

WYRE FOREST DISTRICT COUNCIL

CABINET

COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER

7TH FEBRUARY 2017 (6 PM)

Present:

Councillors: M J Hart (Chairman), N J Desmond, S E Fearn, I Hardiman, J D Smith and R J Vale.

Observers:

Councillors: H E Dyke, N Knowles, D Little and F M Oborski MBE.

CAB. 59 Apologies for Absence

There were no apologies for absence.

CAB. 60 Declarations of Interests by Members

No declarations of interest were made.

CAB. 61 Minutes

Decision: The minutes of the Cabinet meeting held on 20th December 2016 be confirmed as a correct record and signed by the Chairman.

CAB. 62 Call Ins

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

CAB. 63 Items Requiring Urgent Attention

There were no items requiring urgent attention.

CAB. 64 Results Of Budget Consultation, Alternative Budgets And Recommendations From The Cabinet Financial Strategy Advisory Panel

A report was considered from the Chief Financial Officer on the results of the budget consultation exercise launched following the presentation of the Financial Strategy 2017/20 to Cabinet on 20th December 2016, alternative budget proposals and recommendations from the Cabinet Financial Strategy Advisory Panel from their meeting on 26th January 2017.

The Cabinet Member for Resources led Members through the report and summarised the responses received from the consultation. He advised that a total of 229 respondents had accessed the consultation and overall the

responses were supportive of the proposals. He highlighted that the proposal which received the strongest support was for the Council to invest in the Green Street Depot Site, which would help develop the Council's commercial services. 86% of respondents either supported or strongly supported this proposal.

The Leader of the Council commented on the positive response to the Community Leadership Fund proposal, adding that the question had been rephrased from last year's consultation and now provided greater clarity.

A discussion ensued regarding the proposed Council Tax freeze for 2017/18. In answer to a Member's question, the Leader of the Council confirmed that the administration did not intend to propose a huge increase in Council Tax and added that the Government imposed a maximum increase of 2% or £5, whichever was greater, thus there would be no sharp increase in Council Tax payments at the end of the freeze.

The Cabinet Member for Resources commented that the Council faced difficult financial times and that the proposed budget would invest in the future of the district. He thanked members of the opposition groups that had provided an alternative budget and thanked Members for their constructive comments.

Decision:

The Cabinet NOTED the recommendations of the Cabinet Financial Advisory Panel on:

The results of the budget consultation exercise and the alternative budget proposal as detailed within the report to Cabinet and appendices.

Councillor R Vale left the meeting at 6.14 pm and returned at 6.15 pm

CAB.65 Medium Term Financial Strategy 2017-20

A report was considered from Chief Financial Officer which updated Cabinet on the Medium Term Financial Strategy 2017-20 and made recommendations to Council on the proposed budget decision. It also considered the report of the Chief Financial Officer in respect of statutory duties placed on Local Authority Chief Financial Officers in relation to budget setting and monitoring.

The Cabinet Member for Resources commented that the report had already been fully debated at the Cabinet meeting in December 2016, therefore he highlighted salient issues, namely the confirmation of the Council Tax base and the confirmation of the asset transfer of St George's Paddling Pool to Kidderminster Town Council and Stourport Riverside Paddling pool to Stourport Town Council from April 2017. He further added that the Final Local Government Settlement was yet to be confirmed as were the Final New Homes Bonus Allocations. The Cabinet Member for Resources confirmed that the delay in receiving the Final Local Government Settlement was unusual and the matter had been raised with the Member of Parliament. It was hoped that the settlement would be received in time for the Council meeting on 22nd February.

Decision:

Recommended to Council:

The CABINET having re-considered the Financial Strategy 2017-20, the results of the Council Tax consultation exercise and recommendations of the Cabinet Financial Strategy Advisory Panel **RECOMMENDS TO COUNCIL** that it:

1.1 THREE YEAR BUDGET, CAPITAL PROGRAMME AND POLICY FRAMEWORK 2017-20

1.1.1 APPROVES the updated Medium Term Financial Strategy 2017-20;

1.1.2 APPROVES the Cabinet Proposals – taking into account the impact on the Council’s Capital and Revenue Budgets for 2017-20 as shown in Appendix 3 in the report to Cabinet including:

- a) Approval of the new Council Policy on Loans to Third Parties to support our corporate priority of regeneration and economic development as set out in Appendix 3/1 of the December report;**
- b) Approval of the new Council Policy to create a Capital Portfolio Fund to support our corporate priority of regeneration and economic development and to create a net revenue income stream as set out in Appendix 3/2 of the December report;**

and that the approval of both in-principle decisions on a) Policy on Loans to Third Parties and b) Policy to create a Capital Portfolio Fund includes:

- i) That an initial allocation of £10m to support progression of the policy on Loans to Third Parties and £25m to support progression of the policy of a Capital Portfolio Fund is made to the capital programme in 2017-18, this being a maximum sum in both cases. Expenditure will be subject to specific approval of the business case for each proposal by the Cabinet following consideration by Overview and Scrutiny Committee and due diligence.**
- ii) That the financing of such expenditure be delegated to the Chief Financial Officer and that requisite amendments are made to the revenue budget to reflect potential financing costs (likely to be PWLB loan finance) and income streams to support the initial capital allocation in a) and b) above.**

iii) That subject to this approval, delegation is given to the Chief Financial Officer to make the requisite updates to the Financial Regulations and Treasury Management Service Strategy (TMSS) in due course.

1.1.3 APPROVES the fees and charges in line with this Strategy and the impact on the Council's Revenue Budget for 2017-20, as shown in Appendix 4- Part 2;

1.1.4 APPROVES the Capital Programme and Vehicle, Equipment and Systems Renewal Schedule as set out in Appendix 2, Parts 1 and 2;

1.1.5 APPROVES that any Final Accounts savings arising from 2016-20 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;

1.1.6 APPROVES the Efficiency Strategy 2017-20 as set out in Appendix 6;

1.1.7 The General Fund Revenue Budget be APPROVED including all updates from the position in December 2016 as set out in the report to Cabinet.

1.2 COUNCIL TAX

1.2.1 SETS the Council Tax for Wyre Forest District Council on a Band D Property at £205.36 for 2017-18 (£205.36 2016-17) which represents a freeze on Council Tax from 2016-17.

1.2.2 ENDORSES the provisional Council Tax on a Band D Property in 2018-19 of £209.34 and £213.40 in 2019-20, being an increase of 1.94 % in both years.

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

1.3 The Cabinet APPROVED:

1.3.1 Delegated authority be given to the Chief Financial Officer, in consultation with the Cabinet Member for Resources and Leader of the Council, to make any appropriate adjustments to the General Fund Revenue Budget recommended under paragraph 1.1.7 above, as a result of Central Government confirming the final Local Government Finance Settlement, including final New Homes Bonus Allocations and associated Specific Grants for 2017-18.

1.3.2 The additional schedule of Fees and Charges as set out in Appendix 4- Part 1 of the report to Cabinet

CAB.66 Disposal of Land at Lion Fields

A report was considered from the Head of North Worcestershire Economic and Regeneration which sought to agree the process for the redevelopment and disposal of Parcel 1 of Lion Fields, Kidderminster which forms part of the Kidderminster Eastern Gateway Development Framework.

The Cabinet Member for Planning and Economic Regeneration led Members through the report. He explained the Council had instructed a team of Consultants from Savills to advise on the most appropriate way of securing development on Parcel 1 and develop a marketing plan to promote the site to developers. He added that three potential options for the site were considered, which were detailed in the report to Cabinet. The Cabinet Member for Planning and Economic Regeneration confirmed that the Council set out its aspiration to attract a cinema and leisure hub onto Parcel 1 in the Development Framework, therefore Option 3 provided greater certainty and control to the Council as it was a mixed use option and would deliver a mix of retail and leisure uses alongside leisure and community uses.

The Cabinet Member for Planning and Economic Regeneration confirmed that steps had already been taken to demolish the former Glades Leisure Centre and anticipated that the site would therefore be more attractive to developers. He emphasised that it is important for the Council to maintain the momentum for the disposal of land at Parcel 1 to act as a catalyst for the wider development of the Lion Fields site and advised Cabinet that it is proposed to commence a developer procurement process to secure a developer that can deliver against the Council's ambitions.

The Leader of the Council reiterated that the demolition of the former Glades Leisure Centre was underway which demonstrated that the redevelopment of the site was moving at a pace. He confirmed the Council's aspiration to redevelop and with work with a partner to deliver a redevelopment scheme and added that economic regeneration was one of the Council's flagship policies. He confirmed that he was hopeful that the Council would be able to attract the right partner and deliver something that the community would be proud of.

The Chair of the Overview and Scrutiny Committee commented that there had been a great deal of positive debate at the Overview and Scrutiny Committee and was pleased at the amount of interest that had already been shown in the land. She confirmed that the Overview and Scrutiny Committee were happy to recommend that the restrictive procurement process be used.

Decision:

In line with the recommendations from the Overview and Scrutiny Committee, 2nd February 2017.

- 1.1 To delegate to the Director of Economic Prosperity & Place, in consultation with the Cabinet Member for Planning & Economic Regeneration, Solicitor to the Council and Chief Financial Officer, authority to take all necessary actions to procure a developer and to enter into a development agreement that includes, but isn't limited to, the detail as set out in paragraph 4.7 for the disposal of Parcel 1 of the Lion Fields re-development ensuring that the procurement process complies with the Public Contract Regulations 2015 including the finalisation of evaluation criteria to select the preferred developer following the Restricted procedure;**
- 1.2 To delegate to the Director of Economic Prosperity & Place, in consultation with the Cabinet Member for Planning & Economic Regeneration, Solicitor to the Council and Chief Financial Officer authority to agree the terms of a land owners' agreement between the Council and Worcestershire County Council which sets out the sharing of costs between both parties in bringing Parcel 1 to the market and returns a capital receipt to both parties in a fair and equitable way.**

There being no further business, the meeting closed at 6.59 pm.