

**WYRE FOREST DISTRICT COUNCIL
CABINET**

**COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER
19TH NOVEMBER 2013 (6.00PM)**

Present:

Councillors: J-P Campion, N J Desmond, I Hardiman, M J Hart and A T Hingley.

Observers:

Councillors: G W Ballinger, E Davies, H E Dyke, M Price and J A Shaw.

CAB.39 Apologies for Absence

There were no apologies for absence.

CAB.40 Declarations of Interests by Members

No declarations of interest were made.

CAB.41 Minutes

Decision: The minutes of the Cabinet meeting held on 22nd October 2013 be confirmed as a correct record and signed by the Chairman.

CAB.42 Call Ins

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

CAB.43 Items Requiring Urgent Attention

There were no items requiring urgent attention.

CAB.44 Leader's Announcements

There were no Leader's announcement.

CAB.45 Development of Medium Term Financial Strategy 2014/19

A report was considered from the Chief Financial Officer which invited the Cabinet to recommend the medium term financial strategy and Cabinet proposals to Council. The recommendations from the Strategic Review Committee meeting on 18th November 2013 were also considered.

The Leader of the Council informed Members that the recommendations from the Strategic Review Committee were included in the Financial Strategy 2014/2017 document and thanked the Treasurer and her team for hand delivering the document to Members (in their own time and at no cost to the

Council) prior to the Strategic Review Committee meeting on 18th November 2013. He appreciated that the papers had only been delivered three days before the meeting but the budget timetable had been bought forward this year.

The proposals in the Financial Strategy 2014/2017 contained ideas from all political groups and he outlined the proposals in the report and stated that the decision made at Council in February 2013 to raise council tax would continue. The final decision on the level of Council Tax would be taken at the meeting of full Council in February 2014, when all the final details in relation to the government grant settlement would be known.

There was a proposal to cease free car parking for blue badge holders and all the options would be explored as it was perceived that some blue badge holders could afford to pay for parking but that was not to say that they did not need the space.

Members were informed that pay increases for staff would be looked at and staff would be consulted.

The report also contained a graph (page 17) which gave details relating to net expenditure against available funding.

The Cabinet Member for Resources and Transformation informed Members that large reductions from government had a dramatic effect on the Council's internal budget. The budget process had commenced earlier this year and detailed examination of all areas of the Council had been undertaken. The Strategic Review Committee were thanked for their work.

It was proposed to have a more commercial approach to Kidderminster Town Hall which could bring in more income for the Council.

Proposals included the continuation of savings through shared services and system thinking. These would all be subject to business cases being considered and full scrutiny by Members. He reiterated the points made by the Leader of the Council that staff would be consulted throughout the process together with the Trade Unions.

The Council had an excellent track record in making savings and it now needed to be even more efficient.

The Vice Chairman of the Strategic Review Committee stated that some Members of the Committee had raised concerns over the lateness of the papers and had decided not to discuss the document as they also had concerns over the lack of business cases. Therefore the meeting had not been continued.

In response, the Leader of the Council stated that before any decisions were made, full business cases would be put together and scrutinised.

In response to Members questions, the Leader of the Council replied that freezing council tax over the last three years had been the right thing to do. It was important to look at the business cases now so that at the start of the 2014/15 financial year, all decisions could be acted on immediately.

A Member stated that the Strategic Review Committee had set a very good framework to initiate debate. He commented that not enough time had been given to consider the proposals and there were many issues that had to be researched. The Leader of the Council informed Members that it had been agreed that the budget process should commence earlier this year and nothing contained in the Financial Strategy 2014/2017 should be a surprise as the Strategic Review Committee had worked through hundreds of pages of reports at their meetings.

A Member had doubts about the possible transfer of services to Civica and wondered why a company could provide a service that was currently well run by the Council at a cheaper cost and if they could make a profit why couldn't the Council. The Chief Executive responded that a full business case had not yet been prepared but the company had stated they could save at least £200,000 per annum.

Decision:

- 1. The fees and charges as set out in Appendix 4 – Part 1 of the report to Cabinet be noted.**
- 2. The fees and charges as set out in Appendix 4 – Part 2 of the report to Cabinet be approved.**
- 3. The principle of entering a contract with Civica by means of the South Worcestershire Managed Services Partnership agreement (which has been subject to competition following notice OJ 2012/S 236-388958), subject to receipt and approval of a satisfactory business case and agreement of acceptable terms for the contract be supported.**
- 4. Delegated approval be granted to the Cabinet Member for Resources and Transformation for the detailed business case, approval of the terms of the contract with Civica and any other decisions required on behalf of Cabinet to implement a contract. This delegation is subject to (1) prior consideration of the business case by the Overview and Scrutiny Committee, and (2) provision of a written report from the Corporate Management Team recommending that the business case and terms of the contract be approved.**

Endorse and recommend to Council:

- 1. The Council's updated Medium Term Finance Strategy;**
- 2. Cabinet Proposals – taking into account the impact on the Council's Capital and Revenue Budgets for 2014-17 (Appendix 3 of the report to Cabinet);**

3. **The level of net expenditure and resultant Council Tax for 2014-17 as per paragraph 8.2 of the report to Cabinet;**
4. **The fees and charges in line with this strategy and the impact on the Council's Revenue Budget for 2014-17, as shown in Part 3 of Appendix 4 of the report to Cabinet, and supplemented by the Cabinet Proposal on increasing external income included in Appendix 3 of the report to Cabinet, where relevant.**

Recommendation from the Strategic Review Committee, 18th November 2013

Noted: The Strategic Review Committee scrutinise the business cases to be developed, as outlined in the proposals from Cabinet on the Draft Medium Term Financial Strategy.

CAB.46 Treasury Management Strategy Statement and Annual Investment Strategy Mid Year Review Report 2013/14

A report was considered from the Chief Financial Officer which recommended to Council that the Treasury Management Mid-year Review and the Updated Prudential Indicators as detailed in the report be approved. The recommendations from the Overview & Scrutiny Committee meeting on 7th November 2013 were also considered.

The Chairman of the Overview & Scrutiny Committee informed Members that the committee had been a little concerned about the low interest rates being received but as the Treasury Management Review Panel had gone through the papers in depth at their meeting, these concerns were alleviated.

Members were informed that, with regard to the recovery of the Icelandic monies, the Council worked very closely with the Local Government Association in trying to recover the full amount. The Chief Financial Officer would contact a council in Gloucestershire to ask how they had obtained approaching 100% return on their investment, as suggested in a query from a Member.

Decision:

Recommend to Council:

1. **The Treasury Management Mid-year Review be approved.**
2. **The updated Prudential Indicators be approved.**

The meeting closed at 18.52 pm.