



Wyre Forest
District Council

**FINANCIAL
STRATEGY
2020-2023**

(Please retain for future reference)

I N D E X

BUDGET REPORTS

THREE YEAR BUDGET AND POLICY FRAMEWORK 2020-2023 (pages 1 – 173)

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WYRE FOREST DISTRICT COUNCIL

CABINET 17th DECEMBER 2019

Medium Term Financial Strategy 2020-23

OPEN	
CABINET MEMBER:	Councillor G Ballinger
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Appendix 1 Appendix 2 Appendix 3 – Part 1 Appendix 3 – Part 2 Appendix 3 – Part 3 Appendix 4 Appendix 5/1 Appendix 5/2 Appendix 6	Base Budget Projections 2020-23 Variance Analysis Part 1 – Fees and Charges for Noting Part 2 – Fees and Charges - Cabinet Part 3 – Fees and Charges - Council Risk Management ICT Strategy Refresh Brinton Park HLF Bid Budget Consultation Results <i>The appendices to this report have been circulated electronically and a public inspection copy is available on request. (See front cover for details.)</i>

1. PURPOSE OF REPORT

- 1.1 In accordance with the Council's Budget and Policy Framework Procedure Rules and in line with the Wyre Forest Forward programme, to provide the Cabinet with financial information in order to make proposals for the Budget Strategy for the period 2020-23.

2. RECOMMENDATIONS Include

The Cabinet is asked to NOTE:

- 2.1 **The fees and charges as set out in Appendix 3 – Part 1.**
- 2.2 **The comments from the Strategic Review Panel at its meeting on the 28th October 2019 and the Overview and Scrutiny Committee on the 5th December 2019 on Car Parking fees and charges included in Appendix 3 – Part 2:**
- 2.3 **The results of the Budget Consultation survey included in Appendix 6 and summarised in paragraph 7 of this report;**
- 2.4 **A report will be brought to the Cabinet on 11th February 2020 on the proposed Brinton Park Heritage National Lottery Heritage Fund project to approve the evaluation criteria for the procurement of professional and building services contracts and to put in place an appropriate delegation to award the contracts.**

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

2.5 The Council's updated Medium Term Financial Strategy taking into account the results of the earlier Budget Consultation;

2.4.1 Cabinet Proposals – taking into account the impact on the Council's Capital and Revenue Budgets for 2020-23 (paragraph 8.3) including;

- a. Approval of the Community Leadership Fund for 2020-21 of £33k;**
- b. Approval of a revised programme for the maintenance of highways verge to align more closely with funding received from Worcestershire County Council and with the recent Plant Life report. This will save £50k pa from 2020-21 onwards;**
- c. Approval of a programme of phased savings from Localism partnership working with our Town and Parish Council colleagues as outlined in paragraph 5.13 of £135k in 2020-21, £245k in 2021-22, £350k in 2022-23, £525k in 2023-24 and £700k in 2024-25. The savings include assumptions of transfers of activities and staff posts which, if not realised will be ended or deleted as set out in paragraphs 8.2.4 and 8.2.5:**
- d. Approval of additional capital resource to facilitate ongoing delivery of the ICT Strategy of a total of £653k phased over the MTFs as set out in paragraph 8.2.6 proposed to be funded by prudential borrowing. The associated revenue costs are £4k in 2020-21, £63k in 2021-22 and £126k in 2022-23;**
- e. Approval of the removal of funding for Kidderminster Town Centre, Bewdley Development Trust and Stourport Forward saving a total of £30,520 in 2020-21 onwards;**
- f. Approval of a schedule of improvements to Stourport Riverside in line with the Master Plan to be funded as set out in paragraph 8.2.8. The gross capital investment proposed is £150,000 of which £103,580 can be funded from S106 contributions so leaving £46,420 to be funded from prudential borrowing. The ongoing net revenue implications are £24,510 in 2020-21, £23,010 in 2021-22 and £23,010 in 2022-23;**
- g. Approval of essential health and safety capital works to the Depot Block E for Operational Services of £70k in 2020-21 funded from prudential borrowing with revenue financing costs £1,510 in 2020-21, £6,510 in 2021-22 and £6,510 in 2022-23;**
- h. Approval of the HLF Brinton Park Project gross capital expenditure of £2.4m subject to HLF approval of the substantive funding and the final business case. This includes approval of a commitment to meet a maximum shortfall of £100k in capital**

partnership funding for the project, to be funded from prudential borrowing.

2.4.2 The level of net expenditure and resultant Council Tax for 2020-23 as per paragraphs 8.1 and 8.4 including the revenue implications of the Capital Strategy report also on this agenda;

2.4.3 The fees and charges in line with this strategy and the impact on the Council's Revenue Budget for 2020-23, as shown in Part 3 of Appendix 3 (paragraph 8.1 also refers) that reflect the recommendations from Licensing Committee on 2nd December 2019;

The Cabinet is asked to APPROVE:-

2.6 The fees and charges as set out in Appendix 3 – Part 2;

2.7 That subsidy for the outsourced Pest control service administered by Worcestershire Regulatory Services (WRS) is withdrawn from April 2020;

2.8 To delegate authority to the Corporate Director: Economic Prosperity & Place to advertise the proposed amendments to the parking charges, shown at Appendix 3 Part 2 to this report, in the Wyre Forest (Off-Street Parking Places) Order 2019 (“the Parking Places Order”); and in consultation with the Corporate Director: Community, Well Being and Environment, Cabinet Member for Economic Regeneration, Planning and Capital Investments and Cabinet Member for Operational Services to consider any objections made as a result of the advertisement; and following such consideration to decide whether the proposed amendments to the Parking Places Order should be made;

2.9 The allocation of capital receipts from the Evergreen Investment Fund of £25k to fund works to lay out temporary car parking at the former Crown House site in Kidderminster, noting the comments from Overview and Scrutiny Committee on the 5th December and as set out in the separate Capital Strategy Report also on this agenda in paragraph 9.2.2.

3. THE ROLE OF THE STRATEGIC REVIEW PANEL

3.1 The Cabinet Financial Strategy Advisory Panel was replaced with a similar cross-party Strategic Review Panel to assist with this year's budget process and also to inform the new Corporate Plan 2019-23. The Panel's terms of reference included overseeing consultation arrangements about priorities and producing recommendations on the Corporate Plan for 2019-23. The Council formally adopted the Corporate Plan at its meeting in September 2019. The new Corporate Plan priorities can be viewed at <https://www.wyreforestdc.gov.uk/media/4734748/CorporatePlanJPEG.JPG>. The new Corporate Plan and further work of the panel have informed the Cabinet's consideration of this MTFs report.

3.2 The first meeting of the Panel was in June this year to commence the Corporate Plan consultation process for which a record circa 1700 responses were received. The Panel also reviewed the challenging financial landscape and considered the

forecast position of this Council and estimated Funding Gap. A subsequent meeting in October 2019 considered car parking fees and charges (which have also been considered by the Overview and Scrutiny Committee in early December this year) together with the results of earlier budget consultation that took place in October/November. The main focus of meetings to be held in January/February 2020 will be Cabinet Proposals and Alternative Budget Proposals together with the proposed Capital Strategy (this is a separate report on the agenda). The process feeds into key decisions about the shape of the strategy to be approved by full Council in February 2020, when the council tax will also be set.

4. WYRE FOREST DISTRICT COUNCIL – OUR JOURNEY AND WHERE WE ARE HEADING NEXT

4.1 This section of the Medium Term Financial Strategy provides a narrative about what the Council has been doing, why and what outcomes it has achieved looking backwards. But it also looks forward to the period covered by the medium term financial strategy and sets out what we expect to do in that period, why and what outcomes we hope to achieve.

4.2 Looking backwards

Austerity has required local government to reshape radically what it does: in the period since 2010 Government funding for the Council has fallen by circa 49% in absolute terms (more in real terms). In Wyre Forest, we have used three main tools as part of our Wyre Forest Forward transformation programme:

- Making ourselves as efficient as we can be internally, including use of “systems thinking” reviews;
- Growing our income;
- Using alternative delivery vehicles, including shared services with other councils and working with local organisations such as Parish and Town councils, to reduce costs.

4.3 Our net revenue budget will have reduced from £16.4m in 2009-10 to £11.9m in 2022-23 based upon current plans. This represents a reduction of around 27% in absolute terms, and more in real terms. The total savings target from the Wyre Forest Forward programme including all Cabinet Proposals has been increased to £3.18m in 2022-23, of which projections show we should achieve £2.96m (93%); forecast as at December 2019. The ongoing target unachieved remains challenging but work has already started to progress savings plans and we are optimistic this is achievable, especially when we consider the Council’s strong track record in reducing expenditure since 2009. The Community Well-Being and Environment management restructure approved by September Council and further proposals planned go a considerable way towards closing the gap between what we are spending and our income.

4.4 Successive medium term financial strategies, which are approved each February by full Council, have been transparent about the gap between income and expenditure and that this would ultimately have to be closed. The Council has been very successful in putting back the point at which unpalatable decisions might have to be taken. Since 2009, the Council has rationalised its offices and leisure centres, investing significant capital sums to make them happen, but in a way that has produced revenue savings of well over £1m a year. The investment to improve the

Green Street depot site will make a modest but nevertheless worthwhile revenue contribution to improving the position; more importantly, the site is fit for the future and supports our efforts to grow commercial income.

- 4.5 It is not just the Council's estate that has been transformed since 2009. Many other initiatives have been successfully implemented to save money, to make the Council more efficient or to grow income. They include a range of mature shared services; innovative and successful localism projects with community groups and parish councils to run or meet part of the cost of a range of local assets and services. We are also making strenuous efforts to grow commercial income both by selling services to residents and businesses and by buying assets to produce a revenue contribution through the capital portfolio fund whilst also making economic and regeneration contributions to the Wyre Forest area.
- 4.6 Whilst there is an adequate level of general reserves available towards balancing the budget of £4.987m (including the £1.2m Working Balance) following the 2018-19 Final Accounts savings, it is clear that the future financial position for the Council will continue to be extremely challenging. Given the uncertainty and inherent economic risks this Council, along with the Public Sector generally, faces, a number of key earmarked risk reserves were replenished out of final accounts savings and the overall total increased from £6.293m to £7.868m as at 31st March 2019.
- 4.7 It is just over seven years since we moved into Wyre Forest House. This marked a turning point in the history of the Council. A £10m investment in modern, fit for purpose office facilities achieved from the outset, annual savings of £500k and this has risen to over £720k subsequently as a result of letting about 38% of the building to a mixture of tenants. This will increase further following completion of the rationalisation of building occupancy as a result of the Green Street capital scheme. Some of our key achievements have included:
- Rationalising leisure centres and opening the very successful Wyre Forest Leisure Centre in July 2016, saving over £500k annually;
 - Securing the creation of Kidderminster Town Council in December 2015, following a community governance review. The transfer of full operational responsibility for the Town Hall to the Town Council from April 2019. This has allowed the Council to build on its strong record of working with parish councils and other local bodies to transfer services and assets to local control, reducing the cost to the District Council;
 - Implementing a wide-ranging set of measures to increase the Council's income, particularly from various forms of waste collection and cultural services, and culminating in the creation of the £25m Capital Portfolio Fund and £10m Development Loan Fund in 2017. These provide the Council with opportunities to generate revenue returns from property assets and loans to developers, while also supporting the regeneration of the district. A number of acquisitions have been completed from the £25m pot with six purchases being completed with multiple objectives, the main one being economic regeneration whilst also making a modest net return of £345k in 2019-20 to the revenue account. Gross income has grown from £3.936m in 2012-13 by 82% to £7.170m in 2019-20 (revised estimate);

Good progress continues to be made with **regeneration of the district**. To highlight only a few examples: the investment in a new railway station for

Kidderminster is expected to be complete by early 2020; a Development Agreement has been completed with Cordwell for the first phase of the important Lion Fields development to the east of Kidderminster town centre; the work has been completed to open Worcester Street up to traffic; the extension of the Load Street car park in Bewdley was successfully completed in 2018 and has proved very popular; work is underway on the £6m highway works to enable the development of the urban village at Churchfields, for which planning permission has been granted and planning applications have been approved for major housing-led developments at Lea Castle and Stourbridge Road. The former British Sugar site (Silverwoods) is still being developed with more new housing, employment, care and food and beverage facilities either completed, under construction or planned. The Council has commenced the construction of nine new industrial units on the former Frenco site which are due for completion in January. The importance of the Stourport Road and Worcester Road employment corridors to the district's economy has been reinforced with a further extension of the Local Development Order to 2021. This continues to prove attractive for new development such as the new Fire and Rescue centre which is currently being built. We were the first district in Worcestershire with an up-to-date local development plan, and consultation on the pre-submission version was undertaken in September/October 2019 with the aim of submitting to the Secretary of State in spring 2020 with adoption in late 2020 or early 2021. The revised Local Plan will make appropriate provision for housing growth and employment land up to 2036

- Demonstrating a positive attitude to working with businesses underpinned by the award-winning shared service, North Worcestershire Economic Development and Regeneration. Annual business engagement conferences have been held since 2016 and hosted in the district; the Council celebrated the 10th anniversary of its successful ReWyre regeneration flagship in September and set out plans for the next five years of continuing to support the local economy;
- The Council was successful in being one of the first 50 towns to be granted Future High Streets Fund approval for its proposals for Kidderminster including regeneration plans for the former Crown House site, former Magistrates' Court site and phase 4 of Lion Fields on Bromsgrove Street. The Council has to submit its full business case by the end of April 2020 and will find out whether it has been successful later in 2020. Proposals anticipate town centre transformational works continuing through the period to 2024.
- Kidderminster successfully held a ballot for establishing a Business Improvement District (BID) in the heart of the town; the Council is supporting set up in readiness for the first levy to be collected in 2020. The BID will be in place for five years before it will be required to hold another ballot if it intends to continue.
- Successfully implementing new arrangements for welfare support, including the local council tax reduction scheme that was introduced in 2013 and changed significantly in 2016. A further revision of the scheme was effective from April 2019 to take account of the implementation of Universal Credit from November 2018;

- Transferring provision of housing advice including the homelessness service back in-house from June 2018 whilst also working with the requirements of the Homelessness Reduction Act 2017 (effective from April 2018). Successful completion of New Street Homelessness facility which has had over 90% occupancy since opening. Plans are underway to construct a new facility to continue to ensure the Council is best placed to support homeless households.
- Securing a review of the number of councillors which was reduced to 33. The Council moved to a pattern of all out elections in May 2019.
- Moving towards a more commercial Council with work overseen by the Commercial Activity Programme Board that has delegation to allocate from an initial generic £250k Capital Budget and £100k Revenue pot. The Board's work will allow income targets to be reviewed for future years. To assist with pace, decisions in relation to the setting of new fees and charges arising in-year were delegated to the Corporate Director: Community Well-Being and Environment in consultation with the Commercial Activity Programme Board and the Corporate Director: Resources by Council in February 2019.
- Depot 2020 – Capital redevelopment project has been completed successfully. This was our last significant operational base that had not benefited from investment. The project means we have a site that is fit for the future and supports growth of commercial income whilst making a welcome, if modest, revenue positive contribution towards the funding gap.

4.8 These highlights of what has been achieved demonstrate how the Council has been delivering its priorities and strategic actions as set out in the corporate plan 2014-2019 and also looks forward to the new corporate plan 2019-23. The outcomes we have achieved in the last 12 months or so also feature in the following table:

Priority: Supporting a successful local economy

	What we've done
Working with partners to create the conditions and certainty to foster a growing and sustainable local economy	Renewal of the South Kidderminster Enterprise Park Local Development Order for a further 3 years. Undertaken Local Plan Pre Submission consultation. Continued working with both Local Enterprise Partnerships and particularly supporting the representations that the Council should be able to remain a member of both LEPs. Celebrated the 10 year anniversary of ReWyre setting out priorities for the next five years. Continued to support the delivery of new apprenticeships for the seventh consecutive year.
Bringing forward regeneration and development opportunities and the infrastructure to support them	Adopted the Delivery Framework for Lion Fields, June 2016. Site clearance of Parcel 1 (The Glades site) completed early 2017. Development Agreement completed with Cordwell to

	What we've done
	<p>deliver a cinema led leisure development of the site. Successful Expression of Interest submitted to the National Lottery Architectural Heritage Fund for gap funding to bring the former Magistrate's Court and indoor market building back into a positive use.</p> <p>Successfully negotiated the demolition of Crown house and surrender of lease – works due to be complete in early 2020. Completion of new Railway Station Ticket Office and forecourt works due for completion in early 2020.</p> <p>Contract completed with Homes England for £2.7m Housing Infrastructure Fund contribution towards Churchfields highways works which commenced in October 2019.</p> <p>Successful bid to Future High Streets Fund for Kidderminster town centre; full business case to be submitted by April 2020; includes proposals for Crown House site, former Magistrates' Court building and Bromsgrove Street car park.</p>
<p>Creating new job opportunities and improving skills</p>	<p>Continuing to run the successful 'Opening Doors to Business' event for local schools. Monthly updates of District at Worcestershire Business Leaders. Consultation with business leaders on the Local Industrial Strategy. Seventh year of support for new apprenticeships to enable employers to cover the costs of employing them.</p>
<p>Helping new businesses to start up and existing businesses to grow</p>	<p>In 2018/19: 78 entrepreneurs receiving business start-up advice, which resulted in 16 new business start-ups. 7 businesses access grants totalling £6,372. EU funds: 26 businesses accessed £194,916 worth of grant funding to support their growth.</p> <p>In 2019/20 to date: 23 entrepreneurs received business start-up advice which has resulted in 4 new business start-ups 9 businesses have accessed grants totalling £11,487 EU funds: 20 businesses accessed £526,988 worth of grant funding including 2 businesses being</p>

	What we've done
	awarded grants of £100,000 – Beakbane Ltd and D-Zine Furnishing Solutions Ltd.
Promoting the District as a great place to invest in, live in and visit	<p>Continue to develop a Business Ambassador Scheme; North Worcestershire Annual Business Awards gala evening held in November 2019.</p> <p>Work in partnership with Worcestershire LEP Inward Investment team to facilitate relevant enquiries from internal and external businesses. Working with GBSLEP Growth Hub to facilitate a dedicated North Worcestershire Business Growth officer to work alongside NWEDR. Adoption of the North Worcestershire Economic Growth Strategy.</p>

	What outcomes we've achieved
A community with lower unemployment and improved skills	Claimant count 2.5% in September 2019, which is slightly above the Worcestershire average (2.2%) but below the regional average (3.7%) and national average (2.8%)
A diverse and well connected economy with vibrant and successful town centres	<p>Successful completion of phase 1 of £2.3m Kidderminster Town Centre public realm improvements. Completion of phase 2 £1m opening up of Worcester Street to traffic with on street parking. Successful bid to Future High Streets Fund to bring about transformation of Crown House, Magistrates' Court and Bromsgrove Streets sites. Nearing completion of new Rail Station and forecourt area.</p>
Increased visitor opportunities	Bewdley Museum has been awarded a Certificate of excellence for the 2019-20 season which will make it the fourth year running. Visitor numbers in 2018-19 season closed at 204,186 which was 13,090 ahead of the previous year. This year to November 20 th we are at 206,108 which means we exceeded our numbers for the total visitors last season and are currently 11,922 ahead at the same time last year.
Redevelopment of redundant and under-used land and buildings	<p>Development Agreement completed with Cordwell to facilitate cinema led leisure development on former Glades leisure centre site. Demolition of Crown house expected to be completed in early 2020.</p>

	What outcomes we've achieved
	<p>Construction of new industrial units on former Frenco site due for completion in January 2020.</p> <p>National Lottery Architectural Heritage Fund bid accepted in principle for former Magistrates' site, full business case to be submitted by May 2020.</p>
Improved infrastructure	<p>Silverwoods Way (Hoobrook link road) opened September 2016. All vacant plots now have proposed residential, food and beverage, employment and car use proposals.</p> <p>Attracted £2.7m Housing Infrastructure Fund monies to support c£6m highway infrastructure scheme to open up brownfield land at Churchfields for residential development.</p> <p>New Rail Station building and forecourt due for completion in early 2020.</p>

Priority: A clean and green living environment

	What we've done
Creating a greener and cleaner local environment	<ul style="list-style-type: none"> • Increased environmental penalty charges to the government maximum guidelines • Worked in partnership with key fast food providers on street clean up initiatives and subway improvements. • Maintain 400 acres of nature reserves and 600 acres of Parks and Open Green Spaces. • Burlish Top nature reserve project to convert the whole area into a community wide open bio-diversity site • Stourport master plan project continues to implement improved public open space, inclusive of biodiversity and a circular network and to improve existing play equipment • Briton Park HLF project continues with a potential c£2.41m investment to restore original park heritage • Riverside North collaborative project to restore pedestrian access around the wild-life pond • Continue to run £50k localism fund allocated to parishes and community groups on environmental

	What we've done
	<p>improvement, projects and activity.</p> <ul style="list-style-type: none"> • Stourgate Project – Special project to improve the river and introduce salmon in the river Stour • Invested in deployable CCTV equipment to tackle Enviro-- crimes such as fly-tipping and litter • Undertaken the SCRAP Campaign which highlights issues surround fly tipping • Introduced a PSPO to tackle dog related issues • Undertaken duty of care inspections to ensure businesses are complying with waste regulations • Undertaken litter campaigns to highlight issues and sanctions • Undertaken dog control campaigns to tackle dog fouling – handed out over 5000 dog bags to support public in complying with the PSPO • Supported local litter picking groups • Increased enforcement activity against people committing Enviro--crimes yearly since 2014 • FPN's Issued: 2018/19: 171 • FPN's Issued 2019/20: 101 (to date) • Increased dedicated enforcement patrols to tackle Enviro- crimes • Employed a third Community & Environmental Protection Officer in 2019 • Adopted Community Protection Notice powers to tackle a variety of environmental/ASB issues which in turn has shown a high compliance rate
Supporting the provision and maintenance of high quality public spaces	<p>Bid for £2.41m Heritage Lottery Fund grant to improve Brinton Park submitted August 2017</p> <p>Round 1 pass in December 2018 Round 2 final application to be submitted in February 2020. Announcement in July 2020 if we have been successful.</p> <p>Continue to work to improve the parks & engaging with the community.</p>

	What we've done
Working with partners to reduce crime and the fear of crime	<p>Secured £48,125 of community safety external funding for delivering projects in 2019/20.</p> <p>Worked with 50 young people across all our high schools to become community ambassadors to promote safety amongst their peers. The 6th year of the project.</p> <p>Held the Young Citizenship Celebration Event 2019.</p> <p>Delivered community safety projects including the Community Ambassadors scheme, 16 days of Action and White Ribbon against Domestic Abuse, Hate Crime Awareness campaign and seasonal crime prevention initiatives.</p> <p>Co-ordinated the Safer Wyre Forest Tasking group, the district operational arm of the North Worcestershire Community Safety Partnership</p>

	What outcomes we've achieved
Clean streets and quality open, green public spaces that are enjoyed by all	<ul style="list-style-type: none"> • 2 Green flag parks and 1 Green Pennant Park • An area that is an outstanding example of quality open space with a wide diversity of plant and animal life
An environment that is respected and cared for, and where local people take pride in their surroundings	<p>Delivered community safety projects including the Community Ambassadors scheme, 16 days of Action and White Ribbon against Domestic Abuse, Hate Crime Awareness campaign and seasonal crime prevention initiatives.</p> <p>Continued to work with partners to tackle Serious and Organised Crime covering CSE, drug related crime, county lines and modern day slavery</p> <p>Working with partners to establish a new North Worcestershire ASB Complex Case Group and to review the Community Trigger process</p> <p>Continued to co-ordinate the North Worcestershire Community Safety Partnership</p>

	What outcomes we've achieved
	<p>Commenced a review of the PSPOs for Stourport and Bewdley ahead of October 2020</p> <p>Implementing the externally funded CCTV digital upgrade in partnership across North Worcestershire</p>
Low levels of crime and anti social behaviour	<p>Working with partners to improve perceptions of crime ratings</p> <p>Working with partners to reduce crime and anti social behaviour</p> <p>Finalising and implementing the North Worcestershire Complete Community Safety Partnership Plan by April 2020</p> <p>Reductions in Crime and ASB: Total recorded crime WF April 2019 – November 2019 = 5601 4 fewer offences compared to same period 2018-19</p> <p>Incidents of ASB April 2019 – November 2019 = 2448 530 fewer incidents compared to same period 2018-19</p> <p>Number of people the Community Safety Team engages with on a face to face basis via events and activities throughout the year. April 2017 – March 2018 1,250 April 2018 – November 2018 1,160 April 2019 – November 2019 - 1300</p>

Priority: Good quality and affordable homes for all

	What we've done
Working towards meeting current and future housing needs, with an up-to-date local development plan that provides for growth in the number of houses	<p>Consultation on Pre-submission for Local Plan, September/October 2019 as part of adoption of new Local Plan.</p>
Preventing and reducing homelessness	<p>Ongoing implementation of the Homelessness Reduction Act 2017 and provision of services to prevent homelessness. The Council is currently consulting on the Homelessness and Rough Sleeping Strategy 2019 – 2022 with a planned adoption by 31st December 2019</p> <p>Approval of delegated authority for the final decision to provide additional council-owned homelessness accommodation in July 2019</p>

	What we've done
	requiring capital investment of c £1.78m
	What we've achieved
An increased supply of good quality and decent homes that are affordable to individuals and families	275 units of housing were approved in 2018 and of these 101 were for affordable housing.

4.9 Looking forward

- 4.10 The most significant issue facing the Council remains its financial position. Since the budget was approved by Council in February significant planned reductions have been made together with a review and reduction where possible of some budget areas. This coupled with a bolder approach to proposals for fees and charges and commercial income generation that have increased revised projections of income has reduced the funding gap in this MTFs. As a result, the financial gap to close in the third year of this strategy (2022-23) is estimated to have decreased to circa £1.68m. The Council will need to continue to draw on its general reserves over the next three years but cannot continue on this footing indefinitely: activity and resources will have to be brought into alignment during that period as it seems unlikely that the fair funding formula and other changes to the local government finance system are going to improve the Council's position dramatically from 2021 onwards. Indeed, the prospect is that district councils generally might suffer if resources are diverted away to fund the spiralling cost of social care and children's services. The Council thus continues to face difficult decisions ahead, despite the significant changes and major efficiency savings and increases in income achieved in the period since 2009. We will continue to reduce costs through internal efficiency, grow income by selling services and generate income from the Council's assets and seek out alternative service delivery vehicles where appropriate.
- 4.11 The Council's managed available reserves mean there is sufficient time to implement changes to align income with expenditure. However we cannot be complacent. Within the next couple of years, further significant changes will be required. The Corporate Leadership Team is devoting considerable effort to identifying the opportunities that exist as well as assessing the impact of potential changes. A significant management restructure for Community Well-Being and Environment was approved by September Council and further management reviews will follow. We will continue to focus on driving down cost through efficiency savings, growing income and seeking alternative delivery mechanisms, with Localism being a key work stream. However, it is probable that the gap will not be closed entirely by such measures and that, in future medium term financial strategies, the Council will have to reduce spending on or even end some services. The Council is highly likely to become a smaller organisation as a consequence.
- 4.12 Because the district council collects council tax for the county council, police, fire and parish councils, the public is often misled into thinking that the total average bill at Band D of £1,812 in 2019 is the responsibility of Wyre Forest District Council, when its element is only £214 or 11.8% of the total bill, the equivalent of £4.11 a week.
- 4.13 Total council tax bills have increased ahead of the rate of inflation in recent years. One of the main reasons has been the introduction of the adult social care precept to

help fund social services provided by Worcestershire County Council. It was first payable in 2017 at £21.60 for a Band D property and has since grown to £90.83 in 2019. The county council's element of council tax increased by £48.37 in 2019, inclusive of the increase in the adult social care precept. There was also a significant increase in the precept issued by the Police and Crime Commissioner for West Mercia in 2019, which added £19.59 at Band D: as a result, the police element of council tax at £216.66 exceeded the district council element for the first time.

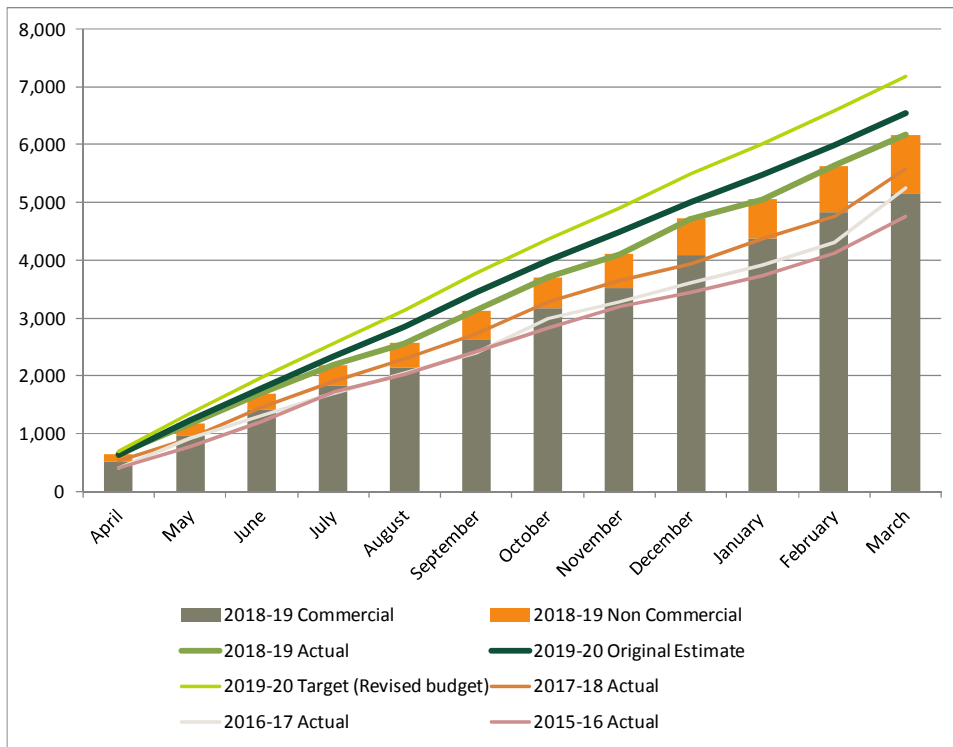
- 4.14 In contrast, for five of the eight years between 2011 and 2019, the district council's element of council tax was frozen. At Band D, the district council's element of council tax increased from £197.62 in 2010-11 to £214.34 in 2019-20, an increase of £16.72 or 8.5%, significantly lower than inflation across that period. As can be seen, the district's increase over 9 years is significantly lower than the cash increases decided by the County Council and Police and Crime Commissioner for 2019-20 alone.
- 4.15 This Strategy proposes increasing the district element of council tax at the rate permissible without triggering a referendum on an "excessive" council tax increase. Based on previous years' criteria, this would involve increases of 3% a year for the district council's element instead of £5 assumed in the current and now proposed medium term financial strategy. At Band D it would involve increases of £6.41, £6.60 and £6.80 or in the range of 12p to 13p a week at Band D (the average dwelling in Wyre Forest is Band B). However this approach has now been jeopardised by the Government's proposal for a criterion of 2% or £5, whichever is the higher. A decision on what maximum increase will be allowed has been delayed by the General Election. For now, therefore, the MTFs assumes an increase of £5 in 2020 and subsequent years. If the Government formed after the General Election decides to allow a higher increase the Administration is minded to increase council tax by that higher amount and this would be included in its final proposals in February. An increase of 3% for the District Council element would be modest when compared with past and likely future increases from the county council and police and crime commissioner. If the Council was able to increase the district element of council tax by 3% instead of the current assumption of £5, it would generate extra funds estimated at £48k/£104k/£167k over the life of the next strategy. It will be noted that, in year 3, this would address circa 10% of the projected financial gap, demonstrating the scale of other changes that will be required.
- 4.16 While the Cabinet's proposal is that all residents would be asked to pay a little more than now for the District Council's services, it does not consider it appropriate to add further to the burden of the poorest working age residents. They have to pay a minimum contribution of 20% of council tax. The Cabinet has reviewed data on collection rates, recovery activity and use of the hardship fund and concluded that increasing the minimum contribution (to, say, 25% or 30%) would generate limited additional funds for the District Council but would increase recovery activity and hardship payments to the extent that any financial gain might be negated. It therefore has decided not to change the minimum contribution; a formal decision not to undertake a review of the scheme for 2020 has been published in accordance with the legislation.
- 4.17 In addition to the modest change in the contribution that households will be asked to pay for district council services, the Council will also benefit from growth in the number of houses. The strategy projects that 33,751 rising to 34,545 dwellings will be paying council tax in the period from 2019 to 2022. The Local Plan has been the

subject of a second pre-submission consultation recently prior to expected adoption in late 2020/early 2021 and will provide for growth of over 5,500 dwellings in the period to 2036. This growth in population is essential, not only to address the district's housing needs and to support economic growth but also to help in closing the Council's financial gap.

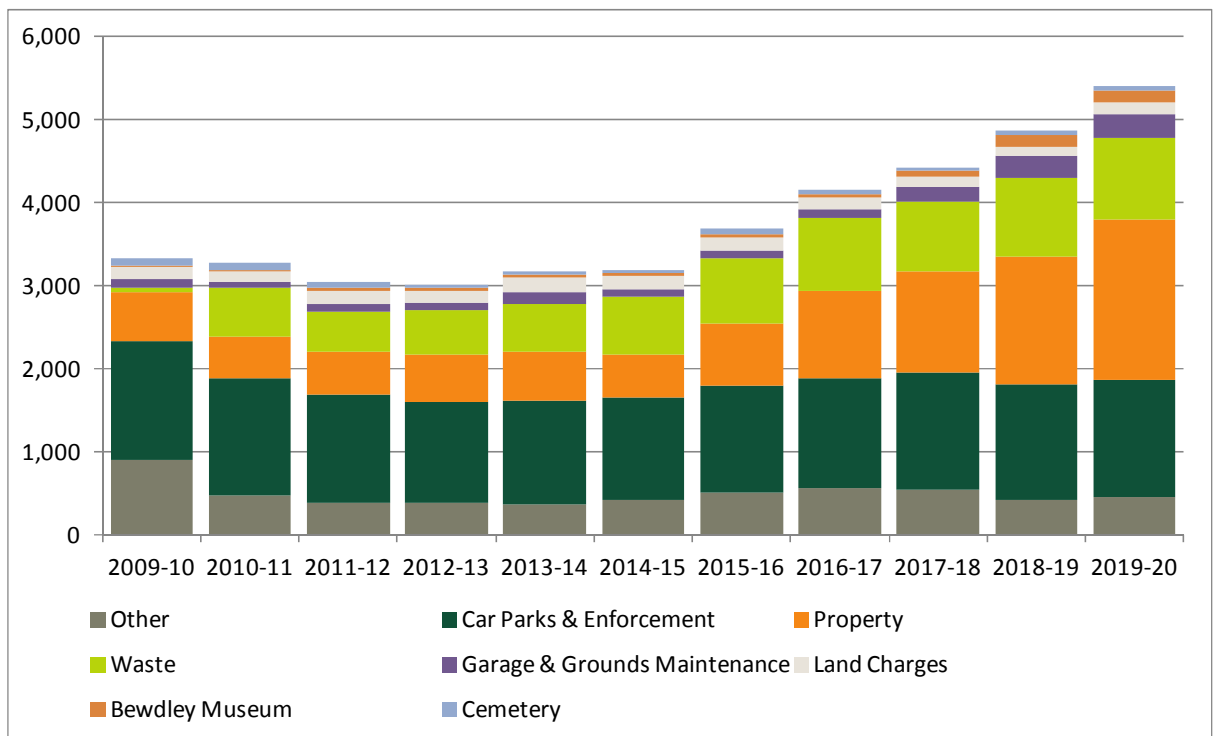
External Income including Fees and Charges

- 4.18 The Council has an excellent track record in generating income; the total income (excluding shared services, rental income etc) projected for 2019-20 is £7.170m. The Council will continue to increase income from fees and charges, so that users of particular services contribute to the cost of providing them rather than being subsidised by council tax payers.
- 4.19 The Strategy identifies and takes advantage of opportunities to grow commercial income beyond existing plans, with business cases for new or expanded services being considered by the Commercial Programme Activity Board. Further work is being done to establish whether any proposals can be included in the medium term financial strategy. The Development Loan Fund of £10m is now fully operational and open for applications. As loans are issued to developers and companies, this should generate a return for the Council and supplement the returns already being generated from the Capital Portfolio Fund. £19.031m of the £25m in the Capital Portfolio Fund has now been spent or committed. The increase in PWLB rates by a whole percentage point notified and implemented with immediate effect on the 9th October may impact on the viability of future business cases for both the Capital Portfolio and the Development Loans Funds. In the short-term, for the balance of the Capital Portfolio Fund, it should be possible to manage this risk by a combination of internal and short-term borrowing. However it may make the Development Loans less attractive and may mean future capital schemes fail to be financially viable taking into account the increased costs of borrowing.
- 4.20 Fees and charges have also been reviewed as usual. A new initiative this year has ensured that the Overview and Scrutiny Committee had a formal opportunity to consider the Cabinet's proposals on car parking charges (the setting of which is an executive function) before the Cabinet takes its decisions as part of this report. Proposals were considered by the Strategic Review Panel in October prior to consideration by the Overview and Scrutiny committee on 5th December.

The improvement in income generation over the past 5 years is shown in the following graph:



The success of the income generation work can be further evidenced through the following graph that analyses growth over key income streams:



4.21 This illustrates the excellent progress the Council continues to make in this key cornerstone of our strategy. However given the scale of the funding gap we face, we continue to develop our thinking on innovative ideas for external income generation. We continue to refine estimates of additional commercial income that might be achievable to align with the work by the Commercial Activity Programme Board and of projected net income from the capital property portfolio.

Staffing costs and pay

- 4.22 The Council's workforce is both its greatest asset but also the largest single controllable area of expenditure. Thus it will be necessary to continue to reshape and redeploy staffing resources of the Council as part of the range of measures to close the financial gap. It is expected that overall staffing levels will fall, except to the extent that additional posts may be created in areas where commercial income can more than meet the cost and depending on whether the District Council hosts any newly created shared services. A significant management restructure in one directorate that will save circa £200k pa going forward, is in the process of implementation following Council's agreement to certain aspects at its meeting in September. All parts of the Council will need to review their staffing costs. This will include any proposals for creation of further shared services that might emerge from the programme of work agreed with Redditch Borough Council and Bromsgrove District Council before the elections – a range of factors including the change of political control at Wyre Forest and the change of leadership at Bromsgrove, and pressure of other work in all three councils, has meant that the first review of planning services has not been able to make progress as previously intended.
- 4.23 While staffing numbers are expected to fall, the Cabinet is clear nevertheless that staff should be suitably rewarded and therefore believes that a shift in approach to arrangements for deciding pay increases is appropriate. A report was approved by Council on 25th September 2019 about reverting to applying national pay increases, which will mean that higher assumptions about future pay increases are now built into the medium term financial strategy. Ultimately, the Council has no control over the outcome of the national pay increases, although evidence shows that they have been higher than local arrangements since 2014. In addition, there will have to be a pay and grading review because of the impact of the national living wage which will soon overtake the lowest points on the Council's pay scale. While the details of the changes to be made over the period to 2021 continue to emerge, it is expected that there will be significant reshaping of the Council which will see staffing levels reduced and/or additional income, whether from commercial activity or through cost sharing arrangements under the localism agenda.

The Challenges ahead

- 4.24 Virtually every aspect of the Council's services depends on information and communication technology in terms of ensuring efficient delivery, including digital services. The Council approved a phased capital allocation for the ICT strategy in 2018 onwards and this is being used at a faster rate than originally envisaged, reflecting the scale and depth of services' need for investment to support an efficient, digital model. Additional funding for the ICT strategy is therefore one of the Cabinet's proposals.
- 4.25 The core functions of the Council will remain the things that it is required to do by law, such as collecting waste, removing litter, producing a local plan and processing planning applications and administering local taxes and benefits. These activities cost about £4.2m (37%) a year. The remainder of the Council's work is discretionary. While the Council is not obliged to undertake them, they are often services that are highly valued by local communities and businesses. They include such things as parks and toilets, economic development and regeneration and cultural and leisure services. The Council spends about £3.7m (32%) a year on discretionary activities

with a further £3.6m (31%) on corporate costs including the costs of the democratic core and pensions deficit funding.

4.26 The programme of change described in this strategy will continue to apply to all services to ensure that the Council is organised to meet the priorities of the Council elected in May 2019 and future changes and challenges. This is expected to lead to further proposals to reduce management costs. The Council has a strong track record of achieving cost reductions. All services and their staff have contributed to what has been achieved: this is acknowledged and welcomed. However the Council needs to go further.

4.27 In addition to tackling the Council’s financial gap, as outlined above and explored in more detail in the strategy, the strategic issues facing the Council include:

- Further consultation is awaited from the Government on plans for reform of local government finance that has now been delayed until 2021. The Council is currently taking part in a pan Worcestershire pilot of 75% business rates retention in 2019-20. The timetable for introducing 75% business rates retention across England and the fair funding review has been deferred until 2021-22. The Council continues to remain vulnerable to other changes in respect of local government finance, such as the rules for distributing new homes bonus;
- The impact of Brexit on local government. The Government has yet to provide clarity on such issues as the replacement arrangements for EU funding streams that benefit Wyre Forest, the procurement regime after Brexit and many other aspects of EU law that impact on local government activities;
- Adoption of a new Local Plan in late 2020/early 2021. This is critical to the future development and growth of the district, to protect Wyre Forest from unscrupulous developers and “planning by appeal”;
- Securing further positive progress at the major development site at Lionfields, Kidderminster. A development partner has been selected for Parcel 1, a 1.13 hectare site, on the basis of delivering a cinema led leisure development including food and beverage outlets. The redevelopment of Parcels 2 (former Magistrates’ Court and Indoor Market) and Parcel 4 (Bromsgrove Street car park) is being pursued as part of the Future High Street funding bid.

The tables below set out the main activities – based on the priorities in the new corporate plan - that are planned across the period of the strategy, how they contribute to the Council’s priorities and the outcomes that are expected.

Priority: Supporting a successful local economy

	What we’re planning to do
Working with partners to create the conditions and certainty to foster a growing and sustainable local economy	Complete new Rail Station work in early 2020. Deliver completed works to Worcester Street by end of December 2019. Complete new highways works to Churchfields by summer 2020. Supporting businesses to utilise the Local Development Order for South Kidderminster Enterprise Park, which

	What we're planning to do
	was extended for further three years. Support the Kidderminster BID.
Bringing forward regeneration and development opportunities and the infrastructure to support them	Complete Future High Streets Fund business case submission by April 2020 Complete works to provide new industrial units on former Frenco site, Silverwoods Way by end of January 2020. Complete purchase new industrial units on Silverwoods Way by end of 2020. Complete demolition of Crown House in early 2020 and implement temporary use as car park.
Creating new job opportunities and improving skills	Continue to work with the new Chairman of the North Worcestershire Employment & Skills Board to bring forward opportunities in the district. Continue to work with LEP Growth Hubs to attract inward investment and to work with existing businesses to foster their growth ambitions.
Helping new businesses to start up and existing businesses to grow	Continue to support business growth through European Regional Development Fund programme and sector interventions through Worcestershire Business Central and the GBSLEP Growth Hub work. Support the delivery of the Local industrial Strategies for the two LEP areas, positioning the North Worcestershire priorities accordingly.
Attracting inward investment and accessing alternative funding sources	Working with GBSLEP and WLEP Growth Hubs to target new inward investment. Continue to promote the area as "The Natural Place To Invest". Contribute to the early engagement on the Shared Prosperity Fund to ensure maximum funding opportunities achieved,

	What outcomes we're planning to achieve
A community with lower unemployment and improved skills	Keep claimant count in line with or below county average.
A diverse and well connected economy with vibrant and successful town centres	Deliver a successful Future High Streets Fund project by 2024

	What outcomes we're planning to achieve
Redevelopment of redundant and under-used land and buildings	Redevelopment of former Magistrates Court site.
Improved infrastructure	Opening of new rail station buildings in early 2020. Completion of new highways works to Horsefair/Churchfields by summer 2020.

Priority: A clean and green living environment

	What we're planning to do
Creating a greener and cleaner local environment	To maintain quality standards in terms of presentation and diversity of space
Supporting the provision and maintenance of high quality public spaces	Implement improvements at Brinton Park if Heritage Lottery Fund bid is successful
Working with partners to reduce crime and the fear of crime	Continuing to work with partners to deliver community safety projects. Continuing to work with partners to tackle Serious and Organised Crime covering CSE, drug related crime, county lines and modern day slavery Working with partners to establish a new North Worcestershire ASB Complex Case Group and to review the Community Trigger process Commence a review of the PSPOs for Stourport and Bewdley ahead of October 2020 Implement the externally funded CCTV digital upgrade in partnership across North Worcestershire

	What outcomes we're planning to achieve
Clean streets and quality open, green public spaces that are enjoyed by all	<ul style="list-style-type: none"> Continued high satisfaction ratings Diverse quality open spaces
An environment that is respected and cared for, and where local people take pride in their surroundings	<ul style="list-style-type: none"> Continue to educate, promote and enforce so that the environment can be enhanced, protected and enjoyed by everyone
Low levels of crime and anti	Working with partners to improve

	What outcomes we're planning to achieve
social behaviour	<p>perceptions of crime ratings</p> <p>Working with partners to reduce crime and anti social behaviour</p> <p>Strategic Assessment has been completed and is being used to develop the Partnership Plan</p>

Good quality and affordable homes for all

	What we're planning to do
Working towards meeting current and future housing needs, with an up-to-date local development plan that provides for growth in the number of houses	Consultation on pre-submission version of Local Plan closed on 14 th October and plan should be approved for submission to the Inspector by Council in February 2020.
Preventing and reducing homelessness	Ongoing implementation of the Homelessness Reduction Act 2017 and provision of services to prevent homelessness. The Council is currently consulting on the Homelessness and Rough Sleeping Strategy 2019 – 2022 with a planned adoption by 31 st December 2019.

	What we're planning to achieve
An increased supply of good quality and decent homes that are affordable to individuals and families	275 units of housing were approved in 2018 and of these 101 were for affordable housing.
A reduction in the number of people becoming homeless	The Homelessness Reduction Act 2017 has placed new burdens on the Council and households are encouraged to approach for assistance so numbers are increasing. The 2017 Act has increased the number of cases supported by the Council. We have invested in temporary accommodation to minimise use of bed and breakfast and have managed to cope with the increased service demand.

Government funding and controls over council expenditure

- 4.28 The national position remains uncertain at the time of writing. The Government failed in its efforts to leave the European Union on 31st October, and the General Election on the 12th December increases uncertainty around future funding and when the announcements will be made to inform this year's process.

- 4.29 Against this backdrop, the Government has sought to provide some certainty in financial planning by organising a very rapid one year spending round for 2020-21 that was unveiled on 4th September. 75% business rate retention and the fair funding formula have been delayed to 2021.
- 4.30 The one-year Spending Round should be confirmed in the 2020-21 Provisional Local Government Finance Settlement that was due to be announced by 5th December. However the General Election on the 12th December means it is uncertain if this will be issued before or after Christmas. As a consequence an updated note will be issued to Cabinet once the Provisional Settlement is received updating any text or tables that change. The Final Settlement is expected in the New Year and further updates to this report will be provided once this is available:

The main points of interest for local government from the one Year Spending Round and included in the recent consultation paper were as follows:

- The reset and fair funding review to be put back to 2021-22
- No reductions to specific grants
- Inflation increases to Baselines
- Negative Revenue Support Grant (RSG) to be removed for 2020-21
- RSG payments to be paid in line with 2019-20 amounts (now with an increase for inflation)
- New Homes Bonus legacy payments to be paid
- All 75% pilots to end in 2019-20 (the assumption is the 100% pilots from 2017-18 will continue)
- An additional £54m in 2020-21 to help homelessness and rough sleeping to the funding already provided in 2019-20
- Confirmation that a total of £241m will be made available through the Towns Fund in 2020-21 to support the regeneration of high streets and town centres
- 2% or £5, whichever is the higher as the criteria for reference for “excessive” council tax increases

Business rates

- 4.31 This Council is currently participating in a pan-Worcestershire Business Rates Pool (WBRP) pilot for the 75% Business Rate Retention for 2019-20 financial year. This one year arrangement is at no detriment to our financial position based on our former membership of the Worcestershire Business Rates Pool. Given the confirmation that the current arrangement will end on the 31st March 2020, an application has been made for membership of a Worcestershire Pool for 2020-21 that also includes the Fire Authority; this will be confirmed as part of the Provisional Finance Settlement and a final decision then made within 28 days. The position in relation to further appeals and resultant uncertainty due to the impact on performance of the Pool remain a concern; this is being managed by the Corporate Director: Resources in conjunction with the other treasurers within the Pool. Business rates projections included within this report will be reviewed and revised if necessary before budget recommendations are finalised. It is unknown if Business Rate Pools will cease when the new funding system is introduced.

5. **KEY ISSUES - BASE POSITION, PRESSURES AND ASSUMPTIONS**

- 5.1 Attached at Appendix 1 is the forecast base budget position for the period 2019-20 to 2022-23. The Capital Programme together with the details to support the related recommendations in this report is contained in the separate Capital Strategy report; the revenue implications are included within the MTFS projections.
- 5.2 The Base Budget shown at Appendix 1 includes the financial implications of all previous decisions which reduced costs in areas such as the Wyre Forest Forward Programme. New Cabinet Proposals are considered within this report at paragraphs 8.2 and 8.3.
- 5.3 Inflation has been included in the Base Budget for 2020-23 onwards as follows:

Table 5.3 Inflation Assumptions- including Local Pay Arrangements

The assumptions in the first two years reflect the Local Pay Arrangement covering 2018-19 to 2020-21 agreed at December 2017 Council. After this date the national pay increases have been forecast at 3%. This has resulted in a budget pressure included within these MTFS projections of £110k in 2020-21 and £220k in 2021-22 to reflect this. However no extra cost is to be assumed as a result of the pay and grading review as this would add to the funding gap. This therefore assumes that the reshaping of the Council will result in staffing levels reducing or that, for example, other savings/efficiencies or additional income will outstrip current budget assumptions to fund this:

	2019-20	2020-21	2021-22	2022-23
Consolidated increase	1.25%	1.25%	3.00%	3.00%
Non-consolidated award	Zero	0.25%	Zero	Zero
Total	1.25%	1.50%	3.00%	3.00%

Other Inflation Assumptions	2019-20 %	2020-21 %	2021-22 %	2022-23 %
Business rates – forecast CPI (to be confirmed in due course)	2.2	2.1	2.0	2.0
Other contractual commitments	included at actual	included at actual	included at actual	included at actual

- 5.4 No other inflation will be included in the estimates for the financial strategy.
- 5.5 The Base Budget takes account of the current position in relation to the forecast level of interest that the Council can expect to receive. The current assumptions that have been used within the Base Budget are as follows:
- h. Expected returns in 2020-21 based on investment returns of 1.00%;
 - i. Expected returns in 2021-22 based on investment returns of 1.25%;
 - j. Expected returns in 2022-23 based on investment returns of 1.50%.
- 5.6 To create capacity to support the pace and scale of change the Corporate Leadership Team has made various allocations from the **Innovation Fund** to meet the cost of additional resource required to meet the ambitious innovation agenda.

The Innovation Fund balance is forecast to stand at £393k as at 30th November 2019 taking into account commitments including those as a result of the proposed management restructure approved by Council on the 26th September). A top-up of £100k in 2020-21 is part of this approval, from resultant savings. The reserve is also being replenished as part of this budget process to cover severance costs of future reductions in staffing costs by £200k in 2019-20 and a further £100k in 2020-21. The General Risk Reserve is forecast to stand at £305k as at the end of September taking into account commitments. This is being replenished by £150k as part of the budget process. Both of these key reserves will be reviewed and potentially replenished as part of the final accounts process.

- 5.7 The current projection is that the **annual savings target that needs to be achieved for both Wyre Forest Forward and Cabinet Proposals** over the next three years to close the funding gap and to avoid drawing on reserves is around £1.68m. The signal in the one year Spending Review that negative RSG will be deferred for another year is very welcome but unfortunately is offset by other new funding pressures; it does though lessen the funding gap forecast in 2020-21.
- 5.8 The administration of the **local council tax reduction scheme** continues to be generally smooth with no change to the 20% maximum reduction from April 2016 applied to council tax for people of working age assumed for this year. A number of technical changes to the scheme became effective from April 2019 to take into account the introduction of Universal Credit (UC) from November 2018. These changes better align the local scheme with UC to avoid additional administration costs. Collection rates continue to show modest improvements so far this year assisted by additional recovery work partly funded for the third year by Worcestershire County Council. The demographics of the district, including rising pensioners who are protected and the number of working age unemployed, albeit that this is on a downward trend, represent pressures on our Local Scheme.
- 5.9 The roll-out of **Universal Credit** from November 2018 to new applicants has gone relatively smoothly so far and some reductions in staffing numbers have been possible, achieved by natural wastage, due to ongoing reductions in team workloads. This will continue to be monitored.
- 5.10 This Council continues to **work jointly** with other Worcestershire colleagues to find ways to maximise council tax income. While it has not proved possible to achieve introduction of a standard council tax reduction scheme due to political inconsistencies, best practice has been adopted wherever possible. Close links are also maintained with Worcestershire County Council and we have benefited from funding for additional recovery work for the last three years to help improve collection rates. It is hoped this funding and other collaborative work will continue. However, the funding pressures on Worcestershire County Council means that it is highly likely that some cost pressures will be passed onto districts. A future collaborative work stream that may emerge is a reduction in the size of our general waste bins. This does not feature in the MTFS and will be subject to future reports and approvals.
- 5.11 The Government's waste strategy includes proposals to require weekly food waste collection. The Government is also proposing further consultation on whether councils should offer free garden waste collection. These initiatives are considered a significant retrograde step, as the surplus that the Council generates from charging for garden waste collections helps to sustain other services. The Government has promised to meet all the costs of change but it is impossible to rely

on such a “guarantee” at this stage when legislation has not been passed and detailed estimates of costs and the regime for funding them are not known. This area thus represents a potentially significant funding risk for the council in future.

- 5.12 Work on alternative service delivery models including shared services will continue including shared services with our Northern Alliance colleagues in particular. No savings are assumed in this report but will be reported in the future when more detail emerges.

5.13 Localism

Working with our Town and Parish Council Partners to protect services and amenities that our communities value by the transfer or sharing of ongoing costs is a key aspiration of this MTFs. Local Councils can use headroom available to them as a result of them not being subject to the excessive council tax rise cap.

Discussions are ongoing covering a wide range of services and assets with a flexible approach being taken to how arrangements can work for the mutual benefit of both parties. Whilst evidence shows that the scope for our Town and Parish Councils to increase their precept levels to the English average for 2019-20 would generate circa £1.06m it would be overly optimistic to include this figure as a saving in the MTFs without evidence to support it.

The table below shows the potential contribution to our funding gap from the ongoing Localism work that is included in paragraph 8.2.3 as a Cabinet Proposal. These savings are phased over a number of years to allow the Town and Parish Councils to raise their precepts incrementally. Work is well in progress to further analyse these costs and agree arrangements with our Town and Parish Council partners on services that could be transferred/shared subject to detailed negotiations.

Total Generic Further Annual Savings to be assumed from Localism in the MTFs until firmer proposals are agreed	
Year	£
2020-21 - Est based on timeframe	135,000
2021-22	245,000
2022-23	350,000
2023-24	525,000
2024-25	700,000

- 5.14 Summary of other main assumptions to be used and relevant factors:
- Government funding – **negative RSG** deferred for 2020-21 then previous level assumed.
 - New Homes Bonus** – no new, New Homes Bonus in 2020-21 due to current low number of new homes and position on long term empty homes. Legacy payments only assumed as per the current MTFs.
 - Increases in Council tax** of £5 pa from 2020-21 onwards. If as part of the Final Settlement flexibility up to a 3% increase is allowed then the proposed increase will be revised to reflect this.
 - The approach to be taken to **fees and charges** this year will continue to have regard to demand and other market conditions. As a result some fees and

charges may be frozen or increased by less than the average of 5%. For background information the proposals for 2019-20 showed that 46% of Fees and Charges will be frozen whilst a further 23% were increased but below the general 5%. Car parking charging policy has been reviewed. The MTFs has been prepared on the assumption of £150k net increase in 2020-21 as a result of various policy changes. Some customers will pay less whilst other visitors to our towns will be required to pay more. The Administration's proposals are summarised in paragraph 8.1 below.

- e. **3% pay increase** assumed from 2021-22 together with an assumption that the introduction of a Job Family approach to pay grading will be cost neutral overall taking into account workforce changes.
- f. The results of the **Pension Fund's triennial revaluation** in 2016 were more favourable in the final event than initially anticipated resulting in savings in the annual step-up increases of £87,100 in 2017-18, £119,000 in 2018-19 and £126,900 in 2019-20. The Council has also benefited from a saving of £426,600 for the three years from 2017-18 as a result of payment in advance of the Pension Fund Deficit for 3 years in respect of last actuarial evaluation. **So far the forecasts from the Pension Fund actuaries for the 2019 triennial revaluation to be effective from 2020-21 look cautiously optimistic.** There is likely to be an increase in the future service rate from the current 15.3% to circa 18.8% that could cost in excess of an extra £200kpa. Indications are that this can be offset by a reduction in the annual deficit contributions. An increase is also yet to be factored in for the McCloud age discrimination ruling but this should be offset by a discount to be offered if we pay our deficit funding upfront for the 3 year period. **A modest potential saving of c £100k pa after taking into account increased pension risk reserves for future economic volatility is currently forecast.** This position is however subject to change particularly given the volatile economic outlook and will not be confirmed by the actuary until January 2020. A proposal for a move to a quadrennial revaluation across the sector to include LGPS funds was considered but strongly resisted across Worcestershire. It is likely that there will be interim valuations during this 3 year period that may change contributions and also move us to a four yearly cycle.
- g. **Council Tax Base** – Despite a comparatively low increase between 2019-20 and 2020-21 of 194, based on data from planning applications an increase of **300 Band D equivalent properties** or circa 0.9% compared to the 2020-21 Council Tax Base will be assumed for each year. The increase will be made up of new homes constructed and coming into occupation and also changes in exemptions, discounts and benefit claimants that all contribute to a higher chargeable Council Tax Base for the district. These relatively modest forecasts reflect the slowdown in the completion of new properties experienced over the last few years. This is lower than assumed in the government's figures for Settlement purposes but more realistic for this Council.
- h. No **Collection Fund surplus** has been assumed across all years.
- i. **No provision** has been made in respect of the claim from **Worcestershire Acute Hospitals NHS Trust for charitable exemption business rates** for the Kidderminster Hospital and Treatment Centre as this claim has been strongly refuted. The Council will continue to work closely with the LGA on this issue and awaits the decision of the test court case heard on 4th November 2019.
- j. **Homelessness Reduction Act** – new burdens funding has failed to cover the additional costs of the homelessness service and following approval of a £70k supplementary estimate by September 2019 Cabinet, additional costs have

been reflected in this MTFS. Information on the Council's share of the £54m announced in the Spending Round is awaited.

- k. The revised **capital and revenue implications** of the current Capital Programme have been included in projections including the **allocation of funding from the Evergreen Investment Fund to lay out the former Crown House** site in Kidderminster as a temporary car park at an estimated cost of £25k. It also includes the impact of the recommendation to Council from Cabinet on the 17th November in relation to the conversion of a property in Stourport. This report recommended that the funding within the Capital Programme previously set aside for Comberton Place (as per the report of 11/07/17) is removed from the Capital Programme and that £60k is **reallocated to the Raven Street refurbishment** and the remainder returned to the Evergreen Investment Fund as unallocated. This recommendation will be made as part of the suite of MTFS papers to Council in February 2020 and the Capital Programme included in the Appendix of this report reflects this reallocation
- l. **Increased contributions of £150k pa across all years for our share of funding of the GBSLEP**, to reflect the fact that this Council is not a member of the GBS Business Rates Pool, will continue to be included within this MTFS until the position regarding two-LEP membership is confirmed.
- m. Progression of the **Capital Portfolio Fund** has provided additional net income compared to the original assumption and is currently forecast to achieve £344,740 in 2019-20, £340,140 in 2020-21, and £281,000 in 2021-22 (lower amount in 2021-22 due to the full impact of MRP). This is after allowance has been made for a generic Planned Property Maintenance Reserve of 20% of the total net income to supplement the service charge sinking fund to help mitigate future risk.
- n. Funding from the **Police and Crime Commissioner (PCC)** for the current level of **Community Safety Partnership staffing** was confirmed for 2018-19 and 2019-20 but is not assumed for future years. Resultant savings if this service is continued in partnership in the future will be part of the generic Localism savings targets; see paragraph 8.2.5.

5.15 In terms of external Prudential Borrowing, the Council may enter into further external borrowing in 2019-20 and beyond. This will continue over the medium and longer term and an average interest rate of 3% for 2019-20, increasing to 4% for 2020-21, 4.5% for 2021-22 and 5% for 2022-23 are our assumptions within the base budget to fund the cost of this. The increase in PWLB rates by a whole percentage point notified and implemented with immediate effect on the 9th October may impact on the viability of future business cases for both the Capital Portfolio and the Development Loans Fund. Alternative sources of borrowing will continue to be explored and sourced.

5.16 Progress continues to be made to meet the generic Wyre Forest Forward (WFF) savings targets. The WFF savings in the current budget compared to the revised budget are shown in the table below. This table has been updated for savings achieved including those from the approved management restructure.

5.17 Table 5.17 shows the breakdown of unachieved generic savings targets and proposed use of reserves after Cabinet Proposals in the revised budget to illustrate the scale of the financial gap the Council needs to address. The Table shows that £300k of the generic Wyre Forest Forward savings have been rescheduled from 2020-21 into 2021-22. The rationale for making such a change at this point is that it is reasonable to await the outcome of the General Election, the new Government's

budget in early/spring 2020 and the Spending Review that has to happen in 2020, to understand better what the probable future funding arrangements for this Council will be. This Council has a good track record of achieving target savings and continues to make steady progress towards achieving the latest generic targets. However the significant use of reserves in 2021-22 and beyond means that further significant change is inevitable. Use of reserves across the MTFs is predicated on achievement of significant generic savings/increased income. Work is underway to agree plans to meet these targets and these are expected to be progressing well by the start of 2020-21.

Table 5.17 How the Strategy addresses the Financial Gap

	2019-20	2020-21	2021-22	2022-23
Financial Gap	£	£	£	£
Depot 2020 - additional rental income WFH	0	50,000	50,000	50,000
Generic Localism Savings to be confirmed	0	135,000	245,000	350,000
Efficiency Savings (2%, 1%, 1%,1%)	21,240	57,660	161,310	161,310
Wyre Forest Forward Savings not yet achieved	0	198,370	554,750	231,130
Income Generation Target not yet achieved		25,000	75,000	100,000
SUB- Total	21,240	466,030	1,086,060	892,440
Use of reserves from Proposed 2020-23 Strategy	41,430	453,540	370,760	790,790
TOTAL	62,670	919,570	1,456,820	1,683,230

The Development Plan

- 5.18 The Council is now well-advanced with its review of the Local Plan for the period 2016-2036. If the Council does not plan for further significant growth in population in the medium to long-term, there is a significant risk of losing resources over time as Wyre Forest's population declines relative to the population of England. Significant growth could be delivered only through the current review of the local development framework which is planned for adoption in late 2020, so it is unlikely to contribute anything significant in the 2020-23 period.
- 5.19 Latest population mid-year estimates (2018 MYE) show that growth was much lower in 2017-18 compared with the previous 3 years with only an additional 347 people recorded. Wyre Forest has seen 2.1% growth over the last 4 years, with almost 40% of this growth occurring in 2016-17. This is much greater than that seen over the 10 years 2001-2011 (1.1% growth). Worcestershire as a whole has seen a 2.9% growth 2014-18 compared with 4.4% 2001-11. However, population growth in Wyre Forest is lagging behind the rest of Worcestershire and the country as a whole. A breakdown of the figures shows that migration, especially internal, accounted for almost all the growth. There was actually a loss of 214 people as a result of deaths exceeding births over the 12 month period. In comparison, 2017-18 had 62 more deaths than births.

	2014 MYE	2015 MYE	2016 MYE	2017 MYE	2018 MYE	% change
England	54,316,618	54,786,327	55,268,067	55,619,430	55,977,178	3.1%
West Midlands	5,713,284	5,751,000	5,800,734	5,860,706	5,900,757	3.3%
Worcestershire	575,421	578,593	583,053	588,370	592,057	2.9%
Wyre Forest	98,960	99,503	99,902	100,715	101,062	2.1%

Latest projections (2016) show a projected increase in population to 106,134 by 2041. This equates to an increase in population of 6.1% over 25 years. This is much

higher than the 3.2% growth predicted for 2012-2031 based on the 2012 projections and the 5.9% growth predicted for 2014-39 based on the 2014 projections. However the projected growth is significantly lower than the county, regional and national projections.

	2016	2041	% change
England	55,268,100	61,952,100	12.1
West Midlands	5,810,800	6,494,000	11.8
Worcestershire	583,500	641,000	9.9
Wyre Forest	100,007	106,134	6.1

The 2018-based population projections have recently been released for England. This shows a much lower projected increase in population over the 25 years 2018-43 of 9.6%. This can be attributed to much higher death rates and lower levels of international migration. These latest projections are not yet available below the national level.

- 5.20 Significant growth can continue to help with our income and tax base in the long-term. The Council will have to provide some additional services (e.g. refuse collection) but many others are not elastic in response to population (e.g. museum, economic development, town centre, street cleaning). More people living locally would mean greater competition and demand for some services and provide greater opportunities for external income generation than might otherwise have been the case.

6. FUNDING: LOCAL AUTHORITY REVENUE FINANCE SETTLEMENT FOR 2020-21, BUSINESS RATES AND NEW HOMES BONUS

- 6.1 The one year spending round for 2020-21 was unveiled on 4th September confirming that 75% business rate retention and the fair funding formula have been delayed to 2021. The key points from the Spending Round are set out in paragraph 4.30.
- 6.2 Depending on the outcome of the General Election, Public sector funding reductions look to continue until the middle of the next decade, with increasing reliance on locally raised income including Council Tax. The funding outlook for local government, districts in particular, could become significantly more challenging.
- 6.3 Table 6.3 below identifies the overall position in relation to the Government Grant, Business Rates, New Homes Bonus and Council Tax income. Negative RSG has been removed for a second year in 2020-21 but is assumed to continue thereafter. All figures are subject to confirmation when the Final Settlement figures are issued. There is a risk that we will not achieve the growth in business rates towards offsetting funding reductions. This would reduce balances significantly and will be kept under review. The table in 6.5 shows the value of the retained business rates separately for further information.

Table 6.3 Total Funding including RSG, New Homes Bonus, Business Rates and Council Tax

Year	Revenue Support Grant £	Business Rates £	New Homes Bonus £	Council Tax £	Total £
2016-17	1,222,290	2,802,660	2,356,450	6,720,820	13,102,220
2017-18	553,300	2,920,240	1,910,300	6,783,860	12,167,700
2018-19	100,680	3,282,070	1,272,700	7,004,100	11,659,550
2019-20	0	3,395,610	906,100	7,234,190	11,535,900
2020-21	0	3,354,320	232,690	7,445,500	11,032,510
2021-22	(356,790)	3,136,410	201,960	7,682,520	10,664,100
2022-23	(356,790)	3,194,640	63,390	7,922,550	10,823,790
Total	1,162,690	22,085,950	6,943,590	50,793,540	80,985,770

6.4 New Homes Bonus

New Homes Bonus grant in 2019-20 was paid on the basis of 4 years award; there was no grant paid for baseline growth below 0.4% for the annual grant award for 2018-19 and 2019-20. However the probability is that New Homes Bonus funding will not continue in its current form in future years; more detail is awaited. Current assumptions are that only legacy payments will continue past 2020-21 so this funding stream reduces significantly over the MTFS as shown below.

NHB Forecast for new MTFS	2019/20 Total Budget	2020/21 Total Budget	2021/22 Total Budget	2022/23 Total Budget
NHB YEAR 6 2016/17 PAID UNTIL 2019/20 (4 yrs)	673,410			
NHB YEAR 7 2017/18 PAID UNTIL 2020/21 (4 yrs 80%)	30,730	30,730		
NHB YEAR 8 2018/19 PAID UNTIL 2021/22 (4 yrs 50%)	138,570	138,570	138,570	
NHB YEAR 9 2019/20 PAID UNTIL 2021/22 (4 yrs 50%)	63,390	63,390	63,390	63,390
	906,100	232,690	201,960	63,390

The arrangements for allocation of New Homes Bonus (NHB) Funding pose a serious challenge to future financial sustainability for this and many other councils as the Council uses the bonus to fund its revenue activities, including important work on economic regeneration and development. This is even more significant given the transition to the new funding model where business rates growth is of increased importance. The impact of the introduction of the national baseline of 0.4%, below which funding allocations will not be made, has had a severely detrimental impact on this Council's funding. This has been exacerbated by a slowdown in the housing growth within the district.

Since introduction of the scheme housing growth has been within a range of 194 to 599 of the council tax base. This has given rise to NHB as shown in Table 6.4.1:

Table 6.4.1 Year NHB Paid	2016-17	2017-18	2018-19	2019-20	2020-21
Additional Properties	464	192	227	227	186
Change in Long term Empties	135	2	21	21	14
Net New Properties for NHB	599	194	248	248	200
Change for 2017/18					
Number of Band D Equivalents		176	244	209	159
Deduct Baseline 0.40%		163	165	166	167
Net New Properties for NHB		13	79	43	-8
NHB funding Year £000	673	31	139	63	0
Cumulative NHB Grant £000	2,358	1,910	1,273	906	233

*For 2017/18 NHB the 0.4% baseline meant that out of total growth of 176 properties only 13 qualified for NHB grant funding

** Payments of NHB grant are based on additional properties in the prior 12 months so additional properties refer to performance in prior year

The estimation of additional properties giving rise to NHB has been undertaken by the forward planning and council tax teams in liaison with finance officers. The results are shown in Table 6.4.2.

Table 6.4.2	2017-18	2018-19	2019-20	2020-21
Estimated Completions	176	244	209	159
Estimated Baseline	163	165	166	167
Estimated No attracting NHB	13	79	43	0

The amount of NHB (and also council tax) that the Council receives is sensitive to the timing of housing completions and a significant proportion of future income is therefore dependent on receipt of large scale residential applications and the pace at which developers build-out their sites. Housing completions in the district have slowed down in recent years as existing major sites are developed; it could also be due to uncertainty created by Brexit. The assumed, optimistic and pessimistic projections presented in Table 6.4.3 illustrate the potential volatility inherent with this funding stream.

Table 6.4.3 – Assumed Growth in Housing and Sensitivity of NHB Receivable				
£'000	2019-20	2020-21	2021-22	2022-23
Net additional no of properties	209	159	165	165
NHB Grant Payable (£'000)	166	0	0	0
Cumulative NHB (ASSUMED)	906	233	202	63
Cumulative NHB (optimistic) + 5%	951	245	212	66
Cumulative NHB (Pessimistic) -5%	861	221	192	60

- 6.5 Business Rate projections based on the 75% Business Rates 1 year Pooling Pilot in 2019-20 and a 50% revised Worcestershire pooling agreement for 2020-21 are shown in table 6.5 below. These take into account the Council's share of forecast growth from major redevelopments, appeals, reliefs, economic regeneration work; forecast increases in the multiplier for inflation and other Business Rates market intelligence. These estimates may require updating following the final confirmation/decision regarding Pool membership and also completion of the statutory 2020-21 estimates for the MHCLG in January 2020. The Table below shows the revised assumptions and growth assumed in this budget report.

Table 6.5- Revised Value of Retained Business Rates

Year	Value of Retained Business Rates (including future forecasts)	Growth	Average Annual Growth
	£	£	%
2013-14	2,435,300		-
2014-15	2,300,280	(135,020)	-5.5%
2015-16	2,547,610	247,330	10.8%
2016-17	2,802,660	255,050	10.0%
2017-18	2,920,240	117,580	4.2%
2018-19	3,282,070	361,830	12.4%
2019-20	3,395,610	113,540	3.5%
2020-21	3,354,320	(41,290)	-1.2%
2021-22	3,136,410	(217,910)	-6.5%
2022-23	3,194,640	58,230	1.9%
Total	29,369,140	759,340	2.6%

- 6.6 The government continues to grapple with the Fair Funding Review and the introduction of the 75% retention of locally collected rates in 2021-22. This additional revenue should replace reductions in RSG and New Homes Bonus but is likely to come with additional responsibilities that give rise to additional costs. At this point in time it is not possible to calculate the effects of this change as not enough details are known. This will be covered in a future MTFs.

The optimistic view in Table 6.6 reflects the limited perceived upside over the period of the MTFs. The downside risk is limited by the membership of the Worcestershire Business Rates Pool.

£'000	2019-20	2020-21	2021-22	2022-23
As Modelled (ASSUMED)	3,396	3,354	3,136	3,195
As Modelled +2.5% (optimistic)	3,481	3,438	3,214	3,275
As Modelled -7.5% (pessimistic)	3,141	3,102	2,901	2,955

6.7 Other Key Operational Assumptions

6.7.1 The Council's 'Net Service Expenditure' is the total amount spent on services, offset by income associated with the provision of those services such as planning fees receivable, income generated by the Council's car parks, or service specific grant income. The basis of the Council's projected Net Service Expenditure is the 2019-20 budget. This is adjusted for known 'one-offs' (income or expenditure arising in 2019-20 only) and then appropriate inflation rates are applied. Finally, further allowances are made for material changes in service income or cost on the basis of discussion with the relevant Service Managers. For 2019-20 onwards budgets have also been reviewed in order to identify both one-off and ongoing efficiencies that can be made in order to balance the Council's finances over the medium to long term.

Other key operational assumptions are as follows:

6.7.2 Expenditure Pressures

Additional expenditure may be unavoidable due to policy, legislative or commercial pressures. Where material and anticipated at this stage these cost increases (or reductions in income) are incorporated into the MTFs

The projections include amounts relating to benefit subsidies.

Sensitivity of estimates

Many individual elements within the Council's operational income and expenditure can be financially volatile. For example, a relatively few major planning applications can generate the bulk of fee income. However, the demand for services can generally be anticipated and, on a portfolio basis, the cost of services is both relatively stable and manageable. It is therefore considered reasonable to apply an overall sensitivity to Net Service expenditure of 2.5% either way, as set out below:

£'000	2019-20	2020-21	2021-22	2022-23
As Modelled (ASSUMED)	11,577	11,607	11,259	11,881
As Modelled +2.5% (pessimistic)	11,866	11,897	11,540	12,178
As Modelled -7.5% (optimistic)	10,709	10,736	10,415	10,990

7. BUDGET CONSULTATION RESULTS

7.1 In a new initiative as agreed by the Financial Strategy Panel on 24th June 2019 consultation with the public was undertaken at an earlier stage in the budget process. The Budget Consultation survey was launched on the 21st October and ran until the 18th November 2019. The results of this consultation are set out below and have informed the proposals in this report.

7.2 A total of 613 respondents accessed the consultation. A summary of the responses (top two categories of response) is shown below. A full list of the questions and more detailed analysis is available in Appendix 6.

Question 1: District councils across England have, on average, increased their part of council tax bills by 11.4% over the last 9 years. What do you think the increase has been in Wyre Forest over that period?

8.5%	61% <i>*correct</i>
10%	32%

Question 2: How strongly do you agree that in 2020 we should increase our part of the council tax by up to 13p per week to help maintain essential services?

<i>Strongly Support</i>	35%
<i>Support</i>	38%

Question 3: How strongly do you agree that we should help maintain essential services by a modest increase in our fees and charges?

<i>Strongly Support</i>	28%
<i>Support</i>	37%

Question 4: How strongly do you agree that the number of cuts of highways verges should be reduced to match the level of funding from the county council?

Strongly Support 44%
Support 35%

Question 5: Do you agree that the district council should cut verges (including those on housing estates and residential areas) no more than twice a year?

Strongly Support 40%
Support 35%

Question 6: How much do you think the average town or parish council charges in Wyre Forest?

£35.65 per year 41%* correct
 £52.72 per year 45%

Question 7: Which services of these would you support being run by parish and town councils?

Service	Response in favour %	Ranking
Arts	50	4
Community Safety project work	48	5
Enforcement	39	9
Health and Sustainability	48	5
Events	55	2
Litter-picking and emptying litter bins	55	2
Nature reserves	41	7
Parks	52	3
Play areas	50	4
Public toilets	59	1
Supporting local businesses/work with town centres	40	8
Upkeep of Kidderminster Cemetery	46	6

Question 6: How strongly would you support your parish or town council increasing the amount they raise in council tax to protect services if they choose to do so?

Strongly Support 24%
Support 43%

7.3 The Council continues to engage with the public, staff, other Members and various stakeholders in setting the direction of the Council. In these times of financial uncertainty difficult choices will be required on selective reductions in costs in line with the Council's priorities. The earlier consultation undertaken this year has helped to inform the Cabinet's Proposals. The total number of people taking part in the budget consultation is much higher than last time (613 versus 430 responses) and can be considered to be a representative sample of overall public opinion. All but four of the respondents took part in the survey online. Around 100 paper copies were made available at public buildings in all three key towns across the district.

- 7.4 All of the questions received support with a minimum of 65% supporting or strongly supporting every proposal. The proposal that received the strongest support was for reducing the number of cuts of highways verges should be reduced to match the level of funding from the county council with 79% of respondents either supporting or strongly supporting this proposal (Question 4). Of the services favoured to be run by parish and town councils, 6 of the 12 services listed received 50% or higher support with Public toilets scoring the highest support of 59%. The remaining 6 services received support ranging between 39% to 49% with Enforcement receiving the lower 39% support.

8. CABINET PROPOSALS

- 8.1 This section presents the Cabinet's proposed spending plans for the next three years.

Council tax

For five of the eight years between 2011 and 2019, the district council's element of council tax was frozen. At Band D, the district council's element of council tax increased from £197.62 in 2010-11 to £214.34 in 2019-20, an increase of £16.72 or 8.5% significantly lower than inflation across that period. Inflation as measured by CPI is running under 2% at present (1.7% as at October 2019). It is not expected to rise significantly by the time the Council sets council tax for 2020-21 at the end of February.

It is proposed that the Wyre Forest element of council tax will be increased by £5 pa or 2.33% for 2020-21 and a further £5 pa for 2021-22 onwards. If as part of the Final Settlement flexibility up to a 3% increase is allowed then the proposed increase will be revised to reflect this. The increase in the District Council's tax from 2011-12 to 2020-21 taking into account the latest proposal is only 9.9% compared to a CPI increase of 18.4% between 2011 and 2019 demonstrating that households within Wyre Forest have enjoyed sub inflation increases for many years.

Fees and Charges

All services were asked to consider relevant changes to fees and charges and the potential additional income this could generate. The risk of failing to optimise income due to elasticity of demand, changing economic circumstances and the emergence of competition was evaluated. As a result some fees and charges have been frozen or increased by less than the average of 5%. The proposals for 2020-21 show that 46% of Fees and Charges will be frozen whilst a further 23% are to be increased but below the general 5%. Car parking charging policy has been reviewed. The MTFS has been prepared on the assumption of £150k net increase in 2020-21 as a result of various policy changes some customers will pay less whilst other visitors to our towns will be required to pay more.

Car park charges were frozen for 2019-20 and last year's MTFS then assumed they would continue to be increased by CPI +2% subject to a 5% maximum cap. A new simplified approach is proposed in this MTFS that includes for the first time a regime of seasonal charging for Stourport and Bewdley. These changes were set out in detail in the report to Overview and Scrutiny Committee on 5th December 2019

It is also proposed that the subsidy for the outsourced Pest control service administered by Worcestershire Regulatory Services (WRS) is withdrawn from April 2020.

Spending proposals

8.2 The Cabinet Proposals build on previous decisions to transform the Council and focus on regeneration that should promote business rates, council tax and property income growth, reducing the funding gap. The proposals include further funding to support **localism, investment in the ICT Strategy, Stourport Riverside and continuation of the Community Leadership Fund**. The Cabinet proposals are set out in more detail as follows:

8.2.1 Approval for the **Community Leadership Fund for 2020-21 of £33k**;

8.2.2 Approval of a **revised programme for the maintenance of highways verge** to align with funding received from Worcestershire County Council and also to better align with the recent Plant Life report. **This will save £50k pa from 2020-21 onwards**;

8.2.3 Approval of a programme of phased savings from **Localism partnership working** with our Town and Parish Council colleagues as outlined in paragraph 5.13 of **£135k in 2020-21, £245k in 2021-22, £350k in 2022-23, £525k in 2023-24 and £700k in 2024-25**;

8.2.4 As part of the Localism initiative, approval that the transfer of responsibility for the **Arts Development officer and all discretionary events and summer activities** will be sought from the town councils by April 2021 at the latest or alternative sponsorship. If this is not achieved the final year of WFDC funding will be 2020-21; the resultant savings are included in the Localism totals in paragraph 8.2.3 above;

8.2.5 Approval that if the external funding is not confirmed and/or a Localism arrangement cannot be secured to retain the **Community Safety** staffing resource then it is proposed to cease this service at a time to be confirmed in 2020-21. It is hoped that a Localism arrangement can be agreed and if this is the case any PCC funding will also be passed on to the relevant body. In the event that continuity of this service cannot be agreed one-off severance costs will be incurred and CLT will utilise Innovation Funding to cover this. Resultant savings of **£45,280 in 2020-21 and £46,570 in 2021-22** (full year cost provided for context) will be part of the generic Localism savings targets; see paragraph 8.2.3 above;

8.2.6 Approval of additional **capital resource for the ICT Strategy of £653k phased over the MTFs with £250k in 2020-21, £278k in 2021-22 and £125k in 2022-23 proposed to be funded by prudential borrowing**. **The associated revenue costs are £4k in 2020-21, £63k in 2021-22 and £126k in 2022-23**;

- 8.2.7 Approval of the **removal of funding for Kidderminster Town Centre, Bewdley Development Trust and Stourport Forward** from 2020-21, saving a total of **£30,520 in 2020-21 onwards**;
- 8.2.8 Approval of a **schedule of improvements to Stourport Riverside** in line with the Master Plan prepared by Community First Partnership. One off costs to be funded from a combination of designated S106 funding, existing parks budgets with the balance to be funded from prudential borrowing. The ongoing running costs of these proposals are included together with financing costs. **The gross capital investment proposed is £150,000 of which £103,580 can be funded from S106 contributions so leaving £46,420 to be funded from prudential borrowing. The ongoing net revenue implications are £24,510 in 2020-21, £23,010 in 2021-22 and £23,010 in 2022-23**;
- 8.2.9 Approval of **essential health and safety capital works to the Depot Block E** for Operational Services of **£70k in 2020-21** funded from prudential borrowing with **revenue financing costs £1,510 in 2020-21, £6,510 in 2021-22 and £6,510 in 2022-23**;
- 8.2.10 Approval of the **HLF Brinton Park Project gross capital expenditure of £2.4m subject to HLF approval of the substantive funding and the final business case**. This includes approval of a **commitment to meet a maximum shortfall of £100k in capital partnership funding for the project to be funded from prudential borrowing**. Two new part-time, temporary posts plus an apprentice totalling 2 FTE overall, will be created as part of this project funded from within the overall scheme.

8.3 Details of Cabinet Proposals are summarised in the following table:

Cost Centre	ACTIVITY AND DESCRIPTION OF CABINET PROPOSAL	KEY	2020-21	2021-22	2022-23	After 2022-23
			£	£	£	£
			£	£	£	£
CLEAN, GREEN AND SAFE COMMUNITIES						
R205	Highways Maintenance of Verges To introduce a revised programme for the maintenance of highways verge to align with funding received from Worcestershire County Council and also align with the recent Plant Life report.	C	-	-	-	-
		R	50,000 CR	50,000 CR	50,000 CR	50,000 CR
		S	TBC	TBC	TBC	TBC
R335	Localism Fund To top up the single Localism Fund by a further £30k to continue the good work done so far with Parish and Town Councils and other local organisations.	C	-	-	-	-
		R	30,000	-	-	-
		S	-	-	-	-
	Localism To approve a programme of phased savings from Localism partnership working with our Town and Parish Council colleagues as outlined in paragraph 5.13 of £135k in 2020-21, £245k in 2021-22, £350k in 2022-23, £525k in 2023-24 and £700k in 2024-25.	C	-	-	-	-
		R	135,000 CR	245,000 CR	350,000 CR	700,000 CR
		S	1.40 CR	1.40 CR	1.40 CR	1.40 CR
				minimum	minimum	minimum
R205	Stourport Riverside To approve a schedule of improvements to Stourport Riverside in line with the Master plan prepared by Community First Partnership identifying development opportunities. Works will include access and car park improvements, construction of a circular route around the park and also street furniture improvements. Funding to be from designated S106, existing parks budgets with the balance to be funded from prudential borrowing. The ongoing running costs of these proposals are included together with financing costs.	C	150,000	-	-	-
		C	103,580 CR	-	-	-
		R	47,660	-	-	-
		R	23,150 CR	23,010	23,010	23,010
		S	-	-	-	-
R430	ICT Strategy To approve additional capital resource for the ICT Strategy of a total of £653k phased over the MTFS in line with the programme of works, proposed to be funded by prudential borrowing.	C	250,000	278,000	125,000	-
		R	4,000	63,000	126,000	193,000
		S	-	-	-	-
R720	Community Leadership Fund To retain this funding stream of £1,000 per Member for 2020-21.	C	-	-	-	-
		R	33,000	-	-	-
		S	-	-	-	-
R726	Town Centre Funding To remove funding for Kidderminster Town Centre, Bewdley Development Trust and Stourport Forward from 2020-21 onwards.	C	-	-	-	-
		R	30,520 CR	30,520 CR	30,520 CR	30,520 CR
		S	-	-	-	-
	Brinton Park HLF Approval of the HLF Brinton Park Project gross capital expenditure subject to HLF approval of the substantive funding and the final business case. This includes approval of a commitment to meet a maximum shortfall of £100,000 in capital partnership funding for the Brinton Park project to be funded from prudential borrowing . Proposed additional Council Capital Funding HLF plus partner external funding Progression of this project is subject to funding confirmation Additional full-time equivalent posts funded within overall project, including an apprentice from 2021-22	C	2,400,000	-	-	-
		C	100,000	-	-	-
		C	2,400,000 CR	-	-	-
		R	1,750	8,500	8,500	8,500
		S	0.70	2.00	2.00	2.00
	Depot Block E Works To undertake health and safety capital works to the Depot Block E so it is operationally functional to meet business need.	C	70,000	-	-	-
		R	1,510	6,510	6,510	6,510
		S	-	-	-	-
		C	466,420	278,000	125,000	-
		R	120,750 CR	224,500 CR	266,500 CR	549,500 CR
		S	0.70 CR	0.60	0.60	0.60
			Minimum	Minimum	Minimum	Minimum

8.4 The following table demonstrates the forecast position for the Council when all of the Cabinet Proposals are incorporated into the Base Budget. The Council is forecast to hold a balance of £2,130k at the end of 2022-23 (see reserves table in 9.2):

Table 8.4 – Revised Forecast Financial Position including Cabinet Proposals (before Finance Settlement)

	Revised 2019/20 £	2020/21 £	2021/22 £	2022/23 £
Net Expenditure on Services (per Appendix 1)	11,577,330	11,606,800	11,259,360	11,881,080
Total Net Expenditure on Services (per Appendix 1)	11,577,330	11,606,800	11,259,360	11,881,080
<u>Less</u>				
Cabinet Proposals	0	(120,750)	(224,500)	(266,500)
Net Expenditure	11,577,330	11,486,050	11,034,860	11,614,580
Contribution (from)/to Reserves	(41,430)	(453,540)	(370,760)	(790,790)
Net Budget Requirement	11,535,900	11,032,510	10,664,100	10,823,790
<u>Less</u>				
Revenue Support Grant	0	0	(356,790)	(356,790)
Business Rates	3,395,610	3,354,320	3,136,410	3,194,640
New Homes Bonus	906,100	232,690	201,960	63,390
Collection Fund Surplus	0	0	0	0
Council Tax Income	7,234,190	7,445,500	7,682,520	7,922,550
WFDC Council Tax: £5 increase per annum	214.34	219.34	224.34	229.34
Percentage increase in Council Tax	2.39%	2.33%	2.28%	2.23%

8.5 The Cabinet proposals identified in Section 8.3 build on the savings identified within all previous Financial Strategies and include cost reduction items to help progress the Council towards financial self-sufficiency.

9. WORKING BALANCES, RESERVES AND PROVISIONS

9.1 The Council has adopted the general principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance on Local Authority Reserves and Balances.

9.2 The following Reserves are available to assist the Council in meeting General Fund Expenditure 2020-23 as part of the Financial Strategy predicated on the generic savings shown in table 5.17 being achieved.

Table 9.2 - New Reserves (available for the MTFs) table after all Cabinet Proposals

Reserves Statement	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000
Reserves as at 1st April	3,787	3,746	3,292	2,921
Release of Earmarked Reserves	0			
Increase to Working Balance	0			
Contribution (from)/to Reserves	(41)	(454)	(371)	(791)
Reserves as at 31st March	3,746	3,292	2,921	2,130

9.3 In addition the Council holds a working balance of £1.2m following an external review by Link Asset Services last year. The external report advised that we considered increasing the working balance up to £1.5m. Currently, £1.2m is considered to be adequate; this may be increased from any easing of cost pressures, should they arise, as part of the Final Accounts process, to provide additional risk mitigation and the position will continue to be kept under review.

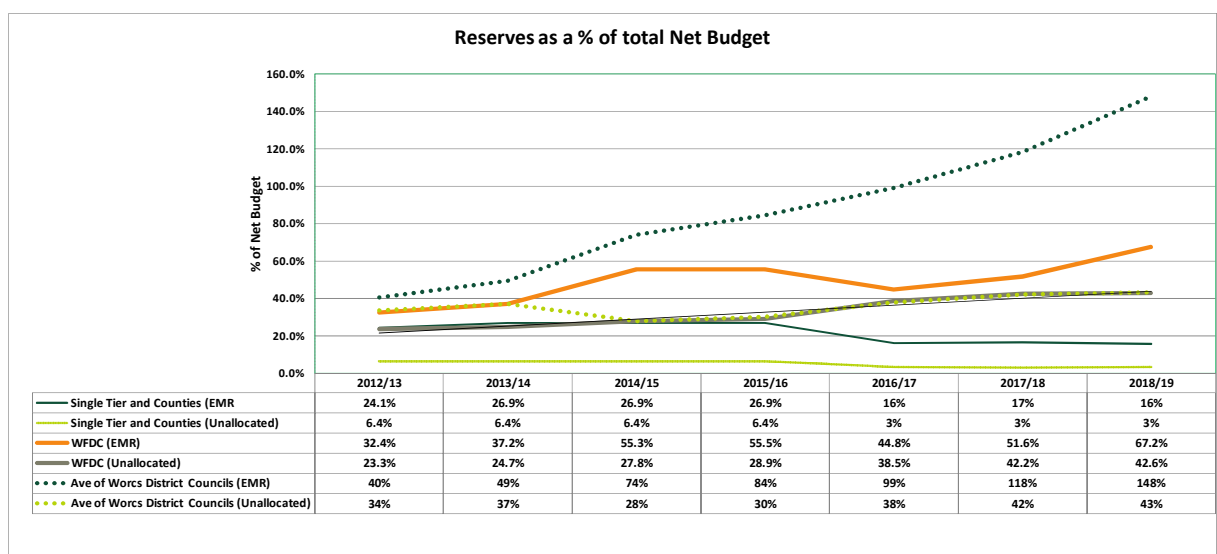
9.4 The Council also currently holds earmarked reserves of £7.8m (as at 30th November 2019). It should be noted that the Council has commitments against such earmarked reserves and the forecast balance after commitments is £4.6m. A General Risk Reserve is also held estimated at circa £795k as at 1st April 2019; the forecast balance after commitments is £305k (as at 30th November). It is proposed that the Innovation fund is replenished by £300k as part of these budget proposals and that the General Risk Reserve is topped up by £150k. The level of both of these reserves will be reconsidered as part of the Final Accounts process. The end of November balance on the Innovation Fund taking into account known commitments is £393k. A Planned Property Maintenance reserve was created last year by taking 20% of the net proceeds from Capital Portfolio purchases to help mitigate future unknown risk.

9.5 The following graph shows that both our general unallocated reserves (including the working balance) and our levels of earmarked reserves are a relatively small percentage of our annual net revenue budget. It also shows that our reserve levels are falling below those held by other district councils.

The anomalies in accounting for the current Business Rates Retention System caused a spike in the earmarked reserves for 2014-15 and 2015-16 due to increased reserves for appeals, which we have been obliged to allocate at the external auditor’s request. We should be mindful that these EMRs are for specific purposes and are likely to be required. In the extremely unlikely event that they were all imprudently released for revenue expenditure they would not cover even 6 months’ expenditure.

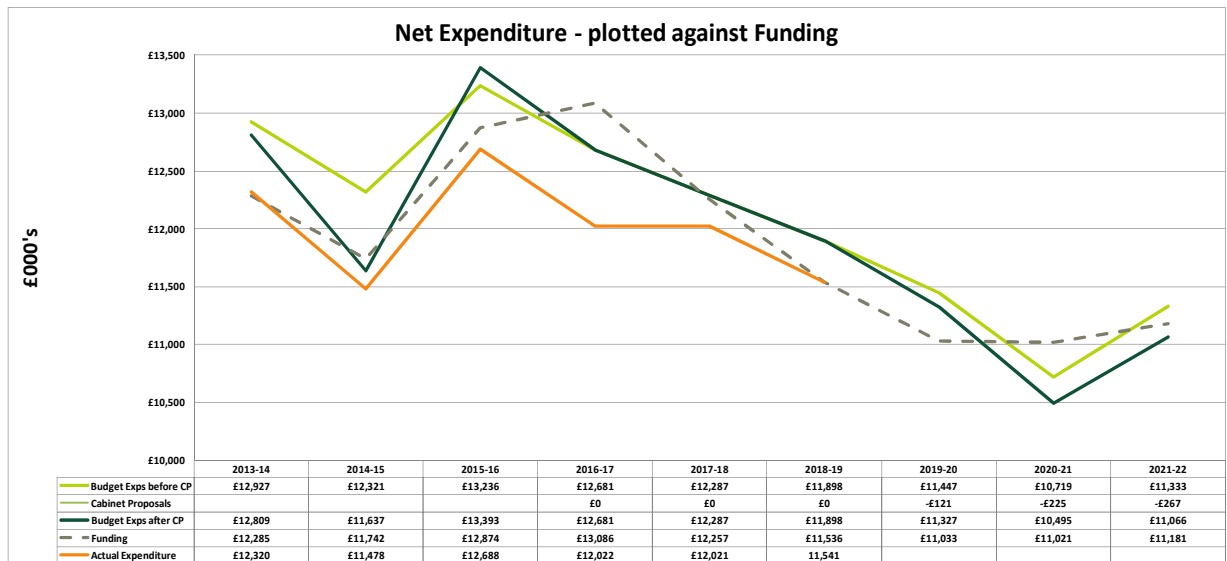
This analysis, together with the diminishing reserves shown in the table in 9.2, means this Council has extremely limited capacity to draw further on reserves to meet extra costs/further funding reductions. Indeed, with increased financial risk there is pressure to hold larger reserves to mitigate the impact of potential service reductions. The increase in earmarked reserves at the end of 2018-19 is in response to the prevailing uncertainty and risk.

Figure 9.5 Graph to show Reserves as a Percentage of Net Budget Actuals



9.6 The following graph shows the net expenditure against available funding (excluding reserves) and illustrates the increasing funding gap as the years progress.

Figure 9.6 Revised Graph to show Net Expenditure compared to Funding 2013-14 to 2021-22



10. CAPITALISATION OF REVENUE EXPENDITURE

10.1 The Chief Financial Officer will apply any unallocated Capital Receipts to fund suitable expenditure at year end in consultation with the Chief Executive in accordance with delegated authority.

10.2 No applications have been made for capitalisation directions for 2019-20.

11. FINANCE STRATEGY

11.1 The Council needs a Medium Term Finance Strategy to maintain a sound financial structure for the future.

11.2 The Key Objectives are proposed as follows:

- a. To reduce expenditure to a sustainable level.
- b. A balanced budget within resources available identified into the medium term.
- c. To manage the Council's assets in order to achieve maximum efficiency.
- d. To manage the Council's investments efficiently and effectively to maximise interest generation, whilst protecting principal.
- e. To make realistic provisions for inflation, pensions, committed growth and legislative requirements whilst securing the Council's financial position.
- f. To set aside any available balances, initially to be used primarily for "one-offs" (e.g. investment, service or corporate growth) and/or depending on the amount of balances, used in a phased manner beyond one year to avoid fluctuations in the level of the Council Tax.
- g. To ensure the early recognition of emerging issues associated with assessment of risk and appropriate management of the budget process in relation to the assessment of the degree of risk.
- h. To direct available financial resources in line with approved service priorities and reallocate from low/nil priority areas in line with Council Policy to maximise achievement of approved Key Commitments.
- i. For Council Tax increases the aim should be to keep to a maximum increase of about 2% or £5, whichever is the higher, and below the point at

which a referendum would be triggered. If as part of the Final Settlement flexibility up to a 3% increase is allowed then the proposed increase will be revised to reflect this.

- j. Maximise external income generation opportunities.
- k. To adopt new/innovative service delivery options to facilitate a more commercial approach and economic regeneration, utilising capital investment where this is shown to be viable in the relevant business case proposals. This includes continued progression of the development loans fund and capital portfolio fund balancing risk against reward.

12. POWERS TO LIMIT EXCESSIVE INCREASE IN COUNCIL TAX AND REFERENDUMS

- 12.1 The Localism Act abolished the ability for central government to cap the level of Council Tax increase that a local authority can charge. However, to replace these powers government have introduced a 'local tax lock'.
- 12.2 These powers allow local people a vote to stop council tax going up if their local authority increases Council Tax by more than an amount specified by government. If the local electorate votes against that increase, the local authority will have to revert to a council tax level that is compliant. For this report it has been assumed that any increases in 2020-21 above 2% or £5 whichever is the higher, would trigger a referendum. If as part of the Final Settlement flexibility up to a 3% increase is allowed then the proposed increase will be revised to reflect this.
- 12.3 Since Spending Review 2015 a Council's tax raising abilities have been taken into account when determining the balance of Central resources to be allocated. The shortfall in revenue raised by a tax increase below the maximum permissible level has to be wholly funded locally.

13. EQUALITY IMPACT NEEDS ASSESSMENT (EIA)

- 13.1 An EIA has been undertaken for the car parking and pest control proposals. The results for the car parking proposals do not show any negative impacts, the pest control EIA shows negative impacts so a full screening has been undertaken. The proposed change to this discretionary service will only be implemented after due notice and further mitigation is provided by the potential to apply for support from the Welfare Assistance Scheme in extreme circumstances. Two other Worcestershire districts already apply the proposed approach to pest control charges. None of the other Cabinet Proposals represent significant changes to service delivery so EIA's on the protected groups are not required.

14. BUDGET RISK MANAGEMENT AND SENSITIVITY ANALYSIS

- 14.1 Achieving ongoing financial sustainability is the most significant risk facing the Council. The work done by the Strategic Review Panel provided a range of ideas for the Cabinet to consider in making its recommendations on the Medium Term Financial Strategy.
- 14.2 The Accounts and Audit Regulations 2015 require Local Authorities to fully consider and manage Risk as part of the Budget process. Attached at Appendix 4 is an analysis of the significant financial risks which are affecting the Council.

14.3 All local authorities are required to formalise their approach to risk management and evidence it more directly as part of the budgetary process. This requirement has arisen as a result of:-

a. *Regulation 3 of the Accounts and Audit Regulations 2015 state that:*

“A relevant authority must ensure that it has a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives; ensures that the financial and operational management of the authority is effective and includes effective arrangements for the management of risk.”

In addition Regulation 4 of the Accounts and Audit Regulations 2015 also state that:

“The financial control systems determined must include measures to ensure that risk is appropriately managed”.

b. *Prudential Framework:-*

The assessment of affordability of financial plans requires a judgement about risk. Prudential Indicators are the monitoring tool to assess performance and risk.

c. *CIPFA Guidance on Reserves and Balances:-*

Highlights the need to consider risks facing the authority; the risks posed by the continuing austerity measures place pressure on the Council to hold higher levels of reserves to ensure ongoing sustainability.

14.4 In late October 2019 CIPFA issued a Financial Management Code (FM Code) which provides guidance for good and sustainable financial management in local authorities and will provide assurance that authorities are managing resources effectively. The first full year of compliance will be 2021-22. This reflects the recognition that organisations will need time to reflect on the contents of the code and can use 2020-21 to demonstrate how they are working towards compliance. This will link to the Financial Resilience Index information also to be provided by CIPFA. CIPFA issued the long awaited Guidance on Prudential Property Investment in Mid November 2019 including a detailed methodology on how authorities could calculate whether their property investments are proportional to the size of their revenue budgets. It is intended that the calculations for the Council will be included within the reporting on the levels of adequate reserves to cover off risk as part of the S151 Officer's report in February; if time permits.

14.5 Assumptions used in this MTFs are as set out in section 5.14 and the overall sensitivity analysis is set out below. The base budget makes no allowance for headroom for additional investment in priorities. In summary, other pressures not yet known and/or not taken into account at this stage are:

- Redundancy costs of further staffing reductions.
- Potential nationalisation of land charge searches by 2023.
- Future impact of welfare reforms including rising number of pensioners.
- Pressure to hold higher reserves because of higher risks/decreased funding.
- Emerging implications of the decision to leave the European Union/Brexit.
- Emerging/unknown implications of Worcestershire County Council decisions.
- Impact of the Government's Waste Strategy.

- Homelessness cost pressures after 2019-20.
- Emerging/unknown impact of the Spending Review
- Impact of the ongoing claims for mandatory business rates relief by Acute Hospitals Trust

14.6 The financial projections suggest deficits in funding across all three years under consideration, leading to an overall projected net deficit over the three years of some £1.68m. In broad terms this can be explained by the combination of cost pressures and reductions in Revenue Support Grant and New Homes Bonus receipts.

14.7 The planned Business Rates baseline reset in 2021 could result in a reduction in the ability to retain business rates growth and therefore there is a risk this will impact adversely on our overall funding position.

14.8 **Sensitivity Analysis**

The following tables summarise the Assumed, Pessimistic and Optimistic amounts for key elements of the Council's income and expenditure for each year of the MTFS.

The "Extreme" totals represent the unlikely situations where all the aspects of the Council's finances are either positive or negative. In reality management would take action to address expenditure at the point in time that significant shortfalls in income were identified. The tables do however show the sensitivity (and therefore the risk) relating to key areas and the difference between the optimistic and pessimistic assumptions for example New Homes Bonus illustrates the sensitivity of the overall financial projections to these underpinning assumptions:

Table 14.8.1 Sensitivity Summary 2020-21					
Description	<i>Pessimistic</i>		<i>Assumed</i>	<i>Optimistic</i>	
	£000	£000	£000	£000	£000
INCOME					
Council Tax	7,422	24	7,446	0	7,446
RSG	0	0	0	0	0
Business Rates	3,102	252	3,354	(84)	3,438
New Homes Bonus	221	12	233	(12)	245
EXPENDITURE					
Net Service Expenditure	11,897	290	11,607	(871)	10,736
Extreme Adverse Circumstances		578			
Extreme Positive Circumstances				(967)	

Table 14.8.2 Sensitivity Summary 2021-22					
Description	<i>Pessimistic</i>		<i>Assumed</i>	<i>Optimistic</i>	
	£000	£000	£000	£000	£000
INCOME					
Council Tax	7,562	121	7,683	0	7,683
RSG	(250)	(107)	(357)	107	(464)
Business Rates	2,901	235	3,136	(78)	3,214
New Homes Bonus	192	10	202	(10)	212
EXPENDITURE					
Net Service Expenditure	11,540	281	11,259	(844)	10,415
Extreme Adverse Circumstances		540			
Extreme Positive Circumstances				(825)	

Table 14.8.3 Sensitivity Summary 2022-23					
Description	<i>Pessimistic</i>		<i>Assumed</i>	<i>Optimistic</i>	
	£000	£000	£000	£000	£000
INCOME					
Council Tax	7,705	218	7,923	0	7,923
RSG	(250)	(107)	(357)	107	(464)
Business Rates	2,955	240	3,195	(80)	3,275
New Homes Bonus	60	3	63	(3)	66
EXPENDITURE					
Net Service Expenditure	12,178	297	11,881	(891)	10,990
Extreme Adverse Circumstances		651			
Extreme Positive Circumstances				(867)	

15. LOCAL GOVERNMENT ACT 2003

- 15.1 Local Government Act 2003 (Sections 25-29) places duties on Local Authorities on how they set and monitor budgets.
- 15.2 Sections 25-27 require the Section 151 Officer to report on the robustness of the estimates and the adequacy of its proposed financial reserves. This will be reported to Cabinet on 11th February 2020 and form part of the Council report on 26th February 2020.
- 15.3 Section 28 places a statutory duty on an authority to review its budget from time to time during the year. If the Budget Monitoring Report shows that there has been deterioration in the Authority's financial position, the authority must take such action as it concludes necessary. The Council currently reviews the Budget on a quarterly basis, with CLT/Cabinet receiving monthly budget monitoring reports, and this practice will continue.

16. CONSULTEES

- 16.1 Corporate Leadership Team
- 16.2 Cabinet

17. BACKGROUND PAPERS

- 17.1 Accounts and Audit Regulations 2015
- 17.2 Agendas and Minutes of the Strategic Review Panel from June 2019 onwards
- 17.3 Cabinet Report on updated Capital Strategy 2020-30 also on this agenda
- 17.4 Budget Consultation Results
- 17.5 Spending Round 2020-21 Technical Consultation
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/836539/Local_Government_Finance_Settlement_2020-21_Technical_Consultation_.pdf
- 17.6 Corporate Plan 2019-23
<https://www.wyreforestdc.gov.uk/media/4734748/CorporatePlanJPEG.JPG>.

WYRE FOREST DISTRICT COUNCIL
REVENUE BUDGET TOTAL REQUIREMENTS - DISTRICT COUNCIL PURPOSES

SERVICE	2019/20		2020/21			2021/22			2022/23			TOTAL £
	Original Estimate £	Revised Estimate £	At Nov.19 Prices £	Inflation £	TOTAL £	At Nov.19 Prices £	Inflation £	TOTAL £	At Nov.19 Prices £	Inflation £	TOTAL £	
CHIEF EXECUTIVE AND SOLICITOR TO THE COUNCIL	1,490,640	1,780,810	1,473,540	25,630	1,499,170	1,043,720	65,720	1,109,440	1,341,040	109,380	1,450,420	
COMMUNITY WELL-BEING AND ENVIRONMENT	4,700,920	4,556,910	4,516,770	89,820	4,606,590	4,256,220	226,850	4,483,070	4,265,220	381,840	4,647,060	
ECONOMIC PROSPERITY AND PLACE	1,035,390	1,986,000	1,605,710	61,730	1,667,440	1,294,840	155,610	1,450,450	1,187,280	248,520	1,435,800	
RESOURCES	3,648,500	3,574,290	3,611,080	63,200	3,674,280	3,498,310	178,150	3,676,460	3,492,640	306,830	3,799,470	
LESS: CAPITAL ACCOUNT	10,875,450	11,898,010	11,207,100	240,380	11,447,480	10,093,090	626,330	10,719,420	10,286,180	1,046,570	11,332,750	
INTEREST RECEIVED	362,870	(207,360)	222,980	1,020	224,000	444,990	2,880	447,870	608,400	4,960	613,360	
CAPITAL PORTFOLIO FUND AND DEVELOPMENT	(121,440)	(171,370)	(180,130)	0	(180,130)	(212,500)	0	(212,500)	(240,000)	0	(240,000)	
LOANS FUND	728,670	58,050	328,790	0	328,790	576,030	0	576,030	554,550	0	554,550	
INCREASES IN FEES AND CHARGES-CAR PARKS	0	0	(157,130)	0	(157,130)	(164,260)	0	(164,260)	(221,390)	0	(221,390)	
INCREASES IN FEES AND CHARGES-OTHER	0	0	(56,210)	0	(56,210)	(107,200)	0	(107,200)	(158,190)	0	(158,190)	
EFFICIENCY DRIVE SAVINGS	0	0	0	0	0	0	0	0	0	0	0	
TOTAL NET EXPENDITURE ON SERVICES	11,845,550	11,577,330	11,365,400	241,400	11,606,800	10,630,150	629,210	11,259,360	10,829,550	1,051,530	11,881,080	
LESS: REVENUE SUPPORT GRANT	0	0	0	0	0	0	0	0	0	0	0	
BUSINESS RATES	(2,795,610)	(2,795,610)	(2,795,610)	0	(2,854,320)	(2,854,320)	0	(2,911,410)	(2,911,410)	0	(2,969,640)	
BUSINESS RATES GROWTH	(600,000)	(600,000)	(600,000)	0	(600,000)	(600,000)	0	(600,000)	(600,000)	0	(600,000)	
BUSINESS RATES - NATIONAL LEVY REDISTRIBUTED	0	0	0	0	0	0	0	0	0	0	0	
COMMUNITY RIGHT TO BID/CHALLENGE	0	0	0	0	0	0	0	0	0	0	0	
COLLECTION FUND SURPLUS	0	0	0	0	0	0	0	0	0	0	0	
NEW HOMES BONUS	(906,100)	(906,100)	(906,100)	0	(906,100)	(906,100)	0	(906,100)	(906,100)	0	(906,100)	
TRANSITION GRANT	0	0	0	0	0	0	0	0	0	0	0	
GENERAL EXPENSES -	(7,234,190)	(7,234,190)	(7,234,190)	(7,234,190)	(7,445,500)	(7,445,500)	(7,445,500)	(7,682,520)	(7,682,520)	(7,682,520)	(7,922,550)	
COUNCIL TAX INCOME												
(SURPLUS) / DEFICIT FOR YEAR	309,650	41,430	574,290	574,290	574,290	574,290	574,290	595,260	595,260	595,260	1,057,290	
COUNCIL TAX LEVY		214.34	219.34	219.34	219.34	219.34	219.34	224.34	224.34	224.34	229.34	
COUNCIL TAX BASE		33,751	33,945	33,945	33,945	33,945	33,945	34,245	34,245	34,245	34,545	

OVERALL SERVICE BUDGET VARIATIONS
CURRENT APPROVED BUDGET COMPARED TO REVISED BUDGET 2019-20
BEFORE FUNDING

TOTAL REVISED BUDGET 2019-20	£ 11,577,330
LESS: TOTAL ORIGINAL BUDGET 2019-20	11,845,550
Supplementary Estimate for Homelessness agreed by Cabinet 18th September 2019	75,000
CURRENT APPROVED BUDGET 2019-20	11,920,550
DECREASED NET EXPENDITURE ON YEAR	(343,220)

Description of Estimated Major Variances	Extra Costs/ Reduced Income £	Savings/ Additional Income £
Chief Executive and Solicitor to the Council		
1. Elections - local elections reduced cost share with Parishes due to uncontested seats	34,100	
2. Legal Services Court and Legal Costs		(9,000)
Resources		
1. Pension deficit funding and unfunded benefits	41,000	
2. Benefits admin subsidy reduction	9,000	
3. Benefit overpayment recovery		(65,000)
4. ICT - Tenant charges		(39,000)
5. Accountancy and Financial Services - Additional SLA income (KTC)		(14,000)
Community Well Being and Environment		
1. Parking facilities - Business rates and maintenance to fund known liabilities	54,000	
2. Green Street Depot - Security, cleaning & hygiene increased cost and income target not met 2019 but planned for 2020-21	34,000	
3. Driver Training - net position against budget, commercial income is in-line with business case although some costs have exceeded assumptions	11,000	
4. Garage - external income target reduced due to disruption to public access caused by Depot 2020 project	13,100	
5. Highways cleansing, Pick-up Artists (£7k) (supported by grant) and income shortfall	12,000	
6. Bewdley Museum Commercial Activities - wedding income shortfall	10,000	
7. Parking facilities - additional income from season tickets		(30,000)
8. Grounds Maintenance, Landscaping and Arboriculture (net income growth from commercial activity, including sponsorship)		(17,000)
9. Procurement saving on skip contract for waste transfer station		(10,000)
10. Trade waste collection - Net cost centre surplus due to growth in customer base		(8,500)
11. Public conveniences - business rates reduction		(8,000)
12. Parks & Green Spaces - external agencies		(8,000)
Economic Prosperity and Place		
1. Wyre Forest House rental income (churn of tenants as original leases expire)	39,210	
2. Capital Portfolio and Development Loans Fund - slippage	38,310	
3. Land Charges income shortfall (£35k net of payts to other LAs)	28,000	
4. Industrial Estates Commercial Development - Slippage on Silverwoods scheme	25,250	
5. Homelessness Housing Advice and Access to Housing - Increase in grant reserved for future spending commitments less temporary accommodation savings	25,000	
6. Private Sector Housing - HMO Fine income shortfall	10,000	
7. Development Control - Planning advice enquiry fees (£21k) and Planning app fees (£31k)		(51,000)
8. NW Econ Dev & Regeneration Shared Service - Restructure		(35,000)
9. WRS inflationary uplift not required and one-off court fees		(15,450)
10. Development Management/Enforcement - provision of tree services to Worcester City		(13,270)
11. Facilities Management SLA KTC		(10,000)
Capital Account		
1. Capital Account - treasury interest received		(50,000)
2. MRP and Borrowing - reduction in external borrowing costs due to slippage in Capital Programme in 2018-19 and low rates due to economic uncertainty (BREXIT)		(447,530)
Corporate Variations		
1. Generic Income growth target (achieved)	75,000	
2. Corporate savings (Pay)		(99,300)
3. Wyre Forest Forward Savings achieved	181,650	
	640,620	(930,050)
Other minor variations		(53,790)
Decreased Net Expenditure on Year		(343,220)

OVERALL SERVICE BUDGET VARIATIONS
REVISED BUDGET 2019/20 COMPARED TO BASE BUDGET 2020/21
BEFORE FUNDING

	£
TOTAL BUDGET 2020/21	11,606,800
ADD: Fees and Charges	213,340
	11,820,140
LESS: TOTAL REVISED BUDGET 2019/20	11,577,330
INCREASED NET EXPENDITURE ON YEAR (including inflation)	242,810

Description of Estimated Major Variances	Extra Costs/ Reduced Income £	Savings/ Additional Income £
Chief Executive and Solicitor to the Council		
1. Elections and Electoral Register one-off costs 2019-20		(34,100)
Resources		
1. Non-recurring release of EMR to support new burdens (Benefits)	30,000	
2. Benefits admin subsidy reduction	21,500	
3. Bank charges and Audit fee	6,500	
4. The Hub - KTH lease		(12,500)
Community Well Being and Environment		
1. CWE restructure - post employment benefits (EMR)	100,000	
2. Community Safety - PCC Grant not assumed	30,310	
3. Wyre Forest Leisure Centre utility benchmarking cost	10,000	
4. Trade waste collection tipping fees	9,000	
5. Green Street Depot cleaning contract (Full year)	6,000	
6. Kidderminster Town Hall transfer agreement		(48,000)
7. Cabinet proposal (MTFS 2019-22) Community Leadership Fund - 1 year only		(33,000)
8. Depot 2020 efficiency and income target		(30,000)
9. Parking facilities - maintenance (one-off increase costs at RE (-£30k)), +£5k reinstating equipment budget, +£6k business rates.		(19,000)
10. Driver training - income target growth in-line with Business case		(15,580)
11. CWE unidentified efficiency savings		(13,000)
12. Highway cleansing - one-off expenditure 2019-20 (Pick-up Artists equipment)		(7,000)
Economic Prosperity and Place		
1. Development control income	25,000	
2. Other Property (includes Crown House lost income from lease surrender)	21,610	
3. Homelessness Housing Advice and Access to Housing movement on EMR	16,460	
4. WRS increase in cost of share service and one-off income received 2019-20	20,000	
5. Increased rental income target for WFH (Depot 2020 and tenant churn 2019)		(61,000)
6. Capital Portfolio and Development Loans Fund		(41,950)
7. Industrial Estates Commercial Development (New Siverwoods Development)		(25,250)
8. Other Industrial Estates reactive repairs and maintenance (Insurance claim) 2019-20		(10,330)
Capital Account		
1. Capital Account - treasury interest received		(10,000)
2. MRP and Borrowing - stepped increase in external borrowing costs due to slippage in Capital Programme in 2018-19 and rates	405,140	
Corporate Variations		
1. Corporate (net Pay including efficiencies, management of vacancies, pay inflation and superannuation service benefit accrual rate increase)	83,920	
2. Wyre Forest Forward savings		(188,370)
3. Generic Income growth target		(25,000)
	785,440	(574,080)
Other minor variations		31,450
Increased Net Expenditure on Year		242,810 *

* Includes inflationary uplift of £241,400

WYRE FOREST DISTRICT COUNCIL**FEEES AND CHARGES 2020-2021****SUMMARY**

DIRECTORATE	KEY	CHANGES IN INCOME		
		2020-21 £	2021-22 £	2022-23 £
Fees and Charges - Noting Appendix 3 (Part 1)	C	-	-	-
	R	-	-	-
	S	-	-	-
Fees and Charges - Cabinet Appendix 3 (Part 2)	C	-	-	-
	R	205,950 CR	55,950 CR	105,950 CR
	S	-	-	-
Fees and Charges - Council Appendix 3 (Part 3)	C	-	-	-
	R	7,390 CR	7,390 CR	7,390 CR
	S	-	-	-
GRAND TOTAL	C	-	-	-
	R	213,340 CR	63,340 CR	113,340 CR
	S	-	-	-

Key - Changes in Resources

C - Capital

R - Revenue

S - Staffing - Stated in FTE's

Compounded Effect of Fees and Charges

For Summary

2020-21	2021-22	2022-23
£	£	£

213,340 CR	63,340 CR	113,340 CR
	208,120 CR	58,120 CR
		208,120 CR

213,340 CR	271,460 CR	379,580 CR
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WYRE FOREST DISTRICT COUNCIL**FEEES AND CHARGES 2020-2021****NOTING**

Cost Centre	ACTIVITY AND DESCRIPTION OF SERVICE OPTION	KEY	2020-21	2021-22	2022-23
			£	£	£
R500	<u>CHIEF EXECUTIVE</u> <u>Elections - Sale of Registers</u> Charges in line with The Representation of the people (England and Wales) Regulations 2001.	C	-	-	-
		R	-	-	-
		S	-	-	-
R185 R193	<u>COMMUNITY WELL-BEING AND ENVIRONMENT</u> <u>Civil and Environmental Enforcement</u> To maintain Fixed Penalty Notices and Penalty Charge Notices at statutory levels.	C	-	-	-
		R	-	-	-
		S	-	-	-
R605	<u>ECONOMIC PROSPERITY AND PLACE</u> <u>Development Control</u> Planning application fees are set by statute. They were increased by 20% in 2018-19.	C	-	-	-
		R	-	-	-
		S	-	-	-
R637	<u>Environmental Health - Pollution Control</u> To maintain LAPPC charges at statutory level (revised annually).	C	-	-	-
		R	-	-	-
		S	-	-	-
R638	<u>Licensing Activities - Gambling Act 2005</u> To charge permit fees and certain premises fees as determined by Government.	C	-	-	-
		R	-	-	-
		S	-	-	-
R638	<u>Licensing Activities - Licensing Act 2003</u> To maintain Liquor Licensing fees at statutory levels.	C	-	-	-
		R	-	-	-
		S	-	-	-
	TOTALS	C	-	-	-
		R	-	-	-
		S	-	-	-



Service	Elections and Electoral Registration	Service Manager	Electoral Services Manager
Directorate	Chief Executive	Cabinet Member	Housing, Health, Well-being and Democratic Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Elections and Electoral Registration			
SALE OF EDITED AND FULL ELECTORAL REGISTERS			
Charges for Marked Registers only (per legislation)			
Edited and Full Register			
Data	20.00 plus 1.50 per 1,000 entries	20.00 plus 1.50 per 1,000 entries	No VAT currently charged
Printed	10.00 plus 5.00 per 1,000 entries	10.00 plus 5.00 per 1,000 entries	No VAT currently charged
Overseas Electors			
Data	20.00 plus 1.50 per 1,000 entries	20.00 plus 1.50 per 1,000 entries	No VAT currently charged
Printed	10.00 plus 5.00 per 1,000 entries	10.00 plus 5.00 per 1,000 entries	No VAT currently charged
Marked Registers			
Data	10.00 plus 1.00 per 1,000 or part	10.00 plus 1.00 per 1,000 or part	No VAT currently charged
Printed	10.00 plus 2.00 per 1,000 or part	10.00 plus 2.00 per 1,000 or part	No VAT currently charged

NOTES:

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



Service	Operational Services	Service Manager	Operational Services Manager
Directorate	Community Well-Being and Environment	Cabinet Member	Operational Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Civil and Environmental Enforcement			
Fixed Penalty Notices			
Depositing Litter (Section 87/88 - Environmental Protection Act 1990)	150.00* (Maximum penalty 2,500.00)	150.00* (Maximum penalty 2,500.00)	No VAT currently charged
Fly-Posting or Graffiti (Section 43 - Anti-Social Behaviour Act 2003)	150.00* (Maximum penalty 2,500.00)	150.00* (Maximum penalty 2,500.00)	No VAT currently charged
Unauthorised distribution of free printed matter (Schedule 3A, paras. 1(1) and 7 - Environmental Protection Act 1990)	150.00* (Maximum penalty 2,500.00)	150.00* (Maximum penalty 2,500.00)	No VAT currently charged
Nuisance Parking (Section 6(1) - Clean Neighbourhood Act 2005)	100.00 (Maximum penalty 1,000.00)	100.00 (Maximum penalty 1,000.00)	No VAT currently charged
Abandoning a vehicle (Section 2A(1) - Refuse Disposal (Amenity) Act 1978)	200.00 (Maximum penalty 2,500.00)	200.00 (Maximum penalty 2,500.00)	No VAT currently charged
Failure to produce authority - Waste Carrier's Licence (Section 5/5B - Control of Pollution (Amendment) Act 1989)	300.00* (Maximum penalty unlimited)	300.00* (Maximum penalty unlimited)	No VAT currently charged
Failure to produce documentation - Waste Transfer Notes (Section 34(5) and regulations made under it/34/(6)/34A - Environmental Protection Act 1990)	300.00* (Maximum penalty unlimited)	300.00* (Maximum penalty unlimited)	No VAT currently charged
Industrial & Commercial Waste Receptacle Offences (Section 47 - Environmental Protection Act 1990)	100.00* (Maximum penalty 1,000.00)	100.00* (Maximum penalty 1,000.00)	No VAT currently charged
Failure to comply with a community protection notice (Section 48/52 Anti-Social Behaviour, Crime and Policing Act 2014)	100.00 (Maximum penalty unlimited)	100.00 (Maximum penalty unlimited)	No VAT currently charged
Depositing Controlled Waste (Fly Tipping) (Section 33(1)(a) and Section 33(Z)(a) - Environmental Protection Act 1990)	400.00* (Maximum penalty unlimited)	400.00* (Maximum penalty unlimited)	No VAT currently charged
Breach of Public Space Protection Order (Section 59 Anti-Social Behaviour, Crime and Policing Act 2014)	100.00 (Maximum penalty 1,000.00)	100.00 (Maximum penalty 1,000.00)	No VAT currently charged
Penalty Charge Notices			
Parking Offences (Fines will be reduced by 50% if paid within 14 days from date of issue)	Minimum 50.00 Maximum 70.00	Minimum 50.00 Maximum 70.00	No VAT currently charged No VAT currently charged

NOTES:

* Environment Enforcement Officers can reduce these fines using their discretion based on individual circumstances



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
Planning Applications - Statutory Fees Set By Central Government	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
OPERATIONS			
New Dwellings			
Outline planning permission			
Site does not exceed 2.5 hectare - rate per 0.1 hectare	462.00	462.00	No VAT currently charged
Site exceeds 2.5 hectares	11,432.00	11,432.00	No VAT currently charged
Rate per additional 0.1 hectare in excess of 2.5 hectares	138.00	138.00	No VAT currently charged
Maximum	150,000.00	150,000.00	No VAT currently charged
In other cases			
New Dwellings - dwellings less than 50 houses - rate per dwelling	462.00	462.00	No VAT currently charged
New Dwellings - dwellings exceeds 50 houses	22,859.00	22,859.00	No VAT currently charged
rate per additional dwelling over 50 houses	138.00	138.00	No VAT currently charged
Maximum	300,000.00	300,000.00	No VAT currently charged
Buildings other than dwellings, agricultural building, plant or glasshouses etc.)			
Outline planning permission			
Site does not exceed 2.5 hectares - rate per 0.1 hectare	462.00	462.00	No VAT currently charged
Site exceeds 2.5 hectares	11,432.00	11,432.00	No VAT currently charged
Rate per additional 0.1 hectare in excess of 2.5 hectares	138.00	138.00	No VAT currently charged
Maximum	150,000.00	150,000.00	No VAT currently charged
In other cases			
No additional floor space	234.00	234.00	No VAT currently charged
Gross area less than 40 sq metres	234.00	234.00	No VAT currently charged
Gross floor area between 40 and 75 sq metres	462.00	462.00	No VAT currently charged
Rate in excess of 75 sq metres, but less than 3,750 (per 75 sq metres)	462.00	462.00	No VAT currently charged
Gross floor area in excess of 3,750 sq metres	22,859.00	22,859.00	No VAT currently charged
Rate per additional 75 sq meter in excess of 3,750 sq meters	138.00	138.00	No VAT currently charged
Maximum	300,000.00	300,000.00	No VAT currently charged
Agricultural buildings on agricultural land (other than glasshouses)			
Outline planning permission			
Site does not exceed 2.5 hectares - rate per 0.1 hectare	462.00	462.00	No VAT currently charged
Site exceeds 2.5 hectares	11,432.00	11,432.00	No VAT currently charged
Rate per additional 0.1 hectare in excess of 2.5 hectares	138.00	138.00	No VAT currently charged
Maximum	150,000.00	150,000.00	No VAT currently charged
In other cases			
Gross area less than 465 sq metres	96.00	96.00	No VAT currently charged
Gross floor area between 465 and 540 sq metres	462.00	462.00	No VAT currently charged
Gross floor area between 540 and 4,215 sq meters	462.00	462.00	No VAT currently charged
Rate per additional 75 sq metres in excess of 540 sq meters	462.00	462.00	No VAT currently charged
Gross floor area in excess of 4,215 sq metres	22,859.00	22,859.00	No VAT currently charged
Rate per additional 75 sq metres in excess of 4,215 sq meters	138.00	138.00	No VAT currently charged
Maximum	300,000.00	300,000.00	No VAT currently charged
Glasshouses on agricultural land			
Gross area less than 465 sq meters	96.00	96.00	No VAT currently charged
Gross floor area in excess of 465 sq meters	2,580.00	2,580.00	No VAT currently charged
Erection, alteration or replacement of plant or machinery			
Gross area less than 5 hectares	462.00	462.00	No VAT currently charged
Gross area in excess of 5 hectares	22,859.00	22,859.00	No VAT currently charged
Rate per additional 0.1 hectare in excess of 5 hectares	138.00	138.00	No VAT currently charged
Maximum	300,000.00	300,000.00	No VAT currently charged



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
Planning Applications - Statutory Fees Set By Central Government	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Enlargement, improvement or alteration of dwellings for domestic purposes			
One dwelling	206.00	206.00	No VAT currently charged
2 or more dwellings	407.00	407.00	No VAT currently charged
Operations within residential curtilage for domestic purposes (including buildings, gates and fences etc.)	206.00	206.00	No VAT currently charged
Car parks, roads and access to serve a single undertaking where associated with existing use	234.00	234.00	No VAT currently charged
Operations not within above categories - rate per 0.1 hectare	234.00	234.00	No VAT currently charged
Maximum	2,028.00	2,028.00	No VAT currently charged
USES			
Change of use of a building to one or more dwellings			
From single dwelling to 50 or fewer dwellings	462.00	462.00	No VAT currently charged
From single dwelling to more than 50 dwellings	22,859.00	22,859.00	No VAT currently charged
Rate per additional dwelling in excess of 50 dwellings	138.00	138.00	No VAT currently charged
Maximum	300,000.00	300,000.00	No VAT currently charged
From other building to 50 or fewer dwellings	462.00	462.00	No VAT currently charged
From other building to more than 50 dwellings	22,859.00	22,859.00	No VAT currently charged
Rate per additional dwelling in excess of 50 dwellings	138.00	138.00	No VAT currently charged
Maximum	300,000.00	300,000.00	No VAT currently charged
Material changes of use on land or building(s) other than above	462.00	462.00	No VAT currently charged
ADVERTISEMENTS			
Advertisements on business premises or other land within the business curtilage relating to nature of business, goods sold, services provides, or name of persons undertaking business	132.00	132.00	No VAT currently charged
Sign relating to business in the locality but not visible from that site	132.00	132.00	No VAT currently charged
All other advertisements	462.00	462.00	No VAT currently charged
OTHER APPLICATIONS			
Certificate of existing use or development	As for a planning application	As for a planning application	
Certificate of proposed use or development	50% of planning application	50% of planning application	
Prior approval application under the General Permitted Development Order			
Application made under parts 6, 7 or 31	96.00	96.00	No VAT currently charged
Application made under part 24	462.00	462.00	No VAT currently charged
Renewal of permission			
Under the Town and Country Planning and Compulsory Purchase Act 2004 you can renew an application that was approved before 1st October 2009 and has not expired.			
Householder	68.00	68.00	No VAT currently charged
Major Development	690.00	690.00	No VAT currently charged
All other cases	234.00	234.00	No VAT currently charged



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Planning Applications - Statutory Fees Set By Central Government			
Variation or removal of a condition	234.00	234.00	No VAT currently charged
Requests for confirmation that a condition or conditions attached to a grant of planning permission has been complied with			
Householder developments (per request)	34.00	34.00	No VAT currently charged
All other cases (per request)	116.00	116.00	No VAT currently charged
Application for Non-Material Amendments following a grant of planning permission			
Householder developments (per request)	34.00	34.00	No VAT currently charged
All other cases	234.00	234.00	No VAT currently charged
Applications for Certificates of Alternative Development	234.00	234.00	No VAT currently charged
Please note that the following applications are County Matters which should be submitted to Worcestershire County Council:			
a) Operations connected with exploratory drilling for oil or gas			
b) Mineral operations			
c) Use for disposal of refuse or waste material			

NOTES:

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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	FROM 01-04-2020 £ Charges before VAT	FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Pollution Control			
LAPPC CHARGES			
Application Fee			
Standard process (includes solvent emission activities)	1,650.00	1,650.00	No VAT currently charged
Additional fee for operating without a permit	1,188.00	1,188.00	No VAT currently charged
PVRI, SWOBs and Dry Cleaners	155.00	155.00	No VAT currently charged
PVR I and II combined	257.00	257.00	No VAT currently charged
VRs and other Reduced Fee Activities	362.00	362.00	No VAT currently charged
Reduced fee activities: Additional fee for operating without a permit	99.00	99.00	No VAT currently charged
Mobile plant	1,650.00	1,650.00	No VAT currently charged
for the third to seventh applications	985.00	985.00	No VAT currently charged
for the eighth and subsequent applications	498.00	498.00	No VAT currently charged
Where an application for any of the above is for a combined Part B and waste application, add an extra £310 to the above amounts			
Annual Subsistence Charge			
Standard process - Low	739.00 (+99.00)*	739.00 (+99.00)*	No VAT currently charged
Standard process - Medium	1,111.00 (+149.00)*	1,111.00 (+149.00)*	No VAT currently charged
Standard process - High	1,672.00 (+198.00)*	1,672.00 (+198.00)*	No VAT currently charged
PVRI, SWOBs and Dry Cleaners - Low	79.00	79.00	No VAT currently charged
PVRI, SWOBs and Dry Cleaners - Medium	158.00	158.00	No VAT currently charged
PVRI, SWOBs and Dry Cleaners - High	237.00	237.00	No VAT currently charged
PVR I and II combined - Low	113.00	113.00	No VAT currently charged
PVR I and II combined - Medium	226.00	226.00	No VAT currently charged
PVR I and II combined - High	341.00	341.00	No VAT currently charged
VRs and other Reduced Fees - Low	228.00	228.00	No VAT currently charged
VRs and other Reduced Fees - Medium	365.00	365.00	No VAT currently charged
VRs and other Reduced Fees - High	548.00	548.00	No VAT currently charged
Mobile plant, for first and second permits - Low**	646.00	646.00	No VAT currently charged
Mobile plant, for first and second permits - Medium**	1,034.00	1,034.00	No VAT currently charged
Mobile plant, for first and second permits - High**	1,506.00	1,506.00	No VAT currently charged
for the third to seventh permits - Low	385.00	385.00	No VAT currently charged
for the third to seventh permits - Medium	617.00	617.00	No VAT currently charged
for the third to seventh permits - High	924.00	924.00	No VAT currently charged
eighth and subsequent permits - Low	198.00	198.00	No VAT currently charged
eighth and subsequent permits - Medium	316.00	316.00	No VAT currently charged
eighth and subsequent permits - High	473.00	473.00	No VAT currently charged
Late payment Fee	52.00	52.00	No VAT currently charged
Where a Part B installation is subject to reporting under the E-PRTR Regulation, add an extra £103 to the above amounts			
Transfer and Surrender			
Standard process transfer	169.00	169.00	No VAT currently charged
Standard process partial transfer	497.00	497.00	No VAT currently charged
New operator at low risk reduced fee activity (extra one-off subsistence charge - see Art 15(2) of charging scheme)	78.00	78.00	No VAT currently charged
Surrender: all Part B activities	0.00	0.00	No VAT currently charged
Reduced fee activities: transfer	0.00	0.00	No VAT currently charged
Reduced fee activities: partial transfer	47.00	47.00	No VAT currently charged
Temporary transfer for mobiles			
First transfer	53.00	53.00	No VAT currently charged
Repeat following enforcement or warning	53.00	53.00	No VAT currently charged
Substantial Change			
Standard process	1,050.00	1,050.00	No VAT currently charged
Standard process where the substantial change results in a new PPC activity	1,650.00	1,650.00	No VAT currently charged
Reduced fee activities	102.00	102.00	No VAT currently charged
LAPPC Mobile Plant Charges (not using simplified permits)			
First and second permits - Application Fee	1,650.00	1,650.00	No VAT currently charged
First and Second permits - Subsistence Fee - Low	646.00	646.00	No VAT currently charged
First and second permits - Subsistence Fee - Medium	1,034.00	1,034.00	No VAT currently charged
First and second permits - Subsistence Fee - High	1,506.00	1,506.00	No VAT currently charged
For the third to seventh permits - Application Fee	985.00	985.00	No VAT currently charged



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	FROM 01-04-2020 £ Charges before VAT	FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Pollution Control			
For the third to seventh permits - Subsistence Fee - Low	385.00	385.00	No VAT currently charged
For the third to seventh permits - Subsistence Fee - Medium	617.00	617.00	No VAT currently charged
For the third to seventh permits - Subsistence Fee - High	924.00	924.00	No VAT currently charged
Eighth and subsequent permits - Application Fee	498.00	498.00	No VAT currently charged
Eighth and subsequent permits - Subsistence Fee - Low	198.00	198.00	No VAT currently charged
Eighth and subsequent permits - Subsistence Fee - Medium	316.00	316.00	No VAT currently charged
Eighth and subsequent permits - Subsistence Fee - High	473.00	473.00	No VAT currently charged
LA-IPPC CHARGES			
Note: every subsistence charge below includes the additional £103 charge to cover LA extra costs in dealing with reporting under the E-PRTR Regulation.			
Application	3,363.00	3,363.00	No VAT currently charged
Additional Fee for operating without a permit	1,188.00	1,188.00	No VAT currently charged
Annual Subsistence - Low	1,446.00	1,446.00	No VAT currently charged
Annual Subsistence - Medium	1,610.00	1,610.00	No VAT currently charged
Annual Subsistence - High	2,333.00	2,333.00	No VAT currently charged
Late Payment Fee	52.00	52.00	No VAT currently charged
Substantial Variation	202.00	202.00	No VAT currently charged
Transfer	235.00	235.00	No VAT currently charged
Partial Transfer	698.00	698.00	No VAT currently charged
Surrender	698.00	698.00	No VAT currently charged

NOTES:

* The additional amounts in brackets must be charged where a permit is for a combined Part B and waste installation
 ** Not using simplified permits

LA-IPPC Charges

KEY
 Subsistence charges can be paid in 4 equal quarterly instalments paid on 1st April, 1st July, 1st October and 1st January. Where paid quarterly the total amount payable to the local authority will be increased by £38.

Reduced fee activities are listed in the Schedule to the Part B scheme.

Newspaper Advertisements

Newspaper adverts may be required under EPR at the discretion of the LA as part of the consultation process when considering an application (see Chapter 9 of the General Guidance Manual). This will be undertaken and paid for by the LA and the charging scheme contains a provision for the LA to recoup its costs.

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



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Gambling Permits - Statutory Fee Set By Central Government			
Club Gaming			
New Application	200.00	200.00	No VAT currently charged
Renewal Application	200.00	200.00	No VAT currently charged
Grant (Club Premises Cert Holder)	100.00	100.00	No VAT currently charged
Renewal (Club Premises Cert Holder)	100.00	100.00	No VAT currently charged
Annual Fee	50.00	50.00	No VAT currently charged
Change of Name	100.00	100.00	No VAT currently charged
Copy of Permit	15.00	15.00	No VAT currently charged
Existing Operator	100.00	100.00	No VAT currently charged
Club Gaming Machine			
New Application	200.00	200.00	No VAT currently charged
Renewal Application	200.00	200.00	No VAT currently charged
Grant (Club Premises Cert Holder)	100.00	100.00	No VAT currently charged
Renewal (Club Premises Cert Holder)	100.00	100.00	No VAT currently charged
Annual Fee	50.00	50.00	No VAT currently charged
Variation of Permit	100.00	100.00	No VAT currently charged
Change of Name	25.00	25.00	No VAT currently charged
Copy of Permit	15.00	15.00	No VAT currently charged
Existing Operator	100.00	100.00	No VAT currently charged
Transfer of Permit	25.00	25.00	No VAT currently charged
Prize Gaming			
New Application	300.00	300.00	No VAT currently charged
Renewal Application	300.00	300.00	No VAT currently charged
Transitional Application Fee	100.00	100.00	No VAT currently charged
Change of Name	25.00	25.00	No VAT currently charged
Copy of Permit	15.00	15.00	No VAT currently charged
Existing Operator	100.00	100.00	No VAT currently charged
Family Entertainment Gaming Machines			
New Application	300.00	300.00	No VAT currently charged
Renewal Application	300.00	300.00	No VAT currently charged
Change of Name	25.00	25.00	No VAT currently charged
Copy of Licence	15.00	15.00	No VAT currently charged
Existing Operator	100.00	100.00	No VAT currently charged
Licensed Premises less than 2 Gaming Machines			
New Application	50.00	50.00	No VAT currently charged
Licensed Premises more than 2 Gaming Machines			
New Application	150.00	150.00	No VAT currently charged
Annual Fee	50.00	50.00	No VAT currently charged
Change of Name	25.00	25.00	No VAT currently charged
Copy of Permit	15.00	15.00	No VAT currently charged
Existing Operator	100.00	100.00	No VAT currently charged
Transfer of Permit	25.00	25.00	No VAT currently charged
Variation of Permit	100.00	100.00	No VAT currently charged
Small Society Lottery			
Lottery Application (New)	40.00	40.00	No VAT currently charged
Lottery Application (Renewal)	20.00	20.00	No VAT currently charged

NOTES:

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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Gambling Premises License Fees - Statutory Fee Set By Central Government			
Notification of Change			
Adult Gaming Centre	50.00	50.00	No VAT currently charged
Betting Premises (excluding Tracks)	50.00	50.00	No VAT currently charged
Betting Premises (Tracks)	50.00	50.00	No VAT currently charged
Bingo Club	50.00	50.00	No VAT currently charged
Family Entertainment Centre	50.00	50.00	No VAT currently charged
Copy of Licence			
Adult Gaming Centre	25.00	25.00	No VAT currently charged
Betting Premises (excluding tracks)	25.00	25.00	No VAT currently charged
Betting Premises (tracks)	25.00	25.00	No VAT currently charged
Bingo Premise	25.00	25.00	No VAT currently charged
Family Entertainment Centre	25.00	25.00	No VAT currently charged
Copy of Notice			
Temporary Use Notices	25.00	25.00	No VAT currently charged

NOTES:

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



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	FROM 01-04-2020 £ Charges before VAT	FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Licensing Act 2003 - Statutory Fee Set By Central Government			
Club Premise Certificate (New & Variation)			
Band A - (rateable value £0 to £4,300)	100.00	100.00	No VAT currently charged
Band B - (rateable value £4,301 to £33,000)	190.00	190.00	No VAT currently charged
Band C - (rateable value £33,001 to £87,000)	315.00	315.00	No VAT currently charged
Band D - (rateable value £87,001 to £125,000)	450.00	450.00	No VAT currently charged
Band E - (rateable value over £125,000)	635.00	635.00	No VAT currently charged
Club Premises Certificate Annual Fee			
Band A - (rateable value £0 to £4,300)	70.00	70.00	No VAT currently charged
Band B - (rateable value £4,301 to £33,000)	180.00	180.00	No VAT currently charged
Band C - (rateable value £33,001 to £87,000)	295.00	295.00	No VAT currently charged
Band D - (rateable value £87,001 to £125,000)	320.00	320.00	No VAT currently charged
Band E - (rateable value over £125,000)	350.00	350.00	No VAT currently charged
Copy of Certificate	10.50	10.50	No VAT currently charged
Notification of change of name or alteration of club rules	10.50	10.50	No VAT currently charged
Change of relevant registered address of club	10.50	10.50	No VAT currently charged
Personal Licence			
Application	37.00	37.00	No VAT currently charged
Copy	10.50	10.50	No VAT currently charged
Premises Licence Application and Variation			
Band A - (rateable value £0 to £4,300)	100.00	100.00	No VAT currently charged
Band B - (rateable value £4,301 to £33,000)	190.00	190.00	No VAT currently charged
Band C - (rateable value £33,001 to £87,000)	315.00	315.00	No VAT currently charged
Band D - (rateable value £87,001 to £125,000)	450.00	450.00	No VAT currently charged
Band E - (rateable value over £125,000)	635.00	635.00	No VAT currently charged
Dx2	900.00	900.00	No VAT currently charged
Ex3	1,905.00	1,905.00	No VAT currently charged
Application for making of a provisional statement	315.00	315.00	No VAT currently charged
Copy of Licence	11.00	11.00	No VAT currently charged
Vary a Designated Premises Supervisor	23.00	23.00	No VAT currently charged
Transfer a Premises Licence	23.00	23.00	No VAT currently charged
Notification of Interest in a Premises	21.00	21.00	No VAT currently charged
Notification of Change of name or address (holder of premises licence)	11.00	11.00	No VAT currently charged
Interim authority notice following death etc of Licence Holder	23.00	23.00	No VAT currently charged
Right of freeholder etc to be notified of licensing matters	21.00	21.00	No VAT currently charged
Premises Licence Annual Fee			
Band A - (rateable value £0 to £4,300)	70.00	70.00	No VAT currently charged
Band B - (rateable value £4,301 to £33,000)	180.00	180.00	No VAT currently charged
Band C - (rateable value £33,001 to £87,000)	295.00	295.00	No VAT currently charged
Band D - (rateable value £87,001 to £125,000)	320.00	320.00	No VAT currently charged
Band E - (rateable value over £125,000)	350.00	350.00	No VAT currently charged
Dx2	640.00	640.00	No VAT currently charged
Ex3	1,050.00	1,050.00	No VAT currently charged
Temporary Events Notice			
Temporary Events Notice	21.00	21.00	No VAT currently charged
Copy of Temporary Events Notice	11.00	11.00	No VAT currently charged
Premises Licence Annual Fee - Large Venues			
Number of Persons Present :-			
5,000 to 9,999	500.00	500.00	No VAT currently charged
10,000 to 14,999	1,000.00	1,000.00	No VAT currently charged
15,000 to 19,999	2,000.00	2,000.00	No VAT currently charged
20,000 to 29,999	4,000.00	4,000.00	No VAT currently charged
30,000 to 39,999	8,000.00	8,000.00	No VAT currently charged
40,000 to 49,999	12,000.00	12,000.00	No VAT currently charged
50,000 to 59,999	16,000.00	16,000.00	No VAT currently charged
60,000 to 69,999	20,000.00	20,000.00	No VAT currently charged
70,000 to 79,999	24,000.00	24,000.00	No VAT currently charged
80,000 to 89,999	28,000.00	28,000.00	No VAT currently charged
90,000 and over	32,000.00	32,000.00	No VAT currently charged



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	FROM 01-04-2020 £ Charges before VAT	FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Licensing Act 2003 - Statutory Fee Set By Central Government			
Premises Licence Additional Fee - Large Venues			
Number of Persons Present :-			
5,000 to 9,999	1,000.00	1,000.00	No VAT currently charged
10,000 to 14,999	2,000.00	2,000.00	No VAT currently charged
15,000 to 19,999	4,000.00	4,000.00	No VAT currently charged
20,000 to 29,999	8,000.00	8,000.00	No VAT currently charged
30,000 to 39,999	16,000.00	16,000.00	No VAT currently charged
40,000 to 49,999	24,000.00	24,000.00	No VAT currently charged
50,000 to 59,999	32,000.00	32,000.00	No VAT currently charged
60,000 to 69,999	40,000.00	40,000.00	No VAT currently charged
70,000 to 79,999	48,000.00	48,000.00	No VAT currently charged
80,000 to 89,999	56,000.00	56,000.00	No VAT currently charged
90,000 and over	64,000.00	64,000.00	No VAT currently charged
Minor Variation	89.00	89.00	No VAT currently charged

NOTES:

* A multiplier of twice the fee and annual charge applies where use of the premises is exclusively or primarily for the carrying on, on the premises of the supply of alcohol for consumption on the premises.

** A multiplier of three times the fee and annual charge applies where use of the premises is exclusively or primarily for the carrying on, on the premises of the supply of alcohol for consumption on the premises.

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

WYRE FOREST DISTRICT COUNCIL**FEES AND CHARGES 2020-2021****CABINET**

Cost Centre	ACTIVITY AND DESCRIPTION OF SERVICE OPTION	KEY	CHANGES IN RESOURCES		
			2020-21 £	2021-22 £	2022-23 £
R500	<u>CHIEF EXECUTIVE</u>				
	<u>Elections - Sale of Stationery</u>	C	-	-	-
	Fees and charges reviewed and commercial judgement used.	R S	- -	- -	- -
R505	<u>Committee Administration - Sale of Agendas</u>	C	-	-	-
	Increase charges by 5% in line with Council Policy.	R	10 CR	10 CR	10 CR
		S	-	-	-
R515	<u>Legal Services - Road Closure Orders</u>	C	-	-	-
	Increase charges by 5% in line with Council Policy.	R	100 CR	100 CR	100 CR
		S	-	-	-
R002	<u>COMMUNITY WELL-BEING AND ENVIRONMENT</u>				
	<u>Domestic Waste - Extra Capacity Bins</u>	C	-	-	-
	Fees and charges reviewed and commercial judgement used.	R S	- -	- -	- -
R003	<u>Trade Waste</u>	C	-	-	-
	Increase charges by an average of 3.5% in order to remain competitive.	R	23,300 CR	23,300 CR	23,300 CR
		S	-	-	-
R005	<u>Garden Waste</u>	C	-	-	-
	Increase charges by an average of 5% in order to remain competitive.	R	16,500 CR	16,500 CR	16,500 CR
		S	-	-	-
R040	<u>Cemeteries</u>	C	-	-	-
	Increase charges by 5% in line with Council Policy.	R	2,500 CR	2,500 CR	2,500 CR
		S	-	-	-
R055	<u>Summer Playschemes</u>	C	-	-	-
	Fees and charges reviewed and commercial judgement used.	R	-	-	-
		S	-	-	-
R065	<u>Bewdley Museum</u>	C	-	-	-
	Fees and charges reviewed and commercial judgement used.	R	-	-	-
		S	-	-	-
R160	<u>Parks and Green Spaces</u>	C	-	-	-
	Fees and charges reviewed and commercial judgement used.	R	-	-	-
		S	-	-	-
R163	<u>Rangers Services</u>	C	-	-	-
	Fees and charges reviewed and commercial judgement used.	R	-	-	-
		S	-	-	-
R185	<u>Car Parks - Meter income, Season Tickets, Parking</u>				
	<u>Dispensations</u>	C	-	-	-
	Fees and charges reviewed.	R S	150,000 CR -	- -	50,000 CR -

WYRE FOREST DISTRICT COUNCIL**FEES AND CHARGES 2020-2021****CABINET**

Cost Centre	ACTIVITY AND DESCRIPTION OF SERVICE OPTION	KEY	CHANGES IN RESOURCES		
			2020-21 £	2021-22 £	2022-23 £
R189	<u>Car Parks</u> Management Fee only - increase charges by 4.5%.	C	-	-	-
		R	7,130 CR	7,130 CR	7,130 CR
		S	-	-	-
R200	<u>Bulky waste - Domestic and Trade</u> Charge for fewer items increased to encourage customers to dispose of more items (5-10 items at higher price).	C	-	-	-
		R	2,500 CR	2,500 CR	2,500 CR
		S	-	-	-
R200	<u>Cleansing - Contract Work</u> Fees and charges reviewed and commercial judgement used.	C	-	-	-
		R	-	-	-
		S	-	-	-
R229	<u>Garage</u> Increase charges by 5% in line with Council Policy (Class 4 MOT only).	C	-	-	-
		R	1,000 CR	1,000 CR	1,000 CR
		S	-	-	-
R236	<u>Grounds Maintenance - Traffic Island Sponsorship</u> Fees and charges reviewed and commercial judgement used.	C	-	-	-
		R	-	-	-
		S	-	-	-
R236	<u>Grounds Maintenance</u> Fees and charges reviewed and commercial judgement used.	C	-	-	-
		R	-	-	-
		S	-	-	-
R252	<u>Grounds Maintenance - Arboricultural Services</u> Fees and charges reviewed and commercial judgement used.	C	-	-	-
		R	-	-	-
		S	-	-	-
R253	<u>Driver Training</u> Fees and charges reviewed and commercial judgement used.	C	-	-	-
		R	-	-	-
		S	-	-	-
R253	<u>Landscaping</u> Fees and charges reviewed and commercial judgement used.	C	-	-	-
		R	-	-	-
		S	-	-	-
R251	<u>ECONOMIC PROSPERITY AND PLACE</u> <u>Wyre Forest House - Room Hire</u> Increase charges by 2.5% to remain competitive in highly competitive market/reduce the impact of new catering provider price increase. Commercial judgement used.	C	-	-	-
		R	250 CR	250 CR	250 CR
		S	-	-	-
R510	<u>Land Charges</u> Increase charges by 2% in line with current inflation	C	-	-	-
		R	2,200 CR	2,200 CR	2,200 CR
		S	-	-	-
R625	<u>Building Control</u> To Implement charges as set by North Worcestershire Building Control	C	-	-	-
		R	-	-	-
		S	-	-	-
R631	<u>Street Naming and Numbering</u> Increase charges by 2% in line with current inflation	C	-	-	-
		R	190 CR	190 CR	190 CR
		S	-	-	-

WYRE FOREST DISTRICT COUNCIL**FEEES AND CHARGES 2020-2021****CABINET**

Cost Centre	ACTIVITY AND DESCRIPTION OF SERVICE OPTION	KEY	CHANGES IN RESOURCES		
			2020-21 £	2021-22 £	2022-23 £
R675	<u>Private Sector Housing</u> Licence fees and penalty charges for houses in multiple occupation. Increase some charges by 5% in line with Council Policy.	C	-	-	-
		R	120 CR	120 CR	120 CR
		S	-	-	-
R679	<u>Housing Strategy & Enabling</u> Custom and self build register charges. Increase charges by 5% in line with Council Policy.	C	-	-	-
		R	10 CR	10 CR	10 CR
		S	-	-	-
R704	<u>Regeneration and Economic Development</u> Fees and charges reviewed and commercial judgement used.	C	-	-	-
		R	140 CR	140 CR	140 CR
		S	-	-	-
	TOTALS	C	-	-	-
		R	205,950 CR	55,950 CR	105,950 CR
		S	-	-	-



Service	Elections and Electoral Registration	Service Manager	Electoral Services Manager
Directorate	Chief Executive	Cabinet Member	Housing, Health Well-being and Democratic Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Elections			
ELECTIONS STATIONERY			
Address Labels (per property)	0.10	0.10	No VAT currently charged
Political Party Address Labels (per 1000 or part thereof)	20.00	20.00	No VAT currently charged
Street Index (each)	20.00	20.00	No VAT currently charged
Printed copies of maps Election results (per sheet)	0.10	0.10	No VAT currently charged

NOTES:

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



Service	Legal Services	Service Manager	Solicitor
Directorate	Chief Executive	Cabinet Member	Strategy and Finance

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
Legal Services Administration	TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	FROM 01-04-2020 £ Charges before VAT	FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Fees relating to surveys prior to lettings	Commercial Judgement	Price on Application	Price on Application
NOTE Pricing decisions delegated to the Service Manager			

NOTES:

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



Service	Committee Administration	Service Manager	Principal Committee and Member Services Officer
Directorate	Chief Executive	Cabinet Member	Housing, Health Well-being and Democratic Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Committee Administration			
SUPPLY OF MINUTES / AGENDAS TO OUTSIDE BODIES / COMPANIES			
Cabinet and Full Council Agendas (per annum)	106.00	111.00	No VAT currently charged
Scrutiny Committees Agendas (per annum)	100.00	105.00	No VAT currently charged
Development Control Agendas (per annum)	122.00	128.00	No VAT currently charged
Other Committee Agendas - individual (per annum)	21.00	22.00	No VAT currently charged

NOTES:

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



Service	Road Closures	Service Manager	Solicitor to the Council
Directorate	Chief Executive	Cabinet Member	Strategy and Finance

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Road Closure Orders			
Charitable / community events (if the application received less than 6 weeks in advance of the event)	140.00	147.00	No VAT currently charged
Charitable / community events (if the application received more than 6 weeks in advance of the event)	106.00	111.00	No VAT currently charged
Remembrance Day Parades	Free	Free	No VAT currently charged
National Royal Celebrations	Free	Free	No VAT currently charged
All other events / reasons for road closure, including commercial events (if application received less than 6 weeks in advance of the event)	176.00	185.00	No VAT currently charged
All other events / reasons for road closure, including commercial events (if application received more than 6 weeks in advance of the event)	140.00	147.00	No VAT currently charged

NOTES:

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



Service	Operational Services	Service Manager	Operational Services
Directorate	Community Well-Being and Environment	Cabinet Member	Operational Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	FROM 01-04-2020 £ Charges before VAT	FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
LGV Courses			
Practical driving test on a 1 to 1 basis (2 to 1 price on application) <i>Course includes: 1 hour assessment, 5 day course, drive time and classroom based. Use of vehicle for test included.</i>	1,200.00	1,200.00	No VAT currently charged
As above on a 2:1 basis (each)	850.00	850.00	No VAT currently charged
Theory / hazard perception course <i>1 day course includes loan of materials (books, DVD): 4 hour practice classroom based and the booking of an official test in Worcester.</i>	85.00	99.00	No VAT currently charged
2 day course CPC theory / CPC practical course <i>Course includes: loan of materials (books and DVD) and the use of a vehicle for the practical test if taken in conjunction with HGV test.</i>	250.00	250.00	No VAT currently charged
2 Day course (as above) not in conjunction with HGV test	300.00	350.00	No VAT currently charged
CPC Course per 7 hour module	84.00	70.00	No VAT currently charged

NOTES:

Pricing decisions delegated to the Director of Service



Service	Operational Services	Service Manager	Operational Services Manager
Directorate	Community Well-Being and Environment	Cabinet Member	Operational Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Domestic Waste Collections Trade and Domestic Bulky Collections			
BULKY CHARGES – DOMESTIC			
1-2 items	23.50	25.00	No VAT currently charged
3-4 items	45.00	45.00	No VAT currently charged
5-6 items	Price on application	Price on application	No VAT currently charged
7-8 items			No VAT currently charged
9-10 items			No VAT currently charged
11+ items			No VAT currently charged
Large Capacity Domestic Bin Hire (Jumbo Bin)	79.00	59.00	No VAT currently charged
Charges for the Supply of a Replacement Wheelie Bin	36.00	38.00	No VAT currently charged
Extra capacity bin (covers a 3 year period)	60.00	80.00	No VAT currently charged
Developers / RSL's bin charge for delivery			
240 litre	43.20	25.00	30.00
1100 litre	438.00	385.00	462.00
Unscheduled waste collection fee	28.00	30.00	No VAT currently charged
Garden Waste Contracts*			
Annual collection contract - 240ltr bin	49.50	52.00	No VAT currently charged
Annual collection contract - 140ltr bin	34.00	36.00	No VAT currently charged
Annual collection contract - 1100ltr bin	N/A	Commercial Judgement	No VAT currently charged
Administration / set-up fee	20.00	20.00	No VAT currently charged

NOTES:

Additional capacity bins will only be provided in circumstances where:-
 A family consists of 6 or more members or a family member produces medical waste.
 There is an overriding proviso that all households actively participate in the Recycling Scheme

*No admin / set-up fee is payable on additional bins.

Replacement bins are only provided where proven damage has occurred, and only after the first instance. Subsequent bins are replaced at the rates stipulated above.



Service	Operational Services	Service Manager	Operational Services Manager
Directorate	Community Well-Being and Environment	Cabinet Member	Operational Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Trade Waste and Commercial Waste Collections - Refuse			
WEEKLY COLLECTION			
COUNCIL OWNED WHEELIE BINS - Cat 1 -			
liable to landfill tax			
140 litre (one lift per week) - existing customers only	270.00	280.00	No VAT currently charged
240 litre (one lift per week)	325.00	335.00	No VAT currently charged
360 litre (one lift per week) - existing customers only	410.00	425.00	No VAT currently charged
660 litre (one lift per week)	630.00	650.00	No VAT currently charged
1100 litre (one lift per week)	870.00	899.00	No VAT currently charged
COUNCIL OWNED WHEELIE BINS - Cat 2 -			
not liable to landfill tax			
140 litre (one lift per week) - existing customers only	235.00	245.00	No VAT currently charged
240 litre (one lift per week)	245.00	255.00	No VAT currently charged
360 litre (one lift per week) - existing customers only	280.00	290.00	No VAT currently charged
660 litre (one lift per week)	405.00	420.00	No VAT currently charged
1100 litre (one lift per week)	505.00	520.00	No VAT currently charged
1100 litre Schools (40 weeks)	425.00	440.00	No VAT currently charged
ALTERNATE WEEKLY COLLECTION			
COUNCIL OWNED WHEELIE BINS - Cat 1 -			
liable to landfill tax			
140 litre (one lift every other week) - existing customers only	146.00	150.00	No VAT currently charged
240 litre (one lift every other week)	180.00	185.00	No VAT currently charged
360 litre (one lift every other week) - existing customers only	225.00	235.00	No VAT currently charged
660 litre (one lift every other week)	380.00	395.00	No VAT currently charged
1100 litre (one lift every other week)	520.00	540.00	No VAT currently charged
COUNCIL OWNED WHEELIE BINS - Cat 2 -			
not liable to landfill tax			
140 litre (one lift every other week) - existing customers only	130.00	135.00	No VAT currently charged
240 litre (one lift every other week)	140.00	145.00	No VAT currently charged
360 litre (one lift every other week) - existing customers only	165.00	170.00	No VAT currently charged
660 litre (one lift every other week)	270.00	280.00	No VAT currently charged
1100 litre (one lift every other week)	335.00	345.00	No VAT currently charged
1100 litre Schools (40 weeks every other week)	300.00	310.00	No VAT currently charged
PLASTIC SACKS			
Pack of 25	125.00	130.00	No VAT currently charged
Pack of 50	225.00	235.00	No VAT currently charged
Additional One-Off Collections - Single Lift Fee			
140 litre - 360 litre	28.00	35.00	No VAT currently charged
600 litre - 1100 litre	40.00	45.00	No VAT currently charged
Multiple Collections as above	Price on Application	Price on Application	No VAT currently charged
Trade Waste Bulky Collections	Price on Application	Price on Application	No VAT currently charged

NOTES:

Free 240 litre bin collections are provided to institutions eligible for maximum National Non Domestic Rate relief (e.g. Places of Worship), a second bin will attract an annual charge based upon the Commercial Trade Price list.



Service	Operational Services	Service Manager	Operational Services Manager
Directorate	Community Well-Being and Environment	Cabinet Member	Operational Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Trade Waste and Commercial Waste Collections -Recycling			
WEEKLY COLLECTIONS			
COUNCIL OWNED WHEELIE BINS - Cat 1 -			
liable to Recycling gate Fee			
240 litre (one lift per week)	275.00	285.00	No VAT currently charged
660 litre (one lift per week)	490.00	505.00	No VAT currently charged
1280 litre (one lift per week)	645.00	665.00	No VAT currently charged
ALTERNATE WEEKLY COLLECTION			
COUNCIL OWNED WHEELIE BINS - Cat 1 -			
liable to Recycling gate Fee			
240 litre (one lift every other week)	155.00	160.00	No VAT currently charged
660 litre (one lift every other week)	310.00	320.00	No VAT currently charged
1280 litre (one lift every other week)	415.00	430.00	No VAT currently charged
Additional One-Off Collections - Single Lift Fee			
240 litre - 360 litre	28.00	35.00	No VAT currently charged
660 litre - 1280 litre	40.00	45.00	No VAT currently charged
Multiple Collections as above	Price on Application	Price on Application	No VAT currently charged
Trade Waste Bulky Collections	Price on Application	Price on Application	No VAT currently charged

NOTES:

Free 240 litre bin collections are provided to institutions eligible for maximum National Non Domestic Rate relief (e.g. Village Halls), a second bin will attract an annual charge based upon the Commercial Trade Price list.



Service	Parks and Open Spaces	Service Manager	Parks and Open Spaces Manager
Directorate	Community Well-Being and Environment	Cabinet Member	Operational Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Cemetery Fees			
CHARGES ONLY APPLY TO KIDDERMINSTER CEMETERY			
INTERMENTS - RESIDENTS ONLY **			
Child up to 1 month	N/A	Free	N/A
Child aged 1 month to 5 years*	Free	Free	N/A
Child aged 5 to 16 years*	175.00	180.00	No VAT currently charged
Persons over 16 years*	550.00	575.00	No VAT currently charged
Burial of cremated remains*	225.00	235.00	No VAT currently charged
INTERMENTS - NON-RESIDENTS OF WYRE FOREST			
Child up to 16 years*	350.00	365.00	No VAT currently charged
Persons over 16 years*	1,100.00	1,150.00	No VAT currently charged
Burial of cremated remains*	400.00	420.00	No VAT currently charged
PURCHASED GRAVES - RESIDENTS ONLY **			
Purchase of burial rights - Child up to 5 years	Free	Free	No VAT currently charged
Purchase of burial rights - 5 years upwards	625.00	655.00	No VAT currently charged
Purchase of burial rights for cremated remains - Child up to 5 years	Free	Free	No VAT currently charged
Purchase of burial rights for cremated remains - 5 years upwards	325.00	340.00	No VAT currently charged
PURCHASED GRAVES - NON-RESIDENTS OF WYRE FOREST			
Purchase of burial rights	1,240.00	1,300.00	No VAT currently charged
Purchase of burial rights for cremated remains	650.00	680.00	No VAT currently charged
MISCELLANEOUS CHARGES			
Maintenance of grave. Planting with Spring and Summer bedding per annum (specified areas of the Cemetery only)	145.00	125.00	150.00
CHARGES OF USE OF STAFF/FACILITIES			
For attendance of Registrar other than between 9:00am and 10:00am (weekdays other than Bank/Public Holidays)	70.00	62.50	75.00
Premium to be applied to cost of burials taking place wholly or partially outside normal working hours	10%	10%	
Assessing suitability of grave for additional burials	50.00	45.83	55.00
MONUMENTS / GRAVE STONES ETC			
The right to place or erect a memorial including first inscription	275.00	241.67	290.00
The right to place or erect a commemorative plaque or kerb stone	140.00	120.83	145.00
Each additional inscription	50.00	45.83	55.00
Vase	50.00	45.83	55.00
Certified copy of entry in Register of Burials / Burial Grant	30.00	29.17	35.00
Transfer of exclusive Right of Burial	85.00	75.00	90.00
Surrender of exclusive Right of Burial	55.00	50.00	60.00

NOTES:

* Subject to attendance charge for Registrar

** These fees are also charged if the deceased lived in the District for the majority of their life and took up a place in full time care outside the District within 2 years of their death. The family is to provide the relevant information for demonstrating this to the burial authority.



Service	Cultural Services	Service Manager	Community Safety and Partnerships Officer
Directorate	Community Well-Being and Environment	Cabinet Member	Culture, Leisure and Community Protection

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
Community Development and Museums	TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	FROM 01-04-2020 £ Charges before VAT	FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
COMMUNITY DEVELOPMENT			
SPORTS, ARTS AND PLAY DEVELOPMENT ACTIVITIES			
Per session Minimum Charge	Free	Free	N/A
Per session Maximum Charge	55.00	55.00	No VAT currently charged
SUMMER PLAYSCHMES (dependent on schedule of events which can vary each year)	Commercial Judgement	Price on Application	No VAT currently charged

NOTES:

Pricing decisions delegated to the Director of Service.
Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>



Service	Cultural Services	Service Manager	Museum Manager
Directorate	Community Well-Being and Environment	Cabinet Member	Culture, Leisure and Community Protection

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Museum			
MUSEUM			
Bewdley Museum			
Adults	Free	Free	N/A
Senior Citizen	Free	Free	N/A
Accompanied Children	Free	Free	N/A
Unaccompanied Children	Free	Free	N/A
Residents' Season Ticket	Free	Free	N/A
School Parties Admission Charge	Free to commercial judgement	Price on Application	No VAT currently charged
General Enquiries (per hour)	20.00	16.67	20.00
Weddings and Special Occasions	Commercial Judgement	Price on Application	No VAT currently charged
Hire of Education Room			
Minimum Charge	Free	Free	N/A
Maximum Charge (per half day)	Commercial Judgement	Price on Application	No VAT currently charged
Commercial Bookings	Commercial Judgement	Price on Application	No VAT currently charged
Hire of Wyre Forest Gallery			
Charge for local organisations & emerging community artists (per week)	Free	Free	N/A
Commercial Bookings	Commercial Judgement	Price on Application	No VAT currently charged
Hire of Sawyard Gallery			
Charge for local organisations & emerging community artists (per week)	Free	Free	N/A
Commercial Bookings	Commercial Judgement	Price on Application	No VAT currently charged
Hire of Guild Hall			
Minimum Charge	Free	Free	N/A
Maximum Charge	Commercial Judgement	Price on Application	No VAT currently charged

NOTES:

Pricing decisions delegated to the Director of Service.
Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>



Service	Parks and Open Spaces	Service Manager	Parks and Open Spaces Manager
Directorate	Community Well-Being and Environment	Cabinet Member	Operational Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Parks Events			
GREEN SPACES - Parks and Green Spaces (not Nature Reserves)			
Fund Raising and Charity Events - Ground Hire - Per Day - Minimum Charge	Free	Free	No VAT currently charged
Fund Raising and Charity Events - Ground Hire - Per Day - Maximum Charge	Price on application	Price on application	No VAT currently charged
Refundable Deposit (Based on Acceptable Ground Recovery) / excluding community groups / Friends of Parks	100.00 to 500.00	100.00 to 500.00	No VAT currently charged
Commercial Events (refundable deposit applies)	Price on application	Price on application	No VAT currently charged
Health and Safety Outdoor Event check	54.00	50.00	60.00
Grounds maintenance - external contracts			
Based upon an hourly rate			
Arborists	Price on application	Price on application	VAT charged at current rate
Grounds Maintenance	Price on application	Price on application	VAT charged at current rate
Landscaping	N/A	Price on application	VAT charged at current rate
Advertising and Sponsorships			
Refuse vehicle banner production - (designed by customer)	Price on application	Price on application	VAT charged at current rate
Refuse vehicle banner production - (design work by WFDC)	Price on application	Price on application	VAT charged at current rate
Refuse vehicle banners displayed - cost per month to advertise	Price on application	Price on application	VAT charged at current rate
Refuse vehicle banners	Price on application	Price on application	VAT charged at current rate
KAF Sponsorship			
Gold Sponsorship	Price on application	Price on application	VAT charged at current rate
Silver Sponsorship	Price on application	Price on application	VAT charged at current rate
Bronze Sponsorship	Price on application	Price on application	VAT charged at current rate
Roundabout Sponsorship			
Traffic Island Sponsorship	Price on application	Price on application	VAT charged at current rate

NOTES:

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Service	Operational Services	Service Manager	Operational Services Manager
Directorate	Community Well-Being and Environment	Cabinet Member	Operational Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Rangers Services and Nature Reserves			
RANGER SERVICES			
Minimum Charge	Free	Free	No VAT currently charged
Maximum Charge	55.00	55.00	No VAT currently charged
Young Rangers (per term)	28.00	28.00	No VAT currently charged
NATURE RESERVES			
Small charitable or community events (less than 20 people) up to 3 hrs	Free to commercial judgement	Price on Application	No VAT currently charged
over 3 hrs	Free to commercial judgement	Price on Application	No VAT currently charged
Medium charitable or community events (more than 20 people less than 100) up to 3 hrs	Free to commercial judgement	Price on Application	No VAT currently charged
over 3 hrs	Free to commercial judgement	Price on Application	No VAT currently charged
Large charitable or community events (more than 100 people) up to 3 hrs	Free to commercial judgement	Price on Application	No VAT currently charged
over 3 hrs	Free to commercial judgement	Price on Application	No VAT currently charged
Commercial and fund raising events	Commercial Judgement	Price on Application	No VAT currently charged

NOTES:

Pricing decisions delegated to the Director of Service.
Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>



Service	Operational Services	Service Manager	Operational Services Manager
Directorate	Community Well-Being and Environment	Cabinet Member	Operational Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Parking Restrictions and Event Support			
Parking Dispersions			
Charge per application - daily rate	12.00	15.00	No VAT currently charged
Charge per application - up to 7 days	50.00	100.00	No VAT currently charged
Charge per application - more than 7 days	Price on application	Price on application	No VAT currently charged
EVENTS SUPPORT			
Trailer cabin unit - charge per unit	Price on Application	Price on Application	VAT charged at current rate
The provision of above, but on a more permanent basis	Price on Application	Price on Application	VAT charged at current rate
Facilitating access or removing bollards - charge per hour	Price on Application	Price on Application	VAT charged at current rate
Car Boot events	Price on Application	Price on Application	No VAT currently charged
Private Cleansing work	Price on application	Price on application	VAT charged at current rate

NOTES:

Pricing decisions delegated to the Director of Service



Service	Operational Services	Service Manager	Operational Services Manager
Directorate	Community Well-Being and Environment	Cabinet Member	Operational Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION		Current Charge TO 30-09-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-10-2020 £ Charges before VAT	Proposed Charge FROM 01-10-2020 £ Charges inclusive of VAT (if applicable)
Car Parks Fees and Charges				
Short Term - up to 2 hours				
Kidderminster	Up to 1 hour	140 p	See next table	See next table
Market Street Surface Vehicle Park	Up to 2 hours	200 p	See next table	See next table
Bewdley				
Load Street Surface Vehicle Park (Upper)				
Stourport-on-Severn				
Raven Street Surface Vehicle Park				
Bridge Street Surface Vehicle Park				
(All days between 08:00 and 18:30)				
Long Term - up to 48 hours				
Kidderminster	Up to 1 hour	140 p	See next table	See next table
Aldi Store Surface Vehicle Park	Up to 2 hours	200 p	See next table	See next table
Batmans Yard	Up to 3 hours	280 p	See next table	See next table
Pike Mills Surface Vehicle Park	3 to 6 hours	460 p	See next table	See next table
Bewdley	6 to 24 hours	690 p	See next table	See next table
Dog Lane Surface Vehicle Park	24 to 48 hours	920 p	See next table	See next table
Load Street Surface Vehicle Park (Lower)				
Stourport-on-Severn				
Riverside Meadows Surface Vehicle Park				
Severn Meadows No. 1 Surface Vehicle Park				
Severn Meadows No. 2 Surface Vehicle Park				
Severn Meadows No. 3 Surface Vehicle Park				
(All days between 08:00 and 18:30)				
Long Term - up to 48 hours with free options				
Kidderminster	Up to 1 hour	Free	See next table	See next table
Castle Road Surface Vehicle Park	Up to 2 hours	200 p	See next table	See next table
Comberton Place Surface Vehicle Park	Up to 3 hours	280 p	See next table	See next table
Bromsgrove Street Surface Vehicle Park	3 to 6 hours	460 p	See next table	See next table
St. Mary's Church Surface Vehicle Park	6 to 24 hours	690 p	See next table	See next table
Bewdley	24 to 48 hours	920 p	See next table	See next table
Gardners Meadow Surface Vehicle Park				
Stourport-on-Severn				
Vale Road Surface Car Park				
Blakedown				
The Avenue Surface Car Park				
(All days between 08:00 and 18:30)				

NOTES:

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



Service	Operational Services	Service Manager	Operational Services Manager
Directorate	Community Well-Being and Environment	Cabinet Member	Operational Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Maximum Stay	Current Charge TO 30-09-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-10-2020 £ Charges before VAT	Proposed Charge FROM 01-10-2020 £ Charges inclusive of VAT (if applicable)
Car Parks Fees and Charges				
Short Term				
Bewdley	1 hour	See previous table	83 p	100 p
Load Street Surface Vehicle Park (Upper)	2 hours		167 p	200 p
Kidderminster				
Market Street Surface Vehicle Park				
Stourport-on-Severn				
Bridge Street Surface Vehicle Park				
Long Term				
Kidderminster	1 hour		83 p	100 p
Aldi Store Surface Vehicle Park	2 hours		167 p	200 p
Batemans Yard	3 hours		250 p	300 p
Pike Mills Surface Vehicle Park	24 hours		833 p	1000 p
Blakedown				
The Avenue Surface Car Park				
Long Term				
Bewdley	1 hour		83 p	100 p
Dog Lane Surface Vehicle Park	2 hours		167 p	200 p
Gardners Meadow Surface Vehicle Park	3 hours		333 p	400 p
Load Street Surface Vehicle Park (Lower)	24 hours		833 p	1000 p
Stourport-on-Severn				
Raven Street Surface Vehicle Park				
Riverside Meadows Surface Vehicle Park				
Severn Meadows No. 1 Surface Vehicle Park				
Severn Meadows No. 2 Surface Vehicle Park				
Severn Meadows No. 3 Surface Vehicle Park				
Vale Road Surface Car Park				
(Applied 1st April - 30th September)				
Long Term				
Bewdley	1 hour		83 p	100 p
Dog Lane Surface Vehicle Park	2 hours		167 p	200 p
Gardners Meadow Surface Vehicle Park	3 hours		250 p	300 p
Load Street Surface Vehicle Park (Lower)	24 hours		833 p	1000 p
Stourport-on-Severn				
Raven Street Surface Vehicle Park				
Riverside Meadows Surface Vehicle Park				
Severn Meadows No. 1 Surface Vehicle Park				
Severn Meadows No. 2 Surface Vehicle Park				
Severn Meadows No. 3 Surface Vehicle Park				
Vale Road Surface Car Park				
(Applied 1st October - 31st March)				

NOTES:

Charges apply Monday-Sunday between 08:00 and 21:00.



Service	Operational Services	Service Manager	Operational Services Manager
Directorate	Community Well-Being and Environment	Cabinet Member	Operational Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Ticket Length	Current Charge	Proposed Charge	Proposed Charge
		TO 30-09-2020 £ Charges inclusive of VAT (if applicable)	FROM 01-10-2020 £ Charges before VAT	FROM 01-10-2020 £ Charges inclusive of VAT (if applicable)
Car Parking Season Tickets				
Wyre Forest Ticket	1 month	82.00	37.50	45.00
All car parks	6 months	389.00	208.33	250.00
	12 months:	706.00	333.33	400.00
	payable in 11 instalments*			
Senior Citizen Ticket	6 months	98.00	N/A	N/A
All car parks	12 months:	176.00	145.83	175.00
	payable in 11 instalments*			
Bromsgrove St Ticket	1 month	36.00	30.00	36.00
Bromsgrove Street Surface Vehicle Park	6 months	170.00	141.67	170.00
Note - All season tickets are valid on this car park	12 months:	300.00	250.00	300.00
	payable in 11 instalments*			

NOTES:

*First month paid in advance. Remainder payable as 10 monthly Direct Debit payments.



Service	Operational Services	Service Manager	Fleet and Waste Manager
Directorate	Community Well-Being and Environment	Cabinet Member	Operational Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Fleet Management			
External contracts based upon	Price on Application	Price on Application	VAT charged at current rate
Staff and Members Servicing			
Fixed service charges Std A	120.00	100.00	120.00
Fixed service charges Full B	192.00	160.00	192.00
All servicing excludes parts - which will be an additional charge			
Car Inspection	54.00	45.00	54.00
Staff / Members Cars			
Labour charges per hour based upon	61.20	51.00	61.20
PLUS additional material at cost*			
MOT			
Class 4	45.00	49.00	No VAT currently charged
Class 4 - Staff Only	N/A	35.00	No VAT currently charged
Class 7	58.00	58.00	No VAT currently charged
Taxi Fees & Charges			
Taxi Inspection - Single Recovery Charges to WRS	47.00	48.00	No VAT currently charged
Taxi Reinspection - Direct Charge - Floor	33.00	34.00	No VAT currently charged
Taxi Reinspection - Direct Charge - Ramp	40.00	41.00	No VAT currently charged
Taxi Missed Inspection (Less than 24hrs) - Direct Charge	40.00	41.00	No VAT currently charged
Taxi MOT (as part of above scheduled inspection) - Direct Charge	30.00	35.00	No VAT currently charged
Taxi MOT Independently Booked - Direct Charge	45.00	49.00	No VAT currently charged

NOTES:

Pricing decisions delegated to the Director of Service

* Work undertaken is dependant upon workload capacity and the need to maintain the operational fleet



Service	Facility Hire	Service Manager	Facilities and Asset Manager
Directorate	Economic Prosperity & Place	Cabinet Member	Economic Regeneration, Planning and Capital Investments

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Hire of Facilities			
WYRE FOREST HOUSE			
Partnership and Commercial rate (hourly)			
Council Chamber	Price on Application	Price on Application	Price on Application
SoS & Bewdley rooms combined	Price on Application	Price on Application	Price on Application
SoS & Bewdley rooms separately	Price on Application	Price on Application	Price on Application
Kidderminster & Rock rooms combined	Price on Application	Price on Application	Price on Application
Kidderminster & Rock rooms separately	Price on Application	Price on Application	Price on Application
Wolverley room	Price on Application	Price on Application	Price on Application
Chaddesley Corbett room	Price on Application	Price on Application	Price on Application

NOTES:

Pricing decisions delegated to the Facilities and Asset Manager
 Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Building Control - Fees Set By North Worcestershire			
Building Control Shared Service			
STANDARD CHARGES FOR THE CREATION OR CONVERSION TO NEW HOUSING			
Application Charge	Price on application	Price on application	VAT Charged at Current Rate
Regularisation Charge	Price on application	Price on application	No VAT Currently Charged
Additional Charge *	Price on application	Price on application	VAT Charged at Current Rate
DOMESTIC EXTENSIONS TO A SINGLE BUILDING			
Conversion of attached garage into habitable room:			
Application Charge	360.00	312.50	375.00
Regularisation Charge	432.00	450.00	No VAT Currently Charged
Additional Charge *	Price on application	Price on application	VAT Charged at Current Rate
Extension where floor area is less than 10m ² :			
Application Charge	Price on application	Price on application	VAT Charged at Current Rate
Regularisation Charge	Price on application	Price on application	No VAT Currently Charged
Additional Charge *	Price on application	Price on application	VAT Charged at Current Rate
All Other Extensions:			
Application Charge	Price on application	Price on application	VAT Charged at Current Rate
Regularisation Charge	Price on application	Price on application	No VAT Currently Charged
Additional Charge *	Price on application	Price on application	VAT Charged at Current Rate
Loft Conversions:			
Application Charge	Price on application	Price on application	VAT Charged at Current Rate
Regularisation Charge	Price on application	Price on application	No VAT Currently Charged
Additional Charge *	Price on application	Price on application	VAT Charged at Current Rate
Detached Garage over 30m ² :			
Application Charge	Price on application	Price on application	VAT Charged at Current Rate
Regularisation Charge	Price on application	Price on application	No VAT Currently Charged
Additional Charge *	Price on application	Price on application	VAT Charged at Current Rate
Electrical Works by Non-Qualified Electrician:			
Application Charge	Price on application	Price on application	VAT Charged at Current Rate
Regularisation Charge	Price on application	Price on application	No VAT Currently Charged
Renovation of Thermal Element:			
Application Charge	220.00	192.50	231.00
Regularisation Charge	264.00	275.00	No VAT Currently Charged
Installing Steel Beams(s) within an Existing House:			
Application Charge	215.00	187.50	225.00
Regularisation Charge	258.00	270.00	No VAT Currently Charged
Window Replacement:			
Application Charge	215.00	187.50	225.00
Regularisation Charge	258.00	270.00	No VAT Currently Charged
Installing New Boiler or Wood Burner, etc:			
Application Charge	420.00	366.67	440.00
Regularisation Charge	504.00	530.00	No VAT Currently Charged
ALL OTHER WORK - ALTERATIONS			
Application Charge	Price on application	Price on application	VAT Charged at Current Rate
Regularisation Charge	Price on application	Price on application	No VAT Currently Charged
Supplementary Charges			
Archived plans			
Re-open archived file and issue completion certificate	52.80	46.20	55.44
Site Visit relating to archived case - per site visit	68.90	60.28	72.34



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Building Control - Fees Set By North Worcestershire			
Building Control Shared Service			
Withdrawn Applications			
Process request - Admin Charge	52.80	46.20	55.44
Building Notice - No inspection having taken place	refund fee less admin charge	refund fee less admin charge	refund fee less admin charge
Building Notice - Inspections having taken place	refund fee less admin charge less £66.90 per visit	refund fee less admin charge less £55.75 per visit	refund fee less admin charge less £66.90 per visit
Full Plans - not checked, no inspections	refund fee less admin charge	refund fee less admin charge	refund fee less admin charge
Full Plans - checked, no inspections	refund inspection fee less admin charge	refund inspection fee less admin charge	refund inspection fee less admin charge
Full Plans - checked, with site inspections	refund fee less admin charge less £66.90 per visit	refund fee less admin charge less £55.75 per visit	refund fee less admin charge less £66.90 per visit
Redirected Inspection fees/issue copy documents			
Re invoice to new address	52.80	46.20	55.44
Optional Consultancy Services	Price on application	Price on application	VAT Charged at Current Rate

NOTES:

For Quotations by Telephone Please Ring North Worcestershire Building Control on 01527 881402

* The additional charge is payable on deposit if the electrician is not specified on the application form, or the person / company specified is not a Part P registered electrician

These charges have been set on the following basis:

1. That the building work does not consist of, or include innovative or high risk construction techniques and / or the duration of the building work from commencement to completion does not exceed 12 months.
2. That the design and building work is undertaken by a person or company that is competent to carry out the relevant design and building work. If they are not, the building control service may impose supplementary charges.

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



Service	Planning	Service Manager	Head of Strategic Growth
Directorate	Economic Prosperity & Place	Cabinet Member	Economic Regeneration, Planning and Capital Investments

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Street Naming and Numbering			
Existing Properties			
Renaming an existing street	296.00	302.00	No VAT currently charged
Additional charge per premise	74.00	75.50	No VAT currently charged
Renaming (where the premise is NOT also numbered) or renumbering a premise	147.00	150.00	No VAT currently charged
Additional charge per premise	28.00	28.50	No VAT currently charged
Adding a name to or renaming a premise (where the premise is also numbered)	28.00	28.50	No VAT currently charged
Additional charge where this includes naming of a building (e.g. a block of flats)	74.00	75.50	No VAT currently charged
New Developments			
Naming a New Street	296.00	302.00	No VAT currently charged
Naming and Numbering a new Premises	147.00	150.00	No VAT currently charged
Additional charge for each adjoining premise	28.00	28.50	No VAT currently charged
Additional Charge where this includes naming of a building (e.g. a block of flats)	74.00	75.50	No VAT currently charged
Confirmation of address to solicitors/conveyancers/occupiers or owners	28.00	28.50	No VAT currently charged

NOTES:

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



Service	Housing	Service Manager	Head of Strategic Growth
Directorate	Economic Prosperity & Place	Cabinet Member	Housing, Health, Well-Being and Democratic Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Private Sector Housing			
HMO Licence - 5 year licence	785.00	825.00	No VAT currently charged
HMO Licence if application submitted and complete within 21 days	575.00	600.00	No VAT currently charged
Residential Caravan Site New Application	785.00	820.00	No VAT currently charged
Residential Caravan Site New Application if submitted and complete within 21 days	575.00	600.00	No VAT currently charged
Residential Caravan Site Annual Inspection Fee	210.00	220.00	No VAT currently charged
Smoke & CO Regulations Penalty Charges as per Published Statement of Principles*			
Penalty fee where no previous action has been taken	575.00	600.00	No VAT currently charged
Penalty fee for landlords who have had previous single action taken against them under Housing Act 2004 or other housing legislation	1,730.00	1,815.00	No VAT currently charged
Penalty fee for landlords who have had previous multiple actions taken against them under Housing Act 2004 or other housing legislation	3,475.00	3,650.00	No VAT currently charged
Officer time spent to enforce the regulations	Charged at Cost	Charged at Cost	No VAT currently charged
Purchase and Equip Property with Alarms	Charged at Cost	Charged at Cost	No VAT currently charged
Recovery Costs**	575.00	600.00	No VAT currently charged
Administration Costs	290.00	305.00	No VAT currently charged

NOTES:

* The amount of Penalty Charge shall be a maximum of £5,000.

** The penalty charge shall be reduced by the £500 cost recovery element if paid within 14 days of the issue of the penalty charge notice. Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>



Service	Housing	Service Manager	Head of Strategic Growth
Directorate	Economic Prosperity & Place	Cabinet Member	Housing, Health, Well-Being and Democratic Services

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Housing Strategy and Enabling			
Custom and self build register charges	26.50	28.00	No VAT currently charged

NOTES:

This is a charge made to individuals or groups for registering on the Council's self-build register.
 Customers may be able to order and pay for some services online – please refer to <http://www.wyreforestdc.gov.uk>



Service	Regeneration	Service Manager	Head of Economic Development and Regeneration for North Worcestershire
Directorate	Economic Prosperity & Place	Cabinet Member	Economic Regeneration, Planning and Capital Investments

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Regeneration and Economic Development			
Town Centre Promotions			
National brand - Bus, van or marquee per day	110.00	120.00	No VAT currently charged
National brand - Bus, van or marquee per week	550.00	600.00	No VAT currently charged
Established local business - Bus, van or marquee per day	110.00	120.00	No VAT currently charged
Established local business - Bus, van or marquee per week	550.00	600.00	No VAT currently charged
New local business or start-up - first occasion	Free	Free	
New local business or start-up - second occasion	25.00	N/A	No VAT currently charged
New local business or start-up - thereafter - per day	50.00	30.00	No VAT currently charged
New local business or start-up - thereafter - per week	350.00	150.00	No VAT currently charged
Leafleting only (without stall or table) per day	40.00	30.00	No VAT currently charged
Registered charities (local) - first occasion	Free	Free	
Registered charities (local) - second occasion	30.00	N/A	No VAT currently charged
Registered charities (local) - thereafter - per day	60.00	60.00	No VAT currently charged
Registered charities (local) - thereafter - per week	N/A	300.00	No VAT currently charged
Registered charities (national) per day	100.00	100.00	No VAT currently charged
Registered charities (national) per week	400.00	400.00	No VAT currently charged

NOTES:

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

WYRE FOREST DISTRICT COUNCIL**FEES AND CHARGES 2020-2021****COUNCIL**

Cost Centre	ACTIVITY AND DESCRIPTION OF SERVICE OPTION	KEY	CHANGES IN RESOURCES		
			2020-21 £	2021-22 £	2022-23 £
R605	<u>ECONOMIC PROSPERITY AND PLACE</u> <u>Development Control - Planning Advice</u> Increase charges by 5% in line with Council Policy.	C R S	- 70 CR -	- 70 CR -	- 70 CR -
	<u>Development Control - High Hedges</u> Fees and charges reviewed and commercial judgement used.	C R S	- 100 CR -	- 100 CR -	- 100 CR -
	<u>Development Control - Pre-application Advice</u> Fees and charges reviewed and commercial judgement used.	C R S	- 2,000 CR -	- 2,000 CR -	- 2,000 CR -
R625	<u>Building Control - Decision Notices</u> To increase charges by 5% for copies of decision notices held by the Council prior to the formation of the North Worcestershire Building Control Shared Service.	C R S	- - -	- - -	- - -
	<u>Development Control - Sale of Documents</u> Increase charges by 5% in line with Council Policy.	C R S	- 170 CR -	- 170 CR -	- 170 CR -
	<u>Environmental Health - Water Sampling</u> Water sampling and analysis charges are set by Worcs Regulatory Services. No increase is being proposed in 2020/21	C R S	- - -	- - -	- - -
R637	<u>Environmental Health - Control of Dogs</u> The charges levied for the control of stray dogs are set by Worcs Regulatory Services on a cost recovery basis. Charges are consistent across all authorities within the Shared Service. A small increase is being proposed on out of hours and repeat offender charges.	C R S	- 100 CR -	- 100 CR -	- 100 CR -
	<u>Licensing Activities - Hackney Carriages</u> To increase all taxi licensing charges by 3% - the last increase was in 2013/14.	C R S	- 3,220 CR -	- 3,220 CR -	- 3,220 CR -
	<u>Licensing Activities - Animal Activity Licensing</u> The Animal Activity licensing charges were introduced in October 2018, covering animal boarding, dog breeding, pet shops, riding establishments and performing animals. WRS are proposing a 2% increase across all Districts	C R S	- 380 CR -	- 380 CR -	- 380 CR -
R638	<u>Licensing Activities - Other General Licensing</u> To increase charges by 5% in line with Council Policy	C R S	- 800 CR -	- 800 CR -	- 800 CR -
	<u>Licensing Activities - Gambling Act 2005 (Premises)</u> Increase charges by either 5% in line with Council Policy or up to prescribed maximum level (if this is lower).	C R S	- 530 CR -	- 530 CR -	- 530 CR -

WYRE FOREST DISTRICT COUNCIL**FEES AND CHARGES 2020-2021****COUNCIL**

Cost Centre	ACTIVITY AND DESCRIPTION OF SERVICE OPTION	KEY	CHANGES IN RESOURCES		
			2020-21 £	2021-22 £	2022-23 £
R638	<u>Licensing Activities - Scrap Metal Dealers Licence</u> Scrap metal dealers licence is a 3 year licence which was introduced in 2014. Level of charges are recommended by Worc's Regulatory Services. A 2% increase is being proposed in 2020/21 across all Districts	C R S	- 20 CR -	- 20 CR -	- 20 CR -
R310	<u>RESOURCES</u> <u>Council Tax and NNDR</u> Summons Costs £50 Liability Order Costs £30 £80 Bi-annual review of summons costs and liability orders to reflect inflation and additional Magistrates Court costs.	C R S	- - -	- - -	- - -
	TOTALS	C R S	- 7,390 CR -	- 7,390 CR -	- 7,390 CR -



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
High Hedge Applications			
High Hedge Applications			
Householder	350.00	400.00	No VAT currently charged
Other	350.00	400.00	No VAT currently charged
Concession (for those in receipt of housing or council tax benefits)	120.00	175.00	No VAT currently charged

NOTES:

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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Planning Advice			
Building Control Decision Notices (Pre 01-01-2012)			
Sale of Copy Documents			
Reply to general individual queries, Planning or Building Control for up to 6 questions (after that the full Local Land Charge Search fee will be charged)	27.00 per Question	28.00 per Question	No VAT currently charged
If any query requires a site visit to be made (e.g. compliance with conditions)	75.00	79.00	No VAT currently charged
Charges for Copy Documents			
See Note 2 below			
Monthly Decision List - Emailed	Free	Free	Free
Weekly Planning Application List - Emailed	Free	Free	Free
Decision Notices	22.00	19.17	23.00
Decision Notices Additional Copies	1.40	1.25	1.50
A4 - For each copy	1.40	1.25	1.50
A3 - For each copy	1.40	1.25	1.50
A2 - For each copy	3.80	3.33	4.00
A1 - For each copy	5.10	4.50	5.40
A0 - For each copy	6.20	5.50	6.60

NOTES:

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

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

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



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Permitted Developments and Pre-application Advice			
Permitted Development enquiries			
Proposed development type			
Householder	Free	Free	Free
Other	Free	Free	Free
Pre-Application advice			
Householder	Free	Free	Free
Cost of each additional meeting	Free	Free	Free
Residential Development including Conversions (see note 1)			
1 dwelling	84.00	83.33	100.00
Cost of each additional meeting	42.00	37.50	45.00
2-3 dwellings	210.00	233.33	280.00
Cost of each additional meeting	105.00	100.00	120.00
4-5 dwellings	326.00	312.50	375.00
Cost of each additional meeting	168.00	145.83	175.00
6-7 dwellings	473.00	458.33	550.00
Cost of each additional meeting	236.00	208.33	250.00
8-9 dwellings	651.00	625.00	750.00
Cost of each additional meeting	326.00	291.67	350.00
10-24 dwellings	1,508.00	833.33	1,000.00
Cost of each additional meeting	755.00	458.33	550.00
25-49 dwellings	1,508.00	1,333.33	1,600.00
Cost of each additional meeting	755.00	583.33	700.00
50 - 74 dwellings	3,018.00	1,666.67	2,000.00
Cost of each additional meeting	1,117.00	750.00	900.00
75 - 99 dwellings	3,018.00	2,166.67	2,600.00
Cost of each additional meeting	1,117.00	1,000.00	1,200.00
100 - 149 dwellings	3,018.00	2,666.67	3,200.00
Cost of each additional meeting	1,117.00	1,083.33	1,300.00
150 - 199 dwellings	3,018.00	2,916.67	3,500.00
Cost of each additional meeting	1,117.00	1,250.00	1,500.00
200 - 299 dwellings	4,527.00	3,500.00	4,200.00
Cost of each additional meeting	1,508.00	1,500.00	1,800.00
300 - 499 dwellings	4,527.00	4,000.00	4,800.00
Cost of each additional meeting	1,508.00	1,666.67	2,000.00
500+ dwellings	4,527.00	4,333.33	5,200.00
Cost of each additional meeting	1,508.00	2,083.33	2,500.00
Non Residential/Commercial Development (see note 1)			
Gross floor area up to 75m2	Free	Free	Free
Cost of each additional meeting	Free	Free	Free
Gross floor area 76m2 - 249m2	Free	125.00	150.00
Cost of each additional meeting	Free	62.50	75.00
Gross floor area up to 250m2 - 499m2	Free	250.00	300.00
Cost of each additional meeting	Free	125.00	150.00
Gross floor area 500m2 - 999m2	Free	541.67	650.00
Cost of each additional meeting	Free	270.83	325.00
Gross floor area 1,000 - 2,499m2	1,508.00	1,333.33	1,600.00
Cost of each additional meeting	719.00	600.00	720.00
Gross floor area 2,500 - 4,999m2	3,018.00	2,083.33	2,500.00
Cost of each additional meeting	1,064.00	708.33	850.00
Gross floor area 2,500 - 9,999m2	3,018.00	2,833.33	3,400.00
Cost of each additional meeting	1,064.00	916.67	1,100.00
Gross floor area +10,000m2	4,527.00	4,000.00	4,800.00
Cost of each additional meeting	1,436.00	1,250.00	1,500.00



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Permitted Developments and Pre-application Advice			
Other Categories			
Advertisements	Free	62.50	75.00
Cost of each additional meeting	Free	20.83	25.00
Change of Use	Free	125.00	150.00
Cost of each additional meeting	Free	62.50	75.00
Telecommunications	210.00	187.50	225.00
Cost of each additional meeting	105.00	95.83	115.00
Glasshouses/Poly Tunnels	Free	66.67	80.00
Cost of each additional meeting	Free	16.67	20.00
Others (see note 2)	Free	62.50	75.00
Cost of each additional meeting	Free	20.83	25.00
Historic Environmental and Tree related enquiries			
Separate Listed Building and Conservation Area Advice (Up to 3 Separate Matters - see note 3)	47.00	50.00	60.00
Cost per additional matter to be considered		12.50	15.00
Cost of each additional meeting	23.00	20.83	25.00
Separate Tree related Advice - number of trees not exceeding 10	47.00	50.00	60.00
Cost of each additional meeting	23.00	20.83	25.00
Separate Tree related Advice - number of trees over 10 but not exceeding 30	92.00	100.00	120.00
Cost of each additional meeting	23.00	20.83	25.00
(see Note 4)			
Exemptions			
As set out in Guidance Note (e.g. Parish Councils, etc)			

NOTES:

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

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



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020 £	FROM 01-04-2020 £	FROM 01-04-2020 £
Water Sampling and Analysis Charges - Fees Recommended By Worcestershire Regulatory Services	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
POLLUTION CONTROL			
Water Sampling Charges			
The Regulations allow local authorities to charge a fee, to enable reasonable costs of services (lab fees etc) to be recovered			
Proposed Fees and Charges			
Risk Assessment	55.00 per hour	55.00 per hour	No VAT currently charged
Sampling (each visit)	55.00 per hour	55.00 per hour	No VAT currently charged
Investigation	55.00 per hour	55.00 per hour	No VAT currently charged
Analysing a sample			
taken under regulation 10 (small supplies)	lab analysis cost	lab analysis cost	No VAT currently charged
(Plus extra lab costs for additional parameters where required)			
taken during monitoring for Group A parameters	lab analysis cost	lab analysis cost	No VAT currently charged
taken during audit monitoring	lab analysis cost	lab analysis cost	No VAT currently charged

NOTES:

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



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Hackney Carriage/Private Hire Fees			
Hackney Carriage Vehicle (includes renewal plates and twice yearly vehicle inspections)	416.00	430.00	No VAT currently charged
Private Hire Vehicle (includes renewal plates and twice yearly vehicle inspections)	416.00	430.00	No VAT currently charged
Change of Business (Sell Car and Transfer Plate)	105.00	108.00	No VAT currently charged
Temporary Replacement HC & PH vehicle (excluding plates & decals)	104.00	107.00	No VAT currently charged
Initial or Replacement Licences/Plates (if lost or damaged)			
External Car Plate	49.00	50.00	No VAT currently charged
Internal (Executive Vehicles) Car Plate	21.00	22.00	No VAT currently charged
Vehicle Decals - Replacements	19.00	20.00	No VAT currently charged
Exemption Notice (Executive Vehicles)	29.00	30.00	No VAT currently charged
Vehicle Testing			
Vehicle Retest Fee (if re-tested within 48 hours of failure)	31.00	26.67	32.00
Vehicle Retest Fee (if re-tested after 48 hours of failure)	59.00	50.83	61.00
Hackney Carriage/Private Hire Drivers Licence (valid for 3 years)	415.00	426.00	No VAT currently charged
Disclosure and Barring Service check	62.00	64.00	No VAT currently charged
Drivers Badge	25.00	26.00	No VAT currently charged
Drivers' Knowledge Test	54.00	56.00	No VAT currently charged
Private Hire Operators (valid for 1 year)	463.00	477.00	No VAT currently charged
Private Hire Operators (valid for 5 years)	1,760.00	1,810.00	No VAT currently charged

NOTES:

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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Licensing and Registration - Animal Activity Licence			
Animal Activity Licence			
Animal Boarding, Dog Breeding, Pet Shops, Riding Establishments			
Application Fee	322.00	329.00	No VAT currently charged
1 Year Licence Fee	180.00	184.00	No VAT currently charged
2 Year Licence Fee	357.00	364.00	No VAT currently charged
3 Year Licence Fee	535.00	546.00	No VAT currently charged
Variation Fee	235.00	240.00	No VAT currently charged
Inspection Fee	160.00	163.00	No VAT currently charged
Vet Fees	Charged at Cost	Charged at cost recovery	
Animal Activity Licence			
Performing Animals (No Risk Assessment)			
Application Fee	215.00	219.00	No VAT currently charged
1 Year Licence Fee	N/A	N/A	No VAT currently charged
2 Year Licence Fee	N/A	N/A	No VAT currently charged
3 Year Licence Fee	290.00	300.00	No VAT currently charged
Variation Fee	155.00	158.00	No VAT currently charged
Inspection Fee	160.00	163.00	No VAT currently charged
Vet Fees	Charged at Cost	Charged at cost recovery	

NOTES:

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



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION		Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Licensing and Registration				
Dangerous Wild Animals	Initial	411.00	432.00	No VAT currently charged
	Renewal	271.00	285.00	No VAT currently charged
	Vet fees/Animal welfare visit (if applicable)			
Zoo Licences	Initial	1,976.00 (plus Inspector's expenses)	2,075.00 (plus Inspector's expenses)	No VAT currently charged
	Renewal	1,777.00 (plus Inspector's expenses)	1,866.00 (plus Inspector's expenses)	No VAT currently charged
	Vet fees/Animal welfare visit (if applicable)	Charged at Cost	Charged at Cost	
Acupuncture, Tattooing, Electrolysis, Ear Piercing, Skin Piercing & Semi-Permanent Skin				
Colouring -				
Certificate of Registration: (a) Person		200.00	210.00	No VAT currently charged
(b) Premise		288.00	302.00	No VAT currently charged
(c) Persons & Premises		No Longer Available	No Longer Available	
Sex Establishments	Initial	5,226.00	5,487.00	No VAT currently charged
	Renewal	2,007.00	2,107.00	No VAT currently charged
	Transfer	400.00	421.00	No VAT currently charged

NOTES:

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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Gambling Premises Licence Fees			
Gambling Premises Licence - New Application			
Adult Gaming Centre	1,681.00	1,765.00	No VAT currently charged
Betting Premises (excluding Tracks)	2,522.00	2,648.00	No VAT currently charged
Betting Premises (Tracks)	2,100.00	2,205.00	No VAT currently charged
Bingo Club	2,938.00	3,085.00	No VAT currently charged
Family Entertainment Centre	1,681.00	1,765.00	No VAT currently charged
Temporary Use Notices	428.00	449.00	No VAT currently charged
Gambling Premises Licence - Annual Fee			
Adult Gaming Centre	841.00	883.00	No VAT currently charged
Betting Premises (excluding Tracks)	505.00	530.00	No VAT currently charged
Betting Premises (Tracks)	841.00	883.00	No VAT currently charged
Bingo Club	841.00	883.00	No VAT currently charged
Family Entertainment Centre	629.00	660.00	No VAT currently charged
Provisional Statement Application			
Adult Gaming Centre	1,681.00	1,765.00	No VAT currently charged
Betting Premises (excluding Tracks)	2,522.00	2,648.00	No VAT currently charged
Betting Premises (Tracks)	2,100.00	2,205.00	No VAT currently charged
Bingo Club	2,938.00	3,085.00	No VAT currently charged
Family Entertainment Centre	1,681.00	1,765.00	No VAT currently charged
Licence Application (Provisional Statement Holders)			
Adult Gaming Centre	797.00	837.00	No VAT currently charged
Betting Premises (excluding Tracks)	1,010.00	1,061.00	No VAT currently charged
Betting Premises (Tracks)	797.00	837.00	No VAT currently charged
Bingo Club	1,010.00	1,061.00	No VAT currently charged
Family Entertainment Centre	797.00	837.00	No VAT currently charged
Application to Transfer			
Adult Gaming Centre	797.00	837.00	No VAT currently charged
Betting Premises (excluding Tracks)	1,010.00	1,061.00	No VAT currently charged
Betting Premises (Tracks)	797.00	837.00	No VAT currently charged
Bingo Club	1,010.00	1,061.00	No VAT currently charged
Family Entertainment Centre	797.00	837.00	No VAT currently charged
Application to Vary			
Adult Gaming Centre	841.00	883.00	No VAT currently charged
Betting Premises (excluding Tracks)	1,259.00	1,322.00	No VAT currently charged
Betting Premises (Tracks)	1,049.00	1,101.00	No VAT currently charged
Bingo Club	1,472.00	1,546.00	No VAT currently charged
Family Entertainment Centre	841.00	883.00	No VAT currently charged
	0.00	0.00	
Reinstatement of Licence			
Adult Gaming Centre	797.00	837.00	No VAT currently charged
Betting Premises (excluding Tracks)	1,010.00	1,061.00	No VAT currently charged
Betting Premises (Tracks)	797.00	837.00	No VAT currently charged
Bingo Club	1,010.00	1,061.00	No VAT currently charged
Family Entertainment Centre	797.00	837.00	No VAT currently charged

NOTES:

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



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Street Trading			
Single Unit up to 12 x 12 (max 5m length) Food - Initial	2,450.00	2,575.00	No VAT currently charged
- Renewal	2,330.00	2,450.00	No VAT currently charged
Single Unit up to 12 x 12 (max 5m length) Non-Food - Initial	2,045.00	2,145.00	No VAT currently charged
- Renewal	1,842.00	1,935.00	No VAT currently charged
For every additional 12 x 12 or part thereof or length more than 5m	1,010.00	1,060.00	No VAT currently charged
Mobile Traders - Initial	962.00	1,010.00	No VAT currently charged
Mobile Traders - Renewal	962.00	1,010.00	No VAT currently charged
Street Amenities (Control of Street Furniture)	387.00	405.00	No VAT currently charged

NOTES:

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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge TO 31-03-2020 £ Charges inclusive of VAT (if applicable)	Proposed Charge FROM 01-04-2020 £ Charges before VAT	Proposed Charge FROM 01-04-2020 £ Charges inclusive of VAT (if applicable)
Scrap Metal Dealers Act 2013 - Fees Recommended By Worcestershire Regulatory Services			
Site Licence - Initial (3 year licence)	290.00	296.00	No VAT currently charged
Site Licence - Renewal (3 year licence)	240.00	245.00	No VAT currently charged
Collectors Licence - Initial (3 year licence)	145.00	148.00	No VAT currently charged
Collectors Licence - Renewal (3 year licence)	95.00	97.00	No VAT currently charged
Variation of Licence	65.00	67.00	No VAT currently charged
Copy of licence (if lost or stolen)	25.00	26.00	No VAT currently charged

NOTES:

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



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

PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Control of Dogs - Fees Recommended By Worcestershire Regulatory Services			
Statutory Fine per dog seized	25.00	25.00	No VAT currently charged
Kennelling charge per dog per day	13.50	15.00	No VAT currently charged
Kennelling of Dangerous Dogs charge per dog per day	20.00	25.00	No VAT currently charged
Administration Fee per stray dog seized	15.00	15.00	No VAT currently charged
Out of Hours Charge	35.00	40.00	No VAT currently charged
Repeat stray charge	25.00	30.00	No VAT currently charged
Treatment Costs (wormer, flea treatment)	10.00	10.00	No VAT currently charged
Vet fees/treatment charges (if applicable)	Charged at Cost	Charged at Cost	

NOTES:

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



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

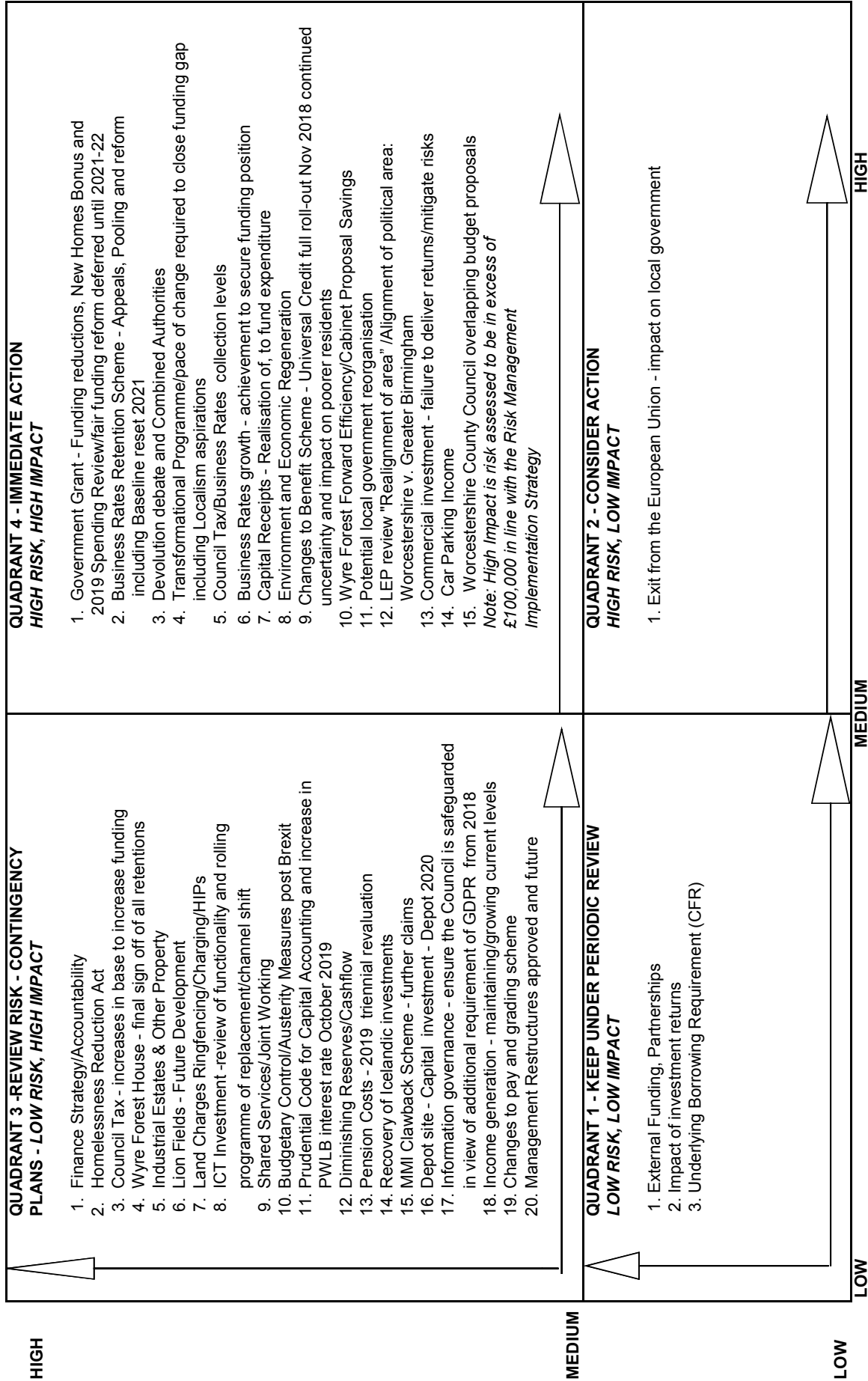
PROPOSAL OF SCALE OF FEES AND CHARGES

INCOME DESCRIPTION	Current Charge	Proposed Charge	Proposed Charge
	TO 31-03-2020	FROM 01-04-2020	FROM 01-04-2020
	£	£	£
	Charges inclusive of VAT (if applicable)	Charges before VAT	Charges inclusive of VAT (if applicable)
Council Tax and NNDR			
Council Tax and NNDR			
Summons costs	50.00	50.00	No VAT currently charged
Liability Orders	30.00	30.00	No VAT currently charged

NOTES:

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

BUDGET RISK MATRIX 2020-23



IMPACT

Budget Risk Matrix

ISSUE	BUDGETARY RESPONSE
<p>Quadrant 1 - Low Risk, Low Impact</p> <p>1. External Funding, Partnerships</p> <p>2. Impact of Investment Returns</p> <p>3. Underlying Borrowing Requirement (CFR)</p>	<p>Keep under periodic review</p> <p>Continue to evaluate sustainability of each scheme as part of project appraisal.</p> <p>Continue to monitor and report as appropriate. The Governor of the bank of England has indicated that the rate may increase further from the current 0.75% over the terms of the MTFP. Balances available for investment are reducing over the MTFP and this together with the low returns has been taken into account in the base budget. We continue to work with Link Asset Services in this area.</p> <p>The rising CFR over the term of the Budget Strategy will be carefully monitored in close liaison with Link Asset Services to gauge both the timing and type of external borrowing.</p>
<p>Quadrant 2 - High Risk, Low Impact</p> <p>1. Exit from the European Union</p>	<p>Consider Action</p> <p>To-date the impact has not been significant but this will be closely monitored.</p>
<p>Quadrant 3 - Low Risk, High Impact</p> <p>1. Finance Strategy/Accountability</p> <p>2. Homelessness Reduction Act</p> <p>3. Council Tax – increase in base</p> <p>4. Wyre Forest House final sign off of all retentions</p> <p>5. Industrial Estates and Other Property</p> <p>6. Lion Fields Gateway - Future Development</p> <p>7. Land Charges Ring fencing /Charging/HIPs</p> <p>8. ICT Investment/channel shift</p> <p>9. Shared Services Joint working</p> <p>10. Budgetary Control/Austerity Measures</p> <p>11. Prudential Code for Capital Accounting – Borrowing rates</p> <p>12. Diminishing Reserves/Cash flow</p> <p>13. Pension Costs</p> <p>14. Recovery of Icelandic Investments</p>	<p>Review Risk - Contingency Plans</p> <p>Council are required to adopt a three year Balanced Budget Strategy.</p> <p>Supplementary estimate agreed at September Cabinet, use of New Street facility, close monitoring and management of housing advice service brought back in-hour from June 2018.</p> <p>Assumption of increase of 300 pa should hopefully be realised. Managed closely by Chief Executive and CLT/Cabinet</p> <p>Managed through Property Disposal Strategy</p> <p>Development opportunities continue to be explored.</p> <p>Reduced income allowed for within Base Budget reduces the scale of any challenge.</p> <p>ICT Strategy Group oversee/enhance the governance, planning and delivery arrangements of the strategy between ICT and council service areas.</p> <p>Shared Services partnerships continue to contribute to collaborative efficiencies but will be monitored to ensure risk is managed and mitigated.</p> <p>Continue to discourage non-essential expenditure, monthly budget monitoring reports provide more management information. Focus on income generation and innovative alternative service delivery models.</p> <p>External borrowing is £35m, PWLB rates increased with no notice by whole percent in early October 2019; Link Asset Services continue to provide technical advice and are looking for alternative sources of cheaper borrowing.</p> <p>Cash flow management will be tighter given reduction in capital and revenue reserves and use of the Link Cash flow model is being used to improve management information to help mitigate any risk in this area</p> <p>2016 revaluation contained within existing budgets but risk remains going forward for this significant expenditure area. 2019 Revaluation confirmed rather than a move to every 4 years</p> <p>Under £1m in outstanding and work will continue to achieve maximum recovery.</p>

<p>Quadrant 3 Continued</p> <p>15. MMI Claw Scheme</p> <p>16. Depot Site – capital investment</p> <p>17. Information Governance</p> <p>18. Income Generation</p> <p>19. Change to Pay and Grading Scheme</p> <p>20. Management Restructures</p>	<p>Further claim received and settled, ear marked reserve held.</p> <p>Currently on schedule and on budget; this will be carefully managed Investment is required to provide a sustainable depot site now the decision has been taken to retain and invest in this key asset.</p> <p>Internal working group chaired by the DOR is reviewing this area to ensure the Council continues to be safeguarded.</p> <p>Income Generation Group continues to work to protect/expand market share. External report commissioned from CommericalGov has informed marketing strategy and new Commercial Manager now recruited.</p> <p>The impact of these proposals will be managed by Cabinet/CLT with particular regard to the impact on the overall funding envelope</p> <p>To be managed by the Chief Executive and Cabinet</p>
<p>Quadrant 4 - High Risk, High Impact</p> <p>1. Government Grant –Funding Changes, further Spending Reviews and New Homes Bonus</p> <p>2. Business Rates Retention Scheme, appeals, Pooling and revision of funding arrangements. Baseline reset 2020, impact on growth</p> <p>3. Devolution debate and Combined Authorities</p> <p>4. Impact of Transformational Programme, Localism agenda</p> <p>5. Council Tax Collection levels including impact of CTRS Scheme</p> <p>6. Government's Waste Strategy</p> <p>7. Capital Receipts - Realisation of to fund expenditure</p> <p>8. Environment and Economic Regeneration</p> <p>9. Changes to Housing Benefit Scheme – universal credit/localisation of support for Council Tax</p> <p>10. Wyre Forest Forward Efficiency savings</p>	<p>Immediate Action</p> <p>Significant issue given the scale of the Spending deficit. The Strategic Review Panel process will assist Wyre Forest Forward coordinating Councils future Plans.</p> <p>Application for pan-Worcestershire Pilot (including Fire Authority) submitted for 2020-21. Proposed changes to funding arrangements and delays continue to cause uncertainty and risk. The Baseline reset could also result in a decrease in this key funding stream. Our regeneration programme is a mitigation factor.</p> <p>Monitored closely by CLT/Cabinet</p> <p>Managed by CLT/Cabinet with reports to Group Leaders. Collaborative working with town and parish councils.</p> <p>The impact of the revised Local Scheme will be kept under review by the Corporate Director: Resources Revised CTRS scheme from April 2019 to align with Universal credit Assumptions in relation to decreased collection rates have been made in the Council Tax Base calculations as a result of the Local Council Tax Discount Scheme and these will be carefully managed and reported on.</p> <p>Impact will be monitored as more information emerges and reported as appropriate.</p> <p>Capital Programme funding reflects realistic timescale for the realisation of asset disposal receipts. Temporary borrowing will be used when necessary.</p> <p>The Council continues to be proactive in this area and this is closely monitored by Cabinet/CLT</p> <p>Introduction of Universal Credit from November 2018 is being carefully managed and impact monitored</p> <p>Progress continues to be monitored and reported regularly to members.</p>

APPENDIX 4 (Part 2)

11. Potential Local Government Reorganisation	Macroeconomic area strategically assessed and managed by the Leadership team.
12. Realignment of area/political area	Kept under strategic review by the Leadership team in liaison with two LEPS. The three LEP footprint proposals are also within our radar.
13. Commercial Income	Commercial Activity Programme Board monitors income achievement and key performance metrics included in quarterly Cabinet Budget Monitoring reports
14. Car parking income	Income levels usages closely monitored, new simplified policy is proposed. Earlier timetable for scrutiny.
15. WCC overlapping budget proposals – adverse impact	Liaison with WCC to work to minimise/mitigate the impact of any overlapping proposals to protect the financial position of both parties as far as possible.

APPENDIX 5/1

ICT Strategy

1. PURPOSE OF REPORT

- 1.1 To provide information on refreshing the ICT Strategy Capital Programme to ensure it meets the future needs of the Council to the end of 2022/23.
- 1.2 To set out the rationale for a Cabinet proposal to seek Council approval for a top-up of the ICT Capital Strategy funded from additional borrowing of up to a maximum of £0.65m for capital investment in the Councils ICT infrastructure, systems and software to meet the Council's ICT business needs to ensure there is sufficient funding for the remainder of the current ICT Strategy.

2. SUMMARY

Cabinet will be considering the following draft recommendations at its meeting in December as part of the MTFS to be recommended to Council in February 2020;

- 2.1 **The sum of £0.653m is added to the Council's approved Capital Programme for the delivery of the ICT Strategy over the period 2019/20 – 2022/23 and that the loan financing costs of this capital are added to the revenue budget.**
- 2.2 **The Corporate Director: Resources in consultation with the ICT Strategy Board and Cabinet Member for Strategy and Finance approves the allocation of the additional £0.653m for the ICT Strategy to ensure the future needs of the Council as set out in the ICT Strategy 2018 – 2022. Revised ICT Strategy Work Plan and Costs are included under section 11.**
- 2.3 **Major expenditure will be subject to specific approval by the ICT Strategy Board and due diligence of business cases for each proposal.**
- 2.4 **That the financing of such loans be delegated to the Corporate Director: Resources and that requisite amendments are made to the revenue budget to reflect potential financing costs and income streams to support the extra capital allocation in 2.1 above as part of the MTFS process.**

3. BACKGROUND

- 3.1 The current ICT Strategy was agreed in 2018 and added to the Capital Programme for the new Strategy covering the period 2018 – 2022.
- 3.2 The new Strategy was produced and endorsed by the ICT Strategy Board and Corporate Leadership team and provides a clear direction for the work of the ICT function and ensures that technology supports the business processes and provides the framework for evaluating new business proposals for new projects.

- 3.3 The ICT Strategy needs to be an evolving Strategy as new projects, systems and technologies are identified. As such a contingency of £40k pa was included in the strategy for this purpose a reduced amount from the original £50k pa.
- 3.4 Since its approval a number of significant projects and unforeseen expenditure has been identified that can't be covered by the contingency including additional costs for Depot 2020 project and Payroll replacement. Details set out in Revised ICT Strategy Work Plan and Costs.
- 3.5 Without the additional commitment to further capital investment, current ICT Revenue budgets will not be able to cope with the future projects listed in the Revised ICT Strategy Work Plan and those yet to be identified.
- 3.6 Strong governance and prudent spending enabled the ICT Service with approval from the ICT Strategy Board to fund not only the 2008/09 – 2012/13 ICT Strategy but also the 2014/15 – 2017/18 ICT Strategy from the original £2.54 million allocated to the ICT Strategy to cover the period 2008/09 – 2012/13. However the pace of change and number of new unidentified projects has meant the predicted rate of spend compared to estimates is much higher and faster as detailed in in the table in Section 5 and the revised ICT Strategy Work Plan.

4. KEY ISSUES

- 4.1 Redevelopment of the Green Street Depot has required significant ICT investment to meet the needs of not only Council Depot staff but that of other staff relocated from other offices and Tenants renting offices. The ICT Strategy has funded ICT infrastructure that has traditionally been included in the main design and build part of the project as was the case at Wyre Forest House. Due to this and the relocation of the Business Continuity Data Centre from the Town Hall the projected cost for Green Street ICT infrastructure funded from the Strategy is considerably higher than predicted.
- 4.2 With the move away from delivering the payroll service via Redditch Borough Council (RBC) and cabinet agreeing to a procurement exercise, the procurement of a system would require funding from the ICT Strategy for Licences and implementation purposes. This was not included in the working assumptions for the approved ICT Strategy.
- 4.3 There are likely to be additional ICT infrastructure costs associated with the refurbishment of Block E at Green Street and extension of the Tenant network required at WFH.
- 4.4 Replacement of the Wireless network and associated cabling in particular at the Town Hall and Bewdley museum has increased costs for this project.
- 4.5 Security and tools / systems are continually evolving to help detect and protect the Council and its data from Cyber-attacks. This is an area where it's difficult to budget for and a contingency is required.
- 4.6 The Final year of the Strategy contains amounts for projects slipped from year 1 to 4 that have been deferred i.e. Webcasting. No allowance has been made for

any other major system upgrades other than Payroll, this could have significant cost implications if the Strategy is required to fund these projects.

5. FINANCIAL IMPLICATIONS

5.1 Capital and revenue requirements of the proposed £1.75m investment over the 5 years of the ICT Strategy are summarised in the table below. Additions to the table in the original proposal is an actual spend profile to date and estimated additional spend along with revised financing costs. Additional details provided in background paper Revised ICT Strategy Work Plan and Costs.

Detail	Year 1 2018/19	Year 2 2019/20	Year 3 2020/21	Year 4 2021/22	After 2022/23	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Current approved ICT Strategy	776	608	113	220	40	1757
<hr/>						
Revised Capital Budget re profiled	752	887	0	12	40	1691
Actual Spend	752	167				
Commitments		107				
Estimated Additional Spend		613	250	290	165	1318
Additional Capital Budget Requirement	0	0	(250)	(278)	(125)	(653)
<hr/>						
Financing costs of current approved ICT Strategy	7	132	227	289	289	944
Financing Costs of additional Capital Expenditure	0	0	4	63	126	193
Total Financing Costs	7	132	231	352	415	1137

5.2 In March 2018 the Council approved £1.75 million for the implementation of the ICT strategy 2008 – 2012. This has been used effectively with priorities managed well however with a number of additional major projects over spending new ones being identified means the predicted over spend of approx. £650K. This is mainly accounted for in the following 4 projects Depot 2020, Payroll, Wireless and SAN replacement.

- 5.3 Capital funding may continue to be more affordable due to the ability to fund from borrowing and spread the costs of servicing the debt over a number of years. Some proposals may be revenue expenditure depending on the chosen solution however the affordability may be more difficult due to pressure on the revenue budget and will need to be carefully assessed. However, this capital expenditure proposal in no way precludes consideration of revenue based proposals in the future.
- 5.4 The Capital and Revenue costs of the Future Work Programme as set out in the Revised ICT Strategy Work Plan are also summarised in the above table. The costs of servicing the prudential extra £0.65M borrowing are also provided. This proposal is for future funding to form part of the Medium Term Financial Strategy for 20120/23.
- 5.5 Financing costs provided may be lower than costed depending on actual interest rates achieved but prudent levels are provided for the purposes of this proposal. As with all capital schemes if approved, total budgeted expenditure will be realigned to reflect actual progress as the strategy is implemented. Major expenditure will be subject to specific approval by the ICT Strategy Board and due diligence of business cases for each proposal.
- 5.6 Any future property/service proposals that have major new/changed ICT requirements will need separate funding provision since such unknown proposals will not be included in the generic ICT Strategy.

6. EQUALITY IMPACT NEEDS ASSESSMENT (EIA)

- 6.1 This is a financial report and an EIA is not required.

7. RISK MANAGEMENT

- 7.1 The core risk to delivering the ICT strategy remains both financial and resources, although there is still capital funding remaining from the £1.75m approved in 2018 however this is predicted to run out in year 4 of the current ICT Strategy.
- 7.2 Much of the ICT infrastructure has been delivered by capital funding under the previous strategies. The majority of the systems and hardware that will need refreshing over the life time of this strategy have been identified as part of this Strategy. The council needs to agree the additional investment if it is to meet the needs of systems and infrastructure identified in the ICT Strategy.
- 7.3 Keys risk and mitigations include:
- Risk assessments and management will be built into all projects that arise during the course of the strategy.
 - Properly resourced programme and change management will involve a comprehensive risk assessment. With such major investment and commitment, risks will be continually assessed and mitigated as much as possible.
 - The investment in the strategy will be based on estimates and firm costs will only become apparent as projects evolve. Continued best practice procurement and the annual work programme combined with the ongoing

assessment of savings and efficiencies will assist with the mitigation of the financial risk.

- Risk of being unable to maintain pace with rapid evolving sector due to the relatively small size of the Council and cost of ongoing investment relative to funding gap/budget pressures.

8. LEGAL AND POLICY IMPLICATIONS

8.1 Continued ICT investment is required to deliver approved policies and decisions of the Council.

8.2 Procurement implications will need to comply with legislative and Council Corporate Governance requirements.

8.3 The ICT arrangements will continue to be closely aligned with existing Council policies and corporate working groups (Digital First / Information Governance).

9.0 Conclusion

9.1 ICT is an integral and essential element of the organisation and makes a major contribution to the Council's strategies and corporate drivers by supporting progressive service delivery and cost reductions.

9.2 The ICT Strategy provides a clear direction for the work of ICT, ensuring that technology supports the business processes and provides the framework for evaluating the ICT element of new business proposals for new projects.

9.3 The Council's current ICT infrastructure is extremely good but needs regular refreshes to keep pace with the changing technology advances and the ever increasing expectations and needs of the public and users while protecting councils systems and data.

9.4 Irrespective of the need to deliver savings and efficiencies and investment in property development, significant and regular investment is required in the ICT infrastructure to maintain the current high standards and protect the Council's data and systems.

9.5 New technologies and systems are constantly becoming available that are essential for effective and efficient working practices for delivery of services in the future to support the Council priorities

9.6 An annual work plan will be produced which will identify the investment and targets on a year by year basis.

10. CONSULTEES

10.1 Corporate Leadership Team

10.2 Cabinet

10.3 ICT Strategy Board

10.4 Strategic Review Panel

11. BACKGROUND PAPERS

- 11.1 ICT Strategy 2018 – 2022 – copy available on request
- 11.2 Revised ICT Strategy Work Plan and Costs
- 11.3 Strategic Review Panel 28th October 2019

APPENDIX 5/2

Brinton Park, National Lottery Heritage Fund (HF) project

1. PURPOSE OF REPORT

- 1.1 To provide information on the capital funding element of the proposed Brinton Park HF project subject to receiving a successful award in July 2020.
- 1.2 To set out the rationale and business case for the project which is highlighted in the Mid Term Financial Strategy to seek Council approval for a capital investment to Brinton Park funded from a National Lottery Heritage Fund grant, additional borrowing of up to a maximum of £100k, (underwriting other partnership funding), to ensure there is sufficient funding to deliver the project. The Council has already approved a contribution of £100k in the current Capital Programme.

2. SUMMARY

Cabinet will be considering the following draft recommendation at its meeting in December 2019 as part of the MTFs to be recommended to Council in February 2020:

- 2.1 **The sum of £2.4m is added to the Council's approved Capital Programme for the delivery of the Brinton Park project over the period 2020/21 – 2024/25, including a further £100k funded by prudential borrowing should the proposed external partnership funding not be secured.**
- 2.2 **A report will be brought to the Cabinet on 11 February to approve the evaluation criteria for the procurement of professional and building services contracts and to put in place an appropriate delegation to award the contracts.**

3. BACKGROUND

- 3.1 WFDC agreed a capital contribution of £100,000 in November 2016 towards the HF project, funded by prudential borrowing.
- 3.2 The Round 1 application was successful in December 2018 and following this the project team has been engaged in the 18 month development phase to refine all elements of the project including design, community engagement, cost planning, conservation and heritage etc. The Round 2 application will be submitted by 28th February 2020. There will be a monitoring visit in May 2020 and the HF board will announce the outcome in June 2020 (which will be embargoed until July 2020). Subject to a successful award the delivery phase will then commence and the project will run until summer 2025. New capital build elements of the project are scheduled to be completed in 2022.
- 3.3 During this current Development phase in 2019 a number of consultation and community engagement events have been organised. Surveys have been carried out by volunteers to demonstrate the make up of the footfall and establish the baseline of 344,324 users per year.

- 3.4 In October 2019 the Mid Term Project Review was held with HF whereby the project team demonstrated the progress that has been made to date and that the project is on track to submit the Round 2 application. A 'pass' was subsequently received in early November 2019 and permission from the regional panel to continue together with suggested action points for consideration.
- 3.5 If a successful grant award is received in June 2020 procurement of services must start with the appointment of the design team. This will be followed by procurement of contracts for building services etc. The appointment of a Community Engagement Officer and Horticultural Apprentice will also be a priority.

4. KEY ISSUES

- 4.1 The project must meet the Heritage Fund criteria which are divided into three categories: Heritage, People and Community. They are further subdivided to make up the ten outcomes. The project must meet outcomes in each of the categories. The outcomes will be achieved by capital and revenue investment along with community components.

The new capital works include:

- Cafe
- Car park and depot
- Ornamental pool
- Extension to the Sons of Rest Pavilion
- Footpaths & entrances
- Signage
- Improvements to Emily Jordan Foundation/Twigs nursery
- Restoration of bandstand

The revenue and community projects include:

- Activity plan – many projects to engage the community
- Volunteering
- Community Engagement Officer posts
- Horticultural apprentice post
- Events

- 4.2 The project team must submit the Round 2 application by 28th February 2020 as this is the final date for the funding stream application. No new applications will be accepted beyond this date.
- 4.3 All partnership funding must be confirmed or underwritten at the time of application.
- 4.4 Planning applications will be submitted in January 2020.
- 4.5 Subject to a successful award in June/July 2020 the Council can proceed with the project without delay to procure services and contracts to meet the project timescales. In order to progress this, Council approval for the gross capital sum of £2.4m is required. The Council has already included a contribution of £100k in the approved Capital Programme. The funding analysis and expenditure profile

of this gross sum, most of which should be met from the HF external funding if awarded, is shown in the table in the Financial Implications section below. Specific approval is also required of a Council commitment to meet a maximum shortfall of £100k in capital partnership contributions, to be funded from prudential borrowing. This would take the Council's maximum capital contribution to £200k.

5. FINANCIAL IMPLICATIONS

5.1 The table below sets out the high level delivery cost plan:

		2020-21	2021-22	2022-23	2023-24	2024-25	TOTAL
		£	£	£	£	£	£
Capital Expenditure							
Scheme construction/conversion		500,000	1,250,000	252,940			2,002,940
Other Capital			150,000	203,480			353,480
		500,000	1,400,000	456,420	0	0	2,356,420
Capital Funding							
S106		(32,140)	(42,860)				(75,000)
Heritage Fund (Cap)	85.59%	(427,930)	(1,198,190)	(390,620)			(2,016,740)
Timing adjustment (Grant receipt)^		(7,680)	(8,080)	(41,670)	0	0	(57,430)
Other Grants (to be applied for)		(32,250)	(75,000)				(107,250)
WFDC (Prudential Borrowing)			(75,870)	(24,130)			(100,000)
		(500,000)	(1,400,000)	(456,420)	0	0	(2,356,420)
Revenue Expenditure							
Activity		62,200	62,200	62,200	62,200	62,200	311,000
Other Revenue		3,000				20,000	23,000
Maintenance*		10,000	10,000	10,000	10,000	10,000	50,000
Volunteer*		10,000	10,000	18,500	18,500	18,500	75,500
		85,200	82,200	90,700	90,700	110,700	459,500
Revenue Funding							
Heritage Fund (Rev)	85.59%	(72,920)	(70,350)	(77,630)	(77,620)	(94,740)	(393,260)
Timing adjustment (Grant receipt)^		7,720	8,150	15,430	15,420	10,710	57,430
Maintenance*		(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(50,000)
Volunteer*		(10,000)	(10,000)	(18,500)	(18,500)	(18,500)	(75,500)
		(85,200)	(82,200)	(90,700)	(90,700)	(112,530)	(461,330)
TOTAL SCHEME		0	0	0	0	(1,830)	(1,830)

Notes to Table:

Capital Expenditure: Other Capital includes contingency and provision for inflation increases.

Capital Funding: Other Grants (to be applied for) are underwritten by the second £100k Council funding requested as part of this report's recommendation.

5.2 HF funding is awarded on a generic basis with no distinction between capital and revenue expenditure providing maximum flexibility for project financing.

5.3 Funding will be drawn down from HF on evidence of invoices and quarterly payments managed by the Project Manager (CFP Ltd).

5.3 An agreed funding split will be applied currently showing an 86% - HF, 14% partnership share. The partnership's share will be met from a combination of S106 moneys held by WFDC, partnership contributions and approved Council funding of up to £200k. Section 106 funding and WFDC capital is released alongside the grant award in line with the agreed split. Any contingency requests must be agreed by HF in advance and approved by the project mentor and the Corporate Director: Resources.

- 5.4 The business case will be updated and must be submitted to HF for approval as part of the application process. The net revenue effect of the scheme is estimated to produce a modest return, but at the very least will be cost neutral. The detailed business case will include predicted revenue income from new income streams such as the cafe lease, more events and outside hirers in the park.

6. EQUALITY IMPACT NEEDS ASSESSMENT (EIA)

- 6.1 This is a financial report and an EIA is not required at this stage. Most activities and events delivered through this project will be free with funding allocated within the activity plan.

7. RISK MANAGEMENT

- 7.1 The project has a risk management plan which is required by HF. This is maintained by the Project Manager and regularly reviewed at project team and Steering Group meetings.
- 7.2 86% of the project funding is currently projected to be granted by HF, although a minimum of 10% is required to be funded from the Council and other partners.
- 7.3 Key risks and mitigations include:
- Risk assessments and management will be built into all aspects of the projects.
 - Feasibility works and surveys have been carried out in all areas relating to the capital works.
 - Partnership funding has been identified. Funding applications will be submitted when required. The Council has agreed £100k contribution and, in addition, it is proposed to underwrite up to £100k of partnership funding as part of the gross capital sum recommended to Council for approval in this report.
 - Inflation and contingencies have been built into the forward plan.
 - The procurement process will ensure that highly qualified and suitable contractors will be appointed.
 - In the revised Cost Plan the % of the HF Delivery Grant will increase from the Round 1 application from 82% to 86% and must be approved by the project mentor and HF. This is still below the maximum 90% value.

8. LEGAL AND POLICY IMPLICATIONS

- 8.1 Procurement implications will need to comply with legislative and Council Corporate Governance requirements.

9.0 CONCLUSION

- 9.1 Brinton Park is a key open space in Kidderminster which supports leisure, health and wellbeing, and tourism across the district, drawing visitors from wider afield. The HF project will bring an unparalleled level of investment into the park whilst also reconnecting local people to its heritage. This project is a significant

regeneration project for Kidderminster and works alongside other 'regeneration schemes for the town.

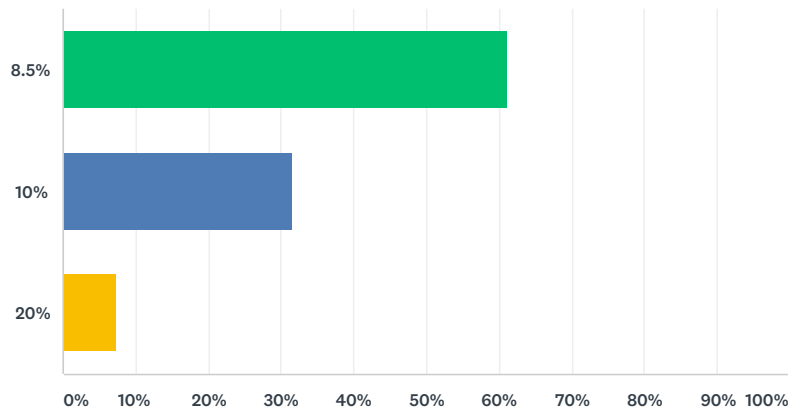
- 9.2 The business case will be progressed and must be submitted to HF for approval as part of the application process. The net revenue effect of the scheme is estimated to produce a modest return, but at the very least will be cost neutral. The revenue budget includes parks maintenance related to Brinton Park.
- 9.3 Cabinet is asked to note the high level costs of the project and work to date.
- 9.4 Cabinet is asked to recommend to Council that the gross capital cost of £2.4m is included in the Capital Programme subject to confirmation of HF funding. As part of this approval, a further £100k partnership funding be approved to be funded from prudential borrowing. With this financial support identified at this stage the project team can progress with confidence that (subject to a successful application outcome in June/July 2020) the project can move into the delivery phase without delay.

Consultees:

- CLT
- Cab/CLT

Q1 District councils across England have, on average, increased their part of council tax bills by 11.4% over the last 9 years. What do you think the increase has been in Wyre Forest over that period?

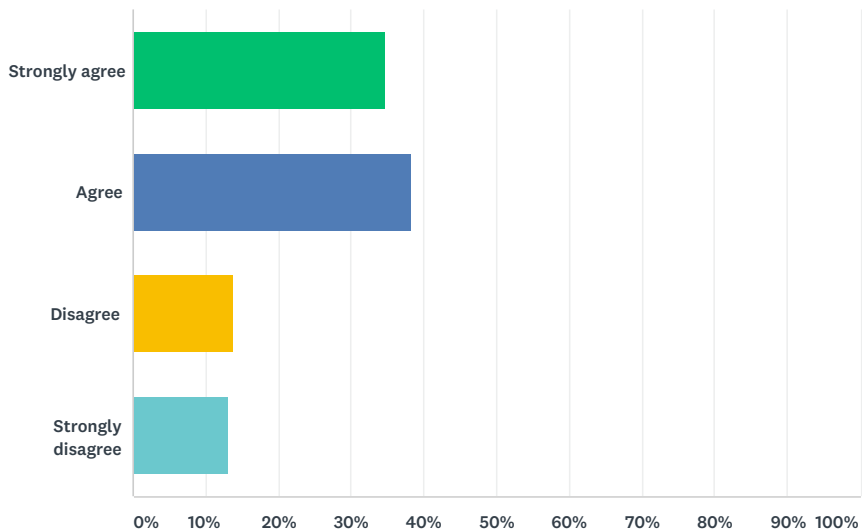
Answered: 613 Skipped: 0



ANSWER CHOICES	RESPONSES	
8.5%	61.01%	374
10%	31.65%	194
20%	7.34%	45
TOTAL		613

Q2 How strongly do you agree that in 2020 we should increase our part of the council tax by up to 13p per week to help maintain essential services? These include setting planning policy, deciding planning applications, running elections, clearing away domestic waste, administering and paying benefits and tackling homelessness. (The figure of 13p a week is based on Band D properties – the majority of homes in Wyre Forest are Band B and so would pay less). We are not planning to make any changes to our Council Tax Reduction Scheme which offers help for people on low incomes to pay their bill.

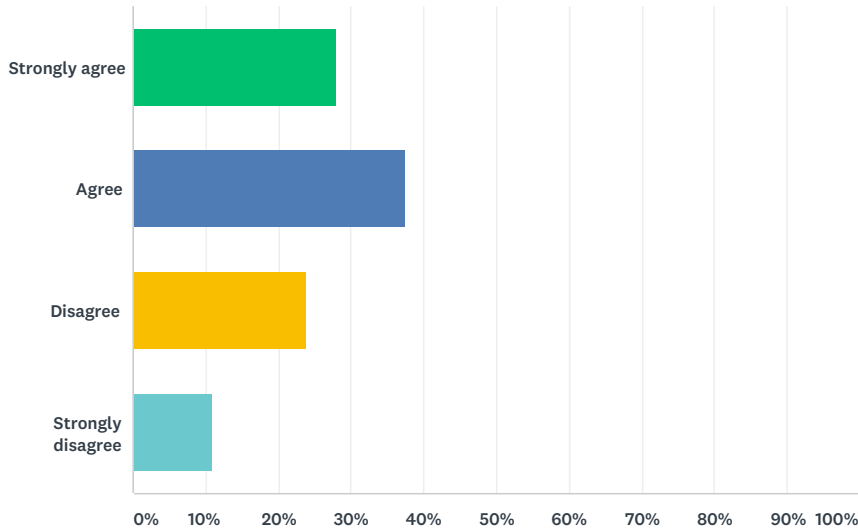
Answered: 568 Skipped: 45



ANSWER CHOICES	RESPONSES	
Strongly agree	34.68%	197
Agree	38.38%	218
Disagree	13.73%	78
Strongly disagree	13.20%	75
TOTAL		568

Q3 Some of our services generate income, such as bulky waste and garden waste collections. Car parking also generates income that is reinvested in this service. The fees you pay help fund essential services. If we reduced or scrapped fees and charges we would have even less money to provide you with services. How strongly do you agree that we should help maintain essential services by a modest increase in our fees and charges.

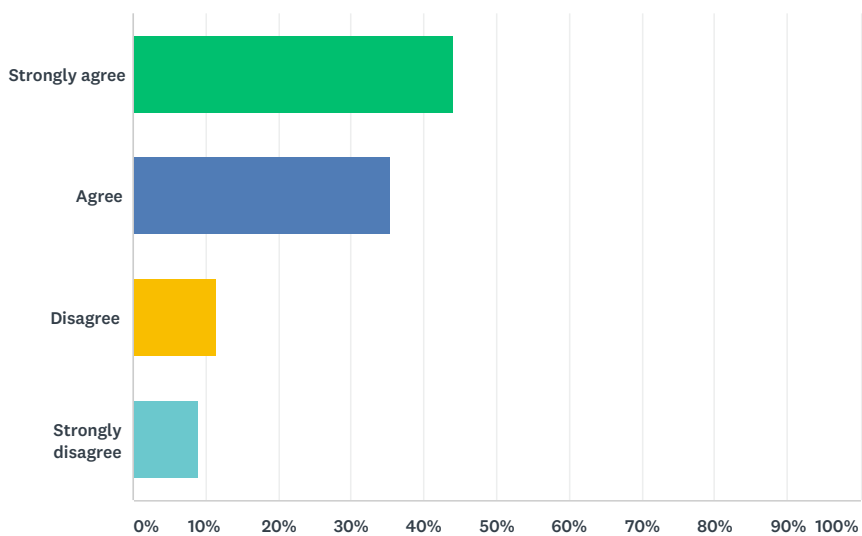
Answered: 547 Skipped: 66



ANSWER CHOICES	RESPONSES	
Strongly agree	27.97%	153
Agree	37.48%	205
Disagree	23.77%	130
Strongly disagree	10.79%	59
TOTAL		547

Q4 Worcestershire County Council is responsible for the grass verges along the district's roads (including most of those on housing estates and residential areas). They pay us to cut the verges on their behalf. In recent years the amount they have paid us has reduced. In order to allow the verges to be cut an average of seven times each year the district council has made up the difference by finding money from within its own budget. If we stop subsidising this service we would save £91,720 in 2020. This would mean that, where safety allows, verges would not be cut as often, although we would look to extend our wildflower planting scheme across the district. How strongly do you agree that the number of cuts of highways verges should be reduced to match the level of funding from the county council?

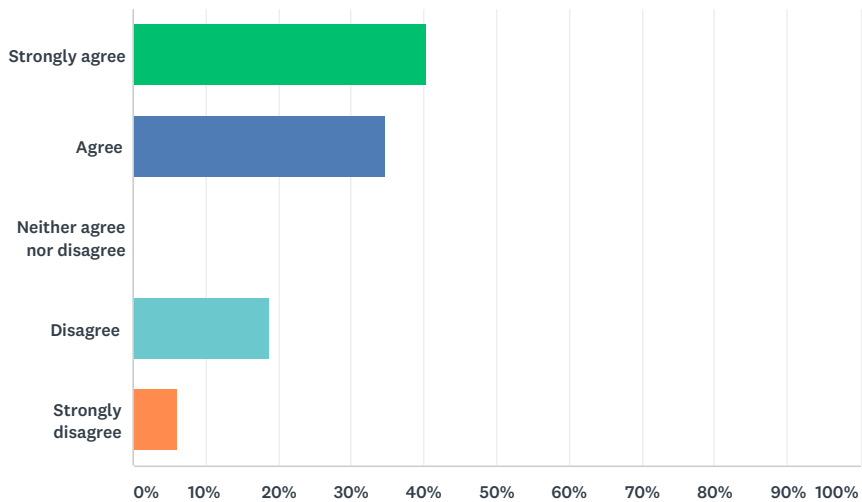
Answered: 537 Skipped: 76



ANSWER CHOICES	RESPONSES	
Strongly agree	44.13%	237
Agree	35.38%	190
Disagree	11.55%	62
Strongly disagree	8.94%	48
TOTAL		537

Q5 Plantlife, a British conservation charity working nationally and internationally to save threatened wild flowers, plants and fungi, has recently published a report that calls for grass verges to be cut no more than twice a year because of the benefits to plants and wildlife, including bees. You can read Plantlife’s report here. Do you agree that the district council should cut verges (including those on housing estates and residential areas) no more than twice a year?

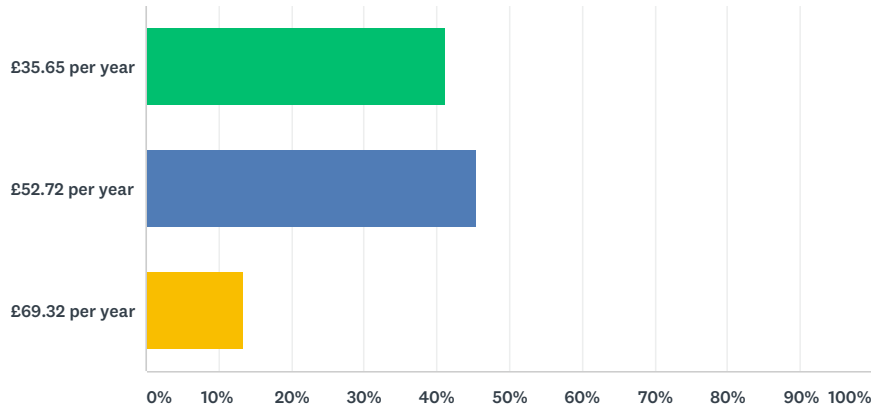
Answered: 535 Skipped: 78



ANSWER CHOICES	RESPONSES	
Strongly agree	40.37%	216
Agree	34.77%	186
Neither agree nor disagree	0.00%	0
Disagree	18.88%	101
Strongly disagree	5.98%	32
TOTAL		535

Q6 Depending where you live in the district, an element of your council tax bill will cover services provided by your parish or town council. In England the average parish/town council charges a council tax of £67.18 for a Band D property. How much do you think the average town or parish council charges in Wyre Forest?

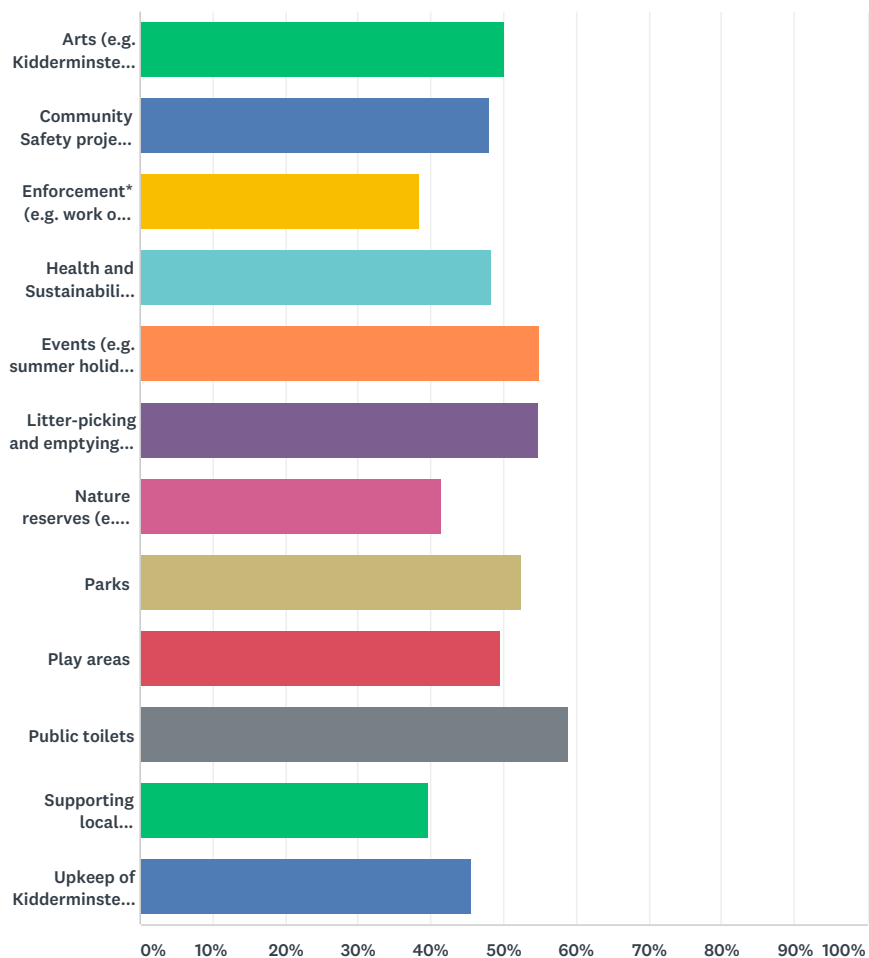
Answered: 529 Skipped: 84



ANSWER CHOICES	RESPONSES	
£35.65 per year	41.21%	218
£52.72 per year	45.37%	240
£69.32 per year	13.42%	71
TOTAL		529

Q7 For the last 5 years we have been working more closely with our parish and town councils to take on responsibility for services like grass cutting and litter picking, as well as facilities such as public toilets and paddling pools as part of our work on Localism. Localism is about bringing services closer to communities and protecting services we can no longer afford. The following services are those we don't legally have to provide. Which of these would you support being run by parish and town councils? (Tick all the services you think should be considered) * indicates services that we have to provide by law. More detailed information about Localism and examples of services and assets that have been transferred to other bodies can be found here.

Answered: 446 Skipped: 167



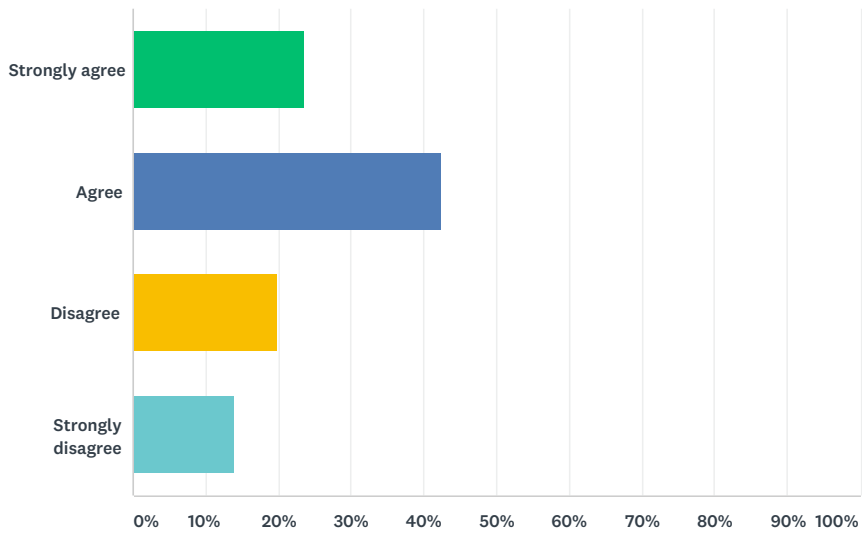
ANSWER CHOICES	RESPONSES
Arts (e.g. Kidderminster Arts and Food Festival, Senior Arts Makers, Chance to Dance)	50.22% 224
Community Safety project work (e.g. White Ribbon event, crime reduction projects, Community Ambassadors)	48.21% 215
Enforcement* (e.g. work on issue of fixed penalty notices for illegal parking, flytipping, dropping litter)	38.57% 172
Health and Sustainability (e.g. organising events to promote improve people's health and wellbeing, providing advice on living in a more eco-friendly way)	48.43% 216
Events (e.g. summer holiday programme for children and young people, Bands in the Park, Playday, Country and Western, outdoor cinema)	54.93% 245
Litter-picking and emptying litter bins*	54.71% 244
Nature reserves (e.g. Rifle Range, Burlish Top, Habberley Valley)	41.48% 185
Parks	52.47% 234

WFDC Budget consultation October 2019

Play areas	49.55%	221
Public toilets	58.97%	263
Supporting local businesses/work with town centres (e.g. providing advice to start-up businesses, organising events for local firms)	39.69%	177
Upkeep of Kidderminster Cemetery (the cemetery near Brinton Park, Kidderminster)	45.52%	203
Total Respondents: 446		

Q8 How strongly would you support your parish or town council increasing the amount they raise in council tax to protect services if they choose to do so?

Answered: 499 Skipped: 114



ANSWER CHOICES	RESPONSES	
Strongly agree	23.65%	118
Agree	42.48%	212
Disagree	19.84%	99
Strongly disagree	14.03%	70
TOTAL		499

WYRE FOREST DISTRICT COUNCIL

CABINET MEETING
17TH DECEMBER 2019

CAPITAL STRATEGY 2020-30

OPEN	
CABINET MEMBERS:	Councillor Graham Ballinger
RESPONSIBLE OFFICERS:	Tracey Southall: Corporate Director: Resources and Mike Parker, Corporate Director: Economic Prosperity and Place
CONTACT OFFICERS:	Tracey Southall Ext 2100 e-mail tracey.southall@wyreforestdc.gov.uk Mike Parker Ext 2500 e-mail mike.parker@wyreforestdc.gov.uk
APPENDIX 1 APPENDIX 2 APPENDIX 3	Capital Programme 2019-20 onwards Quantitative Indicators for assessment of risk exposure Capital Strategy/Scheme of Delegation The Role of the Section 151 Officer

1. PURPOSE OF REPORT

- 1.1 To seek Council approval of a Capital Strategy for 2020-30.
- 1.2 To consider the Capital Programme 2019-20 onwards and set out the detail to support the recommendations within the separate Medium Term Financial Strategy also on this agenda.
- 1.3 To seek approval of set limits for non financial investments.
- 1.4 To fulfil the key requirements of the MHCLG Investment Guidance.

2. RECOMMENDATIONS

- 2.1 The **CABINET** is asked to **ENDORSE** and **RECOMMEND** to the Strategic Review Panel for scrutiny:
- 2.2 The Council's updated Capital Strategy:
 - a) Approve the Capital Strategy 2020-30 including the associated Quantitative Indicators in Appendix 2;
 - b) Approve variations to the Capital Programme and Vehicle, Equipment and Systems Renewals Schedule as set out in Appendix 1, Appendices A and B;
 - c) Approve the limits for gross debt of non treasury investments compared to

net service expenditure and for Capital Portfolio and Development Loans Fund income as a percentage of net service expenditure as set out in Appendix 2;

d) Approve the limits for loan investments as set out in Section 5.1.

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

2.3.1 That delegation is given to the Corporate Director: Economic, Prosperity and Place in consultation with the Corporate Director: Resources and Solicitor to the Council and the Cabinet Member for Resources to update the Development Loans Fund and Capital Portfolio Strategy Policies in year if required.

3. **BACKGROUND**

3.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code requires local authorities to produce a capital strategy to demonstrate that capital expenditure and investment decisions are taken in line with service objectives and take account of stewardship, value for money, prudence, sustainability and affordability.

3.2 The Capital Strategy is a key document for the Council and forms part of the authority's integrated revenue, capital and balance sheet planning. It provides a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services. It also provides an overview of how associated risk is managed and the implications for future financial sustainability. It includes an overview of the governance processes for approval and monitoring of capital expenditure.

3.3 Ownership of the Capital Strategy sits at the highest level - corporately with members and key officers. It is a primary document for all capital decision making, together with the Corporate Plan and other strategies.

3.4 The Council's Capital Programme is the delivery plan for the Capital Strategy and is under-pinned by the borrowing strategy contained in the approved Treasury Management Service Strategy.

3.5 This Capital Strategy includes all capital expenditure and capital investment decisions, not only as an individual local authority but also those entered into under group arrangements. It sets out the longer term context in which decisions are made with reference to the life of the projects/assets.

3.6 Our current Capital Portfolio Fund policy is that it will always be the Council's preference to invest within the district area to support regeneration and local economic development whilst also allowing the Council to consider opportunities within the wider geographical area of the two Local Enterprise Partnerships, (LEP) which the district is a member of. This report retains this policy.

3.7 Capital vs. Treasury Management Investments

- 3.7.1 Treasury Management investment activity covers those investments which arise from the organisation's cash flows and debt management activity, and ultimately represent balances which need to be invested until the cash is required for use in the course of business.
- 3.7.2 For Treasury Management investments the security and liquidity of funds are placed ahead of the investment return. The management of associated risk is set out in the Treasury Management Policy and the Annual Investment Strategy.
- 3.7.3 The CIPFA Treasury Management Code recognises that organisations may make investments for policy reasons outside of normal treasury management activity. These may include service and multiple objective investments. For the avoidance of doubt, the definition of an investment also covers loans made by a local authority to one of its wholly-owned companies or associates, to a joint venture, or to a third party.
- 3.7.4 Treasury Management investments are covered in the TMSS approved annually by Council each February. This Capital Strategy clearly links to, and is complementary, to the TMSS. The non treasury investments - the Capital Portfolio Fund and Development Loans Fund approved by Council on 22nd February 2017 are included in the Capital Financing Requirement (CFR) and within the Operational Boundary and statutory Authorised Limit for prudential borrowing in the TMSS. The separate strategies for the Capital Portfolio Fund and Development Loans Fund set out specific detail including reporting, risk and governance of these non treasury investments. The detail of the Development Loans Fund Strategy was updated when the fund management agreement was finalised in November 2018 in liaison with Finance Birmingham as set out in last year's Capital Strategy report. The key principles of the current strategy have been retained.
- 3.7.5 This Council has fully complied with code requirements and has done so ahead of the formal timeline due to the significant Capital Portfolio Fund activity in 2018-19 and 2019-20. In accordance with approved policies and strategies, these property acquisitions are not investments, the property purchases completed so far are classified as operational assets, however, the full suite of prudential indicators is included in this report for full transparency. Currently these are reported for the full £25m Capital Portfolio Fund only, although this may be refined in future reports as the portfolio management continues to develop.
- 3.7.6 CIPFA finally issued the long awaited Guidance on Property Investment on the 15th November 2019 in response to the recent growing trend for authorities to acquire land and buildings with the effect of supplementing their revenue budgets with rental income. In terms of our current governance, processes and procedures, we already largely comply with the guidance. There are some minor additional best practice disclosures that are included in this proposed Capital Strategy report. The most notable addition to the guidance is a detailed model for how authorities could calculate whether their property investments are

proportional to the size of their revenue budgets, should be included within the reporting on the levels of adequate reserves to cover off risk. It is intended that these calculations for the Council will be included as part of the S151 Officer's report in February; if the data required is available.

3.8 Strategic Context

- 3.8.1 This strategy is a high level summary of WFDC's approach to capital investment in the interests of the district. It guides the development of service capital plans, and sets out the policies and practices that the authority uses to establish monitor and manage the Council's capital programme, in line with the Medium Term Financial Strategy also on this agenda. The Capital Strategy will take account of both local improvement priorities and national priorities that are established through effective consultation with residents and our partners; as well as recognising the contribution the Council makes within the Local Enterprise Partnership (LEP) geographies of which it is a member. These priorities inform resource allocation. Progress on achieving these objectives is closely monitored in accordance with the performance framework.
- 3.8.2 The Wyre Forest Forward transformation programme for the period 2020-2023 continues to be developed to meet the anticipated further significant reduction in Government Funding. Its key objectives are to help the Council to become less reliant on this source of funding, through reduced expenditure and increased income, but also to continue to provide its statutory services, protect its most vulnerable residents and attract investment to deliver economic development to the District.
- 3.8.3 The non treasury capital portfolio strategies for the Capital Portfolio Fund and Development Loans Fund are part of the transformation Programme forming a key part of the MTFs from 2017-18. Whilst they will not alone close the funding gap this Council continues to face, they can make a proportionate contribution to achieving ongoing financial sustainability in addition to supporting operational objectives. The original modest assumptions have already been exceeded and based on the performance of acquisitions secured so far are forecast to have reduced the funding gap by an average £344k per annum by 2022-23 (average 2019-20 to 2022-23). Whilst there is undoubtedly risk attached to the progression of these strategies, the greater risk to our financial future is to do nothing. Risk analysis is set out and explored in detail as part of this report.
- 3.8.4 The increase in PWLB rates by a whole percentage point notified and implemented with immediate effect on the 9th October 2019 may impact on the viability of future business cases for both the Capital Portfolio and the Development Loans Fund. In the short-term, for the balance of the Capital Portfolio Fund, it should be possible to manage this risk by a combination of internal and short-term borrowing. However it may make the Development Loans less attractive and may mean future capital schemes fail to be financially viable when the increased costs of borrowing are factored in.
- 3.8.5 The diagram below shows how this Capital Strategy fits into the overall Strategic Planning Model for the Council.

Simple Strategic Planning Model



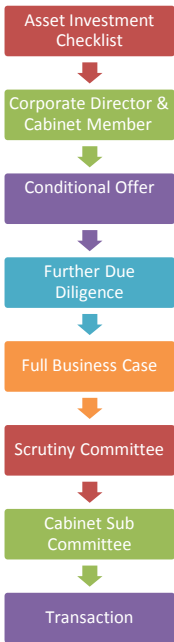
3.9 Strategic Links

This report links to a number of other key strategies and approvals including the Medium Term Financial Strategy and Treasury Management Strategy Statement. A full list of all linked strategic documents is given in Section 18 – Background Papers.

3.10 Reporting Requirements

3.10.1 The Council is required to receive and approve a Capital Strategy report at least once a year to meet the requirements of the MHCLG Guidance. The Strategy will be considered by the Strategic Review Panel before presentation to February Cabinet and then onward recommendation to Council. The Treasury Management Review Panel will continue to be used for treasury management investments but the separate reporting and governance arrangements approved by Cabinet on the 20th September 2017 will be followed for non treasury investments. These are summarised in the diagram below:

Process Flow for Governance Process for Non Treasury Investments - Capital Portfolio Fund and Development Loans Fund



3.10.2 The Strategy focuses on core principles that underpin the current three year detailed capital programme that has now been extended to a ten year period (using a less granular approach) to provide a longer-term context particularly in relation to the capital expenditure funding from prudential borrowing for the Capital Portfolio Fund. It has regard to the requirements of the MHCLG Investment Guidance, therefore including investments that are not managed as part of normal treasury management processes or under treasury management delegations. It gives a position statement with regards to capital expenditure and the resources available in terms of funding for these non treasury policies. The Strategy focuses on the key issues and risks that will impact on the delivery of the Capital Programme including the Capital Portfolio Fund and Development Loans Fund Strategies and the governance framework required to ensure the overall Capital Strategy is delivered.

3.11 Capital Strategy for 2020-30

The strategy for 2020-30 covers the following main areas:

1. Capital Issues

- The Council’s Capital Programme is under-pinned by the borrowing strategy contained in the approved Treasury Management Strategy Statement, the Property Disposal Strategy and also the Capital Portfolio and Development Loans Fund Strategies.

2. Disclosure and reporting requirements required by the Statutory Guidance on Local Government Investments:

- Limits for non treasury investments;
- Agreement of the types of loan to be made and self assessed limit that cannot be exceeded for such loans;

- Agreement of the types of property investments to be made and self assessed limit for total exposure to these investments;
- Definition of types of contribution non-financial investments can make for this Council;
- Processes and procedures for how risk assessment will be managed including security, debt recovery, liquidity and performance monitoring;
- How balance is achieved between Security, Liquidity and Yield based on risk appetite and contributions of investment activities;
- Quantitative Indicators to help measure total risk exposure in terms of proportionality;
- Capacity, skills and culture including policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003 and the MHCLG Guidance on Local Authority Investments. Treasury Management Prudential Indicators (PI's) will continue to be reported within the Treasury Management Strategy Statement and for completeness property PI's will also be included.

4 KEY ISSUES

4.1 CAPITAL PROGRAMME UPDATE

- 4.1.1 The Cabinet recommends approval of the Base Capital Programme and the Vehicle, Equipment and Systems Renewal Schedule, as part of the budget setting process for the Authority. The Capital Programme proposed in Appendix 1 provides high-level projections over a longer framework this year of 10 years. This extended timeframe is to provide information over an extended period for additional transparency, particularly in relation to movements in the Balance Sheet, Capital Financing Requirements and Minimum Revenue Provision.
- 4.1.2 The Council entered into further external borrowing as predicted in last year's report; as at the end of November 2019 the total was £35m. The majority of these loans were with the PWLB, except for £2m with Charnwood Borough Council. The Council will continue to enter into further borrowing arrangements in accordance with the Medium Term Financial Strategy (MTFS) as capital schemes progress. The further progression of the Capital Portfolio Fund and Development Loans Fund funded by borrowing will increase the future borrowing requirement. However, the impact of the whole percent increase in PWLB borrowing rates on the 9th October will be carefully monitored and may be a barrier to the viability of future business case proposals. Progress in respect of these schemes is detailed in section 9.2.5. External borrowing is scheduled within the MTFS as the Council's cash balances continue to reduce and there is limited scope to support further capital expenditure without external borrowing.
- 4.1.3 Projections of right to buy (RTB) receipts, that are being shared with Community Housing Group in accordance with the new agreement from 2019-20 to 2024-25, have been slow in the first half of 2019-20 with the Council share currently forecast to be approximately £100k by year end. From 2018-19, RTB receipts are allocated to the Evergreen Investment Fund to support investments and new residential development undertaken by the Council or through its companies as approved by Council 21st February 2018.

- 4.1.4 The capital allocation passported from Worcestershire County Council from the Better Care Fund increased from just over £1m in prior years to circa £1.2m for 2019-20 and this is allocated to support Disabled Facilities Grants (DFGs) without the need for top-up from Council funding. Slippage from the 2018-19 allocation and re-profiling of the scheme results in £1.5m capital programme budget being available in total for 2019-20. This Council's assumed ongoing allocation for this Strategy is circa £1.2m in 2020-21 and then £1m per annum going forwards but this is subject to confirmation.
- 4.1.5 Good progress has been made on a number of corporate priorities allied to the Capital Strategy this year. A successful bid has been made to the Future High Streets Fund for Kidderminster town centre; full business case to be submitted by April 2020; this includes proposals for the Crown House site, former Magistrates' Court building and Bromsgrove Street car park. The demolition of Crown house and surrender of lease was also successfully negotiated with works due to be complete in early 2020. In addition to this completion of new Railway Station Ticket Office and forecourt works is due in late 2019. Finally, the contract with Homes England for £2.7m Housing Infrastructure Fund contribution towards Churchfields highways works was completed with work commencing in October 2019.
- 4.1.6 Any final adjustments to the Capital Programme 2020-30 and associated Prudential Indicators will be updated in the February 2020 reports to Council.

4.2 CORE PRINCIPLES OF CAPITAL STRATEGY INCLUDING NON FINANCIAL INVESTMENTS

Core principles of this Council's Capital Strategy can be summarised as follows:

Table 1 – Core Principles

Principle 1 – Managing the impact of capital investment decisions on our revenue budgets
We will do this by:
<ul style="list-style-type: none"> • Ensuring capital investment decisions do not place unnecessary additional pressure on Council Tax or our MTFS
<ul style="list-style-type: none"> • Taking property related and loan decisions that generate an appropriate rate of return to cover costs of funding within an acceptable risk range as set out in the Capital Portfolio and Development Loans Fund Strategies, whilst also meeting Corporate
<ul style="list-style-type: none"> • Purchase rather than leasing vehicles such as the refuse fleet with programmes for replacement that maximise efficiency and minimise revenue budget costs
<ul style="list-style-type: none"> • Promote capital investment which allows invest to save outcomes and which contribute to the Council's Corporate priorities and complement the Wyre Forest Forward Transformation programme .
<ul style="list-style-type: none"> • Focus on Resources and spending programmes the Council will use to maximise the use and financial return on assets within an
<ul style="list-style-type: none"> • Have a defined framework for the management of risk for investments that applies the Security, Liquidity, Yield principles and considers longer term risks and opportunities.
<ul style="list-style-type: none"> • Have appropriate exit strategies and contingency plans in place to protect the Council's long term position including maintaining
Principle 2 – Optimise the availability of capital funding where that funding supports the priorities of WFDC
We will do this by:
<ul style="list-style-type: none"> • Disposal of surplus assets and use receipts generated to reinvest via the Evergreen Investment Fund, using them to supplement prudential borrowing to expedite delivery of capital schemes in line with Corporate
<ul style="list-style-type: none"> • Effective working relationships with potential funders including the Worcestershire and GBSLEPs and through our Limited Liability Partnership with Public Sector Plc (PSP)
<ul style="list-style-type: none"> • Listening to and support effective partnering arrangements
<ul style="list-style-type: none"> • Generating capacity within the services' revenue budgets to deliver ongoing contributions towards necessary capital investment.
<ul style="list-style-type: none"> • Have clear policies for the consumption of our reserves

Principle 3 – Ensure we have effective pre and post project appraisal

We will do this by:

- Developing projects that fully support the council's Corporate Priorities and Wyre Forest Forward Programme
- Ensuring a system of competition exists for project/loan approval
- Build into project appraisal recognition of environmental sustainability
- Fully consider project risk
- Carefully consider Value for Money and Efficiency of every project
- Only adding schemes once an affordable business plan is in place

Principle 4 – Performance manage our capital programme

- Integrating the capital programme into our performance management framework
- Ensure our capital schemes use appropriate project management tools
- Expect responsibility for the delivery of the capital programme to be clearly defined
- Make sure our assets perform at an optimal level through effective ongoing asset management, consistent with levels of investment
- Reporting regularly on the performance of our property and non treasury portfolios including updates on risk and recommendations for appropriate mitigation measures.

Key Objectives for non-treasury capital portfolio property acquisitions

- Acquire properties or fund developments that provide value in accordance with the Council's corporate and financial objectives,
- Maximise return whilst minimising risk through the management processes as outlined in this strategy,
- Prioritise properties that yield optimal rental growth and stable income,
- Protect capital invested in acquired properties
- Work within the developed governance framework that enables the Council to move at a timely pace in line with the market
- Build a balanced property portfolio that is proportionate to the overall financial position of the Council

5 LIMITS FOR NON-TREASURY INVESTMENTS FOR 2020-2023

5.1 LOAN TYPES AND SELF ASSESSED LIMIT FOR SUCH THIRD PARTY LOANS

Council on the 22nd February 2017 approved the Development Loans Fund as part of the MTFs. The detailed Strategy for the loans was subsequently approved by Cabinet on 14th June 2017; this set out types of loan that can be made and the detail in relation to the approval process. The detail of the strategy was refreshed as part of the contract for the Fund Management Agreement to deliver this initiative under the delegation approved as part of the current Capital Strategy. The current limit for expenditure on the Development Loans Fund is £10m to be funded in full from prudential borrowing. The Council finalised the appointment of Finance Birmingham as Fund Manager on 29th October 2018 to manage the loans and the plan is that loan durations are kept short to pump prime investment projects **within the district** that would not be supported by high street banks with the optimum loan period being 3 - 5 years and the longest duration being up to 15 years. These relatively short durations will hopefully negate the need for a Minimum Revenue Provision to be made as the repayment of the funds will repay debt and thus make the proposals more affordable. However, a prudent view that MRP will be levied for all loans has been taken in the business case for this proposal. At this time no loan proposals have been approved. The increase in PWLB rates by a whole percentage point notified and implemented with immediate effect on the 9th October may impact on the viability of future business cases for the Development Loans Fund. It may make the Development Loans less attractive and may mean future capital schemes fail to be financially viable taking into account the increased costs of borrowing. The MHCLG recommended limit for debt compared to net service expenditure (NSE) is presented below, together with debt compared to gross service expenditure. These ratios are based on the current expenditure profiling for these loans included in the Capital Programme; **approval is requested for the upper limit in 2022-30** to provide cover if suitable loan applications are received at a faster pace than currently projected.

Development Loans Fund		2019-20	2020-21	2021-22	2022-23
DEBT TO GROSS SERVICE EXPENDITURE RATIOS					
Non treasury development loans investments debt to gross service expenditure (GSE) ratio	<i>Gross debt of non treasury development loans investments as a percentage of gross service expenditure, where gross service expenditure is a proxy for the size and financial strength of a local authority.</i>	19.51%	20.30%	20.14%	19.98%
DEBT TO NET SERVICE EXPENDITURE RATIOS					
Non treasury development loans investments debt to net service expenditure (NSE) ratio	<i>Gross debt of non treasury development loans investments as a percentage of net service expenditure, where net service expenditure is a proxy for the size and financial strength of a local authority.</i>	86.17%	87.08%	84.67%	81.68%

The limit for debt compared to NSE looks high since this is comparing the total gross debt for these loans classed as capital expenditure to the net revenue budget. As the financing costs in relation to such debt would be borne by the revenue budget rather than 100% of the debt at any one time, and debt will only be taken subject to affordability, with due regard to risk, this limit is considered to be acceptable.

However, Net Service Expenditure may not be the best measure of the Council's financial strength and for this reason a number of other quantitative ratios are also included in Appendix 2 to provide additional transparency around the potential risk of this proposal. Key indicators from this Appendix are also included in Section 7.4.1 and demonstrate that the planned capital expenditure within the Development Loans Fund is a relatively modest proportion of the Balance Sheet total for Property Plant and Equipment and the total Capital Financing Requirement. The financing costs are also a small proportion of total NSE.

5.2 TYPES OF PROPERTY BUSINESS CASES TO BE CONSIDERED AND SELF ASSESSED LIMIT FOR TOTAL EXPOSURE

Council on the 22nd February 2017 approved the £25m Capital Portfolio Fund. The detailed Strategy for the Capital Portfolio Fund was updated in the Capital Strategy approved by Council in May 2018 and again in the current Strategy approved by Council in February 2019. The current limit for expenditure on the Capital Portfolio Fund is £25m to be funded in full from prudential borrowing. The MHCLG recommended limit for debt compared to net service expenditure is presented below, together with debt compared to gross service expenditure. These ratios are based on the current expenditure profiling for Capital Portfolio purchases included in the Capital Programme.

A number of other quantitative indicators to provide additional transparency and a better indicator of the potential risk of this policy are also provided in Appendix 2 and Section 7.4.2.

Capital Portfolio Fund		2019-20	2020-21	2021-22	2022-23
DEBT TO GROSS SERVICE EXPENDITURE RATIOS					
Non treasury property investments debt to gross service expenditure (GSE) ratio	<i>Gross debt of non treasury property investments as a percentage of gross service expenditure, where gross service expenditure is a proxy for the size and financial strength of a local authority.</i>	48.58%	50.02%	48.69%	47.41%
DEBT TO NET SERVICE EXPENDITURE RATIOS					
Non treasury property investments debt to net service expenditure (NSE) ratio	<i>Gross debt of non treasury property investments as a percentage of net service expenditure, where net service expenditure is a proxy for the size and financial strength of a local authority.</i>	214.57%	214.52%	204.73%	193.75%

The limit for debt compared to NSE looks much higher than the ratio for the Development Loans Fund since this is comparing the total gross debt of £25m for these investments classed as capital expenditure to the net revenue budget. As the financing costs in relation to such debt would be borne by the revenue budget rather than 100% of the debt at any one time, and debt will only be taken subject to affordability, with due regard to risk exposure in each business case proposal, this limit is considered to be acceptable.

6 DETERMINATION OF TYPES OF CONTRIBUTION OF NON- FINANCIAL INVESTMENTS TO CORPORATE PRIORITIES

6.1 Non- financial investments can be categorised in accordance with the different types of contribution they make to the corporate priorities of the Council recognising that each investment can have more than one type of contribution.

Types of contribution this Council will consider include:

- Regeneration including provision of housing
- Economic benefit/business rates growth
- Support for local business objectives (eg fulfilling demand for key target sectors); ReWyre led initiatives
- Enabling Enterprise and Business Growth in line with Wyre Forest Strategic aims
- Creation or protection of social value in the local area
- Safeguarding or creation of local jobs
- Supporting neighbourhood strategy
- Responding to local market failure/gaps in market supply of eg certain types of funding
- Regeneration, economic growth across the area of the Council's functional economic geography including the two Local Enterprise Partnerships (LEPs) – Worcestershire and Greater Birmingham and Solihull in accordance with their Strategic Economic Plans (SEP) and emerging Local Industrial Strategies (LIS) as this will benefit the district.
- Investment in Local Authority Trading Company or associates, Joint Ventures or to other third parties
- Income generation
- Mix of the above

6.2 Ethical considerations for Development Loan and Property Investments

Business case proposals for the council to invest in property either by direct acquisition or Development Loan Funding will include the consideration of ethical issues and will exclude investment in the following types of activity:

- Violence
- The Sex Industry
- Gambling or betting
- Material that may be regarded as offensive or discriminatory
- Political Parties
- Organisations opposed to or campaigning against council policies
- Companies or organisations providing services in competition to WFDC except where, at the discretion of the council, these are partner organisations that are considered complementary to the WFDC services.

7. RISK ASSESSMENT FOR ONGOING MANAGEMENT OF PROPERTY PORTFOLIO

- 7.1 Processes and procedures for how risk assessment will be managed including security, debt recovery, liquidity and performance monitoring were set out in the Capital Portfolio Strategy contained in Appendix 2 of the 2018-2021 report http://www.wyreforest.gov.uk/council/docs/doc53006_20180327_cabinet_agenda.pdf . An overarching Property Portfolio Management Strategy has been developed by the external Property Management contractor Jones Valerio Investment Management and approved by Cabinet on the 16th July 2019 http://www.wyreforest.gov.uk/council/docs/doc54727_20190716_cabinet_agenda.pdf (agenda item 8.1). Jones Valerio will work in close liaison with BNP Paribas Real Estate Advisory and Property Management Ltd who have been appointed to undertake the day to day operational property management of the Capital Portfolio properties. This sets out further detail in relation to the ongoing monitoring and management of the properties.
- 7.2 The balance between security, liquidity and yield based on risk appetite and contributions of investment activities will be achieved by use of the more sophisticated Risk Matrix included in Appendix 2 of the 2018-2021 report that continues to be refined (see paragraph 7.1 for hyperlink). This set out a scoring threshold system. This will allow the Council to have a robust means of comparing multiple opportunities whilst taking into account balance between security, liquidity and yield.
- 7.3 Quantitative Indicators to help measure total risk exposure in terms of proportionality are as set out in full in Appendix 2 – key indicators around proportionality are detailed in Section 7.4 below and Section 9 Financial Implications provides further explanation and detail.

7.4 Proportionality

7.4.1 Development Loans Fund

These relatively short-term loans are intended to pump prime the local economy and will be spread over a number of third parties. This means that the Development Loans Fund carries less risk than the Capital Portfolio Fund. Due diligence will be undertaken by Finance Birmingham to mitigate the risk of default.

This £10m approval is shown below as a proportion of the total CFR, together with the proportion of total Balance Sheet Fixed Assets (ie Property Plant and Equipment). These are a better indicator of proportionality than Debt to net service expenditure (NSE) ratio. We continue to work to progress the Development Loans Fund scheme; however, the net income has been removed from the current estimates as a prudent measure since the recent PWLB borrowing rate increase of one per cent. This has had an impact upon some of the indicators:

Development Loans Fund		2019-20	2020-21	2021-22	2022-23
LOAN TO VALUE RATIOS					
Loan to PPE value ratio (development loans)	<i>The amount of non treasury development loans investment debt compared to the total asset value (Long term assets - PPE).</i>	15.21%	15.19%	15.04%	14.90%
CFR RATIOS					
CFR - Development Loans	<i>Development Loans CFR as a proportion of the gross CFR</i>	16.92%	16.63%	16.55%	16.74%
FINANCING COSTS TO NET SERVICE EXPENDITURE RATIOS					
Development loans investments financing costs to net service expenditure (NSE) ratio	<i>Non treasury development loans investments financing costs as a percentage of net service expenditure, where net service expenditure is a proxy for the size and financial strength of a local authority.</i>	0.00%	3.70%	4.11%	3.88%
INCOME/INVESTMENT COVER RATIOS					
Developments loan investment cover ratio	<i>The total net income from development loans investments, compared to the interest expense.</i>	0.00%	0.00%	0.00%	0.00%

7.4.2 Capital Portfolio Fund

The £25m total approval for the Capital Portfolio Fund is shown below as a proportion of the total CFR, together with the proportion of total Balance Sheet Fixed Assets (ie Property Plant and Equipment).

Capital Portfolio Fund		2019-20	2020-21	2021-22	2022-23
LOAN TO VALUE RATIOS					
Loan to PPE value ratio (property)	<i>The amount of non treasury property investment debt compared to the total asset value (Long term assets - PPE).</i>	37.86%	37.44%	36.38%	35.33%
Loan to value ratio (property only)	<i>The amount of property debt compared to the total property asset value (property portfolio only).</i>	101.27%	99.99%	97.17%	94.38%
CFR RATIOS					
CFR - Property	<i>Property CFR as a proportion of the gross CFR</i>	41.98%	41.54%	41.26%	41.60%
FINANCING COSTS TO NET SERVICE EXPENDITURE RATIOS					
Property investments financing costs to net service expenditure (NSE) ratio	<i>Non treasury property investments financing costs as a percentage of net service expenditure, where net service expenditure is a proxy for the size and financial strength of a local authority.</i>	4.42%	8.89%	10.28%	9.93%
INCOME/INVESTMENT COVER RATIOS					
Property investment cover ratio	<i>The total net income from property investments, compared to the interest expense.</i>	82.23%	44.90%	37.09%	52.63%
Property target income returns (excluding financing costs)	<i>Net revenue income (excluding financing costs) compared to equity. This is a measure of achievement of the portfolio of properties.</i>	3.49%	5.52%	6.01%	6.42%
Property target income returns (including financing costs)	<i>Net revenue income compared to equity. This is a measure of achievement of the portfolio of properties.</i>	1.40%	1.38%	1.13%	1.59%
Commercial income to NSE ratio	<i>Dependence on non-fees and charges income to deliver core services. Fees and charges should be netted off gross service expenditure to calculate NSE.</i>	2.85%	3.00%	3.40%	3.43%

Whilst this shows that the Capital Portfolio Fund is a relatively high proportion of the total CFR and Fixed Assets, risk will be mitigated by the robust due diligence included as part of each individual business case as proposals are progressed. The objective is to hold a balanced portfolio to spread risk that is proportionate to the overall financial position of the Council. As shown in section 9.4.5 for future expenditure, the MTFs only assumes a modest net return on these acquisitions leaving scope for a proportion of actual net yield achieved to be set aside as a Risk Reserve if appropriate. For acquisitions already completed 20% of the net yield is being set aside in a Planned Property Maintenance reserve.

8. **CAPACITY, SKILLS AND CULTURE, INCLUDING POLICY ON USE OF EXTERNAL SERVICE PROVIDERS**

- 8.1 The Council recognises that it needs to resource this complex new policy area appropriately. It has procured the independent asset portfolio management services of Jones Valerio Investment Management and BNP Paribas Real Estate Advisory Property Management UK Ltd for operational property management services. Property acquisition opportunities often arise unexpectedly and/or 'off market' and it is important to have appropriate professional networking contacts and to be nimble in order to take advantage of opportunities when they arise. The Council's external advisors are responsible for identifying suitable opportunities. The Corporate Director Economic Prosperity and Place has the necessary delegations to negotiate conditional offers and, in conjunction with the Council's Financial Services Manager to develop the viability appraisal and business case for the Council to invest.
- 8.2 The Council has commissioned external experts to support its decision making process and has established a framework of suitably qualified valuers and building surveyors to ensure that decisions taken by the Council are based on appropriate valuations and building condition surveys. This framework will be renewed every three years and experts will only be used that hold the appropriate and current qualifications. Further, the Council has retained the services of KPMG, initially to provide an external independent health check reporting on the property evaluation model and process, further develop the viability modelling and also to provide advice on specific property acquisitions proposals at competitive call-off rates. During 2018-19, this advice was used on the more complex acquisitions and the viability model has been developed further to cover a wider range of potential scenarios and also to expedite use of the model. So far in 2019-20 it has been possible to utilise the approved viability model together with the advice of Jones Valerio to inform potential property acquisition decisions.
- 8.3 The contract was finalised on the 29th October 2018 with Finance Birmingham who are FSA accredited Fund Managers with a proven track record, to deliver the Development Loans Fund. It contains provision for regular reporting of performance management of the Fund. The option for a 2 year review and break clause is included within the contract to provide an exit strategy for the Council if the performance of the Fund is failing to reach projected expectations. No loan proposals have been progressed to date.
- 8.4 External advisors engaged to work with the Council on delivering the Capital Portfolio Fund and Development Loans Fund are briefed both before and during their appointment to ensure they are fully cognisant of the context of the authority's corporate values. Copies of all relevant Strategic documents including the Corporate Plan and key governance documents in relation to these activities are provided together with links to the Council's website to ensure updates can be sourced. An overview of the technicalities of the accounting and external auditor requirements is also provided regularly to ensure that advisors appreciate that the prime objective is to deliver statutory services to residents rather than commercial gain. A balance is then established to utilise essential external expertise and advice whilst maintaining good governance and the Council's public sector ethos and values.

8.5 Member training will be provided at least annually. The external Fund Managers will prepare reports for development loan proposals and present to Overview and Scrutiny to provide full explanation to members. For particularly complex proposals external specialist advice may be taken and advisors may attend member meetings for additional assurance and explanation.

9. **FINANCIAL IMPLICATIONS**

9.1 **Base Capital Programme**

9.1.1 The Revised Capital Programme of approved schemes, including details of actual expenditure, prior to 1st April 2019 and technical officers' estimates of projected costs, is set out in Appendix 1A.

9.2. **Capital Schemes**

9.2.1 The Capital Programme is detailed at Appendix 1 and includes the Depot 2020 capital redevelopment project that is now complete. This is our last significant operational base that had not benefited from investment. The project means we have a site that is fit for the future and support growth of commercial income whilst making a welcome revenue positive contribution towards the funding gap.

9.2.2 The Capital Programme also includes the allocation of £25k capital receipts from the Evergreen Investment Fund to fund works to lay out temporary car parking at the former Crown House site in Kidderminster. This was considered by Overview and Scrutiny Committee on the 5th December 2019 and is included in the recommendations to Cabinet in the main MTFs report also on this agenda.

9.2.3 Cabinet on the 17th November considered a report on the conversion of a property in Stourport. This report made a recommendation to Council that the funding within the Capital Programme previously set aside for Comberton Place (as per the report of 11/07/17) is removed from the Capital Programme and that £60k is reallocated to the Raven Street refurbishment and the remainder returned to the Evergreen Investment Fund as unallocated. This recommendation will be made as part of the suite of MTFs papers to Council in February 2020 and the Capital Programme included in the Appendix of this report reflects this reallocation.

9.2.4 Following demolition of the former Wyre Forest Glades Leisure Centre (WFGLC) the first land parcel of Lion Fields has been marketed and a preferred partner Cordwell, appointed from bids received. The Development Agreement has been completed with Cordwell to deliver a cinema led leisure development of the site. A successful Expression of Interest has been submitted to the National Lottery Architectural Heritage Fund for gap funding to bring the former Magistrates Court and indoor market building back into a positive use. It is hoped that the much needed redevelopment of these key sites will commence soon.

9.2.5 The Capital Portfolio Fund supports both regeneration and economic growth allied to the Council's income generation/commercialism objectives. The Development Loan Fund will help deliver the Council's regeneration and economic development objectives in terms of both housing and commercial regeneration in accordance with the corporate plan priority "to support you to contribute to a successful local economy", whilst also potentially generating future income streams.

This Council confirms that it has fully complied with the MHCLG requirements and has done so ahead of the formal timeline due to the significant Capital Portfolio Fund activity in 2018-19. In accordance with approved policies and strategies, these property acquisitions are not investments; property purchases completed so far are classified as operational assets, however the full suite of prudential indicators is included in this report for full transparency.

Allocations that have been approved so far from the Capital Portfolio Fund are shown in the table below; this includes an additional £10k for a 50% contribution to building alterations to Stratford Court to facilitate the letting of vacant space previously to be funded from the revenue budget. The additional car parking provision included within the original business case for Stratford Court is now progressing. Where schemes are allocated but not spent this is subject to approval of full business cases.

Capital Portfolio Capital Fund	Expenditure		Committed £000
	Purchase Price/ Development Cost £000	SDLT, Fees and Capitalised Costs £000	
Acquisitions			
Worcester Street/High Street Retail Units, Kidderminster	1,000	51	40
Stratford Court Offices, Solihull	6,110	389	50
Buntsford Gate Offices, Bromsgrove	1,487	83	
Forest House Start-up Units, Kidderminster	730	37	
Riverside Food and Beverage Units, Kidderminster	2,420	178	
Goldthorn Road Industrial Unit	4,100	268	
Committed Schemes (at 30th November 2019)			
Industrial Units, Kidderminster		55	373
Temporary Accommodation Development proposal			1,660
	15,847	1,061	2,123
Total Capital Expenditure		16,908	19,031
Total Capital Approval			25,000
Balance of Funds remaining 30th November 2019			5,969

9.2.6 Capital Expenditure on Wyre Forest House remains at £9.58m. The consolidation of buildings and staff has generated significant revenue savings reflected in the base budget. A significant proportion of the building is now let to external tenants and minor building alteration work to secure these external income streams has been and will continue to be undertaken within budget as appropriate. Further space has been released for external use as part of the Depot 2020 scheme, and is being actively marketed. Expenditure on Wyre Forest House remains within its allocated project budget of £10m. The final account remains outstanding and is the subject of ongoing consideration.

- 9.2.7 The Depot 2020 capital scheme is now complete following approval by Council on the 19th September 2018; the Hub relocation has taken place together with the revenues, benefits and customer service team relocations. A future additional unavoidable cost that was identified during the project relates to the underground fuel tank on the site. As part of the conditions for agreeing the development which has recently been completed, the council gave an undertaking to the Environment Agency to address the underground fuel tank which, if it ever suffered a rupture, would pollute watercourses. Although the timing and the cost of this work is uncertain, the council will have to take appropriate remedial action at some point in the future, probably replacing it with a bunded, above ground tank. Work will be done to establish an estimate of potential cost and timeline so that specific provision can be made for it in a future capital programme.
- 9.2.8 Any future capital receipts from asset disposals together with RTB receipts from 2018-19 will be allocated to the Evergreen Investment Fund (EIF). The approval of the EIF initiative by Council in September 2014 was to provide a sustainable source of capital funding for future projects. This fund will help the Council to realise the regenerative benefits of some of its vacant and underused assets as well as securing some longer term returns from working in partnership with developers. The aim is to help the district grow in housing, business or general economic terms. Total unallocated funding held in the EIF is currently £119k; this is included in the Capital programme ready for allocation to specific schemes once proposals are approved. Officers continue to actively consider how to utilise this to maximise the benefit for the district. Each business case will be considered by Overview and Scrutiny Committee and Cabinet.
- 9.39 It should also be noted that the future funding of the Capital Programme includes an estimated underlying Capital Financing Requirement (CFR) of £56.796m (as at 31/03/2023 – the end of the Finance Strategy). The CFR is currently estimated to be £47.863m at the end of the 10 year Capital Strategy; 31/03/30).

9.4 Prudential Borrowing

- 9.4.1 In accordance with the Prudential Borrowing Code, the Council is able to borrow for capital projects, subject to demonstrating that spending plans are affordable, prudent and sustainable. Prudential Borrowing has been assumed for the Vehicle, Equipment and System Renewals Schedule, the Capital Portfolio Fund and the Development Loans Fund, the Leisure Centre and other relevant approvals. These assumptions result in a Capital Financing Requirement (CFR) (taking into account MRP repayments) summarised in the Table in paragraph 9.4.4.
- 9.4.2 The Council had £35m external borrowing as at 30th November 2019, as detailed in paragraph 4.1.2. It is certain that the Council will need to consider entering into further external borrowing in the near future although this may not be taken from the PWLB given the increase in interest rates. A combination of internal borrowing and third party borrowing from cheaper sources than the PWLB is likely to be used. The assumptions included in the budget for the utilisation of External Borrowing are shown in 9.4.4 below.

9.4.3 The use of temporary borrowing continues for bridging finance for the Leisure Centre project, pending the receipt of sales proceeds from the former Wyre Forest Glades site. These interim costs are included in the base budget funded from project reserves set aside for this purpose.

9.4.4 Forecast Capital Financing Requirement (CFR)

The CFR is calculated from the Council's balance sheet, and is the underlying need to borrow for capital purposes – in effect the debt liability. It represents the cost of the Council's assets, less any capital receipts and allowable adjustments. Borrowing is undertaken for the CFR as a whole rather than being specific to individual capital programme items or individual property acquisitions.

Once calculated, the Corporate Director: Resources then decides how the debt liability is to be funded. It can be funded either from internal resources on a temporary basis (internal borrowing), or from the market (external borrowing). Internal borrowing is often an effective method of reducing funding costs whilst also avoiding counterparty risk (ie when investing reserves and balances). Whether to use internal or external borrowing is purely an operational decision based on current market conditions and cash balances available.

Borrowing rates remained low until the 9th October 2019 when they were increased by a whole percentage point by HM Treasury making rates far less attractive despite this authority having also signed up to the PWLB Certainty Rate Scheme giving us a reduction of 20bps on borrowing interest rates. The timing and source of external borrowing is carefully considered in liaison with Link Asset Services our Treasury Management advisors who are also now investigating other less costly funding options with us. In the short-term, for the balance of the Capital Portfolio Fund, it should be possible to manage this risk by a combination of internal and short-term borrowing. However it may make the Development Loans less attractive and may mean future capital schemes fail to be financially viable taking into account the increased costs of borrowing are factored in. The position will continue to be monitored and reported to members as appropriate but we are in a fortunate position as we have taken most of this risk off the table in relation to the Capital Portfolio Fund by taking tranches of borrowing at the historically low rates. The current CFR and the elements attributable to the Capital Portfolio Fund and Development Loans Fund are shown in the table that follows:

Description	2018-19 (and prior to 01/04/2018)	2019-20	2020-21	2021-22	2022-23
	£'000	£'000	£'000	£'000	£'000
CFR - General Capital Programme	20,563	24,382	24,813	24,636	23,662
CFR - Capital Portfolio Fund	9,832	24,807	24,543	24,087	23,629
CFR - Development Loans Fund	0	10,000	9,825	9,660	9,505
Current estimated Capital Financing Requirement as at 31st March	30,395	59,189	59,181	58,383	56,796

A more detailed analysis of the impact of planned capital expenditure, the CFR and Minimum Revenue Provision giving forward balance sheet projections is shown in the table below. These projections are extended over a longer timeframe in the Appendix of this report to provide additional transparency looking forwards further:

	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
	Actual £'000	Estimate £'000	Estimate £'000	Estimate £'000	Estimate £'000
Capital Expenditure					
Supported Spend (RSG Settlement)	0	0	0	0	0
Unsupported Spend	14,622	35,470	5,005	1,945	1,199
Total Spend	14,622	35,470	5,005	1,945	1,199
Financed by:					
Borrowing/Leasing	12,936	29,638	1,462	945	199
Capital Receipts	137	995	2,198	0	0
Capital Grants	1,391	4,313	1,345	1,000	1,000
Revenue	158	524	0	0	0
Capital Financing Requirement (CFR)					
CFR	30,395	59,189	59,181	58,383	56,796
Movement in CFR	12,328	28,794	(8)	(798)	(1,587)
External Debt					
Borrowing	29,000	59,000	59,000	58,000	56,000
Other Long Term Liabilities	0	0	0	0	0
Total Debt at 31st March	29,000	59,000	59,000	58,000	56,000
Under/(Over) borrowing	1,395	189	181	383	796
MRP	608	844	1,470	1,743	1,786

RATIO OF FINANCING COSTS TO NET REVENUE STREAM					
	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
	Actual %	Estimate %	Estimate %	Estimate %	Estimate %
General Fund *Prudential Code	7.77	13.61	21.84	23.97	23.95
General Fund *Local Indicator	4.45	4.02	11.04	13.08	13.44

* A local indicator has been introduced from 2018/19 onwards to reflect the impact of the estimated rental income stream for the Capital Portfolio Fund scheme (currently excluded from the Prudential Code calculation) demonstrating that the capital investment continues to be prudent and sustainable.

9.4.5 The financial implications for the Council arising from this report are included in the MTFs also being considered by December 2019 Cabinet. The MTFs includes four Cabinet Proposals for further Capital approvals and, the final set of Prudential Indicators will be updated for the February 2020 report. The very modest net returns assumed previously for the Capital Portfolio Fund and Development Loans Fund have now been revised to reflect actual returns for completed acquisitions. Following the unexpected one per cent increase in the PWLB interest rates by the Treasury in October 2019 it is considered prudent to remove the net income for the Development Loans Fund from the MTFs at this time whilst this scheme is being reviewed. A modest approach has been retained for the balance of the approvals yet to be spent to mitigate the risk of underachieving the forecasts within the MTFs. A summary of the latest forecasts for the Capital Portfolio Fund is shown in the following table:

	2019-20	2020-21	2021-22	2022-23
Capital Portfolio Fund	£	£	£	£
Capital	15,068,270	0	0	0
Revenue Budget Net Income	(344,740)	(340,140)	(281,000)	(398,770)
NET INCOME IN REVISED MTFS	(344,740)	(340,140)	(281,000)	(398,770)

As known returns are confirmed these will be reported as each business case is approved and revisions reflected in the annual MTFS.

9.4.6 Forecast Future Prudential Borrowing

Based upon current estimates of cashflow there is a potential requirement for the Council to externally borrow up to a further £24m within the period of the current Finance Strategy, based upon the latest estimate of the Capital Financing Requirement detailed above. This is mainly in respect of the two major capital schemes detailed in 9.2.6.

9.4.7 Vehicle, Equipment and Systems Renewal Schedule

A revised Schedule has been prepared and set out as Appendix 1B. Under capital rules vehicles, equipment and systems may be purchased out of Loan, Leasing, Capital Receipts or Revenue. The Corporate Director: Resources currently recommends that the Council use Prudential Borrowing where Capital Receipts or Direct Revenue Funding is not available.

9.4.8 Looking Forwards

The Government's waste strategy includes proposals including the requirement for weekly food waste collections. Whilst the Government has promised to meet all the costs of change, it is impossible to rely on such a "guarantee" at this stage when legislation has not been passed and detailed estimates of costs and the regime for funding them are not known. This area thus represents a potentially significant funding risk for the council in future.

A future collaborative work stream that may emerge is a reduction in the size of our general waste bins. If this proposal is progressed with Worcestershire County Council this will be subject to future reports and approvals.

9.5 Reserves and Balances

The Council held £4.987m in General Reserves at the 1st April 2019 including a £1.2m Working Balance. It also held £7.868m in Earmarked Reserves including a General Risk Reserve. It is recognised that there may be limited scope within the current levels of Reserves to mitigate the risk arising from the Capital Portfolio and Development Loans Fund. We therefore started to build up these reserves from 2018-19 as part of the business case for each Capital Portfolio Fund proposal with 20% of the net yield being taken to a Planned Property Maintenance Reserve. This approach is considered to be commensurate with assessed future risk, and if necessary will be supplemented by transfers from future final accounts savings that this Council has a strong history of achieving.

As proposals are being progressed, each business case proposal includes an assessment of cumulative risk in terms of the level of reserves required to mitigate such risk. If the Council is unable to maintain appropriate levels of reserve to mitigate risk, proposals will not be recommended for approval. Ongoing reporting of Portfolio Performance led by Jones Valerio will include a review of risk vis a vis reserve levels. Paragraph 12.2 refers to the latest CIPFA Guidance and the relevance to the consideration of the adequacy of proportional risk reserves.

9.6 Fair Values – Implications of Proposals

In accordance with the most recent MHCLG Guidance, an allowed “expected credit loss” model for loans and receivables as set out in International Financial Reporting Standard (IFRS) 9, will be used to measure the credit risk of the £10m Development Loans Fund portfolio. The agreement with the external Fund Manager includes provision for appropriate credit control arrangements including the option for either the Fund Manager or the Council to undertake more complex debt recovery, to be assessed on a case by case basis.

9.7 IFRS 16 – Implications of change in accounting for leases

IFRS 16 (International Financial Reporting Standard) is a new standard for lease accounting which **will** come into force in January 2019. It **will replace** the existing **IAS 17** lease accounting standard. The exact impact of this new accounting is currently being assessed and will be reported as part of the Final Accounts process but it is hoped this will not be significant.

10. LEGAL AND POLICY IMPLICATIONS

- 10.1 Capital schemes must comply with legislation such as the Equality Act, and also Council policies, Contract Procedure Rules and Financial Regulations.
- 10.2 The Council has adopted policies for the Capital Portfolio Fund and Development Loans Fund including legal considerations were set out in depth in appendices 3/1 and 3/2 to the medium term financial strategy report, which was considered by Cabinet on 20 December 2016. These remain current so will not be repeated but can be found at <http://www.wyreforestdc.gov.uk/media/2639628/20161220FinancialStrategy2017-2020IncludingCover.pdf> (pages 34 to 54).
- 10.2 The latest MHCLG Guidance on investments that should be read in conjunction with the new Prudential Code introduces the requirement for additional disclosures with increased emphasis on transparency, accountability, proportionality and the risk management framework. The Solicitor to the Council is satisfied that the underlying legal powers for these policies remain unchanged and can still be relied upon and that this new Capital Strategy has appropriate regard to the new Investment Guidance.
- 10.3 In accordance with approved policies and strategies, these property acquisitions are not investments; property purchases completed so far are classified as operational assets, however the full suite of prudential indicators is included in this report for full transparency.

11. STRATEGIC RISK MANAGEMENT

- 11.1 To manage risk effectively, the risks associated with each capital project need to be systematically identified, analysed, influenced and monitored. The future risk in relation to the fuel tank at the Green Street Depot site will be recognised by specific provision in the Capital Programme once timing and costs are known. Paragraph 9.2.7 refers.
- 11.2 It is important to identify the risk appetite for each scheme and for the capital programme as a whole, especially when considering the purchase of property assets to be acquired for multiple objectives including a financial return. The Capital Portfolio Fund assets acquired so far are not defined as non-treasury investments under the CIPFA Prudential Code but rather are held as operational assets as they contribute to the Council's corporate priorities, the key principle of control of risk and considering returns consistent with the level of risk still applies. The full suite of Prudential Indicators is reported in this Capital Strategy for full transparency as they are funded from prudential borrowing. Currently these are reported for the full £25m although this may be refined in future reports as the portfolio management continues to develop.
- 11.3 The Corporate Director: Resources will work in liaison with Service Managers to report explicitly on the affordability and risk associated with the Capital Strategy. Where appropriate they will have access to specialised advice to enable them to reach their conclusions.
- 11.4 An assessment of risk should therefore be built into every capital project and major risks recorded in a Risk Register.

11.5 Credit Risk

This is the risk that the organisation with which we have invested capital monies becomes insolvent and cannot pay us our investment returns or complete the agreed contract. Accordingly, the Council will ensure that robust due diligence procedures cover all external capital investment. Where possible contingency plans will be identified at the outset and enacted when appropriate.

11.6 Liquidity Risk

11.6.1 This is the risk that the timing of any cash inflows from a project will be delayed, for example if other organisations do not make their contributions when agreed. There is also the risk that the cash inflows will be less than expected, for example due to the effects of inflation or interest rates. Our exposure to this risk will be monitored via the revenue and capital budget monitoring processes.

11.6.2 Development Loans Fund

The planned relatively short term durations of the Development Loans Fund and engagement of external Fund Managers with FSA accreditation and proven, directly relevant private sector experience should ensure the allocation remains relatively liquid. Whilst it is currently envisaged that repayments will be used for the repayment of debt, net yield over and above this requirement can be used to support the overall liquidity of the Council.

11.6.3 Capital Portfolio Fund

Property acquisitions and developments are by their very nature illiquid but regular valuation refreshes, structured property management and ongoing analysis of market conditions will enable risk to be continuously monitored. The weekly economic market analysis that Link Asset Services provide as part of retained Treasury Management Services contract will be useful as an overall indicator of market confidence and this will be supplemented with specific property market intelligence gathered regularly by our appointed independent advisors.

A longer term view will be taken on property market risk with the intention to “ride-out” any downward spikes in the property market as a result of dynamic property market conditions; this is particularly important given the potential for volatility as a result of Brexit.

Subject to regular advice including updates on market conditions, we may adopt a “revolving door” approach to the Capital Portfolio Fund investments. This could involve the disposal of assets once, for example, regeneration objectives have been met and the private sector is willing to take on the investments, to recycle resource by either the repayment of debt or use of capital receipts for further portfolio purchases. Decisions would be dependent on prevailing market conditions, consideration of each business case proposal and appropriate capital approvals.

12. **STRATEGIC RISK MANAGEMENT- CAPITAL PORTFOLIO AND DEVELOPMENT LOANS FUNDS**

12.1 The risks associated with the Capital Portfolio and Development Loans Fund Strategies and the steps to be adopted to mitigate them, were set out in depth in appendices 3/1 and 3/2 to the medium term financial strategy report, which was considered by Cabinet on 20 December 2016 (see hyperlink at section 10.2). The latest MHCLG Investment Guidance introduces additional controls, key areas being of proportionality and purely commercial investments that are out of the area. Our current policy for the Capital Portfolio Fund is that it will always be the Council’s preference to invest within the district area to support regeneration and local economic development whilst also allowing the Council to consider opportunities within the wider geographical area of the two Local Enterprise Partnerships, (LEP) which the district is a member of, as this will benefit the district. If the Council is no longer able to retain membership across the two LEPS in the future, the geographical policy for property acquisitions will be revisited. If this is the case there is the potential for an increase in strategic risk as a result of a smaller geographical area and less choice/spread for potential purchases. The Development Loans Fund will be used to support regeneration within the district. Due regard is evidenced in this Capital Strategy to proportionality and a transparent approach adopted to ensure Members are fully aware of the potential impact of these plans.

12.2 CIPFA issued the long awaited Guidance on Prudential Property Investment in Mid November 2019 including a detailed methodology on how authorities could calculate whether their property investments are proportional to the size of their revenue budgets. It is intended that the calculations for the Council will be included within the reporting on the levels of adequate reserves to cover off risk as part of the S151 Officer’s report in February; if time permits.

- 12.3 The appointment of Finance Birmingham as the Fund Managers for the Development Loans fund also provides further assurance and risk mitigation.
- 12.4 The latest version of the CIPFA Prudential Code that must be read alongside the MHCLG Investment Guidance requires the chief financial officer to report explicitly on the risks associated with the capital strategy. The new Prudential Property Investment guidance issued by CIPFA in mid November provides new information around proportionality of capital property purchases funded by prudential borrowing and if necessary further revisions will be made to this Capital strategy in due course. Based on the current guidance the risks associated with the Capital Strategy are summarised in the Risk Matrix that follows:

RISK REGISTER FOR CAPITAL PORTFOLIO FUND (CPF) & DEVELOPMENT LOANS FUND (DLF)	Impact (H/M/L)	Likelihood (H/M/L)	Risk Rating (R/A/G)	Risk Mitigation
External challenge that proposals do not satisfy MHCLG Investment Guidance/other statutory requirements	H	L	G	<p>Identification of objectives – links to corporate priorities/income generation – this will include determination of whether or not proposals meet regeneration and economic objectives; each proposal will be considered on a case by case basis.</p> <p>Due Diligence – including check against statutory powers ie legal basis for proposal.</p> <p>The 2018-19 external Final Accounts audit did not challenge the operational asset classification assigned to the first three property purchases based on the substantial evidence provided.</p>
Market/economic conditions deteriorate from initial risk assessment and the Council is tied into long term borrowing costs that cannot be covered by future income.	M	M	A	<p>Risks will be refreshed as part of regular reporting on Property Portfolio and Development Loans Fund (DLF) and any “red flags” raised with mitigating actions proposed on a case by case basis. Risk assessments will be considered over the short, medium and longer term as part of due diligence. External borrowing will be profiled so there will be structural options</p>

RISK REGISTER FOR CAPITAL PORTFOLIO FUND (CPF) & DEVELOPMENT LOANS FUND (DLF)	Impact (H/M/L)	Likelihood (H/M/L)	Risk Rating (R/A/G)	Risk Mitigation
				for the future management of overall debt. The transparency of limits for these strategies mean the Council is fully cognisant of proportionality.
100% prudential borrowing due to lack of capital receipts available for funding reduces net yield and means the return is too low compared to the relative risk. This could lead to greater risks being taken to increase yields particularly has HM Treasury increased PWLB rates by a whole percentage point on the 9 th October 2019.	H	M	A	Due Diligence processes in place will ensure risk is fully assessed in each business case proposal. Funding by 100% prudential borrowing, particularly taking into account the increase in PWLB rates will reduce the number of viable opportunities but so far evidence shows this can still work and provide useful income streams whilst also meeting corporate priorities of regeneration etc, increasing business rates, council tax and potentially new homes bonus.
Lack of internal capacity, commercial knowledge and skills; both officers and members.	M	L	A	Successful procurement of external specialist advice. Member training will be provided. For DLF external Fund Managers will attend Overview and Scrutiny committee and for CPF external advice will be taken and provided as appropriate.
Borrowing costs fluctuate and could increase; Council is unable to making ongoing costs of refinancing debt.	M	L	A	Each business case proposal will consider forecasts for the costs of borrowing and build in headroom to allow for reasonable movement. External debt will be taken in different tranches taking advice from Link Asset Services (to give a spread of maturity dates) to spread this risk and internal borrowing used where possible to reduce costs. An appropriate level of reserves will be held and regularly reviewed to help mitigate this risk.
Bad debts as a result of failure of third parties to make loan repayments or	M	L	A	Fund manager for DLF will manage debt portfolio, assessing the likelihood of

RISK REGISTER FOR CAPITAL PORTFOLIO FUND (CPF) & DEVELOPMENT LOANS FUND (DLF)	Impact (H/M/L)	Likelihood (H/M/L)	Risk Rating (R/A/G)	Risk Mitigation
tenant rental default.				default; provision for an appropriate percentage will be included in business case proposals. A proactive approach will be taken to debt management with advice and assistance offered by the Jones Valerio and BNP Paribas as part of the Property Portfolio Management team and early legal action where necessary to realise security/collateral taken.
DLF - Failure to secure sufficient value of loans to cover the fixed cost of the external Fund Managers; this risk is increased as 12 months of the initial 2 year contract has passed with no proposals progressed	M	M	A	Professional Fund Managers consider there is demand in the district to fill the gap in loan requirements left by banks. Flat fee for minimum 2 year contract period can be met from reserves in worst case scenario. Two potential applications are in the pipeline but complex nature of projects mean proposals take time to progress.
DLF - Collateral/Security on loans granted is insufficient to cover bad debts;	M	L	A	Ongoing monitoring of covenants and credit quality of borrower may require mitigating action, exit strategies and or risk reserves.
DLF - State Aid considerations;	M	L	G	Due diligence checks will explore State Aid requirements in full and a commercial rate will be set for loans well above the basic (now increased) PWLB rates.
Management costs are excessive	M	L	A	For DLF Management costs are part of contract. For CPF Initially, existing internal resource to be used to manage portfolio with other options considered and evaluated as part of each business case,

RISK REGISTER FOR CAPITAL PORTFOLIO FUND (CPF) & DEVELOPMENT LOANS FUND (DLF)	Impact (H/M/L)	Likelihood (H/M/L)	Risk Rating (R/A/G)	Risk Mitigation
				costs to be covered by income generated.
Minimum Revenue Provision Policy is not sufficiently flexible	M	L	G	Policy change to introduce further flexibility approved as part of TMSS Council from February 2018.
Capital values and rental values can fall as well as rise.	M	M	A	Regular asset valuations will be undertaken and reported with Fair Value adjustments reflected in annual accounts as per accounting requirements. Historically, property investments have performed well and generally values increased over time. Our adopted MRP policy ensures that debt is repaid over the asset life and our evaluation model does not assume capital appreciation when determining viability.
Vacancies (voids) in the portfolio will reduce average yield. As well as lost rental income on vacant units, the Council could find itself liable for a share of on- going costs which a tenant would normally pay such as empty property rates.	M	M	A	Proactive Property Portfolio Management by our external specialists Jones Valerio who will work closely with BNP Paribas and maintenance of appropriate risk reserves will mitigate this.
Disputes with tenants. Common disputes include ongoing maintenance and repair costs of buildings and the ability to recover those costs from tenants	M	L	A	Proactive Property Portfolio Management and maintenance of appropriate risk reserves will mitigate this.
External factors. Property investment is subject to factors the Council cannot control, e.g. failure of tenants, poor building management, changes in perception of what is a good location, economic	H	L	A	External investment advisors will scan external horizon and report as part of regular monitoring reports.

RISK REGISTER FOR CAPITAL PORTFOLIO FUND (CPF) & DEVELOPMENT LOANS FUND (DLF)	Impact (H/M/L)	Likelihood (H/M/L)	Risk Rating (R/A/G)	Risk Mitigation
downturn etc.				
Ease of market exit (sale)	H	M	R	To be assessed on a case by case basis as part of initial business case and ongoing property portfolio management reports.
Changes in government policy. New CIPFA Guidance on Prudential Property Investment issued in November 2019	H	L	A	<p>Latest MHCLG Investment Guidance received in February 2018 and fully taken into account. The increase in the PWLB interest rate on the 9th October is mitigated by the fact that external borrowing has already been undertaken whilst rates were at historic lows and most of the £25m Capital Portfolio approval has already been spent or committed. Any further changes will be considered and revisions made to the Capital Strategy if appropriate.</p> <p>New CIPFA Guidance already complied with, new detailed model for how authorities could calculate whether their property investments are proportional to the size of their revenue budgets will be included within the reporting on the levels of adequate reserves to cover off risk; ideally this year if time permits.</p>

- 12.5 The Council is further protected since as more proposals are progressed the Detailed Business Case /Due Diligence reports will include a review of specific risks and also consider the cumulative risks of the Capital Portfolio and Development Loans Fund strategies with particular emphasis on proportionality.
- 12.6 A schedule setting out risk exposure will be maintained as proposals are progressed and presented to Members as part of the ongoing Property Portfolio reporting process.

- 12.7 The increase in the PWLB interest rate on the 9th October is mitigated by the fact that external borrowing has already been undertaken whilst rates were at historic lows and most of the £25m Capital Portfolio approval has already been spent or committed. It may though make the DLF less attractive to potential applicants and future innovative capital schemes eg for housing provision may become unaffordable.

13. SCHEME OF DELEGATION

- 13.1 The Council's Capital Strategy and Non-Treasury Investments Scheme of Delegation is detailed in Appendix 3.

14. ROLE OF SECTION 151 OFFICER

- 14.1 The Treasury Management Role of the Section 151 Officer is detailed in Appendix 3. The revision of the Treasury Management Code of Practice last year significantly extended the specific role of this officer to include a series of new roles in respect of the capital strategy and also a specific role in respect of investment in non-financial assets.

15. EQUALITY IMPACT ASSESSMENT

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

16. CONCLUSION

- 16.1 This Capital Strategy, sets out the Capital Plans for 2020-30 including the Capital Portfolio Fund and Development Loans Fund and has due regard to the latest MHCLG Guidance on Investments. The Strategy also identifies and cross-references the various policies and strategies of the Council that are linked and together form the overall Corporate Governance Framework. It is useful to have this in a single document for transparency of assurance around what is recognised to be an area where risk needs to be carefully managed in the short, medium and longer term.

17. CONSULTEES

- 17.1 CLT
17.2 Cabinet

18. BACKGROUND PAPERS

- The annual Medium Term Financial Strategy including the revenue implications of this Capital Strategy Capital is to be considered by Cabinet on 17th December 2019 and 11th February 2020 and proposed to Full Council on 26th February 2020, together with this report
- the Treasury Management Strategy Statement (TMSS) 2019-20 approved by Council on 27th February 2019 that covers financial investments

- The Asset Management Strategy Report – Cabinet 16th July 2019 and Council 24th July 2019
- The Medium Term Financial Strategy 2018-21 including the Capital Programme Report Appendix 6 considered by Cabinet on 19th December 2017 and 7th February 2018 and approved by Full Council on 21st February 2018
- Approval of Cabinet Proposals for a £25m Capital Portfolio Fund and £10m Loans to Third Parties (now renamed Development Loans Fund) by Council as part of the MTFs 2016-19 on 22nd February 2017
- The Strategies for the Capital Portfolio Fund and Loans to Third parties approved by Cabinet on 14th June 2017
- Approval Process for Capital Portfolio and Loans to Third Parties approved by Cabinet 20th September 2017 and process for Scrutiny of business cases in respect of the capital portfolio fund and development loan fund approved by Overview and Scrutiny Committee 5th October 2017
- The Strategic Asset Management Plan (SAMP) approved by Council 2016
- The Enabling Enterprise and Business Growth In Wyre Forest strategy adopted in 2016
- ReWyre Initiative and Kidderminster Regeneration Prospectus adopted in 2009 and ReWyre ReNewed adopted in 2014.
- Greater Birmingham & Solihull LEP Strategic Economic Plan 2016-30 'A Greater Birmingham for a Greater Britain' 2016
- Worcestershire LEP Strategic Economic Plan 2014-2024 'World Class Worcestershire' 2014
- Corporate Plan 2019-2023 – Council 25th September 2019
- Local Plan Core Strategy 2006-2026
- MHCLG Statutory Guidance on Local Government Investments (3rd edition) 2nd February 2018
- Asset Management Strategy – Cabinet 16th July 2019 - http://www.wyreforest.gov.uk/council/docs/doc54727_20190716_cabinet_agenda.pdf (agenda item 8.1)
- Cabinet approval of Right to Buy Receipts 19th September 2019 http://www.wyreforest.gov.uk/council/docs/doc53628_20180919_cabinet_agenda.pdf
- Overview and Scrutiny 7th November 2019 – agenda item 7 - Capital Portfolio Fund Quarterly Fund Report http://www.wyreforest.gov.uk/council/docs/doc55164_20191107_o_and_s_agenda.pdf
- CIPFA Guidance on Prudential Property Investment – November 2019

CAPITAL PROGRAMME 2020 TO 2030

Detail	2019-20		2020-21 Estimate £	2021-22 Estimate £	2022-23 Estimate £	2023-24 Estimate £	2024-25 Estimate £	2025-26 Estimate £	2026-27 Estimate £	2027-28 Estimate £	2028-29 Estimate £	2029-30 Estimate £	Prior to 01/04/2019 £	Total £
	Original £	Revised £												
1. COMMITTED EXPENDITURE														
1. CHIEF EXECUTIVE AND SOLICITOR TO THE COUNCIL														
New Headquarters - Office Accommodation	-	-	413,610	-	-	-	-	-	-	-	-	-	9,566,390	10,000,000
SUB TOTAL	0	0	413,610	0	0	0	0	0	0	0	0	0	9,566,390	10,000,000
2. COMMUNITY WELL-BEING AND ENVIRONMENT														
Franchise Street S106 - Brinton Park	-	-	37,430	-	-	-	-	-	-	-	-	-	24,780	62,210
Franchise Street S106 - Arts Development	-	9,330	-	-	-	-	-	-	-	-	-	-	-	9,330
Parking Facilities: Improvement to Car Parks	34,530	74,530	-	-	-	-	-	-	-	-	-	-	419,970	484,500
Green Street Depot Investment	-	2,446,750	49,300	-	-	-	-	-	-	-	-	-	1,383,950	3,880,000
Bewdley Medical Centre	-	14,160	-	-	-	-	-	-	-	-	-	-	837,040	851,200
Brinton Park HLF Scheme (subject to successful HLF bid)	-	-	100,000	-	-	-	-	-	-	-	-	-	-	100,000
Commercial Activity Capital Funding*	-	195,390	-	-	-	-	-	-	-	-	-	-	54,610	250,000
* Subject to Business Cases & approval by the Commercial Activity Board														
SUB TOTAL	34,530	2,740,160	186,730	0	0	0	0	0	0	0	0	0	2,720,350	5,647,240
3. ECONOMIC PROSPERITY AND PLACE														
Housing Strategy:														
Disabled Facilities Grants (subject to confirmation 2020-21 onwards)	1,683,840	1,500,000	1,490,830	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	12,463,880	24,454,710
Conversion of 2-3 New Street, Stourport	440,000	3,430	-	-	-	-	-	-	-	-	-	-	293,630	297,060
Comberton Place Residential Investment (now considered unviable)	-	60,000	-	-	-	-	-	-	-	-	-	-	-	60,000
Property Conversion, Stourport (subject to Council approval)	103,830	80,000	72,740	-	-	-	-	-	-	-	-	-	1,907,630	2,060,370
Housing Assistance - Private Sector Measures (including Decent Homes Grant)	-	2,750	-	-	-	-	-	-	-	-	-	-	255,010	257,760
Planning Delivery Grant Capital Projects	18,410	10,000	18,410	-	-	-	-	-	-	-	-	-	170,590	199,000
Flood Relief	18,870	18,870	-	-	-	-	-	-	-	-	-	-	115,930	134,800
North Worcs Water Management Capital Projects - Re-ditch Schemes	-	106,520	-	-	-	-	-	-	-	-	-	-	2,879,450	2,985,970
Regeneration and Economic Development	-	20,000	-	-	-	-	-	-	-	-	-	-	83,150	103,150
Carbon Management Plan	375,000	450,000	20,000	-	-	-	-	-	-	-	-	-	375,000	825,000
Worcester Street Improvements Grant (Match Funding)	-	119,740	-	-	-	-	-	-	-	-	-	-	-	119,740
Future Investment Evergreen Fund*	1,935,040	220,000	1,930,040	-	-	-	-	-	-	-	-	-	-	2,150,040
Industrial Units Development - Silverwoods	-	633,160	-	-	-	-	-	-	-	-	-	-	55,030	688,190
Industrial Units Development - Silverwoods (former Franco site)	-	2,700,000	-	-	-	-	-	-	-	-	-	-	-	2,700,000
Churchfields Development (Grant Funded)	-	4,750,000	-	-	-	-	-	-	-	-	-	-	-	4,750,000
Capital Portfolio Fund*	4,000,000	10,000,000	-	-	-	-	-	-	-	-	-	-	9,776,700	24,471,810
Development Loans Fund*	-	-	-	-	-	-	-	-	-	-	-	-	-	10,000,000
* Subject to Business Cases & Due Diligence														
SUB TOTAL	13,324,990	30,599,580	3,532,020	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	28,376,000	71,507,600
4. RESOURCES														
ICT Strategy	558,000	666,110	113,000	160,000	-	-	-	-	-	-	-	-	3,342,670	4,281,780
SUB TOTAL	558,000	666,110	113,000	160,000	0	0	0	0	0	0	0	0	3,342,670	4,281,780
5. VEHICLE, EQUIPMENT & SYSTEMS RENEWAL SCHEDULE														
Vehicles & Equipment & Systems Renewal Schedule	1,017,000	1,464,500	760,000	785,000	199,000	224,000	363,000	1,144,000	1,259,000	170,000	546,500	546,500	7,708,940	15,170,440
SUB TOTAL	1,017,000	1,464,500	760,000	785,000	199,000	224,000	363,000	1,144,000	1,259,000	170,000	546,500	546,500	7,708,940	15,170,440
TOTAL COMMITTED EXPENDITURE	14,934,520	35,470,350	5,005,360	1,945,000	1,199,000	1,224,000	1,363,000	2,144,000	2,259,000	1,170,000	1,546,500	1,546,500	51,734,350	106,607,060

CAPITAL PROGRAMME 2020 TO 2030

Detail	2019-20		2020-21 Estimate £	2021-22 Estimate £	2022-23 Estimate £	2023-24 Estimate £	2024-25 Estimate £	2025-26 Estimate £	2026-27 Estimate £	2027-28 Estimate £	2028-29 Estimate £	2029-30 Estimate £	Prior to 01/04/2019 £	Total £
	Original £	Revised £												
2. FINANCING														
Capital Receipts: Funding Approved		995,030	1,187,780	-	-	-	-	-	-	-	-	-	-	2,182,810
Prudential Borrowing for Regeneration and Economic Development Scheme	-	87,090	-	-	-	-	-	-	-	-	-	-	-	87,090
Prudential Borrowing for Carbon Management Scheme	-	-	20,000	-	-	-	-	-	-	-	-	-	-	20,000
Prudential Borrowing for Worcester Street Improvements Grant (Match Funding)	375,000	450,000	-	-	-	-	-	-	-	-	-	-	-	450,000
Prudential Borrowing for Industrial Units Development	1,650,040	220,000	1,430,040	-	-	-	-	-	-	-	-	-	-	1,650,040
Prudential Borrowing for Development Loans Fund	4,000,000	10,000,000	-	-	-	-	-	-	-	-	-	-	-	10,000,000
Prudential Borrowing for Capital Portfolio Fund	5,000,000	15,068,270	-	-	-	-	-	-	-	-	-	-	-	15,068,270
Prudential Borrowing for Green Street Depot Investment	-	1,486,750	49,300	-	-	-	-	-	-	-	-	-	-	1,536,050
Prudential Borrowing for Brinton Park HLF Scheme	-	-	100,000	-	-	-	-	-	-	-	-	-	-	100,000
Prudential Borrowing for ICT Strategy	558,000	666,110	113,000	160,000	-	-	-	-	-	-	-	-	-	939,110
Prudential Borrowing for Commercial Activity Capital Funding	-	-	195,390	-	-	-	-	-	-	-	-	-	-	195,390
Prudential Borrowing for Worcestershire County Council	-	-	-	-	-	-	-	-	-	-	-	-	-	19,430
Public Realm Funding (from WCC - subject to confirmation 20-21 onwards)	1,482,410	1,500,000	1,289,400	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-	10,789,400
Better Care Fund Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	2,750
Planning Delivery Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	52,670
S-106 Funding (Parking - Contractual Agreement)	34,530	-	-	-	-	-	-	-	-	-	-	-	-	34,530
S-106 Funding (Franchise Street)	-	9,330	37,430	-	-	-	-	-	-	-	-	-	-	46,760
S-106 Funding (Sutton Park Road)	85,000	-	-	-	-	-	-	-	-	-	-	-	-	85,000
Flood Relief Grant (from DCLG)	18,410	10,000	18,410	-	-	-	-	-	-	-	-	-	-	28,410
Churchfields Development Grant (from Housing Infrastructure Fund)	-	2,700,000	-	-	-	-	-	-	-	-	-	-	-	2,700,000
North Worcs Water Management Capital Projects - Redditch BC Funding	18,870	18,870	-	-	-	-	-	-	-	-	-	-	-	18,870
Vehicles, Equipment & Systems (Prudential Borrowing)	1,017,000	1,464,500	760,000	785,000	199,000	224,000	363,000	1,144,000	1,259,000	170,000	546,500	546,500	-	6,915,000
Direct Revenue Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	14,160
Bewdley Medical Centre	-	510,000	-	-	-	-	-	-	-	-	-	-	-	510,000
Green Street Depot Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	14,934,520	35,470,350	5,005,360	1,945,000	1,199,000	1,224,000	1,363,000	2,144,000	2,259,000	1,170,000	1,546,500	1,546,500	-	53,326,210

**VEHICLE, EQUIPMENT AND SYSTEMS
RENEWALS SCHEDULE 2020 TO 2030**

APPENDIX 1/B

DETAIL	Fleet Number	2019-20		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
		Original £	Revised £	Estimate £	Estimate £	Estimate £	Estimate £	Estimate £	Estimate £	Estimate £	Estimate £	Estimate £	Estimate £
1. VEHICLES													
EMS & BIN LIFTS		13,500	13,500	-	13,500	-	-	-	-	-	-	-	-
GARAGE EQUIPMENT		-	40,000	-	-	-	-	-	-	-	-	-	-
REFURBISHMENT FUND		-	30,000	-	-	-	-	-	-	-	-	-	-
REFUSE FREIGHTER 26000kg	AV241	-	-	-	-	-	-	-	91,000	-	-	-	-
REFUSE FREIGHTER 26000kg	AV237	-	-	-	-	-	-	-	95,500	-	-	-	-
REFUSE FREIGHTER 26000kg	AV238	-	-	-	-	-	-	-	95,500	-	-	-	-
REFUSE FREIGHTER 24000kg	AV234	-	-	-	-	-	-	-	100,000	-	-	-	-
REFUSE FREIGHTER 26000kg	AV268	-	-	-	-	-	-	-	100,000	-	-	-	-
REFUSE FREIGHTER 26000kg	AV239	-	-	-	-	-	-	-	100,000	-	-	-	-
TIPPER 3500kg	AV177	-	30,000	-	-	-	-	-	30,000	-	-	-	-
TIPPER 3500kg	AV193	-	30,000	-	-	-	-	-	30,000	-	-	-	-
TIPPER 3500kg	AV064	-	30,000	-	-	-	-	-	30,000	-	-	-	-
TIPPER 3500kg	AV200	-	30,000	-	-	-	-	-	30,000	-	-	-	-
TIPPER 3500kg	AV201	-	30,000	-	-	-	-	-	30,000	-	-	-	-
TIPPER 3500kg	AV202	-	30,000	-	-	-	-	-	30,000	-	-	-	-
TIPPER 3500kg	AV214	-	30,000	-	-	-	-	-	30,000	-	-	-	-
TIPPER 3500kg	AV216	-	30,000	-	-	-	-	-	30,000	-	-	-	-
TIPPER 3500kg	AV211	-	100,000	-	-	-	-	-	100,000	-	-	-	-
MEDIUM REFUSE FREIGHTER 12000kg RCV	AV226	25,000	25,000	-	-	-	-	-	-	25,000	-	-	-
RIDE ON MOWER	AV252	30,000	30,000	-	-	-	-	-	-	30,000	-	-	-
4x4	AV220	30,000	30,000	-	-	-	-	-	-	30,000	-	-	-
TIPPER 3500kg	AV063	30,000	30,000	-	-	-	-	-	-	30,000	-	-	-
TIPPER 3500kg	AV221	30,000	30,000	-	-	-	-	-	-	30,000	-	-	-
TIPPER 3500kg	AV222	30,000	30,000	-	-	-	-	-	-	30,000	-	-	-
TIPPER 3500kg	AV223	30,000	30,000	-	-	-	-	-	-	30,000	-	-	-
TRACTOR	AV070	32,000	-	40,000	-	-	-	-	-	-	-	-	-
RIDE ON MOWER	AV212	32,000	32,000	-	-	-	-	-	32,000	-	-	-	-
TIPPER 7000kg	AV181	48,000	48,000	-	-	-	-	-	-	48,000	-	-	-
REFUSE FREIGHTER 24000kg	AV245	170,500	170,500	-	-	-	-	-	-	170,500	-	-	-
REFUSE FREIGHTER 26000kg	AV246	170,500	170,500	-	-	-	-	-	-	170,500	-	-	-
REFUSE FREIGHTER 26000kg	AV083	170,500	170,500	-	-	-	-	-	-	175,000	-	-	-
REFUSE FREIGHTER 26000kg	AV084	175,000	175,000	-	-	-	-	-	-	175,000	-	-	-
ATV WEED SPRAYER	AV271	-	-	-	-	-	-	15,000	-	-	-	-	-
LIGHT VAN	AV218	-	-	30,000	-	-	-	-	25,000	-	-	-	-
LIGHT VAN	AV230	-	-	30,000	-	-	-	-	25,000	-	-	-	-
LIGHT VAN	AV229	-	-	30,000	-	-	-	-	25,000	-	-	-	-
MIDI TRACTOR	AV189	-	-	30,000	-	-	-	-	-	-	-	-	-
MOWING MACHINE	AV240	-	-	35,000	-	-	-	-	35,000	-	-	-	-
TIPPER 3500kg	AV255	-	-	35,000	-	-	-	-	-	-	35,000	-	-
TIPPER 3500kg	AV256	-	-	35,000	-	-	-	-	-	-	35,000	-	-
JCB DIGGER	AV183	-	-	-	60,000	-	-	-	-	-	-	-	-
PAVEMENT SWEEPER	AV258	-	-	80,000	-	-	-	-	80,000	-	-	-	-
SMALL REFUSE FREIGHTER 7500kg RCV	AV261	-	-	90,000	-	-	-	-	-	-	85,000	-	-
ROAD SWEEPER 15000kg	AV184	-	-	140,000	-	-	-	-	-	130,000	-	-	-
REFUSE FREIGHTER 26000kg	NEW	-	-	175,000	-	-	-	-	-	175,000	-	-	-
CAR	AV279	-	-	-	10,000	-	-	-	-	10,000	-	-	-
CAR	AV272	-	-	-	15,000	-	-	-	-	-	15,000	-	-
FORK LIFT	FORKLIFT	-	-	-	15,000	-	-	-	-	-	-	-	-
PAVEMENT SWEEPER	AV275	-	-	-	60,000	-	-	-	-	-	-	-	-
PAVEMENT SWEEPER	AV276	-	-	-	60,000	-	-	-	-	-	-	-	-
REFUSE FREIGHTER 26000kg	AV186	-	-	-	180,500	-	-	-	-	-	-	170,500	170,500
REFUSE FREIGHTER 26000kg	AV187	-	-	-	180,500	-	-	-	-	-	-	170,500	170,500
REFUSE FREIGHTER 18000kg	AV185	-	-	-	180,500	-	-	-	-	-	-	170,500	170,500
LIGHT VAN	AV285	-	-	-	-	20,000	-	-	-	-	-	-	-
3500KG VAN	AV281	-	-	-	-	23,000	-	-	-	-	-	-	-
LIGHT VAN	AV282	-	-	-	-	23,000	-	-	-	-	-	-	-
LIGHT VAN	AV283	-	-	-	-	23,000	-	-	-	-	-	-	-
RIDE ON MOWER AND FLAIL	AV273	-	-	-	20,000	-	-	-	-	-	-	17,500	17,500
RIDE ON MOWER AND FLAIL	AV274	-	-	-	20,000	-	-	-	-	-	-	17,500	17,500
PAVEMENT SWEEPER	AV289	-	-	-	-	70,000	-	-	-	-	-	-	-
TRAILER	AV278	-	-	-	-	-	3,000	-	-	-	-	-	-
RIDE ON MOWER	AV287	-	-	-	-	-	25,000	-	-	-	-	-	-
CHIPPER	AV277	-	-	-	-	-	26,000	-	-	-	-	-	-
TRACTOR	AV225	-	-	-	-	-	50,000	-	-	-	-	-	-
ROAD SWEEPER 15000kg	AV280	-	-	-	-	-	120,000	-	-	-	-	-	-
4x4	AV288	-	-	-	-	-	-	23,000	-	-	-	-	-
TIPPER 3500kg	AV292	-	-	-	-	-	-	30,000	-	-	-	-	-
TIPPER 3500kg	AV286	-	-	-	-	-	-	30,000	-	-	-	-	-
TIPPER 7500kg	AV284	-	-	-	-	-	-	45,000	-	-	-	-	-
REFUSE FREIGHTER 26000kg	AV290	-	-	-	-	-	-	100,000	-	-	-	-	-
REFUSE FREIGHTER 26000kg	AV291	-	-	-	-	-	-	100,000	-	-	-	-	-
2. OTHER													
Financial Management System Replacement	FMS001	-	69,500	-	-	-	-	-	-	-	-	-	-
Flail Equipment replacement	R476	-	-	-	-	-	-	20,000	-	-	-	-	-
Zip Boilers replacement (Wyre Forest House)		-	-	10,000	10,000	-	-	-	-	-	-	-	-
		1,017,000	1,464,500	760,000	785,000	199,000	224,000	363,000	1,144,000	1,259,000	170,000	546,500	546,500

Quantitative ratios are presented in this appendix in colour coded categories as follows:

Green	Debt to gross Service expenditure (GSE) ratios
Yellow	Debt to net service expenditure (NSE) ratios
	For these first two categories, ratios are provided for total debt and also for non treasury debt relating to the Capital Portfolio Fund (property) and separately for the Development Loan Fund
Pink	Loan to Value ratios
Beige	Capital Financing ratios
Purple	Financing costs to net service expenditure (NSE) ratio
Light Blue	Income/investment cover ratios
Light Yellow	Trends/benchmarks

Capital Programme	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
DEBT TO GROSS SERVICE EXPENDITURE RATIOS											
Gross debt to gross service expenditure (GSE) ratio	115.10%	119.78%	116.79%	111.91%	110.74%	109.72%	108.74%	107.77%	106.81%	105.85%	104.91%
Non treasury property investments debt to gross service expenditure (GSE) ratio	48.58%	50.02%	48.69%	47.41%	46.00%	44.67%	43.38%	42.10%	40.84%	39.59%	38.36%
Non treasury development loans investments debt to gross service expenditure (GSE) ratio	19.51%	20.30%	20.14%	19.98%	19.78%	19.59%	19.42%	19.24%	19.07%	18.90%	18.73%
DEBT TO NET SERVICE EXPENDITURE RATIOS											
Gross debt to net service expenditure (NSE) ratio	508.41%	513.74%	491.09%	457.39%	434.29%	423.04%	410.72%	398.76%	387.14%	375.87%	364.92%
Non treasury property investments debt to net service expenditure (NSE) ratio	214.57%	214.52%	204.73%	193.75%	180.41%	172.25%	163.85%	155.78%	148.03%	140.58%	133.45%
Non treasury development loans investments debt to net service expenditure (NSE) ratio	86.17%	87.08%	84.67%	81.68%	77.55%	75.54%	73.34%	71.21%	69.13%	67.12%	65.16%
LOAN TO VALUE RATIOS											
Loan to value ratio (Gross)	89.72%	89.65%	87.26%	83.41%	82.59%	81.77%	80.96%	80.16%	79.37%	78.58%	77.80%
Loan to PPE value ratio (property)	37.86%	37.44%	36.38%	35.33%	34.31%	33.30%	32.30%	31.31%	30.35%	29.39%	28.45%
Loan to PPE value ratio (development loans)	15.21%	15.19%	15.04%	14.90%	14.75%	14.60%	14.46%	14.31%	14.17%	14.03%	13.89%
Loan to PPE value ratio (total non treasury investments)	53.07%	52.63%	51.42%	50.23%	49.06%	47.90%	46.76%	45.63%	44.52%	43.42%	42.35%
Loan to value ratio (property only)	101.27%	99.99%	97.17%	94.38%	91.64%	88.94%	86.27%	83.65%	81.06%	78.51%	76.00%

Capital Programme		2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
CFR RATIOS												
CFR - Property	Property CFR as a proportion of the gross CFR	41.91%	41.47%	41.26%	41.60%	41.96%	42.23%	41.90%	41.52%	42.06%	42.32%	42.59%
CFR - Development Loans	Development Loans CFR as a proportion of the gross CFR	16.90%	16.60%	16.55%	16.74%	16.93%	17.10%	17.03%	16.93%	17.22%	17.40%	17.59%
CFR - Combined	Property and Development Loans CFR as a proportion of the gross CFR	58.81%	58.07%	57.80%	58.34%	58.89%	59.33%	58.93%	58.45%	59.28%	59.72%	60.18%
FINANCING COSTS TO NET SERVICE EXPENDITURE RATIOS												
Property investments financing costs to net service expenditure (NSE) ratio	Non treasury property acquisitions financing costs as a percentage of net service expenditure, where net service expenditure is a proxy for the size and financial strength of a local authority.	4.42%	8.89%	10.28%	9.93%	9.44%	9.20%	8.95%	8.69%	8.45%	8.22%	7.98%
Development loans investments financing costs to net service expenditure (NSE) ratio	Non treasury development loans investments financing costs as a percentage of net service expenditure, where net service expenditure is a proxy for the size and financial strength of a local authority.	0.00%	3.70%	4.11%	3.88%	3.68%	3.59%	3.48%	3.38%	3.28%	3.19%	3.10%
Total non treasury investments financing costs to net service expenditure (NSE) ratio	Total non treasury investments financing costs as a percentage of net service expenditure, where net service expenditure is a proxy for the size and financial strength of a local authority.	4.42%	12.59%	14.39%	13.81%	13.12%	12.79%	12.43%	12.08%	11.74%	11.40%	11.07%
INCOME/INVESTMENT COVER RATIOS												
Property investment cover ratio	The total net income from property acquisitions, compared to the interest expense.	82.23%	44.90%	37.09%	52.63%	53.16%	53.69%	54.23%	54.77%	55.32%	55.87%	56.43%
Developments loan investment cover ratio	The total net income from development loans investments, compared to the interest expense.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total non treasury investment cover ratio	The total net income from non treasury investments, compared to the interest expense.	82.23%	33.76%	26.08%	37.00%	37.37%	37.75%	38.13%	38.51%	38.89%	39.28%	39.67%
Property target income returns (excluding financing costs)	Net revenue income (excluding financing costs) compared to equity. This is a measure of achievement of the portfolio of properties.	3.49%	5.52%	6.01%	6.42%	6.38%	6.34%	6.30%	6.26%	6.21%	6.17%	6.13%
Property target income returns (including financing costs)	Net revenue income compared to equity. This is a measure of achievement of the portfolio of properties.	1.40%	1.38%	1.13%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%
Commercial income to NSE ratio	Dependence on non-fees and charges income to deliver core services. Fees and charges should be netted off gross service expenditure to calculate NSE.	2.85%	3.00%	3.40%	3.43%	3.44%	3.46%	3.48%	3.50%	3.52%	3.54%	3.57%
TRENDS												
Gross income	The income received from the property portfolio at a gross level over time.	£1,279,330	£2,148,620	£2,429,800	£2,419,800	£2,439,250	£2,458,990	£2,478,730	£2,498,770	£2,519,010	£2,539,450	£2,560,090
Operating costs	The trend in operating costs of the non-financial investment portfolio over time, as the portfolio expands.	£421,860	£362,560	£449,450	£330,410	£333,710	£337,050	£340,420	£343,820	£347,260	£350,730	£354,240
Financing costs	The trend in financing costs of the non-financial property portfolio over time, as the portfolio expands.	£512,730	£1,445,920	£1,699,350	£1,690,620	£1,691,920	£1,693,260	£1,694,640	£1,696,060	£1,697,520	£1,699,030	£1,699,030
Net income	The income received from the property portfolio at a net level (less costs) over time.	£344,740	£340,140	£281,000	£398,770	£413,620	£428,590	£443,670	£458,890	£474,230	£489,690	£506,820

CAPITAL STRATEGY SCHEME OF DELEGATION**(i) Full Council**

- receiving and reviewing reports on Capital Strategy policies, practices and activities
- approval of annual strategy and strategies for Capital Portfolio Fund and Development Loans Fund.

(ii) responsible body - Cabinet after receiving recommendation from Overview and Scrutiny Committee

- recommending approval of/amendments to the organisation's Capital Strategy
- receiving and reviewing regular monitoring reports and acting on recommendations

(iii) Body/person(s) with responsibility for scrutiny – Overview and Scrutiny Committee

- reviewing the Capital Strategy policy and procedures and making recommendations to the responsible body.

Note: Cabinet on the 20th September 2017 delegated to a sub-committee its decisions on individual Capital Portfolio investments and on Loans from the Development Loans Fund.

The Overview and Scrutiny Committee decided on the 5th October 2017 to establish a sub-committee with terms of reference to scrutinise, and make recommendations upon business cases in respect of the capital portfolio fund and development loan fund.

THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER (with revisions to include non-treasury investments)

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
- submitting regular treasury management policy reports
- submitting budgets and budget variations
- receiving and reviewing management information reports
- reviewing the performance of the treasury management function
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- ensuring the adequacy of internal audit, and liaising with external audit
- recommending the appointment of external service providers
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term (20 year) timeframe
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following (*TM Code p54*): -
 - *Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;*
 - *Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;*

- *Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;*

- *Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;*

- *Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*