

**Open**

# **Cabinet**

# **Agenda**

**6pm**  
**Tuesday, 12 November 2024**  
**Council Chamber**  
**Wyre Forest House**  
**Finepoint Way**  
**Kidderminster**



## Cabinet

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

<b>Councillor M Hart</b>	<b>Leader of the Council &amp; Strategy</b>
<b>Councillor B Brookes</b>	<b>Deputy Leader &amp; Operational Services</b>
<b>Councillor C Rogers</b>	<b>Housing, Health and Well-being</b>
<b>Councillor D Morehead</b>	<b>Economic Regeneration, Planning &amp; the Green Agenda</b>
<b>Councillor T Onslow</b>	<b>Culture, Leisure, Arts &amp; Community Safety</b>
<b>Councillor D Ross</b>	<b>Finance &amp; Capital Portfolio</b>

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

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

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

*The deadline for "calling in" Cabinet decisions is 5pm on Friday 22 November 2024.*

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

### **Urgent Key Decisions**

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

### **Disclosure of Interests**

**Members and co-opted Members of the Council are reminded that, in accordance with the Council's Code of Conduct and the statutory provisions of the Localism Act, they are required to consider in ADVANCE of each meeting whether they have a disclosable pecuniary interest (DPI), an other registrable interest (ORI) or a non-registrable interest (NRI) in relation to any matter on the agenda. If advice is needed, Members should contact the Monitoring Officer or other legal officer in good time before the meeting.**

If any Member or co-opted Member of the Council identifies a DPI or ORI which they have not already registered on the Council's register of interests or which requires updating, they should complete the disclosure form which can be obtained from Democratic Services at any time, copies of which will be available at the meeting for return to the Monitoring Officer.

Members and co-opted Members are required to disclose any DPIs and ORIs at the meeting.

Where the matter relates to a DPI they may not participate in any discussion or vote on the matter and must not stay in the meeting unless granted a dispensation.

Where the matter relates to an ORI they may not vote on the matter unless granted an advance dispensation.

Where a Member or co-opted Member has an NRI which directly relates to their financial interest or wellbeing, or that of a relative or close associate, they must disclose the interest at

the meeting, may not take part in any discussion or vote on the matter and must not stay in the meeting unless granted a dispensation.

Where a matter affects the NRI of a Member or co-opted Member, the Code of Conduct sets out the test which must be applied by the MEMBER to decide whether disclosure is required. Again please ensure you have spoken in ADVANCE to the relevant legal officer and determined whether it is appropriate to declare the NRI and leave.

### **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](mailto: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](http://www.wyreforestdc.gov.uk/council/meetings/main.htm)

### **WEBCASTING NOTICE**

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

You should be aware that the Council is a Data Controller under the Data Protection Act 1998. The footage recorded will be available to view on the Council's website for 6 months and shall be retained in accordance with the Council's published policy.

**By entering the meeting room and using the public seating area, you are consenting to be filmed and to the possible use of those images and sound recordings for webcasting and or training purposes.**

If members of the public do not wish to have their image captured they should sit in the Stourport and Bewdley Room where they can still view the meeting.

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

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

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

Wyre Forest District Council

Cabinet

Tuesday, 12 November 2024

Council Chamber, Wyre Forest House, Finepoint Way, Kidderminster

Part 1

Open to the press and public

<b>Agenda item</b>	<b>Subject</b>	<b>Page Number</b>
<b>1.</b>	<b>Apologies for Absence</b>	
<b>2.</b>	<b>Declarations of Interests by Members</b>  In accordance with the Code of Conduct, to invite Members to declare the existence and nature of any disclosable pecuniary interest (DPI), an other registrable interest (ORI) or a non-registrable interest (NRI) in relation to any matter on the agenda.  Please see the Members' Code of Conduct as set out in Section 14 of the Council's Constitution for full details.	
<b>3.</b>	<b>Minutes</b>  To confirm as a correct record the Minutes of the meeting held on the 10 September 2024.	7
<b>4.</b>	<b>CALL INS</b> a verbal update will be given on any decisions which have been "called in" since the last meeting of the Cabinet.	
<b>5.</b>	<b>Items Requiring Urgent Attention</b>  To consider any item which, in the opinion of the Chairman requires consideration at the meeting as a matter of urgency.	
<b>6.</b>	<b>Public Participation</b>  In accordance with the Council's Scheme for Public Speaking at Meetings of Full Council/Cabinet, to allow members of the public to present petitions, ask questions, or make statements, details of which have been received by 12 noon on Monday 4 November 2024. (See front cover for contact details).  <b>No requests for public participation were received by the deadline.</b>	

<b>7.</b>		
<b>7.1</b>	<p style="text-align: right;"><b>Councillor D Ross</b></p> <p><b>Council Tax Reduction Scheme Review 2025-26</b></p> <p>To receive a report from the Head of Resources, Benefits &amp; Customer Services that discharges the requirement to consider, for each financial year, whether to revise the scheme or to replace it with another scheme.</p> <p>Also to consider recommendations from the Overview &amp; Scrutiny Committee from its meeting on 7 November 2024.</p>	<p style="text-align: center;">13</p> <p>To follow</p>
<b>7.2</b>	<p><b>Budget and Performance Monitoring Second Quarter 2024-25</b></p> <p>To receive a report from the Head of Resources and s151 Officer that briefs members on the Council's financial and other performance at the end of Quarter 2 ending 30th September 2024 and presents the emerging budget pressures and known variances that are likely to have an impact on the outturn position for the 2024-25 financial year.</p> <p><i>The appendices to this report have been circulated electronically.</i></p> <p>Also to consider recommendations from the Overview &amp; Scrutiny Committee from its meeting on 7 November 2024.</p>	<p style="text-align: center;">17</p> <p>To follow</p>
<b>8.</b>		
<b>8.1</b>	<p style="text-align: right;"><b>Councillor B Brookes</b></p> <p><b>Fleet &amp; Garage Service Review</b></p> <p>To receive a report from the Head of Community &amp; Environment that seeks approval to secure a more resilient delivery model for the council's fleet and garage function.</p> <p>Also to consider recommendations from the Overview &amp; Scrutiny Committee from its meeting on 7 November 2024.</p>	<p style="text-align: center;">50</p> <p>To follow</p>
<b>9.</b>		
<b>9.1</b>	<p style="text-align: right;"><b>Councillor T Onslow</b></p> <p><b>Wyre Forest District Council Air Quality Action Plan</b></p> <p>To receive a report from the Head of Strategic Growth on the draft Air Quality Action Plan (AQAP) for the council's two air quality management areas.</p> <p><i>The appendices to this report have been circulated electronically.</i></p> <p>Also to consider recommendations from the Overview &amp; Scrutiny Committee from its meeting on 7 November 2024.</p>	<p style="text-align: center;">65</p> <p>To follow</p>

<b>10.</b>		
<b>10.1</b>	<p style="text-align: right;"><b>Councillor D Morehead</b></p> <p><b>Gilgal Conservation Area Character Appraisal</b></p> <p>To receive a report from the Head of Strategic Growth that presents the draft Gilgal Conservation Area Character Appraisal and seeks agreement that it be consulted upon for a period of four weeks.</p> <p><i>The appendix to this report has been circulated electronically.</i></p> <p>Also to consider recommendations from the Overview &amp; Scrutiny Committee from its meeting on 7 November 2024.</p>	<p>70</p> <p>To follow</p>

<b>11.</b>	<b>To consider any other business, details of which have been communicated to the Solicitor to the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.</b>	
<b>12.</b>	<p><b>Exclusion of the Press and Public</b></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

<b>13.</b>		
<b>13.1</b>	<p style="text-align: right;"><b>Councillor B Brookes</b></p> <p><b>Agenda Item 8.1 - Fleet &amp; Garage Service Review</b></p> <p>EXEMPT Appendix 2 – Financial Implications</p>	<p>73</p>
<b>14.</b>	<b>To consider any other business, details of which have been communicated to the Solicitor to the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.</b>	

WYRE FOREST DISTRICT COUNCIL

CABINET

COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER

10 SEPTEMBER 2024 (6PM)

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**Present:**

Councillors: M J Hart (Chairman), B Brookes (Vice-Chairman), I Hardiman, D Morehead, T L Onslow and D Ross.

**Observers:**

Councillors: N Martin, F M Oborski MBE and A Sutton.

**CAB.23 Apologies for Absence**

There were no apologies for absence.

**CAB.24 Declarations of Interests by Members**

As recorded later in the minutes, in respect of agenda item 8.2 Wyre Forest District Council Temporary Accommodation Placement and Procurement Policy - Councillor F Oborski MBE declared that she was a trustee of the HELP Charity.

**CAB.25 Minutes**

**Decision: The minutes of the Cabinet meeting held on 9 July 2024 be confirmed as a correct record and signed by the Chairman.**

**CAB.26 Call Ins**

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

**CAB.27 Items Requiring Urgent Attention**

There were no items requiring urgent attention.

**CAB.28 Public Participation**

There was no public participation.

**CAB.29 Budget and Performance Monitoring First Quarter 2024-25**

A report was considered from the Head of Resources and Section 151 Officer that briefed members on the Council's financial and other performance at the end of quarter one ending 30 June 2024. The report also presented the emerging budget pressures and known variances that are likely to have an impact on the outturn position for the 2024-25 financial year.

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

The Cabinet Member for Finance and Capital Portfolio presented the report and formally moved the recommendations for approval. He thanked the Head of Resources and Section 151 Officer for providing the comprehensive report.

The Cabinet Member gave a detailed summary of the background and key issues detailed in the report.

He advised that, after inclusion of the capital account the year-end outturn position was forecast to be £101k better than the position forecast in the 2024-27 Medium Term Financial Strategy (MTFS) He added that the total revenue was reported by service group and the significant variances were set out in table 1 on page 15 of the report.

With regards to capital, he advised that the approved capital programme for 2024-2025 was £58.055m, which included slippage of £13.264m from 2023-2024. He said that the forecast slippage to future years at quarter one was £4.971m, as detailed in table 2 on page 15 of the report. He outlined the two proposed amendments to the capital programme.

The Cabinet Member invited any questions or comments on the report from Cabinet. He provided a verbal response to a question regarding the quarter one position for 2023-24 which forecast an overspend. The Cabinet Member for Culture, Leisure, Arts and Community Safety said that it was an excellent result for the authority to have a better position than in the previous year. The Cabinet Member for Operational Services acknowledged the hard work that had gone into growing the customer base for the garden waste service, which had resulted in £75k increase in income.

The Leader seconded the proposals. He welcomed the external funding for the capital works and said he looked forward to an even more improved position at quarter two.

In her capacity of Vice-Chairman of the Overview and Scrutiny Committee, Councillor F Oborski MBE presented the recommendations from its meeting on 5 September 2024.

#### **Decision: The Cabinet NOTED:**

- 1.1 The projected budget variations, virements and comments within the report and appendices 1 to 5.**
- 1.2 The performance against measures and actions as set out in the report and appendix 6.**
- 1.3 The recommendation from the Overview and Scrutiny Committee from its meeting on 5 September.**

#### **The Cabinet APPROVED:**

- 1.4 An amendment to the in-year Capital Programme of £50,000 in respect of expenditure on the accessible toilets in Brinton Park; fully funded by external grant from the MHCLG Changes Places**



toilets fund.

- 1.5 **Amendment to the in-year Capital Programme to increase the existing UKSPF capital allocation by £619,920 in respect of expenditure fully funded by external Shared Prosperity Fund grant, of which £547,710 will be directly allocated to the Future High Street Creative Hub project (The Old Court) as approved by Council in May 2024.**

### **CAB.30 Empty Property Strategy 2024-29**

A report was considered from the Head of Strategic Growth that provided a consultant's report on empty homes and a proposed empty property strategy in response to that report and other factors.

The Cabinet Member for Housing, Health and Well-being presented the report and formally moved the recommendations for approval. He thanked the Head of Strategic Growth for the report.

The Cabinet Member gave a detailed summary of the background and key issues set out in the report.

He explained that the Council's Empty Property Strategy 2017-22 had now lapsed and needed refreshing. He said that work to tackle empty properties has continued but it was not a mandatory function and had at times needed to take lower priority than other work in the team around enforcement of housing conditions.

He further explained that the MTFs 2024-27 recommended by Cabinet on 13 February 2024 included an action to explore and develop a commercial proposal to bring long term empty homes back into use to increase housing supply and help meet housing demand. He added that this was supported by an allocation from the Innovation Fund of up to £10k to fund a feasibility study.

The Cabinet Member said that the lack of a current strategy left the authority potentially open to criticism regarding a lack of transparency or if any complaints are made. He added that adoption of an empty homes strategy was important to prioritise work on empty homes and set out the Council's approach. He said the recommendations from the consultant's report had been reviewed.

The Leader seconded the recommendations. He said that it was important that the Council had a strategy in place and was grateful for the independent report that was commissioned by the Head of Strategic Growth.

The Vice-Chairman of the Overview and Scrutiny Committee presented the recommendations from its meeting on 5 September 2024.

The Leader thanked the members of the Committee for considering the report and providing three additional recommendations. In respect of the proposal to increase staffing resource, he said that there was not any provision in the current MTFs to fund the proposal. However the Cabinet would give serious

consideration to explore the proposal further as part of the next budget setting process. With regards to the proposal to write to the local MP, the Leader explained that there may have been a misunderstanding on how the Government's proposed methodology for housing growth works. He said that if all the empty properties were occupied, the Government's figure would still be 617 a year so it would not reduce the number required. The Leader said that the Cabinet would delegate to the Chief Executive to write to the MP asking him to lobby the Government on the proposed methodology.

In relation to the final recommendation, the Leader said that there was no difficulty in the Cabinet inviting the Head of Strategic Growth talking to her counterparts across the County of Worcestershire to consider opportunities to pool resources.

**Decision: Having had regard to the recommendations from the Overview and Scrutiny Committee from its meeting on 5 September 2024;**

**The Cabinet:**

**1.1 ADOPTED the Wyre Forest Empty Property Strategy 2024-29 AND**

**1.2 NOTED the Act on Empty Homes Wyre Forest Report July 2024.**

**CAB.31 Wyre Forest District Council Temporary Accommodation Placement and Procurement Policy**

A report was considered from the Head of Strategic Growth that outlined the Council's approach to temporary accommodation placements and the procurement of temporary accommodation.

The Cabinet Member for Housing, Health and Well-being presented the report and formally moved the recommendations for approval. He thanked the Head of Strategic Growth for providing the report.

The Cabinet Member gave a detailed summary of the background and key issues set out in the report.

He explained that the Council has a statutory duty to provide temporary accommodation for certain types of homeless household. He said that Local Housing Authorities have a statutory duty to provide temporary accommodation in their own area "so far as is reasonably practicable" and statutory guidance requires councils "where possible" to try and secure accommodation as close as possible to where an applicant was previously living, although not being constrained by the preference of the applicant.

In conclusion, the Cabinet Member said that an up-to-date Temporary Accommodation Placement and Procurement Policy would ensure officers and customers are fully aware of our legal requirements and the process in assessing suitability for making placements in temporary accommodation, including under the discretionary duty. He added that having a procurement policy for temporary accommodation would enable the Council to endeavour to secure the best possible cost for the accommodation.

The Leader seconded the proposals.

Councillor F Oborski MBE declared her interest at this point (6.56pm) and in her capacity of Vice-Chairman of the Overview and Scrutiny Committee, presented the recommendations from its meeting on 5 September 2024.

**Decision: In line with the recommendations from the Overview and Scrutiny Committee from its meeting on 5 September 2024;**

**The Cabinet APPROVED the Temporary Accommodation Placement and Procurement Policy.**

**CAB.32 Development Brief site (SA.S6) Supplementary Planning Document**

A report was considered from the Head of Strategic Growth that presented the draft Development Brief for SA.S6 Supplementary Planning Document (SPD).

The Cabinet Member for Economic Regeneration, Planning and the Green Agenda presented the report and formally moved the recommendations for approval. He thanked the Head of Strategic Growth for providing the report.

The Cabinet Member gave a summary of the background and key issues detailed in the report. He explained that the development site SA.S6 was an allocated site within the Council's Local Plan which was adopted in 2022.

He added that the SPD aimed to inform prospective developers and local residents of the Council's ambitions for a site in its ownership. He said the site offers up a fantastic opportunity to bring forward a high-quality residential site that restores, supports and enhances biodiversity, the wider Green Infrastructure network and improves connectivity to the open countryside for the existing community that surrounds the site.

The Cabinet Member said that the authority was required by part five of the Town and Country Planning (Local Planning) (England) Regulations 2012 to consult on an SPD for a period of 4 weeks prior to finalising and adopting the document.

The Leader seconded the proposals.

The Vice-Chairman of the Overview and Scrutiny Committee presented the recommendations from its meeting on 5 September 2024.

**Decision: In line with the recommendations from the Overview and Scrutiny Committee from its meeting on 5 September 2024;**

**The Cabinet:**

**1.1 APPROVED the draft Development Brief SPD AND**

**1.2 AGREED to a 4 week consultation on the SPD to take place from the 16 September 2024 until 14 October 2024.**

Councillor N Martin left the meeting at this point (7.02pm).

**CAB.33 Response to Draft National Planning Policy Framework**

A report was considered from the Head of Strategic Growth that sought approval of the response to the Government's consultation on changes to the National Planning Policy Framework (NPPF).

The Cabinet Member for Economic Regeneration, Planning and the Green Agenda presented the report and formally moved the recommendations for approval. He thanked the Head of Strategic Growth and her team for providing the report.

The Cabinet Member gave a comprehensive summary of the background and key issues detailed in the report. He explained that, on 30 July, the Government published a consultation paper about changes to the NPPF, as well as a full draft of the NPPF showing tracked changes and a spreadsheet setting out the impact of the Government's proposed methodology for assessing housing need. He confirmed that the consultation closes on 24 September.

He further explained that the Government wanted to raise the national annual delivery target for new dwellings from 300,000 to 370,000. He said to help meet this target the Government was proposing to reintroduce and update the standard method of calculation and make it a mandatory part of determining a local authority's housing requirement during the plan making process. He said, for Wyre Forest, this was estimated to result in an annual delivery target of 617 dwellings per annum, an increase from the current 276 dwellings per annum target. He said, as detailed in table one on page 62 of the report, that a requirement at 617 dwellings/year would far exceed build rates that have been seen in recent years: even since the adoption of the Local Plan in 2022, WFDC had averaged delivery of 442 dwellings per annum.

The Leader seconded the recommendation. He thanked the Head of Strategic Growth and her team for all the professional and technical advice given to the Cabinet.

Other members expressed concern at the implications of the Government's proposed methodology for Wyre Forest.

**Decision: The Cabinet APPROVED the response set out in Appendix One of the report.**

There being no further business, the meeting closed at 7.30pm.

The meeting is available for viewing on the Council's website.  
<https://wyreforestdc.public-i.tv/core/portal/webcasts>

**WYRE FOREST DISTRICT COUNCIL**

**CABINET**  
**12 NOVEMBER 2024**

**Council Tax Reduction Scheme Review 2025-26**

<b>OPEN</b>	
<b>CABINET MEMBER:</b>	Councillor David Ross, Cabinet Member for Finance and Capital Portfolio
<b>RESPONSIBLE OFFICER:</b>	Lucy Wright – Head of Revenues, Benefits & Customer Services
<b>CONTACT OFFICER:</b>	<a href="mailto:lucy.wright@wyreforestdc.gov.uk">lucy.wright@wyreforestdc.gov.uk</a>
<b>APPENDICES:</b>	None

**1. PURPOSE OF REPORT**

- 1.1 To discharge the requirement to consider, for each financial year, whether to revise the scheme or to replace it with another scheme.

**2. RECOMMENDATION**

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

- 2.1 **No changes should be proposed to the council tax reduction scheme for 2025-26.**

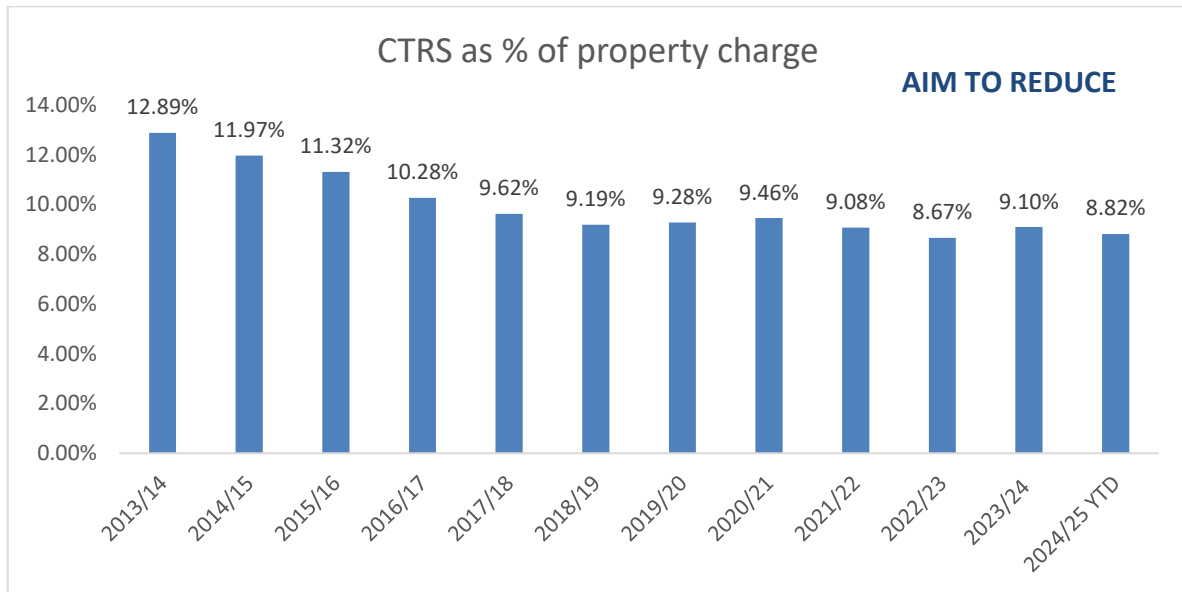
**3. BACKGROUND**

- 3.1 The Council Tax Reduction Scheme (CTRS) provides a council tax discount for those on low incomes. The discount is up to 100% for those of pensionable age and up to 90% for those of working age. Paragraph 5 of Schedule 1a to the Local Government Finance Act 1992 (inserted by Schedule 4 to the Local Government Finance Act 2012) places a duty on the Council to consider every year whether to revise or replace a scheme. This report discharges the requirement in respect of 2025-26. Any change to the scheme would have to be approved by full Council and this would have to happen no later than its meeting in February 2025, to meet the statutory deadline of 11<sup>th</sup> March 2025.
- 3.2 The legislation does not allow the Council any discretion in respect of the reductions to be given to those of pensionable age.
- 3.3 The Council introduced an income banded reduction scheme on 1<sup>st</sup> April 2019 for working age claimants who are on a low income. The maximum discount that low income working age households can receive under the scheme changed in April 2023 from 80% to 90%. This was due to the cost of living crisis together with the recognition that collection rates among this client group were much lower and the administration and costs of collection are therefore higher. The amount of council

tax reduction a working age household can receive is based on the income bands as shown in the following table:

	Singles	Couples	Lone parent 1 child	Lone parent 2 (or more) children	Couples 1 child	Couples 2 (or more) children
Discount awarded	(weekly net income level)					
90%	£0 – £97.99	£0 – £144.99	£0 – £199.99	£0 – £269.99	£0 - £269.99	£0 - £309.99
70%	£98 - £127.99	£137.50 - £177.99	£200 – £249.99	£270 – £304.99	£220 - £281.99	£297 - £335.49
50%	£128 - £157.99	£170.50 - £210.99	£250 – £274.99	£305 – £334.99	£275 - £309.99	£335.50 - £381.99
30%	£158 - £187.99	£203.50 - £244.99	£275 – £299.99	£335 – £364.99	£302.50 - £336.99	£368.50 - £414.99

- 3.4 The only other Councils in Worcestershire who have an income banded scheme are Redditch Borough Council and Bromsgrove District Council. The maximum discount they award is 100%. Wychavon District Council have a minimum contribution of 20%. Malvern Hills District Council and Worcester City Council don't have a minimum contribution but they restrict the awards to a council tax Band D equivalent. Malvern Hills DC will not give any reduction if the award is under £10 per week. Worcester City will not pay the award if it is under £5 per week.
- 3.5 The financial impact of the scheme is closely monitored. Council Tax Reduction Scheme expenditure will increase each year when Council Tax increases. It is therefore important to look at the percentage expenditure against the total council tax property charge.
- 3.6 As at 1<sup>st</sup> September 2024 Council Tax Reduction Scheme as a percentage of the total property charge is 8.82% which equates to £8.5m. As a comparison, discounts (such as single person discount) reduce the tax base by £7.69m which is 7.98% of the property charge.
- 3.7 Expenditure was expected to increase due to the maximum discount changing from 80% to 90% from April 2023. However expenditure, as a percentage of the property charge, continues to reduce. Historically expenditure reduces during the year by an average of 0.35% so it is likely to reduce further by the end of the financial year.
- 3.8 The following chart shows CTRS expenditure as a percentage against the overall property charge since the scheme was introduced in 2013/14, as at the end of each financial year:



3.9 Historically, collection rates for claimants in receipt of Council Tax Reduction Scheme are lower than the overall collection rates. This has been the case since the abolition of Council Tax Benefit in 2013 until this year. It is suggested this is due to the smaller council tax balance because of the discount that is now provided that makes payments more manageable. This results in lower administration costs, meaning the recovery team can focus on recovering larger balances.

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

- 4.1 There is no case for revising Wyre Forest’s Council Tax Reduction Scheme for 2025-26. Interest rates remain high and, while the rate of inflation is falling, prices for a range of goods and services remain much higher than they were 2 years ago.
- 4.2 Changing the scheme could have financial and other implications for the Council. Altering either the income bands or percentage discounts, in order to increase the amount low-income households are required to pay, could have financial benefits for Wyre Forest District Council and in particular for the county council. However, the lower the discount granted, the greater the likelihood that recipients would have difficulty in meeting their council tax liability as shown in previous years. This would result in increased costs of recovery, with no certainty that the projected additional income will materialise.
- 4.3 Conversely, if the discount or income bands were altered to make the scheme more generous, there would be a cost to the Council in terms of reduced revenue to fund the services that communities in Wyre Forest value. Analysis carried out in 2022 shows that the additional cost of increasing the discount to 95% would be circa £150k and to 100% would cost approximately £420k between all preceptors. Given the financial gap facing the Council across the Medium Term Financial Strategy, this option would not be appropriate to consider.

- 4.4 A decision at this stage to leave the discount scheme unchanged for 2025-26 avoids the need to undertake consultation on proposals and the associated costs of doing so. It also avoids having to make significant software system changes at year end and the preparation of an equality impact assessment of changes.

**5. FINANCIAL IMPLICATIONS**

- 5.1 The recommendation has no additional financial implications for the Council.

**6. LEGAL AND POLICY IMPLICATIONS**

- 6.1 The relevant legal provisions have been mentioned above. This is a Cabinet function. If the review led to a proposal to alter or replace the current scheme, there is a legal requirement to consult and the making or revising of a scheme would fall to full Council to discharge.

**7. EQUALITY IMPACT NEEDS ASSESSMENT**

- 7.1 The introduction of the current scheme was the subject of an equality impact needs assessment. No further assessment is required if the scheme is left unchanged for 2025-26.

**8. RISK MANAGEMENT**

- 8.1 The main risks relate to compliance with the legislation. This report discharges the duty to consider whether to revise the scheme or replace it.

**9. CONCLUSION**

- 9.1 This report recommends that no changes should be proposed to the council tax reduction scheme for 2025-26.

**10. CONSULTEES**

- 10.1 Corporate Leadership Team.

**11. BACKGROUND PAPERS**

- 11.1 None.



**WYRE FOREST DISTRICT COUNCIL**

**CABINET**

**12<sup>TH</sup> NOVEMBER 2024**

**Budget and Performance Monitoring Second Quarter 2024-25**

<b>OPEN</b>	
<b>CABINET MEMBER:</b>	Councillor D Ross, Cabinet Member for Finance and Capital Portfolio
<b>RESPONSIBLE OFFICER:</b>	Head of Resources and s151 Officer
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<b>APPENDICES:</b>	Appendix 1 - Wyre Forest District Council Revenue Budget Requirements Appendix 2 - Capital Programme Appendix 3 - Budget Risk Matrix Appendix 4 – Analysis of Outstanding Debt Appendix 5 – Commercial Income Appendix 6 – How we are doing performance reports <i>The appendices to this report have been circulated electronically and a public inspection copy is available on request. (See front cover for details.)</i>

**1. PURPOSE**

- 1.1 The purpose of the report is to brief members on the Council’s financial and other performance at the end of Quarter 2 ending 30<sup>th</sup> September 2024 and to present the emerging budget pressures and known variances that are likely to have an impact on the outturn position for the 2024-25 financial year.
- 1.2 The report sets out the current forecast of income and expenditure against budget for 2024-25 for revenue expenditure. In addition, the report also provides key information relating to estimates of the Council’s financial position for the next three years, highlighting the revised Funding Gap that will need to be closed to bring expenditure into line with income.

**Revenue** – after inclusion of the capital account the year-end outturn position is forecast to be £391k better than the position forecast in the 2024-27 Medium Term Financial Strategy (MTFS).

**Capital** – the approved Capital Programme for 2024-25 is £58.055m, including slippage of £13.264m from 2023-24. The forecast slippage to future years at Quarter 2 is currently anticipated to be £17.006m, although further reprofiling will take place as

part of the revised budget process where necessary.

- 1.3 The report also briefs members on current progress against the savings and efficiency targets in the Medium Term Financial Strategy.
- 1.4 The report includes the quarterly “How are we doing?” performance report. This combined report allows both Cabinet and Overview and Scrutiny Committee a rounded view of the Council’s performance including its financial position.

## **2. RECOMMENDATIONS**

**The Cabinet is asked to NOTE:**

- 2.1 **The projected budget variations, virements and comments within this report and appendices 1 to 5.**
- 2.2 **The performance against measures and actions as set out in the report and appendix 6.**
- 2.3 **The recommendation from the Overview and Scrutiny Committee from its meeting on 7<sup>th</sup> November 2024.**

## **3. BACKGROUND**

- 3.1 Budget projections are reviewed regularly and reported to Overview and Scrutiny Committee and Cabinet on a quarterly basis. The 2024-25 Original Budget was approved as part of the 2024-27 Medium Term Financial Strategy (MTFS) by Council on 21<sup>st</sup> February 2024. Performance is measured against the Original Budget presented within the 2024-27 Strategy (Appendix 1). The current forecast shows a net overspend against the Original Budget of **£155k** on services off-set by an underspend of **£546k** on the Capital account. The net position is an underspend against the Original Budget of **£391k**.
- 3.2 The assessment of the outturn position is based on a wide range of assumptions, predicted patterns of cost, service demand and behaviours and the forecasts continue to be refined.
- 3.3 The balanced budget approved by Council focuses on ensuring that the Council optimises the full range of income sources that affect its overall budget including Council Tax and Business Rates revenue, Government funding and other external specific grants, fees and charges and other elements of income from activities including returns from treasury investments.
- 3.4 Wyre Forest District Council is a member of the Herefordshire and Worcestershire business rates pool and receives a share of any growth in rateable value achieved. Any gain is shared between Worcestershire County Council, the Fire authority, the Herefordshire unitary authority (Herefordshire Council) and the 6 District Councils in Worcestershire.
- 3.5 Year-to-date monitoring shows that in year income from business rates payers is likely to be slightly ahead of the position previously estimated due to growth in overall rateable value. Poorer collection rates and business rate appeal refunds when compared with the position previously estimated has tempered the growth recorded. There is no noticeable increase in empty reliefs. The MTFS takes a prudent assessment of growth above baseline, this position is being closely monitored and assumptions revised, as necessary. The position in relation to the

2024-25 year-end provisions for appeals cannot be estimated with accuracy at this time, so this could result in variances.

- 3.6 Collection rates at the end of the second quarter are above those achieved last year for Council Tax and will continue to be closely monitored.
- 3.7 The 2024-27 Medium Term Financial Strategy makes prudent assumptions about the income stream that is expected to be generated from the Capital Portfolio Fund. The uncertainty and ongoing risk inherent in this income stream is recognised and the properties are actively managed to minimise any risk to Council Tax payers. We continue to work to ensure that current financial performance of the fund, specifically the impact on the MTFs, is clearly presented.
- 3.8 The best value theme, centred around use of resources in the Best Value Standards and Intervention guidance, highlights that dependency on high-risk commercial income for service delivery and balancing budgets is one of the indicators of potential failure. All business cases are subjected to due diligence checks, give a full appraisal of risks and a prudent view of likely income arising with appropriate sensitivity analysis presented to aid decision making. Lessons have been learnt from the Covid pandemic from over reliance by District Councils on demand led income streams.
- 3.9 A revised Capital Strategy 2024-34 was approved by Council on 21<sup>st</sup> February 2024. The revised Strategy covers all capital expenditure and sets out reporting and planning for financial risk implications in relation to non-treasury investments.

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

##### **4.1 Revenue Overview**

The quarterly budget monitoring includes the forecast position for the current financial year. The Revenue Summary shows net expenditure by reporting group and where some costs are funded by reserves this is incorporated.

The following table details the current projected outturn position with variances against the budget approved by Council on 21<sup>st</sup> February 2024. The projection is based on known and emerging cost pressures where these can be quantified and cost reductions or income growth but does not take into account any management action plans still to be developed to address potential overspends:

**Table 1: Quarter 2 Revenue Budget variances and Estimated Outturn 2024-25**

SERVICE REPORTING GROUP	Original Budget £000	Q1 Variances £000	Q2 Variances £000	Estimated Outturn £000
Chief Executive and Solicitor to the Council	2,814	54	54	2,868
Community and Environment	6,209	44	(43)	6,166
Economic Development and Regeneration	616	49	(107)	510
Resources	2,190	(163)	(147)	2,042
Revenues, Benefits and Customer Services	1,604	1	(86)	1,518
Strategic Growth	2,164	135	66	2,230
WFF Savings target* (see Table 4)	(418)	124	418	0
<b>Services Total</b>	<b>15,179</b>	<b>244</b>	<b>155</b>	<b>15,334</b>
Minimum Revenue Provision (MRP)	1,474	(85)	(86)	1,388
External debt Interest	1,087	(260)	(260)	827
Investment Interest	(1,425)	0	(200)	(1,625)
Capital Account (Other)	(2,021)	0	0	(2,021)
<b>Total Capital account</b>	<b>(885)</b>	<b>(345)</b>	<b>(546)</b>	<b>(1,431)</b>
<b>Grand Total</b>	<b>14,294</b>	<b>(101)</b>	<b>(391)</b>	<b>13,903</b>

\* WFF savings and Income growth targets achieved at Q2 (month 6) (£299), budget saving not yet achieved £119k. Currently anticipate that savings will be achieved in full by year end.

The table includes the revenue impact of the decision to increase the Capital Programme allocation for the Public Realm Connectivity project and the Old Court/Creative Hub project at the former Magistrates Court at Full Council on 17<sup>th</sup> July 2023 by £5.738m. The funding for the additional expenditure includes £2.950m direct revenue financing, this expenditure is largely being met by transfers from Earmarked Reserves. The net position is shown against the Capital account above.

The assessment of variances is based on a wide range of assumptions, and the forecasts will continue to be refined and reset.

- 4.2 **Capital programme** – progress of spend against capital programme is summarised below:

**Table 2: Quarter 2 Capital Spend and Draft Slippage 2024-25**

2024-25 Capital Programme	Updated Capital Programme 2024-25 (including slippage from 2023-24) £	Q2 Year to Date Capital spend £	Draft Outturn at Q2 £	Draft Slippage/ Reprogramming to future years at Q2 £
Community and Environmental Services	3,554,000	12,660	676,140	2,877,860
Resources and Revenues, Benefits & Customer Services	1,465,280	66,679	1,360,280	105,000
Strategic Growth	16,971,790	2,198,091	9,391,840	7,579,950
Economic Development & Regeneration	34,441,740	8,272,015	29,014,910	5,426,830
Chief Executive and Solicitor to the Council	413,610	0	0	413,610
Vehicle, Equipment and Systems Renewal Schedule	1,313,740	152,940	710,990	602,750
<b>Total</b>	<b>58,160,160</b>	<b>10,702,385</b>	<b>41,154,160</b>	<b>17,006,000</b>

Supply and inflationary pressures have created some significant risks for the Council's capital programme, such as increasing costs for construction and equipment renewals. Full detail of scheme progress is provided in the Major Capital projects update at section 8, the How are we doing performance section 13 and Appendix 2 to this report.

The majority of the Council's Capital Programme is financed from either borrowing or capital grants, while some of the programme is funded directly from revenue or from capital receipts. There are revenue implications from capital expenditure funded from borrowing through interest charges and the statutory Minimum Revenue Provision

(MRP).

## 5. RESERVES POSITION AND FUNDING GAP

Local authorities are required by law to have a balanced budget i.e., a plan based on sound assumptions which shows how income will equal spend over the short and medium term. Plans can take account of deliverable cost savings and/or income growth strategies as well as useable reserves. A budget is considered not to balance where increased uncertainty leads to budget overspends of a level which reduces reserves to unacceptably low levels. Any significant alteration in either expenditure or income may result in an unbalanced budget. Factors affecting a budget could include:

- Natural disaster
- sudden policy change
- demographic pressures
- unexpected funding pressures
- failure to realise planned savings or income growth

To avoid an unbalanced budget the council needs to be financially resilient to ensure that finances can withstand unexpected pressures. A large part of our financial resilience is secured via the adequacy of our general and earmarked reserves.

### General Reserves

- 5.1 The tables below present the reserves position with the current (quarter 2) projected outturn for 2024-25.

**Table 3: Reserves statement adjusted for Quarter 2 Estimated Outturn**

Reserves Statement	2024-25	2025-26	2026-27
	£	£	£
MTFS assumed reserves as at 1st April 2024	3,683,108		
2023-24 Outturn adjustment (pre audit)	232,808		
<b>Reserves at 1st April</b>	<b>3,915,916</b>	<b>3,965,156</b>	<b>3,014,476</b>
MTFS assumed contribution to/(from) Reserves	(341,870)	(950,680)	(1,536,750)
Outturn variance projected at quarter one	391,110		
<b>Contribution (from)/to Reserves</b>	<b>49,240</b>	<b>(950,680)</b>	<b>(1,536,750)</b>
<b>Reserves as at 31st March</b>	<b>3,965,156</b>	<b>3,014,476</b>	<b>1,477,726</b>

- 5.2 The Council's expenditure plans exceed its funding position with each year of the 2024-27 MTFS being balanced by a contribution from reserves. The reserves position is reported **after** consideration of current savings targets and income growth projections. If these targets are not achieved in full the council will have to make a greater contribution from reserves each year. In the absence of additional income, further savings and efficiency measures or additional Government funding, the Council will exhaust its general fund balances in 2027-28 and will be unable to set a balanced 3 year budget in February 2025. The Cabinet and officers are working towards implementing further savings and efficiency measures and exploring additional income generation proposals.

### Earmarked Reserves

- 5.3 The Council's earmarked reserves held at 1<sup>st</sup> April 2024 totalled £16.981m. The balance includes Business Rates reserves held in respect of the time lag inherent within the current Business Rates Retention (BRR) system, revenue contingency risk reserves to

support the major grant funded schemes in the capital programme and reserves set aside to fund Capital expenditure plans (Direct Revenue Financing DRF). The contingency reserves balance includes the addition of investment income achieved in 2023-24 arising from the grant funding from Government paid in advance. The reserve will be applied, if required to support price escalation due to inflationary pressures and to meet any revenue items of expense that can't be met from the capital grants.

- 5.4 A General Risk Reserve is held to meet one-off unexpected costs and to manage most future operational risks. Allocations against the reserve are approved by the Corporate Leadership Team. The in year allocations are reported at Table 4b.

**Table 4a: Earmarked Reserves: Latest balances**

Earmarked Reserves	Reserves b/f at 01/04/24	Spend 07/10/24	Commitments outstanding	Balance available
	£000	£000	£000	£000
External Funding	(2,018)	98	924	(997)
Shared Service	(541)	32	52	(457)
WFDC Budget	(6,241)	31	899	(5,311)
Innovation Fund	(1,364)	0	892	(472)
General Risks	(1,727)	1	496	(1,229)
<b>Sub Total</b>	<b>(11,891)</b>	<b>161</b>	<b>3,263</b>	<b>(8,466)</b>
Covid Reserves	(91)	0	70	(21)
Business Rates (timing)	(1,796)	0	1,796	0
Capital Programme	(3,204)	0	3,204	0
<b>Total</b>	<b>(16,981)</b>	<b>161</b>	<b>8,333</b>	<b>(8,487)</b>

**Table 4b: Earmarked Reserves: Allocations from the General Risk Reserve and Innovation Fund during Quarters 1 and 2 2024-25**

Detail	Amount (£)	Date considered by CLT
<b>General Risk Reserve</b>		
Consultancy (Food waste)	10,000	18/06/24
Demolition costs dangerous structure	60,000	27/08/24
<b>Innovation Fund</b>		
Conversion of property in Stourport	7,000	10/09/24
Electrification Business Case (Fleet)	25,000	27/08/24
Green Light	40,000	09/04/24
CFO Insights	20,000	09/10/24
<b>Total Allocations (New commitments)</b>	<b>162,000</b>	

- 5.5 Reserves are very useful for balancing unexpected expenditure in the short term. However, CIPFA's advice is that they are replaced when the short term need has passed and that the use of reserves must be very measured. The Business Rates (Risk) reserve was held to smooth the impact of business rates reform or a business rates reset. Use of the reserve to support the economic development schemes in Kidderminster, that support regeneration, was considered acceptable due to business rates growth that can be expected to be generated from the completed schemes, strong furtherance of Council key priorities and the government's commitment to transitional protection when funding reform is introduced. Further application of the General Risk Earmarked Reserves to meet inflated costs of approved capital projects

or any day to day recurring operational expenditure would put the financial viability of the Council at risk.

**Information and Analysis – Financial Performance Summary**

**6. REVENUE DETAIL**

- 6.1 This report draws attention to new and emerging budget pressures that potentially could have a significant impact on the council’s ability to deliver services within the budget envelope approved February 2024 Council. The report is produced in consultation with CLT, Heads of Service and Service Managers.
- 6.2 The following table presents an overview of the current projected budget pressures and savings.

**Table 5: Quarter 2 estimate of major revenue variances compared to approved budget included in Table 1**

<b>Estimate of major variances compared to approved budget at Q2</b>	
	<b>2024-25 £</b>
General Inflation	42,640
Pay inflation	0
Other Cost Pressures net of budget savings	
Pay (Vacancy management)	(533,030)
Agency and Other Pay related	146,770
Other net variances*	164,750
Income shortfall net of income growth	
Car Park	108,000
Planning	200,000
Garden Waste	(84,000)
Other	109,420
<b>Services Total</b>	<b>154,550</b>
Reduced statutory charge for the use of assets (MRP)	(85,660)
Reduced external debt interest	(260,000)
Investment Income	(200,000)
<b>Capital Account total</b>	<b>(545,660)</b>
<b>Total projected full year variance at Quarter 2</b>	<b>(391,110)</b>

\*includes £32k external audit charges, £33k vehicle hire charges, void property and other property management expenses £31k and other small variances.

**6.3 Emerging cost pressures (not fully quantified)**

This report draws attention to new and emerging budget pressures that are likely to have a significant impact on the council’s ability to deliver services within the approved budget envelope for 2024-2027. Services are still seeing an increase in demand as residents continue to struggle with household budgets and recent high inflation is likely to continue to result in cost pressures as the impact on long term (3

year plus) contracts fall due for renewal, despite inflation currently resting close to the Bank of England's 2% target. Increased geo-political tensions in the Middle East and along the Red Sea shipping routes, are threatening to send oil prices higher again and introduce further inflationary pressure.

**6.3.1 Homelessness Support – Emergency Accommodation.** The Housing Advice team is continuing to see a high demand in the numbers of people needing to be accommodated in temporary accommodation due to homelessness. The two workstreams that the Housing Advice team engage in, to both reduce the need to place households in emergency accommodation and where this can't be avoided to reduce the time spent in emergency accommodation have successfully mitigated the associated financial pressures arising from the significant and sustained growth. Demand for this service is not expected to reduce during 2024-25, in part due to the unintended impact of other government policies that reduce the supply of private rented sector housing in the area including the ongoing provision of accommodation for asylum seekers and the implications of the Home Office's early release scheme to address capacity issues in the prison estate. Cost pressures are expected to ease when the new temporary housing facility in Kidderminster is operational.

**6.3.2 The April 2024 pay award** – The National Employers for local government services negotiates pay on behalf of 350 local authorities in England, Wales and Northern Ireland. Collective agreement on an increase of £1,290 for NJC staff (2.5% for those above the top point on the NJC scale) was confirmed on 23 October. The pay offer represents a pay award of 5.2% for our lowest paid workers. The government had announced a pay increase for the public sector of 5.5%, but that cannot be imposed on local government.

**6.3.3 Council Tax Base** - The level of Council Tax discounts and awards, including the severely mentally impaired discount is being carefully monitored together with the impact of Council tax banding changes following awareness campaigns by consumer advice groups. There is a risk that the tax base will grow at a slower rate than assumed and that as a consequence there will be a reduction in funding from Council Tax in 2025-26. The gross council tax debit (total property charge) and the percentage of council tax to be collected as a percentage of total property charge is monitored each month. The quarter 2 percentage is higher than in 2023-24 and in line with the Council Tax setting assumptions, but below the position in 2021-22 and 2022-23.

**6.3.4 Government Policy changes** - The following new and emerging cost pressures arising from government policy change will need to be carefully assessed as more information emerges and, where possible, actions put in place to manage or mitigate the impact on the 2024-27 MTFS. Council officers will continue to lobby for fair and equitable funding for new burdens:

- Recycling/waste reform (major risk for 2026-27)
- Asylum seeker dispersal – the impact of this is twofold through reducing the supply (and increasing the cost) of private rented sector accommodation that would otherwise be available and through potential statutory homeless duties owed to all those dispersed here if their asylum application is successful.

6.4 The table below summarises the new and emerging pressures for the Council likely to impact on the 2024-25 budget and the medium term financial plan.

**Table 6 – Emerging Budget Pressures (not included in table 1 and 5 unless stated)**



Area	MTFS	Impact	Detail
Slippage on capital programme increasing revenue spend/decreasing income	Nil	£££	Reduced rental income, increased void property expenses (including business rates and security). Impact of inflation on supplies and materials and labour. Cost of alternative provision. Higher maintenance expense and external hire charges (fleet).
Housing Benefit subsidy caps		£££	Growth in out of area supported housing provision in district. Supported exempt accommodation, where the landlord is not for profit or charity – DC doesn't get 100% subsidy on rental payments (cost over VOA rent officer determination subsidy capped at 60%)
Housing Benefit overpayment recovery		££	The continuing reduction in HB Caseload due to claimants moving to universal credit is likely to reduce the HB subsidy grant incentive received for overpayment recovery.
Contract Inflation	3%	££	The 2024-25 Budget included an uplift of £378k for general non pay inflation and specific allowances were made where inflationary increases were built into contracts. For multi-year contracts falling due for renewal in 2024-25 there is a risk that increases will be above the rate of inflation due to high inflation and pay growth in the intervening years since the last renewal date.
Recruitment and retention of specialist senior staff		££	There continue to be pressures around staff recruitment due to pay levels at these grades being uncompetitive nationally, hybrid working means we are now competing in some areas where shortages are acute with London Councils
Housing advice and Homelessness support		££	Pressures on private rented housing supply from asylum seeker dispersal and other government policies, is likely to increase rents across the District and this could result in higher demand for support from households and increase the cost of emergency accommodation and service provision. Impact of Castle Road provision won't be seen until 2025-26
External Audit fees and HBen subsidy grant audit		££	PSAA consulting on a 14% uplift in fees for 2024-25 Audits. Housing Benefit subsidy audit requirements has been re tendered, significant increase above budget provision for 2024-25 year onwards.
Council tax base	1.2% +500	££	Increase in applications for council tax discounts and awards following awareness campaigns and a suppressed collection rate will impact on future year income (deficit on collection fund and reduced tax base).

Area	MTFS	Impact	Detail
Regulatory income – Planning fees ( <i>latest projection £200k shortfall included in Table 1</i> )		£££	Expected housing growth from adoption of the Local Plan has been reflected in the Plan fee income budget across the MTFS. The budget was further increased following amendments to the Town and Country Planning regs in December 2023 which increased fees by 25% and by 35% for major developments. Latest projections indicate that targets are unlikely to be achieved following a downturn in developer confidence associated with announcements around planning reform, introduction of mandatory biodiversity net gain, additional costs associated with the Future Homes Standard and uncertainty caused by the July election. Also reduced ability for RSLs to bring forward developments due to position in multi year funding cycle.
Car Parking Income ( <i>latest projection £108k shortfall included in Table 1</i> )		£££	Car parking revenue has dropped by 20% nationally – continued impact of working from home and economic conditions and pressures on household budgets plus changes to shopping habits. Changes to charges, poor (wet) weather and flood defence scheme route diversions in Bewdley likely to be contributing factors. Revenue for quarter 2 is behind original estimates and behind that achieved in 2023-24.

**Key £ = £10k to £25k/year; ££ = £25k to £100k/year; £££ = over £100k/year**

6.5 The table below summarises the budget savings and income growth identified at quarter one.

**Table 7 – Budget savings (included in Table 1 and Table 5)**

Area	MTFS Assumption	Current Estimate	Impact	Detail
External debt interest and reduced minimum revenue provision	£2,561k	£2,215k	£346k	Slippage on capital programme and extension of internal borrowing
External Investment Income (additional income)	£1,425k	£1,625k	£200k	Interest rates have fallen at a slower rate than anticipated when the budget was set and also slower than the Quarter 1 projection. Current projections assume a 0.25% rate cut in November and again in February.
Garden Waste income	£550k	£625k	£84k	Growth in customer base

7. REVENUE DETAIL - External Income

7.1 External Income is an important element within the finances of the Council, it affects the level of resources available to fund services and makes an important contribution to a balanced budget. The Covid-19 pandemic had a significant impact on demand led income. In general, income has recovered well but the position is mixed and some of the fees and charges from commercial activities have struggled to return to pre pandemic levels. Regulatory income (Planning) is lagging behind assumptions (£200k) due in part to a lack of confidence amongst developers in the housing market as elevated mortgage rates deter buyers. The summary budget and estimated outturn position is shown in the table and graphs below. Overall, performance is expected to be behind the target approved by Council in February by £335k.

7.2 The table below details current projections for the Council's main revenue income sources.

**Table 8: Quarter Two External Income variances and Estimated Outturn 2024-25**

SOURCE OF INCOME	2022-23 Outturn	2023-24 Draft Outturn	2024-25 Original Budget	2024-25 Estimated Outturn	Variance
	£000	£000	£000	£000	£000
<b>Commercial Strategy</b>					
Bulky Waste and external contracts for sweeping	(121)	(142)	(139)	(130)	9
Cemetery	(71)	(66)	(52)	(52)	0
Garage, driver training, Tree Gang, Grounds Maintenance	(205)	(196)	(193)	(159)	34
Green Waste	(526)	(582)	(550)	(634)	(84)
Land Charges	(78)	(77)	(78)	(78)	0
Leisure Centre	(620)	(646)	(644)	(644)	0
Parking and Enforcement	(1,387)	(1,334)	(1,330)	(1,222)	108
Parks and Green Spaces (including Highway Verges)	(106)	(153)	(142)	(142)	0
Property Rental (incl CPF)	(1,753)	(1,765)	(1,727)	(1,776)	(49)
Property Rental WFH	(247)	(334)	(350)	(367)	(17)
Trade Waste	(855)	(905)	(960)	(925)	35
Various	(355)	(368)	(477)	(400)	77
<b>Total Commercial Strategy Income</b>	<b>(6,324)</b>	<b>(6,568)</b>	<b>(6,642)</b>	<b>(6,529)</b>	<b>113</b>
<b>Regulatory and Other Income Sources</b>					
Licensing	(237)	(190)	(202)	(202)	0
Planning	(530)	(474)	(678)	(478)	200
Building Control	(232)	(150)	(192)	(192)	0
Other Income	(232)	(10)	(22)	0	22
<b>Total Regulatory and Other Income</b>	<b>(1,231)</b>	<b>(968)</b>	<b>(1,094)</b>	<b>(872)</b>	<b>222</b>
<b>TOTAL INCOME</b>	<b>(7,555)</b>	<b>(7,536)</b>	<b>(7,736)</b>	<b>(7,401)</b>	<b>335</b>

Income is shown as a negative (-), and income growth is shown as a negative (-) variation

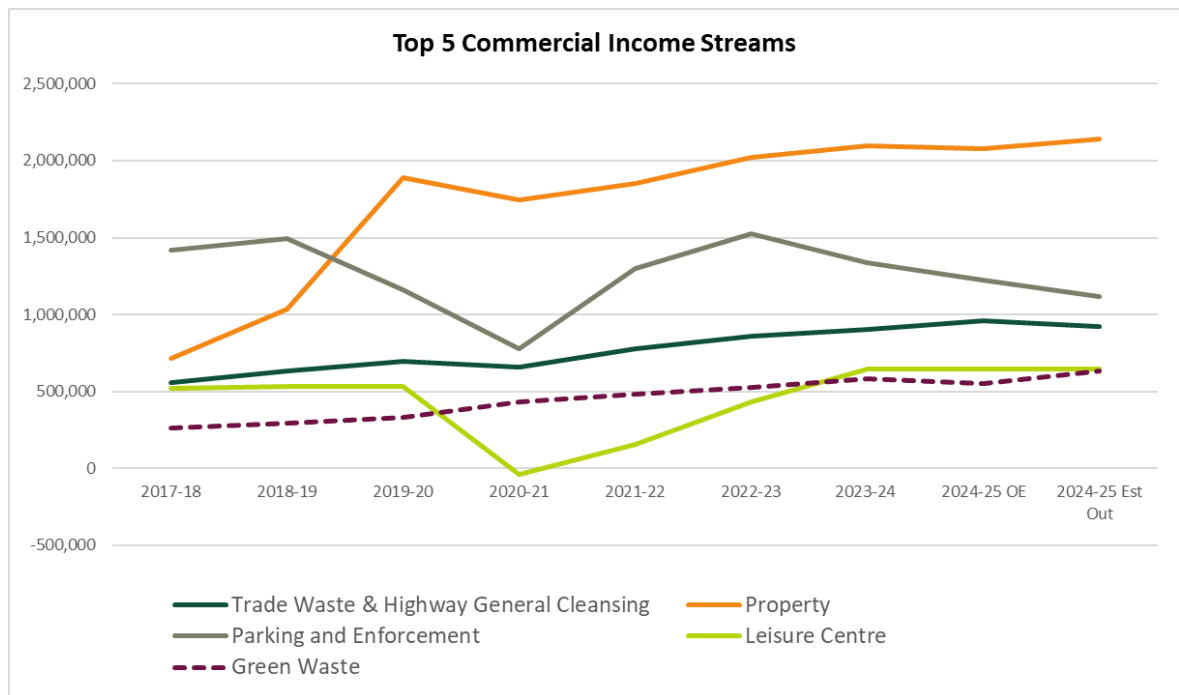
7.3 The previous success of the commercial income generation work and the recent challenges is shown in the graph below.

**Summary Income Performance 2017-18 to 2024-25**

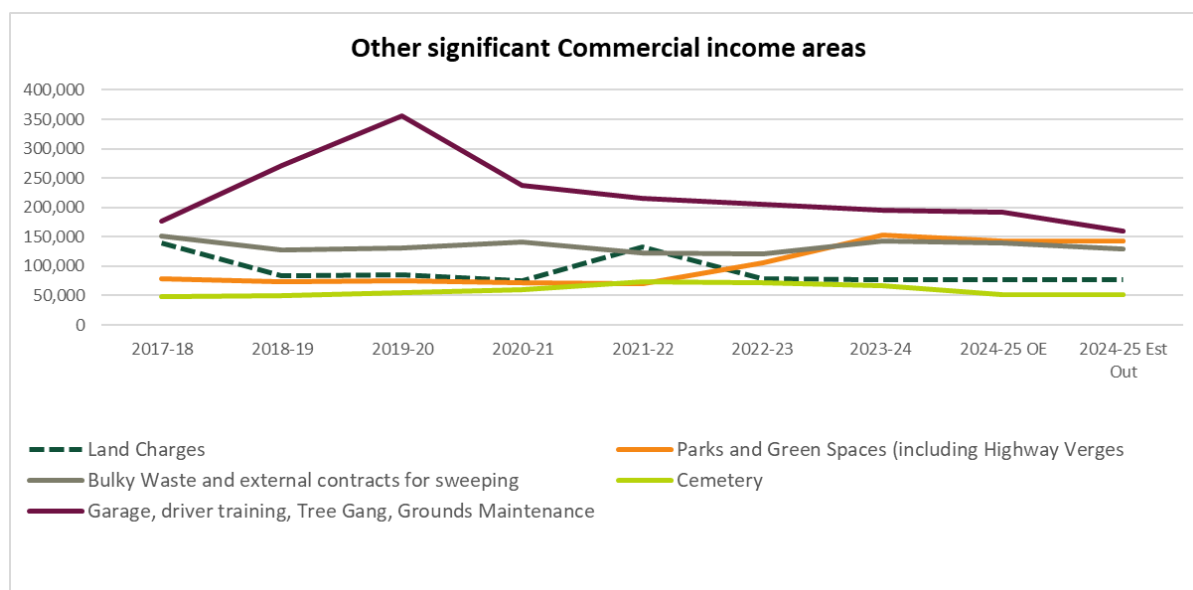


7.4 The graphs below detail performance for the income streams that fall under the Commercial Strategy.

**Gross Commercial Income 2017-18 to 2024-25 – Top 5**



Gross Commercial Income 2017-18 to 2024-25 – Other



- 7.5 The Council expanded its commercial activities to generate revenue from fees and charges to help close the funding gap. These demand-led commercial services have struggled the most to recover to levels seen pre-pandemic. Resource has either been reduced or reallocated to grant funded work or other statutory services where there has been growth in demand. Further detail on commercial income performance is contained in Appendix 5. The viability of all commercial income activity covered by the strategy is being examined by the Transformation and Commercial Programme Board. The Board considers not only gross income performance but also the net return to the Council after marginal costs are considered. Overall income is above that achieved in 2019-20 on a cash basis (ignoring the time value of money), but has fallen when inflation is factored in.
- 7.6 The leisure management contract has returned to the pre-pandemic position. The risk of increases to the cost of utility bills is borne by the Council and recent price increases has reduced the net income due to the council under the management agreement. The income shown in the graph is shown gross and doesn't reflect the energy benchmarking liability.
- 7.7 The Council's income collection position and current levels of arrears at the end of Quarter two is presented in Appendix 4.
- 7.8 **Capital Portfolio Fund** - The Capital Portfolio Fund supports regeneration, economic growth and housing, is allied to the Council's income generation/commercialism objectives and is financed from borrowing.
- 7.9 The intended project outputs of the acquisitions and developments under the strategy, related to full-time equivalent jobs either created, safeguarded or facilitated through the investment activity. The intended outputs were variously vacancy rates of commercial premises, occupancy rates of units or work spaces, business investment and count of active enterprises.
- 7.10 The table below summaries the current projection of the revenue impact of the Capital Portfolio Fund in 2024-25. The Quarter 2 outturn projection shows that overall the target included within the original budget is expected to be achieved. In general,

where original budget targets are not achieved it is because rents agreed at review are below levels originally assumed due to prevailing market conditions and, or the Council's share of service charge expenditure arising from common areas, caps, voids and essential health and safety compliance work exceeds expectation. The costs of property management are significantly higher than assumed in the original business cases due to shortages in the labour market and the requirement to use agency resource. These higher costs were built into the budget in 2024-25 so do not constitute a budget pressure. Market rents have been suppressed since the pandemic but there are tentative signs that the market is shifting towards a recovery phase. There continues to be a churn in leases due to natural breaks and expiries.

**Table 9: Capital Portfolio Fund Strategy – Quarter Two Financial Performance summary**

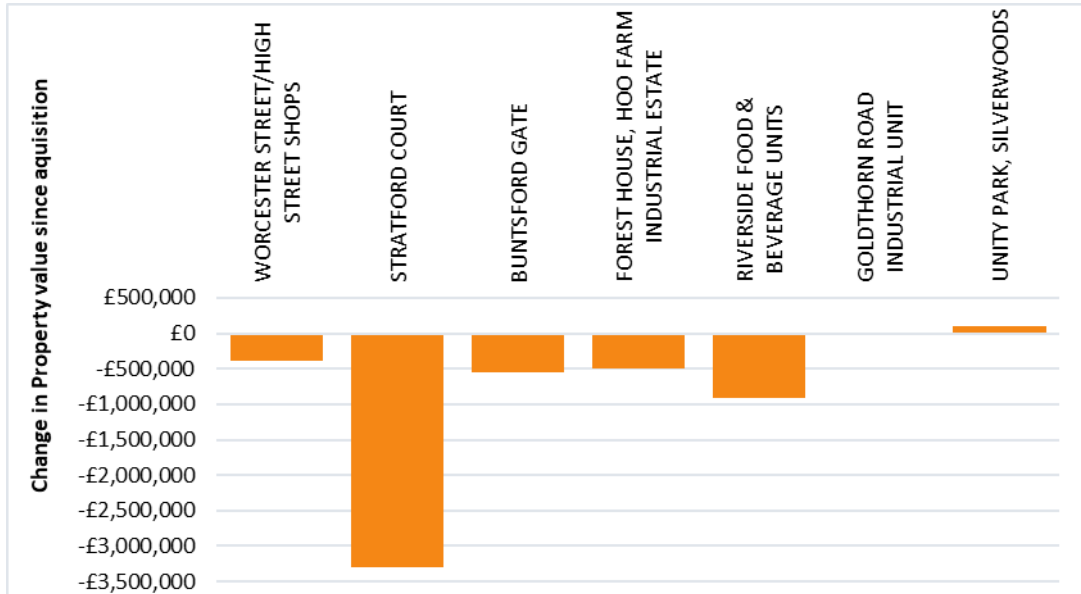
Property Portfolio Fund		2024-27 MTFS			
		2023-24 Outturn £	2024-25 Original Budget £	Q2 Outturn projection £	Variance £
R276	High Street/Worcester Street*	13,716	46,820	46,818	(2)
R277	Stratford Court**	15,012	15,140	27,315	12,175
R278	Buntsford Gate	91,947	26,310	7,762	(18,548)
R279	Forest House	38,260	38,260	38,260	0
R280	Riverside***	(52,015)	(24,350)	(24,350)	0
R281	Goldthorn Road	(92,708)	(109,210)	(109,210)	0
R282	Unity Park	6,623	1,430	1,430	0
R275	Property Portfolio Fund Admin account	0	65,000	65,000	0
Total		<b>20,836</b>	<b>59,400</b>	<b>53,025</b>	<b>(6,375)</b>

**7.11 Capital Portfolio Fund Debt** - The total overdue rent debt at 30<sup>th</sup> September 2024 was £7k, a 27% improvement on the balance outstanding at 30<sup>th</sup> June, 2024 (£11k). This represents less than 1% of the overall balance collected each year in relation to these properties. The majority of the arrears is in the 12+ months category and is being actively managed. There is a further £10k outstanding in respect of electricity recharges at Stratford Court.

**7.12 Change in Capital value**

According to CBRE figures all-property capital values have fallen since the pandemic. It is expected that economic difficulties over the next 12 months will continue to affect the UK's commercial property sector. The overall reduction in the value of properties purchased under the Capital portfolio fund strategy, since acquisition, is 29%. The cumulative impairment shown in the Council's accounts is £5.5m. It should be noted that under regulations impairment is neutralised by a transfer to the capital adjustment account and does not fall as a charge to be met by tax payers. Any loss is only realised on disposal of the assets. Due to the cyclical nature of the value of property assets and the link between value and weighted average lease length, the holding period between the date of acquisition and date of disposal is always likely to be a minimum of 5 years. The assets were acquired to meet operational objectives and not for capital appreciation. Capital values will continue to be monitored for transparency.

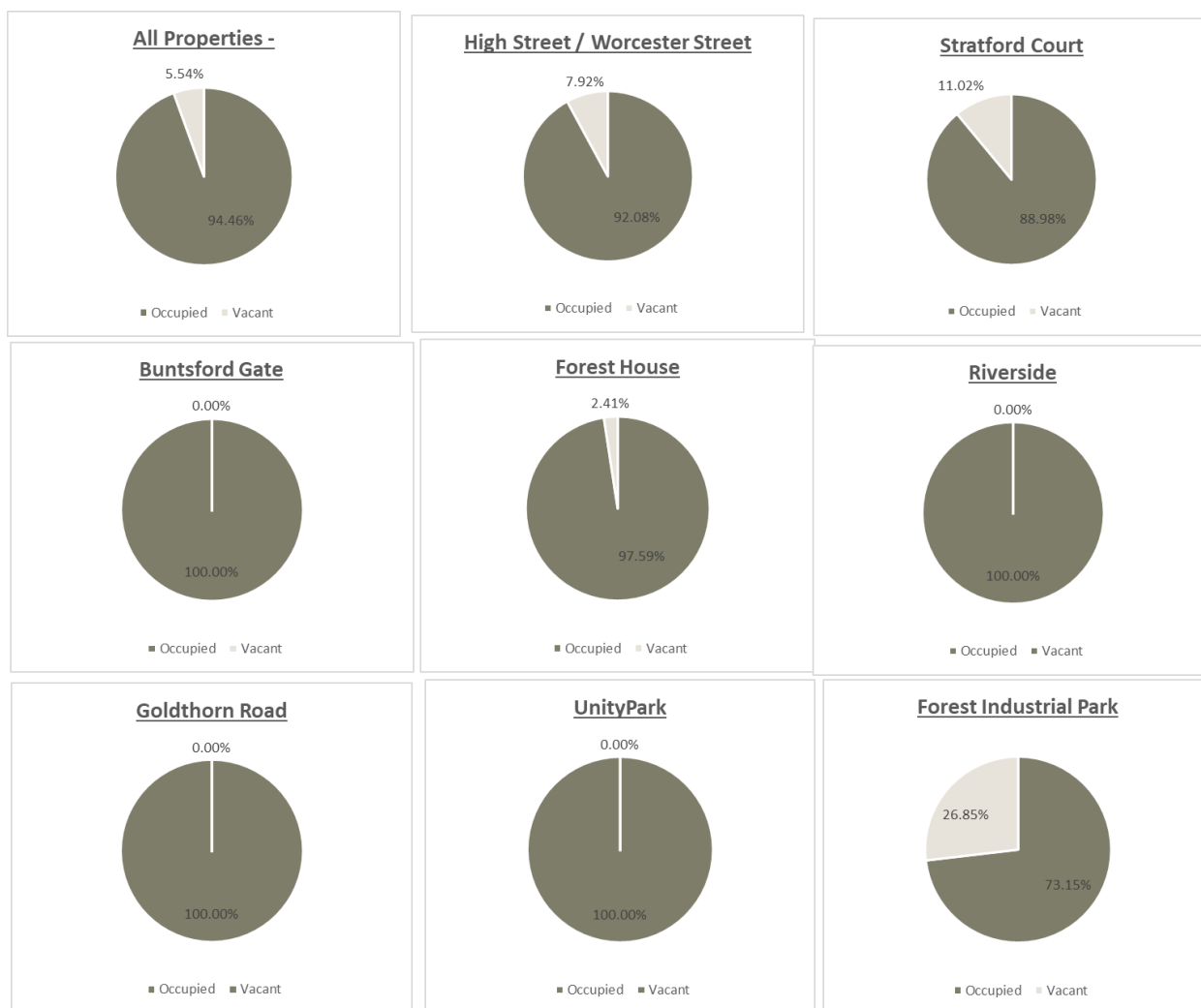
**Change in Capital Value for Capital Portfolio Fund properties at latest valuation (30<sup>th</sup> June 2024)**



**7.13 Current Vacancy levels/Voids**

There continues to be a churn in leases due to natural breaks and expiries, but overall occupancy, at 94% is high.

Occupancy Rates for Capital Portfolio Fund properties at 30<sup>th</sup> September 2024



**7.14 Investment Income** – The statutory guidance on local government investments requires the Council to adopt a prudent investment policy that puts security – protecting the capital sums invested, and liquidity – ensuring the funds invested are available for expenditure when needed, ahead of considerations of yield. The Treasury team seeks to achieve optimal performance (yield) within these constraints. At quarter 2 the Council achieved an average in-house return of 5.21% on average cash balances of £42.778m, producing gross interest receivable at quarter 2 of £1.115m. The Treasury team are proactive in managing our daily cash balances and achieved a return of 0.09% above the model benchmark performance calculated by our Treasury Advisors. The current estimated outturn of £1.625m is £200k above the 2024-25 Original budget in the 2024-27 MTFS. Interest rates have fallen at a slower rate than anticipated when the budget was set, with the first reduction in the base rate not being until 3<sup>rd</sup> August 2024. However, any gains in rate of return has been partially offset by lower balances available to invest. Bank rate is projected to fall steadily over the remainder of the financial year. A 25 basis point cut has been factored into projections for both November and February. Rates are expected to continue reducing into 2025-26. £3m of debt matures in 2024-25 (is due to be repaid) and some of our major capital schemes are financed from loans. Increased internal borrowing will be used in the short term due to the increased cost of loan financing.



## 8. CAPITAL DETAIL - MAJOR CAPITAL PROJECTS

This section of the report provides an update on the significant schemes in the Capital Programme in 2024-25, highlighting the latest forecast of spend for the financial year. Council approved the Capital programme allocations at its meeting on 21st February 2024. The governance arrangements for the FHSF and LUF include separate programme boards to provide assurance on deliverability of these important schemes.

### 8.1 **Future High Street Fund – Update from FHSF Programme Board (23<sup>rd</sup> October 2024)**

The programme continues the Council's strategy to re-balance the town on its west/east axis to improve outcomes for the eastern side of the town. The project includes complete refurbishment of the former Magistrates' Court on Worcester Street as a new creative and innovation hub and creation of a new urban park in the heart of Kidderminster town centre to improve the appearance, access and connection of Worcester Street with Bromsgrove Street and links to the wider Lionfields development site and ultimately to the railway station as the town's key transport hub.

**Project Outputs** – creation of temporary jobs, full time permanent jobs and safeguarding permanent jobs, clearance of a brownfield site, creation of new public realm and new pedestrian paths.

**Project Outcomes** include improvement in air quality and carbon dioxide reduction, improved pedestrian flow and increased patronage of the public transport system.

The programme contributes to Corporate Priority One – Economic Growth and Regeneration and Corporate Priority Three – A Clean, Safe and Green place to Live, Work and Visit.

The total approved capital allocation for the project is £27,498,330 (of which £1.25m is dependent on a viable business case and currently not being progressed). The programme is funded from Future High Street Fund grant and other capital grants (Brown Field Land Release Fund and LEP Revolving Infrastructure Fund) and a combination of external loan finance, and direct financing from revenue (applying various revenue earmarked reserves).

#### **Risk Assessment**

The principal programme risks are key delivery dates being missed resulting in external funding being withheld and cost over runs. The risks are mitigated by robust programme management and close working with MHCLG. An extension of time has been granted – extending the delivery deadline to 31<sup>st</sup> March 2025. A revenue risk contingency is held in addition to risk contingencies built into the cost plans. A programme specific board meets every 6 weeks to monitor and review progress, discuss issues, risks and action, if appropriate, and to consider any change requests with onward recommendation for approval. The risk is on the Corporate Risk Register and monitored as a key Strategic Risk.

#### **Connectivity Project (Public Realm) – Quarter 2 progress update**

Planning permission for the project was secured in December 2023 and demolition of the Worcester Street properties was completed in January 2024. The works contract has been awarded to McPhillips (Wellington) Ltd. The contractor has

completed the site investigation surveys and commenced works on site on 30th September 2024. The current practical completion date is programmed on 15th August 2025 with the main works expected to be complete in February 2025.

**Table 10: Quarter 2 Financial Performance summary (FHSF Connectivity Project/Urban Park)**

	<b>Prior Years</b>	<b>2024-25</b>	<b>2025-26</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Capital Programme</b>	5,719,210	4,624,120		10,343,330
Slippage		-500,000	500,000	0
Budget Adjustment (within total FHSF capital approval)		-418,570		-418,570
Revised spend profile	5,719,210	3,705,550	500,000	9,924,760
<b>2024-25 draft Outturn</b>				
Acquisitions	2,408,914			2,408,914
Prelims and Pre construction	3,310,296			3,310,296
Construction		3,368,130	68,740	3,436,870
Other		768,680		768,680
Total	5,719,210	4,136,810	68,740	9,924,760
<b>Slippage to future years</b>		500,000		

**The Old Court/Creative Hub project (Former Magistrates Court)**

Contractors are on site; work is expected to be complete by December 2024, with the final retention sums paid in 2025-26. The contractor and Worcestershire County Council have finalised alterations/improvements to the public highways. GJS Dillon and Herbert Banks are appointed as joint letting agents for the office space in both the Old Court and Piano building.

**Table 11: Quarter 2 Financial Performance summary (FHSF - The Old Court/ Creative Hub)**

	<b>Prior Years</b>	<b>2024-25</b>	<b>2025-26</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Capital Programme</b>	8,509,960	8,892,750		17,402,710
Slippage		226,000	-226,000	0
Budget Adjustment (within total FHSF capital approval)		418,570		418,570
Revised spend profile	8,509,960	9,537,320	-226,000	17,821,280
<b>2024-25 draft Outturn</b>				
Prelims and Pre construction	1,646,080			1,646,080
Construction	6,132,930	9,008,680	-96,606	15,045,004
Other	730,950	110,070	289,176	1,130,196
Total	8,509,960	9,118,750	192,570	17,821,280
<b>Slippage to future years</b>		-226,000		

## 8.2 Levelling up Fund – Update from LUF Programme Board

The Levelling up programme aimed at re-kindling Kidderminster’s heritage by making the canal and river a focus, encouraging visitors by making them special, vibrant places with cafes, arts and cultural activities is progressing. The original programme has been realigned for all three elements. Wyre Forest was a category one priority area for the LUF, the highest level of need. Kidderminster town centre was identified as a key area in need of regeneration due to high vacancy rates and lack of flexibility and vibrancy in existing uses which had led to a lack of economic opportunities. The LUF programme will directly provide new jobs, both at the regenerated Piano Building and to serve events within the Town Hall, in addition to providing additional economic activity through increased footfall and businesses within the town centre. Whilst contributing directly to delivering economic activity for the wider town centre, the largest mechanism for change will come through the combined impact on the sense of place for the town centre. The combined investment in cultural heritage and the visitor economy will provide visible change at the heart of the town centre, building on previous committed projects by WFDC and MHCLG to reverse the trend for declining socio-economic outcomes in the town. The combined projects are expected to deliver the following outcomes – change in pedestrian flow, change in cycle flow and number of visitors/audience members to cultural events. The programme contributes to Corporate Priority One – Economic Growth and Regeneration.

The programme consists of three projects:

- **Canal Towpath** - improvement of the existing canal towpath to improve the leisure offer of the town centre in combination with match funding from the Emergency Active Travel Fund. The project was delivered on time and within budget. Actual spend at practical completion was £231,148. Installing monitoring equipment was the final stage of this project, all associated works are now complete. The final invoice (circa £37k) will be settled in quarter 3.
- **Kidderminster Town Hall** - the repair of the existing Town Hall building, alongside the redevelopment of floorspace within the Town Hall to provide restored and regenerated spaces – programme delivered by Kidderminster Town Council, LUF funding to be passported. Contractors are on site on, works are expected to be completed by Spring 2025.
- **Piano Building** – the building was acquired in February 2024 and Speller Metcalfe Ltd were appointed to deliver the works contract in June via the Constructing West Midlands (CWM) framework. The contractor is progressing with enabling works as per the programme. The technical design is well progressed (RIBA stage 4) and the cost plan is currently being finalised. The main contract works are expected to commence at the beginning of December and is programmed to complete in July 2025. The Planning application was considered at and approved at the September Planning Committee. Avison Young and Creative Retail (joint agency) appointed as letting agents for the Food & beverage/ leisure units. Creative Retail have produced a draft marketing brochure for the F&B and competitive socialising space.

The total cost of the three projects is £18.4m, the LUF grant allocation and WFDC capital approval, is £17.9m, the balance of funding is being met by Kidderminster Town Council.

**Risk Assessment**

The principal programme risk is key delivery dates being missed resulting in external funding being withheld and cost over runs. The programme is not now expected to complete within the time frame agreed in the MoU with government, spend will slip into quarter 1 2025-26. A revenue risk contingency is held in addition to risk contingencies built into the cost plans. A programme specific board meets every 6 weeks to monitor and review progress, discuss issues, risks and actions if appropriate and to consider any change requests with recommendation for approval as appropriate. The risk is on the Corporate Risk Register and monitored as a key Strategic Risk. The primary mitigation has been robust programme management and close working with MHCLG’s Discovery team.

**Table 12: Quarter 2 Financial Performance summary (LUF Piano Building)**

	Prior Years £	2024-25 £	2025-26 £	Total £
<b>Capital Programme</b>				
Slippage	3,118,020	6,445,830	400,000	9,563,850
Revised spend profile		-400,000	0	0
	3,118,020	6,045,830	400,000	9,563,850
<b>2024-25 draft Outturn</b>				
Acquisition	2,932,680			2,932,680
Prelims and Pre construction		109,121		109,121
Construction & Other	185,340	5,936,709	400,000	6,522,049
Risk/Other Contingency				0
Total	3,118,020	6,045,830	400,000	9,563,850
<b>Slippage to future years</b>		400,000		

**8.3 Temporary Accommodation - Castle Road**

The Castle Road Housing scheme for temporary accommodation will deliver 20 units, including 6 disabled adapted units, to increase supply and reduce reliance on emergency bed and breakfast or hotel accommodation. When complete the site will provide temporary accommodation for homeless people whilst the council works with them to secure a more permanent home. The programme contributes to Corporate Priority Three – A Clean, Safe and Green place to Live, Work and Visit.

The approved capital allocation for the project is £3,860,220. The programme is funded from a combination of external loan finance, application of capital receipts from the Evergreen Investment Fund, S106 contributions and various revenue earmarked reserves. The adaptive units are being delivered with funding from the Better Care Fund.

**Quarter 2 Progress Update**

Work on site is progressing well, progress and spend is in line with programme and budget. The roof install will commence before the end of October. The artwork from Nightstop and Nova Training has been installed on the hoardings and small event was held at the start of August for the young people to visit the site and see their artwork in situ. The planned programme is on track, with completion expected in the spring of 2025.

**Risk Assessment**

The principal programme risk is cost overrun. The risk is mitigated by robust programme management and contractual terms (a fixed price design and build

contract). A revenue risk contingency is held in addition to risk contingencies built into the cost plans. An officer lead programme board meets every 6 weeks to monitor and review progress, discuss issues, risks and action if appropriate and to consider any change requests with recommendation for approval as appropriate.

**Table 13: Quarter 2 Financial Performance summary (Castle Road)**

	<b>Prior Years</b>	<b>2024-25</b>	<b>2025-26</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Capital Programme</b>	835,820	3,024,390		3,860,210
Slippage		-70,290	70,290	0
Revised spend profile	835,820	2,954,100	70,290	3,860,210
<b>2024-25 draft Outturn</b>				
Prelims and Pre construction	235,670			235,670
Construction & Other	600,150	2,954,100	70,290	3,624,540
Total	835,820	2,954,100	70,290	3,860,210
<b>Slippage to future years</b>		70,290		

**8.4 Brinton Park Heritage Lottery Fund Scheme**

A programme of major improvements including a new café and the re-instatement of an historical ornamental pool funded from the National Lottery Community Fund (Heritage Lottery Fund) following the successful award of grant in September 2020. The restoration will help reinstate the 130 year old park’s original Victorian Landscape design.

The following project outputs were identified as part of the bid:

- Public realm improvement
- Public amenities created
- Existing parks/green space improved
- New pedestrian paths
- Trainees gaining certificates

Project Outcomes identified

Heritage will be:

- better managed;
- in better condition;
- better interpreted and explained;
- identified/recorded

People will have:

- developed skills;
- volunteered time;
- learnt about heritage.

Communities:

- the local area/community will be a better place to work, live or visit;
- environmental impacts will be reduced;
- more people and a wider range of people will have engaged with heritage.

The programme contributes to Corporate Priority Three – A Clean, Safe and Green place to Live, Work and Visit.

The approved capital allocation for the project is £2,600,000. The programme is funded from a combination of HLF grant, S106 contributions and various revenue earmarked reserves. £200k of planned expenditure is to be met from prudential borrowing.

The construction contract was awarded to McPhillips on 22<sup>nd</sup> September. Work is expected to be completed in 12-14 months, with completion expected towards the end of 2025/early 2026. Planning permission approved 17th September with various pre conditions (primarily linked to badgers) to be discharged. Ecologist engaged to assist this process.

**Risk Assessment**

The principal programme risk is a cost overrun. The risk is mitigated by robust programme management and contractual terms (a fixed price design and build contract). A programme board will be established to monitor and review progress, discuss issues, risks and action if appropriate and to consider any change requests with recommendation for approval as appropriate.

**Table 14: Quarter 2 Financial Performance summary (HLF - Brinton Park)**

	<b>Prior Years</b>	<b>2024-25</b>	<b>2025-26</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Capital Programme</b>	211,750	2,148,250	240,000	2,600,000
Slippage		-1,648,250	1,648,250	0
Revised spend profile	211,750	500,000	1,888,250	2,600,000
<b>2024-25 draft Outturn</b>				
Prelims and Pre construction	211,750	10,050		221,800
Construction & Other		489,950	1,888,250	2,378,200
Total	211,750	500,000	1,888,250	2,600,000
<b>Slippage to future years</b>		1,648,250		

Note: £200k of the expenditure is funded by WFDC prudential borrowing, the balance is funded from HLF.

**8.5 Capital Slippage**

The following capital schemes have been reviewed and reprogrammed into future years to align with forecast programme delivery.

**Table 15: Capital Programme 2024-2034 Estimated Slippage at Quarter 2**

2024-25 Capital Programme Estimated Slippage at Q2	Draft Slippage from 2024-25 to future £	Budget Anticipated to Slip at Q2 %	Comments
<b>Chief Executive and Solicitor to the Council</b> Headquarters - Office Accommodation	413,610	100.0%	Slipped to 2025-26. Account with contractor unresolved.
<b>Community and Environmental Services</b> Brinton Park HLF Scheme	1,648,250	76.7%	Value engineering and HLF approvals delayed project. The contract for the works contract has been awarded and
Innovation Fund - Capital	187,390	81.3%	Digital Weighing System for commercial waste RCVs contract awarded. Delivery and installation expected this
Community Safety CCTV Upgrade (Grant Funded)	4,460	100.0%	Budget will slip to 2025-26.
Food Waste Collection (funded by Defra grant)	1,037,760	100.0%	Not expected to begin spending in this financial year. Further grant allocation of £117k received in May 2024. The revised Capital Programme 2024-34 will be updated to reflect this additional grant allocation.
<b>Strategic Growth</b> Better Care Fund (BCF) - Disabled Facilities Grants	940,000	37.4%	Anticipated spend for DFG 2024-25 should be £1.5m. £60k commitment for Castle Road. Balance to slip to 2025-26
BCF- Energy Efficiency	100,000	47.1%	Scheme ongoing. This fund supplements and provides an alternative to government capital funding where it cannot be applied or homes need additional support.
Housing Assistance - Private Sector Measures	124,000	55.3%	Planned spend split across two financial years.
Castle Road Development	70,290	2.3%	This scheme should be fully completed by year end less any retention.
Flood Relief	28,410	100.0%	Potential projects identified but timescales are dependent upon partner agencies including Environment Agency and Severn Trent Water.
Acquisition of Land at Horsefair, Kidderminster	49,500	99.8%	Start of project delayed as Registered Provider was not able to undertake work required for pre-application until December 2024.
<b>Economic Development &amp; Regeneration</b> Levelling Up Fund	400,000	3.1%	Enabling works at the Piano Building have commenced. Contract for the main works expected to be signed shortly.
Future High Streets Fund - Creative Hub	226,000	2.4%	Practical completion scheduled for December 2024. Retention will slip to 2025-26.
Future High Streets Fund - Public Realm	500,000	11.9%	Contract works anticipated to commence mid August with an estimated completion date of February 2025. Retention will slip to 2025-26.
<b>Total</b>	<b>17,006,000</b>	<b>29.2%</b>	

**9. TRANSFORMATION AND FINANCIAL SUSTAINABILITY SAVINGS PROGRAMME**

9.1 The 2024-27 MTFS projects a funding gap in 2026-27 of over £2m, any new cost pressures will, in the absence of additional government support, widen the gap further. Against this background it is essential that expenditure is kept within the overall approved budget and that savings and efficiency proposals continue to be developed so that the Council has as much flexibility as possible to meet the challenges that lie ahead.

9.2 Achieving financial sustainability is still the most significant challenge facing the Council. Since 2009 the Council has had a track record of continuously identifying opportunities to make savings. The work stream originally introduced in the 2021-24 MTFS, to review and reassess how we deliver services with the objective of reducing net cost continues. The 2024-27 MTFS also include the ambition to make the Council leaner, more productive and more commercially aware. Despite the projected financial gap, the administration is prepared to invest in capacity where necessary in order to increase net income or deliver other contributions to improving the Council’s financial position in order to meet Council Plan priorities.

- 9.3 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. There is a renewed focus for the 2024-27 MTFS on generating higher levels of commercial income. In the absence of additional income, further savings and efficiency measures or additional Government funding, current projections indicate that the Council will exhaust its general balances at the end of the current MTFS in 2027-28. The current estimates continue to be refined and reviewed as part of on-going detailed work being undertaken by the Finance Team in conjunction with service managers.
- 9.4 The Wyre Forest Forward savings programme was established to review all aspects of the Council to ensure we deliver a balanced budget and services of real value to our residents. Substantial savings have already been achieved.
- 9.5 The approved targets in the 2024-27 MTFS are summarised in the table below. Progress has been made in 2024-25 towards achieving the target with one-off savings and some items of a recurring nature, but the savings target for 2024-25 is challenging. When the target in the MTFS 2024-27 was approved it was expected that recurring transformation savings from collaborations or redesigns of operational services, principally domestic and commercial waste collection would be achieved in 2024-25, this work has now been refocussed on internal efficiencies that will take longer to achieve. It is essential that work continues to achieve reductions in the cost of service delivery, and the transformation and financial sustainability plan will be reflected in the draft MTFS published in December.

**Table 16: Quarter TWO Wyre Forest Forward Savings - Performance summary**



Transformation and Financial sustainability savings	2024-25 £000	2025-26 £000	2026-27 £000	2027-28 £000
<b>MTFS 2024-27 Savings Targets</b>				
Wyre Forest Forward Efficiency and Transformation	218	268	255	255
Localism	40	60	80	80
Income growth - Property	110	140	150	150
Income growth - General	50	100	150	150
<b>Savings Target at 01/04/2024</b>	<b>418</b>	<b>568</b>	<b>635</b>	<b>635</b>
<b>Savings achieved 2024-25 (Month 6)</b>				
<b>Wyre Forest Forward Efficiency and Transformation</b>				
Smarter Procurement				
- Historic billing errors utility companies	18	0	0	0
- Bank contract review (Bank charges)	12	0	0	0
- Framework review (card acquiring services)	5	14	14	14
- Outsourcing Internal Audit	20	20	20	20
MHCLG CAFGrant (Cyber accreditation)	60	0	0	0
<b>Income growth - Property</b>				
Income growth - Property (CPF)	6	30	13	0
Income growth - Property (WFH)	17			
ICT external Income (WFH tenants)	20	20	20	20
Other Industrial Estates	27	4	4	4
<b>Income growth - General</b>				
PSH Fine income	23			
PSH secondment Wychavon	10			
Green Waste (provisional projection)	75	79	83	87
Other Depot Services (provisional projection)	6	6	6	6
<b>Total Savings achieved in-year</b>	<b>299</b>	<b>166</b>	<b>154</b>	<b>145</b>
<b>Total Budget Savings not yet achieved</b>	<b>119</b>	<b>402</b>	<b>481</b>	<b>490</b>

## 10 SUPPLEMENTARY ESTIMATES AND VIREMENTS

- 10.1 Service managers who wish to incur expenditure that falls within approved Council Policy for which either there is no or insufficient provision within approved estimates, may incur that expenditure by transferring from one approved budget cost centre to another (the maximum extra expenditure may not exceed £20,000) or by supplementary estimate, subject to specified conditions as set out in the Financial Regulations – 6.7 and 6.8.
- 10.2 No virements have been actioned during the quarter.

## 11 **TREASURY MANAGEMENT PERFORMANCE SUMMARY**

### **Investments**

- 11.1 As at 30<sup>th</sup> September the council held £38.9m in investments. The level of funds available fluctuates due to the timing of precept payments and receipt of grants. The Treasury team are proactive in managing our daily cash balances and achieved a return of 0.09% above the model benchmark performance calculated by our Treasury Advisors. The estimated outturn of £1.625m is currently £200k above the 2024-25 Original budget in the 2024-27 MTFS.
- 11.2 The approved limits as set out in the Treasury Management Strategy report to Council 21<sup>st</sup> February 2024 within the Annual Investment Strategy were not breached

during the first two quarters of 2024-25.

**External Borrowing**

- 11.3 The Council had borrowing of £32m as at 30<sup>th</sup> September 2024. The Council’s Capital Financing Requirements (CFR) as at 30<sup>th</sup> September 2024 is £41.5m. The CFR denotes the Council’s underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (External Borrowing) or from internal balances on a temporary basis (Internal Borrowing); an internal borrowing position of circa £9.5m is currently being held at Q2.

**Compliance with Treasury and Prudential Limits**

- 11.4 The Council’s approved Treasury and Prudential Indicators are outlined in the approved Treasury Management Strategy Statement (TMSS). The Council has a duty to determine and keep under review the “Affordable Borrowing Limits”.
- 11.5 During the period to 30<sup>th</sup> September 2024 the Council has operated within treasury limits and the prudential indicators set out in the Council’s TMSS and with the Council’s Treasury Management Practices. The Prudential and Treasury Indicators are shown below:

<b>Prudential Indicator as Per Original Budget(to be updated during revised budget process)</b>	<b>2024-25 Budgeted Indicator</b>	<b>Actual as at 30<sup>th</sup> September 2024</b>
Capital Financing Requirement (CFR)	61,019,000	41,501,000
Gross Borrowing	60,000,000	32,000,000
Internal Borrowing	1,019,000	9,501,000
Internal Borrowing as % of CFR	1.67%	22.89%
Authorised Limit for external debt	75,000,000	32,000,000
Operational Boundary for external debt	65,000,000	32,000,000
Limit on Principal sums invested > 365 days	5,000,000	0
<b>Maturity structure of fixed interest rate borrowing – upper limits (for future borrowing undertaken)</b>		<b>Maturity structure of existing loan portfolio (No new borrowing undertaken during Q2)</b>
Under 12 months	10%	3.2%
12 months to 2 years	10%	3.2%
2 years to 5 years	25%	9.4%

5 years to 10 years	50%	18.8%
10 years and above	100%	65.4%

**12 REVENUE DETAIL – Central Items Business Rates and Council Tax**

- 12.1 **Council Tax** - The level of discounts and awards, together with collection rates, and write-offs are being closely monitored. There is a risk that assumed growth in the tax base might not be achieved in year due to the slow down in the housing market leading to sites being built out at a slower rate than assumed and greater eligibility to discounts.
- 12.2 **Business Rates** – Officers continue to liaise closely with the Valuation Office Agency to monitor developments in the sector and the progress of check, challenge and appeal applications. The council holds a provision for appeals for the 2017 list and the 2023 list. The 2010 list is now closed. Appeals against the 2017 valuation list are currently above expectations. The overall impact of transactions in the collection fund will continue to be monitored to assess the impact on the council’s Medium Term Financial Strategy.
- 12.3 **Collection Rates**

**Council Tax:** As at 30<sup>th</sup> September 2024, Council Tax in year collection rates were at 57.42% this is ahead of the half year rate of 56.93% in the previous year but slightly lower than achieved in 2021-22 and 2022-23.

**Business Rates:** At the end of Quarter 2 2024-25, collection rates for NNDR are behind those achieved last year, at 52.95% compared to 56.67% last year. The in-year rate is historically low but can, in part, be attributed to varying business rates reliefs that have been applied/or removed throughout the years.

There has been an increase in debts being written off due to voluntary bankruptcy orders and petitions, individual voluntary arrangements and debt relief orders. The level of write-offs continues to be closely monitored.

**13 HOW ARE WE DOING PERFORMANCE SUMMARY**

- 13.1 The Council monitors performance and progress towards achieving the priorities set out in the Corporate Plan 2023 – 2027.
- 13.2 Performance management is instrumental in all council activities as it helps us to keep track of how well we are performing and enables any potential issues to be identified at an early stage so remedial action can be taken. It also informs our decision making processes which underpin the delivery of our Corporate Plan. The Corporate Plan 2023-27 was approved by Council on 20<sup>th</sup> September 2023.
- 13.3 The Council has a number of processes in place to monitor our performance including:
  - Corporate Plan Actions
  - Corporate Risks and associated actions
  - Leading Measures – looking forward at future outcomes
  - Lagging Measures – looking back to see whether improvement actions achieved the outcomes or outputs expected

13.4 This report provides a strategic overview of the performance for quarter two (1<sup>st</sup> April to 30<sup>th</sup> September 2024) and focusses on the activities and achievements that support our priorities in the Corporate Plan.

**Quarter 2 - Performance Highlights**

## Economic growth & regeneration

 <p>Planning permission was granted to redevelop the Piano Building in Kidderminster</p>	 <p>Continued to support businesses through UK Shared Prosperity Fund</p>
 <p>Work began to create a new green space in Worcester Street after the successful demolition of former shops</p>	 <p>Bridge Street, Stourport feasibility study completed which is now being analysed to work up any potential scheme</p>

## Securing financial sustainability for services that local communities value

 <p>Over 70,000 visitors to Bewdley Museum</p>	 <p>Agreed business case for Wyre Forest Wild and development of nature reserves</p>
 <p>Tender exercise completed for Brinton Park and contract awarded</p>	 <p>Completed biodiversity policy for operational activities</p>

## A clean, safe and green place to live, work and visit

 <p>Provided housing advice to 3,194 households</p>	 <p>New Heritage Trail app launched</p>
 <p>Concerts took place throughout the summer in Brinton Park and Riverside Meadows</p>	 <p>Dealt with 213 flytipping incidents</p>
 <p>£16,000 funding secured for crime prevention projects</p>	

Progress against the 2023-27 Corporate Plan priorities and our strategic actions is summarised below.

13.5 **Corporate Priority One - Economic growth and regeneration**  
We will:

- Regenerate central Kidderminster including completion of Future High Streets and Levelling Up Fund projects.
- Redevelop former Crown House site, Lionfields and other brownfield sites we own – mainly for housing.
- Progress the redevelopment of Bridge Street site, Stourport.
- Work with High Streets Task Force to develop and implement a vision for the regeneration of central Stourport.
- Work with partners to improve skill levels and make sure they are the skills employers need.
- Make sure business support services are available to help businesses grow.

### Key Activities in Quarter Two:

- Work began on Worcester Street in Kidderminster in quarter two to transform the area, creating a wide set of steps, an accessible pathway, a children's play area, and a new green space. This project is part of the Future High Streets Fund, with completion expected by the end of 2024 and landscaping by spring 2025.
- Kidderminster Town Council hosted a heritage event at Kidderminster Library, providing insight into the "A Journey Through Kidderminster's Town Hall" project, funded by the National Lottery Heritage Fund, while also informing attendees about the Town Hall redevelopment and opportunities to get involved.
- The £17.9m Levelling Up Fund is supporting the Piano Building redevelopment for mixed commercial use, with internal refurbishments and landscaping. Planning permission was granted in September 2024 and is expected to be completed by summer 2025.
- The initial market feasibility study on the redevelopment of Bridge Street has been received and further work is now required to work up any potential scheme, in line with broader efforts to revitalise Stourport, guided by the High Streets Task Force.

### 13.6 Corporate Priority Two - Securing financial sustainability for services the local communities value

We will:

- Increase net income from our commercial activities.
- Increase the visits to our nature reserves and make them more accessible.
- Complete the redevelopment of Brinton Park, funded by the National Lottery Heritage Fund.
- Investigate options for developers to make bio-diversity contributions on alternative sites.

### Key Activities in Quarter Two:

- Over 70,000 visitors attended events at Bewdley Museum in Q2, showcasing exhibitions, children's activities, and gardens.
- Rangers expanded wildlife areas at Stourport Riverside and Bewdley Riverside, including planting native pollinator-friendly habitats and installing nest/bat boxes – Creation of native pollinator friendly habitat.
- Volunteers in July/August have visited other local nature reserves in Dudley/Shropshire/South Staffordshire meeting other countryside ranger teams and volunteers carrying out similar tasks to us learning about the importance of connectivity to these different habitats.
- Brinton Park £2.9 million redevelopment project will conserve the park's heritage while improving facilities, with work expected to start during Q3 and be completed within 14 months. The contract awarded to McPhillips.
- A biodiversity policy for operational activities has been completed.

**13.7 Corporate Priority Three - A clean, safe and green place to live, work and visit**

We will:

- Secure housing growth through the local plan.
- Invest more in tackling environmental crime and illegal parking.
- Invest more on clearing litter, particularly in summer months.
- Work with town councils and community groups to improve parks and open spaces.
- Help provide more cultural events.
- Increase the amount of temporary accommodation available by providing a new housing scheme.
- Produce and implement a carbon reduction plan for the district and for the council.
- Help people make their homes more energy efficient.
- Install electric charging points in car parks in all three towns.

**Key Activities in Quarter Two:**

- The housing team have provided housing advice to 3,194 households in Q2, addressing local housing needs, and is progressing work on the Castle Road development, which will provide 20 new accommodation units by March 2025.
- The Environmental Enforcement Team carried out high-profile patrols in Stourport, engaging the public on issues such as littering and dog control as part of maintaining public spaces. Although no Fixed Penalty Notices (FPNs) were issued, the patrols helped raise awareness and received positive feedback from residents.
- Litter clearance has been prioritised, especially during summer months, with new waste bins installed in reserves.
- Adopt a street continues to grow and in this quarter we saw the emergence of more groups join up to the scheme, including our first business, a nursery school, an after school club, a residents association, a local football club, a charity and two litter pick groups for Bewdley and Stourport.
- There has been some work to refurbish the doors to the Richard Eve Memorial at Brinton Park. The team have made improvements to the entrance of Burlish Meadow and replaced the gate.
- Due to the HUGS2 project, 9 homes were made more energy-efficient in Q2, with a further 21 homes completed, helping the district meet its goal of 64 properties over two years.
- Efforts are underway to implement the Climate Change Action and Carbon Reduction Plan. The action plan will go to committee in December but the strategy itself has had some minor amendments. Work to explore options for installing renewable technology on council owned buildings is underway.
- Concerts at Brinton Park and Riverside Meadows ran throughout the summer, attracting between 50 to 200 people weekly, with performances in varied genres such as jazz, rock, and pop. Etc.

**13.8 Other Key Activities achieved in Quarter Two:**

- On behalf of the North Worcestershire Community Safety Partnership, Wyre Forest District Council officers secured over £16,000 from the West Mercia Police and Crime Commissioner (PCC) for various crime prevention projects across the district. This funding will be used to support initiatives aimed at improving public safety, and further applications are currently under review.
- The Council has agreed to proceed with a Fleet Electrification Review in collaboration with Community Housing. The review will be conducted by Cenex, a not-for-profit organisation specialising in low-emission transport. This review is part of the Council's ongoing efforts to reduce carbon emissions and electrify its vehicle fleet.
- Progress continues on the Kidderminster District Heat Network project, with Letters of Support received from all relevant stakeholders. The project is now moving

forward, with stakeholders being asked to commit to the heat network itself (though these commitments are not legally binding). Gas usage data has been submitted to inform the next stages of planning.

- Launched a review of the scrutiny process, taking into account recommendations from the Corporate Peer Challenge. This review includes a public survey to gather feedback on how well the Council and Cabinet policies are reviewed, ensuring accountability and transparency in decision-making.
- Councillor of WFDC organised a charity afternoon tea at Bewdley Museum, raising funds for the museum and KEMP Hospice. Another Councillor of WFDC attended the opening of the Three Choirs Festival at Worcester Cathedral, representing the district at various functions, including community events, charity gatherings, and formal openings.
- Staff attended a careers fair at Stourport Civic, teaming up with Opus People Solutions to promote job opportunities and connect with potential candidates.
- A litter pick event took place in Bewdley, supported by the Council. This event provided an opportunity for residents to discuss flood defence works in the town.
- The Depot is working with Anglo Recycling whereby residents can arrange for their bags of clothes, books, bric-brac etc to be collected from their front door. As well as supporting recycling of goods there is a contribution made to charity. A new scheme 24 collections were made in Q2.
- Artwork created by young people from Wyre Forest, in collaboration with local charities and training providers, was unveiled on the hoardings surrounding a short-term accommodation development site in Kidderminster as part of a social values programme organised by Wyre Forest District Council.
- Wyre Forest District Council's Cabinet discussed its response to the Government's proposed changes to the National Planning Policy Framework, strongly opposing the reintroduction of housing targets, which would have seen the district's annual housing requirement increase by 124%.
- Wyre Forest District Council has launched a new Heritage Trail app, featuring GPS checkpoints and augmented reality technology that brings local historical characters to life as visitors explore town centres in Bewdley, Kidderminster, and Stourport-on-Severn.

### 13.9 **Organisational Health**

Organisational Health - includes information on turnover of staff, sickness absence, organisational health related investment areas and other performance measures requested by committee. There has continued to be a focus on investing in organisational health related areas, for example ICT infrastructure, implementing the OD strategy and related projects.

## 14 **CORPORATE COMPLAINTS AND COMPLIMENTS**

14.1 Information reported relating to complaints is correct at the time the data is produced at the end of each quarter. Subsequently complaints can move through further stages so reported figures are subject to change.

14.2 The information below gives an overview of the authority's performance in respect of complaints. In quarter 2 the Council received 33 complaints. This compares with 33 during quarter 1.

- 32 complaints (97%) were resolved at Stage1.
- 1 complaints (3%) was resolved at stage 2.
- No complainants took their complaint to the LGSCO during quarter 2.

14.3 Improvements were made to the way complaints are recorded, monitored, and reviewed from February 2024. Complaints standards were rolled out to managers and,

although the number of complaints recorded is expected to rise, this is now an opportunity to drive a positive complaint handling culture where data can be used to drive service improvements.

- 14.4 During quarter 2 we received 21 compliments.
- 14.5 The total customer contact recorded via the hub customer service team for quarters two was 11,437. This was 1,681 visitors, 8,622 telephone calls and 1,134 emails.

## **15 LEGAL AND POLICY IMPLICATIONS**

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

## **16 IMPACT ASSESSMENTS**

- 16.1 Equality, Climate Change and Health and Wellbeing Impact assessments will be undertaken as appropriate as part of reviews of service delivery arrangements and implementation of new models. This is a financial and performance monitoring report, there are no proposals in this report that require an assessment.

## **17 RISK MANAGEMENT**

- 17.1 A number of corporate risks are perceived to have increased in recent months. The inability to deliver a balanced budget is one of the Council’s key corporate risks and has been adversely impacted by high inflation in recent years this is now feeding through to current year procurements. The Budget Risk Matrix has been reviewed to reflect the current assessment of risk. A copy is enclosed for information as Appendix 3.

## **18 CONCLUSIONS/ACTION**

- 18.1 The information contained within Appendices 1 to 5 provides Members with an overview of financial trends and performance within the period to 30<sup>th</sup> September 2024. Appendix 6 provides detailed information on performance to supplement the summary in section 12.
- 18.2 The estimates and assumptions included in this report will continue to be updated and refined as more information becomes available.



19 **CONSULTEES**

Cabinet  
Corporate Leadership Team  
Service Managers and the Managers Network

20 **BACKGROUND PAPERS**

Budget setting papers Council 22<sup>nd</sup> February 2024  
Medium Term Financial Strategy 2024-27

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

WYRE FOREST DISTRICT COUNCIL

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

SERVICE	2023/24		2024/25			2025/26			2026/27		
	Original Estimate £	Revised Estimate £	At Nov.23 Prices £	Inflation £	TOTAL £	At Nov.23 Prices £	Inflation £	TOTAL £	At Nov.23 Prices £	Inflation £	TOTAL £
CHIEF EXECUTIVE AND SOLICITOR TO THE COUNCIL	2,218,860	2,865,280	2,304,870	91,170	2,396,040	2,161,830	167,130	2,328,960	2,098,260	246,550	2,344,810
COMMUNITY AND ENVIRONMENT	5,482,310	5,433,920	5,906,640	302,800	6,209,440	5,959,140	549,720	6,508,860	5,876,140	804,160	6,680,300
ECONOMIC DEVELOPMENT & REGENERATION	248,950	563,470	574,070	42,080	616,150	450,890	77,410	528,300	441,470	115,100	556,570
RESOURCES	2,448,120	2,294,550	2,169,340	20,450	2,189,790	2,065,940	38,680	2,104,620	1,974,420	82,440	2,056,860
REVENUES, BENEFITS & CUSTOMER SERVICES	1,389,990	1,444,330	1,524,990	78,850	1,603,840	1,556,220	140,890	1,697,110	1,568,730	205,030	1,773,760
STRATEGIC GROWTH	2,063,770	2,287,220	2,063,240	100,540	2,163,780	1,980,550	169,740	2,150,290	1,822,960	245,460	2,068,420
<b>LESS: CAPITAL ACCOUNT</b>	13,852,000	14,888,770	14,543,150	635,890	15,179,040	14,174,570	1,143,570	15,318,140	13,781,980	1,698,740	15,480,720
585,490	234,650	533,950	5,200	539,150	956,390	9,360	965,750	1,011,030	13,450	1,024,480	
INTEREST RECEIVED	(750,000)	(1,810,000)	(1,425,000)	0	(1,425,000)	(952,000)	0	(952,000)	(780,000)	0	(780,000)
<b>TOTAL NET EXPENDITURE ON SERVICES</b>	<b>13,687,490</b>	<b>13,313,420</b>	<b>13,652,100</b>	<b>641,090</b>	<b>14,293,190</b>	<b>14,178,960</b>	<b>1,152,930</b>	<b>15,331,890</b>	<b>14,013,010</b>	<b>1,712,190</b>	<b>15,725,200</b>
<b>LESS: CONTRIBUTION (FROM) TO RESERVES</b>	(159,010)	215,060			(341,870)			(950,680)			(1,536,750)
<b>NET BUDGET REQUIREMENT</b>	<b>13,528,480</b>	<b>13,528,480</b>			<b>13,951,320</b>			<b>14,381,210</b>			<b>14,188,450</b>
<b>LESS: REVENUE SUPPORT GRANT</b>	(150,380)	(150,380)			(160,340)			(160,000)			356,000
BUSINESS RATES INCOME	(3,442,050)	(3,442,050)			(3,655,460)			(4,841,680)			(4,397,000)
BUSINESS RATES GROWTH	(950,200)	(950,200)			(753,010)			0			0
FUNDING GUARANTEE	(425,370)	(425,370)			(687,120)			(490,410)			0
COLLECTION FUND (SURPLUS)/DEFICIT	0	0			100,830			0			0
NEW HOMES BONUS	(240,030)	(240,030)			(285,060)			0			0
TRANSITIONAL FUNDING (assumption)	0	0			0			0			(881,500)
SERVICES GRANT	(114,990)	(114,990)			(19,850)			(18,090)			0
<b>GENERAL EXPENSES - COUNCIL TAX INCOME</b>	<b>8,205,460</b>	<b>8,205,460</b>			<b>8,491,310</b>			<b>8,871,030</b>			<b>9,265,950</b>
<b>COUNCIL TAX LEVY</b>		<b>236.21</b>			<b>243.29</b>			<b>250.58</b>			<b>258.09</b>
<b>COUNCIL TAX BASE</b>		<b>34,738</b>			<b>34,902</b>			<b>35,402</b>			<b>35,902</b>

CAPITAL PROGRAMME 2024-25 - Quarter 2 Position

Capital Scheme	Corporate Priority*	2024-25 Original Budget including slippage from 2023-24 £	2024-25 Qtr 2 Actual £	2024-25 Q2 Agresso Commitments (for information) £	Slippage to 2025-26 £	Progress Notes at Q2 2024-25	Total Scheme (all years) £	Total spend (all years) £	% Complete (Full Scheme)
<b>CHIEF EXECUTIVE AND SOLICITOR TO THE COUNCIL</b>									
Headquarters - Office Accommodation	1,2	413,610	-	-	413,610	Slipped to 2025-26. Account with contractor unresolved.	10,000,000	9,586,390	96%
<b>SUB TOTAL</b>		<b>413,610</b>	<b>0</b>	<b>0</b>	<b>413,610</b>		<b>10,000,000</b>	<b>9,586,390</b>	<b>96%</b>
<b>COMMUNITY AND ENVIRONMENTAL SERVICES</b>									
Parking Facilities: Improvement to Car Parks	1,2,3	30,940	-	-	-	Ticket machines are at the end of their expected useful life. Replacement options and costs are currently being evaluated.	474,500	443,560	93%
Stourport Riverside	3	52,200	-	-	-	Upgrading play equipment, pathways and introducing additional trees commenced.	150,000	97,800	65%
Brinton Park HLF Scheme	3	2,148,250	12,660	6,375	1,648,250	Value engineering and HLF approvals delayed project. The contract for the works contract has been awarded and planning approval granted. Works expected to be coards the end of the 2025-26 financial year	2,600,000	224,410	9%
Innovation Fund - Capital	2	230,390	-	43,000	187,390	Digital Weighing System for commercial waste RCVs contract awarded. Delivery and installation expected this financial year.	345,000	54,610	16%
Community Safety CCTV Upgrade (Grant Funded)	2	4,460	-	-	4,460	Budget will slip to 2025-26.	24,860	20,400	82%
Food Waste Collection (funded by Defra grant)	2	1,037,760	-	-	1,037,760	Not expected to begin spending in this financial year. Further grant allocation of £117k received in May 2024. The revised Capital Programme 2024-34 will be updated to reflect this additional grant allocation.	1,037,760	-	0%
Adaptive Play Equipment	3	50,000	-	50,000	-	Procurement complete, installation to be scheduled when delivery date is confirmed.	50,000	-	0%
<b>SUB TOTAL</b>		<b>3,554,000</b>	<b>12,660</b>	<b>99,375</b>	<b>2,877,860</b>		<b>4,682,120</b>	<b>840,780</b>	<b>18%</b>
<b>STRATEGIC GROWTH</b>									
Housing Strategy: Better Care Fund (BCF) - Disabled Facilities Grants	3	2,515,560	675,820	422,005	940,000	Anticipated spend for DFG 2024-25 should be £1.5m. £60k commitment for Castle Road. Balance to slip to 2025-26	Rolling programme		
BCF - Dementia Dwellings Grants	3	20,000	-	-	-	No slippage expected	20,000	-	0%
BCF - Minor Adaptations Grants	3	100,000	-	-	-	No slippage expected	100,000	-	0%
BCF - Discretionary Grants	3	100,000	-	-	-	No slippage expected	100,000	-	0%
BCF - Discretionary Top Up Grants	3	100,000	-	-	-	No slippage expected	100,000	-	0%
BCF- Hospital Discharge/Moving Home/Housing Advice Grants	3	80,000	-	-	-	No slippage expected	80,000	-	0%
BCF- Energy Efficiency	3	212,140	34,260	-	100,000	Scheme ongoing. This fund supplements and provides an alternative to government capital funding where it cannot be applied or homes need additional support.	400,000	222,120	56%
BCF- Disabled Adapted Units	3	240,000	-	-	-	Expecting to pay this grant in Q4.	240,000	-	0%
Housing Assistance - Private Sector Measures (including Decent Homes Grant)	3	224,070	23,790	-	124,000	Planned spend split across two financial years.	2,357,120	2,156,840	92%
Housing Fund	3	133,230	20,775	-	-	A further 10k spend anticipated this year - balance of Capital Budget to be reviewed as part of revised budget process.	1,045,920	933,465	89%
Castle Road Development	3	3,024,390	1,202,797	1,646,660	70,290	This scheme should be fully completed by year end less any retention.	3,860,210	2,038,617	53%
Raven Street Conversion	3	62,880	56,344	-	-	Work progressing - scheduled to complete July/August 2024 but road closure due to unsafe structure has delayed installation of utilities so potential delay until Dec 2024.	84,700	78,164	92%

CAPITAL PROGRAMME 2024-25 - Quarter 2 Position

Capital Scheme	Corporate Priority*	2024-25 Original Budget including slippage from 2023-24	2024-25 Qtr 2 Actual	2024-25 Q2 Agresso Commitments (for information)	Slippage to 2025-26	Progress Notes at Q2 2024-25	Total Scheme (all years)	Total spend (all years)	% Complete (Full Scheme)	
		£	£	£	£		£	£	£	
Flood Relief	1,3	28,410	-	-	28,410	Potential projects identified but timescales are dependent upon partner agencies including Environment Agency and Severn Trent Water.	199,000	170,590	86%	
Home Upgrade Grant Phase 2 (HUGS2)	3	1,111,720	184,305	24,908	-	Scheme must complete March 2025 and we should achieve full spend	1,155,000	227,585	20%	
Future Investment Evergreen Fund	1,2,3	702,050	-	-	-	Scheme will slip if no business cases are proposed.	1,143,930	441,880	39%	
Acquisition of Land at Horsefair, Kidderminster	3	49,590	-	-	49,500	Start of project delayed as Registered Provider was not able to undertake work required for pre-application until December 2024.	50,000	410	1%	
Capital Projects Fund	1,2,3	8,267,750	-	-	6,267,750	Full scheme will slip if no business cases are proposed.	8,267,750	-	0%	
<b>SUB TOTAL</b>		<b>16,971,790</b>	<b>2,198,091</b>	<b>2,093,573</b>	<b>7,579,950</b>		<b>19,203,630</b>	<b>6,269,671</b>	<b>33%</b>	
<b>ECONOMIC DEVELOPMENT AND REGENERATION</b>										
Levelling Up Fund	1,2,3	13,065,000	2,912,061	270,508	400,000	Enabling works at the Piano Building have commenced. Contract for the main works expected to be signed shortly.	17,900,000	7,747,061	43%	
Capital Portfolio Fund (unallocated)	1,2,3	6,050,830	-	-	3,050,830	Full scheme will slip if no business cases are proposed.	22,805,450	16,754,620	73%	
Future High Streets Fund - Creative Hub	1,2	9,311,320	5,028,191	189,854	226,000	Practical completion scheduled for December 2024. Retention will slip to 2025-26.	17,402,710	13,538,151	78%	
Future High Streets Fund - Creative Hub (Capital Portfolio allocation)	1,2	1,250,000	-	-	1,250,000	Expenditure dependent upon successful business case.	1,250,000	-	0%	
Future High Streets Fund - Public Realm	1,2	4,205,550	94,468	127,037	500,000	Contract works anticipated to commence mid August with an estimated completion date of February 2025. Retention will slip to 2025-26.	10,343,330	5,813,678	56%	
UK Shared Prosperity Fund	1,2,3	499,040	237,049	-	-	Various projects underway. Grant to be spent by end of financial year.	612,600	455,309	74%	
Innovation Fund - Capital	2	60,000	246	34,935	-	Wyre Forest House Café conversion to office space is underway.	60,000	-	0%	
<b>SUB TOTAL</b>		<b>34,441,740</b>	<b>8,272,015</b>	<b>622,334</b>	<b>5,426,830</b>		<b>0</b>	<b>70,374,090</b>	<b>44,308,819</b>	<b>63%</b>
<b>RESOURCES</b>										
ICT Strategy	1,2,3	1,360,280	66,679	420,474	-	SAN and Server virtualisation contract has now been awarded with implementation due to start in November. Other projects funded by the Strategy nearing completion include new secure email system and new backup system. Any reprofiling will be considered as part of the revised budget process.	6,003,120	4,271,519	71%	
Innovation Fund Capital	1,2,3	105,000	-	-	105,000	Allocation initially towards Bridge Street redevelopment. Stourport Town Council decided not to progress with works.	105,000	-	0%	
<b>SUB TOTAL</b>		<b>1,465,280</b>	<b>66,679</b>	<b>420,474</b>	<b>105,000</b>		<b>0</b>	<b>6,108,120</b>	<b>4,271,519</b>	<b>70%</b>
<b>VEHICLE, EQUIPMENT &amp; SYSTEMS RENEWAL SCHEDULE</b>										
Vehicles & Equipment & Systems Renewal Schedule	1,2,3	1,313,740	152,940	162,845	602,750	Procurement is progressing on some scheduled renewals. Slippage is expected during the revised budget process due to extended procurement lead times.		Rolling programme		
<b>SUB TOTAL</b>		<b>1,313,740</b>	<b>152,940</b>	<b>162,845</b>	<b>602,750</b>					
<b>TOTAL COMMITTED EXPENDITURE</b>		<b>58,160,160</b>	<b>10,702,385</b>	<b>3,398,601</b>	<b>17,006,000</b>					

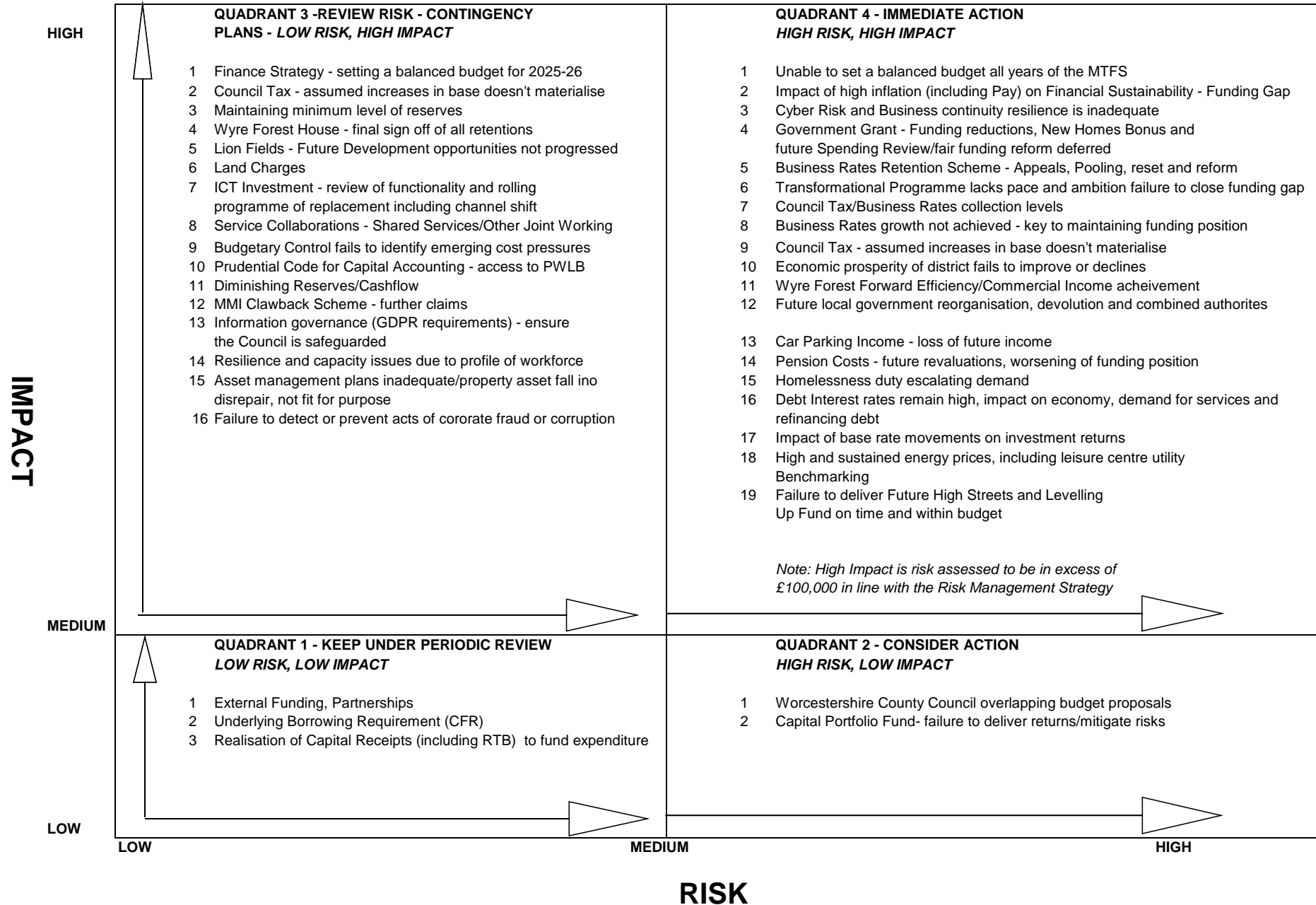
2024-25 Capital Budgets unspent at Q2

47,457,775

NB - Capital Budgets will be realigned as appropriate during the 2024-25 Revised Budget process in addition to the slippage identified at Q2

41,154,160

BUDGET RISK MATRIX 2024-27



**WYRE FOREST DISTRICT COUNCIL**

**CABINET**  
**12<sup>th</sup> November 2024**

**Budget and Performance Monitoring Second Quarter 2024-25**

**ANALYSIS OF OUTSTANDING DEBT**

This appendix details the Council's income collection position at the end of Quarter 2 (30<sup>th</sup> September 2024).

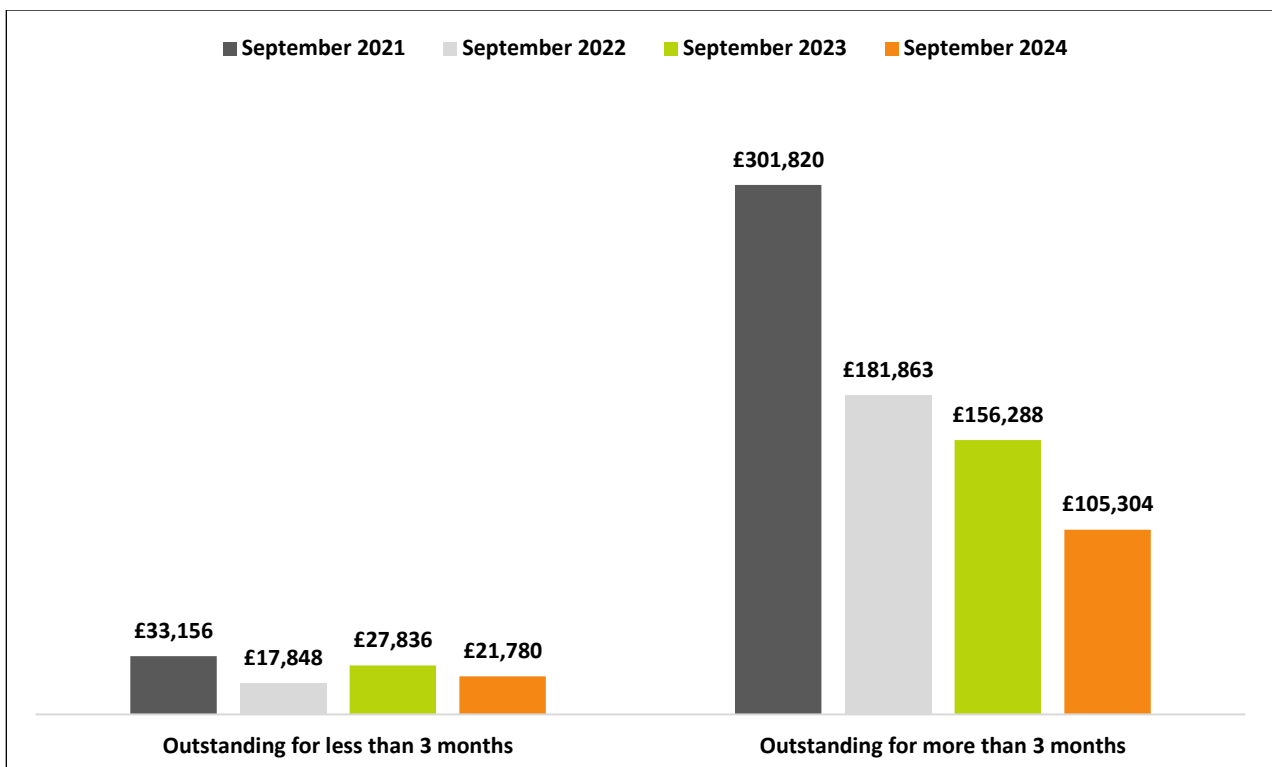
**Housing Benefit Overpayment Recovery**

Where customers have a change in their circumstances and we are later made aware of this, customers are expected to repay any Housing Benefit that has been overpaid.

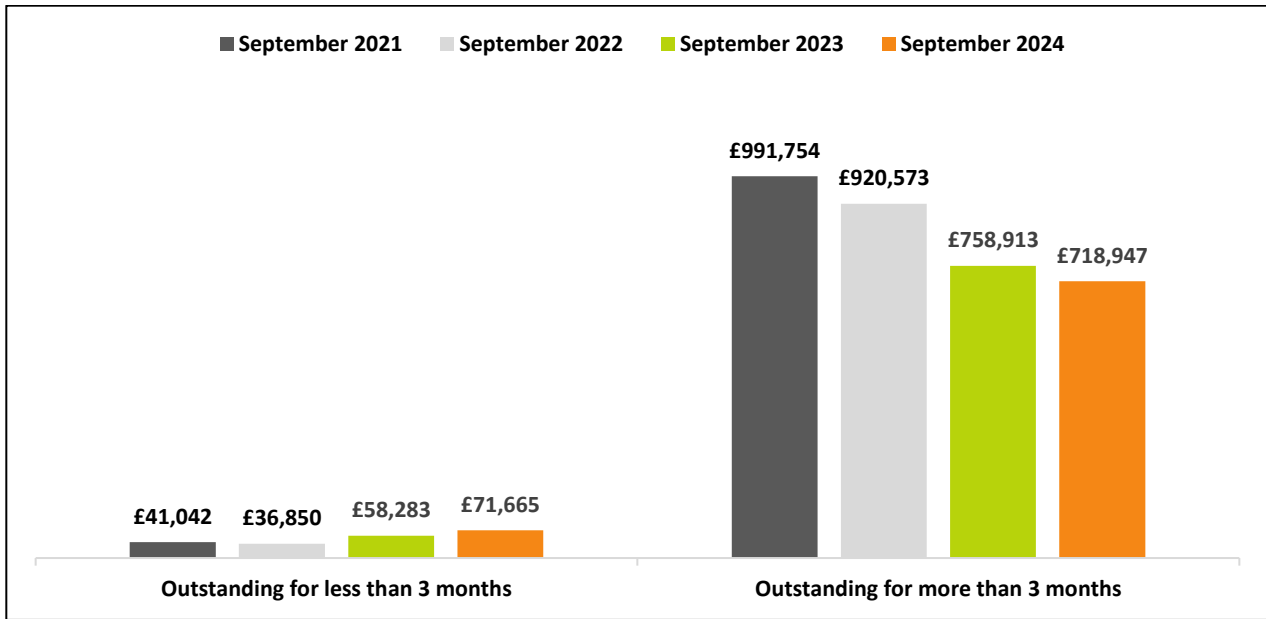
Customers who remain on Housing Benefit and have received an overpayment, have a deduction from their on-going benefit. Where a change in circumstance transfers the customer to Universal Credit, the overpayment is via a customer invoice.

The arrears position relating to Housing Benefit overpayment is shown in the next two graphs:

**Recovery by On-going Benefit**

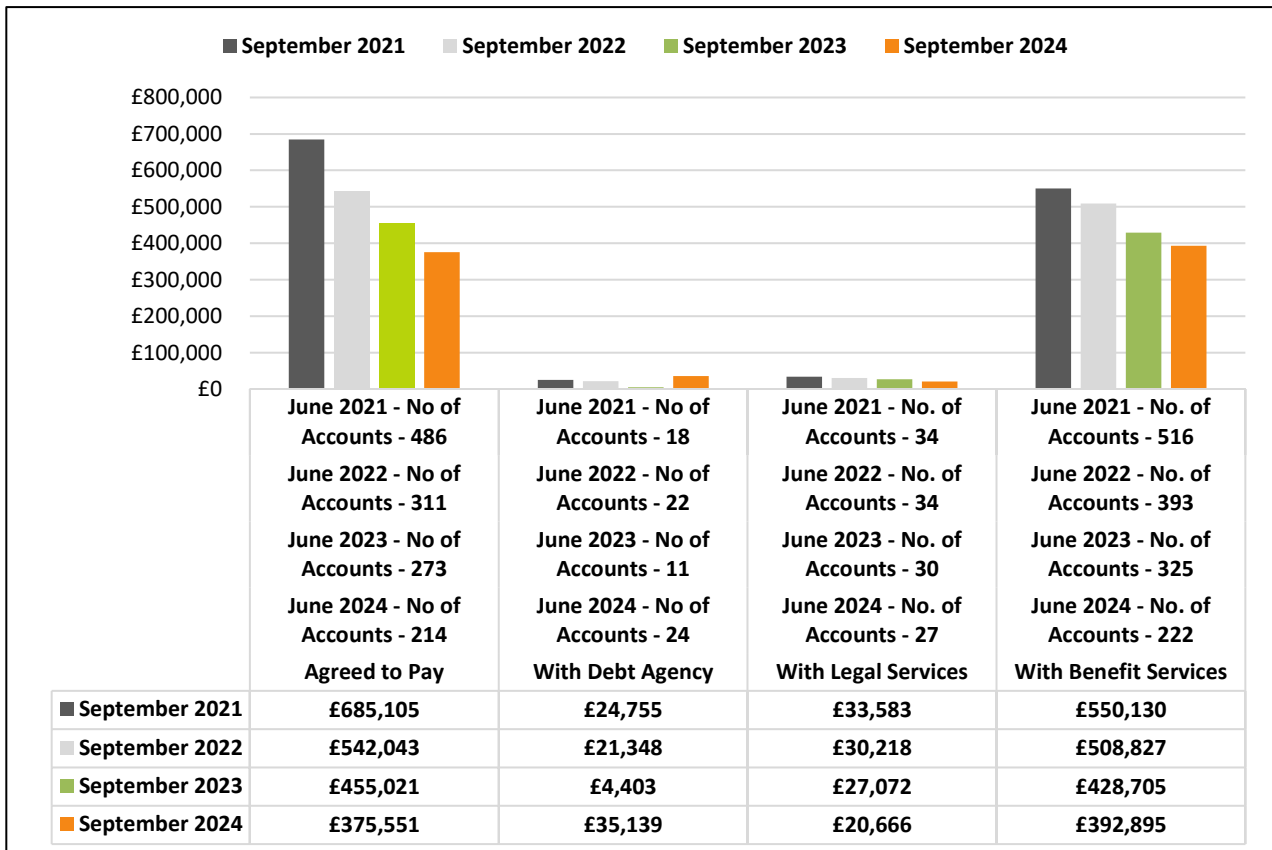


**Recovery by Customer Invoice**



Debts over three months old have either agreement in place to pay, have been referred to the Council’s Legal Services, or remain with the Benefit Service to pursue. The Council refers debts to an external Debt Collection Agency if other avenues are exhausted. As at September 2024 debts of £1,139 have been recovered at a cost of £171. The number of accounts, the value outstanding and how this will be collected is shown in the following graph:

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



**Agenda Item No. 7.2**  
**Appendix 4 – Analysis of Outstanding Debt**

The total debt outstanding as at 30<sup>th</sup> of September is £917,700 (including debt within payment terms) which represents a **10% decrease** over the balance outstanding at the end of Quarter 2 2023-24 (including debt within payment terms). The number of cases where there is an agreement to pay or our Benefit/Legal Services are dealing with the case, have decreased to 463 (from 628 in 2023-24) a decrease of 165 cases. Cases referred to an external debt collection agency have increased to 24 (11 in 2023-24).

The introduction of Universal Credit in November 2018 has reduced the number of customers claiming Housing Benefit and the occurrence of overpayment and its collection via on-going benefit. Collections rates on overdue debt for more than 3 months continues to improve as these debts are now collected via the DWP.

**Sundry/ Property Debt**

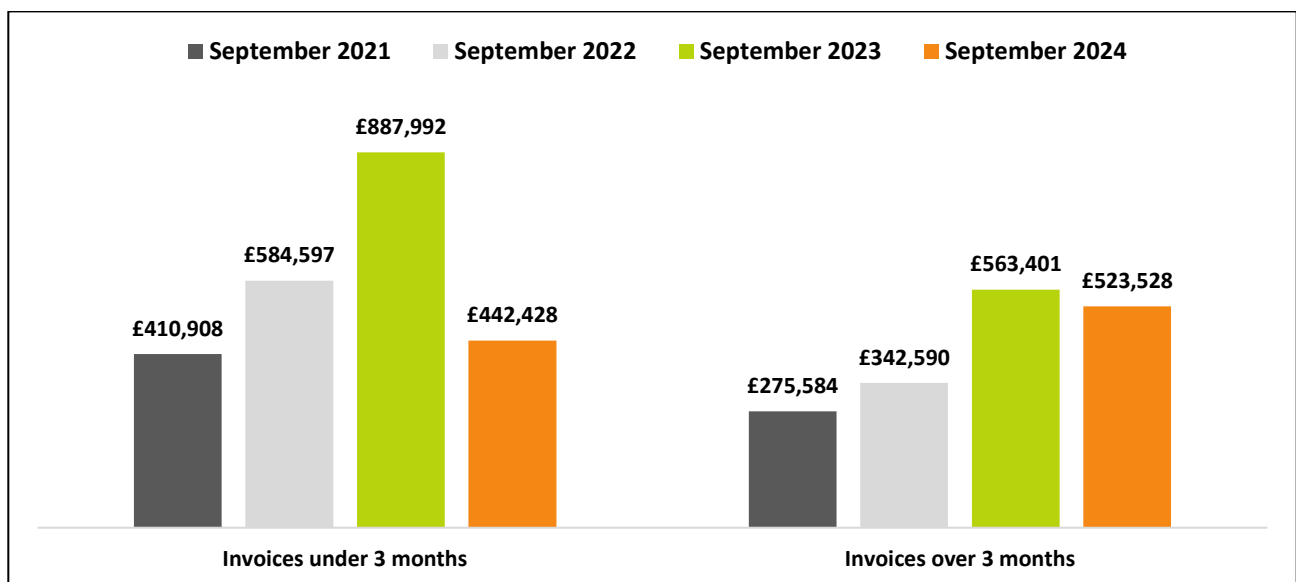
The total debt outstanding as at 30<sup>th</sup> September (including debt within payment terms) was £1,657,102 (Sundry Debt - £965,956 Property Debt - £691,146) which represents a 21% decrease over the balance outstanding at the end of Quarter 2 2023 of £2,099,574 (Sundry Debt - £1,451,393 Property Debt £648,181).

The 2024-25 Quarter 2 overdue debt (more than 3 months old) has decreased to £744,885 (2023-24 £752,318).

Invoices overdue (older than 3 months)	Quarter 2 2022	Quarter 2 2023	Quarter 2 2024	Movements
Sundry Invoices	£342,560	£563,401	£523,528	(£39,873)
Property Invoices	£195,374	£188,917	£221,357	£32,440
Total Invoices	£537,934	£752,318	£744,885	(£7,433)

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

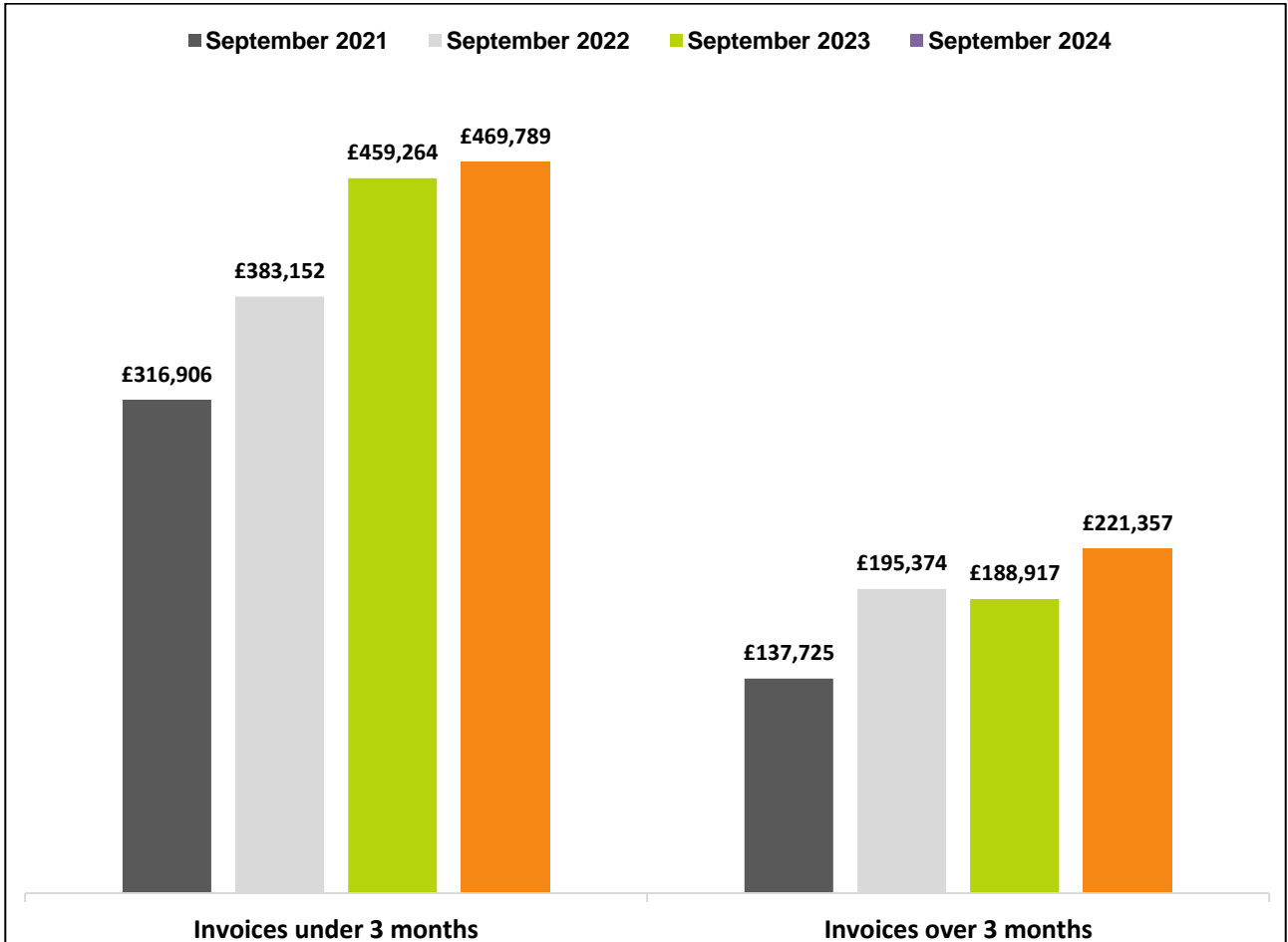
**Sundry Debtors**



Overall, Sundry debt has decreased by 33% from £1,451,393 to £965,956. This is mainly due to timings of raising invoices, specifically for shared services to Bromsgrove and Redditch which were under the less than 3 months category in 2023. The shared services agreement for NWEDR was dissolved on the 30<sup>th</sup> of June 2024.



**Property Invoices and Debt**



## Agenda Item No. 7.2 Appendix 5

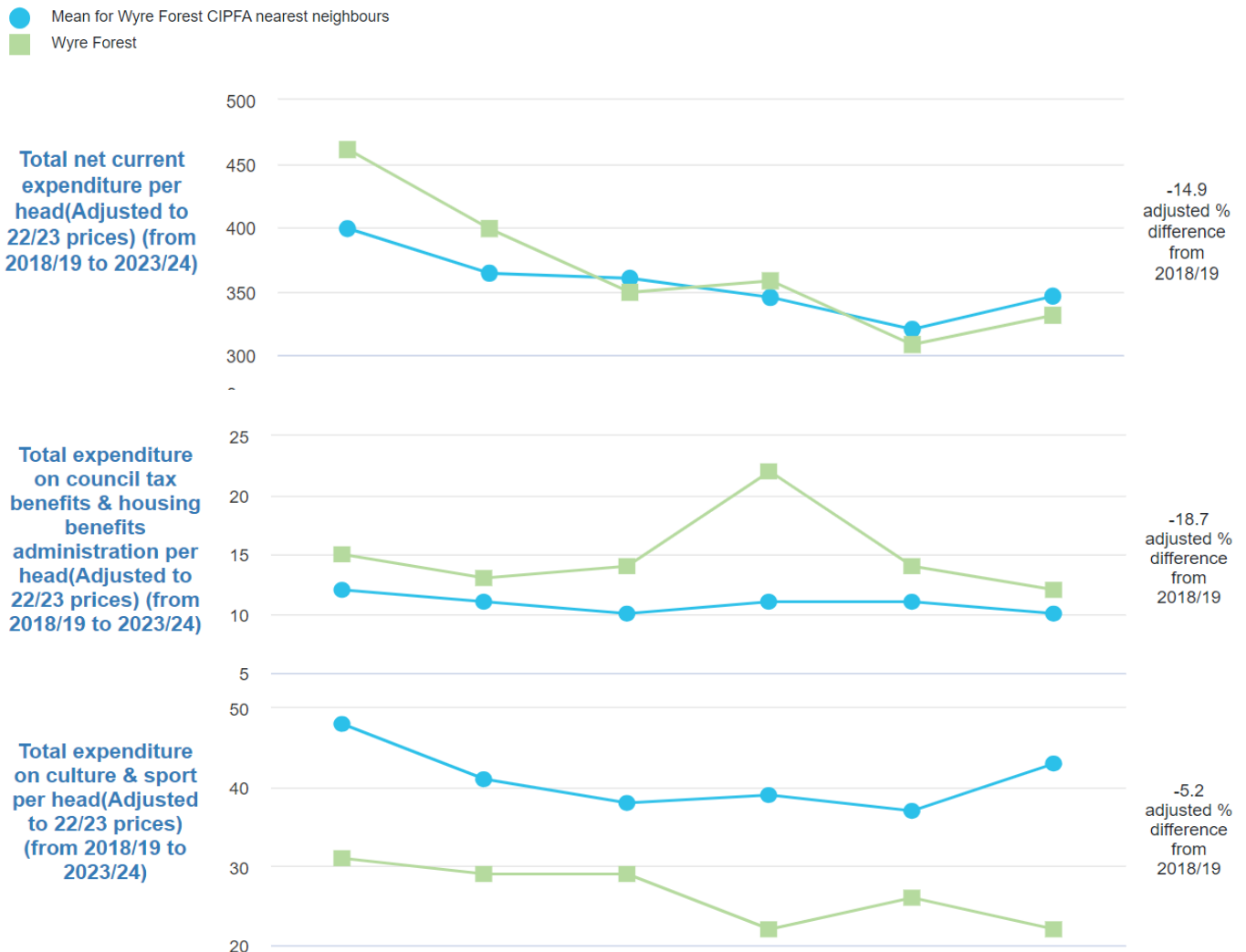
### WYRE FOREST DISTRICT COUNCIL - FINANCIAL PERFORMANCE COMMERCIAL ACTIVITY

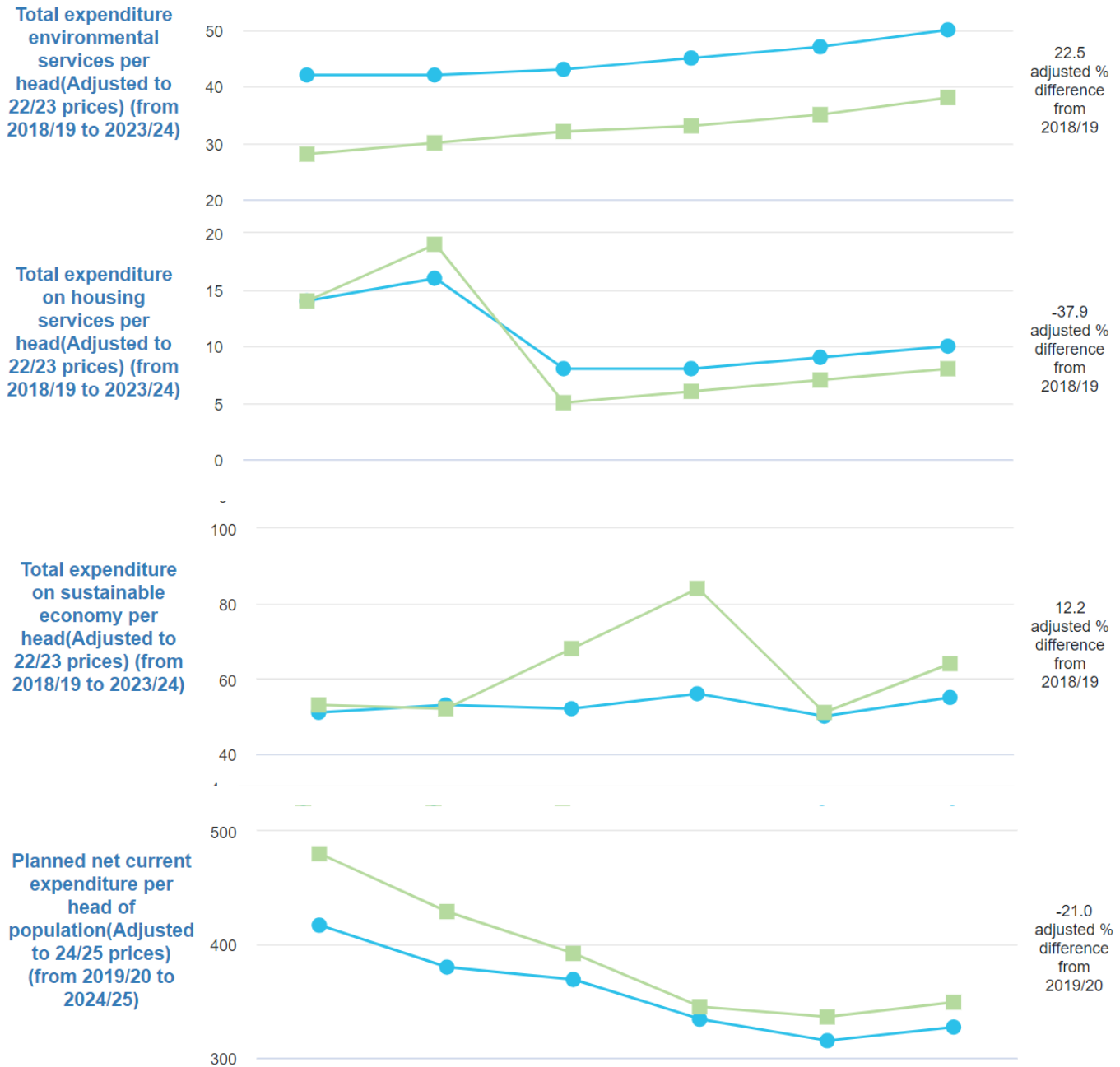
Source of Income	2024-25 Original Budget	Month 6 Outturn Projection	Full Year Variance	
	£	£	£	
<b>1 Car Parks and Enforcement</b>				
Aldi rent, rental space and misc.	-11,540	-11,540	0	
Car parking (coin and pay-by-phone)	-1,199,000	-1,107,426	91,574	
FPNs and misc. enforcement income	-15,000	-15,000	0	
Weavers Wharf management fee	-188,730	-188,730	0	
Car park season tickets and resident parking	-131,000	-115,000	16,000	
<b>2 Wyre Forest Leisure Centre</b>				
Management contract	-644,300	-644,300	0	
<b>3 Waste</b>				
Business waste	-960,000	-925,000	35,000	
Developers bins and domestic replacements	-15,000	-30,000	-15,000	
Garden waste	-550,000	-634,000	-84,000	
Waste transfer station	-16,800	-16,800	0	
<b>4 Garage</b>				
MOTs and servicing	-21,500	0	21,500	
<b>5 Driver Training</b>				
Training	0	0	0	
<b>6 Arboricultural and Grounds Maintenance</b>				
Advertising	-20,000	-26,400	-6,400	
Grounds maintenance	-76,000	-80,000	-4,000	
Landscaping	-25,000	-3,000	22,000	
Tree gang	-50,000	-50,000	0	
<b>7 Parks and Green Spaces</b>				
Grass cutting - verges	-125,000	-128,750	-3,750	
Parks licences and rentals	-17,340	-13,590	3,750	
<b>8 Street Cleansing</b>				
Bulky waste	-75,000	-55,000	20,000	
Street cleansing external	-64,300	-75,000	-10,700	
<b>9 Bewdley Museum</b>				
Educational visits	-20,000	-21,000	-1,000	
Misc. fees and income	-8,800	-2,500	6,300	
Museum activities	-20,000	-25,000	-5,000	
Property and rents	-18,800	-35,000	-16,200	
Shop income	-62,000	-67,000	-5,000	
Weddings	-12,000	-14,500	-2,500	
<b>10 Cemetery</b>				
Burial fees	-52,060	-52,060	0	
<b>Property Rental</b>				
Property Rental	-622,510	-665,200	-42,690	
Property Rental Capital Portfolio	-1,104,180	-1,110,580	-6,400	
Property Rental WFH	-350,090	-366,950	-16,860	
<b>Land Charges</b>				
Land Charges	-77,630	-77,630	0	
<b>Regulatory Income</b>				
Planning	-677,580	-477,580	200,000	
Building Control	-191,500	-191,500	0	
Licensing	-202,340	-202,340	0	
Private Sector Housing	-26,420	-59,180	-32,760	
PCNs (On and Off-Street)	-126,250	-165,000	-38,750	
<b>Grand Total (Gross Income)</b>	<b>-7,777,670</b>	<b>-7,652,556</b>	<b>125,114</b>	

The following charts from LGINform give an overview of the authority’s spend on its services expressed per head of population. Most of the expenditure data comes from the latest Final Revenue Outturn report which is for 2023-24 – the data is available, and will be reported, only once a year. However the planned net current expenditure comes from different sources and is for the current financial year 2024-25. Where possible, historical spend data is adjusted for inflation using GDP deflator factors to allow a more accurate comparison of spend over time in real terms.

Overall expenditure, whether actual or planned, has moved closer to the average for all district councils. Some areas of service expenditure by WFDC are significantly lower than the district average (culture and sport, environmental services) while other areas are generally in line with or slightly ahead of the average.

[Overview](#) | [Value for Money Profiles \(local.gov.uk\)](#)





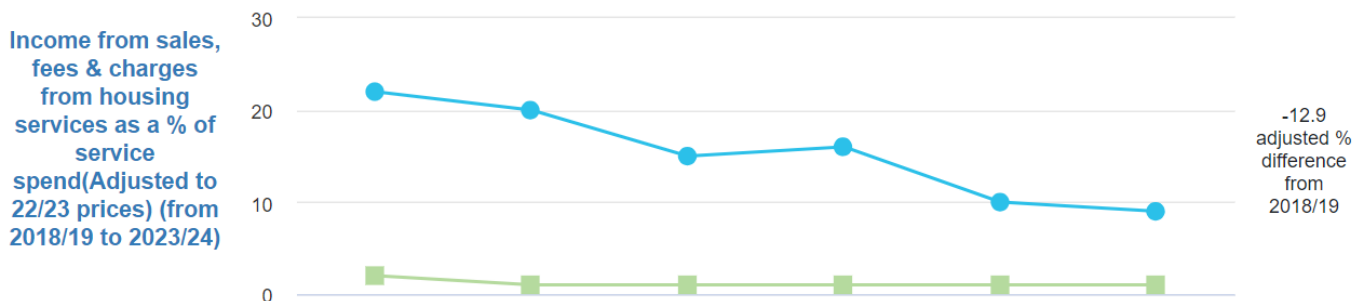
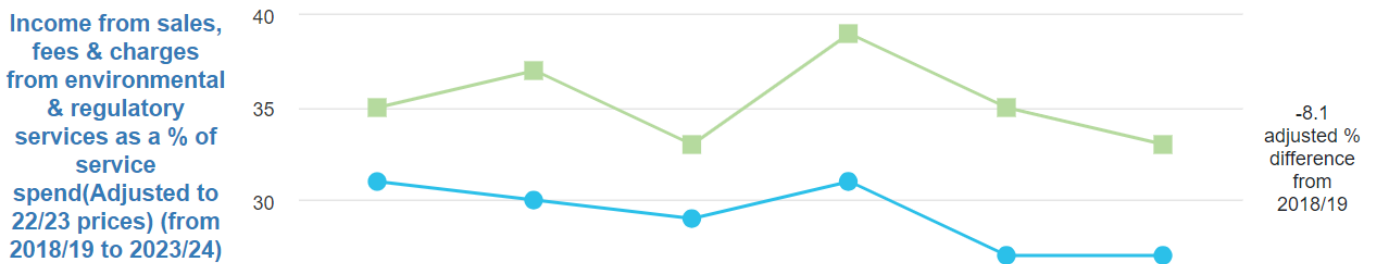
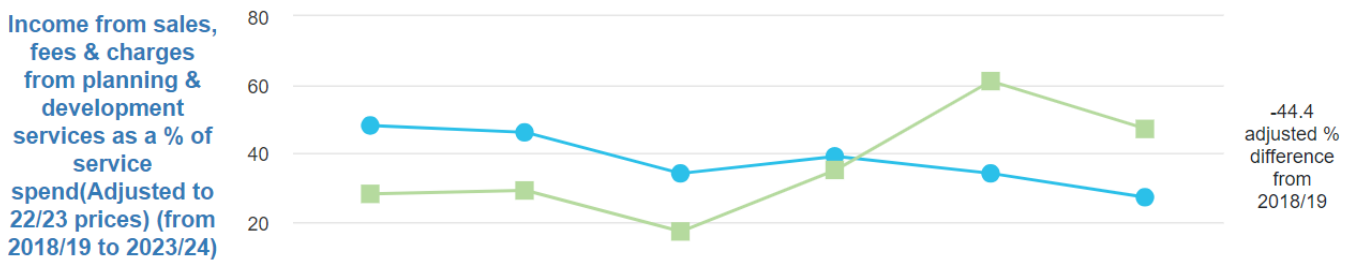
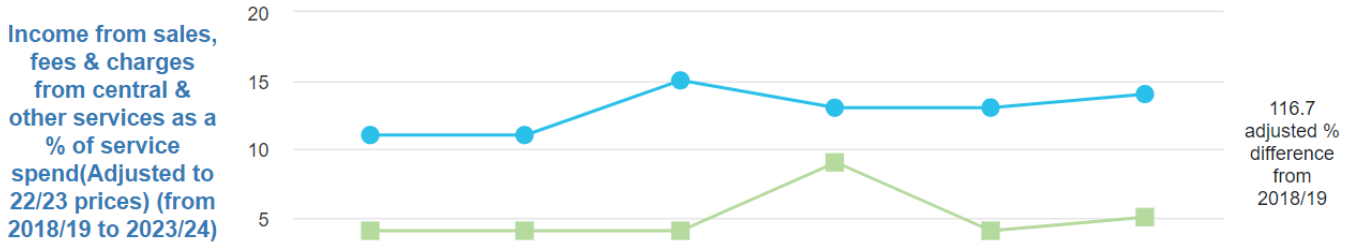
The following charts relate to **income and charges** and are compared using CIPFA “nearest neighbours”, rather than all districts. The comparator group is districts that are most similar to Wyre Forest in terms of demography, deprivation etc. They are Amber Valley, Bassetlaw, Broxtowe, Cannock Chase, East Lindsey, Erewash, Fenland, Folkestone & Hyde, Gedling, High Peak, Newark & Sherwood, Newcastle-Under-Lyme, South Kesteven and Wyre Borough.

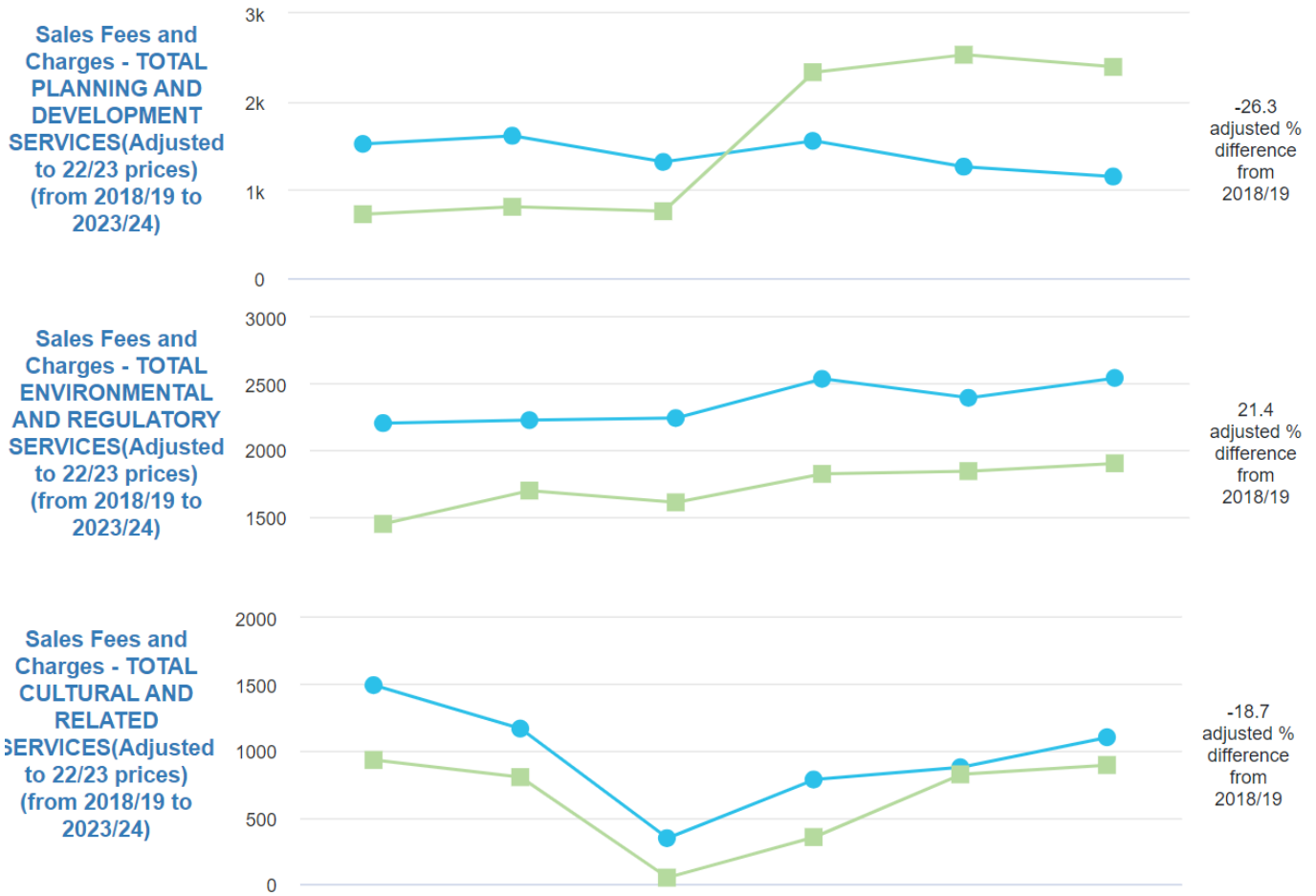
Because of the relatively low level of WFDC service expenditure in some areas such as culture and sport and environmental services, the higher proportion of spend represented by income from sales, fees and charges does not map across to higher absolute amounts of income.

[Income and charging | Value for Money Profiles \(local.gov.uk\)](#)

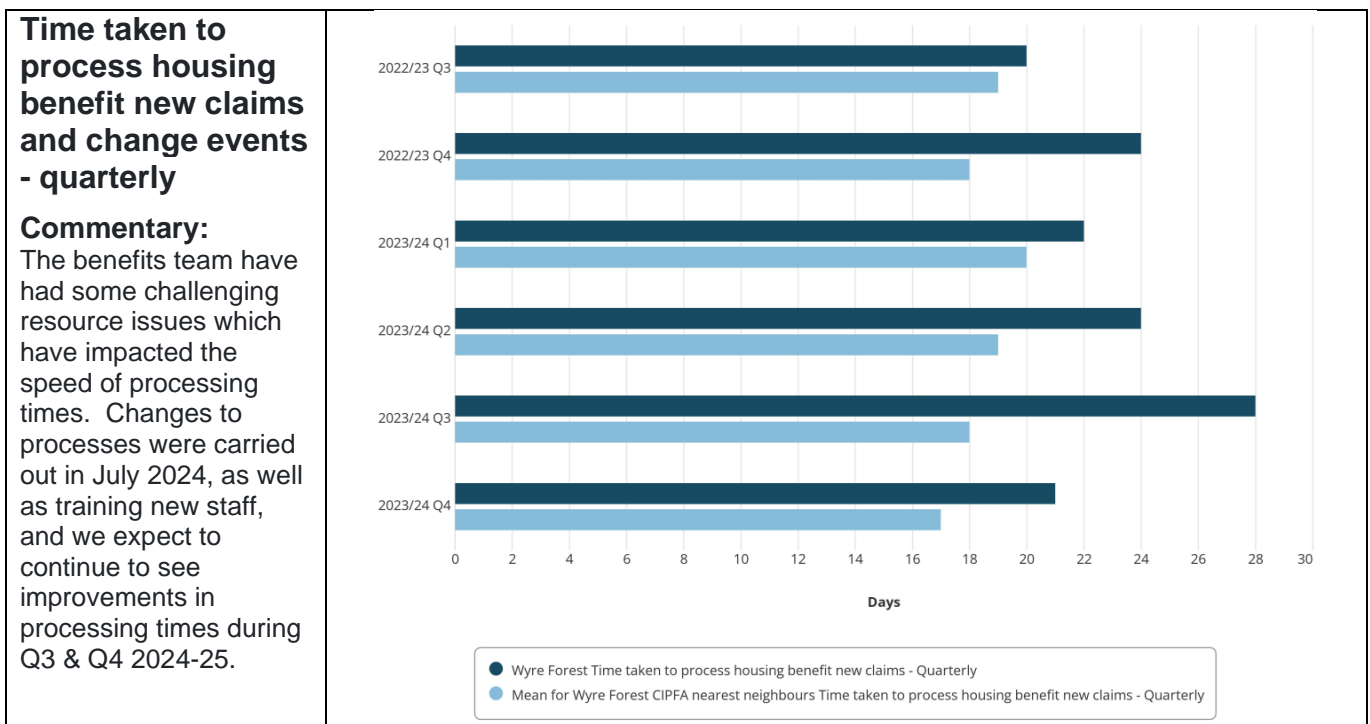
# Agenda Item No. 7.2 Appendix 6

● Mean for Wyre Forest CIPFA nearest neighbours  
 ■ Wyre Forest





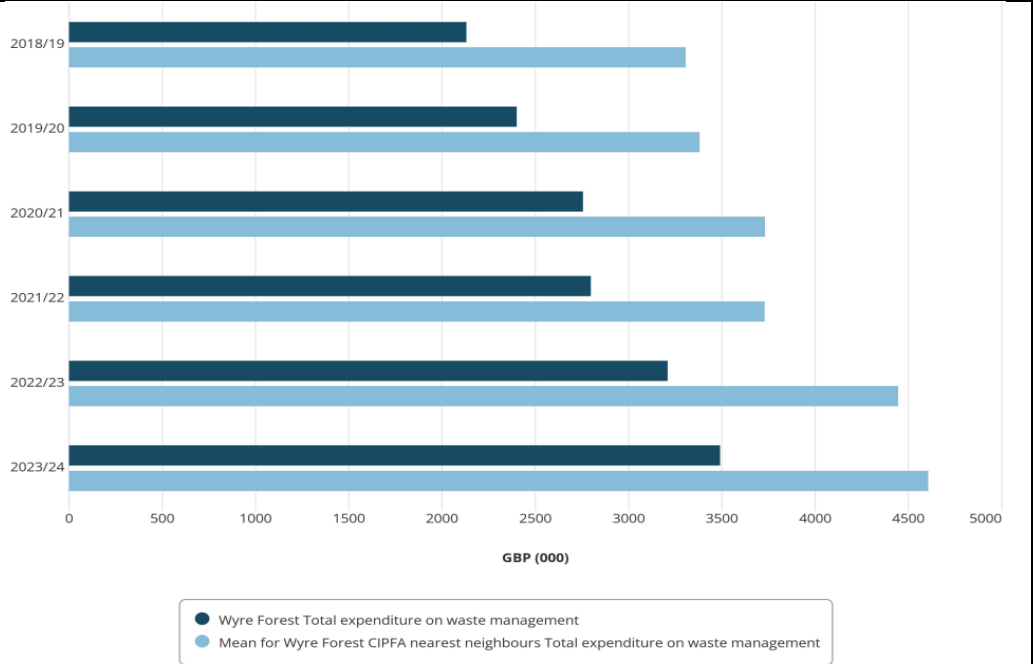
The following charts give comparative performance data, again compared with CIPFA nearest neighbours. Please note that **LGIinform reverses the colour coding: in these charts WFDC is the blue line**. Where available quarterly, the comparative performance data will be reported quarterly – most are available only annually.



**Total expenditure on waste management**

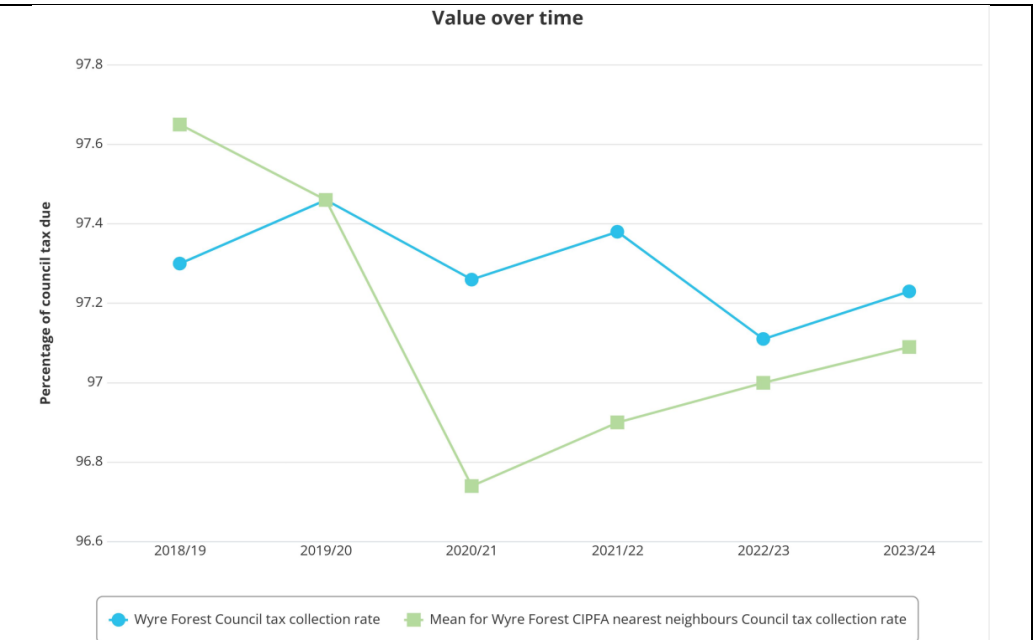
From RO5 calculated by the sum of column 3, total expenditure from lines 281 waste collection, 282 waste disposal, 283 trade waste, 284 recycling, 285 waste minimisation and 286 climate change costs.

**Commentary:** WFDC have the second lowest expenditure on waste management compared to CIPFA neighbours.



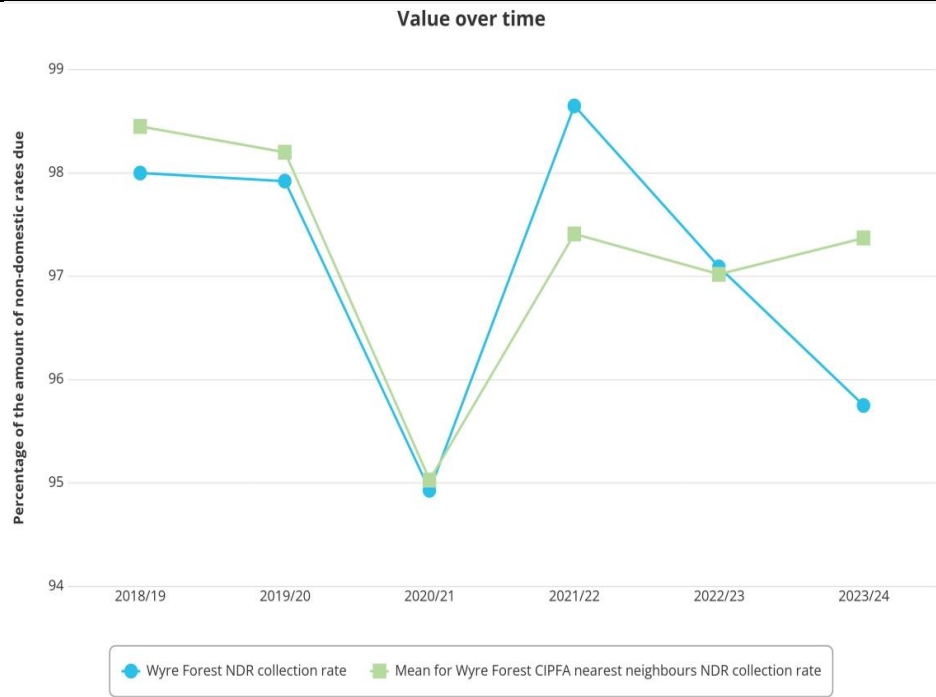
**Council tax collected as a percentage of council tax due (annual)**

**Commentary:** WFDC's collection performance continues to be slightly above the comparator group.



**Non domestic rates collected as percentage non domestic rates due (annual)**

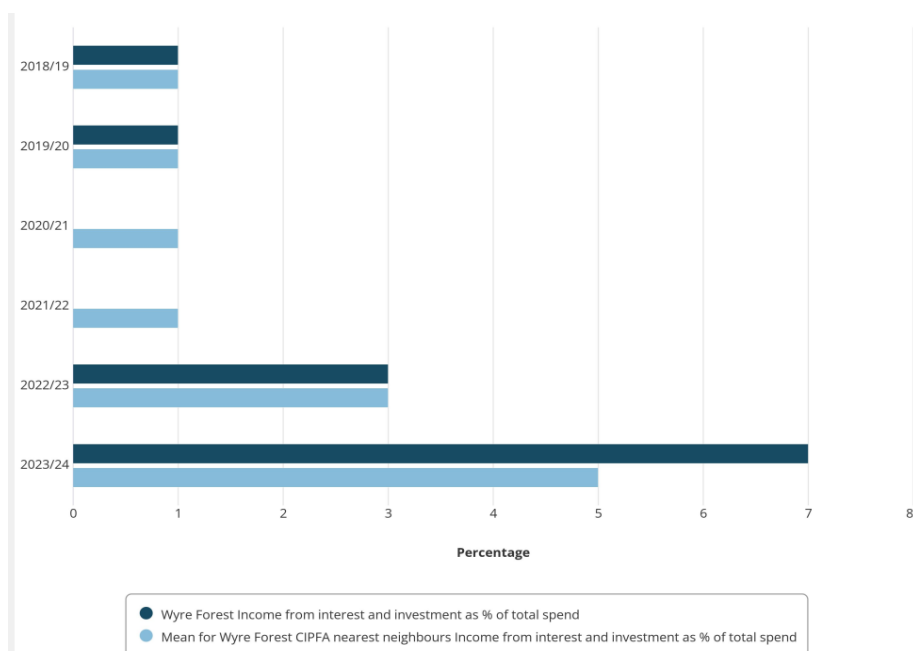
**Commentary:** performance on this indicator can be affected by the fortunes of a few major business rate payers, which lie outside the control of any council. WFDC's collection performance was in line with the comparator group in 2022-23 but dropped in 2023-24.



**Income from interest and investment as percentage of total spend (annual)**

[Interest and investment income \(-\): external receipts and dividends \(RS\):](#)

**Commentary:** the prior year figures for WFDC reflect a different way of completing returns as the council always achieves some interest income. Performance in 2023-24 exceeds the comparator group.

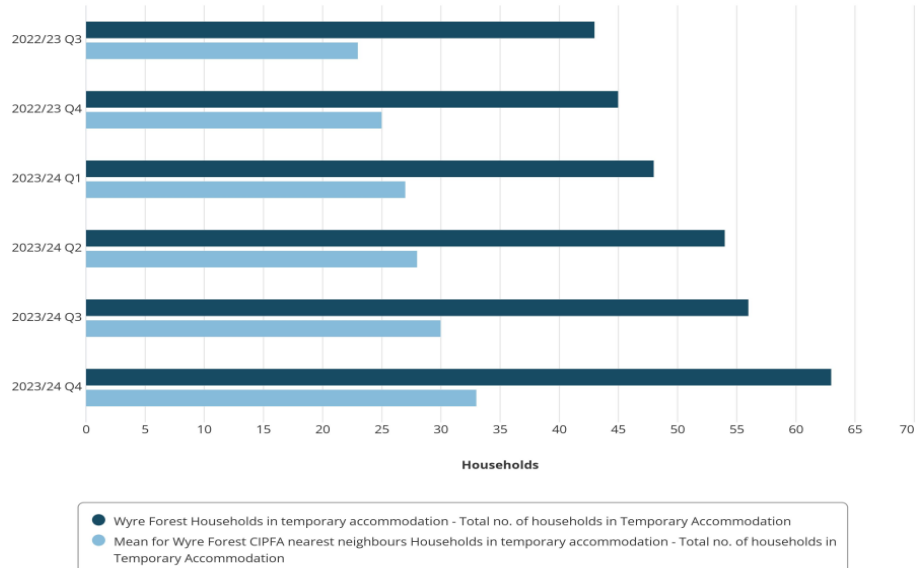




**Number of households in temporary accommodation (quarterly)**

**Commentary:** the trend in the comparator group is upwards. There is a markedly higher level of households in Wyre Forest in temporary accommodation than in the comparator group. Provision for this client group is being expanded with the new build at Castle Road.

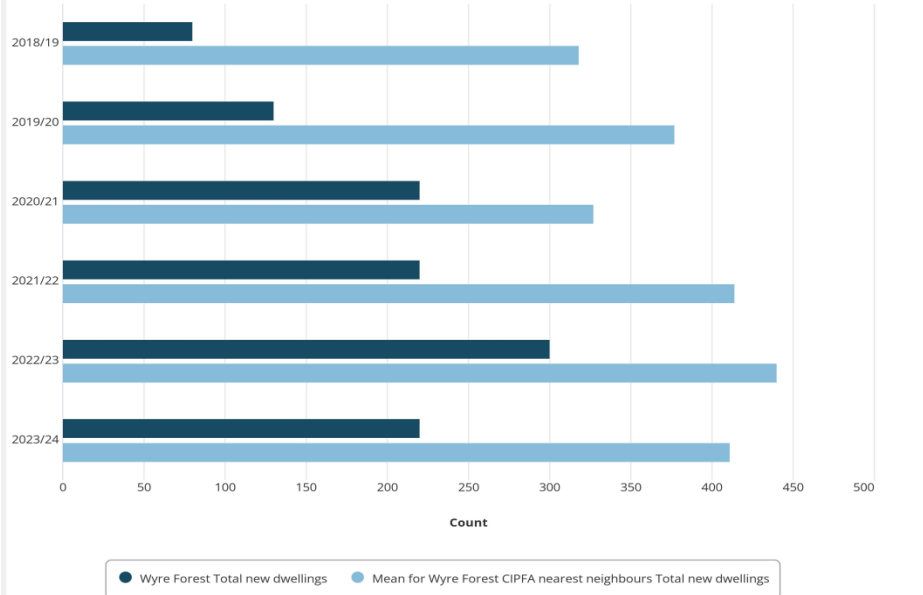
Households in temporary accommodation - Total number of households in Temporary Accommodation (from 2022/23 Q3 to 2023/24 Q4) for Wyre Forest








**Number of new dwellings completed (annual)**




**Commentary:**




Number of new dwellings completed - total (from 2018/19 to 2023/24) for Wyre Forest



**Priority 1 - Economic growth and regeneration**


Priority action	Action Code	Action	Latest Note	Owner	Sub-Action Code	Due date	Sub-Actions	Latest Note	Progress bar	Status Icon
Regenerate central Kidderminster including completion of Future High Streets and Levelling Up Fund projects	WFF 23/27 89	Delivery of FHSF and LUF programme through to 31st March 2025.  The following projects: Piano building Creative Hub Town Centre Connectivity Project Kidderminster Town Hall	N/A	Ostap Paparega	WFF 23/27 89.1	31 Mar 2025	Piano building	The planning application has been approved.  Work has begun by Speller Metcalfe in August 2024.  Expected completion by July 2025.	50%	
					WFF 23/27 89.2	31 Mar 2025	The Old Court (Creative Hub)	Work on the former Magistrates Court continues with an expected completion date of 6. December 2024.	75%	
					WFF 23/27 89.3	31 Mar 2025	Town Centre Connectivity Project	Contractor has been appointed and started on site in September 2024. Majority of the work is due to complete March 2025. Project completion August 2025.	25%	
					WFF 23/27 89.4	31 Mar 2025	Refurbishment and redevelopment of Kidderminster Town Hall	Work is underway and contractors are onsite. Summer 2025 for completion.	50%	
Redevelop former Crown House site, Lionfields and other brownfield sites we own – mainly for housing	WFF 23/27 90	Kidderminster town centre feasibility study	N/A	Ostap Paparega	WFF 23/27 90.1	31 Oct 2024	Kidderminster town centre Feasibility study	Additional surveys have been booked and the results will be used to help inform the massing exercise for the architects for all the sites. The housing market review is currently being completed.	50%	

Priority action	Action Code	Action	Latest Note	Owner	Sub-Action Code	Due date	Sub-Actions	Latest Note	Progress bar	Status Icon
								A focus group to help inform the type of housing to be provided on the former Glades site and Bromsgrove St car park is being organised with the sessions to be completed by the end of October. This will be used in soft market testing with developers to demonstrate demand for specific housing types.		
					WFF 23/27 90.2	31 Dec 2024	Clensmore Street site	The Registered Provider is awaiting results of ecology study to submit the planning application. It is hoped application is submitted November/ December for a start on site June/July 2025.	25%	
					WFF 23/27 90.3	31 Dec 2025	Radford Avenue	The Registered Provider is unable to work on this project until the Planning Application for Clensmore Street submitted so starting on this action is deferred until Dec/January 2025.	0%	
					WFF 23/27 90.4	31 Aug 2024	Raven Street	The property works are nearing completion but due to a road closure (because of a dangerous structure) WCC wont permit work to connect the gas supply and so the property remains empty at the current time as no heating/hot water can be provided.	75%	


Priority action	Action Code	Action	Latest Note	Owner	Sub-Action Code	Due date	Sub-Actions	Latest Note	Progress bar	Status Icon
Progress the redevelopment of Bridge Street site, Stourport	WFF 23/27 91	Explore options for redeveloping the site.	Awaiting confirmation from Stourport Town Council to progress the project on the ground floor on the 8th of July 2024.	Kate Bailey	N/A	31 Mar 2027	N/A	The initial market feasibility study has been received and further work now required to work up any potential scheme.	25%	
Work with High Streets Task Force to develop and implement a vision for the regeneration of central Stourport	WFF 23/27 92	Develop and implement a vision for the regeneration of central Stourport	Public consultation and stakeholder engagement will be taking place once the vision has been developed.  This work is being led by Stourport Town Council Working Group. Vision should be completed during 2024/25.	Ostap Paparega	N/A	31 Dec 2024	N/A	The public consultation ended and over 1300 people responded. Over 10 000 comments were received.	33%	
Work with partners to improve skill levels and make sure they are the skills employers need		Approval of UKSPF Projects.	Community Prospect (targeting the districts'	Ostap Paparega			N/A	We are approaching the halfway point with these four skills orientated projects in 2024/25.		




Priority action	Action Code	Action	Latest Note	Owner	Sub-Action Code	Due date	Sub-Actions	Latest Note	Progress bar	Status Icon
	WFF 23/27 93		<p>economically inactive population with an aim of improving their quality of life and identifying employment opportunities) —ran from April 2023 until March 2024. We have met or exceeded all targets, such as 29 socially excluded individuals accessing the necessary support, and 28 people supported to engage in life skills.</p> <p>Upskill Worcestershire and Careers Worcestershire (county wide service to address skills needs across</p>		N/A	31 Mar 2025		<p>Mandatory reporting is due in early October to allow BH to complete MHCLG report.</p> <p>From Q1 reports, I'm pleased to say great progress is being made across the four projects under a selection of People &amp; skills interventions.</p>	50%	

Priority action	Action Code	Action	Latest Note	Owner	Sub-Action Code	Due date	Sub-Actions	Latest Note	Progress bar	Status Icon
			<p>the district county) began 1st of April 2024.</p> <p>Building Brighter Futures and Digital Skills Pathway, delivered by Community Housing Group, (targets economically inactive individuals in the district, with a focus on addressing digital and life skills. ) began 1st April 2024.</p> <p>Professional skills for the workforce - delivered by HW Chambers of Commerce, working with employers and residents of Wyre Forest to</p>							


Priority action	Action Code	Action	Latest Note	Owner	Sub-Action Code	Due date	Sub-Actions	Latest Note	Progress bar	Status Icon
			address skills deficiencies in the existing workforce, for example, 14k - April 2024 - March 2025.							
Make sure business support services are available to help businesses grow	WFF 23/27 94	Allocation of the UK SPF to provide business support initiatives	A wide range of business support initiatives for the district is being provided from our UKSPF Provision.	Ostap Paparega	WFF 23/27 94.1	31 Mar 2025	Using UKSPF to deliver business support initiatives: BetaDen WCC Business support programmes Worcs Growth Hub	Mandatory reporting is due in October.	33%	

**Priority 2 - Securing financial sustainability for services communities value**


Corporate Action	Action Code	Action	Latest Note	Action owner	Sub-Action Code	Due date	Sub-Actions	Latest Note	Progress bar	Status Icon
Increase net income from our commercial activities	WFF 23/27 95	This is monitored by the Transformation and Commercial Board	Property services manager has been appointed and will start on 28 <sup>th</sup> of October 2025.  The new commercial strategy 2024-2027 will		N/A	31 Dec 2024	N/A	N/A	20%	





Corporate Action	Action Code	Action	Latest Note	Action owner	Sub-Action Code	Due date	Sub-Actions	Latest Note	Progress bar	Status Icon
			be presented in the Transformation and Commercial Board meeting on 12 <sup>th</sup> November.	Ostap Paparega						
Increase the visits to our nature reserves and make them more accessible	WFF 23/27 96	Delivery of the Wyre Forest Wild project and development of Nature Reserves.	N/A	Steve Brant	WFF 23/27 96.1	31 Dec 2024	Develop the Wyre Forest Wild Project	Wyre Forest Wild Finance business case agreed. Developing the implementation plan. Commence Q3.	66%	
					WFF 23/27 96.2	28 Jun 2024	Development / Accessibility of Nature Reserves	Development plan for each Nature Reserve have been drafted detailing seasonal work and improvement plans.	100%	
Complete the redevelopment of Brinton Park, funded by the National Lottery Heritage Fund.	WFF 23/27 97	Implement improvements to Brinton Park funded by HLF.	Agreement received to progress from HLF. Planning permission agreed. Formal contractors appointed. Works to start on site Autumn 2024.	Steve Brant	N/A	31 Mar 2025	N/A	N/A	50%	








Corporate Action	Action Code	Action	Latest Note	Action owner	Sub-Action Code	Due date	Sub-Actions	Latest Note	Progress bar	Status Icon
Investigate options for developers to make bio-diversity contributions on alternative sites	WFF 23/27 98	Development of biodiversity trading scheme.	Contributions to date over 500 k.	Steve Brant	WFF 23/27 98.1	30 Sep 2024	Bio-diversity net project.	Develop internal mechanism protocols. Develop marketing and promotion scheme. Develop trading scheme. Commence trial projects.	50%	


**Priority 3 - A clean, safe and green place to live, work and visit**

Priority action	Code	Action	Latest Note	Sub-Action owner	Sub-Action code	Due date	Sub-Action	Latest Note	Progress bar	Status Icon
Secure housing growth through the local plan	WFF 23/27 99	Deliver housing growth through development management and planning policy activities.	Housing, Health and Design SPD, Conservation Area Character Appraisal and Statement of Community Involvement all completed and approved.	Kate Bailey	N/A	31 Mar 2027	N/A	N/A	50%	

Invest more in tackling environmental crime and illegal parking	WFF 23/27 100	Additional resources for the civil enforcement team achieved.	A plan to increase the environmental protection team by a post.	Steve Brant	WFF 23/27 100.1	31 Mar 2026	Tackling Illegal Parking	Increase the establishment resource. Introduce Free Parking initiative. Seek resources from partnering WCC.	100%	
		Completed Develop enforcement and education annual plan.	Additional resources for the civil enforcement team are in place.		WFF 23/27 100.2	31 Mar 2026	Tackling Environmental Crime	Adopt an environmental enforcement policy - to complete on December 2024. Increase the establishment resource - to complete on March 2026.	100%	
Invest more on clearing litter, particularly in summer months	WFF 23/27 101	Increase the establishment resource & create litter blitz crew. Review street cleansing team. Increase Community involvement.	A new litter blitz team has been created. Review street cleansing team done. Increased Community involvement.	Steve Brant	N/A	30 Jun 2024	N/A	N/A	100%	
Work with town councils and community groups to improve parks and open space (Localism)	WFF 23/27 102	Develop a network of Friends Groups Develop an annual plan on events with councils' community. Drafting plans for each park.	Progressing phase 1 with KTC.	Steve Brant	31 Mar 2027		N/A	N/A	90%	

<p>Help provide more cultural events.</p>	<p>WFF 23/27 103</p>	<p>Collaborate with councils and committee groups in organising events. Arranging the event guide on the website.</p>	<p>This summer has bought back our programme of live music in our bandstands in two of the councils main key parks, in both Kidderminster and in Stourport.</p>	<p>Steve Brant</p>	<p>N/A</p>	<p>31 Mar 2027</p>	<p>N/A</p>	<p>N/A</p>	<p>100%</p>	
<p>Help people make their homes more energy efficient.</p>	<p>WFF 23/27 104</p>	<p>Home Update Grant Scheme - HUGS2 project.</p>	<p>HUGS2 work on going. Works have been completed to 12 properties and an additional funding request is with Midlands Net Zero Hub as WFDC could potentially deliver measures to more properties than funding was initially allocated for.</p>	<p>Kate Bailey</p>	<p>WFF 23/27 104.1</p>	<p>31 Mar 2024</p>	<p>Completion of initial works to properties.</p>	<p>N/A</p>	<p>100%</p>	
					<p>WFF 23/27 104.2</p>	<p>31 Mar 2025</p>	<p>Completion of HUGS project is on progress. Completion date March 2025.</p>		<p>50%</p>	

<p>Increase the amount of temporary accommodation available by providing a new housing scheme.</p>	<p>WFF 23/27 105</p>	<p>Progress on the Build program for Castle Road.</p>	<p>Build programme on schedule with anticipated completed and occupation date in March 2025.</p>	<p>Kate Bailey</p>	<p>WFF 23/27 105.1</p>	<p>31 Mar 2025</p>	<p>Development of Castle Road, Kidderminster</p>	<p>N/A</p>	<p>50%</p>	
<p>Produce and implement a carbon reduction plan for the district and for the council.</p>	<p>WFF 23/27 106</p>	<p>N/A</p>	<p>Signed a new Service Level Agreement with Act on Energy to include delivering the helpline to members of the public for energy advice.</p> <p>Distributed Household Support Fund round 5 to assist with energy bills. Are now awaiting details on potential second tranche for 2024/25.</p> <p>Studies into solar panels for WF House, Leisure Centre</p>	<p>Kate Bailey</p>	<p>WFF 23/27 106.1</p>	<p>31 Mar 2027</p>	<p>Canopies project</p>	<p>Investigative work completed. Development of feasibility study.</p>	<p>50%</p>	

			and Green Street all underway.							
Install electric charging points in car parks in all three towns.	WFF 23/27 107	N/A	First installation of EVS due to start in July.  All EVS points should be installed by March 2025.	Ian Miller	N/A	31 Mar 2025	N/A	Installation delayed. Revised programme now expected to start week of 21 October at Dog Lane and Gardners Meadow. Installation will follow in Kidderminster and Stourport.	0%	

**TABLE TWO - measures/actions that support the delivery of the corporate plan priorities**

Corporate Plan Priority	Corporate Action	Code	Measure	Q1 update	Q2 update	Q3 update	Q4 update	2024/25
Securing financial sustainability for services that local communities value	Monitor council tax base to increase income	LA109	Council Tax Reduction Scheme expenditure as % of gross property charge <i>(aim to reduce)</i>	8.87%	8.88%			-
		LA110	Council tax exemptions as % of gross property charge <i>(aim to reduce)</i>	2.60%	2.58%			-
		LA111	Council tax discounts as % of gross property charge <i>(aim to reduce)</i>	7.89%	7.99%			-
		LA103	Percentage council tax collected	29.31%	57.42%			
		LA104	Percentage business rates collected	26.98%	52.95%			
Securing financial sustainability for services that local communities value	Monitor customer contacts to improve service provision	LA116	Number of customer contacts via hub (phone, email & visit)	12,042	11,437			
		LA117	% customer contacts that are of value	82%	82%			
		LA112	No. complaints received	33	33			
		LA113	No. complaints upheld or partially upheld	20	20			
		LA114	No. of complaints referred to LGSCO	1	0			
		LA8	No. of compliments	23	21			
A clean, safe and green place to live, work and visit	Assisting people in housing need	LA045	Number of people presenting themselves in need of housing advice	2,965	3,194			

A clean, safe and green place to live, work and visit	Number of residents who experience a positive health outcome because of housing improvement intervention.	LA044	Number of residents who experience a positive health outcome as a consequence of a housing improvement intervention	62	55			
A clean, safe and green place to live, work and visit	Support provided to low-income households	LA102	Amount spent on hardship/welfare support	£87,405	£164,083			
		LE144	Number of households on council tax reduction scheme	7,598	7,593			-
		LE145	Number of households on housing benefit	3,425	3,200			-
A clean, safe and green place to live, work and visit	Contribute to making the district a clean, safe and green place to live, work and visit	LA071	Number of fly-tipping incidents	228	213			
		LA107	Number of Fixed Penalty Notices issued	38	29			
		LE011a LE011b	Number of Penalty Charge Notices issued Off street On street In total	660 968 1,628	677 975 1,652			
		LE016	Number of visitors to Bewdley Museum	64,117	69,332			
		LE032	Number of visitors to Wyre Forest Leisure Centre	143,541	140,788			
		LA108	Number of new trees planted	2,001	0			

**WYRE FOREST DISTRICT COUNCIL**  
**CABINET**  
**12 NOVEMBER 2024**

**FLEET & GARAGE SERVICE REVIEW**

<b>OPEN</b>	
<b>CABINET MEMBER:</b>	Councillor Ben Brookes, Cabinet Member for Operational Services
<b>RESPONSIBLE OFFICER</b>	Steve Brant – Head of Community & Environment
<b>CONTACT OFFICER</b>	As above
<b>APPENDICES:</b>	Appendix 1 – Evaluation Criteria and Scoring Methodology Appendix 2 – Finance (Exempt)

**1. PURPOSE OF REPORT**

- 1.1 The purpose of this report is to seek approval to secure a more resilient delivery model for the council’s fleet and garage function via an external procurement exercise and to seek authority to tender for the services required together with the outlined evaluation criteria.
- 1.2 Approval of the Cabinet is required by the Contract Procedure Rules to enter into a procurement exercise where the value of the purchase is over £175,000.

**2. RECOMMENDATION**

The Cabinet is recommended to:

- 2.1 **AGREE** to the procurement of an external service supplier, or suppliers, for the future delivery of the council’s fleet and garage functions and to **APPROVE** the evaluation criteria in Appendix 1. Any predicted service commencements would be Spring 2025.
- 2.2 **DELEGATE** authority to award one or more contracts to the Head of Community and Environment, in consultation with the Head of Resources and S.151 Officer, Solicitor to the Council and the Cabinet member for Operational Services, Cabinet Member for Resources and the Leader of the Council.

**3. BACKGROUND**

- 3.1 The council’s fleet and garage function play a critical role in supporting all municipal and commercial front-line operations, from waste collections, and street care to all parks and open space services. This report outlines the reasons why the council should consider outsourcing its fleet and garage services, and examines the potential benefits, risks, and strategic implications.
- 3.2 The council currently operates a fleet of 59 vehicles, which can be split between 34 small fleet vehicles (gross weight up to 7.5 tonnes) and 25 large fleet vehicles (gross weight of 7.5 tonne and above). These large fleet vehicles are primarily specialist vehicles including refuse collection vehicles (RCV’s) and road sweepers.



- 3.3 All fleet vehicles are maintained, serviced, and repaired in full compliance with the Road Vehicles (Construction and Use) Regulations 1986.
- 3.4 In addition to all fleet vehicles, the garage function maintains a range of smaller, handheld items including leaf blowers, pedestrian mowers, and chainsaws.
- 3.5 The current budgeted staffing establishment for the garage is one Senior Fleet Officer, (who essentially fulfils the role of a “Transport Manager”) and four Service Mechanics, (5 posts in total) with an additional reliance on specialist suppliers to undertake maintenance off-site and or servicing of specific, specialist vehicle components.
- 3.6 The fleet and garage function essentially provides the following core services:
- Planned scheduled maintenance
  - Responsive maintenance
  - Vehicle replacement programme
  - Telemetric analysis
  - Tachograph compliance
  - Fuel purchase and issue
  - Procurement of supporting functions – i.e. – Parts, Tyres, Fuels
  - Specialist fleet advice to the council’s management team
  - Taxi inspections and MOTs.
  - Insurance repairs
  - Vehicle tax
  - Stock and stores procurement
  - External hire vehicles
  - Driver monitoring
- 3.7 In a fast-changing environment, the amount of specialist work undertaken on or off-site in terms of the council’s current fleet is ever-increasing. This is because core vehicle components such as engines, compacting equipment and lifting gear are all becoming more complex and specialized, and thus beyond the capacity of the existing maintenance teams or their equipment. Council officers are already developing detailed work to examine how the council’s current fleet, and importantly the infrastructure, might be diversified away from fossil-based fuels. This move is being driven by the governments plans to decarbonise the UK’s transport sector which accounts for just under 30% of all Britain’s greenhouse gas emissions. As part of this overall strategy, plans are in place that will see new petrol and diesel cars banned from sale from 2030, and new petrol or diesel HGV’s (Up to 26t) banned from 2035. Any move in this direction will therefore have a significant impact on the existing fleet & garage function.

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

- 4.1 In January 2024, the UK’s Road Haulage Association (RHA) highlighted a critical shortage of heavy goods vehicle technicians within the UK. They noted that this shortfall is hindering the efficiency and reliability of the nation’s transport and logistics sector, which is crucial for the economy of the Country. The association is urging the Home Office to add these skilled professionals to the Shortage Occupation List (now the Immigration Salary List) to ease the recruitment of overseas talent. Industry representatives report difficulties in attracting, training, and retaining staff. The current

pathways into the sector are deemed inadequate, and there is a pressing need to make these routes more accessible and appealing. The RHA suggests that part of the solution lies in raising awareness among young people about the opportunities within the industry.

- 4.2 This situation is not unique to the council and local partners are experiencing similar situations. We understand a neighboring authority is also facing complications despite offering a market supplement over and above the normal pay grade for these positions.
- 4.3 A recent House of Commons UK Labour Market report (July 2024) noted that, Low unemployment rates and high vacancies in 2022 and 2023 meant that the labour market was tight, as most of those who wanted to work were in work, meaning that recruitment was far more difficult than usual. Furthermore, although there has been some loosening, the labour market remains relatively tight by historical standards. Vacancy levels remain above their pre-pandemic levels, and with unemployment remaining at a historically low level, there continues to be pressure on employers to retain staff due to concerns over whether they will be able to re-hire.
- 4.4 An automotive article (July 2024) commenting on the plight of aftermarket garages noted that vacancy rates were at an alarming 5-1 per 100 employees, its highest point in over 21 years. The industry has called upon the new Home Secretary to add mechanics to the Immigration Salary List, (the official list of skilled jobs for which workers are deemed to be in short supply). They noted further that, "The garage sector has a growing skills crisis, and the new Home Secretary is in a position to swiftly help the industry by bringing in much needed mechanics from abroad. This ongoing staffing shortfall is set to grow, and this will prevent everyone within the industry functioning effectively, especially as we move towards more sustainable technologies like electric vehicles".
- 4.5 Recent leavers from the council's current service have reduced the garage team down to just two Service Mechanics and no Senior Fleet Officer. The normal operating position of the garage, (as noted above) is four Garage Mechanic posts and one Senior Officer within its staffing establishment. During Spring of this year officers undertook three separate recruitment exercises to try and recruit replacement garage mechanics into the fleet and garage function but were unable to secure any suitable candidates. The first exercise yielded only two applicants, one unqualified and another (suitable) but who failed to turn up for interview. The second exercise yielded only one applicant (again unqualified) and the final draft presented a single candidate who demanded an annual salary of £58,000.
- 4.6 Furthermore, officers approached the council's agency staff provider to try and secure a mechanic to provide the required resilience. The mechanics put forward by the agency were seeking pay greater than £25.00 per hour, which is equivalent to a senior officer within the council's current pay structure, i.e. Band 8 or salary at £48,000-£51,000 PA. This compares to the current level of salary for council mechanic posts within the establishment which are paid at a Band 4 level, £32,500-35,300 P/A, (£16-£18 per hour).

- 4.7 Specific HGV mechanic jobs advertised on local authority recruitment websites have salaries up to around £39,000 P/A. Matching this salary within the current council pay bands would mean recruiting at a Band 6, or two bands above the current council structure.
- 4.8 Furthermore, the Senior Fleet Officer's post remains vacant after an unsuccessful attempt to fill this position during March/April of this year. Whilst over 50 applications were received for this position, not a single applicant held the requisite competencies and qualifications that are essential to fulfill the requirements of this role. This has left the council without its designated vehicle operator licence holder (O-Licence), and "Transport Manager", a legal requirement for any organisation operating a fleet of vehicles. This post is currently remunerated at a band 5, £36,200-£38,700 P/A.
- 4.9 Further efforts to secure an O-Licence officer were explored for through the Association for Public Service Excellence (APSE), for which formal quotes were obtained at between £60,000 - £100,000 for a six-month period of cover.
- 4.10 Any business operating HGV's will require an operator's license. An operator licence, also known as an O-Licence, is a legal requirement for any business that uses goods vehicles above a certain weight, and which is administered by the Driver and Vehicle Standards Agency (DVSA) on behalf of the Traffic Commissioners. An organisation holding an O-Licence for its fleet must also have a designated "Transport Manager". For the council this is the Senior Fleet Officer. A Transport Manager's role is to ensure legal compliance with road transport regulations and to have continuous and effective control over the transport operations. Where the Transport Manager leaves the organisation then this must be notified to the Traffic Commissioner. In order to secure appropriate arrangements in terms of the O-Licence and the transport managers role, officers have put in place temporary measures to cover off all these key requirements. In terms of the O-Licence, an externally qualified and competent individual has been engaged operating on a 1-to-2-day basis (as required) every week at the Depot at a cost of approximately £500 per day. Supplementing this an internal member of staff who is equally qualified and competent who is currently covering off the transport managers role and being supported and working closely with the specialist O-Licence holder.
- 4.11 As noted, the current strategic plan for all vehicle servicing and repairs is via an in-house fleet and garage function. General fleet maintenance operates around two key service areas, Planned Maintenance and Reactive Repairs for all fleet vehicles. Planned maintenance includes requirements for 6 weekly safety checks and annual MOT inspections, whilst reactive work includes vehicles declared off-road due to mechanical or safety issues. In general, whilst reactive repairs can be undertaken on site, 15-20% of this demand would normally be sent off site due to the specialist nature of the repairs. Again, under normal conditions all 6 weekly safety checks would be completed on site, with however annual MOT inspections sent off site due to the limitations of the garage to undertake these specific inspection works. To enable the waste service to cope with the loss of these vehicle the operational waste fleet contains two spare RVC's.
- 4.12 In support of the existing operating conditions within the fleet & garage function,

officers have taken further steps to secure a robust function by revising the mix of work being undertaken on site via the two remaining service mechanics, over the work being directed off-site to specialist vehicle maintenance operators. Since operating under these revised arrangements during the period from March 2024 to September 2024 around 39% of all vehicle demand into the garage is being directed off site to specialist operators. This work in general is being split between the following operators:

- BW Rogers & Sons – Kidderminster
- Mayo's Car & Commercial - Kidderminster

4.13 In addition to this, the fleet and garage team has had to stop offering MOTs to customers due to lack of available resources. The council also has an obligation to complete inspections for taxis operating in the district, and this in itself is creating operational issues.

4.14 Within Worcestershire, some local authorities no longer operate fleet and garage services in-house and have put contracts in place with partners or external service suppliers.

- Worcester City Council – Outsourced to Worcestershire County Council, sub-contracted to Ringway.
- Malvern Hills District Council – Outsourced to external supplier.
- Wychavon District Council - Outsourced to external supplier.

4.15 The commercial vehicle industry is changing rapidly, and the council already has one electric vehicle on its asset register, with a further five scheduled to replace Internal Combustion Engine vehicles (ICE) from 2024 onwards. Moving forward officers have already commission work to examine how WFDC will transition its front-line Depot services away from fossil driven fuels into a more zero carbon future. This is an important step and one that needs to be considered to ensure that any transition is de-risked and fully considered at each key stage. This transition not only delivers on the council's climate change pledges, but importantly also on service redesigns to realise significant efficiencies and overall cost reductions. This fleet and infrastructure review will cover all cars, light commercial vehicles, and heavy goods vehicles in operation at the Depot. This six-month report will provide the council with a detailed roadmap on what actions need to be taken to move the council's reliance away from ICE vehicles.

4.16 The future fuel and engine systems for RCVs is currently under review, with the future dependent on technological direction. As these systems become more technically advanced, there is an increasing need for vehicles to go back to manufacturers for servicing or repair. Any transfer over to an alternative fuel supply such as electric would require a significant investment both in terms of the service mechanics skills and knowledge, but also particularly the fleet and garage infrastructure which would require considerable capital investment in order to meet the technical challenges in maintaining and servicing an increasingly complex fleet of vehicles.

4.17 The fleet & garage workshop at the Depot is essentially the original building and is

already in need of some significant structural repairs just to maintain its existing ability to respond to demand. In reality its internal design space is already outdated and unable to undertake certain maintenance routines such as height and overhead works. The functionality of the Depots on site workshop is one of the key factors for outsourcing fleet and garage maintenance. Clearly there will be some updating costs to the facility due to its age, however these can easily be offset by switching to some or all external maintenance regimes.

- 4.18 Looking at the UK's fleet maintenance market its clear that this service industry is quite mature in its ability to respond to all fleet maintenance requirements. As noted, the Depot has always and continues even further to outsource elements of fleet maintenance work. In approaching the market, it will be necessary to be clear upon how any Invitation to Tender (ITT) should be structured. It's clear when looking at the fleet and garage function that the core work demand can be split into three key operational areas as identified below. Therefore, any ITT to market would be best served if the service contracts are structured in this manner as this will allow suitable contractors the options to either bid separately for individual segments or for all elements of the ITT. On this basis the ITT could easily be advertised under a single procurement exercise comprising three separate lots as follows:
- Lot 1: Planned / Reactive Maintenance Work – Vehicles over 7.5t
  - Lot 2: Planned / Reactive Maintenance Work – Vehicles under 7.5t
  - Lot 3: Management of the Operator's Licence
- 4.19 Seeking procurement in this manner will allow individual contractors with key specialism to bid for those areas of the contract more relevant to them, thus allowing the council to benefit from an ITT structured in this manner. This approach allows flexibility and matches the right supplier to the right contract work. Officers already understand that in terms of vehicle sizes, specialist contractors already operate on this format providing key services at either HGV or LGV levels and the council should be able to take advantage of this. Likewise, the management of the fleet as part of the operator's licence (O-Licence) is essentially a separate part of overall fleet management and likely to be offered by only a select number of providers.
- 4.20 By adopting this three-lot strategy the council should be able to build in flexibility and potential service options as it approaches the market. Furthermore, the current on-site garage facility at the Depot offers a unique opportunity to the council to invite potential bidders to make use of this useful asset. One could for instance see Lot 1 operated off-site, Lot 2 operated on-site and Lot 3 a hybrid, resulting in a mixed and structured engagement of services more suited to the business. Of course, the council may, following formal procurement evaluation decide to retain Lot 2 and operate this function of work itself.
- 4.21 The council as noted still has two F/T service garage mechanic employed within the service and depending upon the final procurement decision these posts could either be transferred under the Transfer of Undertakings Protective Employment (TUPE) arrangements, or as identified above in (Lot 2) could be retained. Either way the key is building a new structured approach towards the management and maintenance of the fleet and garage function by adopting a more flexible and resilient service.
- 4.22 Building the ITT in this manner offers flexibility, however further resilient can be

secured for the council by insisting potential suppliers meet key service demands written into the contract specification such as existing operational experience, proven track record and competence, suitable locality, and the ability to meet a wide range of service quality output standards. Meeting these quality standards will be a minimum requirement for any potential contractor to move forward within the formal tendering process.

4.23 In reviewing the pros and cons of an alternative service delivery model, officers can identify three key options and the table below shows the advantages and disadvantages of each option considered.

	Description	Cost	Advantages / Disadvantages	Overall Risk Rating
1.	Retain current status-quo and keep an "As-Is" model.	£££	<p><b>Advantages</b></p> <ul style="list-style-type: none"> <li>• Direct control over garage/mechanic workload.</li> <li>• Retains expertise in-house.</li> </ul> <p><b>Disadvantages</b></p> <ul style="list-style-type: none"> <li>• Inability to recruit into both senior management and fleet mechanics roles makes this option unfavorable.</li> <li>• Recruitment issues are at both micro and macro levels.</li> <li>• Significant risk of operational failure and lack of resilience with three of five posts vacant.</li> <li>• To achieve would need to break current pay structure to fill vacant posts.</li> <li>• Longer term development of alternative fueled RCV's is that these will need to be serviced and maintained off-site.</li> </ul>	<b>Red</b> – this option is currently not viable and presents an operational risk moving forward.
2.	Formal shared service with near-LA neighbour.	£££	<p><b>Advantages</b></p> <ul style="list-style-type: none"> <li>• This hybrid approach retains the benefits of keeping the expertise in-house.</li> <li>• Also allows for higher salaries to be paid via an alternative host.</li> </ul> <p><b>Disadvantages</b></p> <ul style="list-style-type: none"> <li>• This option could lead to higher costs.</li> <li>• This is an attractive option however officers have already undertaken significant preparatory work looking at a collaborative model with a near-LA neighbour who has at this stage rejected this idea.</li> </ul>	<b>Amber</b> – this option does present a hybrid alternative; however, this has been rejected at this stage.
3.	Undertake full or partial external procurement exercise for service delivery model.	£££	<p><b>Advantages</b></p> <ul style="list-style-type: none"> <li>• This option creates significant service resilience and removes operational service risk failures.</li> <li>• This removes the council from recruitment market fluctuations.</li> <li>• This imports greater industry expertise and best practice.</li> <li>• Allows a partnering model to be further adapted and could allow near-LA neighbours to join.</li> <li>• Allows greater flexibility for future vehicle maintenance and servicing.</li> </ul> <p><b>Disadvantages</b></p> <ul style="list-style-type: none"> <li>• Loses internal expertise and direct control.</li> </ul>	<b>Green</b> – this option presents the least risk to current and future operating conditions. Furthermore, this option is the only sound alternative.

**5. FINANCIAL IMPLICATIONS**

- 5.1 See Appendix 2 for the budgeted direct and indirect costs for the fleet and garage function for 2024-2025.
- 5.2 The key point of any eventual service redesign is to ensure that the fleet and garage function operates to the highest standards in terms of its vehicles and drivers on the road. These front-line services are amongst the most prolific functions that the council operates and ensuring the care and safety of the public and employees is paramount. It should be noted that there is no guarantee that outsourcing will create any financial efficiencies, however it will allow the council to pull on specialist resource from suppliers committed to continual professional development.
- 5.3 Furthermore, a case study of Birmingham City Council found that following the outsourcing of its vehicle workshop, resources were freed up to focus on delivering core, municipal activities, the technological risks were transferred to the supplier and as the contract was performance-based, led to a 10% service quality improvement.
- 5.4 What council officers will be seeking to exploit from any eventual conclusion will be potential revenue opportunities such as returning to the MOT inspection market and other fleet and garage services that could be marketed.

**6. LEGAL AND POLICY IMPLICATIONS**

- 6.1 There are a wide range of legislative requirements that any fleet operator must adhere to. These will be based around vehicle management such as The Road Vehicles (Construction and Use) Regulations 1996. Employee provisions The Health and Safety at Work Act 1974, equipment provisions, The Provision and Use of Work Equipment Regulations 1998, and notably Drivers Hours requirements.
- 6.2 The Council's Contract Procedure Rules require Cabinet approval for procurements where the value of the purchase (over-all years) is estimated to be more than £175,000.

**7. EQUALITY IMPACT NEEDS ASSESSMENT**

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

**8. CONCLUSION**

- 8.1 The council's fleet and garage function play a critical role in supporting all municipal and commercial front-line operations, from waste collections, and street care to all parks and open space services.
- 8.2 Due to a number of external operating conditions, officers have been unable to recruit the requisite number of posts both at service delivery and fleet management level to ensure that this function operates as desired. Whilst officers have put in place some layers of temporary arrangements, moving forward officers believe the function should be revised in light of how external commercial operators could be engaged on a whole or shared operating basis to provide a more resilient and flexible service.
- 8.3 The key point of any eventual service redesign is to ensure that the fleet and garage

function operates to the highest standards in terms of its vehicles and drivers on the road. These front-line services are amongst the most prolific functions that the council operates and ensuring the care and safety of the public and employees is paramount.

- 8.4 In a fast-changing environment, the amount of specialist work undertaken on or off-site in terms of the council's current fleet is ever-increasing. This is because core vehicle components such as engines, compacting equipment and lifting gear are all becoming more complex and specialized, and thus beyond the capacity of the existing maintenance teams or their equipment. Moving forward officers have already commission work to examine how WFDC will transition its front-line Depot services away from fossil driven fuels into a more zero carbon future.
- 8.5 Post Brexit / Covid, the council has experienced significant issues in recruiting to the vacant posts currently within the service, both at an operational service mechanics level (2 posts vacant - Band 4) and also the senior manager Position (1 post vacant - Band 5). These difficulties are experienced locally with other partner authorities and also nationally across the industry. Note:
- 4.1 - UK's Road Haulage Association (RHA)
  - 4.3 - House of Commons UK Labour Market Report
  - 4.4 - Automotive Article
- 8.6 During Spring of this year officers undertook three separate recruitment exercises to try and recruit replacement garage mechanics into the fleet and garage function but were unable to secure any suitable candidates. The first exercise yielded only two applicants, one unqualified and another (suitable) but who failed to turn up for interview. The second exercise yielded only one applicant (again unqualified) and the final draft presented a single candidate who demanded an annual salary of £58,000. Furthermore, whilst it remains possible to increase salary arrangements in order to recruit, these arrangements do not fit within the council's current pay and grading structure. Matching existing service mechanics pay to current market expectations would mean a 46% pay increase.
- 8.7 Furthermore, the Senior Fleet Officer's post remains vacant after an unsuccessful attempt to fill this position during March/April of this year. Whilst over 50 applications were received for this position, not a single applicant held the requisite competencies and qualifications that are essential to fulfill the requirements of this role.
- 8.8 The current fleet and garage function already contains elements of off-site work undertaken by external suppliers due to the nature of the work that simply cannot be done on site due to lack of equipment or poor infrastructure. The existing fleet & garage workshop infrastructure is already in need of some significant works due to its age thus resulting in more works requiring attention off-site. Any future technological change to the fleet will impact the existing fleet & garage function immensely and unless further significant resources are secured the existing service would be unable to meet this demand. Outsourcing will allow the council to mitigate these costs and challenges.
- 8.9 Soft-market testing has shown that competent suppliers are able and available to meet the councils service requirements. Officers understand how the current fleet and garage service operates and can prepare these service for market by drafting the Invitation to Tender (ITT) in such a way as to seek the correct supplier to the most



appropriate service function. Although requiring some investment the provision of an on-site fleet & garage building is an asset to the council and any would be suppliers. It may be possible from the procurement exercise to secure a mix of on-site and off-site maintenance contracts or for some works to be retained by the council. The council currently has two F/T service garage mechanics employed within the service and dependent upon any final procurement decision these could either be retained or transferred under formal TUPE arrangements.

- 8.10 The key point moving forward with any procurement exercise will be to build flexibility and security for the council by structuring the specification to ensure that any potential suppliers must meet all key service demands against a set of strict quality service standards.
- 8.11 As part of an evaluation of options available, officers have summarised the following in section 4.23 of the report.
- **Option 1:** Outlines retaining the current status-quo and keeping an “As-Is” Model. This option is currently not viable and presents an operational risk moving forward.
  - **Option 2:** Outlines a possible shared service arrangement with a near-LA neighbour. Officers have already undertaken significant preparatory work looking at a collaborative model with a near- LA neighbour who has at this stage rejected this idea.
  - **Option 3:** Outlines undertaking a full external procurement exercise for the fleet & garage function and presents the least risk to current and future operating conditions.
- 8.12 Officers are quite clear that when considering all of the above It is recommended that Option 3 is adopted and that a procurement exercise is undertaken to undergo a full or partial outsourcing of the fleet and garage functions, to ensure the continued delivery of statutory and commercial services.
- 8.13 By adopting a three-lot strategy as identified below, the council will be able to build in flexibility and potential service options as it approaches the market. Furthermore, the current on-site garage structure at the Depot offers a unique opportunity to the council to invite potential bidders to make use of the useful asset. One could for instance see Lot 1 operated off-site, Lot 2 operated on-site (In-house or external) and Lot 3 a hybrid, resulting in a mixed and structured engagement of services more suited to the business.
- 8.14 The procurement exercise will cover a contract period of 5 years initially, plus an option to extend by a further 4 years, and would seek to split the tender specification into three separate lots:
- Lot 1: Planned / Reactive Maintenance Work – Vehicles over 7.5t
  - Lot 2: Planned / Reactive Maintenance Work – Vehicles under 7.5t
  - Lot 3: Management of the Operator’s Licence

**9. CONSULTEES**

- 9.1 Corporate Leadership Team (CLT)
- 9.2 Head of Resources and Section 151 Officer
- 9.3 Procurement Officer
- 9.4 Contracts Solicitor

**10. BACKGROUND PAPERS**

- 10.1 Appendix 1 – Evaluation Criteria and Scoring Methodology – Lots 1, 2 and 3
- 10.2 Appendix 2 – Financial Implications

## EVALUATION CRITERIA AND SCORING METHODOLOGY

All Tenders will be evaluated on a 60/40 split in favour of quality over price.

### Price

The Tenderer with the lowest tender price will score the maximum score of 40%.

The other tenders will be scored pro rata as a percentage of their tender sum compared with the lowest.

$$\frac{\text{Lowest submitted total price}}{\text{Tenderers submitted price}} \times 40$$

### Quality Assessment

The quality element of submissions will be evaluated based on responses to the Quality Questionnaire.

#### **Lot 1: Planned / Reactive Maintenance Work – Vehicles over 7.5t**

##### ➤ **Accreditations**

- Tenderers must provide evidence of any relevant ISO or professional body accreditations. This will be evaluated on a pass/fail basis.

**The Quality Questionnaire requires all tenderers to:**

##### ➤ **Technical Competency and Merit**

- Set out the proposed methodology for managing and undertaking planned and unplanned servicing and maintenance of council “large fleet” vehicles.
- Outline the expected quality outputs they set out to achieve for planned and unplanned maintenance.
- Explain how quality standards are maintained and identify quality assurance processes in place.

##### ➤ **Capacity to Cope with Demand**

- Outline organisational structure from mechanic/technician to managerial level, for staff that will be involved in overseeing this contract.
- Any proposed plans for sub-contracting work should be identified with proposed subcontractors listed separately – rationale and justification for using these suppliers must be given.
- Show how there is capacity to manage the demand of this contract. If there is not currently capacity, how will capacity be increased.
- Arrangements for the collection and delivery of vehicles from site must be identified.

➤ **Case Studies**

- Tenderers must provide at least three case studies of comparable contracts managing large, specialist commercial vehicles.

<b>Criteria</b>	<b>Percentage</b>
Technical Competency and Merit	25%
Capacity to Cope with Demand	25%
Case Studies	10%

**Lot 2: Planned / Reactive Maintenance Work – Vehicles under 7.5t**

➤ **Accreditations**

- Tenderers must provide evidence of any relevant ISO or professional body accreditations. This will be evaluated on a pass/fail basis.

**The Quality Questionnaire requires all tenderers to:**

➤ **Technical Competency and Merit**

- Set out the proposed methodology for managing and undertaking planned and unplanned servicing and maintenance of council “small fleet” vehicles.
- Outline the expected quality outputs they set out to achieve for planned and unplanned maintenance.
- Explain how quality standards are maintained and identify quality assurance processes in place.

➤ **Capacity to Cope with Demand**

- Outline organisational structure from mechanic/technician to managerial level, for staff that will be involved in overseeing this contract.
- Any proposed plans for sub-contracting work should be identified with proposed subcontractors listed separately – rationale and justification for using these suppliers must be given.
- Show how there is capacity to manage the demand of this contract. If there is not currently capacity, how will capacity be increased.
- Arrangements for the collection and delivery of vehicles from site must be identified.

➤ **Case Studies**

- Tenderers must provide at least three case studies of comparable contracts managing small commercial vehicles.

<b>Criteria</b>	<b>Percentage</b>
Technical Competency and Merit	25%
Capacity to Cope with Demand	25%
Case Studies	10%

**Lot 3: Management of the Operator’s Licence**

➤ **Accreditations**

- Tenderers must provide evidence of any relevant ISO (or equivalent) or professional body accreditations. This will be evaluated on a pass/fail basis.

**The Quality Questionnaire requires all tenderers to:**

➤ **Technical Competency and Merit**

- Provide CVs for the proposed person(s) setting out relevant skills and experience.
- Set out how the proposed person(s) will ensure the council satisfies relevant legislation.

➤ **Service Delivery**

- Set out the proposed methodology for managing the Operator’s Licence, including key deliverables.
- Explain arrangements within their organisation for ensuring that quality levels remain high and meet relevant standards.
- Outline how capacity and resilience will be ensured.

➤ **Case Studies**

- Tenderers must provide at least three case studies of comparable experiences acting as a Transport Manager or managing the Operator’s Licence for large, commercial vehicles.

<b>Criteria</b>	<b>Percentage</b>
Technical Competency and Merit	20%
Service Delivery	20%
Case Studies	20%

**Lots 1, 2 and 3**

The Council reserve the option of undertaking a pre-tender briefing session with potential bidders and the right to hold a clarification meeting should one be required. The submissions will be assessed based on the above. quality criteria.

Social value will not form part of the quality assessment, but the Council reserves the right to explore opportunities during the term of the contract.

The following matrix illustrates how responses to questions will be assessed. The scores for each question will be used to calculate a percentage weighting based on the percentage weightings listed above.

Performance	Judgement	Score
Exceeds all expectations	Exceptional	10
Exceeds almost all expectations	Outstanding	9
Exceeds most expectations	Very good	8
Above Expectations	Good	7
Slightly exceeds expectations	Fair	6
Meets expectations	Average	5
Satisfactory but below expectations	Below average	4
Below expectations	Poor	3
Well below expectations	Weak	2
Almost Unacceptable	Very Weak	1
Unacceptable		0

The evaluation process will consider all relevant submitted evidence and written information provided by each tenderer, in relation to the specific requirements as set out within the ITT and the supporting documentation. There will be an initial check of all tenders for completeness and compliance with the tendering instructions (including a check that the tender is a “compliant tender”). Any submissions that in the opinion of the Council do not meet the requirements set out in the ITT may be rejected as non-compliant and will not be evaluated further. Each question for quality will be assessed by a panel. The panel will agree a single overall score up to the maximum score for the question. This score will be multiplied by the weighting for that question (as set out in the above table) to give the weighted score. The following formula will be used to calculate weighted scores:

$$\text{Weighted Score} = \frac{\text{Awarded Score}}{\text{Maximum Score}} \times \text{Weighting}$$

For example, if a score of 6 is awarded for Question 1 (with a weighting of 10%) the weighted score will be 6 (6/10 x10).

At the sole discretion of the Council, Tenderer’s may be invited to present their proposals at clarification meeting and demonstrate details of their submission. The meeting may be used to validate the provisional scores for the Tenderer’s written submissions in relation to quality. The Council’s tender evaluation panel may therefore reduce a Tenderer’s provisional score for their written submissions in relation to quality where the meeting indicates that a Tenderer’s provisional score on the basis of their written submission cannot be justified. Conversely, the evaluation panel may increase a Tenderer’s provisional score where it considers their written submissions in relation to quality did not sufficiently reflect the quality of their actual delivery proposals for the Contract.

The Quality score will be added to that obtained for Price and the bidder with the highest overall score will be awarded the contract.

**WYRE FOREST DISTRICT COUNCIL**

**CABINET**  
**12 NOVEMBER 2024**

**Wyre Forest District Council Air Quality Action Plan 2025-2030**

<b>OPEN</b>	
<b>CABINET MEMBER:</b>	Cabinet member for Culture, Leisure, Arts and Community Safety
<b>RESPONSIBLE OFFICER:</b>	Kate Bailey
<b>CONTACT OFFICER:</b>	Adrian Allman
<b>APPENDICES:</b>	<p>Appendix One - Draft WFDC Air Quality Action Plan</p> <p>Appendix Two – Air Quality Action Plan Technical Appendices</p> <p><a href="https://www.wyreforestdc.gov.uk/community-and-environment/health-and-wellbeing/draft-wyre-forest-air-quality-action-plan/">https://www.wyreforestdc.gov.uk/community-and-environment/health-and-wellbeing/draft-wyre-forest-air-quality-action-plan/</a></p>

**1. PURPOSE OF REPORT**

To consider the draft Air Quality Action Plan (AQAP) 2025-2029 for the Council’s two air quality management areas and consult on the AQAP for two months.

**2. RECOMMENDATION**

**The Cabinet is invited to:**

**2.1 Approve the draft air quality action plan AND**

**2.2 Consult on the plan for a period of two months from the 18 November 2024 – 12 January 2025.**

**3. BACKGROUND**

3.1 Under section 83(1) the Environment Act 1995, two Air Quality Management Areas have been declared in the District:

3.1.1 Welchgate Air Quality Management (Area), declared on 6th January 2003, and:

3.1.2 Kidderminster Ring Road (Horsefair/Coventry Street) Air Quality Management Area, declared on 30th July 2009

3.2 The declarations were because of breaches of the nitrogen dioxide (NO<sub>2</sub>) annual mean value at several hotspot areas. Details of declarations and plans of the AQMAs can be found on the following pages of Worcestershire Regulatory Services (WRS)

website: <https://www.worcsregservices.gov.uk/all-services/pollution/air-quality/air-quality-management-area-declarations/>.

- 3.3 Section 83A of the Environment Act 1995 requires Local Authorities (in response to declaring an AQMA) to prepare a written Air Quality Action Plan (AQAP). This must set out how the local authority and other stakeholders will take the necessary measures to secure the achievement, and maintenance, of air quality standards and objectives in the area to which the plan relates, and must in relation to each measure specify a date by which it will be carried out and how it will be reviewed
- 3.4 In 2013, WRS produced a countywide Air Quality Action Plan (AQAP) for Worcestershire which was adopted by Wyre Forest District Council (WFDC) on 24th October 2013. WRS have produced two updates to the AQAP, the latest in September 2016. For details of all measures completed, in progress or planned, please refer to the 'Air Quality Action Plan Progress Report for Worcestershire April 2015-2016'. A copy of this, the previous update, and the AQAP, is available to view or download at: <https://www.worcsregservices.gov.uk/all-services/pollution/air-quality/local-air-quality-reporting/wyre-forest-district-council-reporting/>
- 3.5 In August 2022, DEFRA published the Local Air Quality Management (LAQM) Statutory Policy Guidance 2022 and introduced a new warning process for overdue AQAPs which came into effect on 30 June 2023. If AQAP submission requirements are missed, the enforcement approach sets out an escalation process, ultimately ending as a Section 85 Secretary of State direction to the relevant Local Authority Chief Executive specifying action
- 3.6 In November 2023 officers contacted DEFRA raising concerns that submission of the AQAP was overdue and requesting an alternative timetable for submission. A revised timetable for submission of an AQMA was agreed and submission of a final AQAP is due by April 2025.

**4. KEY ISSUES**

- 4.1 In May 2024, a Steering Group consisting of officers from the Council, WRS representatives, Worcestershire County Council (Highways) and the NHS was established to consider a range of possible measures that could be undertaken to reduce the levels of nitrogen dioxide.
- 4.2 The monitoring undertaken in 2023/24 indicated the highest annual concentration of the highest annual concentration of NO<sub>2</sub> recorded across the Wyre Forest District area was 40.8 µg/m<sup>3</sup> at WG(B) (located in the Welch Gate, Bewdley AQMA) and 38.6 µg/m<sup>3</sup> at tube (F)69COV for the Horsefair / Coventry Street AQMA. As this was within the 10% of the legal level the Council are required to put in place an Air Quality Action Plan. The required level of reduction for the air quality management areas is shown below;

**Emission reduction required**

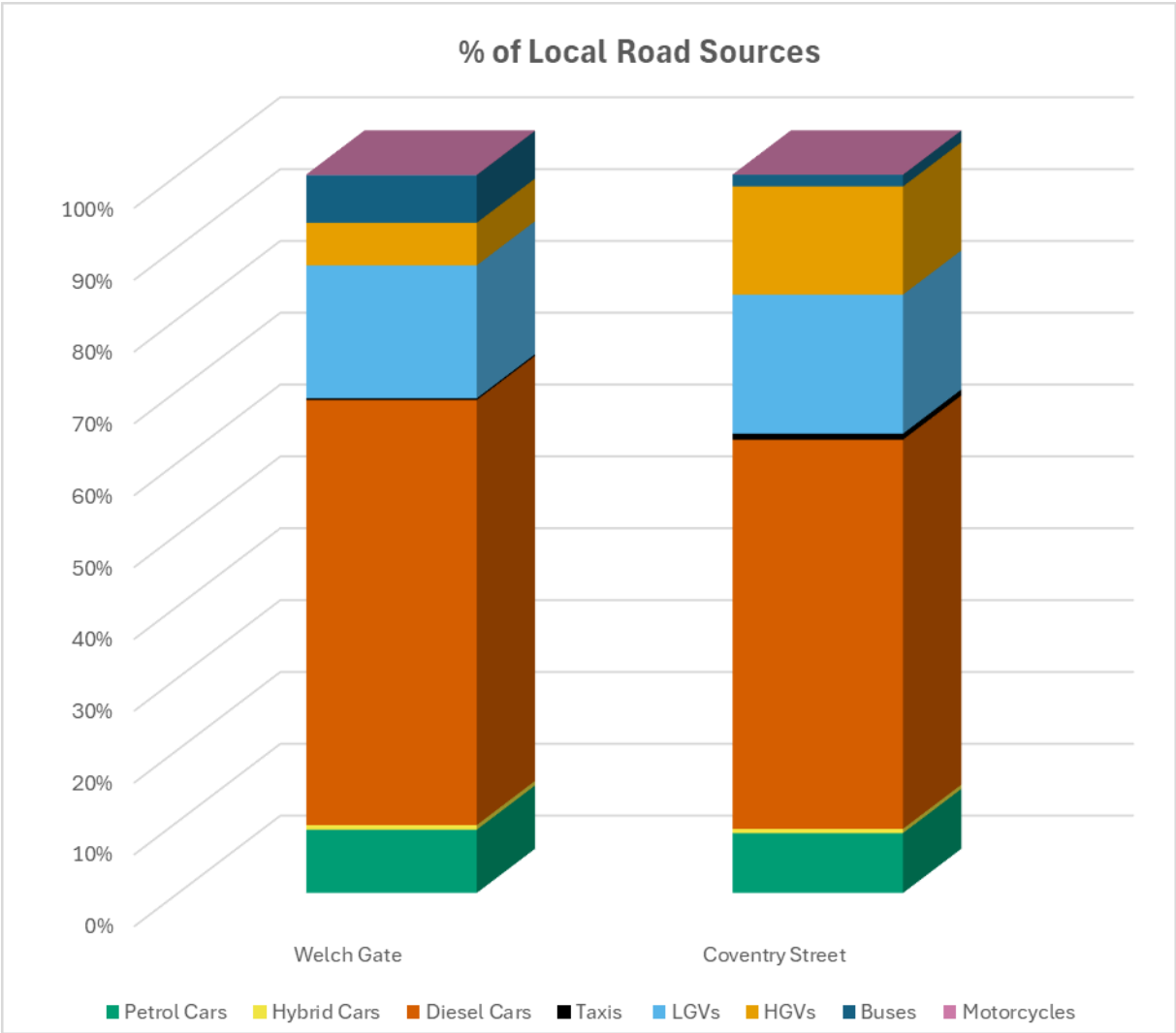
Location	Emission Reductions Required to Meet -10% Objective (NO <sub>2</sub> )	All Vehicle Reduction to Meet -10% Objective (NO <sub>x</sub> )	Highest Roadside Contributor	2nd Roadside Contributor	Single Vehicle Reduction to Achieve Objective
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Welch Gate Bewdley	4.62	13.43%	Diesel Cars – 50.67%	LGV – 15.86%	Cars 20% or LGV 75%
Coventry Street Kidderminster	2.90	10.74%	Diesel Cars – 37.88%	LGV – 13.53%	Cars 20% or LGV 60%

4.3 The data shows the source apportionment for NO<sub>2</sub> and this is shown in the bar chart below:

**Local Road NOx proportions by vehicle type in each AQMA**



4.4 The plan outlines significant projects that have already had a positive impact on air quality including the improvements to the highways infrastructure within the Horsefair/Coventry Street and active travel improvements along the Staffordshire and Worcestershire Canal Towpath. These are shown in the executive summary.

4.5 The Steering Group met over several months to consider what measures could be brought forward to be included in the action plan. The draft Air Quality Action Plan 2025-2030 is shown at Appendix One. These measures are described in section five

of the action plan and shown in full in table 5.1. Actions are focussed around four key priorities;

- Priority 1 - Reducing Emissions from Transport
- Priority 2 - Public Health and Well-being
- Priority 3 – Sustainable Travel and Transport
- Priority 4 – Planning for Future Development

4.6 The actions coming out of these priorities include the installation of electric vehicle chargepoints on council owned car parks, the provision of Local Electric Vehicle Infrastructure (LEVI) for residential on-street parking and wider improvements to the road network, public and active transport.

4.7 Measures have been considered that have subsequently been discounted and these are shown in full in Appendix A of the action plan. The reasons for discounting measures includes that the measure itself won't have a discernible impact on the air quality management area, that the measure hasn't been supported by the responsible organisation, that the measure can't be delivered in the lifetime of the plan or that funding can't be identified at this stage.

## **5. FINANCIAL IMPLICATIONS**

5.1 The costs of adopting the plan for the Council have already been identified in the MTFs, with the exception of the decarbonisation/electrification of the fleet and depot which will be subject to the production of a business case. Other measures have minimal costs and mostly relate to staff time. These will be met by existing budgets.

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

6.1 Section 83A of the Environment Act 1995 requires Local Authorities (in response to declaring an AQMA) to prepare a written Air Quality Action Plan (AQAP).

## **7. IMPACT AND IMPACT ASSESSMENTS**

7.1 An Equality Impact Assessment Screening has taken place and there are no adverse effects. There are positive effects through improved air quality for the following protected characteristics; age, disability and pregnancy.

7.2 A Climate Change Impact Assessment has been completed. There are no negative climate change impacts identified. Many of the proposed actions such as installation of electric vehicle charging, improvements to vehicle fleet efficiency and encouraging active travel will help reduce fossil fuel use and therefore have a positive impact in terms of climate change, as well as air quality. Opportunities to educate/promote climate change benefits, alongside air quality benefits, will be incorporated into community engagement/ communications activities. Opportunities to obtain external funding available for climate change related activities, which will also improve air quality, will also be considered

7.3 Climate change and air pollution are some of the most pressing global challenges of our time. They are also closely related, and there are substantial benefits to tackling both together. By reducing harmful emissions the Council can not only contribute to global efforts to combat climate change but also deliver more immediate local

health benefits that come from improved air quality. However, not every climate change measure has a net positive effect on improving air quality and visa versa. The Royal Society have assessed the interaction of these two policy areas in the Policy Briefing paper “Effects of Net Zero and Climate Change on Air Quality” available at <https://royalsociety.org/news-resources/projects/air-quality-climate-change/>.

- 7.4 The Air Quality Action Plan will have a positive impact on health and wellbeing as air pollution affects the population throughout their lifetime increasing the likelihood of respiratory conditions such as asthma, cancer and cardio-vascular disease. It has also been linked to dementia.

## **8. RISK MANAGEMENT**

- 8.1 The Council is required to have an Air Quality Action Plan where there are Air Quality Management Areas in the district because of a breach of the nitrogen dioxide (NO<sub>2</sub>) annual mean value. By having the plan to tackle air quality the Council is meeting the legal requirements and reducing the risk to residents of the effects of NO<sub>2</sub>. Implementation of the plan involves action by other partners as well as the Council so this AQAP will be subject to an annual review and appraisal of progress. Progress each year will be reported in the Annual Status Reports (ASRs) produced by Wyre Forest District Council, as part of the council’s statutory Local Air Quality Management duties.

## **9. CONCLUSION**

- 9.1 The Council has worked with a steering group of officers to review the data and develop an action plan that seeks to reduce the levels of NO<sub>2</sub> in both the Horsefair (Kidderminster) and Welchgate (Bewdley) areas of the district.
- 9.2 The action plan also considers measures that it isn’t possible to deliver during the lifetime of the plan and the financial implications of measures.

## **10. CONSULTEES**

- 10.1 CLT
- 10.2 Cabinet member for Culture, Leisure, Arts and Community Safety and Cabinet Member for Economic Regeneration, Planning and the Green Agenda.

## **11. BACKGROUND PAPERS**

- 11.1 N/A.

**WYRE FOREST DISTRICT COUNCIL**

**CABINET**

**12 NOVEMBER 2024**

**Gilgal Conservation Area Character Appraisal**

<b>OPEN</b>	
<b>CABINET MEMBER:</b>	Cllr Dan Morehead, Cabinet Member for Economic Regeneration, Planning and Localism
<b>RESPONSIBLE OFFICER:</b>	Kate Bailey, Head of Strategic Growth
<b>CONTACT OFFICER:</b>	Jamie Richards, Conservation Officer
<b>APPENDICES:</b>	Appendix 1: <a href="https://www.wyreforestdc.gov.uk/planning-and-buildings/conservation-areas-and-listed-buildings/what-is-a-conservation-area/conservation-areas-in-wyre-forest/gilgal-conservation-area/draft-gilgal-conservation-area-character-appraisal/">https://www.wyreforestdc.gov.uk/planning-and-buildings/conservation-areas-and-listed-buildings/what-is-a-conservation-area/conservation-areas-in-wyre-forest/gilgal-conservation-area/draft-gilgal-conservation-area-character-appraisal/</a>

**1. PURPOSE OF REPORT**

- 1.1 To present the Draft Gilgal Conservation Area Character Appraisal and agree that it be consulted upon for a period of four weeks.

**2. RECOMMENDATION**

The Cabinet is invited to:

- 2.1 Approve the draft Gilgal Conservation Area Character Appraisal AND
- 2.2 Agree to a 4 week consultation on the SPD to take place from the 18th November and 16th December 2024 AND
- 2.3 Agree the report comes back to Cabinet by spring 2025 for approval

**3. BACKGROUND**

- 3.1 The current Gilgal Conservation Area Character Appraisal (CACA) dates from 2001 (other than a partial update in 2015 to reflect changes to national and local policy) and requires updating to reflect the latest guidance from Historic England. This report on the Gilgal CACA follows on from that done on Stourport No.1 and Stourport No.2 in 2023/24 and will complete the review of the conservation areas covering Stourport-on-Severn town centre.

**4. KEY ISSUES**

- 4.1 In accordance with the Planning (Listed Building and Conservation Areas) Act 1990 it is necessary to take stock of the significance of the Gilgal conservation area and also set out the actions to preserve and enhance its special architectural and historic interest.
- 4.2 The Gilgal Conservation Area is 2.6Ha in extent and is made up of a group of buildings dating from the seventeenth to the nineteenth centuries. It forms the oldest part of the town of Stourport-on-Severn.
- 4.3 The area is blighted by heavy traffic which has a detrimental effect on the fabric of the buildings and makes it hard to appreciate the historic and architectural interest. There have also been unsympathetic replacement of windows and doors.
- 4.4 It is proposed that a four-week consultation be held between 18<sup>th</sup> November and 16<sup>th</sup> December 2024. The following measures will be taken to publicise the consultation:
- Displaying information on the District Council's website
  - Press release
  - Targeted consultation with Stourport Town Council and Stourport Civic Society
  - Providing electronic or hard copies of the consultation document in the WFDC offices and at Stourport Library.
- 4.5 All responses received will be reported to this committee in due course alongside the final version of the character appraisal. It is anticipated that the documents will be adopted in early 2025.

**5. FINANCIAL IMPLICATIONS**

- 5.1 The costs of reviewing the Gilgal Conservation Area Character Appraisal are minimal and mostly relate to staff time. These will be met from existing budgets.

**6. LEGAL AND POLICY IMPLICATION**

- 6.1 The document has been prepared in accordance with the provisions of the Planning (Listed Buildings and Conservation Areas) Act 1990.

**7. EQUALITY IMPACT NEEDS ASSESSMENT**

- 7.1 Equality – an Equality Impact Screening Assessment has been undertaken and concluded that a full Equality Impact Assessment is not required.
- 7.2. Health – it is considered that the management recommendations included in the Character Appraisal will, if enacted, have a positive impact on the well-being of the local population.
- 7.3 Climate Change – not relevant.

**8. RISK MANAGEMENT**

- 8.1 The existing Character Appraisal needs updating to reflect the latest guidance and changes to policy. Also, the current document does not contain any management recommendations or assess the significance of the Conservation Area.

**9. CONCLUSION**

- 9.1 This report outlines the requirement for an updated Gilgal Conservation Area Character Appraisal. This work has been undertaken by the Council's Conservation Area and is now ready to go out to consultation in line with the requirements of Planning (Listed Buildings and Conservation Areas) Act 1990.
- 9.2 Members are requested to agree to a 4-week consultation on the draft document between 18<sup>th</sup> November and 16<sup>th</sup> December 2024.

**10. CONSULTEES**

- 10.1 CLT
- 10.2 Planning Manager

**11. BACKGROUND PAPERS**

- 11.1 N/A