



## Cabinet

Date: 9 July 2018  
Time: 7.00 pm  
Venue: Council Chamber  
District Council Offices, Queen Victoria Road, High Wycombe Bucks

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## **AGENDA**

### **1. APOLOGIES FOR ABSENCE**

To receive apologies for absence.

### **2. MINUTES**

To confirm the minutes of the meeting of the Cabinet held on 4 June 2018 (attached).

### **3. DECLARATIONS OF INTEREST**

To receive any disclosure of disclosable pecuniary interests by Members relating to items on the agenda. If any Member is uncertain as to whether an interest should be disclosed, he or she is asked if possible to contact the District Solicitor prior to the meeting.

Members are reminded that if they are declaring an interest, they should state the nature of that interest whether or not they are required to withdraw from the meeting.

## Cabinet Minutes

Date: 4 June 2018

Time: 7.00 - 7.38 pm

**PRESENT:** Councillor Ms K S Wood (Executive Leader of the Council - in the Chair)

Councillor Mrs J A Adey	- Cabinet Member for Environment
Councillor D H G Barnes	- Deputy Leader and Cabinet Member for Engagement and Strategy
Councillor S Broadbent	- Cabinet Member for Economic Development and Regeneration
Councillor D J Carroll	- Cabinet Member for Youth and External Partnerships
Councillor Mrs J D Langley	- Cabinet Member for Housing
Councillor G Peart	- Cabinet Member for Community
Councillor D M Watson	- Cabinet Member for Finance and Resources

### By Invitation

Councillor Miss S Brown	- Deputy Cabinet Member for Community
Councillor A R Green	- Chairman of the Council
Councillor G C Hall	- Deputy Cabinet Member for Environment
Councillor M Harris	- Deputy Cabinet Member for Economic Development and Regeneration
Councillor R Raja	- Leader of the Labour Group
Councillor S Saddique	- Deputy Cabinet Member for Finance and Resources
Councillor A Turner	- Deputy Cabinet Member for Planning

**Also present:** Councillors M Clarke, A D Collingwood and S K Raja

## 1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Z Ahmed (Deputy Cabinet Member for Strategy & Communications), Mrs S Adoh (Deputy Cabinet Member for Housing), C Etholen (Deputy Cabinet Member for Digital Development and Customer Services), D Johncock (Cabinet Member for Planning), M Knight (Leader of the East Wycombe Independent Group), D Knights (Chairman of the Improvement & Review Commission) and L Wood (Cabinet Member for Digital Development and Customer Services).

## 2 MINUTES

**RESOLVED:** That the minutes of the meeting of the Cabinet held on 14 May 2018 be approved as a true record and signed by the Chairman.

### **3 DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **4 2017/18 SERVICE PERFORMANCE: Q4 (JANUARY - MARCH)**

Cabinet had before it the end of year position for the Council's performance at service level, as well as progress made on the key projects delivering the Council's priorities. Cabinet would continue to receive quarterly performance monitoring reports during the year, with any areas of under-performance highlighted to ensure Cabinet could address any issues promptly.

The Cabinet was reminded that the refreshed Corporate Plan had been agreed by Council on 22 February 2018. It was noted that the performance metrics would be updated in the near future to reflect the revisions made to the Corporate Plan in 2017/18.

The following decisions were made to review the performance position as at 31 March 2018 to ensure that the Council was performing at the appropriate level.

**RESOLVED:** That the summary of the year to date outturns (January to March) for service performance be received.

### **5 PROVISIONAL OUTTURN REPORT FOR THE YEAR ENDING 31 MARCH 2018**

Cabinet considered a report on the provisional outturn for 2017/18 which included the General Fund, Repairs and Renewal Fund, Capital Programme and the Section 106 Developer Contributions, together with the potential Efficiency Plan Savings.

The report before Cabinet set out an analysis of the key issues from the 2017/18 financial outturn, with detailed breakdowns of spend and movements which were set out in Appendices A to C of the report.

Cabinet expressed their thanks to the Cabinet Member for Finance, and the Head of Finance and his team, for all their hard work in managing the finances.

The following decisions were made as the Cabinet approved a budget each year within the context of a Medium Term Financial Plan to achieve the Council's priorities. Regular monitoring reports were submitted to Cabinet for review during the financial year, with management actions highlighted to ensure that Cabinet could assess whether any further action was required.

**RESOLVED:** That (i) the provisional outturn position for both Revenue and Capital for 2017/18 be agreed;

(ii) the movement in reserves as set out in paragraph 4.3.3 of the report be approved;

(iii) the Cabinet approve the net surplus of £0.110m transferred to General reserves as set out in paragraph 4.4 of the report be approved;

(iv) in line with prior year accounting, the unused New Homes Bonus funding of £1.445m be transferred to the Development Reserve;

(v) the carry forwards on the capital programme outlined in paragraph 7.1 of the report and set out at Appendix C be approved;

(vi) the virement for capital schemes detailed in paragraph 7.2.5 of the report be agreed; and

(vii) It be noted that as part of the accounting entries for the pension contribution upfront payment, £0.240m had been transferred to pension equalisation reserve.

## **6 TREASURY MANAGEMENT ANNUAL REPORT 2017/18 AND PRUDENTIAL INDICATORS**

Cabinet had before it the annual report on the Treasury Management Strategy and the Prudential Indicators 2017/2018 and was reminded of the requirements placed upon the Council in regard to these.

The following decisions were made as the Local Government Act 2003 and the CIPFA prudential Code required approval of the activity undertaken compared to the strategies, limits and indicators at the end of each financial year.

**RESOLVED:** That (i) the outturn position for treasury management activities for 2017/18 be noted; and

(ii) the Treasury Management Annual report 2017/18 and Prudential Indicators be referred to the Audit Committee for review.

## **7 LOCAL PLAN IMPLEMENTATION - PRINCES RISBOROUGH EXPANSION AREA**

Cabinet was asked to consider and formally recommend the comprehensive report that outlined the delivery of the Princes Risborough Expansion Area. The report detailed the significant infrastructure costs associated with the expansion, including the need for feasibility, design work and project costs to progress the delivery of this complex project.

During consideration of this item, Cabinet recalled that the Council had submitted its proposed Local Plan to the Planning Inspectorate for examination in March 2018. The Princes Risborough Expansion Area was due to be funded primarily by developers but also by the Housing Infrastructure Fund (HIF) Scheme. It was noted that whilst an announcement that the Council had secured the HIF funding was made in February 2018, the Council had not yet received the funding, including Homes England's terms and conditions. It was reported that Homes England were further scrutinising successful bids in more detail.

As a result, approval was sought to forward fund early work on the proposed Housing Infrastructure Fund to keep on track with the programme for delivering the Housing Infrastructure Fund scheme. The report before Cabinet also sought

delegated authority to release the Housing Infrastructure Funding, when available, back to the Council.

The following recommendation and decisions were made to ensure that the Council could keep on track with the programme for delivering the HIF scheme.

In the absence of the Cabinet Member for Planning, the Leader presented some minor amendments to the recommendations which were endorsed by the meeting and therefore it was:

**Recommended:** That full Council agrees to allocate £500,000 from revenue reserves for the purpose described below.

**RESOLVED:** That (i) subject to approval of full Council to release funding of £500,000 from revenue reserves, Cabinet agreed to forward fund feasibility, design work and project team costs relating to the Housing Infrastructure Fund bid up to £500,000 on the basis that this be recovered from either developer contributions or the Housing Infrastructure Fund when the funding was released. Delegated authority be granted to the Head of Finance in consultation with the Head of Democratic Legal & Policy Services to release the £500,000;

(ii) Cabinet grant delegated authority to the Head of Finance, in consultation with the Corporate Director and the Cabinet Member for Finance and the Cabinet Member for Planning, to release Housing Infrastructure Fund monies, once the funds were released to the Council and subject to detailed terms and conditions (when available);

(iii) delegated authority be granted to the Head of Finance in consultation with the Head of Democratic Legal & Policy Services to agree the Housing Infrastructure Fund terms and conditions, once they become available; and

(iv) delegated authority be granted to the Head of Finance in consultation with the Head of Planning and Sustainability to the release section 106 funds from the Leo Labs development to fund the design of the underpass to Wades Park, the amount to be released being set out in Exempt Appendix C.

## **8 WASTE SERVICES CONTRACT UPDATE**

Cabinet had before it a report setting out the current joint waste services contract between Wycombe District Council and Chiltern District Council, which was due to expire in March 2020. Cabinet supported proposals for a contract to be procured with the inclusion of South Bucks District Council. The report highlighted that South Bucks District Council's current contract was due to end in October 2021. Therefore, a decision was required as to whether the current Serco contract between Wycombe District Council and Chiltern District Council should be extended.

The following decisions were made to enable a waste recycling and street cleansing service to be provided from March 2020.

**RESOLVED:** That (i) the report be noted;

(ii) the longer term strategy to procure a three way single joint contract for Wycombe District Council, Chiltern District Council and South Bucks District Council be agreed;

(iii) an Inter District Authority Agreement (IDAA) reflecting the Heads of Terms at Appendix A of the report be entered into; and

(iv) delegated authority be granted to the Head of Housing & Environment in consultation with the Head of Democratic, Legal and Policy Services and the relevant Cabinet Members to approve the detailed terms of the IDAA.

## **9 FILE ON ACTION TAKEN UNDER DELEGATED AUTHORITY**

Cabinet received the following files on actions taken under delegated powers:

Community	C/10/18 – C/28/18
Economic Development & Regeneration	EDR/02/18
Environment	E/1/18
Finance	F/01/18 – F/04/18
Housing	H/01/18 – H/03/18
Digital Development & Customer Services	DDCS/2/18
Planning & Sustainability	PS/04/18 – PS/7/18

### **EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED:** That pursuant to Regulation 4(2)(b) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 the press and public be excluded from the meeting during consideration of Minute Nos 7, 10 and 11, because of their reference to matters which contain exempt information as defined as follows:

#### **Minute 7 – Local Plan Implementation- Princes Risborough Expansion – Appendix C**

Information relating to the financial or business affairs of any particular person (including the authority holding that information) (Paragraph 3, Part 1 of Schedule 12A, Local Government Act 1972)

(The need to maintain the exemption outweighs the public interest in disclosure, because disclosure could prejudice the Council's position in any future tender process or negotiations)

#### **Minute 7 – Local Plan Implementation- Princes Risborough Expansion – Appendix D**

Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings (Paragraph 5, Part 1 of schedule 12A, Local Government Act 1972)



(The need to maintain the exemption outweighs the public interest in disclosure, because the third party in question is likely to be inhibited from participating in further discussions or negotiations with the Council if the report were to be disclosed)

#### **Minute 10 – Waste Services Contract**

Information relating to the financial or business affairs of any particular person (including the authority holding that information) (Paragraph 3, Part 1 of Schedule 12A, Local Government Act 1972)

(The need to maintain the exemption outweighs the public interest in disclosure, because disclosure could prejudice the Council's position in any future tender process or negotiations)

#### **Minute 11 - File on Action taken under Exempt Delegated Powers**

**Community sheet nos: C/06/18 – C/09/18**

**Economic Development and Regeneration sheet nos:  
EDR/015/18 – EDR/20/18**

**Environment sheet no: E/01/18**

**Housing sheet no: H/01/18**

Information relating to the financial or business affairs of any particular person (including the authority holding that information) (Paragraph 3, Part 1 of Schedule 12A, Local Government Act 1972)

(The need to maintain the exemption outweighs the public interest in disclosure, because disclosure could prejudice the Council's position in any future tender process or negotiations)

### **10 WASTE SERVICES CONTRACT**

Cabinet was advised that the Council's current joint waste services contract with Chiltern District Council was due to expire in March 2020 and replacement contracts were required.

The following recommendation and decisions were made to enable a waste recycling and street cleansing service to be provided from March 2020.

**Recommended:** That to the extent that the value of the Contract would exceed £2m, full Council gives its approval as required by the Council's Contract Procedure Rules.

**RESOLVED: 1.** That (i) following approval of Minute number 8 the longer term strategy to procure a three way single joint contract for

Wycombe District Council, Chiltern District Council and South Bucks District Council, the option that should be pursued for the provision of waste, recycling and street cleansing services post March 2020 was for Wycombe District Council and Chiltern District Council to agree a contract extension with Serco until the end of October 2021 to align the termination date with the South Bucks District Council/Biffa contract, provided that such extension was compliant with the Public Contract Regulations 2015, and to commence the procurement of a single joint three-way contract to commence in November 2021. However, if the said negotiations were unsuccessful, to commence the procurement of a single joint three-way contract with a staggered commencement of March 2020 in Chiltern and Wycombe and November 2021 in South Bucks;

(ii) Delegated authority be granted to the Head of Housing & Environment, in consultation with the Head of Democratic, Legal and Policy Services, Head of Finance and Commercial and the relevant Cabinet Members, to take the steps necessary to progress the option selected under Recommendation (i) above;

(iii) Delegated authority be granted to the Head of Housing & Environment in consultation with the Cabinet Member to finalise the specification of the services to be delivered;

(iv) Delegated authority be granted to the Head of Housing & Environment in consultation with the Head of Democratic, Legal and Policy Services and the relevant Cabinet Members to determine the procurement method under the Public Contract Regulations 2015; and

(v) the Cabinet approves the release of earmarked funds set aside in the waste reserve to fund the activity set out in 2 (i) below. The amount not to exceed the total reserve of £225k and to be delegated to the Head of Finance and Commercial and Head of Housing and Environment along with respective Portfolio Holders.

**2.** the decisions of the Chiltern, South Bucks & Wycombe Joint Waste Collection Committee below be noted:

(i) That authority be delegated to the Head of Housing & Environment to procure sufficient professional and technical resources to enter into initial discussions and to prepare for and support the procurement project/s; and

(ii) That an initial budget of up to £200,000 be approved to fund the resources referred to in (i) above, to be funded by the Authorities in proportion to the number of households in each district, with sums to be released in accordance with each Council's internal approval process.

## 11 FILE ON ACTION TAKEN UNDER EXEMPT DELEGATED POWERS

Cabinet received the following files on exempt actions taken under delegated powers:

Community Sheet Nos: C/6/18 – C/9/18

Economic Development & Regeneration Sheet Nos: EDR/15/18 - EDR/20/18

Environment Sheet No: E/1/18

Housing: H/1/18

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Chairman

### **The following officers were in attendance at the meeting:**

Karen Satterford	- Chief Executive
Ian Hunt	- Democratic Services Manager
Catherine MacKenzie	- Principal Democratic Services Officer
Nigel Dicker	- Head of Housing and Environment

# Agenda Item 4.

## RELEASE OF FUNDING FOR ABBEY BARN LANE REALIGNMENT

**Cabinet Member:** Councillor David Johncock

**Wards Affected:** Abbey; Ryemead

**Officer contact:** Ian Manktelow Ext: 3579

Email: [ian.manktelow@wycombe.gov.uk](mailto:ian.manktelow@wycombe.gov.uk)

### PROPOSED DECISION

That:

- (i) Cabinet agree to forward fund design work and project team costs relating to the Housing Infrastructure Fund bid for the realignment of Abbey Barn Lane up to £250,000 on the basis that this will be recovered from the Housing Infrastructure Fund if and when this funding is released to the Council from Homes England. Delegated authority be granted to the Head of Finance in consultation with the Head of Democratic Legal and Policy Services to release these funds;
- (ii) Cabinet grant delegated authority to the Corporate Director in consultation with the Head of Finance, Cabinet Member for Finance and the Cabinet Member for Planning, to release Housing Infrastructure Fund monies, once the funds are released to the Council and subject to detailed terms and conditions (when available); and
- (iii) Delegated authority be granted to the Head of Finance in consultation with the Head of Democratic Legal and Policy Services to agree the Housing Infrastructure Fund terms and conditions, once they become available.

### Reason for Decision

The Council has received an “in principle” approval of £7.5m for a scheme to realign Abbey Barn Lane and reconfiguration of the junction with Kingsmead Road/Abbey Barn Lane through the Housing Infrastructure Fund; this is subject to detailed terms and conditions and receipt of the funding. To ensure that the Council can keep on track with the programme for delivering the HIF scheme, some forward funding for design work and establishment of the project team is sought. This would then be reclaimed once the HIF funding is received. If the HIF funding is not ultimately released then the funding would likely be at risk as the scheme as currently envisaged could not go ahead due to funding shortfalls.

### Corporate Implications

1. The report sets out two options in relation to the Housing Infrastructure Fund (HIF) funding for Abbey Barn Lane. Option 1 is to forward fund some initial design/feasibility work and project set up costs of up to £250,000 to enable the scheme to keep on track in terms of the delivery programme for the HIF scheme and maximise our chances of the HIF funding being confirmed. Option 2 would involve doing nothing in terms of forward funding. In financial terms there are risks whether the Council decides to forward fund the design work or not. In the short term the key risks relate to the confirmation of the HIF money and the associated terms and conditions that are currently unknown. Further

detail is set out in the body of the report.

2. If the scheme fails to progress to implementation and expenditure does not meet the necessary requirements to be capitalised then any expenditure incurred would need to be charged to revenue. As this would be unbudgeted revenue expenditure there would be an adverse impact on the revenue reserves equal to the expenditure incurred. The £250k as outlined in the recommendations is c2.5% of the available general reserve balances.

### **Executive Summary**

3. An announcement that the Council had secured £7.5m of HIF money for a scheme to realign Abbey Barn Lane was made in February 2018. However, the Council has yet to receive the funding or the associated terms and conditions, and Homes England are currently scrutinising all the successful bids.
4. To help ensure that the HIF funding is confirmed it is important to continue to make progress to ensure that the delivery of the infrastructure and related housing can be achieved within the timeframes set out in the HIF bid. To achieve this it is recommended that up to £250,000 is provided to progress design work and for establishment of the project team. Recommendations are also included to enable the take up of HIF funding when it is released to the Council.

### **Sustainable Community Strategy/Council Priorities - Implications**

5. Improving infrastructure to support the delivery of housing and ensure the local highway network is fit for purpose to support a growing town meets a number of Place, People and Prosperity strands of the Council's Corporate Plan including:
  - Meeting housing needs
  - Using design and place making to improve our built environment;
  - Speeding up the delivery of affordable homes;
  - Further improving the quality of housing;

### **Background and Issues**

6. In November 2014 Cabinet agreed to the release of the Wycombe Reserve Sites known as, Abbey Barn North, Abbey Barn South, Gomm Valley & Ashwells, Terriers Farm and Slate Meadow. The Submission version of the new Wycombe Local Plan formally allocates the sites for development. One of the reasons for releasing these sites simultaneously was to allow the cumulative impacts of the sites to be identified, particularly in respect of transport, so that mitigating measures could be planned and appropriate contributions sought from developments. The High Wycombe Transport Framework (HWTF) was carried out to identify highway opportunities and constraints and to ensure planning decisions are appropriately informed.
7. Modelling and assessment work to support the HWTF concluded that the existing situation in the Abbey Barn Lane area could not be maintained given anticipated traffic growth both from background traffic and new developments. This includes the single lane give-way working over the former railway bridge which has poor intervisibility with vehicles frequently meeting on the bridge, as well as the very steep approach to the junction with Kingsmead Road.

8. Modelling also indicates that by 2026 the predominant traffic flow at the Abbey Barn Lane/Abbey Barn Road/Kingsmead Road junction will be from Abbey Barn Lane/Abbey Barn Road. Currently Abbey Barn Lane has to give-way to Kingsmead Road. The HWTF recommends a change in junction priority to support the predicted changes in traffic flows along Abbey Barn Lane.
9. Consultants were commissioned in June 2017 to test the feasibility of realigning the northern end of Abbey Barn Lane through the Abbey Barn North site and reconfiguring the Kingsmead Road/ Abbey Barn Lane/ Abbey Barn Road junction. An outline design of the preferred alignment and junction arrangement is set out in Appendix A. An interim junction layout could be constructed to achieve the access to the proposed development site and enable the new road to be built in phases.
10. The scheme has been costed at approximately £11.4m including professional fees and optimism bias. This level of cost was considered in excess of what would be viable for the adjacent Abbey Barn sites and therefore the Council made a bid under the Governments HIF Marginal Viability Fund in September 2017 for a contribution to allow the scheme to be delivered alongside developer contributions.
11. In February 2018 it was announced the Council would be awarded £7.5m for the Abbey Barn scheme. This would leave a potential shortfall of up to £4m to be met through developer contributions, though the shortfall may be reduced with a reduced level of optimism bias after further design of the scheme is completed depending on the revised costings arising from the further design work.
12. The announcement of the funding award is subject to Home England's (formerly Homes and Community Agency) terms and conditions – these have yet to be provided. No funding has yet been released to the Council and it is understood that Homes England have appointed Deloitte to scrutinise the successful bids in more detail to ensure they are deliverable.
13. Officers are in regular contact with Homes England and it is clear that part of the scrutiny involves ensuring that Councils are continuing to make progress with their schemes, even without the funding being released, to demonstrate that the infrastructure proposals are deliverable and ultimately are going to deliver the additional housing. To ensure the programme for the delivery of the HIF funding is kept on track Cabinet is being asked to forward fund preliminary design work and to set up a project team as well as granting delegated authority to release the HIF funds to deliver the scheme, once released.
14. In relation to the forward funding of early work these costs would be reclaimed from the HIF funding once it has been confirmed. In the event the HIF funding is not confirmed it is unlikely that the scheme as currently envisaged could go ahead in any reasonable timescale due to the costs. Contributions would be sought from developers to deliver what would be a substandard alternative if the developments are permitted to go ahead through the planning process without the full scheme being delivered.

15. Therefore there is a risk of the Council not recovering all its investment if the HIF funding is not secured and there was difficulty in recovering the costs from developers.

### **Consultation**

16. The Local Plan has been subject to very extensive consultation during the course of its preparation, most recently the statutory consultation undertaken in October – December 2017 on the Publication Version of the Plan. Prior to this there was significant consultation and engagement work after the release of the reserve sites including through the Abbey Barn and reserve site infrastructure liaison groups. Further consultation would be held prior to the implementation of the works.

### **Options**

17. There are two main options, as outlined above:
  1. To provide forward funding of up to £250,000 to enable design and project management work to progress on the HIF funded Abbey Barn Lane scheme the HIF funded element of the Princes Risborough Expansion Area to progress in a timely manner;
  2. To not provide forward funding and wait for the funding to be released by Homes England in order to progress the scheme.

### **Conclusions**

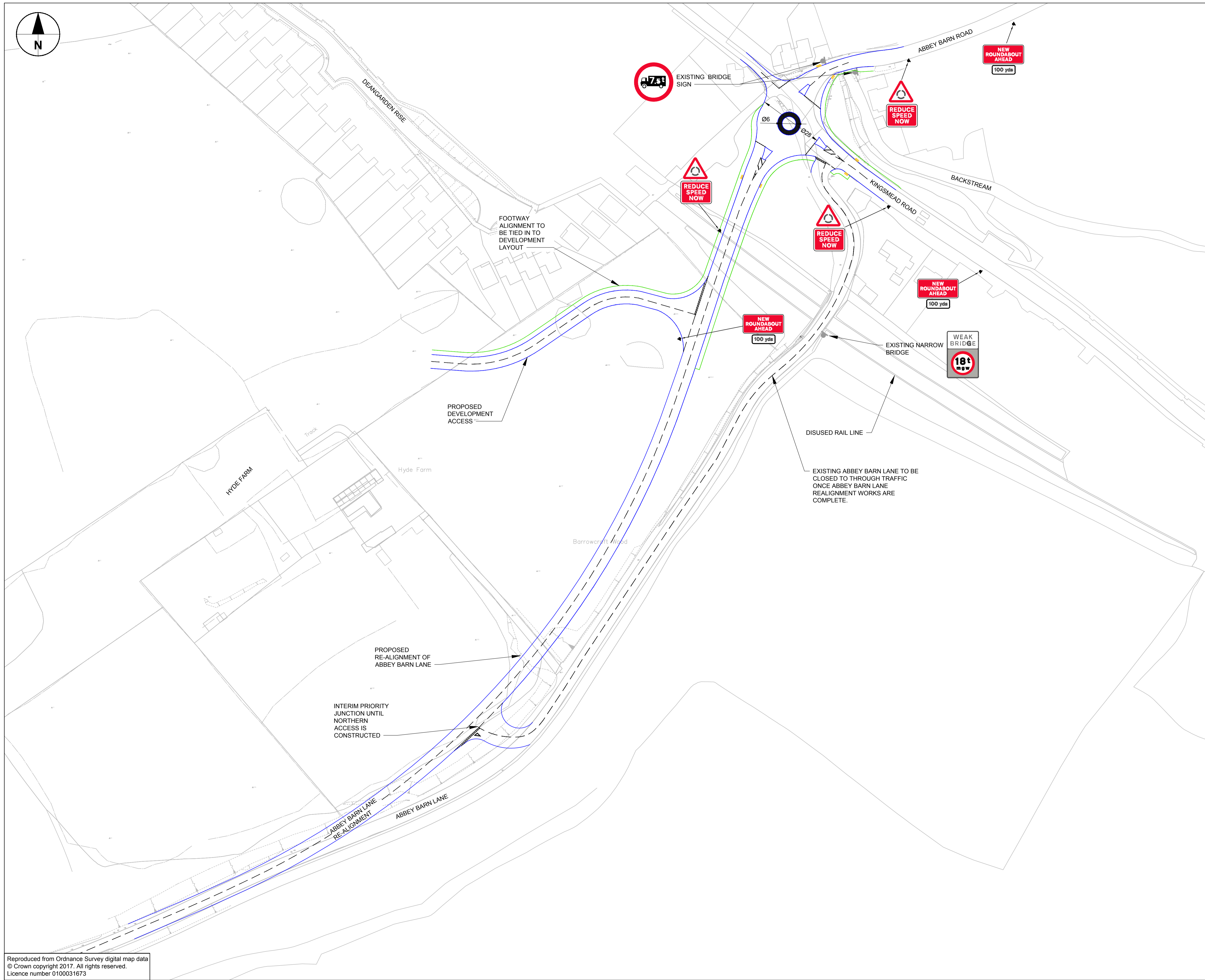
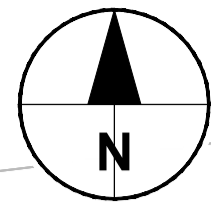
18. In order to maintain progress on the delivery of the Abbey Barn Lane realignment scheme it is recommended that Cabinet forward fund necessary design work and project management work so that scheme can remain on programme. Progressing this work now also demonstrates to Homes England that firm progress is being made so that the HIF funding can be released.
19. The request for the forward funding in advance of the HIF being release is similar to the request to June Cabinet in relation to the Princes Risborough HIF funding. However in the case of the Abbey Barn funding, it is unlikely that if the HIF funding is not released that the funding could be secured from development. This is because the scheme as currently envisaged would unlikely be able to go ahead due to the funding gaps that would occur and this being too much for the developments to bear in viability terms.

### **Next Steps**

20. Subject to the release of funding, procurement options will be discussed with the County Council including using a framework such as the Midlands Highway Framework Alliance. Necessary governance arrangements will be put in place between the councils. Further reports will be brought back to Cabinet as and when they are required to progress the work.

### **Background Papers**

High Wycombe Transport Framework (Jacobs, 2016)



### PROJECT

Assessment and Design of  
Realignment of Abbey Barn  
Lane and Kingsmead Junction

### CLIENT



Buckinghamshire County Council  
County Hall  
Walton Street  
Aylesbury  
Buckinghamshire  
HP20 1UA  
01296 395000

### NOTES

1. ALL DIMENSIONS ARE IN METERS UNLESS STATED OTHERWISE.

### KEY

- Proposed kerb
- Proposed dropped kerb
- Proposed back of footway
- Proposed Pedestrian Crossing
- Proposed Road markings
- Proposed Sign
- Proposed Over-run area

### ISSUE/REVISION

2	13/03/18	FA	FA	SK	MS
1	19/12/17	FA	FA	SK	MS
0	25/08/17	MAG	MAG	MF	MS
I/R	DATE	DESIGN	DRAWN	CHK'D	APP'D

# DRAFT

### PROJECT NUMBER

60506042

### SHEET TITLE

ABBAY BARN LANE - JUNCTION  
PROPOSED ALIGNMENT AND  
INTERIM OPTION - PREFERRED  
OPTION

SCALE 1:750 @ A1

### SHEET NUMBER

60506042-DWG-0001

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# Agenda Item 5.

## BUDGET MONITORING REPORT FOR PERIOD 2 ENDING 31 MAY 2018

**Cabinet Member:** Councillor David Watson

**Wards Affected:** All

**Officer contact:** David Skinner Ext: 3322

Email: [David.skinner@wycombe.gov.uk](mailto:David.skinner@wycombe.gov.uk)

### PROPOSED DECISION

That:

- (i) Cabinet consider the forecast outturn position for the financial year 2018/19 as at end of May 2018;
- (ii) a virement of £175k between contingency and capital financing charges to correct the baseline budget be approved; and
- (iii) the revised capital programme for 2018/19 as set out in paragraph 15 table 1 and virements as detailed in paragraph 17 be approved.

### Reason for Decision

The Cabinet approves a budget each year within the context of a Medium Term Financial Plan (MTFP) to achieve the Council's priorities. This report updates Cabinet members on the 2018/19 forecast position as at period 2.

### Corporate Implications

1. The financial implications are set out in the report.
2. Under the Local Government Act 2003, the Chief Financial Officer is required to report on the robustness of the budget. This monitoring report is part of the Council's financial framework which supports this wider responsibility.
3. The main budgetary risks to the Council have been reviewed as part of this report.

### Executive Summary

4. This report sets out the Council's financial position as at Period 2 2018/19 (31 May 2018). The cabinet report reflects what has been reported to Senior Management Board.
5. As at period 2, the revenue position is forecasting an adverse variance of £106k as detailed in table under paragraph 8. The Council is determined to stay within budget, therefore the officers will ensure action plans are in place to address adverse variances or find compensating savings to mitigate the forecast variance.
6. At this early stage in the year the capital is forecasting a nil variance against the adjusted profiled budgets as detailed in the table under paragraph 15.
7. The forecast financial position is summarised in the main body of the report supported by further details in following appendices:
  - a. The progress in achieving the 2018/19 Efficiency Plan savings Appendix A; and
  - b. The Capital Programme Appendix B (Part II)

## General Fund Revenue position

8. The net revenue forecast position at Period 2 (31 May 2018) is showing an unfavourable variance of £106k as summarised in the table below.

NET COST OF SERVICES	YTD Budget £000	YTD Actuals £000	Sum of YTD Variance	FY Budget £000	FY Outturn £000	Variance £000
Leader	447	504	57	2,629	2,643	14
Economic Development	-707	-707	0	-4,240	-4,232	8
Community	500	433	-67	2,998	3,012	14
Environment	1,086	1,086	0	6,514	6,564	50
Planning & Sustainability	572	572	0	3,433	3,438	5
HR, ICT & Shared Support Services	105	105	0	630	645	15
Finance	405	405	0	2,253	2,253	0
Housing	428	428	0	2,560	2,560	0
Young People	13	0	-13	78	78	0
<b>Totals</b>	<b>2,849</b>	<b>2,826</b>	<b>-23</b>	<b>16,855</b>	<b>16,961</b>	<b>106</b>
Interest Receipt	0	0	0	-539	-539	0
Capital Financing Charges	0	0	0	-2,018	-2,018	0
To/from Earmarked Reserves	0	0	0	-587	-587	0
Revenue Contribution to Capital	0	0	0	685	685	0
Payment to Parishes	0	0	0	94	94	0
<b>Budget Requirement</b>	<b>2,849</b>	<b>2,826</b>	<b>-23</b>	<b>14,490</b>	<b>14,596</b>	<b>106</b>

9. There are various minor adverse variances across all the services except environment services which is forecasting an unfavourable variance of £50k resulting from car park standard charges for which the activity has dropped for the first two months and therefore are predicted to be under achieved.
10. In addition to the above, the capital financing budget was forecasting an adverse variance of £175k resulting from a review of accounting and funding costs for Higginson Park Trust. To eliminate this variance a virement of £175k has been made between the contingency fund and capital financing charges.
11. As we are only two months into the financial year, it is assumed the remaining contingency budget of £365k will be required to cover risks such as homelessness and some of the income streams which are volatile to economic conditions. If the contingency is not required then the forecast position would be a favourable variance of £259k.

## Efficiency Plan Savings

12. A five year efficiency plan was considered by Cabinet on 11<sup>th</sup> July 2016 and approved by the Council on 18<sup>th</sup> July 2016 as part of the condition for the four year Local Government Finance Settlement. This plan was updated and reported to Cabinet in March 2017. The forecast position as at period 2 for achieving savings against the updated plan is attached at Appendix A. Targeted Savings were £535k and actual savings are £667k. The favourable position of £132k is mainly due to the rental income.

## Repairs & Renewals Programme

13. The current budget status is on target at this time in the financial year. The annual budget of £525k is predicted to be fully committed by the year end. Due to the nature of the programme which involves risks and delays, the projects will be monitored monthly with any surplus funds identified and re-allocated as and when the need arises to maximise commitment & expenditure within the financial year.

14. A condition survey contract is currently out to tender and completion of the surveys are expected in Sept/Oct 2018. This will aid in compiling the future medium term programme for repairs and renewals.

## Capital Programme

15. The revised Capital Programme is set out in **Table 1** below, which has been reviewed by officers in detail and has been adjusted to reflect final slippage from 2017/18, budget reprofiling where better knowledge of scheme progress is now available, a number of proposed virements (set out in **Table 2** below), approved additions and changes since the February Plan was published, and some corrections resulting from robust scrutiny of the opening budget including ICT revenue items had been included in error, the Broadband scheme which had been omitted, and prior year underspend for a CIL scheme that had not been fully taken into account.

**Table 1**

**Capital Plan Summary  
2018/19 - 2022/23**

Area	Original Budget 2018/19	Adjts to Orig Budget	PY Slippage	In-Year Additions	PY Adv Funding	2018/19 Virements	2018/19 Adjts Sub Total	2018/19 Reprofiting	Revised Budget 2018 / 2019	Draft Prog 2019 / 2020	Draft Prog 2020/2021	Draft Prog 2021/2022	Draft Prog 2022/2023	Total Budget 2018/19 - 2023/24
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Community	2,111	(2)	19				17	(755)	1,373	2,767	145	145	145	4,575
Economic Development & Regeneration	17,856	587	3,949		(110)		4,426	696	22,978	8,979	2,000	2,000	2,000	37,957
HR, ICT & Customer Services	1,148	(334)					(334)	(19)	795	919	210	100	225	2,249
Leader	463								463	400				863
Housing	5,038	(18)	9				(9)	(1,673)	3,356	4,240	4,165	800	800	13,361
Planning & Sustainability	153								153	15,000	15,000	15,000		45,153
CIL, S106, HIF, LGF & other external funding	18,589	677	464	514	(3)		1,652	(8,158)	12,083	10,619	14,234	11,015	3,190	51,141
Capitalised Staff Costs				308			308		308	308	308	308	308	1,540
<b>Grand Total</b>	<b>45,358</b>	<b>910</b>	<b>4,441</b>	<b>822</b>	<b>(113)</b>	<b>-</b>	<b>6,060</b>	<b>(9,909)</b>	<b>41,509</b>	<b>43,232</b>	<b>36,062</b>	<b>29,368</b>	<b>6,668</b>	<b>156,839</b>

Plan Published in February Cabinet	45,358									37,812	31,353	29,458	6,758	150,739
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Overall Change in Budget from February Plan 5,420 4,709 (90) (90) 6,100

**Comprising:**

2018/19 Changes: Slippage c/f, reprofiling and other adjts	6,060
(Please refer to Appendices CAP1 and CAP2 for detailed movements by area and scheme)	
2019/20 Correction of Broadband (added)	400
Removal of £398k per annum IT 2019/20+ (revenue)	(1,592)
Addition of £308k 2019/20+ for capitalised staff costs	1,232
	<b>6,100</b>

Note: Virements will net to nil if within the same Area

16. Project Leads are currently forecasting the 2018/19 outturn to the revised plan and this will be reviewed, updated and reported to Cabinet quarterly.

17. The following virements are proposed for approval

**Table 2 Virements**

Cost Centre	Description	Reason	Amount
			£'000
From EDBB03	Wycombe Workspace Developments	Move remaining feasibility budget to Main Scheme	(20)
To EDBC52	Bellfield - Hqube Phase 1 and 2		20
From EDFA01	Westbourne Street Link Road	Move forecast underspend on Link Rd to HWTC Master plan to meet full cost of Plan	(100)
To EDBC40	HWTC Masterplan - Alternative Route		100
From EDFA21	Marlow Decluttering	Aggregate Budget and close down Marlow decluttering scheme	(18)
To EDFA20	Spittal Street, Marlow		18
From EDFA26	Hughenden Qtr Feasibility -Green Infrastructure	Move forecast underspend on Hughenden Qtr Green Infrastructure to Tree Planting General (currently £nil budget)	(10)
To EDFA34	Tree Planting - General		10

18. The detailed revised programme is set out in **Appendix B CAP 1** by scheme.

## **Sustainable Community Strategy / Council Priorities - Implications**

19. This report supports delivery of sustainable community strategy and council priorities.

### **Background Papers**

Revenue Budget and Council Tax setting 2018-19 to February 2018 Cabinet and

Capital Programme to February 2018 Cabinet

# Agenda Item 5. Appendix A

## EFFICIENCY PLAN SAVINGS

## APPENDIX A

Programmed Savings	Original Target	Forecast Outturn	Variance	Comments
	£m	£m	£m	
Community Asset Transfers	-0.025	-0.029	-0.004	The Museum achieved slightly more than planned
Sharing and Partnering of Services	-0.100	-0.050	0.050	CCTV project not going ahead during 2018/19.
Contracting our Services	-0.239	-0.239	0.000	As per the agreement with Places for People
Commercial Property Investments	-0.171	-0.349	-0.178	Sword House income not included in the efficiency plan offset by an adverse movement in Estates income
<b>Total</b>	<b>-0.535</b>	<b>-0.667</b>	<b>-0.132</b>	

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

## Agenda Item 5. Appendix B

Document is Restricted

# Agenda Item 6.

## **MEDIUM TERM FINANCIAL STRATEGY REFRESH**

**Cabinet Member:** Councillor David Watson

**Wards Affected:** All

**Officer contact:** David Skinner

Ext:3322

Email: [David.Skinner@wycombe.gov.uk](mailto:David.Skinner@wycombe.gov.uk)

### **Recommendation to Council**

The Medium Term Financial Strategy (MTFS) attached as Appendix A makes the following recommendations for approval by Council. It is recommended that:

- a. The financial projections within the 5-year MTFS be noted, and the Strategy approved;
- b. A revenue savings target of £331k be approved for the 2019/20 budget-setting process;
- c. A further revenue savings target of £1.822m for the three years 2020/21, 2021/22 & 2022/23 be approved for the duration of this MTFS;
- d. The Head of Finance & Commercial works with the Council's Strategic Management Board (SMB) and Portfolio Holders to deliver options that will achieve the saving targets identified within the Strategy;
- e. The Budget Setting Process is approved to support the delivery of this process for 2019/20;
- f. The Head of Finance & Commercial be requested to revise the MTFS and re-present to Cabinet and Council for approval if material changes to forecasts are required following future Government announcements;
- g. The revised Capital Plan incorporating the adjustments set out in section 8 of this report is approved; and
- h. The key principles, as set out in section 8.4 of this report, that any new Capital proposal needs to demonstrate that it provides Value for Money, is affordable within a prescribed Capital budget envelope, is clearly aligned with the Council's strategy, and, in the case of "Invest to Save" or investment proposals, delivers a return above a prescribed threshold, are approved.

### **Reason for Decision**

The preparation of a Medium Term Financial Strategy is the first stage in the annual budget planning cycle, leading to the budget and council tax setting; for 2019/20 this will be in February 2019. The Strategy also provides a framework for delivery of corporate priorities and to address issues arising from risks and opportunities identified within the Strategy.

### **Corporate Implications**

1. The financial implications are contained within Appendix A of this report.
2. Section 31A of the Local Government Finance Act 1992 requires billing authorities to calculate their council tax requirements in accordance with the prescribed requirements of that section. This requires consideration of the authority's estimated revenue expenditure for the year in order to perform its functions, allowances for contingencies in accordance with proper practices, financial reserves and amounts required to be transferred from general fund to collection fund.
3. The main financial risks to the Council have been reviewed as part of this report.

### **Executive Summary**

4. In the current economic climate and in light of continued reforms to Local Government Finance it is essential that the MTFS is regularly reviewed to enable forward projections to remain as relevant as possible.
5. The attached Strategy has been reviewed to take into account the draft pre-audited Statement of Accounts position for 2017/18, and the 2018 Local Government Finance Settlement.
6. It is recommended that Cabinet recommend the revised MTFS to Council for approval. The Strategy will provide the framework for the development of annual budgets for 2019/20, together with the development of the five-year Capital Programme for consideration and approval by Council in February 2019.

### **Sustainable Community Strategy/Council Priorities - Implications**

7. The approval of the Council's MTFS is key to the delivery of the Council's priorities.

### **Background and Issues**

8. Background papers are listed below. All relevant issues are noted and addressed in the Strategy itself.

### **Consultation**

9. The chairman of the Improvement and Review Commission has been consulted on the timetable during the preparation of this proposed Strategy, and the public will be consulted at an appropriate time.



## **Options**

10. There are no other options to be considered.

## **Conclusions**

11. When the proposed Strategy is approved by Cabinet and Council, it sets a strong basis to support and enable the future strategic financial and budget management for the Council.

## **Next Steps**

12. When the Strategy has been approved by Cabinet and Council, the budget setting process for the next financial year, 2019/20, can commence.

## **Background Papers**

2018/19 Revenue Budget, Capital Programme and Council Tax Setting report to February 2018 Cabinet.

2017/18 Provisional Outturn report to June 2018 Cabinet.

Agenda Item 6. Appendix A  
APPENDIX A

Revision July 2018

**MEDIUM TERM FINANCIAL STRATEGY**

**2018/19 – 2022/23**

**Date of publication July 2018**

# APPENDIX A

## WYCOMBE DISTRICT COUNCIL MEDIUM TERM FINANCIAL STRATEGY 2018/19 – 2022/23

July 2018

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Appendix M1 – Revenue Budget plan 2018/19 – 2022/23

Appendix M2 – Reserves Summary 2018/19 – 2022/23

Appendix M3 – Capital Programme – Summary (Part I)

Appendix CAP 1 – Capital Programme – Detail (Part II / CONFIDENTIAL)

Appendix CAP 2 – Capital Income Projections (Part II / CONFIDENTIAL)

Appendix CAP 3 – Capital Receipts Projections (Part II / CONFIDENTIAL)

# APPENDIX A

## 1. Introduction

The Medium Term Financial Strategy (MTFS) is the Council's key financial planning document. In detailing the financial implications of the Corporate Plan over a five year period, the MTFS provides a reference point for corporate decision-making and ensures that the Council is able to optimise the balance between its financial resources and delivery of its priorities.

The MTFS informs the annual budget-setting process, ensuring that each year's budget is considered within the context of the Council's ongoing sustainability over the entirety of the planning period. The annual budget-setting process is detailed in Section 3.

In order to forecast the Council's future financial position, the MTFS contains a number of assumptions, the bases of which are detailed throughout the Strategy. It should be noted that these assumptions are subject to change. The Head of Finance & Commercial will report back to Cabinet as a matter of urgency if there are changes to key assumptions in the Strategy that threaten the sustainability of the approved MTFS.

## 2. Recommendations

- a. The financial projections within the 5-year MTFS be noted, and the Strategy approved;
- b. A revenue savings target of £331k be approved for the 2019/20 budget-setting process;
- c. A further revenue savings target of £1.822m for the three years 2020/21, 2021/22 & 2022/23 be approved for the duration of this MTFS;
- d. The Head of Finance & Commercial works with the Council's Strategic Management Board and Portfolio Holders to deliver options that will achieve the saving targets identified within the strategy;
- e. The Budget Setting Process is approved to support the delivery of this process for 2019/20;
- f. The Head of Finance & Commercial be requested to revise the MTFS and re-present to Cabinet and Council for approval if material changes to forecasts are required following future Government announcements; and
- g. The revised Capital Plan incorporating the adjustments set out in section 8 of this report is approved.
- h. The key principles, as set out in section 8.4 of this report, that any new Capital proposal needs to demonstrate that it provides Value for Money, is affordable within a prescribed Capital budget envelope, is clearly aligned with the

## APPENDIX A

Council's strategy, and, in the case of "Invest to Save" or investment proposals, delivers a return above a prescribed threshold, are approved.

### 3. 2019/20 Budget Setting Process and Timetable

The Council's annual budget setting process ensures that revenue and investment plans are developed in tandem, and that the budgets approved by Council in February are developed within the context of longer-term sustainability.

The process also enables and demonstrates the consultation the Council undertakes with major stakeholders to achieve its aims.

<b>Time</b>	<b>Activity</b>	<b>Who</b>
June	Provisional Outturn Report to Cabinet and the Final Outturn Report to Audit Committee for approval.	Cabinet
July	MTFS refreshed incorporating impact of 2017/18 outturn position and recommended to Council for approval as the basis for setting the 2019/20 budgets  Process commenced with discussion on timetables, targets, processes and milestones. First draft 2019/20 budgets made available to services by end July.	Cabinet  Officers
July/August	Review draft revenue budgets, including assessment of current Savings initiatives. Also review current Capital programme, in respect of scheme costs, profiling and funding.  Develop new Savings proposals and Capital bids for financial years covered by the MTFP.  Review service Fees and Charges, and propose changes for 2019/20. Default increase is inflation, RPI, with flexibility up to 5% where adequately supported, for example by benchmarking.	Officers
September	Review Savings proposals, Fees & Charges increases and prioritised Capital bids	SMB
October/ November	Proposed budgets scrutinised and challenged by Head of F&C and PH Finance & Resources  Supported by Finance & Commercial team.	SMB & Cabinet
Beginning of November	Report to IRC to set up Budget Task and Finish Group (BT&FG) and scrutiny of capital bids and existing plans	IRC

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November/ December	Draft budget proposals aggregated and considered by Cabinet. Feedback from BT&FG on capital programme considered by Cabinet, and incorporated into draft budget for Cabinet consideration.	Cabinet Finance team &  BT&FG
December	Impact of Provisional Local Government Finance Settlement on Council's Finances First draft budget considered and Council Tax base and Collection Fund Surplus/deficit approved.  Consultation events held with Town and Parish Clerks and Members, and with members of the public.	Officers  Cabinet
December/January	Final revenue budget proposals considered. Major changes >£250k	BT&FG
February	Final budget report presented to Cabinet for recommendation to Council. Council considers the recommendations of Cabinet for approval and sets the Council Tax for 2019-20.	Cabinet & Council
April	The new financial year begins, and the approved budget is then assessed under the in-year budget performance monitoring process.	Officers

### 4. Review of the Council's primary funding streams

#### The 2017 Local Government Finance Settlement

The announcement by the then Secretary of State for the Department for Housing, Communities and Local Government, Rt. Hon. Sajid Javid, MP in December 2017 offered few surprises as it followed on from the four-year funding agreement (2016/17 to 2019/20) in December 2015.

The largest source of central government funding is the Settlement Funding Assessment (SFA) which consists of two funding streams:

- Business Rates Retention and
- Revenue Support Grant (RSG).

Nationally, SFA reduced by 5.70% in 2018/19, down to £15.824bn.

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Further reduction is planned for the final year of the settlement, down to £14.7bn in 2019/20. This gives an aggregate reduction of 22% for the four year period.

### Settlement Funding Assessment for Wycombe

As expected, the year on year reduction to the Council's **SFA** in 2018/19 was 11.3% (£0.424m) rising to 15.2% (£0.508m) in 2019/20, the last period of the four-year settlement. These are both notably higher reductions than the national average for district councils, i.e.: 7.9% for 2018/19 and 14.9% for 2019/20. See Table 1 below.

This discrepancy arises because grant reductions in the four-year settlement were based on Government's assessment of each council's '**Core Spending Power**', which takes account of locally-raised income, Council Tax and New Homes Bonus.

As Wycombe is expected to generate more income locally through Council Tax and New Homes Bonus than most district councils, the 'Core Spending Power' model indicates the council can absorb a greater reduction in government funding.

The updated National Core Spending Power figures for the period 2015/16 to 2019/20 show an increase of 1.5% for 2018/19 and an overall increase for the period 2016/17 to 2019/20 of 2.1%. This increase is mainly represented by higher forecast increases to Council Tax revenue due to the increase in the Referendum limit to 3%.

The **Revenue Support Grant** for 2018/19 is £0.117m, a reduction of £0.518m (88%) from the £0.635m received in 2017/18. The trend of reducing RSG continues for the Council, down to below zero from 2019/20, in the form of Tariff adjustment, or negative RSG.

**Baseline Funding** is funded by Central Government through redistributed Business Rates, and the amount is determined by Government's assessment of need within Wycombe. The final settlement for 2018/19 is £3.219m compared to £3.125m in 2017/18.

**Table 1**

		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
<b>Government Funding</b>							
National Core Spending Power	Increase %		1.5				
Settlement Funding Assessment - National	£m	16.8	15.8	14.7			
	Reduction %		5.7	12.3			
Settlement Funding Assessment - Wycombe	£m		0.424	0.508			
	Reduction %		11.3	15.2			
<b>A. Baseline Funding</b>	£m	3.125	3.219	3.290	3.356	3.423	3.423
<b>B. Revenue Support Grant (RSG) / Tariff Adj / Negative RSG</b>	£m	0.635	0.117	(0.462)	(0.528)	(0.595)	(0.595)
	Reduction %		-88%	-146%	-153%	-160%	-160%
	Reduction £m		0.518	1.097	1.163	1.230	1.230
<b>A.+ B. TOTAL WDC FUNDING</b>	£m	3.760	3.336	2.828	2.828	2.828	2.828

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NB: Figures for 2022/23 have been assumed; no estimates are yet available

### **Council Tax**

In February 2018, Council approved an increase for 2018/19 in the council share of Council Tax for a Band D property of £5 (3.8%) to £136.99. The taxbase for the year is 68,084, based on a projected collection rate of 98.2%.

The proposed MTFs is modelled for illustrative purposes on no council tax increases for 2019/20 to 2022/23, and annual tax base growth of 1.3% per annum, equating to around 900 dwellings a year.

It should be noted that Government's calculation of Wycombe's four-year Settlement assumed annual Council Tax increases of £5, and tax base growth of 1.5% per year.

The Council Tax referendum threshold for district councils in 2018/19, as expected, was the higher of 2% or £5 on a Band D, and Government has said it will be held for 2019/20.

See 'Local Funding' table below.

### **New Homes Bonus (NHB)**

The NHB allocation for Wycombe in 2018/19 is £1.560m. This is £0.753m (33%) less than the £2.313m received in 2017/18.

With the exception of £875k per year used for revenue budgets, the Council uses NHB to fund capital projects. This strategy has prevented the Council from becoming dependent on NHB for revenue budgets, as it is an unpredictable funding stream.

It is recommended that Members consider the strategy of retaining only £875k of NHB to support the provision of General Fund services.

A new allocation protocol for NHB was included in the Local Government Finance Settlement in December 2016. The key changes are:

- Move to 5-year payments from 2017/18 and to 4-year payments from 2018/19;
- Introduction of a national baseline of 0.4% growth, below which no NHB will be paid; – i.e. Local Authorities will only receive NHB for growth in the number of dwellings above 0.4%.
- Government retained the option of making adjustments to the baseline in 2018/19 and future years in the event of significant and unexpected housing growth.

A further consultation took place in autumn 2017 on the approach of linking a reduction in the Bonus to the number of homes granted on appeal.

The outcome of this consultation is still awaited and also we are aware that LGA are consulting on potentially radical changes to the NHB scheme.



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Over the medium-term (2019/20 to 2022/23), current NHB funding is projected at £5.6m.

<b>Local Funding</b>		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
		Actual	Actual	Projected			
New Homes Bonus (NHB)	£m	2.313	1.560	1.346	1.514	1.280	1.479
Council Tax	£m		9.327	9.448	9.571	9.695	9.821

### 5. Review of MTFS assumptions

#### Update of budget assumptions from 2017/18 outturn

The basic principle of the MTFS model is to extrapolate the current year's approved budget, in this case 2018/19, over the next four years. The extrapolation process incorporates assumptions on government grant, inflation, changes in demand for services, changing legislation, and probable risks and opportunities.

The 2017/18 provisional outturn was approved by Cabinet at its meeting of 04 June 2018. A fundamental part of the outturn analysis is to focus on those areas where there were over- or under-spends in order to identify whether the budget assumptions could be updated in order to improve the accuracy of the MTFS. Budgetary assumptions for 2019/20 and the years beyond have been reviewed where appropriate. There have been no material changes to the MTFS as a result of this review.

#### Update of MTFS assumptions based on other information

A range of information sources is used for the assumptions, shown in the following table, including sources and explanations.

New and updated information will be included as it becomes available.

<u>INFLATION / ASSUMPTIONS</u>	Note		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
<b>Income</b>								
Council Tax	1			£5 Band D	0	0	0	0
Revenue Support Grant (RSG) / Tariff Adj / Negative RSG £m	2	£m	0.635	0.117	(0.462)	(0.528)	(0.595)	(0.595)
Business Rates Retained £m	3	£m	3.125	3.219	3.290	3.356	3.423	3.423
Fees & Charges %	4	%			3.00	3.00	3.00	3.00
Investment Income	5	%			0.00	0.00	0.00	0.00
<b>Expenditure</b>								
Pay settlement	6	%		2.00	2.00	2.00	2.00	2.00
Pension contributions	7	%		15.7	15.7	15.7	15.7	15.7
Pension contribution - Deficit	8	£m				0.400	0.400	0.400
Utilities	9	%		5.00	5.00	5.00	5.00	5.00
Supplies & Services	10	%		2.00	2.00	2.00	2.00	2.00

Notes:

1. Increase by £5 per Band D and 1.3% increase in tax base (see section 4).

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- 2 & 3. Based on LG Futures model (see section 4).
4. RPI on controllable income; excludes Planning and Parking fees.
5. No inflation due to economic situation
6. NJC for 18/19 & 19/20
- 7 & 8. Triennial pension fund valuation; last one 2016. Next one 2019: impact £400k for 3 years from 2020/21.
- 9 & 10. Currently under review – historical assumptions used at present

### **Growth**

Growth is defined as an increase in the expenditure, or the net expenditure, budgets of the Council. In the event that essential or unavoidable growth is required within a Service area, a business case outlining the requirements should be produced by the relevant Service Manager and Head of Service, and be signed off by the Corporate Director or Chief Executive and the S151 Officer, before being submitted for consideration by the Cabinet.

Growth in the income generating capacity of a particular Service does not mean that the additional income automatically accrues to that Service. All Council income, unless stated otherwise by statute, is considered corporate income and is used to finance the provision of all Council services. All requests from budget holders to retain additional income budget in order to finance increased expenditure are subject to the growth process outlined above.

If, during the budget-setting process, a budget holder reduces the cost of providing one of their services, the resultant saving does not automatically become available to them to finance the expansion of an alternative service area. All savings made across services constitute a contribution to the Council's corporate budgetary position. Any expansion of a Service area constitutes growth, which necessitates a separate growth bid

### **Fees and Charges Strategy**

The fees and charges set by the Council are subject to annual review as part of the budget-setting process. Changes made between years are included within the annual Budget Report, and are subject to Council approval. The key principles behind charging are that:

- discretionary charges should recover costs unless the strategy is to provide a particular service at a subsidy;
- discretionary income should be optimised through appropriate commercial charges; and,
- robust systems of discounts or concessions should be in place for those who would otherwise find that they could not access services, where deemed appropriate.

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Provision of many Council services is a statutory requirement and charges for access to these are determined as part of that requirement. The Council therefore has no discretion in setting these fees.

A thorough review of the true cost and effectiveness of providing statutory services must be undertaken on a regular basis to ensure that the fees charged meet the cost of service provision wherever possible. Where any review indicates an under recovery of cost, alternative methods of service provision and comparison with other comparable authorities must be undertaken to identify opportunities for minimising the liability to the Council.

The Local Government Act 2003 includes a general power for Councils to charge for discretionary services i.e. services that an authority has the power, but no obligation, to provide. Some discretionary charges are governed by alternative legislation, in which case this general power does not then apply.

Increases for the annual review of fees and charges have been included in the MTFS projections based on the percentages set out in Assumptions Table above.

### **General Fund Working Balances and Earmarked Reserves**

The Council's Reserves Strategy is integral to the MTFS because it demonstrates how the Council augments its annual ongoing running costs with plans to finance specific items of one-off expenditure over the medium-term. The Strategy is reviewed annually, and was most recently approved by Council within the 2018/19 Budget Report, in February 2018.

The Council holds two types of reserve. These are:

- a. **General Fund balances**, which are required as a contingency against unforeseen events and to ensure that the Council has sufficient funds available to meet its cash flow requirements. The Local Government Act 2003 requires the S151 Officer to report on the adequacy of financial reserves when setting the General Fund budget requirement for the year. This requirement was met within Appendix N of the Budget Report to Cabinet in February 2018.
- b. **Earmarked reserves**, which are funds approved by Members to finance specific items of future expenditure. The Council's Financial Regulations dictate that Earmarked Reserves can be created only by Member approval, and that all subsequent transfers to and from those reserves also require Member approval.

The Council maintains adequate level of reserves and the policy was last approved by the Cabinet in February 2018 as part of the budget setting process.

### **6. Medium-term Savings Target**

Based on the assumptions detailed throughout this Strategy, and the need to maintain the desired level of Reserves, the Total Savings Requirement over the life of this MTFS is £2.153m.

## APPENDIX A

In 2017/18 the Council adopted a five-year Efficiencies plan to support their Transformation agenda, and secure the four-year government settlement.

The section below provides a breakdown of the savings requirement, with a brief explanation of each element.

**Savings identified but still to be delivered** – refers to savings initiatives identified by budget holders as deliverable in future years. These savings, particularly the £1,423k identified for 2019/20, must be considered high risk. These savings are already included in the MTFS.

<b>Savings 2019/20</b>		
<u>Category</u>	<u>Description</u>	<u>£k</u>
Employees	Transformation savings	62
	Fit For Competition	250
Income	New Property rentals	572
	Crematorium income	239
	HMO Licence	50
	Fit For Competition	250
		<b>1,423</b>

If delivery of these schemes is delayed, the savings target for 2019/20 will increase. To mitigate this risk, the Finance team already reviews budget holders' progress on efficiency savings. Updates are reported monthly to SMB, and to Members within the quarterly Budget Monitoring reports to Cabinet.

**Savings still to be identified** – refers to additional initiatives that must be put in place prior to April 2019 in order to meet the Total Savings Requirement. These initiatives will be identified through the annual budget-setting process detailed in Section 3.

### 7. Key Budget Risks

The following paragraphs outline some of the key financial risks facing WDC over the medium-term. These risks will be monitored and Members kept updated on the implications for the MTFS.

The Council has already signed up to the 4 year settlement funding offer made by the Government in 2016. For 2018/19 this has meant a reduction of £0.500m. The remaining year of the 4-year settlement will, subject to further Government announcements, see the Council's funding reduce further, from £3.336m in 2018/19 to £2.828m in 2019/20. (See Table 1 on Page 7).

There are significant areas of uncertainty around further cuts, the 100% retention of business rates, income streams, universal credits, homelessness and the degree of change occurring across the Council that needs to be mitigated.

## APPENDIX A

In response to this challenge, the Council has adopted a rolling 5 year efficiency plan programme in order to plan savings initiatives several years in advance, thereby enabling longer lead-in times to be incorporated within a more robust programme.

### **Business Rates**

The uncertainty risk to the economy from the ongoing Brexit negotiations compounds that from the Business Rates generation. If the Business Rates Retention scheme is to progress, it will link councils' financial sustainability to their ability to grow and retain rate-paying businesses and it is not yet known how multinational companies will view the UK's attractiveness as a base for investment as details of actual Brexit begin to emerge. There is a risk that demand for commercial property in the UK will fall as a result of the UK leaving the EU, resulting in reduced Business Rates and consequent funding pressures in the medium-term.

### **Borrowing**

Continued economic uncertainty may further impact UK investment and lead to an increase in the cost of government borrowing. This would likely impact the lending rates available to the Council through the Public Works Loan Board (PWLB).

Based on the currently approved Capital Programme such an increase would directly impact the revenue cost of funding future Capital spend.

### **Pensions**

Changes to the Council's contributions are triggered by the recommendations of the Pension fund's triennial actuarial valuation review, the last of which was in December 2016. This review required the Council to increase its employer's contribution rate to 15.7% from 2017/18 in order to meet the likely future costs for current employees. There is also a need to fund the pension fund deficit which is likely to arise from the next valuation review in 2019. To this end annual charges of £400k to a Pension reserve are included from 2020/21.

### **Staffing pressures**

The current MTFs assumes pay inflation of 2% per annum based on the last nationally agreed pay award for the current year and the next year. If the current national debate on shifting the increase to track inflation were to gather momentum, there is a risk that the Council could face pressure to increase salaries by more than the 2% assumed within the MTFs. This would result in an increased annual budgetary pressure of c£150k for each additional 1% increase.

### **Modernising Local Government (MLG)**

The Council is currently waiting for the Minister to consider the representations submitted in May 2018. The current MTFs does not make any specific provision for any costs incurred for MLG. An earmarked reserve was created and considered by members as part of the Provisional Outturn report for 2017/18.

### **New Homes Bonus Funding**

## APPENDIX A

This funding stream has been difficult to predict with certainty since its inception in 2011. Government significantly reduced it within the current 4 year funding settlement. And there are now concerns in local government circles that it may, in the medium term, be reduced to zero.

This would impact both Revenue and Capital funding for the Council.

### **Investment Income**

Due to uncertainty around Brexit negotiations and the current economic climate, there is a risk around investment income and counter parties with whom the Council makes deposits. This is mitigated by diversifying the investment portfolio using counter parties with good credit ratings and limiting amount of deposit with each counter party.

In addition, there is also uncertainty around the accounting for the investment in the property pooled fund in which Council has invested £7.5m. Following the introduction of International Financial Reporting Standard 9 (IFRS9) for Financial Instruments we are awaiting both from Housing Communities and Local Government and CIPFA for guidance on the treatment of unrealised gains or losses from this investment. It is expected that there will be no impact of this on the Council Tax.

## **8. Capital Resources**

- 8.1 Capital expenditure is defined as expenditure incurred on the acquisition or creation of assets needed to provide services, such as houses, vehicles, public buildings, play areas, ICT, etc.
- 8.2 Capital grants and borrowing can only be spent on capital items and cannot be used to support revenue budgets. However, it should be noted that revenue funds can be used to support capital expenditure. Under the Local Government Act 2003, each council can determine how much it can borrow within prudential limits. All borrowings must be financed from the total available resources of the Council.

### **Flexible use of capital receipts**

- 8.3 Within the 2016 Settlement, Government provided new flexibility for local authorities to use capital receipts from the sale of property, plant and equipment to support upfront revenue expenditure on transformational projects that will deliver ongoing efficiency savings. Councils can only use capital receipts from sales made since the date of this announcement, and cannot use existing capital balances for revenue spending. The Council has not used any CR to fund revenue expenditure and does not foresee to use this in the future.
- 8.4 At present, the Council's forecast capital receipts are fully committed to financing the approved Capital Programme. All new capital proposals need to follow a rigorous budget process to ensure they provide Value for Money, are aligned with the Council's strategy, and in the case of invest to save or investment proposals, deliver a return above the required threshold.

# APPENDIX A

## Capital Spending Plans 2018/19 to 2022/23

8.5 The revised Capital Programme is set out in **Table 1** below. Cabinet are asked to approve the revised Capital Plan which has been reviewed by officers in detail and has been adjusted to reflect final slippage from 2017/18, budget re-profiling where better knowledge of scheme progress is now available, approved additions and changes since the February Plan was published, and some corrections to the opening budget including ICT revenue items had been included in error, the Broadband scheme which had been omitted, and prior year underspend for a CIL scheme that had not been fully taken into account.

Project Leads are currently forecasting the 2018/19 outturn to the revised plan and this will be reviewed, updated and reported to Cabinet quarterly.

The detailed budget movements by scheme are set out in **Appendix CAP 1**.

**Table 1**

<b>Capital Plan Summary 2018/19 - 2022/23</b>										
Area	Original Budget 2018/19	Adjts Sub Total 2018/19	Reprofiling 2018/19	Revised Budget 2018/2019	Projected Outturn 2018/2019	Draft Prog 2019/2020	Draft Prog 2020/2021	Draft Prog 2021/2022	Draft Prog 2022/2023	Total Budget 2018/19 - 2023/24
	£000	£000	£000	£000		£000	£000	£000	£000	£000
Community	2,111	17	(755)	1,373	1,373	2,767	145	145	145	4,575
Economic Development & Regeneration	17,856	4,426	696	22,978	22,978	8,979	2,000	2,000	2,000	37,957
HR, ICT & Customer Services	1,148	(334)	(19)	795	795	919	210	100	225	2,249
Leader	463	-		463	463	400	-	-	-	863
Housing	5,038	(9)	(1,673)	3,356	3,356	4,240	4,165	800	800	13,361
Planning & Sustainability	153	-		153	153	15,000	15,000	15,000	-	45,153
CIL, S106, HIF, LGF & other external funding	18,589	1,652	(8,158)	12,083	12,083	10,619	14,234	11,015	3,190	51,141
Capitalised Staff Costs		308		308	308	308	308	308	308	1,540
<b>Grand Total</b>	<b>45,358</b>	<b>6,060</b>	<b>(9,909)</b>	<b>41,509</b>	41,509	<b>43,232</b>	<b>36,062</b>	<b>29,368</b>	<b>6,668</b>	<b>156,839</b>
Plan Published in February Cabinet	45,358					37,812	31,353	29,458	6,758	150,739
<b>Overall Change in Budget from February Plan</b>						<b>5,420</b>	<b>4,709</b>	<b>(90)</b>	<b>(90)</b>	<b>6,100</b>
						<b>Comprising:</b>				
						2018/19 Changes: Slippage c/f, reprofiling and other adjts				6,060
						(Please refer to Appendices M3 and CAP1 for detailed movements by area and scheme)				
						2019/20 Correction of Broadband (added)				400
						Removal of £398k per annum IT 2019/20+ (revenue)				(1,592)
						Addition of £308k 2019/20+ for capitalised staff costs				1,232
Note: Virements will net to nil if within the same Area										<b>6,100</b>

## APPENDIX A

- 8.6 Please note that within the 'Adjustments to Original Budget' column in **Appendix CAP1** the £600k, relating to s106 funding shown against Baker St Phase 3 Des Box has already been approved in the March 2018 Cabinet Report, together with the £650k funding shown under virements. The £600k has been split out into Adjustments for clarity. The same column also shows £700k for the HWTC Master Plan. This corrects the HWTC Master Plan budget to the approved total of £4,601k - the correction arises from slippage from 2016/17 which was not included in the 2017/18 capital plan. There is also an annual addition of £308k relating to the currently unbudgeted capitalisation of project management and other staff costs directly related to bringing the schemes into use. The remaining adjustments to the original budget, as set out in **Appendix CAP 1**, are of low value and reflect adjustments to the carry forward amounts from 2017/18 which were based on estimates at the time of the February 2018 Cabinet.
- 8.7 The Capital plan includes a number of schemes which will deliver investment income which has been incorporated into the MTFS. A schedule showing the expected income is provided in the confidential **Appendix CAP 2**. Please note these income streams are in many cases some time away and will be subject to negotiation nearer to completion of the projects.
- 8.8 **Appendix CAP 3** provides a summary of the expected capital receipts, over the period 2018/19 to 2023/24, giving a range of possible outcomes. The [February 2018 Cabinet Report] reported total receipts of £33.1m over the same period, which has now increased to £37.1m, with individual schemes being re-evaluated and re-phased.

### General Fund

- 8.9 As set out in the February 2018 Cabinet Report the Council's Capital Programme is currently fully funded, with the majority of schemes funded through the use of capital receipts, CIL, external grants and reserves, together with the expectation of the need for external prudential borrowing of c.£22m from 2020/21. The total cost of the external borrowing to the General Fund is estimated at £1.250m per year and has been factored into the MTFS.
- 8.10 The borrowing requirement has accelerated by a year from 2021/2022 to 2020/21 from the last reported MTFS to Cabinet in February 2018. The February 2018 capital programme reflected historic slippage experience, however further work has been carried out and this has now been replaced by the principle of living within the envelope and the prioritisation and scoring of projects. Additional work will be carried out between now and February 2019 and there will have to be either a reduction in the capital programme or a significant re-profiling if the Council decides to maintain no borrowing position.



# Agenda Item 6. Appendix A - M1

## Appendix M1 – Revenue Budget plan 2018/19 – 2022/23

	Actual 2017/18	Budget 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22	Estimate 2022/23
	£000	£000	£000	£000	£000	£000
<b>Service Expenditure &amp; Income</b>						
Employees	13,738	14,393	14,385	14,233	14,145	14,421
Premises	3,709	4,020	4,055	4,090	4,127	4,164
Transport	8	12	12	12	12	12
Supplies & Services	3,628	3,222	3,237	3,237	3,237	3,237
Administration	6,153	5,297	5,220	5,021	5,048	5,076
Third Parties	6,490	6,673	7,079	7,997	8,054	8,089
Housing Benefit Payments	43,443	43,063	43,063	43,063	43,063	43,063
Housing Benefit Income	(43,794)	(43,768)	(43,768)	(43,768)	(43,768)	(43,768)
Capital Charges	2,764	2,923	2,923	2,923	2,923	2,923
Income	(19,333)	(18,404)	(19,189)	(19,379)	(19,622)	(19,574)
Recharges	0	(400)	(400)	(400)	(400)	(400)
<b>Net Cost Of Services</b>	<b>16,806</b>	<b>17,030</b>	<b>16,616</b>	<b>17,029</b>	<b>16,818</b>	<b>17,242</b>
<b>Less:</b>						
Interest Receipts	(644)	(539)	(610)	(471)	(505)	(603)
Interest Payments	0	0	0	288	796	796
MRP / VRP	188	190	191	101	266	556
Reversal of Capital Charges	(2,208)	(2,383)	(2,208)	(2,208)	(2,208)	(2,208)
Revenue Contributions to Capital	0	685	470	638	405	604
Contribution to Pension deficit	0	0	0	400	400	400
Net movement to/(from) Earmarked Reserves	(544)	(587)	(506)	(506)	(506)	(506)
Parish Precepts	109	94	0	0	0	0
<b>Budget Requirement</b>	<b>13,707</b>	<b>14,490</b>	<b>13,953</b>	<b>15,271</b>	<b>15,466</b>	<b>16,281</b>
<b>Funded by:</b>						
Use of General Fund Balance	0	0	0	0	0	0
(Revenue Support Grant)/Tariff / Negative RSG	(635)	(117)	462	528	595	595
Business Rates Retained	(3,202)	(3,225)	(3,290)	(3,356)	(3,423)	(3,423)
New Homes Bonus/Government Grants	(875)	(1,560)	(1,346)	(1,514)	(1,280)	(1,479)
Council Tax (Surplus)/Deficit	(243)	(261)	0	0	0	0
<b>Net Expenditure before Council Tax</b>	<b>8,752</b>	<b>9,327</b>	<b>9,779</b>	<b>10,929</b>	<b>11,358</b>	<b>11,974</b>
<b>Demand on the Collection Fund</b>	<b>(8,862)</b>	<b>(9,327)</b>	<b>(9,448)</b>	<b>(9,571)</b>	<b>(9,695)</b>	<b>(9,821)</b>
General Reserves B/ fwd	(9,738)	(9,848)	(9,848)	(9,848)	(9,848)	(9,848)
In year use/(Contribution)	(110)	0	0	0	0	0
General Reserves C/ fwd	<b>(9,848)</b>	<b>(9,848)</b>	<b>(9,848)</b>	<b>(9,848)</b>	<b>(9,848)</b>	<b>(9,848)</b>
<b>Total Savings Requirement (cumulative)</b>			<b>331</b>	<b>1,358</b>	<b>1,663</b>	<b>2,153</b>

Appendix M2 – Reserves Summary 2018/19 – 2022/23

GL Code		Balance at 31/03/2018 £'000	Movement 2018/19 £'000	Amendments/ slippage requiring approval	Financing	Balance at 31/03/2019 £'000	Movement 2019/20 £'000	Financing	Balance at 31/03/2020 £'000	Movement 2020/21 £'000	Financing	Balance at 31/03/2021 £'000	Movement 2021/22 £'000	Financing	Balance at 31/03/2022 £'000	Movement 2022/23 £'000	Financing	Balance at 31/03/2023 £'000
Y020	SPECIAL PROJECTS	(154)	0			(154)			(154)			(154)			(154)			(154)
Y402	LINCOLN PARK REPAIRS & RENEWAL	(133)	0			(133)			(133)			(133)			(133)			(133)
Y404	MARKET RESERVE FUND	(55)	0			(55)			(55)			(55)			(55)			(55)
Y405	LABGI	(360)	25			(335)			(335)			(335)			(335)			(335)
Y406	LIBRARY TRUST FUND	(17)	0			(17)			(17)			(17)			(17)			(17)
Y407	FRIENDS OF THE MUSEUM	(1)	0			(1)			(1)			(1)			(1)			(1)
Y408	DWP APPROPRIATION ACCOUNT	(1,301)	0			(1,301)			(1,301)			(1,301)			(1,301)			(1,301)
Y409	MUSEUM DONATIONS	(30)	0			(30)			(30)			(30)			(30)			(30)
Y410	NEW LOTTERY FUND	(8)	0			(8)			(8)			(8)			(8)			(8)
Y411	DEVELOPMENT FUND	(24,669)	(685)	65		(25,289)	(470)	25,759	0	(638)		(638)	(405)		(1,043)	(604)		(1,647)
Y412	CCTV Redundancy Reserve	(65)	0			(65)			(65)			(65)			(65)			(65)
Y413	WASTE EQUALISATION RESERVE	(226)	226			0			0			0			0			0
Y414	RISK MANAGEMENT FUND	(33)	0			(33)			(33)			(33)			(33)			(33)
Y415	BUSINESS RATES ADJUSTMENT RES	(3,154)	0			(3,154)			(3,154)			(3,154)			(3,154)			(3,154)
Y417	PLANNING APPEALS RESERVE	(101)	50			(51)			(51)			(51)			(51)			(51)
Y419	CRENDON STREET SERVICE CHARGES	(1)	0			(1)			(1)			(1)			(1)			(1)
Y420	NDR Equalisation Fund Reserve	(763)	0			(763)			(763)			(763)			(763)			(763)
Y421	WYCOMBE SWAN REPAIRS & RENEWAL	(471)	0			(471)			(471)			(471)			(471)			(471)
Y423	NEW REPAIRS & RENEWALS FUND	(3,437)	525			(2,912)	525		(2,387)	525		(1,862)	525		(1,337)	525		(812)
Y424	Marlow running Track	(99)	0			(99)			(99)			(99)			(99)			(99)
Y425	LAND CHARGES DIGITALISATION	(51)	(20)			(71)	(20)		(91)	(20)		(111)	(20)		(131)	(20)		(151)
Y427	GENERAL FUND INSURANCE FUND	(1,824)	800			(1,024)	800		(224)	224		0			0			0
Y428	LEADER & WARD BUDGETS RESERVE	(15)	15			0			0			0			0			0
Y429	TRANSITION EQUALISATION RESERVE	(240)	0			(240)			(240)	240		0			0			0
Y440	LEISURE FUND	(10)	0			(10)			(10)			(10)			(10)			(10)
Y441	EQUITY SHARE FUND	(170)	0			(170)			(170)			(170)			(170)			(170)
Y456	LEISURE CENTRE LIFECYCLE FUND	(248)	0			(248)			(248)			(248)			(248)			(248)
Y509	MOBILE HOMES R&R FUND	(21)	0			(21)			(21)			(21)			(21)			(21)
Y515	CHRISTMAS LIGHTS	(28)	0			(28)			(28)			(28)			(28)			(28)
Y531	Capital Feasibility	(200)	200			0			0			0			0			0
Y532	Managed Change MLG	(300)	0			(300)			(300)			(300)			(300)			(300)
Y535	PLANNING DELIVERY GRANT	(79)	0			(79)			(79)			(79)			(79)			(79)
Y536	LOCAL DEVELOPMENT FRAMEWORK	(113)	30			(83)			(83)			(83)			(83)			(83)
Y538	PLANNING RESERVES	(175)	81			(94)			(94)			(94)			(94)			(94)
Y555	TRANSFORMATION FUND	(660)	0			(660)			(660)			(660)			(660)			(660)
Y599	SPECIAL EXPENSES BALANCE	(1,033)			404	(629)			(629)			(629)			(629)			(629)
									0			0			0			0
	<b>Total Earmarked Reserves</b>	<b>(40,245)</b>	<b>1,247</b>	<b>65</b>	<b>404</b>	<b>(38,529)</b>	<b>835</b>	<b>25,759</b>	<b>(11,935)</b>	<b>331</b>		<b>(11,604)</b>	<b>100</b>		<b>(11,504)</b>	<b>(99)</b>		<b>(11,603)</b>
	<b>General Reserves</b>	<b>(9,845)</b>	<b>0</b>	<b>0</b>		<b>(9,845)</b>	<b>0</b>		<b>(9,845)</b>	<b>0</b>		<b>(9,845)</b>	<b>0</b>		<b>(9,845)</b>	<b>0</b>		<b>(9,845)</b>
	<b>Total General Fund Reserves</b>	<b>(50,090)</b>	<b>1,247</b>	<b>65</b>	<b>404</b>	<b>(48,374)</b>	<b>835</b>	<b>25,759</b>	<b>(21,780)</b>	<b>331</b>	<b>0</b>	<b>(21,449)</b>	<b>100</b>	<b>0</b>	<b>(21,349)</b>	<b>(99)</b>	<b>0</b>	<b>(21,448)</b>

## Appendix M3 – Capital Programme – Summary (Part I)

### Capital Plan Summary 2018/19 - 2022/23

Area	Original Budget 2018/19 £000	Adjts to Orig Budget £000	PY Slippage £000	In-Year Additions £000	PY Adv Funding £000	Virements 2018/19 £000	Adjts Sub Total 2018/19 £000	Reprofiling 2018/19 £000	Revised Budget 2018/2019 £000	Projected Outturn 2018/2019	Draft Prog 2019/2020 £000	Draft Prog 2020/2021 £000	Draft Prog 2021/2022 £000	Draft Prog 2022/2023 £000	Total Budget 2018/19 - 2023/24 £000
Community	2,111	(2)	19				17	(755)	1,373	1,373	2,767	145	145	145	4,575
Economic Development & Regeneration	17,856	587	3,949		(110)	-	4,426	696	22,978	22,978	8,979	2,000	2,000	2,000	37,957
HR, ICT & Customer Services	1,148	(334)					(334)	(19)	795	795	919	210	100	225	2,249
Leader	463						-		463	463	400	-	-	-	863
Housing	5,038	(18)	9				(9)	(1,673)	3,356	3,356	4,240	4,165	800	800	13,361
Planning & Sustainability	153						-		153	153	15,000	15,000	15,000	-	45,153
CIL, S106, HIF, LGF & other external funding	18,589	677	464	514	(3)	-	1,652	(8,158)	12,083	12,083	10,619	14,234	11,015	3,190	51,146
Capitalised Staff Costs				308			308		308	308	308	308	308	308	1,544
<b>Grand Total</b>	<b>45,358</b>	<b>910</b>	<b>4,441</b>	<b>822</b>	<b>(113)</b>	<b>-</b>	<b>6,060</b>	<b>(9,909)</b>	<b>41,509</b>	<b>41,509</b>	<b>43,232</b>	<b>36,062</b>	<b>29,368</b>	<b>6,668</b>	<b>156,839</b>

Plan Published in February C	45,358										37,812	31,353	29,458	6,758	150,739
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<b>Overall Change in Budget from February Plan</b>											<b>5,420</b>	<b>4,709</b>	<b>(90)</b>	<b>(90)</b>	<b>6,100</b>
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**Comprising:**

2018/19 Changes: Slippage c/f, reprofiling and other adjts	6,060
(Please refer to Appendices M3 and CAP1 for detailed movements by area and scheme)	
2019/20 Correction of Broadband (added)	400
Removal of £398k per annum IT 2019/20+ (revenue)	(1,590)
Addition of £308k 2019/20+ for capitalised staff costs	1,239
	<b>6,100</b>

Note: Virements will net to nil if within the same Area

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

## Agenda Item 6. Appendix A - CAP1

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

## Agenda Item 6. Appendix A - CAP2

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

## Agenda Item 6. Appendix A - CAP3

Document is Restricted

# Agenda Item 7.

## STATEMENT OF COMMUNITY INVOLVEMENT UPDATE

**Cabinet Member:** Councillor David Johncock

**Wards Affected:** All

**Officer contact:** Aude Pantel Ext: 3538

Email: aude.pantel@wycombe.gov.uk

### RECOMMENDATION TO COUNCIL

- (i) To agree the outcome of the Statement of Community Involvement (“SCI”) review as set out in this report; and
- (ii) To agree the Statement of Community Involvement update as set out at Appendix A and hence adopt the revised Statement of Community Involvement.

### Reason for Decision

The Council has a statutory obligation to review its Statement of Community Involvement every 5 years from adoption. Following the review the Council is required to either update the Statement of Community Involvement or if it will not do so, to publish reasons for their decision. To comply with new statutory requirements it is recommended that a minor update to the Statement of Community Involvement is adopted now, but that a fuller review of the Statement of Community Involvement is undertaken once the Local Plan is adopted.

### Corporate Implications

#### Legal requirements

1. Section 18 of the Planning and Compulsory Purchase Act 2004 (as amended), requires the Council to prepare a Statement of Community Involvement (SCI). The National Planning Policy Framework (NPPF) (March 2012) emphasises the importance of community involvement in planning.
2. Regulation 4 of the Town and Country Planning (Local Planning) (England) (Amendment) Regulations 2017 added a new Regulation 10A into earlier 2012 Regulations, and introduced the need to review Statements of Community Involvement every 5 years from adoption. This requirement came into force on 6<sup>th</sup> April 2018.
3. Section 13(2) of the Neighbourhood Planning Act 2017 amended section 18 of the Planning and Compulsory Purchase Act 2004, to introduce the requirement for the Statement of Community Involvement to set out the local planning authority’s policies for giving advice or assistance in relation to neighbourhood planning under para 3 of schedule 4B to the 1990 Act and schedule A2 to PACPA. This comes into force on 31<sup>st</sup> July 2018.
4. The Neighbourhood Planning Act 2017 also adds via section 13(2) to the list of issues to be covered by the Statement of Community Involvement, namely the Survey of the Area (undertaken as part of early work on a local plan) and the Local Development Schemes<sup>1</sup>. There are transitional arrangements for this requirement for plans which have passed Regulation 18 of the Local Plan

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<sup>1</sup> The Local Development Scheme is effectively the work plan for the preparation of planning policy development plan documents including the local plan.

regulations, and these apply in Wycombe's circumstances.

#### Financial

5. The Wycombe Revised Statement of Community Involvement update is being prepared within existing budgets. The document already recognises the resource implications of undertaking community engagement and provides a wide range of engagement methods together with a flexible approach to which methods are employed. The update refers to a high level commitment to give advice in relation to neighbourhood planning, and that details are to be provided through further guidance. Whilst this flexibility is primarily to ensure that the right types of engagement are employed for the issues being addressed at the time, it does also enable a choice of methods to fit with the resources available and the approach to be agreed by Members as part of the wider "Fit for Competition" review of the Planning and Sustainability Service. Any approach adopted will live within approved budgets.

#### Risk management

6. The Council is at risk of not complying with the legislative requirements in relation to Statements of Community Involvement and hence the recommendation to adopt a revised Statement of Community Involvement
7. The Council has considered in this report the risk of not undertaking a full review in terms of legal requirements and has found that the risk is very low, and is relating to public satisfaction.

#### Equalities

8. It is expected that an Equalities Impact Assessment will be required when the SCI is fully reviewed in the future.

### **Executive Summary**

9. The Statement of Community Involvement sets out the Council's approach to community involvement in planning. Recent changes in legislation require a review of the document. This review has been undertaken and it is recommended that a short update is required at this stage to set out the Council's policies for giving advice or assistance in relation to neighbourhood planning. It is considered that a fuller update of the Statement of Community Involvement is not appropriate at this stage but should be carried out once the Local Plan is adopted.
10. The revised document aims to give a clear indication of the Council's policies for giving advice or assistance in relation to Neighbourhood Development Plans or Orders. A consultation on the proposed approach to the review and on the proposed update has been carried out, providing the community with the opportunity to make comments on the document and feed into its revision. The Wycombe Revised Statement of Community Involvement as updated is now recommended for adoption.

### **Sustainable Community Strategy/Council Priorities - Implications**

11. The Wycombe Revised Statement of Community Involvement is consistent with the current Communications Strategy and Engagement Standards. The Statement of Community Involvement will ensure that the Council works with all its communities in exercising its various planning functions, ensuring community involvement in helping deliver the "Place" priority in the Corporate Plan.



## **Background and Issues**

### **Background**

12. Statement of Community Involvements set out how a Local Planning Authority will engage with the community and stakeholders in plan making and decision taking activities (e.g. consideration of planning applications).
13. Their production is mandatory but there are no prescribed consultation requirements.
14. The Council's latest revised Statement of Community Involvement (SCI) was adopted in December 2012.

### **Legislation changes**

15. There have been recent changes to the legislation in relation to statements of community involvement and neighbourhood planning that mean that a review of the SCI is necessary.
  - 15.1 The Town and Country Planning (Local Planning) (England) (Amendment) Regulations 2017 introduced the need to review Statements of Community Involvement every 5 years from adoption. This requirement came into force on 6<sup>th</sup> April 2018.
  - 15.2 The Neighbourhood Planning Act 2017 introduces the requirement for the Statement of Community Involvement to set out the local planning authority's policies for giving advice or assistance in relation to neighbourhood planning. It also requires for the first time for SCIs to set out its approach to community involvement in relation the survey of an area (carried out as part of the preparation of a local plan) and in relation to the preparation and updating of local development schemes (effectively the work programme for a local plan).

### **Review and update**

16. A review of the current (2012) SCI has been undertaken. There are four chapters of the SCI covering the following issues:
  - Chapter 1 "Get involved..." sets out the council's principles on community involvement and how and in what people can get involved.
  - Chapter 2 "... in Planning Applications" sets out what the development management process is and how people can find out about and comment on different types of applications. It also sets out what we do to engage with people on applications, from the local community to developers.
  - Chapter 3 "... in Plan Making" sets out what are statutory local plans, SPDs and guidance, and neighbourhood planning, and how to get involved in these place shaping projects.
  - Chapter 4 "Resources and review" considers resources implications of community involvement and mechanisms for review.

There are also 2 appendices:

- Appendix A provides a glossary
- Appendix B provides a detailed menu of commonly used methods of engagement

17. It is concluded that:
  - 17.1 Chapter 1 (Get Involved...), Chapter 4 (Resources and Review), and the Appendices, broadly remain relevant and should not be changed at this stage. They would benefit from updating to ensure it references the most up to date information, but that is not required now.
  - 17.2 Chapter 2 (... in Planning Applications) reflects current practice. The Service is currently undergoing a review – the Fit for Competition Review. As part of this all processes, including engagement with the public, will need to be reviewed, and any changes to the SCI will need to be made at that time.
  - 17.3 Chapter 3 (...in Plan Making)
    - 17.3.1 Firstly in relation to the Local Plan, this section needs to reflect lessons learned from the current local plan process. Any update will need to take account of this and potential changes to the nature of local plans coming forward in the future as set out in the draft National Planning Policy Framework, for instance the emphasis on joint strategic plans.
    - 17.3.2 The new legislative requirements regarding the Survey of the Area and Local Development Schemes contain transitional arrangements which mean they do not apply to a plan which has already passed Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012. Our emerging Local Plan is at Examination stage which is after Regulation 22 (Submission of the plan to the Secretary of State).
    - 17.3.3 Updates to this part of the SCI will therefore be needed prior to work starting on any future Local Plan document, but changes are not required at this point in time.
    - 17.3.4 Secondly in relation to Supplementary Planning Documents and other development briefs, updates would benefit from lessons learned in relation to the Reserve Sites where there is still one more development brief to be prepared.
    - 17.3.5 Thirdly, in relation to Neighbourhood Planning, there is a need to fulfil at this stage the requirement to set out policies for giving advice and assistance on neighbourhood planning matters, and an amendment to the SCI is therefore proposed at this time.
18. For a number of reasons set out above the review concludes that it is not appropriate to amend the Statement of Community Involvement at this stage, other than to update it in relation to the Council's policies for giving advice or assistance on neighbourhood planning. It will however be necessary to update the Statement of Community Involvement after the Local Plan is adopted to reflect the future direction of local plans, other national planning reform changes, and the emerging conclusions from the "Fit for Competition" review of the Planning and Sustainability Service.
19. Appendix A sets out the proposed update in relation to neighbourhood planning. It includes the advice the Council will provide before a parish council

or qualifying body commits to preparing a neighbourhood plan as well as the advice or assistance during the plan preparation process. The recommendation is that this update is agreed and a revised Statement of Community Involvement is adopted and published incorporating this update.

### **Consultation**

20. There are no statutory requirements for consultation on a new SCI or its revision.
21. Consultation was undertaken through the weekly planning bulletin, from 5 June to 19 June 2018. Consultees were asked for comments on the review proposed (see background paper 2) and the SCI wording update (see Appendix A).
22. The Council received no response to this consultation.
23. In light of the consultation, no amendments were necessary to the draft update.

### **Options**

24. There are 3 options to be considered in relation to this matter:
  - To do nothing: this would mean that the new legal requirements are not met.
  - To do a full update of the SCI: this would mean revisiting the review and its recommendations. This would delay the process of undertaking and publishing a review which is a legal requirement, and would delay the production of a legally compliant SCI. It may also mean a further review being required soon afterwards to address future local plans, ongoing national planning reforms and the “Fit for Competition” service review.
  - To accept the conclusions of the review and amend the SCI as proposed to comply with the legislation requirements whilst managing Council resources and allowing for a meaningful revision at a point in the future, aligned with the Council’s priorities and ambitions. This is the recommended option.

### **Conclusions**

25. The SCI has been reviewed in light of legislation changes and it is recommended to amend the neighbourhood planning section of the document.
26. A proposed wording has been the subject of consultation via the Weekly Planning Bulletin and the update set out at Appendix A is now recommended for inclusion in a revised SCI, and this revised SCI to be adopted.
27. No other changes are proposed at this time
28. A wider update, possibly on a thematic basis, will be conducted in due course.

### **Next Steps**

29. Adoption by Council, followed by publication of the adopted Wycombe Statement of Community Involvement (Updated July 2018) on the Council’s website and implementation in day to day planning functions of the Council.

### **Background Papers**

- Wycombe Revised Statement of Community Involvement – adopted December 2012.
- Statement of Community Involvement review 05.06.18 final

### **List of Appendices**

Appendix A – Update for revised Wycombe Statement of Community Involvement (Updated July 2018)

# Agenda Item 7. Appendix A

## Appendix A Update for revised Wycombe Statement of Community Involvement (Updated July 2018)

The Council is proposing to insert the following additional text at the end of the neighbourhood planning section of the Statement of Community Involvement after paragraph 3.36 page 32 and before figure 6 page 33<sup>1</sup>.

### **Policies for giving advice or assistance**

**3.37** The Council is required to set out policies for giving advice or assistance in relation to the making of Neighbourhood Development Orders and Neighbourhood Development Plans, and the development of proposals to make modifications to adopted Neighbourhood Development Plans. Table 6 below sets out what we will do.

Table 6 Advice on neighbourhood planning

Stage 1 – prior to commencement of a Neighbourhood Development Plan or Order	The Council will <ul style="list-style-type: none"> <li>- Provide information on neighbourhood planning on its website</li> <li>- Give advice on the overall process</li> <li>- Give advice on the formulation of a qualifying body (neighbourhood forum)</li> <li>- Give advice on the designation of a neighbourhood area, and the current development plan policies applying to the area.</li> </ul>
Stage 2 – preparation process for Neighbourhood Development Plans or Orders	The Council will <ul style="list-style-type: none"> <li>- advise on Statutory steps involved in preparing a Neighbourhood Development Plan or Neighbourhood Development Order, including examination and referendum</li> <li>- advise on preparing proposals for modifications of a NDP</li> <li>- give advice on the strategic policies with which a NDP/NDO needs to be in general conformity</li> <li>- advise on likely conformity with the Basic Conditions, including for example, the requirements of other legislation (such as the Human Rights Act, the Habitats Regulations and Environmental Assessments) and conformity with both the Local Plan and the NPPF.</li> <li>- advise on methods of public consultation and engagement throughout the process</li> <li>- advise on liaison with statutory consultation bodies</li> <li>- advise on any availability of grant funding as far as the Council is aware</li> </ul>

<sup>1</sup> Existing subsequent table numbers / pages numbers etc. will be updated as consequential changes.

# Agenda Item 8.

## LOCAL GOVERNMENT OMBUDSMAN'S DECISION – SECTION 5A LOCAL GOVERNMENT AND HOUSING ACT 1989

**Cabinet Member:** Councillor Ms Katrina Wood

**Wards Affected:** None directly

**Officer contact:** Julie Openshaw Ext:3252

Email: [julie.openshaw@wycombe.gov.uk](mailto:julie.openshaw@wycombe.gov.uk)

### PROPOSED DECISION

That Cabinet:

- (i) Considers the Ombudsman's findings;
- (ii) Notes the action already taken to comply with the Ombudsman's recommendations; and
- (iii) Satisfies itself what steps have been taken to address the finding and considers whether, and if so what, other action should be taken.

### Reason for Decision

The Local Government Ombudsman ("the Ombudsman") has made a finding of fault with injustice, which requires the Monitoring Officer, having consulted with the Head of Paid Service and Section 151 Officer, to present a report to Cabinet.

### Corporate Implications

1. Section 5A of the Local Government and Housing Act 1989 imposes a duty, where the Ombudsman has conducted an investigation into a complaint against the Council and has found that maladministration has occurred, upon the Monitoring Officer to report the Ombudsman's findings to Cabinet and send a copy to each member of the Council. It should be noted that the Ombudsman now commonly uses the term "fault" interchangeably with "maladministration".
2. Cabinet is also under a duty to consider the report and as soon as practicable after it has concluded its consideration of the report to prepare its own report (which must be sent to every member of the Council) specifying:
  - What action if any has been taken in response to the report;
  - What action if any is proposed to be taken in response to the report and when the proposed action will be taken;
  - The reasons for taking the action, or as the case may be for taking no action.
3. The legislation requires the Cabinet to consider and respond to any Ombudsman report making a finding of maladministration.
4. Section 92 of the Local Government Act 2000 provides power for the Council, if

it thinks appropriate, to make a payment or provide some other benefit for a person if it considers action taken by it or on its behalf in exercise of its functions amounts to maladministration and the person has, or may have been, adversely affected by that action.

5. The Ombudsman's report itself (anonymised by the Ombudsman to protect the identity of the complainant) will be published by the Ombudsman.
6. The recommendations of the Ombudsman are not legally enforceable but it is very unusual for an authority not to accept them. If the Ombudsman is not satisfied with the action proposed she has power to publish a further report and can compel the Council to publicise her views. In this instance, officers have already accepted the findings of the Ombudsman, agreed to pay the £200 compensation recommended and to offer an apology, and done so.

### **Executive Summary**

7. The purpose of this report is to bring to the Cabinet's attention that an Ombudsman investigation into the recording of the postal address for a Wycombe District resident found fault causing injustice against the Council.
8. This report meets the legal obligations on the Monitoring Officer and the Council by reporting this matter to Cabinet and dealing with the requirements set out in the Corporate Implications above.
9. In September 2016 Miss X moved into a new flat and immediately registered for council tax. The Council sent a council tax bill to Miss X with an address on Road A. She reported to the Council that the postal address was incorrectly recorded and should be on Road B. A formal complaint was raised during which Miss X raised allegations that the issue affected her council tax, electoral roll records, and ability to get consumer credit.
10. Following the second stage of the Council's complaints procedure, Miss X complained to the Ombudsman and an investigation was undertaken. Miss X occupied a flat within a development of 10 flats. At Stage 2, the Council concluded that in order to determine which should be the correct address for the flat, to be held by the Street Naming element of the Council's Building Control service (which holds the definitive record from which Land Registry and Royal Mail records are derived), and because the issue involved the other residents, who had not complained about their addresses, the most equitable solution would be to seek views from all the residents and adopt the majority view. The Ombudsman has found that the Council took too long to resolve the situation, resulting in the resident having suffered a fault causing injustice. The Ombudsman proposed two actions to remedy the complaint; to apologise and pay Miss X £200 for distress, uncertainty, time and trouble caused by this fault.
11. As recommended by the Ombudsman, the Council has apologised and paid the compensation for the claimant; however, it is still necessary to report the Ombudsman's finding to Cabinet.

## **Sustainable Community Strategy/Council Priorities - Implications**

12. As well as addressing the relevant statutory duties, this report also supports the Council's aim in its Corporate Plan to continue to review its governance to ensure efficient public services are provided which recognise the rights of citizens, to identify areas for improvement in service delivery, and to challenge obstacles to meeting customer need.

## **Background and Issues**

13. The Ombudsman's Decision Letter is appended at Appendix A.
14. Officers from the services involved have seen the decision and have commented. The fault found centres around the length of time the matter as it developed took to deal with, rather than with the eventual solution offered. The Council was not found at fault in relation to its actions around the Council Tax bill and enforcement, and the Ombudsman also found her powers did not extend to investigating the element of the complaint relating to Elections. If a similar matter was to arise now, in practice the relevant services would be aware of this case, and would liaise, if necessary at Head of Service level, to ensure a co-ordinated and timely response; Council Tax has developed a written protocol for use. Although there were some areas in which the findings were not fully accepted, which are outlined below, there has been a corporate acceptance of the finding that the most pertinent aspects of the matter had collectively taken too long to tackle, and accordingly the recommendation to apologise and pay the recommended compensation has already been accepted and actioned.
15. Specific areas where the Ombudsman's findings were not accepted and where Cabinet should be aware of the reasoning are:
  - a. The original complaint was only about Council Tax records. The extent to which it was "obvious" that the address issue was causing issue for others is debatable; the circumstances were rare, possibly unique, and there was not an immediately obvious corporate solution to the complainant's dispute as to her address which presented itself at the outset;
  - b. Whilst the issue of the property's address was eventually dealt with by way of the Council consulting all residents of the flats on their views on what their address should be, and adopting the majority view, none of the other residents had ever raised any disquiet about their own addresses before they were consulted;
  - c. The Ombudsman found no fault at all with any elections process, albeit this was because she found she had no power to look at this area. However, it transpires that Miss X had been entered on the electoral register and a poll card would have been sent to her originally recorded address. From the Ombudsman's comments on this aspect, it can only be assumed that when attending the polling station, Miss X gave the address she wished to change to, rather than the address which was then being used for contact and to which the poll card had been sent. Polling staff are only allowed to ask voters the statutory questions as to identity. Usually, when an attendee at a polling station cannot be found on the register, they are advised to call the

Elections contact to see if a clerical error has arisen, or if they are registered elsewhere. In this case, owing to the configuration as part of a Parliamentary election, the area falls within a neighbouring constituency, for which polling staff would have been trained and employed by a different District Council. It is not possible to know what Miss X was advised to do, nor what she did or why, but for the future, in terms of any possible scope for clarification of how polling staff deal with such situations, this will be raised in liaison between the Districts' elections teams, and training for polling staff. The Ombudsman's comment at paragraph 14 regarding secondary addresses on the electoral register is incorrect as there are no such addresses on the register; however, rather than this being a misunderstanding by the Ombudsman, this may have arisen from an inaccuracy in the Stage 2 complaint response.

16. With regard to equalities and diversity, and the Council's public sector equality duty under S149 of the Equality Act 2010, there are no obvious implications arising.

### **Consultation**

17. The Head of Paid Service (Chief Executive) and S 151 Officer (Head of Financial and Commercial) have been consulted on this report in accordance with the statutory requirements.

### **Options**

18. Whilst the recommendations of the Ombudsman are not legally binding, and the Council could have refused to accept and action the recommendation, this was not considered justified.

### **Conclusions**

19. By considering this report, Cabinet is complying with its statutory duty to do so and to satisfy itself that steps have been taken to address the finding and consider action. The duty of the Monitoring Officer in submitting the report has been discharged. Some steps, i.e. apology and payment of recommended compensation, namely the complete recommendations of the Ombudsman, have already been taken.

### **Next Steps**

20. A report of the Cabinet's response and the Ombudsman's recommendations will be sent to all Members, and to the Ombudsman. Full Council will be invited to note the report and the Cabinet's response.

### **Background Papers**

None.



5 May 2018

**Complaint reference:**  
17 005 148

**Complaint against:**  
Wycombe District Council

## **The Ombudsman's final decision**

Summary: Miss X complains about how the Council's dealt with problems recording her correct postal address. This affected council tax and electoral records. The Council took too long to resolve this situation. Miss X had to wait over a year for the Council to do so. We recommended the Council apologise and pay Miss X £200 as a remedy for distress, uncertainty, time and trouble caused by this fault. It has agreed to carry out these actions.

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## **The complaint**

1. Miss X complains the Council wrongly recorded her address on its council tax and electoral roll records. She says this meant she could not vote in 2017 and had problems getting consumer credit.
2. It meant the Council initially asked her to pay council tax recovery costs although it later repaid this. She received the council tax summons the day she went on holiday ruining this for her.
3. It meant Miss X could not pay council tax in instalments meaning she lost out on interest. Miss X says she had to continually contact the Council about this matter which she says is still not resolved. This caused her costs, stress and upset.

## **The Ombudsman's role and powers**

4. We investigate complaints about 'maladministration' and 'service failure'. In this statement, I have used the word fault to refer to these. We must also consider whether any fault has had an adverse impact on the person making the complaint. I refer to this as 'injustice'. If there has been fault which has caused an injustice, we may suggest a remedy. (*Local Government Act 1974, sections 26(1) and 26A(1), as amended*)
5. If we are satisfied with a council's actions or proposed actions, we can complete our investigation and issue a decision statement. (*Local Government Act 1974, section 30(1B) and 34H(i), as amended*)

## **What have I investigated**

6. I have investigated Miss X's complaint with the exception of what happened in the polling station in May 2017. This is for the reasons set out in paragraph 41.

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## How I considered this complaint

7. I corresponded with Miss X about her complaint and considered what she said.
8. I asked the Council questions about the complaint and considered what it said.
9. I considered the Ombudsman's guidance on remedies.
10. I gave the Council and Miss X the opportunity to comment on my draft decision.

## What I found

### Legislation

11. National guidance states that the address of a property should normally be the road vehicles use to access it. However councils have discretion about this.
12. All individuals must register with their council to vote, giving their national insurance number and date of birth. The Ombudsman cannot investigate complaints about the conduct of elections.

### Background

13. Miss X moved into a flat in September 2016. The flat was part of a relatively new block with vehicle access from Road A. An older building (since knocked down) it replaced faced onto Road B. This old building had Road B as its postal address. Some of the new flats where Miss X lives face onto Road A. Some face onto Road B.
14. The Council tax team recorded Miss X's flat as having an address on Road A. The Council elections services team also recorded it as having an address on Road A with a "*secondary noted address*" in Road B. The Council's Building Control team, responsible for street naming and numbering also recorded it as being on Road A.
15. However, Royal Mail records showed it as having an address on Road B. Land Registry records also showed it as being on Road B. This land registry information was what Miss X had when she bought the flat. She therefore thought the flat was on Road B.
16. She contacted the Council soon after she moved in to register for council tax. She filled in the necessary forms. The Council sent her a council tax bill to the address on Road A. The bill nevertheless reached Miss X. Miss X told the Council the address was wrong and should be Road B. She continued to raise this with the Council several times during October and November 2016. She did not pay the bill because she wanted this problem sorted out first.
17. On 17 November 2016 the Council told Miss X it could not change its record of her address from Road A to B. It urged her to take action to stop any recovery of unpaid council tax.
18. Miss X contacted the Council the same day to say she could not accept this outcome. She said the problems meant she was not showing up correctly on the electoral register. She said it affected her credit scores, employment vetting and financial history. Miss X has provided me with a letter from a credit company (from June 2017) that said it had a problem with her application because of conflicting information about her address.
19. Later in November 2016 the Council sent Miss X a summons for council tax including a charge of £50 for costs. She paid the council tax charge immediately by credit card as she was about to go on holiday. She said the stress of the

- 
- summons ruined the holiday. She contacted the Council again asking it to sort out the problem.
20. The Council wrote to Miss X on 30 November to say it could not change the address without all residents agreeing. Miss X then made a formal complaint to the Council about the situation. She asked it for compensation for the time, trouble and stress sorting the situation had caused.
  21. The Council emailed Miss X on 21 December to say it had amended its council tax records to show the correct address for her flat as Road B. It refunded Miss X the £50 costs and cancelled her summons. It did not change the address used by other council departments or the electoral roll. Miss X believed everything had been sorted out.
  22. In May 2017 Miss X went to vote at the General Election. She says she did not get a polling card although the Council says one was sent to her, presumably at Road A. She says she was turned away at the polling station because of the address confusion. Miss X again contacted the Council about the situation.
  23. The Council replied in June 2017 to say it was looking at the situation. Miss X then told the Council she would contact the Ombudsman and wanted compensation. The Council told her it first needed to consider her complaint at stage 2.
  24. It replied to Miss X in September 2017. It detailed the site history and explained the various different records of her address across the Council, land registry and post office. It said Electoral services showed it as Road A with a “*secondary noted address*” as Road B. The Council later told me poll clerks did not have any access to the secondary noted addresses.
  25. The Council said its official address was Road A based on this being the main vehicle access. It said that in the course of Miss X’s complaint the council tax department had wrongly amended the address to road B without carrying out any of the consultation needed to make this change.
  26. It accepted the situation was problematic. It said it would consult with all residents to seek agreement about what should be the flats’ addresses.
  27. Miss X said this had not resolved her complaint or dealt with her request for compensation. The Council said it could only pay compensation when someone suffered a financial loss. It referred Miss X to the Ombudsman.
  28. The Council consulted all flat residents in September and October 2017. It wrote to them in November to confirm that some flats (including Miss X’s) would get an address in Road A and others would get an address in Road B. The Council Cabinet confirmed this decision in December 2017. The Council has told all its departments of the change.
  29. Miss X had, by then, decided to move to another address. She said this was because of this long-running problem.
  30. The Council told me it was trying to improve its approach to using a single address for citizens across all council departments. However this was not yet in place.

### **My findings**

31. Miss X first told the Council’s about the problem in October 2016. She complained in November 2016. Miss X thought the Council had sorted the problem out when it wrote to her in December 2016 to say it had corrected her address on its council

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tax records. She assumed this meant it had changed address records across the whole Council including the electoral roll.

32. The Council only took a comprehensive, whole organisation response to the problem in its stage 2 complaint in September 2017. It then took until December 2017 to finally sort out the problem for Miss X and other residents.
33. The Council had to consult with residents about the change and this unavoidably took time between September and December 2017. However the Council missed opportunities to sort the problem out at a much earlier stage. It was obvious from Miss X's contact in late 2016 that the Council's address records for the flats were causing her, and likely other residents, avoidable problems. The Council's delay is fault causing Miss X avoidable stress, time and trouble. I have recommended a remedy for this injustice.
34. Miss X could have paid her council tax bill on time, even though the address shown on her bills was not what she understood to be correct. The bills reached Miss X and as the occupier of the property she was liable for the council tax. The Council explained it could not change the address. It warned Miss X what could happen if she did not pay. It was then entitled to start recovery action. The Council later refunded her costs. There was no fault in these actions by the Council.
35. We cannot investigate any complaints about the conduct of an election. This means we cannot investigate what happened in the polling station when Miss X tried to vote.
36. The Council gave Miss X a confusing response to her complaint about voting and this is fault. At first it said electoral records showed her address as Road A and (as a secondary address) Road B. It later told me poll clerks would not have had access to any information showing Road B. This caused Miss X further uncertainty about what had happened.

### **Agreed action**

37. Within one month of my final decision the Council has agreed to:
  - Apologise to Miss X for the time it took to fully resolve her complaint.
  - Pay Miss X £200 for avoidable distress, uncertainty, time and trouble caused by this delay.

### **Final decision**

38. I have completed my investigation. I have found fault causing injustice.

### **Parts of the complaint that I did not investigate**

39. I have not investigated what happened in the polling station in May 2017 because the Ombudsman cannot investigate complaints about the actions of the Returning Officer.

### **Investigator's decision on behalf of the Ombudsman**

**FILE ON ACTION TAKEN UNDER DELEGATED AUTHORITY**

**SUPPLEMENTARY ITEMS (IF ANY)**

**URGENT ITEMS (IF ANY)**

<b>Notification for Press and Public</b>
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**Notification of Items expected to be taken in exempt session,  
as required by access to information requirements.**

The meeting will be asked to resolve that the Press and Public be excluded from the meeting during consideration of the following items as they contain exempt information as defined in Regulation 4(2)(b) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, more particularly as follows:-

**Item 5            Budget Monitoring Report for Period 2 Ending 31 May 2018  
                         – Appendix B**

**Item 6            Medium Term Financial Strategy Refresh – Appendix A – Cap 1,  
                         Appendix A - Cap 2 and Appendix A - Cap 3**

Information relating to the financial or business affairs of any particular person (including the authority holding that information) (Paragraph 3, Part 1 of Schedule 12A, Local Government Act 1972)

[The need to maintain the exemption outweighs the public interest in disclosure, because disclosure could prejudice the Council's position in any future tender process or negotiations]

**Item 12    File on Action taken under Exempt Delegated Powers**

**Economic Development & Regeneration Sheet Nos: EDR/21/18 – EDR/31/18**

**Environment Sheet No: E/2/18**

Information relating to the financial or business affairs of any particular person (including the authority holding that information) (Paragraph 3, Part 1 of Schedule 12A, Local Government Act 1972)

[The need to maintain the exemption outweighs the public interest in disclosure, because disclosure could prejudice the Council's position in any future tender process or negotiations]

**FILE ON EXEMPT ACTIONS TAKEN UNDER DELEGATED AUTHORITY**

**EXEMPT SUPPLEMENTARY ITEMS (IF ANY)**

**EXEMPT URGENT ITEMS (IF ANY)**