

Open

Cabinet

Agenda

6pm
Tuesday, 9 November 2021
Council Chamber
Wyre Forest House
Finepoint Way
Kidderminster



Cabinet

The Cabinet Members and their responsibilities:-

Councillor H Dyke	Leader of the Council & Economic Regeneration, Planning & Localism
Councillor G Ballinger	Deputy Leader & Culture, Leisure & Community Safety
Councillor N Martin	Housing, Health, Well-being & Democratic Services
Councillor M Rayner	Finance & Capital Portfolio
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 19 November 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.

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, 9 November 2021

Council Chamber, Wyre Forest House, Finepoint Way, Kidderminster

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 13 October 2021.	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 November 2021. (See front cover for contact details).	

7.		
7.1	<p style="text-align: right;">Councillor N Martin</p> <p>Electric Vehicle Charging Points</p> <p>To consider a report from the Corporate Director: Economic Prosperity and Place to agree the final business case for Electric Vehicle Chargepoints (EVC) on Council owned car parks including detailed financial modelling undertaken by the Financial Services Manager and to proceed to implementation.</p> <p>To also consider recommendations from the Overview and Scrutiny Committee from its meeting on 4 November 2021.</p>	<p>11</p> <p>To follow</p>

8.		
8.1	<p style="text-align: right;">Councillor M Rayner</p> <p>Proposals for Revenues, Benefits, Customer Services and Business Support Review</p> <p>To consider a report from the Revenues, Benefits & Customer Services Manager which updates Cabinet on the service review of the Revenues, Benefits and Customer Services teams including the proposed estimated reduction in ongoing expenditure.</p>	17
8.2	<p>Medium term financial strategy - strategic options analysis</p> <p>To consider a report from the Chief Executive on the financial and policy context that will shape the medium term financial strategy for 2022-2025.</p>	23
8.3	<p>Write-off of Amounts Outstanding Report</p> <p>To consider a report from the Corporate Director: Resources to enable the Cabinet to give consideration to writing off the sum of £20,824.21 in respect of debts that cannot be collected.</p>	38

9.	<p>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.</p>	
10.	<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

11.		
11.1	Councillor N Martin Agenda Item 7.1 - Electric Vehicle Charging Points Appendix 1: Business case on the installation of EVC on council owned car parks Appendix 2: Wyre Forest EV Infrastructure Planning Appendix 3: EVC financial modelling Appendix 4: Business case tables Appendix 5: Wyre Forest EV Infrastructure Planning, Addendum v1 <i>Please note these appendices have been circulated electronically.</i>	
11.2	Councillor M Rayner Agenda Item 8.1 - Proposals for Revenues, Benefits, Customer Services and Business Support Review Appendix 1: Details on severance costs	
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

COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER

13TH OCTOBER 2021 (6PM)

Present:

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

Observers:

Councillors: N J Desmond, I Hardiman, M J Hart, S Miah and F M Oborski MBE.

CAB.37 Apologies for Absence

There were no apologies for absence.

CAB.38 Declarations of Interests by Members

No declarations of interest were made.

CAB.39 Minutes

Decision: The minutes of the Cabinet meeting held on 14th September 2021 be confirmed as a correct record and signed by the Chairman.

CAB.40 Call Ins

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

CAB.41 Items Requiring Urgent Attention

There were no items requiring urgent attention.

CAB.42 Public Participation

There was no public participation.

CAB.43 Local Plan - Main Modifications consultation

A report was considered from the Corporate Director: Economic Prosperity and Place which informed members of the progress with the examination of the new Local Plan and sought approval to conduct a public consultation upon the Inspector's Schedule of Proposed Main Modifications to the Plan and documentation produced under delegated authority.

The Leader of the Council presented the report and outlined the key areas. She reminded members that since 2015 Wyre Forest District Council had been

working towards putting together the Local Plan for 2016-2036. She explained that the Local Plan sets out the policies and plans to guide future development within the district and was the statutory document against which individual planning applications are determined.

The Leader advised that all necessary statutory bodies and members of the public on the Local Plan consultation database would be notified of the consultation, and information would be provided on the Council's website and social media channels. She added that the statutory consultation period was 6 weeks and the proposal was for the consultation to run from 14 October until 26 November 2021. She further explained that the time frame would allow the Inspector sufficient time to consider the representations received and incorporate any findings into her final report on the examination of the Local Plan. Subject to the Inspector's findings, it was anticipated that the Local Plan could be adopted in Spring 2022.

The Leader thanked the Chairman of the Overview and Scrutiny Committee, Councillor M Hart, and his Committee for the recommendations from their meeting on 7 October.

In addition to the recommendations set out in the report, the Leader proposed that two face to face consultation sessions be held at Wyre Forest House. She explained that the authority had a duty to keep its staff and members of the public safe, in light of the continued rise in Covid cases within the area. The Council offices would be used as measures are in place to keep visitors and staff as safe as possible. She said that Wyre Forest House had the added benefit of free parking for anyone attending the sessions and was on an established bus route.

The Cabinet Member for Culture, Leisure and Community Safety seconded the proposals.

Decision: Having had regard to the recommendations from the Overview and Scrutiny Committee from its meeting on 7 October 2021:

To ensure that Wyre Forest District Council continues to progress a new Local Plan for management of development in the District, Cabinet AGREED:

- 1.1 To approve the Inspector's Schedule of Proposed Main Modifications to the Wyre Forest District Local Plan (2016-2036) (ED57) and the subsequent changes to the Policies Map (ED59) (together with the associated supporting documents, including the Sustainability Appraisal (ED58)) (all documents listed in Appendix 1 to 2) for the purposes of the statutory consultation.**
- 1.2 That the Corporate Director: Economic Prosperity & Place be authorised to conduct a public consultation on the Inspector's Schedule of Proposed Main Modifications and the relevant supporting documents, including the Sustainability Appraisal. Two face to face consultation sessions to be held at Wyre Forest House.**

- 1.3 To delegate authority to the Corporate Director: Economic Prosperity & Place in consultation with the Cabinet Member for Economic Regeneration, Planning and Localism to make any such necessary arrangements for that consultation including final review of any detailed modifications issued by the Inspector following the close of the consultation.

CAB.44 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.45 Redevelopment of land, Market Street, Kidderminster

A confidential report was considered from the Corporate Director: Economic Prosperity and Place which apprised Cabinet of the current position and dialogue with the land owners regarding the proposed exchange of land assets and acquisition of land, Market Street, Kidderminster.

The Cabinet Member for Operational Services presented the report and outlined the key issues. He thanked the Chairman and members of the Overview and Scrutiny Committee for unanimously supporting the Cabinet proposals.

The Cabinet Member for Operational Services formally moved the recommendations for approval, which were seconded by the Cabinet Member for Finance and Capital Portfolio.

Decision: In line with the exempt recommendations from the Overview and Scrutiny Committee from its meeting on 7 October 2021:

Cabinet DECIDED:

- 1.1 To agree the proposed exchange of land and payment as set out in paragraph 2.1 of the confidential report, the payment to be funded from the Evergreen Investment Fund;
- 1.2 To delegate to the Corporate Director: Economic Prosperity & Place authority to advertise the removal of part of the Market Street Car Park in the Wyre Forest (Off-Street Parking Places) Order 2017 ("the Parking Places Order"); and in consultation with the Cabinet Member for Operational Services to consider any objections made as a result of the advertisement; and, following such consideration, to decide whether part of the car park should be removed from the Parking Places Order.
- 1.3 To delegate to the Corporate Director: Economic Prosperity & Place authority, in consultation with the Cabinet Member for Operational Services, to continue to pursue the acquisition of the land as set out in 2.3 of the confidential report through private

treaty.

1.4 in the event that terms for the acquisition of the land cannot be agreed within a six month period from the date of the report, that:

1.4.1 the Council makes a Compulsory Purchase Order (“CPO”) under section 226(i) (a) of the Town and Country Planning Act 1990 and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 for the acquisition of the land and new rights within the areas shown edged red on the plan in Appendix 2 at Market Street, Kidderminster for the purpose of securing the redevelopment of the land.

1.4.2 The Head of North Worcestershire Economic Development and Regeneration in consultation with the Solicitor to the Council be authorised to:

1.4.2.1 Take all necessary steps to secure the making, confirmation and implementation of the Compulsory Purchase Order, including the publication and service of all notices and the presentation of the Council’s case at any Public Inquiry.

1.4.2.2 Acquire interests in land and new rights within the Compulsory Purchase Order either by agreement or compulsorily.

1.4.2.3 Approve agreements with land owners setting out the terms for the withdrawal of objections to the Order, including, where appropriate, seeking exclusion of land from the Order and/or making arrangements for relocation of occupiers.

1.5 That the acquisition of the land as set out in 2.3 of the confidential report proceed with funding from the Council’s Evergreen Investment Fund but, in the event that the cost exceeds available resources in the Evergreen Investment Fund, this is subject to availability of sufficient other funding sources within the Council’s existing budgets.

The Cabinet RECOMMEND to Council that it:

1.6 Approves an amendment to the Capital Programme to include the acquisition of the land as set out in paragraph 2.3 of the confidential report and, in the event that the cost exceeds available resources in the Evergreen Investment Fund, delegates to the Section 151 Officer the decision on the allocation of appropriate other funding sources available to the Council within its existing budgets in order to allow the acquisition to proceed.

There being no further business, the meeting closed at 6.42pm.

WYRE FOREST DISTRICT COUNCIL

CABINET
9 NOVEMBER 2021

Business case for the use of Electric Vehicle Chargepoints (EVC) on Council owned car parks

OPEN	
CABINET MEMBER:	Cllr Nicky Martin, Cabinet Member for Housing, Health, Wellbeing and Democratic services
RESPONSIBLE OFFICER:	Corporate Director: Economic Prosperity & Place
CONTACT OFFICER:	Kate Bailey, Head of Strategic Growth
APPENDICES: EXEMPT - as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information). The appendices to this report have been circulated electronically.	Appendix One: Business case on the installation of EVC on council owned car parks. Appendix Two: Wyre Forest Electric Vehicle (EV) Infrastructure Planning Appendix Three: EVC financial modelling Appendix Four: Business case tables Appendix Five: Wyre Forest EV Infrastructure Planning, Addendum v1

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to agree the final business case for Electric Vehicle Chargepoints (EVC) on Council owned car parks including detailed financial modelling undertaken by the Financial Services Manager and to proceed to implementation.

2. RECOMMENDATION

The Cabinet is asked to:

- 2.1 approve the business case at Appendix One;
- 2.2 support the need for procurement exercises (a) to select a suitable contractor for the installation of the electric vehicle chargepoints and the contestable elements of the grid connection work (b) to select a suitable contractor for operating the installed electric vehicle charge points, including in both cases soft market testing to help inform likely costs and the specification if required;
- 2.3 delegate authority to the Head of Community and Environment Services:
- 2.3.1 to advertise the amendment to the Wyre Forest District Council's Parking Places (Off-Street Parking Places) Order 2020 ("Parking Places Order") to reflect the

introduction of charging points in suitable parking spaces within car parks already included in the Parking Places Order; to incorporate its car parks at Green Street and Wyre Forest House in the Order (including use of suitable spaces for electric vehicle charging points); and, in consultation with the Cabinet Member for Operational Services, to consider operational requirements for the usage of the electric vehicle charging spaces, including duration of stay and car parking charges which will form part of the proposed amendments to the Parking Places Order;

2.3.2 in consultation with the Cabinet Member for Operational Services to consider any objections made as a result of the advertisement and, following such consideration, to decide whether the Parking Places Order should be amended; and

2.4 delegate to the Solicitor to the Council authority to make all of the agreed changes to the Parking Places Order.

That Cabinet is asked to RECOMMEND to Council that:

2.5 The Capital Programme is amended accordingly to accommodate the purchase and installation of Electric Vehicle Charging points together with the requisite revisions to the revenue budget as set out in Appendix 3 of this report.

3. BACKGROUND

3.1 The Council has acknowledged that global warming is an international crisis and declared a Climate Emergency in May 2019. In addition, the Council's Corporate Plan 2021-23 includes a "Safe, Clean and Green Living Environment as one of its two priorities.

3.2 A Green Advisory Panel was established in 20 May 2020 and have identified a "top ten" list of actions for the group to consider and make recommendations to the Council regarding. This includes reviewing the case for EVC in the district. As part of this work the Council has commissioned Cenex, a research and consultancy organisation that focuses on low emission transport & associated energy infrastructure, to review the scope for installation of EVC on car parks in Wyre Forest.

3.3 Cenex were commissioned to produce three principle studies; the first report, "Electric Vehicle Charging Infrastructure Planning (9 April 2020)" (Appendix Two), undertook research to consider the most appropriate locations for EVC both in public and private ownership; the second (Appendix Four) then considered the business case for the Council owned sites along with updated costs on grid connection after carrying out further work along with Western Power Distribution and the third and final report (Appendix Five) was "Electric Vehicle Charging Infrastructure Planning – an addendum" looking specifically at Raven Street in Stourport and completed in September 2021.

3.4 These reports have been considered by the Green Advisory Panel over the past eighteen months along with the business case, culminating in October 2021 when the Business Case and Financial Modelling (shown in Appendix One and Three) was presented.

- 3.5 In total the Cenex work proposes 30 EVC across eight council owned car parks. Please see table one in the Business Case for further information on the number, type and location of the EVC. Please note some of the chargepoints service two cars and therefore require two car parking spaces adjacent to one another.

4. KEY ISSUES

- 4.1 The Cenex work undertaken on the Council owned car park sites has identified likely demand up to 2030 based on three different take up scenarios and considering four different types of delivery models. The detail around the models are outlined in Appendices two and five and included in Appendix One (the Business Case) in section 6 The Management Case. The details around the three take-up scenarios; low, mid and high are in Appendix Two, Table four; *Plug-in vehicle adoption by 2030 based on UK Government Industrial Strategy* and run throughout the report in a series of tables showing the different operating models and take up scenarios against expenditure and income.
- 4.2 The tables showing different take up scenarios against the different models are repeated in Appendix Five for Raven Street. However, in this report the modelling was updated to reflect the government announcement (December 2020) to end the sale of new petrol and diesel vehicles by 2030. The previous work undertaken and shown in Appendix Four identifies grid capacity and potential costs in relation to installation of EVC on the car parks.
- 4.3 The report to the Green Advisory Panel, in April 2021, recommended the appropriate delivery model, the “external operator model” and identified further work to be undertaken by the Finance team around the costs of borrowing and the financial viability of proceeding to instal the EVC before Cabinet could make a final decision about moving forward with the project. In the external operator model, the Council owns the EVC and so provides the capital to undertake the works but the operation of the chargepoint is agreed with an external supplier. The external supplier then provides the back-office system at no direct cost, in return for a share of net revenue gathered by the chargepoint. This share is assumed to be 10% of the total revenue received. In addition, in April 2021 the GAP members asked officers to commission further work from Cenex around an appropriate location for EVC in Stourport.
- 4.4 The proposal costs are shown in the Business Case in Appendix One and will require Council approval for a supplementary capital estimate. It is proposed that the scheme is funded from Public Works Loan Board (PWLb) borrowing and the officer recommendation is that it goes before Council in December 2021 as an approval for a supplementary capital estimate (see Financial Implications below).
- 4.5 The EVC proposal is expected to generate a revenue stream over the life of the equipment and income will exceed the capital investment after debt charges and operating expenditure is considered based on the middle case scenario income projections prepared by Cenex. The total surplus generated over the life of the equipment is shown in the financial modelling in Appendix three.
- 4.6 The revenue impact analysis is an estimate and is based on soft market testing undertaken by Cenex. These figures, covering items such as maintenance, call out charges, annual electrical checks and operator costs won't be finalised until a full

procurement exercise has been undertaken. Costs will vary depending on the length of warranty the Council opt for and the costs from the potential suppliers.

- 4.7 Costs for installation of the EVC have been based on an average from three industry providers. Costs for the connection to the grid have been obtained from Western Power Distribution (WPD). These are split into contestable works, that the council could competitively procure and non-contestable works that have to be undertaken by WPD. It is likely that the contestable works costs would reduce through the competitive procurement.
- 4.8 Officers have undertaken the modelling based on the full capital costs being incurred at the start of the project rather than undertaking the works incrementally and adding to the EVC over time. This will lead to an over provision of EVC in the short-term but by 2030 would be meeting the estimated demand based on the mid-range scenario.
- 4.9 In addition to funding the chargepoints, the Council will need to fund the capital works to connect up to the grid. Further details around the costs are included in Business Case, section 5 The Financial Case in Appendix One.
- 4.10 Officers will need to undertake consultation and make amendments to the car parking order to enable the spaces to be utilised for EVC.
- 4.11 Revenue from the proposal is expected to cover all revenue costs, including the costs of borrowing, over the 10 year life of the equipment and this results in a deficit in years 1-4, so approval is also required for this. It is not expected that the scheme will generate a surplus until year 7. The average impact over the Medium Term (years 1 to 4) is circa. £25,980 per annum.
- 4.12 There may be an opportunity to offset some of the costs of installation of the EVC through the “On-street Residential Chargepoint Scheme” which provides grant funding for local authorities to install residential chargepoints. Although the Council’s car parks are not ‘on-street’ this funding may be applicable on some of the car parks close to residential areas where off-street parking is not available. By installing chargepoints in public car parks, residents without off-street parking can enjoy the convenience and value of charging their electric vehicles at home. This funding is available through the Energy Saving Trust and can cover up to 75% of the capital costs in relation to procurement and installation.
- 4.13 Once the soft market has been completed, officers will come back to Cabinet with a further report to seek approval on the precise procurement route and evaluation criteria to be followed and a further delegation for officers to award the contracts.

5. FINANCIAL IMPLICATIONS

- 5.1 The financial case for the External Operator model of ownership is considered in the Business Case. The proposal will be capital expenditure so will require Council approval for a supplementary capital estimate. It is proposed that the scheme is funded from PWLB borrowing.
- 5.2 Revenue from the proposal is expected to cover all revenue costs, including the costs of borrowing, over the 10 year life of the equipment but there is a deficit in

years 1-4 so approval is also required for this. It is not expected that the scheme will generate a surplus until year 7.

- 5.3 Detailed analysis of the estimated revenue impact is provided at Appendix 3. These estimates are based on soft market testing undertaken by Cenex and will not be finalised until a full procurement exercise has been undertaken. Sensitivity analysis has been undertaken and the results are summarised in the table below:

Table One - metrics summary for each of 3 income scenarios

Annuity MRP, bullet repayment	Low uptake scenario	Mid point scenario	High uptake scenario
Accounting Rate of Return	-3.37%	2.93%	9.31%
Average Revenue Impact (10 Year)	9,146	(7,945)	(25,224)
Impact on MTFS years 1-4	106,476	95,676	84,362
Simple Pay Back	9	8	7
NPV Pay Back	Exceeds Life	Exceeds Life	9
Internal Rate of Return	-0.72%	7.35%	11.09%
Gross Yield	16.19%	23.20%	30.28%

- 5.4 Officers will liaise with the Energy Savings Trust to identify any funding opportunities that may be offered by grants such as the “on-street residential scheme” to reduce the capital requirement.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 The Local Government Act 2003 provides a local authority with a discretion to borrow and invest provided it is doing so for a purpose within its functions, as part of the prudent management of its financial affairs and within its affordable borrowing limit. In addition a local authority has the power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or right) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions under the Local Government Act 1972 s 111(1) and has a general power of competence under the Localism Act 2011.
- 6.2 The Council has acknowledged that global warming is an international crisis and declared a Climate Emergency in May 2019.
- 6.3 Officers will need to undertake consultation and make amendments to the Parking Places Order to enable the spaces to be utilised for EVC. This will be required once the full costs of installing EVC have been identified through the procurement exercise.
- 6.4 The way the car parking spaces with charging points are managed will need to be changed and so the Parking Places Order will need to be amended. This may mean changes to periods of stay and charging, in some cases where there are currently no charges to park, and the inclusion of spaces in the order to ensure that parking can be managed. This will all need to be the subject of consultation before amendments can be made.

7. EQUALITY IMPACT NEEDS ASSESSMENT

- 7.1 An Equalities Impact Screening Assessment has been undertaken. The policy gives consideration to and has a positive impact for some older people and those with a disability who may be more reliant on private vehicles as a means of transport. There are no negative implications identified for other groups with a protected characteristic.

8. RISK MANAGEMENT

- 8.1 As highlighted in the report and business case, the Green Advisory Panel's preference was for the "External Operator" model. This model reduces the risk to the Council as the chargepoints will remain broadly in the control of the Council, whilst the service is provided by an experienced operator and the Council will retain land and chargepoint ownership.
- 8.2 If the business case is approved by Cabinet, officers will work closely with procurement to identify the most appropriate route to undertake this work including identifying any appropriate frameworks for procuring contractors quickly and efficiently. This will manage the risks around not identifying suitable service providers / contractors and the level of costs.
- 8.3 The risks for delivering this project are explored in more detail in Table six of the Business Case, at Appendix One.

9. CONCLUSION

- 9.1 Installing EVC into Council owned car parks and other Council owned sites will support the council's wider objectives around reducing carbon emissions and demonstrate the Council's commitment to tackling climate change.
- 9.2 The capital investment is required to deliver 30 EVC by 2030 across eight council owned car parks. This will generate an estimated overall surplus by 2030 based on the mid-range scenario for demand. However, the project won't be profitable until after year seven based on the income projections and so there will be an impact on the Council's Medium Term Financial Strategy.
- 9.3 If the proposal is supported then the officers will need to undertake soft market testing to help information a specification and then carry out a procurement exercise to identify an appropriate contractor for the installation and contestable works and also for the external operator, if that is the model pursued. The precise nature of the procurement including evaluation criteria will be the subject of a further report to Cabinet.

10. CONSULTEES

- 10.1 CLT
10.2 Green Advisory Panel

11. BACKGROUND PAPERS

- 11.1 Not applicable

WYRE FOREST DISTRICT COUNCIL**CABINET**
9th NOVEMBER 2021**Revenues, Benefits and Customer Services Review**

OPEN	
CABINET MEMBER:	Councillor M Rayner
RESPONSIBLE OFFICER:	Revenues, Benefits & Customer Services Manager
CONTACT OFFICER:	Lucy Wright, Ext 2948 Lucy.wright@wyreforestdc.gov.uk
Appendices	Appendix 1 (exempt) Details on severance costs

1. PURPOSE OF REPORT

- 1.1 To update Cabinet on the service review of the Revenues, Benefits and Customer Services teams including the proposed estimated reduction in ongoing expenditure.

2. RECOMMENDATIONS

The Cabinet is asked to NOTE AND ENDORSE:

- 2.1 **The service review proposals for the Revenues, Benefits and Customer Services teams, including the welcome resultant annual savings that will be reflected in the MTFS report in December.**

The Cabinet is asked to RECOMMEND to Council:

- 2.2 **Approval of the severance costs in two cases that exceed £100,000.**

3. BACKGROUND

- 3.1 The Cabinet MTFS report considered on the 22 December 2020, that was approved by Council on the 1 March 2021, included an Indicative Transformation Timetable that included the option to review the Revenues, Benefits and Customer Service areas to contribute to the required savings. A consultation document for affected staff has been issued which sets out how best to achieve this level of savings as quickly as possible whilst minimising the impact on service levels for customers.
- 3.2 The exploration and implementation of shared service options was the preferred transformation route in the Cabinet and Council MTFS reports. There are no timely holistic shared service opportunities for the revenues, benefits, and customer services so the consultation paper sets out an internal savings option proposal for the whole service. This proposal is preferable to outsourcing which the MTFS report set out would only be pursued if all other options had been exhausted.

4. KEY ISSUES

4.1 The areas reviewed are:

- Council tax and business rates
- Housing benefit and council tax reduction scheme
- Customer services
- Business Support for revenues and benefits

4.2 A summary of the responsibilities of these services are:

- Accurate and timely administration £82m council tax
- Recovery of £66m net collectable debit (council tax)
- Accurate and timely administration £34m business rates
- Recovery of £22m net collectable debit (business rates)
- Accurate and timely administration £20m housing benefit (HB) subsidy on behalf of Department of Work and Pensions
- Recovery of £1.4m housing benefit overpayment
- Accurate and timely administration £7.5m council tax reduction scheme (CTRS)
- Distribution of £180k discretionary housing payment
- Responding to 60,000 customer enquiries p.a.
- Providing welfare advice and emergency support for those in crisis

Further details on the current performance and demand were set out in the consultation paper.

4.3 This area of the Council's activity has a good track record in making savings, through new ways of working. In 2012 £174,000 savings were made from revenues and benefits. In 2014 a further £213,000 savings were identified. Since then there have been further savings by not replacing vacant posts and working with Worcestershire County Council to obtain funding to support the vital work to protect the tax base.

4.4 The consultation paper was issued on 23 September and sought comments by 21 October, including any requests for voluntary redundancy and reduction in hours. A final proposed structure was issued by management and affected staff advised, including arrangements for selecting staff for redundancy in accordance with the council's policy. Staff have been advised that the outcome is subject to Council approval of any severance costs that exceed £100,000.

5. FINAL SHAPE OF CHANGES

5.1 The consultation paper considered the need for considerable savings to be made alongside the need to retain adequate service levels for the statutory services these teams deliver.

5.2 To summarise the proposals, the review suggested the deletion of 1.0 FTE post from the benefits team due to the reducing caseload and 1.0 FTE from the revenues team due to the introduction of automating processes currently carried out manually by the single postholder. The proposal also recommended some changes to line management and aligning the size of the benefits management team with that of the revenues team by reducing the benefits management team

by up to 2.0 FTE. As it is the benefit assessing team that will be reduced in size, it is appropriate to review the number of managers for that team.

- 5.3 Early analysis of the consultation responses show that no compulsory redundancies are required. A further request for voluntary redundancy has been received in the revenues team increasing the vacant hours that can be replaced by:
- One member of the benefits team has volunteered to transfer to revenues filling one vacant post.
 - The single postholder whose post will be deleted because of the restructure can 'bump' across to the second vacant post in revenues.
 - Two members of the benefits management team have expressed an interest in voluntary redundancy.
 - A single postholder has put in an expression of interest for voluntary redundancy. The request will be accepted as their reducing workload can be distributed among the remaining team.
- 5.4 There were two other expressions of interest for voluntary redundancy. Accepting these requests would mean too much capacity would be taken out of the team and so these expressions will not be accepted.
- 5.5 The above information means no other postholders will need to be put at risk of compulsory redundancy.
- 5.6 There are 2 cases whereby severance costs will exceed £100,000 which will full require Council approval.

5.7 Indicative timeline:

8 December 2021	Council report for any severance costs over £100,000
9 December 2021	Issue formal notice of redundancy letters to affected staff Offer outplacement support Consider redeployment opportunities
31 March 2022	Last date of employment for affected staff
1 April 2022	Implementation of new structure

- 5.8 While the proposed implementation date is only a few months away at the end of the current financial year, there remains a risk that the Council's plans, once approved, might be disrupted by Government legislation relating to termination payments and the local government pension scheme. At present, statutory guidance is that full Council should approve any cases where the cost of exit payments exceeds £100k and this report complies fully with the guidance.
- 5.9 However the Government may legislate over the coming months for restrictions on exit payments, following the revocation in February 2021 of an earlier attempt to implement restrictions. In line with arrangements approved by Council when the management structure was approved in May 2021, it is appropriate to ensure that the Council is able to see its decisions implemented as intended, and that there is no adverse effect on legitimate expectations which would be created for individuals by the Council's decisions and which might be enforced through claims in the courts. In the event of further relevant Government legislation taking effect

before 1 April 2022, the Head of Paid Service would therefore take all necessary steps to ensure implementation of the agreed changes on the basis set out in this report, including bringing forward the implementation date of redundancies and other changes set out in this report if necessary.

6. FINANCIAL IMPLICATIONS

- 6.1 The following table summarises the annual, ongoing savings that would be made from the proposed changes but does not include the impact of inflation on the existing or future budget. Due to imminent changes to the Revenues, Benefits and Customer Services Manager post, there is an additional contingent cost of £20,000 in the event any postholder is required to take on additional responsibilities because of this restructure. This is only an estimated cost at this stage and, if not required, will mean the overall savings are higher.

Estimated Saving	2021/22	2022/23	2023/24	2024/25
Non salary budget reductions	£59,800	£55,400	£55,400	£55,400
Salary reductions	£75,850	£204,540	£194,410	£200,960
Total estimated savings	£135,650	£259,940	£249,810	£256,360

Note – increased costs from 2023/24 due to the end of 0.5 FTE career break

- 6.2 Any severance costs will be met from the Innovation Fund. The total estimated severance costs for the four postholders is £256k and, within the overall total, the sums that exceed £100,000 and require full Council approval are set out in the confidential appendix. These figures could change and, as the bulk of them relates to estimates prepared by the pension fund, are not in control of the Council. The final figures may be different and, if the Council agrees the recommendation at its meeting in December, it will be committed to paying those final costs, which will be reported in the Council's accounts for 2021-22 and audited in the usual way. The largest element of one off costs is pension strain, which is not (as the media and others often choose to misunderstand) cash in the hand of the individual concerned: instead it is a payment to the pension fund to make good the actuarial reduction that would otherwise be applied because the pension is being paid before normal retirement age. Of the one off costs in this report, over 83% relate to pension strain costs.
- 6.3 The total estimated severance costs of £256k are lower than the estimated annual savings of approximately £260,000 in 2022/23. Whilst the implementation date for the changes is 1 April 2022, where possible savings will be made earlier or might have to be implemented earlier for the reason set out in paragraph 5.9.

7. EQUALITY IMPACT NEEDS ASSESSMENT

- 7.1 An Equality Impact Assessment – Screening has been undertaken as part of the service review. The conclusion was there is no impact on any of the protected characteristics and a full assessment is not required.

8. RISK MANAGEMENT

- 8.1 Revenues, Benefits and Customer Services is one of the most important front-facing council services and these proposals for change to the way these services are delivered could represent a significant risk to performance and reputation.

- 8.2 In order to understand and manage this risk to mitigate service, disruption, lower levels of performance, and importantly that in-house retention is currently the best option for the Council a full risk analysis has been undertaken. A summary of the key points from this full analysis is detailed below:

Positives/Opportunities of proposals for in-house retention and service changes:

- Control and flexibility retained by Wyre Forest
- More certainty for staff that should lead to greater motivation to take part positively in the transformation work
- Significant financial savings possible that are likely to be at least equal to savings from shared service/outsourcing
- Allows the holistic approach that includes customer services to be retained that creates synergies and has led to and will continue to lead to significant financial savings
- Refreshed more relevant ways of working introduced following inclusion service reviews
- Earlier timeline for achievement of savings
- Work already commenced and has the support of the internal team
- Probable that staff losses will be reduced compared to the outsourcing option
- Service level impacts – The proposed changes should reduce the workload for the benefits team which is in parallel with the reduction of HB caseload. The changes have been proposed because they should have the least impact for the customer and the most impact in terms of reducing workload

Negatives/Risks of proposals for in-house retention and service changes:

- Potential to work with others and gain from economies of scale lost
- Reduced resilience compared to outsourcing/shared service
- Requirement for reduced staffing levels – employees having to leave the Council
- Team will be required to adjust/undertake training to adapt to new ways of working
- Loss of knowledge and expertise
- Increased workload for remaining management team

9. LEGAL AND POLICY IMPLICATIONS

- 9.1 The Council is bound by employment law in all matters that affect staff, and there has been full compliance with relevant provisions in consulting staff and unions about the proposals. Where redundancies are confirmed, the Council's policies on redundancy and redeployment apply including potential eligibility for a redundancy payment under the Council's scheme – this follows the statutory scheme in providing eligibility for a payment of up to 30 weeks' salary, dependent on age and length of service, but based on actual pay rather than the prescribed figure. Under the local government pension scheme, staff who are aged 55 and over when made redundant are entitled to payment of their accrued pension immediately, without an actuarial reduction. This is a statutory requirement and thus the Council will comply with it in relevant cases.

- 9.2 “Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011” (February 2013) is statutory guidance to which the Council is required to have regard, although it is not an inflexible set of statutory rules. Paragraph 13 states: “Authorities should, therefore, offer full council... the opportunity to vote before large severance packages beyond a particular threshold are approved for staff leaving the organisation. As with salaries on appointment, the Secretary of State considers that £100,000 is the right level for that threshold to be set.” The final shape of the changes involve severance costs in two cases that exceed this threshold, and a recommendation is therefore required for Council approval. No Cabinet or Council approval is required for costs below that level as they fall within the delegations of the Chief Executive as Head of Paid Service.

10. CONCLUSION

- 10.1 These proposals make a significant and very welcome contribution towards closing the Council’s Funding Gap whilst retaining the service provision in-house and using ICT and service redesign to minimise the impact on service delivery.

11. CONSULTEES

- 11.1 On this report: Corporate Leadership Team; Cabinet; HR & Organisational Development Manager
- 11.2 On the proposals: Staff within the Revenues, Benefits & Customer Services teams and all other Council staff, Unions

12. BACKGROUND PAPERS

- 12.1 Financial Strategy 2021-24 Cabinet Report 22 December 2021
- 12.2 Consultation paper – proposals issued to staff 23 September 2021

WYRE FOREST DISTRICT COUNCIL

CABINET
9TH NOVEMBER 2021

**FINANCIAL AND STRATEGIC POLICY CONTEXT FOR THE MEDIUM TERM
FINANCIAL STRATEGY**

OPEN	
CABINET MEMBER:	Councillor Helen Dyke, Leader of the Council and Councillor Mary Rayner, Cabinet Member for Finance
RESPONSIBLE OFFICER:	Ian Miller, Chief Executive
APPENDICES:	None

1. PURPOSE OF REPORT

To consider the financial and policy context that will shape the medium term financial strategy for 2022-2025.

2. RECOMMENDATION

- 2.1 **The Cabinet is asked to AGREE the suggested approach to the medium term financial strategy set out in section 4 below, and that this should now be the subject of consultation prior to the Cabinet taking final decisions on its proposals for the strategy at its meeting in December.**

3. BACKGROUND

- 3.1 The medium term financial strategy for 2022-25 will be prepared against a backdrop that remains challenging following 18 months of the COVID pandemic; inflationary and other supply chain issues, at least some of which are related to Brexit; and continued uncertainty about future Government funding for district councils. The backdrop includes:

- (a) adverse financial impact for the Council as a result of the COVID pandemic. This principally comprises lost income, as Government support covered only 71.25% of eligible losses and came to an end on 30 June 2021. Examples of income streams that remain below pre-pandemic levels include car parking and the management fee from the leisure centre operator;
- (b) the full impact of the COVID pandemic on the local economy is still not clear, although there have been a number of business closures or retrenchments in the last 12 months, principally chains in the retail sector such as Debenhams. The number of claimants of job seekers allowance has increased from 1,470 in September 2019 to 2,580 in September 2021 (+76%); of those, younger claimants aged 18 to 24 have increased more modestly from 430 to 455 (+6%). The position has improved since the peaks in autumn 2020 but there is a risk that it will worsen following the end of the furlough scheme on 30 September. The number of working

age households claiming council tax reduction support (CTRS) remains higher than before the pandemic having increased by 10%, from 4408 in early February 2020 to 4886 at the start of October 2021. In early September 2021 there were c.9,000 households on universal credit at Kidderminster Job Centre Plus although not all of these claimants reside in Wyre Forest. The Government's decision not to continue the £20/week uplift for Universal Credit (UC) from early October means that each household's income could reduce by £1,000 a year, removing an estimate of up to about £8m from the local economy (as UC recipients are highly likely to spend most of their income locally) and will see an increase in expenditure on CTRS for some households as a result of the reduction in UC income. However the impact for the Council will be mitigated by the decision to reduce the UC taper for earned income from 63p to 55p no later than 1 December 2021;

- (c) the full effect of the UK's trade deal with the European Union has been masked by the COVID pandemic to a degree but has begun to emerge more clearly in recent months. Supply chain issues for goods do not generally affect the Council although the construction sector in particular is reporting difficulties with availability of materials and labour. There is growing evidence of labour shortages in a number of key sectors, such as HGV drivers, social care staff and agricultural and abattoir workers. The Government's strategy - that there should be a shift to a higher wage economy with jobs filled by those with a right to work in the UK – seems likely to translate into faster inflation for goods and services. Ultimately wage growth and higher inflation will affect the Council e.g. in competition to recruit staff, in prices paid for goods and services and in higher interest rates (which will translate into higher borrowing costs that might outweigh any increased interest received). Continuing tension over the deal that the UK Government agreed with the EU in respect of Northern Ireland might yet result in wider negative impacts on the trading relationship with Europe. And the position has been exacerbated by global factors affecting demand for goods, notably gas where there has been a surge in prices during 2021;
- (d) the comprehensive spending review involves an increase of £1.6bn a year in Government grant for councils but the distribution of this and the impact on the MTFS is not yet known. The summary highlights the main issues for Wyre Forest District Council and the many areas of uncertainty that remain:

Comprehensive spending review, 27 October 2021

£1.6bn a year new grant funding for English councils in addition to social care funding – no information on what this is for, or how it will be distributed. No information on how much of it will come to district councils. There is no increase in 2nd and 3rd years, leaving councils to fund any spending pressures, inflation etc. from increases in council tax, fees and charges. It seems that the Government expects councils to meet the cost of the 1.25% increase in employer's national insurance in 2022-23 from this additional grant.

Increase of 3% a year in core spending power – no separate figure has been given for district councils.

No mention of **local government funding reform**. No confirmation that business rates reset would be delayed beyond 1 April 2022. Funding for business rates retention is shown in each of the three years, growing: this is relevant to WFDC

as it has confirmed its membership of the business rates retention pool for Worcestershire for 2022-23.

“The referendum threshold for increases in council tax is expected to remain at 2% per year. In addition, local authorities with social care responsibilities are expected to be able to increase the adult social care precept by up to 1% per year”. In contrast, police and crime commissioners are proposed to have a £10 threshold, which represents over 4% in West Mercia. The usual “or £5, whichever is the greater” flexibility for district councils was not announced as part of the Chancellor’s speech but DLUHC Officials say their working assumption is that it will feature as part of the provisional settlement. Note that the 2% policy proposal applies across three years, so no hint of letting councils have genuine freedom on council tax, and the county council will have much tighter criterion for the social care precept than in the past.

Noticeably absent from the Budget was any mention of the **New Homes Bonus**. Officials have told the District Councils’ Network that funding from the New Homes Bonus is included within their baseline figures but cannot say if this will be reallocated or will remain in a housing incentive scheme.

Business Rates multiplier frozen for 2022-23. The government has also announced a range of other measures, including a new, one year 50% Retail, Hospitality and Leisure relief up to a cap of £110k per business, and support for investment in property improvements and green technology. “Local authorities will be fully compensated for all measures announced in the review” but WFDC’s revenues team face more work over the coming months to implement and administer these changes. There will be 3-yearly revaluations from 2023.

More than £300 million is provided to implement **free, separate food waste collections** in every local authority in England from 2025. There is concern that it will not be enough to cover the full costs of implementation and it is not clear how ongoing additional costs are to be covered. There was no mention of funding for free garden waste collections – so it is unclear as to whether or not this policy is still being pursued. The hope is that it has been withdrawn.

The **public sector pay** freeze, which applies to all parts of the public sector apart from local government, will not continue: there will be ‘fair and affordable’ pay rises over the whole Spending Review period. Local government makes its own decisions on pay and was not bound by the pay freeze in 2021. However the near 7% increase in the minimum wage in April 2022 and projected CPI of 4% over the coming year will fuel pressure on local government pay in 2022.

UK Shared Prosperity Fund worth over £2.6 billion over the next three years. Successor to the EU Structural Funds. Will rise to £1.5 billion a year by 2024-25. This seems to fall short of the promise to at least match the level of EU funding in line with its withdrawal. There are still no details of how it will operate/be administered – the suspicion is it will be centrally administered.

- (e) it is not known when the provisional local government settlement for 2022-23 will be published although it is expected to be in December. In many respects, it is expected that the Government will have little choice but to “roll over” the arrangements from 2021-22 (just as they have been rolled over in the previous two years). It is still possible that a new funding formula and business rates reset could be implemented in subsequent years;
- (f) a wide-ranging programme of Government policy initiatives that affect the Council. They include significant potential adverse changes to the Council’s role in respect of planning arising from the proposals in the planning white paper. The Planning Bill has been delayed and its content is still not certain. At the time of writing, the Environment Bill is about to complete its progress through Parliament and will demand major changes to the waste collection service, with a requirement for separate, weekly food waste collections by 2025. The Net Zero Strategy has outlined the Government’s plans for decarbonising all sectors of the economy to achieve net zero by 2050 but the Budget did not announce any specific additional funding for councils for this purpose;
- (g) the picture on devolution remains unclear although the levelling up white paper is expected before the end of the year. This will provide more information about the idea of “county deals” that was unveiled by the Prime Minister in July and on the UK Shared Prosperity Fund. Reorganisations in North Yorkshire, Cumbria and Somerset are planned for 2023. The process in any other areas would take even longer, and there remains no indication that Worcestershire councils are likely to pursue such a course. Thus the medium term financial strategy cannot assume that local government reorganisation will intervene in the period before 2025 and obviate the need for the Council to take major steps to address its financial position.

3.2 The financial situation facing the Council remains stark. The tables below set out the present estimates of the Council’s income and expenditure and the financial gap that needs to be closed. These take account of latest information on spending pressures and funding and will be further updated before the report to Cabinet in December. They demonstrate that, if the Council did nothing to address its financial situation beyond existing plans, its reserves would continue to reduce across the period of the MTFS and would be less than £3m by March 2025. However to achieve this position the Council would have to close a funding gap estimated at over £1m in 2022-23 and rising to over £2m in 2023-24 and subsequent years. In other words, the Council would have to reduce spending and/or increase income by these amounts. For reasons set out later in this report, there is confidence that such significant changes can be achieved in the time frame of the MTFS but this will almost certainly require services to be ended/cut, as it is considered highly unlikely that the funding gap can be closed by efficiency measures and additional income.

Medium term financial strategy: updated summary of funding gap and reserves (as at October 2021)

Table 2.1 Revised Estimated Funding Gap

	2021-22 £	2022-23 £	2023-24 £	2024-25 £
Revised Funding Gap early October 2021	1,355,220	1,109,240	2,127,080	2,306,170
Previous Funding Gap	1,884,510	2,316,900	2,736,180	2,921,690
Increase/(decrease) in Funding Gap - increase in take from reserves	(529,290)	(1,207,660)	(609,100)	(615,520)

Table 2.2 – Revised Estimated Reserves Position

Revised Projection of Reserves - Revised for 2020-21 Final Accounts Position				
	2021-22 £'000	2022-23 £'000	2023/24 £'000	2024/25 £
Reserves Statement				
Reserves as at 1st April	4,400	4,277	4,239	3,578
Contribution (from)/to Reserves	- 123	- 38	- 661	- 688
Reserves as at 31st March	4,277	4,239	3,578	2,890

Table 2.3 Revised Estimated Funding Gap Analysis

Revised Funding Gap Table Early October 2021	2021-22 £	2022-23 £	2023/24 £'000	2024/25 £
Localism Savings not achieved	14,530	228,350	385,770	558,940
Wyre Forest Forward savings not yet achieved	1,123,510	747,940	985,780	964,660
Efficiency Savings in approved Business cases	18,000	18,000	18,000	18,000
Efficiency Savings 2%, 1%, 1% !5	76,570	76,570	76,570	76,570
Sub-total	1,232,610	1,070,860	1,466,120	1,618,170
Revised Use of reserves	122,610	38,380	660,960	688,000
Balance of savings to be identified and implemented = Funding Gap	1,355,220	1,109,240	2,127,080	2,306,170

- 3.3 Despite the lack of clarity being provided by central Government at present, a detailed medium term financial strategy for 2022-2025 will be produced for the Cabinet's consideration at its December meeting. This will benefit from input from, and scrutiny by, all political groups through the Strategic Review Panel. The strategy will be shaped by the public consultation on the issues raised below.

4. KEY ISSUES

- 4.1 The Council has done exceptionally well in generating additional income and implementing efficiency savings that have put back the date at which it has to bring its expenditure into line with income. However, income has been adversely affected by the COVID-19 pandemic and, in some areas, is not expected to recover to previous levels: an example would be car parking income in Kidderminster which has not recovered as well as the position in the other two towns and still rests below pre-pandemic levels. If the Council delivers the changes necessary to reduce expenditure and increase income in order to close the funding gap, the latest projections envisage that the Council will have some reserves left at the end of 2025.

- 4.2 While the position is in that respect a little more positive than was reported a year ago, there is still a large mountain to climb. In effect the Council needs to remove the equivalent of about 19% of its net revenue expenditure or 7% of its gross expenditure (ignoring expenditure on housing benefit). The Council will not be able to grow its way out of a financial gap of this scale by increasing commercial income. While opportunities are being exploited in some areas such as trade waste, many other areas of income have been impacted by COVID and are not expected to recover, let alone allow provide scope for significant growth. In summary, the position in fact remains unchanged from 12 months ago. **The Council is going to have to become a much smaller organisation, that seeks to deliver fewer services itself or even at all.**

Priorities in the corporate plan

- 4.3 Following consultation in 2020, Council agreed that the priorities for the period to 2023 should be reduced to:

- A safe, clean and green living environment
- Supporting a successful local economy

Any proposals for investment that come forward in the MTFS will be directly linked to these priorities.

Council tax

- 4.4 The corporate plan's value of "be honest" requires the Council to be candid and direct in explaining its position and the choices it faces. The Council is going to become a smaller organisation but council tax will increase, probably faster than inflation. People will pay more and receive the same or less. This is a direct consequence of a decade during which the Government has chosen not to make local government a priority. In recent years, the Council's share of council tax has grown much less in absolute and percentage terms than other bodies. The District Council is not responsible for their decisions although local residents see "Wyre Forest District Council" at the top of their council tax bills. Because the District Council collects council tax for the county council, police, fire and parish councils, the public is often misled into thinking that the total average bill at Band D of £1939 in 2021 is the responsibility of Wyre Forest District Council, when its element is only £224 or 12% of the total bill, the equivalent of £4.31 a week.
- 4.5 Total council tax bills have increased ahead of the rate of inflation in recent years. One of the main reasons has been the introduction of the adult social care precept to help fund social services provided by Worcestershire County Council. It was first payable in 2017 at £21.60 for a Band D property and has since grown to £129.15 in 2021. The county council's element of council tax, including the adult social care precept, increased by £32.78 in 2021. There was a further substantial increase in the precept issued by the Police and Crime Commissioner for West Mercia in 2020, which added £14.99 at Band D: the police element of council tax exceeded the District Council element for the first time in 2019. It will be seen that the county council and police increases in 2021 were both significantly higher in cash terms than the District Council's increase of £5 – the maximum increase allowed by the Government's criteria.

- 4.6 For five of the eleven years between 2011 and 2021, the District Council's element of council tax was frozen. At Band D, the District Council's element of council tax increased from £197.62 in 2010-11 to £224.34 in 2021-22, an increase of £26.72 or 14%, significantly lower than inflation across that period. As can be seen, **the District Council's increase over 11 years is lower than the cash increase decided by the county council for 2021-22 alone.**
- 4.7 While the Government has broken its 2019 manifesto commitment about taxation to introduce the health and social care levy by increasing national insurance in 2022, It is disappointing that it has not accepted that it also needs to move away from its manifesto commitment about constraining council tax. The Government seems not to realise that councils' financial position, including the impact of COVID on their finances, and its apparent commitment to devolution should be reflected in a relaxation of limits on the council tax increases that councils decide. The administration's approach will be to propose increasing the district element of council tax at the highest rate permissible without triggering a referendum on an "excessive" council tax increase. At present, the MTFS assumes that the Council will be able to continue to increase council tax by £5 a year at Band D although the value of this in percentage terms will fall from 2.23% in 2022-23 to 2.13% in 2024-25. Annual £5 increases would represent less than 10p a week at Band D for households that pay their full council tax bill – most households in the district would pay less than that as the average property is at Band B.
- 4.8 While the Cabinet's proposal is that all residents should be asked to pay a little more than now for the District Council's services, and council tax overall is expected to rise as a result of other bodies' decisions, it does not consider it appropriate at present to add further to the burden of the poorest working age residents. They have to pay a minimum contribution of 20% of council tax. The Cabinet does not intend to propose changing the minimum contribution for 2022-23 although there will need to be a formal decision not to undertake a review of the scheme for 2022, in accordance with the legislation. However, council tax reduction support for working age households costs the Council £3.88m a year. As with other areas of the Council's discretionary expenditure, this has to be kept under review. The administration feels that, if significant additional Government funding for the Council's services has not been forthcoming by 2024, the CTRS scheme should be reviewed during 2023 with a view to making a modest increase in the minimum contribution, for example to 25%. Such a change is estimated to increase income for WFDC by about £20-25k because it will receive only about 12% of the total: the main beneficiary would be the county council which would receive a six figure sum, about 70% of the total. Given that there is still no clarity about how much of the £1.6bn grant increase in the Comprehensive Spending Review will come to the District Council, the administration wishes to seek the public's views about the principle of such a change being planned for within the MTFS for 2022-25. This would not replace the formal review that would be required in 2023 under council tax legislation if the Council was proposing to proceed with that change.

A smaller council, protecting front line services

- 4.9 The thrust of the Cabinet's proposals for the medium term financial strategy remains centred on making the Council a smaller organisation while protecting

essential front line services. Progress with the programme of reviews set out in the MTFS for 2021-22 is mixed: some have been completed or have progressed well, while others are still in progress or have been unable to move forward because of no interest from neighbouring or nearby authorities in further shared services. The table gives a very brief summary of progress on reviews that have been completed or are under way

Table 3 – progress with reviews in MTFS, 2021-2024

The table lists those reviews that were expected to have commenced by the end of 2021 and services which have brought forward proposals in 2021.

Service area	Commentary	Timeline
Management review	Savings from 1 January 2022. £57k in 2021-22 rising to £235k from April 2022.	Agreed by Council, May 2021
Revenues, benefits & customer services	Estimated £260k savings from April 2022	Report earlier on this Cabinet agenda
Legal services	Internal restructure. £6k savings from April 2022.	Agreed by CLT, October 2021
Waste management, garage, civil and environmental enforcement	Review in progress with Redditch & Bromsgrove councils	Outline business case expected by end January 2022
Development management and forward planning	Unable to secure any interest in joint local plan or shared services Internal review in progress	Proposals expected November 2021
Private Sector Housing	Discussions under way with other councils	
Support services	Tranche 1 of internal review proposals for ICT and finance in development Shared service implemented, 1 June 2021: 12-month trial for specialist support on procurement with West Mercia Police Internal audit: early discussions have taken place and a joint trial is being undertaken for work in quarter 4 2021-22.	Proposals expected November 2021 Business case expected April 2022.

	Tranche 2 (shared services) ICT and finance to be reviewed in 2022, although no potential partners identified from early dialogue on finance	
Elections & committee support	No potential partners identified from dialogue so far	
Nature reserves & ranger service	Review not yet commenced	

- 4.10 The intention is still to implement most or all the changes under the review programme before the next elections in 2023. The Cabinet's position remains that services will be examined for shared services with another council or councils in Worcestershire or other organisations, as well as in some cases transfer to another council or relevant voluntary sector body. This process could involve the transfer of relevant assets to other organisations or their placing in joint venture vehicles. If such options are not possible, internal savings will be sought. Outsourcing to the private sector will be considered only if all other options have been considered and discounted. The Council will operate its usual approaches when implementing change: consultation with affected staff and unions when there are clear proposals, applying the Council's policy on redeployment in order to avoid redundancies if possible, and compliance with the TUPE regulations where relevant in terms of transferring staff on their existing terms and conditions to other organisations. While every effort will be made to avoid compulsory redundancies, it is unrealistic to expect that there will be no job losses across the period of the MTFS. However the detailed impact in terms of what it will mean for staff and other aspects of service delivery cannot be predicted as this will emerge only when detailed proposals for implementation are brought for decision. Given the potential for significant job losses over the period of the medium term financial strategy, this will require use of reserves to fund exit costs which could extend to about £2 million across the period. Other incremental and modest changes to services and structures will continue to be brought forward and implemented as they are in every year: where it becomes apparent that cost reductions can be sought by reshaping existing teams or management structures, that will be done, such as the minor changes within the legal services team. Likewise the Council will continue to roll out ever wider use of digital or other technological solutions to reduce costs.

Localism

- 4.11 Good progress has been made in localism discussions with Bewdley Town Council and Stourport-on-Severn Town Council. A number of asset transfers have taken place, including some parcels of open space, the most significant of which is the Riverside North Park in Bewdley; and the transfer of toilets in both towns is expected to be finalised soon. Further discussions are to take place with both towns about other asset transfers relating to public open space but priority at present is being given to concluding an agreement with Kidderminster Town Council about the

transfer of four of the main parks in Kidderminster. In addition, discussions are under way with parish councils about taking on full responsibility for local environmental services, such as bin emptying and litter picking, and the transfer of the few assets that the District Council owns in rural areas. This overall programme of transfers is expected to lead to significant revenue savings for the District Council, either immediately or over time.

- 4.12 Prospective trustees were announced in June for the new trust that will be responsible for running Bewdley Museum, the Guildhall and QEII Jubilee Gardens. A considerable amount of work has been done to support the smooth transfer of these services to the trust, including the preparation of a business plan. A long-term grant offer has been made and involves £50k of savings for WFDC in the first full year rising to £100k by the third year. It is hoped to complete discussions on the funding package in good time for the conclusion of the budget-setting process in February. While the possibility of establishing the new trust by January 2022 had been envisaged, it has become apparent that this will not be achievable, principally because the Council has no control over how long the Charity Commission will take to approve the documentation when submitted. The revised planning assumption is for the new trust to become operational by April 2022 at the latest and therefore the Council to begin to enjoy savings from the first year of the next MTFS.

Discretionary services

- 4.13 The work on localism and other changes implemented in recent years have focussed on reducing the scale and cost of the Council's discretionary services – things that it does not have to do. This will continue. However, in some significant aspects of discretionary activity, the Council is constrained in what it can change. For example, the contract for the Wyre Forest Leisure Centre has over 15 years to run; and the Council needs to retain sufficient capacity to deliver major regeneration schemes including the Future High Streets Fund projects and the £17.9m of Levelling Up Fund projects which were announced in the Comprehensive Spending Review.
- 4.14 The administration has reviewed some more peripheral elements of discretionary services and is minded in the MTFS to take steps to reduce expenditure or phase them out. In some cases, this will present further opportunities for potential transfer of assets and services to town councils that will be pursued through the localism agenda. The particular areas of expenditure that have been identified following the review are:
- (a) Small business grants. North Worcestershire Economic Development and Regeneration administers start up and booster grants for small businesses, generally costing about £35k a year. It is intended to close this fund after March 2022;
 - (b) Sport and leisure facilities. The administration intends to focus future WFDC provision and funding on the Wyre Forest Leisure Centre and therefore phase out involvement in Bewdley Leisure Centre which involves gross costs for WFDC (net of depreciation) of £34k a year and net revenue expenditure of £24k a year and the Council's involvement in the Stourport Sports Club Ltd which costs £14k a year;
 - (c) Highways verges. The County Council provides less than 50% of the cost that WFDC incurs on undertaking this work, which is a County Council

responsibility. The administration can no longer support this level of subsidy and therefore notice is being given to the County Council that WFDC will no longer undertake verge cutting in the areas outside the three towns – this will leave the County Council free to make arrangements directly with parish councils if it so wishes. The County Council is reviewing agreements with district councils for highway verge cutting during 2022. In light of the outcome of that review and whether the County Council's funding for 2023 onwards would better align with WFDC's costs, the administration will consider whether WFDC would be prepared to continue maintaining the verges in the three towns.

Fees and charges

- 4.15 The Cabinet will take decisions at its December meeting about fees and charges that are executive functions, including car parking. Income needs to continue to grow from fees and charges in order to help deliver a sustainable budget. It is expected that car parking charges and season ticket prices will increase to deliver the extra income that is already assumed in the approved Medium Term Financial Strategy for 2021-2024 (+£50k in 2022-23 rising to +£150k in 2023-24). If the additional Government funding announced in the Comprehensive Spending Review is not sufficient, the administration believes that during the life of the next MTFS the Council will have to consider introducing car parking charges for blue badge holders and, if it still retains them, at parks. In order to provide an income stream to support the possible transfer of nature reserves to a trust, work will be done on introducing parking charges at the most heavily used sites. Proposals will be developed in due course but are expected to focus on a low cost daily rate coupled with a modestly-priced annual "friends" ticket, similar to the arrangement that the Forestry Commission operates at Wyre Forest. The administration will also work with members of the Licensing Committee to examine proposals for the implementation of a late night licensing levy in Wyre Forest, which would apply to venues that are licensed routinely to serve alcohol after midnight. Such late night opening gives rise to costs for the police and the District Council in particular and it is reasonable that the venues concerned should contribute a little more in recognition of that.

Climate change and net zero

- 4.16 The eyes of the world are on the UK for 26th UN Climate Change Conference of the Parties (COP26). The Council declared a climate emergency in May 2019, and the Cabinet's Green Advisory Panel has done valuable work on examining the case for implementing specific measures by the Council. A report earlier on tonight's agenda sets out a costed plan for investment in electric vehicle charging points in many of the Council's car parks. In order to support the take up of zero emission vehicles, the Council would have to invest up front in order to produce a return over many years. Locally, the administration believes that the Council's leadership role in addressing climate change and the move to net zero should be backed with investment in the next MTFS. It is therefore proposed to:
- (a) Purchase the first electric vehicles within the current capital programme, with a review to be undertaken during 2022 to establish whether funding for future years is adequate to move to a fleet that is not dependent on fossil fuels by 2030. This will also need to factor in potentially major changes to waste collection requirements as a result of the Environment Bill;

- (b) Moving to green only tariffs for electricity and gas when current contracts expire in 2023 and 2025 respectively. This is expected to add an estimated 5% or less to fuel costs – a relatively small additional price to pay compared to the increase in gas costs that is expected following the surge in global demand in 2021.

The Government is now 3 months late in announcing its decisions on the Community Renewal Fund. The outcome of the Council's bid for funding for a business case for a solar farm is thus still awaited at the time of issue of this report.

- 4.17 During 2021, the administration has reviewed options for Wyre Forest House, which has been too big for the Council's needs ever since it was first occupied in October 2012. The carbon sunk in the construction of the building only a decade ago makes it inappropriate to consider regeneration of the site through demolition or major adjustments to the building – and such steps could be considered in any case only if there was a suitable alternative building where the Council might locate its office-based activities and formal meetings of Councillors. There is no such alternative building available on the market or likely to come to market within the district. Sale of the building has therefore been discounted for now because of market conditions. The review also examined the range of possible alternative uses for WFH, including opportunities presented by change in use class orders. But there was no rationale for making such a change at present, as the Council is achieving higher rentals for office-type uses than other possible uses; and conversion e.g. to residential use or retail would undermine the Council's planning policy position in respect of employment land on the Stourport Road corridor. The review has concluded that there are severe practical obstacles to dividing the building so that the Council would retain and occupy only part of it and dispose of the remainder. Use of space within Wyre Forest House following the COVID pandemic will change, to accommodate hybrid working by the Council's staff and to reflect that the café operator does not wish to continue its operations at the building. The result is that the Council's needs can be met through using a smaller footprint for its own purposes in future. This will allow expansion of the strategy of letting out even more of the building to a range of private and public sector tenants. It is welcome that Brinton have recently taken up a significant proportion of the vacant space, and efforts will continue to let all remaining vacant areas. It is premature for the MTFS to assume when more or all areas will be let: it is better to take additional income that is achieved as windfall gains within the budget when progress is made.

Development loans fund and capital portfolio fund

- 4.18 The Development Loans Fund was launched with up to £10m of borrowing in 2017. Interest from businesses and development partners has been limited and only one loan has been approved. The administration has reviewed the performance of the fund and concluded that, with the expiry of the contract with Frontier Development Capital (previously known as Finance Birmingham) at the end of October 2021, it should now be discontinued. This will not affect the terms of the one approved loan, which has recently been repaid.
- 4.19 The Capital Portfolio Fund, in contrast, has enabled the Council to assemble a portfolio of properties, both within the district and elsewhere within the agreed geography, that support economic regeneration within the functioning economic geography of which Wyre Forest is part. Inevitably performance of the fund has

been impacted by the COVID pandemic. In broad terms rental income is covering all associated costs including funding and repaying borrowing: it “washes its face”. Business cases for physical changes at two sites have been proposed by the Council’s external property managers and have been supported in principle, as they are projected to lead to growth in capital values and/or rental income. Detailed proposals are being finalised.

- 4.20 The Capital Portfolio Fund exists alongside an historic property portfolio of industrial estates in the Council’s ownership, and other development properties and sites that have been acquired by the Council at various times and are being brought into positive economic use through the Future High Streets Fund projects. Further acquisitions may proceed with the Levelling Up Fund and in future through the UK Shared Prosperity Fund.
- 4.21 Long-term assets on the Council’s balance sheet were valued at £70.141m at 31 March 2021. Total external borrowing stood at £37.28m at the same date although, if extant borrowing approvals within the capital programme were exploited in full, the Council’s debt could rise to about £62m. This represents about the same multiple of its net revenue income (5x) as individuals can borrow for a mortgage, which is often up to five times a household’s salaries. However CIPFA has issued recent guidance about proportionality in borrowing and the Council will need to be mindful of this and consider the risks in deciding how to use the headroom in borrowing freed up by the closure of the Development Loans Fund (approximately £8m).
- 4.22 The administration will seek views through consultation on whether this should be reallocated for generic capital expenditure proposals. This could support capital projects in a wide range of areas such as projects to deliver net zero as part of the green agenda (so long as it is capital expenditure, this could comprise such things as vehicles that do not use fossil fuels and a solar farm); housing; or further interventions to support regeneration. Approval of expenditure would be subject to affordability and follow the same business case requirements as for the Capital Portfolio Fund.
- 4.23 The administration also wishes to seek views on whether the footprint for the Capital Portfolio Fund should be aligned with Wyre Forest’s functional economic geography which comprises Worcestershire, Birmingham, Solihull and the Dudley and Wolverhampton areas in the Black Country. The footprint was originally set in line with the Local Enterprise Partnership areas of which the Council is a member of i.e. Worcestershire plus the area of the Greater Birmingham and Solihull LEP, stretching across the areas of four districts in Staffordshire as far as Burton-on-Trent. With the uncertainty of the pandemic and the review of the CIPFA code, the boundary was temporarily restricted to Wyre Forest district only. However, limiting the search to within the boundaries of the district only has severely limited the opportunities coming forward. Wyre Forest does not have a strong industrial sector in quality buildings on key highway networks, nor does it have an office sector of significance. The Capital Portfolio Fund Strategy advises that, to mitigate risk to the portfolio, it should comprise acquisitions across a balance of sectors and locations in order to build in resilience to market changes. Without this spread the portfolio is at greater risk of impact on value, both rental and capital, from market changes.
- 4.24 CIPFA has recently issued further consultation proposals for changes to its prudential code guidance. The consultation ends on 16th November 2021.

Notwithstanding this further consultation, it is clear that borrowing for out of area acquisitions is only permitted if the acquisitions are for economic regeneration or other statutory purposes (and because it is not simply borrowing for the primary purpose of financial return). Our acquisitions so far have been for economic regeneration. Subject to CIPFA's final proposals following the close of the ongoing consultation, it would be appropriate to consider whether the footprint should be aligned with Wyre Forest's functional economic geography. Members will also be aware of the ongoing review of LEP memberships which may result in the Council no longer being able to be a member of two LEP areas concurrently. While the administration recognises concerns about acquiring assets outside Wyre Forest, the Council has been proportionate in its acquisitions and in each case has been able to demonstrate a robust business case revolving around supporting the local economy for the benefit of Wyre Forest residents and businesses. It would continue to be prudent in the choice of assets that could be justified on that basis. By adding the local authority areas of Wolverhampton and Dudley and removing Cannock Chase, Tamworth, Lichfield and East Staffordshire, the Council would better reflect the functional economic geography over which local businesses and residents conduct their business, receive and supply goods and services and travel to and from work. This would open up options that would allow potentially greater reinvestment of recycled Capital Portfolio Fund moneys in Wyre Forest, and benefit the local economy from the capital growth potential in some sectors which can be greater in other areas.

- 4.25 Following the consultation, the administration will formulate proposals for inclusion in the medium term financial strategy and for recommendation to Council as part of the capital programme for 2022-2025.

5. FINANCIAL IMPLICATIONS

- 5.1 There are no direct implications arising from this report. Even though it outlines the administration's thinking on certain issues such as future increases in council tax or major changes to how services are organised and delivered, no decisions are sought at this point – they will follow in the medium term financial strategy in December and recommendations to Council in February about the budget and council tax for 2021-22 and in respect of the capital programme. The financial implications will be set out in full in the report about the MTFS, and will include updated forecasts of the overall position informed by further information that continues to emerge.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 The Council's budget setting process is governed by the Local Government Finance Act 1992 and other local government finance legislation. While this does not oblige the Council to share the shape of emerging issues for the medium term financial strategy at this stage, it is recognised as good practice to do so. Decisions will be taken in due course as necessary in accordance with legislative requirements and will identify any changes that might be required to the Council's policy framework. No further changes are expected to the corporate plan, following the review in 2020.

7. EQUALITY IMPACT NEEDS ASSESSMENT

- 7.1 An Equality Impact Assessment (EIA) is not required at this point as no decisions are sought that would have an impact on groups with protected characteristics. As

proposals move forward to decision, such impact assessments may be required for particular proposals and these will be addressed in subsequent reports as appropriate.

8. RISK MANAGEMENT

- 8.1 The most significant risk facing the Council remains its funding gap. The suggestions outlined for the medium term financial strategy, which will be the subject of consultation, would help to address this gap. There are risks associated with implementing alternative delivery models as outlined in this report, and these will be addressed in detail in specific proposals as they are brought forward for decision.

9. CONCLUSION

- 9.1 The Cabinet is invited to agree the suggested approach outlined in respect of the medium term financial strategy. This will now be the subject of consultation and a final decision by the Cabinet on proposals in the MTFS which will be presented in December.

10. CONSULTEES

- 10.1 CLT
10.2 Cabinet

11. BACKGROUND PAPERS

- 11.1 Presentations to the Strategic Review Panel, November 2021

WYRE FOREST DISTRICT COUNCIL

CABINET MEETING
9 November 2021

WRITE OFF OF AMOUNTS OUTSTANDING

OPEN	
CABINET MEMBER:	Cllr. Mary Rayner
RESPONSIBLE OFFICER:	Corporate Director: Resources
CONTACT OFFICER:	Fiona Johnson Ext. 2661 E-mail Fiona.johnson@wyreforestdc.gov.uk
APPENDIX 1	Proposed Write-Off

1. PURPOSE OF REPORT

- 1.1 To enable the Cabinet to give consideration to writing off the sum of £20,824.21 in respect of debts that cannot be collected.

2. RECOMMENDATION

The Cabinet is asked to DECIDE that:

- 2.1 The total of £20,824.21 as detailed in the Appendix to this report, be written off, for National Non-Domestic Rates.

3. BACKGROUND

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

4. KEY ISSUES

- 4.1 National Non-Domestic Rates are demanded in accordance with the provisions laid down by The Local Government Finance Act 1988; the total annual sum collectable by this Council is circa £30 million, our overall collection rate for 2020/21 was 94.96%. Recovery action is taken in the event of non-payment under the various regulations made by this Act.
- 4.2 Every effort has been made to pursue the debt set out in the Appendix. This rigorous recovery work has been a prolonged exercise due to the necessary stages that must be followed for debt recovery.

Write off is only recommended when all recovery avenues have been fully explored, and this is the reason for the debts now presented for write off.

5. FINANCIAL IMPLICATIONS

- 5.1 Under the current Business Rates Retention regime, the cost of non-collection of National Non-Domestic Rates is met both by the Government and the Worcestershire Business Rate Pool. Approval of the proposed write-off detailed in the Appendix of £20,824.21 will be accounted for as part of the Worcestershire Business Rates Pool and result in a loss of income shared between the Pool members and the Government.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 None.

7. EQUALITY IMPACT NEEDS ASSESSMENT

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

8. RISK MANAGEMENT

- 8.1 The principal risk to the Council is loss of National Non-Domestic Rates (Business Rates) income which is a key funding source. However, the budgeting process includes an estimate each year for a small percentage of potential write-offs/provision for bad debts that are unfortunately inevitable given the total annual sum collectable of circa £30m. The Business Rates accounting regime and membership of the Worcestershire Pool mitigates the risk of impact on this Council as the loss of income is shared between Pool members and the Government.

9. CONCLUSION

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

10. CONSULTEES

- 10.1 Corporate Leadership Team
Cabinet Member for Finance and Capital Portfolio

11. BACKGROUND PAPERS

- 11.1 Overview and Scrutiny Report 5th October 2017– Processes for Business Rates Debt Recovery.

Appendix Open Companies

Debt Type	Payer	Address	Reason for Write-Off	Amount £
NDR	Worcestershire Oak Works Ltd 00396176	Warehouse and premises, Unit 1 Baldwin Road, Stourport-on-Severn. DY13 9AX	Business rate debt related to rates for the period 22/10/2018 to 31/03/2019, 01/04/2019 to 31/03/2020 and 01/04/2020 -14/01/2021. The company was listed on Companies House as manufacture of other builders' carpentry and joinery. Liability Orders were made by Kidderminster Magistrates Court on 8th May 2019, 3rd July 2019 and 10th February 2021. Per Companies House 24th December 2019 First Gazette notice for compulsory strike off, 3rd September 2020 compulsory strike off action was discontinued. The company was dissolved at Companies House 30th March 2021.	20,824.21
				20,824.21