



Executive Committee

Monday, 29th July, 2024

MINUTES

Present:

Councillor Joe Baker (Chair), Councillor Sharon Harvey (Vice-Chair) and Councillors Juliet Barker Smith, Bill Hartnett, Wanda King, Jen Snape, Jane Spilsbury, Monica Stringfellow and Ian Woodall

Also Present:

Councillors Brandon Clayton, Claire Davies, Matthew Dormer, James Fardoe, Andrew Fry, Joanna Kane and Gary Slim

Officers:

Peter Carpenter, Nicola Cummings, Sue Hanley and Guy Revans

Democratic Services Officers:

Jess Bayley-Hill

13. APOLOGIES

There were no apologies for absence.

14. DECLARATIONS OF INTEREST

There were no declarations of interest.

15. LEADER'S ANNOUNCEMENTS

The Leader announced that he had made some changes to the membership of the Executive Committee, following Councillor Sid Khan's departure from the Committee. This included the following appointments:

- Councillor Sharon Harvey had been appointed Portfolio Holder for Environmental Services in addition to her role as Deputy Leader.
- Councillor Jen Snape had been appointed Portfolio Holder for Climate Change.
- Councillor Wanda King had been appointed as a member of the Executive Committee without portfolio.

Chair

During consideration of this item, Members were asked to note that at a meeting held on Thursday 25th July 2024, the Overview and Scrutiny Committee had pre-scrutinised the Town Hall Hub report, which was included on the Executive Committee's agenda for consideration that evening. At the end of a very detailed debate, the Committee had endorsed the recommendations in the report. On behalf of the Executive Committee, the Leader thanked the Overview and Scrutiny Committee for their hard work scrutinising this report. It was noted that four Members of the Executive Committee had been present at the Overview and Scrutiny Committee meeting, including the Leader, and those Members were urged to refer to the points made by the Committee when considering that item.

16. MINUTES

RESOLVED that

the minutes of the meeting of the Executive Committee held on 9th July 2024 be approved as a true and correct record and signed by the Chair.

17. RECOMMENDATION FROM THE AUDIT, GOVERNANCE AND STANDARDS COMMITTEE - MARCH 2024

The Executive Committee considered a recommendation that had been proposed at a meeting of the Audit, Governance and Standards Committee held on 21st March 2024.

RESOLVED that

the Council, as part of its quarterly budget monitoring, include appropriate balance sheet monitoring so that all stakeholders are appraised of the Council's overall financial position.

18. OVERVIEW AND SCRUTINY COMMITTEE

Members considered the minutes of the meeting of the Overview and Scrutiny Committee held on 8th July 2024 and in so doing noted that there were no outstanding recommendations.

RESOLVED that

the minutes of the meeting of the Overview and Scrutiny Committee held on 8th July 2024 be noted.

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

There were no referrals from the Overview and Scrutiny Committee or any of the Executive Advisory Panels on this occasion.

20. UPDATE REPORT ON THE TOWN HALL HUB

The Deputy Chief Executive and Section 151 Officer presented an update report on the Town Hall Hub.

Members were reminded that two years' previously, following the closure of the cashiers at the Town Hall, the decision had been taken to introduce a community hub in the Town Hall. Some work had been undertaken in liaison with partner organisations, including Worcestershire County Council and their library subtenants, the Department for Work and Pensions (DWP), as well as the NHS to explore potential options for use of space in the community hub. The NHS had entered into a 15-year deal with the Council to lease two floors in the building and a new entrance had been introduced for the use of the NHS. In March 2024, final lease terms had been agreed with Worcestershire County Council, which would have involved the move of the library in the town centre into the community hub.

As part of the works on the introduction of a new community hub, a contractor had been appointed and design works had been completed up to RIBA Stage 4. The financial costs associated with works on the community hub had increased at RIBA Stage 4, however, this was not unusual at this point in the process and these costs could be offset by income.

Following the local elections in May 2024, Officers had been asked to review options available for the community hub that would not involve moving the library into the building from its existing location in the town centre. Members were asked to note that if the library did not relocate into the community hub, the DWP, which was the library's subtenant, would also not be able to move into the building at this time, as they had a contractual agreement in place with Worcestershire County Council until 2028.

The financial costs involved in delivering the project had been reviewed. A lot of the original financial outlay that had been envisaged for the project was allocated to expenditure on a new entrance and stairway in the building. Officers were proposing that these should no longer be included in the designs in order to help reduce costs. The floor plans for the community hub had also been reviewed, in light of the new administration's requirements and as part of this process it was suggested that the civic suite should be retained on the ground floor of the building, rather than being moved to the second floor as originally proposed. The remaining floors would be a mixture of office space used by Council staff and

space leased to other organisations, including the space already allocated to the NHS. Members were asked to note that property agents Savills and GJS Dillon had advised that there was a dearth of high-quality office space in Redditch and the community hub could provide an attractive office space option in that context.

The Executive Committee was informed that, regardless of the final plans, there was a need to strip out the existing Town Hall building in order to make sure it was fit for purpose for future use. Indeed, Members were asked to note that all public buildings would need to receive an Energy Performance Certificate (EPC) rating of grade C or above by 2026 in order to remain in use. The works required on the Town Hall for these purposes would entail expenditure of £80,000.

Officers highlighted the proposals for the Town Hall in relation to the Medium Term Financial Plan (MTFP), and it was noted that in 2022/23 the Council had been anticipating £400,000 in budget savings arising from the move of the library into the community hub from 2025 onwards. The Council was already receiving some income from the NHS but there was also due to be a loss of income from Bromsgrove District Council as a result of a reduction in the use of office space at the Town Hall to accommodate staff working in shared services. Therefore, as a result of a decision to not move the library into the Town Hall Hub, the Council would need to take action to address a £400,000 gap in the budget. The Council would also need to write off revenue expenditure that had already been spent on the existing design to allow the library and their subtenant to move into the building.

Potential measures to address this budget gap, would include anticipated savings of £100,000 from the repairs and maintenance budget for one year only and savings on utilities costs. Ongoing £130,000 – 140,000 in income from new tenants would be needed from 2026/27. Officers had entered into discussions with various potential clients that might be interested in becoming tenants of the community hub, but these would not be possible to implement until the 2026/27 financial year. Further details regarding the options available would be included in an additional report on the subject of the Town Hall Hub, which was scheduled for the Executive Committee's consideration in September 2024. This report would also need to include a formal business case detailing proposals for the community hub. In addition, the Council needed to formally notify Worcestershire County Council and the Redditch Towns Fund Board about the changes to the Council's plans.

Discussions had been held with the former Department for Levelling Up, Housing and Communities (DLUHC) about the options available to the Council moving forward in terms of using Town's

Funding previously allocated to Redditch for the project. The Council had been advised about the following options:

- Investing the funding in the new Innovation Centre for Redditch.
- Investing funds in the public realm works in the town centre.

The Council would also be required to complete a Project Adjustment Form, which would need to be agreed by the Towns Board and the MP for Redditch.

Reference was briefly made to the proposals for the civic suite on the ground floor of the Town Hall Hub. Officers commented that it had been recognised that the Council's existing audio-visual equipment and systems needed upgrading. For this reason, plans would continue to invest in a professional audio-visual system for the authority.

In considering the proposals detailed in the report, Members were asked to note advice from the Section 151 Officer in his capacity as a Statutory Officer. The Executive Committee was informed that the authority's external auditors were likely to challenge any decision not to move the library into the community hub, and the resulting financial implications, in their annual report. This challenge was likely, given that the authority had previously been in a position where contracts had been agreed with both the NHS and Worcestershire County Council to cover the £400,000 budget savings requirement and there was now an ongoing budget gap to fill as well as a potential write off of aborted design costs. There was also the potential that this could result in the Council being issued with a Section 24 Notice by its external auditors.

Following the presentation of the report, Members discussed the proposals that had been brought forward in respect of the community hub. Executive Committee members welcomed proposals to not move the library into the community hub. It was acknowledged that there were risks attached to this approach, but Members commented that savings had already been identified and work would continue to clarify how to further address the budget gap.

During consideration of this item, reference was made to the discussions that had occurred at a meeting of the Overview and Scrutiny Committee held on 25th July 2024 when Members had pre-scrutinised the report. Some of the points that had been raised at that meeting of the Overview and Scrutiny Committee were listed and addressed in turn, which included:

- The financial risks to the Council arising from not moving the library into the Town Hall Hub. Executive Committee Members acknowledged that there was a need for action to be taken to address this and noted that some options had already been identified.
- The risk that Redditch library might close if it was not relocated into the community hub. The Leader advised that he had subsequently spoken to Worcestershire County Council's Cabinet Member with lead responsibility for libraries and had received assurances that there were no plans to close Redditch library.
- The risks that the project might not be able to progress quickly enough in accordance with timescales for expenditure of the Town's Funding and the potential need to return funding to the Government in this scenario. Members commented that a request had already been submitted for an extension in case needed and all action possible would be taken to avoid having to return the funding.
- The need to take difficult decisions and the risks associated with such decisions.

Prior to voting on the resolutions detailed in the report, the Leader proposed an alteration to the wording of the sixth proposal, as detailed below:

"Authority be delegated to the Interim Director of Finance and Resources and Deputy Chief Executive and the Assistant Director of Legal, Democratic and Property Services, following consultation with the relevant lead Portfolio Holder, to enter the consequential contractual arrangements."

This alteration to the wording of the sixth recommendation was approved by Members.

RESOLVED that

- 1) the progress towards the creation of a Town Hall Hub be noted and that the need to extend the project to include private sector tenants in the Town Hall be approved;**
- 2) formal notification be given to Worcestershire County Council that the Redditch Library cannot relocate to the Town Hall;**
- 3) revised works to RIBA stage 4 be approved in readiness for a detailed report to Executive in September 2024 setting out the revised Town Hall project;**

- 4) **work continues to determine the most effective alternative use of the Towns Funding and that this is reported to and agreement sought through the Towns Board in readiness for a further report to Executive in September 2024;**
- 5) **Members note and approve the consequential risks associated with the revised proposals detailed within this report; and**
- 6) **authority be delegated to the Interim Director of Finance and Resources and Deputy Chief Executive and the Assistant Director of Legal, Democratic and Property Services, following consultation with the relevant lead Portfolio Holder, to enter the consequential contractual arrangements.**

The Meeting commenced at 6.00 pm
and closed at 6.36 pm