

AGENDA SUPPLEMENT (1)

Meeting: Cabinet - Shareholder Group

Place: Kennet Room - County Hall, Bythesea Road, Trowbridge, BA14 8JN

Date: Monday 1 August 2022

Time: 10.00 am

The Agenda for the above meeting was published on 22 July 2022. Additional documents are now available and are attached to this Agenda Supplement.

Please direct any enquiries on this Agenda to Stuart Figini, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line or email

Press enquiries to Communications on direct lines (01225)713114/713115.

This Agenda and all the documents referred to within it are available on the Council's website at www.wiltshire.gov.uk

6 **Amendment of Stone Circle Business Plan Parameters to Meet Council Need (Pages 3 - 8)**

Report of the Corporate Director Resources & Deputy Chief Executive (S151 Officer)

DATE OF PUBLICATION: 28 July 2022

This page is intentionally left blank

Wiltshire Council

Cabinet Shareholder Group Report

1st August 2022

Subject: Amendment of Stone Circle Business Plan Parameters to Meet Council Need

**Cabinet Member: Cllr Richard Clewer – Leader of the Council and Cabinet Member for Climate Change, MCI, Economic Development, Heritage, Arts, Tourism and Health & Wellbeing;
Cllr Nick Botterill – Cabinet Member for Finance, Development Management and Operational Assets;
Cllr Phil Alford – Cabinet Member for Housing, Strategic Assets and Asset Transfer**

Key Decision: Non Key

Executive Summary

To put in place a delegation to agree an amendment to the annual Stone Circle business plan parameters when acquiring residential property for a specific Council service need.

This would enable the company to complete an acquisition that would normally not fit the approved business plan parameters but, when amended, would still enable the company to make a financial return on the acquisition whilst also delivering a specific service need for the Council.

The specific service need would be more financially favourable for the Council when taking into account the reduced returns it would expect from Stone Circle from an acquisition within Business Plan parameters and the alternative costs facing the Council in delivering its services.

Proposal(s)

That the Shareholder Group approve the delegation to the Corporate Director Resources & Deputy Chief Executive, in consultation with the Chief Executive and the Leader, to amend the business plan parameters to allow acquisitions for a specific Council service need.

Reason for Proposal(s)

Allows the Council to undertake specific actions, particularly in relation to its social care duties, that will enable service delivery to be undertaken. Through the amendment of the existing business plan parameters, allows the loan financing to Stone Circle to deliver a specific service need and is ultimately still financially favourable to the Council that any alternative service need.

Andy Brown**Corporate Director Resources & Deputy Chief Executive S151 Officer**

Wiltshire Council

Cabinet Shareholder Group Report

1st August 2022

Subject: Amendment of Stone Circle Business Plan Parameters to Meet Council Need

**Cabinet Member: Cllr Richard Clewer – Leader of the Council and Cabinet Member for Climate Change, MCI, Economic Development, Heritage, Arts, Tourism and Health & Wellbeing;
Cllr Nick Botterill – Cabinet Member for Finance, Development Management and Operational Assets;
Cllr Phil Alford – Cabinet Member for Housing, Strategic Assets and Asset Transfer**

Key Decision: Non Key

Purpose of Report

1. To put in place a delegation to agree an amendment to the annual Stone Circle business plan parameters when acquiring residential property for a specific Council service need.
2. This would enable the company to complete an acquisition that would normally not fit the approved business plan parameters but, when amended, would still enable the company to make a financial return on the acquisition whilst also delivering a specific service need for the Council.
3. The specific service need would be more financially favourable for the Council when taking into account the reduced returns it would expect from Stone Circle from an acquisition within Business Plan parameters and the alternative costs facing the Council in delivering its services.

Relevance to the Council's Business Plan

4. Will help continue to deliver on Councils priorities around safeguarding and delivering care services to the vulnerable residents of Wiltshire.

Background

5. The Stone Circle business plan was approved in March 2022 and sets out the plans for the financial year 2022/23. Within the approval of the business plan are parameters to which the Council will then issue loan finance to undertake acquisitions of residential property.
6. The parameters include loan financing rates, costs and fees involved with the acquisition and the duration of payback and profitability.

7. This proposal is based on a specific recent example and looks to set in place a formal resolution to enable this scenario to be conducted within normal decision making processes within the Council.

Main Considerations for the Council

8. Recently the Councils Adult Social Care service had to source suitable accommodation to support a resident being discharged from hospital and enable that individual to live in the community. It was unable to source or commission any suitable accommodation through its existing providers or frameworks. Alternative options would be costly and sourced out of county.
9. A specific service solution was the potential to acquire a 3 bed bungalow, this option was not available to registered providers due to restrictions around housing benefit and the ability to return through any lease. Stone Circle Housing were approached to review if this could be facilitated and considered by the company.
10. To enable the acquisition to proceed Stone Circle assessed that their business plan parameters would need to be amended to enable the acquisition to take place and a return to still be made.
11. Acting in the capacity as the shareholder the Corporate Director Resources and Deputy Chief Executive authorised the amendment of the parameters to enable the acquisition to proceed. In this instance the amendment still stands but the acquisition of the 3 bed bungalow did not proceed as was lost to another buyer.
12. This set out that a formal delegation was needed to be put into place by the Shareholder Group to allow exceptional amendments to Stone Circles business plan parameters to enable acquisitions to take place that meet a specific Council service need.
13. In this instance the reduction in the returns from Stone Circle as a result of amending the parameters was outweighed by the potential cost being faced by the Council in sourcing suitable care provision for the resident.

Overview and Scrutiny Engagement

14. No engagement with Overview & Scrutiny has taken place on this matter.

Safeguarding Implications

15. Although no direct safeguarding implications as a result of this report, it is likely that the amendment of parameters can enhance the Councils flexibility and response to residents needs, thereby improving the safeguarding of residents going forward.

Public Health Implications

16. None identified.

Procurement Implications

17. None identified.

Equalities Impact of the Proposal

18. None identified.

Environmental and Climate Change Considerations

19. These implications are considered at the approval of Stone Circles business plan.

Workforce Implications

20. None identified.

Risks that may arise if the proposed decision and related work is not taken

21. There is a risk that costs to the Council are higher and potential for service provision to the resident to not be met or less than optimal and outcomes for vulnerable residents reduced.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

22. The risk is the amendment of parameters results in greater risks being taken by Stone Circle and lesser returns being greater than the services costs.

Financial Implications

23. The financial implications of this decision should still be positive, in that any loss in future return from Stone Circle as a result of amending business plan parameters should be outweighed by the saving or cost avoidance being faced by the council service in question.

Legal Implications

24. All acquisitions are within the existing legal and governance frameworks in existence with Stone Circle.

Options Considered

25. To remain with existing parameters and not allow any amendment.

Conclusions

26. To proceed with the delegation to allow future amendments to meet future Council service specific need.

Lead Director

Andy Brown

Corporate Director Resources & Deputy Chief Executive S151 Officer

Date of report: 26th July 2022

This page is intentionally left blank