properties where Drug Use and Drug Dealing Were Taking Place – Officers explained that use and dealing of drugs was often not a problem in isolation but took place in a wider context such as mental health issues. The Council took a gradual and proportionate approach with prevention and challenge of drug-use behaviours in the first instance. Sanctions were available to the Council in severe cases, and it was noted over the last 12 months there had been 4 evictions for drug use and 1 closure order on property for drug dealing.
- Permission for Tenants to Operate Small Businesses from Home – It was requested that permission be sought from the Council in each case as sometimes such arrangements could cause nuisance to nearby residents/tenants. However, tenants were able to apply for permission and the Council considered each case on its merits.
- Possession of Property for Introductory Tenancies where Tenants in more than 8 Weeks Gross Rent Arrears – Officers reported that the Council had no cases of recovering possession in introductory tenancies over the last year.

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- Garage Management Policy including Garage Allocation – Officers reported that the Council acknowledged that many of the garages were not suitable for fitting modern cars and would often be used for other uses such as storage instead. This was reflected in the wording of the Garage Management Policy.
- Waiting List for Garages – It was noted that the waiting list for garages operated similarly to the Housing Register in terms of allocating garages when they became available. It was hoped that the new housing management system would improve the speed of processing application and allocating garages. Members were assured that Borough residents were prioritised for allocations of garages.
- Repairs and Maintenance Policy including Schedule of Repairs – Officers noted that the schedule of repair items included around 500 items and it was impractical to set all those in the Policy itself. It was noted that there was a move towards residents logging repair requests via the Council's repairs portal.
- Repairs Categories and Repair Response Times – It was noted that the Council had a legacy issue in terms of timely response to tenant repair requests but the new housing management system, including the repair reporting system, would enable the Council to record all requests accurately. From the new municipal year the Council would also introduce key performance indicators (KPIs) that were industry standard around repair timescales, and these would be reported to Committee Members on a regular basis.
- Calls to Council regarding Repair and Maintenance Requests – Officers reported that call data was analysed so that sufficient staff were available to answer calls in a timely manner. It was noted that an extra member of staff was used on Mondays and Fridays as these were days with a large volume of calls. It was noted that currently the average call waiting time was in excess of the performance target and the Council would be recruiting extra staff to bring call waiting times down.
- Recharge for Failed Appointments – It was noted that under the proposed Repairs and Maintenance Policy the Council reserved the right to take appropriate action including recharge where tenant failed to attend repair appointment and to enforce this in accordance with the Tenancy Agreement. Officers noted that currently there was no equivalent provision for the Council to compensate the tenant in case a council officer or contractor had failed to turn up for an agreed appointment. It was noted that a review of

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Repairs and Maintenance Policy would be undertaken in April 2024.

- Qualifying Repairs – It was explained that qualifying repairs were those repairs detailed under the Right to Repairs Regulation where the Council had to comply with set timescales, for example as detailed under paragraphs 8.2.1 to 8.2.4 of the Council's Repairs and Maintenance Policy, in repairing defects that need urgent repair up to a value of £250.
- List of Rechargeable Repairs – Officers explained that some items, such as replacement of lost or stolen key fobs, were on the list to safeguard the Council against issues outside of its control.
- Tenants' Contribution to Major Adaptations – It was clarified that in relation to paragraphs 15.1 and 15.2 of Equipment and Adaptation Policy that first details of work over the maximum limit would be discussed with a tenant and tenants would not be expected to pay before the work had been scheduled to be undertaken. Some Members requested that paragraph 15.1 be rectified to that effect.
- Council Stock of Temporary Accommodation (TA) Units – Officers reported that currently the Council held around 50 TA units which had to be pooled directly from the main HRA Council Stock, which correspondingly reduced the amount of stock available for Council and Affordable Housing. It was noted that under the Homelessness Reduction Act 2017 there was a six-week limit on the use of Bed & Breakfast accommodation as people's temporary accommodation and an effort was made to reduce Council's reliance on this type of TA due to cost.
- It was noted that the Council was also investigating procuring temporary accommodation units from the private sector as it was a more viable alternative to Bed & Breakfast. The Council was involved with a number of campaigns to help those who were homeless or rough sleeping including the 'Lift to Work Scheme' with St Basils, and 'Blue Ribbon' initiative.
- It was planned that performance monitoring on Housing would commence on 1st April 2023 with the first set of key performance indicator (KPI) data to be available the following month.

The amendment to the recommendation as set out in the report was proposed by Councillor Hartnett and seconded by Councillor Kane for the Overview and Scrutiny Committee to scrutinise the Housing Policies again following the conclusion of the tenant consultation.

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With respect to the proposed amendment, it was clarified that it was within the scope of the Overview and Scrutiny Committee to request to scrutinise an item of Council business by agreeing to add the item to the Overview and Scrutiny Work Programme. As such the amendment was unnecessary. It was clarified that recommendation two of this Housing Policies report, if agreed by the Council, would result in Officers being granted delegated authority, following consultation with Portfolio Holder for Housing, to agree any revisions to the Housing Policies following the tenant consultation. This, however, did not preclude the Overview and Scrutiny Committee to scrutinise these Housing Policies following the tenant consultation.

Following this clarification, Councillor Hartnett agreed to withdraw the amendment.

Members subsequently agreed that an update in the new municipal year on the outcomes of the consultation process with respect to the Tenancy Management Agreement and Tenancy Management Policy be added to the Overview and Scrutiny Committee Work Programme for the municipal year 2023-24.

RECOMMENDED that:

- 1) The following Housing Policies be approved for adoption:**
 - (a) Tenancy Management Policy**
 - (b) Housing Revenue Management Policy**
 - (c) Garage Policy**
 - (d) Repairs and Maintenance Policy**
 - (e) Rechargeable Repairs Policy**
 - (f) Equipment and Adaptations Policy**
 - (g) Voids Policy**
 - (h) Temporary Accommodation Placement Policy**
 - (i) Temporary Accommodation Charging Policy.**

- 2) Delegated authority be given to the Head of Community and Housing Services and/or Head of Environmental and Housing Property, following consultation with the Portfolio Holder for Housing, to agree any revisions to the Housing Policies following the consultation and in line with any legislative or government guidance updates.**

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

The Executive Work Programme was submitted for Members' consideration.

RESOLVED that

the contents of the Executive Committee's Work Programme be noted.

112. OVERVIEW AND SCRUTINY WORK PROGRAMME

The Committee requested an update be brought back in the new municipal year on the outcomes of the consultation process with respect to the Tenancy Management Agreement and Tenancy Management Policy. It was agreed that this would be added as an overview item to the Overview and Scrutiny Committee Work Programme for the municipal year 2023-24.

RESOLVED that

the Overview and Scrutiny Work Programme be updated as per pre-ambule above.

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

Councillor Kane provided an overview of the work undertaken by the Performance Scrutiny Working Group over the current municipal year and reported that five meetings of the Group took place in 2022-23 at which the following matters were discussed:

- 3rd August 2022 – The Working Group's Terms of Reference and an update on the new Corporate Performance Dashboard
- 29th September 2022 – Housing update on staffing and repairs helpline including Housing Enquiries, Complaints Procedure and information on turnaround times of abandoned houses (void properties). An update on the timeline of the new corporate dashboard was also provided at this meeting.
- 24th November 2022 – Updates on Skills Development - Local Needs, which related to upskilling strategies and initiatives in the Borough, and Energy and Advice Service Progress Quarterly Report were discussed at this meeting.

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- 11th January 2023 – Local Environment (including landscaping and tree services), and the report considered at this meeting highlighted Tree Protection Orders (TPOs) and the Council's duty to protect trees under these orders, insurance claims in respect of trees, plans for the removal and planting of trees within the Borough, and management of biodiversity. The Working Group queried the response times for tree enquiries and the Group requested to receive bi-monthly updates on the work to tackle the backlog in response to those enquiries.
- 8th March 2023 – The Working Group discussed the Council's event and the Borough's arts offers and noted that there were two main events organised by the Council each year, the Green Fair and the Light Event. The Group was also updated on the arts offer and was informed that Reimagine Redditch, which was a partnership of Council and partner organisations, received just under £1m from Arts Council England to deliver projects to enhance creativity in the Borough.

Following the summary of the Performance Scrutiny Working Group's work in 2022-23, Councillor Kane reported that the Budget Scrutiny Working Group was due to meet for its last meeting of the municipal year on 4th April 2023.

RESOLVED

that the Task Groups, Short Sharp Reviews and Working Groups Update Reports be noted.

114. EXTERNAL SCRUTINY BODIES - UPDATE REPORTS

The Committee was advised that Councillor Chalk's written report from the most recent meeting of the Worcestershire Health Overview and Scrutiny Committee (HOSC) was tabled at this meeting.

Councillor Chalk reported that the most recent meetings of the West Midlands Combined Authority (WMCA) Overview and Scrutiny Committee and the HOSC took place on the same time and day (Monday 13th March) and as such a choice was made by Councillor Chalk to attend the meeting of HOSC.

It was reported that there were two more meetings of HOSC scheduled for this municipal year. Members were advised also that minutes of the meetings of WMCA Overview and Scrutiny

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Committee would be available to consult on the WMCA website in due course.

Councillor Chalk reported that he had not received any invitations to meetings of the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) even though Councillor Chalk was the Council's representative on this body. It was requested that Officers investigate this issue with colleagues at the GBSLEP and that this omission be rectified for the next municipal year.

RESOLVED that

the External Scrutiny Bodies update be noted.

115. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED that

Under S100 A (4) of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, the public be excluded from the meeting for the following matters on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12 of the said act, as amended.

Minute Item No. 116 – Minutes of the meeting of 2nd February 2023.

116. MINUTES OF THE MEETING OF 2ND FEBRUARY 2023

The minutes of the meeting of Overview and Scrutiny Committee on 2nd February 2023 were considered including the minutes record of the exempt session of that meeting (Minute Item No. 98 – Rubicon Leisure – Finance Overview (Exempt Report)).

RESOLVED that

the minutes of the Overview and Scrutiny Meeting held on Thursday 2nd February 2023 be approved as a true and correct record and signed by the Chair.

(During the consideration of this item, Members discussed matters that necessitated the disclosure of exempt information. It was therefore agreed to move to exclude the press and public prior to any debate on the grounds that information would be revealed

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which related to the financial and business affairs of any particular person (including the authority holding that information)).

The Meeting commenced at 6.30 pm
and closed at 8.24 pm

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Committee

MINUTES

Present:

Councillor Juma Begum (Chair), Councillor Ian Woodall (Vice-Chair) and Councillors Salman Akbar, Karen Ashley, Andrew Fry, Sharon Harvey (substitute), Chris Holz, Anthony Lovell and Emma Marshall, Hugo Hammersley (Feckenham Parish Council Representative)

Also Present:

Councillor Luke Court – Portfolio Holder for Finance and Enabling (via Microsoft Teams)
Jackson Murray – Key Audit Partner, Grant Thornton (via Microsoft Teams)
Kirsty Lees – Manager, Grant Thornton (via Microsoft Teams)

Officers:

Peter Carpenter, Claire Felton, Michelle Howell and Andy Bromage

Democratic Services Officers:

Mat Sliwinski

9. GRANT THORNTON - EXTERNAL AUDIT PROGRESS REPORT AND SECTOR UPDATE

The External Auditors from Grant Thornton presented a report on progress in delivering the external audit function for the Council and provided a wider audit sector update.

It was recapped that in October 2022 Redditch Borough Council was issued with statutory recommendations under Section 24 of the Local Audit and Accountability Act 2014 for non-delivery of the 2020-21 Statement of Accounts. This was reported to be caused primarily by issues with the cash receipting module of the Council's current TechnologyOne ledger system and issues relating to data migration from the legacy financial ledger, eFinancials, to the Council's current ledger.

Members were informed that the Council's Section 151 Officer had not signed off the draft 2020-21 Statement of Accounts to date and

Chair

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thus financial statements for 2020-21 had not yet been submitted to the External Auditor.

The External Auditor reported that testing had been performed on the data migration event from the Council's legacy to the new financial ledger system. The migration of 25 transactions was manually tested and it was confirmed that these transactions were migrated correctly. The External Auditor explained, however, that the number of transactions tested represented a negligible volume of total transactions processed in the data migration event and the External Auditor had been unable to gain sufficient on this basis of this testing that the whole data migration event was performed correctly.

Automated solutions for gaining assurance over the transferred data through testing back-ups taken from the eFinancials system were currently considered as this would provide a much broader coverage of data than could be tested manually. The Interim Director of Finance commented that enquiries had been made with the legacy financial ledger provider, eFinancials, about re-gaining access to transactional reports from that system. This would necessitate a contract extension.

It was reported that the Council's subsidiary, Rubicon Leisure, had issued a disclaimer opinion for the company's 2021-22 financial statements. The External Auditor needed to consider the impact of this on the audit of Council's 2020-21 and subsequent financial statements. The Interim Director of Finance commented that the main reason behind the disclaimer opinion lied with the issues with the cash receipting module of the new financial ledger, with all receipts recorded under one entity instead of being directed to one of three separate entities (Redditch Council, Rubicon Leisure, Bromsgrove Council) depending on the transaction. This issue was unresolved throughout the 2021-22 financial year which impacted on the audit of Rubicon accounts.

The External Auditor reported on their Value for Money responsibilities and in doing so noted that an Interim Auditor's Annual Report for the 2020-21 financial year was provided to the Committee in November 2022, and it was anticipated that a joint Interim Auditor's Annual Report for financial years 2021-22 and 2022-23 would be issued later in the year. It was also noted that certification work on the Housing Benefit subsidy claim for 2021-22 was almost completed.

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It was reported that there was a likelihood of external audit fee variation due to the impact of delays in financial reporting and the impact of the Section 24 Notice being issued to the Council. The original fee proposed for 2020-21 audit by the External Auditor in April 2022 was £71,292. It was reported that given the work requirements the final proposed fee could exceed £100,000. Any proposed fee variations would be subject to discussions with council management and would have to be submitted for consideration by Public Sector Audit Appointments Limited (PSAA) in their capacity as an external auditor appointer under the audit appointments scheme.

A question was raised with regards to making interim payments on the audit fee. It was explained that a baseline fee for the years 2020-21 and 2021-22 had already been invoiced and this was the fee set by PSAA. However, The External Auditor could not issue an invoice on fee variations until they had been agreed by PSAA.

It was also noted that the last Audit Plan from the external auditors had been presented to the Committee only on the proposed approach to auditing 2020- 21 financial statements. The External Auditor explained that currently there was no requirement for an Audit Plan as the outstanding financial statements had to be audited in the first instance. It was added that any reporting of audit fee process and any discussion on fee variation would best be reported before the Committee through the external audit update reports at each meeting rather than a formal annual report.

Indicative dates for completion of overdue audits of Statements of Accounts were discussed and it was reported that the aim was to conclude the audit of 2020-21 Statement of Accounts in November 2023, and the 2021-22 Accounts by May-June 2024. It was reported, however, that meeting this indicative date would be challenging as the issue with cash receipting module (which resulted in transactions being posted and coded incorrectly) affected the whole 2021-22 financial year. It was hoped that the audit of 2022-23 Accounts could be concluded by end of November 2024, thereby clearing the backlog of unaudited years. However, it was highlighted that the timescales provided were the best-case scenario and would be reviewed at future meetings.

Several further questions were asked by Members to which following responses were provided:

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- It was reported that as Redditch Borough Council was not a highways authority (this being a County Council function), the risks identified with auditing of infrastructure assets would be of less concern and were less likely to have a material effect on the Council's balances. However, pockets of footways and other similar assets would still need to be looked at for how depreciation was calculated on these assets.
- It was clarified that the recommendations stemming from the Grant Thornton report into the reasons for delayed publication of audited local authority accounts did not concern the Council in particular but highlighted national issues that needed resolution.
- Officers present undertook to check and report back to Members regarding the situation around the Council's Climate Change Officer/Manager.
- With regards to decommissioning of the previous ledger system, Officers reported that the data take-on from the old to the new system had not been undertaken in an appropriate manner and as such Officers had currently no way of accessing the final data from the old system at the time of decommissioning. It was reported that Officers were in contact with the legacy financial ledger provider, eFinancials, about re-gaining access to transactional reports from that system.
- It was reported that issues with the cash receipting had now been resolved and the move from 1 back office to 3 back office entities for Redditch Council, Rubicon Leisure, and Bromsgrove Council respectively had been implemented from late 2022.
- Members queried the likelihood of issues with accounts for future years and the strategy to ensure that the Council would have balanced accounts in the upcoming years. In response it was reported that as part of the recent Local Government Association (LGA) Peer Review it was judged that the Council had sufficient, if not high, levels of reserves at present, and that the audit work was moving in the right path with data take-on balances to be signed jointly by the Section 151 Officer and the auditor as to avoid the possibility of qualified statement being issued on 2020-21 Statement of Accounts.
- In response to questions concerning the investigation and lessons learned from the transfer between the ledger systems and the implementation of the Authority's current financial system, Officers reported that an investigation into

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this had been undertaken by the Bromsgrove Audit Task Group and a final report of that Task Group had been provided to the Committee at the last meeting and would be recirculated to Members.

- Members queried the no assurance of Rubicon Leisure Accounts and the overall financial position of Rubicon and its effect on the Council. In response, it was stated that the level of Council subsidy to Rubicon had been smaller than accounted for in the Council's budget, particularly with regards to the pandemic period. It was further reported in relation that the volume of income coming in through the cash receipting system that related to Rubicon in 2020-21 would be low and 2021/22 was much higher and as such the process of gaining assurance that Rubicon transactions were in Rubicon accounts would take longer to reach assurance.

During the discussion of this item, Councillor Marshall proposed a recommendation in respect of requesting the Portfolio Holder for Finance and Enabling to write to central government with regards to issuing three-year, instead of the current one-year, local government financial settlements. This recommendation was substantiated on the basis that a local government settlement covering the period of three years would provide a greater degree of funding certainty for the local government sector and thus enable longer-term planning for funding council services and projects. Councillor Lovell seconded the recommendation.

Some Members commented that whilst this recommendation would represent a positive step, the issue of overall real term reductions in funding to the local government sector had to be considered too.

The Portfolio Holder for Finance and Enabling addressed the Committee, saying he would investigate the recommendation and would wish to see and take part in an all-sector action on the issue of local government financial settlements.

On being put to the vote, this recommendation was carried.

RECOMMENDED that

The Portfolio Holder for Finance and Enabling write to an appropriate government minister to ask for a 3-year local government financial settlement to provide certainty for the local government sector and enable residents to receive a council service that they deserve.

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Committee**

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The Meeting commenced at 7.01 pm
and closed at 8.50 pm

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