

WYRE FOREST DISTRICT COUNCIL

CABINET 21st FEBRUARY, 2012

Proposed Decision: Agenda Item 10.1 (a)

FINANCIAL STRATEGY 2012/15

The Cabinet, having re-considered the Financial Strategy 2012/15 as recommended on 20th December 2011, the results of the consultation exercise and recommendations of the Overview and Scrutiny Committee (this is a separate item on this agenda 9.1 (b)), **RECOMMENDS TO COUNCIL** :-

1. **CAPITAL PROGRAMME 2010/11 ONWARDS** (pages 74-84)
 - 1.1 **APPROVES** the updated Base Capital Programme and Vehicle, Equipment and Systems Renewal Schedule as presented to the Cabinet on 20th December 2011 and further amended to incorporate the Cabinet Proposals identified in Appendix 2 along with the updated Prudential Indicators presented in the separate report on this agenda.
 - 1.2 **DELEGATED** authority continues to be given to the Director of Resources in consultation with the Cabinet Member for Resources, to fund appropriate elements of the Capital Programme by means of Prudential Borrowing.
 - 1.3 **DELEGATES** authority to the Director of Resources, in consultation with the Chief Executive and the Cabinet, to determine the most financially prudent funding method for Capital Projects (Capital Receipts or Direct Revenue Funding) at the end of each Financial Year.
2. **FEES AND CHARGES** (pages 32-70)
 - 2.1 **RECOMMENDS** fees and charges as detailed in the Financial Strategy as presented to Cabinet on 20th December 2011, along with the amendments attached in Appendix 1.
3. **THREE YEAR BUDGET AND POLICY FRAMEWORK 2012/15** (pages 1-73)
 - 3.1 The contents of the Reports of the Director of Resources on the Three Year Budget and Policy Framework 2012-2015 (pages 1-73 incorporating the Base Budget Variations (pages 21-22) be **ENDORSED** and in doing so **APPROVE** the Revised Revenue and Capital Budgets for 2011/12.
 - 3.2 **APPROVES** that any Final Account savings arising from 2011/2015 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 new Head Quarters project.

3.3 The following General Fund Revenue Budget be **RECOMMENDED** including **CABINET PROPOSALS (Appendix 2)** and **FEES AND CHARGES** (see Financial Strategy pages 32-70) and related amendments (**Appendix 1**):

	Revised 2011/12 £	2012/2013 £	2013/2014 £	2014/2015 £
Net Expenditure on Services (per Appendix 1 on Page 12 of the Financial Strategy Book) (*)	14,241,610	12,780,950	12,805,090	13,096,700
<u>Add/(Less)</u> Cabinet Proposals - (Appendix 2)	-	274,250	2,400	(87,080)
Net Expenditure	14,241,610	13,055,200	12,807,490	13,009,620
Contribution to/(from) Reserves	(716,560)	(322,400)	(329,870)	(656,840)
Net Budget Requirement	13,525,050	12,732,800	12,477,620	12,352,780
<u>Less</u> Business Rate Grant, Government Grant and Collection Fund Surplus (*)	6,294,330	5,615,730	5,294,640	4,990,370
Area Based Grant	293,270	109,270	0	0
Council Tax Income	<u>£6,937,450</u>	<u>£7,007,800</u>	<u>£7,182,980</u>	<u>£7,362,410</u>
Myre Forest District Council Tax level assuming no change in 2011/12 then a 2.5% increase 2012/13 onwards.	<u>£197.62</u>	<u>£197.62</u>	<u>£202.56</u>	<u>£207.62</u>

(*) Now confirmed that the Council Tax Freeze Grant is included within Formula Grant for 2012/13 and beyond

Government Grant Analysis*	2011/12	2012/13	Increase (decrease)	
	£	£	£	%
Revenue Support Grant	1,474,240	105,820	(1,368,420)	(92.8)
Business Rates	4,769,440	5,458,910	689,470	14.4
Collection Fund Surplus	50,650	51,000	350	0.0
Overall Totals	6,294,330	5,615,730	(678,600)	(10.8)

4 Reserves available as part of the Three Year Financial Strategy:

Reserves Statement	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000
Reserves as at 1 April	2,698	1,981	1,659	1,329
Contribution to/(from) Reserves	(717)	(322)	(330)	(657)
Reserves as at 31 March	1,981	1,659	1,329	672

5 **RECOMMENDS** to Council adoption of the statement of purposes (Appendix 3) which has been derived from the work on systems thinking and shows the links with the Council's corporate priorities.

4 **COUNCIL TAX**

- 4.1 **RECOMMENDS** a Council Tax for Wyre Forest District Council on a Band D Property of £197.62 for 2012/13 (£197.62 2011/12) no increase on Council Tax for 2012/13.
- 4.2 **RECOMMENDS** a provisional Council Tax on a Band D Property in 2013/2014 of £202.56 and £207.62 in 2014/2015 an increase of 2.5% per annum over 2012/2013.

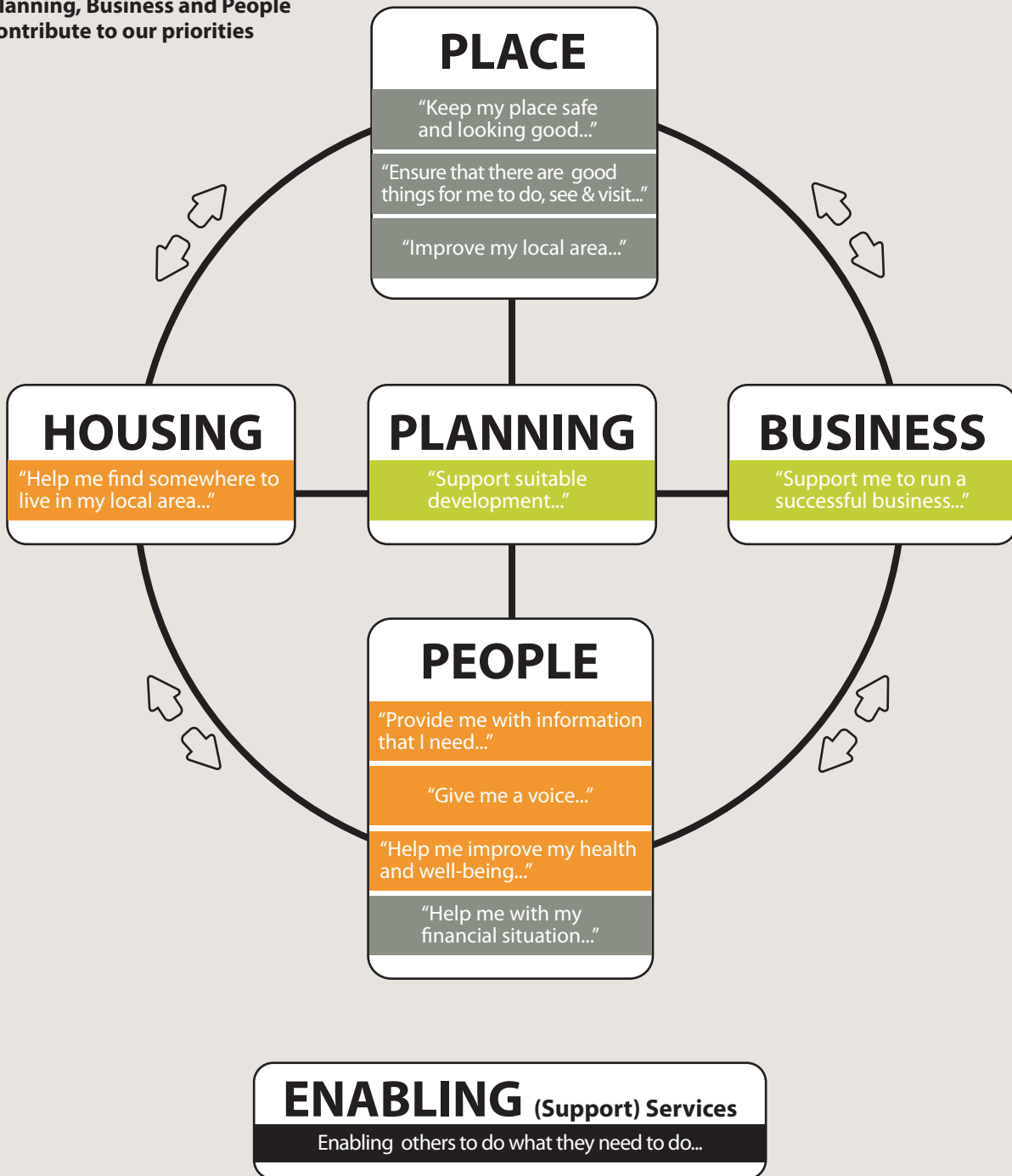
WYRE FOREST FORWARD

Our outcome priorities:

- **Community well-being** ■ **Economic prosperity** ■ **The Underpinning priority** (Delivering together, with less)
- **Overlapping of both Community Well-being and Economic prosperity priorities**

Our purposes:

"..." Listed under Place, Housing, Planning, Business and People contribute to our priorities



'Delivering together with less', this priority affects everything we do