

**WYRE FOREST DISTRICT COUNCIL
CABINET**

**COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER
11TH JULY 2017 (6:PM)**

Present:

Councillors: M J Hart (Chairman), N J Desmond, I Hardiman, C Rogers, J D Smith and R J Vale.

Observers:

Councillors: H E Dyke and N Knowles.

CAB.22 Apologies for Absence

There were no apologies for absence.

CAB.23 Declarations of Interests by Members

Councillors M Hart, N Desmond and R Vale declared an ODI in respect of Agenda Item No. 10.1, Housing Enforcement Policy Update, as they were all private landlords.

CAB.24 Minutes

Decision: The minutes of the Cabinet meeting held on 14th June 2017 be confirmed as a correct record and signed by the Chairman.

CAB.25 Call Ins

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

CAB.26 Items Requiring Urgent Attention

There were no items requiring urgent attention.

CAB.27 Establishing a Local Authority Trading Company (LATC)

A report was considered from the Corporate Director: Economic Prosperity and Place which updated Members on progress with the establishment of a Local Authority Trading Company (LATC).

The Leader of the Council led Members through the report. He advised that Council had agreed the establishment of a Capital Portfolio Fund as part of the 2017/18 budget, which enabled up to £25m to be invested in revenue generating assets. He explained that the LATC would be a separate entity to the Council; Wyre Forest District Council would be the sole shareholder of the

LATC and an independent Chairperson would be appointed. He added that given the potential for conflicts of interest it would be inappropriate to appoint Members of the Cabinet or Members with particular roles within the Council. Likewise, Officers with statutory roles or Senior officers with responsibility for service areas where there is a potential conflict of interest would not be appointed as Directors to the Board.

The Chair of the Overview and Scrutiny Committee commented that the report was very detailed and was fully supported by the Committee.

Decision:

In line with the recommendations from the Overview and Scrutiny Committee, 6th July 2017:

- 1.1 To agree that there is a case for the Council to establish a Local Authority Trading Company as a company limited by shares with the Council as sole shareholder embodying the principles set out within the report to Cabinet;**
- 1.2 Delegated authority to the Solicitor to the Council in consultation with the Leader and Deputy Leader of the Council and the Corporate Directors; Resources and Economic Prosperity & Place to procure a due diligence 'health check' assessment of the draft Articles of Association, Shareholders Agreement, Strategy for Loans to Third Parties and the Investment Strategy for the Capital Portfolio Fund be granted;**
- 1.3 Delegated authority to the Corporate Director; Resources in consultation with the Corporate Director: Economic Prosperity & Place, Solicitor to the Council and Cabinet Member for Resources to procure a financial business plan for the LATC, including an investment market analysis be granted;**
- 1.4 Following the completion of 1.2 & 1.3 above to receive a final business case and report to agree the establishment of the Local Authority Trading Company.**

CAB.28 Write-Off of Amounts Outstanding

A report was considered from the Corporate Director: Resources which gave consideration to writing off the sum of £155,810.18 in respect of debts that cannot be collected.

The Cabinet Member for Resources led Members through the report and explained that the Council had made every effort to pursue the debts and all recovery avenues had been fully explored. He added that the companies listed in the appendix to the report to Cabinet had ceased trading, making the prospect of recovery impossible. He confirmed that the Council collects just under £30 million across the district and the amount of write-off was a small proportion of the overall total.

The Leader of the Council echoed the comments of the Cabinet Member for Resources and re-iterated that Officers carried out rigorous recovery work and the decision to write-off amounts outstanding was a last resort.

Decision:

The total of £155,810.18, as detailed in the Appendix to the report to Cabinet, be written off.

CAB.29 Strategic Facilities & Asset Management Plan 2017-2020 (incorporating Wyre Forest House Tenancy Management & Marketing Strategy)

A report was considered from the Corporate Director: Economic Prosperity and Place which sought to agree the adoption of the Strategic Facilities & Asset Management Plan 2017-2020, including the Wyre Forest House Tenancy Management & Marketing Strategy.

The Deputy Leader and Cabinet Member for Planning and Economic Regeneration led Members through the report. He explained that the Council's continued aspiration was to grow the income from Wyre Forest House by taking a commercial approach to marketing available space and income generating opportunities. He explained the core objectives of the Strategic Facilities and Asset Management Plan detailed in the report to Cabinet and the aim to provide a structured 3 year facilities and asset management strategy which would be reviewed annually.

The Leader of the Council commented that the Strategic Facilities & Asset Management Plan 2017-2020 was welcomed, stating that Wyre Forest House was an important asset which secured an annual rental income of over £200,000 from a number of private companies plus income generated from hiring out public meeting rooms. He added that it was important to grow and strengthen Wyre Forest House as an asset to secure further income.

The Cabinet Member for Culture, Leisure and Community Protection commented that Wyre Forest House was a fantastic asset and welcomed the Plan as an excellent starting point in marketing and increasing income.

Decision:

In line with the recommendations from the Overview and Scrutiny Committee, 6th July 2017:

The Strategic Facilities & Asset Management Plan 2017-2020 and the Wyre Forest House Tenancy Management & Marketing Strategy be adopted.

CAB.30 Kidderminster Business Improvement District (BID)

A report was considered from the Corporate Director: Economic Prosperity and Place which sought to agree to proceed to the next stages of establishing a

Kidderminster Business Improvement District (BID).

The Deputy Leader and Cabinet Member for Planning and Economic Regeneration led Members through the report in detail. He explained the background to the report and highlighted that the Council had continued to invest in regeneration in Kidderminster Town Centre to improve the vibrancy of the town, including the £2 million Public Realm investment and development of regeneration plans for Kidderminster Eastern Gateway. He commented that establishing a Business Improvement District (BID) for Kidderminster Town Centre was a potential way to improve the overall business environment of the town centre and would generate a sustainable revenue stream for the benefit of residents and businesses.

The Deputy Leader and Cabinet Member for Planning and Economic Regeneration confirmed that a Feasibility study had been carried out by Mosaic Consulting on behalf of the Council, which included extensive business and stakeholder engagement, including a public agency meeting, online and postal survey and meetings with key stakeholders including Kidderminster Licensees Association, West Mercia Police and Hereford and Worcester Fire Service. He explained that the outcome from the study suggested strong support for the BID concept in Kidderminster Town Centre and there was already a degree of partnership working which provided a strong platform to move forward. He concluded that the outcome of the BID feasibility work demonstrated an appetite locally to take forward the BID proposal and it was recommended to proceed to the next stage of the process which included further consultation with businesses and stakeholders and the development of the BID business plan.

The Cabinet Member for Culture, Leisure and Community Protection commented that as a Kidderminster Town Councillor, she was pleased to see that the initial findings of the study recommended to move to the next stage of the proceedings. She confirmed that she had spoken to a number of people in the town centre and looked forward to the next stage.

The Leader of the Council agreed that this was a clear example of Wyre Forest District Council leading the way, working with communities and businesses to add value to Kidderminster town centre and to give businesses the opportunity though the annual levy of funding an enhancement of services. He welcomed the feedback from the initial engagement exercise and agreed that the recommendations should be supported.

The Chairman of the Overview and Scrutiny Committee commented that this was an exciting proposal to enhance Kidderminster town centre and emphasised that the Council was facilitating a BID process to enable businesses to decide how to spend money and improve the town centre.

Decision:

In line with the recommendations from the Overview and Scrutiny Committee, 6th July 2017:

- 1.1 **The findings of the initial Feasibility Study are sufficient to proceed to the next stage of the BID project;**
- 1.2 **Delegated authority be granted to the Corporate Director, Economic Prosperity & Place in consultation with the Solicitor to the Council, Corporate Director; Resources together with the Cabinet Members for Planning & Economic Regeneration and Resources to:**
 - a) **Agree the final BID boundary for Kidderminster Town Centre in consultation with the BID Shadow Board;**
 - b) **Agree the Business Plan in relation to the establishment of a BID in consultation with the BID Shadow Board;**
 - c) **Upon agreeing the Business Plan, to proceed to ballot upon; and upon achieving the necessary outcome from the BID ballot to proceed to formally establish the BID including the entering into of all necessary documentation to create the operating body for the BID.**
 - d) **Exercise the Council's vote in support of the proposed BID in the ballot in respect of the hereditaments in the Council's ownership/occupation within the BID area**

CAB.31 Housing Enforcement Policy Update

A report was considered from the Principal Environmental Health Officer (Housing and Water Management) which sought to update the Housing Enforcement Policy based on the introduction of enhanced enforcement measures to tackle 'Rogue Landlords' in accordance with the Housing and Planning Act 2016, namely the ability for Local Authority delegated officers to issue civil (financial) penalties and extending the rent repayment order criteria.

The Cabinet Member for Housing, Health and Well-being explained the purpose of the report. He confirmed that the Housing and Planning Act 2016 introduced a range of measures to crack down on rogue landlords, including civil penalties of up to £30,000 which were enforceable from April 2017. He added that the Worcestershire Housing Partnership Plan 2017 recognised an increasing reliance on the growing private rented sector (PRS) to meet housing need and that the PRS has the highest proportion of homes that do not meet a decent standard, with one in five homes presenting a risk to health. The key priority of the Plan is to improve homes in the PRS.

The Cabinet Member for Housing, Health and Well-being thanked the Overview and Scrutiny Committee for their recommendation that the report be adopted.

The Leader of the Council commented that the Civil Penalty Matrix had been increased to the statutory maximum of £30,000 because smaller fines were being ignored by rogue landlords. He added that anything the Council can do

to protect vulnerable residents and ensure rogue landlords are brought to task would be supported and encouraged.

The Chair of the Overview and Scrutiny Committee stated that discussions at the meeting on 6th July 2017 included how any extra work that took place by Council Officers would be funded and were advised that any civil penalty recovered by the Council would be used for the Housing service area, thus effectively rogue landlords would be paying for their own downfall. She added that the Overview and Scrutiny committee was happy to recommend to Cabinet that the updated Housing Enforcement Policy be adopted.

Decision:

In line with the recommendations from the Overview and Scrutiny Committee, 6th July 2017:

The updated Housing Enforcement Policy 2017 incorporating civil penalty matrix framework for assisting determination of appropriate penalty, be adopted.

CAB.32 Exclusion of Press and Public

Decision: "Under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting during the consideration of the following items of business on the grounds that they involve the likely disclosure of "exempt information" as defined in paragraphs of Part 1 of Schedule 12A to the Act.

CAB.33 Outline Business Case for Investment in Residential Units

A report was considered from the Head of Strategic Growth which considered the business case for the proposal for the Council to purchase four two bedroom flats for private rent and to proceed with the project subject to the satisfactory completion of a detailed business case.

The Deputy Leader and Cabinet Member for Planning and Economic Regeneration led Members in depth through the confidential report to Cabinet. He advised that the Council recognised there is a strong demand for good quality private rented housing within Wyre Forest and added that the rising demand in housing need and the consequent cost of owner occupier accommodation would likely mean demand for buy to rent properties would remain high.

In line with the recommendations from the Overview and Scrutiny Committee, 6th July 2017:

- 1.1 The outline business case for the purchase of four residential units at the location named in the report utilising borrowing capacity from the Council's Capital Portfolio Fund, funding from its Evergreen Investment Fund and s106 monies be agreed.;**

1.2 Delegated authority be granted to the Corporate Director; Economic Prosperity & Place, in consultation with the Corporate Director; Resources, Solicitor to the Council and Cabinet Member for Housing, Health and Wellbeing to:

- (i) Finalise and approve the detailed business case for the purchase of the properties;**

And subject to agreeing the detailed business case to:

- (ii) Ensure that all legal documentation is completed to effect the purchase of the properties;**

The Cabinet is asked to RECOMMEND to Council;

That the Capital Programme is amended to include the potential purchase of the units funded as set out in the report, with a reservation that expenditure is subject to the final business case and subsequent delegated decision whether or not to proceed.

Their being no further business, the meeting closed at 6:59 pm.