

WYRE FOREST DISTRICT COUNCIL

CABINET 19TH FEBRUARY, 2009

Proposed Decision: Agenda Item 7.2 (a)

FINANCIAL STRATEGY 2009/2012

The Cabinet having re-considered the Financial Strategy 2009/2012 as recommended on 22nd January 2009, and recommendations of the Corporate Services Scrutiny Committee (this is a separate item on this agenda), **RECOMMENDS TO COUNCIL :-**

1. COUNCIL TAX LEVY 2009/2012

- 1.1 **RECOMMENDS** a Council Tax for Wyre Forest District Council on a Band D Property of £192.80 for 2009/2010 (£188.10 2008/2009) an increase of 2.5% (£4.70 over 2008/2009).
- 1.2 **RECOMMENDS** a provisional Council Tax on a Band D Property in 2010/2011 of £197.62 and £202.56 in 2011/2012 an increase of 2.5% per annum over 2009/2010.

2. PRIORITIES FOR 2009/2012

- 2.1 **RECOMMENDS** Following the approval of the Corporate Plan by Council during 2008/09, the Council Priorities for 2009/10 be as follows :-

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

3. THREE YEAR BUDGET AND POLICY FRAMEWORK 2009/2012 (pages 3-84)

- 3.1 The contents of the Reports of the Head of Financial Services on the Three Year Budget and Policy Framework 2009/2012 (pages 3-84) and Base Budget Variations (pages 113-117) be **ENDORSED** and in doing so approve the Revised Revenue and Capital Budgets for 2008/2009.
- 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 65-66).
- 3.3 **REAFFIRMS** the Council's updated Finance Strategy (pages 67-73).

- 3.4 **RECOMMENDS** that any Final Account savings arising from 2008/2012 over and above the target allowed for in the 2008/2011 Council's Finance Strategy, together with surplus Earmarked Reserves, be allocated for the one-off costs of the Single Site project.
- 3.5 **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 7.2(b)).
- 3.6 **RECOMMENDS** delegated authority be given to the Cabinet, in consultation with the Corporate Management Team, to allocate the additional £44k of LABGI Grant as notified on 3rd February 2009 for General Economic Regeneration purposes.
- 3.7 The following General Fund Revenue Budget be **RECOMMENDED** including **CABINET PROPOSALS (Appendix 1)** and **INCOME SERVICE OPTIONS** (see Financial Strategy pages 129-167) :

	Revised 2008/2009 £	2009/2010 £	2010/2011 £	2011/2012 £
Net Expenditure on Services (per Appendix 1 on Page 14 of the Financial Strategy Book)	15,871,160	16,726,600	17,123,030	17,742,090
<u>Less</u> Cabinet Proposals identified in Appendix 1	-	(1,158,690)	(1,833,550)	(1,802,670)
Net Expenditure	15,871,160	15,567,910	15,289,480	15,939,420
Contribution (from) Reserves	(1,422,540)	(822,850)	(292,020)	(769,950)
Net Budget Requirement	14,448,620	14,745,060	14,997,460	15,169,470
<u>Less</u> Business Rate Grant, Government Grant and Collection Fund Surplus (Page 14)	7,930,390	8,032,540	8,117,120	8,117,120
Council Tax Levy	<u>£6,518,230</u>	<u>£6,712,520</u>	<u>£6,880,340</u>	<u>£7,052,350</u>
Wyre Forest District Council Tax Level assuming 2.5% increase 2009/2010 onwards	<u>£188.10</u>	<u>£192.80</u>	<u>£197.62</u>	<u>£202.56</u>

4. **CONSULTATION STRATEGY** (pages 74-83)

- 4.1 **NOTES** the comments and views from the Consultation exercise identified within the Financial Strategy (pages 74-83).
- 4.2 **NOTES** the comments from Corporate Services Scrutiny Committee on 17th February 2009 (see separate item on this agenda).
- 4.3 **NOTES** any comments from local residents and businesses at this meeting of the Cabinet.

5. **CAPITAL PROGRAMME 2009/2010 ONWARDS** (pages 85-112)

- 5.1 **APPROVES** the updated Base Capital Programme and Vehicle, Equipment and Systems Renewal Schedule as presented to the Cabinet on 22nd January 2009.
- 5.2 **APPROVES** the funding of the approved Capitalisation Direction of £2m in relation to the costs of implementing the Divisional Restructure from the Council's unallocated Housing Capital Receipts or Prudential Borrowing (this will be determined by the most financially prudent method).
- 5.3 **NOTES** the availability of Capital Receipts and the ability to use Prudential Borrowing for new Capital Proposals.
- 5.4 **RECOMMENDS** Capital Proposal and associated funding as identified in the schedule of proposed Cabinet 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 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.

6. **BASE BUDGET VARIATIONS** (pages 113-117)

- 6.1 **NOTE** the Budget Variations identified between Original and Revised Budgets 2008/2009 and between the Revised Budget 2008/2009 and the Original Budget for 2009/2010.
- 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**

- 7.1 **APPROVES** a Council Tax base for Wyre Forest District of 34,816 as detailed in the report on Calculation of Council Tax Base 2009/2010 (Cabinet 18th December 2008).

8. **EFFICIENCY TARGETS** (pages 118-121)

- 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 £634,000 each year for 2009/2012 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 122-128)

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 22nd January 2009.

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

10. **CABINET PROPOSALS**

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

11. **INCOME SERVICE OPTIONS** (pages 129-167)

11.1 **RECOMMENDS** Income Service Options and associated fees and charges as detailed in the Financial Strategy as presented to Cabinet on 22nd January 2009, plus schedules as in Appendix 2 for Financial Services, Pest Control and Car Parks.

12. **PRUDENTIAL SYSTEM OF LOCAL GOVERNMENT FINANCE AND THE TREASURY MANAGEMENT STRATEGY REPORT 2009/2010** (Agenda Item 7.2(c))

12.1 **ADOPTS** the updated Prudential Indicators and Limits for 2009/2010 to 2011/2012.

12.2 **APPROVES** the updated Treasury Management and Investment Policy and Strategy 2009/2010 and associated Prudential Indicators.

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

12.4 **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.

13. **SECTIONS 25-28 LOCAL GOVERNMENT ACT 2003** (Agenda Item 7.2(d))

13.1 **NOTES** the Head of Financial Services Opinion on the Budget Proposals recommended by the Cabinet on the 22nd January 2009.

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**WYRE FOREST DISTRICT COUNCIL
CABINET PROPOSALS 2009/10 ONWARDS**

Cost Centre	ACTIVITY AND DESCRIPTION OF SERVICE OPTION	KEY	CHANGES IN RESOURCES			
			2009/2010 £	2010/2011 £	2011/2012 £	After 31/03/2012 £
	<u>PROPERTY & OPERATIONAL SERVICES</u>					
R010 /002	<u>Waste/Recycling</u> Review of Waste/Recycling Service in line with the County Waste Management Strategy. The Capital requirement are to be confirmed.	C R M	TBC - -	TBC 300,000 CR -	TBC 300,000 CR -	TBC 300,000 CR -
R030	<u>Street Market</u> Retender and continue Market Contract without a free cleansing service	C R M	- 10,000 CR -	- 10,000 CR -	- 10,000 CR -	- 10,000 CR -
R155	<u>Allotments</u> To increase the allotment rents incrementally to realistic levels such that the whole service becomes self funding.	C R M	- - -	- 4,000 CR -	- 8,000 CR -	- 16,000 CR -
R160	<u>Parks and Open Spaces</u> Redesign the planting beds within the Parks & Open Spaces	C R M	- 10,000 CR -	- 10,000 CR -	- 10,000 CR -	- 10,000 CR -
R160	<u>Parks and Open Spaces</u> Dispense need for heating and repairing Nursery buildings. Also to allow Nursery staff to redeploy to park work.	C R M	- - -	- 18,000 CR 1 CR	- 18,000 CR 1 CR	- 18,000 CR 1 CR
R200	<u>Highways General Cleansing</u> Reorganise the Streetscene function	C R M	- 50,000 CR 2 CR	- 50,000 CR 2 CR	- 50,000 CR 2 CR	- 50,000 CR 2 CR
R200	<u>Streetscene Cleansing Team</u> To supplement the work of the Streetscene Cleansing Team for by providing additional resources in the form of three cleansing operatives each for six months duration.	C R M	- 35,000 1.5	- - -	- - -	- - -
R205	<u>Highways - Maintenance of Verges</u> To halve the subsidy to the County Council in relation to the verge maintenance.	C R M	- 23,000 CR -	- 23,000 CR -	- 23,000 CR -	- 23,000 CR -
R225	<u>Green Street Depot</u> To restructure the reception and to limit weighbridge cover.	C R M	- 32,000 CR 1.5 CR	- 32,000 CR 1.5 CR	- 32,000 CR 1.5 CR	- 32,000 CR 1.5 CR
R229	<u>Garage</u> Reduce Garage mechanic establishment by one, to reflect efficiencies in the operation of the garage.	C R M	- 25,640 CR 1 CR	- 25,640 CR 1 CR	- 25,640 CR 1 CR	- 25,640 CR 1 CR
R236	<u>Grounds Maintenance</u> Restructure grounds maintenance operations with the view of achieving efficiency gains.	C R M	- 48,000 CR 2 CR	- 48,000 CR 2 CR	- 48,000 CR 2 CR	- 48,000 CR 2 CR
R250	<u>Control of Rats and Other Pests</u> To charge the general public for this service, excluding those in receipt of benefits	C R M	- 10,000 CR -	- 10,000 CR -	- 10,000 CR -	- 10,000 CR -
R255	<u>Control of Dogs</u> To market test the stray dog service to the private sector within normal working hours.	C R M	- 7,500 CR 1 CR	- 10,000 CR 1 CR	- 10,000 CR 1 CR	- 10,000 CR 1 CR
R250	<u>Control of Rats and Other Pests</u> To market test the Pest Control service to the private sector.	C R M	- 5,620 CR -	- 7,500 CR -	- 7,500 CR -	- 7,500 CR -
R290	<u>War Memorials</u> To provide £10,000 for schemes to improve the Districts Memorials to those that have given their lives in service for the Country. Delegated authority to the Cabinet to approve schemes	C R M	- 10,000 -	- - -	- - -	- - -
	<u>COMMUNITY & PARTNERSHIP SERVICES</u>					
R050	<u>Play Development</u> To reorganise the play development section establishment and reduce the associated budget including the Fun Box	C R M	- 15,220 CR 0.75 CR	- 15,220 CR 0.75 CR	- 15,220 CR 0.75 CR	- 15,220 CR 0.75 CR

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CABINET PROPOSALS 2009/10 ONWARDS**

Cost Centre	ACTIVITY AND DESCRIPTION OF SERVICE OPTION	KEY	CHANGES IN RESOURCES			
			2009/2010 £	2010/2011 £	2011/2012 £	After 31/03/2012 £
R735	Corporate Communications Suspend the production of the Council's newspaper 'Newswyre'.	C R M	- 19,260 CR -	- 19,260 CR -	- 19,260 CR -	- 19,260 CR -
R740	Grants to Voluntary Bodies To increase revenue grant to Citizens Advice Bureau and adjust the Capital Programme contingency.	C R M	15,000 CR 520 -	- 1,050 -	- 6,590 -	- 6,590 -
R310	FINANCIAL SERVICES Revenues To recover increases in respect of Council Tax and NNDR Court Costs.	C R M	- 12,000 CR -	- 12,000 CR -	- 12,000 CR -	- 12,000 CR -
R310	Revenues Efficiency review within Revenues Service.	C R M	- 25,000 CR 1 CR	- 25,000 CR 1 CR	- 25,000 CR 1 CR	- 25,000 CR 1 CR
R330	Concessionary Travel To phase out the Travel Token Scheme due to the success of the Concessionary Travel scheme	C R M	- - -	- 29,000 CR -	- 30,000 CR -	- 30,000 CR -
R330	Concessionary Travel To phase out subsidy for Dial-a-Ride service - to move towards a sustainable business model subject to consultation.	C R M	- - -	- 17,000 CR -	- 17,500 CR -	- 35,000 CR -
R330	Concessionary Travel To operate Concessionary Travel in accordance with Government Policy, whilst continuing with free travel for disabled companions (also not funded)	C R M	- 40,000 CR -	- 40,000 CR -	- 40,000 CR -	- 40,000 CR -
R338	Review aid to Parish Councils To phase out aid to Parish Councils, although providing 12 months notice, subject to consultation.	C R M	- - -	- 57,010 CR -	- 59,860 CR -	- 59,860 CR -
R500	LEGAL & DEMOCRATIC SERVICES Electoral Administration Act To continue mandatory costs in relation to the Electoral Administration Act for 2009/10.	C R M	- 27,500 -	- - -	- - -	- - -
R605 & R630	PLANNING HEALTH & ENVIRONMENT Remove Technical Support Post Restructure support service within the division in relation to admin and technical support	C R M	- 30,220 CR 2.4 CR	- 25,140 CR 1.4 CR	- 25,380 CR 1.4 CR	- 25,380 CR 1.4 CR
R620	Conservation Service Review of the Conservation Service following the 15% reduction in planning applications	C R M	- 27,600 CR 1 CR	- 36,800 CR 1 CR	- 36,800 CR 1 CR	- 36,800 CR 1 CR
R630	Development Control Review of the Development Control function following the 15% reduction in planning applications	C R M	- 11,230 CR 0.5 CR	- 11,520 CR 0.5 CR	- 11,820 CR 0.5 CR	- 11,820 CR 0.5 CR
R630 & R711	Tourist Information Centres Restructure the Tourism function with a view of merging with Bewdley Museum or others.	C R M	- 61,450 CR 2.2 CR	- 61,450 CR 2.2 CR	- 61,450 CR 2.2 CR	- 61,450 CR 2.2 CR
R640	Environmental Health Review of resources in relation to the discretionary Food Hygiene Training function.	C R M	- 13,840 CR 0.5 CR	- 14,690 CR 0.5 CR	- 15,070 CR 0.5 CR	- 15,070 CR 0.5 CR
R680	Housing Service Reorganise the Housing functions policy and research function	C R M	- 26,070 CR 1 CR	- 26,740 CR 1 CR	- 27,420 CR 1 CR	- 27,420 CR 1 CR

