

REDDITCH BOROUGH COUNCIL
Medium Term Financial Plan 2023/24
Tranche One
Savings Proposal Document

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Overview

Redditch Borough Council provides district level local services, like housing, leisure and recreation, environmental health, waste collection, local strategic planning and planning applications, and local tax collection. Local Tax collection includes both Council Tax and Business Rates. The Council also collect Council Tax on behalf of County Council and the Fire and Police Authorities. The Council's proportion is just 13%. Business Rates are collected on behalf of the Council and the Government.

Redditch is in the county of Worcestershire which operates a 2-tiered system of Local Government (and some areas are covered by Parish Councils). The Borough Council provide the "district level" services described in the previous paragraph, whereas Worcestershire County Council provides county level local services like education, highways, transport planning, passenger transport, social care, libraries, waste disposal and strategic planning.

There is one parish council, Feckenham, in Redditch Borough. It provides parish level very local services like some parks, community centres, and war memorials.

Redditch

- Covers an area of 21 Square Miles
- Has 84,000 residents
- Has 41,000 Homes and Businesses
- Has 29 Councillors and 12 Wards which the present boundary review will reduce to 9 wards and 27 councillors.

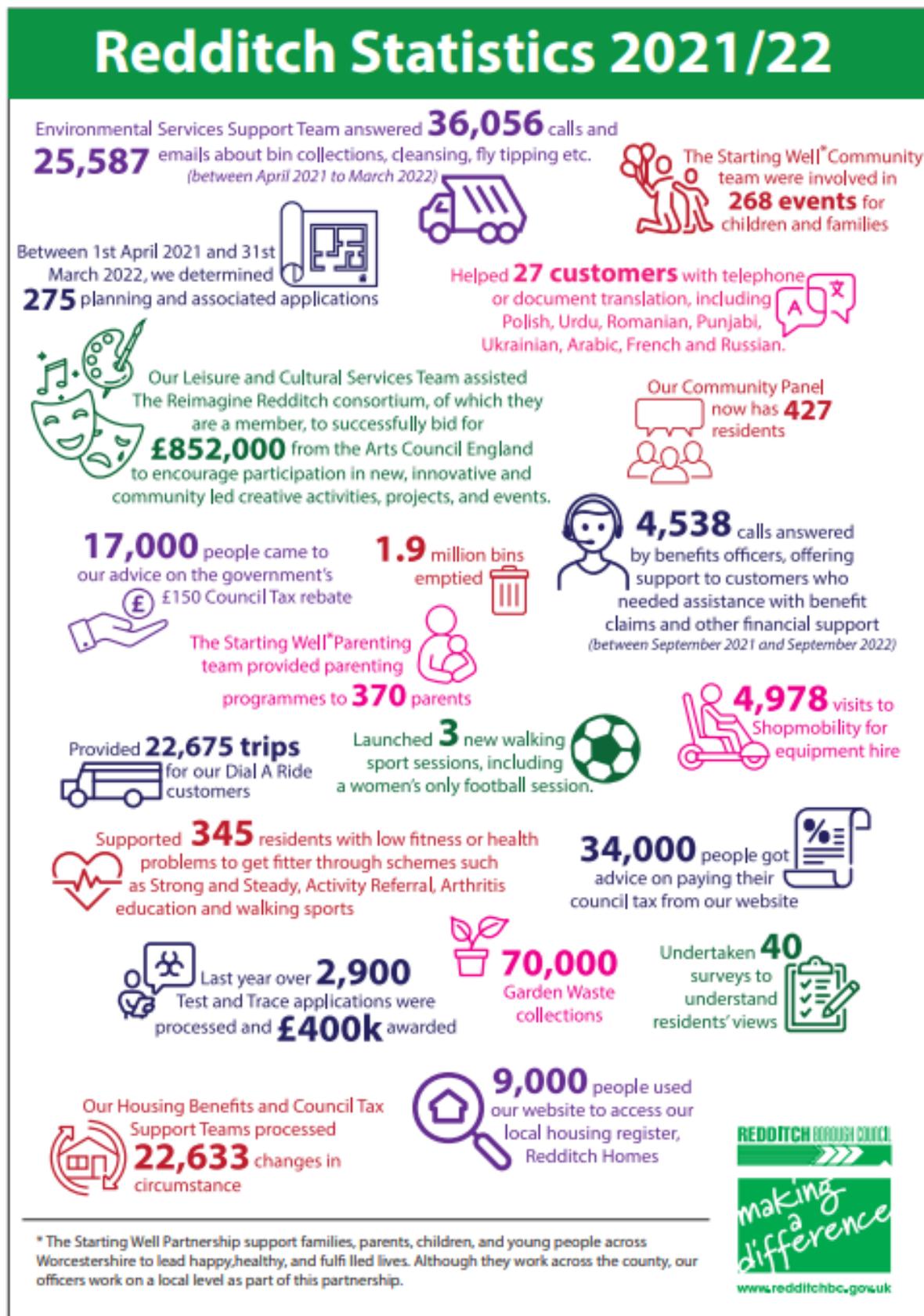
The Borough has an above-average number of young families; is densely populated other than outlying areas such as Feckenham; has major employment in 'traditional' manufacturing; has areas of significant deprivation; and average median incomes.

Elections are held every year for 3 years with up to 10 seats contested at a time. with no election in 4th year. All out elections will be held in 2024. The council has a 'leader and cabinet' form of governance, which means the council delegates authority to decide some matters to a 'cabinet' called the executive committee, which is chaired by the Leader of the Council. The executive committee handles much of the ordinary business of the council, with the full council having the final say on matters of strategic policy, budget and council tax.

The Council, along with Bromsgrove District Council, were one of the first Councils in the country to form a shared service in 2008. This means we have a single team serving both Councils. Bromsgrove also host services such as Worcestershire Regulatory Services which is pan Worcestershire.

The Council's vision is *"To enrich the lives and aspirations of all our residents, businesses and visitors through the provision of **efficiently-run**, high quality services that ensure those most need in need receive the appropriate help, support and **opportunities**."*

The Council has delivered the following



Key initiatives being delivered in 2022/23 include:

- Regeneration Investment of over £16m under the government's Town Deal. This includes the prospect of a new Community Hub (incorporating library), revitalised Town Centre public realm, and the investment and the delivery of a Digital Manufacturing and Innovation Centre all by 2026.
- Provision of more electric car charging points, as we continue to follow up words on climate change with actions. We've also 'decarbonised' the Town Hall, where better insulation and swapping gas boilers for air source heating has cut tons of CO2, not to mention our reliance on expensive gas, for a generation.
- Undertaking major park upgrades, with the revamp of our amazing BMX facility in Arrow Valley County Park and the opening of the new café and toilets in Morton Stanley Park.

The Council sets a 3-year Medium Term Financial Plan every year, with the final Council Tax Resolution being approved by Council in February. This year's process will be more difficult due to the following factors:

- Starting the process with an initial deficit amount from the 2022/23 MTFP.
- This being the first year of the Government paying for the C-19 Pandemic.
- The present cost of living crisis.
- A change of Prime Minister and Cabinet.
- Limited Reserves and Balances.

As such, it is prudent to split the budget process into two tranches,

- Having an initial Tranche which seeks to close as much of the deficit as possible using information known as at the end of September and seeking approval for those savings to be implemented at Council in January
- Having a second Tranche after the Christmas break, which will be approved in February, that takes account of the Local Government Settlement whose final detail will not be known until early January.

This document sets out the present financial situation as well as Tranche 1 service pressures and savings proposals.

2023/24 Budget Process

The council is faced with a challenging financial position this year. The magnitude of the savings required has meant that we have had to consider significant changes to our operating model and redesign the way we deliver services.

Due to the nature and scale of this, developing the proposals has required additional time and resource to ensure the plans are robust, deliverable and collectively achieve financial sustainability.

As such, the budget will be delivered in two tranches, the first with proposals being approved on the 30th January and the second with proposals being approved on the 27th February.

| | |
|---|-------------------------------|
| Tranche 1 | |
| MTFP and Savings Proposal Tranche 1 Published | 17 th October 2022 |
| Budget Scrutiny Committee | 19 th October 2022 |
| Executive | 25 th October 2022 |
| O&S Scrutiny | tbc |
| Feedback Closing Date | 5 th December 2022 |
| Executive | 6 th December 2022 |
| Council | 30 th January 2023 |

| | |
|---|--------------------------------|
| MTFP and Savings Proposal Tranche 2 Published | |
| Consultation Start Date | 27 th January 2023 |
| Budget Scrutiny Committee | tbc |
| Executive | 7 th February 2022 |
| O&S Budget Scrutiny | 20 th February 2023 |
| Feedback Closing Date | 26 th February 2023 |
| Executive | 27 th February 2023 |
| Council | 27 th February 2023 |

Redditch has the following Strategic Purposes:

- Run and Grow a Successful Business
- Finding Somewhere to Live
- Aspiration, Work and Financial Independence
- Living Independent, Active and Healthy Lives
- Communities which are Safe, Well Maintained and Green
- The Green Thread runs through the Council Plan

Council Service Areas

Business Transformation & Organisational Development

This service area covers the following Services:

Human Resources and Organisational Development - The Human Resources and Organisational Development primary function is to provide a HR advisory service, organisational development, training and health and safety, providing advice and support to the organisation in respect of; recruitment, employment issues, pay and grading, training, workforce planning and health and safety advice. HR focuses on the people within the business and on every aspect of the employment relationship.

Information Communication and Technology - The different areas of ICT include helpdesk support, technical project implementation, infrastructure and business application support, small systems development and automation, service requests, website design and support, graphical information systems support (including street naming and numbering) and information management.

Business Improvement Team - The Business Improvement team supports service areas to improve their delivery of our Strategic Purposes, through changing work practices, processes, and behaviours.

Policy, Equalities and Performance Team - The Policy Team supports elected members, CMT, managers and service areas with corporate planning (such as the development of the Council Plans), performance, data gathering and analysis, consultation and engagement and equalities.

Chief Executive

The Chief Executive's Unit comprises Strategic Partnerships (facilitating partnership working across the Borough to ensure more effective outcomes for people), Communications and Print and PA / Directorate Support (which provides administrative support to the Leader, Corporate Management Team and Mayor (including post room)).

Corporate Financing

Corporate financing sets out how the Council funds its revenue expenditure. The Council funds the majority of its activities from the collection of Council Tax and Business Rates. There are also Grants such as the Lower Tier Services Grant, and New Homes Bonus that makes up this figure.

Expenditure such as the Councils Minimum Revenue Position for borrowing and the net effect of investment income and payments also sit in this area.

Community and Housing General Fund Services

This service area covers the following Services:

Community Safety ensures compliance of the Council's statutory duties under the Crime & Disorder Act 1998 alongside providing co-ordination and support to the

statutory Community Safety Partnership. Project activity improves community safety and reduces risk of crime & disorder with a focus on prevention. Examples include a youth work team, Safer Spaces Scheme, Nominated Neighbour Scheme, Respect Programme.

The **Housing Strategy** team comprises of the Housing Strategy & Enabling Service which is responsible for developing strategies and policies for all housing services and the effective management and delivery of Redditch's housing development programmes. The private sector housing team are responsible for ensuring good housing standards by private sector landlords. Included in this service is the support for Disabled Facilities Grants. The Climate Change Officer provides advice to services across the Council with the aim of bringing about carbon reduction and efficiencies, including grant applications and the delivery of energy efficiency schemes.

A door-to-door **community transport scheme** called Dial A Ride provides a community transport for those who cannot access or use public or private transport.

The **Shopmobility** service in the Kingfisher Centre provides manual and motorised equipment for people with poor mobility so they can access local shops and health providers.

The **CCTV** service is monitored from our 24/7 Monitoring Centre using a vast number of cameras to cover the Borough. We support the police in spotting potential criminal activity and providing evidence for courts, as well as other community concerns such as a missing child.

NEW Lifeline is a telecare and assistive technology alarm service available 24 Hours per day, 365 days per year to any vulnerable person living within the Borough. Services include a pull cord/pendant to summon assistance, bed and fire alarm sensors, support for residents with dementia.

Bromsgrove and Redditch **Starting Well** is a commissioned service that works in partnership with Worcestershire Health & Care Trust. The focus is on improving health outcomes and reducing inequalities at the individual, family and community levels across Worcestershire. The service will contribute to ensuring every child has the best start in life, they are ready to learn at 2, ready for school at 5, thrive and develop well during their school years and into adult life.

The **Grants to Voluntary Bodies** scheme in Redditch supports local voluntary groups to deliver services to our communities by running an annual grants programme. Each year we support over 15 voluntary groups and providing over £150,000 worth of grants.

Environmental Services

This service area covers the following Services:

Environment

Environmental services and operations, deliver a wide range of boroughwide and 'place based' services including weekly waste collections to nearly 80,000 households, and a paid for garden waste service to 22,000 households across the 2 Council areas (Bromsgrove and Redditch). The teams also deliver both a commercial waste and commercial recycling service, and a septic tank and cesspool emptying service to both households and commercial customers.

Grass cutting and street cleansing services are delivered via our 6 place teams and the core environmental team also undertakes Environmental Enforcement across the 2 Council areas.

The other key service areas include management of the Councils tree stock including Tree Preservation Orders and high hedges applications. Bereavement services, deliver both cremations and burial services.

Support services include management of the Council transport and vehicle fleets including the provision of workshops at the two depots, a Stores Service, Design and management of civil engineering projects and customer management via the Business Support Team.

Our on street enforcement and land drainage services across the 2 Council areas are delivered by a public sector contract/shared services with Wychavon and Wyre Forest respectively.

Housing Property

The team manages Redditch Borough Councils retained housing stock of approximately 5800 properties delivering a responsive repairs and maintenance service, void repairs and refurbishment and installations of equipment and adaptations.

Full compliance services are delivered including gas servicing, repair and replacement of boilers and heating systems, alongside electrical inspection, repair, and upgrades of properties

Asset Management and programmed capital works to our properties are undertaken using stock condition data, and fully supported by other compliance works including asbestos, fire safety and water.

Financial and Customer Services

This service area covers the following functions:

Finance

Corporate finance set the Councils financial agenda. They are responsible for the Councils financial regulations/controls and compliance to them, Supporting

Members, the Chief Executive and CMT, setting and delivering the budget, closing the Council's Accounts, in year monitoring of the Councils financial position to stakeholders.

Management Accountancy is the primary source of financial support to Budget managers and Heads of Service. They are responsible for the delivery of the operational budget, the monthly/quarterly monitoring, and the closure of accounts in liaison with budget managers and other Council staff.

Exchequer Services delivers the Councils Payment and Income Services along with running the GPC Card (procurement Card) system and Insurance.

Payroll Services is a small team which work closely with HR and finance and run the monthly payrolls for Bromsgrove, Redditch, Rubicon and Wyre Forest Councils.

Revenues Services

Revenue Services is responsible for the annual collection of £60m of non-domestic rates; £116m council tax, £27m in sundry income and is responsible for collection of £2.4m in overpaid housing benefit across both Redditch and Bromsgrove.

Benefit Services

The principal functions of the Benefits Service are to maximise benefit awareness and take-up and to assess benefit claims promptly and accurately.

The service area is responsible for paying over £30 million of Housing Benefit and almost £10 million Council Tax Support to our residents across both Councils.

We also have £60k Essential Living Fund budget to administer alongside the £250k Discretionary Housing Payments. Our experienced Financial Independence Team deal with the applications for these schemes.

Customer Services

Customer Services provided a comprehensive service to the council, mainly face-to-face enquiries on both reception and cashiers.

When the building was closed to the public during the C-19 pandemic, we quickly mobilised the Customer Service Officers to take council tax and business rates calls, as well as providing outbound calls for locality where tenants were in arrears. When the buildings were re-opened in July, staff have maintained these functions, albeit with fewer numbers.

Legal, Democratic and Property Services

This service area covers the following Services:

Legal Services - The shared legal service for Bromsgrove and Redditch Councils, is an in-house support service, providing legal advice and representation to the Council in its governance and decision-making role and to all departments of the Council in the delivery of their services to residents and in achieving their strategic objectives, including: Procurement, Contract negotiation, Litigation (both as Plaintiff and Defendant), Prosecutions, Planning Agreements, Property transactions

(acquisitions and disposals), Corporate governance and supporting corporate projects, Member support and the decision-making process.

As well as these operational services, we have an over-arching responsibility to ensure that the Council acts in a lawful manner, is compliant with the regulatory and statutory regimes within which it operates and to protect the council's standing with the courts and other external organisations, and its reputation generally.

The Local Land Charges service sits with the shared legal service though there is a separate budget for Land Charges.

Bromsgrove District Council is the 'host' authority to Worcestershire Regulatory Services [WRS], the shared environmental health and licensing service for Worcestershire. The Council act as legal advisor to meetings of its governing body, the WRS Joint Committee and provide advice and representation for BDC and RBC environmental health and licensing cases.

Procurement - Procurement is a support service which is at the core of both Councils and Rubicon Leisure. The Service strives to promote compliance with legal and corporate regulations and drives efficiencies and savings through a corporate wide approach to purchasing.

The Team provides support both for active procurements across the organisations at all stages of a procurement and additionally provides advice on procurement strategy more generally. The Team also provides support with contract management, assisting teams in ensuring that contractors deliver what has been procured to the correct standards, at the correct time and at the right price.

Shared Electoral Services - The Democratic Services team facilitates Committee meetings, manages the decision-making process, including the work programmes (Forward Plans) and provides a support service to elected Members and officers.

Electoral Services manage and deliver elections and electoral administration

Property Services - The Property Services Team manage the asset portfolio in line with the Asset Management Strategy and all associated repairs, cyclical maintenance and refurbishment of the portfolio of properties, owned by the Council.

Planning, Regeneration & Leisure Services

The Planning, Regeneration and Leisure Service is composed of the following teams: Building Control: Strategic Planning and Conservation: Development Management: Leisure and Cultural Services. NWEDR and Emergency Planning and Business Continuity are managed by WFDC in a three-way shared service arrangement and these teams link into the Service.

Building Control - The Building Control team ensures buildings are safely constructed with appropriate fire escapes.

Strategic Planning and Conservation - The team prepares local plans and supplementary planning and conservation documents and provides general policy, conservation, and listed building advice.

Development Management - This team is responsible for processing all types of applications under planning legislation and investigating breaches of planning control.

Leisure and Cultural Services - Leisure Services includes the strategy development and management of parks and events and the development of arts, sports and cultural services

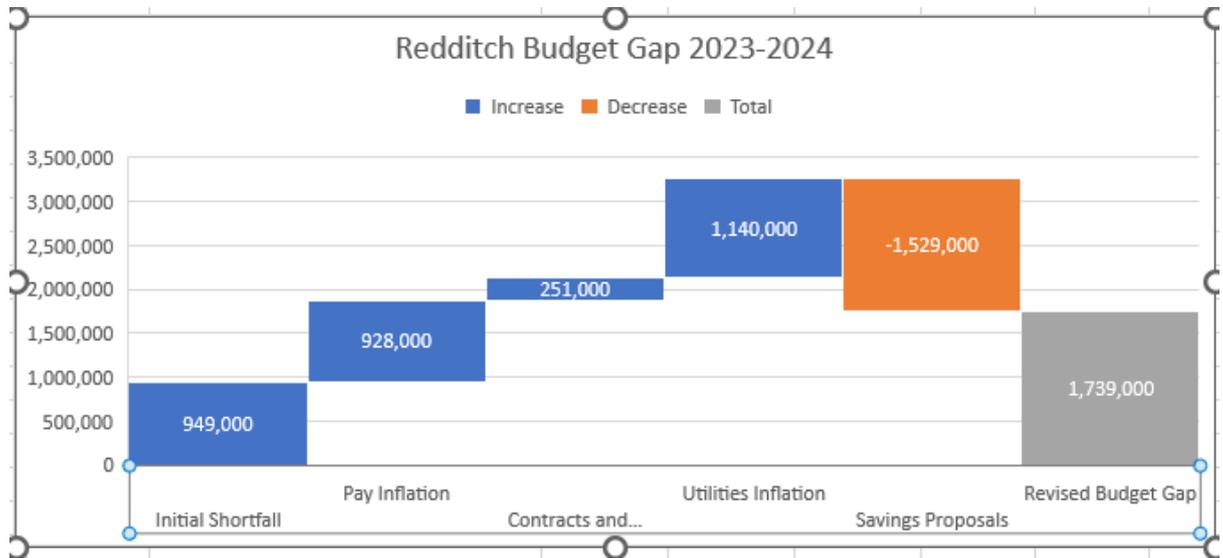
Economic Development and Regeneration - The team leads on regeneration initiatives, supporting businesses, shaping the skills agenda, and generally making sure the issues locally are appreciated by all who make or shape decisions or release funding.

Emergency Planning and Business Continuity - This function ensures the councils, with its partners are prepared for a range of scenarios.

Regulatory Services

Worcestershire Regulatory Services (WRS) is the shared Environmental Health and Licensing service governed by a Joint Board, making it part of the six Worcestershire District Councils, with Bromsgrove District Council as the host authority. We provide all the traditional environmental health and licensing regulatory services for the six Worcestershire District Councils to include health & safety for commercial premises, food hygiene inspections, environmental protection (nuisance, contaminated land, air quality, private water supplies and industrial permitting) as well as administration of the licensing regime for taxi's, drivers, pubs, nightclubs, pet shops, animal boarding, stables, zoos and street trading. In addition we provide some environmental health and licensing services and associated services under contract or agreement for other local authorities in and outside Worcestershire.

Overall Financial Position



| Redditch | | | |
|-----------------------------------|------------------|------------------|------------------|
| | 2023/24 | 2024/25 | 2025/26 |
| Initial Shortfall | 949,000 | 833,000 | 1,040,000 |
| Pay Inflation | 928,000 | 928,000 | 1,045,000 |
| Contracts and Transport Inflation | 251,000 | 256,000 | 261,000 |
| Utilities Inflation | 1,140,000 | 1,140,000 | 1,140,000 |
| Savings Proposals | -1,529,000 | -1,849,000 | -2,221,000 |
| Revised Budget Gap | 1,739,000 | 1,308,000 | 1,265,000 |

Summary Proposals

| Redditch Position Statement | | 2023/24 | 2024/25 | 2025/26 |
|--|--|---------------|---------------|---------------|
| | | £000 | £000 | £000 |
| Base Budget Position 22/23 MTFP | | | | |
| Expenditure | | 10,290 | 10,428 | 10,661 |
| Funding | | -9,341 | -9,595 | -9,621 |
| Net | | 949 | 833 | 1,040 |
| Revised Gap | | 949 | 833 | 1,040 |
| Pressures | | | | |
| 50% Funding for Climate Change Officer | | 30 | 30 | 30 |
| Savings Options | | | | |
| Environmental Services Partnership | | 0 | -25 | -50 |
| Service Reviews | | -140 | -330 | -405 |
| Move to All Out Elections | | 0 | 0 | -170 |
| Town Hall | | 0 | 0 | -400 |
| Finance Vacancies | | -100 | -100 | -100 |
| MRP | | -100 | -100 | -100 |
| Pension Fund | | -580 | -580 | -580 |
| Engage Capacity Grid (One Off) £14m De | | -300 | -300 | 0 |
| 10% Increase in Fees and Charges | | -339 | -340 | -342 |
| Council Tax Increase | | 0 | -104 | -104 |
| Total Savings | | -1,529 | -1,849 | -2,221 |
| Revised Position | | -580 | -1,016 | -1,181 |
| Pressures | | | | |
| Pay Pressure Year 1 | | 928 | 928 | 928 |
| Pay Pressure Future Years (1%) | | 0 | 0 | 117 |
| Transport Pressure | | 21 | 21 | 21 |
| Contracts Pressures | | 230 | 235 | 240 |
| Core Pressures | | 1,179 | 1,184 | 1,306 |
| Updated Position | | 599 | 168 | 125 |
| Utilities Inflation | | 1,140 | 1,140 | 1,140 |
| Final Draft Position | | 1,739 | 1,308 | 1,265 |

Savings Proposals

Wider Environmental Services Partnership

| | 2023/24 | 2024/25 | 2025/26 |
|------------------|---------|---------|---------|
| Existing Budget | 0 | 0 | 0 |
| Savings Proposal | 0 | -25,000 | -50,000 |
| Revised Budget | 0 | -25,000 | -50,000 |

We are actively engaging with consultants to look at the viability of greater partnership working across North Worcestershire with regards to the following services: Waste, Commercial Waste. and Fleet. This is reliant on business case and report approval. This is new income.

Service Reviews

| | 2023/24 | 2024/25 | 2025/26 |
|------------------|-----------|-----------|-----------|
| Existing Budget | 4,872,000 | 4,978,000 | 5,084,000 |
| Savings Proposal | -140,000 | -330,000 | -405,000 |
| Revised Budget | 4,732,000 | 4,648,000 | 4,679,000 |

The implementation of the Customer and Digital Strategy through the rollout of Abavus, and the redesign of Redditch Town Hall as a Community Hub will facilitate significant service redesign and the ways we operate. Abavus is the software solution that will facilitate the Councils Customer and Digital Strategy, ensuring more of our services and customer interactions are delivered through Digital and Web. Works on Redditch Town Hall in its move to becoming a Public Sector Hub will begin in early 2023. Both these initiatives will result in significant reviews across a range of services to ensure we are effectively and efficiently using new solutions and space. In 2021/22 the Council had a 15% turnover rate and as at July 2022 on a combined staffing total of 651 FTE's there were 30 vacancies and 59 posts being covered by either Agency, consultants or staff acting up or on secondment. Service redesign will take these factors into account.

Move to All Out Elections

| | 2023/24 | 2024/25 | 2025/26 |
|------------------|---------|---------|----------|
| Existing Budget | 313,800 | 317,200 | 319,600 |
| Savings Proposal | 0 | 0 | -170,000 |
| Revised Budget | 313,800 | 317,200 | 149,600 |

The movement to all out elections on a four yearly basis will save £170k over the 4 year period.

Move to using the Town Hall as a Hub

| | 2023/24 | 2024/25 | 2025/26 |
|------------------|---------|---------|----------|
| Existing Budget | 651,000 | 646,000 | 646,000 |
| Savings Proposal | 0 | 0 | -400,000 |
| Revised Budget | 651,000 | 646,000 | 246,000 |

Reports have gone to Executive in October 2022 detailing substantially different use of the Town Hall. This will result in significant savings on running costs for the Council.

Finance Vacancies

| | 2023/24 | 2024/25 | 2025/26 |
|------------------|----------|----------|----------|
| Existing Budget | 785,000 | 818,000 | 856,000 |
| Savings Proposal | -100,000 | -100,000 | -100,000 |
| Revised Budget | 685,000 | 718,000 | 756,000 |

The finance Department are presently holding 4 vacancies (in 2022/23 these are being covered by Agency). These posts will not be required following the rectification of finance issues (subject of Reports to Executive in September 2022). These savings are shared across both Councils.

Minimum Revenue Provision (MRP) Savings

| | 2023/24 | 2024/25 | 2025/26 |
|------------------|-----------|-----------|-----------|
| Existing Budget | 1,098,000 | 1,046,000 | 1,282,000 |
| Savings Proposal | -100,000 | -100,000 | -100,000 |
| Revised Budget | 998,000 | 946,000 | 1,182,000 |

The Council's MRP costs are over £1m. With the rationalisation of the Capital Programme and the concentration on delivery of Levelling up and Shared Prosperity Fund Programmes less is needed to be charged to capital financing, resulting in a lower MRP change than anticipated. The delay in replacing the cleansing fleet is a key input into this reduction as is the reduction of the overall programme. The Council's Treasury consultants Arlingclose are reviewing the Council's MRP methodology to identify further possible savings (which would require Policy changes to implement).

Pension Fund Savings

| | 2023/24 | 2024/25 | 2025/26 |
|------------------|-----------|-----------|-----------|
| Existing Budget | 3,394,000 | 3,529,000 | 3,559,000 |
| Savings Proposal | -580,000 | -580,000 | -580,000 |
| Revised Budget | 2,814,000 | 2,949,000 | 2,979,000 |

The Council's Pension Fund contributions are reviewed on a 3 yearly basis by the County Councils actuaries. There were two valuations received in September, one which took account of moving into a high inflation/stagflation period and one which did not. The council has taken the prudent path of assuming a higher stagflation/inflation assumption which still leads to significant yearly savings. The base budget is made up of two elements, the Councils Employers Contribution in service accounts and a central contribution which sits in the Chief Executives budgets.

Collection of Outstanding Council Tax and Business Rates Arrears

| | 2023/24 | 2024/25 | 2025/26 |
|------------------|----------|----------|---------|
| Existing Budget | | | |
| Savings Proposal | -300,000 | -300,000 | 0 |
| Revised Budget | | | |

Presently there is £5.9m of outstanding Council Tax debt and £1.6m of outstanding Business Rates debt. The Council has engaged an external agency whose assessment of outstanding debt collectability is 20%. In going through this process, the remainder of the debt will be able to be written off as it will also have gone through the assessment process. Half the collected amount will be returned to the other precepting authorities, and the amounts in the table are the resultant amount for the Council. It is expected that this process will take 2 years to complete. This is "one off" savings.

10% Increase in Fees and Charges

| | 2023/24 | 2024/25 | 2025/26 |
|------------------|------------|------------|------------|
| Existing Budget | -3,395,000 | -3,404,000 | -3,416,000 |
| Savings Proposal | -339,000 | -340,000 | -342,000 |
| Revised Budget | -3,734,000 | -3,748,000 | -3,758,000 |

The Council budget for the receipt of £3.3m of fees and charges. Given that inflation is running at well over 10% and Council Core Council Tax Income only can rise by 1.99% there is the requirement to increase fees and charges at a level just below inflationary rate at 10%. An assessment has been made on deliverability as

customer numbers will reduce, especially with the “cost of living crisis”, and debt levels will also potentially rise.

Council Tax Increase

| | 2023/24 | 2024/25 | 2025/26 |
|-------------------------|-------------------|-------------------|-------------------|
| Existing Budget | -6,942,000 | -7,032,000 | -7,032,000 |
| Savings Proposal | 0 | -104,000 | -104,000 |
| Revised Budget | | -7,136,000 | -7,136,000 |

In reviewing base assumptions, the full increase allowable in Council Tax is not reflected in the base budgets and this adjusts so that the full 1.99% is taken.

Growth Proposals

2022/23 Pay Award

| | 2023/24 | 2024/25 | 2025/26 |
|-----------------|------------|---------|---------|
| Existing Budget | 11,700,000 | | |
| Growth Proposal | 928,000 | 928,000 | 928,000 |
| Revised Budget | 12,628,000 | | |

- Presently, the Employers have offered a 2022/23 pay award of £1,925 per pay point plus on costs. This equates to an additional £953,453 cost to the Council from its initial budget. We budgeted for a 2% increase in our base budget in the 2022/23 MTFs which was £180k. In addition, we are assuming the 2023/24 will see an additional cost of 1.5% over our 1% base at a cost £154,667 before reverting back to 1% from 2024/25.
 - Therefore, at our present employee budgets, this accounts for an ongoing pressure of £1,108,120 on the base budget of £9.3m. Taking off the £180K budgeted this leaves £928,120 to be delivered.

Future Pay Awards

| | 2023/24 | 2024/25 | 2025/26 |
|-----------------|---------|---------|---------|
| Existing Budget | | | |
| Growth Proposal | 0 | 0 | 117,000 |
| Revised Budget | | | |

See above Narrative

Contract Inflation

| | 2023/24 | 2024/25 | 2025/26 |
|-----------------|-----------|-----------|-----------|
| Existing Budget | 2,509,000 | 2,509,000 | 2,509,000 |
| Growth Proposal | 251,000 | 257,000 | 263,000 |
| Revised Budget | 2,760,000 | 2,766,000 | 2,772,000 |

General inflation is running at 10% as of the 18th August. The assumption is this will affect transport and contract budgets in particular. Its impact on 2023/24 will be as follows (it is assumed that 2024/25 will move back to normal levels of 2%):

- Redditch base transport budget - £209k – Increase £21k
- Redditch base “contracts” budget - £2.3m – Increase £230k

Utilities Inflation

| | 2023/24 | 2024/25 | 2025/26 |
|------------------------|------------------|------------------|------------------|
| Existing Budget | 570,000 | 570,000 | 570,000 |
| Growth Proposal | 1,140,000 | 1,140,000 | 1,140,000 |
| Revised Budget | 1,710,000 | 1,710,000 | 1,710,000 |

Utilities increases will be a significant, with all our existing Utility contracts requiring renewal by the end of this financial year. We have seen increases in some areas of up to 400%. For planning purposes, we will assume an increase of 200% in 2023/24 which should then be relatively constant for the next three years.

Redditch base utilities budget - £570k – Increase £1,140k

Climate Change Post

| | 2023/24 | 2024/25 | 2025/26 |
|------------------------|----------------|----------------|----------------|
| Existing Budget | 0 | 0 | 0 |
| Growth Proposal | 30,000 | 30,000 | 30,000 |
| Revised Budget | 30,000 | 30,000 | 30,000 |

Required in order to manage and deliver the requirements of the Council's Climate Change Strategy and associated Carbon Reduction Implementation Plan also goes to Cabinet on the 25th October. 50% Funded by Bromsgrove.

Consultation Feedback Form

BUDGET CONSULTATION FORM

We want to hear the opinions of all residents, partner organisations, businesses and other interested parties as part of the budget setting process.

People will be able to give their opinions by completing an online survey on the city council website by the 5th December 2022.

Hard copies can be requested

The consultation will close on 5 December 2022 at 5pm. Executive will consider comments on Monday 6 December 2022 and Full Council will debate the Tranche One proposals on Wednesday 30 January 2023.

The consultation will ask the following questions:

1. Do you have any comments to make about the phase one budget proposals?

2. Having read the phase one proposals document, how much do you now feel you understand about why the council must make total savings of almost £3.3million in 2023/24? Tick the answer you agree with.

- A great deal
- A fair amount
- Not very much
- Nothing at all

3. If you have any specific ideas about how the council can save money or generate additional income to protect services, please state these here:

So that we can check this survey is representative of Redditch overall, please complete the following questions.

Are you?

- Male
- Female

Please tick which of the following best describes who you are:

- Resident
- Business person
- Member of council staff
- Borough councillor
- Work, but don't live in Redditch
- Member of community or voluntary organisation
- Regular visitor
- Other (please state).....

Which of these age groups do you fall into?

- Under 16
- 16 to 24 years
- 25 to 34 years
- 35 to 44 years
- 45 to 54 years
- 55 to 64 years
- 65 to 74 years
- 75 years or over
- Prefer not to say

What is your ethnic group?

A White

English/ Welsh/ Scottish/ Northern Irish/ British

Gypsy or Irish Traveller

Any other white background

B Mixed/ multiple ethnic groups

White and Black Caribbean

White and Black African

White and Asian

Any other mixed/ multiple ethnic background

C Asian/ Asian British

Indian

Pakistani

Bangladeshi

Chinese

Any other Asian background, write in

D Black/ African/ Caribbean/ Black British

African

Caribbean

Any other Black/ African/ Caribbean background

E Other ethnic group

Any other ethnic group

Do you consider yourself to have a disability?

Yes.....

No

Thank you for taking the time to complete this survey