

WYRE FOREST DISTRICT COUNCIL

COUNCIL 27TH FEBRUARY, 2008

Agenda Item 10

AMENDMENT TO BE MOVED BY THE LABOUR GROUP

FINANCIAL STRATEGY 2008/2011

1. COUNCIL TAX LEVY 2008/2011

- 1.1 **RECOMMENDS** a Council Tax for Wyre Forest District Council on a Band D Property of £188.10 for 2008/2009 (£183.51 2007/2008) an increase of 2.5% (£4.59 over 2007/2008).
- 1.2 **RECOMMENDS** a provisional Council Tax on a Band D Property in 2009/2010 of £192.80 and £197.62 in 2010/2011 an increase of 2.5% per annum over 2008/2009.

2. PRIORITIES FOR 2008/2011 (Agenda Item 11.2 Corporate Plan)

- 2.1 **RECOMMENDS** Council Aims and Priorities for 2008/2011 following consultation with Members and Employees at Workshops, the Corporate Service & Performance Scrutiny Committee on the 5th and 18th February 2008 and with the Citizens' Panel as follows :-

Corporate Aims	A Better Quality of Life	A Vibrant Local Economy	A Sustainable Environment	A Well Run Council
Priorities	More Affordable Housing	Town Centre Regeneration	Reducing Waste to Landfill and Increasing Recycling	Improving Efficiency and Value for Money

3. THREE YEAR BUDGET AND POLICY FRAMEWORK 2008/2011 (pages 5-42)

- 3.1 The contents of the Reports of the Head of Financial Services on the Three Year Budget and Policy Framework 2008/2011 (pages 5-42) and Base Budget Variations (pages 63-67) be **ENDORSED** and in doing so approve the Revised Revenue and Capital Budgets for 2007/2008.
- 3.2 **NOTES** that the format of the 2008/2011 Base Budget has been amended to reflect the Divisional changes brought about by the CMT Review.
- 3.3 **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 28-29).
- 3.4 **REAFFIRMS** the Council's updated Finance Strategy (pages 30-36).

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- 3.5 **RECOMMENDS** that any Final Account savings arising from 2007/2011 over and above the target allowed for in the Council's Finance Strategy, together with surplus Earmarked Reserves, be allocated for the one-off costs of the Centralised Office Accommodation project.
- 3.6 **RECOMMENDS** the transfer of the Local Authority Business Growth Incentive (LABGI) Earmarked Reserve of £150,000, ~~Centralised Office Accommodation Earmarked Reserve of £300,000~~ and the Employee and Pension Fund Reserve of £248,000 to General Reserves.
- 3.7 **RECOMMENDS** delegated authority to the Cabinet, in consultation with the Corporate Management Team, to allocate Area Based Grants, following the issue of guidance from the Communities and Local Government (CLG) and evidence in relation to the Stronger and Safer Communities Grant. (See Agenda Item 7.1(d)).
- 3.8 **RECOMMENDS** delegated authority be given to the Cabinet, in consultation with the Corporate Management Team, to allocate the 2008 LABGI Grant for General Economic Regeneration purposes, including the proposal contained in Appendix 1 (see Agenda Item 7.1(d)).
- 3.9 The following General Fund Revenue Budget be **RECOMMENDED** including **PROPOSALS** and **INCOME SERVICE OPTIONS** identified in Appendices 1 and 2 :-

	Revised 2007/2008 £	2008/2009 £	2009/2010 £	2010/2011 £
Net Expenditure on Services (per Appendix 1 on Page 14 of the Financial Strategy Book)	14,693,990	15,325,180	15,431,760	16,032,110
Add Proposals identified in Appendix 1	-	314,250	289,210	216,570
Net Expenditure	14,693,990	15,639,430	15,720,970	16,248,680
Contribution (from) Reserves	(621,900)	(1,190,810)	(1,009,080)	(1,283,350)
Net Budget Requirement	14,072,090	14,448,620	14,711,890	14,965,330
Less Business Rate Grant, Government Grant and Collection Fund Surplus (Page 14)	7,734,570	7,930,390	8,030,700	8,117,120
Council Tax Levy	<u>£6,337,520</u>	<u>£6,518,230</u>	<u>£6,681,190</u>	<u>£6,848,210</u>
Wyre Forest District Council Tax Level assuming 2.5% increase 2008/2009 onwards	<u>£183.51</u>	<u>£188.10</u>	<u>£192.80</u>	<u>£197.62</u>

4. **CONSULTATION STRATEGY** (pages 38-41)

- 4.1 **NOTES** the comments and views from the Consultation exercise – see Agenda Item 7.1(c).
- 4.2 **NOTES** that the Corporate Service & Performance Scrutiny Committee on 18th February 2008 considered the Labour Proposals and is satisfied that these Proposals are measured, clear, focussed, achievable and based on sound financial and operational practices.

5. **CAPITAL PROGRAMME 2008/2009 ONWARDS** (pages 43-62)

- 5.1 **APPROVES** the updated Base Capital Programme and Vehicle, Equipment and Systems Renewal Schedule as presented to the Cabinet on 21st February 2008.
- 5.2 **NOTES** that the format of the 2008/2011 Capital Programme has been amended to reflect the Divisional changes (mainly relating to the transfer of Leisure Services to Community and Partnership Services) brought about by the CMT Review.
- 5.3 **NOTES** the availability of Capital Receipts and the ability to use Prudential Borrowing for new Capital Proposals.
- 5.4 **RECOMMENDS** Capital Proposals and associated funding as identified in the schedule of Proposals - see Appendix 1.
- 5.5 **REAFFIRMS** the Council's updated Capital Strategy.
- 5.6 **DELEGATED** authority continue to be given to the Head of Financial Services to fund the Vehicle, Equipment and System Renewal Schedule by means of Prudential Borrowing (repayments based on anticipated life of Vehicle, Equipment and Systems).
- 5.7 **DELEGATED** authority to the Cabinet to progress and implement a new ICT Strategy, following consideration of the report of the Council's Consultants SOCITM and a detailed report of the Corporate Management Team, outlining a strategy for project implementation, project funding and future efficiency savings.
- 5.8 **DELEGATED** authority to the Head of Financial Services, in consultation with the Chief Executive, to determine the most financially prudent funding method for Capital Projects (Capital Receipts or Direct Revenue Funding) at the end of each Financial Year.

5.9 **RECOMMENDS** that £630,000 funding from the Capital Programme Contingency for Centralised Office Accommodation be reallocated to Unapplied Capital Receipts for the funding of projects identified in Appendix 1.

6. **BASE BUDGET VARIATIONS** (pages 63-67)

- 6.1 **NOTE** the Budget Variations identified between Original and Revised Budgets 2007/2008 and between the Revised Budget 2007/2008 and the Original Budget for 2008/2009.
- 6.2 **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.

7. **COUNCIL TAX BASE** (pages 68-71)

- 7.1 **APPROVES** a Council Tax base for Wyre Forest District of 34653 as detailed in the report on Calculation of Council Tax Base 2008/2009.

8. **EFFICIENCY TARGETS** (pages 72-77)

- 8.1 **RECOMMENDS** the identified estimated Annual Efficiency Savings contained within the Head of Financial Services report and **NOTES** these savings have been incorporated into the Budget Strategy.
- 8.2 **NOTES** that the Council are required to achieve target cash releasing Revenue and Capital savings of approximately £690,000 each year for 2008/2011 in accordance with CSR07 requirements.
- 8.3 **RECOMMENDS** that the Chief Executive/Corporate Management Team prepare a suitable Policy/Strategy to deliver the above efficiency savings.

9. **RISK MANAGEMENT AND THE BUDGET PROCESS** (pages 78-84)

9.1 **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, and updated, as presented to Cabinet on 21st February 2008.

9.2 **MONITORS** ongoing Budget Risk quarterly as part of the Budget Monitoring process.

10. **CABINET PROPOSALS/SCRUTINY COMMITTEE RECOMMENDATIONS**

10.1 **RECOMMENDS** Proposals and associated funding as identified in Appendix 1.

11. **INCOME SERVICE OPTIONS** (Agenda Item 7.1(e))

11.1 **RECOMMENDS** Income Service Options and associated fees and charges as identified in Appendix 2 and detailed in Agenda Item 7.1(e) of the Cabinet Agenda 21st February 2008.

12. **PARTNERSHIP WORKING**

12.1 Following approval by Council on 28th February 2007 of a Shared Services Strategy approach, **RECOMMENDS** that the Building Maintenance Section (11 employees) be transferred to the Community Housing Group by means of a Voluntary Transfer with effect from 1st April 2008, with a requirement to buy back the Council's Building Maintenance services for a period of 5 years. This arrangement will provide job security for the employees transferred and future efficiency savings for the Council to be taken into account in the Chief Executives/CMT Policy/Strategy to deliver the CSR07 requirements (see paragraph 8).

12.2 **DELEGATED** authority to the Head of Legal and Democratic Services, Head of Property and Operational Services and Head of Financial Services, in consultation with the Chief Executive, to agree a suitable legal agreement.

12.3 **NOTES** that the Council are progressing a procurement agreement with the Community Housing Group in respect of stores purchases.

13. **PRUDENTIAL SYSTEM OF LOCAL GOVERNMENT FINANCE AND THE TREASURY MANAGEMENT STRATEGY REPORT 2008/2009** (Agenda Item 7.1(f))

13.1 **ADOPTS** the updated Prudential Indicators and Limits for 2008/2009 to 2010/2011.

13.2 **APPROVES** the updated Treasury Management and Investment Policy and Strategy 2008/2009 and associated Prudential Indicators.

13.3 **APPROVES** the Minimum Revenue Provision (MRP) Statement that sets out the Council's policy on MRP.

13.4 **REVISITS**, as part of Budget Monitoring, the Prudential Indicators following the approval of the Council's Budget Strategy as the indicators included within this report are based on current recommendations.

14. **SECTIONS 25-28 LOCAL GOVERNMENT ACT 2003** (Agenda Item 7.1(g))

14.1 **NOTES** the Head of Financial Services Opinion on the Budget Proposals recommended by the Cabinet on the 21st February 2008.

**WYRE FOREST DISTRICT COUNCIL
CABINET PROPOSALS 2008/09 ONWARDS**

	ACTIVITY AND DESCRIPTION OF SERVICE OPTION	KEY	CHANGES IN RESOURCES			
			2008/2009	2009/2010	2010/2011	After
			£	£	£	31/03/2011 £
	PROPERTY & OPERATIONAL SERVICES					
R002	Summer Refuse Collection Service Transfer £20,000 resources out of Earmarked Reserves to General Reserves towards funding of weekly summer refuse collection service.	C R M	- 20,000 CR -	- - -	- - -	- - -
R002	Collection of Domestic Waste Allocate resources for provision of a weekly refuse collection service for a 13 week period early June to early September (i.e. during the period of highest temperature). The service to be provided by extending the times of collection, using overtime, temporary/agency employees and the hiring of refuse freighters as required.	C R M	- 165,000 4.0	- 168,300 4.0	- 171,670 4.0	- 171,670 4.0
R035	Public Conveniences Commission a detailed feasibility study for the provision of a new public convenience in the town centre of Stourport-on-Severn and provide a contingency to enable the scheme to progress following Council approval.	C R M	- - -	- 10,000 -	300,000 22,500 -	- 45,000 -
R040	New Cemetery Site To provide resources to progress the development of the new Cemetery site in partnership with a private operator. Note 1: Funding of capital to be by means of borrowing unallocated Housing Capital Receipts followed by prudential borrowing when required. Note 2: In the event of a partnership option being unsuccessful, delegated authority to the Cabinet to determine a way forward, including revenue funding.	C R M	2,325,000 58,130 -	- 116,250 -	- 116,250 -	- 209,250 -
R160	Hanging Baskets The purchase, installation and maintenance of additional flower towers and hanging baskets in Worcester Street and Coventry Street Kidderminster. Business community be requested to contribute towards this scheme. Report to September Cabinet on success of partnership funding.	C R M	- 16,000 -	- 2,000 -	- 2,000 -	- 2,000 -
R160	Tree Management Tree Management - to record the position, type and condition of each tree for which the Council have prime responsibility. Option includes purchase of software.	C R M	10,000 28,100 1.0	- 28,550 1.0	- 900 -	- 900 -
R185	Car Parking - Park and Ride The termination of Park and Ride facility at Stadium Close, Kidderminster with effect from 1st April 2008.	C R M	- 54,000 CR -	- 54,000 CR -	- 54,000 CR -	- 54,000 CR -
R195	Bus Shelter Replacement Provide resources for bus shelter replacement, Kidderminster area.	C R M	- 8,000 -	- 8,000 -	- 8,000 -	- - -
R200	Streetscene Cleansing Team To supplement the work of the Streetscene Cleansing Team for a further year by providing additional resources in the form of 3 cleansing operatives each for 6 months duration.	C R M	- 35,000 1.5	- 36,000 1.5	- 37,000 1.5	- 37,000 1.5
R251	Centralised Office Accommodation Delete contingency for one-off and residual costs e.g. removal expenses, parallel running and residual rent payments. This expenditure will be taken into account when the business case is considered by Council.	C R M	- 100,000 CR -	- - -	- - -	- - -

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CABINET PROPOSALS 2008/09 ONWARDS**

	ACTIVITY AND DESCRIPTION OF SERVICE OPTION	KEY	CHANGES IN RESOURCES			
			2008/2009 £	2009/2010 £	2010/2011 £	After 31/03/2011 £
	COMMUNITY & PARTNERSHIP SERVICES					
R085	Stourport Sports Centre Stourport Sports Centre - refurbishment of the swimming pool and Dry Side Changing rooms by the use of Usable Capital Receipts - costs to be shared equally with DC Leisure.	C R M	50,000 1,250 -	- 2,500 -	- 2,500 -	- 2,500 -
R095	Brownwesthead Park Changing Rooms Provide resources for the refurbishment of existing sports facility by the use of Usable Capital Receipts.	C R M	20,000 500 -	- 1,000 -	- 1,000 -	- 1,000 -
R160	Improvement To Paddling Pools Commence programme to improve paddling pools to meet current Health and Safety guidelines. Delegated authority to Cabinet Member to determine programme of improvements.	C R M	90,000 3,380 -	- 4,500 -	- 4,500 -	- 4,500 -
R160	Habberley Playing Fields Changing Rooms A complete rebuild of the Habberley Changing Rooms by the use of Usable Capital Receipts with view to raising standards up to the recently refurbished facility at White Wickets. Delegated authority to the Cabinet Member to agree scheme.	C R M	250,000 6,250 -	- 12,500 -	- 12,500 -	- 12,500 -
R216	Kidderminster Arts Centre Council continues to explore the delivery of an Arts Centre within Kidderminster Town Hall. Head of Community and Partnership Services to report to Cabinet on potential sources of capital funding and ongoing revenue sustainability.	C R M	- - -	- - -	- - -	- - -
R715	Community Safety Use £20,000 of saving on CCTV capital provision for Community Safety purposes. Delegated authority to Cabinet Member in consultation with Head of Community & Partnership Services to approve expenditure (Capital Programme).	C R M	- - -	- - -	- - -	- - -
R720	Community Strategy To continue to provide funding towards the delivery of high level strategic priorities as set out in both the District and County sustainable Community Strategies. Provide up to a £30,000 grant to fund a project coordinator for the Horsefair, Broadwaters and Greenhill areas out of these monies (Note years 2 and 3 may be funded from a Government reward grant). Delegated authority for other expenditure to the Cabinet Member with responsibility in consultation with the Head of Community and Partnership Services.	C R M	- 50,000 -	- - -	- - -	- - -
R720	Community Leadership Fund Provide resources for an additional year to continue the Community Leadership Fund for use by Ward Councillors to assist with PACTS and Community Groups. Quarterly report to Corporate Service and Performance Scrutiny Committee on committed expenditure.	C R M	- 42,000 -	- - -	- - -	- - -
R731	Grants to Voluntary Bodies To provide funding for the continued support of the Citizens Advice Bureau for additional surgeries in Stourport and Bewdley for a three year period.	C R M	- 5,000 -	- 5,000 -	- 5,000 -	- - -
R430	HUMAN RESOURCES Information Technology To provide a contingency fund for IT purposes. Use to be delegated to the Cabinet Member in consultation with Head of Human Resources	C R M	- 50,000 -	- - -	- - -	- - -

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CABINET PROPOSALS 2008/09 ONWARDS**

	ACTIVITY AND DESCRIPTION OF SERVICE OPTION	KEY	CHANGES IN RESOURCES			
			2008/2009 £	2009/2010 £	2010/2011 £	After 31/03/2011 £
R500	LEGAL AND DEMOCRATIC SERVICES					
	Electoral Administration Act	C	-	-	-	-
	To continue funding ongoing mandatory costs in relation to the Electoral Administration Act for 2008/09.	R M	27,500 -	- -	- -	- -
R620	PLANNING, HEALTH AND ENVIRONMENT					
	Partnership Scheme in Conservation Areas	C	-	-	-	-
	To provide match funding for the continuation of the partnership scheme in Conservation Areas (PSiCA). Recommendation from Cabinet 28/06/07.	R M	- -	24,000 -	- -	- -
R685	Decent Homes Officer	C	-	-	-	-
	Shortfall funding for the post of Decent Homes Officer on a fixed two year contract from 1st April 2008 until March 2010.	R M	4,250 -	4,250 -	- -	- -
R704	Economic Regeneration	C	-	-	-	-
	To provide and maintain a working budget for the regeneration and urban design activities of the new Regeneration and Economic Prosperity Section for 2008/09 including £20,000 to provide an operating budget for the work of the Town Centre Manager and Economic Regeneration Section to specifically address empty shops across the District. Quarterly report to Corporate Service and Performance Scrutiny Committee on activity.	R M	45,000 -	- -	- -	- -
R705	General Economic Development	C	-	-	-	-
	To increase the funds allocated to Bewdley Development Trust and Stourport Forward by £5,000 per annum to £10,000 per annum each, for a two year period.	R M	10,000 -	10,000 -	- -	- -
	CORPORATE PROPOSALS					
	Divisional Administrative Expenses	C	-	-	-	-
	To further reduce divisional admin budgets by an additional 5% as part of the Council's continued efficiency savings and incorporate into Base Budget. This builds on the 1% reduction in 2007/08.	R M	50,000 CR -	50,000 CR -	50,000 CR -	50,000 CR -
	Income Service Options	C	-	-	-	-
	An additional increase of 1% to reflect current inflation levels on Income Service Options and associated fees and charges over and above those detailed in the Income Service Option Report.	R M	17,110 CR -	39,640 CR -	63,250 CR -	63,250 CR -
	GRAND TOTALS	C	2,745,000	-	300,000	-
		R	314,250	289,210	216,570	319,070
		M	6.5	6.5	5.5	5.5

KEY - Changes in Resources

C - Capital

R - Revenue

M - Man Power