

Redditch Labour Party Alternative Budget 2024/5 to 2026/7

This report sets out the alternative budget proposed by the Labour Party for the 2024/5 to 2026/7 financial Years. The starting point for the budget is the end point of the Administration's budget which sets the following overall financial position as per Paragraph 3.35 of the MTFP. Council Tax is assumed at 2.99% in 2024/5 with the position being reviewed for 2025/6 with the assumption of a Council Tax Freeze in 2025/6 if affordable being maintained.

	2023/24	2024/25	2025/26	2026/27
Updated Position Tranche 2		-29	-165	-166
2025/6 Council Tax Freeze		0	144	144
Revised Tranche 2 Position		-29	-21	-22
Provisional Additional Government Grant		-103	-103	-103
Parking increases (to be agreed)		27	27	27
Final Tranche 2 Position		-105	-97	-98

This is an overall Surplus position. The Labour budget applies this surplus position to the benefit of the Community in 4 distinct Areas:

1) Reintroduction of the Street Market in Redditch

Labour want to invigorate the area running down from the Church past the library with a static market, which for Four days in the week would be a normal market and on Saturdays be a specialist Market. We need to ensure that we attract footfall to this area to attract business both to the Market and existing shops. As such we propose investing in 20 high quality Stalls (such as Wells) which would cost £50k. This equates to a capital cost of £5k a year (over 20 years) and net running costs of £33k a year - £38k in total. Running costs (income and expenditure) are based on present delivery at Bromsgrove.

2) Library Refurbishment

Labour wish to keep the existing Library building and convert it with a catering and business units on the ground floor and then community usage, dining and conference facilities on the upper floors. The major change is that the building would not be demolished. BIES/DLUHC were consulted last week and their view on Friday 16th February was that the change would be a possibility providing the council presented a strong case to justify in a project adjustment request (PAR).

DLUHC has delegated some decision-making on PARs to Town Deal Boards and Local Authorities. This allows places to modify the agreed spend, outputs and outcomes against any project by up to 30% without requiring formal clearance from the Department. Depending on the scope of the delivery, this might fall within this requirement against the £4.2m budget.

The original requirements as per the Committee Report of October 2022 set out the Objectives as the following:

The key vision and objectives of the Redditch Library redevelopment is to act a catalyst for the revitalisation and rejuvenation of the Town Centre and making Redditch a great place to live, work, visit and invest. The project will provide significant benefits to the local economy and community by increasing town centre footfall, improving the evening economy, and encouraging further inward investment to the town centre. The project will also play a pivotal role in realising the Redditch Town Investment Plan vision and will specifically contribute towards the ambition to create a 'Creative Smart Town'. The project will achieve these objectives by contributing towards: -

- Strengthening the town centres' viability and vitality - The redevelopment of Library will improve the viability of the town centre by providing a high-quality food and beverage and commercial offer which will increase footfall and therefore the investable potential of the town. In turn, this footfall and investment will improve the vitality of the town centre by making it more likely for currently vacant retail units to be repurposed, as well as reducing crime and fear of crime through natural surveillance.
- Making the town centre a more attractive place to live and work - The Library currently provides an important community hub but could do more. Its redevelopment will ensure the continuation of Library services as well as providing a popular asset for residents and small businesses within the town centre. This should attract more people to want to live and work in Redditch.
- Developing the town centre into a cultural and leisure destination by providing facilities for more dwell time - The redevelopment of the Library site will provide a new leisure hub at the heart of the town centre, as well as providing space for people to dwell during a day out. Given the current lack of amenities within the town centre, this project will represent a change in the Redditch's cultural and leisure offer.

Projects Economic Benefits

The project will deliver wider economic benefits to the Town besides the building offering new retail (food & beverage units) and co-working office space. The investment will revitalise the town centre creating a hub for the evening economy, increasing footfall and supporting the creation of additional jobs. The project will also provide additional economic benefits in the form of amenity benefit, commercial and residential benefit as a result of public realm improvements i.e., increase in the land values and reduction in the number of town centre commercial vacant (vacancy uplift) and encouraging public sector investment thereby providing real value for money. In addition, the project will provide the following substantial qualitative benefits: -

- Supporting business creation and growth - The newly redeveloped Library site will provide a key asset for small businesses through providing affordable and high-quality co-working space. Its positive effect on the vitality of the town centre will also increase footfall, making the conversion of existing vacant retail units a more attractive prospect for small businesses.

- Increasing business innovation - The presence of affordable co-working space and reduced retail vacancies will provide an environment in which small businesses can survive and thrive Improving the town centres' evening economy- The redeveloping of the Library will present a meaningful intervention to provide attractive and popular food and beverage units as well as high-quality shared workspace in the heart of the town centre. By providing a centre for footfall and spending, this will have a knock-on effect on the wider town centre, attracting private inward investment to take up currently empty retail units. This might result in some of these being converted into further food and beverage uses thereby improving the town's night time economy

Project's Social Benefits

Redditch Town Centre has suffered because of a significant lack of regeneration of the town's-built environment which has resulted in the town centre feeling outdated and unwelcoming. The long term under investment has contributed to negative perception of the town centre with increased crime and fear of crime highlighted by residents as a major concern. This status quo has endured for a long time and is unlikely to change without the intervention of the library redevelopment project. The redevelopment of the Library site will increase vibrancy in the Town Centre and provide natural surveillance thereby providing a catalyst to reducing crime and increasing visitor numbers to support the local economy.

The project will also drastically improve the public realm within the Town Centre through making direct improvements to the immediate vicinity of the Library around Church Green as part of this project's investment, as well as linking in with the wider public realm improvements on Unicorn Hill. With the good urban design planned on the public realm project which includes improved lighting and the activation of frontages this will lead to the reduction of crime and also the fear of crime thereby helping to bring residents back into the town centre and improving perceptions which in turn will also attract future investment in the town centre.

The redefined project refurbishes the existing building. It will still:

- **improve the evening economy.**
- **provide a high-quality food and beverage and commercial offer which will increase footfall and therefore the investable potential of the town.**
- **provide a new leisure hub at the heart of the town centre.**
- **Provide affordable and high-quality co-working space for small businesses.**

What it does not do is change the layout/public realm in the vicinity of the library.

Detailed plans will need to be worked up, however as the move of the library will not take place until the end of the calendar year there is time for this to be scoped out, approved by DLUHC, and fully designed.

Project Adjustment Requests require that for Town Deals the following approval process would need to be followed for the changes to be accepted:

- The changes have been approved by the Town Deal Board, which includes the local MP. If your MP was not able to attend the board meeting, you should confirm they are aware of the changes before submitting the PAR.
- The project can be delivered and spend achieved by 31 March 2026.
- The project BCR is above 1. For BCRs close to 1 you may be required to submit additional information.
- The change has Section 151 Officer approval.
- The changes do not exceed the town's funding envelope.
- Outputs and outcomes are consistent with the themes set out in Town Investment Plans.
- Changes align with the strategic priorities set out in Town Investment Plans.

3) Labour would take away the increase charge from dial a ride it at its current level for 1 year.

This would cost an additional £18,000 in the 2024/5 financial year.

4) Labour would look at re developing the grass area of the Forge Mill to enable small stalls to be erected for craft business based on the Jinny ring and Hatton Country park.

The big factor to consider at Forge Mill is the restricted access for whatever option would go ahead. Planning permission would be required for any of the options given the site location and agreement with Rubicon – the operators of Forge Mill. This initiative is to attract more people to the Forge Mill area. Two options are given. Both are temporary in nature given the possible planning constraints.

Option 1 – 10 Timber style temporary units which would be on site from May through to the end of September (5 months). Costs of these units including installation are £4,000 per unit. The one off costs of utility connection would be £20k in the initial year. Movement/storage costs would be £10k a year (which is a revenue cost). Net running costs for the 5 month period would be £5k a year (again using the Bromsgrove costs as a guide). Capital costs would be spread over 20 years giving a capital cost of £6.4k a year and revenue costs of £15k – a total cost of £21.4k a year.



Option 2 – should planning deem that the only solution could be a truly temporary structure, then the only option would be similar to the Market option given above and this would be available at weekends. Here the costs would be of a similar level to the Town Centre Street Market option only at 50% of the Capital costs and 70% of the running costs. This is a capital cost of £2.5k and a revenue cost of £22k a year, £24.5k a year.

The Labour Budget Amendment position is as follows, and still leaves the MTFP in surplus, and still holds the assumption that a Council Tax Freeze is an option in 2025/6 if affordable.

	2024/5	2025/6	2026/7
Opening Position (Existing MTFP)	(105,000)	(97,000)	(98,000)
Reintroduce the Street Market	38,000	38,000	38,000
Library Redevelopment – Towns Deal	Nil	Nil	Nil
Dial a Ride	18,000	18,000	18,000
Forge Mill Development (referred option))	21,400	21,400	21,400
Revised Budget Surplus Position	(27,600)	(19,600)	(20,600)

For consistency, as with the Administration budget, the S151 Officer's has to warn that although the Council would have a small surplus budget it is not prudent to freeze Council Tax for the longer term financial sustainability of the Council, even though General Fund Reserves are almost double the minimum recommended Government level.