

**WYRE FOREST DISTRICT COUNCIL**

**COUNCIL**  
**25<sup>th</sup> FEBRUARY 2015**

**FINANCIAL STRATEGY 2015-18**

**AMENDMENT TO BE MOVED BY UKIP**

**2. RECOMMENDATIONS**

**UKIP RECOMMENDS TO COUNCIL that it:**

**2.1 THREE YEAR BUDGET, CAPITAL PROGRAMME AND POLICY FRAMEWORK 2015-18**

- 2.1.1 **APPROVES** the updated Medium Term Financial Strategy 2015-18;
- 2.1.2 **APPROVES** the **UKIP** Proposals – taking into account the impact on the Council’s Capital and Revenue Budgets for 2015-18 as shown in Appendix 3;
- 2.1.3 **APPROVES** the fees and charges in line with this Strategy and the impact on the Council’s Revenue Budget for 2015-18, as shown in Appendix 4;
- 2.1.4 **APPROVES** the updated Capital Programme and Vehicle, Equipment and Systems Renewal Schedule as set out in Appendix 2, Parts 1 and 2;
- 2.1.5 **APPROVES** that the first £244,000 of Right to Buy (RTB) receipts in 2015-16 and subsequent years be allocated to Disabled Facilities Grants (to a maximum Capital budget of £800,000 pa) and any extra RTB Capital Receipts be allocated to general capital reserves;
- 2.1.6 **APPROVES** that any Final Accounts savings arising from 2014-18 over and above the target allowed for in the Council’s Financial Strategy, together with surplus Earmarked Reserves, be allocated by the Chief Financial Officer in consultation with the Leader;
- 2.1.7 **The General Fund Revenue Budget be APPROVED** including all updates from the position in December 2014 and the **UKIP** Proposals as set out in Appendix 3.

**2.2 COUNCIL TAX**

- 2.2.1 **SETS** the Council Tax for Wyre Forest District Council on a Band D Property at £205.36. for 2015-16 (£201.45 2014-15) which represents a 1.94% increase on Council Tax from 2014-15.

2.2.2 **ENDORSES** the provisional Council Tax on a Band D Property in 2016-17 of £209.34 and £213.40 in 2017-18, an increase of 1.94 % per annum over 2015-16.

2.2.3 **NOTES** the Chief Financial Officer's opinion on the budget proposals, recommended by the Cabinet in this report, as detailed in Appendix 5 of this report.

## **7. FINANCIAL IMPLICATIONS**

7.1 The Cabinet Proposals previously considered have now been revised and a new schedule of the UKIP Proposals is shown in Appendix 3.

7.2 The Council Tax Collection Fund surplus for 2015-16 has now been confirmed at £75k an improvement on the former estimate of £50k. Projections of £50k pa can also now be included for 2016-17 and 2017-18.

7.3 The savings of £40k pa from 2015-16 due to the approval of the IRP and Polling Places recommendations by December Council are also reflected in the updated figures.

7.4 Earmarked reserves of £55k have been identified as no longer required and released into general balances.

7.5 The following table demonstrates the updated position for the Council when all the revisions included in this report are incorporated into the Base Budget. The Council is forecast to hold a balance of £1,155k at the end of 2017-18 (see reserves table in 7.6).

<b>UKIP PROPOSALS FEBRUARY 2015</b>	<b>Revised</b>			
	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
Net Expenditure on Services (Appendix 1)	12,789,130	13,235,590	12,888,360	12,820,510
Add/(Less)				
Cabinet Proposals as revised (Appendix 3)		124,640	146,800	77,000
Net Expenditure	12,789,130	13,360,230	13,035,160	12,897,510
Contribution (from)/to Reserves	292,660	(485,570)	(400,850)	(546,460)
<b>Net Budget Requirement</b>	<b>13,081,790</b>	<b>12,874,660</b>	<b>12,634,310</b>	<b>12,351,050</b>
Funded by:				
Revenue Support Grant (inc Bellwin 2014-15)	2,974,200	2,019,010	1,583,940	1,305,530
Business Rates	2,547,170	2,562,620	2,624,420	2,716,200
New Homes Bonus	1,263,170	1,684,610	1,684,610	1,426,190
Community Right to Bid/Challenge	16,400	-	-	-
Collection Fund Surplus	50,000	75,100	50,000	50,000
Council Tax Income	6,230,850	6,533,320	6,691,340	6,853,130
<b>WFDC Council Tax @ 1.94% increase</b>				
<b>2015-16 onwards</b>	<b>201.45</b>	<b>205.36</b>	<b>209.34</b>	<b>213.40</b>

7.6 Reserves available as part of the three year financial strategy are as shown in the following table. Taking all of the revisions contained in this report into account this shows a reduction of £65k at the end of 2017-18 compared to the December forecast. It is proposed that the net increase in expenditure should be funded from reserves. However, the reduction is not considered to be significant, given that the reserves level remains at over £1m and additional funding for economic regeneration work should result in increased business rates income in the fullness of time.

<b>Reserves Statement - UKIP Proposals</b>	<b>2014-15 £'000</b>	<b>2015-16 £'000</b>	<b>2016-17 £'000</b>	<b>2017-18 £'000</b>
Reserves as at 1st April	2,295	2,588	2,102	1,701
Contribution (from)/to Reserves	293	(486)	(401)	(546)
Reserves as at 31st March	2,588	2,102	1,701	1,155

**WYRE FOREST DISTRICT COUNCIL**

**UKIP PROPOSALS 2015/16 ONWARDS**

Cost Centre	ACTIVITY AND DESCRIPTION OF CABINET PROPOSAL	KEY	CHANGE IN RESOURCES			
			2015/16 £	2016/17 £	2017/18 £	After 2017/18 £
<b>SUCCESSFUL LOCAL ECONOMY</b>						
R705	<b>Economic Regeneration Activities</b> To continue funding for Town Centre Manager post for a further three years when the current funding ceases at the end of March 2015 with 50% funded from the SotAD approved revenue budget.	C R S	- 16,640 1.00	- 16,800 1.00	- 17,000 1.00	- - -
R705	<b>Economic Regeneration Activities</b> The Council is committed to supporting our local economic recovery and through our ReWyre and State of the Area programmes has already supported growth in our local businesses, stimulated inward investment in new jobs and infrastructure, offered new opportunities to improve skills and improved our town centres. We will continue to support these and other essential strategic imperatives including our priority for setting out development plans for Worcester Street and the wider Eastern Gateway in Kidderminster.	C R S	- 100,000 -	- 100,000 -	- - -	- - -
R705	<b>Commercial Activity/External Income</b> In line with Council's current position and in light of alternative budget proposals, to continue to progress the commercial approach in all areas of service activity and seek sponsorship where ever possible. This will include a review of the effectiveness of economic regeneration in respect of Christmas activities.	C R S	- tbc -	- tbc -	- tbc -	- tbc -
R187	<b>Car Parking</b> To consider ideas put forward as part of alternative budget Proposals as part of planned car parking review to be reported in June 2015.	C R S	- - -	- - -	- - -	- - -
<b>CLEAN, GREEN AND SAFE COMMUNITIES</b>						
R335	<b>Parish Localism Funds</b> To create two Parish Localism funds of £25k each from the balance of the existing fund of C£24k supplemented by Parish Councils and the second for an extended range of Community Groups. There will be revised award criteria for this funding to facilitate easier access and more clarity.	C R S	- 26,000 -	- - -	- - -	- - -
R720	<b>Community Leadership Fund</b> Discontinue the fund of £1,000 per Member from 2015/16 onwards.	C R S	- 33,000 CR -	- - -	- - -	- - -
R002	<b>Waste Collection Services</b> Due to the projected growth in new homes in the District provide additional resources for waste collection crew and vehicle support.	C R S	- 15,000 0.75	- 30,000 1.50	- 60,000 3.00	170,000 120,000 3
Various	<b>Joint Working</b> To continue to explore and consider alternative provision of service delivery by joint working, sharing and or commissioning to protect front-line services. To include continued participation in the county wide Project Optimise initiative. A business case for each proposal will be considered taking into account affordability efficiency and service delivery.	C R S	tbc tbc tbc	tbc tbc tbc	tbc tbc tbc	tbc tbc tbc
	<b>TOTALS</b>	C R S	- 124,640 1.75	- 146,800 2.50	- 77,000 4.00	170,000 120,000 3.00

**KEY - Changes in Resources**

- C Capital
- R Revenue
- S Staffing - Stated in FTEs