

WYRE FOREST DISTRICT COUNCIL

**COUNCIL MEETING
WEDNESDAY 1ST MARCH**

RECOMMENDATIONS FROM THE CABINET 16TH FEBRUARY, 2006

Proposed Decision: - Finance Strategy 2006-2009

BUDGET AND POLICY FRAMEWORK STRATEGY

The Cabinet having re-considered the Budget & Policy Framework Strategy recommended on 22nd December 2005, and recommendations of the Finance & Corporate Affairs Policy & Scrutiny Panel on 31st January 2006,
RECOMMENDS TO COUNCIL: -

1. COUNCIL TAX LEVY 2006/2007

- 1.1 **RECOMMENDS** a Council Tax for Wyre Forest District Council on a Band D Property of £179.03 for 2006/2007 (£174.66 2005/2006) an increase of 2.5% (£4.37 over 2005/2006).
- 1.2 **RECOMMENDS** a provisional Council Tax in 2007/2008 on a Band D Property of £183.51 an increase of 2.5% over 2006/2007.

(Page references in the following items relate to the Financial Strategy 2006-2009, as printed in the blue budget book circulated with the Cabinet agenda for its 22nd December 2005 meeting. A public inspection copy is available on request. See front cover for contact details.)

2. PRIORITIES FOR 2006/2007 (pages 6-9)

- 2.1 **RECOMMENDS** the following Priorities for 2006/2007 :-
 - a) Service
 - b) Efficiency
 - c) Prosperity

2.2 Appendix 1 sets out the Priorities and Strategic Outcomes for 2006/2007.

3. THREE YEAR BUDGET AND POLICY FRAMEWORK 2006/2009 (pages 10-43)

- 3.1 The contents of the Reports of the Head of Financial Services on the Three Year Budget and Policy Framework 2006/2009 (pages 10-43) and Base Budget Variations (pages 61-65) be **ENDORSED**.
- 3.2 **REAFFIRMS** the Council's policy relating to Working Balances, Reserves and Provisions and notes the amount of Reserves and Provisions available for use in the Budget process (pages 31-32).
- 3.3 **REAFFIRMS** the Council's amended and updated Finance Strategy (pages 33-39).
- 3.4 Continue to **PROMOTE** efficiencies within the Council through organisational change in accordance with 'Gershon' principles to enable us to divert funding to front line services and away from bureaucracy, together with the need in future years to maintain a balanced and sustainable budget.

3.5 The following General Fund Revenue Budget be **RECOMMENDED** including **INCOME SERVICE OPTIONS** and **CABINET PROPOSALS** identified in Appendices 2 and 3 :-

	Revised 2005/2006 £	2006/2007 £	2007/2008 £	2008/2009 £
Net Expenditure on Services (per paragraph 4.1 of the Budget and Policy Framework Report Page 13) including Income Service Options identified in Appendix 2	12,022,860	13,786,450	14,323,760	14,878,000
<u>Add</u> Cabinet Proposals identified in Appendix 3	-	1,222,880	423,920	418,910
Net Expenditure	12,022,860	15,009,330	14,747,680	15,296,910
Contribution (from)/to Reserves	60,390	(1,529,370)	(723,990)	(1,115,740)
Net Budget Requirement	12,083,250	13,479,960	14,023,690	14,181,170
<u>Less</u> Business Rate, Government Grant and Collection Fund Surplus (Page 13)	6,126,470	7,337,440	7,727,460	7,727,460
Council Tax Levy	<u>£5,956,780</u>	<u>£6,142,520</u>	<u>£6,296,230</u>	<u>£6,453,710</u>
Wyre Forest District Council Tax Level assuming 2.5% increase 2006/2007 onwards	<u>£174.66</u>	<u>£179.03</u>	<u>£183.51</u>	<u>£188.10</u>

4. CAPITAL PROGRAMME 2006/2007 ONWARDS (pages 44-60)

- 4.1 **APPROVES** the Base Capital Programme and Vehicle, Equipment and Systems Renewal Schedule.
- 4.2 **NOTES** the availability of the unallocated Capital Receipts and the ability to use Prudential Borrowing for new Capital Service Options.
- 4.3 **RECOMMENDS** Capital Service Options and associated funding as identified in the schedule of proposed Cabinet Proposals - see Appendix 3.
- 4.4 An **UPDATED** Capital Programme (including proposed Capital Options) is enclosed as Appendix 4.
- 4.5 **REAFFIRMS** the Council's Capital Strategy.
- 4.6 **DELEGATED AUTHORITY** continue to be given to the Head of Financial Services in consultation with the Cabinet Member for Finance and Corporate Affairs to determine the most advantageous option of how to fund vehicle, equipment and systems renewals in order to obtain value for money, by means of either medium term Borrowing (based upon anticipated life of vehicles, equipment and systems) or by Leasing.

- 4.7 **CONTINUES** to dispose of surplus assets in order to generate new usable capital receipts, where this is proven to be economically viable in accordance with the Asset Management Plan.
5. **BASE BUDGET VARIATIONS** (pages 61-65)
- 5.1 **NOTES** the Budget Variations identified between Original and Revised Budgets 2005/2006 and between the Revised Budget 2005/2006 and the Original Budget for 2006/2007.
- 5.2 **HEADS OF SERVICE** continue to monitor closely their Budgets and the Head of Financial Services continue to report to the Cabinet on a quarterly basis.
6. **COUNCIL TAX BASE** (pages 66-69)
- 6.1 **APPROVES** a Council Tax base for Wyre Forest District of 34310 as detailed in the report on Calculation of Council Tax Base 2006/2007.
7. **EFFICIENCY TARGETS - CASHABLE AND NON-CASHABLE** (pages 70-73)
- 7.1 **RECOMMENDS** the identified estimated Annual Efficiency Savings contained within the Head of Financial Services report and **NOTE** these savings have been incorporated into the Budget 2006/2009.
8. **RISK MANAGEMENT AND THE BUDGET PROCESS** (pages 74-80)
- 8.1 **ENDORSES** the Budget Risk Management process identified in the Risk Management and Budget Report and **NOTES AND ENDORSES** the Budgetary Response to identified risks as detailed on the Budget Risk Matrix Appendix 1 of the Report.
- 8.2 **MONITORS** ongoing Budget Risk quarterly as part of the Budget Monitoring process.
9. **INCOME SERVICE OPTIONS** (pages 81-112)
- 9.1 **RECOMMENDS** Income Service Options and associated fees and charges as identified in Appendix 2.
- 9.2 **RECOMMENDS** that the increased Pay & display and permit charges set out in Appendix 1 of the Report on Revised Car Parking Charges (Cabinet Agenda Item 9.1 26th January 2006) are recommended to Council for implementation from 1st October 2006.
- 9.3 **RECOMMENDS** that the Head of Legal & Democratic Services, in consultation with the Head of Cultural, Leisure & Commercial Services, be authorised to advertise any amendments that may be required to the Car Park Places Order and implement them as appropriate.
- 9.4 **RECOMMENDS** that the amended criteria for the issuing of Senior Citizens' Parking Permits be implemented for 1st May 2006. That the Head of Legal & Democratic Services, in consultation with the Head of Cultural, Leisure & Commercial Services, be authorised to amend the Car Park Places Order as appropriate and to issue revised Terms & Conditions for the purchase of Senior Citizens' Car Parking Permits.

10. **POLICY PANEL OPTION RECOMMENDATIONS 2006/2007 ONWARDS** (pages 113-121)
- 10.1 **RECOMMENDS** Policy Panel Option Recommendations and associated funding as identified in Cabinet Proposals in Appendix 3.
11. **PRUDENTIAL SYSTEM OF LOCAL GOVERNMENT FINANCE AND THE TREASURY MANAGEMENT STRATEGY REPORT 2006-2007** (Cabinet Agenda, 16th February 2006, Item 7.1.e)
- 11.1 **NOTES** the Prudential Indicators and Limits identified in the Report (Cabinet Agenda, 16th February 2006 Item 7.1.e).
- 11.2 **RECOMMENDS** the Treasury Management Strategy 2006/2007 and associated Prudential Indicators (Cabinet Agenda, 16th February 2006, Item 7.1.e)
- 11.3 **NOTES** the amendments to Prudential Indicators (see Appendix 5) to reflect the revised Capital Options contained in Appendix 3.

(Copies of the relevant Cabinet reports referred to in items 9 and 11 are available on the Council's website, under "Know your Councillor – Meetings Diary" and public inspection copies are available on request. See front cover for contact details.)