



# Executive Committee

Tue 8 Jul  
2025  
6.30 pm

Oakenshaw Community  
Centre, Castleditch  
Lane, B98 7YB



If you have any queries on this Agenda please contact  
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## ***GUIDANCE ON FACE-TO-FACE MEETINGS***

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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.

### **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, 8th July, 2025

6.30 pm

Oakenshaw Community Centre

## Agenda

### Membership:

Cllrs:

Sharon Harvey  
(Chair)  
Jane Spilsbury  
(Vice-Chair)  
Juliet Barker Smith  
Juma Begum

Bill Hartnett  
Jen Snape  
Monica Stringfellow  
Ian Woodall

### 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. Digital Manufacturing and Innovation Centre (DMIC) – Appointment of Contractor for Stage 4 Designs (Pages 5 - 10)

This item is due to be pre-scrutinised at a meeting of the Overview and Scrutiny Committee scheduled to take place on 7<sup>th</sup> July 2025. Any recommendations on this subject arising from that meeting will be reported for the Executive Committee's consideration in a supplementary pack.

### 5. Housing Growth Programme (Pages 11 - 38)

This item is due to be pre-scrutinised at a meeting of the Overview and Scrutiny Committee scheduled to take place on 7<sup>th</sup> July 2025. Any recommendations on this subject arising from that meeting will be reported for the Executive Committee's consideration in a supplementary pack.

### 6. Financial Outturn Report and Quarter 4 Performance Monitoring Report 2024/25 (Pages 39 - 62)

### 7. Treasury Management Outturn Report 2024/2025 (Pages 63 - 78)

### 8. Overview and Scrutiny Committee (Pages 79 - 94)

## **9. Minutes / Referrals - Overview and Scrutiny Committee, Executive Panels etc.**

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

## **10. To consider any urgent business, details of which have been notified to the Head of Legal, Democratic and Procurement 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**

## **11. Exclusion of the press and public**

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

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

These paragraphs are as follows:

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

- Para 3 – financial or business affairs;
- Para 4 – labour relations matters;

and may need to be considered as ‘exempt’.

## **12. Minutes (Pages 95 - 110)**

## **13. Acquisition of Properties (Pages 111 - 118)**

This item is due to be pre-scrutinised at a meeting of the Overview and Scrutiny Committee scheduled to take place on 7<sup>th</sup> July 2025. Any recommendations on this subject arising from that meeting will be reported for the Executive Committee's consideration in a supplementary pack.

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**Digital Manufacturing and Innovation Centre (DMIC) – Appointment of Contractor for Stage 4 Designs**

Relevant Portfolio Holder		Cllr Sharon Harvey
Portfolio Holder Consulted		Yes
Relevant Assistant Director		Rachel Egan, Assistant Director Regeneration & Property
Report Author: Neil Batt	Job Title: Regeneration Manager Email: neil.batt@bromsgroveandredditch.gov.uk Contact Tel: 07484 546690	
Wards Affected		Central Ward
Ward Councillor(s) consulted		Cllr Sharon Harvey
Relevant Council Priority		Economy and Regeneration
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 RESOLVE that:-**

- 1. Officers procure a Design and Build Contractor (for Stage 4 Design Work Only for the Innovation Centre) in line with the Council's procurement process up to the value of £400,000.**
- 2. Authority be delegated to the Deputy Chief Executive (Section 151 Officer) and the Assistant Director for Regeneration and Property; and**

**RECOMMEND that**

- 3. The contract to be awarded through the procurement exercise detailed at resolution 1 above be funded through the Town Deal Programme.**

**2. BACKGROUND**

- 2.1** In June 2021, Redditch secured an historic investment of £15.6 million Town Deal funding. The Town Deal is the result of the submission to government through the Towns' Fund. The Redditch submission was based on a vision for the transformation of the town summarised in the Town Investment Plan. This investment plan was successful in securing funding for the following projects:

- Digital Manufacturing Innovation Centre (£8,000,000)
- Redevelopment of Redditch Library Site (£4,200,000)

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- Redditch Public Realm (£3,000,000)
- Programme Management Costs (£400,000)

***TOTAL: £15,600,000***

- 2.2 The decision to cancel the redevelopment of Redditch Library site was taken by the Council in 2024, initially leaving a £4,200,000 underspend. A PAR (Project Adjustment Request) has since been submitted and signed off by the Ministry for Housing, Communities and Local Government (MHCLG) to allocate the majority of this underspend to develop an expanded DMIC with a smaller amount also going towards Redditch Public Realm. The revised Town Deal budget is therefore as follows:

- Digital Manufacturing Innovation Centre (£11,937,000)
- Redditch Public Realm (£3,267,000)
- Programme Management Costs (£400,000)

***TOTAL: £15,600,000***

Note that a request for extended timescales has also been approved by MHCLG which allows until the end of March 2027 to spend the funding.

- 2.3 Design work for DMIC progressed rapidly throughout 2024 and was previously on track to commence construction in Spring 2025. However, the project was paused whilst options were considered for utilising underspend from the library site and developing an expanded Innovation Centre. A revised programme has been developed with construction profiled to commence in Quarter 4 2025/26.
- 2.4 In consideration of the above, DMIC is currently being redesigned to increase the building in size resulting in additional economic benefits and overall sustainability. The additional design team and project management costs (associated with the expanded development) were agreed by the Executive Committee on 13<sup>th</sup> May 2025.
- 2.5 Stage 3 Designs are already nearing completion and due to be finalised in July 2025. It is now necessary to appoint a design and build contractor that can work with the project team to complete Stage 4 designs and more accurately determine the likely costs of construction.
- 2.6 Note this paper requests sign off for the appointment of a design and build contractor for Stage 4 designs only. This work will be contracted via a JCT (Joint Contracts Tribunal) Pre-Construction Services Agreement (PCSA) or NEC4 (New Engineering Contract Suite) equivalent. A further report will be brought forward for consideration by

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the Executive Committee, prior to appointment of a contractor for main construction works.

- 2.7 Officers have utilised input from Gleeds costs consultants to estimate the costs of bringing a contractor on board for Stage 4 designs.
- 2.8 Note that the building design will continue to be tailored in line with available budget, utilising cost consultancy input within the design team in combination with the appointed design and build contractors. Contingency sums have been built into the construction estimates, alongside additional contingency held client side, to further safeguard against potential cost increases.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 There are no direct financial implications for the Council in relation to this report as work is covered by Town Deal Funding.
- 3.2 Officers have utilised input from Gleeds costs consultants to estimate the costs of bringing a contractor on board for Stage 4 designs. It is anticipated this work will cost between £250,000 and £300,000, although this remains unknown prior to sourcing updated quotations. This report therefore requests delegated authority to agree a contract value of up to £400,000, thus providing sufficient headroom and contingency.

### **4. LEGAL IMPLICATIONS**

- 4.1 It is proposed that we continue to utilise the Procure Partnerships framework to make the required appointment. The Council's procurement and legal team will remain involved with this process to ensure that best value is demonstrated in line with the Council's Contract Procedure Rules.
- 4.2 Note that a competitive tender exercise for the above work was carried out in October 2024, based on the original building designs. This tender exercise will be reviewed as per Appendix 1.
- 4.3 As above, the work will be contracted via a JCT Pre-Construction Services Agreement (PCSA) or NEC4 equivalent. Officers will work closely with legal services in determining the most appropriate contractual arrangements.

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### **5. OTHER - IMPLICATIONS**

#### **Local Government Reorganisation Implications**

- 5.1 There are no direct implications for Local Government Reorganisation.

#### **Relevant Council Priority**

- 5.2 The proposals detailed in this report align with the Council's Corporate Priority "Economy and Regeneration". It is a key project for the Council and will support delivery of objectives to support and encourage new start-up businesses, attract businesses to locate in Redditch and increase footfall in the town centre.

#### **Climate Change Implications**

- 5.3 AHR Architects are the lead designers of the building and therefore ensure that designs are environmentally friendly and in line with local and national climate change policies. The design has been through a whole life carbon assessment to minimise the embodied carbon within the building. The super structure has been designed to bring maximum efficiency and reduce material weight. Achieved by reducing spans where possible to reduce the size of beams and columns. High carbon materials like aluminium have been avoided in favour of long-life and recyclable products like brick.
- 5.4 The building will follow a fabric first approach to maximise the sustainability credentials through: a regular, efficient form factor; highly insulated walls (0.15 W/m<sup>2</sup>K), floor (0.15 W/m<sup>2</sup>K), and roof (0.15 W/m<sup>2</sup>K); high-performing windows (1.3 W/m<sup>2</sup>K) and doors (1.6 W/m<sup>2</sup>K); and passive solar measures to reduce overheating. It will be fully electric and follow its ventilation, heating, cooling and water systems, which will be low-energy, efficient systems that follow sustainable principles. It will be a sealed (air tightness target 3.5m<sup>3</sup>/hm<sup>2</sup> @50Pa), mechanically ventilated building that has a high degree of control to individual spaces that seeks to maintain a consistent and comfortable internal temperature. Heat recovery, whilst ventilating the building, is done through individual Mechanical Ventilation and Heat Recovery (MVHR) units within tenant spaces and central air handling for landlord spaces. Air source heat pumps provide low-temperature heating to spaces via fan-coil units or wet radiators depending on the space. The building seeks to gain a NABERS (National Australian Built



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Environment Rating System) accreditation of 4.5 stars in addition to statutory requirements.

- 5.5 Note that the designs have allowed space for a photovoltaic (PV) array on the roof of the building.

### **Equalities and Diversity Implications**

- 5.6 There are no direct equality or diversity implications arising as a result of this report.

## **6. RISK MANAGEMENT**

- 6.1 There is an up-to-date risk register which is held by the project team and reviewed at Town Deal Board meetings.

## **7. APPENDICES and BACKGROUND PAPERS**

### **Background Papers:**

“Digital Manufacturing Innovation Centre – Proposed Project Changes” report to the Executive Committee considered on 13<sup>th</sup> May 2025:  
[Agenda for the Executive Committee 13/05/2025](#)

“Appointment of Design Team and Project Managers – Towns Fund Schemes”, report to the Executive Committee considered on 9<sup>th</sup> January 2024: [Link to the covering report to the Executive Committee - 9th January 2024](#)

Town Investment Plan: [Town Investment Plan submission | Redditch Town Deal](#)

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**9. REPORT SIGN OFF**

<b>Department</b>	<b>Name and Job Title</b>	<b>Date</b>
Portfolio Holder	Cllr Sharon Harvey	
Lead Director / Assistant Director	Rachel Egan (Assistant Director Regeneration and Property Services)	June 11 <sup>th</sup> 2025
Financial Services	Debra Goodall (Assistant Director Finance and Customer Services)	11 <sup>th</sup> July 2025
Legal Services	Nicola Cummings, Principal Solicitor – Governance Claire Green, Principal Solicitor – Contracts, Commercial and Procurement	16 <sup>th</sup> June 2025
Policy Team (if equalities implications apply)	Rebecca Green	N/A
Climate Change Team (if climate change implications apply)	Matthew Eccles	

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**Redditch Council Housing Growth Programme**

Relevant Portfolio Holder	Councillor Bill Hartnett
Portfolio Holder Consulted	Yes
Relevant Assistant Director	Judith Willis
Report Author	Job Title: Amanda Delahunty Contact email: Contact Tel:
Wards Affected	All
Ward Councillor(s) consulted	
Relevant Council Priority	Communities and Housing
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 RESOLVE that: -**

- 1) The following options for the Council Housing Growth Programme are approved:**
  - a) Commissioning the construction of new Housing Revenue Account housing stock;**
  - b) Purchasing existing housing properties on the open market;**
  - c) Bidding to purchase housing properties provided by developers through the Section 106 process;**
  - d) Purchasing properties ‘off plan’ from new housing developments;**
  - e) Purchasing housing stock from other Registered Providers of social housing;**
  - f) Regeneration of existing housing stock where additional units are achieved; and**
  - g) Buying back former Council house properties under the Council’s ‘First Right of Refusal’.**
- 2) Authority be delegated to Deputy Chief Executive and Chief Finance Officer and the Assistant Director of Communities and Housing, following consultation with the Portfolio Holder for Housing and the Portfolio Holder for Finance, to approve the financial and development appraisal of each site in Appendix 1 and future development sites.**

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- 3) The Buy Backs and Acquisitions Policy, Appendix 2, be approved.

The Executive Committee RECOMMEND that:-

- 4) That the budget of no more than £15 million previously approved from the HRA Capital budget for the Housing Growth programme to 2030 be applied to the current capital programme to be used flexibly within the capital expenditure limit.
- 5) Properties delivered through the Council Housing Growth Programme are let at social rent levels, where permitted and subject to viability.
- 6) In cases where resolution 2 is unviable, to approve rent levels at:
- a) 65% of the market rent; or
  - b) in cases where resolution 6(a) is unviable, at affordable rent levels of 80% of the open market rent level.
- 7) that the Council's rent setting policy be updated as per recommendations 5 and 6 above.

## **2. BACKGROUND**

- 2.1 The Executive agreed a Council Housing Growth Programme in January 2017. The Council has signed up to an agreement with the Government to retain Right to Buy receipts for the provision of additional affordable housing known as 1-4-1. This has a requirement that the receipts are spent within 5 years or they have to be returned to Central Government with interest.
- 2.2 The receipts must be used to provide additional affordable housing. For the two financial years 2024-2025 and 2025-2026:
- The maximum permitted contribution from Right to Buy receipts to replacement affordable housing will increase from 50% to 100%.
  - Right to Buy receipts will be permitted to be used with section 106 contributions.

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- The cap on the percentage of replacements delivered as acquisitions each year (currently 50%) will be lifted.

2.3 To increase stock a number of options have been identified as follows:

- Commissioning the construction of new HRA stock
- Purchase properties
- Purchase from developers through s.106 bidding
- Purchase properties 'off plan' on developments
- Purchase stock from other Registered Providers
- Regeneration of existing stock where additionality is achieved.
- Buy backs of former Council properties under the 'First right of refusal'

2.5 Our target through the housing growth programme is to achieve 230 additional units by 2030. We have achieved 107 already and have a plan to deliver 56 and therefore need to secure an additional 67 to achieve this target. The Housing Growth Programme has so far delivered the below number of properties split into the elements of the agreed programme.

**Delivered  
Programme**

Delivery Method	Number of Properties
New construction	19
Buy Backs	66
S.106	19
'Off Plan'	0
Regeneration of existing stock	3
Purchase from RP	0
<b>TOTAL</b>	<b>107</b>

**Current Delivery  
Programme**

Delivery Method	Number of Properties
New construction	53
Buy Back	5
s.106	0
'Off Plan'	0
Regeneration of existing stock	3
Purchase from RP	1
<b>TOTAL</b>	<b>62</b>

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**3. OPERATIONAL ISSUES**

- 3.1 The Council has employed two Housing Development Officers to take forward the Council Housing Growth Programme at pace.
- 3.2 The Council are currently reviewing potential new development sites that will come forward to a later Executive Committee meeting for inclusion in the Council Housing Growth programme.

**4. FINANCIAL IMPLICATIONS**

- 4.1 The HRA business plan have provision of £15 million up to 2030 for additional stock.
- 4.2 The geopolitical landscape has changed considerably since 2017. In 2017 build costs were circa £1,500 per square metre. Therefore, we have re-evaluated the costs to develop the Redditch Borough Council owned sites. Officers have estimated the number of properties each site will possibly achieve subject to planning permission.
- 4.3 In addition we are anticipating a significant upturn in Right to Buy (RTB) receipts due to Government changes to the RTB discount and we are working with Homes England and the West Midlands Combined Authority (WMCA) to access any additional funding that may become available.
- 4.4. Looking at the current market, new build properties are costing circa £2,648 per square metre. Officers have estimated the cost of building out the Council development sites as £10,617,419.
- 4.5 Members have indicated a desire to look at Modern Methods of Construction (MMC). MMC are innovative building techniques that aim to improve efficiency, quality, and sustainability in the construction industry. These methods often involve offsite manufacturing and or modular construction, and the use of advanced materials and technologies. MMC will provide certainty regarding cost, time and quality but may be more expensive than traditional construction costs, used to project the site costs above.
- 4.6 Officers are proposing that all properties delivered through the programme are to be let at social rent levels subject to viability in respect of the repayment of any capital funding being repaid within a set period of 30, 40 or 50 years. If this proves not to be viable then we propose 65% of the market rent. If at 65% this still proves not viable then we will opt for affordable rent levels. This is determined at 80% of the open market rent level following the Governments Affordable Rent framework.

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**5. LEGAL IMPLICATIONS**

- 5.1 Housing Act 1985 part 2 permits local authorities to build/acquire new housing.

**6. OTHER – IMPLICATIONS**

**Local Government Reorganisation**

- 6.1 This development programme should not be impacted by local government re-organisation. The Government have announced they will continue to deliver high quality and sustainable services for residents.

**Relevant Council Priority**

- 6.2 The provision of additional council housing positively impacts on all strategic purposes:
- Economy, regeneration and prosperity
  - Green, clean and safe
  - Community and Housing

**Climate Change Implications**

- 6.3 The sites will all be constructed utilising Modern Methods of Construction (MMC). All the homes will be Energy Performance Certificate (EPC) category A as a minimum ensuring maximum energy efficiency. This in turn will help our tenants better manage fuel costs in the current cost of living crisis, along with minimising the impact upon the environment.
- 6.4 Biodiversity reports and net gain calculations will highlight areas to help us improve the sites' final Biodiversity Net Gain (BNG) and inform us of how much BNG credits the Council will need to make elsewhere if required.

**Equalities and Diversity Implications**

- 6.5 Increasing the Council's housing stock will assist in the provision of affordable housing in the Borough to meet housing need.
- 6.6 In commissioning the construction of new HRA stock the Council will be able to provide housing that can meet specific needs for adapted properties.

**7. RISK MANAGEMENT**

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7.1 There are a number of risks to implementing the Council Housing Growth Programme which are in the table below:

Risks	Mitigation
Failure to achieve planning permission	<ul style="list-style-type: none"> <li>• A dedicated planning officer will work with the development team to advise specifically on planning issues and recommend solutions</li> <li>• Appointment of experienced development agents</li> </ul>
Local resident objections to building on sites	<ul style="list-style-type: none"> <li>• Local residents will be consulted and kept informed of proposals to ensure that officers are aware of any potential objections and may work to ameliorate concerns</li> </ul>
Risks associated with using consultants	<ul style="list-style-type: none"> <li>• Ensure that the appointment of both the Development Agent (and its consultants) and, subsequently, contractors are robust and include an appropriate element of assessment of the parties' ability to undertake the roles and their quality</li> <li>• Ensure that the Council's risks are minimised through the legal agreements</li> <li>• Ensure Evaluation Criteria at Pre-Qualification Questionnaire (PQQ) and Tender Stage are comprehensive, with key factors weighted appropriately</li> <li>• Ensure that the Development Agent and consultants have sufficient Professional Indemnity Insurance</li> </ul>
Overspend for House Building Programme	<ul style="list-style-type: none"> <li>• Include sufficient provision for contingencies</li> <li>• Ensure effective project management arrangements, to include identification of potential overspends early</li> <li>• Report to Portfolio Holder for Housing quarterly on progress (works and costs)</li> </ul>
Abnormal build costs associated with the sites may be discovered	<ul style="list-style-type: none"> <li>• Individual site appraisals including site investigations will be undertaken to ensure that risks are understood and mitigated prior to progressing any site</li> </ul>
Failure to spend 1-4-1 receipts by required deadline	<ul style="list-style-type: none"> <li>• The Council has previously approved a number of options to increase the housing stock and officers will pursue these other</li> </ul>



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	options in tandem with this development programme
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**8. APPENDICES and BACKGROUND PAPERS**

Background Papers

Council Housing Growth Programme Executive Report 17<sup>th</sup> January 2017

[Housing Growth Programme Report 2017](#)

Council Housing Growth – Development Sites 23<sup>rd</sup> October 2018

[Housing Growth Development Sites Report - 2018](#)

Appendices

Appendix 1 – Proposed Development Sites

Appendix 2 - Buy Backs and Acquisitions Policy

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**9. REPORT SIGN OFF**

<b>Department</b>	<b>Name and Job Title</b>	<b>Date</b>
Portfolio Holder	Councillor Bill Hartnett	17/6/25
Lead Director / Assistant Director	Judith Willis	17/6/25
Financial Services	Bob Watson	17/6/25
Legal Services	Nicola Cummings, Principal Solicitor - Governance	17/6/25
Policy Team (if equalities implications apply)	N/A	
Climate Change Team (if climate change implications apply)	Matt Eccles	17/6/25

## Redditch Borough Council Housing Growth Programme

### Appendix 1

The packages below are the sites approved for development within the Council Housing Growth Programme. Officers are currently working up schemes for the submission of planning applications. In addition to the below, a planning application has been submitted for 6 dwellings at Loxley Close B98 9JH

<b>Package 1 – Estimated 28 units</b>		
Clifton Close	B98 0HD	5 dwellings
Auxerre Avenue	B98 7QW	20 dwellings
Fladbury Close	B98 7RX	2 dwellings
Greenlands Avenue	B98 7QA	1 dwelling
<b>Package 2 – Estimated 19 Units</b>		
Ibstock Close	B98 0PZ	8 dwellings
Heronfield Close	B98 8QN	3 dwellings
Hawthorn Road	B97 6NQ	2 dwellings
Sandygate Close	B97 5RY	5 dwellings
Foxlydiate Crescent/Rowan Road	B97 6NB	1 dwelling

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# BUY BACKS & ACQUISITIONS POLICY

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2025-2030

April 2025

Redditch Borough Council

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## 1.0 Introduction

1.1 In England there are an excessive number of families (1.3million) on the Social Housing registers in February 2025, due to a severe shortage of Social and Affordable Housing. This is an increase of 10% in the last 2 years. There are also more than 354,000 homeless people in England as of December 2024 and more than 98,000 families living in unsustainable, unsuitable, or temporary accommodation as of January 2025. This housing crisis has resulted in a substantial rise in rents and in property prices, disproportionately affecting vulnerable and low-income households.

1.2 The statutory Right To Buy (RTB) Scheme was introduced in the UK by the Housing Act 1980, in which the UK Parliament gave 5 million qualifying council housing tenants, in England and Wales, the opportunity and 'Right to Buy' their home from their Local Authority (LA) and/or Council at a discounted cost.

For more information on the RTB Scheme on the Redditch Borough Council's Website please refer to:

[Right to buy | Redditchbc.gov.uk](https://redditchbc.gov.uk/right-to-buy)

1.3 More than 2.8 million properties have been purchased from the LA's and Councils under the RTB Scheme since 1980. Although this has generated revenue for LA's and Councils, the discounted rate has not allowed for open market value sale costs, and therefore the council is not making as much money back per property being sold, and it is generally less than the current average build cost of a new property. Therefore, the RTB Scheme has adversely impacted the availability of council properties, causing a lower percentage of stock held by councils, subsequently resulting in extended housing registers and a supply that fails to meet the high demand of council housing.

1.4 Due to continuous changes in Government policies and legislations, that either enhance or diminish the RTB Schemes financial appeal, there have been fluctuations in the interest of the Scheme. All existing and new Council Housing continue to be subject to the provisions of the RTB Scheme as there has not been any Governmental suggestions of any revisions nor discontinuation of the Scheme though the discounts have been reviewed and are currently less generous.

## 2.0 Policy Framework

2.1 This Buy Backs and Acquisitions Policy will detail the criteria for the acquisition of properties by Redditch Borough Council.

For more information regarding Redditch Borough Councils Buy Back Programme please refer to the following page on our website:

[Redditch Buy Back Programme](#)

2.2 This Buy Backs & Acquisitions Policy aims to enhance the availability of high-quality Council Housing within Redditch Borough, addressing the housing requirements of Redditch residents and reducing homelessness with a long-term goal of eliminating it completely. It will outline a structured strategy with guidelines for the following:

- The re-acquisition of properties previously sold under the RTB Scheme.
- The acquisition of derelict or long-term vacant properties in Redditch.
- The procurement and acquisition of new and existing housing that caters for all the needs of Redditch Council housing register demographics.
- The utilisation of Redditch Borough Council owned land for the development of new Council Housing.

2.3 This Policy will facilitate property acquisition, providing a framework for a smoother process and ensuring that all transactions provide value for money, and align with Redditch Borough Council's broader strategic goals.

2.4 Although this Policy will not address the loss of social housing resulting from the initial implementation of the RTB Scheme, it will provide Redditch Council with the opportunity to enhance and expand its housing stock, to reflect the changing demands and needs for Council Housing.

2.5 It is important to note that this Policy will not be applicable to the requirement of mandatory acquisition of properties that could be part of Redditch Council's regeneration initiatives, as it is only intended for the acquisition and re-acquisition of Council Housing by Redditch Borough Council.

2.6 The aim of this Policy is to:

- Enhance the availability of high-quality Council Housing within Redditch Borough.
- Establish a framework for evaluating feasibility and cost-effectiveness, by optimising rental revenue, alongside continuing to prioritise the optimal housing requirement needs of Redditch Borough residents.
- Initiate formal procedures for the acquisition of Buy Backs and other residential properties, for the intended use of Council Housing, allowing Redditch Borough Council to respond promptly as opportunities present themselves.
- Facilitate the reinvestment of Right to Buy (RTB) Receipts, ultimately aiding in the reduction of impact caused upon the council due to initial RTB property sales.
- Increase inclusivity by ensuring provision is made for individuals and families with additional support and accessibility requirements.



- Minimise the quantity of derelict or vacant properties within Redditch Borough.

### **3.1 Legal Authority and Context**

3.2 Redditch Borough Council's primary statutory authority for housing provision, which is outlined in legislation Section 9 of the Housing Act 1985, provides for the empowerment of Local Authorities to convert existing structures, acquire residential properties and construct new residential properties on designated land, all for the intended use as Council Housing stock. Whilst there is not any explicit authority to buy properties for the purpose of converting them into flats or apartments, the acquisition of such properties under Section 56 of the Housing Act 1985, with the inclusion of flats and the alteration of properties under Section 9.2 of the Housing Act 1985 makes it permissible to do so for the intended purpose of providing housing accommodation. Section 17 of the Housing Act 1985 provides for the purchase of land, by a council, for housing development through utilisation of funds from the Housing Revenue Account (HRA).

3.3 Local Authority authorisation has been granted for the acquisition of property to complete any of its necessary functions, and/or to aid the enhancement, improvement, and development of the Borough, through the Local Government Act of 1972. Further to this, 'wellbeing' powers, allowing for the Local Authorities and Councils to undertake any actions deemed likely to promote or enhance the environmental, economic, or social wellbeing of the Borough, were granted in the Local Government Act of 2000, encompassing the Local Authorities to spend funds and acquire property for designated projects and/or capital initiatives.

3.4 England's Right of First Refusal Housing Regulations 2005 states a Local Authority is under no obligation to repurchase properties, however, Redditch Borough Council can exercise Right of First Refusal for any ex-council properties sold under the RTB Scheme.

## **4. Acquisition Criteria**

4.1 Redditch Borough Council may evaluate the potential acquisition of various property types, by the following criteria, provided that such purchases are financially feasible and yield sustainable, social, and strategic advantages for the Council and the residents and community of Redditch Borough:

- Properties that were previously sold by Redditch Borough Council under the RTB legislation and are subject to the Right of First Refusal covenant, as well as those which are not subject to the Right of First Refusal covenant.
- Vacant properties that have typically remained unoccupied for at least 6 months or more, which may or may not include properties previously sold under the RTB Scheme.

- Properties that cater to the needs of Redditch Council list demographics, including, but not limited to, individuals or families with additional support and accessibility requirements, where the acquisition can provide economic benefits by lowering revenue and capital expenditures, which again may or may not include properties previously sold under the RTB Scheme.
- Newly constructed properties within private housing developments intended for the provision of Social and Affordable Housing.

4.2 Redditch Borough Council will typically consider acquiring property that fulfil of the following criteria:

- Enhancement of Redditch Borough Council's Housing stock of council housing to address the housing requirements of the Borough.
- Where the acquisition supports the achievement of Redditch Borough Council's goals as well as the provision of Council services and/or delivery of the UK Governments goals.
- Where the acquisition will have a primary connection to enhancing the environmental, social, and economic well-being of the Redditch Borough.
- Where the acquisition will have financial advantages in decreasing revenue budgets and overall capital expenditure; however, it will ultimately generate revenue income and promote capital growth.
- Where the acquirement is of any derelict and/or vacant properties which will result in improvements to the property and supports stronger community and council relationships.
- Strategic acquisition for regeneration, development, or redevelopment purposes of Redditch Borough.

4.3 Due to the limited availability of social and affordable Housing, Redditch Borough Council will focus on acquiring properties that were previously sold under the RTB Scheme, specifically those that are suitable for families and individuals with specific needs and suitable for consequent adaptations and requirements for comfortable living; i.e., disabilities (physical and/or mental), and elderly or those with mobility issues.

4.4 The factors will be considered when evaluating all potential acquisitions:

- Pre-Acquisition Viability and Suitability Assessment (see Appendix 3), including advantages of the acquisition for the Council.

- Financial Aid Availability: RTB Receipts from RTB Sales, HRA funding, section 106 reserves and the availability of any other grants or funding which may be applicable in acquisitions.
- Economic impact through the analysis of the acquisitions potential to reduce revenue and capital expenditures.
- A review of comparable rental rates and management fees if necessary - including market/discounted rental value based on internal surveyor's comments/costings on the existing condition of a potential Buy Back upon inspection of the property.
- Total projected cost - valuation post remedial works, renovations, and/or refurbishment (with the valuation being conducted by a RICS qualified surveyor), including any additional acquisition costs (i.e.) legal and/or outsourcing fees, as well as on-going maintenance costs, and defect remediation. The acquisition will need to either comply with, or be brought up to, the Decent Homes Standard (DHS). This can be done as a desktop exercise by the RICS surveyor where there are capacity issues, utilising a fully completed viewing proforma by a Housing Development Officer and associated photographic evidence.
- Purchase price – Consideration of the acquisition cost including a 5% increase in value to facilitate negotiation if necessary.
- Assurance that the property is available for sale with vacant possession and is free from encumbrances (e.g., outstanding legal charges) to eliminate the risk of Housing Regulations and Legislations being broken, as well as consideration of the duration an unoccupied property has remained vacant (whether this has any impact on grant subsidies) and the effect the acquisition of such property will have on Redditch Borough Councils resources.
- Location and management considerations including proximity of the property to existing housing stock for effective management, which is typically within 5 miles of HRA properties.
- An assessment and understanding of whether the property is located in an area known for crime or anti-social behaviour, where acquisition could foster safer communities and improve the local environment, as well as ensuring the safety of new council tenants/occupiers of the property.
- If the property is an ex-council property previously sold under the RTB Scheme, it is likely to be in demand and easily occupiable, however if it is a new acquisition, it will need to be evaluated by the Strategic Housing Team giving consideration of whether the acquisition would improve the local area and ensure community cohesion and sustainable neighbourhoods.

- Assessment of housing requirements, including property attributes, local demand, and the housing need. Evaluation of size, type, and construction to guarantee that all acquisitions are suitable and address local needs.
- Determination of the applicability of the Right of First Refusal in relation to the acquisition.
- Whether the acquisition supports the aims of Redditch Borough Council Buy Backs and Acquisitions Policy.

## **5.0 Exceptional Circumstances**

5.1 Redditch Borough Council may evaluate the option of acquiring vacant properties that have remained unoccupied for under six months, provided that the purchase is financially sound and offers strategic advantages to both the Council and the broader community.

5.2 According to the Housing Defects Act of 1984, properties classified as having defective construction, may only be eligible for consideration if they have been upgraded to meet the BRE Licensed Repair Standard, or in rare cases, where the property is unsellable on the open market and at risk of remaining vacant for an extended period.

5.3 Redditch Borough Council may evaluate the possibility of acquiring property located beyond 5 miles from HRA stock, provided that such acquisition is financially feasible and offers strategic advantages to the Council.

5.4 The Council is unlikely to pursue property acquisitions in regions with low demand, as the acquisition must be beneficial to the Council.

5.5 In instances where Redditch Borough Council acquires a property in accordance with this Policy, the current owner, and their immediate family, if relevant, will generally not be permitted to continue residing in the property as tenants. and Redditch Borough Council will require vacant possession of a property unless there are exceptional circumstances which are approved by the Section 151 Officer and Assistant Director.

## **6.0 Refusals/Rejections**

6.1 Redditch Borough Council will refrain from pursuing property acquisition under the following circumstances:

- Insufficient funding available, financial unviability or failure to meet non-financial criteria.
- Excessive or impractical refurbishment costs, or additional remediation works required, that will not be covered by any grant or funding Redditch Borough Council have to off-set towards the property.
- Unsuitable property types such as static caravans or mobile homes.

- Unresolved legal claims on the property or land that cannot be resolved during the conveyancing process.
- Legal matters such as title deed restrictions etc, which were not disclosed at the time of putting in an offer.

## **7.0 Funding**

7.1 Property obtained under this Policy may be financed through RTB receipts, HRA Funding, revenue income, as well as potential accumulated commuted sums from section 106 planning agreements (if available), any relevant grant subsidies, Government allocations, or possibly an amalgamation of these funding resources if permissible, along with any other funding options that may arise over time.

7.2 The financial resources allocated to support this Redditch Borough Council Buy Backs and Acquisitions Policy may rely on the capabilities of the HRA and will be evaluated within the context of the overall capital budget, as and when it is deemed necessary by the Strategic Housing Team.

## **8.0 Financial Considerations and Financial Risk**

8.1 The time taken (especially if it is outsourced to an external solicitor) and the frequency and availability of potential acquisitions (which is based on when current owners decide to re-sell their properties), are outside of Redditch Borough Council's control, thereby restricting the ability to budget effectively.

8.2 Prolonged decision-making and acquisition processes (as it is dependent on the legal team availability and/or as mentioned above, the availability of external solicitors) can lead to the costs associated with a sale falling through.

8.3 All prospective acquisitions will undergo a land registry search to verify title deed ownership and ascertain the absence of any outstanding legal encumbrances, along with a Pre-Acquisition Viability and Suitability Assessment as outlined in section 3.2.5. Should the results be unfavourable, the Acquisition will be declined.

8.4 However, should the results of the Pre-Acquisition Viability and Suitability Assessment be favourable, a comprehensive financial evaluation will be conducted in collaboration with the Finance department to assess the Net Present Value (NPV) and the anticipated productivity of the proposed investment, ensuring the feasibility of the acquisition. This evaluation will consider the total costs of acquisition and refurbishment against the projected net income from future rents and applicable service charges. Approval for any acquisition will be granted solely if it aligns strategically with Redditch Borough Councils'

objectives and demonstrates cost-effectiveness. The financial appraisal process serves as the framework for transparently and rigorously justifying any proposed acquisition.

8.5 Redditch Borough Councils' expenditure on each acquisition is contingent upon the availability of funding and the results of the financial assessment. The purchase price must not surpass the open market value, with an additional 5% allowance for potential negotiations. Furthermore, administrative, and legal costs will be taken into consideration, and both the Council and the property owner are responsible for their respective legal fees.

8.6 Property acquired under this Buy Backs and Acquisitions Policy, whether new build or existing dwellings, may be subject to the RTB Scheme legislations, unless they were acquired outside the HRA, or if they are exempt. The application of the cost floor rule offers some protection to Redditch Borough Council as it could potentially reduce the RTB discount amount.

8.7 Council tenants holding secure tenancies have the 'Right to Buy' properties under the RTB Scheme multiple times. However, any discount obtained from a prior purchase, regardless of whether it was made through Redditch Borough Council or another public sector landlord, will be subtracted from the discount available for the next purchase as stipulated in the RTB Scheme.

8.8 Properties acquired by Redditch Borough Council through this Buy Backs and Acquisitions Policy will be incorporated into the housing inventory and assigned to qualified applicants from the Council's housing register at a social or affordable rent, which may reach up to 80% of the market rate and will be limited to Local Housing Allowance rates when relevant, unless an alternative arrangement or agreement is made. This approach aims to optimise rental revenue while maintaining affordability. Any rental income or service charges (if applicable), along with the proceeds from future sales under the RTB Scheme, will be directed into the HRA as and when required.

## **9.0 Governance and Accountability**

9.1 The decision to approve an acquisition will be made as a result of a Redditch Borough Councils' Housing Development Team review and approval, followed by Surveyor's assessment comment and predicted costs for any necessary works if required (for Buy Backs), and confirmation of funding available from the finance team and Treasury, once the proposed acquisition has been approved as financially viable and economically sustainable.

9.2 All potential buy backs and acquisitions will secure the appropriate budgetary and delegated approvals prior to the completion of any transaction. Transactions exceeding a value of £250,000 will necessitate approval from the Redditch Borough Council Executive.

9.3 Appendix 1 outlines Redditch Borough Councils' relevant procedures and the required process for acquiring a property in accordance with this Buy Backs and Acquisitions Policy.

## **10.0 Monitoring and Review**

10.1 Redditch Borough Councils Housing Development Team will be documenting and monitoring all Buy Backs and Acquisitions purchased under this Policy.

10.2 The next planned review and update of this Buy Backs and Acquisitions Policy by the Redditch Borough Council Strategic Housing Team is in 2030. However, if required, due to any changes in Government Legislations, Regulations, and/or Policies, which will impact anything stated in this Buy Backs and Acquisitions Policy, it will be reviewed and subsequently adapted to reflect any necessary changes at any given date before 2030.



## Appendices

### Appendix 1 – Buy Backs and Acquisitions (Process and Procedures)

#### Acquisition of Properties Sold Under the RTB Scheme

Redditch Borough Council will implement the following protocol when evaluating offers related to the Right of First Refusal, as mandated by the Housing Act 2004:

Property owners are required to submit a formal offer notice (request to purchase) in writing or via email to the Council Strategic Housing Team. The Strategic Housing Team aims to acknowledge receipt of this notice within five working days if it is feasible to do so.

Upon receiving a formal offer notice, the Council will provide the owner with an application form to complete, which will gather property details and any pertinent information. Offers will be automatically declined if there is insufficient funding, if the acquisition is deemed financially unfeasible, or if it does not satisfy the non-financial criteria outlined in this Policy.

After the Council receives the completed application form, it will have 8 weeks to either accept or reject the offer.

During this timeframe, the Council will assess the viability of the acquisition in line with this Buy Backs and Acquisitions Policy.

This evaluation will involve a land registry search to verify ownership and check for any unresolved legal charges against the property that cannot be resolved during the conveyancing process.

Additionally, a Pre-Acquisition Viability and Suitability Assessment will be conducted, followed by a RICS valuation performed by a qualified surveyor and a visual inspection by an Internal Building Surveyor and Housing Development Officer, to determine the property's condition and the costs of any necessary repairs or refurbishments to comply with the Decent Homes Standard as stated above in 3.2.5.

If the assessment yields a favourable outcome, a comprehensive financial appraisal will be conducted, taking into account acquisition costs and future maintenance liabilities against rental income over the duration of the HRA Business Plan, and this will require approval from the Finance Team and Treasury before any final decision is made.

Should the Council decline the offer at any stage, a notice of rejection will be sent to the property owner.

If the Council accepts the offer, an acceptance notice will be dispatched to the property owner, however if the Council declines the offer at any stage, a notice of rejection will be sent to the property owner instead.



In the event that the Council has neither accepted nor rejected the offer within eight weeks of its receipt, the owner is permitted to advertise and sell the property on the open market.

The legislation mandates that the Council must acquire properties at their market value, which will be assessed through a Red Book valuation conducted by the Council's designated team or an independent RICS qualified surveyor acting on behalf of the Council.

The purchase price will be negotiated between the property owner and the Council's Housing Development Officer, as well as the Housing Development & Enabling Manager, or if agreed upon, an independent RICS qualified surveyor to ensure fairness and minimise bias.

Once an agreement on the price is reached and the financial appraisal is approved, a Land Transaction Sheet will be prepared for the Head of Housing & Community Services approval, as well as the Housing Development & Enabling Manager sign-off.

Upon approval of the acquisition, the Council's Legal Services will be instructed to progress the sale with the owner's solicitor/legal representatives, should the internal Legal Services Team not have the capacity to do this, a pre-approved external solicitor will be instructed to do this on behalf of the Council.

The Council is required to enter into a binding contract with the owner within twelve weeks or no later than four weeks after receiving written notification from the owner indicating their readiness to complete, whichever is later. Failure to adhere to these timelines will result in the Council forfeiting its statutory right to repurchase the property for the subsequent twelve months, allowing the owner the freedom to sell the property on the open market if they wish.

In instances where a Right to Buy (RTB) discount is applicable, this amount will be deducted from the purchase price along with any housing-related debts, including Council Tax.

The Council retains the authority to retract its offer for re-purchase at any point before the contracts are exchanged. If an agreement on the re-purchase terms is not reached, the Council will rescind its offer and will not be responsible for any expenses incurred by the property owner.

Additionally, the Council may designate an alternative social landlord or registered provider to acquire a property located within a regeneration area being developed by that specific landlord or registered provider.

It is important to note that the Council is not obligated to purchase properties under the Right to Buy Scheme, and as such, property owners do not possess the right to contest or appeal the Council's decision.

All offer notices and general enquiries should be directed to:

Strategic Housing Team, Housing Development:

[housingdevelopment@bromsgroveandredditch.gov.uk](mailto:housingdevelopment@bromsgroveandredditch.gov.uk)

Concerns related to the implementation of this procedure will be addressed in accordance with the Council's Complaints Policy. The Council will utilise the same procedure when evaluating the purchase of properties sold under the RTB Scheme that are not subject to the Right of First Refusal covenant.

#### Other Property Acquisitions

The Council will implement the subsequent procedures when evaluating additional acquisitions that align with the criteria established in this Buy Backs and Acquisitions Policy:

- All projects involving the acquisition of property with a value up to £250,000, will be referred to the Housing Development & Enabling Manager for approval.
- The Council will assess the viability of the acquisition in line with this Buy Backs and Acquisitions Policy.
- This evaluation will involve a land registry search to verify ownership and check for any unresolved legal charges against the property that cannot be resolved during the conveyancing process.
- Additionally, a Pre-Acquisition Viability and Suitability Assessment will be conducted, followed by a RICS valuation performed by a qualified surveyor including a visual inspection to determine the property's condition and the costs of any necessary repairs or refurbishments to comply with the Decent Homes Standard as stated above in 3.2.5.
- If the assessment yields a favourable outcome, a comprehensive financial appraisal will be conducted, taking into account acquisition costs and future maintenance liabilities against rental income over the duration of the HRA Business Plan, and this will require approval from the Finance Team and Treasury before any final decision is made.
- Each acquisition will be evaluated individually. The criteria established in this Policy will be utilised to guarantee that all purchases are consistent with the Council's primary objectives and align with the Council's main priorities, as well as ensuring funding is available and the acquisition is beneficial to the Council.
- The purchase price will be negotiated between the property owner and the Council's Strategic Housing Team, or if agreed upon, an independent RICS qualified surveyor to ensure fairness and minimise bias.

- Once an agreement on the price is reached and the financial appraisal is approved, the correct documentation will be prepared for the Strategic Housing & Business Support Manager and also the Housing Development & Enabling Manager sign-off.
- All transactions exceeding a value of £250,000 will necessitate approval from the Redditch Borough Council Executive.
- Upon approval of the acquisition, the Council's Legal Services will be instructed to progress the sale with the owner's solicitor/legal representatives, should the internal Legal Services Team not have the capacity to do this, a pre-approved external solicitor will be instructed to do this on behalf of the Council.
- A qualified member of the Strategic Housing Team will be appointed to deliver and monitor all acquisitions.
- The Council retains the authority to retract its offer to purchase at any point before the contracts are exchanged. If an agreement on the purchase terms is not reached, the Council will rescind its offer and will not be responsible for any expenses incurred by the owner.
- It is important to note that although the acquisitions will be prioritised in accordance with this Buy Backs and Acquisitions Policy, the Council is not obligated to purchase properties under this Buy Backs and Acquisitions Policy, and as such, property owners do not possess the right to contest or appeal the Council's decision.

All offer notices and general enquiries should be directed to:

Strategic Housing Team, Housing Development:

[housingdevelopment@bromsgroveandredditch.gov.uk](mailto:housingdevelopment@bromsgroveandredditch.gov.uk)

Concerns related to the implementation of this procedure will be addressed in accordance with the Council's Complaints Policy. The Council will utilise the same procedure when evaluating the purchase and Acquisition of any other properties.

**Appendix 2 - Right of First Refusal (Exemptions for Disposal)**

Properties are exempt from the Right of First Refusal under the following circumstances:

- The property owner conveys the property to a spouse or ex-spouse.
- The property falls under the provisions of the Matrimonial Causes Act 1973, which may pertain to divorce cases.
- The property owner transfers sole responsibility to a co-owner.
- The property owner transfers the property to a family member, provided that the family member has resided with the owner for a minimum of 12 months prior to the transfer.
- The property is bequeathed to an individual through a will, or it is subject to intestacy laws in the absence of a will.

### **Appendix 3 – Pre-Acquisition Viability and Suitability Assessment**

The objective of the Pre-Acquisition Viability and Suitability Assessment is to confirm that Redditch Borough Council (RBC) has a justified need to acquire a particular property or parcel of land for development purposes.

This assessment will involve evaluating the following factors:

- Does RBC's Strategic Housing Team, RBC's Surveying Team and RBC's Valuation Team, possess the necessary capacity to facilitate the acquisition?
- Does the RBC Legal Team have the required capacity to process and secure the acquisition? If not, is there available funding or capital to outsource this process?
- Is the acquisition essential for the council's objectives?
- What advantages will this acquisition provide to the council, and does it align with RBC's goals?
- Is there any approved funding to assist in the purchase of this acquisition?
- If the funding does not cover the entire purchase cost, do we have sufficient capital to cover the remaining amount, and can this be offset against other available funding?
- What level of work is required to render the acquisition suitable for development or rental?
- Will this be financed through 1-4-1 Receipts, LAHF, or other grants/funding sources?
- Is the extent of remedial work required justifiable?
- What is the anticipated rental income from the property (Buy Back)? Additionally, after completing all necessary RIBA stages and associated fees, is there a viable pay-back period within 30-50 years?
- Is this sustainable for RBC?

Only after thorough review and fulfilment of these criteria will RBC proceed with the acquiring the specified property or acquisition, in accordance with RBC's Buy Backs and Acquisitions Policy.

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**Executive**

**8<sup>th</sup> July 2025**

**Financial and Performance Outturn Report 2024/25**

Relevant Portfolio Holder	Councillors Jane Spilsbury and Ian Woodall
Portfolio Holder Consulted	Yes
Relevant Head of Service	Debra Goodall
Report Authors	Assistant Director of Finance and Customer Services <a href="mailto:Debra.Goodall@bromsgroveandredditch.gov.uk">Debra.Goodall@bromsgroveandredditch.gov.uk</a> Policy Manager <a href="mailto:r.green@bromsgroveandredditch.gov.uk">r.green@bromsgroveandredditch.gov.uk</a>
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. SUMMARY**

The purpose of this report is to set out the Council's Revenue and Capital Outturn position for the financial year April 2024 – March 2025 (subject to final accounts closedown procedures and audit).

**2. RECOMMENDATIONS**

**Executive are asked to resolve that:**

- 1) The 2024/25 outturn position in relation to revenue budgets is a revenue underspend of £4k and that this excludes the Balance Sheet Monitoring for the Treasury Monitoring Report as this will be taken as a separate report.**
- 2) The proposed carry-forward of Homelessness Prevention Grant funding to fund the Neighbourhood Tenancy Restructure as outlined in Paragraph 3.15 be noted.**
- 3) The 2024/25 outturn position in relation to Capital expenditure is £7.951m against a total approved programme of £20.508m be noted.**
- 4) The outturn position in respect of the General Fund Reserves which was at £7.822m on the 31 March 2025 be noted.**
- 5) The outturn position in respect of Earmarked Reserves be noted.**

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- 6) HRA net revenue expenditure is break even after a lower than planned use of balances at year end and that Capital Expenditure is £3.062m more than budget.
- 7) There is an updated procurement's position set out in Appendix C, with any new items over £200k to be included on the forward plan.
- 8) The Quarter 4 Performance data for the period January to March 2025 be noted.

**3. KEY ISSUES**

**Financial Implications**

- 3.1 This report sets out the draft financial outturn revenue and capital performance of the Council for 2024/25 against budget.
- 3.2 The £10.8m full year revenue budget included in the table below is the budget that was approved by Council in February 2024.
- 3.3 The Finance team have undertaken a detailed review of the 2024/25 accounts since year end including:
  - Accruals and prepayments,
  - Recharges have been made to and from the Housing Revenue Account (HRA),
  - Grants are applied to known expenditure and remaining balances are carried forward,
  - Reserves are applied to known expenditure,
  - Shared service recharges between Redditch Borough and Bromsgrove District Councils where a shared service arrangement exists and
  - Transfers between the Collection Fund and the General Fund.
- 3.4 The revenue outturn position is a £4k underspend. At Q3, the reported forecast position was an overspend of £138k. The favourable movement of £142k is due to services previously prudently assuming higher operating costs and lower recharge costs for their areas of the Shared Service arrangements.

<b>Service Description</b>	<b>2024-25 Approved Budget</b>	<b>2024-25 Actual Spend</b>	<b>2024-25 Variance</b>
Business Transformation and Organisational Development	1,781,837	1,850,478	68,641
Community and Housing GF Services	1,742,562	1,367,045	-375,517
Corporate Services	-1,996,267	-2,834,560	-838,294
Environmental Services	2,701,088	4,082,067	1,380,979
Financial and Customer Services	2,067,408	3,169,918	1,102,509
Legal, Democratic and Property Services	2,098,369	2,399,120	300,751
Planning, Regeneration and Leisure Services	1,067,182	1,313,223	246,041
Regulatory Client	562,038	663,281	101,243
Rubicon Client	777,747	1,023,283	245,536
<b>Grand Total</b>	<b>10,801,965</b>	<b>13,033,854</b>	<b>2,231,889</b>



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Service Description	2024-25 Approved Budget	2024-25 Actual Spend	2024-25 Variance
Corporate Financing	-10,801,965	-13,038,347	-2,236,382
<b>Grand Total</b>	<b>-10,801,965</b>	<b>-13,038,347</b>	<b>-2,236,382</b>
<b>TOTALS</b>	<b>0</b>	<b>-4,494</b>	<b>-4,494</b>

- 3.5 The following paragraphs set out the variances for each service area against the 2024/25 revenue budget:

**Business Transformation & Organisational Development – outturn position £69k overspend**

Within Business Transformation & Organisational Development the overspend of £69k is due to:

- Human Resources overspent by £66k due to additional costs of Professional Fees (£15k), ICT Purchases (£10k), Insurance (£6k) and a reduction in Shared Service income of £35k.
- ICT overspent by £25k due to Telephone costs.

These overspends were offset by lower-than-expected costs by £22k in those areas where the Council is charged for the Shared Service arrangements in place.

**Community and Housing General Fund Services - outturn position £376k underspend**

Within the Community and Housing General Fund Services the underspend of £376k is due to a number of factors:

- Community Safety underspent £460k due to savings of £22k on Furniture & Equipment Maintenance, £10k of Telephones plus additional grant income of £89k. There were also higher charges by £339k within the area where the Council is charged for the Shared Service arrangement in place.
- Housing & Enabling underspent by £592k due to additional funding of £90k received, savings of £60k on Salaries due to vacant posts and increased income of £442k due to the recharges generated from the services it operates as a Shared Services.
- Community Transport (including shop mobility) overspent by £153k due to increased Salaries of £45k, drop of income against budget of £61k, additional costs on Fleet Maintenance of £25k, Electricity Costs of £6k together with a number of smaller variances of £16k.
- Housing Options overspent by £270k due to increased Salary costs of £206k and increased Grant payments of £64k.
- Lifeline overspent by £253k due to increased Salary costs of £62k, insurance of £7k, Furniture & Equipment purchase and maintenance of £45k together with unachieved Shared Service income of £139k.

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**Corporate Services – outturn position £838k underspend**

Within Corporate Services, there is a large underspend due to the necessary reallocation of corporate provisions on salaries, inflation, and utilities. The Council is currently undergoing an establishment exercise which will ensure the correct allocation of these provisions across all services. This will now be actioned for the 25/26 budget.

**Environmental Services – outturn position £1.381m overspend**

Within Environmental Services, the overspend of £1.381m is due to:

- Bereavement Services overspent by £393k due to a loss of income amounting to £192k, additional expenditure on Furniture & Equipment maintenance and purchase of £103k, spend on Materials and Others of £52k and an additional spend on Professional Fees of £46k to various suppliers.
- Car Park/Civil Enforcement overspent by £15k due to £50k additional spend with Wychavon District Council offset by additional income of £24k and lower spend on Building Maintenance of £11k.
- Depot overspent by £58k due to additional Fleet Maintenance of £16k and an overspend on Equipment Maintenance and Materials of £42k.
- Engineering overspent by £143k due to £80k in Insurance claims and £63k on Shared Service Arrangements.
- Place Teams overspent by £300k due to £72k on Fleet Maintenance and Fuel, £14k loss of Income on Bulky Waste, £35k additional spend on Insurance, £11k on Materials and £168k from recharges for the Shared Service Arrangements.
- Tree & Woodland Management overspent by £152k due to additional spend on Tree Works.
- Waste Operations overspend of £320k due to an additional spend of £170k on Fleet Fuel & Maintenance and £150k from recharges for the Shared Services.

**Financial & Customer Services - outturn position £1.103m overspend**

Within Financial & Customer Services, the overspend of £1.103m is due to:

- Audit Services overspent by £26k due to additional Internal Audit costs.
- Benefits underspent by £131k due to saving of £76k on salaries due to vacant posts and savings on general costs of £55k.
- Finance overspent by £853k due to the recruitment of agency staff to clear the backlog of Statement of Accounts which is now complete. There are also mitigating factors as far as there are difficulties countrywide in the recruitment of staff which has now been made more difficult due to Local Government Reform. There was also an overspend on TechOne system support of £85k together with other overspends on Asset Valuations (£47k), Professional Fees (£115k on VAT support) and ICT Costs (£295k on TechOne and E-Fin licences).
- Revenues overspent by £355k including £83k on agency costs and £272k on Civica System.

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**Legal, Democratic and Property Services – outturn position £301k overspend**

Within Legal, Democratic and Property Services there was an overspend of £301k due to:

- Business Development had an underspend of £69k due to savings on Salaries.
- Democratic Services showed an overspend of £31k due to additional Shared Service costs charged to the Council.
- Facilities Management overspent by £339k which is made up of £218k overspend on Salaries and Agency costs, Insurance of £50k, surveyors fees of £21k, Building Maintenance of £34k and Contract Payments of £16k.

**Planning, Regeneration and Leisure Services – outturn position £246k overspend**

Within Planning, Regeneration and Leisure Services there is an overspend of £246k due to:

- Development Control overspent by £54k due to a drop in Planning Income.
- Economic Development overspend of £77k is due to a number of smaller variances within the service such as increased Property Income of £35k offset by increased spend on Utilities of £35k but the main overspend is due to Shared Services as a result of charges dating back over the period 2021 - 2024.
- Parks, Open Spaces and Events overspend of £81k due to £29k additional spend on Agency Costs, £27k on Insurance, £10k on Fleet Maintenance and £15k other net variations.
- Planning Policy overspend of £50k due to additional Professional Fees of £26k and Shared Services of £24k.
- Town Centre underspend of £16k due to additional Grant Income received.

**Regulatory Client – outturn position £101k overspend**

Within Regulatory Client, the overspend of £101k is due to additional management costs of Worcestershire Regulatory Services (WRS).

**Rubicon Client – outturn position £246k overspend**

Within Rubicon Client, there was an overspend of £50k on Building Maintenance due to the age of the buildings, £30k relating to VAT, £67k on Insurance and £100k in additional management charges.

**3.6 Cash Management**

**Borrowing**

- As of the 31st of March 2025, there were no short-term borrowings, and long-term borrowing had not changed from the previous year's amount of £103.9m

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Investments

- As at the 31<sup>st</sup> March 2025 there were £6.5m short-term investments held.

**Capital Monitoring**

- 3.7 A capital programme of £20.5m was approved in the Budget for 2024/25 in February 2024. Many of these schemes were already in partial delivery previous financial years. By approving this list, the Council also agreed sums not spent in previous financial years to be carried forward into 2025/26. The table also splits amounts by funding source, Council or third party.

Year	Total Programme	Council Funded	Grant Funded
2024/5	<b>20,507,674</b>	6,089,386	14,418,288
2025/6	<b>5,956,180</b>	2,302,316	3,653,864
2026/7	<b>4,938,263</b>	4,232,399	705,864
2027/8	<b>2,200,918</b>	1,495,054	705,864
2028/9	<b>3,680,154</b>	2,974,290	705,864

- 3.8 Included in this funding the Council also have the following Grant Funded Schemes which are being delivered in 2024/25:

The three Towns Fund schemes – Digital Manufacturing and Innovation Centre (DMIC), Library Public Square, and Public Realm which are funded via £15.2m of Government Funding. Since the change of administration at the elections in May, a report came to Cabinet and Council in July which set out that the library would not be part of the Town Hall Hub meaning that an alternative will be required for that spending. Work is ongoing on the final identification and delivery of alternatives as set out below. As part of this process, once costs for the DMIC are finalised an application will need to be made to Birmingham City Council for Greater Birmingham & Solihull LEP funds and Black County LEP for a further funding of £2.425m.

- 3.9 The Library will now not move to the Town Hall to become part of the Town Hall Hub. This was agreed by the Council at meetings on the 29<sup>th</sup> July. Following a decision by the Town Deal Board on 30 January 2025 and the approval of MHCLG to a project adjustment request to allocate the funding and extend the spend period to March 2027, the funding originally allocated to this project has now been reallocated as follows:
- Invest £3.937m in the Digital Manufacturing and Innovation Centre (DMIC) with improved outputs and outcomes.
  - Invest £0.263m in additional public realm improvements.

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- 3.10 DMIC – Designs for DMIC are continuing to progress in line with the available budget of £14,792,435. Funding consists of £11,937,000 Town Deal Capital; £400,000 Town Deal Revenue; £2,425,000 GBS LEP; £30,435 UKSPF. GBS LEP funds are ringfenced but subject to the development and approval of full business case. Stage 3 designs are nearing completion. The construction phase is scheduled to commence in January 2026 with anticipated 52-week construction programme. The site has already been cleared and is ready for development. Additional enabling works are currently taking place, so that construction can commence promptly following main contractor appointment later in the year.
- 3.11 Public Realm – Redditch Public Realm works are under construction and remain on track to complete in line with original Town Deal timescales (end of March 2026). Total funding to complete these works is £3,626,000 which consists of £3,263,000 Town Deal Capital; additional £263,000 MHCLG funding; £176,000 Section 106; and £224,000 Council Capital.
- 3.12 Reports were received by Executive in July and September setting out a new design for the Town Hall Hub which now does not include the Library. Conversations are taking place with prospective new tenants. There will be a write-off of design works that have been expended in relation to the library as this is not able to be capitalised. A gateway review is now being undertaken to assess the overall funding position for the Town Hall.
- 3.13 The outturn spend is £7.951m against the overall 2024/25 capital budget totalling £20.508m is detailed in Appendix B. It should be noted that as per the budget decision carry forwards of £7.948m has been rolled forward from 2023/24 into 2024/25 to take account of slippage from 2023/24.

**Earmarked Reserves**

- 3.14 The position as reported to Council in February 2024 as per the 2024/25 – 2026/27 Medium Term Financial Plan (MTFP) is shown in Appendix C. This has been adjusted for the actual 2023/24 Outturn position, which was only estimated based on Q3 monitoring information at the time of the MTFP. As part of the MTFP, all reserves were thoroughly reviewed for their requirement and additional reserves set up for inflationary pressures such as utility increases. At the 31<sup>st</sup> March 2025, the Council holds £16.046m of Earmarked Reserves.
- 3.15 There is also a further proposed transfer from reserves of £175k for the Homelessness Prevention Grant. This will be utilised to fund the costs of Neighbourhood and Tenancy Service, with £108k being drawn down in 2025/26 and the balance in 2026/27.

**General Fund Position**

- 3.16 The General Fund Balance as at the 31st March 2025 is £7.822m and is projected to rise in the MTFP to £7.852m at the 31st March 2026.

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**HRA Position**

3.17 The HRA budget totalling £28.4m was approved in February 2024 and funded from rents, tenants' contributions, and balances. The approved capital programme for 2024/25 totals £11.825m.

3.18 The outturn is summarised in the table below:

**HOUSING REVENUE 2024/25 FINAL OUTTURN**

		<b>2024/25 Full Year Budget £'000</b>	<b>2024/25 Actual Outturn £'000</b>	<b>2024/25 Actual Variance £'000</b>
<b><u>INCOME</u></b>				
Dwelling Rents	DR	-27,443	-28,044	-601
Non-Dwelling Rents	NDR	-613	-506	107
Tenants' Charges for Services & Facilities	CSF	-617	-832	-215
Contributions towards Expenditure	CTE	-125	-312	-187
<b>Total Income</b>		<b>-28,798</b>	<b>-29,693</b>	<b>-895</b>
<b><u>EXPENDITURE</u></b>				
Repairs & Maintenance	R&M	6,992	7,622	630
Supervision & Management	S&M	8,877	8,659	-218
Rent, Rates, Taxes & Other Charges	RRT	576	769	192
Provision for Bad Debts	BDP	576	152	-424
Depreciation & Impairment of Fixed Assets	DEP	6,487	7,256	768
Interest Payable & Debt Management Costs	INT	4,179	4,183	4
<b>Total Expenditure</b>		<b>27,687</b>	<b>28,639</b>	<b>952</b>
<b>Net cost of Services</b>		<b>-1,111</b>	<b>-1,053</b>	<b>57</b>
<b>Net Operating Expenditure</b>		<b>-1,111</b>	<b>-1,053</b>	<b>57</b>
Interest Receivable	IR	-234	-130	103
Revenue Contribution to Capital Outlay	RCCO	0	0	0
Planned use of Balances	UB	1,344	1,184	-160
<b>Transfer to Earmarked Reserves</b>	<b>TER</b>	<b>0</b>	<b>0</b>	<b>0</b>

3.19 The main variances that have contributed to this are:

- Dwelling Rents – Additional weekly rental received as 49 weeks rent received in 24/25.
- Repairs & Maintenance – Overspend on materials and agency staff but offset by underspend in other areas (staffing vacancies).
- Supervision & Management – Variance is due to vacancies, posts left vacant due to the ongoing review of the Housing Services function.
- Rent, Rates, Taxes & Other Charges – Increase in insurance premiums, disrepair claims by tenants have increased.

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- Provision for Bad Debts – Arrears did not increase year on year as anticipated. Reduced bad debt provision for current year.
- Depreciation & Impairment of Fixed Assets – Increase in the average price of key components of HRA dwellings.

3.20 In addition to this, the current HRA capital programme budget has an outturn spend of £14.887m against a £11.825m budget. The £3.062m overspend is primarily as a result of:

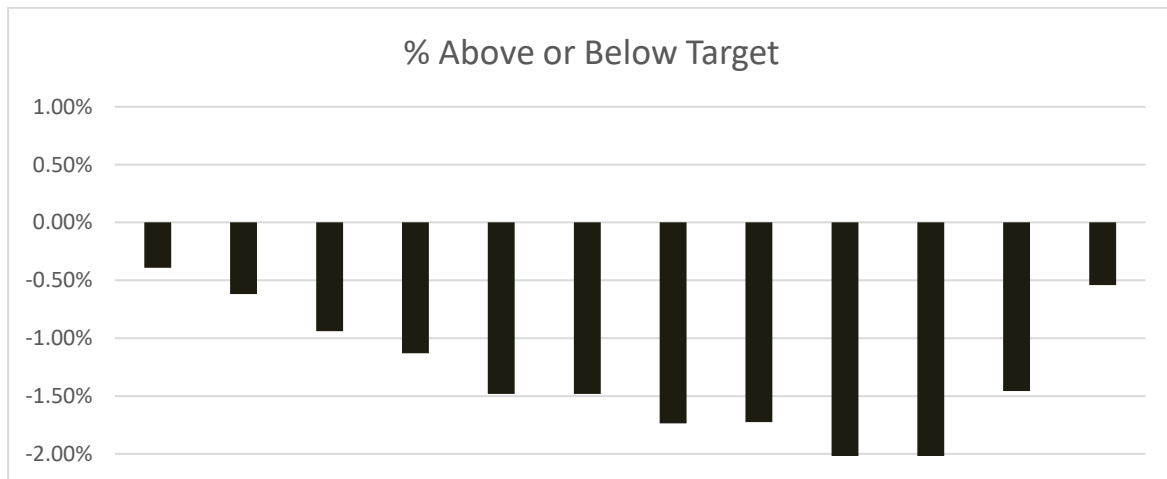
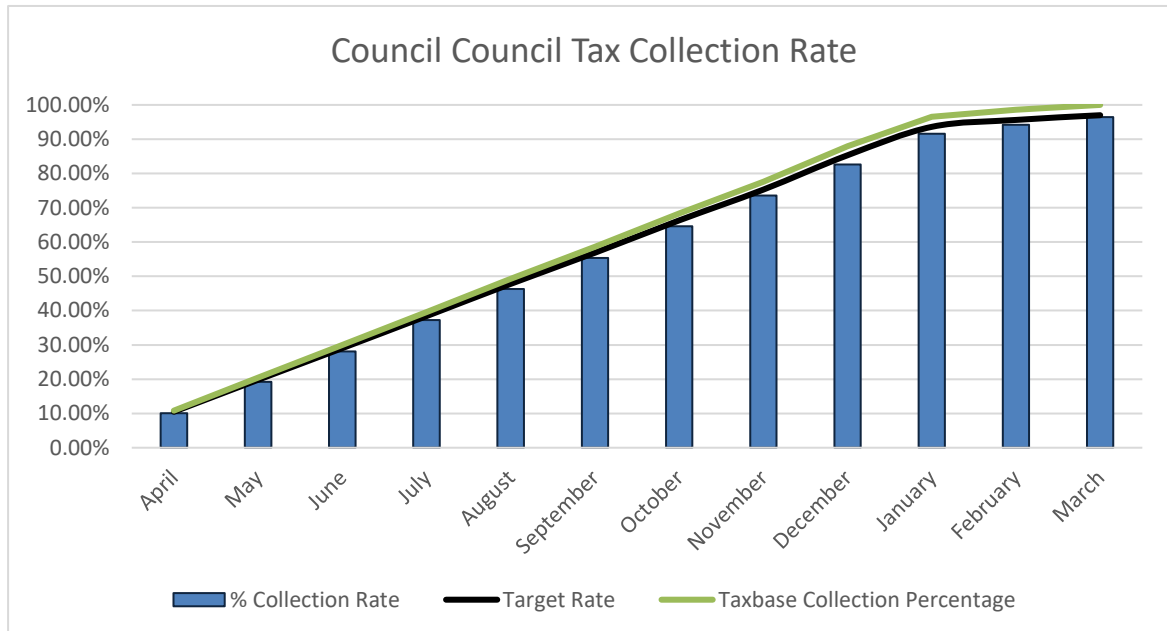
- **Major Voids Works - £1.016m Overspend**  
This budget is based on reactive voids that require two or more elements to be replaced (e.g. Kitchen and bathroom). The volume and condition of these varies year on year. Whilst the number of voids is unpredictable, work is currently underway to assess future reductions in scope and therefore cost.
- **HRA Energy Efficiency - £924k Overspend**  
Through 23/24 the project was mobilised resulting in an underspend in 23/24. Retrofit works were delivered at a cost in 24/25.
- **Internal Refurbishment - £753k Overspend**  
The contractors have mobilised and undertaken significant works through the financial year. More work has been carried out in properties as needed to ensure compliance with statutory regulations.
- **Disabled Adaptations - £48k Overspend**  
This contract has been running for 16 months and has now cleared the backlog of priority cases requiring adaptation works including level access showers. Demand is still high however, there are ongoing discussions with Occupational Therapists in dealing with demand. The backlog of old properties has now been cleared, with newly arising need now dealt with in a timelier manner.
- **Door Entry/CCTV - £39k Overspend**  
Following delays to project delivery in 22/23 the schemes and underspend were brought forward. Through the course of the year 4 new systems were also replaced due to age and being uneconomical to repair in order to maintain and enhance security to the blocks of flats affected.
- **External Improvements - £153k Overspend**  
The external improvements included roof replacements which were reactive and could not be predicted. Additional roofing works , replacement doors and windows have been identified.
- **Disrepair Cases - £129k Overspend**  
The number of cases significantly increased in 22/23 and 23/24 and our ability to identify the scope of works and access to properties is reliant on the tenant and their legal representatives.

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**Financial Performance**

- 3.21 Council Tax collection rate data for the financial year 2024/25 is set out in the following tables. Overall, collection was just over 0.5% below target.

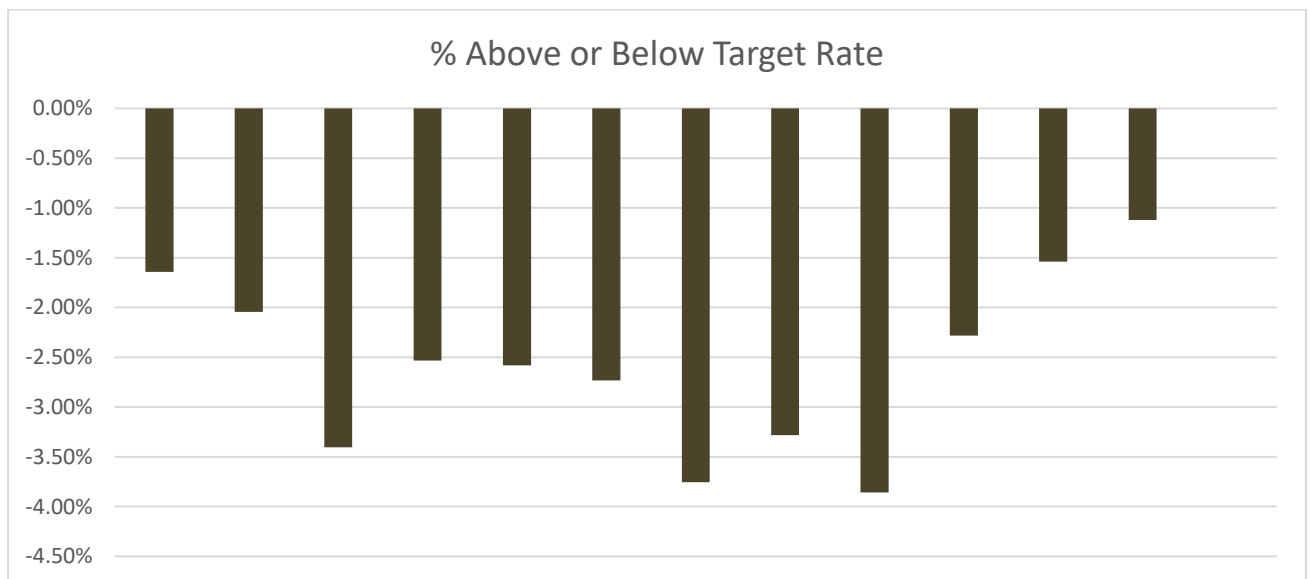
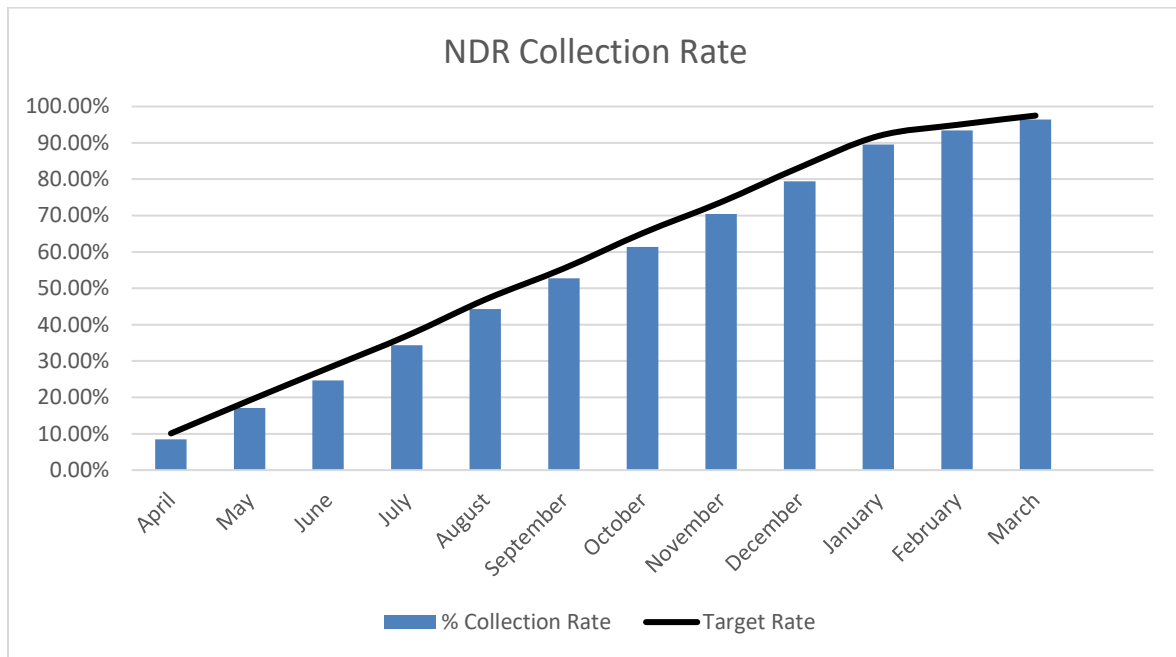


- 3.22 The National Non-Domestic Rates collection rate data for the financial year 2024/25 is set out in the following tables. Overall, collection was just over 1.0% below target.



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#### **Q4 Performance data**

- 3.23 The format of the performance report has been updated to create a summary document, in preparation for all data to be held within the Power BI platform by the end of 2025/26.
- 3.24 This summary document is still under development and further targets will be agreed in the next quarters reporting.
- 3.25 A small number of new measures will also be included in future reports; these are currently under development.

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- 3.26 Certain measures which have previously been reported as part of the quarterly performance data have now been removed, as these data sets are already being presented through other reporting mechanisms. This includes operational housing data and Rubicon figures.

**4. Legal Implications**

- 4.1 No Legal implications have been identified.

**5. Strategic Purpose Implications**

**Relevant Strategic Purpose**

- 5.1 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**

- 5.2 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.

**6. Other Implications**

**Customer / Equalities and Diversity Implications**

- 6.1 None as a direct result of this report.

**Operational Implications**

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

**7. RISK MANAGEMENT**

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

**8. APPENDENCES**

Appendix A – Capital Outturn  
Appendix B – Reserves Position  
Appendix C – Procurement Pipeline  
Appendix D – Performance Indicators

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**AUTHOR OF REPORT**

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**Appendix A - 2024/25 Capital Outturn**

Cap Proj	Description	2023/24 Total £	23/24 Spend £	c/f	2024/25 Total (Original) £	2024/25 Total (Incl C/F's) £	2024/25 Spend £
	<b>Large Schemes</b>						
	<b>Towns Fund</b>						
200053	- Innovation Centre	2,500,000	0	2,500,000	4,000,000	6,500,000	385,811
200054	- Public Realm	2,000,000	611,449	1,388,551	1,700,000	3,088,551	1,788,755
200055	- Library	1,500,000	18,574	1,481,426	1,439,000	2,920,426	0
100102,100 108-12	- Town Hall Redevelopment	1,000,000	596,960	403,040	5,100,000	5,503,040	569,697
	<b>UK Shared Prosperity Fund</b>						
100100	- Remainder (to be allocated)	607,294	0	607,294	1,591,109	2,198,403	2,198,403
	<b>Other Schemes</b>						
100004	Car Park Maintenance	150,000	34,228	115,772	150,000	265,772	225,049
100007	Disabled Facilities Grant	839,000	796,216	42,784	839,000	881,784	934,995

Cap Proj	Description	2023/24 Total £	23/24 Spend £	c/f	2024/25 Total (Original) £	2024/25 Total (Incl C/F's) £	2024/25 Spend £
100009	GF Asbestos	0	0	0	38,000	38,000	0
100010	Grassland Mitigation measures- recreating and monitoring grassland habitats in MS and AVCP	0	0	0	5,864	5,864	0
100011	Hedgerow Mitigation measures by restoration and hedge laying with associated fencing and gates at AVP SHM and AVP North	0	0	0	21,500	21,500	0
100012	HMO Grants	25,000	13,500	11,500	25,000	36,500	0
100013	Home Repairs Assistance	40,000	0	40,000	40,000	80,000	0
100018	Improvement to original Pump Track at AVCP	0	86,092	-86,092	60,606	-25,486	4,242
100020	Morgan Stanley Park Infrastructure - Pitch Improvement	0	0	0	25,000	25,000	1,998
100026	Morgan Stanley Park Infrastructure - General Improvements	0	0	0	8,000	8,000	6,500
100032	Public Building	250,000	224,097	25,903	250,000	275,903	386,579
100035	Fleet Replacement new line	843,000	16,750	826,250	2,663,000	3,489,250	402,831

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Cap Proj	Description	2023/24 Total £	23/24 Spend £	c/f	2024/25 Total (Original) £	2024/25 Total (Incl C/F's) £	2024/25 Spend £
100037	Removal of 5 weirs through Arrow Valley Park	414,000	0	414,000	0	414,000	0
100040	Sports Contributions to support improvements to Outdoor facilities at Terry Field	0	0	0	3,000	3,000	0
100042	Lifeline Improvements	0	0	0	120,000	120,000	0
100043	Wheelie Bin purchase	100,000	42,079	57,921	100,000	157,921	78,707
100088	Holly Trees Children Centre Improvements	0	0	0	6,000	6,000	0
100097	Arrow Valley Country Park Access Road	0	0	0	26,634	26,634	35,708
100112	Fire compartmentation works in Corporate buildings	100,000	28,248	71,752	0	71,752	201,595
100119	Play Areas - Surface Replacement	0	0	0	10,000	10,000	99,994
100121	AVCP - Car Park Extension 25 Spaces	0	0	0	95,000	95,000	110,745
100135	Arrow Valley Visitor Centre Improvements	0	0	0	350,000	350,000	256,749
100137	Final Play Area Changes	0	0	0	263,386	263,386	19,287

Cap Proj	Description	2023/24 Total £	23/24 Spend £	c/f	2024/25 Total (Original) £	2024/25 Total (Incl C/F's) £	2024/25 Spend £
100139	Movement of ICT Cyber Capital Works Forward	0	0	0	-50,000	-50,000	0
100140	Cyber Security Updates	0	0	0	25,000	25,000	0
100141	Morgan Stanley Park - Footpaths	0	0	0	16,500	16,500	0
100142	Hedge and Shrub Removal	0	0	0	40,000	40,000	0
100143	Fleet Costs	0	0	0	585,000	585,000	0
100144	PRS Housing ICT System	0	0	0	30,000	30,000	0
100146	Play Area Changes - Pre Audit	0	0	0	155,000	155,000	0
100147	AVCP - Parking Bays near Visitor Centre	0	0	0	12,000	12,000	0
100148	Increased Building Maintenance Costs	0	0	0	150,000	150,000	0
110007	Forge Mill and Bordelsey Open Space Improvements	0	0	0	3,000	3,000	0
110009	Greenlands Sports Pitches MUGA	0	0	0	21,000	21,000	0

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110012	Play Area improvements at Birchfield Road,/Headless Cross Rec Ground. 17/00737/FUL	0	0	0	7,575	7,575	0
110018	Cisco Network Update	5,463	0	5,463	0	5,463	0
110019	Server Replacement Est(Exact known Q2 2022)	2,000	93,201	-91,201	177,500	86,299	0
110020	Laptop Refresh	25,000	11,542	13,458	150,000	163,458	130,722
110021	Ipsley Church Lane Cemetary	125,000	2,037	122,963	125,000	247,963	2,000
110036	Footpaths	75,000	66,444	8,556	75,000	83,556	111,292
	<b>Total</b>	<b>10,600,757</b>	<b>2,684,267</b>	<b>7,948,990</b>	<b>20,507,674</b>	<b>28,456,663</b>	<b>7,951,659</b>

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### Appendix B - Earmarked Reserves

	31-Mar-24	Changes	2024/25	2024/25	31-Mar-25	2025/26	2025/26	31-Mar-26	2026/27	2026/27	31-Mar-27	2027/28	2027/28	31-Mar-28
	£000		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>General Fund Balances</b>	<b>7,221</b>	<b>1,140</b>		<b>(539)</b>	<b>7,822</b>	<b>30</b>		<b>7,852</b>		<b>(435)</b>	<b>7,417</b>		<b>(345)</b>	<b>7,072</b>
<b>General Fund:</b>														
Business Rates Retention Scheme	4,560	0	0	0	4,560	0	0	4,560	0	0	4,560	0	0	4,560
Community Development	74	0	0	0	74	0	0	74	0	0	74	0	0	74
Community Safety	211	0	0	0	211	0	0	211	0	0	211	0	0	211
Corporate Services	2,594	(550)	0	0	2,044	0	(880)	1,164	0	0	1,164	0	0	1,164
Customer Services	183	0	0	0	183	0	0	183	0	0	183	0	0	183
Economic Growth	718	0	0	0	718	0	0	718	0	0	718	0	0	718
Electoral Services	63	0	0	0	63	0	0	63	0	0	63	0	0	63
Environmental Vehicles	29	0	0	0	29	0	0	29	0	0	29	0	0	29
Equipment replacement	25	0	0	0	25	0	0	25	0	0	25	0	0	25
Financial Services	149	(149)	0	0	(1)	0	0	(1)	0	0	(1)	0	0	(1)
Human Resources Backlog		75	0	0	75	0	0	75	0	0	75	0	0	75
ICT Backlog		74	0	0	74	0	0	74	0	0	74	0	0	74
General Risk reserve	45	0	0	0	45	0	0	45	0	0	45	0	0	45
Housing Benefit Implementation	270	0	0	0	270	0	0	270	0	0	270	0	0	270
Housing Support	1,535	0	0	0	1,535	0	0	1,535	0	0	1,535	0	0	1,535
Land Drainage	129	0	0	0	129	0	0	129	0	0	129	0	0	129
Planning Services	692	0	0	0	692	0	0	692	0	0	692	0	0	692
Sports Development	(18)	0	0	0	(18)	0	0	(18)	0	0	(18)	0	0	(18)
Town Centre	7	0	0	0	7	0	0	7	0	0	7	0	0	7
Warmer Homes	16	0	0	0	16	0	0	16	0	0	16	0	0	16
Transformational Growth	123	0	0	0	123	0	0	123	0	0	123	0	0	123
Pensions	201	0	0	0	201	0	0	201	0	0	201	0	0	201
Regeneration Income	602	0	0	0	602	0	(300)	302	0	0	302	0	0	302
Restart Grants	2,900	0	0	0	2,900	0	0	2,900	0	0	2,900	0	0	2,900
Utilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DMC Start Up					0	600	0	600	0	(300)	300	0	(300)	0
Ward Budgets	0	0	0	0	0	180	(60)	120	0	(60)	60	0	(60)	(60)
Property Services Review					0	100	(100)	0			0			0
EPR Funding Allocationb					0	814	(100)	714		(356)	358		(356)	(356)
Covid-19 (General)	2,006	(590)	0	0	1,416	0	0	1,416	0	0	1,416	0	0	1,416
Covid-19 (Collection Fund)	55		0	0	55	0	0	55	0	0	55	0	0	55
<b>TOTALS</b>	<b>17,186</b>	<b>(1,140)</b>	<b>0</b>	<b>0</b>	<b>16,046</b>	<b>1,694</b>	<b>(1,440)</b>	<b>16,300</b>	<b>0</b>	<b>(716)</b>	<b>15,584</b>	<b>0</b>	<b>(716)</b>	<b>14,868</b>

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### Appendix C - Procurement Pipeline

Council	Contract Title	Department
	<b>Over £200,000</b>	
Redditch	DMIC Build	Regeneration
Redditch	Fleet Replacement	Environmental Services
Redditch	Fleet replacement	Housing Property Services
Redditch	Civil Engineering Works	Housing Property Services
Redditch	Remodel - Auxerre House	Housing Property Services
Redditch	Void Contract	Housing Property Services
Redditch	Communal Boiler Replacement	Housing Property Services
Redditch	Refurbishment of The Anchorage	Housing Property services
Redditch	Microsoft Licenses	ICT
Redditch	Fire Alarm and Emergency Lighting Servicing, Installation, Repairs and Maintenance	Housing Property Services
Redditch	Commercial Heating Systems Servicing, Maintenance, Repairs and Installations	Housing Property Services
Redditch	Data Sims	Housing Property Services
Redditch	Door entry, access control planned, responsive maintenance	Housing Property Services
Redditch	Lift Installation and Refurbishment	Housing Property Services
Redditch	Fencing and ground works	Housing Property Services
Redditch	Refuse and Recycling products	Supplies
Redditch	Vehicle Hire	Environmental - Fleet
	<b>£50,000 to £200,000</b>	
Redditch	Banners Ln & Lodge Pool Dr play area refurbishments	Parks / Leisure
Redditch	Fire Compartmentation Corporate Buildings	Property Services
Redditch	On Demand Revenues and Benefits	Finance and Customer Services
Redditch	Throckmorton Rd & Greenlands PL Field play upgrades	Parks / Leisure
Redditch	New Cemetery	Environmental Services
Redditch	Gutter and window cleaning	Housing Property Services
Redditch	Payment Processing	Finance
Redditch	Warden Call System St Davids House	Housing Property Services
Redditch	Employers Agents - Procurement	Housing Strategy / Development
Redditch	Install warden call system at St Davids House	Housing property Services
	<b>Over £200,000 Purchased by Partner</b>	
Joint	Corporate Building Electrical contract	Property Services
Joint	Public Space CCTV Maintenance	CCTV and Lifeline
Joint	Fire alarm, Extinguisher contract service contract	Property Services
Joint	Lifeline Call handling	CCTV and Lifeline
Joint	Virtual Permits and pay by App for parking	



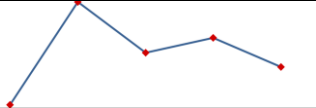

**Executive**

**8<sup>th</sup> July 2025**


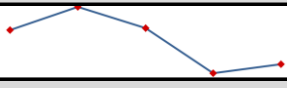
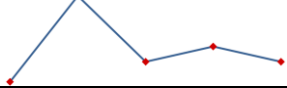

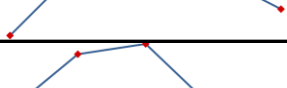


**Appendix D - Performance Indicators**

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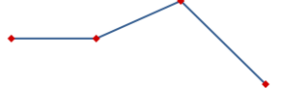
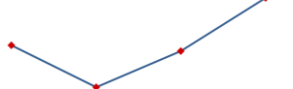


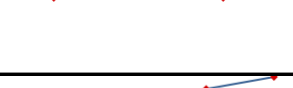
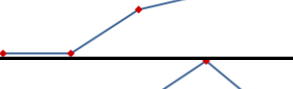
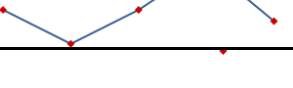
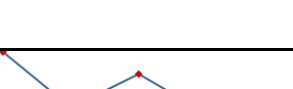

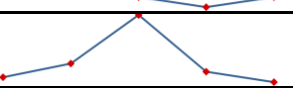

Economy, Regeneration & Prosperity

Measure name	Type	Q4 23/24	Q1 24/25	Q2 24/25	Q3 24/25	Q4 24/25	Target / Average	Aim	Trend
Business grant funding being taken up- start up	£	£0	£13,412.00	£6,806.67	£8,723.72	£4,955.56		⬆️	
Business grant funding being taken up- growth	£	£2,571.50	£16,646.70	£21,690.00	£17,962.76	£43,123.68		⬆️	

Green, Clean & Safe

Measure name	Type	Q4 23/24	Q1 24/25	Q2 24/25	Q3 24/25	Q4 24/25	Target / Average	Aim	Trend
% household waste recycled or composted	%	34.54	30.82	35.29	30.14	33.19		⬆️	
Target will be agreed following service review and implementation of major changes to recycling as a result of food waste requirements.									
# flytips	#	620	720	628	434	473		⬇️	
The number of fly tips has increased slightly from the previous quarter but is significantly down on Q4 in 2023/24.									
Average time taken to remove fly-tipping reported	# days	2.3	4	2.7	3	2.7		⬇️	
No. of households supported by energy advice service (AoE)	#	168		384	368	349		⬆️	
% of green flags awarded	%				25	25	25	⬆️	
# crimes recorded (excluding ASB)	#	1451	1674	1623	1653	1538		⬇️	
ASB	#	242	329	345	245	268		⬇️	

Community & Housing

Measure name	Type	Q4 23/24	Q1 24/25	Q2 24/25	Q3 24/25	Q4 24/25	Target / Average	Aim	Trend
% of major planning applications determined within 13 weeks*	%	90	95	95	100	88.9	60%	⬆️	
% of minor planning applications determined within 8 weeks*	%	87.9	88.1	86.6	87.9	89.8	70%	⬆️	
No. of planning enforcement actions taken- cases opened	#					7			
No. of planning enforcement actions taken- cases closed	#					7			
% of Building Control applications determined within 5 weeks**	%				100	100	85	⬆️	
Number threatened with homelessness	#	5	5	16	20	23			
Number of homelessness preventions	#	3	0	3	7	2			
No. of households in temporary accommodation- snapshot	#					54		⬇️	
% of households in temporary accommodation- exceeded 6 weeks	%	20%	10%	16%	9%	7%	0	⬇️	
Void turnaround time	# days	31.3	28.7	21.7	20	21.7	22	⬇️	
Void rent loss	£	45364.42	53125.58	80839.22	48569.1	42650.55		⬇️	

\* or agreed extention      \*\* or 8 weeks on agreement with customer

Organisational Priorities

Measure name	Type	Q4 23/24	Q1 24/25	Q2 24/25	Q3 24/25	Q4 24/25	Target / Average	Aim	Trend
% of media enquiries responded to within agreed timescales	#				100	100	100	⬆️	
Council Tax Collection Rate	%		28.11%	55.39%	82.60%	96.46%	97.00%	⬆️	
Business Rates Collection Rate	%		24.66%	52.74%	79.41%	96.38%	97.50%	⬆️	
Housing Benefit: Speed of processing new claims	# days	18	26.3	20.7	17.3	13.7	20	⬆️	
Housing Benefit: Speed of processing change of circumstances	# days	5.7	8	9.7	7.3	4	7	⬆️	
Housing Benefit: Local Authority error rate	%	0.34	0.09	0.11	0.09	0.09	0.48	⬆️	
% complaints answered within agreed timescales	%	75	75.5	88.9	66.7	72.7	100%	⬆️	
Staff turnover rates	%	8.60%	8.90%	9.40%	8.50%	9.80%	15.60%	⬆️	
Sickness absence	# days per FTE	2.15	1.65	3.24	5.03	6.4	7.8	⬆️	

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**Treasury Management Strategy Outturn Report 2024/25**

Relevant Portfolio Holder	Councillor Woodall – Portfolio Holder for Finance and Governance
Portfolio Holder Consulted	Yes
Relevant Head of Service	Debra Goodall
Report Authors	Assistant Director of Finance and Customer Services Debra.Goodall@bromsgroveandredditch.gov.uk
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. SUMMARY**

The purpose of this report is to set out the annual outturn for 2024/25 on the Council's Capital and Treasury Management Strategies, including all prudential indicators.

**2. RECOMMENDATIONS**

**Cabinet are asked to RECOMMEND that Council:**

- 1) Note the Council's Treasury performance for the financial year 24/25.**
- 2) Note the position in relation to the Council's Prudential indicators.**

**3. BACKGROUND**

**Introduction**

- 3.1 The Authority has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Authority to approve, as a minimum, treasury management semi-annual and annual outturn reports.
- 3.2 This report includes the requirement in the 2021 Code, mandatory from 1<sup>st</sup> April 2023, of reporting the treasury management prudential indicators. The non-treasury prudential indicators are incorporated in the Authority's normal quarterly revenue report.

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- 3.3 The Authority's treasury management strategy for 2024/25 was approved in February 2024. The Authority has invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Authority's treasury management strategy.

**External Context**

- 3.4 **Economic background:** Both the UK and US elected new governments during the period, whose policy decisions impacted the economic outlook. The Chancellor of the Exchequer delivered her Spring Statement in March 2025, following her Budget in October 2024. Based on the plans announced, the Office for Budget Responsibility downgraded its predictions for UK growth in 2025 to 1% from 2%. However, it upgraded its predictions for the four subsequent years. Inflation predictions for 2025 were pushed up, to 3.2% from 2.6%, before seen as falling back to target in 2027. The market reaction to the Spring Statement was more muted compared to the Budget, with very recent market turbulence being driven more by US trade policy decisions and President Trump.
- 3.5 After revising its interest rate forecast in November following the Budget, the council's treasury management advisor, Arlingclose, maintained its stance that Bank Rate will fall to 3.75% in 2025.
- 3.6 UK annual Consumer Price Index (CPI) inflation continued to stay above the 2% Bank of England (BoE) target in the later part of the period. The Office for National Statistics (ONS) reported headline consumer prices at 2.8% in February 2025, down from 3.0% in the previous month and below expectations. Core CPI also remained elevated, falling slightly in February to 3.5% from 3.7% in January, just below expectations for 3.6% but higher than the last three months of the calendar year.
- 3.7 The UK economy Gross Domestic Product (GDP) grew by 0.1% between October and December 2024, unrevised from the initial estimate. This was an improvement on the zero growth in the previous quarter, but down from the 0.4% growth between April and June 2024. Of the monthly GDP figures, the economy was estimated to have contracted by 0.1% in January, worse than expectations for a 0.1% gain.
- 3.8 The labour market continued to cool, but the ONS data still require treating with caution. Recent data showed the unemployment rate rose to 4.4% (3mth/year) in the three months to January 2025 while the economic inactivity rate fell again to 21.5%. The ONS reported pay growth over the same three-month period at 5.9% for regular earnings (excluding bonuses) and 5.8% for total earnings.



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- 3.9 The BoE's Monetary Policy Committee (MPC) held Bank Rate at 4.5% at its March 2025 meeting, having reduced it in February. This follows earlier 0.25% cuts in November and August 2024 from the 5.25% peak. At the March MPC meeting, members voted 8-1 to maintain Bank Rate at 4.5%, with the one dissenter preferring another 25 basis points cut. The meeting minutes implied a slightly more hawkish tilt compared to February when two MPC members wanted a 50bps cut. In the minutes, the Bank also upgraded its Q1 2025 GDP forecast to around 0.25% from the previous estimate of 0.1%.
- 3.10 The February Monetary Policy Report (MPR) showed the BoE expected GDP growth in 2025 to be significantly weaker compared to the November MPR. GDP is forecast to rise by 0.1% in Q1 2025, less than the previous estimate of 0.4%. Four-quarter GDP growth is expected to pick up from the middle of 2025, to over 1.5% by the end of the forecast period. The outlook for CPI inflation showed it remaining above the MPC's 2% target throughout 2025. It is expected to hit around 3.5% by June before peaking at 3.7% in Q3 and then easing towards the end of the year but staying above the 2% target. The unemployment rate was expected to rise steadily to around 4.75% by the end of the forecast horizon, above the assumed medium-term equilibrium unemployment rate of 4.5%.
- 3.11 Arlingclose, the Authority's treasury adviser, maintained its central view that Bank Rate would continue to fall throughout 2025. From the cuts in August and November 2024 and February 2025 and May 2025, which took Bank Rate to 4.25%, August is considered the likely month for the next reduction, with other cuts following in line with MPR months to take Bank Rate down to around 3.75% by the end of 2025.
- 3.12 The US Federal Reserve paused its cutting cycle in the first three months of 2025, having reduced the Fed Funds Rate by 0.25% to a range of 4.25%-4.50% in December, the third cut in succession. Fed policymakers noted uncertainty around the economic outlook but were anticipating around 0.50% of further cuts in the policy rate in 2025. Economic growth continued to rise at a reasonable pace, expanding at an annualised rate of 2.4% in Q4 2024 while inflation remained elevated over the period. However, growth is now expected to weaken by more than previously expected in 2025, to 1.7% from 2.1%. The uncertainty that President Trump has brought both before and since his inauguration in January is expected to continue.
- 3.13 The European Central Bank (ECB) continued its rate cutting cycle over the period, reducing its three key policy rates by another 0.25% in March, acknowledging that monetary policy is becoming meaningfully less restrictive. Euro zone inflation has decreased steadily in 2025, falling to 2.2% in March, the lowest level since November 2024. Over the current calendar year, inflation is expected to average 2.3%. GDP growth stagnated in the last quarter of the 2024 calendar year, after expanding by 0.4% in the previous quarter. For 2025, economic growth forecasts were revised downwards to 0.9%.

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- 3.14 **Financial markets:** Financial market sentiment was reasonably positive over most of the period, but economic, financial, and geopolitical issues meant the trend of market volatility remained. In the latter part of the period, volatility increased and bond yields started to fall following a January peak, as the economic uncertainty around likely US trade policy impacted financial markets. Yields in the UK and US started to diverge in the last month of the period, with the former rising around concerns over the fiscal implications on the UK government from weaker growth, business sentiment and higher rates, while the latter started falling on potential recession fears due to the unpredictable nature of policy announcements by the US President and their potential impact.
- 3.15 The 10-year UK benchmark gilt yield started the period at 3.94% and ended at 4.69%, having reached a low of 3.76% in September and a high of 4.90% in January in between. While the 20-year gilt started at 4.40% and ended at 5.22%, hitting a low of 4.27% in September and a high of 5.40% in January. The Sterling Overnight Rate (SONIA) averaged 4.90% over the period.
- 3.16 The period in question ended shortly before US President Donald Trump announced his package of 'reciprocal tariffs', the immediate aftermath of which saw stock prices and government bond yields falling and introduced further uncertainty over the economic outlook.
- 3.17 Credit review: In October, Arlingclose revised its advised recommended maximum unsecured duration limit on most banks on its counterparty list to six months. Duration advice for the remaining five institutions, including the newly added Lloyds Bank Corporate Markets, was kept to a maximum of 100 days. This advice remained in place at the end of the period.
- 3.18 Fitch revised the outlook on Commonwealth Bank of Australia (CBA) to positive from stable while affirming its long-term rating at AA-, citing its consistent strong earnings and profitability.
- 3.19 Other than CBA, the last three months of the period were relatively quiet on the bank credit rating front, with a small number of updates issued for a number of lenders not on the Arlingclose recommended counterparty list.
- 3.20 On local authorities, S&P assigned a BBB+ to Warrington Council, having previously withdrawn its rating earlier in 2024, and also withdrew its rating for Lancashire County Council due to the council deciding to stop maintaining a credit rating. However, it still holds a rating with Fitch and Moody's. Moody's withdrew its rating of Cornwall Council after it chose to no longer maintain a rating.

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- 3.21 Credit default swap prices generally trended lower over the period but did start to rise modestly in March, but not to any levels considered concerning. Once again, price volatility over the period remained generally more muted compared to previous periods.
- 3.22 Financial market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remain under constant review.

**Local Context**

- 3.23 On 31<sup>st</sup> March 2025, the Authority had net borrowing of £97.43m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

	<b>31.3.24</b>	<b>31.3.25</b>
	<b>Actual</b>	<b>Actual</b>
	<b>£m</b>	<b>£m</b>
General Fund & Regeneration CFR	22.47	25.24
HRA CFR	122.20	126.80
<b>Total CFR</b>	<b>144.67</b>	<b>152.04</b>
External borrowing**	103.93	103.93
<b>Internal (over) borrowing</b>	<b>40.74</b>	<b>48.11</b>
Less: Usable reserves	-19.00	-18.10
Less: Working capital	-4.90	-4.90
<b>Net investments</b>	<b>16.84</b>	<b>25.11</b>

\* finance leases, PFI liabilities and transferred debt that form part of the Authority's total debt

\*\* shows only loans to which the Authority is committed and excludes optional refinancing

- 3.24 The treasury management position on 31<sup>st</sup> March and the change during the year is shown in Table 2 below.

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Table 2: Treasury Management Summary

	31.3.24 Balance £m	Movement £m	31.3.25 Balance £m	31.3.25 Rate %
Long-term borrowing				
- PWLB	98.93	0	98.93	3.35%
- LOBOs				
- Other	5.00	0	5.00	4.71%
Short-term borrowing				
<b>Total borrowing</b>	103.93	0	103.93	4.03%
Long-term investments				
Short-term investments	9.00	-2.50	6.50	4.92%
Cash and cash equivalents				
<b>Total investments</b>				
<b>Net borrowing</b>	<b>94.93</b>	<b>2.50</b>	<b>97.43</b>	

**Borrowing Strategy and Activity**

- 3.25 After substantial rises in interest rates since 2021 many central banks have now begun to reduce their policy rates, albeit slowly. Gilt yields were volatile but have increased overall during the period. Much of the increase has been in response to market concerns that policies introduced by the Labour government will be inflationary and lead to higher levels of government borrowing. The election of Donald Trump in the US in November is also expected to lead to inflationary trade policies.
- 3.26 The PWLB certainty rate for 10-year maturity loans was 4.80% at the beginning of the period and 5.42% at the end. The lowest available 10-year maturity rate was 4.52% and the highest was 5.71%. Rates for 20-year maturity loans ranged from 5.01% to 6.14% during the period, and 50-year maturity loans from 4.88% to 5.88%.
- 3.27 For the majority of the year the cost of short-term borrowing from other local authorities closely tracked Base Rate at around 5.00% - 5.25%. However, from late 2024 rates began to rise, peaking at around 6% in February and March 2025.

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- 3.28 CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Authority. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes. The Authority has no new plans to borrow to invest primarily for financial return.
- 3.29 **Loans Portfolio:** On 31st March, the Authority held £103.93m of loans, as part of its strategy for funding previous and current years' capital programmes. Outstanding loans on 31<sup>st</sup> March 2025 are summarised in Table 3 below.

Table 3: Borrowing Position

	31.3.24 Balance £m	Net Movement £m	31.3.25 Balance £m	31.3.25 Weighted Average Rate %	31.3.25 Weighted Average Maturity (years)
Public Works Loan Board	98,93		98,93	3.35%	23
Banks (LOBO)					
Banks (fixed term)	5.00		5.00	4.71%	25
Local authorities (long-term)					
Local authorities (short-term)					
<b>Total borrowing</b>	<b>103.93</b>		<b>103.93</b>		

**Treasury Investment Activity**

- 3.30 The CIPFA Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes (revised in 2021) defines treasury management investments as investments that arise from the organisation's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.
- 3.31 The Authority does not hold any invested funds, representing income received in advance of expenditure plus balances and reserves held. During the period, the Authority's investment balances ranged between £1.0 and £17.5 million due to timing differences between income and expenditure. The investment position is shown in table 4 below.

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Table 4: Treasury Investment Position

	31.3.24	Net	31.3.25	31.3.25	31.3.25
	Balance	Movement	Balance	Income Return	Weighted Average Maturity
	£'000	£'000	£'000	%	days
Banks & building societies (unsecured)					
Banks & building societies (secured deposits)					
Covered bonds (secured)					
Government					
Local authorities and other govt entities	7.50	-7.50	0.00	5.51%	90 days
Corporate bonds and loans					
Money Market Funds	0.00	6.50	6.50		
Total investments	9.00	-2.50	6.50		

- 3.32 Both the CIPFA Code and government guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 3.33 As demonstrated by the liability benchmark in this report, the Authority expects to be a long-term investor and treasury investments therefore include both short-term low risk instruments to manage day-to-day cash flows and longer-term instruments where limited additional risk is accepted in return for higher investment income to support local public services.
- 3.34 Bank Rate reduced from 5.25% to 5.00% in August 2024, again to 4.75% in November 2024 and again to 4.5% in February 2025 with short term interest rates being around these levels. The rates on DMADF deposits ranged between 4.70% and 5.19%.

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**Non-Treasury Investments**

- 3.35 The definition of investments in the Treasury Management Code now covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).
- 3.36 Investment Guidance issued by the Department for Levelling Up Housing and Communities (DLUHC) and Welsh Government also includes within the definition of investments all such assets held partially or wholly for financial return.

**Treasury Performance**

- 3.37 The Authority measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates, as shown in table 5 below.

Table 5: Performance

	Actual £m	Budget £m	Over/ under
<i>PWLB Maturity Loan 1</i>	15.00		
<i>PWLB Maturity Loan 2</i>	25.00		
<i>PWLB Maturity Loan 3</i>	40.00		
<i>PWLB Maturity Loan 4</i>	18.93		
<i>Barclays Loan</i>	5.00		
<b>Total borrowing</b>			
<i>PFI and Finance leases</i>			
<b>Total debt</b>	103.93	175.00	-71.07
<i>Short-term Investments</i>	6.50	10.00	-3.50
<b>Total treasury investments</b>	6.50	10.00	-3.50

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**MRP Regulations**

- 3.38 On 10<sup>th</sup> April 2024 amended legislation and revised statutory guidance were published on Minimum Revenue Provision (MRP). The majority of the changes take effect from the 2025/26 financial year, although there is a requirement that for capital loans given on or after 7<sup>th</sup> May 2024 sufficient MRP must be charged so that the outstanding Capital Financing Requirement (CFR) in respect of the loan is no higher than the principal outstanding less the Expected Credit Loss (ECL) charge for that loan.
- 3.39 The regulations also require that local authorities cannot exclude any amount of their CFR from their MRP calculation unless by an exception set out in law. Capital receipts cannot be used to directly replace, in whole or part, the prudent charge to revenue for MRP (there are specific exceptions for capital loans and leased assets).

**Compliance**

- 3.40 The Deputy Chief Executive and Section 151 Officer reports that all treasury management activities undertaken during the year complied fully with the principles in the Treasury Management Code and the Authority's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 6 below.

Table 6: Investment Limits

	2024/25 Maximum	31.3.25 Actual	2024/25 Limit	Complied? Yes/No
Any single organisation, except the UK Government	£4m each			
UK Central Government	Unlimited			
Unsecured investments with banks and building societies	£2.5m in total			
Loans to unrated corporates	£1m in total			
Money Market Funds	£20m in total	£6.5m	20m	Yes
Foreign countries	£5m per country			
Real Estate Investment Trusts	£2.5m in total			

- 3.41 Compliance with the Authorised Limit and Operational Boundary for external debt is demonstrated in table 7 below.



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**8th July 2025**

	2024/25 Maximum	31.3.25 Actual	2024/25 Operational Boundary	2024/25 Authorised Limit	Complied? Yes/No
Borrowing	175.00	103.93	170.00	180.00	Yes
PFI and Finance Leases	1.50	0	1.50	1.50	Yes
<b>Total debt</b>	<b>176.50</b>	<b>103.93</b>	<b>171.50</b>	<b>181.50</b>	

- 3.42 Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure

**Treasury Management Prudential Indicators**

- 3.43 As required by the 2021 CIPFA Treasury Management Code, the Authority monitors and measures the following treasury management prudential indicators.

**Liability Benchmark**

- 3.44 This indicator compares the Authority's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £2m required to manage day-to-day cash flow

	31.3.24 Actual	31.3.25 Actual	31.3.26 Forecast	31.3.27 Forecast
Loans CFR	144.67	149.26	153.79	158.21
Less: Balance sheet resources	-23.90	-21.80	-22.10	-23.20
<b>Net loans requirement</b>	<b>120.77</b>	<b>127.46</b>	<b>130.69</b>	<b>135.01</b>
Plus: Liquidity allowance	0.20	0.20	0.20	0.20
<b>Liability benchmark</b>	<b>120.97</b>	<b>127.66</b>	<b>130.89</b>	<b>135.21</b>
<b>Existing borrowing</b>	<b>103.93</b>	<b>103.93</b>	<b>113.22</b>	<b>116.87</b>

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Following on from the medium-term forecast above, the long-term liability benchmark assumes capital expenditure funded by borrowing of £118m, minimum revenue provision on new capital expenditure based on a 40-year asset life and income, expenditure and reserves all increasing by inflation of 2% p.a. This is shown in the chart below together with the maturity profile of the Authority's existing borrowing.

Maturity Structure of Borrowing

- 3.46 This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	Upper Limit	Lower Limit	31.3.25 Actual	Complied?
Under 12 months	50%	0%	0%	Yes
12 months and within 24 months	50%	0%	0%	Yes
24 months and within 5 years	50%	0%	0%	Yes
5 years and within 10 years	50%	0%	0%	Yes
10 years and above	100%	0%	0%	Yes

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

Long-term Treasury Management Investments

- 3.48 The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

	2024/25	2025/26	2026/27	No fixed date
Limit on principal invested beyond year end	£1.0m	£0.5m	£0.5m	
Actual principal invested beyond year end	0	0	0	
Complied?	Yes	Yes	Yes	

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- 3.49 Long-term investments with no fixed maturity date include strategic pooled funds, real estate investment trusts and directly held equity but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

**Additional indicators**

**Security:**

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

	2024/25 Target	31.3.25 Actual	Complied?
Portfolio average credit rating	A	A	Yes

**Liquidity:**

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

	31.3.25 Actual	2025/26 Target	Complied?
Total cash available within 3 months	£2.5m	£2.5m	Yes
Total sum borrowed in past 3 months without prior notice	Nil	Nil	Yes

**Interest Rate Exposures:**

- 3.52 This indicator is set to control the Authority's exposure to interest rate risk.

Interest rate risk indicator	2024/25 Target	31.3.25 Actual	Complied?
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	500,000	0	Yes
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	500,000	0	Yes

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3.53 For context, the changes in interest rates during the year were:

	31/3/24	31/3/25
Bank Rate	5.25%	4.50%
1-year PWLB certainty rate, maturity loans	5.36%	4.82%
5-year PWLB certainty rate, maturity loans	4.68%	4.97%
10-year PWLB certainty rate, maturity loans	4.74%	5.42%
20-year PWLB certainty rate, maturity loans	5.18%	5.91%
50-year PWLB certainty rate, maturity loans	5.01%	5.67%

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

**4. IMPLICATIONS**

**Legal Implications**

4.1 A number of statutes governing the provision of services covered by this report contain express powers or duties to charge for services. Where an express power to charge does not exist, the Council has the power under Section 111 of the Local Government Act 1972 to charge where the activity is incidental or conducive to or calculated to facilitate the Councils statutory function.

**Service / Operational Implications**

4.2 Monitoring is undertaken to ensure that income targets are achieved, with Treasury Management activities taking place on a daily basis.

**Customer / Equalities and Diversity Implications**

4.3 The only impact of treasury transactions is in respect of ethical investment linked to the Councils investment counterparties. Presently the Council has a limited counterparty list based on financial risk to the Authority.

**5. RISK MANAGEMENT**

5.1 There is always significant risk in relation to treasury transactions, this is why Councils appoint Treasury advisors, which in the case of Redditch is Arlingclose. In addition, there

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is the requirement in this area to provide an Annual Strategy report containing indicators/limits that must be met, a quarterly update and closure report all of which must be reported to full Council.

**6.    APPENDICES**

None

**7.    BACKGROUND PAPERS**

MTFP 2024/25 – February 2024 which contains the years Capital Strategy, Treasury Management Strategy and MRP Policy.

**AUTHOR OF REPORT**

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                                    (Deputy S151)

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# Overview and Scrutiny Committee

Monday, 9th June, 2025

## MINUTES

### Present:

Councillor Matthew Dormer (Chair), Councillor Craig Warhurst (Vice-Chair) and Councillors William Boyd, Claire Davies, James Fardoe, Andrew Fry and Rita Rogers

### Also Present:

Councillor Sharon Harvey – Leader of Redditch Borough Council  
 Councillor Monica Stringfellow – Portfolio Holder for Community Services and Safeguarding Responsibilities, Redditch Borough Council  
 Councillor David Munro – Deputy Mayor of Redditch Borough Council  
 Lisa McNally – Director of Public Health, Worcestershire County Council  
 Matthew Fung – Public Health Consultant, Worcestershire County Council  
 Caroline Kingston – Advanced Public Health Practitioner, Worcestershire County Council  
 Chris Roberts – Chief Executive, Citizens Advice Bromsgrove and Redditch

### Officers:

Guy Revans, Judith Willis, Simon Parry, Matthew Bough, Jess Bayley-Hill and Della McCarthy

### Democratic Services Officers:

M Sliwinski

## 1. APOLOGIES AND NAMED SUBSTITUTES

Apologies for absence were received from Councillors Mathur and Wren.

## 2. DECLARATIONS OF INTEREST AND OF PARTY WHIP

Councillor Rita Rogers declared an other disclosable interest in Minute Item No. 5 – Health Inequalities in Redditch – Public Health Presentation – in her capacity as an employee of Worcestershire County Council. Councillor Rogers declared that she worked in different department to the County Council officers who delivered

Chair

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the presentation for Minute Item No. 5. She remained present throughout the debate in respect of this item.

There were no other declarations of interest or of party whip.

## 3. MINUTES

### RESOLVED that

**the minutes of the meeting of Overview and Scrutiny Committee held on 12<sup>th</sup> May 2025 be approved as a true and correct record and signed by the Chair.**

## 4. PUBLIC SPEAKING

There were no public speakers who have registered to speak at this meeting.

## 5. HEALTH INEQUALITIES IN REDDITCH - PUBLIC HEALTH PRESENTATION

A presentation on Health Inequality and Priority Neighbourhoods in Redditch was provided by representatives from Worcestershire County Council (WCC) Public Health department, Citizens Advice Bromsgrove and Redditch and Redditch District Collaborative. In the presentation the following points were raised:

- WCC Public Health focused on small geographical area approach to health inequalities within Worcestershire. This was based on Lower layer Super Output Areas (LSOAs) which were geographical units of between 1,500 to 3,000 people, representing neighbourhood-sized units.
- The WCC Public Health Team focused their resources on priority neighbourhoods that were identified as having the highest level of unmet health need. Intensive community development work would take place in those neighbourhoods.
- Health outcomes for an area were a combination of level of need and the level of service provision.
- To identify LSOAs / neighbourhoods where there was highest unmet need three non-elective emergency admissions measures were used, which were all emergency admissions, emergency cardiovascular admissions, and emergency respiratory admissions. These measures were deemed to provide the best proxy for where there was highest unmet need.



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- Statistical process control analysis was used to select priority neighbourhoods within Worcestershire and these were neighbourhoods / LSOAs with three standard deviations above the mean for the county in terms of non-elective emergency hospital admissions.
- Based on the analysis, 14 priority neighbourhoods were identified within Worcestershire. All districts within Worcestershire apart from Bromsgrove had at least one priority neighbourhood, and Redditch had the most priority neighbourhoods of all Worcestershire districts at eight.
- This approach was presented to and met with the approval of England's Chief Medical Officer. Since then, the priority neighbourhoods approach was piloted in the Westlands Housing Estate, Droitwich.
- The work piloted in Westlands, Droitwich focused on identifying where the health priority was and deciding what would be done about it. In that pilot, Public Health team collated in depth data and worked with resident groups, elected members, voluntary sector partners and health professionals (e.g. primary care) to build a picture of the issue and reasons behind elevated levels of hospital admissions.
- Significant budget was devolved by Public Health to a local committee in the case of Westlands which was composed of the Westlands Housing Estate Residents Association, the local headteacher, residents who worked in the community centre, and local professionals, the local Housing Trust and voluntary sector, consequently allowing the building of local trust in this project.
- The budget and public health grants was used by the local committee in Westlands to fund various programmes, including saving the local wellbeing hub, which had now become self-sustaining, a local parenting group, a nature trail project including benches for people with limited mobility, and a bicycle repair project.
- A review of the pilot work undertaken in Westlands saw a reduction in emergency admissions in the area of 7 per cent, in the same time as emergency admissions went up across Worcestershire as a whole by 5 per cent.
- Children's social care referrals decreased by 14 per cent in the Westlands area and by 24 per cent in the specific LSOA targeted by this pilot.
- Asset Based Community Development was used which focused on what is already strong in the area and what strengths can be built upon. This focused on the ideas emanating from within the community guided by evidence.

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- Based on this work, other agencies across the county, including the NHS had changed the way they work within priority neighbourhoods, striving to work collaboratively with community groups.
- Grants represented a major tool used by the WCC Public Health to encourage community-based development and there was an interactive map on the WCC website showing all the grants provided by Public Health across the county. These grants enabled funding to be directed exactly where it was needed, to develop projects which then became self-sustaining.
- The examples of public health initiatives that were already being supported in Redditch were covered, which included:
  - Healthy Worcestershire Programme had four initiatives within Redditch.
  - Inspire Community training – including working with Karen to build capacity in the Winyates Hub that includes baby bank, mental health etcetera which included provision of flexible grants to build up capacity, skill up volunteers and extend café offer at Winyates.
  - Batchley Support Group through smaller targeted funds.
  - Work with Redditch Self-Defence within Woodrow to extend self-defence offer to women's groups.
  - Working with Citizens Advice to support community advisors who were doing targeted community work in Redditch.
  - To extend support offer at Sandycroft including support to Imaan Youth Club at Sandycroft, a volunteer-led group to support young people from the Muslim faith to access youth provision and activities.

Following the presentation, the Portfolio Holder for Community Services and Safeguarding Responsibilities was invited to speak and in doing so explained that the presentation document, which would be circulated to Members, provided great detail on the methodology and how the data was categorised by small area units to see local level issues. The Portfolio Holder explained that the data was worrying as it showed a lot of work remained to be undertaken, however, it was hoped that this Member presentation would provide an impetus for elected members in Redditch to continue and increase their involvement with community-based health initiatives.

The Deputy Mayor and last year's representative on the WCC Health Overview and Scrutiny Committee (HOSC) was invited to

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speak and in doing so commented that he was pleased to see the recent development going on in addressing health inequalities at a local level in Redditch. The Deputy Mayor noted that addressing high health inequality in Redditch required dealing with a complex set of problems that could best be addressed by involving people and communities affected directly in developing the solutions.

Members subsequently discussed the presentation in detail and in doing so commented on the following areas:

- How smaller community groups could access public health grants and support and what it could be used for – It was commented that the Redditch community groups quoted within the presentation were all relatively well-established groups which were well versed in how to access grants. It was asked how provision of grants and support was facilitated to smaller community groups or even individuals who might not have time or struggle to fill out applications.
- It was responded that support was facilitated through the Community Development approach taken by Public Health, whereby grants and budgets were devolved directly at local neighbourhood to smaller community and voluntary groups. WCC Public Health had community development experts who were able to assess local ideas and were able to support local community groups in co-designing and developing their ideas before grant funding was approved. This was a different approach to that of traditional formal grants application route which was a competitive application assessment process, where the grant provider would provide little support and would make less distinction between size of voluntary organisations.
- It was highlighted that community leaders such as elected members were vital in identifying where there was the need locally and voluntary groups which could provide the solutions in local areas. Elected members also had the 'know-how' to ensure grant funding received was sustainable. Ward Councillors were encouraged to contact WCC Public Health if they were aware of a community group / groups within their ward that was doing community work that had a link to wider health and wellbeing, including physical, mental health or social care.
- Implementing Asset Based Community Development (ABCD) as a system-wide approach – It was asked why the grassroots approach was not used more widely within the wider health and public sector system. In response it was hypothesised that this might be due to organisations providing programmes and giving grants being apprehensive

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about the potential loss of control over the direction of the initiative / project. Often communities could not solve their problems and needed other agencies to support them, but it was commented that the ABCD philosophy was that it was the communities themselves who needed to lead initiatives in their own communities.

- Citizens Advice Community Workers and their approach to community development – An example of Citizens Advice in Redditch was provided in terms of how their community workers identified specific communities and individuals who were struggling and joined those people / communities to already existing community initiatives or provided the individuals with micro-grant or other small-scale support to help resolve a local problem. This could take the form of providing small level grants of £100-£200 to kick start a project, for example through providing the necessary starting funding for equipment etcetera.
- How was Public Health Grant funded and how long funding would be in place for in Worcestershire – It was explained that the Asset Based Community Development (ABCD) public health initiatives were funded from the Public Health Grant through a person-centred approach. As the future of the Grant funding was uncertain, the initiatives which were funded needed to show or work with community development officers to develop plans to become self-sufficient in terms of funding. Alternatively, these community initiatives would need to show that they were able to grow to apply for other funding sources.
- It was highlighted that Redditch Borough Council also operated a Voluntary Sector Grant Scheme based on the principles of ABCD in terms of how it distributed grants.
- Asset Based Community Development (ABCD) training – Members were asked to note that the Council provided training on ABCD to staff and elected members.
- Community Interest Company (CIC) and accessibility of small-scale grants to businesses – The Chair commented that local businesses were often in a position to provide a key piece of infrastructure for community activities (e.g. equipment, event/gym space) but that the voluntary sector grants were restricted to voluntary groups and charities which were CIC. It was explained that Public Health would be open to extending the grant to businesses where applicable, however, there were issues from governance and legal point of view which would need to be resolved if this was to be extended.
- Progress in Redditch with regard to community development schemes – The WCC Director of Public Health commented

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that from her perspective Redditch was not new to Asset Based Community Development (ABCD) work with many great community initiatives being supported by voluntary organisations and through the Council. The Director of Public Health stated that perhaps what was still missing was a systematic approach and full commitment from budget holders, such as Public Health, to work in this community development way as opposed to commissioning services in a prescriptive way.

- The importance of wider factors in improving health outcomes within Redditch LSOAs where health inequality was high was highlighted including education, opportunities for progression to better-paid employment, and building aspirations within communities.
- Challenges around small volunteer groups setting up CIC – The Vice-Chair highlighted that for many small volunteer groups setting up CIC bank account and details was a particularly arduous task with their limited resources. It was asked what grants and resources individuals undertaking community projects could access without needing CIC status.
- It was responded that the WCC Public Health provided some very small grants which included:
  - Stay Connected Programme which required a CIC but where applicants were provided with support from Public Health to set it up during the application process.
  - Micro Grant Scheme – This scheme enabled any Worcestershire resident to apply for up to £250 and requests came in directly to the Public Health team and this micro grant would be paid directly into someone's bank account.
  - In both of these schemes, applicants were encouraged to think about sustainability and applicants were linked up with partners such as community hubs for example.
  - The Public Health team tried to link up more established voluntary sector groups with smaller community groups or individuals doing projects within their communities in Redditch.
- Working with elected members in Redditch – The importance of Public Health working in partnership with Redditch Borough Council elected members as well as County Council councillors was highlighted.
- Worcestershire Lower-layer Super Output Areas (LSOAs) – It was noted that there were circa 350 to 400 LSOAs in Worcestershire, with 14 priority neighbourhoods, in terms of

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being three standard deviations above the mean for the county average in terms of non-elective emergency hospital admissions, with Redditch having 8 of those 14 LSOAs.

- It was highlighted that Redditch areas as a whole were outliers across Worcestershire in statistical analysis identifying incidence of non-elective emergency hospital admissions. This pointed to issues with wider determinants of health in Redditch. It was underlined that data on non-elective hospital admissions was taken over four continuous years, which meant that the LSOAs identified maintained consistently high (close or above 3 SD above the mean) level of non-elective hospital admissions over that period.
- Bromsgrove and Redditch Network (BARN) – The Redditch Partnership Manager explained that BARN supported voluntary sector organisations locally within Redditch, making sure that voluntary sector was aware of the funding opportunities available and training opportunities on areas such as writing funding bids.

The Committee asked that Public Health provide an update Health on Health Inequality reduction work within Priority Neighbourhoods in Redditch in 6 to 12 months. The presentation was noted by the Committee.

## 6. SHAREHOLDERS' COMMITTEE ANNUAL REPORT - PRE-SCRUTINY

The Shareholders Committee Annual Report 2024-25 was presented to the Committee. It was noted that arrangements for the operation of the Shareholders Committee changed in May 2024 with the Shareholders Committee being required to produce an annual update to Council on the performance of Rubicon Leisure Limited. This was the first time that an annual report was produced on behalf on behalf of the Shareholders Committee.

Members were reminded that the role of the Shareholders Committee was distinct from that of the Rubicon Board. The Rubicon Board, comprising Executive and Non-Executive Directors, was responsible for running the business and the proper delivery of services. There were officers at the Council responsible for managing the client side of the business, and who monitored the service contract. The Shareholders Committee had no role over operational matters but was responsible for holding the Board to account for a number of reserved matters, detailed in the articles of the company.

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The Leader of the Council was invited to comment on the Annual Report in her capacity as the Chair of Shareholders Committee in 2023-24. In doing so she highlighted areas of success in the last year including increased food and beverage income and the Palace Theatre. She also highlighted ongoing work including with regard to the Concession Policy.

The Leader suggested that the Overview and Scrutiny Committee might wish to consider inviting the Managing Director of Rubicon Leisure to a meeting of Overview and Scrutiny.

The Vice-Chair expressed disappointment with the change to the status of Shareholders Committee since 2024-25, in that Shareholders Committee had now become a sub-committee of the Executive Committee with non-Executive Councillors not involved as voting members in its meetings. The Vice-Chair recalled that prior to 2024-25, the Shareholders Committee was bipartisan and had cross Council representation.

The Vice-Chair commented that as the chairman of the Shareholders Committee in 2023-24 he found the meetings to be professional and constructive with cross-party input. The Vice-Chair expressed significant concern that the restriction of Shareholders Committee to a sub-committee of Executive represented a retrograde step which restricted input from the cross section of elected members, in particular backbenchers.

The Chair commented that the meetings of Shareholders Committee to which he was invited in his capacity as Group Leader clashed with other meeting commitments and consequently he was unable to attend the Shareholders Committee meetings in 2024-25.

The recommendation as set out in the report, that the Shareholders' Committee Annual Report be noted, was endorsed by the Overview and Scrutiny Committee.

## **7. HOUSING REGULATOR TENANT SATISFACTION MEASURES - PRE-SCRUTINY**

The Assistant Director of Environmental and Housing Property Services presented a report on the subject of the Housing Regulator Tenant Satisfaction Measures.

The Committee was informed that the Housing Regulator had introduced 22 tenant satisfaction measures in 2023. These measures were designed to help regulate the performance of housing providers, including Redditch Borough Council. The

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Council had monitored the authority's performance in accordance with these measures in 2023/24 and 2024/25 and the data for both years had been included in the report. It was noted that when compared to the results from 2023/24 there had generally been an increase in tenant satisfaction levels although the Council still performed below the median level across other Social Housing Providers.

In considering the Tenant Perception Survey results for the two years, it was noted that there were year on year improvements in most areas but in some areas satisfaction remained at a low and stagnating level, for example in relation to satisfaction with the Council's complaint handling. It was noted that major improvements could be seen in repairs and maintenance which might be attributed to the Repairs and Maintenance team having recruited a number of new team members and having invested in modernising technical equipment during this period.

For non-emergency and emergency repairs, the Council's latest performance data for the current year, as reported at the meeting, was 80 to 85 per cent of repairs completed within the landlord's (social housing provider) timescales. This was an improvement over the Council's performance for 2024/25 year where the figures were 65.7 and 77.9 per cent respectively for non-emergency and emergency repairs.

Officers were in the process of developing an improvement plan and this was at an interim stage by the date of the meeting. A response from the Housing Regulator to the latest inspection of the Council was due to be announced publicly in July 2025 and a report would subsequently be produced on the outcomes of this process to be available in September 2025.

Members subsequently discussed the report in detail and in doing so commented on the following areas:

- Tenant characteristics data – Officers stated that the Housing Service did not hold a full set of tenant profile information. The Council's Housing Service currently had profile information on 20-25 per cent of the customer base. Work was ongoing within the Service to capture this information within the housing management system utilising a 'make every contact count' philosophy covering telephone calls to services across housing as well as through tenancy sign-ups and the tenancy audits being undertaken.
- Complaints response process – It was clarified that as per the Housing Ombudsman's Complaint Code of Practice, the



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Council was required to record and acknowledge receipt of every complaint within five days of receiving a complaint. Following the receipt of a complaint, the Senior Complaints Officer at the Council would contact the complainant to fully understand the nature of the complaint and following this the Council would write to the complainant acknowledging the complaint, setting out the Council's understanding of what the complaint is and confirming that a response would be provided within the target response date (10 days). It was highlighted in relation to complaints handling process that significant work continued to learn from peers, the Council recently having had a meeting with Berneslai Homes, a social housing provider that received C1 grading from the Social Housing Regulator, the highest consumer grade level.

- Damp and mould performance data – It was noted that recently the Council had created a dedicated damp and mould team which was currently being recruited to. Going forward, there would also be quarterly monitoring reports concerning damp and mould performance. Officers reported that improvements had been made in this area and undertook to provide Members with detailed data on damp and mould performance.
- Fire remedial actions (FRAs) – A question was raised about addressing the overdue remedial actions with regard to fire safety as reported at table 3, paragraph 3.35. It was stated that the focus was on addressing the serious remedial actions required in the first instance. Officers highlighted that initially the list of remedial actions totalled 6,189 this had now been halved, although it was acknowledged that much work remained. Works were in progress across a range of issues to address especially the serious items and a programme was in place from 2025/26 projected forward until 2029/30 to ensure all fire doors are replaced/upgraded and associated fire stopping is completed. In the interim Housing Property Services was developing a programme of fire door inspections which was anticipated to be in place in July 2025.
- Meeting the Decent Homes Standard – Officers clarified that the 4.19 per cent of homes that did not meet the Decent Homes Standard referred to Council stock only. It was further noted that a home might be classed as not meeting the standard because of issues such as lack of modern insulation, old boilers, or lack of modern facilities (e.g. kitchen or bathroom). For each of these areas, the Council had a programme in place, as part of its Capital Investment Programme, to address these issues. Examples of

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programmes to address specific issues included the Warm Homes Fund and General Boiler Replacement Programme.

The recommendations contained in the report were endorsed by the Committee.

## **RECOMMENDED that**

- 1) The Council's 2024/25 Tenant Satisfaction Measures and the Housing Interim Improvement Plan be approved; and**
- 2) A quarterly update on the Tenant Satisfaction Measures (Landlord) and progress against the Housing Improvement Plan be reported in future to the Executive Committee.**

## **8. HOUSING REGULATOR SELF-ASSESSMENT COMPLAINT HANDLING CODE - PRE-SCRUTINY**

The Strategic Housing and Business Support Manager presented the Housing Ombudsman Self-Assessment Complaint Handling Code for Members' consideration. It was clarified that this report was incorrectly titled on the agenda as 'Housing Regulator Complaint Handling Code' with the correct title being the 'Housing Ombudsman Complaint Handling Code'.

Members were informed that there was a requirement for the Council, as a social housing provider, to adopt the Housing Ombudsman's Complaints Handling Code. There was a further requirement for the Council to undertake a self-assessment in line with the code. Following the latest self-assessment, Officers had identified that there was a need to provide greater clarity with regard to Stage 2 complaints, particularly with regard to the types of complaints which would not be accepted as complaints at this stage. The report provided an opportunity to update the Code and Members were being invited to consider this change.

Officers reported that in 2024-25 the Council received 124 complaints which was a rate of 22.37 complaints per 1,000 social housing properties. This compared to the median rate across social housing properties of 42.5. Officers needed to fully understand and audit the reasons behind the Council's relatively low complaints rate, whether it was because of improvements to the service, because tenants were unsure how they could make a complain, or due to a combination of these factors.

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It was noted that in the first quarter of 2024-25 the Council's performance in regard to complaint response times had deteriorated. The performance in this area had been improving since then and to drive improvement in the complaints handling performance a dedicated complaints investigator had been introduced within Housing Property Services.

Question was raised by a Member about what the Council did to foster a sense of trust with those tenants whose complaints were upheld by the Ombudsman. In particular, reference was made to a long-standing complaint with events dating back to 2015, where maladministration was found in the Council's handling of the case. The Officer responded with reference to upheld complaints that the Council worked to immediately acknowledge all cases where mistakes were made, and discuss learning outcomes with staff and contractors to address issues. In referring to the particular case dating back to 2015, the Officer commented that this was an extremely complex case where the Council had found itself out of time to appeal and therefore had to accept the Ombudsman's determinations. As a result of this case a number of significant improvements to the Council's complaint handling were made including a new Housing Allocations System, digitalisation of historic paper files for improved record keeping, and enhanced training opportunities through the Housing Quality Network for key members of staff

The Vice-Chair addressed the Committee and commended Officers and the Housing Portfolio Holder for the continuing progress made in this service area. He noted that in 2018 the Housing Service was in turmoil and there were no statistics recorded at that time but since then significant efforts had been made to get to the point where data including complaints and tenant satisfaction data was fully recorded.

The recommendations contained in the report were endorsed by the Committee.

## **RECOMMENDED that**

- 1) The Housing Complaint Self-Assessment (Appendix 1) is approved.**
- 2) Annual Complaints Performance and Service Improvement Report 2024-25 (Appendix 2) is approved.**
- 3) The Housing Complaints Standard (Appendix 3) is approved.**

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- 4) Note that the reports referred to at resolutions 1 to 3 above will be published to the Council's website.

**9. EXECUTIVE COMMITTEE'S WORK PROGRAMME - SELECTING ITEMS FOR SCRUTINY**

The Executive Committee's Work Programme was presented for Members' consideration.

**RESOLVED that**

**the Executive Committee's Work Programme be noted.**

**10. OVERVIEW AND SCRUTINY WORK PROGRAMME**

The Overview and Scrutiny Work Programme was presented for Members' consideration.

**RESOLVED that**

**the Overview and Scrutiny Work Programme be noted.**

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

As there were no meetings of the task groups and working groups since the last meeting of the Committee, no updates were provided at this meeting.

**12. EXTERNAL SCRUTINY BODIES - UPDATE REPORTS**

Update on the meetings of External Scrutiny Bodies were provided by the representatives as follows:

- a) West Midlands Combined Authority (WMCA) Overview and Scrutiny Committee – Council Representative, Councillor Boyd

Councillor Boyd provided an update on behalf of last year's Representative on this body, Councillor Kane, who attended the last meeting in May. It was reported that items discussed at that meeting included the West Midlands Place Pilots Programme, the Impact of the Commonwealth Games Legacy Enhancement Fund, the Job Rotation Model, and the Regional Energy Strategy.

# Overview and Scrutiny Committee

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Monday, 9th June, 2025

In relation to the Job Rotation Model, it was reported that this was a pilot initiative funded by the Department for Work and Pensions (DWP) that was delivered in 2024-25. It was noted that the Job Rotation Pilot aimed to offer 12-week work placements to 80 unemployed Universal Credit claimants in Coventry. Running from April 2024 to March 2025, with a short extension to June. Despite initial challenges such as setup delays and job-role mismatches, the pilot delivered strong outcomes: with all placements offered employment to and participants reported improved job prospects, confidence, and reduced reliance on Universal Credit.

In relation to the Regional Energy Strategy / Net Zero Five Year Plan, Councillor Boyd reported that this was a review of West Midlands Regional Energy Strategy adopted in February 2025 which set out a vision for the West Midlands to transition to a smarter energy system by 2041.

- b) West Midlands Combined Authority (WMCA) Transport Delivery Overview and Scrutiny – Council Representative, Councillor Fardoe

Councillor Fardoe reported that the last meeting of the WMCA Transport Delivery Overview and Scrutiny took place earlier today (9 June) for which Councillor Fardoe submitted apologies.

- c) Worcestershire Health Overview and Scrutiny Committee (HOSC) – Council Representative, Councillor Fry

Councillor Fry reported that the next meeting of this outside body was due to take place on 9 July 2025.

## **RESOLVED that**

**the External Scrutiny Bodies updates be noted.**

### **13. EXCLUSION OF THE PUBLIC AND PRESS**

The exclusion of the public and press was not required as Minute Item No. 14 – Disposal of Housing Revenue Account Assets – 53 Parsons Road, Southcrest, Redditch. 53 Crabbs Cross Lane, Redditch – Pre-Scrutiny – had been deferred and was not considered at this meeting.

### **14. DISPOSAL OF HOUSING REVENUE ACCOUNT ASSETS - 53 PARSONS ROAD, SOUTHCREST, REDDITCH. 53 CRABBS CROSS LANE, CRABBS CROSS, REDDITCH - PRE-SCRUTINY**

# Overview and Scrutiny Committee

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This item was deferred.

The Meeting commenced at 6.30 pm  
and closed at 8.24 pm



## **Executive Committee**

**Tuesday, 10th June, 2025**

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### **MINUTES**

#### **Present:**

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

#### **Officers:**

Matthew Bough, Matthew Eccles, Debra Goodall, John Leach, Simon Parry and Judith Willis

#### **Principal Democratic Services Officer:**

Jess Bayley-Hill

#### **1. APOLOGIES**

There were no apologies for absence.

#### **2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

#### **3. LEADER'S ANNOUNCEMENTS**

The Leader advised that at the meeting of the Overview and Scrutiny Committee held on 9<sup>th</sup> June 2025 Members pre-scrutinised the following items on the agenda for consideration at the Executive Committee meeting:

- Housing Ombudsman Self-Assessment Complaint Handling Code
- Housing Regulator Tenant Satisfaction Measures
- Shareholders Committee Annual Report

At the end of their discussions, the Overview and Scrutiny Committee endorsed the recommendations contained within the reports but made no additional recommendations.

On behalf of the Executive Committee, the Leader thanked the Overview and Scrutiny Committee for their hard work in pre-scrutinising these reports prior to the Executive Committee's consideration.

Chair

# Executive Committee

Tuesday, 10th June, 2025

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## 4. MINUTES

### RESOLVED that

**the minutes of the meeting of the Executive Committee held on 13<sup>th</sup> May 2025 be approved as a true and correct record and signed by the Chair.**

## 5. WARM HOMES LOCAL GRANTS FUNDING AND RESOURCES

The Climate Change Manager presented a report on the subject of Warm Homes Local Grants (WHLG) funding and resources.

The Executive Committee was informed that the WHLG funding was being provided by the Government to assist householders in improving the energy efficiency of their properties. Owner occupiers on lower incomes would be eligible to apply for this funding, as it was designed to help alleviate fuel poverty. Properties would need to have an Energy Performance Certificate (EPC) rating of D – G in order to be eligible for funding. The Council had chosen to focus allocation of this funding to owner occupiers living in the Woodrow area, where there were higher levels of deprivation than in some other parts of the Borough. Whilst Council House properties would not be eligible to receive funding through this scheme, there was a separate Warm Homes Social Housing (WHSH) fund that Council tenants could benefit from.

The Council had been allocated grant funding to spent on WHLG for a three-year period, starting in 2025/26. The funding could be spent on a range of measures including the installation of insulation and of solar panels. Officers were estimating that there would be an average spend of £15,000 per property using this funding. Act on Energy would work with the Council on the project and would provide support to owner occupiers during the process.

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

- The monitoring update reports that the Council would be required to provide on a monthly basis to the Midlands Net Zero Hub (MNZH) regarding local progress with the project and the potential for this data to be shared with Members.
- The funding that had been allocated to the WHLG for the three financial years starting in 2025/26 and the reasons why the allocation for the first year was lower than subsequent years. Officers suggested that this could be due to previous experiences with similar grant funding initiatives, which had



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tended to report increases in demand for funding in later years of a project.

- The number of properties that the Council was expecting to assist using the WHLG grant funding in each year and the extent to which there would be the flexibility to provide support to more properties than anticipated. Officers clarified that this was based on assumptions that maximum levels of expenditure would be required for each property, however, should this not be the case then more eligible properties could potentially receive support.
- The benefits arising from the potential to co-commission suppliers of the works funded by the WHLG and the WSH. The Committee was informed that a joint procurement exercise could be undertaken and it was anticipated that this would result in efficiency savings.
- The need for thorough planning and community engagement to be undertaken in order to enable eligible households to take advantage of the opportunity afforded by the WHLG funding. It was noted that the Council would approach eligible owner occupiers directly.
- The fact that through this scheme, improvements would be made to the energy efficiency of eligible properties at no financial cost to the owner occupiers.
- The benefits to addressing health inequalities in the Borough arising from improving the energy efficiency of properties.
- The lack of certainty about whether further WHLG funding would be made available to local authorities at the end of the three-year period. Members expressed their hopes that this or similar funding would be made available by the Government again in the future.

## RECOMMENDED that

- 1) **authority be delegated to the Deputy Chief Executive and Chief Finance Officer to reflect in the Capital Programme the grant funding in 2025/26 and to include the 2026/27 and 2027/28 funding in the Medium-Term Financial Plan for the Warm Homes Local Grant (WHLG) (as shown below).**

Year 1 2025/26	Year 2 2026/27	Year 3 2027/28
£63,576.92	£261,000	£252,300

## RESOLVED that

- 2) **authority be delegated to the Assistant Director of Community and Housing Services following consultation with the Portfolio Holder for Climate Change and Biodiversity to administer the funding received in the**

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**WHLG in line with the grant conditions and any alterations to the delivery programme.**

## **6. HOUSING REGULATOR TENANT SATISFACTION MEASURES**

The Assistant Director of Environmental and Housing Property Services presented a report on the subject of the Housing Regulator Tenant Satisfaction Measures.

Members were informed that the Housing Regulator had introduced 22 tenant satisfaction measures in 2023. These measures were designed to help regulate the performance of housing providers, including Redditch Borough Council. The Council had monitored the authority's performance in accordance with these measures in 2023/24 and 2024/25 and the data for both years had been included in the report for Members' consideration.

There were two key elements in the report that were highlighted for the Executive Committee's attention:

- The Tenant Perception Survey results for the two years, which highlighted that there had been improvements to performance in most areas. A change had been made to the survey in 2024/25, compared to the previous year, through the inclusion of free text comment sections to enable the Council to assess the reasons for particular responses to certain questions. In considering the results for this section, Members were asked to note that the Repairs and Maintenance team had recruited a number of new team members and invested in modernising technical equipment during this period.
- The Council's responsibilities as a landlord and how the authority was performing compared to other providers. The Council was performing well in many areas although improvements still needed to be made in Repairs and Maintenance.

Officers were in the process of developing an improvement plan and this was at an interim stage by the date of the meeting. A response from the Housing Regulator to the latest inspection of the Council was due to be announced publicly in July 2025 and a report would subsequently be presented on the outcomes of this process for the Executive Committee's consideration in September 2025.

Members subsequently discussed the report in detail and in doing so commented on the following areas:

- The hard work of officers to try to improve performance and the need for further work to be undertaken.

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- The 100 per cent compliance with key requirements that had been reported for important areas such as gas safety checks.
- The positive intentions amongst officers and Members to make further improvements, as demonstrated by the interim improvement plan.
- The value of introducing a panel of local housing tenants to scrutinise housing performance. Members commented that this development would be welcome and the panel could act as the tenants' voice.
- The action that was being taken to modernise housing services, including through investment in digital services.
- The introduction of new teams to help address issues that impacted on tenants, including a new Damp and Mould team.
- The sites visited by Members during recent ward walks with officers and the opportunities that this provided to Members to engage with residents directly, including with regard to any housing issues that tenants might be experiencing.
- The need for the Council to communicate effectively the work of officers in relation to improving the performance of Housing Services.
- The information included in the report that revealed how the Council's performance compared to median performance levels and the need for the authority to be as ambitious as possible, in terms of aiming to perform at a level exceeding this. Officers clarified that the data for the median performance levels had been included to enable Members to compare the Council's performance to average performance levels in the sector. However, Members were assured that the Council was striving for excellence.
- The levels of requests for support received by Members from tenants relating to housing matters. Members commented that this tended to occur where officers did not communicate effectively with tenants and this needed to continue to be addressed moving forward.
- The data that had been reported in respect of Key Performance Indicators (KPIs) for Anti-Social Behaviour (ASB) and the extent to which this data was accurate. The Committee was informed that Officers had identified this as a matter that required further investigation as it was recognised that this might not be accurate.
- The frequency with which Officers had previously reported on the Council's performance in respect of the Housing Regulator's tenant satisfaction measures. Members were informed that this had been identified as a gap in reporting procedures and for this reason officers were proposing to report to the Executive Committee on a quarterly basis in future.

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- The opportunities that would be provided for tenants to submit expressions of interest to participate in future panels that would represent the voice of housing tenants.

## **RESOLVED that**

- 1) **the Council's 2024/25 Tenant Satisfaction Measures and the Housing Interim Improvement Plan be approved; and**
- 2) **a quarterly update on the Tenant Satisfaction Measures (Landlord) and progress against the Housing Improvement Plan be reported in future to the Executive Committee.**

## **7. SHAREHOLDERS COMMITTEE ANNUAL REPORT**

The Chair of the Shareholders Committee in 2024/25, Councillor Sharon Harvey, presented the Committee's Annual Report for the 2024/25 municipal year.

Members were advised that the Shareholders Committee had held formal meetings during the year focusing on the work of the Council's company, Rubicon Leisure Limited. The Committee did not have decision making powers in respect of operational matters, which were the domain of the Rubicon Board. However, there were various matters reserved for the Committee to determine in the articles of the company. This included agreement of the annual business plan which had occurred during the year. In addition, quarterly performance and budget monitoring reports relating to Rubicon Leisure Limited had been presented.

The Committee had welcomed a number of developments, including the introduction of enhanced food and beverage offers across a number of sites managed by the company. There remained room for improvement and the Committee would continue to work hard to monitor the performance of the company. During the year, members of the Shareholders Committee had also had an opportunity to meet informally with members of Rubicon Board. The Committee had welcomed this opportunity.

Following the presentation of the report, Members commented on the important role of Rubicon Leisure Limited in managing the Council's leisure facilities and delivering leisure and cultural activities on behalf of the Council. There was the potential for Rubicon Leisure Limited to help address health inequalities within the Borough and the suggestion was made that the Managing Director of Rubicon Leisure Limited should be asked to approach the Public Health team at Worcestershire County Council to discuss this matter further. The Chief Executive undertook to raise this with

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the Managing Director of Rubicon Leisure Limited at a forthcoming meeting.

Reference was made to the Council's plans to recruit a bid writer to work for the authority who could apply for grant funding. The suggestion was made that this officer, once in post, could also assist Rubicon Leisure Limited in terms of submitting bids for funding. Members commented that there might be opportunities for the company to access additional funding that the Council was not eligible to receive.

Consideration was given to the work of Rubicon Leisure Limited and Members commented that this needed to correspond with the vision and priorities of the Council. It was suggested that this was something that the Shareholders Committee could monitor, including during consideration of the annual business plan for 2026/27 when this was submitted later in the municipal year.

Finally, in considering the report, Members noted that there was a typographical error in the report, which referred to the membership of the Shareholders Committee in 2024/25 having been appointed in June 2025. Members commented that this should have referred to "June 2024".

### **RECOMMENDED that**

**subject to the amendment detailed in the preamble above, the Shareholders Committee Annual Report 2024/25 be noted.**

### **8. APPOINTMENTS TO THE SHAREHOLDERS COMMITTEE**

The Principal Democratic Services Officer presented a report relating to arrangements for the appointment of Members to serve on the Shareholders Committee in the 2025/26 municipal year.

Members were advised that as the Shareholders Committee was a sub-committee of the Executive Committee only Executive Committee members could be appointed to the Shareholders Committee. In line with the terms of reference for the Committee, the leader of the opposition political group at the Council would continue to be invited to attend meetings of the Shareholders Committee to participate in the debate, although as he was not a Member of the Committee he would not have the power to vote at these meetings. Other elected Members were welcome to attend meetings of the Shareholders Committee to observe proceedings but could only participate in the debate at the discretion of the Chair.

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The following Members were nominated to serve on the Shareholders Committee in 2025/26:

- Councillor Juliet Barker Smith
- Councillor Bill Hartnett
- Councillor Sharon Harvey
- Councillor Jane Spilsbury
- Councillor Ian Woodall

**RESOLVED that**

- 3) **The following Councillors be appointed to serve on the Shareholders Committee during the 2025/26 municipal year:**

- **Councillor Juliet Barker Smith**
- **Councillor Bill Hartnett**
- **Councillor Sharon Harvey**
- **Councillor Jane Spilsbury**
- **Councillor Ian Woodall**

- 4) **Councillor Sharon Harvey be appointed as the Chair of the Shareholders Committee in the 2025/26 municipal year; and**

- 5) **Councillor Ian Woodall be appointed as the Vice Chair of the Shareholders Committee in the 2025/26 municipal year.**

**9. HOUSING OMBUDSMAN SELF-ASSESSMENT COMPLAINT HANDLING CODE**

The Strategic Housing and Business Support Manager presented the Housing Ombudsman Self-Assessment Complaint Handling Code for Members' consideration.

The Executive Committee was informed that there was a requirement for the Council, as a social housing provider, to adopt the Housing Ombudsman's Complaints Handling Code. There was a further requirement for the Council to undertake a self-assessment in line with the code. Following the latest self-assessment, Officers had identified that there was a need to provide greater clarity with regard to Stage 2 complaints, particularly with regard to which would not be accepted as complaints at this stage. The report provided an opportunity to update the code and Members were being invited to consider this change.

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There was a need for tenants to be informed about and to understand the Council's approach to handling complaints. Officers were anticipating that the introduction of a panel of tenants, acting as a voice for tenants, would help the Council to promote the process more effectively.

The Council had responded to 62 per cent of complaints in line with target timescales in the first part of the year. This compared to a median response rate nationally of 80 per cent. Officers recognised that there was a need for improvement in this context.

The Housing Ombudsman regarded complaints as providing an opportunity for social housing providers to learn and were keen for organisations to have a culture that was positive about learning from complaints. To address this, work would be undertaken with relevant service managers in cases where complaints occurred.

Any tenant could make a report to the Housing Ombudsman. In addition, the Housing Ombudsman could choose to investigate complaints. In the period covered by the report, the Housing Ombudsman had investigated three cases relating to tenants of houses managed by Redditch Borough Council.

Members welcomed the report and in doing so commented that complaints had been one of the lowest scoring areas for the Council in terms of tenant satisfaction measures. It was noted that the Council did make mistakes and there was a need for honesty and transparency in terms of recognising these mistakes and responding appropriately.

The Committee noted that the action required in learning lessons from complaints would vary. The suggestion was made that it would be helpful if in future the report could distinguish between complaints that were made that involved external contractors and complaints that related to Council staff, although it was recognised that it would not be appropriate to include specific details about particular cases. This information would help Members to assess whether there were greater needs for staff training or contract management issues that needed to be addressed.

The length of the complaint handling code was discussed by the Committee. Members noted that this was relatively lengthy and the suggestion was made that this could be confusing or frustrating for some tenants. Whilst recognising the need for detail, questions were raised about the potential for a shorter flow chart guide to be produced for ease of reference. The Committee was advised that Officers would aim to work with the new tenants' panel to review the code and to ensure that the content and layout met the needs of tenants.

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Questions were also raised about the potential to provide copies of the code in alternative languages to tenants for whom English was not their first language. Officers confirmed that options were available to provide copies to tenants on request in alternative languages.

Reference was made to the 55 per cent of learning outcomes that were recorded between 1<sup>st</sup> April 2024 and 31<sup>st</sup> March 2025 where the complaints were partially or fully upheld. Members suggested that this indicated that there was a cultural issue and it was anticipated that scrutiny by a panel of tenants would help to address this in future.

**RESOLVED that**

- 6) the Housing Complaint Self-Assessment be approved;**
- 7) the Annual Complaints Performance and Service Improvement Report 2024-25 be approved;**
- 8) the Housing Complaints Standard be approved and;**

**RESOLVED to NOTE that**

- 9) the reports referred to at resolutions 1 to 3 above, would be published to the Council's website.**

**10. OVERVIEW AND SCRUTINY COMMITTEE**

Members were advised that there were no outstanding recommendations arising from the minutes of the meeting of the Overview and Scrutiny Committee held on 12<sup>th</sup> May 2025.

**RESOLVED that**

**the minutes of the meeting of the Overview and Scrutiny Committee held on 12<sup>th</sup> May 2025 be noted.**

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

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



# Executive Committee

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## 12. 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 paragraphs 3 and 4 of Part 1 of Schedule 12 of the said act, as amended.**

## 13. Minute Item No. 13 – Promoting Independent Living Service **PROMOTING INDEPENDENT LIVING SERVICE**

The Strategic Housing and Business Support Manager presented a report on the subject of the Promoting Independent Living (PIL) Service.

A report had been presented on the subject of this service for the consideration of the Executive Committee in July 2024. Following consideration of that report, a decision had been taken to extend the contract with the existing service provider for a further 12 months.

Disabled Facilities Grant (DFG) funding was distributed through the work of the PIL service. This funding could be allocated to providing adaptations to properties designed to enable people with physical disabilities and mobility difficulties to live in their homes independently.

Members commented on the importance of DFG funding to enabling some of the most vulnerable residents to continue to live independently.

**RESOLVED that**

**10) The report be noted;**

**11) Officers to work towards ensuring the continuation of the Promoting Independent Living Service.**

(During 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 which related to the financial and business affairs of any particular person (including

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the authority holding that information) and relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matters arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.)

The Meeting commenced at 6.30 pm  
and closed at 7.52 pm

By virtue of paragraph(s) 3, 4 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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**Executive****8<sup>th</sup> July 2025****Redditch Council Property Acquisition**

Relevant Portfolio Holder		Councillor Bill Hartnett
Portfolio Holder Consulted		Yes
Relevant Assistant Director		Judith Willis
Report Author	Job Title: Amanda Delahunty Contact email: Contact Tel:	
Wards Affected		All
Ward Councillor(s) consulted		All
Relevant Council Priority		Community & Housing
Key Decision		
If you have any questions about this report, please contact the report author in advance of the meeting.		
This report contains exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, as amended		

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

- 1.1 The option to acquire a package of twelve affordable housing units from a developer to increase council housing stock to support the Council Housing Growth Programme be approved.**
- 1.2 Authority be delegated to the Deputy Chief Executive and S151 Officer and the Assistant Director of Communities and Housing, following consultation with the Portfolio Holder for Housing and the Portfolio Holder for Finance, to agree expenditure within the approved budget in the Housing Capital Growth Programme.**
- 1.3 The properties are acquired to be let at a social rent commensurate with the Council's Housing Capital Growth Programme.**

**2. BACKGROUND**

- 2.1 The Council has the opportunity to acquire 12 properties which are part of the section 106 obligation from the developer. Officers have instructed a RICS valuation to be undertaken which has been used to inform a proposed purchase offer to the developer.**
- 2.2 The developer has provided background information relating to the number of units and a schedule of accommodation including the size of the units.**

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- 2.3 We have carried out general external viewing of the location but the units have not been built so we have assumed for the purpose of this viability assessment that the units will be fully occupied by tenants on a social rented basis.

**The accommodation will provide:**

House Type	Number
2 Bed 3 Person	8
3 Bed 4 Person	4

- 2.4 The site which is part of a wider development area which is well served by local amenities and has good access to Redditch Town centre. The units were originally identified for shared ownership, however the social rented housing on the site has already been negotiated for purchase from another registered provider and the developer has been unable to agree a purchase on the shared ownership element.
- 2.5 The Council has ensured that all Registered Providers that operate locally have been given an opportunity to purchase these properties. There has been no expressed interest.
- 2.6 The Redditch Homes Housing Register shows a need for these properties. As at May 2025 there were 926 families on the register with a 2-bed need and 799 families with a 3-bed need. Our Allocations Manager is fully supportive of this proposal.

RBC Live Applications:						
	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed	Total:
Band 1	5	28	39	38	15	<b>125</b>
Band 2	15	40	74	79	28	<b>236</b>
Band 3	24	288	347	164	6	<b>829</b>
Band 4	36	53	59	21	0	<b>169</b>
Band 5	449	477	235	31	6	<b>1198</b>
Band 6	46	40	45	4	0	<b>135</b>
<b>Total</b>	<b>575</b>	<b>926</b>	<b>799</b>	<b>337</b>	<b>55</b>	<b>2692</b>

**3. OPERATIONAL ISSUES**

- 3.1 The Council has employed two Housing Development Officers to undertake viability assessments and deal with developer negotiations and will manage the onward construction and purchase of these properties.

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**4. FINANCIAL IMPLICATIONS**

- 4.1 The HRA business plan has provision of £15 million up to 2030 for additional stock. The cost of this acquisition will be funded by one for one capital receipts. The council will be seeking to charge social rent wherever possible.
- 4.2 A Social Rent will give an annual rental income of £81,681. The Local housing allowance rent would give an annual rental income of £98,130.34. An Affordable rent at 80% market rent would give us an annual rental income of £144,000.
- 4.3 Details in respect of the anticipated acquisition price are exempt and detailed in Appendix 2 to the report.

**5. LEGAL IMPLICATIONS**

- 5.1 Housing Act 1985 part 2 permits local authorities to build/acquire new housing. The properties fall under a section 106 agreement for the provision of affordable housing and currently comprise the shared ownership element. The developer has exhausted the list of social housing providers who operate in the area. Whilst one registered provider has agreed to purchase the social rented element, none of the providers were interested in purchasing the shared ownership properties.
- 5.2 The developer will need to apply for a deed of variation to the Section 106 to be completed for the council to purchase these for social rented accommodation. The variation application will need to be reported to the Planning Committee, for decision by Members

**6. OTHER – IMPLICATIONS****Local Government Reorganisation**

- 6.1 This development programme should not be impacted by local government re-organisation. The government have announced they will continue to deliver high quality and sustainable services for residents.

**Relevant Council Priority**

- 6.2 The provision of additional council housing positively impacts on all strategic purposes:
- Economy, regeneration & prosperity
  - Green, clean & safe
  - Community and Housing

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**Climate Change Implications**

- 6.3 The properties have been built to EPC B rating. The properties are currently under construction and likely to be completed October/November 2025. There may be opportunities to improve this rating that will be fully explored by the Housing Development Team.

**Equalities and Diversity Implications**

- 6.4 Increasing the Council's housing stock will assist in the provision of affordable housing in the Borough to meet housing need.

**7. RISK MANAGEMENT**

- 7.1 In addition to the twelve month defects period, properties will benefit from a 10 year NHBC warranty.

**8. APPENDICES and BACKGROUND PAPERS**

Appendix 1 – Exempt Information

**9. REPORT SIGN OFF**

<b>Department</b>	<b>Name and Job Title</b>	<b>Date</b>
Portfolio Holder	Councillor Bill Hartnett Portfolio Holder for Housing	17/6/25
Lead Director / Assistant Director	Judith Willis Assistant Director Community and Housing Services	17/6/25
Financial Services	Bob Watson Deputy Chief Executive and Section 151 Officer	17/6/25
Legal Services	Claire Felton	17/6/25



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	Legal, Democratic and Procurement Services	
Policy Team (if equalities implications apply)	N/A	
Climate Change Team (if climate change implications apply)	Matt Eccles, Climate Change Manager	17/6/25

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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