

Open

Cabinet

Agenda

**To be held remotely
6pm
Tuesday, 9th February 2021**



Wyre Forest District Council



Cabinet

The Cabinet Members and their responsibilities:-

Councillor G Ballinger	Leader of the Council & Strategy & Finance, Culture, Leisure & Community Protection
Councillor H Dyke	Deputy Leader & Economic Regeneration, Planning & Capital Investments & Localism
Councillor N Martin	Housing, Health, Well-being & Democratic Services
Councillor J Thomas	Operational Services

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 19th February 2021.

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

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.

1. The Cabinet meeting is open to the public except for any exempt/confidential items. These items are normally discussed at the end of the meeting. Where a meeting is held remotely, "open" means available for live or subsequent viewing.
2. Members of the public will be able to hear and see the meetings by a live stream on the Council's website:

<https://www.wyreforestdc.gov.uk/streaming.aspx>

3. This meeting is being held remotely online and will be recorded for play back. You should be aware that the Council is a Data Controller under the Data Protection Act 2018. All streamed footage is the copyright of Wyre Forest District Council.

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 Louisa Bright, Principal Committee and Member Services Officer, Wyre Forest House, Finepoint Way, Kidderminster, DY11 7WF. Telephone: 01562 732763 or email louisa.bright@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

Wyre Forest District Council

Cabinet

Tuesday, 9th February 2021

To be held remotely

Part 1

Open to the press and public

Agenda item	Subject	Page Number
1.	Apologies for Absence	
2.	Declarations of Interests by Members 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.	Minutes To confirm as a correct record the Minutes of the meeting held on the 22nd December 2020.	7
4.	CALL INS a verbal update will be given on any decisions which have been "called in" since the last meeting of the Cabinet.	
5.	Items Requiring Urgent Attention To consider any item which, in the opinion of the Chairman requires consideration at the meeting as a matter of urgency.	
6.	Public Participation 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 1 st February 2021. (See front cover for contact details).	

7.		
7.1	<p style="text-align: right;"><i>Councillor H Dyke</i></p> <p>Amendment to Capital Programme to include Future High Streets Fund project</p> <p>To consider a report from the Corporate Director: Economic Prosperity & Place following the announcement of the Council's successful bid for Future High Streets Fund (FHSF) monies and to recommend a consequential amendment to the Capital Programme.</p>	11

8.		
8.1	<p style="text-align: right;"><i>Councillor N Martin</i></p> <p>Pay and Grading Review</p> <p>To consider a report from the Chief Executive to make recommendations to Council in respect of approval and implementation of the pay and grading review and associated personnel issues.</p>	18

9.		
9.1	<p style="text-align: right;"><i>Councillor G Ballinger</i></p> <p>Financial Strategy 2021-2024</p> <p>To consider a report from the Corporate Director: Resources which provides an update on the Medium-Term Financial Strategy 2021-2024 and make recommendations to Council on the proposed budget decision. The report also seeks approval of the Capital Strategy for 2021-2031 including prudential indicators which set limits for non-financial investments and to fulfil the key requirements of the MHCLG Investment Guidance.</p> <p><i>The appendices to this report have been circulated electronically.</i></p>	34

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

Part 2

Not open to the Press and Public

12.		
12.	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.	

**WYRE FOREST DISTRICT COUNCIL
CABINET
HELD REMOTELY
22ND DECEMBER 2020 (6PM)**

Present:

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

Observers:

Councillors: J F Byng, A Coleman, R H Coleman, N J Desmond, C Edginton-White, I Hardiman, M J Hart, K Henderson, C Rogers, A Totty, L Whitehouse and P W M Young.

CAB.44 Apologies for Absence

There were no apologies for absence.

CAB.45 Declarations of Interests by Members

No declarations of interest were made.

CAB.46 Minutes

Decision: The minutes of the Cabinet meeting held on 10th November 2020 be confirmed as a correct record and signed by the Chairman.

CAB.47 Call Ins

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

CAB.48 Items Requiring Urgent Attention

There were no items requiring urgent attention.

CAB.49 Public Participation

There was no public participation.

CAB.50 Medium Term Financial Strategy 2021-24

A report was considered from the Corporate Director: Resources which in accordance with the Council's Budget and Policy Framework Procedure Rules and in line with the Wyre Forest Forward programme, provided the Cabinet with financial information in order to make proposals for the Budget Strategy for the period 2021-24.

The Leader presented the report and formally moved the recommendations for approval. He said the report presented the Cabinet Budget proposals to balance the books following one of the most challenging years in Wyre Forest District Council's history.

He added that the Council had already been facing a £1.7 million shortfall by 2022-23 before Covid-19 struck, putting extra demands on services and resources and drastically reducing income. And although Government funding had offset some of the costs of the pandemic as set out on page 19 in the table in paragraph 5.7, it did not cover all costs and losses incurred and the funding gap was now forecast to increase to £2.6m by the end of 2023-24.

The Leader said the provisional settlement issued last Thursday had provided additional one-off funding for 2021-22 of £684,887. Whilst this new funding was very welcome, it would not fundamentally change the Council's funding position as they are both one-year only. He explained that on the assumption that the extra costs/lost income are already in the base budget this would simply serve to smooth out the profile of the currently spikey funding gap and hopefully provide a bit more time to implement savings plans. He advised that tables of reworked figures would be included in the February reports together with any other changes from the final settlement.

In conclusion he said that this Medium Term Financial Strategy (MTFS) was set against the greatest uncertainty and resultant risk the Council had ever faced. The Cabinet Proposals and detailed plans set out in the report would ensure the Council can go further, faster, to ensure financial sustainability. He said it would not be easy and not all risk can be mitigated, but the authority would work hard to build on the impressive track record of this Council to achieve the savings required whilst also protecting services as far as possible.

The Cabinet Member for Economic Regeneration, Planning and Capital Investments seconded the proposals.

The Cabinet Member for Culture, Leisure and Community Protection said it was very important that the Council continued to work with Town and Parish Councils to protect services, and thanked them for their co-operation and hard work.

Decision: Cabinet NOTED:

- 1.1 The fees and charges as set out in Appendix 4 – Part 1.**
- 1.2 The comments from the Strategic Review Panel at its meeting on the 29th October 2020;**
- 1.3 The results of the Budget Consultation survey included in Appendix 6 and summarised in paragraph 9 of the report;**

Cabinet ENDORSE and RECOMMEND to the Strategic Review Panel for scrutiny:

- 1.4 The Council's updated Medium-Term Financial Strategy taking**

into account the results of the Budget Consultation;

- 1.4.1** There are two Cabinet Proposals – taking into account the impact on the Council's Capital and Revenue Budgets for 2021-24 (paragraph 10.2) as follows;
- a)** Approval of a further programme of phased savings for the strategic repositioning of the Council from the Wyre Forest Forward Savings Programme as set out in 10.2.1 and table 6.21 of £0.8m in 2021-22, £1.2m in 2022-23, £1.5m in 2023-24 ongoing after this year;
 - b)** Approval of £200k generic capital budget to support expansion of the Council's income generating activity, to be funded from prudential borrowing with the revenue costs met from within approved financially viable business cases. The Innovation Fund will be used to fund any one-off revenue business case costs.
- 1.4.2** The level of net expenditure and resultant Council Tax for 2021-24 as per paragraphs 10.1 and 10.4 including the revenue implications of the Capital Strategy report also on the agenda;
- 1.4.3** The fees and charges in line with this strategy and the impact on the Council's Revenue Budget for 2021-24, as shown in Part 3 of Appendix 4 (paragraph 10.1 also refers) which incorporate decisions taken by Council on 9th December in respect of licensing fees and charges;
- 1.4.4** The removal of the priority about affordable housing from the Corporate Plan.

Cabinet APPROVED:

- 1.4.5** The fees and charges as set out in Appendix 4 – Part 2.

CAB.51 Capital Strategy 2021-31

A report was considered from the Corporate Director: Resources and the Corporate Director: Economic Prosperity and Place to seek Council approval of a Capital Strategy for 2021-31.

The Leader presented the report and formally moved the recommendations for approval. He said the report complements the MTFS and the Treasury Management Service Strategy; and sets out the Council's Capital Plans for 2021-31.

The Cabinet Member for Economic Regeneration, Planning and Capital Investments seconded the proposals. She said it was a very far reaching strategy and hoped it would be successful for the Council.

Decision: Cabinet ENDORSE and RECOMMEND to the Strategic Review Panel for scrutiny:

The Council's updated Capital Strategy:

- a) Approve the Capital Strategy 2021-31 including the associated Quantitative Indicators in Appendix 2, the updated Capital Portfolio Strategy in Appendix 4 and the revised Asset Management Plan in Appendix 5;**
- b) Approve variations to the Capital Programme and Vehicle, Equipment and Systems Renewals Schedule as set out in Appendix 1, Appendices A and B;**
- c) Approve the limits for gross debt of non-treasury investments compared to net service expenditure and for Capital Portfolio and Development Loans Fund income as a percentage of net service expenditure as set out in Appendix 2;**
- d) Approve the limits for loan investments as set out in Section 5.1.**
- e) Delegation of authority to Cabinet to make amendments to the Capital Programme in instances where the Council receives external capital grants and the full amount of the grants to be distributed is met from the external funding source.**
- f) Delegation to the Corporate Director: Resources and Corporate Director Economic Prosperity and Place to make revisions to the Capital Portfolio Strategy and Asset Management Strategy in order to comply with best practice and latest relevant guidance.**

The Leader thanked everyone of the Council's staff for the brilliant job they had done during the pandemic; and there being no further business, he declared the meeting closed at 6.23pm.

The full meeting is available for viewing on the Council's website
<https://www.wyreforestdc.gov.uk/53298>

WYRE FOREST DISTRICT COUNCIL

CABINET

9th February 2021

Future High Streets Fund

OPEN	
CABINET MEMBER:	Cllr Helen Dyke – Deputy Leader and Cabinet Member for Economic Regeneration, Planning & Capital Investments
RESPONSIBLE OFFICER:	Mike Parker - Corporate Director: Economic Prosperity & Place
CONTACT OFFICER:	Mike Parker ext 2500 Mike.parker@wyreforestdc.gov.uk
APPENDICES:	Appendix 1 – confirmation letter from Secretary of State

1. PURPOSE OF REPORT

- 1.1 To report to Cabinet following the announcement of the Council's successful bid for Future High Streets Fund (FHSF) monies and to recommend a consequential amendment to the Capital Programme.

2. RECOMMENDATION

Cabinet is asked to RECOMMEND to Council:

- 2.1 That the Capital Programme is amended to accommodate the sum of £21.761m to ensure the delivery of the Future High Streets Fund programme of initiatives. Funding will be met from the £20.51m external funding award and £1.25m allocation following the principles of but in addition to, the existing Capital Portfolio Fund for co-funding from this Council.

Cabinet is asked to AGREE:

- 2.2 To delegate authority to the Corporate Director: Economic Prosperity & Place in consultation with the Cabinet Member for Economic Regeneration, Planning & Capital Investments to establish the governance arrangements set out in the report to oversee the delivery of the Future High Streets Fund programme;
- 2.3 To delegate authority to the said Director in consultation with said Cabinet Member to take decisions as required to ensure that the projects comprising the Future High Streets Fund programme are delivered, including, but not limited to:
- a) The appointment of specialist advisers (in accordance with the Council's Contract Procedures);
 - b) The preparation of specifications and procurement of contractors (in accordance with the Council's Contract Procedures);

- c) The soft testing of the most appropriate delivery model for the commercial development sites associated with the FHSF works;**
- d) The soft testing of the most appropriate delivery model for the future operation of the former Magistrates' Court building;**

3. BACKGROUND

- 3.1 In March 2019 The Council responded to the Government's prospectus (launched in late December 2018) for transformational town centre proposals under the newly established Future High Streets Fund. In August 2019 the Council was notified that it was one of the first 50 successful expressions of interest to be approved and the Council was awarded £150k and invited to develop and submit a full [HM Treasury Green Book compliant] business case. Following some Government re-scheduling of the deadline for submitting the full business case due to the impact of the Covid-19 pandemic, the Council finally submitted its case in June 2020. Against a programme envelope of £25m per authority the Council's bid was for £20.51m comprising interlinked elements which would enable the continued delivery of the strategy to re-balance the town on its west/east axis to improve outcomes for the eastern side of the town. All bidders were invited to re-profile their bids in October 2020 in the light of the potential ongoing impact of Covid-19.
- 3.2 The Council had to balance the business case across the five elements comprising the Green Book requirements and to achieve what is referred to as a 'benefit to cost ratio' (BCR) of at least 2; the final business case BCR was 2.3. The projects comprising the bid were the improvement of the former Crown House site and Bullring as a gateway into the town with wider public open space, a multi-functional market and events space and to release some commercial development potential of the site; the acquisition of key properties in Worcester Street to improve access to the Lionfields area (a Strong Leader decision was taken in March 2020 which set out acquisition proposals in more detail as an 'Acquisitions Strategy' and provision was subsequently made in the Capital Programme by Council, in the event that the bid was successful, for the acquisitions totalling an anticipated £4.275m, which will now be subsumed into this revision to the Capital Programme.); the rationalisation of the excess parking capacity on the Council's Bromsgrove Street car park to release the potential for a commercial development site; and finally the complete refurbishment of the former Magistrates' Court and indoor market on Worcester Street as a new creative and innovation hub. These interventions reinforce and improve the access across the town as part of the strategic repositioning of the town and connection ultimately to the railway station as the town's key transport hub. Conceptual and aspirational proposals were submitted in support of the bid to demonstrate what the Council could achieve.
- 3.3 On 26th December 2020 the Government announced the award of funding for projects across the country under the Future High Streets Fund Programme and the Council was one of 15 successful applicants to be awarded funding unconditionally (57 further projects received provisional funding). The Council received its full £20.5m funding request, the fifth highest award of all bidders (Appendix 1) (actual award was £20, 510,598).

4 **KEY ISSUES**

- 4.1 An inception meeting took place between the Corporate Director: EP&P and NWEDR with the lead representatives from the Cities and Local Growth Unit (CLG) who are administering the FHSF programme on 6th January 2021 where some preliminary matters were discussed. The CLG confirmed that the funding will be paid to the Council as an un-ringfenced capital grant under section 31 of the Local Government Act 2003, paid in advance in accordance with the annual programme profile, which runs through to the end of the 2023/24 financial year. CLG are still developing their monitoring and evaluation (M&E) requirements which they are aiming to normalise across the whole programme rather than bespoke for individual authorities; more information is expected to follow on this in due course. It is anticipated that formal reporting will be required on a biannual basis at a programme and project level against the project spend profile and anticipated outputs.
- 4.2 The original FHSF programme was expected to run from the 2020/21 financial year through to the end of the 2023/24 financial year. The end date for the programme remains the same, but delays in the funding announcement throughout 2020 means that in effect the delivery programme has reduced by the best part of twelve months, although some funding is expected to be made at the end of January for the remainder of the current financial year. The Council has been invited to refresh its expected programme profile and has confirmed its wish to receive the funding indicated for the current financial year as set out in the programme profile (£27,252) to be used on some preliminary site survey works and it is anticipated this will be received by the end of January. No considerable change to the Council's projected programme is anticipated as much of the delivery was already focussed on the 2021-2024 year period.
- 4.3 Although the FHSF award is £20.5m (rounded), the overall estimated capital cost of the project in the business case was £21,760,598 and included additional intended co-funding from the Council of £1.25m towards the new build element of the refurbishment of the former Magistrates' Court building based on the principles of the Capital Portfolio Fund. In making provision for the FHSF programme in the Capital Programme the gross project cost has to be provided for, but it should be noted that the business case for the Council's capital contribution will be brought forward to Overview and Scrutiny and Cabinet at a later date following the principles of decisions taken for expenditure under the Capital Portfolio Fund, but coming from the Capital Programme in addition to the existing CPF allocation.
- 4.4 In order to inform the detailed proposals for each of the three elements the Council will need to determine the manner in which it wishes to deliver the commercial development site opportunities and in order to inform this some soft market testing will be required. In a similar vein the optimal delivery model for the future overall operation of the proposed creative and innovation hub at the former magistrates' court will also be required and this too will need to be informed through soft market testing. To ensure the timely delivery of the Programme soft market testing needs to be pursued at this early stage. Once officers have been able to explore alternative delivery options which can be realistically delivered a further report will be made to Cabinet for a final decision. Any formal procurement will of course have to follow the Council's Contract Procedure Rules.

- 4.5 As part of the business case submission the Council had to set out the proposed governance arrangements for delivering the FHSF programme. The Council is the accountable body for the programme and will receive the grant funding. Strategically the ReWyre Board will provide overall governance. This has the advantage of continuing the narrative of transformative regeneration the Council has been working to since the 2009 inception of ReWyre and offers the external challenge by stakeholders and private sector partners. A Project Board will sit under the ReWyre Board to be chaired by the Corporate Director EP&P with the respective Cabinet Member, Corporate Director Resources, Solicitor to the Council, Head of NWEDR, CLG representative, County Council representative and representatives from both Local Enterprise Partnerships. Project delivery will then be directly overseen by an NWEDR led Delivery Team which will include the wider disciplines such as finance, procurement, legal as required, together with key advisers on specialist elements required for delivery of the programme. It is envisaged that the NWEDR team will need to be supplemented with a dedicated Programme/Delivery Manager to manage the day to day delivery of the programme.

5. FINANCIAL IMPLICATIONS

- 5.1 The funding for the FHSF programme will be made by way of a s31 un-ringfenced capital grant paid in advance in accordance with the Council's annual programme profile. CLG will be in constant dialogue with the Council to monitor spend against profile and the projects. CLG have indicated that they do not expect to audit programme partners' projects individually. Any decisions regarding the capitalisation of any of the funding will rest with the Council's s151 officer.
- 5.2 In order to successfully deliver the FHSF programme the Council's needs to make provision in its Capital Programme in order to be able to receive the funding. This will include the £1.25m contribution from the Council which is intended to be funded by prudential borrowing.
- 5.3 The amendment to the Capital Programme will reflect the overall estimated gross capital cost of the project in the business case of £21,760,598. The external funding of £20.51m will be supplemented by additional intended co-funding from the Council of £1.25m towards the new build element of the refurbishment of the former Magistrates' Court building. Inclusion of this co-funding will follow the principles of, but in addition to the existing Capital Portfolio Fund. It will be noted that the allocation for intended co-funding will be subject to consideration of a full business case by Overview and Scrutiny and Cabinet at a future date. This business case will follow the principles of decisions taken for expenditure under the Capital Portfolio Fund, to ensure the extra prudential borrowing is affordable.
- 5.4 The cost (including the salary) associated with the appointment of a Programme Manager will be covered from capitalisation of the requisite amounts from the £20.5m grant, and/or from existing budgets.
- 5.5 The provision previously made in the Capital Programme by Council, in the event that the bid was successful, for the acquisitions totalling an anticipated £4.275m, will now be subsumed into this revision.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 The Council will use relevant powers to acquire and dispose of property in implementing the FHSF programme, such as sections 120 to 123 of the Local Government Act 1972, and will manage and undertake capital expenditure in accordance with the requirements of the Local Government Act 2003. There are no other. There are no other direct legal or policy implications arising from the report.

7. EQUALITY IMPACT NEEDS ASSESSMENT

- 7.1 An Equalities Impact Screening Assessment is not required. Equalities issues including accessibility for disabled people will be considered as relevant in the design of buildings and public open space and in the refurbishment of the former Magistrates' Court.

8. RISK MANAGEMENT

- 8.1 Risk management was part of the business case submission but individual projects will need to have their own risk registers developed as implementation is progressed. Provision was made for a capital contingency within the business case submission.

9. CONCLUSION

- 9.1 The Council has been notified that it has been successful in its bid to the Future High Streets Fund for £20.5m to undertake a series of interventions to transform Kidderminster town centre. The Council needs to make provision in its Capital programme to receive the monies which will be awarded as a s31 grant on an annual basis in accordance with its programme spend profile. The Capital Programme amendment will reflect the gross project cost.

10. CONSULTEES

- 10.1 Cabinet/CLT

APPENDICIES

Appendix 1 – confirmation letter from Secretary of State

BACKGROUND DOCUMENTS

FHSF submission of Expression of Interest and Full Business Case.



Ministry of Housing,
Communities &
Local Government

Cllr Graham Ballinger

Leader of Wyre Forest District Council
graham.ballinger@wyreforestdc.gov.uk

Mark Garnier MP

mark.garnier.mp@parliament.uk

Agenda Item No. 7.1 Appendix 1

Rt Hon Robert Jenrick MP

*Secretary of State for Housing, Communities and
Local Government*

**Ministry of Housing, Communities and Local
Government**

Fry Building
2 Marsham Street
London
SW1P 4DF

Tel: 0303 444 3450

Email: robert.jenrick@communities.gov.uk

www.gov.uk/mhclg

Ref: A282

26 December 2020

Dear Cllr Graham Ballinger and Mark Garnier MP,

I am writing to inform you of the outcome of the Future High Streets Fund Competition.

Now more than ever, it is vital that we continue to support our town centres and high streets, so we can once again see them bustling and thriving. We recognise the profound impact COVID-19 is having on the businesses and communities that make them successful and that is why we have already provided a substantial £2bn support package. This includes a business rates holiday, cash grants, business loans, the job retention scheme as well as deferral of income tax payments. We have also provided an additional £1.1bn to local authorities via the Additional Restrictions Grant to provide wider business support, and more than £11.6bn has been dispersed in grants to just under 1 million businesses in England. On top of this, our £50m Reopening High Streets Safely Fund has ensured businesses have been able to trade safely. But there is now, and will be evermore so once COVID-19 is in full retreat, an immense challenge ahead. It will require imagination, coordination and cooperation between the public and private sectors, all the planning flexibilities we can provide and of course capital.

I am therefore delighted to inform you that you have been successful in your Future High Streets Fund application and will be awarded £20,510,598. I hope this funding will enable you to transform your high street in a way that improves experience, drives growth and ensures future sustainability for the people of Kidderminster.

You submitted a strong business case to the department, which scored highly against our assessment criteria, and I was pleased to read about the projects you plan to deliver with the fund, including the new multi-functional public space and public realm improvements. It is clear to see the hard work that went into your application and I thank you for your patience over the last few months, especially in light of COVID.

We are keen to get delivery and spend underway quickly as I am sure are you. We would therefore welcome an early conversation over what delivery you think you may be able to bring forwards, in preparation of making the first year's payment in the New Year. Over the coming weeks, we will provide further detail at setting out the department's expectations around monitoring and evaluation, and the support that will go with that. It will also set out our

requirements around communications and branding, and how the department will keep in touch to oversee progress on delivery.

Congratulations again on your successful application, and I look forward to my department and Wyre Forest District Council working closely together over the next coming months, as we continue to help our local economies to recover, adapt and evolve from COVID-19.

I have copied this letter to Ian Miller, Chief Executive of Wyre Forest District Council.

A handwritten signature in black ink that reads "Robert Jenrick." The signature is written in a cursive style with a long horizontal stroke underneath the name.

RT HON ROBERT JENRICK MP

WYRE FOREST DISTRICT COUNCIL

CABINET
9th FEBRUARY 2021

PAY AND GRADING REVIEW

OPEN	
CABINET MEMBER:	Councillor Nicky Martin
RESPONSIBLE OFFICER:	Ian Miller, Chief Executive
APPENDICES:	Appendix 1 Summary of pay and grading review Appendix 2 Pay policy statement, 2021 onwards

1. PURPOSE OF REPORT

To make recommendations to Council in respect of approval and implementation of the pay and grading review and associated personnel issues.

2. RECOMMENDATION

2.1 The Cabinet is asked to RECOMMEND to Council that:

- (a) it approves the implementation of the pay and grading review, as summarised in appendix 1;
- (b) it approves a non-consolidated COVID response acknowledgement payment of £125 for every employee who was employed continuously between 26 March 2020 and 31 December 2020 and who undertook regular work during that period, other than staff on the Deputy Chief Officer grade or higher;
- (c) it adopts the revised pay policy statement for the financial year 2020-21 and each subsequent financial year, until it is amended by Council (appendix 2).

3. BACKGROUND

3.1 Council endorsed in September 2019 that a pay and grading review should be undertaken. The principal points raised in that report were:

- (a) to avoid the National Living Wage overtaking the bottom points or grades on the WFDC pay scale, a pay and grading review was unavoidable. It was also inevitable that, if the pay of those on Band D is increased as a result of such a review, there would be a knock on impact throughout the pay bands. Council was advised that "Whatever mechanism is used for the review will require a new pay structure. Its impact cannot yet be predicted but it is likely to involve an increase in pay for at least some staff, either at the outset or over time.";
- (b) the recommended approach was to take the opportunity to move to a more modern pay structure of job families. In the context of a Council that is likely to become smaller, employing fewer staff, the "job families" approach would support the process of change in reshaping the Council by introducing more flexible job roles.

Agenda Item No. 8.1

- 3.2 Council agreed to delegate to the Head of Paid Service, in consultation with the Cabinet, Corporate Director: Resources and Solicitor to the Council, finalisation of the pay and grading review with the objective of being cost neutral but subject to the financial envelope set out in the report, which was no more than 1-2% of the current pay bill. In other words, if the cost implications would be greater than 2%, a further report to Council would be necessary to obtain Council's agreement to implement. As set out in the financial implications section, the outcome of the review as negotiated with the unions would add approximately 4% to the pay bill and Council's agreement to implement the review is therefore being sought.
- 3.3 During the negotiations on the review, the unions raised the issue of a one off payment to staff to acknowledge their contribution during the COVID pandemic. The report presents the proposed response to this request, for Cabinet to make a recommendation for Council's approval.
- 3.4 Section 38 (1) of the Localism Act requires local authorities to produce a Pay Policy Statement ('the statement'). The Act requires the statement to range over disparate aspects of remuneration policy. It is necessary for Council to adopt an updated pay policy statement as a consequence of its decision in September 2019 to revert to the national pay agreements for deciding pay increases from April 2021 onwards and of the pay and grading review which Council is being asked to approve in this report.
- 3.5 The statement must set out policies relating to:
- (a) The remuneration of its chief officers,
 - (b) The remuneration of its lowest paid employees, and
 - (c) The relationship between –
 - i. The remuneration of its chief officers, and
 - ii. The remuneration of its employees who are not chief officers
- 3.6 The statement must state the definition of "lowest paid employees" and the authority's reasons for adopting that definition.
- 3.7 The statement must include policies relating to –
- (a) The level and elements of remuneration for each chief officer
 - (b) Remuneration of chief officers on recruitment
 - (c) Increases and additions to remuneration for each chief officer
 - (d) The use of performance-related pay for chief officers
 - (e) The use of bonuses for chief officers
 - (f) The approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
 - (g) The publication of and access to information relating to remuneration of chief officers
- 3.8 The definition of "chief officer" in the Act is much wider than the Corporate Leadership Team and includes deputy chief officers as defined in the Local Government and Housing Act 1989, i.e. certain managerial staff who report to chief officers.

4. KEY ISSUES

- 4.1 The pay and grading review has been undertaken with support from West Midlands Employers. Following detailed analysis and development of policy proposals, negotiation meetings with the recognised unions commenced in September 2020 and a total of seven meetings have been held since then in an effort to achieve a collective agreement. In accordance with employment law, if a collective agreement is achieved, it can be implemented without the need to consult or obtain the agreement of staff who are not union members. It has been made clear in this case that concluding a collective agreement is dependent on obtaining the endorsement of Council, because the cost implications exceed the envelope approved by Council in September 2019.
- 4.2 The proposals have been adjusted during the negotiations in order to address issues raised by the unions. These adjustments - which would benefit staff – include providing on an exceptional basis 18 months of pay protection where relevant. The opportunity has been taken to simplify the structure of allowances for which staff are eligible by removing the broadband and homeworking allowances, which are paid to only some staff, and providing an alternative approach which benefits all staff. In addition, relevant staff are able to claim tax relief on the cost of home working, at the present HMRC approved rate of £6/week which is worth up to £62.50 a year for an individual whose marginal tax rate is the basic rate. The final negotiated proposals are set out in appendix 1. In summary, the impact on staff is as follows, although this does not take account of the outcome of appeals which are being considered during February and March :

Impact	Number of staff
“Green Circle” (immediate increase in salary)	145
Headroom Gain (increase in salary over time)	91
No impact	59
Headroom loss (no reduction in salary; loss of some future incremental point(s))	7
Red Circle (immediate loss of salary, subject to pay protection)	28

- 4.3 It will be seen that the outcome of the review is that the vast majority of staff would see either an increase in their pay – immediately or over time – or would see no change. It was inevitable that this sort of pattern would emerge from the review because of the need to remove Band D (c.65 staff currently) in order to ensure that the bottom of the Council’s pay scale remains well above the National Living Wage. (For context, the National Living Wage increases to £8.91/hour on 1 April 2021, which is above current SCP14 in Band D: accordingly, SCP14 is being removed with effect from 1 April 2021 and any relevant staff will be paid on SCP15 instead. Under the new pay scale, SCP19, the bottom point of pay band 1, would be worth £10.04/hour with effect from 1 July 2021.)
- 4.4 Following ballots conducted by the recognised unions, UNISON and GMB, they confirmed on 26 January that the proposals as summarised in appendix 1 had been overwhelmingly approved. It is therefore possible to conclude a collective agreement although, as noted above, this is subject to formal approval of Council.

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- 4.5 During the negotiations, the unions raised the issue of a one off payment to staff to acknowledge their contribution during the COVID pandemic. There has been widespread recognition that staff across the Council have responded in an excellent way to the challenge of continuing to deliver services during the pandemic since March 2020, the longest lasting period of continuous operation of civil contingency arrangements in the Council's history, which followed immediately on the severe flooding in February and March 2020. A "major incident" was declared across West Mercia for most of 2020. However, apart from services that have been required to close during national lockdowns (such as Bewdley Museum), services were maintained throughout. No staff were furloughed and, where it was necessary to redeploy staff to alternative activities in order to keep services running, this was done.
- 4.6 A sample of the additional work undertaken by staff, over and above ordinary responsibilities, includes:
- new ways of working were required at short notice, supported by the ICT team in enabling as many staff as possible to work from home and allowing the first formal remote meetings of Councillors to happen in April;
 - tens of £ millions of grants and rate reliefs have been issued to businesses, principally by the Revenues Team but also by North Worcestershire Economic Development and Regeneration;
 - many more claims for council tax support than usual have been processed by the Benefits Team. £952k of hardship reliefs were issued and significant additional welfare support has been distributed, including food vouchers and assistance with energy and other essential costs;
 - much higher volumes of waste have been collected than normal, with only limited disruption caused by poor weather. Waste collections were maintained throughout apart for a brief period of suspension of the paid for bulky waste service;
 - the homelessness team moved over 40 people from the streets and other unsuitable accommodation in spring 2020 and have since found permanent accommodation for the majority of them, while continuing to deal with a higher caseload than normal of households requirement support with housing issues;
 - there have been significant pressures on the accountancy team arising from a more complicated and delayed external audit process and administering and accessing new Government funding streams and support for loss of income.
- This has been a council-wide team effort and Councillors have every right to feel proud of how staff have performed and responded to these exceptionally challenging circumstances.
- 4.7 Careful consideration has been given to the unions' request, and various options for how best to recognise staff's contribution in "going the extra mile" during this financial year have been examined. It is not felt enough to say "thank you". Recognising that the current position is not expected to continue for the whole of the next financial year, a one off modest recognition payment is considered appropriate. Having regard to the Council's financial position, this needs to be pitched at a level that can be afforded within underspends on salaries in 2020-21. There would therefore be no impact on the Council's budget-setting or council tax. Cabinet is asked to recommend to Council that it approves a non-consolidated COVID response acknowledgement payment of £125 for every employee who was

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employed continuously between 26 March 2020 and 31 December 2020 and who undertook regular work during that period, other than staff on the Deputy Chief Officer grade or higher.

- 4.8 The pay policy statement, last adopted in February 2018, needs amendment to reflect the changes to the pay structure arising from the pay and grading review and reverting to national pay agreements for determination of pay increases. A revised pay policy statement to cover the period from April 2021 onwards is presented in appendix 2 for recommendation for Council's approval. The updated statement has been drafted with a view to not having to update it every year, for example because of annual pay increases. In order also to provide some leeway for the Appointments and Appeals Committee in undertaking recruitment, the pay for the most senior posts is stated as falling within a pay range. This does not undermine the current arrangements for spot pay but allows the Council flexibility to make adjustments in the future without the need to have to amend its pay policy statement.
- 4.9 While it does not have to form part of the pay policy statement, the Council is obliged by the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 to publish data on its gender pay gap i.e. the gap between the mean and median hourly rates of pay of male full-pay relevant employees and those of female full-pay relevant employees. It is opportune to report to Council that the figures for Wyre Forest District Council as at 31 March 2019 were as follows:
- The mean gap is -11.91%
The median gap is -13.86%
- 4.10 These figures mean that female staff are paid more on average than male staff, which reflects the makeup of the workforce, in particular the higher proportion of men who fill front-line posts which tend to be less well paid and the higher proportion of women who fill middle and senior management roles. The pay and grading review is expected to lead to some reduction in the gap between male and female pay, as the lowest paid staff benefit proportionately more from the review than higher paid staff.

5. **FINANCIAL IMPLICATIONS**

- 5.1 The pay and grading review would have the following estimated financial implications:

2021-22	2022-23	2023-24
£245k	£474k	£369k

The cost in the first year is much lower because of the part-year effect of implementing from 1 July 2021. The cost is highest in the second year because of the earlier date at which staff in Pay Bands 1 and 2 will reach the top of their new scales and is also higher than the final year because some staff would still qualify for pay protection in 2022-23. These figures are built into the revised Medium Term Financial Strategy on this agenda.

5.2 The one off recognition payment is estimated to cost £48k in 2020-21 and will be met from projected underspends in salary budgets in 2020-21.

5.3 The cost of conducting the review has principally involved staff time, supported by £10K allocated for specialist support from West Midlands Employers.

6. LEGAL AND POLICY IMPLICATIONS

6.1 The review has been undertaken in accordance with employment legislation and following detailed negotiations over many months with the recognised trade unions. Updating the pay policy statement complies with the requirements of the Localism Act 2011.

7. EQUALITY IMPACT NEEDS ASSESSMENT

- 7.1 An Equality Impact Assessment (EIA) has been undertaken. It shows that there would be an impact on the protected characteristic groups with respect to gender. This reflects the predominance of men among the lowest graded posts in the Council (which generally see an increase in pay as a result of the review). Ignoring that group of staff, the impacts of the review are broadly comparable between the two genders with respect to “green circles” and “red circles” although a greater proportion of women are headroom gainers. This reflects the higher proportion of women in roles that involve “office type” work. There are no discernible impacts in respect of age which can be identified as significantly significant.
- 7.2 In the round, it is considered that the impacts are justifiable and that they arise from the gender mix of staff filling particular types of roles.

8. RISK MANAGEMENT

- 8.1 The principal risk in respect of the pay and grading review related to the ability to achieve a collective agreement: without it, the Council would have to consider either an entirely different approach or proceeding to consult individual members of staff and potentially impose arrangements. The successful union ballots have avoided the need for such options to be considered.
- 8.2 The other significant risk is financial in that the cost of the review needs to be kept to a manageable impact on the Council’s budget. While the review, together with additional mitigating measures negotiated with the unions, take the overall impact outside the remit agreed by Council in September 2019, the resultant cost is considered to be broadly in line with similar processes in other councils and affordable within the context of the Medium Term Financial Strategy.

9. CONCLUSION

- 9.1 The Cabinet is invited to recommend to Council that it approves the implementation of the pay and grading review; that it approves a modest one off recognition payment to staff; and that it adopts the revised pay policy statement.

10. CONSULTEES

- 10.1 Corporate Leadership Team
- 10.2 Cabinet
- 10.3 Recognised unions, on the pay and grading review

11. BACKGROUND PAPERS

- 11.1 Report to Council, 25 September 2019, "Pay arrangements from 2021 onwards"
- 11.2 Current pay policy statement (February 2018)
<https://www.wyreforestdc.gov.uk/media/3909840/pay-policy-statement-february-2018.pdf>
- 11.3 Localism Act 2011 Chapter 8
<http://www.legislation.gov.uk/ukpga/2011/20/part/1/chapter/8/enacted>

Appendix 1 Summary of pay and grading review

Job Families

Five job families have been identified as outlined below:

Operational	Business Support	Technical	Professional	Managerial
Broadly manual roles	Administrative and supportive roles without a technical specialist knowledge requirement	Specialist delivery area where some training/experience would be required to enable them to do the role and a specific client base	Chartered Institute with a career pathway, professional qualification routes and level specialist training	Can be any of the other families with added line management responsibility at varying levels

Within each job family there will be varying levels:

Level	Operational	Business Support	Technical	Professional	Managerial
1		N/A	N/A	N/A	N/A
2				N/A	N/A
3					
4					
5					
6					
7					
8					
9					

A mapping exercise has been undertaken, mapping every job role across to a job family.

Pay Spine

The current and proposed pay spines are set out in the tables.

Current Pay Scale

Current salary band	D	E	F	G	H	I	J	K	L	M	N
SCP range	14-17	18-21	22-25	26-28	29-31	32-36	37-40	41-43	44-46	47-49	50-52
No. of SCP in band	4	4	4	3	3	6	4	3	3	3	3

Proposed Pay Scale

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Proposed salary band	1	2	3	4	5	6	7	8	9
SCP range	19-21	22-24	25-28	29-32	33-36	37-40	41-44	45-48	49-52
No. of SCP in band	3	3	4	4	4	4	4	4	4

Implementation date

1 July 2021

Increments in 2021

The pay and grading review decides staff's salary on 1 July 2021 and for the remainder of 2021-22 (if remaining in the same post, working the same hours etc). No increments would be payable in the period from 1 July to 30 September 2021 – this would affect only staff whose employment commences between January and March 2021. They would be eligible for an increment on 1 April 2022 if applicable.

There would be no impact on other staff who would receive an increment on 1st April 2021 if applicable; or for staff employed in October, November or December 2020 who would receive an increment 6 months later i.e. April, May or June 2021

Transition to new pay scales: Pay Bands 1 and 2

For Pay Bands 1 and 2 only, staff with 12 months or more service on 30 June 2021 would be placed on the second spinal column point for that Pay Band on 1 July 2021 i.e. SCP20 in the case of Pay Band 1 and SCP23 in the case of Pay Band 2. The usual rules on incremental progression would apply thereafter.

Homeworking and Broadband Allowance

To ensure consistency across the Council these allowances will cease from 1st July 2021.

The removal of the homeworking and broadband allowances would see a modest, common adjustment to pay points for all new pay bands. This would be £100 and would be applied to all pay points existing at 1 July 2021. Staff would therefore see this reflected in their pay for July 2021 onwards.

For clarity, this adjustment would not be affected by whatever national pay increase applies for April 2021 if (as is normally the case) the national pay increase takes effect from 1 April 2021.

There will be no protection or transitional arrangements in respect of the removal of homeworking/broadband allowances.

Pay protection

On an exceptional basis related only to this pay and grading review, pay protection would apply for up to eighteen months. This does not set a precedent for any future case where an individual's pay falls in absolute terms, when it is expected that normal WFDC practice of 12 months' protection would apply.

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Pay protection in respect of the pay and grading review would apply only where someone's pay point on 1 July 2021 was lower in absolute terms than on 30 June 2021: the protection would see their salary protected at the level immediately prior to 1 July 2021 for the period from 1 July 2021 to 31 December 2022 at the latest. It would also take into account the impact of the preceding £100 adjustment for all staff.

The amount of pay protection would decrease at 1 April 2022, if there is a national pay increase at that date, so that the individual will continue to receive the same absolute amount of pay throughout the period of pay protection.

If the national pay increase for 2021 has not been confirmed and implemented in time for the calculation of pay protection for July 2021 or subsequent months, the amount of pay protection would be adjusted to reflect that pay increase including, if necessary, recovery of any overpayment before 31 December 2022.

Appendix 2 Revised pay policy statement for 2021 onwards

**WYRE FOREST DISTRICT COUNCIL
PAY POLICY STATEMENT
February 2021**

Introduction

1. This pay policy statement under section 38 of the Localism Act 2011 shall apply for the financial year 2021-2022 and each subsequent financial year, until amended.
2. The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees by identifying:
 - the methods by which remuneration of all employees are determined, including the remuneration of its most senior staff;
 - the arrangements for ensuring the provisions set out in this statement are applied consistently throughout the Council.

The Council's policies for setting remuneration

3. In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and at times which those services are required. The grade of a post is determined by application of an agreed Job Evaluation process.
4. The Council has returned to applying nationally negotiated pay awards with effect from 1 April 2021. The figures shown in paragraphs 5 and 11 below do not take account of the pay award for April 2021 as it is not known at the time of adoption of the pay policy statement. With the exception of JNC Chief Officers and the Chief Executive, historically, the Council used the nationally negotiated pay spine as the basis for its local grading structure. As a result of the local pay arrangements implemented in the period from 2014 to 2021, the salary values for spinal column points have diverged from the national pay spine. The values of spinal column points are therefore those developed by Wyre Forest District Council.
5. With effect from 1 July 2021, the salary bands applying to staff covered by the NJC for local government services are set out in the table. The values of the pay ranges will change over time as national pay awards for 2021 and subsequent years are applied. It is not possible to predict national pay awards and this pay policy statement will not be updated solely to take account of such national pay awards. (Salary bands applying for the period 1 April to 30 June 2021 are shown in the right hand column of the table in paragraph 6 of the February 2018 version of the pay policy statement, although do not take account of the pay award for April 2021 as it is not known at the time of adoption of the pay policy statement:

<https://www.wyreforestdc.gov.uk/media/3909840/pay-policy-statement-february-2018.pdf>)

Salary Band	Spinal column points	Annual pay range at 1 July 2021 (£)
1	19-21	19377 - 20811
2	22-24	21345 - 22685
3	25-28	23401 - 25771
4	29-32	26786 - 29392
5	33-36	30255 - 32595
6	37-40	33507 - 36547
7	41-44	37509 – 40387
8	45-48	41292 - 44214
9	49-52	45160 - 48182

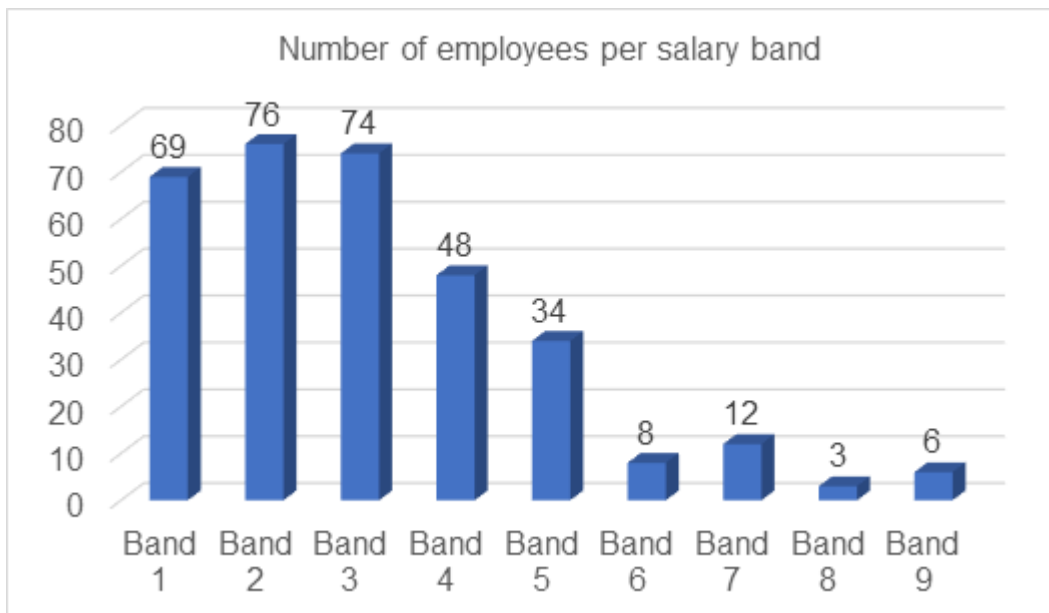
6. All other pay-related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council Policy.
7. New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capability. Where possible, the Council will ensure the requirement for such approaches is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.
- 9 There are a number of pay points within each band. For staff not on the highest point within the band, there is a system of annual progression to the next point on the band. Faster progression is possible under the Council's policy on merit increments.
- 10 With regard to equal pay requirements of the Equality Act 2010, the Council ensures that there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality proofed job evaluation mechanisms which directly relate pay grades to the requirements, demands and responsibilities of the role.

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11. For JNC Chief Officers, Deputy Chief Officers and the Chief Executive, the Council uses spot pay rates. In order to provide some flexibility in future decisions about recruitment or adjustments to pay of serving staff without the need to amend this policy statement, the statement sets a range within which salary for these posts will fall. The values of the spot pay shown in the table will change over time as national pay awards for 2021 and subsequent years are applied. It is not possible to predict national pay awards and this pay policy statement will not be updated solely to take account of such national pay awards:

Grade	Range	Spot pay rate (value at time of preparation of this statement)
DEPUTY CHIEF OFFICER	£50,000-£69,000	Varies depending on responsibilities etc. of post (4 posts on this grade as at February 2021).
JNC CHIEF OFFICER	£72,000 - £85,000	£77,105
CHIEF EXECUTIVE	£100,000 - £120,000	£114,177

Number of employees by salary band – Effective 1st July 2021



Chief Officers

- 12 The definition of 'Chief Officer' in section 43 of the Localism Act means that it includes many posts falling within the main pay scales. At the time of preparation of this statement, they include posts that range from Band 6 to Band 9 (although not all employees in those bands fall within the definition of 'chief officers').
- 13 The Council's policy and procedures with regard to recruitment of chief officers are set out in the Officer Employment Procedure Rules in Section 13 of the Council's Constitution. The determination of the remuneration to be offered to any newly appointed chief officer will be in accordance with this pay policy statement and other relevant policies in place at the time of recruitment. In the case of recruitment of JNC Chief Officers and the Chief Executive, the decision on remuneration will be taken by the Appointments and Appeals Committee. Where the Council is unable to recruit to a post at the designated grade, it will consider the use of temporary market forces supplements in accordance with its relevant policies.
- 14 Where the Council remains unable to recruit chief officers, or where there is a need for interim support to provide cover for a vacant substantive chief officer post, the Council will, where necessary, consider engaging individuals under contracts for service. These will be sourced through a relevant procurement process ensuring the Council is able to demonstrate value for money from competition in securing the relevant service. In accordance with IR35, the Council would normally expect to deduct tax and national insurance from payments to any individual providing interim support.
- 15 The Council does not normally pay any bonuses or performance related pay to its chief officers.

Additional payments to Chief Officers

- 16 In addition to basic salary, the Council may pay other elements of 'additional pay' which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfilment of duties, which could include returning officer fees or honoraria. Returning officer fees in respect of parish level electoral events are agreed from time to time in a meeting of full Council

Lowest Paid Employees

- 17 The Council's definition of lowest paid employees is people employed in Band 1 of the Council's grading structure. This is because it is the lowest pay band operated by the Council for permanent staff who are not employed as Apprentices.

Apprentices appointed by the Council will be paid at the following rates:

First year of Apprenticeship	Rate
Regardless of age	60% of specified rate – currently £8.45
Second year of Apprenticeship	Rate
Aged 16 – 17 years old	65% of specified rate – currently £8.45
Aged 18 – 20 years old	80% of specified rate – currently £8.45

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Aged 21 – 22 years old	100% of specified rate – currently £8.45
Age 23+	National Living Wage Rate - £8.91 as of 1 April 2021

Relationship between remuneration of chief officers and remuneration of employees who are not chief officers

- 18 The pay levels within the Council define the multiple between the median salary of its chief officers and the median salary of all employees. At the time of preparation of this policy statement, the ratio was 1:2.8. This calculation is based on employees in post and actual salaries as at 20th January 2021, (excluding Apprentices). The Council's policy is that this ratio should remain below 1:3.

Payments on termination etc.

- 19 The Council's approach to statutory and discretionary payments on termination of employment is set out within its Redundancy Policy which includes the written statement in accordance with regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006. At the time of preparation of this policy statement, the policy is:
- to pay statutory redundancy payments in accordance with the Employment Relations Act 1998, which provides for a maximum calculation equivalent to up to 30 weeks' pay. The payment will be based on an employee's actual weekly salary rather than the figure set by the Government.
 - not to make discretionary lump sum payments or to make payment in lieu of notice in cases of termination of employment.
- 20 The Council's policy is normally not to make any awards under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011 : this constitutes its written policy under the regulations.
- 21 The Council's decisions on use of powers to enter any Settlement Agreement under section 23 of the Enterprise and Regulatory Reform Act 2013 will be taken by the Appointments and Appeals Committee where the decisions relate to either the Chief Executive or a JNC Chief Officer. Decisions on entering Settlement Agreements with other employees will be taken by the Chief Executive.

Publication of information

- 22 This statement will be published on the Council's website www.wyreforestdc.gov.uk
- 23 In accordance with regulation 7(3) of, and Schedule 1 to, the Accounts and Audit Regulations 2015, for posts where the remuneration in a year is £50,000 or more, the Council's Annual Statement of Accounts will include a note setting out the total amount of
- salary, fees or allowances paid to or receivable by the person in the current and previous year;

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- any bonuses so paid or receivable by the person in the current and previous year;
- any sums payable by way of expenses allowances that are chargeable to UK income tax;
- any compensation for loss of employment and any other payments connected with termination;
- any benefits received that do not fall within the above

The statement of accounts is available on the Council's website.

- 24 In accordance with the Local Government Transparency Code, the Council also publishes information about remuneration of the Chief Executive, JNC Chief Officers and staff in the transparency section of its website:

<http://www.wyreforestdc.gov.uk/the-council/transparency-and-freedom-of-information/structure-and-staff.aspx>

This information is updated from time to time and includes a list of "chief officers" as defined in the Localism Act 2011.

WYRE FOREST DISTRICT COUNCIL

CABINET
9th FEBRUARY 2021

Medium Term Financial Strategy 2021-2024
Capital Strategy 2021-2031

OPEN	
CABINET MEMBER:	Councillor G Ballinger
RESPONSIBLE OFFICER:	Corporate Director: Resources
CONTACT OFFICER:	Tracey Southall, Ext 2100 tracey.southall@wyreforestdc.gov.uk
Appendix 1 Appendix 2 Appendix 3 Appendix 4 Appendix 5 Appendix 6	Base Budget Projections 2021-2024 Capital Programme 2020-21 onwards Fees and Charges – Council Report of the Corporate Director: Resources/Chief Financial Officer in respect of Sections 25-28 Local Government Act 2003 Alternative Budget Proposals Amendment to the Corporate Plan <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 OF REPORT

- 1.1 To update Cabinet on the Medium-Term Financial Strategy 2021-2024 and make recommendations to Council on the proposed budget decision. This report also seeks approval of the Capital Strategy for 2021-2031 including prudential indicators which set limits for non-financial investments and to fulfil the key requirements of the MHCLG Investment Guidance. As part of the overall approval sought the report of the Corporate Director: Resources in respect of statutory duties placed on Local Authority Chief Financial Officers in relation to budget setting and monitoring is considered.

2. RECOMMENDATIONS

The **CABINET** having re-considered the Financial Strategy 2021-2024, the results of the Budget consultation exercise, alternative budget proposal and recommendations of the Strategic Review Panel **RECOMMENDS TO COUNCIL** that it:

2.1 THREE YEAR BUDGET, CAPITAL STRATEGY AND POLICY FRAMEWORK 2021-2024

- 2.1.1 **APPROVES** the updated Medium-Term Financial Strategy 2021-2024;

2.1.2 **APPROVES** the Cabinet Proposals – taking into account the impact on the Council's Capital and Revenue Budgets for 2021-2024 as shown in the tables in paragraphs 6.1 and 6.3 and as set out below:

- a.) Approval of a further programme of phased savings for the strategic repositioning of the Council from the Wyre Forest Forward Savings Programme included in tables 6.3 and 6.5.1 of £0.8m in 2021-22, £1.2m in 2022-23, £1.5m in 2023-24 ongoing after this year;
- b.) Approval of £200k generic capital budget to support expansion of the Council's income generating activity, to be funded from prudential borrowing with the revenue costs met from within approved financially viable business cases. The Innovation Fund will be used to fund any one-off revenue business case costs.
- c.) Approval of a reduced Community Leadership Fund of £16.5k being £500 per Councillor in 2021-22, followed by £8.5k being £250 per Councillor in 2022-23 and zero thereafter.

2.1.3 **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 2021-2024, as shown in Appendix 3;

2.1.4 **APPROVES** The removal of the priority about affordable housing from the Corporate Plan as set out in Appendix 6.

2.1.5 **APPROVES** the Council's updated Capital Strategy including the following Indicators and limits that will be further revised for the February 2021 Council Meeting following any changes to the Capital Programme brought about as a result of the budget process:

- a) **Approval** of the Capital Strategy 2021-2031 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 this report (which updates Appendix 1, Appendices A and B of the Capital Strategy report to December 2020 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 22nd December 2020 report.

2.1.6 **APPROVES** that any Final Accounts savings arising from 2020-2024 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;

- 2.1.7 The General Fund Revenue Budget be **APPROVED** including all updates from the position in December 2020 as set out in this report.

2.2 COUNCIL TAX AND BUSINESS RATES

- 2.2.1 That Council Tax is increased by the higher limit specified by the Government which based on the Provisional Settlement is currently 2% or £5 whichever is higher; this is set out in 2.2.2. However, if the Final Settlement increases flexibility then the proposed increase recommended to Council will be revised up to the maximum level allowed.
- 2.2.2 That if the higher limit for the Council Tax increase is confirmed as 2% or £5 whichever is the higher then:
- a. **SETS** the Council Tax for Wyre Forest District Council on a Band D Property at £224.34 for 2021-2022 (£219.34 2020-2021) which represents an increase of 2.28% on Council Tax from 2020-2021.
 - b. **ENDORSES** the provisional Council Tax on a Band D Property in 2022-2023 of £229.34 and £234.34 in 2023-2024, being increases of 2.23 % and 2.18% respectively.
- 2.2.3 **NOTES** the Corporate Director: Resources (as Chief Financial Officer) opinion on the budget proposals, recommended by the Cabinet in this report, as detailed in Appendix 4 of this report.
- 2.2.4 **NOTES** that the Local Council Tax Support Grant in 2021-22 will initially be added to General Fund Reserves to offset the Collection Fund loss as a result of the reduction in Council Tax Base and **APPROVAL** of delegation to the Corporate Director Resources in liaison with the Cabinet Member for Strategy and Finance to divert any portion of this for Hardship relief if appropriate.

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

- 2.3.1 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 2.1.7 above, as a result of any further notifications from Central Government.

2.4 The Cabinet is asked to **NOTE in line with the recommendations of the Strategic Review Panel:**

- 2.4.1 The Alternative budget proposals as detailed within Appendix 5 of this report, further noting that updated versions as appropriate will be provided for Full Council on the 24th February 2021.

3. KEY ISSUES

- 3.1 On 22nd December 2020, Cabinet considered reports on proposals for the Budget Strategy for the period 2021-2024 including the intrinsically linked Capital Strategy 2021-2031. The Provisional Local Government Finance Settlement was announced on the 17th December the Final Settlement is still awaited; this report has been prepared on the basis of no major changes from the Provisional Settlement that whilst providing some additional one-off funding for 2021-22, did not significantly alter the longer term funding assumptions within the December report. This report provides an updated position and a proposed budget decision for Council to consider on the 24th February 2021 that will be further updated once the Final Settlement is published.
- 3.2 The following assumptions included in the Medium Term Financial Strategy are now updated or confirmed:
- Provisional Finance Settlement including refresh and all COVID related grant funding, further updates will be provided once the Final Settlement is issued
 - Council Tax Base
 - The position in relation to New Homes Bonus
 - Collection Fund position
 - Cabinet Proposals
 - Refreshed Capital Programme including the Future High Streets funding now confirmed
 - Business Rates Pool and also retained growth projections and also reaffirmed projections for the new Worcestershire Pilot for 2021-22
 - Allocations of £344,305 for Homelessness Prevention Grant that is in addition to the Core Spending Assessment
 - The impact of the Pay and Grading review as set out in the separate report on this agenda including the separate proposal for a one-off, non-consolidated COVID response acknowledgement payment to employees
 - An update of the Wyre Forest Forward generic targets and overall Funding Gap
- 3.3 The increase in the District Council's tax from 2011-12 to 2021-22 taking into account the latest proposal is only 13.5% compared to a CPI increase of 21.3% between 2010 and 2020 demonstrating that households within Wyre Forest have enjoyed sub inflation increases for many years.
- 3.4 The Budget Consultation survey was launched on the 11th November and ran until the 10th December 2020. The results of this consultation were reported as part of the December 2020 MTFS report to Cabinet and have informed the proposals in this report. The Strategic Review Panel meetings on the 13th and the 25th January received Alternative Budget Proposals for consideration by Cabinet in formulation of their final proposals and updated versions of these proposals (based on revised funding etc) are included in this report at Appendix 5. Further updated versions will be provided for Full Council on the 24th February 2021.
- 3.5 As referenced in paragraph 6.10 of the December MTFS Cabinet Report, and in line with the Budget Consultation results, a review has been undertaken of the

Corporate Plan and a revised version is proposed in Appendix 6, amended to omit the priority of good, quality and affordable housing. It should be noted that despite the removal of the priority about affordable housing, it is not proposed to alter the strategic action that mentions affordable housing – as the ambition is still to deliver it in any case through adoption of the local plan and other actions, such as regeneration of Kidderminster town centre.

- 3.6 A revised **Capital Programme** updated from the version considered by December Cabinet is in Appendix 2 for Council approval. This includes the financial implications of the successful bid for £20.5m Future High Streets Funding. The separate report also on this agenda sets out the full impact of this exciting new scheme in full and the gross capital cost, including all partnership funding is shown in the proposed Capital Programme.
- 3.7 The approach to be taken to **fees and charges** within the financial strategy recommended by Cabinet this year will continue to have regard to demand and other market conditions. As a result, some fees and charges may be frozen or increased by less than the average of 5%. The proposals for 2021-22 show that 63% of Fees and Charges are to be frozen whilst a further 11% are proposed to be increased but below the general 5%. As decided last year, car parking fees and charges will be frozen for 2021-22 to retain the new simpler charging structure introduced from 2020-21 with circa 5% increases proposed from April 2022. Car parking income has been adversely impacted by the ongoing pandemic, but it is hoped that it will recover over the next 18 months and this is reflected in the proposed MTFS.
- 3.8 Although the ongoing impact of COVID together with the scale of the funding gap means that income generation is now a much smaller part of strategy, the work of the Commercial team at the Depot will continue in 2021-2022. The previously allocated generic Capital Budget of £250k and £100k for Revenue to support this more commercial work have largely been used and the Innovation Fund will now be used for revenue proposals. A Cabinet Proposal is included in the Strategy for a further £200k Capital pot to support new income generation proposals for speed of decision making.
- 3.9 The final impact of the proposals to Council on the **Pay and Grading Review** including the separate proposal for a one-off COVID response acknowledgement payment to employees to recognise the extra work and strong commitment to keep essential services operating is also included within these proposals.
- 3.10 Fees and Charges requiring Council approval are detailed in Appendix 3.

Spending Proposals

- 3.11 The Cabinet Proposals are revised following careful consideration of Alternative Budget proposals considered by the Strategic Review Panel on the 13th and 25th January 2021 and further dialogue with the Labour Group.
- 3.12 There are now three Cabinet Proposals this year as set out below, one for revenue savings, one for a modest capital budget with revenue costs to be met from proposals and a final one for a reduced Community Leadership Fund that is

phased out by 2023-24.

- 3.13 Approval of a further programme of phased savings for the strategic repositioning of the Council from the **Wyre Forest Forward Savings Programme as set out in table 6.21 of £0.8m in 2021-22, £1.2m in 2022-23, £1.5m in 2023-24 and thereafter.** Severance costs arising from this transformation forward work programme will be met from the Innovation Fund.
- 3.14 Approval of **£200k generic capital budget to support expansion of the Council's income generating activity**, to be funded from prudential borrowing with the revenue costs met from within approved financially viable business cases. The Innovation Fund will be used to fund any one-off revenue business case costs.
- 3.15 Approval of a **reduced Community Leadership Fund of £16.5k being £500 per Councillor in 2021-22, followed by £8.5k being £250 per Councillor in 2022-23 and zero thereafter.**
- 3.16 Business Rate projections based on the continuation of the current 50% Worcestershire pooling agreement for 2021-22 are shown in table 6.3 below. These do not differ overall from the December report. Accurate forecasting is extremely difficult at this time, but it should be possible to manage any significant variations at final accounts by drawing on the Business Rates Equalisation earmarked Reserves if necessary. These take into account the Council's share of forecast growth from major redevelopments, appeals, reliefs, economic regeneration work, forecast increases in the multiplier for inflation and other Business Rates market intelligence. The collective WBRP approach to provisions for appeals depending on prevailing circumstances nearer the time, may result in outturn variances to these forecasts which will be reported as part of the Final Accounts process.

The most significant factor in the decision regarding Pool membership from 1st April 2021 was our view on the probability of further significant business rate losses in Wyre Forest, exacerbated by the impact of COVID-19 and the uncertainty around the continuation of the significant reliefs provided by Central Government in 2020-21.

LG Futures were commissioned to undertake detailed financial modelling of the potential Pooling proposals for 2021-22. Given the prevailing uncertainty around the economy this was not without its challenges. However, extensive sensitivity and risk analysis has been undertaken as part of the work. This showed that it is unlikely that continuation of the current Pool would not be beneficial.

The position in relation to the detail of the ongoing impact of the COVID-19 pandemic, the delayed Funding Reform, further appeals and resultant significant uncertainty this year remains a concern. this is being managed by the Corporate Director: Resources in conjunction with the other treasurers within the Pool. Business rates. It is unknown if Business Rate Pools will cease when the new funding system is eventually introduced.

- 3.17 Taking these measures into account the projected Base Budget net expenditure for 2021-2022 is estimated to be £11,169 (see paragraph 6.3). This is £505,770 more than currently estimated to be raised from Council Tax, Business Rates

Income retained, Collection Fund Surplus New Homes Bonus and all other grants based on a £5 pa Council Tax increase.

4. **LOCAL AUTHORITY REVENUE FINANCE SETTLEMENT FOR 2021-2022**

- 4.1 The Provisional Local Government Settlement was announced on the 17th December 2020 the Final Settlement is yet to be issued as at the time of writing. Whilst there was some welcome additional one-off funding including in the Provisional Settlement this has not significantly changed the longer-term financial forecast. It does though provide some additional time for the necessary transformation work to close the funding gap to be undertaken.
- 4.2 The 2021-22 local government finance settlement is for one year only and is based on the Spending Review 2020 (SR20) funding levels. Within Spending Round 2020, information regarding 2021-22 funding allocations was provided. The provisional settlement confirms these previous announcements; the main points, yet to be confirmed in the Final Settlement are set out below followed by further analysis:
- **Council Tax** – As previously announced at SR20, the council tax referendum limit will be 2% for local authorities, with social care authorities allowed a 3% social care precept, although this can be deferred to 2022-23. The provisional settlement confirmed that districts will be allowed to apply the higher of the referendum limit or £5.
 - **Business Rates Retention** – As announced at SR20, the business rates multiplier has been frozen for 2021-22. Therefore, the three elements of the Business Rates Retention system (Baseline Need, NNDR Baseline and Tariff/Top Up amounts) remain at 2020-21 levels. However, the under-indexing multiplier grant has been increased, in order that local authorities do not lose what would have been the increase to the multiplier (as per previous years when a cap was applied).
 - **Revenue Support Grant** – For those authorities still receiving RSG, this has been increased by 0.55%, in line with what would have been the increase to the multiplier.
 - **New Homes Bonus** - The 2021-22 allocations have been announced. These will be paid with the legacy payments due from previous years (2018-19 and 2019-20). As previously announced, there will be no legacy payments for the new 2021-22 in-year allocations and no legacy payment was paid for 2020-21 (as indicated in the 2020-21 settlement). The deadweight of 0.4% was maintained. This is a marginal increase on the figures assumed in the December Cabinet report.
 - **Top Up/Tariff Adjustments (Negative RSG)** – As in previous years, the government has decided to eliminate the negative RSG amounts. This was assumed in the December report.
 - **Social Care Funding** – Originally announced at SR20, there has been an increase to the Social Care Support Grant of £300m. This has been allocated based on Adult Social Care relative need (£60m) and the ability to raise resources through the social care precept (£240m). This is County Council funding.

- **Lower Tier Services Grant** – A new un-ringfenced lower tier services grant of £111m was announced by the Minister. This has been allocated via 2013-14 Settlement Funding Assessment levels (£86m) and to fund a floor, to ensure that no authority has a total Core Spending Power less than in 2020-21 (£25m). This is £121,083 for this Council.
- **Rural Services Delivery Grant** – There has been an increase of £4m, from £81m in 2020/21, to £85m in 2021-22; with the methodology for distribution remaining unchanged from 2020-21. Wyre Forest does not receive this grant.
- **COVID-19 Funding** – In SR20, £2.2bn of funding was announced to support local government in 2021-22, alongside support for local tax income and the spreading of deficits. Further details of this support have been provided through a consultation paper. This funding is not included in the Core Spending Power figures. The extra COVID-19 Funding for Wyre Forest is in two parts firstly general COVID-19 support of £563,804 and also COVID-19 support in relation to council tax base losses of £184,250.
- **Local Government Funding Reform** – No papers were published relating to the Fair Funding Review or the Business Rates Reset and the Minister would not confirm that the reforms will even take place next year.

a. Core Spending Power – Overall

“Core Spending power” is a headline figure used by MHCLG to represent the key revenue resources available to local authorities, including an estimate of actual and potential council tax

The updated National Core Spending Power figures for the period 2015-16 to 2021-22 are shown in Table 4.2.1 below. It shows an increase of 4.5% for 2021-22. There was also an overall increase for the period an overall change for the period 2015-16 to 2021-22 of 14.7%. It should be remembered that the increase for individual authorities will be different to the national figures and the government figures also contain assumptions around council taxbase change that may not be reflected in local projections. However, this Council’s core spending power will increase by 3.5% in 2021-20 compared to 2020-2 as shown in Table 4.2.2.B This compares favourably with the majority of shire districts as shown in Table 4.2.3

Table 4.2.1 Core Spending Power figures for England 2015-16 to 2021-22

England									
Core Spending Power	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Increase	
	£m	£m	£m	£m	£m	£m	£m	£m	%
Settlement Funding Assessment	21,250	18,602	16,633	15,574	14,560	14,797	14,810	13	0.1%
Compensation for under-indexing the business rates multiplier	165	165	175	275	400	500	650	150	30.0%
Council Tax Requirement excluding parish precepts	22,036	23,247	24,666	26,332	27,768	29,227	31,145	1,918	6.6%
New Homes Bonus (incl. returned funding)	1,200	1,485	1,252	947	918	907	622	(285)	(31.4%)
Rural Services Delivery Grant	16	81	65	81	81	81	85	4	4.9%
Transition Grant	0	150	150	0	0	0	0	0	0.0%
Improved Better Care Fund (incl. former Winter Pressures Grant)	0	0	1,115	1,739	2,077	2,077	2,077	0	0.0%
Social Care Grant (incl. former Adult / Social Care Support Grant)	0	0	241	150	410	1,410	1,710	300	21.3%
Lower Tier Services Grant	0	0	0	0	0	0	111	111	
Core Spending Power Total	44,666	43,730	44,296	45,098	46,213	48,999	51,210	2,211	4.5%

Table 4.2.2A Core Spending Power figures for Wyre Forest District Council

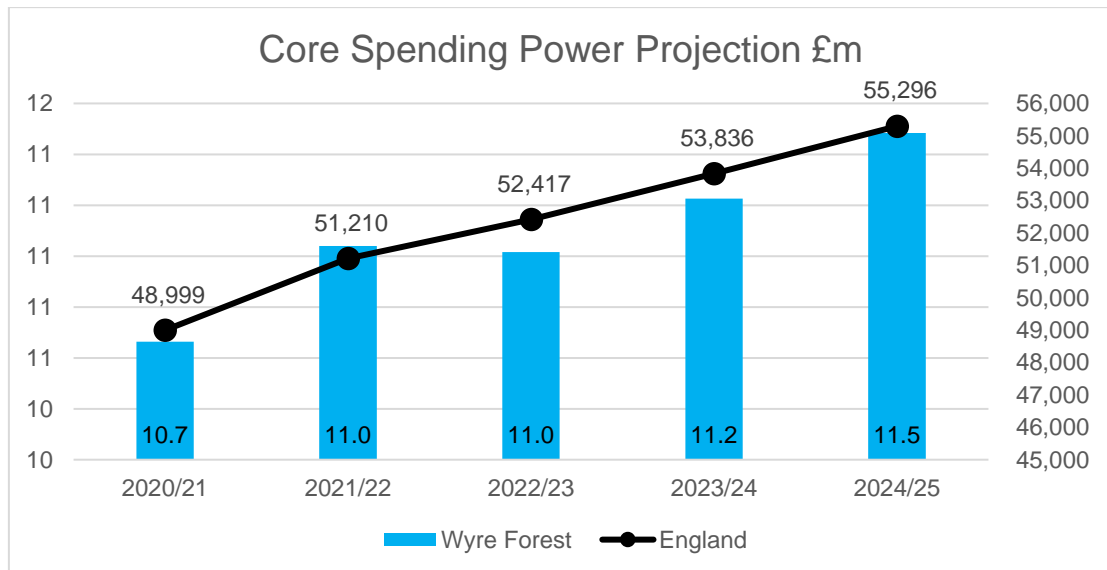
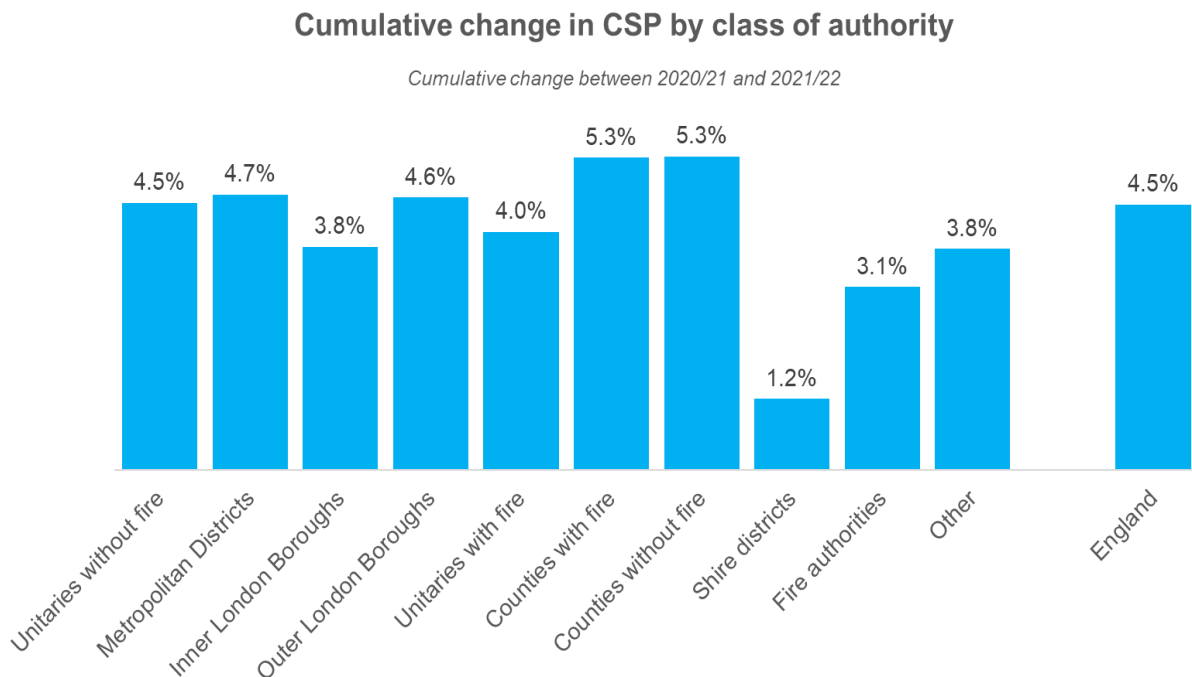


Table 4.2.2.B Core Spending Power for Wyre Forest

Wyre Forest	Actual 2020/21 £m	Provisional 2021/22 £m	Projected 2022/23 £m	Projected 2023/24 £m	Projected 2024/25 £m
Settlement Funding Assessment	2.843	2.843	2.886	2.944	3.002
Compensation for under-indexing the business rates multiplier	0.114	0.148	0.148	0.151	0.154
Estimated Council Tax excluding Parish Precepts	7.445	7.685	7.955	8.208	8.466
Improved Better Care Fund	-	-	-	-	-
Social Care Grant	-	-	-	-	-
New Homes Bonus	0.262	0.243	0.071		
Lower Tier Services Grant	-	0.121			
Rural Services Delivery Grant	-	-	-	-	-
Other (Unused NHB and BRR Growth)			(0.044)	(0.077)	(0.139)
Core Spending Power	10.664	11.040	11.016	11.226	11.484
Percentage change in CSP		3.5%	-0.2%	1.9%	2.3%

Table 4.2.3 - Change in CSP by class of authority (2020-21 to 2021-22) – WFDC - 3.5% increase



- b. **Council Tax** – For 2021-2022, there will continue to be differential limits that will trigger the need for a council tax referendum.

A referendum limit of 2% will represent the trigger for all authorities, except Shire Districts (higher of £5 or 2%) Parishes (no limit), Police and Crime Commissioners (£15) and Mayoral Combined Authorities (no limit). As previously announced, an adult social care precept of up to 3% will also be available in 2021-22.

- c. **Business Rates** - The application for continuation of the current 50% Worcestershire Business Rates Pool, including the Fire Authority has been confirmed. The original 100% pilot areas from 2017-18 will continue for 2020-21.

- d. **New Homes Bonus** - the **allocations have been announced**, for 2021-22. The Core Spending Power figures for 2021-22 include these allocations. There are no changes to the New Homes Bonus deadweight threshold (at 0.4%) or the eligibility of properties to qualify for the funding, however there are a number of points to note:

- The allocations are provisional and subject to final confirmation and checks;
- The overall allocation for each authority is based on the legacy payments for 2018-19 and 2019-20, plus the 2021-22 allocation;
- The 2020/21 “in year” allocations did not have future years’ legacy payments;
- The deadweight for 2021-22 in-year allocations remains at 0.4%;
- The ministerial statement announced a Spring 2020 consultation on the future of the scheme, stating that “It is not clear that the New Homes Bonus in its current form is focused on incentivising homes where they are needed most” and the consultation will “include moving to a new, more targeted approach that rewards local authorities where they are ambitious in delivering the homes we need, and which is aligned with other measures around planning performance”. This was also confirmed in the provisional settlement press release, stating “We will soon be inviting views on how we can reform the scheme from 2022-23 to ensure it is focused where homes are needed most”.

- 4.6 Councils are facing a significant period of financial uncertainty and resultant risk greatly exacerbated by the COVID-19 pandemic. They need clarity and certainty about how all local services will be funded over the next few years and beyond. Next year we need a multi-year settlement and meaningful progress towards a long-term, sustainable solution to the funding crisis our adult social care services continue to face. There must be no further delays to the process of reform.

It is vital that the Government guarantees the financial challenge facing councils as a result of COVID-19 will be met in full, including funding for cost pressures and full compensation for lost income and local tax losses.

- 4.7 The forecast position in relation to total Government grant taking into account the one-year Spending Round for 2021-2022 and subsequent Finance Settlement is shown in the Tables at 6.3.

5. **COUNCIL TAX BASE**

- 5.1 The Council Tax Base previously reported for 2020-21 has now been confirmed; this has decreased from the 2020-21 level of 33,945 to 33,780 being a decrease of 165 or circa 0.5% lower compared to 2020-21 level. This has been adversely impacted by the increase in CTRS awards because of the pandemic. It is forecast to rise over the term of the Strategy, informed by data from planning applications resulting in increases of circa 0.6% or 200 additional properties in 2022-23 and 2023-24.
- 5.2 No revisions are proposed to the current Council Tax Reduction Scheme. Delegation is proposed in paragraph 2.24 for the Corporate Director Resources in liaison with the Cabinet Member for Strategy and Finance to divert any portion of the new Local Council Tax Support Grant in 2021-22 for further Hardship relief if appropriate.

6. **FINANCIAL IMPLICATIONS**

- 6.1 The Cabinet Proposals previously considered have now been confirmed. These are set out in paragraphs 3.12, 3.13 and 3.14, summarised below and included in the table in paragraph 6.3.

ACTIVITY AND DESCRIPTION OF CABINET PROPOSALS	KEY	2021-22 £	2022-23 £	2023-24 £
		£	£	£
<u>Wyre Forest Forward Savings</u>	C			
Approval of a further programme of phased savings for the strategic repositioning of the Council from the Wyre Forest Forward Savings Programme of £0.8m in 2021-22, £1.2m in 2022-23 and £1.5m in 2023-24. Severance costs arising from this transformation forward work programme will be met from the Innovation Fund.	R	800,000 CR	1,200,000 CR	1,500,000 CR
	S	-	TBC	TBC
<u>Community Leadership Fund</u>				
Approval of a reduced Community Leadership Fund of £16.5k being £500 per Councillor in 2021-22, followed by £8.5k being £250 per Councillor in 2022-23 and zero thereafter.	C	-	-	-
	R	16,500	8,250	-
	S	-	-	-
<u>Capital Budget to Support the Commercial Agenda</u>				
Approval of a further £200k generic capital budget to support expansion of the Council's income generating activity to supplement revenue funding from the Innovation Fund in 2021-22, to be funded from prudential borrowing with the revenue costs met from within approved business cases.	C	200,000	-	-
	R	-	-	-
	S	-	-	-
	C	200,000	-	-
TOTALS	R	783,500 CR	1,191,750 CR	1,500,000 CR
	S	-	-	-

- 6.2 The Council Tax Collection Fund position together with the forecasts for the New Tax Income Guarantee Funding have now been reviewed, based on more up-to-date council tax collection information and additional detail in guidance issued with the Provisional Settlement. The Table 6.2 below shows these variations.

	2020-21	2021-22	2022-23	2023-24
Financial Gap	£	£	£	£
December MTFS Funding Gap	808,540	2,622,230	2,101,830	2,559,190
Changes to Service Income and Expenditure	22,880	32,070	144,470	122,890
75% Tax guarantee (CTAX)	(17,000)	123,000	123,000	123,000
Recalculation of expected Collection Fund Deficit (CTAX)	0	14,900		
Business Rates Income (submitted NDR1, part 4)	(350,000)	(68,900)	(68,900)	(68,900)
Local CTS grant	0	(184,250)	0	0
Lower Tier Services grant	0	(121,080)	0	0
LA Covid support Grant	0	(563,800)	0	0
Amendment to Cabinet proposals	0	16,500	8,250	0
AMENDED FINANCIAL GAP TOTAL	464,420	1,870,670	2,308,650	2,736,180
In year change from December MTFS	344,120	751,560	(206,820)	(176,990)
Cumulative change - all years				711,870

- 6.3 The following tables demonstrates the updated position for the Council when all the revisions included in this report are incorporated into the Base Budget. The Council is forecast to hold a balance of £2,578k at the end of 2023-24 (see reserves table in 6.4) based on a Council Tax increase of £5 pa.

Table 6.3 - Updated Position Assuming a Council Tax Increase of £5 pa

	Revised 2020-21 £	2021-22 £	2022-23 £	2023-24 £
Net Expenditure on Services (per Appendix 2)	14,479,370	13,084,100	12,151,680	12,658,080
COVID Support grants	(2,714,531)	(1,131,990)	0	0
Total Net Expenditure on Services (per Appendix 2)	11,764,839	11,952,110	12,151,680	12,658,080
<u>Less</u>				
Cabinet Proposals	0	(783,500)	(1,191,750)	(1,500,000)
Net Expenditure	11,764,839	11,168,610	10,959,930	11,158,080
Contribution (from)/to Reserves	(419,849)	(505,770)	(657,170)	(672,960)
Net Budget Requirement	11,344,990	10,662,840	10,302,760	10,485,120
<u>Less</u>				
Revenue Support Grant	0	0	(356,790)	(356,790)
Business Rates	3,691,180	2,869,590	2,898,290	2,927,270
New Homes Bonus	261,530	239,960	63,390	0
Lower Tier Services Grant	0	121,080	0	0
Collection Fund Deficit	(70,220)	(146,000)	(95,100)	(95,100)
Covid 75% Tax Income Guarantee (Council Tax)	17,000	0	0	0
Council Tax Income	7,445,500	7,578,210	7,792,970	8,009,740
WFDC Council Tax: £5 increase per annum	219.34	224.34	229.34	234.34
Percentage increase in Council Tax	2.39%	2.28%	2.23%	2.18%

- 6.4 Reserves available as part of the three-year financial strategy are as shown in the following table. Taking all of the revisions contained in this report into account this shows an increase of £712k at the end of 2023-24 compared to the December forecast based on a £5pa Council Tax increase.

Table 6.4. - Reserves Statement Assuming a Council Tax Increase of £5 pa

Reserves Statement	Revised 2020-21 £	2021-22 £	2022-23 £	2023-24 £
Reserves as at 1st April	4,833,620	4,413,770	3,908,000	3,250,830
December MTFS transfer to (from) Reserves	(763,970)	(1,257,330)	(450,350)	(495,970)
Changes since December report:				
Changes to Service Income and Expenditure	(22,880)	(32,070)	(144,470)	(122,890)
Collection Fund deficit	0	(14,900)	0	0
75% Tax guarantee (CTAX)	17,000	(123,000)	(123,000)	(123,000)
Business Rates Income (submitted NDR1, part 4)	350,000	68,900	68,900	68,900
Local CTS grant	0	184,250	0	0
Lower Tier Services grant	0	121,080	0	0
LA Covid support Grant	0	563,800	0	0
Amendment to Cabinet proposals		(16,500)	(8,250)	
Transfer (from) Reserves	(419,850)	(505,770)	(657,170)	(672,960)
UPDATED RESERVES	4,413,770	3,908,000	3,250,830	2,577,870

- 6.5 The tables below show a refreshed funding gap of £2.74m in 2023-24, increased from the previously reported £2.559m in December 2020 as a result of the updates in this report based on a £5 Council Tax increase.

Table 6.5.1 – Funding Gap Assuming a Council Tax Increase of £5 pa

	2020-21 £	2021-22 £	2022-23 £	2023-24 £
Financial Gap				
Efficiency targets in approved business cases	0	18,000	18,000	18,000
Wyre Forest Forward Savings not yet achieved	0	455,800	128,560	82,880
Generic Localism Savings to be confirmed	0	14,530	228,350	385,770
Efficiency Savings (2%, 1%, 1%, 1%) EPP	44,570	76,570	76,570	76,570
New Cabinet Proposal for further Savings	0	800,000	1,200,000	1,500,000
SUB- Total	44,570	1,364,900	1,651,480	2,063,220
Use of reserves from Proposed 2020-23 Strategy	419,849	505,770	657,170	672,960
TOTAL	464,419	1,870,670	2,308,650	2,736,180

Note: There is confidence that the Generic Localism savings should be more than achieved for 2021-22 by the partnership working agreements currently being finalised with Bewdley and Stourport Town Councils. These figures and those for subsequent years will be updated as localism work progresses.

7. EQUALITY IMPACT NEEDS ASSESSMENT

- 7.1 EIAs will be undertaken as appropriate as part of reviews of service delivery arrangements and implementation of new models. There are no proposals in this report that require an assessment, because of their generic nature.

8. **RISK MANAGEMENT**

- 8.1 Achieving financial sustainability is the most significant challenge facing the Council particularly in the light of the ongoing COVID-19 pandemic and resultant uncertainty. The Strategic Review Panel provided some options for the Cabinet to consider in making its recommendations on the medium-term financial strategy. The principal risks were outlined in Appendix 5 of the report to Cabinet on 22nd December 2020 and are summarised and are refreshed where appropriate in Appendix 4 of this report.
- 8.2 The increased Council Tax Base from 2022-23, the successful award of the £20.5m Future High Streets funding, Cabinet Proposals and continuing progress with the Wyre Forest Forward Transformation savings contribute as far as possible to the mitigation of the financial risk within this budget strategy.
- 8.4 The Accounts and Audit Regulations 2015 require Local Authorities to fully consider and manage Risk as part of the Budget process. Appendix 5 of the December 2020 report showed an analysis of the significant financial risks which are affecting the Council. This has been reviewed and remains current subject to the comments and updates provided in paragraph 8.5 below and Appendix 4 of this report.
- 8.5 All local authorities are required to formalise their approach to risk management and evidence it more directly as part of the budgetary process. This requirement has arisen as a result of: -
- a. The Accounts and Audit Regulations 2015
 - b. Prudential Framework: -
The assessment of affordability of financial plans requires a judgement about risk. Prudential Indicators are the monitoring tool to assess performance and risk.
 - c. CIPFA Guidance on Reserves and Balances: -
Highlights the need to consider risks facing the authority; the risks posed by the continuing austerity measures place pressure on the Council to hold higher levels of reserves to ensure ongoing sustainability.
- 8.6 In late October 2019 CIPFA issued a Financial Management Code (FM Code) which provides guidance for good and sustainable financial management in local authorities and will provide assurance that authorities are managing resources effectively. The first full year of compliance will be 2021-22. This reflected the recognition that organisations will need time to reflect on the contents of the code and could use 2020-21 to demonstrate how they are working towards compliance. However, the extra resource requirement as a result of COVID-19 has meant the work is yet to commence. This will link to the Financial Resilience Index information also to be provided by CIPFA. CIPFA issued Guidance on Prudential Property Investment in Mid November 2019 including a detailed methodology on how authorities could calculate whether their property investments are proportional to the size of their revenue budgets. The calculations for the Council are included within the regular reporting on the Capital Portfolio Fund Performance to Overview and Scrutiny Committee.
- 8.7 The financial projections suggest deficits in funding across all three years under consideration, leading to an overall projected net deficit over the three years of some £2.74m. In broad terms this can be explained by the combination of ongoing

forecast COVID cost pressures and reduced income not met by government grant, and reductions in Revenue Support Grant and New Homes Bonus receipts.

9. LEGAL AND POLICY IMPLICATIONS

9.1 Local Government Act 2003

- 9.1.1 The Local Government Act 2003 (Sections 25-28) places duties on Local Authorities on how they set and monitor budgets.
- 9.1.2 Sections 25-27 require the Section 151 Officer to report on the robustness of the estimates and the adequacy of its proposed financial reserves. This is reported to Council as Appendix 4 of this report.
- 9.1.3 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 Council currently reviews the Budget on a quarterly basis, with CLT/Cabinet receiving monthly budget monitoring reports, and this practice will continue.

10. CONSULTEES

- 10.1 Corporate Leadership Team
- 10.2 Cabinet

11. BACKGROUND PAPERS

- 11.1 Accounts and Audit Regulations 2015.
- 11.2 Cabinet Report on the Medium-Term Financial Strategy 2021–2024 22nd December 2020.
- 11.3 Cabinet Report on updated Capital Strategy 2021-2031 22nd December 2020.
- 11.4 Agendas and Minutes of the Strategic Review Panel.
- 11.5 Provisional Local Government Finance Settlement 2021-2022.
- 11.6 Prudential and Treasury Management Codes December 2017
- 11.7 Strong Leader Cabinet Report – October 2020 – Business Rates Retention – Pan Worcestershire Bid Business Rate Pool bid. Delegated Decision Notice 14th January 2021.
- 11.8 CIPFA publications Financial Management Code, Financial Resilience Index- and Guidance on Prudential Property Investment - October/November 2019

WYRE FOREST DISTRICT COUNCIL

REVENUE BUDGET TOTAL REQUIREMENTS - DISTRICT COUNCIL PURPOSES

SERVICE	2020/21		2021/22			2022/23			2023/24		
	Original Estimate £	Revised Estimate £	At Nov.20 Prices £	Inflation £	TOTAL £	At Nov.20 Prices £	Inflation £	TOTAL £	At Nov.20 Prices £	Inflation £	TOTAL £
CHIEF EXECUTIVE AND SOLICITOR TO THE COUNCIL	1,374,060	1,906,710	1,403,750	47,330	1,451,080	1,512,500	95,800	1,608,300	1,545,230	145,860	1,691,090
COMMUNITY WELL-BEING AND ENVIRONMENT	4,421,860	6,593,050	4,449,480	156,590	4,606,070	4,083,210	311,080	4,394,290	3,978,980	476,540	4,455,520
ECONOMIC PROSPERITY AND PLACE	1,990,960	2,515,280	2,219,640	107,680	2,326,070	1,946,520	218,530	2,162,520	1,878,430	328,540	2,203,130
RESOURCES	3,689,640	3,625,920	4,677,290	(37,010)	4,640,280	3,853,470	(71,240)	3,782,230	4,252,510	(106,490)	4,146,020
LESS: CAPITAL ACCOUNT	11,476,520	14,640,960	12,750,160	274,590	13,023,500	11,395,700	554,170	11,947,340	11,655,150	844,450	12,495,760
INTEREST RECEIVED	237,960	(88,060)	97,560	2,360	99,920	306,650	4,750	311,400	379,870	7,250	387,120
CAPITAL PORTFOLIO FUND AND DEVELOPMENT LOANS	(180,000)	(50,000)	(20,000)	0	(20,000)	(20,000)	0	(20,000)	(20,000)	0	(20,000)
FUND	(71,200)	(23,530)	935,450	1,050	(2,080)	(4,080)	2,000	(2,080)	(5,080)	3,000	(2,080)
INCREASES IN FEES AND CHARGES-OTHER	0	0	(17,240)	0	(17,240)	(84,980)	0	(84,980)	(202,720)	0	(202,720)
TOTAL NET EXPENDITURE ON SERVICES	11,463,280	14,479,370	13,745,930	278,000	13,084,100	11,593,290	560,920	12,151,680	11,807,220	854,700	12,658,080
LESS: REVENUE SUPPORT GRANT	0	0			0			356,790			356,790
BUSINESS RATES INCOME	(3,341,180)	(3,691,180)			(2,869,590)			(2,898,290)			(2,927,270)
EXPENDITURE RELATED COVID SUPPORT GRANT	0	(1,603,970)			(563,800)			0			0
CO-FUNDING COVID SUPPORT GRANT	0	(1,110,560)			(383,940)			0			0
COVID TAX INCOME GUARANTEE GRANT (CTAX)	0	(17,000)			0			0			0
COLLECTION FUND DEFICIT (CTAX)	70,220	70,220			146,000			95,100			95,100
NEW HOMES BONUS	(261,530)	(261,530)			(239,960)			(63,390)			0
LOCAL COUNCIL TAX SUPPORT GRANT	0	0			(184,250)			0			0
LOWER TIER SERVICES GRANT					(121,080)						
GENERAL EXPENSES -											
COUNCIL TAX INCOME	(7,445,500)	(7,445,500)			(7,578,210)			(7,792,970)			(8,009,740)
(SURPLUS) / DEFICIT FOR YEAR	485,290	419,850			1,289,270			1,848,920			2,172,960
COUNCIL TAX LEVY		219.34			224.34			229.34			234.34
COUNCIL TAX BASE		33,945			33,780			33,980			34,180

CAPITAL PROGRAMME 2021 TO 2031

Detail	2020-21		2021-22 Estimate £	2022-23 Estimate £	2023-24 Estimate £	2024-25 Estimate £	2025-26 Estimate £	2026-27 Estimate £	2027-28 Estimate £	2028-29 Estimate £	2029-30 Estimate £	2030-31 Estimate £	Prior to 01/04/2020 £	Total £
	Original £	Revised £												
1. COMMITTED EXPENDITURE														
1. CHIEF EXECUTIVE AND SOLICITOR TO THE COUNCIL														
New Headquarters - Office Accommodation	413,610	-	413,610	-	-	-	-	-	-	-	-	-	9,586,390	10,000,000
SUB TOTAL	413,610	0	413,610	0	0	0	0	0	0	0	0	0	9,586,390	10,000,000
2. COMMUNITY WELL-BEING AND ENVIRONMENT														
Parking Facilities: Improvement to Car Parks	-	-	74,530	-	-	-	-	-	-	-	-	-	419,970	494,500
Green Street Depot Investment	134,300	208,950	50,000	-	-	-	-	-	-	-	-	-	3,706,050	3,965,000
Stourport Riverside	150,000	71,500	78,500	-	-	-	-	-	-	-	-	-	-	150,000
Brinton Park HLF Scheme (subject to successful HLF bid)	2,600,000	43,720	1,086,520	887,520	582,240	-	-	-	-	-	-	-	-	2,600,000
Commercial Activity Capital Funding*	-	10,390	385,000	-	-	-	-	-	-	-	-	-	54,610	450,000
* Subject to Business Cases & approval by the Commercial Activity Board														
SUB TOTAL	2,884,300	334,560	1,674,550	887,520	582,240	0	0	0	0	0	0	0	4,180,630	7,659,500
3. ECONOMIC PROSPERITY AND PLACE														
Housing Strategy:														
Disabled Facilities Grants (subject to confirmation 21-22 onwards)	1,490,830	1,799,370	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	13,828,590	25,627,960
Conversion of 2-3 New Street, Stourport	-	2,530	-	-	-	-	-	-	-	-	-	-	294,530	297,060
Property Flood Grants	650,000	200,000	450,000	-	-	-	-	-	-	-	-	-	-	650,000
Property Conversion, Stourport	-	60,000	-	-	-	-	-	-	-	-	-	-	-	60,000
Housing Assistance - Private Sector Measures (including Decent Homes Grant)	72,740	100,000	33,950	-	-	-	-	-	-	-	-	-	1,926,420	2,060,370
Flood Relief	18,410	28,410	-	-	-	-	-	-	-	-	-	-	170,590	199,000
Green Homes Grants	-	300,000	-	-	-	-	-	-	-	-	-	-	-	300,000
Carbon Management Plan	20,000	20,000	-	-	-	-	-	-	-	-	-	-	83,150	103,150
Future Investment Evergreen Fund*	-	-	642,060	-	-	-	-	-	-	-	-	-	-	642,060
Crown House Car Park	-	25,000	-	-	-	-	-	-	-	-	-	-	-	25,000
Industrial Units Development - Silverwoods	1,930,040	220,000	1,930,040	-	-	-	-	-	-	-	-	-	-	2,150,040
Industrial Units Frenco Development - Silverwoods	-	293,250	-	-	-	-	-	-	-	-	-	-	394,940	688,190
Churchfields Development (Grant Funded)**	-	2,700,000	-	-	-	-	-	-	-	-	-	-	-	2,700,000
Capital Portfolio Fund*	1,500,000	6,000,000	3,175,620	-	-	-	-	-	-	-	-	-	16,796,190	25,971,810
Development Loans Fund*	-	2,000,000	8,000,000	-	-	-	-	-	-	-	-	-	-	10,000,000
Future High Streets Fund**	4,275,000	-	21,760,600	-	-	-	-	-	-	-	-	-	-	21,760,600
* Subject to Business Cases & Due Diligence														
** Co-funding subject to full Business Case following the principles of the Capital Portfolio Fund														
SUB TOTAL	9,957,020	13,748,560	36,992,270	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	33,494,410	93,235,240
4. RESOURCES														
ICT Strategy	363,000	417,910	488,000	125,000	-	-	-	-	-	-	-	-	3,903,870	4,934,780
SUB TOTAL	363,000	417,910	488,000	125,000	0	0	0	0	0	0	0	0	3,903,870	4,934,780
5. VEHICLE, EQUIPMENT & SYSTEMS RENEWAL SCHEDULE														
Vehicles & Equipment & Systems Renewal Schedule	760,000	845,780	1,004,000	299,000	224,000	363,000	1,114,000	1,393,000	329,000	546,500	25,000	184,000	7,708,940	14,036,220
SUB TOTAL	760,000	845,780	1,004,000	299,000	224,000	363,000	1,114,000	1,393,000	329,000	546,500	25,000	184,000	7,708,940	14,036,220
TOTAL COMMITTED EXPENDITURE	14,377,930	15,346,810	40,572,430	2,311,520	1,806,240	1,363,000	2,114,000	2,393,000	1,329,000	1,546,500	1,025,000	1,184,000	58,874,240	129,865,740

CAPITAL PROGRAMME 2021 TO 2031

Detail	2020-21		2021-22 Estimate £	2022-23 Estimate £	2023-24 Estimate £	2024-25 Estimate £	2025-26 Estimate £	2026-27 Estimate £	2027-28 Estimate £	2028-29 Estimate £	2029-30 Estimate £	2030-31 Estimate £	Prior to 01/04/2020 £	Total £
	Original £	Revised £												
2. FINANCING														
Capital Receipts: Funding Approved	1,187,780	648,960	1,611,480	-	-	-	-	-	-	-	-	-		2,260,440
Prudential Borrowing for Carbon Management Scheme	20,000	20,000	-	-	-	-	-	-	-	-	-	-		20,000
Prudential Borrowing for Industrial Units Development	1,430,040	253,250	1,430,040	-	-	-	-	-	-	-	-	-		1,683,290
Prudential Borrowing for Development Loans Fund	-	2,000,000	8,000,000	-	-	-	-	-	-	-	-	-		10,000,000
Prudential Borrowing for Capital Portfolio Fund	1,500,000	6,000,000	3,175,620	-	-	-	-	-	-	-	-	-		9,175,620
Prudential Borrowing for additional Capital Portfolio Fund allocation (Future High Streets Fund Scheme)	-	-	1,250,000	-	-	-	-	-	-	-	-	-		1,250,000
Prudential Borrowing for Green Street Depot Investment	134,300	85,000	-	-	-	-	-	-	-	-	-	-		85,000
Prudential Borrowing for Brinton Park HLF Scheme	200,000	-	-	-	200,000	-	-	-	-	-	-	-		200,000
Prudential Borrowing for ICT Strategy	363,000	417,910	488,000	125,000	-	-	-	-	-	-	-	-		1,030,910
Prudential Borrowing for Commercial Activity Capital Funding	-	10,390	385,000	-	-	-	-	-	-	-	-	-		395,390
Prudential Borrowing for Stourport Riverside	46,420	-	46,420	-	-	-	-	-	-	-	-	-		46,420
Better Care Fund Grant (from Worcestershire County Council - subject to confirmation 20/21 onwards)	1,289,400	1,597,940	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000		11,597,940
HLF Partner External Funding	2,400,000	43,720	1,086,520	887,520	382,240	-	-	-	-	-	-	-		2,400,000
Future High Street Property Acquisition External Funding	4,275,000	-	20,510,600	-	-	-	-	-	-	-	-	-		20,510,600
DEFRA Flood Grant Funding	650,000	200,000	450,000	-	-	-	-	-	-	-	-	-		650,000
S.106 Funding (Parking - Contractual Agreement)	-	-	52,670	-	-	-	-	-	-	-	-	-		52,670
Department of Business, Energy and Industrial Strategy (BEIS) Funding	-	300,000	-	-	-	-	-	-	-	-	-	-		300,000
S.106 Funding for Stourport Riverside Scheme	103,580	71,500	32,080	-	-	-	-	-	-	-	-	-		103,580
Flood Relief Grant (from DCLG)	18,410	28,410	-	-	-	-	-	-	-	-	-	-		28,410
Churchfields Development Grant (from Housing Infrastructure Fund)	-	2,700,000	-	-	-	-	-	-	-	-	-	-		2,700,000
Vehicles, Equipment & Systems (Prudential Borrowing)	760,000	845,780	1,004,000	299,000	224,000	363,000	1,114,000	1,393,000	329,000	546,500	25,000	184,000		6,327,280
Direct Revenue Funding:														
Green Street Depot Investment	-	123,950	50,000	-	-	-	-	-	-	-	-	-		173,950
	14,377,930	15,346,810	40,572,430	2,311,520	1,806,240	1,363,000	2,114,000	2,393,000	1,329,000	1,546,500	1,025,000	1,184,000		70,991,500

**VEHICLE, EQUIPMENT AND SYSTEMS
RENEWALS SCHEDULE 2021 TO 2031**

APPENDIX 2

DETAIL	Fleet Number	2020-21		2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
		Original £	Revised £	Estimate £	Estimate £	Estimate £	Estimate £	Estimate £	Estimate £	Estimate £	Estimate £	Estimate £	Estimate £
1. VEHICLES													
EMS & BIN LIFTS		-	-	13,500	-	-	-	-	-	-	-	-	-
GARAGE EQUIPMENT		-	31,280	-	-	-	-	-	-	-	-	-	-
REFURBISHMENT FUND		-	30,000	-	-	-	-	-	-	-	-	-	-
REFUSE FREIGHTER 26000kg	AV241	-	-	-	-	-	-	91,000	-	-	-	-	-
REFUSE FREIGHTER 26000kg	AV237	-	-	-	-	-	-	95,500	-	-	-	-	-
REFUSE FREIGHTER 26000kg	AV238	40,000	-	-	-	-	-	95,500	-	-	-	-	-
REFUSE FREIGHTER 24000kg	AV234	-	-	-	-	-	-	100,000	-	-	-	-	-
REFUSE FREIGHTER 26000kg	AV268	30,000	-	-	-	-	-	100,000	-	-	-	-	25,000
REFUSE FREIGHTER 26000kg	AV239	30,000	-	-	-	-	-	100,000	-	-	-	-	25,000
TIPPER 3500kg	AV177	30,000	-	-	-	-	-	30,000	-	-	-	-	25,000
TIPPER 3500kg	AV193	30,000	-	-	-	-	-	30,000	-	-	-	-	-
TIPPER 3500kg	AV064	35,000	-	-	-	-	-	-	-	-	-	-	-
TIPPER 3500kg	AV200	35,000	-	-	-	-	-	30,000	-	-	-	-	-
TIPPER 3500kg	AV201	35,000	-	-	-	-	-	30,000	-	-	-	-	-
TIPPER 3500kg	AV202	-	-	-	-	-	-	30,000	-	-	-	-	-
TIPPER 3500kg	AV214	80,000	-	-	-	-	-	30,000	-	-	-	-	80,000
TIPPER 3500kg	AV216	90,000	-	-	-	-	-	30,000	-	-	-	-	-
MEDIUM REFUSE FREIGHTER 12000kg RCV	AV211	140,000	-	-	-	-	-	100,000	-	-	-	-	-
RIDE ON MOWER	AV226	175,000	-	-	-	-	-	-	25,000	-	-	-	-
4x4	AV252	-	-	-	-	-	-	-	30,000	-	-	-	-
TIPPER 3500kg	AV220	-	-	-	-	-	-	-	30,000	-	-	-	-
TIPPER 3500kg	AV063	-	30,000	-	-	-	-	-	30,000	-	-	-	-
TIPPER 3500kg	AV221	-	-	-	-	-	-	-	30,000	-	-	-	-
TIPPER 3500kg	AV222	-	-	-	-	-	-	-	30,000	-	-	-	-
TIPPER 3500kg	AV223	-	30,000	-	-	-	-	-	30,000	-	-	-	-
TRACTOR	AV070	-	-	40,000	-	-	-	-	-	-	-	-	-
RIDE ON MOWER	AV212	-	-	-	-	-	-	32,000	-	-	-	-	-
TIPPER 7000kg	AV181	-	-	-	-	-	-	-	48,000	-	-	-	-
REFUSE FREIGHTER 24000kg	AV245	-	-	-	-	-	-	-	170,500	-	-	-	-
REFUSE FREIGHTER 26000kg	AV246	-	-	-	-	-	-	-	170,500	-	-	-	-
REFUSE FREIGHTER 26000kg	AV083	-	-	-	-	-	-	-	175,000	-	-	-	-
REFUSE FREIGHTER 26000kg	AV084	-	-	-	-	-	-	-	175,000	-	-	-	-
ATV WEED SPRAYER	AV271	-	-	-	-	-	15,000	-	-	-	-	-	-
LIGHT VAN	AV218	-	30,000	-	-	-	-	25,000	-	-	-	-	-
LIGHT VAN	AV230	-	30,000	-	-	-	-	25,000	-	-	-	-	-
LIGHT VAN	AV229	-	30,000	-	-	-	-	25,000	-	-	-	-	3,000
MIDI TRACTOR	AV189	-	-	30,000	-	-	-	-	-	-	-	25,000	-
MOWING MACHINE	AV240	-	-	35,000	-	-	-	35,000	-	-	-	-	26,000
TIPPER 3500kg	AV255	-	35,000	-	-	-	-	-	-	35,000	-	-	-
TIPPER 3500kg	AV256	-	35,000	-	-	-	-	-	-	35,000	-	-	-
JCB DIGGER	AV183	-	-	60,000	-	-	-	-	-	-	-	-	-
PAVEMENT SWEEPER	AV258	-	80,000	-	-	-	-	80,000	-	-	-	-	-
SMALL REFUSE FREIGHTER 7500kg RCV	AV261	-	90,000	-	-	-	-	-	-	85,000	-	-	-
ROAD SWEEPER 15000kg	AV184	-	140,000	-	-	-	-	-	130,000	-	-	-	-
REFUSE FREIGHTER 26000kg	NEW	-	175,000	-	-	-	-	-	175,000	-	-	-	-
CAR	AV279	-	-	10,000	-	-	-	-	10,000	-	-	-	-
CAR	AV272	-	-	15,000	-	-	-	-	-	15,000	-	-	-
FORK LIFT	FORKLIFT	-	-	15,000	-	-	-	-	-	-	-	-	-
PAVEMENT SWEEPER	AV275	-	-	67,000	-	-	-	-	67,000	-	-	-	-
PAVEMENT SWEEPER	AV276	-	-	67,000	-	-	-	-	67,000	-	-	-	-
REFUSE FREIGHTER 26000kg	AV186	-	-	180,500	-	-	-	-	-	-	170,500	-	-
REFUSE FREIGHTER 26000kg	AV187	-	-	180,500	-	-	-	-	-	-	170,500	-	-
REFUSE FREIGHTER 18000kg	AV185	-	-	180,500	-	-	-	-	-	-	170,500	-	-
LIGHT VAN	AV285	-	-	-	20,000	-	-	-	-	20,000	-	-	-
3500KG VAN	AV281	-	-	-	23,000	-	-	-	-	23,000	-	-	-
LIGHT VAN	AV282	-	-	-	23,000	-	-	-	-	23,000	-	-	-
LIGHT VAN	AV283	-	-	-	23,000	-	-	-	-	23,000	-	-	-
RIDE ON MOWER AND FLAIL	AV273	-	-	-	20,000	-	-	-	-	-	17,500	-	-
RIDE ON MOWER AND FLAIL	AV274	-	-	-	20,000	-	-	-	-	-	17,500	-	-
PAVEMENT SWEEPER	AV289	-	-	-	70,000	-	-	-	-	70,000	-	-	-
TRAILER	AV278	-	-	-	-	3,000	-	-	-	-	-	-	-
RIDE ON MOWER	AV287	-	-	-	-	25,000	-	-	-	-	-	-	-
CHIPPER	AV277	-	-	-	-	26,000	-	-	-	-	-	-	-
TRACTOR	AV225	-	-	-	-	50,000	-	-	-	-	-	-	-
ROAD SWEEPER 15000kg	AV280	-	-	-	-	120,000	-	-	-	-	-	-	-
4x4	AV288	-	-	-	-	-	23,000	-	-	-	-	-	-
TIPPER 3500kg	AV292	-	-	-	-	-	30,000	-	-	-	-	-	-
TIPPER 3500kg	AV286	-	-	-	-	-	30,000	-	-	-	-	-	-
TIPPER 7500kg	AV284	-	-	-	-	-	45,000	-	-	-	-	-	-
REFUSE FREIGHTER 26000kg	AV290	-	-	-	-	-	100,000	-	-	-	-	-	-
REFUSE FREIGHTER 26000kg	AV291	-	-	-	-	-	100,000	-	-	-	-	-	-
2. OTHER													
Financial Management System Replacement	FMS001	-	69,500	-	-	-	-	-	-	-	-	-	-
Flail Equipment replacement	R476	-	-	-	-	-	20,000	-	-	-	-	-	-
Zip Boilers replacement (Wyre Forest House)		10,000	10,000	10,000	100,000	-	-	-	-	-	-	-	-
Lighting system upgrade (Wyre Forest House)		-	-	-	-	-	-	-	-	-	-	-	-
		760,000	845,780	1,004,000	299,000	224,000	363,000	1,114,000	1,393,000	329,000	546,500	25,000	184,000

WYRE FOREST DISTRICT COUNCIL**FEES AND CHARGES 2021-2022****COUNCIL**

Cost Centre	ACTIVITY AND DESCRIPTION OF SERVICE OPTION	KEY	CHANGES IN RESOURCES		
			2021-22 £	2022-23 £	2023-24 £
	<u>ECONOMIC PROSPERITY AND PLACE</u>				
R605	<u>Development Control - Planning Advice</u> Increase charges by 5% in line with Council Policy.	C R S	- 60 CR -	- 60 CR -	- 60 CR -
R605	<u>Development Control - High Hedges</u> Fees and charges reviewed and commercial judgement used.	C R S	- 20 CR -	- 20 CR -	- 20 CR -
R605	<u>Development Control - Pre-application Advice</u> Fees and charges reviewed and commercial judgement used.	C R S	- 1,000 CR -	- 1,000 CR -	- 1,000 CR -
R625	<u>Building Control - Decision Notices</u> To increase charges by 5% for copies of decision notices held by the Council prior to the formation of the North Worcestershire Building Control Shared Service.	C R S	- 10 CR -	- 10 CR -	- 10 CR -
R605	<u>Development Control - Sale of Documents</u> Increase charges by 5% in line with Council Policy.	C R S	- 170 CR -	- 170 CR -	- 170 CR -
R637	<u>Environmental Health - Water Sampling</u> Water sampling and analysis charges are set by Worcs Regulatory Services. No increase is being proposed in 2021/22	C R S	- - -	- - -	- - -
R637	<u>Environmental Health - Control of Dogs</u> The charges levied for the control of stray dogs are set by Worcs Regulatory Services on a cost recovery basis. Charges are consistent across all authorities within the Shared Service. No increase is being imposed in 2021/22	C R S	- - -	- - -	- - -
R638	<u>Licensing Activities - Hackney Carriages</u> No increase are being proposed in 2021/22 to Hackney Carriage licences.	C R S	- - -	- - -	- - -
R638	<u>Licensing Activities - Animal Activity Licensing</u> The Animal Activity licensing charges were introduced in October 2018, covering animal boarding, dog breeding, pet shops, riding establishments and performing animals. WRS are not proposing an increase in 2021/22	C R S	- - -	- - -	- - -
R638	<u>Licensing Activities - Other General Licensing</u> No increase is being proposed in 2021/22	C R S	- - -	- - -	- - -
R638	<u>Licensing Activities - Gambling Act 2005 (Premises)</u> No increase is being proposed in 2021/22	C R S	- - -	- - -	- - -

WYRE FOREST DISTRICT COUNCIL**FEES AND CHARGES 2021-2022****COUNCIL**

Cost Centre	ACTIVITY AND DESCRIPTION OF SERVICE OPTION	KEY	CHANGES IN RESOURCES		
			2021-22 £	2022-23 £	2023-24 £
R638	<u>Licensing Activities - Scrap Metal Dealers Licence</u> Scrap metal dealers licence is a 3 year licence which was introduced in 2014. Level of charges are recommended by Worc's Regulatory Services. No increase is being proposed in 2021/22 across all Districts	C R S	- - -	- - -	- - -
R310	<u>RESOURCES</u> <u>Council Tax and NNDR</u> Summons Costs £50 Liability Order Costs <u>£30</u> <u>£80</u> Bi-annual review of summons costs and liability orders to reflect inflation and additional Magistrates Court costs.	C R S	- - -	- - -	- - -
	TOTALS	C R S	- 1,260 CR -	- 1,260 CR -	- 1,260 CR -



Service	Planning	Service Manager	Development Manager
Directorate	Economic Prosperity & Place	Cabinet Member	Economic Regeneration, Planning and Capital Investments

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2021 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2021 £ Charges before VAT	Proposed Charge FROM 01-04-2021 £ Charges inclusive of VAT (if applicable)
High Hedge Applications			
High Hedge Applications			
Householder	400.00	420.00	No VAT currently charged
Other	400.00	420.00	No VAT currently charged
Concession (for those in receipt of housing or council tax benefits)	175.00	184.00	No VAT currently charged
NOTES:			

Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>



Service	Planning & Building Control	Service Manager	Development Manager
Directorate	Economic Prosperity & Place	Cabinet Member	Economic Regeneration, Planning and Capital Investments

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2021 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2021 £ Charges before VAT	Proposed Charge FROM 01-04-2021 £ Charges inclusive of VAT (if applicable)
Planning Advice			
Building Control Decision Notices (Pre 01-01-2012)			
Sale of Copy Documents			
Reply to general individual queries, Planning or Building Control for up to 6 questions (after that the full Local Land Charge Search fee will be charged)	28.00 per Question	29.00 per Question	No VAT currently charged
If any query requires a site visit to be made (e.g. compliance with conditions)	79.00	83.00	No VAT currently charged
Charges for Copy Documents			
See Note 2 below			
Monthly Decision List - Emailed	Free	Free	Free
Weekly Planning Application List - Emailed	Free	Free	Free
Decision Notices	23.00	20.00	24.00
Decision Notices Additional Copies	1.50	1.33	1.60
A4 - For each copy	1.50	1.33	1.60
A3 - For each copy	1.50	1.33	1.60
A2 - For each copy	4.00	3.50	4.20
A1 - For each copy	5.40	4.75	5.70
A0 - For each copy	6.60	5.83	7.00

NOTES:

Note 1 - Copies, where appropriate, are available free up to a cumulative single transaction value of £10 for individuals (the discretion of Head of Service to be applied in cases of multiple separate transactions) and charged at full cost to representatives of professional and/or commercial companies.

Note 2 - Copies of all planning application plans and decision notices made from 2006 onwards are available online at zero cost at <http://www.wyreforestdc.gov.uk/planning-and-buildings.aspx>

Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>



Service	Planning	Service Manager	Development Manager
Directorate	Economic Prosperity & Place	Cabinet Member	Economic Regeneration, Planning and Capital Investments

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2021 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2021 £ Charges before VAT	Proposed Charge FROM 01-04-2021 £ Charges inclusive of VAT (if applicable)
Permitted Developments and Pre-application Advice			
Permitted Development enquiries			
Proposed development type			
Householder	Free	Free	Free
Other	Free	Free	Free
Pre-Application advice			
Householder	Free	Free	Free
Cost of each additional meeting	Free	Free	Free
Residential Development including Conversions (see note 1)			
1 dwelling	100.00	87.50	105.00
Cost of each additional meeting	45.00	39.17	47.00
2-3 dwellings	280.00	245.00	294.00
Cost of each additional meeting	120.00	105.00	126.00
4-5 dwellings	375.00	328.33	394.00
Cost of each additional meeting	175.00	153.33	184.00
6-7 dwellings	550.00	481.67	578.00
Cost of each additional meeting	250.00	219.17	263.00
8-9 dwellings	750.00	656.67	788.00
Cost of each additional meeting	350.00	306.67	368.00
10-24 dwellings	1,000.00	875.00	1,050.00
Cost of each additional meeting	550.00	481.67	578.00
25-49 dwellings	1,600.00	1,400.00	1,680.00
Cost of each additional meeting	700.00	612.50	735.00
50 - 74 dwellings	2,000.00	1,750.00	2,100.00
Cost of each additional meeting	900.00	787.50	945.00
75 - 99 dwellings	2,600.00	2,275.00	2,730.00
Cost of each additional meeting	1,200.00	1,050.00	1,260.00
100 - 149 dwellings	3,200.00	2,800.00	3,360.00
Cost of each additional meeting	1,300.00	1,137.50	1,365.00
150 - 199 dwellings	3,500.00	3,062.50	3,675.00
Cost of each additional meeting	1,500.00	1,312.50	1,575.00
200 - 299 dwellings	4,200.00	3,675.00	4,410.00
Cost of each additional meeting	1,800.00	1,575.00	1,890.00
300 - 499 dwellings	4,800.00	4,200.00	5,040.00
Cost of each additional meeting	2,000.00	1,750.00	2,100.00
500+ dwellings	5,200.00	4,550.00	5,460.00
Cost of each additional meeting	2,500.00	2,187.50	2,625.00
Non Residential/Commercial Development (see note 1)			
Gross floor area up to 75m2	Free	Free	Free
Cost of each additional meeting	Free	Free	Free
Gross floor area 76m2 - 249m2	150.00	131.67	158.00
Cost of each additional meeting	75.00	65.83	79.00
Gross floor area up to 250m2 - 499m2	300.00	262.50	315.00
Cost of each additional meeting	150.00	131.67	158.00
Gross floor area 500m2 - 999m2	650.00	569.17	683.00
Cost of each additional meeting	325.00	284.17	341.00
Gross floor area 1,000m2 - 2,499m2	1,600.00	1,400.00	1,680.00
Cost of each additional meeting	720.00	630.00	756.00
Gross floor area 2,500m2 - 4,999m2	2,500.00	2,187.50	2,625.00
Cost of each additional meeting	850.00	744.17	893.00
Gross floor area 2,500m2 - 9,999m2	3,400.00	2,975.00	3,570.00
Cost of each additional meeting	1,100.00	962.50	1,155.00
Gross floor area +10,000m2	4,800.00	4,200.00	5,040.00
Cost of each additional meeting	1,500.00	1,312.50	1,575.00



Service	Planning	Service Manager	Development Manager
Directorate	Economic Prosperity & Place	Cabinet Member	Economic Regeneration, Planning and Capital Investments

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2021 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2021 £ Charges before VAT	Proposed Charge FROM 01-04-2021 £ Charges inclusive of VAT (if applicable)
Permitted Developments and Pre-application Advice			
Other Categories			
Advertisements	75.00	65.83	79.00
Cost of each additional meeting	25.00	21.67	26.00
Change of Use	150.00	131.67	158.00
Cost of each additional meeting	75.00	65.83	79.00
Telecommunications	225.00	196.67	236.00
Cost of each additional meeting	115.00	100.83	121.00
Glasshouses/Poly Tunnels	80.00	70.00	84.00
Cost of each additional meeting	20.00	17.50	21.00
Others (see note 2)	75.00	65.83	79.00
Cost of each additional meeting	25.00	21.67	26.00
Historic Environmental and Tree related enquiries			
Separate Listed Building and Conservation Area Advice (Up to 3 Separate Matters - see note 3)	60.00	52.50	63.00
Cost per additional matter to be considered	15.00	13.33	16.00
Cost of each additional meeting	25.00	21.67	26.00
Separate Tree related Advice - number of trees not exceeding 10	60.00	52.50	63.00
Cost of each additional meeting	25.00	21.67	26.00
Separate Tree related Advice - number of trees over 10 but not exceeding 30	120.00	105.00	126.00
Cost of each additional meeting (see Note 4)	25.00	21.67	26.00
Exemptions			
As set out in Guidance Note (e.g. Parish Councils, etc)			

NOTES:

Note 1 - If only principle to be discussed developer to provide indicative capacity

Note 2 - Includes other development proposals such as variation or removal of conditions-proposed changes of use, car parks and certificates of lawfulness.
Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>



Service	Worcestershire Regulatory Services	Service Manager	Worcestershire Regulatory Services Officer
Directorate	Economic Prosperity & Place	Cabinet Member	Culture, Leisure and Community Protection

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2021 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2021 £ Charges before VAT	Proposed Charge FROM 01-04-2021 £ Charges inclusive of VAT (if applicable)
Water Sampling and Analysis Charges - Fees Recommended By Worcestershire Regulatory Services			
POLLUTION CONTROL			
Water Sampling Charges			
The Regulations allow local authorities to charge a fee, to enable reasonable costs of services (lab fees etc) to be recovered			
Proposed Fees and Charges			
Risk Assessment	55.00 per hour	55.00 per hour	No VAT currently charged
Sampling (each visit)	55.00 per hour	55.00 per hour	No VAT currently charged
Investigation	55.00 per hour	55.00 per hour	No VAT currently charged
Analysing a sample taken under regulation 10 (small supplies) (Plus extra lab costs for additional parameters where required)	lab analysis cost	lab analysis cost	No VAT currently charged
taken during monitoring for Group A parameters	lab analysis cost	lab analysis cost	No VAT currently charged
taken during audit monitoring	lab analysis cost	lab analysis cost	No VAT currently charged

NOTES:

Where the request is made by the Owner/Occupier and the Authority is not the only service provider - VAT will be added.
 Where the authority instigates the testing under regulations i.e. Periodic tests, assessments - VAT is not applicable in this instance.
 Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>



Service	Worcestershire Regulatory Services	Service Manager	Worcestershire Regulatory Services Officer
Directorate	Economic Prosperity & Place	Cabinet Member	Culture, Leisure and Community Protection

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2021 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2021 £ Charges before VAT	Proposed Charge FROM 01-04-2021 £ Charges inclusive of VAT (if applicable)
Hackney Carriage/Private Hire Fees			
Hackney Carriage Vehicle (includes renewal plates and twice yearly vehicle inspections)	430.00	430.00	No VAT currently charged
Private Hire Vehicle (includes renewal plates and twice yearly vehicle inspections)	430.00	430.00	No VAT currently charged
Change of Business (Sell Car and Transfer Plate)	108.00	108.00	No VAT currently charged
Temporary Replacement HC & PH vehicle (excluding plates & decals)	107.00	107.00	No VAT currently charged
Initial or Replacement Licences/Plates (if lost or damaged)			
External Car Plate	50.00	50.00	No VAT currently charged
Internal (Executive Vehicles) Car Plate	22.00	22.00	No VAT currently charged
Vehicle Decals - Replacements	20.00	20.00	No VAT currently charged
Exemption Notice (Executive Vehicles)	30.00	30.00	No VAT currently charged
Vehicle Testing			
Vehicle Retest Fee (if re-tested within 48 hours of failure)	32.00	32.00	32.00
Vehicle Retest Fee (if re-tested after 48 hours of failure)	61.00	61.00	61.00
Hackney Carriage/Private Hire Drivers Licence (valid for 3 years)	426.00	426.00	No VAT currently charged
Disclosure and Barring Service check	64.00	64.00	No VAT currently charged
Drivers Badge	26.00	26.00	No VAT currently charged
Drivers' Knowledge Test	56.00	56.00	No VAT currently charged
Private Hire Operators (valid for 1 year)	477.00	477.00	No VAT currently charged
Private Hire Operators (valid for 5 years)	1,810.00	1,810.00	No VAT currently charged

NOTES:

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Service	Worcestershire Regulatory Services	Service Manager	Worcestershire Regulatory Services Officer
Directorate	Economic Prosperity & Place	Cabinet Member	Culture, Leisure and Community Protection

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2021 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2021 £ Charges before VAT	Proposed Charge FROM 01-04-2021 £ Charges inclusive of VAT (if applicable)
Licensing and Registration - Animal Activity Licence			
Animal Activity Licence			
Animal Boarding, Dog Breeding, Pet Shops, Riding Establishments			
Application Fee	329.00	329.00	No VAT currently charged
1 Year Licence Fee	184.00	184.00	No VAT currently charged
2 Year Licence Fee	364.00	364.00	No VAT currently charged
3 Year Licence Fee	546.00	546.00	No VAT currently charged
Variation Fee	240.00	240.00	No VAT currently charged
Inspection Fee	163.00	163.00	No VAT currently charged
Vet Fees	Charged at Cost recovery	Charged at Cost recovery	
Animal Activity Licence			
Performing Animals (No Risk Assessment)			
Application Fee	219.00	219.00	No VAT currently charged
1 Year Licence Fee	N/A	N/A	No VAT currently charged
2 Year Licence Fee	N/A	N/A	No VAT currently charged
3 Year Licence Fee	300.00	300.00	No VAT currently charged
Variation Fee	158.00	158.00	No VAT currently charged
Inspection Fee	163.00	163.00	No VAT currently charged
Vet Fees	Charged at cost recovery	Charged at Cost recovery	

NOTES:

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Service	Worcestershire Regulatory Services	Service Manager	Worcestershire Regulatory Services Officer
Directorate	Economic Prosperity & Place	Cabinet Member	Culture, Leisure and Community Protection

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2021 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2021 £ Charges before VAT	Proposed Charge FROM 01-04-2021 £ Charges inclusive of VAT (if applicable)
Licensing and Registration			
Dangerous Wild Animals Initial	432.00	432.00	No VAT currently charged
Renewal	285.00	285.00	No VAT currently charged
Vet fees/Animal welfare visit (if applicable)			
Zoo Licences Initial	2,075.00	2,075.00	No VAT currently charged
(plus Inspector's expenses)	(plus Inspector's expenses)	(plus Inspector's expenses)	
Renewal	1,866.00	1,866.00	No VAT currently charged
(plus Inspector's expenses)	(plus Inspector's expenses)	(plus Inspector's expenses)	
Vet fees/Animal welfare visit (if applicable)	Charged at Cost	Charged at Cost	
Acupuncture, Tattooing, Electrolysis, Ear Piercing, Skin Piercing & Semi-Permanent Skin			
Colouring -			
Certificate of Registration: (a) Person	210.00	210.00	No VAT currently charged
(b) Premise	302.00	302.00	No VAT currently charged
(c) Persons & Premises	No Longer Available	No Longer Available	
Sex Establishments Initial	5,487.00	5,487.00	No VAT currently charged
Renewal	2,107.00	2,107.00	No VAT currently charged
Transfer	421.00	421.00	No VAT currently charged

NOTES:

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Service	Worcestershire Regulatory Services	Service Manager	Worcestershire Regulatory Services Officer
Directorate	Economic Prosperity & Place	Cabinet Member	Culture, Leisure and Community Protection

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2021 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2021 £ Charges before VAT	Proposed Charge FROM 01-04-2021 £ Charges inclusive of VAT (if applicable)
Gambling Premises Licence Fees			
Gambling Premises Licence - New Application			
Adult Gaming Centre	1,765.00	1,765.00	No VAT currently charged
Betting Premises (excluding Tracks)	2,648.00	2,648.00	No VAT currently charged
Betting Premises (Tracks)	2,205.00	2,205.00	No VAT currently charged
Bingo Club	3,085.00	3,085.00	No VAT currently charged
Family Entertainment Centre	1,765.00	1,765.00	No VAT currently charged
Temporary Use Notices	449.00	449.00	No VAT currently charged
Gambling Premises Licence - Annual Fee			
Adult Gaming Centre	883.00	883.00	No VAT currently charged
Betting Premises (excluding Tracks)	530.00	530.00	No VAT currently charged
Betting Premises (Tracks)	883.00	883.00	No VAT currently charged
Bingo Club	883.00	883.00	No VAT currently charged
Family Entertainment Centre	660.00	660.00	No VAT currently charged
Provisional Statement Application			
Adult Gaming Centre	1,765.00	1,765.00	No VAT currently charged
Betting Premises (excluding Tracks)	2,648.00	2,648.00	No VAT currently charged
Betting Premises (Tracks)	2,205.00	2,205.00	No VAT currently charged
Bingo Club	3,085.00	3,085.00	No VAT currently charged
Family Entertainment Centre	1,765.00	1,765.00	No VAT currently charged
Licence Application (Provisional Statement Holders)			
Adult Gaming Centre	837.00	837.00	No VAT currently charged
Betting Premises (excluding Tracks)	1,061.00	1,061.00	No VAT currently charged
Betting Premises (Tracks)	837.00	837.00	No VAT currently charged
Bingo Club	1,061.00	1,061.00	No VAT currently charged
Family Entertainment Centre	837.00	837.00	No VAT currently charged
Application to Transfer			
Adult Gaming Centre	837.00	837.00	No VAT currently charged
Betting Premises (excluding Tracks)	1,061.00	1,061.00	No VAT currently charged
Betting Premises (Tracks)	837.00	837.00	No VAT currently charged
Bingo Club	1,061.00	1,061.00	No VAT currently charged
Family Entertainment Centre	837.00	837.00	No VAT currently charged
Application to Vary			
Adult Gaming Centre	883.00	883.00	No VAT currently charged
Betting Premises (excluding Tracks)	1,322.00	1,322.00	No VAT currently charged
Betting Premises (Tracks)	1,101.00	1,101.00	No VAT currently charged
Bingo Club	1,546.00	1,546.00	No VAT currently charged
Family Entertainment Centre	883.00	883.00	No VAT currently charged
Reinstatement of Licence			
Adult Gaming Centre	837.00	837.00	No VAT currently charged
Betting Premises (excluding Tracks)	1,061.00	1,061.00	No VAT currently charged
Betting Premises (Tracks)	837.00	837.00	No VAT currently charged
Bingo Club	1,061.00	1,061.00	No VAT currently charged
Family Entertainment Centre	837.00	837.00	No VAT currently charged

NOTES:

Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>



Service	Worcestershire Regulatory Services	Service Manager	Worcestershire Regulatory Services Officer
Directorate	Economic Prosperity & Place	Cabinet Member	Culture, Leisure and Community Protection

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2021 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2021 £ Charges before VAT	Proposed Charge FROM 01-04-2021 £ Charges inclusive of VAT (if applicable)
Street Trading			
Single Unit up to 12 x 12 (max 5m length) Food - Initial	2,575.00	2,575.00	No VAT currently charged
- Renewal	2,450.00	2,450.00	No VAT currently charged
Single Unit up to 12 x 12 (max 5m length) Non-Food - Initial	2,145.00	2,145.00	No VAT currently charged
- Renewal	1,935.00	1,935.00	No VAT currently charged
For every additional 12 x 12 or part thereof or length more than 5m	1,060.00	1,060.00	No VAT currently charged
Mobile Traders - Initial	1,010.00	1,010.00	No VAT currently charged
Mobile Traders - Renewal	1,010.00	1,010.00	No VAT currently charged
Street Amenities (Control of Street Furniture)	405.00	405.00	No VAT currently charged

NOTES:

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Service	Worcestershire Regulatory Services	Service Manager	Worcestershire Regulatory Services Officer
Directorate	Economic Prosperity & Place	Cabinet Member	Culture, Leisure and Community Protection

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2021 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2021 £ Charges before VAT	Proposed Charge FROM 01-04-2021 £ Charges inclusive of VAT (if applicable)
Scrap Metal Dealers Act 2013 - Fees Recommended By Worcestershire Regulatory Services			
Site Licence - Initial (3 year licence)	296.00	296.00	No VAT currently charged
Site Licence - Renewal (3 year licence)	245.00	245.00	No VAT currently charged
Collectors Licence - Initial (3 year licence)	148.00	148.00	No VAT currently charged
Collectors Licence - Renewal (3 year licence)	97.00	97.00	No VAT currently charged
Variation of Licence	67.00	67.00	No VAT currently charged
Copy of licence (if lost or stolen)	26.00	26.00	No VAT currently charged

NOTES:

Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>



Service	Worcestershire Regulatory Services	Service Manager	Worcestershire Regulatory Services Officer
Directorate	Economic Prosperity & Place	Cabinet Member	Culture, Leisure and Community Protection

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2021 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2021 £ Charges before VAT	Proposed Charge FROM 01-04-2021 £ Charges inclusive of VAT (if applicable)
Control of Dogs - Fees Recommended By Worcestershire Regulatory Services			
Statutory Fine per dog seized	25.00	25.00	No VAT currently charged
Kennelling charge per dog per day	15.00	15.00	No VAT currently charged
Kennelling of Dangerous Dogs charge per dog per day	25.00	25.00	No VAT currently charged
Administration Fee per stray dog seized	15.00	15.00	No VAT currently charged
Out of Hours Charge	40.00	40.00	No VAT currently charged
Repeat stray charge	30.00	30.00	No VAT currently charged
Treatment Costs (wormer, flea treatment)	10.00	10.00	No VAT currently charged
Vet fees/treatment charges (if applicable)	Charged at Cost	Charged at Cost	

NOTES:

Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>



Service	Revenues	Service Manager	Revenues, Benefits and Customer Services Manager
Directorate	Resources	Cabinet Member	Strategy and Finance

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2021 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2021 £ Charges before VAT	Proposed Charge FROM 01-04-2021 £ Charges inclusive of VAT (if applicable)
Council Tax and NNDR			
Council Tax and NNDR			
Summons costs	50.00	50.00	No VAT currently charged
Liability Orders	30.00	30.00	No VAT currently charged

NOTES:

Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>

**Report of the Chief Financial Officer in respect of
Sections 25-28 Local Government Act 2003**

1. PURPOSE

- 1.1 To consider the report of the Chief Financial Officer in respect of statutory duties placed on Local Authority Chief Financial Officers in relation to budget setting and monitoring.

2. RECOMMENDATION (see 2.2.4 of main report)

THAT COUNCIL NOTE:

- 2.1 The Chief Financial Officer's opinion on the budget proposals, recommended by the Cabinet on 9th February 2021, as detailed in this report.**

3. BACKGROUND

- 3.1 Sections 25 to 28 of the Local Government Act 2003 (The Act) place statutory duties on Local Authorities on how they set and monitor budgets. The Act requires local authorities to ensure that the Budget estimates are robust, Reserves are adequate and the Budget is monitored on a regular basis.
- 3.2 Section 25 requires the Chief Financial Officer to report to the Council on the robustness of the estimates it makes when calculating its budget requirement under Section 32 of the Local Government Finance Act 1992 and on the adequacy of its proposed financial reserves.
- 3.3 Section 26 requires authorities to adhere to their approved policies in relation to Reserves when setting budgets to ensure that the minimum Reserve levels are maintained.
- 3.4 Section 27 requires the Chief Financial Officer, at the time of the budget setting, to report if it appears that a reserve in relation to the previous financial year is likely to be inadequate. The reasons for the inadequacy and a recommended course of action must be considered by Council.
- 3.5 Section 28 places a statutory duty on the Council to review its budget and all calculations related to it from time to time. If the review shows a deterioration in the financial position, the Council must take such action as it considers necessary (if any) to address the situation.
- 3.6 Whilst Sections 25-27 relate specifically to budget and council tax setting for the following financial year, these Sections are being more widely interpreted by External Auditors to include the period of the Council's Financial Strategy; as a consequence it is necessary to report not only on next year's Budget but on the period covered by the Three Year Budget Strategy (2021-24).

4. **KEY ISSUES – CHIEF FINANCIAL OFFICER'S OPINION ON 2021-24 BUDGET & THREE YEAR BUDGET STRATEGY**

In respect of the Budget Proposals recommended by the Cabinet, in my opinion:-

- 4.1 The estimates made for the purposes of Section 32 of the Local Government Finance Act 1992 calculations are robust.
- 4.2 The Reserves outlined in the Three Year Budget and Policy Framework Report to the Cabinet on this agenda are adequate in relation to the 2021-24 Budget. The work done by the Financial Strategy Panel this year and resultant Cabinet report recommendations, supplemented by the updates included in the latest Cabinet report and successful Future High Streets Funding award of £20.5m are instrumental in continuing to promote economic growth, and moving the Council towards a sustainable balanced budget in the future, that is less reliant on the use of reserves. However the ongoing pandemic continues to be a huge drain on both central and local resources and has resulted in delays on normal programmes of work and resulted in a revision and reduction in corporate priorities. The refreshed Transformation Programme required to deliver the savings required with the localism work stream continuing to be a key a key lever as reflected in the Cabinet Proposals last year and refreshed as part of this year's MTFS. As a direct consequence of the ongoing COVID-19 pandemic and the consequent addition of new generic savings targets as part of the Cabinet Proposal process the overall funding gap has increased from circa £1.7m to circa £2.7m in 2023-24. Whilst the funding gap is even more significant relative to last year, the increase in overall balance sheet reserves as part of the 2019-20 Final Accounts process and the clear reporting of the use of reserves within the MTFS ensures there is full transparency. It is acknowledged that the funding gap represents a key risk to ongoing financial sustainability significantly exacerbated by COVID-19. This will need to be directly addressed at pace as the Progressive Alliance move into their third year of Administration and continue to be carefully managed and mitigated by the member and officer Leadership team.
- 4.3 The programme of change described in the MTFS will continue to apply to all services. Over the next 24 months. The Cabinet plans to examine the scope for the vast majority of services currently provided solely for the district by WFDC staff to be the subject of shared services with another council or councils in Worcestershire or other organisations. This will include the possibility of joint venture vehicles with the private sector and the option of a joint waste collection and disposal authority. This process could involve the transfer of relevant assets to other organisations or their placing in joint venture vehicles. Only if all other options have been explored and exhausted and it remains necessary to secure cost savings, outsourcing to the private sector is an option for some services such as revenues & benefits or waste collection. The table in paragraph 6.21 of the December Cabinet MTFS report provided details of further work planned to close the Funding Gap, with the indicative timetable of reviews to examine potential alternative delivery options.
- 4.4 Work is planned to continue to reduce costs through internal efficiency, grow income by selling services and generate income from the Council's assets although it is recognised that post-COVID this will be a smaller part of the overall funding gap solution. The significant localism work stream will continue to be progressed in earnest to build on the excellent progress so far, including the transfer of operational services to Kidderminster Town Council.

- 4.5 The Council have adopted the general principles of the CIPFA Guidance on Local Authority Reserves and Balances, which outline a minimum Reserve (Working Balance) for this Council which has been adhered to in the Financial Strategy 2021-24.
- 4.6 Following an external review by Link Asset Services (our retained Treasury Management advisors) in 2017 this year's MTFS maintains the increased working balance of £1.2m. The external report advised that we considered increasing the working balance up to £1.5m, £1.2m is considered to be adequate pending a further increase from Final Accounts savings, to provide additional risk mitigation for this MTFS and the position will continue to be kept under review. The Link Report confirmed that the levels of reserves currently held were fair and reasonable. Since this review, overall levels of reserves held have increased to reflect ongoing risk as reflected in our Statement of Accounts 2018-19 and 2019-20 and acknowledged by our external auditors.
- 4.7 The Council currently holds earmarked reserves of £8.4m (as at mid-January 2021). It should be noted that the Council has commitments against such earmarked reserves and the forecast balance after commitments is £5.7m. A General Risk Reserve is also held of circa £458k as at mid-January 2021; the forecast balance after commitments is £367k. It is proposed that the Innovation fund is replenished by £250k as part of these budget proposals and that the General Risk Reserve is topped up by £200k. The level of both of these reserves will be reconsidered as part of the Final Accounts process. The mid-January balance on the Innovation Fund taking into account known commitments is £396k. A Planned Property Maintenance reserve was created last year by taking 20% of the net proceeds from Capital Portfolio purchases to help mitigate future unknown risk, although COVID-19 was not anticipated at this time.
- 4.8 The assessment of affordability of financial plans requires a judgement about risk and is covered in the Prudential Framework and associated codes and guidance. A code was issued in December 2017 supplemented by Investment and Minimum Revenue Provision (MRP) Guidance. These codes included a requirement for a detailed capital strategy from 2019-20 setting out the long term context in which capital expenditure and investment decisions are made, giving due regard to both risk and reward and the achievement of priority outcomes. The main objective was to introduce greater focus on reporting and planning for long term financial and risk implications in relation to non-treasury investments. This Council was one of the first to progress approval of a revised Capital Strategy to meet the new requirement, with formal approval received at May 2018 Council in advance of the statutory timeline. The Capital Strategy proposed for this budget cycle provides high-level projections over a longer timeframe of 10 years for the second year. This extended timeframe is to provide extra information for additional transparency, particularly in relation to movements in the Balance Sheet, Capital Financing Requirements and Minimum Revenue Provision which all impact on the revenue budget and reserves requirement.
- 4.9 CIPFA also issued Guidance on Prudential Property Investment in mid-November 2019 (and further PWLB guidance was issued with effect from the 26th November 2020) including a detailed methodology on how authorities could calculate whether their property investments are proportional to the size of their revenue budgets. All of the properties purchased from the Capital Portfolio Fund have been for operational purposes however as the purchases were funded from PWLB loans, for transparency we have applied the guidance. Detailed work continues to be undertaken with Jones Valerio our retained Asset Management advisors to prepare the calculations for the

five Property Portfolio acquisitions currently held. The methodology developed with Jones Valerio to apply this calculation for the Property Portfolio was shown in Appendix 4A. of last year's report

http://www.wyreforest.gov.uk/council/docs/doc55488_20200211_cabinet_agenda.pdf

Detailed confidential data relating to each property is included in Property Portfolio Management exempt reports to Overview and Scrutiny. The Fund Level Summary Analysis shows that potential risk is covered by forecast reserves in the Planned Property Maintenance Reserve (paragraph 4.7 refers). This demonstrates that we hold proportionate levels of risk reserves. This methodology will continue to be refined and improved and the results included in future reports. In terms of all other areas, given our governance processes and procedures, and refreshed Capital Strategy included revisions of the Capital Portfolio Fund Policy and Asset Management Strategy (Cabinet 22nd December 2020) I consider that this Council already largely complies with the latest guidance.

- 4.10 The impact of COVID-19 on the Capital Portfolio Fund is one that has affected most commercial property owners to varying degrees.

COVID has been felt more by those landlords who are more exposed to the retail and leisure sectors, and to some extent assets within the office sector. This is less so for landlords that hold more defensive assets in sectors that have remained largely unaffected by lockdowns and restrictions, such as food retail, distribution/logistics, trade counter, DIY and industrial, that have continued to remain open for business and trade well.

In terms of how COVID has affected the Capital Portfolio Fund the risks have been managed and policies are in place to soften the burden to tenants in the sectors most affected, whilst at the same time to protect the Council's interests.

The over-riding policy of measuring and reporting on risk, on a quarterly basis in the QFR, means the Council's Asset Manager is able to implement change strategies in advance of problems occurring or building up. Whilst the Portfolio faces certain shorter term challenges principally as a result of COVID on some assets, there is a proactive approach to managing the overall Portfolio to protect the Council's longer-term position.

- 4.11 A report approved by Cabinet on the 10th November 2020 temporarily revised the geography in relation the acquisitions for the Council's Capital Portfolio Fund policy. The current approval is that until further notice, only within district purchase proposals are considered. Previously, whilst it was always the Council's preference to invest within the district area to support regeneration and local economic development the policy also allowed the Council to consider opportunities within the wider geographical area of the two Local Enterprise Partnerships, (LEP) of which the district is a member. The temporary revised approach was made in view of the prevailing property market uncertainty given the ongoing COVID-19 pandemic and also changes to current PWLB Lending Arrangements made with the intent to end debt for yield lending. Appendix 4 to the Capital Strategy 2021-2031 December Cabinet report proposed revisions to the Capital Portfolio Strategy and Appendix 5 proposed a refreshed Asset Management Plan. These key policy revisions ensure they remain up-to-date and compliant with latest guidance and best practice.
- 4.12 In late October 2019 CIPFA issued a Financial Management Code (FM Code) which provides guidance for good and sustainable financial management in local authorities

and will provide assurance that authorities are managing resources effectively. The first full year of compliance will be 2021-22. This reflects the recognition that organisations will need time to reflect on the contents of the code and could use 2020-21 to demonstrate how they are working towards compliance. Unfortunately the COVID-19 pandemic has delayed work on collation of evidence to support compliance with this code and this will be progressed in due course.

- 4.13 Financial Resilience Index information was also published by CIPFA in December 2019 together with a web tool that can be used to compare local authority financial datasets. CIPFA is clear that this is not a league table in any way but rather a tool to support councils as they make important decisions on providing local services while making best use of taxpayers money. The aim is that this tool will help to ensure the sector is held to collective and robust standards of governance and financial management. There was some controversy around this development with concern that this could become an unfair league table. This is because the measures included within the CIPFA work are standalone and necessarily backward looking based on reported information. No commentary is provided on individual measures and their weighting, with no view as to the future and no overall ranking of councils when the measures are taken collectively. Equally the measures reflect historic policy decisions around local government funding over which we have no control. Despite the limitations of the model it is nevertheless something councils should be mindful of and will be another source of information for external auditors. A summary analysis of this Council's position using 2018-19 reported data and also how it compared to other district councils in both the CIPFA Comparator Group and across Worcestershire was provided in Appendix B of this report last year. Unfortunately at the time of writing CIPFA has not yet loaded the 2019-20 Outturn figures into the Tool due to the delay in the closure of the Accounts as a result of the ongoing pandemic, so it is not possible to provide a further years analysis. However, as previously reported there were no areas of significant concern based on the 2018-19 figures and the Council's reserves increased again as part of the 2019-20 Final Accounts. Also since the Index is backward rather than forward looking it will show the Pre-COVID position so is out of date and of historic interest only.
- 4.14 Prudential Indicators are the monitoring tool to assess performance and risk for treasury management and non-treasury capital expenditure. The latest guidance and code of practice on Treasury Management has been reflected in the 2021-22 Treasury Management Service Strategy and Capital Strategy.
- 4.15 It is important that the level of reserves is carefully monitored and reviewed as the impact of the ongoing pandemic becomes clear and also once the delayed Local Government Finance Reforms and also future funding levels are known. These factors mean that the Council is facing the most certainty in its history and feeds through to greater financial risk. Consequently, the levels of reserves may need to be reviewed as the position post-COVID becomes clearer and funding reforms are implemented and their impacts are known.
- 4.16 The Cabinet monitors Budgets on a monthly basis in accordance with Section 28 of the 2003 Act, including 'Budget Risk Management' and takes appropriate action to ensure financial accountability. The enhanced level of reporting developed including emphasis on the more Commercial Activity particularly in relation to Depot external income generation is now embedded in regular budget monitoring reports to provide improved management information to improve the pace of decision making around demand-led income. Additional reporting to set out the forecast impact of the COVID-

19 pandemic has been made this year to ensure Members are kept informed of the significant impact of the on-going developments in these volatile times. MHCLG has used local Councils extensively to pass port funding to businesses, individuals and the community to buffer the financial impact of the virus and this has meant more work, diversion of resources and delays in savings plans which have all increased financial risk. Whilst the Government has provided significant funding to help Local Authorities this falls well short of the overall forecast impact and is responsible for the increase in this Councils Funding Gap. The impact will be felt for several year's to com.

5. FINANCIAL IMPLICATIONS

- 5.1 These are contained within the main MTFS report.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 These are contained in Paragraph 3 of this report.

7. EQUALITY IMPACT NEEDS ASSESSMENT

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

8. RISK MANAGEMENT

- 8.1 Contained within the Financial Strategy 2021-24 and subsequent Cabinet reports are the significant risks and mitigating actions which have been identified, allied to the budget process.

- 8.2 There are four significant financial risks affecting the Council over the next three years:

- Recovery from the adverse financial impact of the COVID-19 pandemic and the shortfall in funding from Central Government to compensate for this.
- Funding reductions from Central Government and increased uncertainty as a result of the again delayed Local Government Finance Reforms changing key funding streams and methodologies.
- The continued reliance on local income sources including the Capital Portfolio Fund and other more commercial income streams and risk this may not be realised in line with projected expectations, particularly in light of the impact of the pandemic and;
- Further savings required from the Transformation Programme, including Localism, are significant and will prove challenging to deliver in the timeframe required.

- 8.3 It is for the reasons such as the above that the Council proposes to keep the current £1,200,000 level of the working balance reserve under review. This fund is available to provide cover for urgent unforeseen expenditure e.g. in respect of a civil emergency. The Innovation Fund is held to fund one-off costs of implementation of Transformation; significant allocations have been made to increase capacity and resource to support commercial development. The General Risk Reserve also mitigates more generic risks

and has proven to be a useful approach following the change last year. Whilst increases to the both these reserves are proposed as part of the MTFS, reconsideration of remaining levels should be made as part of the Final Accounts process, in accordance with the delegations in the main budget report on this agenda. In addition to these generic reserves, earmarked reserves are held to cover specific commitments and therefore limit financial risk. The Planned Property Maintenance reserve created last year takes 20% of the net proceeds from Capital Portfolio purchases to mitigate future unknown risk; this is a fundamental element of the methodology used for the assessment of risk using the latest CIPFA guidance.

9. CONCLUSION/FURTHER CONSIDERATIONS

- 9.1 The Council continues to be reliant on contributions from reserves to balance its budget over the term of the Financial Strategy, and the funding gap has increased as an impact of COVID-19. Nevertheless, the significant reset Transformation Programme should deliver ongoing savings to improve this. The Provisional Finance Settlement, whilst providing some welcome additional one-year funding for the pandemic, does not help close the funding gap and it is clear that future financial sustainability will continue to be particularly challenging.
- 9.2 To reduce the financial risks now faced, it is essential that net expenditure and funding be better aligned by the progression of efficiency plans for reductions in spending and increased income generation. Following the change in political Administration in May 2019 this realignment work has continued and it is important that pace is increased in 2021-22.
- 9.3 The once again, delayed Local Government Finance Reforms create further uncertainty and resultant risk and it is recognised that planning is particularly difficult given these delays exacerbated by the impact of the ongoing pandemic. The level of reserves will need to be kept under considered as more information emerges.
- 9.4 The recommendation in relation to the review of the level of the Working Balance from the Link Asset Services independent report on reserves held by this council, has been partially achieved and will be further reviewed as part of the 2020-21 Final Accounts Closedown process.
- 9.5 The assessment of affordability of financial plans requires a judgement about risk. This has been updated in the latest Capital Strategy and continues to be kept under review taking into account the changes to access to PWLB Funding. This meets the main objective of the latest code by placing relevant focus on reporting and planning for long term financial and risk implications in relation to non-treasury investments. The 10 year Capital Programme forecast helps achieve this. Current approvals for the Capital Portfolio Strategy and Development Loans Fund are considered to be proportionate to the size of this Council and the Balance Sheet composition of Balance Sheet as reported in the statutory accounts. The change to the geography for capital portfolio purchases set out in paragraph 4.11 approved on the 10th November is noted. Current guidance on Prudential Property Investment is met by existing policies and procedures.
- 9.6 The importance of the development of commercialism and income generation to help close the funding gap, whilst acknowledged as a smaller part of the solution, is recognised by the ongoing work of the Depot Commercial Team, in particular, utilising the generic capital budget allocation supported by the Innovation Fund. This strategy

is not without risk and to mitigate this each business case for commercial development will continue include an appropriate assessment of risks gauged against potential rewards; review of risk and performance will be at least annually for each area of commercial activity. This regular review includes the option to cease more commercial activity if appropriate.

- 9.7 Financial Resilience remains a key risk for this and most other Councils, exacerbated by the ongoing COVID-19 pandemic. It is essential that the Council progresses the reset Transformation Plan outlined in the December MTFS to expedite its trajectory to becoming a smaller organisation that enables expenditure to be better aligned with income to alleviate the reliance on reserves.

10. CONSULTEES

- 10.1 Leader of the Council and Cabinet Member for Finance and Strategy
- 10.2 CLT
- 10.3 Jones Valerio – External Asset Managers

11. BACKGROUND PAPERS

- 11.1 Local Government Act 2003 Sections 25-28
- 11.2 Local Government Finance Act 1992 Section 32
- 11.3 CIPFA revised Prudential Code and Treasury Management Code December 2017
- 11.4 Medium Term Financial Strategy 2020-23 Cabinet December 17th 2019
- 11.5 CIPFA Financial Resilience Index December 2019
- 11.6 CIPFA Financial Management Code – October 2019
- 11.7 CIPFA Code Guidance on prudential property investment
- 11.8 Public Accounts Committee and consultation on Future Lending Terms from the PWLB
<https://publications.parliament.uk/pa/cm5801/cmselect/cmpubacc/312/31202.htm>
- 11.9 Response to PWLB Consultation
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/938043/Response_to_consultation_Public_Works_Loan_Board_future_lending_terms_1.pdf

WYRE FOREST DISTRICT COUNCIL

CONSERVATIVE PARTY PROPOSALS 2021-22 ONWARDS

Cost Centre	ACTIVITY AND DESCRIPTION OF CONSERVATIVE PROPOSALS	KEY	2021-22 £	2022-23 £	2023-24 £	After 2023-24 £
			£	£	£	£
	Localism To approve a reduced programme of phased net savings from Localism partnership working with our Town and Parish Council colleagues of £150k in 2022-23, £200k in 2023-24, and beyond.	C R S	- - -	- 78,350 2.00	- 185,770 5.00	- 360,770 9.00
	Depot Transformation To look at a business case for a shared service provision, primarily but not exclusively with the other North Worcestershire Councils for the provision of refuse and recycling, grounds maintenance, street scene (litter picking and street cleansing), car parking, civil enforcement and garage and all other relevant depot services including the depot itself.	C R S	 - -	 300,000 CR TBC	 300,000 CR TBC	 350,000 CR TBC
	Local Pay Arrangements Pay – introduce a new local pay agreement to freeze pay in line with public sector generally from April 2021-22.	C R S	 198,360 CR -	 400,710 CR -	 611,400 CR -	 823,490 CR -
	Management Review In order to protect front-line posts and key services across the council to undertake a Management Review from the post of Chief Executive down to Band J. Review to commence April with a view to July/September Council implementation by Christmas. ¼ saving 2021-22 £400k for first full year in 2022-23	C R S	- 100,000 CR TBC	- 400,000 CR TBC	- 408,000 CR TBC	- 420,000 CR TBC
	Shared Services To progress work on the business cases for shared services – including HR, legal, Revs and Bens, Finance, Planning, Facilities Management, ICT also to look at any potential savings from management/specialist roles.	C R S	- 100,000 CR TBC	- 400,000 CR TBC	- 408,000 CR TBC	- 420,000 CR TBC
	Community Leadership Fund To retain this funding stream of £1,000 per Member for 2021-22	C R S	- 33,000 -	- - -	- - -	- - -
	Property Portfolio Look to generate capital receipts from either timely sales of Capital Portfolio Fund properties or other properties held by the Council to reinvest within district in financially viable property acquisitions to generate net income whilst also creating jobs.	C R S	- - -	- 50,000 CR -	- 100,000 CR -	- 150,000 CR -
	Capital Budget to Support the Commercial Agenda Approval of a further £200k generic capital budget to support expansion of the Council's income generating activity to supplement revenue funding from the Innovation Fund in 2021-22, to be funded from prudential borrowing with the revenue costs met from within approved business cases.	C R S	200,000 - -	- - -	- - -	- - -
	Community Fund A pot to fund small community events and activities that support the corporate priorities of the Council and well-being of residents and support diversity and inclusion and could include for example funding the No Barriers Awards.	C R S	- 5,000 -	- 5,000 -	- 5,000 -	- 5,000 -
	Environment Enforcement Post To retain additional Environmental Enforcement resource approved for a 2-year period 2 years ago, for a further 3 years. This is to ensure maximum frontline operational efficiency consideration should be given to the management of these posts and this proposal is to support the corporate priority keeping our place safe clean and looking good.	C R S	- 23,530 1	- 29,810 1	- 31,580 1	- - -
	Environment Enforcement Equipment To fund the provision of additional infra red CCTV in order to support our corporate priority of a safe, clean and green living environment, to tackle the increased fly tipping in the District with a view that any additional revenue resource secured as a result of the capital investment is reinvested into this area of Council activity.	C R S	 2,500 	 - 	 - 	 -
	The Green Agenda To continue to invest in the green agenda and continue to pursue the business case for electric vehicle charging points across the District and continue to progress a business case for a solar farm within the District and to pursue external funding options to ensure these matters are progressed and if expenditure is required to consider this when appropriate at a future date.	C R S	- - -	- - -	- - -	- - -
	Boundary Review Any future boundary review should be for the purpose to review the appropriateness of ward boundaries and equality of councillors to the number of electors. Our starting point would be that any review would be cost neutral given the growth in electoral numbers since the period of the last review and therefore our number of councillors is correct, but recognising that we would not fetter the discretion of the Boundary Commission as the number of councillors could reduce, stay the same or increase.	C R S	 - 	 - 	 - 	 -
	TOTALS	C R S	200,000 334,330 CR 1.0	- 1,437,550 CR 3.0	- 1,605,050 CR 6.0	- 1,797,720 CR 9.0
	Also: £5pa Council Tax increase To undertake a review of Ear Marked Reserves with the aim of the creation of a £500k transformation pot					

KEY - Changes in Resources

- C Capital
- R Revenue
- S Staffing - Stated in FTEs

WYRE FOREST DISTRICT COUNCIL

LIB DEM PARTY PROPOSALS 2021-22 ONWARDS

Cost Centre	ACTIVITY AND DESCRIPTION OF LIB DEM PROPOSALS	KEY	2021-22 £	2022-23 £	2023-24 £	After 2023-24 £
			£	£	£	£
	Localism To approve a reduced programme of phased gross savings from Localism partnership working with our Town and Parish Council colleagues of £500k in 2023-24 and beyond rather than the £525k in 2023-24 and £700k in 2024-25 included in the Cabinet's base	C R S	- - -	- - -	- 25,000 1.00	- 200,000 5.00
	Generic Wyre Forest Forward Savings Approval of a further phase of generic phased savings for the repositioning of the Council from the Wyre Forest Forward Savings Programme of £300k in 2021-22, £350k 2022-23 and £400k in 2023-24 and beyond.	C R S	- 300,000 CR TBC	- 350,000 CR TBC	- 400,000 CR TBC	- 400,000 CR TBC
	Depot Transformation To look at a business case for a shared service provision, primarily but not exclusively with the other North Worcestershire Councils for the provision of refuse and recycling, grounds maintenance, street scene (litter picking and street cleansing), car parking, civil enforcement and garage and all other relevant depot services including the depot itself.	C R S	- - -	- 300,000 CR TBC	- 300,000 CR TBC	- 350,000 CR TBC
	Phased Move to National Pay Arrangements Whilst accepting the proposed Pay and Grading review to approve a phased reversion to the national Pay scales over a period of 3 years with this move commencing from April 2022. Costings are estimates subject to confirmation	C R S	- - -	- 200,000 -	- 300,000 -	- 400,000 -
	Management Review In order to protect front-line posts and key services across the council to undertake a Management Review from the post of Chief Executive down to Band J. Review to commence April with a view to July/September Council implementation by Christmas. ¼ saving 2021-22 £400k for first full year in 2022-23	C R S	- 100,000 CR TBC	- 400,000 CR TBC	- 408,000 CR TBC	- 420,000 CR TBC
	Shared Services To progress work on the business cases for shared services – including HR, legal, Revs and Bens, Finance, Planning, Facilities Management, ICT also to look at any potential savings from management/specialist roles.	C R S	- 100,000 CR TBC	- 400,000 CR TBC	- 408,000 CR TBC	- 420,000 CR TBC
	Community Leadership Fund To retain this funding stream of £1,000 per Member for 2021-22	C R S	- 33,000 -	- - -	- - -	- - -
	Capital Budget to Support the Commercial Agenda Approval of a further £200k generic capital budget to support expansion of the Council's income generating activity to supplement revenue funding from the Innovation Fund in 2021-22, to be funded from prudential borrowing with the revenue costs met from within approved business cases.	C R S	200,000 - -	- - -	- - -	- - -
	Community Fund A pot to fund small community events and activities that support the corporate priorities of the Council and well-being of residents and support diversity and inclusion and could include for example funding the No Barriers Awards.	C R S	- 5,000 -	- 5,000 -	- 5,000 -	- 5,000 -
	Boundary Review Any future boundary review should review the appropriateness of ward boundaries and equality of councillors to the number of electors. Our starting point would be that any review would be cost neutral given the growth in electoral numbers since the period of the last review and therefore our number of councillors is correct, but recognising that we would not fetter the discretion of the Boundary Commission as the number of councillors could reduce, stay the same or increase. The Local Plan when approved will necessitate an Electoral Review. This may increase or decrease the number of Councillors. but the aim should be to ensure that residents of Wyre Forest have no worse a ratio of Councillors to Electors than the average for Worcestershire Districts.	C R S	- - -	- - -	- - -	- - -
	TOTALS	C R S	200,000 462,000 CR 0.0	- 1,245,000 CR 0.0	- 1,186,000 CR 1.0	- 985,000 CR 5.0
	Also: £5pa Council Tax increase To undertake a review of Ear Marked Reserves with the aim of the creation of a £500k transformation pot					

KEY - Changes in Resources

- C Capital
- R Revenue
- S Staffing - Stated in FTEs

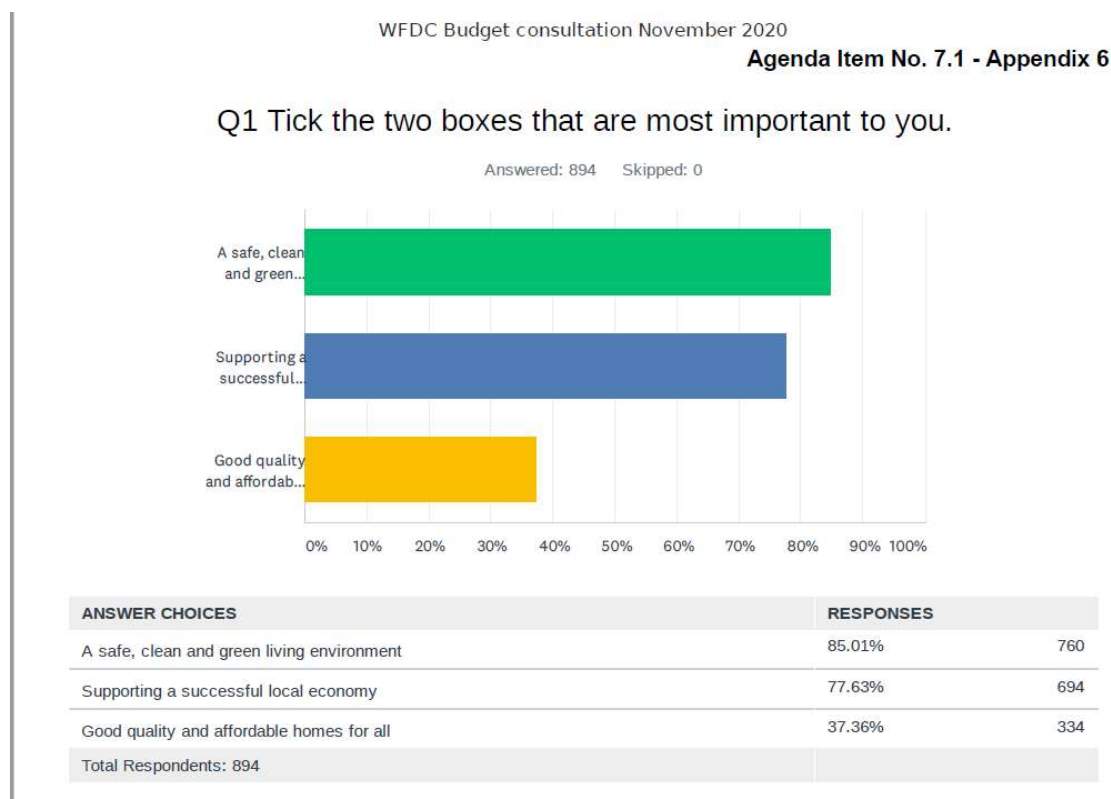
AMENDMENTS TO THE CORPORATE PLAN

Purpose

1 To propose the amended text of the corporate plan which would be presented to Council for approval at its February meeting. This is presented as recommendation 2.1.4 within the main MTFS report.

Background

2 The survey in November/December demonstrated a clear preference among respondents about which two of the three priorities should be retained. This was reported to Cabinet on 22 December:



3 The Cabinet agreed to recommend the draft Medium Term Financial Strategy for scrutiny including “the removal of the priority about affordable housing from the Corporate Plan”.

Proposed amended corporate plan, 2021-2023

4 The proposed amendment to the corporate plan 2021-23 is attached. It will be seen that, despite the removal of the priority about affordable housing, it is not proposed to alter the strategic action that mentions affordable housing – as the ambition is still to deliver it in any case through adoption of the local plan and other actions, such as regeneration of Kidderminster town centre.

5 The strategic actions have been reviewed and it is felt that they all remain relevant but, given the successful award of £20.5m from the Future High Streets Fund, it is appropriate to add a specific reference to implementing FHSF projects.

Corporate Plan, 2021-2023

Our vision

Wyre Forest is a network of thriving and confident communities which minimise their impact on the environment, where people have a decent and affordable home, feel safe and enjoy a good quality of life.

Our priorities

- A safe, clean and green living environment
- Supporting a successful local economy
- ~~Good quality and affordable homes for all~~

Our strategic actions

- Adopt the new Local Plan
- Implement measures to increase affordable housing
- Work with partners to protect our environment, to address air quality issues and to help to tackle climate change
- Work with partners to secure external funding and investment to support the economy
- Oversee regeneration of central Kidderminster *including Future High Streets Fund projects*
- Support the visitor economy in Stourport-on-Severn and Bewdley
- Work with partners to tackle abuse of vulnerable people and environmental crimes
- Work with town and parish councils so that they have local control over assets and services
- Establish Bewdley Museum as a self-standing charity

Our values

Within the council, everything staff and councillors do is underpinned by our values.

Be honest

- We are honest, say what we mean and are always courteous
- We challenge others' ideas constructively and respect decisions once made

Invest in our workforce

- We identify what skills are needed and develop our employees
- We understand our development is a shared responsibility and give ourselves time to learn

Be supportive

- We work together and openly help each other
- We encourage a supportive environment