

**Open**

## **Cabinet**

**6pm**  
**Tuesday, 22nd November 2016**  
**Council Chamber**  
**Wyre Forest House**  
**Finepoint Way**  
**Kidderminster**



## **Cabinet**

### **The Cabinet Members and their responsibilities:-**

<b>Councillor M J Hart</b>	<b>Leader of the Council &amp; Strategy</b>
<b>Councillor I Hardiman</b>	<b>Deputy Leader and Planning and Economic Regeneration</b>
<b>Councillor R J Vale</b>	<b>Operational Services</b>
<b>Councillor N J Desmond</b>	<b>Resources</b>
<b>Councillor J Smith</b>	<b>Health Well-Being and Housing</b>
<b>Councillor S Fearn</b>	<b>Transformation &amp; Change</b>

### **Scrutiny of Decisions of the Cabinet**

The Council has one Scrutiny Committee that has power to investigate policy issues and question members of the Cabinet who have special responsibility for a particular area of the Council's activities. The Cabinet also considers recommendations from this Committee.

In accordance with Section 10 of the Council's Constitution, Overview and Scrutiny Procedure Rules, and Standing Order 2.4 of Section 7, any item on this agenda may be scrutinised by the Scrutiny Committee if it is "called in" by the Chairman or Vice-Chairman of the Overview & Scrutiny Committee and any other three non-Cabinet members.

*The deadline for "calling in" Cabinet decisions is 5pm on 2<sup>nd</sup> December 2016*

Councillors wishing to "call in" a decision on this agenda should contact Lynette Cadwallader, Committee Services Officer, Wyre Forest House, Finepoint Way, Kidderminster. Telephone: 01562 732729 or email [lynette.cadwallader@wyreforestdc.gov.uk](mailto:lynette.cadwallader@wyreforestdc.gov.uk)

### **Urgent Key Decisions**

If the Cabinet needs to take an urgent key decision, the consent of the Scrutiny Committee Chairman must be obtained. If the Scrutiny Committee Chairman is unable to act the Chairman of the Council or in his/her absence the Vice-Chairman of the Council, must give consent. Such decisions will not be the subject to the call in procedure.

### **Declaration of Interests by Members – interests of members in contracts and other matters**

Declarations of Interest are a standard item on every Council and Committee agenda and each Member must provide a full record of their interests in the Public Register.

In addition, alongside the Register of Interest, the Members Code of Conduct ("the Code") requires the Declaration of Interests at meetings. Members have to decide first whether or not they have a disclosable interest in the matter under discussion.

Please see the Members' Code of Conduct as set out in Section 14 of the Council's constitution for full details.

### **Disclosable Pecuniary Interest (DPI) / Other Disclosable Interest (ODI)**

DPI's and ODI's are interests defined in the Code of Conduct that has been adopted by the District.

If you have a DPI (as defined in the Code) in a matter being considered at a meeting of the Council (as defined in the Code), the Council's Standing Orders require you to leave the room where the meeting is held, for the duration of any discussion or voting on that matter.

If you have an ODI (as defined in the Code) you will need to consider whether you need to leave the room during the consideration of the matter.

### **For further information**

If you have any queries about this Agenda or require any details of background papers, further documents or information you should contact Lynette Cadwallader, Committee Services Officer, Wyre Forest House, Finepoint Way, Kidderminster, DY11 7WF. Telephone: 01562 732729 or email [lynette.cadwallader@wyreforestdc.gov.uk](mailto:lynette.cadwallader@wyreforestdc.gov.uk)

Documents referred to in this agenda may be viewed on the Council's website - [www.wyreforestdc.gov.uk/council/meetings/main.htm](http://www.wyreforestdc.gov.uk/council/meetings/main.htm)

### **WEBCASTING NOTICE**

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At the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed.

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If any attendee is under the age of 18 the written consent of his or her parent or guardian is required before access to the meeting room is permitted. Persons under 18 are welcome to view the meeting from the Stourport and Bewdley Room.

**If you have any queries regarding this, please speak with the Council's Legal Officer at the meeting.**

\* Unless there are no reports in the open session.

Wyre Forest District Council

Cabinet

Tuesday, 22nd November 2016

Council Chamber Wyre Forest House, Finepoint Way, Kidderminster

Part 1

Open to the press and public

Agenda item	Subject	Page Number
1.	<b>Apologies for Absence</b>	
2.	<b>Declarations of Interests by Members</b>  In accordance with the Code of Conduct, to invite Members to declare the existence and nature of any Disclosable Pecuniary Interests (DPI's) and / or Other Disclosable Interests (ODI's) in the following agenda items and indicate the action that they will be taking when the item is considered.  Please see the Members' Code of Conduct as set out in Section 14 of the Council's Constitution for full details.	
3.	<b>Minutes</b>  To confirm as a correct record the Minutes of the meetings held on the 13 <sup>th</sup> September 2016 and 4th October 2016.	7
4.	<b>CALL INS</b> a verbal update will be given on any decisions which have been "called in" since the last meeting of the Cabinet.	
5.	<b>Items Requiring Urgent Attention</b>  To consider any item which, in the opinion of the Chairman requires consideration at the meeting as a matter of urgency.	
6.	<b>Public Participation</b>  In accordance with the Council's Scheme for Public Speaking at Meetings of Full Council/Cabinet, to allow members of the public to present petitions, ask questions, or make statements, details of which have been received by 12 noon on 14 <sup>th</sup> November 2016. (See front cover for contact details).	

<b>7.</b>		
<b>7.1</b>	<p style="text-align: right;"><i><b>Councillor S Fearn</b></i></p> <p><b>Council Tax Reduction Scheme Review 2017/18</b></p> <p>To consider a report from the Revenues, Benefits and Customer Services Manager which provides information following the recent consultation to make changes to the Council Tax Reduction Scheme 2017/18.</p> <p>To also consider the recommendations from the Overview and Scrutiny Committee from its meeting on Thursday 3rd November 2016.</p>	13
<b>8.</b>		
<b>8.1</b>	<p style="text-align: right;"><i><b>Councillor N Desmond</b></i></p> <p><b>Write off of Amounts Outstanding</b></p> <p>To consider a report from the Chief Financial Officer which enables the Cabinet to give consideration to writing off the sum of £65,881.52 in respect of debts that cannot be collected.</p>	21
<b>8.2</b>	<p><b>Parish Support Fund Proposals</b></p> <p>To consider a report from the Chief Financial Officer which presents proposals for the future of Parish Support Fund payments following consultation with all Parish and Town Councils on options to phase out this support to contribute towards the significant budget funding gap this Council faces.</p>	24
<b>9.</b>		
<b>9.1</b>	<p style="text-align: right;"><i><b>Councillor J Smith</b></i></p> <p><b>Report on the Provision of Temporary Accommodation</b></p> <p>To consider a report from the Strategic Housing Services Manager which seeks approval for 2-3 New Street, Stourport to be brought back into use for temporary accommodation.</p> <p>To also consider the recommendations from the Overview and Scrutiny Committee from its meeting on Thursday 3rd November 2016.</p>	35
<b>10.</b>	<b><i>Recommendations from Committees</i></b>	
<b>10.1</b>	<p><b>Overview and Scrutiny Committee, 3<sup>rd</sup> November 2016</b></p> <ul style="list-style-type: none"> <li>• <b>Local Development Scheme (Project Plan) 2016-2019</b></li> </ul>	44

11.	<b>To consider any other business, details of which have been communicated to the Solicitor to the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.</b>	
12.	<b>Exclusion of the Press and Public</b>  To consider passing the following resolution:  “That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting during the consideration of the following item of business on the grounds that it involves the likely disclosure of “exempt information” as defined in paragraph 3 of Part 1 of Schedule 12A to the Act”.	

Part 2

Not open to the Press and Public

13.		
	<b><i>Councillor I Hardiman</i></b>	
13.1	<b>Industrial Units Investment Business Case</b>  To consider a report from the Head of North Worcestershire Economic Development and Regeneration to agree the outline business case for the Council to proceed with purchasing land and to facilitate the construction of small industrial units and for the necessary adjustment to the Capital Programme to finance the project; and to proceed with the project subject to the satisfactory completion of a detailed business case.  To also consider the recommendations from the Overview and Scrutiny Committee from its meeting on Thursday 3rd November 2016.	-
13.2	<b>Amendments to the Capital Programme</b>  To consider a report from the Director of Economic Prosperity and Place which asks Cabinet to recommend to Council amendments to the capital programme.	-
14.	<b>To consider any other business, details of which have been communicated to the Solicitor to the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.</b>	

**WYRE FOREST DISTRICT COUNCIL  
CABINET**

**COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER  
13TH SEPTEMBER 2016 (6:00 PM)**

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**Present:**

Councillors: M J Hart (Chairman), S J Chambers, N J Desmond, S E Fearn, I Hardiman and T L Onslow.

**Observers:**

Councillors: H E Dyke, N Knowles and J A Shaw.

**CAB.27 Apologies for Absence**

There were no apologies for absence.

**CAB.28 Declarations of Interests by Members**

No declarations of interest were made.

**CAB.29 Minutes**

**Decision: The minutes of the Cabinet meeting held on 12<sup>th</sup> July 2016 and 10th August 2016 be confirmed as a correct record and signed by the Chairman.**

**CAB.30 Call Ins**

No decisions had been called in since the last Cabinet meeting.

**CAB.31 Items Requiring Urgent Attention**

There were no items requiring urgent attention.

**CAB.32 Revised Planning Obligations Supplementary Planning Document (SPD)**

A report was considered from the Director of Economic Prosperity and Place which updated Members on the responses received to the Revised Planning Obligations Supplementary Planning Document (SPD) consultation.

Councillor J Shaw entered the meeting at 6.05 pm.

The Cabinet Member for Planning and Economic Regeneration led the Cabinet through the report. She recalled that work on the SPD review commenced in 2015 in the form of an Early Engagement consultation and a stakeholder workshop, the feedback from which helped to develop the Draft Planning Obligations SPD.

The Cabinet Member for Planning and Economic Regeneration explained that the consultation received a total of 233 representations, all of which were comprehensively considered when the final version of the SPD was developed. She added that the majority were in favour of the SPD. Many comments related to affordable housing, which had been removed from the SPD due to changing legislation. The Cabinet Member for Planning and Economic Regeneration confirmed that the SPD sets out Wyre Forest District Council's approach to securing planning obligations and developer contributions, and is intended as a guide for land owners, developers and residents alike.

The Leader of the Council echoed the comments of the Cabinet Member for Planning and Economic Regeneration and added that he was pleased so many representations had been received by statutory partners and members of the public

The Chair of the Overview and Scrutiny Committee confirmed that the SPD had been thoroughly discussed at the Overview and Scrutiny Committee and was content that it had been fully scrutinised, with a recommendation to the Cabinet that it should adopt the document.

**Decision:**

**In line with the recommendations from the Overview and Scrutiny Committee, September 8<sup>th</sup> 2016:**

- **The Planning Obligations Supplementary Planning Document as attached at Appendix 1 of the report to Cabinet be adopted.**

**CAB.33 Budget Monitoring First Quarter 2016-17**

A report was considered from the Chief Financial Officer which asked Cabinet to note the projected variances detailed in the report to Cabinet, inform Cabinet of the Housing Benefit Overpayment debt position and the Sundry/Property debt position as at 30<sup>th</sup> June 2016.

The Cabinet Member for Resources led the Cabinet through the report and stated that it was an important report that set the tone for the forthcoming financial year. He emphasised the excellent news that the projected outturn at 31<sup>st</sup> March 2017 is an under spend of £233,000, and referred to the main variances detailed in the report to Cabinet.

The Cabinet Member for Resources drew attention in particular to the increase in the recovery of benefit overpayments and council tax recovery fees, which totalled £110,000. He commented on the excellent work that had been carried out on income generation, which had been discussed at the Financial Strategy Advisory Panel, and that an income of almost £30,000 had been generated from external contracts for Parks and Open Spaces, and a variance of £15,000 due to an increase in Green Waste collections.

The Cabinet Member for Resources emphasised the hard work that the Director of Community Well-being and Environment and her team had carried out in terms of the increased income generation at Bewdley Museum and Tourist Information Centre.

He recalled that in December 2015 the Government offered Councils a multi year settlement, the deadline for acceptance being October 4<sup>th</sup> 2016. He confirmed that Wyre Forest District Council was looking to accept as it offered greater financial certainty over the next few years.

The Leader of the Council commented that it was pleasing to see a number of favourable outturns and stressed that, with regards to income generation, Wyre Forest District Council is changing the way it grows its business and income so that it can continue to provide important services.

A Member asked a question regarding how future information on the change of funding of Local Authorities would be received by Members. The Cabinet Member for Resources confirmed that there are five meetings of the Financial Strategy Advisory Panel which served to report the latest financial situation. All Members were welcome to attend.

**Decision:**

- 1. The projected budget variations and comments outlined within the report to Cabinet and appendices 2 to 6 be noted.**
- 2. Cabinet note and endorse that the Government's offer of a multi year settlement is to be accepted and that the Council's Medium Term Financial Strategy, the Efficiency Plan based on Wyre Forest Forward as approved by February Council and other supporting documentation as appropriate is to be submitted by the Chief Financial Officer in consultation with the Cabinet Member for Resources**

**CAB.34 Recommendations from the Overview and Scrutiny Committee, 8<sup>th</sup> September 2016.**

- **Health and Well-being Action Plan 2016-20**

The Chair of the Overview and Scrutiny Committee advised that a great deal of hard work had been carried out on the plan, and more work was still required to meet local and national targets. Members were happy to recommend to Cabinet that the plan is accepted. The Cabinet Member for Health, Well-being and Housing thanked the Overview and Scrutiny Committee for all of their hard work.

**Decision:**

**The Wyre Forest Health and Wellbeing Plan 2016-20, as attached at Appendix 1 of the report to the Overview and Scrutiny Committee, be approved.**

- **Climate Change Action Plan 2016-17**

The Chair of the Overview and Scrutiny Committee advised that the Climate Change Action Plan was discussed in depth at the Overview and Scrutiny Committee and the Members were happy to recommend to Cabinet that the plan is accepted.

**Decision:**

**The Climate Change Action Plan 2016-17 as set out at Appendix 2 of the report to the Overview and Scrutiny Committee, be approved.**

There being no further business, the meeting closed at 6:28 pm.

**WYRE FOREST DISTRICT COUNCIL  
SPECIAL CABINET**

**COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER  
4TH OCTOBER 2016 (6 PM)**

**Present:**

Councillors: M J Hart (Chairman), S J Chambers, N J Desmond, S E Fearn, I Hardiman, and R J Vale.

**Observers:**

Councillor: J A Shaw.

**CAB.35 Apologies for Absence**

There were no apologies for absence.

**CAB.36 Declarations of Interests by Members**

No declarations of interest were made.

**CAB.37 Council Tax Reduction Scheme Review for 2017-18**

A report was considered from the Revenues, Benefits and Customer Services Manager, which updated Cabinet on the National changes to Housing Benefit and Universal Credit as part of the Welfare Reform and Work Act 2016 that affect the Council's Council Tax Reduction Scheme and proposes a public consultation in order to align the schemes from 2017-18 onwards.

The Cabinet Member for Transformation and Change led the Cabinet through the report and advised that, at the meeting of the Cabinet held on November 10<sup>th</sup> 2015, Cabinet stated in their recommendation that the Council would be minded not to make any significant changes to the Council Tax Reduction Scheme before 2019-20. She clarified that the proposed change did not conflict with this decision as, due to Government changes to the Housing Benefit Regulations, the Council Tax Reduction Scheme was no longer aligned with Housing Benefit. She added that there were further elements that have been introduced within Universal Credit that have impacted on the scheme.

The Cabinet Member for Transformation and Change emphasised that, if the Council did not mirror the Government changes, it would lead to negative impacts for the Council, namely: increased complexity for Council Officers in administering the Council Tax Reduction Scheme due to advising on two sets of criteria regarding eligibility; the risk of increased software costs; and the certainty that, should the Council not align its scheme with benefit changes made by the Government, more households would be entitled to receive more council tax support from the Council, and thus the Council would incur extra costs.

The Cabinet Member for Transformation and Change highlighted that consideration had been given to a proposal to remove the additional earnings disregard for those claiming Universal Credit and confirmed that this option would not form part of the consultation as it did not comply with the Council's agreed principle of incentivising people to work.

The Leader of the Council emphasised that the Council is open and transparent and commented that it was important to hear the views of the public and stakeholders in the form of a consultation before any decision is made. He re-iterated that the need to consult was in response to the changes made by Government and added that the Council had made a commitment that it would not be minded to review the level of percentage contribution before 2019-20. The Leader of the Council maintained that this commitment remained.

**Decision:**

- 1. The Cabinet AGREED a consultation about proposed changes to the Council Tax Reduction Scheme from 2017-18;**
- 2. The Cabinet NOTED that a further report outlining the results of the consultation will be presented to Cabinet in November when it will consider any recommendations that will go to full Council in December.**

There being no further business, the meeting closed at 6.09 pm.

**WYRE FOREST DISTRICT COUNCIL**

**CABINET**  
**22<sup>nd</sup> NOVEMBER 2016**

**Council Tax Reduction Scheme Review 2017/18**

<b>OPEN</b>	
<b>CABINET MEMBER:</b>	Councillor S Fearn, Cabinet Member for Transformation and Change
<b>RESPONSIBLE OFFICER:</b>	Revenues, Benefits & Customer Services Manager
<b>CONTACT OFFICER:</b>	Lucy Wright Ext 2948
<b>APPENDICES:</b>	None

**1. PURPOSE OF REPORT**

- 1.1 This report provides information to the Cabinet following the recent consultation to make changes to the Council Tax Reduction Scheme 2017/18.

**2. RECOMMENDATION**

**The Cabinet is asked to RECOMMEND to Council that from 1 April 2017:**

- 2.1 The technical changes to align the scheme with housing benefit, tax credits and Universal Credit outlined in paragraph 3.4 below are adopted in the Council Tax Reduction Scheme;

**3. BACKGROUND**

- 3.1 On 4<sup>th</sup> October 2016, the Cabinet agreed to undertake a public consultation to obtain feedback on various options to align the current Council Tax Reduction Scheme from 2017/18 with Housing Benefit, Tax Credits and Universal Credit following changes made by central Government.
- 3.2 Consultation ran for 4 weeks from 5<sup>th</sup> October to 7<sup>th</sup> November 2016 and a total of 51 responses were received.
- 3.3 The consultation asked respondents whether the Council should keep the current Council Tax Reduction Scheme. They were then asked whether they agreed to various proposed changes listed in paragraph 3.4 and the results of the consultation can be found in paragraph 3.6.
- 3.4 The consultation proposed making changes to the scheme as follows:
- Removal of the family premium to align with *The Housing Benefit (Abolition of the family premium and limiting backdating) (Amendment) Regulations 2015*.

- Temporary Absence to align with *The Housing Benefit and State Pension Credit (Temporary Absence) (Amendment) Regulations 2016*
- Removal of entitlement to Severe Disability Premium (SDP) to align with *The Universal Credit and Miscellaneous Amendments Regulations 2015*

The changes to the scheme are intended to align Council Tax Reduction with the administration of Housing Benefit. At the present time, the following changes have yet to be made within Housing Benefit but regulations are expected before the 1<sup>st</sup> April 2017:

- Removal of the Work Related Activity Component for all new Employment Support Allowance (ESA) applicants on or after 1<sup>st</sup> April 2017
- Limitation of dependant additions to two dependants where a third or subsequent child is born on or after 1<sup>st</sup> April 2017 (Housing Benefit and Tax Credits are due to be changed from April 2017)

3.5 The consultation provided explanatory text for the changes proposed and asked respondents for their views.

3.6 A summary of the responses to the consultation is outlined below.

**Table 1 Summary of consultation responses**

<b>Number of responses received via the consultation portal: 49</b>			
<b>Organisations that provided an named response:</b>			
<b>Hereford &amp; Worcestershire Fire Authority</b> support changes as recommended.			
<b>Worcestershire County Council</b> support changes as recommended.			
<b>Q1. Should the Council keep the current Council Tax Reduction scheme?</b>			
<i>44 answers</i>			
<b>Yes</b>	55%	<b>No</b>	45%
Number of comments received – None			
<b>Q2. Removing the Family Premium for all new working age applicants – Do you agree with this change to the scheme?</b>			
<i>41 answers</i>			
<b>Yes</b>	78%	<b>No</b>	22%
Number of comments received – 4			
<ul style="list-style-type: none"> <li>• Give working people priority. We pay taxes which supports people on benefits. We the working class people have nothing at all to gain from the council. Please build more houses from the council tax already collected.</li> <li>• Cut back on MPs high pay rises</li> <li>• It should stay one price not penalise people because kids have grown up</li> <li>• Reduce expenses elsewhere</li> </ul>			

<b>Q3. Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction to 4 weeks</b> <b>Do you agree with this change to the scheme?</b> <i>38 answers</i>			
<b>Yes</b>	100%	<b>No</b>	0%
Number of comments received – None			
<b>Q4. To remove the element of a Work Related Activity Component in the calculation of the current scheme for new Employment and Support Allowance applicants</b> <b>Do you agree with this change to the scheme?</b> <i>37 answers</i>			
<b>Yes</b>	81%	<b>No</b>	19%
Number of comments received – 4 <ul style="list-style-type: none"> <li>• Keep it as it is (3 comments)</li> <li>• Shorten time allowed out of country or bring pensioners in line with everyone else 80% reduction</li> </ul>			
<b>Q5. To limit the number of dependent children within the calculation for Council Tax Reduction to a maximum of two</b> <b>Do you agree with this change to the scheme?</b> <i>37 answers</i>			
<b>Yes</b>	86.5%	<b>No</b>	13.5%
Number of comments received – 4 <ul style="list-style-type: none"> <li>• To apply the reduction to existing applicants the same as would be applied to new applicants from April 2017 for people with more than 2 children</li> <li>• Pay back to the community. Especially the working class people</li> <li>• Penalising people</li> <li>• Cap at three children</li> </ul>			
<b>Q6. To remove entitlement to the Severe Disability Premium where another person is paid Universal Credit (Carer's Element) to look after them</b> <b>Do you agree with this change to the scheme?</b> <i>36 answers</i>			
<b>Yes</b>	94%	<b>No</b>	6%
Number of comments received – 1 <ul style="list-style-type: none"> <li>• People caring for disabled people/children should continue to get a reduction</li> </ul>			
<b>Q7. Do you think we should choose any of the following options rather than the proposed changes to the Council Tax Reduction Scheme?</b>			

34 answers				
<b>Find savings from cutting other Council Services</b>	<b>Yes</b>	9%	<b>No</b>	91%
<b>Use the Council's limited reserves (savings)</b>	<b>Yes</b>	29%	<b>No</b>	71%
Number of comments received– None				
Q8. Any other comments to add?				
Number of comments received – 4 <ul style="list-style-type: none"> <li>Families already benefit from child tax, child benefit &amp; working tax credits (if working). The people really suffering are those in work under 35 with no dependants. Also families who have adult children living at home and working - no incentive to keep them at home due to extremely high non dependant deductions. This causes more homeless young adults as parents cannot afford the non-dependant deductions.</li> <li>Please, please build more homes. Give working class people a priority. I've been renting for over 10 years and cannot go on.</li> <li>Keep MPs expenses / expenditure as minimal as possible</li> <li>Bring pensioner reduction inline with others. Reduce time allowed out of country to receive full amounts. Restrict immigrants allows till they been assessed in this country</li> </ul>				
Q10. Are you in receipt of Council Tax Reduction Scheme?				
<b>Yes</b>	18%	<b>No</b>	82%	

#### 4. **KEY ISSUES**

4.1 In order to make alterations to local council tax schemes, legislation requires any changes are approved by 31<sup>st</sup> January prior to implementation on 1<sup>st</sup> April each year. Key dates in the timeline are as follows:

- 22<sup>nd</sup> November 2016 -Cabinet receive consultation responses including report from Scrutiny and make final recommendations to Council.
- 14<sup>th</sup> December 2016 – Council approve changes to the scheme
- 1<sup>st</sup> April 2017 – Changes to Council Tax Reduction Scheme are implemented

4.2 The responses to the consultation show the following:

- The majority of responders agreed to the proposed changes to the scheme

4.3 The recommendations outlined in this report comply with the original principles of the scheme that was set up in 2013 as follows:

- Principle 1** Every household with working age claimants should pay something;
- Principle 2** The scheme should incentivise people into work;
- Principle 3** People with greater amounts of savings receive less support;
- Principle 4** Protection will be provided through a Hardship Fund to those who are least able to pay; and
- Principle 5** The scheme will be in support of the Council's Corporate Plan Priorities of an increased supply of good quality and decent homes in which people can afford to live.

- 4.4 If the changes are implemented they would complement the overall package of welfare reform that seeks to encourage work and delivers fairness for people who are paying the full amount of council tax. Aligning the scheme with other legacy benefits strengthens the incentive to look for work or seek higher paid work/more hours balanced with the continuation of supporting claimants through the exceptional hardship fund.
- 4.5 This report proposes that Cabinet makes the following recommendations to Council in respect of changes to the Council Tax Reduction Scheme from 1<sup>st</sup> April 2017:
  - a) Implement the changes to the Council Tax Reduction Scheme from 1<sup>st</sup> April 2017 as outlined in paragraph 3.4;

## **5. FINANCIAL IMPLICATIONS**

- 5.1 The Council and all preceptors continue to face significant financial challenges to meet savings targets in order to meet the impact of continued reductions in government grants.
- 5.2 It is not possible to put a value against the proposals listed in the proposed changes as they would only apply to new claimants with effect from April 2017. It is known that as household income reduces, eligibility for and the cost of the Council Tax Reduction Scheme will be higher for new claimants if the changes are not implemented. Aligning Wyre Forest's scheme so the same rules apply would not only reduce confusion for customers but would also reduce the cost of the scheme in respect of new claimants. Depending on their individual circumstances, they may have to pay a slightly higher proportion of their council tax bills than current claimants. If these changes were not incorporated into the scheme, the cost of Council Tax Reduction to the Council and all preceptors would be higher than if the changes were made although it is impossible to estimate both the number of new claims made and the precise impact as that depends on the personal circumstances of future claimants.
- 5.3 It is not possible to determine how much Government funding is received as the funding for local schemes is now included in the Revenue Support Grant, that will be completely phased out by 2020/21. It is therefore essential that the cost of the scheme is kept as low as possible to avoid the burden of additional costs on this Council that will widen the already significant funding gap.

- 5.4 There is a risk that moving further away from the current scheme (as aligned with housing benefit) could result in additional software costs as suppliers have to make changes to accommodate two schemes.

**6. LEGAL AND POLICY IMPLICATIONS**

- 6.1 The legal requirement to consult on any proposed changes to the Council Tax Reduction Scheme has been completed and this report provides a summary of those responses for consideration by the Cabinet.
- 6.2 In reaching final decisions, the Cabinet will have to have regard to its duties under the Equality Act 2010 as the proposed options apply to all potential working age recipients of council tax reductions. Consideration will need to be given to other relevant legal requirements, such as the duty to co-operate in reducing child poverty in accordance with section 21 of the Child Poverty Act 2010.
- 6.3 The final decisions should also seek as far as possible to be consistent with the Council's corporate plan priorities.

**7. EQUALITY IMPACT NEEDS ASSESSMENT**

- 7.1 An initial equality impact assessment has been undertaken and, due to the negative impact on age, people with disabilities and poverty within the district, a full equality impact assessment has been undertaken. The negative equality impacts have been identified and can be mitigated by the continuation of the exceptional hardship fund for those affected.

**8. RISK MANAGEMENT**

- 8.1 Making changes to the scheme could see a reduction in the Council's collection rates for new claimants from April 2017. Existing claimants will not be required to pay more council tax as long as their circumstances remain the same.
- 8.2 These risks can be mitigated by closely monitoring the collection rates, particularly against those in receipt of Council Tax Reduction. The Council's exceptional hardship fund will also mitigate the impact for working age people in severe financial hardship and this will be actively promoted across all front line teams to support claimants to apply for help when needed.

**9. CONCLUSION**

- 9.1 The Council has to make significant savings and proposed changes to the Council Tax Reduction Scheme as outlined in the consultation would avoid the costs of the scheme increasing.
- 9.2 The ongoing level of the exceptional hardship fund will be kept under review and the annual contribution from the County Council used to provide additional support to the required level.
- 9.3 Given the contribution to our budget pressures and increased incentive for claimants to seek work or more work if possible, Cabinet are asked to recommend to Council that the changes suggested in this report, are implemented from 1<sup>st</sup> April 2017.

**10. CONSULTEES**

- 10.1 On this report: Cabinet and Corporate Leadership Team
- 10.2 Through the consultation exercise: Members of the public and other interested bodies
- 10.3 Overview and Scrutiny Committee considered the proposed changes as part of the consultation process at its meeting on 3<sup>rd</sup> November 2016. Its comments have been reported separately.

**11. BACKGROUND PAPERS**

- 11.1 Council Tax Benefit Reform, Overview and Scrutiny Committee 8<sup>th</sup> November 2012  
Council Tax Benefit Reform, Cabinet 12<sup>th</sup> November 2012  
Council Tax Benefit Reform, Council 21<sup>st</sup> November 2012  
Welfare Support Fund, Cabinet 23<sup>rd</sup> June 2015  
Review of Council Tax Reduction Scheme, Cabinet 10<sup>th</sup> November 2015  
Council Tax Reduction Scheme Review 2016-17, Council 9<sup>th</sup> December 2015  
Council Tax Reduction Scheme Review 2017/18, Cabinet 4<sup>th</sup> October 2016

Detailed information on the current council tax reduction scheme can be found at [www.wyreforestdc.gov.uk/counciltax](http://www.wyreforestdc.gov.uk/counciltax)

**WYRE FOREST DISTRICT COUNCIL**

**Cabinet  
Tuesday 22<sup>nd</sup> November 2016**

**Overview and Scrutiny Committee  
Thursday 3<sup>rd</sup> November 2016**

**Council Tax Reduction Scheme Review 2017/18**

The Committee considered a report from the Revenues, Benefits and Customer Services Manager which invited Members to provide recommendations to the Cabinet as part of the public consultation of the Council Tax Reduction Scheme review for 2017/18.

**Recommend to Cabinet:**

**The Overview and Scrutiny Committee agree to the proposed changes to the scheme.**

**Background papers:**

Report to the Overview and Scrutiny Committee, Thursday 3<sup>rd</sup> November 2016

<http://www.wyreforest.gov.uk/council/meetings/com193.htm#mt7616>

**WYRE FOREST DISTRICT COUNCIL**

**CABINET**  
**22<sup>ND</sup> NOVEMBER 2016**

**Write off of Amounts Outstanding**

<b>OPEN</b>	
<b>CABINET MEMBER:</b>	Councillor N Desmond, Cabinet Member for Resources
<b>RESPONSIBLE OFFICER:</b>	Chief Financial Officer
<b>CONTACT OFFICER:</b>	Fiona Johnson Ext. 2661 E-mail Fiona.johnson@wyreforestdc.gov.uk
<b>APPENDIX 1</b>	Proposed Write-Offs

**1. PURPOSE OF REPORT**

- 1.1 To enable the Cabinet to give consideration to writing off the sum of £65,881.52 in respect of debts that cannot be collected.

**2. RECOMMENDATION**

**The Cabinet is asked to DECIDE that:**

- 2.1 **The total of £65,881.52, as detailed in the Appendices to this report, be written off.**

**3. BACKGROUND**

- 3.1 Part 4 of the Council's Constitution, Delegation to Officers, paragraph 1.13, authorises the Chief Financial Officer to write off individual debts up to the value, in each case of £5,000. For values, between £5,000 and £9,999.99 write-offs can be made with the approval of the delegated Cabinet Member. The Cabinet is authorised to write off debts of £10,000 and over.
- 3.2 It is therefore necessary for Cabinet to give consideration to the cases scheduled on the appendix to this report. On this occasion, all the debts relate to non-domestic rates.

**4. KEY ISSUES**

- 4.1 National Non-Domestic Rates are demanded in accordance with the provisions laid down by The Local Government Finance Act 1988; the total annual sum collectible by this Council is circa £30 million, our overall collection rate for 2015/16 was 97.21%. Recovery action is taken in the event of non-payment under the various regulations made by this Act.
- 4.2 Every effort has been made to pursue the debts set out in the Appendix. This rigorous recovery work has been a prolonged exercise due to the necessary stages that must be followed for debt recovery.

Write off is only recommended when all recovery avenues have been fully explored, and this is the reason for the age of the debts now presented for write off. All of the companies have now been dissolved or there is a proposal to strike off at Companies House, making the prospect of recovery impossible.

**5. FINANCIAL IMPLICATIONS**

- 5.1 Under the current Business Rates Retention Regime the cost of non-collection of National Non-Domestic Rates is met both by the Government and the Worcestershire Business Rate Pool. Approval of the proposed write-offs detailed in the Appendix of £65,881.52, will be accounted for as part of the Worcestershire Business Rates Pool and result in a loss of income shared between the Pool members and the Government.

**6. LEGAL AND POLICY IMPLICATIONS**

- 6.1 None.

**7. EQUALITY IMPACT NEEDS ASSESSMENT**

- 7.1 No Equality Impact Needs Assessment has been undertaken.

**8. RISK MANAGEMENT**

- 8.1 There are no risk management issues relating to this report.

**9. CONCLUSION**

- 9.1 The amounts set out in the Appendix cannot be collected and should be written off.

**10. CONSULTEES**

- 10.1 Corporate Leadership Team  
Cabinet Member for Resources

**11. BACKGROUND PAPERS**

- 11.1 None.

<b>Appendix Open Companies</b>										
<b>Debt Type</b>	<b>Payer</b>	<b>Address</b>	<b>Reason for Write-Off</b>	<b>Amount    £</b>						
<b>NNDR</b>	Uno Ali Ltd 00374687	Offices and Premises, 26 Vicar Street, Kidderminster. DY10 1DA	Business Rate debt relates to void rates for the periods 16/10/2014 to 31/03/2015 and 01 /04/2015 to 30/09/2015. The company signed a lease on these offices but never occupied them. Liability Orders were made by Kidderminster Magistrates Court on 11th March 2016. Instructions were passed to Bailiffs but they were unable to obtain payment and the warrants were returned no trace. The company is still active with Companies House but there is a proposal to strike off.	<b>23,691.73</b>						
<b>NNDR</b>	J & A Car & Commercial Services Ltd 00365963	Factory & Premises, Unit 4 Tenant Works, Worcester Road, Kidderminster. DY10 1HY	Business Rate debt relates to occupied rates for the periods 01/04/2014 to 31/03/2015 and 01/04/2015 to 11/01/2016. The company occupied this unit carrying on a retail car business. Liability Orders were made by Kidderminster Magistrates Court on 25th September 2015. Instructions were passed to Bailiffs but they were unable to obtain payment and the warrants were returned no trace. The company is still active with Companies House but there is a proposal to strike off.	<b>12,450.43</b>						
<b>NNDR</b>	Sunshine Foods (Rusholme) Ltd 00360848	Shop & Premises, Unit 2 @ 11-17, Worcester Street, Kidderminster. DY10 1EA	Business Rate debt relates to unoccupied rates for the periods 01/02/2013 to 31/03/2013 and 01/04/2013 to 31/01/2014. The company signed a lease for this period and were in the business of licensed restaurants, however they never occupied the premises. Liability Orders were made by Kidderminster Magistrates Court on 4th September 2013. Instructions were passed to Bailiffs but they were unable to obtain payment and the warrants were returned no trace. The company is still active with Companies House but there is a proposal to strike off.	<b>14,600.86</b>						
<b>NNDR</b>	0036195X	Warehouse and Premises, Units 7A-B Hodfar Road, Sandy Lane Industrial Estate, Stourport-on-Severn, DY13 9QB	Business Rate debt relates to occupied rates for the periods 01/04/2013 to 31/03/2014 and 01/04/2014 to 31/01/2015 and 01/04/2015 to 31/03/2016. Not sure what business was conducted from here. Liability Orders were made by Kidderminster Magistrates Court on 27th November 2013, 4th July 2014 and 25th September 2015. Instructions were passed to Bailiffs but they were unable to obtain payment and the warrants were returned no trace. Every effort has been made to trace the debtor but to date no trace has been found.	<b>15,138.50</b>						
				<b>65,881.52</b>						

**WYRE FOREST DISTRICT COUNCIL**

**CABINET**  
**22<sup>ND</sup> NOVEMBER 2016**

**Parish Support Fund Proposals**

<b>OPEN</b>	
<b>CABINET MEMBER:</b>	<b>Councillor N Desmond, Cabinet Member for Resources</b>
<b>RESPONSIBLE OFFICER:</b>	<b>Chief Financial Officer</b>
<b>CONTACT OFFICER:</b>	<b>Tracey Southall Ext. 2100</b> <a href="mailto:tracey.southall@wyreforestdc.gov.uk">tracey.southall@wyreforestdc.gov.uk</a>
<b>APPENDIX 1</b>	<b>Funding received 2013-14 – 2016-17</b>
<b>APPENDIX 2</b>	<b>Consultation Results</b>
<b>APPENDIX 3</b>	<b>Modelling of Proposed Phasing-out of Parish Support Fund Payments</b>

**1. PURPOSE OF REPORT**

- 1.1 The purpose of this report is to present proposals for the future of Parish Support Fund payments following consultation with all Parish and Town Councils on options to phase out this support to contribute towards the significant budget funding gap this Council faces.

**2. RECOMMENDATION**

**The Cabinet is asked to DECIDE that:-**

- 2.1 **The proposal for the phasing out of Parish Support Fund as set out in paragraph 11 of this report be approved.**

**3. BACKGROUND**

- 3.1 In 2013-14 the Government introduced changes to localise the support for Council Tax Benefit. The impact of these changes was that the Council Tax Base reduced. Funding to compensate the Parish and Town Councils of £66k was identified as part of that year's Finance Settlement; it was not ring-fenced but recommended that it was passported to meet the impact on parish councils' funding. Since the first year there has been no separate identification or indeed any information, issued by Government on what figure remains in the reducing Revenue Support Grant for this shortfall funding.
- 3.2 Wyre Forest District Council mitigated the impact of the changes on Parish and Town Councils by using the non-ring fenced funding to create a new fund to support Parish and Town Councils. This fund helps to provide support for grass roots service delivery, reducing the overall costs to the Tax Payer. This is currently included in WFDC's base budget at a cost of £63k pa. Most but not all billing authorities took this approach.

## **Agenda Item No. 8.2**

- 3.3 Since 2013-14 the Council has continued to provide a Shortfall Grant to Town and Parish Councils. Around £63k in total has been paid out for each of the past four years (including 2016-17). For 2016-17, it has been calculated on the basis of loss of Tax Base between 2015-16 and 2012-13. This method takes into account changes from the 2012 baseline year. As the tax base grows over time, some parish councils no longer receive support as their tax base is greater than it was in 2012-13. However we have preserved the total sum paid to all Parish and Town Councils in the previous year. The same methodology has been applied to all Parish and Town Councils. By continuing to use this distribution method Wyre Forest District Council has shielded the parishes from the more significant funding reductions we ourselves have faced (and will continue to face) in terms of Government grant reductions, to ensure continuity of grass roots service delivery.
- 3.4 In line with previous decisions, the Churchyard Grants have been gradually phased out in line with the Council decision on 27th February 2013; 2015-16 was the final year of these payments (as shown in Table in Appendix 1 for completeness).
- 3.5 For the last two years, the December (2014 and 2015) letters notifying each Parish and Town Council were clear in advising *“This policy will be subject to review next year depending upon Wyre Forest District Council’s overall financial position and the Council Tax Base. Therefore this level of Shortfall Grant should not be factored into your future funding projections.”* However, we are aware that a number of Town and Parish Councils have nevertheless assumed the same level of funding in their budgets.

## **4. KEY ISSUES**

- 4.1 Between 2013/14 and 2016/17 the district council has experienced a reduction of over 68% in Revenue Support Grant from which this non ring-fenced funding was first identified. This reduction increases to over 86% between 2013/14 and 2017/18 based on current settlement forecasts.
- 4.2 It has been confirmed that Revenue Support Grant will be completely phased out by 2019-20 therefore the ability to continue with this very generous grant aid must be questioned. Appendix 1 shows the funding Parish and Town Councils have received from their precepts and the Parish Support Fund from 2013-14 to 2016-17.
- 4.3 Given the funding gap this Council is now faced with closing, it is no longer viable to continue with the same distribution method for Parish Support Grants. Also, as tax bases increase over time this has been providing more support for some parish councils than they need whilst others have received no grant once their tax base has grown to the 2012-13 level.
- 4.4 Our ongoing work with Parish and Town Council will include the promotion of the separate Parish Localism Fund that stands at £50,000 in the 2016/17 budget. We will continue to encourage applications for funding from this budget.

- 4.5 The offer to apply for funding from the Parish Localism Fund is open to all Parish and Town Councils. This will overcome the acknowledged inequity of the current grant distribution methodology whereby some Parishes do not receive any grant whilst others enjoy funding over and above that directly related to the ongoing loss of Tax Base (due to the total sum distributed being preserved). This will allow all Parish and Town Councils the same potential to work with the Council and benefit from this funding stream.

## **5. PROPOSALS**

- 5.1 Consultation has taken place with all Parish and Town Councils on the following options:-

The rationale for both options is to continue with the current method of distribution but then factor down by a similar rate of government grant funding the district council has experienced. A phased approach is proposed to allow the Parish and Town Councils time to factor the funding change into their budget processes, with protection completely removed by 2019-20 to match this Council's RSG payment profile as follows;

- **Phasing Option 1 – Phase out by 2019-20 in quarters**
  - 2017-18 – 75% of protection based on current method
  - 2018-19 – 25% of protection based on current method
  - 2019-20 – remove protection completely
- **OR Phasing Option 2 – Phase out by 2019-20 in thirds**
  - 2017-18 – 66% of protection based on current method
  - 2018-19 – 33% of protection based on current method
  - 2019-20 – remove protection completely

## **6. CONSULTATION RESULTS**

- 6.1 The responses received to the Consultation process that ran from the 28<sup>th</sup> July to the 15<sup>th</sup> September 2016 inclusive, are contained in Appendix 3. These were from:

- Chaddesley Parish Council
- Bewdley Town Council\*
- Kidderminster Foreign Parish Council
- Wolverley and Cookley Parish Council\*
- Stourport Town Council\*
- Broome Parish Council
- Rushock Parish Council
- Kidderminster Town Council
- Rock Parish Council\*

## **Agenda Item No. 8.2**

- 6.2 In summary, of the total 9 responses received 4 expressed a preference for Option 1 (see asterisk above) whilst the remaining 5 expressed no preference.

### **7. FINANCIAL IMPLICATIONS**

- 7.1 Based on modelling using the 2016-17 figures, the proposed options would generate the following savings to Wyre Forest. Details of the potential impact on each separate Parish/Town Council is given in Appendix 3:

Summary Table of Overall Savings Phased Reduction - Current Method				
	Option 1 Phasing		Option 2 Phasing	
Year	% Paid	Saving	% Paid	Saving
		£		£
2017/18	75	15,710	66.66	20,940
2018/19	25	47,120	33.33	41,880
2019/20	0	62,830	0	62,830
Total Saving over next MTFS		125,660		125,650

- 7.2 Over the next Budget Strategy, depending on final movements in tax base, this could generate a budget saving of £126k that will be a very welcome contribution towards bridging the significant funding gap.
- 7.3 The Parish Localism fund budget currently stands at £50k and will ensure continuity of the excellent partnership working with Parish and Town Councils achieved so far. It is open for all Councils to apply for funding from.

### **8. LEGAL AND POLICY IMPLICATIONS**

- 8.1 These proposals will be reflected in the budget report to be considered to December Cabinet and as such form part of the overall budget process.
- 8.2 The Local Government Act 2003 (sections 25-29) places duties on Local Authorities on how they set and monitor budgets.
- 8.3 Since this funding was not ring-fenced there has never been a statutory obligation to passport it on to Parish and Town Councils – this was only a recommendation in 2013-14.

### **9. RISK MANAGEMENT**

- 9.1 Achieving financial sustainability is the most significant risk facing the Council. This proposal will contribute to reducing expenditure, thus reducing fiscal risk
- 9.2 The Parish Localism Fund will continue to receive funding and will mitigate the risk of this grant reduction impacting on the valuable activities of Town and Parish Councils.

**10. EQUALITY IMPACT ASSESSMENT**

- 10.1 There are no discernible impacts on the nine protected equality impact characteristics.

**11. CONCLUSION**

- 11.1 The Consultation responses in relation to the proposals for phasing out the Parish Support Fund payments show that where a preference was expressed then Option 1 as set out below is the preferred option. This option is therefore recommended to Cabinet for approval.

- **Phasing Option 1 – Phase out by 2019-20 in quarters**
- 2017-18 – 75% of protection based on current method
- 2018-19 – 25% of protection based on current method
- 2019-20 – remove protection completely

- 11.2 Following consideration of this recommendation and Cabinet's decision, Parish and Town Councils will be notified of the outcome. Once the new tax base figures are available for 2017/18 the new Support Grant payments will be calculated and all Parish/Town Councils will be provided with their accurate figures to assist with financial projections.

**12. CONSULTEES**

- 12.1 CLT/Cabinet

**13. BACKGROUND PAPERS**

- 13.1 No Surprises Briefing Note to All Members on Proposals for the Phasing out of Parish Support Fund Grant - 28 July 2016
- 13.2 Consultation papers and responses received

FULL HISTORY OF PARISH SUPPORT GRANTS

	BASE YEAR																								
	2012/2013					2013/2014					2014/2015					2015/2016					2016/2017				
	Taxbase	Band D £	Precept £	S.136 £	Total £	Taxbase	Band D £	Precept £	Shortfall Funding Grant * £	Total £	Taxbase	Band D £	Precept £	Shortfall Funding Grant * £	Total £	Taxbase	Band D £	Precept £	Shortfall Funding Grant * £	Total £	Taxbase	Band D £	Precept £	Shortfall Funding Grant * £	Total £
Upper Arley	352	42.61	15,000	1,500.00	16,500.00	315	47.62	15,000	1,576.70	16,576.70	318	47.62	15,143.00	1,734.74	16,877.74	344	47.62	16,381.28	535.34	16,916.62	343	47.62	16,333.66	777.77	17,111.43
Bewdley	3,778	21.52	81,302	8,130.00	89,432.00	3,341	23.59	78,826	9,404.18	88,230.18	3,403	25.71	87,491.00	9,663.11	97,154.11	3,482	25.71	89,522.22	10,003.67	99,525.89	3,565	26.61	94,864.00	9,296.54	104,160.54
Broome	180	10.28	1,850	185.00	2,035.00	182	12.23	2,225	0.00	2,225.00	178	12.92	2,300.00	24.62	2,324.62	196	12.91	2,530.00	0.00	2,530.00	197	13.48	2,656.50	0.00	2,656.50
Chaddesley Corbett	741	29.40	21,783	2,178.00	23,961.00	666	32.71	21,783	2,204.76	23,987.76	690	32.71	22,570.00	1,795.40	24,365.40	720	32.96	23,731.20	969.60	24,700.80	725	34.37	24,917.76	954.04	25,871.80
Churchill & Blakedown	753	28.87	21,740	2,174.00	23,914.00	688	31.60	21,740	1,876.63	23,616.63	738	31.60	23,321.00	518.54	23,839.54	776	31.60	24,521.60	0.00	24,521.60	785	31.60	24,806.00	0.00	24,806.00
Kidderminster Foreign	407	18.14	7,385	739.00	8,124.00	365	22.76	8,307	762.09	9,069.09	368	22.57	8,307.00	847.12	9,154.12	398	21.29	8,474.00	256.39	8,730.39	406	21.92	8,897.70	36.79	8,934.49
Kidderminster (Charter Trustees Rock	18,336	4.20	77,010	0.00	77,010.00	15,180	4.20	63,750	13,254.99	77,004.99	15,647	4.20	65,717.00	13,523.33	79,240.33	16,040	4.20	67,388.00	15,144.20	82,532.20	16,650	29.00	482,850.00	14,361.72	497,211.72
	1,226	16.86	20,670	2,067.00	22,737.00	1,137	19.94	22,670	1,500.51	24,170.51	1,158	21.46	24,850.00	1,372.81	26,222.81	1,194	21.23	25,350.00	847.29	26,197.29	1,220	22.79	27,800.00	205.17	28,005.17
Rushock	75	24.00	1,800	180.00	1,980.00	73	26.03	1,900	48.00	1,948.00	75	27.33	2,050.00	0.00	2,050.00	75	29.33	2,200.00	0.00	2,200.00	75	30.80	2,310.00	0.00	2,310.00
Stone	260	25.00	6,500	650.00	7,150.00	246	26.42	6,500	350.00	6,850.00	241	25.52	6,150.00	568.77	6,718.77	255	26.03	6,637.65	196.31	6,833.96	265	27.59	7,311.35	0.00	7,311.35
Stourport-on-Severn	7,347	23.12	169,860	16,986.00	186,846.00	6,220	26.12	162,460	26,055.84	188,515.84	6,394	26.12	167,010.00	26,383.01	193,393.01	6,584	27.12	178,554.00	27,703.69	206,257.69	6,714	27.12	182,084.00	29,681.86	211,765.86
Wolverley & Cookley	1,817	21.54	39,138	3,914.00	43,052.00	1,548	23.69	36,678	5,794.23	42,472.23	1,569	24.14	37,876.00	6,396.48	44,272.48	1,605	24.50	39,325.87	7,171.45	46,497.32	1,645	24.75	40,708.98	7,514.04	48,223.02
TOTAL	35,272		464,038	38,703.00	502,741.00	29,961		441,839	62,827.93	504,666.93	30,779		462,785.00	62,827.93	525,612.93	31,669.00		484,615.82	62,827.94	547,443.76	32,590.00		915,539.95	62,827.93	978,367.88

From 2013/14 onwards the Council Tax Benefit forms part of the taxbase calculation  
\* From 2013/14 to 2016/17 a shortfall grant payment compensates for fall in tax base from the 2012 base year

**Response 1- From: Chaddesley Parish Clerk**

Sent: 02 August 2016 13:52

To: Lisa Hutchinson

Subject: RE: Consultation on Proposals for Phasing out of Parish/Town Council  
Shortfall Grant 2017-18 and beyond

Dear Lisa

Thank you for giving us an opportunity to comment on these proposals.

To be honest, Chaddesley Corbett receive so little it will make no difference to us which option you choose to take. We would therefore suggest that we would be willing to go along with the majority on this.

Hope this helps.

Yvonne Scriven

**Response 2 - From: Town Clerk - Bewdley Town Council**

[<mailto:townclerk@bewdleytowncouncil.org>]

Sent: 16 August 2016 11:21

To: Tracey Southall

Subject: Shortfall Grant 2017/18 onwards

Dear Tracey

I am writing in response to your and Cllr Hart's letter dated 28<sup>th</sup> July 2016 in relation to the phasing out of the above grant from 2017/18.

The Council's Policy and Resources Committee considered this matter at their meeting on the 15<sup>th</sup> August 2016 and whilst not unexpected, wished to express their disappointment at your decision to withdraw this funding.

The Committee decided that the Council will take "Option 1" which is to take the phasing out in quarters up to 2019/20.

In the meantime, I will be submitting bids to the Localism Fund in due course and thank you for including this in your communication.

Regards Nick Farress

Town Clerk 

**Response 3 - from Kidderminster Foreign Parish received 21/08/16**

"In connection with the phasing out of the Parish Shortfall Grant,  
you are quite correct in stating in your letter that this news is not welcome.

Our parishioners already face a penalty in helping to fund urban services, as concurrent functions, when they do not enjoy these services in the rural locality of our parish - as such we feel we lose out on services provided for the electorate within the towns. We are therefore very disappointed in the District Council's decision to phase out this grant.

Having said that, the amount we receive in Kidderminster Foreign is so small that, in embracing this change, which we are told is inevitable, we have no preference for either of the options detailed in your consultation letter, and therefore will go along with whatever majority preference is expressed from other parish/town councils."

**Kidderminster Foreign Parish Clerk**

**Response 4 - from Wolverley & Cookley Parish Council 12/09/2016**

Dear Mrs Southall

Wolverley and Cookley Parish Council discussed the above at the last meeting.

The Council wish to advise you that Option 1 Phase out by 2019-20 in quarters would be the preferred option of this Parish Council.

Kind Regards,

Beverley Drew

Wolverley & Cookley Parish Council Clerk

**Wolverley and Cookley Parish Clerk**

**Response 5- from Stourport Town Council 13/09/2016 – Confirmed following meeting on 04/10/2016**

Tracey, I refer to your letter in July re phasing out of Shortfall Grant.

Thanks for giving us good notice of the phasing out.

You were seeking views re the two phasing options by 15<sup>th</sup> September. I have written a short report about it for consideration by members but the meeting of the Finance Committee is not until 27<sup>th</sup> September. I will pass on their views when I have them but if that is too late for your purposes and you need a view before then please record our preference as being for option one i.e. the 25%, then 50%, then 25%.

This is the one that the Town Clerk and I prefer because it requires a smaller increase in the nearest year i.e. 2017/18 and a smaller increase prior to the next elections.

Best wishes

**Graham Shaw**  
Treasurer  
Stourport Town Council

**Response 6 - from Broome Parish Council Received 14/09/2016**

14<sup>th</sup> September, 2016

Dear Tracey,

**Re: Parish/Town Council Shortfall Grant**

Thank you for your letter dated 28<sup>th</sup> July and the opportunity to comment as part of the consultation.

We do not object to the phasing out of this grant and understand fully, the reasons why the District Council is doing so.

As a small parish, we in fact, do not benefit at all from this grant in 2016-2017 and in fact, in the last 4 years where this has been paid we have only benefitted to the sum of circa £12 when our council tax base reduced by 2.

We would much prefer that WFDC continues to make available a localism fund where Parish Councils have the benefit to make applications to. This is, we feel, much fairer as it does not penalise those Parish Councils that don't qualify for any funding under the parish/town council shortfall grant.

We therefore, do not have a particular preference on how the funding is phased out.

Kind Regards.

Yours sincerely

**Marcus J. Hart Clerk to Broome Parish Council**

**Response 7 - from Rushock Parish Council Received 14/09/2016**

Dear Tracey,

**Re: Parish/Town Council Shortfall Grant**

Thank you for your letter dated 28<sup>th</sup> July and the opportunity to comment as part of the consultation.

We do not object to the phasing out of this grant and understand fully, the reasons why the District Council is doing so.

As a small parish, we in fact, do not benefit at all from this grant in 2016-2017 and in fact, in the last 4 years have not benefitted at all.

We would much prefer that WFDC continues to make available a localism fund where Parish Councils have the benefit to make applications to. This is, we feel, much fairer as it does not penalise those Parish Councils that don't qualify for any funding under the parish/town council shortfall grant.

We therefore, do not have a particular preference on how the funding is phased out.

Kind Regards.

Yours sincerely

**Marcus J. Hart Clerk to Rushock Parish Council**

**Response 8 - from Kidderminster Town Council Received 15/09/2016**

Tracey – Thank you.

I shared this with Councillors and there was no preference

We will get the same amount of money but in different tranches

As a new Council we are still finding our way

Whatever the district agrees we will pick up in our budget planning process

I have made it clear to Councillors you are administering a Government enforced change

Thanks again - Tony

**Town Clerk**

Kidderminster Town Council

**Response 9 - from Rock Parish Council Received 19/09/2016**

Hi Tracey

Rock PC have discussed this proposed phasing out of the shortfall grant and prefer Option 1 if anything.

Regards Stephen Clerk to Rock Parish Council

APPENDIX 2 - MODELLING OF PHASING OUT OF PARISH SUPPORT GRANT

	2012/2013					2013/2014					2014/2015					2015/2016					2016/2017					Taxbase Loss/(Gain) 2012/13 to 2016/17	2014/15 Band D x 'lost taxbase' to Base Year	2016/17 Shortfall Funding Grant * £	**OPTION 1 BASED ON 2016/17 FIGURES 2017/18	**OPTION 1 BASED ON 2016/17 FIGURES 2018/19	**OPTION 1 BASED ON 2016/17 FIGURES 2019/20	**OPTION 2 BASED ON 2016/17 FIGURES 2017/18	**OPTION 2 BASED ON 2016/17 FIGURES 2018/19	**OPTION 2 BASED ON 2016/17 FIGURES 2019/20
	2012/2013					2013/2014					2014/2015					2015/2016					2016/2017								Factor down by 25%	Factor down by 75%	Factor down by 100%	Factor down by 33.33%	Factor down by 66.66%	Factor down by 100%
	Taxbase	Band D £	Precept £	S.136 £	Total £	Taxbase	Band D £	Precept £	Shortfall Funding Grant * £	Total £	Taxbase	Band D £	Precept £	Shortfall Funding Grant * £	Total £	Taxbase	Band D £	Precept £	Shortfall Funding Grant * £	Total £	Taxbase	Band D £	Precept £	Shortfall Funding Grant * £	Total £				£	£	£	£	£	£
Upper Arley	352	42.61	15,000	1,500.00	16,500.00	315	47.62	15,000	1,576.70	16,576.70	318	47.62	15,143.00	1,734.74	16,877.74	344	47.62	16,381.28	535.34	16,916.62	343	47.62	16,333.66	777.77	17,111.43	9.00	428.58	777.77	583.33	194.44	0.00	518.54	259.31	0.00
Bewdley	3,778	21.52	81,302	8,130.00	89,432.00	3,341	23.59	78,826	9,404.18	88,230.18	3,403	25.71	87,491.00	9,663.11	97,154.11	3,482	25.71	89,522.22	10,003.67	99,525.89	3,565	26.61	94,864.00	9,296.54	104,160.54	213.00	5,476.23	9,296.54	6,972.41	2,324.14	0.00	6,198.00	3,099.47	0.00
Broome	180	10.28	1,850	185.00	2,035.00	182	12.23	2,225	0.00	2,225.00	178	12.92	2,300.00	24.62	2,324.62	196	12.91	2,530.00	0.00	2,530.00	197	13.48	2,656.50	0.00	2,656.50	(17.00)		0.00	0.00	0.00	0.00	0.00	0.00	
Chaddesley Corbett	741	29.40	21,783	2,178.00	23,961.00	666	32.71	21,783	2,204.76	23,987.76	690	32.71	22,570.00	1,795.40	24,365.40	720	32.96	23,731.20	969.60	24,700.80	725	34.37	24,917.76	954.04	25,871.80	16.00	523.36	954.04	715.53	238.51	0.00	636.06	318.08	0.00
Churchill & Blakedown	753	28.87	21,740	2,174.00	23,914.00	688	31.60	21,740	1,876.63	23,616.63	738	31.60	23,321.00	518.54	23,839.54	776	31.60	24,521.60	0.00	24,521.60	785	31.60	24,806.00	0.00	24,806.00	(32.00)		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Kidderminster Foreign	407	18.14	7,385	739.00	8,124.00	365	22.76	8,307	762.09	9,069.09	368	22.57	8,307.00	847.12	9,154.12	398	21.29	8,474.00	256.39	8,730.39	406	21.92	8,897.70	36.79	8,934.49	1.00	22.57	36.79	27.59	9.20	0.00	24.53	12.27	0.00
Kidderminster (Charter Trustees	18,336	4.20	77,010	0.00	77,010.00	15,180	4.20	63,750	13,254.99	77,004.99	15,647	4.20	65,717.00	13,523.33	79,240.33	16,040	4.20	67,388.00	15,144.20	82,532.20	16,650	29.00	482,850.00	14,361.72	497,211.72	1,686.00	7,081.20	14,361.72	10,771.29	3,590.43	0.00	9,574.96	4,788.20	0.00
Rock	1,226	16.86	20,670	2,067.00	22,737.00	1,137	19.94	22,670	1,500.51	24,170.51	1,158	21.46	24,850.00	1,372.81	26,222.81	1,194	21.23	25,350.00	847.29	26,197.29	1,220	22.79	27,800.00	205.17	28,005.17	6.00	128.76	205.17	153.88	51.29	0.00	136.79	68.40	0.00
Rushock	75	24.00	1,800	180.00	1,980.00	73	26.03	1,900	48.00	1,948.00	75	27.33	2,050.00	0.00	2,050.00	75	29.33	2,200.00	0.00	2,200.00	75	30.80	2,310.00	0.00	2,310.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Stone	260	25.00	6,500	650.00	7,150.00	246	26.42	6,500	350.00	6,850.00	241	25.52	6,150.00	568.77	6,718.77	255	26.03	6,637.65	196.31	6,833.96	265	27.59	7,311.35	0.00	7,311.35	(5.00)	-127.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Stourport-on-Severn	7,347	23.12	169,860	16,986.00	186,846.00	6,220	26.12	162,460	26,055.84	188,515.84	6,394	26.12	167,010.00	26,383.01	193,393.01	6,584	27.12	178,554.00	27,703.69	206,257.69	6,714	27.12	182,084.00	29,681.86	211,765.86	633.00	16,533.96	29,681.86	22,261.40	7,420.47	0.00	19,788.90	9,895.93	0.00
Wolverley & Cookley	1,817	21.54	39,138	3,914.00	43,052.00	1,548	23.69	36,678	5,794.23	42,472.23	1,569	24.14	37,876.00	6,396.48	44,272.48	1,605	24.50	39,325.87	7,171.45	46,497.32	1,645	24.75	40,708.98	7,514.04	48,223.02	172.00	4,152.08	7,514.04	5,635.53	1,878.51	0.00	5,009.61	2,505.18	0.00
TOTAL	35,272		464,038	38,703.00	502,741.00	29,961		441,839	62,827.93	504,666.93	30,779		462,785.00	62,827.93	525,612.93	31,669.00		484,615.82	62,827.94	547,443.76	32,590.00		915,539.95	62,827.93	978,367.88	2,682.00	34,219.14	62,827.93	47,120.96	15,706.99	0.00	41,887.39	20,946.84	0.00

Note: This modelling is indicative only based on the 2016/17 figures, the actual grants for 2017/18 will differ dependant on the tax base for each Parish/Town Council

**WYRE FOREST DISTRICT COUNCIL**

**CABINET**  
**22<sup>ND</sup> NOVEMBER 2016**

**Report on the Provision of Temporary Accommodation**

<b>OPEN</b>	
<b>CABINET MEMBER:</b>	Councillor J Smith Cabinet Member for Health Wellbeing and Housing
<b>RESPONSIBLE OFFICER:</b>	Strategic Housing Services Manager
<b>CONTACT OFFICER:</b>	Kate Bailey ext 2560 Kate.bailey@wyreforestdc.gov.uk
<b>APPENDICES:</b>	Appendix 1: Proposal utilising existing available capital

**1. PURPOSE OF REPORT**

The purpose of this report is to seek approval for 2-3 New Street, Stourport to be brought back into use for temporary accommodation and for the necessary adjustment to the Capital Programme to finance the project.

**2. RECOMMENDATION**

The Cabinet is asked to **DECIDE** that:

- 2.1 **The conversion of 2-3 New Street, Stourport for the provision of temporary accommodation be approved.**
- 2.2 **Delegated Authority be granted to the Director of Economic Prosperity & Place, in consultation with Cabinet Member for Housing, Health and Wellbeing to put in place all necessary consents associated with the conversion works, to implement the works themselves and to commission the delivery of services from the building once the works are complete.**

The Cabinet is asked to **RECOMMEND** to Council that:

- 2.3 **The Capital Programme be amended accordingly to accommodate the costs associated with the conversion works.**

**3. BACKGROUND**

- 3.1 In 2012 the Council took back into its ownership an empty property at 2 -3 New Street, Stourport, following the end of a long term lease. This report considers converting this empty property into units of temporary accommodation to meet demand from households in housing need.
- 3.2 The property at is currently vacant. The ground floor was, until recently, let to a tenant (an art shop and a cafe) for an annual rent of £3k but this lease has now ended. The

first and second floors have been converted to 4 bedsit units and were rented out privately before 2012 but have been empty since that then.

- 3.3 Since the property was returned to the Council it has incurred an annual cost through Council Tax, inspection and utilities of £6,300 p.a. However In December 2015 the Private Sector Housing (PSH) team took over responsibility for inspecting the building and served a prohibition notice to negate the ongoing council tax charge and therefore reduce ongoing running costs to circa £1,000.
- 3.4 The property is a Grade II listed building; it has been poorly maintained and has poor original construction by modern standards e.g. it has solid walls and therefore has poor thermal comfort. However the property has the potential to support the Council's need for temporary accommodation to meet its obligations under the Housing Act 1996, if converted appropriately.
- 3.5 The Council uses various types of accommodation to meet the legal requirements of the Homeless Act 2002 and Housing Act 1996. Where possible the Council, in conjunction with Community Housing Group, seek to prevent homelessness either by keeping someone in their current home or finding them an alternative. In 2015/16 1169 households were prevented from becoming homeless through a variety of methods. However not all incidences can be prevented and in the same period the Council accepted a legal duty to assist 174 households of which 116 households were placed into emergency accommodation for periods of between 1 day and three months. The average length of stay was 14.7 days.
- 3.6 Most households placed in emergency accommodation are rehoused temporarily in Bed and Breakfast accommodation within Kidderminster or Droitwich. Occasionally households have been accommodated in Birmingham, due to the lack of availability in Wyre Forest, or due to the households' particular needs such as where the person is fleeing domestic violence from Wyre Forest. Arrangements are also in place with the YMCA in Worcester and other providers to accommodate households during periods of prolonged cold temperatures to fulfil our 'No Second Night Out' commitment.
- 3.7 The accommodation primarily used is procured by the Council to ensure it meets basic standards and is as cost effective as possible, however occasionally where no accommodation is available with the locations mentioned or it isn't suitable to the applicants particular needs' then the Council must use more expensive commercial options. This would usually be where someone has a disability or needs to be housed out of district. Once procured the accommodation operates on a framework basis with no commitment to a set amount of usage.
- 3.8 As the current procurement arrangements were coming to an end the Council has recently sought to re-procure B&B accommodation however the Council has had difficulty in finding private sector providers willing to take on this service and at a suitably satisfactory accommodation condition (only 3 suitable providers came forward). This is due to the impact of Welfare Reform making it less financially attractive to private landlords to provide this type of accommodation. This B&B accommodation is also used by members of the public and other councils and is therefore not exclusively available to Wyre Forest. If demand outstrips supply then the Council has to look for other more costly and/or out of district placements and this can potentially expose the Council to legal challenge (following recent case law and

subsequent advice from the Department for Communities and Local Government (dCLG).

- 3.9 The PSH Team have undertaken a survey of the property and developed an outline design and specification for conversion works that would enable the building to be converted into 11 bedsit style rooms and a shared communal kitchen/dining/office area. The anticipated revenue income in Appendix 1 assumes 11 units of accommodation.
- 3.10 This accommodation could be used for the provision of short-term accommodation for both statutory and non-statutory homeless that the Council has a duty (or a power) to assist, thus relieving the situation described above as the Council would have exclusive use of the New Street property and the need to additional units of B&B would be greatly reduced.
- 3.11 Planning permission is required for the change of use of the ground floor to residential, Listed Building Consent is required for some of the internal works and Building Regulations will be required and officers are currently in the process of procuring an Architect to draw up detailed drawings and support the consenting processes.

#### **4. KEY ISSUES**

- 4.1 Where households are placed in temporary accommodation the Council currently pays around £26.09 for a single person and £52.17 for a family per night (£182.63/365.19 per week) and although a housing benefit (HB) claim is made and the household is charged for non housing benefit eligible items (such as heating and hot water), the current HB subsidy only enables the Council to recover approximately 35% of the costs.
- 4.2 The Government's reform of welfare benefits from 2018 will cause a further financial gap for councils using bed and breakfast in the future. The introduction of the Local Housing Allowance (LHA) cap may mean that Councils get less than the 90% of the relevant LHA rate for the size of property (which is approximately £98 p.w) that they currently get.
- 4.3 The roll out of Universal Credit will provide a further cause for concern in that the housing costs will be passported directly to the applicant rather than the landlord (currently the Council receives the Housing Benefit directly as we are the "landlord" for Bed and Breakfast placements). The Department of Work and Pensions (DWP) also don't pay Universal Credit to the claimant for the first week of the claim (including the "Housing Costs"<sup>1</sup> element) and then pay 4 weekly (in arrears) which means there is a five week delay on the claim.
- 4.4 In the future the claim will only pay housing costs at the value of the accommodation the household was in on the last day of these five weeks and therefore if the claimant household has been moved within the five week period (the average length of stay in Wyre Forest is 14 days) to cheaper accommodation (e.g. a social rent) then the payment the claimant receives (not the Council now) reflects this i.e. they will have originally been placed in a higher cost B&B facility and subsequently moved to a cheaper facility within the 5 weeks and consequently the housing payment received will be lower than costs incurred. Therefore the applicant will not have the funding to

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<sup>1</sup> This replaces the Housing Benefit applicants receive when they go onto Universal Credit

pay the Council the full amount due for their housing costs. Even assuming the applicant passes on all this money to the Council that they receive, it could still result in an average shortfall to the Council of approximately £175-200 over the five weeks for a single person.

- 4.5 There would be a future financial risk to the Council, if it can't recover costs for the emergency accommodation through Housing Benefit (due to the lack of subsidy) and assuming it won't be able to recover the Housing Costs paid to the Universal Credit Claimant and the impact on the budget is shown below.

**Table one: shows the costs versus income of the option of staying the same, doing nothing post 2018 (assuming the anticipated impact of Welfare Reform) and the alternative proposal to develop the units of temporary accommodation**

	Current cost (if no changes to HB)	Do nothing costs	Proposal – Exp (Income) <sup>2</sup>
2017/18	29,900	29,900	(10,820)
2018/19	29,900	51,000	(44,200)
2019/20	29,900	51,000	(41,200)

- 4.6 There may be the possibility of additional grant funding to contribute to the revenue costs of this project as the dCLG are ending the provision of a temporary accommodation management fee<sup>3</sup> by the end of this financial year and moving to a grant system, payable to all Local Housing Authorities in addition to the Homeless Prevention Grant. This grant will be available for Local Authorities for a wider range of homeless and homeless prevention related services/activities and will be paid directly on an annual basis, rather than through Housing Benefit claims. The distribution formula and allocation is likely to be announced in November. For the purposes of the financial modelling we have assumed a continuation of the temporary accommodation management fee at the current rate.
- 4.7 The property is in a state of disrepair and wouldn't meet current standards; it would also require adapting and converting to maximise the potential space. Officers have estimated a cost for these works and have previously obtained a quote from Snape (the Council's term maintenance provider) to ensure value for money based on conversion to 8 units without including the ground or lower ground floor as these have only recently become available. Officers will liaise with Snape for a further quote once the services of an architect have been engaged. In addition to capital works there will be architect fees, planning and building regulation application related expenses and project management costs of £10,000 which will be capitalised. The total cost shown in table two includes a contingency budget.
- 4.8 The cost of furnishing and providing floor coverings for the property will be met from an existing budget for welfare funding which includes an element for furniture etc for residents who move into a new home.
- 4.9 The project, whilst in its redevelopment phase, would be overseen by a project manager who will be funded through capitalisation of the capital as proposed above.

<sup>2</sup> Gross of any other indirect costs arising from the Council's overheads

<sup>3</sup> WFDC currently do not receive this fee as it isn't available if for B&B style accommodation but is set at a limit of £60 p.w. per household.

- 4.10 Officers will also need to explore the need to purchase/use of an appropriate financial software package to manage and monitor rent payments and are currently working with IT to procure an appropriate system (the costs included in the model are based on initial soft market testing).
- 4.11 The accommodation will be managed by staff within the Strategic Housing Services team, with costs met through reallocation of existing budgets.

## **5. FINANCIAL IMPLICATIONS**

- 5.1 The cost of converting and operating the property as accommodation that the Council can use for housing homelessness cases is affordable within existing capital and revenue budgets.
- 5.2 Officers have considered alternative proposals than use for temporary accommodation including; the alternative of borrowing the capital to finance the project, the “do-nothing” proposal and converting the property into three, two bedroom flats for rent. These alternatives have been ruled out as they are not as financially advantageous to the council.
- 5.3 Using the occupancy levels data (and number of days occupied) it can be assumed that occupancy of the units for 52 weeks of the year will be approximately 75% and therefore at the rate of £98 p.w. (which is approximately the current payment made) then the annual rental income that would be derived from the use of the building for B&B purposes is projected to be £44,200 (2018/19). In addition to this the Council will receive additional government funding to replace the current Temporary Accommodation Management Fee which should also contribute towards the running costs (estimated at £25,740 for 2018/19). The Council will also be able to “sell” additional capacity to neighbouring authorities, such as Wychavon and Worcester, who currently use accommodation in Kidderminster and have expressed an interest in the project.
- 5.4 Bringing the property back into use will also attract income into the Council through Council Tax and potentially the New Homes Bonus, whilst it remains in existence.
- 5.5 There will be a continued need to use B&B for placements outside the district or into specialist accommodation but these are anticipated at a much lower rate of 10 placements p.a. with a cost to the authority of approx 5k p.a.
- 5.6 It is proposed that the cost of undertaking the conversion work is met in the following way;

**Table two: source of capital for the project**

<b>Value (£)</b>	<b>Source</b>
69,000	Existing capital programme for affordable housing
50,000	Evergreen Fund
40,000	Discretionary Housing Pot (including project management costs)
43,060	Right to buy receipts received in 2015/16
65,000	Better Care Fund (for level access showers / kitchens)
267,060	Total Capital Funding

Utilising the funding in this way will require a recommendation from Cabinet to Council to amend the Capital Programme.

**6. LEGAL AND POLICY IMPLICATIONS**

- 6.1 The Council is currently able to own and manage emergency accommodation for homeless people under existing legislation as there are no legal implications arising in relation to project around inadvertently granting secure tenancies or the right to buy. The use of excluded licenses with limited rights (especially for households accommodated under the s188 duties) and the short term nature of the accommodation should safeguard against any risks.
- 6.2 Snape has previously been through a competitive procurement process and therefore it is appropriate to use them for this work without going through a further tendering process.
- 6.3 By increasing the supply of good quality, affordable accommodation within the District the Council will reduce the likelihood of any challenge through placing households out of area or for longer than 6 weeks and by compliant with the Temporary Accommodation Placement and Procurement Policy.

**7. EQUALITY IMPACT NEEDS ASSESSMENT**

- 7.1 An Equalities Impact Screening Assessment has been undertaken on 21/09/2016. There are no negative implications identified for groups with a protected characteristic.

**8. RISK MANAGEMENT**

- 8.1 There is a risk to the council through not undertaking this work including the increasing costs of providing temporary accommodation particularly in light of the proposed welfare reform changes. In addition the Council will have risks and costs associated with maintaining an empty property.

**9. CONCLUSION**

- 9.1 The proposed welfare reform changes and move to Universal Credit means there will be an impact on Council resources to meet the continuing statutory requirement to house households in temporary accommodation. Recovery of a contribution from the homeless household towards their housing costs will become increasingly difficult and won't be full costs recovery.
- 9.2 The Council, through investing existing capital resources, could bring an empty property back into use to gain a long term revenue saving and income stream, as well as providing good quality, well managed accommodation for households in housing need.

**10. CONSULTEES**

- 10.1 None.

**11. BACKGROUND PAPERS**

11.1 Discharge into the private rented sector policy

11.2 Temporary Accommodation Placement and Procurement Policy.

**Proposal utilising existing available capital (no borrowing)**

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
<b>Revenue Costs</b>					
Expenditure	0	5,000	7,500	10,000	Includes R&M, cleaning & laundry, bad debts & depreciation
Furnishing	0	15,000	1,500	2,000	
Project Manager	*4,000	*6,000	0	0	
Council Tax	0	6,300	0	0	
Utilities	0	5,250	9,000	9,000	
Staffing costs to run facility	0	7,500	10,000	10,000	
Loss of Interest on Capital Receipts	200	1,580	1,580	1,580	
Software - TA income recovery module	0	5,000	1,500	1,500	
Costs of emergency B&B (HB unrecoverable subsidy)	29,900	18,880	5,000	5,000	assumes some continued use of emergency accommodation
<b>Total Expenditure</b>	<b>34,100</b>	<b>70,510</b>	<b>36,080</b>	<b>39,080</b>	
<b>Income/Funding</b>					
Earmarked Reserve (Furniture)	0	(15,000)	0	0	
Rental Income	0	(31,530)	(42,040)	(42,040)	assumes occupancy rate of 75%
Additional top-up if available	0	(19,300)	(25,740)	(25,740)	60 p.w per unit
Service Charges (non-HB eligible)	0	(2,000)	(2,500)	(2,500)	
Base budget contribution to staffing costs	0	(7,500)	(10,000)	(10,000)	
Capitalisation	*(4,000)	*(6,000)	0	0	
<b>Total Income</b>	<b>(4,000)</b>	<b>(81,330)</b>	<b>(80,280)</b>	<b>(80,280)</b>	
<b>Net Revenue Position</b>	<b>30,100</b>	<b>(10,820)</b>	<b>(44,200)</b>	<b>(41,200)</b>	
Existing Budget Including Effect of Welfare Reform	29,900	29,900	51,000	51,000	
<b>Net Savings/Additional Income</b>	<b>200</b>	<b>(40,720)</b>	<b>(95,200)</b>	<b>(92,200)</b>	

\* These pay costs will be capitalised, but are shown above for completeness. They will be coded direct to the Capital Programme

**WYRE FOREST DISTRICT COUNCIL**

**Cabinet  
22<sup>nd</sup> November 2016**

**Overview and Scrutiny Committee  
Thursday 3<sup>rd</sup> November 2016**

**Alternative Temporary Accommodation Provision**

The Committee considered a report from the Strategic Housing Services Manager which detailed a proposal to deliver alternative temporary accommodation provision for households who are in housing need or homeless within a Council owned empty property.

The Members welcomed the proposal and agreed that the scheme would enable the Council to control the quality of emergency accommodation within the District.

**Recommend to Cabinet:**

**The provision of alternative temporary accommodation at 2-3 New Street, Stourport, be approved.**

**Background papers:**

Report to the Overview and Scrutiny Committee, Thursday 3<sup>rd</sup> November 2016

<http://www.wyreforest.gov.uk/council/meetings/com193.htm#mt7616>

**WYRE FOREST DISTRICT COUNCIL**

**Cabinet  
22<sup>nd</sup> November 2016**

**Overview and Scrutiny Committee  
Thursday 3<sup>rd</sup> November 2016**

**Wyre Forest District Local Plan Review: Revised Local Development Scheme  
(Project Plan 2016 - 2019)**

The Committee considered a report from the Interim Planning Policy Manager which set out the key proposed changes to the Council's current Local Development Scheme (June 2016).

The report had been fully scrutinised and endorsed by the Local Plans Review Panel at their meeting on 31<sup>st</sup> October 2016.

**Recommend to Cabinet:**

**The proposed Revised Local Development Scheme 2016-19 (November 2016) as set out in Appendix 1 of the report, be adopted.**

**Background papers:**

Report to the Overview and Scrutiny Committee, Thursday 3<sup>rd</sup> November 2016

<http://www.wyreforest.gov.uk/council/meetings/com193.htm#mt7616>