

WYRE FOREST DISTRICT COUNCIL

CABINET

THE EARL BALDWIN SUITE, DUKE HOUSE, CLENSMORE STREET,
KIDDERMINSTER

19TH FEBRUARY 2009 (6:00 PM)

Present:

Councillors: J-P Champion (Chairman), M J Hart (Vice-Chairman), S J M Clee, N J Desmond and Mrs A T Hingley.

Observers:

Councillors: M Ahmed, G W Ballinger, A J Buckley, Mrs H E Dyke, P Dyke, Mrs J Fairbrother-Millis, P B Harrison, H J Martin, D J Millis, J Thomas, N J Thomas and G C Yarranton.

CAB.171 Apologies for Absence

Apologies for absence were received from Councillor Mrs T L Onslow.

CAB.172 Declarations of Interest

Councillor J-P Champion declared a personal interest in agenda item number 11.2. relating to Alcohol Review Zones as he is a member of the Police Authority.

CAB.173 Minutes

DECISION: The minutes of the Cabinet meeting held on 22nd January 2009 be confirmed as a correct record and signed by the Chairman.

CAB.174 Call Ins

No decisions had been called in since the last Cabinet meeting.

CAB.175 Items Requiring Urgent Attention

There were no items that required urgent attention.

CAB.176 Public Participation

No members of the public had registered to speak at the Cabinet meeting.

CAB.177 Leader's Announcements

The Leader made no announcements.

Proposed Financial Strategy 2008/2012

A report was considered from the Head of Financial Services regarding the proposed Financial Strategy 2008/2012.

The Leader expressed his gratitude for the scrutiny of the budgets from the other party groups. As an administration, he commented that they had attempted to take on board some of these items proposed in the alternative budgets. He drew Members' attention to Appendix 1 of the report which contained the detail of the proposals and highlighted the following changes:

- Streetscene team to operate an additional team of litter pickers for 'hotspots reinstated for the warmer months.
- Establishment of a fund to continue to improve war memorials in the District.
- Funding of a changing room at Habberley.
- Members allowances – the option to draw them/not to draw them or to use them for a project of a Member's choosing.

A Member raised concern about the proposals concerning allowances and did not like the idea of this possibly becoming a political issue.

RECOMMENDED TO COUNCIL: The proposals as contained in Appendix 1 of the report to Cabinet be agreed (copy attached to the minutes).

CAB.179 Final Determination of Local Government Finance Settlement for 2009/2010

A report was considered from the Head of Financial Services that outlined the Final Determination of Wyre Forest's Finance Settlement from the Government for 2009/2012.

DECISION:

- 2.1 The results of Wyre Forest's Finance Settlement 2009/2012 be incorporated into the Council's Budget Strategy and resultant Council Tax Levy for 2009/2012.**
- 2.2 Delegated authority be given to the Leader of the Council, in consultation with the Head of Community and Partnership Services, to allocate Area Based Grants, following the issue of guidance from the Communities and Local Government (CLG).**
- 2.3 Delegated authority be given to the Leader of the Council, in consultation with the Head of Financial Services, to allocate future Local Authority Business Growth Incentive (LABGI) for General Economic Regeneration purposes.**

CAB.180 Prudential System Of Local Government Finance And The Treasury Management Policy And Strategy Report 2009/2010

Councillor H J Martin reported to the Cabinet the findings of the Treasury Management Review Panel. He thanked Panel members and the Principal Committee Officer for their contribution to the work of the Panel.

Councillor Martin advised the Cabinet of the following:

The Panel had met 7 times and had interviewed a range of people including the Council's Treasury management Advisers and the Auditors from Worcester City who had undertaken an independent audit of the treasury management processes at Wyre Forest District Council. It was noted that the Panel had also interviewed the Head of Financial Services from Wychavon District Council. Furthermore it was noted that during this interview it had been confirmed that it would not have been possible to retract any money once it had been invested.

Fifteen recommendations had been proposed by the Treasury Management Review Panel. The ultimate conclusion of the Panel was that there was no fault politically in the way the money had been handled. Moreover Treasury Management was not the Leader's responsibility and historically it never had been the responsibility of the Leader. Further that the Council's money had been invested on the advice of the treasury management team.

Cabinet were further advised that there had been an awareness that the money could be lost but there was no way to mitigate this. Also there was some awareness that there may have been poor financial intelligence from the Council's treasury management advisers as other advisers appeared to have more detailed intelligence about the Icelandic Bank situation.

One of the recommendations that the Panel had made was for the Council to look at its relationship with its treasury management advisers and either take on an alternative adviser or have more than one adviser.

Councillor Martin perceived that it was important to make clear to the public that a full, deep and searching investigation had been carried out. The Panel had concluded that the Council's officers had a clean bill of health. He understood that there may be some scepticism by members of the public about this conclusion, however he felt that if they had been scrutinising the situation for 8 weeks as the Panel had done, they would have reached the same conclusion.

In summary, Councillor Martin concluded that no one was culpable but an unfortunate series of events had occurred which were beyond the control of the Council.

Agenda Item No. 3

The Leader complimented Councillor Martin on the way he had conducted the scrutiny process. He perceived that Councillor Martin had led the Panel in a very positive way and had scrutinised the treasury management processes in a very structured fashion. The Leader welcomed the findings of the Panel – particularly the recommendation to update Members more regularly. He asked the Head of Community and Partnership Services to liaise with Councillor Martin so that a press statement could be issued to outline the decisions reached by the Panel. He informed Members that a full statement on the Icelandic Bank situation would be made at the Council meeting next week.

A discussion ensued whereby Members debated the value of the advice given to the Council regarding credit ratings. The Leader commented that Westminster was likely to review how such organisations were rated.

RECOMMENDED TO COUNCIL:

- 2.1 That the updated Prudential Indicators and Limits for 2009/2010 to 2011/2012 be adopted.**
- 2.2 Approval be given to the updated Treasury Management and Investment Policy and Strategy 2009/2010, the associated Prudential Indicators and the detailed criteria included in Appendix 6 of the report to Cabinet.**
- 2.3 Approval be given to the Minimum Revenue Provision (MRP) Statement that sets out the Council's policy on MRP.**
- 2.4 Approval be given to the Authorised Limit Prudential Indicator.**
- 2.5 To Revisit, 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.**
- 2.6 To carry out a full review of the current Treasury Management Practices (TMP) with the assistance of the Council's Treasury Consultants.**

The recommendations of the Treasury Management Review Panel were also considered and agreed as follows:

RECOMMENDED TO COUNCIL:

- 1. The Council places an agreed limit on the amount of money it will invest with the institutions of any one national economy (either parent banks or their subsidiaries) except the British economy.**
- 2. That the Council changes its Treasury Management policy to ensure that all of its counterparties are rated by all three credit rating agencies and that it continues to use lowest common denominator as the basis for admittance to the Council's counterparty list.**

3. That the Council reviews and increases the minimum acceptable credit ratings for potential counterparties, taking detailed note of the definitions of each of the credit ratings, and continues to ensure that all credit ratings are used, not just the rating for the type of investments to be made. This has already been implemented by Cabinet on 23rd October 2008.
4. That all changes in policy are reported to members with explanations, including changes in the counterparty thresholds, and details of the rating definitions are provided for reference.
5. That consideration is given to a more stringent policy for investment with subsidiaries which takes account of the credit ratings awarded to the parent body. As a minimum, both the parent and its subsidiary should have credit ratings within the Council's thresholds before an investment will be placed with the subsidiary.
6. The Council notes the recommendation of Worcester City and recommends that should there be any negative credit watches the counterparties be suspended on the list after consultation with the Chief Executive and the Leader of the Council. The impact on the Council's investments where dealings are suspended be communicated to Members.
7. Where a substantial investment (short or long term) is to be made by Council this will be made subject to what guidelines are recommended in the future.
8. The actual counterparty list is reported to Members once or twice a year as at a particular date and making it clear that it is under constant review (this to be done at the exempt part of a meeting). This could most usefully be done at the same time as the counterparty criteria are being considered for approval by Cabinet and Council e.g. in February when The Treasury Management Policy and Strategy Report is presented and in September when the Report on Treasury Management Service and Actual Prudential Indicators is presented.
9. That counterparty lists are examined for compliance with all criteria when they are received – for which an up to date list of the policies influencing the counterparty list will need to be kept, including the most recently approved threshold credit ratings, the decision to use ratings for Building Societies, the policy with regard to subsidiaries etc. – with a second person looking at the list when it is received as an independent review, with any unusual entries or other queries being raised and addressed immediately. Both the examination and review to be evidenced by signatures.
10. That the policy of using credit ratings for Building Societies is implemented, as intended and reported in September 2006, in order to help maximise the security of the Council's remaining funds.

11. That all communications with or received from the Council's Treasury Management advisers are discussed/reviewed at Treasury Management meetings and listed in the minutes with decisions/responses recorded. This should include the counterparty lists.
12. That decisions to make advance investment deals are carefully considered and the reasons fully recorded and that decisions take account of the current economic climate, e.g. advance deals should be generally avoided during a period of economic decline but could be advantageous during a period of economic buoyancy.
13. That the opportunity is taken to revise the specification for the Council's Treasury Management advisers and to retender the contract for the period starting September 2010 when the current contract will have expired.
14. That the Council is proactive in establishing and participating in a Local Authority Treasury Management group for Herefordshire and Worcestershire (subject to sufficient interest from other local authorities).
15. That there is much greater sensitivity to general economic performance built into the Council's Treasury Management Strategy in future so that, for example, the first signs of an economic downturn will trigger a review of credit rating thresholds and ensure that they are tightened.

CAB.181 Report of the Head of Financial Services in respect of Section 25 – 28 of the Local Government Act 2003

A report was considered from the Head of Financial Services that outlined the Statutory duties placed on Local Authority Chief Financial Officers in relation to budget setting and monitoring.

RECOMMENDED TO COUNCIL : The Head of Financial Services' opinion on the budget proposals, recommended by the Cabinet on 22nd January 2009, as detailed in the report to Cabinet.

CAB.182 Recommendations of the Corporate Services Scrutiny Committee, 17th February 2009

RECOMMENDED TO COUNCIL:

Having considered the Cabinet proposals, and amendments from the Independent Community and Health Concern, Labour and Liberal/Liberal Democratic Groups, the Corporate Services Scrutiny Committee is satisfied that the proposals are all clear, achievable and financially sound.

CAB.183 Budget Monitoring – Third Quarter 2008/09

A report was considered from the Head of Financial Services regarding the monitoring of the Revenue Budget and Capital Programme in accordance with the Local Government Act 2003 and Comprehensive Performance Assessment (CPA) Guidelines.

DECISION:

1. That the projected budget variations and comments outlined within the report to Cabinet be noted.
2. That the Income Generation Report be noted.
3. That the Heads of Service continue to monitor closely the Revenue Budget and Capital Programme.
4. That the updated Capital Programme and Vehicle, Equipment and Systems Renewal Schedule 2008/2009, brought about by slippage and reassessment as detailed in Appendix 4 of the Cabinet report, be noted.
5. That the Prudential Indicators 2008/2011 be noted.
6. That the Budget Risk Management Matrix be noted and;
7. That the Supplementary Estimate/Virement report be noted.

CAB.184 Sundry Property Debt Position as at 30th September 2008

A report was considered from the Head of Financial Services that informed Members of the sundry/property debt position as at 30th September 2008.

It was noted that the sums that were being written off were only small.

DECISION:

1. The Sundry/Property debt level, age of debt and performance against targets, as at 30th September 2008, be noted.
2. The review of payment methods for debtor accounts be noted.

CAB.185 Partnerships Report 2008

A report was considered from the Head of Community and Partnership Services that reported on the Council's involvement in strategic and operational level partnerships for 2008 and detailed how their outcomes supported delivery of the Worcestershire Local Area Agreement (LAA).

The importance of fruitful partnerships was noted particularly in a challenging economic climate.

DECISION:

1. **It be noted that the Council's involvement in strategic and operational level partnerships for 2008 has effectively supported the delivery of targets within the Worcestershire LAA.**
2. **The Council develops a Community Engagement Framework to further support its public participation role in partnership working and to help with its preparation for the Comprehensive Area Assessment.**
3. **The Council's financial contribution to partnerships be kept under review and should in the first instance be directed to those activities which support delivery of the Council's annual priorities.**

CAB.186 The Amendment of the Council's Policy relating to the Regulation of Investigatory Powers Act

A report was considered from the Head of Legal and Democratic Services that recommended to Council that it makes a decision that the Council would not generally conduct or use a Covert Human Intelligence Source and that the Council's policy relating to the Regulation of Investigatory Powers Act be amended accordingly.

RECOMMENDED TO COUNCIL: That the Council will not generally conduct or use a Covert Human Intelligence Source, and that the Council's policy relating to the Regulation of Investigatory Powers Act be amended accordingly.

CAB.187 Air Quality Management Consultation

A report was considered from the Head of Planning, Health and Environment That advised Members of the Air Quality Management Consultation Proposals following the completion of a detailed air quality assessment in Radford Avenue/Coventry Street, Kidderminster.

The Cabinet Member explained the rationale for the consultation was due to there being high levels of nitrogen dioxide in the Radford Avenue/Coventry Street area.

The Head of Planning, Health and Environment clarified that it was necessary to consult before an area was declared as having a problem and then it was necessary to develop an action plan with solutions. He commented that in this case he expected the solution to be highway related.

DECISION: Approval be given to the Air Quality Management Area Consultation documents set out in Appendices 1 and 2 of the report to Cabinet and delegated responsibility be given to the Head of Planning, Health and Environment to undertake a consultation exercise and to report back on the results of such consultation, together with proposals for the future declaration of an Air Quality Management Area.

CAB.188 Recommendations from the Licensing and Environmental Committee re Air Quality Management Consultation

The Cabinet considered recommendations from the Licensing and Environmental Committee 26th January 2009 meeting regarding Air Quality Management Consultation.

DECISION: To go public consultation (as per guidance) on the two proposals outlined in the report and to report back with any responses.

CAB.189 Draft Air Quality Strategy

A report was considered from the Head of Planning, Health and Environment that recommended to Council that the Hereford and Worcestershire Air Quality Strategy be adopted.

DECISION: RECOMMENDED TO COUNCIL: that the Air Quality Strategy, as contained the separate appendices in the report to Cabinet be adopted.

CAB.190 Recommendation from the Licensing and Environmental Committee 26th January 2009 re: Draft Air Quality Strategy

DECISION: RECOMMENDED TO COUNCIL: that the Air Quality Strategy as contained in the separate appendices to the Licensing and Environmental Committee be agreed.

CAB.191 Annual Report on Licences Issued under the Licensing Act 2003

A report was considered from the Head of Planning, Health and Environment that recommended to Council that the Statement of Licensing Policy should remain unchanged for the next 12 months.

The Cabinet Member for Housing, Health and Rural Affairs commented that that the reason for proposing that the policy remain the same was because it was working well. She echoed the compliment paid to licensing staff at the Licensing and Environmental Committee meeting that the Licensing staff should be praised for the work they undertook.

DECISION: RECOMMENDED TO COUNCIL: The statement of Licensing Policy remain unchanged for the next 12 months.

CAB.192 Recommendations from the Licensing and Environmental Committee 26th January 2009 re Statement of Licences Issued under the Licensing Act 2003

DECISION: RECOMMENDED TO COUNCIL: The Statement of Licensing Policy remain unchanged for the next 12 months.

CAB.193 Safeguarding Children Policy 2009 - 2011

A report was considered from the Head of Community and Partnership Services that recommended to Council that the Safeguarding Children Policy 2009 – 2011 be adopted.

The Cabinet Member for Leisure Services commented that the revised Policy incorporated amendments relating to Criminal Record Bureau (CRB) checks. Further, he commented that CRB checks could not be transferred from one authority to another. Heads of Service were responsible for ensuring that staff who required CRB checks actioned this requirement.

RECOMMENDED TO COUNCIL: The Safeguarding Children Policy, including new amendments following the receipt of new guidance from the Independent Safeguarding Authority (ISA) be adopted by the Council for 2009 to 2011, with a formal review of the policy to be carried out in July 2011.

CAB.194 ‘Connecting Kidderminster’ Regeneration Prospectus Adoption Document

A report was considered from the Head of Community and Partnership Services that informed the Cabinet of the progress on the development of the Kidderminster Prospectus.

The Cabinet Member for Regeneration and Enterprise stated that the Kidderminster Prospectus had been widely featured in the local newspaper and positive feedback from the public. He informed the Cabinet that at a scrutiny meeting the previous evening children from the High School in Kidderminster had spoken about the prospectus and he had been impressed by their presentations. Moreover it was good to see officers working with young people and getting them involved in the regeneration of their town.

RECOMMENDED TO COUNCIL:

1. **That the ‘adoption document’ at Appendix 1 of the report to Cabinet be adopted as Council Policy;**

DECISION:

2. **That the recommended responses of the Head of Planning, Health and Environment set out in Appendices 2 and 3 of the report to Cabinet be approved; and**
3. **Delegated authority be given to the Head of Planning, Health and Environment to finalise the launch material.**

CAB.195 Recommendations from the Regeneration and Enterprise Scrutiny Committee 18th February 2009 re : ‘Connecting Kidderminster’ Regeneration Prospectus Adoption Document

DECISION: RECOMMENDED TO CABINET TO RECOMMEND TO COUNCIL: The proposals set out in the briefing paper considered by the Regeneration and Enterprise Scrutiny Committee and accompanying appendices be adopted.

CAB.196 Priorities for Worcestershire Economic Strategy

A report was considered from the Head of Planning, Health and Environment that informed Cabinet of the progress on the emergence of priorities for the delivery of the Worcestershire Economic Strategy.

The Cabinet Member for Regeneration and Enterprise explained that the report contained the Council’s comments on the Strategy as well as those of the Wyre Forest Matters Board and these would be forwarded to Worcestershire County Council to assist in the building of a strategy.

DECISION: That the priorities for the delivery of the Worcestershire Economic Strategy outlined in The report to Cabinet and within Appendix 3 of the report to Cabinet be endorsed by Cabinet on behalf of Wyre Forest District Council.

CAB.197 Public Realm (Control of Street Furniture Policy)

A report was considered from the Head of Planning, Health and Environment that recommended to Council that approval be given to the Wyre Forest District Public Realm and Streetscene (Control of Street Furniture) Policy.

The Cabinet Member for Regeneration and Enterprise commented that a full public consultation had been held on the policy. Furthermore the policy had been endorsed at the Regeneration and Enterprise Scrutiny Committee. He commented that the policy was an excellent piece of work.

RECOMMENDED TO COUNCIL: Approval be given to the Wyre Forest District Public Realm and Streetscene (Control of Street Furniture) Policy as set out at Appendix 2 of the report to Cabinet and agree the licence fee of £250.00 and to delegate powers to the Head of Planning, Health & Environment and Head of Property & Operational Services, as necessary, to issue Licences and set conditions.

CAB.198 Recommendations from the Licensing and Environmental Committee 26th January 2009 re: Public Realm (Control of Street Furniture Policy)

The Cabinet considered recommendations from the Licensing and Environmental Committee.

RECOMMENDED TO COUNCIL: Wyre Forest District Public Realm and Streetscene (Control of Street Furniture) Policy be approved and delegated powers to issue licenses, set conditions and agree fees be given to the Head of Planning, Health and Environment.

CAB.199 Recommendations from the Treasury Management Review Panel

These recommendations were considered at agenda item number 7.2 (see minute number CAB.179).

CAB.200 Recommendations from Community Services Scrutiny Committee 4th February 2009

(i) ARZ Recommendations

The Chairman of the Community Services Scrutiny Committee presented the recommendations. She commented that the Panel's work on alcohol and substance misuse had been divided into two halves and the Panel had concentrated on the alcohol element first. She commented that the majority of Panel members perceived that no further Alcohol Review Zones needed to be created in the district. One of the witnesses the Panel had interviewed had informed them that free training was available on drug and alcohol awareness and some Members had expressed an interest in attending such training in the future.

The Leader commented that the Panel had done an exceptional amount of work.

Councillor H J Martin left the meeting at this point (7.05 pm).

The Cabinet Member for Leisure Services paid tribute to the Scrutiny Panel and stated that Members had been most interested in its work. He commented that the Police had advised that it was not necessary to create new alcohol review zones to deal with underage drinking. Furthermore; the police were not so concerned with people over age 18 who were drinking they had more of an issue with the under 12's and the problems they were causing.

DECISION:

The recommendations as set out below be noted:

- 1. The local MP be requested to approach Government to put forward the following questions for a response from Government:**
 - ii) Is the Government aware of the issues relating to the sale of cheap alcohol?**
 - iii) Has the Government got any plans to tackle the sale of cheap alcohol?**
 - iv) Has the Government any comments on the actions of retailers, such as Wetherspoons, selling cut price alcohol?**
 - v) Is the Government aware that many young people, under 18, do not directly purchase alcohol, but get it through proxy alcohol sales?**
 - vi) Are there any plans to address proxy alcohol sales?**
- 2. No further ARZ's be created in the District as the Police have sufficient powers to control underage drinking, and the control of anti social behaviour and on street drinking could be addressed via other means.**
- 3. Training on drug and alcohol awareness be made available to all District Council Members, to be provided free of charge through the Worcestershire Substance Misuse Action Team.**
- 4. An education programme throughout schools and colleges be adopted, coupled with publicity in the local media to address misconceptions relating to ARZ's.**

(ii) Recommendations from the External Funding Review Panel

The Chairman of the Community Services Scrutiny Committee presented the recommendations of the Panel which had been chaired by Councillor M Salter. She commented that she had not been aware of the extent of external funding that was available to the Council. She noted how important external funding was particularly in the current challenging economic climate.

The Cabinet Member thanked the Chairman of the Community Services Scrutiny Committee for her presentation and commented that an External Funding Strategy would be considered at the next meeting of Cabinet and he intended to consider these recommendations in tandem with the proposed Strategy.

DECISION: The recommendations listed below be considered at the next Cabinet meeting when a report on an External Funding Strategy would be considered:

- 1. The revised Funding Intent Forms be adopted. (As at Appendix 1 of the report to Cabinet.)**
- 2. All Officers, who complete bids for external funding, send a full copy of the bid to the Regeneration & Economic Prosperity Section.**

3. **Financial data regarding the Council's external funding activities be included quarterly in the Members Information Bulletin, together with contact details for the External Funding Working Group.**
4. **External Funding be a topic for the next Member Briefing Session on 1st April 2009, in order that all Members can be apprised of the Council's external funding activities.**
5. **The External Funding Working Group hold an event to share the processes in place for external funding within the Council and to highlight best practice.**

CAB.201 Exclusion of Press and Public

DECISION : "Under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting during the consideration of the following items of business on the grounds that they involve the likely disclosure of "exempt information" as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.

CAB.202 Summary of Minutes

The following proceedings were considered after the press and public had been excluded from the meeting. A summary of the minutes relating to these items has been made as "exempt information" would be disclosed if the minutes were published in full.

CAB.203 Minutes

The Exempt Minutes of the Cabinet held on 22nd January 2009 were confirmed as a correct record and were signed by the Chairman.

CAB.204 Single Site

A report was considered from the Head of Property and Operational Services concerning the progressing of a single site for the Council.

CAB.205 Recommendations from the Single Site Project Board 4th February 2009

The Cabinet considered recommendations from the Single Site Project Board regarding the progressing of a single site for the Council.

CAB.206 Property Matters

A report was considered from the Head of Property and Operational Services regarding the potential sale of parcels of Council owned land.

CAB.207 Council Tax and National Non-Domestic Rates Write Off of Amounts Outstanding

A report was considered from the Head of Financial Services that asked the Cabinet to give consideration to writing off an amount in respect of National Non-Domestic Rates.

The meeting closed at 7.30 pm.