

**Open**

## **Cabinet**

## **Agenda**

**6pm**  
**Tuesday, 24th March 2020**  
**Council Chamber**  
**Wyre Forest House**  
**Finepoint Way**  
**Kidderminster**



## **Cabinet**

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

<b>Councillor G Ballinger</b>	<b>Leader of the Council &amp; Strategy &amp; Finance</b>
<b>Councillor F Oborski MBE</b>	<b>Deputy Leader &amp; Economic Regeneration, Planning &amp; Capital Investments</b>
<b>Councillor N Martin</b>	<b>Housing, Health, Well-being &amp; Democratic Services</b>
<b>Councillor H Dyke</b>	<b>Culture, Leisure &amp; Community Protection</b>
<b>Councillor J Thomas</b>	<b>Operational Services</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 Friday 3<sup>rd</sup> April 2020.*

Councillors wishing to "call in" a decision on this agenda should contact Louisa Bright, Principal Committee and Member Services Officer, Wyre Forest House, Finepoint Way, Kidderminster. Telephone: 01562 732763 or email [louisa.bright@wyreforestdc.gov.uk](mailto:louisa.bright@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 Sian Burford, Assistant Committee Services Officer, Wyre Forest House, Finepoint Way, Kidderminster, DY11 7WF. Telephone: 01562 732766 or email [sian.burford@wyreforestdc.gov.uk](mailto:sian.burford@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)

Wyre Forest District Council

Cabinet

Tuesday, 24th March 2020

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 meeting held on the 11th February 2020.	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 Monday 16 <sup>th</sup> March 2020. (See front cover for contact details).	

<b>7.</b>		
	<b>Councillor G Ballinger</b>	
<b>7.1</b>	<b>Budget Monitoring Third Quarter 2019-20</b>  To consider a report from the Corporate Director: Resources briefing Members on the Council's financial performance for Quarters 1 to 3 ending 31 <sup>st</sup> December 2019 and to present the current projected outturn position for the 2019-20 financial year for both revenue and capital expenditure.	17

<b>8.</b>		
	<b>Councillor N Martin</b>	
<b>8.1</b>	<b>Housing Assistance Policy</b>  To consider a report from the Corporate Director: Economic Prosperity & Place to agree the policy that will be used to determine how the Disabled Facilities Grant (DFG) funding from central government will be spent. In 2019/20 the Council received £1.286m of capital funding via the Better Care Fund (BCF) to deliver its DFG programme and related services.  To also consider recommendations from the Overview and Scrutiny Committee from its meeting on 5 <sup>th</sup> March 2020.	34

<b>9.</b>		
	<b>Councillor F Oborski MBE</b>	
<b>9.1</b>	<b>Future High Streets Fund Property Acquisition Strategy</b>  To consider a report from the Corporate Director: Economic Prosperity & Place to agree a strategy for the acquisition of properties in Kidderminster town centre in support of the Council's bid for funding under the Future High Streets Fund (FHSF) and to agree the approach to masterplanning the future of the remainder of the town centre not otherwise covered by the FHSF.  To also consider recommendations from the Overview and Scrutiny Committee from its meeting on 5 <sup>th</sup> March 2020.	61

<b>10.</b>	<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>	
<b>11.</b>	<b>Exclusion of the Press and Public</b>  To consider passing the following resolution:	

	<p>“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”.</p>	
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## Part 2

Not open to the Press and Public

<b>12.</b>		
	<b>Councillor F Oborski MBE</b>	
<b>12.1</b>	<p><b>Agenda Item 9.1 Future High Streets Fund Property Acquisition Strategy</b></p> <p>Appendix 1 – Kidderminster Town Centre Acquisition Strategy</p>	
<b>12.2</b>	<p><b>A Loan Proposal Under The Development Loan Fund</b></p> <p>To receive a report from the Corporate Director: Economic Prosperity &amp; Place which sets out a loan proposal to support a development in Wyre Forest under the Development Loan Fund.</p> <p>To also consider recommendations from the Overview and Scrutiny Sub-Committee from its meeting on 23<sup>rd</sup> March 2020 (To follow)</p>	
<b>12.3</b>	<p><b>Investment Proposal</b></p> <p>To receive a report from the Corporate Director: Economic Prosperity &amp; Place which sets out a proposed investment in Wyre Forest using the Council’s Capital Portfolio Fund.</p> <p>To also consider recommendations from the Overview and Scrutiny Sub-Committee from its meeting on 23<sup>rd</sup> March 2020 (To follow)</p>	
<b>13.</b>	<p><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></p>	

**WYRE FOREST DISTRICT COUNCIL**

**CABINET**

**COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER**

**11TH FEBRUARY 2020 (6PM)**

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**Present:**

Councillors: G W Ballinger (Chairman), F M Oborski MBE (Vice-Chairman), H E Dyke, N Martin and J W R Thomas.

**Observers:**

Councillors: N J Desmond, I Hardiman and M J Hart.

**CAB.51 Apologies for Absence**

There were no apologies for absence.

**CAB.52 Declarations of Interests by Members**

No declarations of interest were made.

**CAB.53 Minutes**

**Decision: The minutes of the Cabinet meeting held on 17th December 2019 be confirmed as a correct record and signed by the Chairman.**

**CAB.54 Call Ins**

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

**CAB.55 Items Requiring Urgent Attention**

There were no items requiring urgent attention.

**CAB.56 Public Participation**

There was no public participation.

**CAB.57 Wyre Forest District Local Plan (2016-2036)**

A report was considered from the Spatial Planning Manager to agree the submission of the proposed Wyre Forest District Local Plan (2016-36) and Policies Map for recommendation to Council on 20<sup>th</sup> February for forwarding to the Secretary of State (including all supporting evidence base documentation).

The Cabinet Member for Economic Regeneration, Planning & Capital Investments presented the report and formally moved the recommendations

for approval. She said the Local Plan had been in preparation since 2018; and it was now time for us to submit it to the Planning Inspectorate to begin examination, which will consider whether we have a 'sound' Plan.

She further explained that we have passed the point now of deliberating on which sites to include or exclude. All of that has been thoroughly consulted on, from the Preferred Options consultation back in summer 2017 to the more recent Pre-Submission consultations in 2018 and again in 2019. She added that we now have to decide whether we consider the Plan to be 'sound' and legally compliant, and that it can be submitted to the Planning Inspector.

The Cabinet Member for Economic Regeneration, Planning & Capital Investments said that 'soundness' means that the Plan has been positively prepared, that it is justified, effective and is consistent with national policy and in accordance with the National Planning Policy Framework. She added that she was pleased to commend the suite of documents that makes up the Submission Plan to Cabinet as meeting those tests of 'soundness'. She acknowledged that there will be matters that some people disagree with and that there are those who will seek to challenge whether the Plan is 'sound'; that will be what the Inspector examines when the plan is submitted. She added that there was no place for us now to consider further amendments to the Plan without undermining its 'soundness'.

The Cabinet Member for Economic Regeneration, Planning & Capital Investments reminded Members that, with the exception of the addition of the increased car parking at Blakedown Station, which is required by the County Council to enable them to support the Plan, and the small housing allocation alongside it, this is effectively the same Plan which the previous Administration was loudly heralding as the "Conservative Party's Local Plan" in leaflets in the run up to the May 2019 District Council Elections.

In relation to the justification for using the higher housing number in the Local Plan, she explained that no councillor wants to see any more development of the Greenbelt than absolutely necessary. However the authority must ensure that it maintains its supply of new housing otherwise it will run the risk of not maintaining a five year land supply and falling foul of the housing delivery test; either of which could actually undermine the value of the Plan and expose the whole district to unwanted development. She added that the justification for the need to use the higher 2016 household projection figure was set out in paragraph 7.10 of the report and the matter will be thoroughly tested by the Inspector.

The Chairman of the Overview and Scrutiny Committee, Councillor M Hart, said that the item was fully debated at the meeting, and the proposals were supported by the majority of the Committee.

The Cabinet Member for Culture, Leisure & Community Protection seconded the proposals. She said that a lot of time and effort had gone into the preparation of the Plan. She said that residents had played a big part in responding to the consultation and she thanked them for their input.



**Decision: In line with the recommendations from the Overview and Scrutiny Committee from its meeting on 6<sup>th</sup> February 2020, Cabinet recommends to Council to:**

- 1) Approve the proposed Wyre Forest District Local Plan (2016-2036) and Policies Map (together with the associated evidence base, including the Sustainability Appraisal) for the purpose of its submission to the Secretary of State for independent examination under section 20 of the Planning and Compulsory Purchase Act 2004 (the PCPA 2004) (as shown in Appendix 1) of the report;**
- 2) Approve the Table of Additional (Minor) Modifications to the Wyre Forest District Local Plan (2016-36) and Policies Map (as shown in Appendix 2);**
- 3) Approve the submission documents prepared pursuant to Regulation 22 of the Town and Country Planning (Local Planning) (England) Regulations 2012 (the Local Planning Regulations) (see Appendix 3);**
- 4) Note the technical study 'Traffic Demand in the Hagley Area (A456 Corridor)' (in Appendix 4) as a background paper (which has yet to be published by the County Council);**
- 5) Approve the 'Statements of Common Ground' with third parties such as statutory agencies and adjoining Councils (as shown in Appendix 5); and**
- 6) Delegate authority to the Corporate Director: Economic Prosperity & Place in consultation with the Cabinet Member for Economic Regeneration, Planning and Capital Investments for the following matters relating to the Local Plan:**
  - a. To take or authorise such steps as may be necessary for the independent examination of the Local Plan to be completed, including:**
    - i Proposing, requesting from and agreeing with the Inspector, at submission and through the examination, 'main modifications' to the wording of the Local Plan to ensure its soundness and legal compliance, in accordance with section 20(7C) of the PCPA 2004 (noting that 'main modifications' will subsequently be subject to public consultation prior to the completion of the examination and approved by Council);**
    - ii Agreeing 'additional (minor) modifications' to the wording of the Local Plan (noting that these will relate to minor changes which do not materially affect the policies in or soundness of the Plan and will subsequently be approved by Council at adoption);**
    - iii Entering into 'Statements of Common Ground' with third parties such as statutory agencies and adjoining Councils;**

- iv **Undertaking other tasks pursuant to informing and ensuring the effective running of the examination, including making submissions of hearing statements to the Inspector and providing to the Inspector such further or revised documents or information as may be necessary;**
- v. **Agreeing Topic Papers including but not limited to housing growth, viability and Green Belt release (noting that these are for explanatory purposes only); and**
- vi. **Publishing the recommendations of the Inspector in accordance with section 20(8) of the PCPA 2004 and Regulation 25 of the Local Planning Regulations.**

**CAB.58 Medium Term Financial Strategy 2020-2023  
Capital Strategy 2020-2030**

A report was considered from the Corporate Director: Resources which provided the Cabinet with financial information in order to make proposals for the Budget Strategy for the period 2020-2023. The report also sought approval of the Capital Strategy for 2020-2030 including prudential indicators which set limits for non-financial investments and to fulfil the key requirements of the MHCLG Investment Guidance.

The Leader of the Council presented the report and formally moved the recommendations for approval. He said that the Cabinet considered the medium term financial strategy and the associated capital strategy, at its meeting on the 17th December last year. The Provisional Finance Settlement was then issued on the 20th December. It did not change any of the assumptions included in the December report significantly. The Final Settlement had been expected to be formally agreed by the House of Commons tomorrow. It was very regrettable that this had now been delayed until the week commencing 24th February. However, related figures were released in advance late last week and as expected these are substantially the same as contained in the Provisional Settlement. He said that the report provides an updated position following two Strategic Review Panels to consider further government announcements and the Alternative Budget proposed by the Conservative Group.

The Leader of the Council outlined the key points from the settlement and advised that, for 2020-2021, there will continue to be differential limits that will trigger the need for a council tax referendum.

He added that for district councils, there is no referendum for increases of less than 2% or up to and including £5 (whichever is higher) above the authority's council tax for 2019/20. The 2% restriction is very disappointing. At the time of writing the report, it was hoped that this might be increase to 3% but the detail of the final settlement issued last week confirms no change. Therefore he confirmed that the Cabinet's recommendation to Council for the Council Tax increase would be £5 or 2.33%, and asked colleagues to support the proposed increase as set out in paragraph 2.2.2 and to ignore paragraph 2.2.3.

The Leader of the Council said the Government's decision not to allow an increase of 3% contradicts the views of more than 600 residents who took part

in the council's budget consultation last autumn; 73% of respondents supported or strongly supported an increase of up to 3% in council tax. He thanked the hundreds of residents who took time to comment and give their views on our budget proposals. He said the Cabinet believed the new financial strategy very much reflects what people told the Council.

He further explained that the Cabinet's proposals in the budget have changed in only two respects since December. There was a proposal that Council should allocate an additional £1.5m to the Capital Portfolio Fund to invest in acquiring properties which will create extra income to support services. If this additional headroom was agreed, members knew that all potential purchases are subject to thorough checks and members of the Cabinet decide whether or not to proceed with any purchase on the basis of a detailed business case, which is scrutinised in advance by the Overview and Scrutiny Committee.

He said an earlier proposal to reduce how much is spent on cutting grass verges by £50k has been dropped, following confirmation from Worcestershire County Council that it is not reducing the funding it provides for WFDC for this county council responsibility during 2020-21.

Finally, the updated Alternative Budget proposal from the Conservative Group replaces Appendix 5 in the original agenda pack. Members had the opportunity to discuss their ideas at the Strategic Review Panel at the end of January and he did not propose to repeat the points that were raised in that discussion. He thanked Councillor Hart for sharing this in advance of the meeting. With one exception, the Leader asked Cabinet colleagues to note the alternative budget proposals from the Conservative Group. He proposed that Cabinet should accept the revised proposal for Depot Works as set out in the latest iteration of the Conservative Group's alternative budget, so that the health and safety works can be undertaken for the whole of Block E. This has a minor additional implication for the capital plan and revenue costs in the future.

The Leader thanked the Corporate Director: Resources and her team for all the hard work they had put into preparing the document. The proposals were seconded by the Cabinet Member for Economic Regeneration, Planning & Capital Investments.

**Decision: The CABINET having re-considered the Financial Strategy 2020-2023, the results of the Budget consultation exercise, alternative budget proposal and recommendations of the Strategic Review Panel RECOMMENDS TO COUNCIL that it:**

- 1.1        THREE YEAR BUDGET, CAPITAL STRATEGY AND POLICY FRAMEWORK 2020-2023**
- 1.1.1     APPROVES the updated Medium Term Financial Strategy 2020-2023;**
- 1.1.2     APPROVES the revised Cabinet Proposals – taking into account the impact on the Council's Capital and Revenue Budgets for 2020-2023 as shown in the table in paragraph 3.13 of the report, including an additional proposal for a modest**

**increase in the Capital Portfolio Fund as set out in h) below and further updated to reflect the Alternative proposal for Depot Block E as reflected in f) below:**

- a. Approval of the Community Leadership Fund for 2020-21 of £33k;**
- b. Approval of a programme of phased savings from Localism partnership working with our Town and Parish Council colleagues as outlined in paragraph 5.13 of £135k in 2020-21, £245k in 2021-22, £350k in 2022-23, £525k in 2023-24 and £700k in 2024-25. The savings include assumptions of transfers of activities and staff posts which, if not realised will be ended or deleted as set out in paragraphs 8.2.4 and 8.2.5 of the December Cabinet report. To also approve the top-up of the single Localism Fund by a further £30k in 2020-21 to continue the good work done so far with Parish and Town Councils and other organisations**
- c. Approval of additional capital resource to facilitate ongoing delivery of the ICT Strategy of a total of £653k phased over the MTFS as set out in paragraph 8.2.6 of the December report, proposed to be funded by prudential borrowing. The associated revenue costs are £4k in 2020-21, £63k in 2021-22 and £126k in 2022-23;**
- d. Approval of the removal of funding for Kidderminster Town Centre, Bewdley Development Trust and Stourport Forward saving a total of £30,520 in 2020-21 onwards;**
- e. Approval of a schedule of improvements to Stourport Riverside in line with the Master Plan to be funded as set out in paragraph 8.2.8 of the December Cabinet report. The gross capital investment proposed is £150,000 of which £103,580 can be funded from S106 contributions so leaving £46,420 to be funded from prudential borrowing. The ongoing net revenue implications are £24,510 in 2020-21, £23,010 in 2021-22 and £23,010 in 2022-23;**
- f. Approval to undertake health and safety capital works to the whole of the Depot Block E so it is fully operationally functional to meet business need. This includes extra provision of work/meeting space to provide future proofing/additional flexibility with no parts of the building mothballed. Funding of £85k in 2020-21 from prudential borrowing with revenue financing costs £1,830 in 2020-21, £7,910 in 2021-22 and £7,910 in 2022-23; no additional income from external use is assumed although opportunities may arise to achieve this in the future.**
- g. Approval of the HLF Brinton Park Project gross capital expenditure of £2.4m subject to HLF approval of the**

substantive funding and the final business case. This includes approval of a commitment to meet a maximum shortfall of £100k in capital partnership funding for the project, to be funded from prudential borrowing.

- h. Approval of an additional capital allocation of £1.5m for Capital Portfolio Fund property acquisitions funded by prudential borrowing. This is to provide headroom to cover a potential shortfall for further purchases within the district, that are currently in the early stages of consideration for which early viability indications are favourable. This proposal is assumed to be revenue neutral at this early stage, progression will be dependent on the ongoing due diligence and reports to Overview and Scrutiny and Cabinet Sub Committees in accordance with normal protocols when the financial business cases will be confirmed.**
- 1.1.3 APPROVES the fees and charges in line with this Strategy and in line with the recommendations of the Licensing and Environmental Committee of 2nd December 2019, and the impact on the Council's Revenue Budget for 2020-2023, as shown in Appendix 3;**
- 1.1.4 APPROVES the Council's updated Capital Strategy including the following Indicators and limits that will be further revised for the February 2020 Council Meeting following any changes to the Capital Programme brought about as a result of the budget process:**

  - a) Approval of the Capital Strategy 2020-2030 including the associated Quantitative Indicators in Appendix 2 of the December Cabinet report;**
  - b) Approval of variations to the Capital Programme and Vehicle, Equipment and Systems Renewals Schedule as set out in Appendix 2 of the report (which updates Appendix 1, Appendices A and B of the Capital Strategy report to December 2019 Cabinet);**
  - c) Approval of the limits for gross debt of non treasury investments compared to net service expenditure and for commercial income as a percentage of net service expenditure as set out in Appendix 2 of the December report;**
  - d) Approval of the limits for loan investments as set out in paragraph 5.1 of the 17th December 2019 report.**
- 1.1.5 APPROVES that any Final Accounts savings arising from 2019-2023 over and above the target allowed for in the Council's Financial Strategy, together with surplus Earmarked Reserves, be allocated by the Corporate Director: Resources in consultation with the Leader and Cabinet Member for**

**Strategy and Finance;**

- 1.1.6 The General Fund Revenue Budget be APPROVED including all updates from the position in December 2019 as set out in the report.**

**1.2 COUNCIL TAX AND BUSINESS RATES**

- 1.2.1 Increases Council Tax by the higher limit specified by the Government which, based on the Provisional Settlement and release of information so far on the Final Settlement, is 2% or £5 (whichever is higher) as set out in paragraph 2.2.2 of the report to Cabinet and therefore:**

- a. SETS the Council Tax for Wyre Forest District Council on a Band D Property at £219.34 for 2020-2021 (£214.34 2019 2020) which represents an increase of 2.33% on Council Tax from 2019-2020.**
- b. ENDORSES the provisional Council Tax on a Band D Property in 2021-2022 of £224.34 and £229.34 in 2022-2023, being increases of 2.28 % and 2.23% respectively.**

- 1.2.2 NOTES the Corporate Director: Resources (as Chief Financial Officer) opinion on the budget proposals, recommended by the Cabinet in the report, as detailed in Appendix 4 of the report.**

- 1.3 The Cabinet APPROVED that:**

- 1.3.1 Delegated authority is given to the Corporate Director: Resources, in consultation with the Cabinet Member for Strategy and Finance/Leader of the Council, to make any appropriate adjustments to the General Fund Revenue Budget recommended under paragraph 2.1.6 of the report, as a result of any further notifications from Central Government.**

- 1.4 The Cabinet NOTED in line with the recommendations of the Strategic Review Panel:**

- 1.4.1 The Alternative budget proposals as detailed within Appendix 5 of the report, further noting that an updated version was fully costed and provided for this Cabinet meeting.**

**CAB.59 Brinton Park National Lottery Heritage Fund (NLHF) Project**

A report was considered from the Corporate Director: Community Well Being and Environment to approve the Procurement Strategy and current Business Plan in preparation for Round 2 of the National Lottery Heritage Fund (NLHF) for the Brinton Park project.

The Cabinet Member for Culture, Leisure and Community Protection

presented the report and formally moved the recommendations for approval. She said that the proposal had been very well received by Members of the Overview and Scrutiny Committee, which had acknowledged the huge amount of partnership working and hard work undertaken by Officers to get to this stage of the project.

The Cabinet Member for Economic Regeneration, Planning & Capital Investments said this was a very exciting project and wished the Officers well in the next stage of the process. She said she was delighted to second the recommendations.

The Chairman of the Overview and Scrutiny Committee said that Brinton Park was a jewel in the crown for the District and said that there was unanimous support for the approval of the Procurement Strategy and current Business plan. He thanked the Community Development Manager, Lesley Fox and other partner organisations for their hard work.

**Decision: In line with the recommendations from the Overview and Scrutiny Committee from its meeting on 6th February 2020, Cabinet DECIDED that:**

- 1.1 The Procurement Strategy and the current Business Plan are approved in order to submit them in Round 2 National Lottery Heritage Fund (NLHF) in February 2020.**
- 1.2 Subject to a successful award of funding to Brinton Park National Lottery Heritage Fund (NLHF) project in July 2020, delegate authority to the Chief Executive - in consultation with the Corporate Director Resources, Solicitor to the Council and the Cabinet Member for Culture, Leisure and Community Protection - to award the contract for professional and building services in accordance with the procurement strategy.**
- 1.3 To delegate authority to the Chief Executive – in consultation with the Corporate Director Resources, Solicitor to the Council and the Cabinet Member for Culture, Leisure and Community Protection - to make any amendments as may be necessary to the procurement strategy and decide the detailed evaluation criteria as a result of the final business case.**

**CAB.60 Exclusion of Press and Public**

**Decision: "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 items of business on the grounds that they involve the likely disclosure of "exempt information" as defined in paragraphs of Part 1 of Schedule 12A to the Act.**

**CAB.61 Brinton Park National Lottery Heritage Fund (NLHF) Project – Appendix 1 Procurement Strategy**

### **Agenda Item No. 3**

The Cabinet Member for Culture, Leisure and Community Protection presented the document which gave a financial breakdown of the procurement of works and services.

**Agreed: The information be noted.**

There being no further business, the meeting closed at 6.31pm.



**WYRE FOREST DISTRICT COUNCIL**

**CABINET**

**24<sup>th</sup> MARCH 2020**

**Budget Monitoring Third Quarter 2019-20**

<b>OPEN</b>	
<b>CABINET MEMBER:</b>	Councillor G Ballinger, Leader of the Council and Cabinet Member for Strategy and Finance
<b>RESPONSIBLE OFFICER:</b>	Corporate Director: Resources
<b>CONTACT OFFICERS:</b>	Tracey Southall Ext. 2100 <a href="mailto:Tracey.southall@wyreforestdc.gov.uk">Tracey.southall@wyreforestdc.gov.uk</a> Helen Ogram Ext. 2907 <a href="mailto:Helen.Ogram@wyreforestdc.gov.uk">Helen.Ogram@wyreforestdc.gov.uk</a> Lisa Hutchinson Ext. 2120 <a href="mailto:Lisa.Hutchinson@wyreforestdc.gov.uk">Lisa.Hutchinson@wyreforestdc.gov.uk</a> Kath Pearsall Ext.2165 <a href="mailto:Kathryn.pearsall@wyreforestdc.gov.uk">Kathryn.pearsall@wyreforestdc.gov.uk</a>
<b>APPENDICES:</b>	Appendix 1 - Wyre Forest District Council Revenue Budget Total Requirements - District Council Purposes Appendix 2 - Budgetary Control Report - Revenue Appendix 3 - Capital Programme 2019-20 with slippage to 2020-21 Appendix 4 - Wyre Forest Forward Appendix 5 - Budget Risk Matrix <i>The appendices to this report have been circulated electronically and a public inspection copy is available on request. (See front cover for details.)</i>

**1. PURPOSE**

- 1.1 The purpose of the report is to brief members on the Council's financial performance for Quarters 1 to 3 ending 31<sup>st</sup> December 2019 and to present the current projected outturn position for the 2019-20 financial year for both revenue and capital expenditure.

Revenue – the forecast outturn is an estimated net saving of £189,000 against the revised budget approved by Council 26<sup>th</sup> February 2020. There are no requests for approval of supplementary estimates.

Capital – the forecast outturn is £21.47m (£6.77m excluding the Capital Portfolio Fund and Development Loans Fund) against the revised programme approved by Council 26<sup>th</sup> February 2020 of £35.46m. £13.91m of the programme is currently forecast to be re-profiled to future financial years (including £10m Development Loans Fund). There is one request for a capital virement.

- 1.2 The report also briefs members on current progress against the savings and efficiency targets being delivered by the Wyre Forest Forward Programme. The target of £2.907m for 2019-20 has substantially been achieved. The balance of £150k will be met from final account savings identified in this report (income growth planning/pay variances).
- 1.3 The report informs members of the Housing Benefit Overpayment debt position and the Sundry/Property debt position as at 31<sup>st</sup> December 2019 (Quarter 3).
- **Housing Benefits overpayment recovery-** The total debt outstanding at 31<sup>st</sup> December 2019 is £1.606m which represents a 9.7% reduction over the balance outstanding at the end of Quarter 3 2018-19 (prior year).
  - **Sundry/Property Debt** - The total debt outstanding at 31<sup>st</sup> December 2019 was £0.75m which represents a 9.7% reduction over the balance outstanding at the 31<sup>st</sup> December 2018 (Quarter 3). This figure includes debt within payment terms.
  - The overdue debt has reduced by £183,600; compared to the same period in 2018-19.

## **2. RECOMMENDATIONS**

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

- 2.1 That the projected budget variations and comments outlined within this report and appendices 2 to 5 be noted.**

**The Cabinet is asked to APPROVE: -**

- 2.2 The Capital virement of £30,000 in the current (2019-20) financial year from the Refurbishment Fund within the Vehicle, Equipment and Systems renewals schedule in the capital programme to fund the refurbishment (or upgrade/replacement) of the ventilation/exhaust extraction unit serving the garage block at Green Street Depot as detailed in section 7.3 of this report.**

## **3. BACKGROUND**

- 3.1. Budget projections are reviewed regularly and reported to Cabinet on a quarterly basis. The 2019-20 Original Budget was approved as part of the 2019-22 Medium Term Financial Strategy (MTFS) by Council on 27<sup>th</sup> February 2019. The 2020-23 MTFS was presented to Cabinet on 17<sup>th</sup> December 2019 for progression to the Strategic Review Panel for scrutiny on the 8<sup>th</sup> and 30<sup>th</sup> January 2020. The final draft was endorsed by Cabinet on 11<sup>th</sup> February and approved by Council on the 26<sup>th</sup> February. The 2020-23 MTFS incorporated growth and savings items that are impacting on 2019-20 budgets and presents the 2019-20 Revised Budget. Performance is measured against the Revised Budget presented within the 2020-23 Strategy (Appendix 1). The current forecast shows an underspend against the Revised Budget of £189,000. Reduced expenditure budgets and increased income targets included within the Revised Budget reduce the likelihood of further under spends /over achievement of income at Final Outturn for 2019-20.

- 3.2. The balanced budget approved by Council focuses on ensuring that the Council optimises the full range of income sources that affect its overall budget including Council Tax and Business Rates revenue, external specific grants, fees and charges and other elements of income from commercial activities including returns from property and treasury investments.
- 3.3. Wyre Forest District Council is a member of the 75% Pan Worcestershire business rates pool one-year pilot and receives a share of growth achieved. The currently estimated £7.7m gain from pilot status will be used to ease pressures on adult social care and children's services. The collective WBRP approach to provisions for appeals should result in a one-off gain in Business Rates income for 2019-2020. If this is the case this additional funding will be retained in the Business Rates Risk Reserve to mitigate future risk.
- 3.4. The year to date monitoring shows that income from business rates payers will be higher than initially estimated. However, as stated above, the collective approach to provisions for appeals in 2019-20 have contributed to this estimated increase in income. It is proposed that any additional income be transferred to an earmarked reserve to smooth any sharp income decline cause by valuation office decisions. We are being supported in this work by LG Futures.
- 3.5. The 2020-23 Medium Term Financial Strategy makes reasonable assumptions about the income stream that is expected to be generated from the Capital Portfolio Fund and the Development Loans Fund. We are on target to achieve the net income of £345k included in the 2019-20 Revised budget from Property Portfolio Fund acquisitions (after consideration of MRP and interest charges). Work is on-going in collaboration with Jones Valerio to develop robust performance reporting. This quarterly monitoring report provides an overview of the financial performance of the fund.
- 3.6. A revised Capital Strategy 2020-30 was presented to Cabinet in December 2019 and approval by Council on February 26<sup>th</sup> 2020. The revised Strategy covers all capital expenditure and also sets out reporting and planning for financial risk implications in relation to non-treasury investments.

#### **4. FINANCIAL PERFORMANCE**

##### **4.1 Overview**

The monthly budget monitoring includes the forecast position for the current financial year. Revenue summary shows net expenditure by Directorate and where some costs are funded by reserves this is incorporated.

Revenue	The Revised budget is £11.554m and the forecast outturn is £11.365m which is an under spend of £189,000.
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Capital	The original approved programme was £14.93m. Slippage from 2018-19 totalled £20.33m and includes £10.1m from the Capital Portfolio Fund and £6m from the Development Loans Fund. The 2019-20 adjusted budget is £35.46m. The updated Capital Programme and Vehicle, Equipment and Systems Renewal Schedule for 2019-20, including slippage from 2018-19 are enclosed as Appendix 3.
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4.2 **Summary Revenue Forecast variances by Directorate**

4.2.1 The following table details the current projected outturn position and variances against the Revised Budget for each Directorate and the Capital Account approved by Council on 26<sup>th</sup> February 2020.

CORPORATE	Original Budget	Revised Budget	Estimated Outturn	Variance Original to Est. Out.	Variance Revised to Est. Out.
	£000	£000	£000	£000	£000
Community Well-being and Environment	4,701	4,524	4,385	(316)	(139)
Resources	3,649	3,574	3,574	(75)	0
Economic prosperity and Place *	1,035	1,986	1,986	951	0
Chief Executive Office and Solicitor to the Council	1,491	1,791	1,791	300	0
Capital Account	970	(321)	(321)	(1,291)	0
Other Pay variances			(50)	(50)	(50)
<b>TOTALS</b>	<b>11,846</b>	<b>11,554</b>	<b>11,365</b>	<b>(481)</b>	<b>(189)</b>

Underspends and income denoted by ( )

- \* The Economic Prosperity and Place line in the table above includes income and operational expenses (including depreciation) from the Capital Portfolio Fund (CPF) properties. The totals exclude the statutory Minimum Revenue provision (MRP) and debt interest charges which are included in the Capital Account.

The full year outturn projection based on Quarter 1 to 3 income and expenditure analysis (at 31st December 2019) is an under spend of £481,000 against the original budget and £189,000 against the current approved (Revised) budget.

The following budget pressures and savings against revised budget have been identified:

**Community Wellbeing and Environment**

Service Area	Detail	Cost Pressure £	Income shortfall £	Cost Reduction £	Income Growth £
Waste & Highways maintenance	Pay variations			(100,000)	
Car Parks	Car Park Site maintenance			(20,000)	
	In year procurement savings Car parks and Enforcement			(10,000)	
Cemetery	National assistance Act burials			(10,000)	
Miscellaneous	Other small variations	1,000			
		<b>1,000</b>	<b>0</b>	<b>(140,000)</b>	<b>0</b>
		<b>Total Variance</b>			<b>(139,000)</b>

## Economic Prosperity and Place

Service Area	Detail	Cost Pressure £	Income shortfall £	Cost Reduction £	Income Growth £
Land Charges Planning (DC)	Fee income shortfall Fee income - former Lea Castle hospital site (apportioned)		20,000		(19,600)
		0	20,000	0	(19,600)
		Total Variance			400

In addition to the variations outlined above analysis of gas consumption figures at the Council's operational properties, indicates a further potential budget pressure. Further work is being undertaken by the Facilities team to fully understand the drivers, to explore whether interventions are required and to prepare an estimate of the likely impact. The work will be completed to inform the outturn position and year end close down of the accounts.

### 4.3 Earmarked Reserves

4.3.1 The Council's earmarked reserves totalled £7.790m at 1<sup>st</sup> April 2019. The total balance remaining uncommitted at 31<sup>st</sup> December 2019, when MTFS 2020-23 transfers are included is £5.507m.

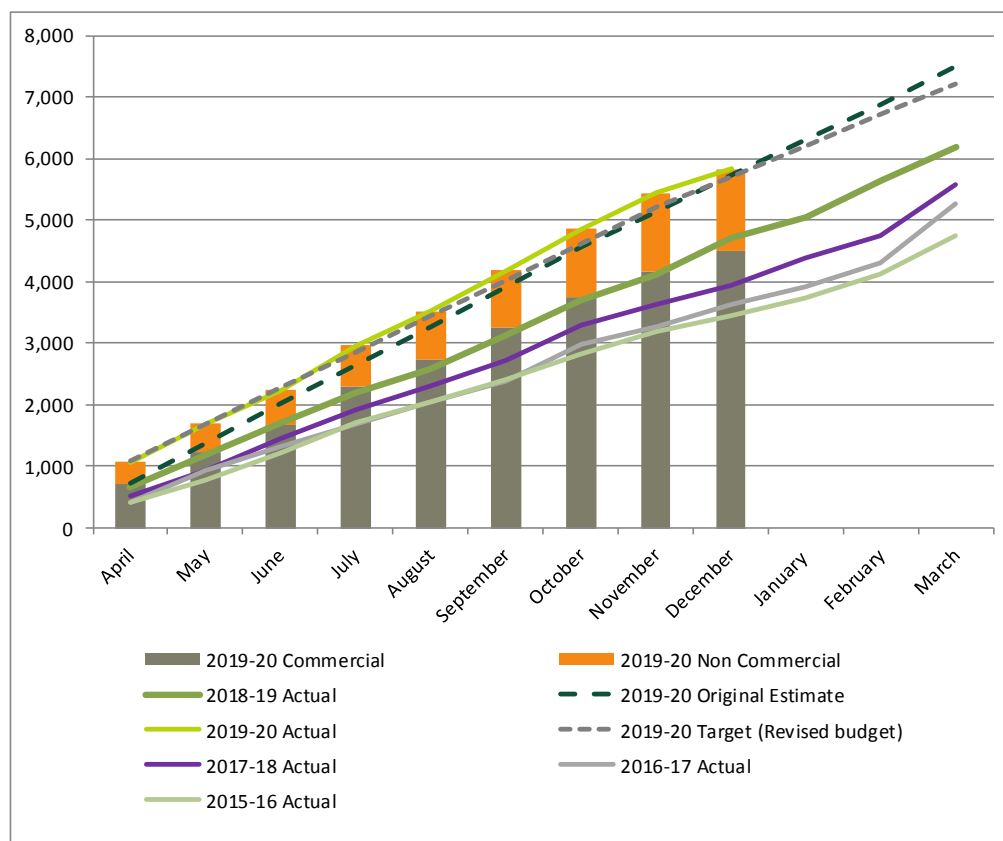
4.3.2 Following a review of Earmarked Reserves in 2018, a General Risk Reserve was created and some individual reserves were written back to service accounts. Allocations against the reserve are approved by the Corporate Leadership Team. Following in year allocations the current level of the General Risk Reserve is £305k.

EARMARKED RESERVES	Quarter 3 Summary of Funding				
	Total Reserves at 1st April	MTFS 20-23 transfers	Expenditure to Q3	Commitments	Reserves Remaining
	£000	£000	£000	£000	£000
External Funding	1,282	343	173	36	1,416
External Funding/WFDC Budget	196	0	18	0	178
Shared Service	453	0	29	0	424
WFDC Budget	5,064	365	49	2,420	2,961
General Risk Reserves	795	0	318	172	305
<b>TOTALS</b>	<b>7,790</b>	<b>708</b>	<b>587</b>	<b>2,628</b>	<b>5,284</b>

### 4.4 External Income Performance

4.4.1 External Income is an important element within the finances of the Council, it affects the level of resources available to fund services and makes an important contribution to a balanced budget. The level of external income projected for 2019-20 at quarter 3 is £7,220k (original budget £7,504k, revised budget £7,210k), against a 2018-19 actual performance of £6,174k. These balances are before the potential additional planning fee income identified in section 4.2 above are considered.

### Gross Income (Commercial and Non-Commercial) 2015-16 to 2019-20



4.4.2 The Council will continue to expand its commercial activities during the period covered by the Medium Term Financial Strategy. The increased reliance on demand led income to help close the funding gap is not without risk and performance against targets require careful monitoring. The Council continually reviews and is developing its approach to forecasting income and budgets. The Commercial Activity Programme Board reviews business cases for the development of income generating initiatives and closely monitors performance against targets.

4.4.3 The **year to date** gross income received at the end of quarter 3 is above the original budget. When adjustments are made for contract arrangements paid annually in arrears (County Council, other Local Government bodies and treasury investments) and accounting accruals for income received in the current year for services received in future years the full year (outturn) projection is below the original target and in-line with the revised budget (resulting in a small positive variance of £10k). The graph at 4.4.1 and the table below shows the performance against target for 2019-20. Additional Planning fee income was received in November for the former Lea Castle hospital site (£98k). It is assumed that a large proportion (at least 80%) of this fee income will be accrued into the 2020-21 financial year as it appears likely that the application will be presented to Planning Committee in April or May. Details of the timeframes/resources employed are being finalised by the Development Manager.

## Agenda Item No. 7.1

	April £000	May £000	June £000	July £000	Aug £000	Sept £000	Oct £000	Nov £000	Dec £000	Jan £000	Feb £000	Mar £000
<b>Prior Years</b>												
2015-16	409	775	1,210	1,716	2,033	2,410	2,087	3,176	3,431	3,719	4,104	4,753
2016-17	410	926	1,318	1,699	2,046	2,388	2,984	3,260	3,608	3,901	4,306	5,259
2017-18	531	928	1,446	1,920	2,296	2,711	3,279	3,638	3,927	4,372	4,747	5,573
2018-19	651	1,173	1,695	2,188	2,571	3,127	3,705	4,107	4,720	5,052	5,639	6,174
<b>Current Year</b>												
Actual	1,068	1,694	2,237	2,966	3,522	4,182	4,850	5,443	5,824			
Income projections										6,060	6,624	7,253
Revised budget												7,243
<b>Outturn variance</b>												<b>(10)</b>

(Note figures are cumulative)

4.4.4 The full year projection for 2019-20 is 17% above that achieved in 2018-19, the average price inflation applied to fees and charges was 5%, indicating real term growth in gross income is likely to be achieved in 2019-20. This growth is presented before the capital costs (MRP and interest) are considered in relation to Property Portfolio Fund acquisitions. The growth when these items are taken into account is 8.5%.

### 4.4.5 Summary of Performance by Income Category

External Income	Revised Budget	Q3 Outturn Projection	Actual YTD	Variance	% of Revised Budget Achieved
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
Commercial	5,853	5,863	4,494	(10)	77%
Non Commercial	1,390	1,390 *	1,330	0	96%
<b>TOTALS</b>	<b>7,243</b>	<b>7,253</b>	<b>5,824</b>	<b>(10)</b>	<b>80%</b>

\*excludes provisional planning income growth

4.4.6 The Commercial Activity Programme Board considers net income after marginal costs are taken into account for activities that fall within its remit. It should be noted that only marginal costs that are specifically in relation to Commercial Activity are included so the table shows the net position for that element of the total cost centres only. The table below shows current projections.

## Agenda Item No. 7.1

Commercial Activity Areas	Net* Income from Commercial Activity				
	Current Year 2019-20			Variance	Variance
	Original £	Revised £	Est. Outturn £	OE to Est.Out £	RE to Est.Out £
Property	(660,830)	(547,864)	(547,864)	112,966	0
Parking and Enforcement	(485,410)	(384,370)	(414,370)	101,040	(30,000)
Waste Collection (Garden and Trade waste Services)	(342,820)	(283,488)	(283,488)	59,332	0
Wyre Forest Leisure Centre	(153,030)	(180,000)	(180,000)	(26,970)	0
Garage, Tree Gang, Grounds Maintenance and Driver Training	(9,601)	13,290	13,290	22,891	0
Parks and Green Spaces	(27,714)	(47,668)	(47,668)	(19,954)	0
Bewdley Museum & TIC	(83,920)	(68,038)	(67,997)	15,882	41
Land Charges	(37,230)	(21,320)	(1,075)	15,910	20,245
Cemetery	(9,412)	(12,315)	(12,315)	(2,904)	0
Other**	(44,736)	(7,547)	6,752	37,189	14,299
<b>TOTAL</b>	<b>(1,854,702)</b>	<b>(1,539,320)</b>	<b>(1,534,734)</b>	<b>315,382</b>	<b>4,586</b>

\* Subjective assessment based on 2019-20 marginal cost capture exercise (refreshed for current budget approvals), analysis of the activity on a full cost recovery basis (including an allocation of corporate overheads and debt charges) suggests that all activity will fall within the provision of the 2003 Act.

*Note that () denote income budgets, under spends or overachievement of income targets*

- 4.4.7 The net outturn position, after marginal costs are considered, is a combined budget pressure of £315k against the original estimate and £5k against the revised budget.
- 4.4.8 The variance to the original estimate is due to a combination of the under achievement of income and new cost pressures. The largest variance (£113k) is within Property and is largely due to slippage on the Capital programme for Capital Portfolio Fund acquisitions (£44k) and Unity Park (£25k) and also due to the turnover of tenants at Wyre Forest House (£27k) and reduction of income target for room hire (£12k). There is a significant variance for Car parking and Enforcement activities due to the modest re-phasing of the maintenance programme from 2018-19, higher business rates costs due to the tapering effect of transitional protection payments (following increases in rateable value on the 2017 rating list) and reduced fine income from enforcement activity due to short term resourcing levels. Additional cost pressures on the waste collection service have arisen due to the levying of tipping charging for commercial recycle. The variance against Other (£37k) in the table above is due to the £75k generic income target being transferred to the services that have achieved the growth target (see table at 6.5), offset by other small variances (£38k).

### 4.5 Capital Programme

- 4.5.1 The approved (original) capital programme 2019-20 is £14.93m. There is re-phasing (slippage) from 2018-19 of £20.33m, and re-phasing to 2020-21 of £13.91m.
- 4.5.2 The gross expenditure to date is £12.73m (35.9%).
- 4.5.3 The updated Capital Programme and Vehicle, Equipment and Systems Renewal Schedule for 2018-19, including slippage from 2018-19 is provided at Appendix 3.
- 4.5.4 Capital Programme variances are summarised in the table below:



	Commentary	£000
Re-phasing from 2019-20 to 2020-21	Community Well-Being and Environment Resources Economic Prosperity and Place Vehicle Renewals	320 0 13,492 95
<b>Total</b>		<b>13,907</b>

4.5.5 The majority of the Council's Capital Programme is financed from borrowing which has a revenue implication through interest charges and the statutory Minimum Revenue Provision (MRP).

## 5. **CAPITAL PORTFOLIO FUND AND DEVELOPMENT LOANS FUND**

5.1 Following Council's approval of the MTFS 2020-23 the funding envelope for the Property Capital Portfolio scheme is £26.5m. The Capital Portfolio Fund supports regeneration, economic growth and housing allied to the Council's income generation/commercialism objectives and is financed from borrowing. Council continues to support a Development Loans Fund of £10m to help deliver the Council's regeneration and economic development objectives in terms of both housing and commercial regeneration, whilst also potentially generating future income streams. External Support has been procured to ensure that specialist advice and financial due diligence is readily accessible to support future proposals.

Capital Portfolio Capital Fund	Expenditure		Committed
	Purchase Price/ Development Cost	SDLT, Fees and Capitalised Costs	
	£000	£000	£000
<b>Acquisitions</b>			
Worcester Street/High Street Retail Units, Kidderminster	1,034	51	
Stratford Court Offices, Solihull	6,110	391	44
Buntsford Gate Offices, Bromsgrove	1,487	87	
Forest House Start-up Units, Kidderminster	730	37	
Riverside Food and Beverage Units, Kidderminster	2,420	178	
Goldthorn Road Industrial Unit	4,100	268	
<b>Committed Schemes</b>			
Industrial Units, Kidderminster		320	108
Temporary Accommodation Development proposal			1,660
	15,881	1,332	1,812
Total Capital Expenditure		17,213	19,025
Total Capital Approval (£25m plus £1.5m buffer)			26,500
<b>Balance of Funds remaining (Max)</b>			<b>7,475</b>

5.2 The table below summaries the current projection of the revenue impact of the Capital Portfolio Fund acquisitions in 2019-20 and the estimated impact in 2020-21. The Estimated Outturn is in-line with the Revised Budget.

## Agenda Item No. 7.1

Property Portfolio Fund	2019-20 Original £	2019-20 Revised £	2019-20 Est. Outturn £	2020-21 Original £
<b>EXPENSES</b>				
Property Expenses	68,110	256,810	256,810	235,610
General Expenses	62,000	71,000	71,000	63,820
Recharges	29,550	44,200	44,200	44,980
<b>COST OF CAPITAL</b>				
Capital Financing (MRP & Interest)	1,077,940	512,730	512,730	1,020,920
<b>GROSS INCOME</b>	(1,649,800)	(1,287,530)	(1,287,530)	(1,723,620)
<b>NET INCOME</b>	(412,200)	(402,790)	(402,790)	(358,290)
<b>NET POSITION AFTER TRANSFER TO RESERVES</b>				
Transfer to sinking fund/risk reserve (20%)	64,150	58,050	58,050	18,150
<b>Net Revenue Impact</b>	(348,050)	(344,740)	(344,740)	(340,140)
<b>Variance to Approved budget (OE to Outturn)</b>			<b>0</b>	

\*( )denotes income, budget savings and over achievement of income targets

- 5.3 The table below summaries the current projection of the revenue impact of the Development Loans Fund in 2019-20 and the estimated impact in 2020-21, a prudent view has been taken regarding take-up of the loans, although currently an initial proposal is being considered. The Estimated Outturn is in-line with the Revised Budget. Finance Birmingham agreed to defer their £25k pa fund management fee from December 2019 as no approvals had been progressed at that date.

Development Loans Fund	2019-20 Original £	2019-20 Revised £	2019-20 Est. Outturn £	2019-20 Est. Outturn £
<b>COST OF CAPITAL</b>				
Capital Financing (MRP & Interest)	425,000	0	0	425,000
<b>GROSS INCOME</b>	(460,000)	0	0	(425,000)
<b>NET INCOME</b>	(35,000)	0	0	0
Variance		35,000	0	0
<b>Net Revenue Impact 2019-20</b>	(35,000)	0	0	0
<b>Variance to Approved budget (RE to Outturn)</b>			<b>0</b>	

## 6. FUNDING GAP, WYRE FOREST FORWARD SAVINGS PROGRAMME AND GENERIC INCOME TARGETS

- 6.1 The 2020-23 MTFS projects a funding gap in 2022-23 of just over £1.7m, against this background it is essential that expenditure is kept within the overall approved budget and that longer term savings proposals continue to be developed so that the Council has as much flexibility as possible to meet the challenges which lie ahead.
- 6.2 Achieving financial sustainability is the most significant challenge facing the Council. Since 2009 the Council has had a track record of continuously identifying opportunities

to make savings however the savings targets are proving increasingly challenging to achieve.

#### Wyre Forest Forward Savings

- 6.3 The Wyre Forest Forward savings programme was established to review all aspects of the Council to ensure we deliver a balanced budget and services of real value to our residents. Substantial savings have already been achieved.
- 6.4 The budget approved for 2019-20 included Wyre Forest Forward budget reduction proposals totalling £2.907m, which is broken down in **Appendix 4** and summarised in the table below. Progress has been made towards achieving the target savings for 2019-20; the outstanding savings target is likely to be achieved from final accounts savings identified in this report.

Detail	2019-20 £000	2020-21 £000	2021-22 £000
Savings Target	2,907	3,144	3,137
Savings achieved at 31/03/2019	2,726	2,498	2,629
Balance b/f 2018-19	<b>181</b>	<b>646</b>	<b>508</b>
<b>Add in year movements</b>			
Depot 2020 efficiency		<b>45</b>	<b>45</b>
Slippage		<b>(300)</b>	<b>300</b>
<b>Target Savings</b>	<b>181</b>	<b>391</b>	<b>853</b>
<b>Savings achieved 2019/20:</b>			
Operational Services restructure	13	18	17
Management Restructure CWE	13	105	211
Insurance Tender savings		70	70
Mobile phone contract renewal	5	10	10
<b>Total WFF Savings Not Yet Achieved</b>	<b>150</b>	<b>188</b>	<b>545</b>

Note that this table only considers WFF savings and income targets, and is only part of the funding gap. Localism savings are not included.

#### Generic Income Generation Target

- 6.5 The 2019-22 MTFS set a generic income generation target of £75k for 2019-20. The 2019-20 £75k target has been met and has now been subsumed into specific service income targets. Achievement of future targets is progressing and future budgets will be adjusted subject to the income being achieved. Details are provided below:

Service Area	Growth in external income			
	2019-20 £	2020-21 £	2021-22 £	2022-23 £
Legal Services external income	(9,000)	(4,000)	(4,000)	(4,000)
Accountancy and Financial Services SLA income	(14,040)	(14,450)	(15,110)	(15,760)
ICT - tenant recharges	(38,960)	(33,080)	(30,420)	(29,110)
Facilities Management SLA	(9,760)	(9,800)	(10,140)	(10,300)
Development Control- Planning Advice	(19,550)	(19,550)	(19,550)	(19,550)
Development Control- Planning App Fees	(36,100)	(11,100)	(11,100)	(11,100)
Development Management/Enforcement - provision of tree services to Worcester City	0	(12,500)	(15,000)	(15,400)
<b>Total Growth</b>	<b>(127,410)</b>	<b>(104,480)</b>	<b>(105,320)</b>	<b>(105,220)</b>
Generic Target (Cabinet proposal MTFS 2019-22)	75,000	100,000	150,000	175,000
Target confirmed achieved	(75,000)	(75,000)	(75,000)	(75,000)
Tentatively achieved ( <i>subject to confirmation</i> )		(25,000)	(30,000)	(30,000)
<b>Target remaining</b>	<b>Achieved</b>	<b>0</b>	<b>45,000</b>	<b>70,000</b>

## 7. Supplementary Estimates and Virements

- 7.1 Service managers who wish to incur expenditure that falls within approved Council Policy for which either there is no or insufficient provision within approved estimates, may incur that expenditure by virement (transferring from one approved budget cost centre to another) or by supplementary estimate, subject to specified conditions as set out in the Financial Regulations – 6.7 and 6.8.
- 7.2 There are no requests for a Supplementary Estimates to be considered by Cabinet this quarter.
- 7.3 There is a Capital virement request from the refurbishment fund within the 2019-20 Vehicle, Equipment and Systems renewals schedule in the capital programme to a new line in the renewals schedule to support the refurbishment (or upgrade /replacement) of the ventilation/exhaust extraction unit serving the garage block at Green Street Depot. The existing unit has failed and urgent action is required due to health and safety concerns. The value of the virement is £30,000. A virement of this value, where considered a minor amendment to an existing item, requires approval by Cabinet.

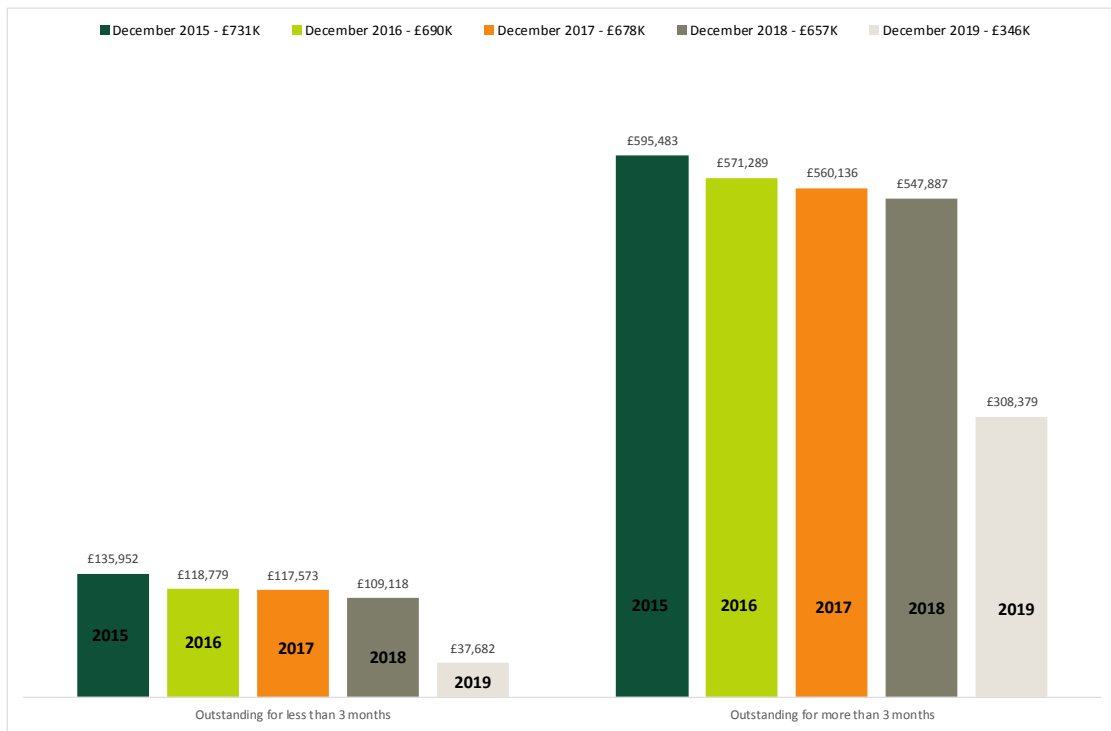
## 8. OUTSTANDING DEBT

This section details the Council's income collection position at the end of Quarter 3 (31<sup>st</sup> December 2019)

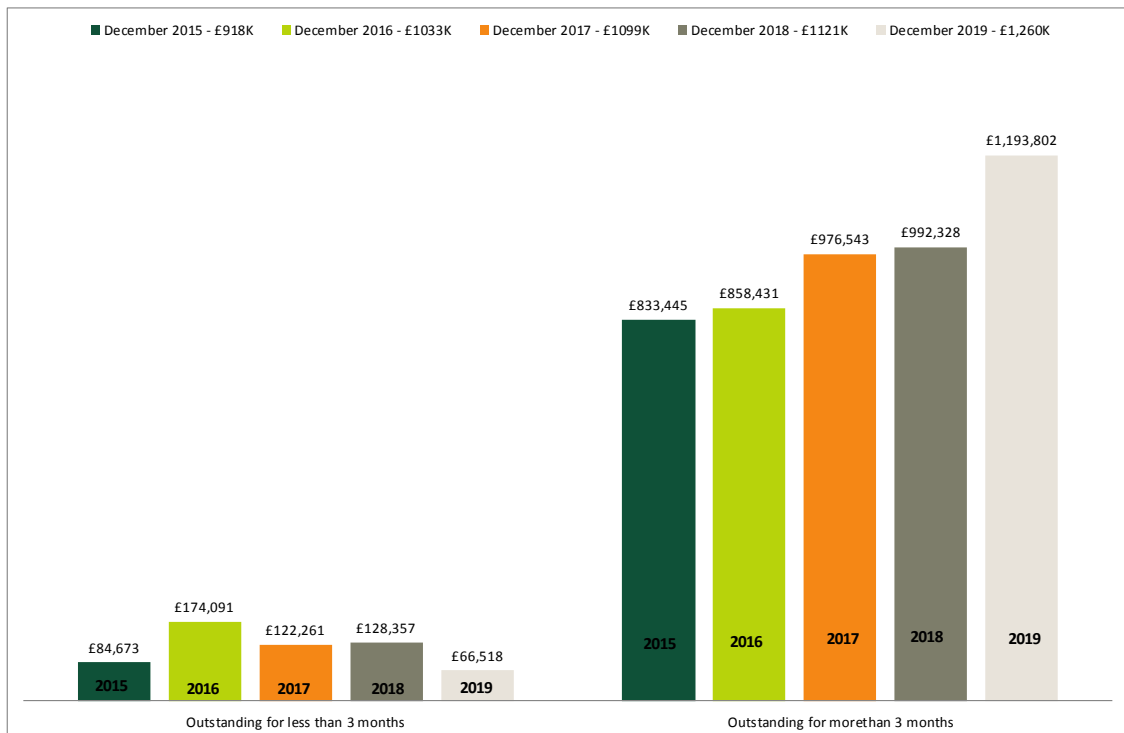
### 8.1 **Housing Benefit Overpayment Recovery**

Where customers have a change in their circumstances and we are later made aware of this, customers are expected to repay any Housing Benefit that has been overpaid. The overpayment is recovered from on-going benefit or, if the client no longer receives Housing Benefit, via a customer invoice. An increasing number of customers are transferring to Universal Credit and recovery of overpayments is by customer invoice raised for recovery from on-going universal credit. The position relating to Housing Benefit overpayment is shown in the next two graphs:

### Recovery by On-going Benefit



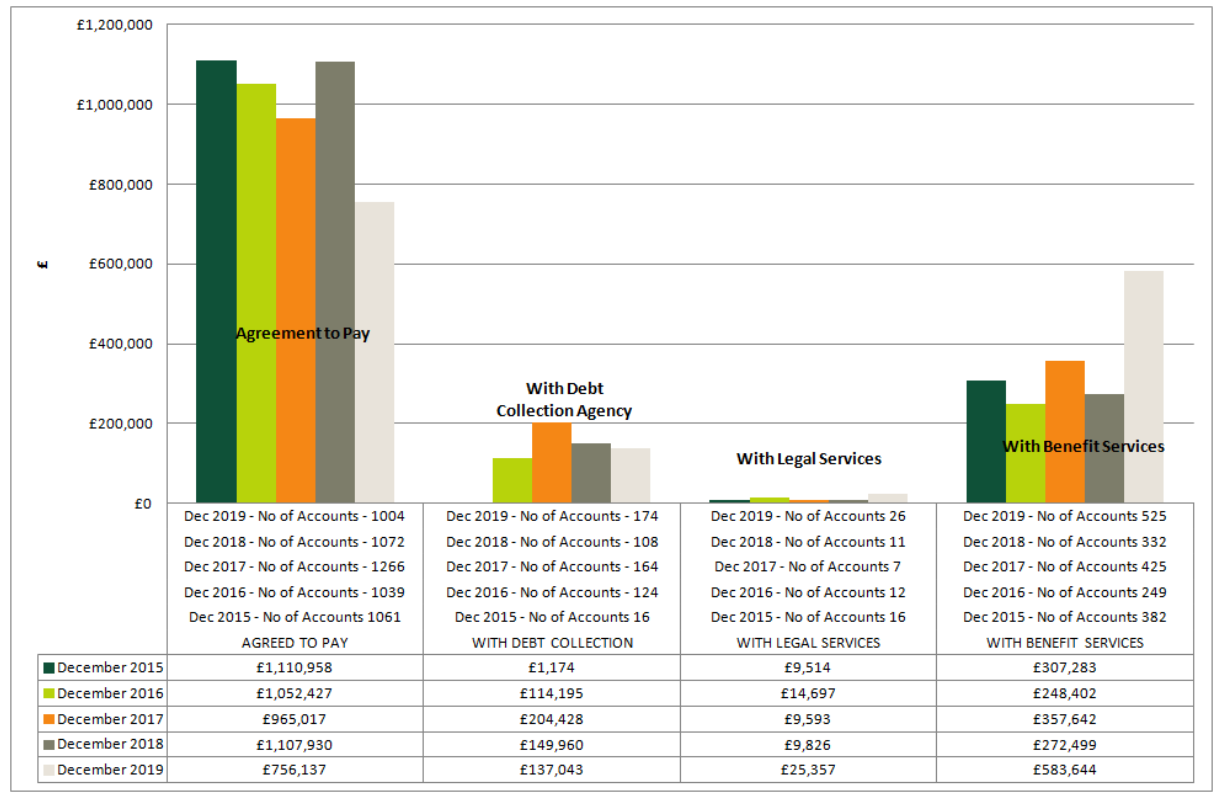
### Recovery by Customer Invoice



Debts over three months old either have agreements in place to pay, have been referred to the Council's Legal Services, or remain with the Benefit Service to pursue. The Council employs the Debt Collection Agency Dukes. Debts are referred as a last

resort. As at December 2019 debts of £17,584 have been recovered at a cost of £2,638. The number of accounts, the value outstanding and how this will be collected is shown in the following graph:

**Value and Number of Housing Benefit Overpayments Accounts over 3 months old and Status**



The total debt outstanding (over 3 months old) at 31<sup>st</sup> December is £1.502m which represents a 2.5% reduction over the balance outstanding at the end of Quarter 3 2018-19. The number of cases where there is an agreement to pay or our Benefit/Legal Services are dealing with the case, have increased to 1,555 (1,415 in 2018-19) an increase of 140 cases. Cases referred to an external debt collection agency have increased to 174 (108 in 2018-19).

**8.2 Sundry/ Property Debt**

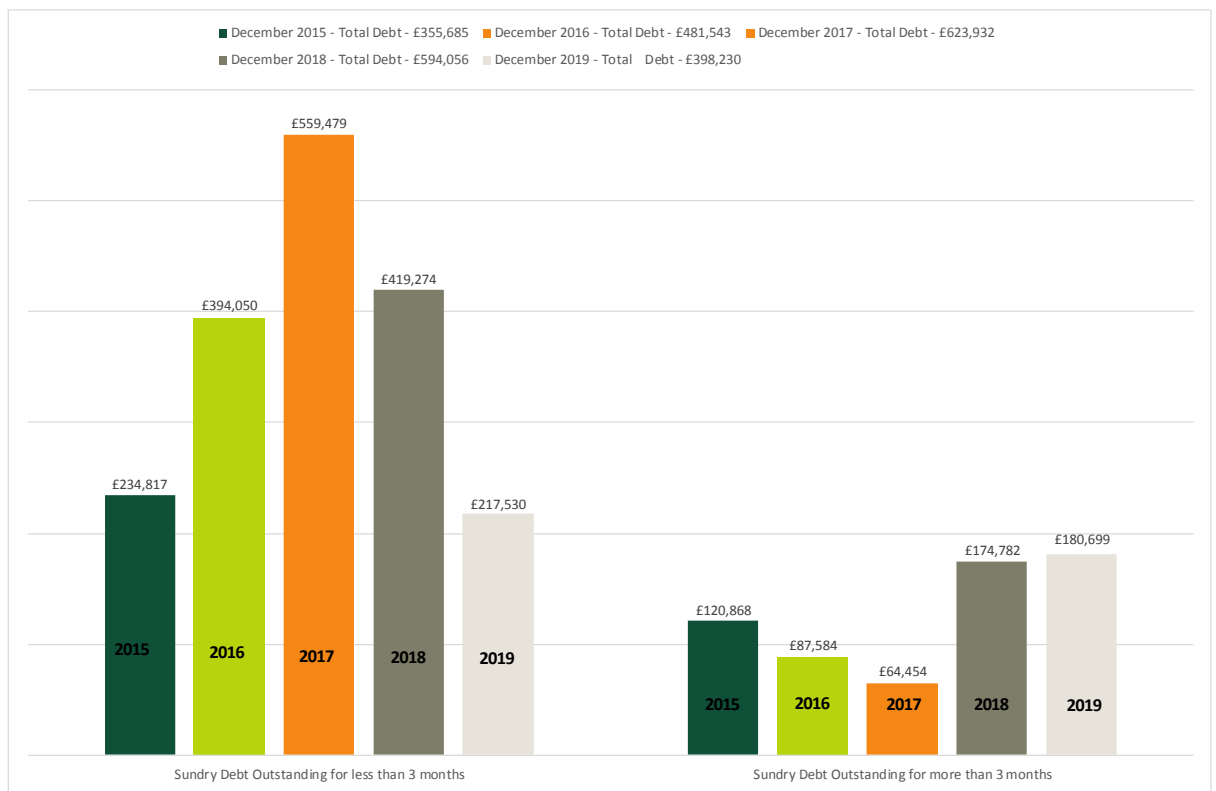
The total debt outstanding at 31<sup>st</sup> December (including debt within payment terms) was £748k (Sundry Debt £398k Property Debt £350k) which represents a 20% reduction over the balance outstanding at the end of Quarter 3 2018 of £932k (Sundry Debt £594K, Property Debt £338k). The decrease in total debt outstanding is mainly due to new arrangements for collection of Property Portfolio Acquisition rents following appointment of BNP Paribas Real Estate as property managers.

The overdue debt has risen marginally compared with the same quarter in 2018-19.

Invoices overdue (older than 3 months)	Quarter 3 2018	Quarter 3 2019	Movement
	£	£	
Sundry Invoice	174,800	180,700	5,900
Property Invoices	82,200	114,200	32,000
Total Invoices	257,000	294,900	37,900

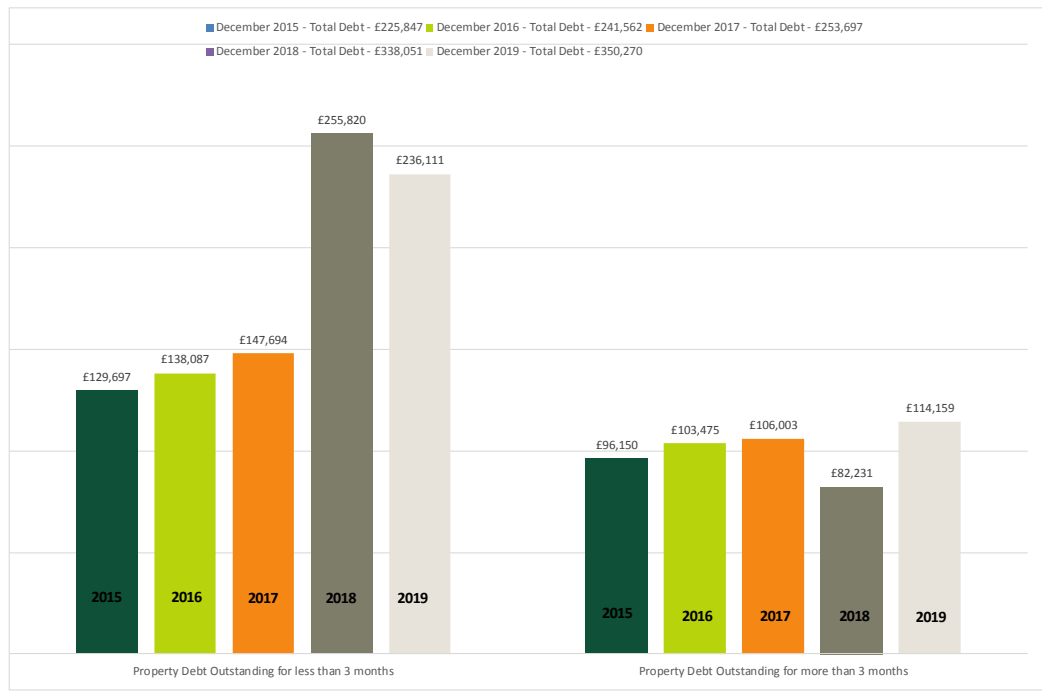
8.3 The position relating to Sundry Debtor and Property Invoices are as follows:

### Sundry Debtors



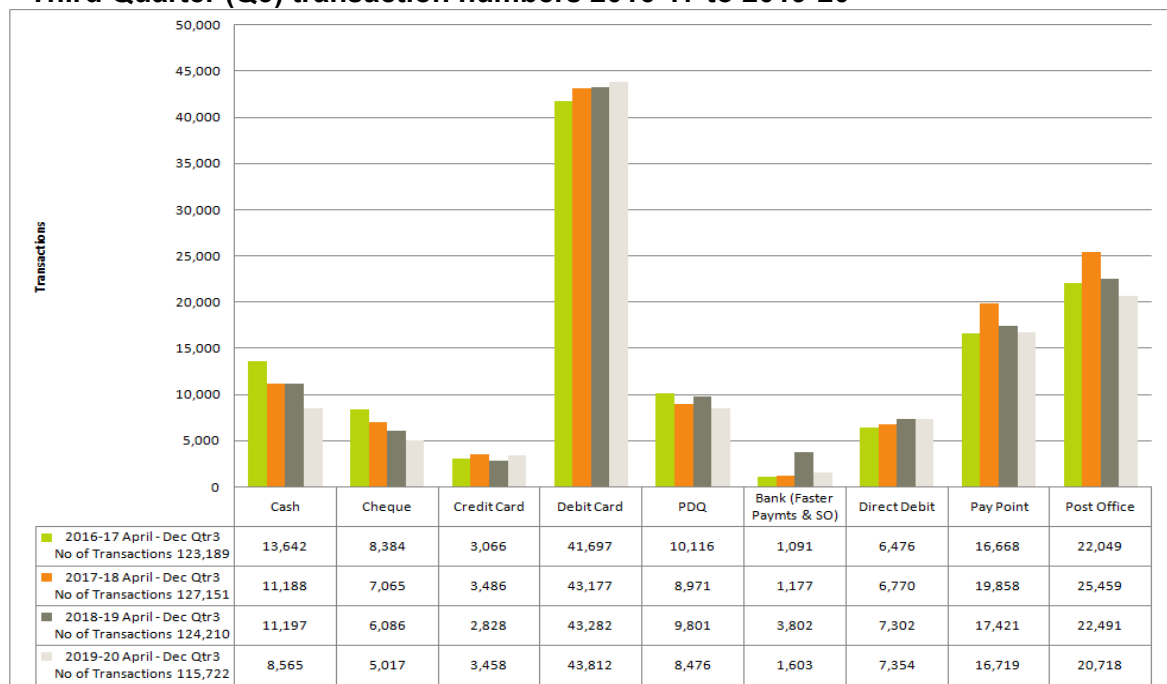
*Reduction in Debtors – less than 3 months old due to outstanding debt – Places for People - £156K and late payment of Qtr2 Share Service Invoices - £21K & Public Realm reimbursement - £22K*

## Property Invoices and Debt



- 8.4 The Council actively promotes digital methods of payment, with the aim of reducing transaction volumes for cash and cheque and reducing payment processing/handling costs.
- 8.5 The chart below illustrates the success achieved in switching customers to digital channels.

### Third Quarter (Q3) transaction numbers 2016-17 to 2019-20





**9. LEGAL AND POLICY IMPLICATIONS**

- 9.1 The Local Government Act 2003 (sections 25–29) placed additional duties on Local Authorities on how they set and prioritise budgets.
- 9.2 Section 28 places a statutory duty on an authority to review its budget from time to time during the year. If the Budget Monitoring Report shows that there has been deterioration in the Authority's financial position, the Authority must take such action as it concludes necessary. The Cabinet currently reviews the Budget on a quarterly basis.
- 9.3 Our External Auditor Grant Thornton makes an assessment based on the annual programme of external audit work. The focus is on ensuring there are proper arrangements in place for securing financial resilience and that the organisation has proper arrangements for challenging how it secures economy, efficiency and effectiveness.

**10 EQUALITY IMPACT ASSESSMENT**

This is a financial report and there is no requirement to undertake an Equality Impact Assessment.

**11 RISK MANAGEMENT**

- 11.1 The inability to deliver a balanced budget is one of the Council's key corporate risks. The Budget Risk Matrix has been reviewed to reflect the current assessment of risk. A copy is enclosed for information as **Appendix 5**.

**12 CONCLUSIONS/ACTION**

- 12.1 The information contained within Appendices 2, 3, 4 and 5 provides Members with an overview of financial trends within the period to 30<sup>th</sup> December 2019.

**13. CONSULTEES**

Corporate Leadership Team  
Cabinet  
Service Managers

**14. BACKGROUND PAPERS**

Council 27<sup>th</sup> February 2019  
Council 26<sup>th</sup> February 2020  
Strong Leader Report on Provisional Final Accounts 2018-19 (signed 23<sup>rd</sup> May 2019)  
Medium Term Financial Strategy 2019-22  
Medium Term Financial Strategy 2020-23

Hyperlink to Committee Reports  
<http://www.wyreforest.gov.uk/council/meetings/main.htm>

**WYRE FOREST DISTRICT COUNCIL**

**REVENUE BUDGET TOTAL REQUIREMENTS - DISTRICT COUNCIL PURPOSES**

SERVICE	2019/20		2020/21			2021/22			2022/23		
	Original Estimate £	Revised Estimate £	At Nov.19 Prices £	Inflation £	TOTAL £	At Nov.19 Prices £	Inflation £	TOTAL £	At Nov.19 Prices £	Inflation £	TOTAL £
CHIEF EXECUTIVE AND SOLICITOR TO THE COUNCIL	1,490,640	1,790,810	1,348,540	25,630	1,374,170	808,720	65,720	874,440	1,001,040	109,380	1,110,420
COMMUNITY WELL-BEING AND ENVIRONMENT	4,700,920	4,524,110	4,534,970	89,820	4,624,790	4,239,920	227,800	4,467,720	4,248,920	383,760	4,632,680
ECONOMIC PROSPERITY AND PLACE	1,035,390	1,986,000	1,539,540	61,730	1,601,270	1,264,320	155,610	1,419,930	1,156,760	248,520	1,405,280
RESOURCES	3,648,500	3,574,290	3,626,440	63,200	3,689,640	3,498,310	178,150	3,676,460	3,492,640	306,830	3,799,470
<b>LESS:</b> CAPITAL ACCOUNT	10,875,450	11,875,210	11,049,490	240,380	11,289,870	9,811,270	627,280	10,438,550	9,899,360	1,048,490	10,947,850
INTEREST RECEIVED	362,870	(207,360)	237,070	1,020	238,090	530,910	2,880	533,790	757,320	4,960	762,280
CAPITAL PORTFOLIO FUND AND DEVELOPMENT	(121,440)	(171,370)	(180,130)	0	(180,130)	(212,500)	0	(212,500)	(240,000)	0	(240,000)
LOANS FUND	728,670	58,050	328,790	0	328,790	576,030	0	576,030	554,550	0	554,550
INCREASES IN FEES AND CHARGES-CAR PARKS	0	0	(157,130)	0	(157,130)	(164,260)	0	(164,260)	(221,390)	0	(221,390)
INCREASES IN FEES AND CHARGES-OTHER	0	0	(56,210)	0	(56,210)	(107,200)	0	(107,200)	(158,190)	0	(158,190)
<b>TOTAL NET EXPENDITURE ON SERVICES</b>	<b>11,845,550</b>	<b>11,554,530</b>	<b>11,221,880</b>	<b>241,400</b>	<b>11,463,280</b>	<b>10,434,250</b>	<b>630,160</b>	<b>11,064,410</b>	<b>10,591,650</b>	<b>1,053,450</b>	<b>11,645,100</b>
<b>LESS:</b> REVENUE SUPPORT GRANT	0	0			0			356,790			356,790
BUSINESS RATES	(2,795,610)	(2,795,610)			(2,841,180)			(2,898,000)			(2,955,960)
BUSINESS RATES GROWTH	(600,000)	(600,000)			(500,000)			(225,000)			(225,000)
COLLECTION FUND DEFICIT	0	0			70,220			0			0
NEW HOMES BONUS	(906,100)	(906,100)			(261,530)			(201,960)			(63,390)
<b>GENERAL EXPENSES -</b>											
COUNCIL TAX INCOME	(7,234,190)	(7,234,190)			(7,445,500)			(7,682,520)			(7,922,550)
<b>(SURPLUS) / DEFICIT FOR YEAR</b>	<b>309,650</b>	<b>18,630</b>			<b>485,290</b>			<b>413,720</b>			<b>834,990</b>
<b>COUNCIL TAX LEVY</b>		<b>214.34</b>			<b>219.34</b>			<b>224.34</b>			<b>229.34</b>
<b>COUNCIL TAX BASE</b>		<b>33,751</b>			<b>33,945</b>			<b>34,245</b>			<b>34,545</b>

**BUDGETARY CONTROL REPORT**  
**MAJOR REVENUE VARIATIONS QUARTER THREE (to 31st December 2019)**

Total Revised Budget 2019/20 - Net Expenditure on Services 11,554,530

**Reduced Expenditure on Services (188,980)**

**TOTAL QUARTER THREE PROJECTION TO YEAR END 2019/20 11,365,550**

<b>Description of Estimated Major Variances</b>	<b>Extra Costs/ Reduced Income £</b>	<b>Savings/ Additional Income £</b>
<b><u>Economic Prosperity and Place</u></b>		
1. Fee income shortfall - Land Charges	20,000	
2. Fee income - Planning (DC) (former Lea Castle hospital site)		(19,600)
<b><u>Community Wellbeing and Environment</u></b>		
1. Pay variations - waste & highways maintenance		(100,000)
2. Car park maintenance		(20,000)
3. Car parks & enforcement - procurement savings		(10,000)
4. National Assistance Act burials - Cemetery		(10,000)
<b><u>Corporate Variations</u></b>		
1. Other pay variances		(50,000)
2. Miscellaneous small variances	620	
	20,620	(209,600)
<b>Reduction on Revised Budget (based on Quarter Three 2019/20 Projection)</b>		<b>(188,980)</b>

**Q3 Budget Monitoring 2019-20 (to December 2019)**  
**Capital Programme 2019-20**

**APPENDIX 3a**

CAPITAL PROJECT DESCRIPTION	2019-20 Budget (Full Year) Includes 2018-19 slippage £	YTD Actual Expenditure (Net Income) £	Commitment £	Year To Date Expenditure Including Commitments £	Projected Total 2019-20 Expenditure £	Slippage to 2020-21 £	Explanation
<b><u>RESOURCES</u></b>							
ICT Strategy	666,110	285,790	342,173	627,962	666,110	0	Laptop and various infrastructure upgrades in progress.
<b>TOTAL RESOURCES</b>	<b>666,110</b>	<b>285,790</b>	<b>342,173</b>	<b>627,962</b>	<b>666,110</b>	<b>0</b>	
<b><u>COMMUNITY WELL-BEING AND ENVIRONMENT</u></b>							
Parking Facilities: Improvements to Car Parks	74,530	0	0	0	0	74,530	Balance to slip into 2020-21.
Green Street Depot Investment	2,446,750	2,254,728	122,901	2,377,629	2,396,750	50,000	Buildings now operational. Final retention and S278 works still to be completed.
Bewdley Medical Centre	14,160	14,164	0	14,164	14,160	0	Scheme complete.
Commercial Activity Capital Funding	195,390	0	0	0	0	195,390	Will slip.Future spending dependent upon board approval.
<b>TOTAL COMMUNITY WELL BEING &amp; ENVIRONMENT</b>	<b>2,730,830</b>	<b>2,268,892</b>	<b>122,901</b>	<b>2,391,793</b>	<b>2,410,910</b>	<b>319,920</b>	
<b><u>ECONOMIC PROSPERITY AND PLACE</u></b>							
Disabled Facilities Grants	1,500,000	1,213,349	12,309	1,225,658	1,500,000	0	Likely to be fully spent by year end. HIA anticipating a further £200k from grant work already approved.
Private Sector Measures	80,000	13,384	1,795	15,179	26,000	54,000	The new scheme for landlords that will work alongside enforcement had lower demand than anticipated,so we will need to redesign the scheme to link it into the social letting agency and bond scheme work.
Planning Delivery Grant Capital Projects	2,750	0	0	0	0	2,750	Balance will not be spent.
Flood Relief	10,000	0	0	0	0	10,000	Awaiting decision from Severn Trent for scheme in Stourport-on-Severn. Expected to slip to 20-21.
Regeneration and Economic Development	106,520	0	0	0	0	106,520	Retentions outstanding.
Worcester Street Improvement Grant	450,000	375,000	0	375,000	375,000	75,000	Project substantially complete.
North Worcs Water Management Capital Projects-Redditch	18,870	0	0	0	0	18,870	Scheme complete.
Future Investment Evergreen Fund	119,740	0	0	0	0	119,740	If no scheme in 2019-20, balance will slip to 2020-21.
New Street Conversion	3,430	0	1,277	1,277	1,270	2,160	Balance of budget for stairwell replacement. Expected to slip to 2020-21.
Industrial Units Development	220,000	0	0	0	0	220,000	ITT in February. Subject to response, work could begin in May.
Capital Portfolio Fund	14,695,110	6,929,060	0	6,929,060	14,695,110	0	Further schemes being progressed. Work continues evaluating potential acquisitions as opportunities are presented.
Development Loans Fund	10,000,000	0	0	0	0	10,000,000	First proposal March 2020
Silverwoods Way (Former Frenco Site)	633,160	211,655	372,138	583,793	450,000	183,160	Scheme progressing.
Churchfields Development (Grant Funded)	2,700,000	0	0	0	0	2,700,000	Scheme commenced.
<b>TOTAL ECONOMIC PROSPERITY &amp; PLACE</b>	<b>30,539,580</b>	<b>8,742,448</b>	<b>387,519</b>	<b>9,129,967</b>	<b>17,047,380</b>	<b>13,492,200</b>	
<b><u>VEHICLE, EQUIPMENT AND SYSTEMS RENEWALS</u></b>							
Vehicle Renewals (Capital Programme)	1,395,000	1,026,331	347,744	1,374,076	1,212,620	95,420	See separate Vehicle, Equipment and System Renewals schedule.
Financial Management System Replacement	69,500	0	0	0	69,500	0	Scheme being progressed.
<b>TOTAL ECONOMIC PROSPERITY &amp; PLACE</b>	<b>1,464,500</b>	<b>1,026,331</b>	<b>347,744</b>	<b>1,374,076</b>	<b>1,282,120</b>	<b>95,420</b>	
<b>TOTAL</b>	<b>35,401,020</b>	<b>12,323,462</b>	<b>1,200,337</b>	<b>13,523,798</b>	<b>21,406,520</b>	<b>13,907,540</b>	

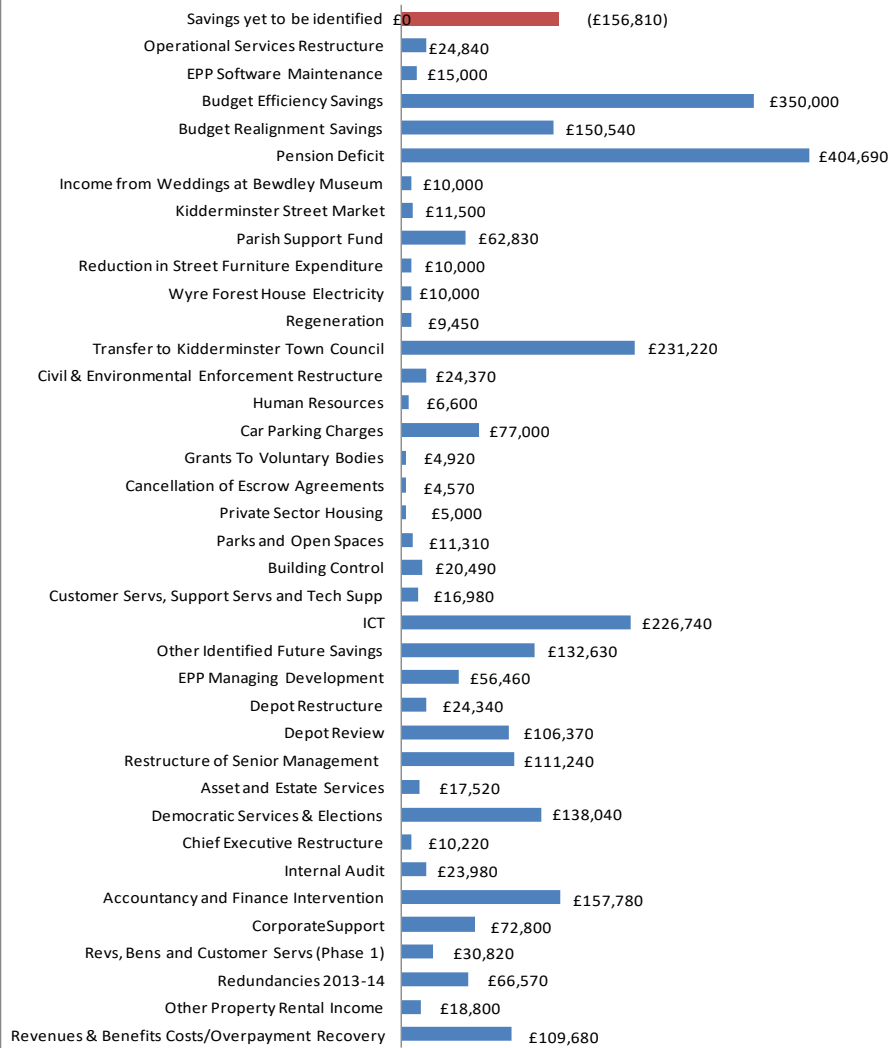
**Q3 Budget Monitoring 2019-20 (to December 2019)**  
**Vehicle, Equipment and Systems Renewals 2019-20**

APPENDIX 3b

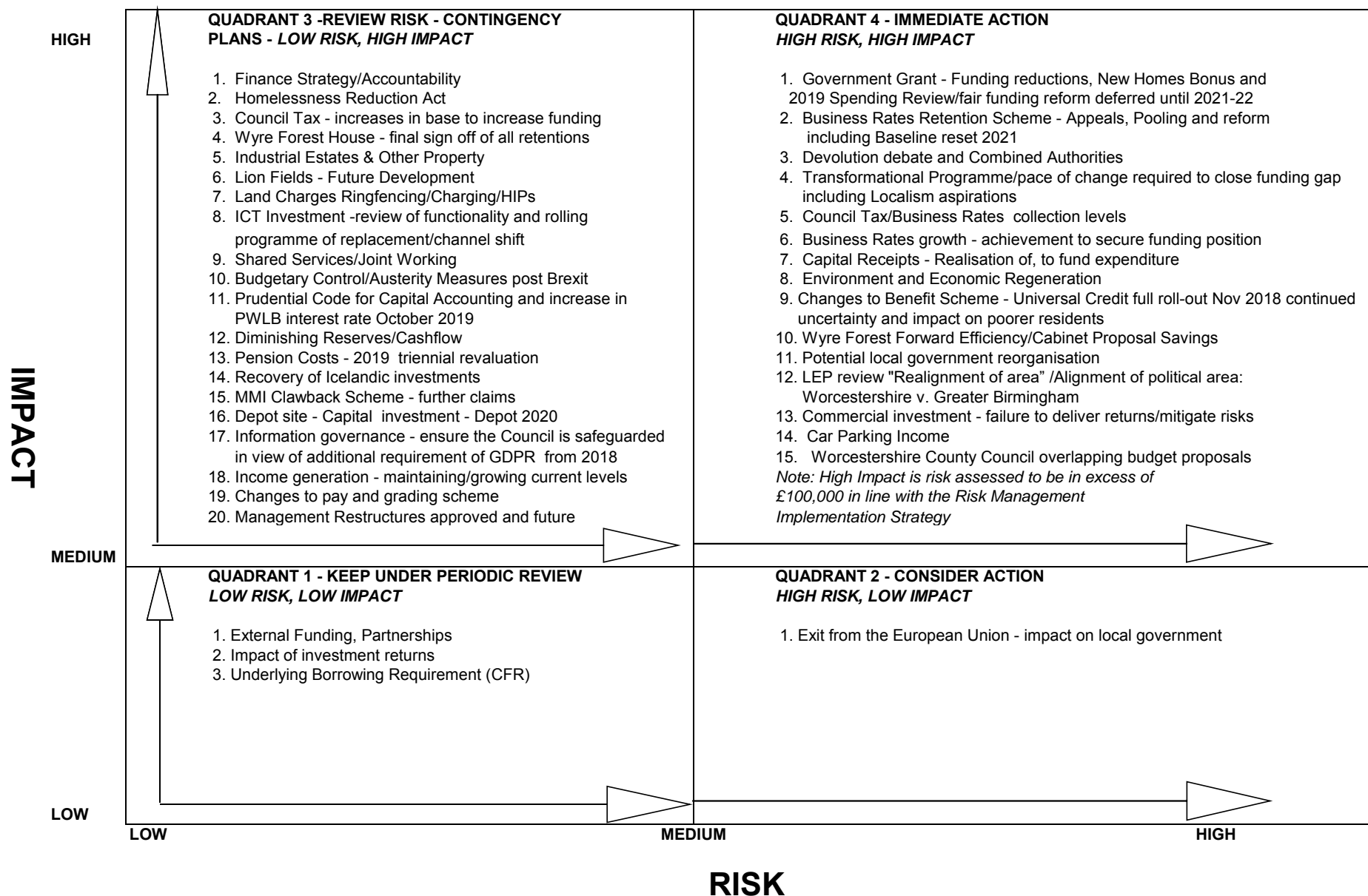
<b>VEHICLE AND EQUIPMENT RENEWALS</b>	<b>2019-20 Budget (Full Year) Includes slippage from 2018- 19</b>	<b>Q3 Expenditure 2019-20</b>	<b>Projected Total 2019-20 Expenditure</b>	<b>Slippage to 2020-21</b>	<b>Old Vehicle Fleet Number to be replaced</b>	<b>COST CENTRE</b>	<b>Comments</b>
<b>(Based upon Revised Capital Budgets)</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>			
<b>1. VEHICLES</b>							
EMS & BIN LIFTS	13,500	1,215	1,215	12,000	N/A	N/A	For use with refuse freighter refurbishments. Will complete upon delivery of procured freighters.
GARAGE EQUIPMENT	40,000	0	0	23,420	N/A	R229	Contingency fund. Will slip to 2020-21 if not required in 2019-20.
TIPPER 3500kg	30,000	24,332	24,332	0	AV177	R236	Complete.
TIPPER 3500kg	30,000	24,332	24,332	0	AV193	R236	Complete.
TIPPER 3500kg	30,000	24,332	24,332	0	AV064	R236	Complete.
TIPPER 3500kg	30,000	24,332	24,332	0	AV200	R252	Complete.
TIPPER 3500kg	30,000	24,332	24,332	0	AV201	R236	Complete.
TIPPER 3500kg	30,000	24,332	24,332	0	AV202	R236	Complete.
TIPPER 3500kg	30,000	22,927	22,927	0	AV214	R236	Complete.
TIPPER 3500kg	30,000	22,927	22,927	0	AV216	R236	Complete.
TIPPER 3500kg	30,000	26,677	26,677	0	AV220	R200	Complete.
TIPPER 3500kg	30,000	0	0	30,000	AV063	R229	Likely to slip to 2020-21.
TIPPER 3500kg	30,000	26,677	26,677	0	AV221	R200	Complete.
TIPPER 3500kg	30,000	0	30,000	0	AV222	R200	Awaiting delivery.
TIPPER 3500kg	30,000	0	30,000	0	AV223	R200	Awaiting delivery.
TIPPER 7000kg	48,000	0	48,000	0	AV181	R252	Awaiting delivery.
REFURBISHMENT FUND	30,000	0	0	30,000*	N/A	N/A	Contingency fund. Will slip to 2020-21 if not required in 2019-20.
REFUSE FREIGHTER 26000kg	170,500	170,500	170,500	0	AV084	R002	Complete.
REFUSE FREIGHTER 26000kg	170,500	170,500	170,500	0	AV083	R002	Complete.
REFUSE FREIGHTER 26000kg	170,500	170,500	170,500	0	AV246	R003	Complete.
REFUSE FREIGHTER 26000kg	175,000	170,905	170,905	0	AV245	R003	Complete.
MEDIUM REFUSE FREIGHTER 12000kg RCV	100,000	106,462	106,462	0	AV211	R002	Complete.
RIDE ON MOWER	25,000	22,200	22,200	0	AV212	R236	Complete.
RIDE ON MOWER	32,000	22,200	22,200	0	AV226	R236	Complete.
4x4	30,000	0	24,930	0	AV252	R163	Delivered, awaiting invoice.
<b>Total</b>	<b>1,395,000</b>	<b>1,079,686</b>	<b>1,212,616</b>	<b>95,420</b>			

# **CHART 1** **2019/20 WFF Savings Progress**

■ Achieved ■ To Be Achieved



# BUDGET RISK MATRIX 2020-23



**WYRE FOREST DISTRICT COUNCIL**

**CABINET**

**24<sup>th</sup> March 2020**

**Housing Assistance Policy**

<b>OPEN</b>	
<b>CABINET MEMBER:</b>	Cllr Nicky Martin, Cabinet Member for Housing, Health, Wellbeing and Democratic services
<b>RESPONSIBLE OFFICER:</b>	Corporate Director: Economic Prosperity & Place.
<b>CONTACT OFFICER:</b>	Kate Bailey, Head of Strategic Growth 01562 732560
<b>APPENDICES:</b>	Appendix 1 Housing Assistance Policy

**1. PURPOSE OF REPORT**

- 1.1 To agree the policy that will be used to determine how the Disabled Facilities Grant (DFG) funding from central government will be spent. In 2019/20 the Council received £1.286m of capital funding via the Better Care Fund (BCF) to deliver its DFG programme and related services.

**2. RECOMMENDATION**

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

- 2.1 The Housing Assistance Policy 2020 be approved.
- 2.2 Delegated authority be given to Corporate Director: Economic Prosperity and Place, in consultation with the Corporate Director: Resources and Cabinet Member for Housing, Health, Wellbeing and Democratic Services to agree the split of funding and eligibility criteria on an annual basis or as may otherwise be required in accordance with the Housing Assistance Policy applicable at the time.

**3. BACKGROUND**

- 3.1 Local Housing Authorities have a duty to provide Disabled Facilities Grants (DFGs) under the Housing Grants (Construction and Regeneration) Act 1996. DFGs are a mechanism to provide financial assistance to applicants who require an aid or adaptation to be able to remain living independently at home where they fall below an income threshold (unless the DFG is for a child).
- 3.2 Wyre Forest District Council discharges this duty through the use of a Home Improvement Agency (HIA) who are commissioned jointly by all the Local Authorities in the County. The current providers, Fortis Living have the contract to provide the service until March 2020. The Council currently pay HIA an annual sum for this



service of approximately £130k for revenue services and approximately £830,000 for capital works.

- 3.3 All Local Housing Authorities are required, by the Regulatory Reform Order 2002, to have a Housing Assistance Policy (HAP) where they wish to provide discretionary grants and services in addition to the mandatory DFGs. Accordingly the Council has had its HAP in place since that date and has amended it on a number of occasions to account for changing circumstances. The latest proposed HAP is shown at Appendix One. Discretionary grants and services are provided for a number of reasons but primarily where they would support the Better Care Fund (BCF) metrics or support applicants requiring DFGs in other more cost effective ways. It is also possible to use the capital funding to contribute towards revenue costs e.g. staffing incurred in the provision of the service. To provide consistency to Worcestershire residents the HAP is replicated across the county where possible. The DFG element within the BCF is ringfenced so that the County Council must passport it through to Local Housing Authorities for the purpose of DFGs but within that spending there is some ability to use the funding for capital grants and related services providing that the overall need for mandatory DFGs is met, the spending is in line with the BCF and the Council has a HAP in place.
- 3.4 The Council's allocation has increased from £557k in 2015/16 to £1.286m in 2019/20 as a result of the government's support of DFG as a way of improving wider health objectives and is likely to remain at this level. Please note that only a percentage of the BCF award is passported through to the HIA and this is spent on a variety of services and grants including DFGs. The increase in funding has enabled the Council to better meet increasing demand and enable more creativity and flexibility to identify new, more cost effective ways of delivering grants and services.
- 3.5 Numbers of grants delivered has steadily increased over the lifetime of the contract as funding has increased, but in order to respond to those applicants who wish to apply directly to the council for grants, or where work links to other grants the Council offers directly, the Council funds a DFG officer directly in addition to the HIA service provision. The award and number of DFGs undertaken by both the HIA and directly by the council is shown in the table below;

<b>YEAR</b>	<b>BCF AWARD TO WFDC</b>	<b>No DFG BY CRW</b>	<b>NO OF DFG BY COUNCIL</b>
2015/16	556,000	74	N/A
2016/17	1,002,000	102	N/A
2017/18	1.097,000	127	34
2018/19	1.192,000	126	37
2019/20	1,286,646	135 (q1-3)	44 (q1-3)

3.6 In addition the DFG officer has also awarded the following grants;

<b>WFDC Grants</b>	<b>Number in 2017/18</b>	<b>£</b>	<b>Number in 2018/19</b>	<b>£</b>	<b>Number in 2019/20 up to q4</b>	<b>£</b>
Home Repairs Assistance Direct Applications	4	6,509.00	4	19,710	8	25,941.00
Landlords Assistance Grants	52	66,797.00	28	32,372.96	12	14,815.00
<b>Total</b>	<b>56</b>	<b>155,327</b>	<b>32</b>	<b>52,082.96</b>	<b>20</b>	<b>40,756.00</b>

3.7 Throughout the last four years there has been some concern regarding the number of referrals through to the HIA from the Occupational Therapists who are employed by Health and Care Trust and the consequent waiting times for customers. To support the resolution of these issues the HIA has been given resources by the six Housing Authorities to employ two part time County Occupational Therapist (OT) posts. In addition the council DFG Project Officer has been trained as a Trusted Assessor to be able to assess lower need cases.

3.8 The new funding has enabled the Council to offer a wider range of grants that support households to remain living independently in their home. Included in the new grants is the Dementia Dwelling Grant (DDG). For those people living with a diagnosis of dementia small items of equipment or works can support them to remain living safely and independently at home. In 2018/19 78 DDG were completed in Wyre Forest and over £15,000 in grants awarded.

3.9 The new HIA contract has been awarded to Millbrook Healthcare. Millbrook have experience of delivering HIAs around the country, along with community equipment services and are establishing an office in Martley, Worcestershire. The service is currently in a transition phase with Millbrook Healthcare working to a detailed implementation plan including TUPE of existing staff and the Local Housing Authorities following an exit and handover action plan with the current service providers Platform (formerly known as Fortis Living).

#### **4. AMMENDMENTS TO THE HOUSING ASSISTANCE POLICY**

4.1 The primary purpose of the amendments to the HAP have been to seek greater parity with the other five Local Housing Authorities to reduce the “postcode lottery” affect and make it easier for the service provider to administer the system. Whilst some differences remain within the County these arise because of local needs and budgets available. The grants specific to the Council are shown in Appendix One of the HAP.

4.2 In order to bring shared financial assistance policies and procedures into line the following amendments have been made to the Council’s HAP 2018

4.2.1 The policy for provision of discretionary Disabled Facilities Grant that is not means tested has been amended Following the trial of a number of different approaches across different councils. The new policy allows for works of up to £10k to forego a means-test and to have the cost of works to be held as

- a charge on the property to be repaid upon sale of the property. This raises the existing WFDC limit from £5k. WFDC had not been applying any future claw back of the funding in our pilot. This is felt to strike the right balance to encourage take up by persons who may have through the means-test a minor contribution that they may struggle to meet and enabling re-cycling of funds.
- 4.2.2 The Hospital Discharge Scheme maximum grant has been raised from £3k to £5k. Although most cases have only required a few hundred pounds (for example a key safe to enable carers visits and deep clean of the property), there have been cases where the amount needed has been just over £3k. This will enable more cases to be dealt with and delayed discharge from hospital
- 4.2.3 Funding for ceiling tracking and hoists has been included to provide clarity that the council will allow for funding of these items where part of a DFG scheme. Previously the Council would have provided the structure of an extension or major refurbishment and expected the County Council to fund these elements. However these fall between the definitions of equipment and adaptation of property and given the different means-testing arrangements by the County Council we would otherwise be facing a situation where individuals had the bathroom facilities installed under DFG but no means to use those facilities i.e. the tracking for the hoist.

## **5. FINANCIAL IMPLICATIONS**

- 5.1 The proposed changes to the HAP can be achieved within existing budget.

## **6. LEGAL AND POLICY IMPLICATIONS**

- 6.1 The legal duties to provide DFGs are outlined by the Housing Grants (Construction and Regeneration) Act 1996.
- 6.2 The Council are required to have a Housing Assistance Policy if they wish to provide grants and services in addition to the provision of the mandatory DFG.

## **7. EQUALITY IMPACT NEEDS ASSESSMENT**

- 7.1 An Equalities Impact Screening Assessment has been undertaken. The policy gives consideration to and has a positive impact for those with health needs including those with disabilities and to children and young people. There are no other implications identified for other groups with a protected characteristic.

## **8. RISK MANAGEMENT**

- 8.1 There is a requirement to have a Housing Assistance Policy in place to avoid the risk posed by legal challenge and so this policy and its operation mitigates against that risk.

**9. CONCLUSION**

- 9.1 This report outlines the amendments to the current Housing Assistance Policy and updates Members on the significant changes in delivery since the HAP was last amended. The new HAP and HIA will continue to support the Council's legal duties and meeting resident's needs.

**10. CONSULTEES**

- 10.1 Care and Repair Worcestershire (the current HIA)  
10.2 Corporate Leadership Team  
10.3 Local Housing Authorities in Worcestershire

**11. APPENDICES**

- 11.1 Housing Assistance Policy 2020

**WYRE FOREST DISTRICT COUNCIL PRIVATE  
SECTOR HOUSING ASSISTANCE POLICY 2020**

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## **1 INTRODUCTION**

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 requires all councils to adopt and publish a policy outlining how they intend to exercise powers set out within the legislation, to include use of government funding received through the Better Care Fund, to meet both national aims, outcome measures, metrics and local needs in addition to locally funded forms of assistance.

The policy is designed to contribute towards the council's strategic aims and objectives by assisting with:

- a) The improvement of housing quality in all tenures
- b) Enabling people to stay in their home as they get older and provide disabled persons with maximum manoeuvrability around their homes
- c) Improving energy efficiency and eliminating fuel poverty
- d) Improvement of social care, health and social wellbeing

## **2 OUR POLICY AIMS**

The key aims are to address the issue of vulnerable persons or persons on low incomes who either cannot afford to maintain their properties in good repair or who cannot fund essential adaptations required in order that they might fully utilise their home, benefit from safe and decent housing and retain their independence. This will include;

- Increasing the number of people who are able to remain at home and prevent inappropriate admission to hospital, residential and care homes
- Preventing delayed release from hospital or other types of care
- Reducing the number of persons and particularly vulnerable persons living in homes that have category 1 and serious category 2 hazards (as set out within the Housing Act 2004)
- Improving the health of customers by reducing the number of households in fuel poverty
- Facilitating a range of housing options to help people move at an earlier stage to avoid unnecessary DFG spend and care/support costs.

The council will consider in all cases a person's ability to repay or contribute towards the assistance given whether under a mandatory requirement or as a criteria set within any discretionary form of assistance. The council or its appointed agent will provide in writing the conditions and any obligations to which any form of assistance provided is subject.

The council or its appointed agent will consider all applications for assistance on their merits however all cases will be assessed against the following criteria;

- All available options, including but not restricted to financial, have been fully explored
- Assistance through other means is not reasonably available or practicable
- The proposal fits the strategic aims of the council and/or national aims and metrics of the Better Care Fund Plan

- The proposal is economically viable considering the council resources available

The council will review this policy on a regular basis to reflect evidence concerning the conditions of housing within the area and respond to changing policies at a national or local level.

### **3 SUMMARY OF FINANCIAL ASSISTANCE AVAILABLE**

Financial assistance is discretionary, with the exception of mandatory Disabled Facilities Grant, and are subject to the council having sufficient resources.

The Policy gives discretion to extend or amend eligibility criteria, level of grant or assistance and scope of works where the situation is exceptional and, in the opinion of the Head of Strategic Growth that assistance would help the council meet its strategic housing objectives and/or Better Care Fund metrics.

Appendix 1 of this document provides details of additional local discretionary assistance available to residents in Wyre Forest. The general terms and conditions of this policy are applicable to these additional discretionary grants.

#### **3.1 Mandatory Disabled Facilities Grants:**

These are mandatory grants to support the provision of adaptations to promote independent living within the home, subject to the provisions of the Housing Grants, Construction and Regeneration Act 1996.

#### **3.2 Discretionary Disabilities Assistance:**

The following are discretionary forms of assistance enabled through the central government Better Care Fund allocation, subject to the primary requirements of mandatory Disabled Facilities Grant being firstly met:

- **Discretionary Disabled Facilities Grant** - To enable top-up funding to a Disabled Facilities Grant scheme that exceeds the mandatory Disabled Facilities Grant maximum where the additional costing is considered justifiable.
- **Minor aids and adaptations** – Funding to support assistance available through the Minor Adaptations/Handyman Service to reduce necessity for a full Disabled Facility Grant.
- **Dementia Dwellings Grant** - To assist persons with dementia with specialised living aids to enable independent and safe living.
- **Ceiling Tracking & Hoists** - Top-up funding to support the provision of ceiling tracking and hoist equipment required to meet the needs of a disabled person, administered through the Integrated Equipment Service.
- **Hospital Discharge Scheme** – For fast-tracked and non-means tested works to the home to enable earlier hospital discharge where problems in the home are identified as a possible reason for delayed discharge.

#### **3.3 Other Discretionary Assistance:**

- **Home Repair Assistance:** To ensure that vulnerable persons remain in their homes in safe, warm and healthy conditions.



#### **4 HOW TO APPLY AND MAKING A FORMAL APPLICATION FOR A MANDATORY DISABLED FACILITIES GRANT OR DISCRETIONARY DISABILITIES ASSISTANCE**

All applications must be on a form provided by the council or its appointed Agent and must include the following documentation:-

- (i) Particulars of the work to be carried out including, where appropriate, plans, specifications, schedule of work and specialist reports. This should include the complete scheme in cases where the whole scheme exceeds that which is eligible for Assistance.
- (ii) Details of any professional fees or charges relating to the work and for which assistance is being sought.
- (iii) Proof of ownership of all land and buildings pertaining to the application from a solicitor or mortgagee, or copies of the title deeds/land certificate, or a copy of the tenancy agreement or licence to occupy in the case of a tenanted property.
- (iv) Proof of occupation and/or tenancy where applicable.
- (v) Proof of a qualifying pass-porting benefit is being claimed.
- (vi) Where no pass-porting benefit is received, full financial documentation including but not limited to income received, benefits received, savings, pensions and where applicable rental income from tenants and boarders.
- (vii) Where applicable, permission of co-owners and landlords
- (viii) A VAT exemption form where the applicant or relevant person is registered disabled or capable of being registered.
- (ix) A signed conditions form accepting the obligation to repay the assistance in the event of any breach of the relevant conditions concerning future occupation, letting or ownership.
- (x) If required, permission under any statute including but not limited to, planning permission, Building Regulation approval, Party Wall Act, etc.

Applicants are not obliged to use the services of the council's appointed agent. However, where the application is being coordinated through the council's appointed agent then where there is a procurement frameworks approved by the council, this will be used. For a direct application to the council the applicant will need to provide quotes in line with the council's financial framework.

Applications relating to the disabled or infirm will require an assessment report from the Occupational Therapy Service or Trusted Assessor.

An application will only be considered complete or valid when the council or appointed Agent has all the information necessary in order to make a decision on the application.

Where an applicant uses the council's appointed agent to undertake the application the relevant agency fee will be included in the eligible costs.

The council reserves the right not to assist the applicant in the same manner as its appointed agent would provide where the applicant chooses not to utilise the appointed agency and to submit an application directly to the council.

Once approval has been given the applicant has 12 months from the date of the approval in which to complete the works, unless otherwise stated.

## **5 DETAILS OF FINANCIAL ASSISTANCE**

### **5.1 Mandatory Disabled Facilities Grants (DFG)**

These grants are mandatory under the Housing Grants, Construction and Regeneration Act 1996 and are subject to a statutory test of resources (means test) required to establish whether the applicant is financially able to contribute towards the costs of the eligible scheme.

Disabled Facilities Grants are awarded to enable applicants to have access to and around their homes, or to use essential facilities within the home to enable them to live safely and independently. Mandatory Disabled Facilities Grants can only be given for the purposes set out in the Act.

Ongoing maintenance and repair of adaptations and equipment provided under the grant will become the responsibility of the applicant or landlord as relevant.

Whilst it is recognised that a Disabled Facilities Grant is a mandatory grant, it is the Council's intention where possible to investigate all housing options that might meet the needs of the applicant in the most cost effective and suitable way before awarding a Disabled Facilities Grant. This could include moving to a more suitable and/or adapted accommodation that may be available to the applicant.

The maximum amount of Mandatory Disabled Facilities Grant is currently £30,000 set by statute. Discretionary Disabled Facilities Grant for costs above £30,000 will not be made available except upon the agreement of the council, in accordance with this policy under the Discretionary top up for Mandatory Disabled Facilities Grant, and where justified to be the most satisfactory course of action in the circumstances or to have arisen through reasonable and unforeseeable additional works or costs.

The council/appointed agent will endeavour to determine all valid applications within 2 weeks of receipt unless further information is required to enable that decision. Where additional information or other factors necessitate further investigation of options the council will determine the application at the earliest opportunity within the statutory timescale of 6 months.

#### Eligible Applicants

- Any applicant registered or capable of being registered under the Chronically Sick & Disabled Persons Act 1970 and requires adaptations to be provided.
- Any disabled person, as described by Housing Grants, Construction and Regeneration Act 1996, s.100. Applicants can be property owners or tenants or some landlords may apply on behalf of tenants.

### Qualifying Criteria

- A referral from the Community Occupational Therapist (COT) via Social Services or a Trusted Assessor confirming that the works are 'necessary and appropriate' is required. This referral will recommend works.
- Entitlement to a Disabled Facilities Grant is mandatory but before approval the council has to be satisfied that the relevant works are both necessary and appropriate for the disabled person, and additionally that it is 'reasonable and practicable' to carry out the works.
- A permanent and legal residence, or long-term in the case of fostering, including dwellings, mobile homes, caravans and houseboats.

Second or holiday homes will not be considered for assistance.

### Conditions

- Works must qualify as described in s23 of the Housing Grants, Construction and Regeneration Act 1996 (as amended).
- Works must be recommended by a Community Occupational Therapist or Trusted Assessor and be necessary and appropriate to meet the needs of the disabled applicant.
- The works must be reasonable and practicable to carry out having regard to the age and condition of the dwelling or building.
- Applicant will be subject to a financial assessment of resources except where
  - i) the applicant (relevant person(s)) is in receipt of one or more of the following means tested benefits; -Housing Benefit, Income Support, Guaranteed Pension Credit, Income-based Employment Support Allowance (ESA), Income-based Job Seekers Allowance (JSA), Working/Child Tax Credit where income is less than set threshold, Universal Credit
  - ii) The application is in respect of a disabled child.
- Proof of title is required
- Landlord consent to the works is required where applicable.
- Conditions relating to the recovery of equipment in specified circumstances are applied.
- The council will use its powers to place a local land charge against the property where the mandatory Disabled Facilities Grant exceeds £5000. The charge may be up to a maximum of £10,000 and repayment of the sum on charge is required where the adapted property is sold, transferred or otherwise disposed of within a 10 year period from completion of the work.
- In the case of a Disabled Facilities Grant where a 10 year conditional repayment obligation exists and the recipient intends to dispose of the property by sale,

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assignment, transfer or otherwise within the 10 year period, the charge must be repaid, unless the council, having considered :

- i) the extent to which the recipient of the assistance would suffer financial hardship were he/she to be required to repay all or some of the grant or charge;
- ii) whether the disposal of the property is to enable the recipient to take up employment, or to change the location of his/her employment;
- iii) whether the disposal is made for reasons connected with the physical or mental health or well-being of the recipient of the assistance or of the disabled occupant of the property; and
- iv) whether the disposal is made to enable the recipient of the assistance to live with, or near, any person who is disabled or infirm and in need of care, which the recipient of the assistance is intending to provide, or who is intending to provide care of which the recipient of the assistance is in need of by reason of disability or infirmity,

is satisfied that it is reasonable in the circumstances to waiver or reduce the repayable sum.

### **Maximum Assistance**

- £ 30,000

## **5.2 Discretionary Assistance**

### **5.2.1 Discretionary Disabled Facilities Grant (Top Up)**

Where works requested are in excess of £30,000 or considered to be unreasonable given the age, construction and/or condition of the property, alternatives to discretionary DFG funding including the following will normally be considered;

- a) Referral to Social Services and other relevant organisations (including charities) for their consideration of providing additional resources
- b) Alternative schemes of work.
- c) Assistance to enable a move to alternative accommodation, with funding for adaptations to the new accommodation.

Subject to availability of funding the council may consider Discretionary Top up for Disabled Facilities Grant. Where Discretionary Top up for Disabled Facilities Grant is considered appropriate the discretionary assistance will not exceed £10,000, will be repayable to the Council in full on the sale transfer or disposal of the property and will be registered as a Local Land Charge.

### **Maximum Assistance**

£10,000 (once only)

### **5.2.2 Dementia Dwelling Grant**

Subject to availability of funding the council will consider providing non means-tested assistance to provide aids and adaptations in the home designed to enable people with

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memory loss or a diagnosis of dementia to manage their surroundings, retain their independence and reduce feelings of confusion.

This service provides a range of measures which can include such items as night lamps, touch lamps, dementia clocks, illuminated switches and key safes.

### Eligible Applicants

- A referral from the Early Intervention Dementia Team Service (EDTS) or other relevant referring agency.
- The grant offer will be a combination of standard and bespoke products based around an assessment of individual need.

### Qualifying Criteria

- Dementia diagnosis or suffering from recognised memory loss affecting day-to-day independence.
- Aid the person to remain in the home independently for a longer period.

Initial contact will be with appointed agent who will arrange for a visit by a Dementia Advice Service. A Dementia Advisor will survey the home and assess individual need. Products will be provided and those requiring installation will be installed.

### Conditions

- Works must relate to the applicants dementia/memory loss needs.
- Assistance only available where it will aid the applicant to remain at home independently for a longer period.
- Only one application for assistance will be considered up to a maximum of £750 within any 2 year period. Exemption to this condition is at the discretion of the Head of Strategic Growth subject to justifying circumstances.
- The works must be completed within 12 months of the date of approval.

### Maximum Assistance

- £ 750.00

## **5.2.3 Hospital Discharge Scheme**

Subject to availability of funding this assistance is intended to aid timely discharge from hospital and help avoid re-admission.

### Eligible Applicants

- Recognised disabled persons as described by Housing Grants, Construction and Regeneration Act 1996, (as amended) and

### Qualifying Criteria

- The property is the applicant's permanent and legal residence
- Urgent minor adaptations that qualify under the Housing Grants, Construction and Regeneration Act 1996 (as amended)

### Conditions

- All works must relate to the applicants needs.
- One off payment
- Must be referred by a relevant discharge practitioner
- Assistance will only be considered where a delay in provision of the necessary adaptations will cause and unreasonably delay release of the patient from primary care, or where an unreasonable delay in provision of the necessary works will cause a relevant person to be admitted to primary care.

### Maximum Assistance

- £5,000 (one off)

### **5.2.4 Home Repair Assistance**

This discretionary assistance is intended to ensure that vulnerable persons remain in their homes in safe, warm and healthy conditions. It is available to home owners that do not have sufficient financial resources to maintain their homes in a safe, health enabling condition free of serious defects or hazards. The assistance is repayable on sale, transfer or disposal of the property and does not accrue interest charges.

### Eligible Applicants

- Owner occupiers or private tenants with a repairing responsibility, having savings of less than £16,000 and in receipt of one or more of the following means-tested benefits:- Income Support, Guaranteed Pension Credit, Income-based Employment Support Allowance (ESA), Income-based Job Seekers Allowance (JSA), Working Tax Credit, Universal Credit, Housing/Council Tax Support (not including single person or disabled person discount).

### Qualifying Criteria

- The property is the applicant's permanent and legal residence.
- The property is in need of essential repairs as determined by the Housing Act 2004 to address Category 1 or significant Category 2 hazards as determined under the Housing Health & Safety Rating System, in order to make the property safe, warm, weatherproof and healthy for the occupants
- No assistance will be granted in respect of properties built or converted less than 10 years prior to the application date.

### Conditions

- Only one application for assistance will be considered up to a maximum of £10,000 within any 5 year period. Where exceptional circumstances exist this condition may be relaxed at the discretion of the Head of Strategic Growth.
- Assistance is repayable in full to the council on sale, transfer or other disposal of the property. A Local Land Charge will be placed on the property for this purpose.
- The applicant must have lived at the property for a minimum of 12 months immediately prior to the application date as his/her sole permanent residence.
- The approved works must be completed within 12 months of the date of approval.

- Where the works are in respect of common parts or group repair assistance will only be considered to a reasonable sum or proportion of costs reflecting the applicant's liability.

Maximum Assistance

- £ 10,000 (within 5 year period)

**5.2.5 Ceiling Tracking and Hoists**

Subject to availability of funding this assistance is intended to meet the costs of providing fixed ceiling tracking and track mounted hoists where these do not form part of a mandatory Disabled Facilities Grant new-build scheme. Where costs are below £1000 this equipment is provided by Worcestershire County Council Adult Social Care. This assistance will therefore only apply where the equipment and installation cost exceeds £1000.

Ownership of equipment installed through this assistance is transferred to Worcestershire County Council Adult Social Care including future maintenance and servicing costs, and equipment can be removed and recycled when no longer required, including making good to ceilings and décor where equipment is removed .

**5.2.6 Minor Aids and Adaptations**

The provision of minor adaptations to assist people with disabilities is governed by legislation. The provision is to cover the adaptations required as recommend by Social Care (or their agent) in order to provide a uniform service in line with local policies and procedures.

The individual must have a recognised permanent and substantial disability to be eligible for this service with the customer living in their own home or privately rented accommodation.

All adaptations should be assessed and requested by suitably trained and competent staff e.g. Occupational Therapists and OT Technicians, Trusted Assessors, Technicians in generic roles, employed by Social Care (or their agent). Any recommendations made will be based on an assessment of need addressing essential requirements only in accordance with eligibility criteria.

Minor adaptations will only be provided at the customers' main residence only.

Funding for minor adaptations is passported through to the County Council (Adult Social Care) where resources allow and will follow the County Councils eligibility criteria and procedure.

## **6 GENERAL TERMS AND CONDITIONS**

Any person who makes an application for Assistance must;

- (i) Be over 18 years of age at the date of the application
- (ii) Live in the dwelling as his/her only main residence and
- (iii) Have an owners interest in the dwelling (other than by virtue of being a Registered Social Landlord under Part 1 of the Housing Act 1996 or being eligible for such registration) or be a tenant or licensee of the dwelling, alone or jointly with others but not being a member of the landlords family, with a tenancy or licence permitting occupation of the dwelling for a minimum period of 12 months after approval of the Assistance, and
- (iv) Have the power or duty to carry out the works and where appropriate have the owner's consent in writing to carrying out the works, and
- (v) Satisfy such test(s) of resources as the council, or statute, may from time to time have in place
- (vi) Not be ineligible, by virtue of the Housing Grants, construction and Regeneration Act 1996, regulations made under the Act or any other enactment
- (vii) Homeowners have the primary responsibility for ensuring their homes are properly maintained and in the first instance should pursue private finance. We may assist eligible, vulnerable homeowners to make sure they have the opportunity for achieving the correct property standards.

Where an owner occupier has given a signed undertaking to occupy a property as his/her principle residence after completion of the assisted works for a period of time, and if they cease to do so during that time, they will repay on demand to the council the total amount of Assistance paid out.

Where a landlord (or owner) has given a signed undertaking that the property will be available for letting for a period specified after completion of the assisted works, and if the landlord ceases to make the relevant property available for letting during the specified period then the landlord will repay on demand to the council the total amount of Assistance paid out.

Where the council has the right to demand repayment but extenuating circumstances exist, the council may determine to waive the right to repayment or to demand a sum less than the full amount of Assistance paid out.

## **7 SUPERVISION OF WORKS**

In the absence of any agency agreement with the council or its appointed Agent, the responsibility for supervision of the works rests with the applicant or with any suitably qualified and indemnified building professional or agent acting on the applicant's behalf and not with the council.

All work must be undertaken;

- a) In accordance with manufacturers recommendations and best practice.



- b) In accordance with and to the satisfaction of the council.
- c) In accordance with building, planning and installation regulations where applicable and Health and Safety regulations.

Payment of grant/assistance will be made, in whole or by part payments, on receipt of contractors invoice following satisfactory completion of the eligible work as determined by the council's Officer or its appointed Agent.

## **8 PAYMENT OF ASSISTANCE**

The Assistance will only be paid if;

- (i) The assisted works are completed within 12 months from the date of the approval unless the delay was caused by the council or its appointed Agent.
- (ii) The assisted works are carried out in accordance with the specifications set out in the formal approval or as varied with the prior agreement of the council or its appointed Agent.
- (iii) The assisted works are carried out to the satisfaction of the council or its appointed Agency and the applicant.
- (iv) The council or its appointed Agent are provided with an invoice, demand or receipt for payment in an acceptable format.

Invoices must be addressed to the applicant c/o the council or its appointed agent and must contain sufficient detail for the council to identify in full, the works carried out, the price charges and any variations previously agreed with the council or its appointed Agent, and must not be provided by the applicant or a member of his/her family.

The payment of the Assistance to the contractor may be made via the applicant, or, where requested within the original application, paid directly to the contractor engaged by the applicant.

The Assistance may be paid in one lump-sum on satisfactory completion of the works or by staged payments as the work proceeds. Stage payments (Interim payments) will only be made where the council or its appointed Agent, is satisfied that the value of work completed exceeds the value claimed. A maximum of three stage payments and final payment will be considered.

The council or its appointed Agent will not enter into any form of contract with a builder or contractor, and, in the absence of any Agency agreement with the applicant, it is a matter for the applicant to agree any contract with the builder or contractor. Whilst the council's Standing Orders on procurement do not directly apply as no contract exists with the council, the principles of the Standing Orders will be referred to for determining the administration of procedures regarding the obtaining of quotes, etc.

The provision of assistance other than mandatory Disabled Facilities Grants is subject to the availability of funding. All applications will be considered based on the identified needs and circumstances of the applicant or household.

Assistance may be offered in a variety of forms including, but not restricted to, financial assistance, advice, provision of materials, carrying out of works, and loans. Advice offered

may include Housing Options advice to ensure the most appropriate option for the applicant or household is considered and may include advice on housing rights, benefits entitlement, repairs or improvements, energy efficiency, re-housing or signposting to other agencies or services.

The council may enter into partnership or contractual arrangements with other organisations or agencies in order to deliver assistance in an effective and timely manner, such as a Home Improvement Agency or Energy Advice Service. The Home Improvement Agency is engaged to provide support to applicants throughout the process of seeking assistance and this may include identification of options, specifications, documentation, engagement of contractors, works supervision and monitoring through to completion.

Where assistance is provided the eligible costs will include necessary associated costs such as Building and Planning Fees, Architect and other professional fees and Home Improvement Agency/Energy Advice Service fees.

The provision of mandatory grants and discretionary financial assistance will be subject to internal and external auditing to ensure adequate procedures are in place and followed and that there is appropriate use of public funds.

## **9 WHERE ASSISTANCE WILL BE RESTRICTED**

The following will not be eligible for assistance:

1. Where ownership of the property is disputed.
2. Where the owner(s) has a statutory duty to carry out the necessary works and it is reasonable in the circumstances for them to do so.
3. The Council will not consider an application for assistance in respect of premises built or converted less than 10 years prior to the date of the application, except where the application is for a Disabled Facilities Grant.
4. No assistance will be given in respect of properties owned by Statutory Authorities or trusts. This includes properties owned by Registered Social Landlord, NHS Trusts and West Mercia Police, except in the case of a Disabled Facilities Grant (Mandatory or Discretionary), Dementia Dwellings Grant, Minor Adaptations Top-Up or Hospital Discharge Scheme.
5. Where the residence is not regarded as permanent.
6. No assistance will normally be given for work started before formal approval of an application, except that:
  - (i) The council may in exceptional circumstances exempt an application from this condition for example where a defect may present a serious risk to health and safety.
  - (ii) The council may, with consent of the applicant, treat the application as varied so exclude any works that have been started before approval.
7. Grant assistance will not normally be provided for works covered by insurance. Where, before a grant for assistance is approved it is found that an applicant can make an insurance claim, the insurance company will be requested to confirm in writing the level of their liability, if any. The level of assistance will be reduced by an amount equivalent to the insurance company's liability. Where assistance is

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approved, a condition will be imposed requiring the applicant to pursue any relevant claim against an insurance company or third party for;

- a) Claims for personal injuries where the works are required under a mandatory Disabled Facilities Grant.
  - b) Claims on the applicant's property insurance or on a third party where the application is in respect of works for which financial assistance has been given and to repay the financial assistance provided out of the proceeds of such a claim.
8. The council will assess whether the scope of the works are reasonable and eligible, in particular having regard to the age, condition and structural layout of the property.
  9. The council will determine whether prices provided by contractors meet value for money. In determining this, the Officer will give consideration to similar jobs priced within the last year. The Officer may liaise with the relevant body or contractor to check the specification and any estimates, as part of the procurement procedure.
  10. In the event that the Officer believes the price for contracts are too high and identifies an appropriate price for this work (which is lower) they will advise the client that the total eligible assistance will be the lower amount. The client is under no obligation to use the lower priced contractor but must be aware the council will only make a grant or assistance payment up to the value of the lower price.
  11. In the case of an application for Disabled Facilities Grant where the client chooses to pursue a different scheme of work's or an enhanced scheme of works the client will be advised the Council will only provide assistance to the value of the scheme of works the Officer has determined would otherwise satisfy the basic primary requirement(s) identified by the report of the Occupational Therapy Service / Trusted Assessor, subject to the Officer being satisfied the clients preferred scheme will also satisfy the primary requirements.
  12. The council may refuse any application for assistance lacking the required information or documentation.
  13. Where the client deviates from the scheme of work(s) submitted and subsequently approved by the council without prior consultation with, or agreement of, the Officer the council may rescind the approval or refuse to make any further payment of assistance. The council may also seek to recover any interim assistance payments previously made against the approved scheme.
  14. If the applicant is an owner of the dwelling in respect of which financial assistance has been approved and ceases to be the owner before the works are completed the applicant must repay to the council on demand the total amount of assistance that has been paid.
  15. Where a grant condition imposes a liability to repay the assistance, or a part thereof, the condition will be registered by the council as a Local Land Charge.
  16. Where assistance has been approved the works must be completed within 12 months of the approval date, except where an extension of time, not exceeding 6 months has been agreed by the council. Where no extension is agreed the council may rescind the approval or refuse to make any further payment of assistance. The council may also seek to recover any interim assistance payments previously made against the approved scheme.
  17. In the case of common parts of a dwelling the council will only consider assistance for the reasonable sum or proportion of the applicant's liability. The applicant must prove a repairing liability for the common parts.

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18. The council may, where financial or operational demands dictate, defer payment of a Disabled Facilities Grant for a period not exceeding 12 months. Any deferment will be detailed in the approval notice.
19. The provision of Assistance is allowed for caravans and houseboats used as a main residence, subject to meeting other eligibility requirements. Holiday residencies, caravans on holiday sites or sites with restricted occupancy, second homes (as defined by council Revenues criteria) and sheds, outbuildings or appurtenances will not qualify for Assistance.
20. The council recognises that this policy cannot cover every likely situation and there may be persons who genuinely are in need of some form of urgent support that are precluded from accessing financial assistance due to a specific aspect. In these situations the council may consider offering assistance in exceptional circumstances, in particular where support would help the council meet its strategic objectives, as determined by the relevant officer.

## **10 SECURITY AND REPAYMENT OF ASSISTANCE**

Where a grant condition imposes a liability to repay the Assistance, or a part thereof, the condition will be registered by the council as a Local Land Charge.

The council will recover grant/assistance monies in full if the relevant conditions of the assistance are not met. Where not already a requirement of the specific terms of the assistance granted, a local/legal land charge may be entered against the property for the purpose of debt recovery.

If an application is approved but it subsequently appears to the council that the applicant (or one of two or more joint applicants) was not, at the time the application was approved, entitled to receive the assistance approved, then no payment, or further payments, of assistance will be made and the council may seek to recover immediately any payments made together with interest accruing from the date of payment.

The council may, at its discretion determine to require repayment of a lesser sum than the full amount of financial assistance.

## **11 DEATH OF THE APPLICANT**

If the applicant should die before the financial assistance is approved, the application will be treated as withdrawn.

If the applicant should die after approval of the assistance or whilst the approved works are in progress, the council may, at its discretion agree to completion or making good of the works and pay the assistance in full, or an appropriate proportion of the approved sum relative to the works completed.

Where an applicant receiving Disabled Facilities Grant assistance dies following completion of the works but prior to the expiry of the ten year local land charge the council will seek repayment of the sum on charge from the applicant's estate if a disposal by sale, transfer or other change in ownership or tenure takes place.

## **12 ADDITIONAL CONDITIONS**

The council or its appointed agent reserves the right to impose additional conditions when making a grant/assistance approval. These may include but are not restricted to:

- (i) A contribution to the cost of the assisted works by the applicant.
- (ii) The right to nominate tenants to housing accommodation available for rent.
- (iii) Housing accommodation being maintained in repair after completion of the assisted works.
- (iv) The right of the council or its appointed agent to recover specialised equipment when no longer needed.

## **13 DECISIONS, NOTIFICATIONS AND REDETERMINATIONS**

The council or its appointed Agency will notify the applicant in writing when their application has been approved or refused. The decision will be notified as soon as reasonably practical and in any event no later than six months after receipt of a full and valid application.

If the application is approved, the notification will specify the eligible works, the value of the assistance and the builder/contractor who will execute the works. In the case of a Disabled Facilities Grant the council may, where financial or operational demands dictate, defer payment of the assistance for a period not exceeding 12 months. Any deferment will be detailed within the grant approval notice.

If the application for Assistance is refused, the council or its Appointed Agent will give the reasons for the refusal and confirm the procedure for appealing the decision.

Where Assistance has been approved and the council or following consultation with its appointed Agent are satisfied that through circumstances beyond the control of the applicant which could not have reasonably been foreseen, the cost of the assisted works has either increased or decreased, the council may, at their discretion re-determine the assistance given and notify the applicant accordingly by issue of a re-approval notice.

Additional works or deviations from the approved works carried out without prior approval of the council or its appointed Agent will not be considered for any increased financial assistance and would remain the responsibility of the applicant to fund.

## **14 REVIEW OF THE COUNCIL'S DECISION**

Any person having made a valid application for mandatory Disabled Facilities Grant or Discretionary Assistance may request a review of the decision not to consider or to refuse an application.

A request for review of the decision must be submitted to the council/or appointed agent (where delegated decision) with 21 days of the date of the decision letter. The request must be in writing. A review of the decision will be undertaken and the decision will be notified to the applicant in writing. If the person remains dissatisfied with the review decision they have

## **Agenda Item No. 8.1 – Appendix 1**

the right to go through the council's Complaints procedure or approach the Local Government Ombudsman.

Any departure from Policy will only be considered where the applicant can demonstrate both wholly exceptional circumstances to justify such a departure but also that the applicant does not have the means by which they could reasonably be expected to otherwise fund and undertake the work.

Complaints about service delivery rather than Policy must be made in writing to the council appointed agent who will investigate the complaint in accordance with their Complaints Procedure which is available on request.

## APPENDIX 1

### **Discretionary Disabled Adaptations Assistance**

Subject to availability of funding the council may consider works undertaken as Discretionary Disabled Adaptations Assistance, under the value of £10,000, which will be repayable to the council in full on the sale transfer or disposal of the property and will be registered as a Local Land Charge. The aim of this grant is to enable applicants to have access to and around their homes, or to use essential facilities in the home to enable them to live independently.

It will be used to support timely intervention and reduce the requirement for more costly interventions e.g. to prevent unnecessary admission to hospital or care home, to aid timely discharge, and reduce the level of home/medical care packages.

There is no means test associated with this assistance so it can be delivered through a shorter process, to help the customer.

#### Eligible Applicants

- Any applicant registered or capable of being registered under the Chronically Sick and Disabled Persons Act 1970 and requires adaptations to be provided.
- Any disabled person, as described by Housing Grants, Construction and Regeneration Act 1996, s100. applicants can be property owners or tenants, some landlords may apply on behalf of tenants.

#### Qualifying Criteria

- A referral from the Community Occupational Therapist (COT) via Social Services or a Trusted Assessor confirming that the works are 'necessary and appropriate' is required. This referral will recommend works.
- Before grant approval the Agent has to be satisfied that the relevant works are both necessary and appropriate for the disabled person, and also that it is reasonable and practicable to carry out the works.
- A permanent and legal residence including dwellings, mobile homes, caravans and houseboats.

#### Conditions

- The conditions will mirror the mandatory grant conditions with the exception of the following:
  - (i) It will not be subject to a financial assessment
  - (ii) The council will put a land charge on the dwelling in respect of all discretionary grants, with no maximum limit.
  - (iii) The charge will remain indefinitely for standard grants
  - (iv) The repayment mechanism applies to both owner-occupiers and landlords.
- If the dwelling is sold or transferred (ie a relevant disposal) before the grant process is completed and interim payments have been made, these will be repayable to the council in full.

## **Agenda Item No. 8.1 – Appendix 1**

- Where a dwelling is sold or transferred for any reason, including where the owner has died, the grant will be repayable to the council in full.

The council will seek to recover grant funding in all circumstances where a breach of conditions has occurred. This is the full grant funding which will be placed as a land charge on the dwelling.

### Maximum Assistance

- £10,000

### **Home Move Grant Assistance**

The aim of providing this discretionary financial assistance is to enable people to move to more suitable accommodation where this is considered more beneficial than providing a Disabled Facilities Grant for adaptations to their existing home.

### Eligible Applicants

- Any disabled person, as described by the Housing Grants, Construction and Regeneration Act 1996, s100.
- Applicants can be property owners or tenants.

### Qualifying Criteria

- A permanent and legal residence
- Eligible costs - legal and ancillary fees, estate agent fees, removal costs, carpet and curtains

### Conditions

- Assistance repayable in full if the property is disposed of. The assistance amount is secured as a local land charge against the property.
- The assistance will only be approved on a strict case by case basis and the move must be facilitated by Care & Repair Worcestershire.

### Maximum Assistance

- £3,000 (once only)

### **Accessible Homes Grant**

Consideration by the Head of Strategic Housing will be given for provision of new technology equipment as part of a DFG, in circumstances which will provide better value for money than the usual structural works and will better meet the customer/family needs e.g. the provision of a rising wheelchair instead of lowering the kitchen units and a bio-bedet.

### Qualifying Criteria

- On a case by case basis

### **Independent Living Centre**



## **Agenda Item No. 8.1 – Appendix 1**

Consideration by the relevant officer will be given for the funding to facilitate the development of an innovation centre, with multi-agency / disciplinary staff co-located that enable applicants for a DFG and self-funders to test out potential aids and adaptations and make effective choices.

### **Capital Schemes**

Consideration by the relevant officer to develop projects (where required) that are required as part of wider capital schemes. For example financial assistance for building, adapting and improving properties: to offer financial assistance for costs associated with moving to a more suitable home and/or purchasing / building / improving properties (including in conjunction with a Registered Provider or County Council).

### **Housing options**

Funding to facilitate the delivery of a housing options service where DFGs and care / support costs can be avoided through the move to more appropriate housing at an earlier stage.

### **Private Sector Measures**

Projects are agreed on an annual basis and typically include measures to improve conditions in the private rented sector where the works are above what can be reasonably expected of a landlord and are of benefit to the tenants, for example improved insulation, efficient heating systems and ventilation.

In particular, funding will be prioritised to improving properties where landlords are accepting tenants in receipt of benefits and where landlords are assisting the council to find accommodation for persons identified as being in need.

Other examples of schemes include the provision of gating to entries to improve security, sanctuary schemes for vulnerable individuals, fire safety improvements, flood defence property protection, heating and insulation measures.

Any money received in repayment of financial assistance is recycled into this funding stream for the same overarching purposes.

**WYRE FOREST DISTRICT COUNCIL**

**Cabinet  
Thursday 24<sup>th</sup> March 2020**

**Recommendations from the Overview and Scrutiny Committee  
Thursday 5<sup>th</sup> March 2020**

**Housing Assistance Policy**

The Committee considered a report from the Head of Strategic Growth to agree the policy that will be used to determine how the Disabled Facilities Grant (DFG) funding from central government will be spent.

The Committee discussed the report, the expected changes in contract provider and the process for people accessing the service.

**Recommend to Cabinet that:**

1.1 The Housing Assistance Policy 2020 be approved

**Background papers:**

See the report on page 28 of the pdf at this link:

<http://www.wyreforest.gov.uk/council/meetings/com193.htm#mt8237>

**WYRE FOREST DISTRICT COUNCIL**

**CABINET**

**24<sup>th</sup> March 2020**

**Kidderminster Town Centre Acquisition Strategy**

<b>OPEN WITH EXEMPT APPENDIX - The appendix is exempt from disclosure because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information).</b>	
<b>CABINET MEMBER:</b>	Cllr Fran Oborski – Deputy Leader and Cabinet Member for Economic Regeneration, Planning & Capital Investments
<b>RESPONSIBLE OFFICER:</b>	Mike Parker - Corporate Director: Economic Prosperity & Place
<b>CONTACT OFFICER:</b>	Mike Parker ext 2500 Mike.parker@wyreforestdc.gov.uk
<b>APPENDICES:</b>	Appendix 1 – Acquisition Strategy

**1. PURPOSE OF REPORT**

- 1.1 To agree a strategy for the acquisition of properties in Kidderminster town centre in support of the Council's bid for funding under the Future High Streets Fund (FHSF) and to agree the approach to masterplanning the future of the remainder of the town centre not otherwise covered by the FHSF.

**2. RECOMMENDATION**

**Cabinet RECOMMENDS TO COUNCIL that it:**

- 2.1 Approves an amendment to the Capital Programme for a Future High Street Property Acquisition Fund of £4.275m to be funded from external grant and to be conditional on award of such grant.

**Cabinet is recommended to AGREE:**

- 2.2 The Acquisition Strategy contained in Appendix 1 to this report.
- 2.3 To delegate authority to the Corporate Director: Economic Prosperity & Place in consultation with the Corporate Director: Resources, Solicitor to the Council and Cabinet Member for Economic Regeneration, Planning & Capital Investments to progress with the acquisition of any of the properties identified in the Acquisition Strategy and funded through the Capital Programme amendment as set out in 2.1 above and to complete such acquisitions where terms are agreed with the landowners as long as they are funded from an external funding source.
- 2.4 That a future report(s) be brought to Cabinet in the event that the use of compulsory purchase powers is considered to be expedient.

- 2.4 That in due course the Corporate Director: Economic Prosperity & Place bring forward a further report setting out the vision and masterplan for the remainder of the town centre not covered by the Future High Streets Fund proposals.**

**3. BACKGROUND**

- 3.1 The Government published their call for proposals to be made under the newly created Future High Streets Fund (FHSF) in December 2018. Bids from district councils the size of Wyre Forest were limited to just one per authority (larger councils were able to submit more according to size) and the Council submitted its Expression of Interest (EoI) by the March 2019 deadline. The submission process was a two stage process, beginning with the EoI which if successful would be followed by a formal business case submission.
- 3.2 In July 2019 the Council was advised that it was one of only 50 councils to have their EoI accepted and to be invited to submit their full business case by the end of April 2020. The Council was subsequently awarded £150,000 to support the development of the detailed HMRC 'Green Book' compliant full business case.
- 3.3 In order to develop the business case the Council has appointed Gerald Eve and Volterra. Work is currently mid stream to ensure that a compliant business case is submitted by the end of April 2020 deadline. Final decisions are expected to be made by The Ministry of Housing, Communities and Local Government (MHCLG) in summer 2020. Successful bids will receive funding to deliver projects which have to be completed by the end of March 2024. An early submission had to be made to MHCLG to set out roughly what the Council's projects comprised and how much funding they might be applying for (this was called the Rough Order of Magnitude – RoM).
- 3.4 In its submitted RoM the Council set out an ambitious £22.5m plan to transform the former Crown House site, former Magistrates' Court site and parts of Bromsgrove Street car park for a variety of commercial, leisure, residential and public space uses. An integral part of the submission is the strategic reconnection of the east and west sides of the town to rebalance the dynamic shift towards Weavers Wharf, to increase permeability through the town and to diversify the retail floorspace concentration. A key element underpinning this approach is the strategic acquisition of properties or groups of properties across the town which would transform the connectivity of the town on an east to west axis, from the former Glades leisure centre site to Crown House and to Exchange Square outside the Town Hall.
- 3.5 The Council has appointed Jones Valerio (its retained acquisition and portfolio asset managers) to advise on the approach that the Council might take in acquiring the properties it has identified. As these details contain commercially confidential information, as does the proposed Strategy, these are exempt documents appended to this covering report.

**4 KEY ISSUES**

- 4.1 The properties the Council has identified as key to acquire to create a dynamic change in the connectivity of the town centre are set out in the Strategy appended to

this report. Initial information was gathered by Cushman & Wakefield and submitted as part of the RoM and this has now been refreshed by Jones Valerio who have conducted an investigation into each property setting out a detailed position on the availability and status of each property and a commentary on their updated advice. It is intended that the appended Strategy, once agreed, will be used as part of the Council's FHSF business case to MHCLG in order to demonstrate that the Council has a plan to proceed if the funding is awarded.

- 4.2 The acquisition of the properties identified will only proceed if the Council is successful with its FHSF bid, or failing that with other future funding bids from appropriate programmes, it is not intended at this stage that the Council purchases any of the properties set out in the FHSF bid through its Capital Portfolio Fund for instance, but if circumstances change then a separate business case will be presented for any such acquisitions proposed that are not funded from external programmes.
- 4.3 Whilst it will be the Council's intention to make acquisitions through private treaty, there may be instances where there cannot be agreement reached with the vendor and in those instances the Council will need to be prepared to consider using the powers available to it through compulsory purchase. If such instances occur separate reports will be brought forward for agreement setting out the business case for such purposes which Cabinet will need to agree. It is anticipated that the full costs of any such proposals would be underwritten by external funding sources and this will be set out as part of each business case.
- 4.4 If the Council is successful with the FHSF bid it will deal with specific sites and their connectivity, but the main 'heart' of the town (bounded by Vicar Street, High Street, Blackwell Street and Worcester Street) will also need careful thought going forward. This 'heart' of the town is predominantly the Swan Centre and Rowland Hill Centre and the Council really needs to begin developing a longer term vision, or a masterplan, setting out how these parts of the town will function in the next ten plus years. This is also dealt with in the appended Strategy. The Council has received confirmation from the Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP) that a bid for £40k towards this masterplanning from its Towns and Local Centres Enabling Fund has been successful.

## **5. FINANCIAL IMPLICATIONS**

- 5.1 The Council has received £150,000 as part of its successful FHSF EoI, the purpose of which is to assist the development and submission of the full business case. No further funding will be available through the FHSF unless the Council is successful with its business case bid. The acquisition proposals set out in the appended Strategy are premised on the successful award of funding through the FHSF or other appropriate programme which the Council may bid to for funding. If any proposals for acquisition are not funded from external sources or they are proposed using compulsory purchase powers then separate reports will be made to Cabinet for approval.
- 5.2 To enable officers to proceed with suitable property purchases as set out in the Acquisition Strategy in Appendix 1, a Capital Programme amendment is required so approval for the requisite expenditure is in place to be made conditional on award of

FHSs funding. A Future High Street Fund Property Acquisition generic pot is proposed of £4.275m. This conditional generic funding would enable officers to act without delay using appropriate delegation to facilitate town centre purchases to aid town centre regeneration. Paragraph 28 of Appendix 1 to this report summarises the properties identified and their potential acquisition costs.

- 5.3 Any additional costs associated with the acquisition of properties will either be included as part of the FHSF grant or will be set out in any further reports on compulsory purchase.
- 5.4 It will be necessary for the Council to request options to tax for any properties acquired before acquisition and demolition, to protect the overall VAT Partial Exemption position; this should be done contemporaneously with development partners. Advice on specific proposals for acquired properties should be considered where appropriate to protect the Council's position and in particular to ensure that any options to tax initially are not subsequently disapplied.

## **6. LEGAL AND POLICY IMPLICATIONS**

- 6.1 The Council has the power under Section 226(1) of the Town and Country Planning Act 1990 to acquire land compulsorily for planning purposes. The relevant tests are set out in Section 226(1) (a). First, the local authority must think that the acquisition will facilitate the development, redevelopment or improvement of the land. Further Section 226(1A) requires local authorities utilising the powers under Section 226(1) (a) to show that they think that the development, redevelopment or improvement is likely to contribute to the promotion or improvement of the economic, social or environmental well-being of the area. The Council should also have regard to the CPO Guidance published by the Government-currently the "Guidance on Compulsory purchase process and The Criche Down Rules 2019" ("the Guidance") and a separate report will be required to address all relevant issues if it is considered necessary to use compulsory purchase powers
- 6.2 The Council's general powers to acquire land and property stem from the Local Government Act 1972. (Section 120); these enable local authorities to acquire property for any of their functions, or for the benefit, improvement or development of their area.

## **7. EQUALITY IMPACT NEEDS ASSESSMENT**

- 7.1 An Equalities Impact Screening Assessment is not required.

## **8 RISK MANAGEMENT**

- 8.1 The Council has to give consideration to the longer term vision for the town centre otherwise it runs the risk of continued decline as it becomes less and less fit for modern town centre purposes.
- 8.2 The Council runs the risk that if it fails to engage positively with strategic acquisition opportunities and that if such acquisitions ended up in the ownership of speculators,

those assets may be left to decline and have a wider negative impact on the town centre as a viable and vibrant town centre.

- 8.3 Property acquisition and development can carry significant risk due to factors outside the direct control of the Council such as property prices, ground conditions and economic factors. To mitigate this risk, specialist external advice will be taken and a specific risk analysis including ground surveys will be prepared for each proposed acquisition as part of the due diligence process under the proposed officer delegation.
- 8.4 The Council will mitigate the risk of costs associated with any of the acquisitions identified by ensuring that they are fully funded from either the FHSF or an appropriate alternative.

## **9. CONCLUSION**

- 9.1 The Council has successfully submitted a bid to the Government's Future High Streets Fund programme which was launched in 2018. The Council is currently preparing to submit its full business case for the funding and expects to hear whether it has been successful in summer 2020. The essence of the bid is focussed on re-balancing the activity of the town on the east to west axis to counter the success of Weavers Wharf which has changed the dynamics of the town (along with changing shopping habits and the advance of online shopping). Part of the re-balancing strategy involves physically reconnecting parts of the town from Crown House to Bromsgrove Street and down to Exchange Square. In order to achieve this the Council has set out in its bid plans to acquire and demolish/redevelop some key properties in the town. All of the detail is set out in the exempt appendices which contain commercially confidential information.

## **10. CONSULTEES**

- 10.1 Cabinet/CLT

## **APPENDICIES**

Appendix 1 – Acquisition Strategy

## **BACKGROUND DOCUMENTS**

Future High Street Fund prospectus – MHCLG 2018

**WYRE FOREST DISTRICT COUNCIL**

**Cabinet  
Tuesday 24<sup>th</sup> March 2020**

**Recommendations from the Overview and Scrutiny Committee  
Thursday 5<sup>th</sup> March 2020**

**Kidderminster Town Centre Acquisition Strategy**

The Committee considered a report from the Corporate Director: Economic Prosperity & Place which sets out a proposed strategy for the acquisition of properties in Kidderminster town centre in support of the Council's bid for funding under the Future High Streets Fund (FHSF) and an approach to master planning the future of the remainder of the town centre not otherwise covered by the FHSF.

**Recommend to Cabinet that:**

- 1.1 The Acquisition Strategy should be adopted and provision made in the Capital Programme for potential acquisitions to be made.

**Background papers:**

See the report on page 58 of the pdf at this link:

<http://www.wyreforest.gov.uk/council/meetings/com193.htm#mt8237>