

Open

# Council

# Agenda

6pm  
Wednesday, 26th February 2014  
Council Chamber  
Wyre Forest House  
Finepoint Way  
Kidderminster



## Council

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**COUNCIL MEETING**

**18<sup>th</sup> February 2014**

**TO ALL MEMBERS OF THE COUNCIL**

**PRESS AND PUBLIC**

Dear Member

**YOU ARE INVITED** to attend a meeting of the Wyre Forest District Council to be held **at 6.00p.m. on Wednesday 26<sup>th</sup> February 2014**, in the Council Chamber, Wyre Forest House, Finepoint Way, Kidderminster.

The Agenda for the meeting is enclosed.

Yours sincerely,

Ian Miller  
Chief Executive

## **Declaration of Interests by Members – interests of members in contracts and other matters**

Declarations of Interest are a standard item on every Council and Committee agenda and each Member must provide a full record of their interests in the Public Register.

In addition, alongside the Register of Interest, the Members Code of Conduct (“the Code”) requires the Declaration of Interests at meetings. Members have to decide first whether or not they have a disclosable interest in the matter under discussion.

Please see the Members’ Code of Conduct as set out in Section 14 of this constitution for full details.

## **Disclosable Pecuniary Interest (DPI) / Other Disclosable Interest (ODI)**

DPI’s and ODI’s are interests defined in the Code of Conduct that has been adopted by the District.

If you have a DPI (as defined in the Code) in a matter being considered at a meeting of the Council (as defined in the Code), the Council’s Standing Orders require you to leave the room where the meeting is held, for the duration of any discussion or voting on that matter.

If you have an ODI (as defined in the Code) you will need to consider whether you need to leave the room during the consideration of the matter.

### **(A) TERMS OF REFERENCE OF THE COUNCIL**

The Council

1. Is the ultimate decision making Body.
2. Determines the Budget (but reserves powers to itself in relation to requirements).
3. Is responsible for appointing (and dismissing) the Leader of the Council.
4. Appoints at its Annual Meeting, the Regulatory Committees, the Overview and Scrutiny Committee and any other Committees/Forums necessary to conduct the Council’s business.
5. Decides on matters where the Cabinet is not minded to determine a matter in accordance with Council policy.

### **(B) MATTERS RESERVED TO THE COUNCIL**

1. Those reserved by Law e.g. levying a rate, borrowing money, promotion of or opposition to a Bill in Parliament.
2. Matters reserved to the Council by financial regulations.
3. The adoption and amendment of Standing Orders, including the powers and duties of Committees and other forums.
4. Power to make, amend, revoke or enact or enforce any byelaws.
5. The determination of the objectives of the Council.
6. Matters of new policy or variation of existing policy as contained within the budget and policy framework.
7. Local Development Framework adoption.
8. Any function where a decision would be contrary to a plan, policy, budget or strategy previously adopted by the Council, which would be contrary to the Council’s Standing Orders, Financial Regulations or Executive arrangements.
9. The Scheme of Delegations to Officers.

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**If you have any queries regarding this, please speak with the Council's Legal Officer at the meeting.**

Wyre Forest District Council

Council

Wednesday, 26th February 2014

Council Chamber, Wyre Forest House, Finepoint Way, Kidderminster

Part 1

Open to the press and public

<b>Agenda item</b>	<b>Subject</b>	<b>Page Number</b>
1.	<b>Prayers</b>  To be read by Reverend Mary Austin from Trinity Methodist Church, Kidderminster. This will include a minutes silence in memory of the late Honorary Alderman Elizabeth Mills.	
2.	<b>Apologies for Absence</b>	
3.	<b>Declarations of Interests by Members</b>  In accordance with the Code of Conduct, to invite Members to declare the existence and nature of any Disclosable Pecuniary Interests (DPI's) and / or Other Disclosable Interests (ODI's) in the following agenda items and indicate the action that they will be taking when the item is considered.  Please see the Members' Code of Conduct as set out in Section 14 of the Council's Constitution for full details.	
4.	<b>Minutes</b>  To confirm as a correct record the Minutes of the meeting held on 27 <sup>th</sup> November 2013.	10
5.	<b>Public Participation</b>  In accordance with the Council's scheme for public speaking at meetings of Council, to allow members of the public to present petitions, ask questions, or make statements, details of which have been received by 12 noon on Monday 17 <sup>th</sup> February 2014.  <i>If you wish to speak on an urgent matter that has arisen since the deadline and you could not reasonably have known about it at the time, you should register your interest in speaking no later than 9am on the day of the meeting of Council. In the case of a request to speak on an urgent matter, the Solicitor to the Council will rule on whether or not the matter is urgent and that ruling will be final.</i>	

6.	<p><b>Questions</b></p> <p>No questions have been submitted in accordance with Standing Order A5 by Members of the Council.</p> <p><i>In the case of an urgent matter that has arisen since the deadline above, and could not have been reasonably known at that time, it must be delivered in writing to the Solicitor to the Council no later than 9am on the day of Council.</i></p>	
7.	<p><b>Chairman's Communications</b></p> <p>To note the engagements of the Chairman of the Council since the Council's last meeting.</p>	26
8.	<p><b>Leader of the Council Announcements</b></p> <p>To receive announcements from the Leader of the Council.</p>	
9.	<p><b>Policy and Budget Framework</b></p> <p>Matters which require a Decision by Council.</p> <p><b>a. Recommendations from Overview &amp; Scrutiny Committee, 5<sup>th</sup> December 2013</b></p> <ul style="list-style-type: none"> <li>• <b>Sustainable Communities Act – Proposed Levy on Large Retail Outlets</b></li> </ul> <p><b>b. Recommendations from Cabinet 18<sup>th</sup> February 2014</b></p> <ul style="list-style-type: none"> <li>• <b>Treasury Management Strategy Statement Report 2014/15</b></li> </ul> <p>Please note that the reports and associated documents, referred to above, have been circulated electronically to Members. Public inspection copies are available on request. Please refer to the front cover for contact details.</p>	<p>27</p> <p>28</p>
10.	<p><b>Financial Update 2014/2017</b></p> <p>To approve the Council's budget for 2014/2017 having considered the proposed decision and budget reports recommended to Council by Cabinet on 18<sup>th</sup> February 2014:</p> <ul style="list-style-type: none"> <li>• Fees and Charges</li> <li>• Three Year Budget, Capital Programme and Policy Framework 2014/17</li> <li>• Council Tax 2014/15</li> <li>• Report of the Chief Financial Officer in respect of Sections 25 – 28 Local Government Act 2003</li> <li>• Councillors' scheme of allowances for 2014/15 in light of Independent Review Panel's recommendations</li> </ul> <p><b>(Report to follow)</b></p>	-

	<p><i>Members are asked to bring their Financial Strategy 2014/17 booklet to the meeting.</i></p>	
11.	<p><b>Council Tax 2014/2015</b></p> <p>To consider and approve the formal resolution for setting the Council Tax for 2014/2015. The amount of Council Tax depends on the budget proposal recommendations from Cabinet to Council on 18<sup>th</sup> February 2014 which includes the precepts by Worcestershire County Council, The Office of the Police and Crime Commissioner for West Mercia and Hereford and Worcester Fire and Rescue Authority.</p> <p><b>(Report to follow)</b></p>	-
12.	<p><b>Motions Submitted under Standing Orders</b></p> <p>Two motions have been received in accordance with Standing Orders (Section 7, 4.1).</p> <p><b>1. From Councillor G W Ballinger, Leader of the Independent Community &amp; Health Concern Group</b></p> <p><i>The Independent Community &amp; Health Concern Group proposes a motion to Council to amend the Terms of reference of the Appointments and Appeals Committee to include the overview of an independent review of the top 6 management posts, undertaken by an appropriately sourced external consultant and for the Committee to make recommendations to Council. The revised structure would best fit future business needs and be effective from April 2015. The objective of this independent review would be to make the leadership structure more fit for purpose whilst realising saving to contribute to the Transformation Programme and continued financial sustainability. The costs of this review to be met from the Transformation Fund initially but it is envisaged they will be recovered from resultant savings once the review recommendations have been implemented.</i></p> <p><b>2. From Councillor H J Martin, on behalf of the Labour Group</b></p> <p><i>Council recognises the need to continue to seek efficiency and economy in the way it operates. It also recognises the need to protect front line services whilst ensuring that the community receives value for money.</i></p> <p><i>Council agrees that every option to achieve these aims must be considered, including the ownership and operation of Wyre Forest House. To this aim, therefore, Council agrees to investigate all options for a “sale and leaseback” agreement with appropriate providers. This should be commissioned through specialist advisers who should be required to investigate the pro’s and con’s of such an arrangement and advise on comparisons of both the status quo and a sale and leaseback arrangement, making recommendations for consideration by Full Council.</i></p>	



13.	<p><b>Urgent Motions submitted under Standing Orders</b></p> <p>To consider motions in the order they have been received which, by reason of special circumstances, should be considered as a matter of urgency, in accordance with Standing Orders (Section 7, 4.1 (vii)).</p>	
14.	<p><b>Future Governance Arrangements for Kidderminster – Update Report</b></p> <p>To consider a report from the Chief Executive which provides Council with an update from the working group established by the Council resolution in July 2013 and proposed next steps.</p>	29
15.	<p><b>To consider any other business, details of which have been communicated to the Solicitor to the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.</b></p>	
16.	<p><b>Exclusion of the Press and Public</b></p> <p>To consider passing the following resolution:</p> <p>“That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting during the consideration of the following item of business on the grounds that it involves the likely disclosure of “exempt information” as defined in the paragraph 1 of Part 1 of Schedule 12A to the Act”.</p>	

## Part 2

### Not open to the Press and Public

17.	<p><b>To consider any other business, details of which have been communicated to the Solicitor to the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.</b></p>	
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**WYRE FOREST DISTRICT COUNCIL**

**COUNCIL**

**COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER**

**27TH NOVEMBER 2013 (6PM)**

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**Present:**

Councillors: F M Oborski (Chairman), D C H McCann (Vice-Chairman), J Aston, G W Ballinger, R Bishop, C Brewer, J-P Campion, S J M Clee, E Davies, N J Desmond, H E Dyke, P Dyke, N Gale, D R Godwin, J Greener, I Hardiman, P B Harrison, J A Hart, M J Hart, P V Hayward, V Higgs, A T Hingley, T Ingham, M B Kelly, N Knowles, H J Martin, B McFarland, C D Nicholls, T L Onslow, J W Parish, J Phillips, M Price, M Rayner, C Rogers, M A Salter, A M Sewell, J A Shaw, D R Sheppard, N J Thomas, S J Williams and G C Yarranton.

**C.56 Prayers**

Prayers were said by Pastor Rob Palmer of Franche Community Church, Kidderminster.

**C.57 Apologies for Absence**

Apologies for absence were received from Councillor B T Glass.

**C.58 Declarations of Interests by Members**

Councillor F M Oborski declared an Other Disclosable Interest in agenda item no. 15 – Hereford & Worcester Fire Authority as she is a member of the Hereford & Worcester Fire & Rescue Authority.

Councillor A T Hingley declared an Other Disclosable Interest in agenda item no. 15 – Hereford & Worcester Fire Authority as she is a member of the Hereford & Worcester Fire & Rescue Authority.

**C.59 Minutes**

**Decision: The minutes of the meeting held on 25<sup>th</sup> September 2013 be confirmed as a correct record and signed by the Chairman.**

**C.60 Public Participation**

There was no public participation.

**C.61 Questions**

Council had received twelve questions.

**Question from Councillor G W Ballinger to the Leader of the Council**

Which 25 local businesses are specifically benefitting from the Council initiative “to help new businesses to set up in empty premises”?

**Response from The Leader of the Council**

I am very pleased to report, twenty six businesses have been assisted to date. A list of the 26 businesses that had benefited from the grant was read out. Members had received a copy of the list.

**Supplementary question from G W Ballinger**

Good news to hear so many small businesses involved. Is he concerned that the recent cancellation of the small businesses seminar by this authority because of lack of interest is anything to do with the way this Council, in conjunction with Hendersons, dealt with Lower Mill Street where shopkeepers were given a notice of a potential Compulsory Purchase Order and is that any reason why people have no faith in this Council to help small businesses?

**Supplementary answer from The Leader of the Council**

Only Councillor Ballinger could turn a positive story into a negative one, I don't agree with that. There are a number of things nationally for the take up of this initiative and we've been supporting this for some time. With regard to Mill Street, it is important to remember people who own properties were fully aware of the initiative well before the announcement and have been communicated with on a number of occasions before the announcement was made.

**Question from Councillor G W Ballinger to the Leader of the Council**

Has the Council Cabinet recently considered the operation of the current Committee structure?

**Response from The Leader of the Council**

No. The committee structure is decided each year by Council normally in May but understand next year it will be in June.

**Supplementary question from G W Ballinger**

There have been a number of committees recently that have either been cancelled at short notice such as the Planning Committee, last month it was 15 minutes, that has happened on a number of occasions, Licensing Committee has been postponed/cancelled due to lack of business. Should we be paying Members of this Council enhancements to chair committees and I would add that the Strategic Review Committee has no scheduled meetings for the remainder of this year? We created a post for a person to chair that committee at high cost to this Council and that committee is not scheduled to meet again. I think it's time we looked internally at our

expenditure and did something about it.

**Supplementary answer from The Leader of the Council**

Feed those views into annual Council when it sets up the committee structure for the next municipal year.

**Question from Councillor N J Thomas to the Leader of the Council**

By cutting the number of Councillors from 42 to 33 will this reintroduce democracy into our Council or will it disappear out of sight?

**Response from The Leader of the Council**

I don't agree with the premise of the question in that democracy is not demonstrating democracy in action and indeed moving to 33 Councillors will mean representing 400 more individuals. We are asking staff to work harder and do more for the same so therefore there is nothing wrong in asking elected Members to do the same. It also saves in excess of £40k. Councillor Ballinger said there is a number of committees not full of business, so why do we need same number of Councillors now as 40 years ago and of course there is an example of Councillors who don't attend meetings, I name an Independent Community & Health Concern Member who has only attended 6 meetings so far since May, that is £400 per meeting. A Labour colleague has only attended 8 out of a possible 14 and I make that £300. No requirement is exactly the same as it was 40 years ago.

**Supplementary question from Councillor N J Thomas**

How can democracy be increased by fewer representatives of the people when money we are saving by doing this could have come by cutting down Councillors allowances, this would have been far cheaper than boundary changes to instigate.

**Supplementary answer from The Leader of the Council**

Always good to see the question as a supplementary before you've heard the answer, interesting that Councillor Ballinger is mouthing to me that he didn't say he didn't write it, the cost involved has to be taken into account but it's a one off cost about £40k for this authority and would save year-on-year. It is important to remember that we are incurring no additional cost, the boundary commission exists anyway, we are utilising their expertise here.

**Question from Councillor N J Thomas to the Leader of the Council.**

Would it not be appropriate in these times of austerity to consider suitable partners for the leisure centre development?

**Response from The Leader of the Council**

The temptation is to be flippant with the question because all of the work that has been going on over a number of years on a partner delivering this for the Council, that's what the whole project is about. We currently have a leisure service delivered by a private partner and they operate our leisure centres for us. The proposal currently is to get a partner to design build operate and maintain a leisure centre for us and building the current model and taking it one step further so that they not only run it but maintain it for us with the aim to get rid of the subsidiary we currently provide to our leisure partner, we are nearly at £9m per year and will go up and need to bring that down, remove the subsidy and cost of project, exactly where you are Nigel, been there for a couple of years, we want to see a private partner coming in to help us deliver a leisure strategy.

**Supplementary question from N J Thomas**

Would it not be better by taking a partner who is willing to put money into the expertise with such a project, we would then experience problems we have with this building and could end up with a unit not fit for purpose?

Councillor J Parish left the meeting at this point, (6.18pm).

**Supplementary answer from The Leader of the Council**

The point is because they are going to be involved in designing and building it, it is up to them to say this works best for us and indeed we might help fund x facility by raising x revenue, that's the whole point of getting them in and on board. This Council is trying to do and agree with you it is the right thing to do that, we see leisure still provided in partnership with the District Council because the alternative of not doing what we're doing is the district not having leisure provision and I really don't that this is right thing for this district.

**Question from Councillor E Davies to the Leader of the Council**

Will the Leader please inform Council on the use of external consultancies in the financial year 2012/13 and in the current financial year? Please include the number of such contracts, on which subjects and the cost to the Council of these external contracts.

**Response from The Leader of the Council**

There are lots as you would imagine and I can supply you with the full list. The headlines are, Council spent £110 in 2012/13 and £60k in the current financial year, a whole range of specialism's, from property advice through to advice with leisure and advise in terms of delivering savings, a whole raft

of specialism's we don't have for consultancy services.

**Supplementary question from Councillor E Davies**

In part you have answered my question. What budgetary allocation has been made for consultancy services and are all consultancy contracts subject to the normal tendering process and who makes the final answer?

**Supplementary answer from The Leader of the Council**

I do not have the exact information but can supply that to you. Overall they are contained within the budgets, cannot act without the budget limit set in Council and secondly yes they are subject to the usual procurement routes, more often than not some of the special advice we get is in very small bundles so there wouldn't be a whole European tender but may be part of a framework, but we can get you budget figures you requested.

**Question from Councillor C Nicholls to the Cabinet Member for Community Well-Being, Councillor I Hardiman**

With reference to the identification of Silverwoods as the site for the new leisure centre, to what extent were the council's Planning Officers consulted?

**Response from Councillor I Hardiman**

The Council's Planning Officers are represented on the Leisure Centre project group and have been fully involved throughout.

**Supplementary question from Councillor C Nicholls**

Do you consider the new location is a matter of policy and if so do you think policy should be made by Councillors?

**Supplementary answer from Councillor I Hardiman**

It is policy of course, we're enacting the policy laid down by full council, the site that has now been chosen as the approved site and subject to searches, not one on the initial list and had it been it would have been top of our priority list.

**Question from Councillor M Kelly to the Cabinet Member for Community Well-Being, Councillor I Hardiman**

Where on the site, and on land zoned for which purpose, is it proposed that the new leisure centre be located?

**Response from Councillor I Hardiman**

The land is zoned for mixed use (reference Policy SAL.SK2) which is a document I have here and which is available from Council officers.

Councillor J Parish returned to the meeting at this point, (6.21pm).

The proposed location is to the left side of the Silverwoods site, adjacent to the railway line and all Members have been provided with a map to explain.

**Supplementary question from Councillor M Kelly**

Pleased to see map here which tells us very little, first time everyone seen it having said that, notwithstanding the answer given and the fact that the only time this site has been before Council, it was at an unscheduled meeting called on 14<sup>th</sup> October 2013 entitled “confidential briefing”, a meeting called without supporting paperwork and a meeting not all Councillors could attend, why did Councillor Hardiman put out a press statement when others Members of the Council, some who knew very little about the amended scheme and why is Councillor Hardiman not tied by the confidentiality like every other member of the authority.

**Supplementary answer from Councillor I Hardiman**

A press statement was put out but only after Members were made aware of what was going on.

**Question from Councillor H Martin to the Cabinet Member for Community Well-Being, Councillor I Hardiman**

Was the case for funding a road linking the A451 with the A449 through this site based on the justification that the land was zoned for industrial use?

**Response from Councillor I Hardiman**

No it was not.

**Supplementary question from Councillor H Martin**

I haven't written down a question, I don't think that Members have ever seen the business case and the submission that was put forward for pinch point funding. I'm going to ask on the basis that there was an application put in for funding and there must have been road and traffic modelling, could I ask that Members are circulated with a full set of documents that were part of the submission that was put in for funding, and also show the road modelling and I understand that information would have been confidential before the funding was given but it should now be in the public domain, don't think all Members have seen it so could it be re-circulated please.

**Supplementary answer from Councillor I Hardiman**

Yes the application is on the Worcestershire County Council website. Under the previous (now defunct) Local Plan, the site was zoned for employment (i.e. industrial use), however since then we've had the adoption of the Core Strategy in December 2010 which allowed for a mixed use development (including residential) and the emergence (and subsequent adoption in July 2013) of the Sites and Allocations Local Plan which clearly identifies the whole site as being suitable for mixed use

development.

It was reiterated to Members they could find the papers on the Worcestershire County Council website and a link would be sent to Members. This matter would be presented to the Planning Committee in January 2014.

**Question from Councillor A Sewell to the Cabinet Member for Community Well-Being, Councillor I Hardiman**

Is the extent of Sport England's "additionality" to the original plans fixed; i.e., there must be the extra two courts and the climbing wall, or their equivalent; or are the added facilities dependent on the size of the grant?

**Response from Councillor I Hardiman**

No, the "additionality" to the original plans is not fixed by Sport England, and the additional facilities are based on need in discussion with Sport England.

**Supplementary question from Councillor A Sewell**

Who makes the final decision about additional features, is it this Council or Sport England?

**Supplementary answer from Councillor I Hardiman**

As already said, it will be a joint consultation on approving the appropriate mix.

**Question from Councillor B McFarland to Cabinet Member for Community Well-Being, Councillor I Hardiman**

Is the proportion of the grant to be spent on "additionality" fixed, or subject to negotiation?

**Response from Councillor I Hardiman**

The level of Sport England Grant is not fixed but discussions have indicated that the balance outlined in the Cabinet report is right, as it is based on the Facility Planning Model and public consultation undertaken. The majority of the grant funding will mean the Council will not have to borrow as much money and therefore will reduce the overall revenue cost.

**Supplementary question from Councillor B McFarland**

Given the administration are minimising involvement in a great many issues which is not good for transparency and democratic practice, would the Cabinet Member agree that this is unsatisfactory, given that if proportionality is not fixed, at what point will it be and full Member involvement in conclusion?



**Supplementary answer from Councillor I Hardiman**

Absolutely so, done that to date. We keep no secrets, have Members confidentially when Victoria Carpets asked us to hold onto announcements for business reasons. We keep people informed, I cannot understand why you're not informed, there are no secrets.

**Supplementary question from Councillor B McFarland**

I talked about Member involvement not confidentiality.

**Supplementary answer from Councillor I Hardiman**

Noted but didn't mention confidentiality.

**Question from Councillor N Knowles to Cabinet Member for Community Well-Being, Councillor I Hardiman**

Were there alternatives to the "additionality option" of two extra courts and a climbing wall presented to the Cabinet for discussion at any point before, or at its meeting on, 22nd Oct?

**Response from Councillor I Hardiman**

No, based on previous consultation. The decision to provide 2 extra courts and climbing wall was based on discussions with Sport England grant team and on the Facility Planning Model and public consultation that took place as part of the scrutiny process and defined the facility mix for the centre. This work was included in the report considered by Cabinet in October this year. If the application is successful, then Sport England will continue to work with the Council on the technical specification for the new centre.

**Supplementary question from N Knowles**

Seems to be real problem about disclosure about full information, why was it not considered to discuss this and wider site facility and case to be put at full Council, not had chance to discuss economic case of this whole venture

**Supplementary answer from Councillor I Hardiman**

The answer is I can't answer all questions, as already said keep you advised of progress.

**Question from Councillor V Higgs to Cabinet Member for Community Well-Being, Councillor I Hardiman**

Did Sport England require explicitly the closure of Stourport Sports Centre as a condition of any size of grant received from it?

**Response from I Hardiman**

No they did not.

**Supplementary question from Councillor V Higgs**

Bearing in mind that the sports centre proposed to be closed is in Stourport-on-Severn, why has there been no involvement of any Stourport-on-Severn Councillors in this decision?

**Supplementary answer from Councillor I Hardiman**

This report went through scrutiny and it was a Council decision to close Stourport-on-Severn sports centre.

**C.62 Chairman's Communications**

The Council received an updated list of functions attended by the Chairman or Vice-Chairman since the Council's last meeting.

The Chairman thanked those Members who had made donations to the foodbank and advised that it would not be taken for a couple of days so if anyone wished to add anything, they would be able to. She referred to her updated list of engagements and reminded Members that her Christmas Carol Concert would be held at St. Mary's Church, Kidderminster on Friday 20<sup>th</sup> December 2013 which would be followed by seasonable refreshments in the chantry and hoped Members would attend.

**C.63 Leader's Announcements and Report**

An update on the Icelandic investments had been circulated to Members prior to the commencement of the meeting. In response to a query regarding the 10% of the remaining monies still to be returned to the Council, the Leader of the Council reassured Members that the Council would continue to try and get all the money back.

Members were informed that today has seen the official opening of the SPACE incubator facility in Arthur Drive, Kidderminster and the first tenant who would start a graphic design business in one of the units.

Councillor N Knowles left the meeting at this point, (6.37pm).

**C.64 Motions Submitted Under Standing Orders**

Two motions were received.

1. A notice of motion was received from Councillor C Brewer, a Member of the Independent Community & Health Concern Group in accordance with Standing Orders.

Councillor C Brewer moved and Councillor E Davies seconded the motion. A debate ensued and the main points raised were:

- a) If the motion was to be taken on board, then the matter should be referred to the Local Government Association, the DCLG and HM Treasury.
- b) It was believed that the United Kingdom would not benefit from the tax, with the financial trade ultimately being passed to Hong Kong and Singapore.
- c) By supporting the motion, it could support the public and give them hope.
- d) It was believed that approximately 40 authorities in the country had supported this motion and it was time that the banks were bought into line.

Upon a vote the motion was carried with 20 for and 19 against the motion.

**Decision: The motion as set out below be agreed:**

**Council resolves to support the introduction of a Financial Transaction Tax to raise £20bn a year from the financial sector. This tax would recognise the banks' responsibility for the financial crisis, which has required significant public expenditure reductions, and should be adopted in preference to further cuts in funding for local government and reductions in services for local people. The matter also be referred to the Member of Parliament, the Local Government Association, the DCLG and HM Treasury.**

2. A notice of motion was received from Councillor J Shaw, Leader of the Labour Group in accordance with Standing Orders.

The Leader of the Council circulated an alternative motion and Councillor Shaw took on board the amendment but commented that it was only slightly watered down but pointed out that he would be annoyed if he saw this printed as a Conservative idea.

Members discussed the alternative motion and stressed that it was important that the St. Basils Foyer should remain open to help the vulnerable in the area.

Members unanimously agreed that the amended motion be supported.

**Decision: The motion as set out below be agreed:**

**Notes with concern the government statistics which show that Worcestershire has a rate of homelessness higher than the national average;**

**recognises that there has been a significant shortage of accommodation and support for vulnerable young people throughout North Worcestershire, including Wyre Forest;**

**values the contribution made by, amongst others, West Mercia Homes and St Basils, working in partnership with Local Authorities, to address this problem, such as the provision at Park Street, Kidderminster;**

**wishes to understand about the implications of Worcestershire County Council's proposal to reduce drastically, and narrow the focus of, its Supporting People budget;**

**notes the conclusion drawn by St Basils and West Mercia Homes that, without ongoing support from the Supporting People budget, the nearly-completed £1.6m Bromsgrove Street Kidderminster Foyer project, planned to provide nineteen units of supported accommodation, will not be able to be used for this purpose, because of insufficient revenue funding;**

**notes, further, the conclusion that, in total, sixty-three bedspaces across North Worcestershire will be affected;**

**notes that there is a real danger that the capital grant provided by the Homes and Communities Agency for the Bromsgrove Street project may be withdrawn, because the building cannot be used for its intended purpose, therefore, potentially leaving the other partners, including Wyre Forest District Council, liable for the funding gap,**

**notes, further, that failure to deliver this project might damage the chances of success of bids for future HCA grants,**

**believes that neither the Bromsgrove Street Foyer project, nor the wider provision for vulnerable young people in North Worcestershire can be allowed to founder,**

**urges, therefore, that joint representation with Bromsgrove District and Redditch Borough Councils be made to Worcestershire County Council, the relevant Members of Parliament and the Department for Communities and Local Government, seeking a radical revision of Worcestershire's**

**Supporting People budget, so that homelessness prevention services, especially related to young people can be provided in Wyre Forest.**

Councillors H J Martin and A Sewell left the meeting at this point, (7.31pm).

**C.65 Urgent Motions Submitted Under Standing Order No. D1 (7)**

There were no urgent motions.

**C.66 Submission to Local Government Boundary Commission about warding arrangements for the Council**

Council considered a report from the Chief Executive which set out the submission to the Local Government Boundary Commission about future warding arrangements for the Council.

The Chairman explained that the report would be dealt with by the three areas, i.e. Stourport-on-Severn, Bewdley and Kidderminster.

Councillor M J Hart explained to Members the background to the review.

Councillor H J Martin and Councillor A Sewell came back to the meeting at this point, (7.33pm).

Members were reminded that the deadline for submission of proposals for ward boundaries was 16<sup>th</sup> December 2013 and any interested person could submit their own proposals to the Boundary Commission. Members were taken through the report area by area and a debate ensued. They were also informed that a working group had been set up, which had involved cross-party membership.

The Leader of the Labour Group stressed that he came to the meeting to vote enbloc for all areas so his group would only be able to support Stourport-on-Severn.

Councillor T Ingham left the meeting at this point, (7.37pm) and came back at 7.41pm.

In response to a Member question, it was reported that a lot of analysis had been carried out to get to the proposals and that some splits were not perfect solutions but overall it worked with the parish/county boundaries.

A Member had concerns that the Wolverley, Cookley, Blakedown & Chaddesley districts should not be 3 members. Wolverley and Cookley had a connection but did not have this with Blakedown & Chaddesley, there was nothing to link them up. It would also mean a lot more travelling attending meetings.

Several Members thought that the electorate would be confused and disillusioned.

The Chief Executive and his staff were thanked for the work that had been carried out.

A vote was taken and 25 voted for the decision with 16 against. Therefore, the decision was carried.

**Decision: The submission about warding arrangements of the Council as detailed in Appendix A of the report to Council be approved.**

**C.67 Corporate Governance**

Council considered a report from the Solicitor to the Council which asked Council to agree the revised political balance.

**Decision: The revised political balance of the Council as set out in Appendix 1 of the report to Council be agreed.**

Councillor J-P Campion left the meeting at this point, (8.46pm).

**C.68 Half Yearly Report from the Chief Executive**

In response to questions, the Chief Executive replied as follows:

With regard to the monies the Council had committed towards the Lawrences Fire, the Council were not expecting to get it back as agencies had agreed to commit money, otherwise the fire would have continued to burn. However, the Council had issued an invoice and although the company had gone into administration, there could be a possibility of getting the money back.

Councillor J-P Campion came back to the meeting at this point, (8.49pm).

Councillor M J Hart left the meeting at this point, (8.50pm).

Empty buildings in Worcester Street, Kidderminster had received grants and were being back bought back into use. The amount of rent charged for the building was down to the landlords and not the Council.

Councillor M J Hart came back to the meeting at this point, (8.52pm).

With regard to the ground source heating in Wyre Forest House, some improvements had been made to the existing system and work was now ongoing with the contractor to try and resolve the issues. However, the savings of £500,000 would still be met.

An amount of £55,000 had been spent on aborted work for the investigation into the site for the new leisure centre. However, it was perceived that this was money well spent, as if the Council had proceeded with the site, it would have cost a lot more.

With regard to the two by-elections held in June and August 2013, monies

had been recovered from Worcestershire County Council and the amounts were approximately £18,000 for St. Marys and approximately £22,000 for Stourport-on-Severn.

In respect of the recent staff survey, there had been a slight improvement and these were shown in the report with the previous years figures in brackets.

Councillors P Dyke & G C Yarranton left the meeting at this point, (9.01pm).

A new layout for Council meetings in the Council Chamber would be investigated.

**Decision: The report be noted.**

Council broke at 9.07pm for a short break.

Councillor H J Martin left the meeting at this point, (9.07pm).

The meeting reconvened at 9.21pm and the Leader of the Council suspended Standing Orders until 11.00pm.

**C.69**

**Policy and Budget Framework – Matters which require a decision by Council**

**a. Recommendations from Cabinet, 22<sup>nd</sup> October 2013**

**• Development of New Corporate Plan 2014-2019**

Everyone involved in the work required to produce a new Corporate Plan were thanked.

**Decision: The draft Corporate Plan 2014/19, as set out in Appendix 2 of the report to Cabinet, be adopted.**

**• Revised Local Development Scheme 2013-2016**

**Decision:**

- 1. The Proposed Draft Revised Local Development Scheme (2013-16) be endorsed and published as a basis for the future production of the District's Local Plans.**
- 2. Delegated authority be granted to the Director of Economic Prosperity and Place to undertake any necessary formatting amendments to the Draft Revised Local Development Scheme prior to its publication.**

**b. Recommendations from Cabinet, 19<sup>th</sup> November 2013**

**• Medium Term Financial Strategy 2014-2017**

The Leader of the Council presented the administration's proposals for the budget. He thanked members of the Corporate Management Team and Officers for the work put into the budget proposals for this year. The process had started earlier this year with the setting up the Strategic Review Committee which had met 26 times during the year, held 21 focus groups and conducted a consultation of which 629 responses had been received. The Leader of the Council advised that he was pleased how well the budget scrutiny process had gone.

A robust debate ensued on the budget proposals.

The Leader of the Independent Community & Health Concern Group (IHC) presented their alternative budget.

The Chief Executive left the meeting at this point, (21.39pm).

Members were informed that the amendment included the removal of the joining of Civica's South Worcestershire Partnership as there was not enough information for a decision to be made, the removal of the blue badge proposals, a further restructure of the senior management team and to implement the Independent Remuneration Panel recommendations to reduce Members Allowances. There was also a proposal to refurbish the existing leisure facilities and not progress with a new leisure centre for the district. It was also suggested that the budget be deferred to allow full consideration of the proposals.

A full discussion followed, however, upon a vote the amendment this was lost 15 to 25.

Councillor T Ingham left the meeting at 22.29pm and returned at 22.31pm.

At the conclusion of the debate, the decision was carried.

**Decision:**

- 1. The Council's updated Medium Term Finance Strategy be endorsed.**
- 2. Cabinet Proposals be endorsed– 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 be endorsed.**
- 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 be endorsed.**



- **Treasury Management Strategy Statement and Annual Investment Strategy Mid Year Review Report 2013/14**

**Decision:**

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

The Chief Executive came back in to the meeting at this point, (22.43pm).

**C.70 Recommendations from Overview & Scrutiny Committee, 7<sup>th</sup> November 2013**

- **Hereford & Worcester Fire and Rescue Authority – Draft Community Risk Management Plan 2014-2020.**

The Chairman of the Overview & Scrutiny Committee informed Members that a very detailed briefing had been held.

An amendment by the Conservative Party was tabled with an amendment detailing that closer working should be given to back office structures with Shropshire and Warwickshire as it was believed this could protect Bewdley retained fire station.

Upon a vote the amendment was unanimously agreed.

**Decision:**

1. **Closer collaborative working should be given to back office structures with Shropshire & Warwickshire where senior management posts could merge.**
2. **In light of the potential savings of the above, Wyre Forest District Council objects to any proposal to close Bewdley Fire Station or reduce Kidderminster to a single engine when much smaller towns (such as Bromsgrove, Malvern and Droitwich) are proposed to retain two engines. It is recognised that the other towns have their first engine crewed on a different basis, which is not whole-time shift;**
3. **The number of members of the Fire and Rescue Authority should be reduced, together with a reduction in related training costs;**
4. **The Council considers that any future reductions in fire cover for Wyre Forest in future would be unacceptable.**

The meeting ended at 10.55 pm.

**CHAIRMAN'S FUNCTIONS**

**2013/2014**

**November 2013**

- 27<sup>th</sup> Official Opening of SPACE, Hoo Farm Industrial Estate
- 30<sup>th</sup> Bewdley Christmas Lights Switch on
- 30<sup>th</sup> Kidderminster Choral Society, Town Hall

**December 2013**

- 7<sup>th</sup> Wyre Forest Symphony Orchestra, Town Hall
- 8<sup>th</sup> Mayor of Kidderminster Carol Service, St Mary's
- 13<sup>th</sup> WCC Chairman's Carol Service, County Hall
- 18<sup>th</sup> Christmas Brunch at the Academy
- 19<sup>th</sup> Worcester News Carol Service, Worcester Cathedral
- 21<sup>st</sup> Kidderminster Choral Society, Town Hall

**January 2014**

- 11<sup>th</sup> Polish Community Annual Dinner
- 15<sup>th</sup> Mayor of Worcester's Reception
- 21<sup>st</sup> Citizenship Ceremony

**February 2014**

- 1<sup>st</sup> Monday Night Group Pantomime - Humpty Dumpty
- 4<sup>th</sup> King Charles I School Production – "Honk"
- 7<sup>th</sup> Mayor of Kidderminster's Black and White Ball
- 14<sup>th</sup> Breakfast Launch at Academy
- 14<sup>th</sup> Disability Confident Day at Safari Park
- 14<sup>th</sup> Evesham Annual Valentines Dinner
- 16<sup>th</sup> ABF Curry Lunch
- 17<sup>th</sup> Memorial Service for Mrs Elizabeth Mills
- 21<sup>st</sup> Wyre Forest Dance Festival

**WYRE FOREST DISTRICT COUNCIL**

**Council  
26<sup>th</sup> February 2014**

**Overview and Scrutiny Committee  
5<sup>th</sup> December 2013**

**Sustainable Communities Act – Proposed Levy on Large Retail Outlets**

Council considered the following motion at its meeting on 25<sup>th</sup> September 2013:

“Council, as a partner with seventy other local authorities in the “Local Works” Supermarket Levy campaign, resolves to submit the following proposal to the government under the Sustainable Communities Act:

“That the Secretary of State gives Local Authorities the power to introduce a local levy of 8.5% of the rate on large retail outlets in their area with a rateable annual value not less than £500,000 and requires that the revenue from this levy be retained by each Local Authority, in order to be used to improve local communities in its area, by promoting local economic activity and local services and facilities, in so doing contributing to community wellbeing and protection of the environment.”

Council notes that, under the terms of the Sustainable Communities Act, evidence about the impact of supermarkets on other retail outlets locally, and the opinions of interested local persons, have to be presented in the submission to government.”

**Decision: The motion as set out be passed to the Overview and Scrutiny Committee to explore the option:**

The Overview and Scrutiny Committee considered the issue on the 5<sup>th</sup> December 2013 and recommends that Wyre Forest District Council should back the campaign for a levy on large retail outlets.

**Background Paper:**

Report to the Overview and Scrutiny Committee, 5<sup>th</sup> December 2013

<http://www.wyreforest.gov.uk/council/meetings/com193.htm#mt7328>

WYRE FOREST DISTRICT COUNCIL

**COUNCIL**  
**26<sup>TH</sup> FEBRUARY 2014**

**POLICY AND BUDGET FRAMEWORK**  
**MATTERS WHICH REQUIRE A DECISION BY COUNCIL**

**RECOMMENDATIONS FROM THE CABINET –18<sup>TH</sup> FEBRUARY 2014**

**Purpose of Report**

To consider recommendations from the Cabinet on matters outside the policy framework or approved budget of the Council.

**SUPPORTING INFORMATION**

Would Councillors please note that the related reports and documents have not been included in the Council book, as they have already been sent to Members via the Cabinet agenda. Copies have been included in the electronic circulation of the Council agenda and a public inspection copy is available on request. The policy documents, referred to below, have been posted on the Council’s website.

<b>RECOMMENDATIONS TO COUNCIL (subject to the Cabinet meeting on 18<sup>th</sup> February 2014)</b>	<b>CABINET MEMBER</b>
<p><b>Treasury Management Strategy 2014/15</b></p> <p><b>Recommend to Council:</b></p> <ol style="list-style-type: none"> <li><b>1. The restated Prudential Indicators and Limits for the financial years 2014/15 to 2016/17 included in Appendix 3 of the report to Cabinet be approved.</b></li> <li><b>2. The updated Treasury Management and Investment Policy and Strategy Statements for the period 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015 (the associated Prudential Indicators are included in Appendix 3 of the report to Cabinet and the detailed criteria is included in Section 10 and Appendix 5 of the report to Cabinet) be approved.</b></li> <li><b>3. The Minimum Revenue Provision (MRP) Statement that sets out the Council’s policy on MRP included in Appendix 1 of the report to Cabinet be approved.</b></li> <li><b>4. The Authorised Limit Prudential Indicator included in Appendix 3 of the report to Cabinet be approved.</b></li> </ol>	<p><b>Councillor Nathan Desmond</b></p>

**WYRE FOREST DISTRICT COUNCIL**

**COUNCIL**  
**26<sup>th</sup> FEBRUARY 2014**

**FINANCIAL STRATEGY 2014-17**

<b>OPEN</b>	
<b>SUSTAINABLE COMMUNITY STRATEGY THEME</b>	All
<b>CORPORATE PLAN PRIORITY:</b>	Delivering Together with Less
<b>CABINET MEMBER:</b>	Councillor Nathan Desmond
<b>RESPONSIBLE OFFICERS:</b>	Chief Financial Officer/Chief Executive
<b>CONTACT OFFICERS:</b>	<b>Tracey Southall, Ext. 2100</b> <a href="mailto:tracey.southall@wyreforestdc.gov.uk">tracey.southall@wyreforestdc.gov.uk</a> <b>Ian Miller, Ext. 2900</b> <a href="mailto:ian.miller@wyreforestdc.gov.uk">ian.miller@wyreforestdc.gov.uk</a>
<b>Appendix 1</b>	<b>Updated Fees and Charges</b>
<b>Appendix 2 - Part 1</b>	<b>Updated Capital Programme</b>
<b>Appendix 2 - Part 2</b>	<b>Updated Vehicle, Equipment and Renewals Schedule</b>
<b>Appendix 3</b>	<b>Updated Cabinet Proposals</b>
<b>Appendix 4 - Part 1</b>	<b>Report of the Independent Remuneration Panel received in December 2013</b>
<b>Appendix 4 - Part 2</b>	<b>Current Scheme of Members' Allowances 2013-14 and Comparison with IRP Recommendations for 2014-15</b>
<b>Appendix 5</b>	<b>Report of the Chief Financial Officer in respect of Sections 25-28 Local Government Act 2003</b>
<b>Appendix 6</b>	<b>Council Tax Consultation Results</b>
	<i>The appendices to this report have been circulated electronically and a public inspection copy is available on request.</i>

**1. PURPOSE OF REPORT**

- 1.1 To update Council on the Medium Term Financial Strategy 2014-17 and make recommendations on the proposed budget decision. Also, to consider the latest Report of the Independent Review Panel (IRP) on Members' Allowances.

## 2. RECOMMENDATIONS

### The CABINET RECOMMENDS TO COUNCIL:

#### 2.1 FEES AND CHARGES

2.1.1 **APPROVAL** of the updated fees and charges as attached in Appendix 1, in respect of Control of Dogs to replace those approved by Council on the 27<sup>th</sup> November 2013.

#### 2.2 THREE YEAR BUDGET, CAPITAL PROGRAMME AND POLICY FRAMEWORK 2014-17

2.2.1 **APPROVAL** of the updates to the Medium Term Finance Strategy 2014-17 as approved by Council in November 2013, as set out in the Cabinet report of the 21<sup>st</sup> January 2014.

2.2.2 **APPROVAL** of the Base Capital Programme and Vehicle, Equipment and Systems Renewal Schedule as set out in Appendices to the Cabinet Report on the 21<sup>st</sup> January 2014, further amended to incorporate all approved Cabinet Proposals and final amendments detailed in this report. The revised Capital Programme for approval is contained in Appendix 2 (Parts 1 and 2); updated Prudential Indicators are also presented in the separate Treasury Management report on this agenda. In doing so, Capital Budgets for 2014-17 are approved.

2.2.3 **APPROVAL** that the first £338,000 of the Right to Buy (RTB) receipts in 2014/15 be allocated to Disabled Facilities Grants (to a maximum Capital budget of £800,000). Any subsequent RTB Capital Receipts be allocated to general capital reserves. That the allocation of future years' RTB receipts will be considered in future budget setting processes.

2.2.4 **APPROVAL** that the initial £1m funding allocated for the Local Authority Mortgage Scheme be removed from the Capital Programme given the launch of the Government's Help to Buy Scheme and withdrawal of the Lloyds Banking Group from this initiative.

2.2.5 **APPROVES** that any Final Account savings arising from 2013-17 over and above the target allowed for in the Council's Finance Strategy, together with surplus Earmarked Reserves, be allocated by the Chief Financial Officer in consultation with the Leader.

2.2.6 **The General Fund Revenue Budget be APPROVED including updated CABINET PROPOSALS (Appendix 3) and updated FEES AND CHARGES (Appendix 1) and related amendments** as set out in paragraph 5 of this report.

#### 2.3 COUNCIL TAX

2.3.1 **RECOMMENDS** a Council Tax for Wyre Forest District Council on a Band D Property of £201.45 for 2014-15 (£197.62 2013-14) which represents a 1.94% increase on Council Tax from 2013-14.

2.3.2 **RECOMMENDS** a provisional Council Tax on a Band D Property in 2015-16 of £205.36 and £209.34 in 2016-17, an increase of 1.94 % per annum over 2014-15.

2.3.3 **APPROVES** the discount for dwellings in Class C prescribed by the Council Tax (Prescribed Classes of Dwelling) (England) Regulations 2003 No 3011 shall, with effect from 1 April 2014, be one hundred per cent for the first calendar month and zero per cent thereafter, with any occupation for any period of less than 6 weeks being ignored. The period for which any discount under Class C applied to a dwelling immediately before 1 April 2014 shall count towards the period of one calendar month in awarding any discount for the period commencing on 1 April 2014.

## 2.4 **MEMBER ALLOWANCES**

2.4.1 **HAVE REGARD** to the conclusions and recommendations of the Independent Review Panel (IRP) in making any amendments to the Members' Allowances Scheme for 2014-15;

2.4.2 **DECIDE** to maintain the scheme of allowances set out in Appendix 4 – Part 2, for the financial year 2014-15, with the omission of the allowances for the Strategic Review Committee as this committee operates only in the 2013-14 municipal year;

2.4.3 **DECIDE** to withdraw from the joint Worcestershire Independent Remuneration panel.

2.4.4 **AUTHORISE** the Solicitor to the Council to amend the Constitution as appropriate to give effect to the Council's decisions, including the constitution of a new IRP to advise on the future scheme of allowances.

## 2.5 **RECOMMEND THAT COUNCIL NOTE:**

2.5.1 The Chief Financial Officer's opinion on the budget proposals, recommended by the Cabinet on 18<sup>th</sup> February 2014, as detailed in Appendix 5 of this report.

## 3. **BACKGROUND**

3.1 Following Council's approval of the Cabinet's Medium Term Financial Strategy for the next 3 years the Provisional Local Government Finance Settlement was issued just before Christmas. Cabinet received a report on 21<sup>st</sup> January 2014 providing an updated position including the Provisional Settlement for 2014-15 and estimated figures for 2015-16 and 2016-17. This report contains further updates now the Final Settlement has been published and a proposed budget decision for Council to consider on the 26<sup>th</sup> February 2014.

3.2 In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 No 1021, since 2010 the Council has been part of a joint Independent Review Panel for Worcestershire district councils. The Panel reviews and provides advice on Members' allowances.

- 3.3 The Panel's report for 2014-15 was received on 11<sup>th</sup> December 2013. A copy of the full IRP report is out in Appendix 4 - Part 1.
- 3.4 As last year, the Panel has reviewed and given consideration to a range of indicators and research on pay before making its recommendations. This has included:
- Analysed and considered the Annual Survey of Hours and Earnings statistics 2013
  - Benchmarked the Basic Allowances against Allowances for comparable roles paid by the Chartered Institute of Public Finance and Accountancy (CIPFA) 'Nearest Neighbour' councils for each authority
  - Research undertaken by the Taxpayers' Alliance into the level of Basic Allowances in 2011-12
  - Considered latest inflation rates (CPI) of 2.2%
- 3.5 Regulation 10(1) of the 2003 Regulations requires that, before the beginning of each financial year, an authority shall determine the scheme for the payment of allowances for that year.
- 3.6 Regulations 10(3) and (6) allow a Council to amend its scheme at any time during a year and a Council may backdate any changes to the start of the financial year concerned.

#### **4. KEY ISSUES**

- 4.1 The Referendums Relating to Council Tax Increases (Principles) (England) Report 2014-15 was published on the 5<sup>th</sup> February 2014. This confirmed that council tax increases of 2% and above will trigger a referendum. Therefore the 1.94% increase assumed within the Strategy and endorsed by the recent public consultation exercise (see paragraph 4.2 below) would not trigger a referendum.
- 4.2 In view of the new information in relation to the council tax freeze grant being built into the spending review baseline for 2014-15 and 2015-16, a Council Tax Consultation exercise was launched on the 8<sup>th</sup> January 2014 to run until the 29<sup>th</sup> January 2014. The results of this consultation are in Appendix 6 and show that over 63% of the 223 respondents are in favour of the Council Tax increase of just under 2% per annum over the term of the Strategy. This has informed the final decision to recommend retaining the current proposal for the small increase across all 3 years of the Strategy, rather than accepting the freeze grant offer.
- 4.3 The Capital Programme considered by January Cabinet has now been updated to include the approved Cabinet Proposals, including the Major Investment Scheme. The recent Strong Leader report recommendation for £90,000 capital budget for the demolition and laying out as a car park of the Bridge Street site, Stourport-on-Severn, has also been included and is now proposed to Council for final approval. These costs should be recovered in full from the onward sale when this redevelopment is progressed. The full, final Capital Programme for this Financial Strategy is included in Appendix 2.
- 4.4 Since November Cabinet and Council, there have been some updates to the approved



Fees and Charges for Control of Dogs. These are detailed in Appendix 1.

- 4.5 The overall financial implications of the Cabinet Proposals approved by Council on the 27<sup>th</sup> November 2013 are shown in Appendix 3. These are updated to remove the first item on the Single Local Growth Fund as reported in January 2014 and further revisions as detailed below:
- 4.5.1 Firstly, the internal option for the reform of Revenues, Benefits and Customer Services has been confirmed in preference to the outsourcing to Civica. The savings for 2014-15 have been updated to reflect £96,950 savings and £213,850 for 2015-16 and beyond to align with the realistic transformation timetable as published in the recent consultation document.
- 4.5.2 Secondly, as part of the Wyre Forest Forward Transformation Programme, the Council's Appointments Panel will commission external advice to inform a review of the structure of the Council's Leadership team. The Appointments Panel will consider the external advice and report to Council, with a view for the implementation of any changes in Spring 2015.
- 4.5.3 Thirdly, the Community Leadership Fund of £1,000 per Member is continued for a further two years. It is felt that this Leadership fund can be effectively deployed by elected members to support grass-roots projects at a time of significant funding reductions. This will result in an additional £42k in 2014-15 and £33k in 2015-16 following a reduction in councillor numbers that will occur in May 2015.
- 4.5.4 Finally, following consideration of the December 2013 report of the Independent Remuneration Panel and having given due regard to the report recommendations, that the Member Allowances are frozen for 2014-15 on current terms, with the omission of the Strategic Review Committee as this committee operates only in the 2013-14 municipal year.
- 4.6 The revised Council Tax Discount Scheme approved by Council in November 2012 will be effective from 1<sup>st</sup> April 2014.
- 4.7 The decision taken in November 2013, to remain a member of the Worcestershire Business Rates Pool will protect the Council from any business rate reductions and help maximise the benefit by retaining more of the business rates delivered from economic growth within Worcestershire. Economic and subsequent business rates growth remains a key priority for this Council. The position in relation to appeals and the uncertainty due to the lack of clear guidance on new accounting regime remains a concern; this is being managed by the Chief Financial Officer in conjunction with the other treasurers within the Pool.
- 4.8 Members' Scheme of Allowances for 2014-15
- 4.8.1 Regulation 19 of the 2003 Regulations provides that, in making or amending the scheme of allowances, the authority is required to "have regard to the recommendations made in relation to it by an Independent Remuneration Panel". These recommendations can be found in Appendix 4 – Part 1 Independent Remuneration Panel for Worcestershire District Councils Annual Report and Recommendations for 2014-15 – page 1 - Recommendations to Council.

4.8.2 The options facing the Council in respect of its own scheme of allowances are broadly:

- To accept the Panel's recommendations (i to v) as set out in Appendix 4 – Part 1. This would deliver an overall saving of £57k based on 2013 budgets, in basic and special responsibility allowances against the current scheme of allowances; for 2014-15 and beyond the saving would be around £47kpa;
- to accept the Panel's recommendations (i to v) as set out in Appendix 4 – Part 1, but with reductions in basic and/or special responsibility allowances phased over a period as suggested under recommendation (vii). The level of saving would depend on the phasing arrangements;
- to accept the Panel's recommendations in part. The level of saving or cost would depend on which recommendations were accepted;
- not to accept the Panel's recommendations. This would not produce any savings.

4.8.3 Key points to note include:

- a) The Panel's recommendations for basic and special responsibility allowance for 2014-15 are the same as last year's recommendations.
- b) The Panel are recommending increased allowances be paid to the Leader of the Council and Chairman of the Overview and Scrutiny Committee. It is felt that it is at odds with the ongoing period of austerity, to accept any increase in allowances at this time even recognising that members' allowance have effectively been frozen at 2008 levels.
- c) As last year, the Panel recommends deleting the allowances for Vice Chairman of committees and, while not proposing any payment for the role of Chairman of the Strategic Review Committee, has not provided any comment on why it has reached that conclusion.
- d) Unlike last year's recommendations, the Panel is proposing that, if the Council wishes to adopt its recommendations, it could consider implementing them through a phased or stepped approach as it recognises the level of allowances paid to councillors is currently higher than its recommendations in some cases.
- e) The Panel has specifically reviewed the Special Responsibility Allowance (SRA) for the Chairman of the new Standards Committee, which was introduced during 2012-13, to see how the new arrangements have worked.
- f) The Panel's report does not mention or seek to take account of the reduction in councillor numbers that will occur in May 2015 releasing a saving of £44,100 per annum. A future panel will have to consider this matter in its recommendations for 2015-16, as the reduction from 42 to 33 councillors (-21%) will result in an increased constituency workload for each councillor compared to the current position. This might reasonably be

expected to be reflected in higher allowances than the Panel recommends for district councils where there has been no boundary review.

- 4.8.4 The impact of freezing and reducing the basic allowance since it was set at £4,992 in April 2008 means that maintaining its present level of £4,900 would result in an estimated 18% real terms reduction in its value compared to 2008. It is not perceived to be reasonable to decrease it by a further £700 or 14%. The recommendation is therefore to maintain the Basic Allowance of £4,900 in line with the council's current scheme for 2013-14.
- 4.8.5 The Council's current position of having an allowance for the role of Vice Chairman reflects the sufficient preparation that they have to undertake in advance of meetings, including attendance at briefing and agenda setting meetings with officers – they do not know when they might be called upon to chair a meeting. The recommendation of this report is therefore to retain an allowance for Vice Chairmen in line with the current Council scheme.
- 4.8.6 For the last two years the Panel has proposed having a special allowance for councillors who chair scrutiny review panels. However, this year they have said that such an allowance would be on a pro rata basis for the period of time that the review panel operates. Even with this criterion, it is recommended that the Council continues with the current scheme where no allowance is paid. Whatever criterion were to be chosen, the Panel's recommendation could create incentives to continue a review panel for longer than it was needed. Moreover, some of the review panels are chaired by councillors who receive the SRA and therefore the proposals in these cases would seem unnecessary. The conclusion is that SRAs should not be introduced for councillors who chair scrutiny review panels.
- 4.8.7 The mileage allowance proposed by the Panel is 12.5% higher than our current mileage scheme for Members. While not all Members choose to claim mileage allowance, the recommendation is not to change mileage allowance as the Panel's recommendation is a significant increase and would result in a scheme for councillors that is out of kilter with the allowances paid to staff.
- 4.8.8 The dependant carer's allowance remains unchanged in the Panel's report. This recommendation is reflected in the proposal to maintain the current scheme of allowances.
- 4.8.9 The Panel has for a second year recommended a multiplier of 0.25 for the role of Chairman of Ethics and Standards Committee. However, if the Council continues with an allowance for Vice Chairmen (see paragraph 4.8.6 above), the Panel's approach would 'value' the role of Chairman of the Ethics and Standards Committee at the same level. This was the reason why last year Council adopted a slightly higher multiple of 0.375, which it is proposing remains for 2014-15.

## **5. FINANCIAL IMPLICATIONS**

- 5.1 The Cabinet Proposals previously approved by Council on 27<sup>th</sup> November 2013 have now been supplemented and revised where appropriate, and a new schedule is shown in Appendix 3.

5.2 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 £1,518k at the end of 2016-17 see reserves table in 5.4).

	Revised 2013-14 £	2014-15 £	2015-16 £	2016-17 £
Total Net Expenditure on Services	12,560,830	12,320,590	12,390,310	12,295,510
Less				
Cabinet Proposals approved at Council as updated	0	(683,340)	(1,126,240)	(1,445,740)
Net Expenditure	12,560,830	11,637,250	11,264,070	10,849,770
Contribution (from)/to Reserves	(275,910)	104,370	(255,430)	(222,880)
<b>Net Budget Requirement</b>	<b>12,284,920</b>	<b>11,741,620</b>	<b>11,008,640</b>	<b>10,626,890</b>
Less				
Government Support Grants	6,179,120	5,337,340	4,499,870	4,152,000
Homelessness Prevention Grant	108,650	107,030	106,990	0
Community Right to Bid/Challenge	16,400	16,400	0	0
Collection Fund Surplus	0	50,000	50,000	0
Council Tax Transitional Grant	28,630	0	0	0
Council Tax Income	5,952,120	6,230,850	6,351,780	6,474,890
WFDC Council Tax @ just under 2% increase 2014-15 onwards	<b>197.62</b>	<b>201.45</b>	<b>205.36</b>	<b>209.34</b>

5.3 The final Government Grant figures were published on 5<sup>th</sup> February 2014; they were very close to the Provisional Settlement. The table below identifies the final position in relation to total Government grant. The table includes all specific grants such as the Council Tax Freeze Grant, and Homelessness Prevention Grants. The total funding position is £2,420 worse than originally predicted for the Strategy overall, in the November 2013 Council report.

Year	Value of Government Support Assumed £	Value of Government Support Finance Settlement £	Variance to Assumption £	Year on Year Decrease based on Finance Settlement Figures	
				£	%
2013-14	6,287,770	6,287,770			
2014-15	5,440,650	5,444,370		843,400	13.41
2015-16	4,613,000	4,606,860		837,510	15.38
2016-17	4,152,000	No figure		454,860	9.87
	<b>Total Variance</b>	<b>Less Grant</b>	<b>2,420</b>		

5.4 Reserves available as part of the three year financial strategy are as follows:

Reserves Statement	2013-14 £'000	2014-15 £'000	2015-16 £'000	2016-17 £'000
Reserves as at 1st April	2,168	1,892	1,996	1,741
Contribution (from)/to Reserves	(276)	104	(255)	(223)
Reserves as at 31st March	1,892	1,996	1,741	1,518

5.5 The recommendation to maintain the existing scheme of Members' Allowances is within budget.

## **6. EQUALITY IMPACT NEEDS ASSESSMENT**

6.1 Where the Cabinet Proposals represent significant changes to service delivery, an EIA on the protected groups has been undertaken.

6.2 In respect of Members' allowances, this report has been screened for its equality impact on the areas of race, disability, gender, gender identity, religion and belief, sexual orientation and age. It was not considered to have a disproportionate impact on any target area and therefore no full equality impact assessment is required.

## **7. RISK MANAGEMENT**

7.1 Achieving financial sustainability is the most significant risk facing the Council. The work undertaken by the Strategic Review Committee provided a set of workable options for the Cabinet to consider in making its recommendations on the medium term financial strategy.

7.2 The Government's decision not to top-slice the New Homes Bonus outside London, the improved council tax base together with Cabinet Proposals approved by Council on 27th November 2013, as revised in Appendix 3 of this report, all contribute to the mitigation of the financial risk of this budget strategy.

7.3 The Accounts and Audit (England) Regulations 2011 require Local Authorities to fully consider and manage Risk as part of the Budget process. Appendix 5 of the November 2013 report showed an analysis of the significant financial risks which are affecting the Council.

7.4 All local authorities are required to formalise their approach to risk management and evidence it more directly as part of the budgetary process. This requirement has arisen as a result of:-

a. ***The Accounts and Audit (England) Regulations 2011.***

b. ***Prudential Framework:-***

i. The assessment of affordability of financial plans requires a judgement about risk. Prudential Indicators are the monitoring tool to assess performance and risk.

c. ***CIPFA Guidance on Reserves and Balances:-***

i. Highlighting the need to consider risks facing the authority. The risks posed by the continuing austerity measures place pressure on the Council to hold higher levels of reserves to ensure ongoing sustainability. This is detailed in Appendix 5.

7.5 Regulation 19 requires the Council to have regard to the recommendations of the Independent Review Panel. Whilst the Council does not have to follow the recommendations, as with any decision of Council, it is subject to the risk of

challenge by the way of judicial review and therefore reasons for decisions must be made clear.

## **8. LEGAL AND POLICY IMPLICATIONS**

### **8.1 Local Government Act 2003**

8.1.1 The Local Government Act 2003 (Sections 25-29) places duties on Local Authorities on how they set and monitor budgets.

8.1.2 Sections 25-27 require the Section 151 Officer to report on the robustness of the estimates and the adequacy of its proposed financial reserves. This is reported to Council as Appendix 5 of this report.

8.1.3 Section 28 places a statutory duty on an authority to review its budget from time to time during the year. If the Budget Monitoring Report shows that there has been deterioration in the Authority's financial position, the authority must take such action as it concludes necessary. The Council currently reviews the Budget on a quarterly basis, with CLT/Cabinet receiving monthly budget monitoring reports, and this practice will continue.

8.2 Members' allowances; the relevant provisions of the 2003 Regulations have been mentioned in Section 4.8.

## **9.1 CONSULTEES**

9.1 Corporate Leadership Team

9.2 Cabinet

## **10. BACKGROUND PAPERS**

10.1 Accounts and Audit (England) Regulations 2011

10.2 Cabinet Report on the Development of the Medium Term Financial Strategy 22<sup>nd</sup> October 2013

10.3 Agendas and Minutes of the Strategic Review Committee.

10.4 Full Consultation Results from Focus Groups and Survey

10.5 Provisional Local Government Finance Settlement 2014-15 – 18<sup>th</sup> December 2013

10.6 Cabinet November 19<sup>th</sup> 2013

10.7 Council November 27<sup>th</sup> 2013

10.8 Cabinet January 21<sup>st</sup> 2014

10.9 Consultation Results January 29<sup>th</sup> 2014

10.10 Final Local Government Finance Settlement 2014-15 including Referendum Relating to Council Tax Increase (Principles) Report 2014-15 - 5<sup>th</sup> February 2014

10.11 Cabinet 18<sup>th</sup> February 2014



Service	Worcestershire Regulatory Services	Service Manager	Worcestershire Regulatory Services Officer
Directorate	Economic Prosperity & Place	Cabinet Member	Environmental Services

**PROPOSAL OF SCALE OF FEES AND CHARGES**

INCOME DESCRIPTION	Current Charge TO 31/03/2014 £	Proposed Charge FROM 1/04/2014 £ Charges before VAT	Proposed Charge FROM 1/04/2014 £ Charges inclusive of VAT
<b>Control of Dogs</b>			
Dog Recovery Fee	25.00		25.00
Dog Recovery Fee - out of hours	25.00		55.00
Repeat offence - charge in addition to fees above	0.00		25.00

**NOTES:**

Charge inclusive of VAT (if applicable) i.e. total fee payable at the prevailing VAT rate

**CAPITAL PROGRAMME 2014 TO 2017**

Detail	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Prior to 01/04/2013 £	Total £
	Original	Revised					
	£	£					
<b>1. COMMITTED EXPENDITURE</b>							
<b>1. CHIEF EXECUTIVE</b>							
New Headquarters - Office Accommodation	105,900	664,820	-	-	-	9,335,180	10,000,000
Replacement of Depot Facilities	-	-	1,850,000	-	-	-	1,850,000
Contribution towards replacement of Civic Facilities in Stourport-on-Severn (in addition, there will be a Community Asset Transfer of the Civic Centre)	-	450,000	-	-	-	10,000	460,000
Boundary Wall at 49 Worcester Street	10,000	-	10,000	-	-	-	10,000
ICT Strategy	600,000	91,300	641,080	-	-	1,774,830	2,507,210
<b>SUB TOTAL</b>	<b>715,900</b>	<b>1,206,120</b>	<b>2,501,080</b>	<b>-</b>	<b>-</b>	<b>11,120,010</b>	<b>14,827,210</b>
<b>2. COMMUNITY WELL-BEING AND ENVIRONMENT</b>							
Future Leisure Provision	1,130,000	300,000	7,616,530	3,000,000	202,200	83,470	11,202,200
Paddling Pools - Strategic Review	296,250	229,510	-	-	-	300	229,810
St Mary's Churchyard Boundary Wall	-	2,840	-	-	-	36,960	39,800
Liveability Scheme: Brinton Park	-	-	210	-	-	388,290	388,500
Stourport Sports Village	317,000	398,940	18,170	-	-	112,750	529,860
Franchise Street S106 - Brinton Park	53,370	-	53,370	-	-	8,840	62,210
Franchise Street S106 - Arts Development	9,330	-	9,330	-	-	-	9,330
BMX Track at White Wickets	-	13,900	-	-	-	-	13,900
Load Street Public Conveniences Refurbishment	20,530	-	20,530	-	-	-	20,530
Parking Facilities: Payment under Contractual Agreement	159,280	-	159,280	-	-	33,220	192,500
Parking Facilities: Improvement to Car Parks	19,860	-	19,860	-	-	280,140	300,000
Waste Strategy - Garden Waste Containers	12,960	12,960	-	-	-	54,520	67,480
<b>SUB TOTAL</b>	<b>2,018,580</b>	<b>958,150</b>	<b>7,897,280</b>	<b>3,000,000</b>	<b>202,200</b>	<b>998,490</b>	<b>13,056,120</b>
<b>3. ECONOMIC PROSPERITY AND PLACE</b>							
Housing Strategy:							
Disabled Facilities Grants	731,110	682,960	462,100	556,000	556,000	7,678,382	9,935,442
Affordable Housing Grants to Registered Social Landlords*	134,000	65,000	69,000	-	-	2,958,740	3,092,740
Housing Assistance (including Decent Homes Grant)	411,110	75,000	456,110	72,190	-	1,497,070	2,100,370
Planning Delivery Grant Capital Projects	26,240	-	26,240	-	-	231,520	257,760
Flood Relief	39,510	7,500	32,010	-	-	159,490	199,000
North Worcs Water Management Capital Projects - Redditch Schemes	-	15,620	134,380	-	-	-	150,000
North Worcs Water Management Capital Projects - Bromsgrove Schemes	-	18,030	36,370	-	-	-	54,400
WETT Programme - Regulatory Services	126,690	58,000	53,360	-	-	15,330	126,690
Regeneration of Economic Development	900,000	222,630	1,063,060	-	-	14,310	1,300,000
Carbon Management Plan	175,770	55,610	128,800	22,960	-	-	207,370
Bewdley Medical Centre**	250,000	-	250,000	-	-	-	250,000
Bridge Street Capital Works	-	-	90,000	-	-	-	90,000
Redevelopment of Council Assets for Housing/Major Investment Fund	-	-	-	5,000,000	-	-	5,000,000
<b>SUB TOTAL</b>	<b>2,794,430</b>	<b>1,200,350</b>	<b>2,801,430</b>	<b>5,651,150</b>	<b>556,000</b>	<b>12,554,842</b>	<b>22,763,772</b>

\* Subject to Cabinet Proposal

\*\* Subject to Council Approval



**CAPITAL PROGRAMME 2014 TO 2017**

Detail	2013/2014		2014/2015 Estimate £	2015/2016 Estimate £	2016/2017 Estimate £	Prior to 01/04/2013 £	Total £
	Original	Revised					
	£	£					
<b>4. VEHICLE, EQUIPMENT &amp; SYSTEMS RENEWAL SCHEDULE</b>							
Vehicles & Equipment	797,420	304,000	882,420	348,000	350,000	5,590,140	7,474,560
Financial Management System Replacement	77,470	10,000	67,470	-	-	9,600	87,070
<b>SUB TOTAL</b>	<b>874,890</b>	<b>314,000</b>	<b>949,890</b>	<b>348,000</b>	<b>350,000</b>	<b>5,599,740</b>	<b>7,561,630</b>
<b>TOTAL COMMITTED EXPENDITURE</b>	<b>6,403,800</b>	<b>3,678,620</b>	<b>14,149,680</b>	<b>8,999,150</b>	<b>1,108,200</b>	<b>30,273,082</b>	<b>58,208,732</b>
<b>2. FINANCING</b>							
Capital Receipts: Funding Approved	1,138,490	292,700	1,005,270	72,190	-		1,370,160
New Headquarters Office Accommodation - Temporary Borrowing/Asset Disposals	105,900	664,820	-	-	-		664,820
Replacement of Depot Facilities - Asset Disposals	-	-	1,850,000	-	-		1,850,000
Contribution towards replacement of Civic Facilities - Capital Receipts Funding	-	450,000	-	-	-		450,000
Future Leisure Provision Scheme - Temporary Borrowing/Asset Disposals	-	-	-	1,429,000	-		1,429,000
Future Leisure Provision Scheme - Sport England***	-	-	1,000,000	1,000,000	-		2,000,000
Future Leisure Provision Scheme - Prudential Borrowing	1,130,000	300,000	6,616,530	571,000	202,200		7,689,730
Prudential Borrowing for WETT Programme - Regulatory Services Scheme	126,690	58,000	53,360	-	-		111,360
Prudential Borrowing for Regeneration of Economic Development Scheme	900,000	222,630	1,063,060	-	-		1,285,690
Prudential Borrowing for Paddling Pools Scheme	296,250	229,510	-	-	-		229,510
Prudential Borrowing for Carbon Management Scheme	175,770	55,610	128,800	22,960	-		207,370
Prudential Borrowing for Major Investment Fund	-	-	-	5,000,000	-		5,000,000
Disabled Facilities Grant	444,000	448,710	462,100	556,000	556,000		2,022,810
Decent Homes Grant	334,120	165,690	301,310	-	-		467,000
Liveability/Heritage Lottery Grant Funding (for Brinton Park)	-	-	210	-	-		210
Planning Delivery Grant	26,240	-	26,240	-	-		26,240
S.106 Funding (Parking - Contractual Agreement)	159,280	-	159,280	-	-		159,280
S.106 Funding (Franchise Street)	62,700	-	62,700	-	-		62,700
S.106 Funding (for Stourport Sports Village)	317,000	398,940	18,170	-	-		417,110
Funding for BMX Track	-	13,900	-	-	-		13,900
Flood Relief Grant (from CLG)	39,510	7,500	32,010	-	-		39,510
North Worcs Water Management Capital Projects - Redditch BC Funding	-	15,620	134,380	-	-		150,000
North Worcs Water Management Capital Projects - Bromsgrove DC Funding	-	18,030	36,370	-	-		54,400
Park Homes Grant (from Worcestershire County Council)	10,000	10,000	-	-	-		10,000
Vehicles & Equipment (Prudential Borrowing)	797,420	304,000	882,420	348,000	350,000		1,884,420
Financial Management System Replacement (Prudential Borrowing)	77,470	10,000	67,470	-	-		77,470
<b>Direct Revenue Funding:</b>							
Waste Strategy - Garden Waste Containers	12,960	12,960	-	-	-		12,960
Bewdley Medical Centre**	250,000	-	250,000	-	-		250,000
** Subject to Council Approval							
	<b>6,403,800</b>	<b>3,678,620</b>	<b>14,149,680</b>	<b>8,999,150</b>	<b>1,108,200</b>		<b>27,935,650</b>

\*\*\*The Sport England Funding is subject to final confirmation. The award could be between £1.5m and £2m. If it is confirmed at £1.5m, subject to the final business case approved following the tender process, and resultant revenue costs, including additional costs of borrowing up to an extra £500k, being contained within the approved revenue budgets, the Capital expenditure budget of £11.202m is confirmed.

**VEHICLE, EQUIPMENT AND SYSTEMS  
RENEWALS SCHEDULE 2014 TO 2017**

**APPENDIX 2  
PART 2**

Detail	2013/14		2014/15 Estimate £	2015/16 Estimate £	2016/17 Estimate £
	Original £	Revised £			
<b>1. VEHICLES</b>					
Refuse Freighter	150,000	80,000	80,000	-	-
Refuse Freighter	150,000	80,000	80,000	-	-
Refuse Freighter	150,000	-	80,000	-	-
Refuse Freighter	-	-	80,000	-	-
Flatbeds for Bulky	45,000	-	-	45,000	40,000
Ford Fusion	-	-	12,000	-	-
Ford Fusion	-	-	12,000	-	-
Ford Connect	-	-	18,000	18,000	-
Ford Ranger 4x4	-	-	23,000	23,000	-
Ford Ranger 4x4	-	-	23,000	-	-
Blitz Vehicle	-	-	-	30,000	-
Mechanical Sweeper (Medium)	100,000	-	120,000	-	-
Mechanical Sweeper (Schmit)	-	75,000	-	-	-
Mechanical Sweeper (Johnson V650)	-	-	-	100,000	-
Mechanical Sweeper (Small JOHNSON C200)	-	-	70,000	-	70,000
Mechanical Sweeper (Small JOHNSON C200)	-	-	70,000	-	-
Transit Van	-	-	20,000	20,000	-
Transit Van	-	-	20,000	-	-
Garage Equipment - Replacement (slippage from prior years)	23,420	-	23,420	-	-
Iveco Daily	30,000	-	30,000	30,000	30,000
Iveco Daily	-	-	30,000	-	30,000
Iveco Daily	-	-	-	-	30,000
Iveco Daily	-	-	-	-	30,000
Iveco Daily	-	-	-	-	30,000
Iveco Daily	-	-	-	-	30,000
Midi Tractor	30,000	-	-	-	30,000
Mowing Machine	35,000	-	35,000	-	-
Timberwolf chipper	-	-	-	30,000	30,000
Tractor	32,000	-	-	32,000	-
Tractor	-	50,000	-	-	-
Canter	-	-	38,000	-	-
Small Van - Low range electrical	15,000	-	-	20,000	-
Fork Lift Truck	10,000	10,000	-	-	-
CMP Engine Management Systems	13,500	-	-	-	-
CMP Electric bin lifts	13,500	9,000	18,000	-	-
<b>2. OTHER</b>					
Financial Management System replacement	77,470	10,000	67,470	-	-
	874,890	314,000	949,890	348,000	350,000

**WYRE FOREST DISTRICT COUNCIL**  
**CABINET PROPOSALS 2014/2015 ONWARDS**

Cost Centre	ACTIVITY AND DESCRIPTION OF CABINET PROPOSAL	KEY	CHANGE IN RESOURCES			
			2014/15 £	2015/16 £	2016/17 £	After 31/03/2017 £
	<b>SUMMARY FINANCIAL IMPLICATIONS OF CABINET PROPOSALS APPROVED BY COUNCIL ON NOVEMBER 27TH 2013</b>	C	-	5,000,000	-	-
		R	828,390 CR	1,345,390 CR	1,631,890 CR	1,650,890 CR
		S	14.75 CR	16.75 CR	22.75 CR	22.75 CR
<b>UPDATED/NEW CABINET PROPOSALS</b>						
<b>SECURING THE ECONOMIC PROSPERITY OF THE DISTRICT</b>						
R705	<b>Economic Regeneration Activities</b> Seek funding from the single local growth fund from 2015/16 for economic regeneration activities. <i>Reverse this proposal now the Government have confirmed there will be no New Homes Bonus top slice</i>	C R S	- - -	- 200,000 -	- 200,000 -	- 200,000 -
<b>DELIVERING TOGETHER, WITH LESS</b>						
Various	<b>WFF further tranche of savings - Revised Wording only - no change to figures</b> As part of the Wyre Forest Forward Transformation Programme, the Council's Appointments Panel will commission external advice to inform a review of the structure of the Council's Leadership team. The Appointments Panel will consider the external advice and report to Council, with a view for the implementation of any changes in Spring 2015. *(Staffing Implications TBC)	C R S*	- - -	- - -	- - -	- - -
R310 R320	<b>Internal Reform of Revenues, Benefits and Customer Services - Revised wording and adjustment of savings for Internal Option</b>	C	-	-	-	-
R325 R295 R299	To reform the service to improve the service to the customer, drive out efficiencies and reduce costs.	R S	103,050 3.5 CR	13,850 CR 7 CR	13,850 CR 7 CR	13,850 CR 7 CR
<b>IMPROVING COMMUNITY WELL-BEING</b>						
R720	<b>Continue Community Leadership Fund - New Proposal</b> Continue a fund of £1,000 per Member for 2014/15 and 2015/16. Note, £33k in 2015-16 following a reduction in councillor numbers that will occur in May 2015.	C R S	- 42,000 -	- 33,000 -	- - -	- - -
	<b>TOTALS</b>	C R S	- 683,340 CR 18.25 CR	5,000,000 1,126,240 CR 23.75 CR	- 1,445,740 CR 29.75 CR	- 1,464,740 CR 29.75 CR

**KEY - Changes in Resources**

- C Capital  
R Revenue  
S Staffing - Stated in FTEs

**Independent Remuneration Panel for Worcestershire  
District Councils**

**Annual Report and Recommendations for 2014-15**

**Wyre Forest District Council**

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**November 2013**

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## **Recommendations**

**The Independent Remuneration Panel recommends to Wyre Forest District Council the following:**

- (i) That the Basic Allowance for 2014-15 is £4,200**
- (ii) That the Special Responsibility Allowances are as set out in Appendix 1.**
- (iii) That travel allowances for 2014-15 continue to be paid in accordance with the HMRC mileage allowance.**
- (iv) That subsistence allowances for 2014-15 remain unchanged.**
- (v) That the Dependent Carer's Allowance remains unchanged.**
- (vi) That for Parish Councils in the District, if travel and subsistence is paid, the Panel recommends that it is paid in accordance with the rates paid by the District Council and in accordance with the relevant Regulations.**
- (vii) The Panel acknowledges that its recommended level of allowances is below that currently paid to Councillors in Wyre Forest. The current and recommended allowances are set out in Appendix 1. The Council is invited to consider adopting the Panel's recommendations in full or through a phased or stepped approach to bring allowances in line with those of other Councils. The Panel acknowledges that under the terms of the legislation the Council is required only to have regard to the Panel's recommendations and is free to disregard the recommendations set out in this report.**

## **Introduction**

The Independent Remuneration Panel (IRP) has been appointed by the Council to carry out reviews of the allowances paid to Councillors, as required by the Local Government Act 2000 and subsequent legislation. The Panel has carried out its work in accordance with the legislation and statutory guidance.

The law requires each Council to “have regard” to the recommendations of the Independent Panel and we noted that last year the Council did not accept our recommendations but decided instead to maintain previous allowances at a higher rate.

This year we have reviewed specifically the Special Responsibility Allowance (SRA) for the Chairman of the new Standards Committee as this role was introduced during 2012-13 and we have had the benefit of seeing how the new arrangements have worked. We also offered to meet with the Leader of the Council to discuss any other particular issues but he considered there were none to raise with us this year. However, the Chairman of the Panel and Bill Simpson met with the Chief Executive on the 28<sup>th</sup> May 2013.

At this point we would like to stress that our recommendations are based on thorough research and benchmarking. We have presented the Council with what we consider to be an appropriate set of allowances to reflect the roles carried out by the Councillors. The purpose of allowances is to enable people from all walks of life to become involved in local politics if they choose.

The Panel also recognises that in the current challenging financial climate there are difficult choices for the Council to make. Ultimately it is for the Council to decide how or whether to adopt the recommendations that we make.

The Panel was disappointed that during discussion of our recommendations by the Council in 2012 it was suggested that our report was flawed. We have outlined clearly the sources of evidence used in arriving at our recommendations. In the absence of any contrary evidence submitted by the Council, or justification for the suggestion of a flawed report, the Panel’s recommendations remain unchanged. Clearly the Panel would have to consider any detailed evidence or justification provided by the Council.

## **Background Evidence and Research Undertaken**

There is a rich and varied choice of market indicators on pay which can be used for comparison purposes. These include:

- National survey data on a national, regional or local level;
- Focussed surveys on a particular public sector;
- Regular or specific surveys
- Use of specific indices to indicate movement in rewards or cost of living.

As background for the decisions taken by the Panel this year we have:

- Analysed and considered the Annual Survey of Hours and Earnings (ASHE) statistics for 2013;
- Benchmarked the Basic Allowance against Allowances for comparable roles paid by the Chartered Institute of Public Finance and Accountancy (CIPFA) “Nearest Neighbour” Councils for each authority;
- Reviewed research undertaken by the TaxPayers’ Alliance into the level of Basic Allowances in 2011-12;
- Considered latest inflation rates (CPI) of 2.2%.

We give more details about these areas of research at the end of the report.

The ASHE survey results for 2012/13 (published November 2013) show the average hourly rate for all employees resident in Worcestershire to be £14.07. This gives a Basic Allowance of £4,235. Further details of how this figure is arrived at can be found in Appendix 2. In addition, the ASHE survey data indicates that average weekly earnings (all employees) for the period July – September have increased by 0.7% between 2012-13. For public sector employees, earnings have decreased by 0.4% in the same period. So the figure being recommended by the Panel of £4,200 does appear reasonable.

Although there appears to be no single country-wide source of data on members’ allowances, research carried out by the TaxPayers’ Alliance on the level of Councillors’ allowances paid in 2011-12 shows the disparity between the highest and lowest Basic Allowances as follows:

<b>Basic Allowances paid by Non-Metropolitan District Councils in 2011-12</b>	
Highest £9,902 - Bolsover District Council	Lowest £1,500 - South Ribble Borough Council
Highest in West Midlands £6,227 – Rugby Borough Council	Lowest in West Midlands £2,902 – Staffordshire Moorlands District Council

According to the TaxPayers’ Alliance research report, within the West Midlands, the average Basic Allowance of all 19 non-Metropolitan District Councils in 2011-12 was £4313, including the Worcestershire authorities.

Arising from our research we have included information showing the members’ allowances budget for Basic and Special Responsibility Allowances. We also show the average payment per member of each authority of the Basic and Special Responsibility Allowances, to give context to our recommendations.



**Table showing average allowance per member of each authority (Basic and Special Responsibility Allowances, 2012 – 13 figures)**

<b>Authority (number of Councillors)</b>	<b>Amount £</b>
Bromsgrove District (39)	5,851
Malvern Hills District (38)	5,619
Redditch Borough (29)	4,614
Worcester City (35)	5,705
Wychavon District (45)	5,625
Wyre Forest District (42)	6,738

**Total spend on Basic and Special Responsibility Allowances 2012-13 figures**

<b>Authority</b>	<b>Total spend Basic Allowances 2012-13 £:</b>	<b>Total spend on Special Responsibility Allowances (SRA) £:</b>	<b>SRA as a percentage of <i>total Basic Allowance</i> %:</b>
Bromsgrove DC	163,276	64,927	39.8
Malvern Hills DC	159,021	54,494	34.3
Redditch Borough	93,054	40,761	43.8
Worcester City	141,395	58,268	41.2
Wychavon DC	187,013	66,089	35.3
Wyre Forest DC	205,798	77,183	37.5

### **Basic Allowance 2014 - 15**

#### **Calculation of Basic Allowance**

The Basic Allowance is based on:

- The roles and responsibilities of Members; and
- Their time commitments – including the total average number of hours worked per week on Council business.

We then apply a public service discount of 40% to reflect that Councillors volunteer some of their time to the role.

Having reviewed the levels of wage rates and the benchmark information available to us from the Chartered Institute of Public Finance and Accountancy

(CIPFA) “nearest neighbours” authorities, we do not recommend any increases in the Basic Allowance for 2014-15.

### **Special Responsibility Allowances (SRA) 2014-15**

#### **General Calculation of SRAs**

The basis for the calculation of SRAs is a multiplier of the Basic Allowance as advocated in the published Guidance.

The Panel has reviewed the responsibilities of each post, the multipliers and allowances paid by similar authorities. As in last year, the Panel has benchmarked the allowances against those paid by authorities listed as “nearest neighbours” by CIPFA.

Appendix 1 to this report sets out the allowances recommended for 2014-15.

#### **Overview and Scrutiny Committee**

The Guidance on Members Allowances for Local Authorities in England states that Special Responsibility Allowances may be paid to those members of the Council who have “significant additional responsibilities”, over and above the generally accepted duties of a Councillor. It also suggests that if the majority of members of a Council receive a Special Responsibility Allowance, the justification for this may be questioned.

We consider the Basic Allowance to include Councillors’ roles in Overview and Scrutiny, as any non-Executive member of the Council is able to contribute to this aspect of the Council’s work.

#### **Leaders of Political Groups**

In the legislation, a Political Group on a Local Authority consists of 2 or more Councillors. We reviewed the allowance for the Opposition Group Leader last year in response to a query from one Council and in doing so considered the role of the Political Group Leaders more generally.

In most cases the Leader of the Council also leads the main political group on the authority. In the past the IRP for South Worcestershire had recommended payments to political group leaders on a per head basis, based on the number of Councillors in each group. Whilst this reflected changes in group sizes and allowed for flexibility following changes in political balance, we were persuaded to change this approach for one Council and to recommend a lump sum allowance for the Leader of the Opposition Group. We received a similar request from another Council last year.

We noted that in some cases the Allowances Scheme for their authority did not enable a Leader to receive any support for the Group Leader role.

We considered carefully evidence from the data we collected and checked the Statutory Guidance about the potential to be paid more than one SRA. We are content that Councillors can be in receipt of more than one. Therefore, we have recommended that Leaders of all Political Groups are entitled to an allowance of 0.25 of the Basic Allowance, recognising that they all have an important role to play in the governance of the Council.

### **Standards Committee**

Changes to the arrangements for governing the behaviour of Councillors were set out in the Localism Act 2011 and were introduced in July 2012. Councils are no longer required to appoint an Independent Chairman for the Standards Committee. Instead, Councils are required to appoint an Independent Person whose role is to deal with complaints against Councillors and act as a mediator to try and encourage early and local resolution of complaints. Remuneration for this role is outside the terms of reference for the Independent Panel although it is known that an honorarium is frequently paid. Where the Council decides to retain a Standards Committee, as in Wyre Forest District Council, the Chairman is now appointed from among the Councillors.

This year we reviewed the work of the Standards Committee since the changes. We checked the number and length of meetings of the Committee and the role and responsibilities of the Chairman.

Having completed this review we consider our previous recommendation of a multiplier of 0.25 for the Chairman's Special Responsibility Allowance is appropriate and we continue this recommendation.

### **Mileage and Expenses 2014-15**

The Panel notes that the Council has used the HMRC flat rate for payment of mileage for Councillors and recommends that this continues.

The Panel is satisfied that the current levels of subsistence allowances are set at an appropriate level and recommends that these continue.

The Panel notes that the Council's Scheme of Members' Allowances provides that Dependant Carer Allowances are payable to cover reasonable and legitimate costs incurred in attending approved duties and recommends that this provision continues.

### **Allowances to Parish Councils**

The Independent Remuneration Panel for Worcestershire District Councils acts as the Remuneration Panel for the Parish Councils in each District.

This year the Panel has not been asked to make recommendations on any matters by any Parish. In the past the Panel which covered the three South

Worcestershire Districts has considered travel and subsistence, and we consider it appropriate to apply this consideration to each of the Districts. We have reviewed the Parish Council travel and subsistence allowances and recommend for 2013 - 14 that no changes are made.

### **The Independent Remuneration Panel**

The Members' Allowances Regulations require Local Authorities to establish and maintain an Independent Remuneration Panel. The purpose of the Panel is to make recommendations to the authority about allowances to be paid to Elected Members and Local Authorities must have regard to this advice. This Council's Independent Remuneration Panel is set up on a joint basis with the other 5 District Councils in Worcestershire, the decision having been taken during 2010 to follow the principle previously established by having a joint Panel in the South of the County. Separate Annual Reports have been prepared for each Council.

The members of the Panel are:

- Rob Key, the Chair of the Panel – Rob has 42 years' experience of working in District Councils in a variety of operational and management roles, including senior positions at Worcester City, Wychavon District and Wyre Forest District. He was an Independent Chair for the Strategic Health Authority for Continuing Care and sits on County Council Appeals Panels for School Preference Appeals and Service Complaints.
- Elaine Bell, JP, DipCrim – Elaine is Deputy Chair of the South Worcestershire Magistrates Bench – she has been a Magistrate for 16 years, Day Chair of Adult and Family Courts; Past Chair of the Bench Training and Development Committee; past member of the Magistrates Advisory Panel (interviewing and selecting for appointment to the Bench). She is also Vice - Chair of the Lloyds Educational Foundation; Past Member of the Sytchampton School Appeals Panel; Hon Treasurer of Ombersley and Doverdale Tennis Club and a Past Governor of Ombersley Primary School.
- Bill Simpson MBE JP – Bill spent 30 years in Further Education culminating in 11 years as Principal of Pershore College. He then entered the private sector as Director of two national Horticultural Societies, one being the Royal Horticultural Society. He served as a magistrate for 9 years until retirement. He is a Trustee of several charities including charring Thrive between 1993 and 2008. Currently he is Vice Chair of Governors of Red Hill CE Primary School Worcester and a Chair/Member of the County Council and Diocesan Panels for School Preference Appeals.
- Terry Cotton - Terry spent 34 years working in central and local Government, mostly managing regeneration programmes across the West Midlands. Until May 2011 he worked at The Government Office for The West Midlands where he was a Relationship Manager between central and local Government and a lead negotiator for local performance targets. Following voluntary early retirement in May 2011, he worked part-time in

Birmingham's Jewellery Quarter, setting up a new business led community development trust and currently works part-time for Worcestershire County Council on sustainable transport initiatives. He is also a trustee of a small charitable trust providing grants to grass roots community initiatives in deprived communities.

- Don Barber – After several Human Resources and Productivity Improvement Management roles in Industry, Don became Chief Executive of a change management facilitating consultancy. Over the last 20 years he has been an independent consultant and advisor on a number of United Nations, European Commission, and World Bank transition projects, in particular in Europe, Africa, Asia, and Australasia. He also operates in an advisory role to other consultancy groups seeking EU contracts. This experience has included the development of national civil service/public sector reform programmes including aspects of the effect of legislative change for central and local government and, in the U.K., working for the Office of Manpower Economics (advisors to the Prime Minister) on Public Sector Pay, in particular relating to: Civil Service Pay Reform, UK Armed Forces and the Medical Professions.

The Panel has been advised and assisted by:

- Claire Chaplin from Worcester City Council;
- Sheena Jones from Bromsgrove and Redditch Councils;
- Mel Harris from Wychavon District Council;
- Lisa Perks from Malvern Hills District Council;
- Rhiannon Foxall from Wyre Forest District Council;

The Panel wishes to acknowledge its gratitude to these officers who have provided advice and guidance in a professional and dedicated manner.

**Rob Key**

**Chairman of Independent Remuneration Panel**

## Appendix 1

**Independent Remuneration Panel for District Councils in Worcestershire  
Recommendations for 2014-15**

**Wyre Forest District Council**

<b>Role</b>	<b>Recommended Multiplier</b>	<b>Current Multiplier</b>	<b>Recommended Allowance £</b>	<b>Current Allowance (paid) £</b>
<b>Basic Allowance – all Councillors</b>	1	1.16	4,200 <sup>1</sup>	4,900
<b>Special Responsibility Allowances:</b>				
<b>Leader</b>	3	2.92	12,600	12,250
<b>Deputy Leader</b>	1.75	2.19	7,350	9,188
<b>Portfolio Holders</b>	1.5	1.89	6,300	7,963
<b>Chairman of Overview and Scrutiny Committee</b>	1.5	1.46	6,300	6,125
<b>Chairman of Overview and Scrutiny Task Groups</b>	0.25	0	1,050 paid pro-rata for the length of the Task Group	0
<b>Chairman of Audit Board/Committee</b>	0.25	0.58	1,050	2,450
<b>Chairman of Planning Committee</b>	1	1.31	4,200	5,513
<b>Chairman of Licensing Committee</b>	0.75	1.31	3,150	5,513
<b>Chairman of Standards</b>	0.25	0.44	1,050	1,838

<sup>1</sup> This figure takes into account a public service discount of 40%

<b>Role</b>	<b>Recommended Multiplier</b>	<b>Current Multiplier</b>	<b>Recommended Allowance £</b>	<b>Current Allowance (paid) £</b>
<b>Committee if paid</b>				
<b>Leader of main opposition group</b>	0.25	1.46	1,050	6,125
<b>Chair of Strategic Review Committee</b>	0	0.58	0	6,125
<b>Leaders of other opposition groups (subject to a minimum of 5 members)</b>	0	0.29	0	2,450
<b>Vice Chair Overview and Scrutiny Committee</b>	0	0.29	0	1,225
<b>Vice Chair Planning Committee</b>	0	0.29	0	1,225
<b>Vice Chair Licensing and Environmental Committee</b>	0	0.29	0	1,225
<b>Vice Chair Strategic Review Committee</b>	0	0.15	0	1,225
<b>Vice Chair Audit Committee</b>	0	0.25	0	613

## Appendix 2

### Summary of Research

#### Chartered Institute of Public Finance and Accountancy (CIPFA) “Nearest Neighbour” authorities tool.

No two Councils or sets of Councillors are the same. Developed to aid local authorities in comparative and benchmarking exercises, the CIPFA Nearest Neighbours Model adopts a scientific approach to measuring the similarity between authorities. Using the data, Wyre Forest District Council’s “nearest neighbours” are:

- Amber Valley
- Newcastle-Under-Lyme
- St Edmundsbury
- Carlisle
- Erewash
- Stafford

Information on the level of Basic and Special Responsibility Allowances was obtained to benchmark the levels of allowances recommended to the District Council.

#### Annual Survey of Hours and Earnings (ASHE) Data on Pay

<http://www.ons.gov.uk/ons/rel/lms/labour-market-statistics/november-2013/sty-average-weekly-earnings.html>

Published by the Office for National Statistics, the Annual Survey of Hours and Earnings (ASHE) shows detailed information at District level about rates of pay. For benchmarking purposes the Panel uses the levels for hourly rates of pay excluding overtime. This is multiplied by 11 to give a weekly rate. This was the number of hours spent on Council business by frontline Councillors which had been reported in previous surveys. The rate is then discounted by 40% to reflect the element of volunteering that each Councillor undertakes in the role.

#### The TaxPayers’ Alliance Research Note on Councillors’ Allowances

In August 2012 the TaxPayers’ Alliance researched the level of Basic Allowances for each Council in the UK.

<http://www.taxpayersalliance.com/allowances.pdf>

The amount of Basic Allowance for each Council is presented for the years 2010-11 and 2011-12. There is no research available for more recent financial years.

Whilst the information is slightly historic, it did enable the Panel to check its own research.

















### South East Employers Survey of Councillors' Allowances

The Panel has been allowed access to the database of allowances for all Councils in the South East Region of England. The information is collated annually by South East Employers and is available to those authorities who subscribe to its services. The Panel is therefore not able to publish data from the survey but we would like to express our thanks to the organisation for enabling us to use the data to further check our own research.





The data has shown that Basic Allowances in the authorities included in the South East region range between £2,736 and £12,806, although these figures include County Councils and Unitary authorities. Comparable authorities have not seen any increase in allowances since 2008.

## Appendix 4 – Part 2

### Independent Remuneration Panel's Recommendations for 2014-15 compared to current scheme of allowances for 2013-14

Role	Current Allowance for 2013/14 £	IRP's recommended allowance for 2014-15 £	Difference between IRP recommendation and current scheme of allowances £	Overall impact of IRP recommendations £
<b>Basic Allowance – all Councillors</b>	4,900	4,200	(700)	-29,400 
<b>Special Responsibility Allowances:</b>				
<b>Leader</b>	12,250	12,600	350	350 
<b>Deputy Leader</b>	9,188	7,350	(1838)	-1838 
<b>Portfolio Holders</b>	7,963	6,300	(1663)	-4989 
<b>Leader of Main Opposition Party</b>	6,125	1,050	(5075)	-5075 
<b>Chairman of Overview and Scrutiny Committee</b>	6,125	6,300	175	175 
<b>Chairman of Overview and Scrutiny Task Groups</b>	0	1,050 paid pro-rata for the length of the Task Group	1050	4,200  (assumption)
<b>Chairman of Strategic Review Committee</b>	6,125	0	(6125)	-6125 
<b>Chairman of Audit Board/Committee</b>	2,450	1,050	(1400)	-1400 
<b>Chairman of Planning Committee</b>	5,513	4,200	(1313)	-1313 
<b>Chairman of Licensing Committee</b>	5,513	3,150	(2363)	-2363 
<b>Chairman of Standards Committee</b>	1,838	1,050	(788)	-788 
<b>Leaders of other opposition groups (subject to a minimum of 5 members)</b>	2,450	1050	(1400)	-2800 
<b>Vice Chair Overview and Scrutiny Committee</b>	1,225	0	(1225)	-1225 

## Appendix 4 – Part 2

Role	Current Allowance for 2013/14 £	IRP's recommended allowance for 2014-15 £	Difference between IRP recommendation and current scheme of allowances £	Overall impact of IRP recommendations £
<b>Vice Chair Strategic Review Committee</b>	1,225	0	(1225)	-1225 
<b>Vice Chair Planning Committee</b>	1,225	0	(1225)	-1225 
<b>Vice Chair Licensing and Environmental Committee</b>	1,225	0	(1225)	-1225 
<b>Vice Chair Audit Committee</b>	613	0	(613)	-613 
<b>Overall impact of IRP recommendations</b>				<b>-56,879</b>

**Report of the Chief Financial Officer in respect of  
Sections 25-28 Local Government Act 2003**

**1. PURPOSE**

- 1.1 To consider 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.

**2. RECOMMENDATION** (see 2.5 of main report)

**The CABINET is asked to RECOMMEND THAT COUNCIL NOTE:**

- 2.1 The Chief Financial Officer's opinion on the budget proposals, recommended by the Cabinet on 18<sup>th</sup> February 2014, as detailed in this report.**

**3. BACKGROUND**

- 3.1 Sections 25 to 28 of Local Government Act 2003 place statutory duties on Local Authorities on how they set and monitor budgets. The Act requires local authorities to ensure that the Budget estimates are robust, Reserves are adequate, and the Budget is monitored on a regular basis.
- 3.2 Section 25 requires the Chief Financial Officer to report to the Council on the robustness of the estimates it makes when calculating its budget requirement under Section 32 of the Local Government Finance Act 1992 and on the adequacy of its proposed financial reserves.
- 3.3 Section 26 requires authorities to adhere to their approved policies in relation to Reserves when setting budgets to ensure that the minimum Reserve levels are maintained.
- 3.4 Section 27 requires the Chief Financial Officer, at the time of the budget setting, to report if it appears that a reserve in relation to the previous financial year is likely to be inadequate. The reasons for the inadequacy and a recommended course of action must be considered by Council.
- 3.5 Section 28 places a statutory duty on the Council to review its budget and all calculations related to it from time to time. If the review shows a deterioration in the financial position, the Council must take such action as it considers necessary (if any) to address the situation.
- 3.6 Whilst Sections 25-27 relate specifically to budget and council tax setting for the following financial year, these Sections are being more widely interpreted by External Auditors to include the period of the Council's Financial Strategy; as a consequence it is necessary to report not only on next year's Budget but on the period covered by the Three Year Budget Strategy (2014-2017).

**4. KEY ISSUES – CHIEF FINANCIAL OFFICER’S OPINION ON 2014/17 BUDGET & THREE YEAR BUDGET STRATEGY**

In respect of the Budget Proposals recommended by the Cabinet, in my opinion:-

- 4.1 The estimates made for the purposes of Section 32 of the Local Government Finance Act 1992 Calculations are robust.
- 4.2 The Reserves outlined in the Three Year Budget and Policy Framework Report to the Cabinet on this agenda are adequate in relation to the 2014/17 Budget. The early work done by the Strategic Review Committee this year and resultant approved Cabinet Proposals, supplemented by the updates included in the latest Cabinet report are instrumental in moving the Council closer to a sustainable balanced budget in the future, that is less reliant on the use of reserves. However, the Transformation Programme required to deliver the savings required is challenging and is not without risk; this will need to continue to be carefully managed and mitigated by the member and officer Leadership team.
- 4.3 The Council have adopted the general principles of the CIPFA Guidance on Local Authority Reserves and Balances, which outline a minimum Reserve (Working Balance) for this Council which has been adhered to in the Financial Strategy 2014-17.
- 4.4 It is important that the level of reserves is carefully monitored and reviewed as the impact of the Local Government Finance Reforms become clear and also once future funding levels are known. The Local Government Finance Reforms place significantly increased risk on local authority income and funding streams and the levels of reserves may need to be reviewed as the reforms are implemented and their impacts become clear.
- 4.5 The Cabinet monitors Budgets on a monthly basis in accordance with Section 28 of the 2003 Act, including ‘Budget Risk Management’ and takes appropriate action to ensure financial accountability.

**5. FINANCIAL IMPLICATIONS**

- 5.1 There are no Financial Implications.

**6. LEGAL AND POLICY IMPLICATIONS**

- 6.1 These are contained in Paragraph 3 of this report.

**7. EQUALITY IMPACT NEEDS ASSESSMENT**

- 7.1 An Equality Impact Assessment screening has been undertaken and it is considered that there are no discernable impacts on the six equality strands.

**8. RISK MANAGEMENT**

- 8.1 Contained within the Financial Strategy 2014-2017 and subsequent Cabinet reports are the significant risks and mitigating actions which have been identified which are allied to the budget process.

8.2 There are four significant financial risks affecting the Council over the next three years:

- Future funding from Central Government in light of ongoing reductions expected beyond 2014/17;
- The volatility of future income due to the Local Government Finance Reforms;
- Savings required from the Transformation Programme are significant and will prove challenging to deliver; and
- Ongoing return of the Icelandic Investments.

8.3 It is for the reasons such as the above that the Council retains a working balance reserve of £1,000,000, increased from £700,000 in 2012/13. This fund is also available to provide cover for urgent unforeseen expenditure e.g. in respect of a civil emergency. The Transformation Fund is held to fund one-off costs of implementation of Transformation work and this should be increased from Final Account savings in accordance with the recommendation in the separate budget report on this agenda.

## **9. CONCLUSION/FURTHER CONSIDERATIONS**

9.1 Whilst the Council continues to be reliant on contributions from reserves to balance its budget over the term of the Financial Strategy, the ongoing Transformation Programme should deliver ongoing savings to significantly improve this and by the end of 2016/17, subject to confirmation of future funding streams net expenditure and funding should be aligned.

9.2 There is the risk that further reductions in grant beyond 2014/15 will be greater than originally anticipated. Any reductions in grant would require to be met with further reductions in spending and increased income from fees and charges. It would not be realistic to expect any further shortfall to be met from reserves.

9.3 The Local Government Finance Reforms mean that there is increased volatility in income and funding streams and the level of reserves may need to be reconsidered once the impact of the reforms become clear.

## **10. CONSULTEES**

10.1 Leader of the Council

10.2 Cabinet Member for Resources

10.3 CLT

## **11. BACKGROUND PAPERS**

11.1 Local Government Act 2003 Sections 25-28

11.2 Local Government Finance Act 1992 Section 32



**Wyre Forest** District Council

## APPENDIX 6 – COUNCIL TAX CONSULTATION - AND RESULTS

### Consultation on Council Tax

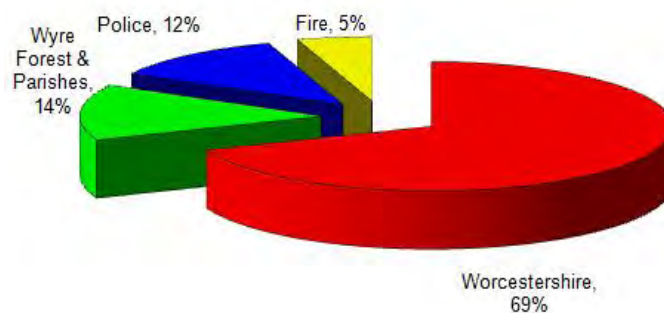
We collect Council Tax on behalf of a number of other public sector organisations, but we only get 13% of the whole bill to run the council.

We have frozen the Wyre Forest District Council part of the Council Tax bill for the last three years. In 2013/14, our part of the Council Tax bill is still the same as it was in 2010/11 at £197.62 for a Band D household which is £3.80 a week.

Most of the money for providing services to you comes from central Government and other Grants. In Wyre Forest, just under £6 million is collected through Council Tax.

Wyre Forest District Council collects the Council Tax on behalf of all of the authorities shown on the chart below. The total amount is then split to provide the services that are part of your everyday life.

In 2013/14 a Band D household in Wyre Forest will pay £1,503.71 on average to their local authorities including Worcestershire County Council, West Mercia Police and Hereford and Worcester Fire and Rescue Service – that's a total of £28.92 a week.



We're currently planning to increase the **Wyre Forest District Council** part of the Council Tax bill by just under 2% in 2014/15 and 2015/16. For a Band D household this is equivalent to paying an extra £3.95 in the first year or less than 8p a week and a further £4.03 (another 8p a week) in the second year. The Government has now announced that it will pay us a 1% freeze grant on an ongoing basis if we freeze Council Tax again in 2014/15 and 2015/16. If we freeze Council Tax for the two years, we would have to reduce our expenditure by a further **£110,000** by 2015 and would have to make more savings. The Government's offer is better than we had assumed in the September consultation. We then assumed the funding gap would be **£260,000** after the 2 year freeze grants ended.

Based on the new information the Council is considering the following options:

- A. We could continue with our current proposals for a small increase of nearly 2% in 2014/15, 2015/16 and 2016/17 ; **or**
- B. We could freeze Council Tax for both 2014/15 and 2015/16 which would mean the Council would need to reduce spending on services by a further £110,000 each year; **or**
- C. We could freeze Council Tax for 2014/15 only and then plan to increase by just under 2% in 2015/16 (when we may know more about the Government's future funding plans). This would mean that we would only have to find annual further savings of £50,000.



## APPENDIX 6 – COUNCIL TAX CONSULTATION - AND RESULTS

Based on the information above, please indicate which of the above options A – C option you support by ticking one of the 3 boxes below:

- Option A
- Option B
- Option C

### Section 2: About you

The questions in this section are optional. All the information you give is confidential and will not be used to identify you.

#### Q3: What is your age group?

- |             |                          |         |                          |         |                          |
|-------------|--------------------------|---------|--------------------------|---------|--------------------------|
| 17 or under | <input type="checkbox"/> | 35 – 44 | <input type="checkbox"/> | 65 – 74 | <input type="checkbox"/> |
| 18 – 24     | <input type="checkbox"/> | 45 – 54 | <input type="checkbox"/> | 75+     | <input type="checkbox"/> |
| 25 – 34     | <input type="checkbox"/> | 55 – 64 | <input type="checkbox"/> |         |                          |

#### Q4: Please tick which town you live in:

- Kidderminster
- Bewdley
- Stourport-on-Severn
- Other area (please state) .....

**Thank you for taking part in the consultation.**

Select campaign : 2014/15 Council Tax consultation : Council Tax Consultation

**223 respondents accessed the campaign**

**Step 1:1.00-1:Which option**

**This single response question was answered by 223 respondents**

Response	Number of Respondents	Percentage of Respondents
A	142	63.68
B	42	18.83
C	39	17.49

**Step 2:2.00-1:Age**

**This single response question was answered by 218 respondents**

Response	Number of Respondents	Percentage of Respondents
17 or under	3	1.38
18-24	11	5.05
25-34	25	11.47
35-44	37	16.97
45-54	66	30.28
55-64	40	18.35
65-74	27	12.39
75 and over	9	4.13

**Step 2:3.00-1:Live**

**This single response question was answered by 210 respondents**

Response	Number of Respondents	Percentage of Respondents
Kidderminster	124	59.05
Bewdley	23	10.95
Stourport-on-Severn	36	17.14
Other area	27	12.86

**Step 2:3.01-1:Please state**

**This open response question was answered by 20 respondents**

Response	Number of Respondents
Arley	1
Blakedown	1
Blakedwn	1
BLISS GATE, ROCK	1
bromsgrove	1
Broome	1
churchill	1
Cookley	5
gloucestershire	1
POUND GREEN	1
Rock	2
Rushock	1
Shifnal	1

## Appendix 6

Upper Arley  
Wolverley

1  
1

**COUNCIL TAX CONSULTATION****Analysis of where respondents live and option chosen**

This table analyses the respondents over the major towns and other areas and option chosen.  
Out of the total 223 respondents, only 210 told us where they live.

Option Chosen	Area			
	Kidderminster	Bewdley	Stourport-on-Severn	Other Area
<b>A</b>	77 62.10%	17 73.91%	22 61.11%	19 70.37%
<b>B</b>	25 20.16%	5 21.74%	4 11.11%	6 22.22%
<b>C</b>	22 17.74%	1 4.35%	10 27.78%	2 7.41%
<b>TOTAL</b>	<b>124</b> <b>100.00%</b>	<b>23</b> <b>100.00%</b>	<b>36</b> <b>100.00%</b>	<b>27</b> <b>100.00%</b>

**Analysis of age of residents and option chosen**

This table analyses the respondents over their age group and option chosen.  
Out of the total 223 respondents, only 218 told us their age.

Option Chosen	Age Group							
	17 or under	18-24	25-34	35-44	45-54	55-64	65-74	75 and over
<b>A</b>	2 66.67%	10 90.91%	20 80.00%	30 81.08%	41 62.12%	17 42.50%	14 51.85%	5 55.56%
<b>B</b>	0 0.00%	0 0.00%	1 4.00%	4 10.81%	13 19.70%	11 27.50%	8 29.63%	4 44.44%
<b>C</b>	1 33.33%	1 9.09%	4 16.00%	3 8.11%	12 18.18%	12 30.00%	5 18.52%	0 0.00%
<b>TOTAL</b>	<b>3</b> <b>100.00%</b>	<b>11</b> <b>100.00%</b>	<b>25</b> <b>100.00%</b>	<b>37</b> <b>100.00%</b>	<b>66</b> <b>100.00%</b>	<b>40</b> <b>100.00%</b>	<b>27</b> <b>100.00%</b>	<b>9</b> <b>100.00%</b>

**WYRE FOREST DISTRICT COUNCIL**

**COUNCIL**  
**26<sup>th</sup> FEBRUARY 2014**

**FINANCIAL STRATEGY 2014-17**

**AMENDMENT TO BE MOVED BY THE LABOUR GROUP**

**2. RECOMMENDATIONS**

The **LABOUR GROUP** RECOMMENDS TO COUNCIL:

**2.1 FEES AND CHARGES**

2.1.1 **APPROVAL** of the updated fees and charges as attached in Appendix 1, in respect of Control of Dogs to replace those approved by Council on the 27<sup>th</sup> November 2013.

**2.2 THREE YEAR BUDGET, CAPITAL PROGRAMME AND POLICY FRAMEWORK 2014-17**

2.2.1 **APPROVAL** of the updates to the Medium Term Finance Strategy 2014-17 as approved by Council in November 2013, as set out in the Cabinet report of the 21<sup>st</sup> January 2014.

2.2.2 **APPROVAL** of the Base Capital Programme and Vehicle, Equipment and Systems Renewal Schedule as set out in Appendices to the Cabinet Report on the 21<sup>st</sup> January 2014, further amended to incorporate all approved Cabinet Proposals and final amendments detailed in this report. The revised Capital Programme for approval is contained in Appendix 2 (Parts 1 and 2); updated Prudential Indicators are also presented in the separate Treasury Management report on this agenda. In doing so, Capital Budgets for 2014-17 are approved.

2.2.3 **APPROVAL** that the first £338,000 of the Right to Buy (RTB) receipts in 2014/15 be allocated to Disabled Facilities Grants (to a maximum Capital budget of £800,000). That all future RTB Capital Receipts, over and above the top-up to £800,000 for Disabled Facilities Grants, are ring-fenced for Housing purposes.

2.2.4 **APPROVAL** that the initial £1m funding allocated for the Local Authority Mortgage Scheme be removed from the Capital Programme given the launch of the Government's Help to Buy Scheme and withdrawal of the Lloyds Banking Group from this initiative.

2.2.5 **APPROVES** that any Final Account savings arising from 2013-17 over and above the target allowed for in the Council's Finance Strategy, together with surplus Earmarked Reserves, be allocated by the Chief Financial Officer in consultation with the Leader.

2.2.6 **The General Fund Revenue Budget be APPROVED including updated LABOUR GROUP PROPOSALS (Appendix 3) and updated FEES AND CHARGES (Appendix 1) and related amendments** as set out in paragraph 3 of this report.

## 2.3 **COUNCIL TAX**

2.3.1 **RECOMMENDS** a Council Tax for Wyre Forest District Council on a Band D Property of £201.45 for 2014-15 (£197.62 2013-14) which represents a 1.94% increase on Council Tax from 2013-14.

2.3.2 **RECOMMENDS** a provisional Council Tax on a Band D Property in 2015-16 of £205.36 and £209.34 in 2016-17, an increase of 1.94 % per annum over 2014-15.

2.3.3 **APPROVES** the discount for dwellings in Class C prescribed by the Council Tax (Prescribed Classes of Dwelling) (England) Regulations 2003 No 3011 shall, with effect from 1 April 2014, be one hundred per cent for the first calendar month and zero per cent thereafter, with any occupation for any period of less than 6 weeks being ignored. The period for which any discount under Class C applied to a dwelling immediately before 1 April 2014 shall count towards the period of one calendar month in awarding any discount for the period commencing on 1 April 2014.

## 2.4 **MEMBER ALLOWANCES**

2.4.1 **HAVE REGARD** to the conclusions and recommendations of the Independent Review Panel (IRP) in making any amendments to the Members' Allowances Scheme for 2014-15;

2.4.2 **DECIDE** to implement the IRP recommendations for the scheme of allowances in full, as set out in Appendix 4 – Part 2, for the financial year 2014-15 and all subsequent years of the Financial Strategy.

2.4.3 **AUTHORISE** the Solicitor to the Council to amend the Constitution as appropriate to give effect to the Council's decisions.

## 3. **FINANCIAL IMPLICATIONS**

3.1 The Cabinet Proposals previously approved by Council on 27<sup>th</sup> November 2013 have now been supplemented and revised where appropriate, and a new schedule **as proposed by the Labour Group** is shown in **Appendix 3**.

3.2 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 **£1,536k** at the end of 2016-17 see reserves table in 5.4).

<b>LABOUR GROUP PROPOSED BUDGET AMENDMENT</b>				
	<b>Revised 2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
Net Expenditure on Services	<b>12,560,830</b>	<b>12,320,590</b>	<b>12,390,310</b>	<b>12,295,510</b>
Less				
Cabinet Proposals as revised		(675,450)	(1,156,780)	(1,441,250)
Net Expenditure	12,560,830	11,645,140	11,233,530	10,854,260
Contribution (from)/to Reserves	(275,910)	96,480	(224,890)	(227,370)
<b>Net Budget Requirement</b>	<b>12,284,920</b>	<b>11,741,620</b>	<b>11,008,640</b>	<b>10,626,890</b>
Less				
Government Support	6,179,120	5,337,340	4,499,870	4,152,000
Homelessness Prevention Grant	108,650	107,030	106,990	0
Community Right to bid/Challenge	16,400	16,400	0	0
Collection Fund Surplus		50,000	50,000	0
Council Tax Transition Grant	28,630	0	0	0
Council Tax Income	5,952,120	6,230,850	6,351,780	6,474,890
WFDC Council @ just under 2% increase 2014/15 onwards	<b>197.62</b>	<b>201.45</b>	<b>205.36</b>	<b>209.34</b>

3.3 The final Government Grant figures were published on 5<sup>th</sup> February 2014; they were very close to the Provisional Settlement. The table below identifies the final position in relation to total Government grant. The table includes all specific grants such as the Council Tax Freeze Grant, and Homelessness Prevention Grants. The total funding position is £2,420 worse than originally predicted for the Strategy overall, in the November 2013 Council report.

Year	Value of Government Support Assumed £	Value of Government Support Finance Settlement	Variance to Assumption	Year on Year Decrease based on Finance Settlement Figures	
		£	£	£	%
2013-14	6,287,770	6,287,770			
2014-15	5,440,650	5,444,370		843,400	13.41
2015-16	4,613,000	4,606,860		837,510	15.38
2016-17	4,152,000	No figure		454,860	9.87
	<b>Total Variance</b>	<b>Less Grant</b>	<b>2,420</b>		

3.4 Reserves available as part of the three year financial strategy are as follows:

RESERVES STATEMENT	Revised 2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000
Reserves as at 1 April	2,168	1,892	1,988	1,763
Contribution (from)/to Reserves	(276)	96	(225)	(227)
Reserves as at 31 March	1,892	1,988	1,763	1,536

- 3.5 The recommendation to fully implement the recommendations from the IRP across all years of the Financial Strategy is included within Appendix 3 to this report.



## WYRE FOREST DISTRICT COUNCIL

## LABOUR PROPOSALS 2014/2015 ONWARDS

Cost Centre	ACTIVITY AND DESCRIPTION OF CABINET PROPOSAL	KEY	CHANGE IN RESOURCES			
			2014/15 £	2015/16 £	2016/17 £	After 31/03/2017 £
	<b>SUMMARY FINANCIAL IMPLICATIONS OF CABINET PROPOSALS APPROVED BY COUNCIL ON NOVEMBER 27TH 2013</b>	C R S	- 828,390 CR 14.75 CR	5,000,000 1,345,390 CR 16.75 CR	- 1,631,890 CR 22.75 CR	- 1,650,890 CR 22.75 CR
<b>SECURING THE ECONOMIC PROSPERITY OF THE DISTRICT</b>						
R705	<b>Economic Regeneration Activities</b> Seek funding from the single local growth fund from 2015/16 for economic regeneration activities. <i>Reverse this proposal now the Government have confirmed there will be no New Homes Bonus top slice</i>	C R S	- - -	- 200,000 -	- 200,000 -	- 200,000 -
R670	<b>Right to Buy Receipts</b> That all future capital receipts in relation to Right to Buy over and above the proposed top-up to £800,000 for Disabled Facilities Grants are ring-fenced for Housing purposes.	C R S	- - -	- - -	- - -	- - -
<b>DELIVERING TOGETHER, WITH LESS</b>						
Various	<b>WFF further tranche of savings - Revised Wording only - no change to figures</b> As part of the Wyre Forest Forward Transformation Programme, the Council's Appointments Panel will commission external advice to inform a review of the structure of the Council's Leadership team. The Appointments Panel will consider the external advice and report to Council, with a view for the implementation of any changes in Spring 2015.  *(Staffing Implications TBC)	C R S*	- - -	- - -	- - -	- - -
R310 R320	<b>Internal Reform of Revenues, Benefits and Customer Services - Revised wording and adjustment of savings for Internal Option</b>	C	-	-	-	-
R325 R295 R299	To reform the service to improve the service to the customer, drive out efficiencies and reduce costs.	R S	103,050 3.5 CR	13,850 CR 7 CR	13,850 CR 7 CR	13,850 CR 7 CR
Various	<b>Staff Terms and Conditions</b> To preserve existing staff terms and conditions for 2014/15 and engage external consultants to advise on a new senior management structure to be effective from April 2015. An allowance of £20,000 in 2014/15 has been made for this work. Then in 2015/16 to continue to preserve staff terms and conditions as far as possible by the forecast extraction of savings of around £130,000pa (from the senior management review). This will allow more time to agree the lower level of savings with unions. Severance Costs to be met from Transformation Fund. It also includes facilitation of a Skills Audit for all staff to ensure the optimal deployment of resources.	C R S	- 90,000 -	- - -	- - -	- - -
R405	<b>Implement IRP Full Recommendation</b> Reduce Members Allowances in line with the recommendations from the latest Independent Remuneration Panel for 2014 dated 10/12/2013, to fund the new Marketing and Tourism Post	C R S	- 47,000 CR -	- 40,300 CR -	- 40,300 CR -	- 40,300 CR -
<b>IMPROVING COMMUNITY WELL-BEING</b>						
R735	<b>Marketing and Tourism</b> To create the post of Marketing and Tourism Officer to be within a three-person Media and Marketing team. To promote the district, generate additional external income from January 2015, to take over the role of the Town Centre Manager when funding for this post ceases. Additional income streams should more than fund this post once it is established but full funding has been assumed as worst case scenario at pay Band L.	C R S	- 11,890 0.25	- 47,760 1.00	- 49,790 1.00	- 50,720 1.00
R735	<b>Media and Communications</b> To reduce the Media and Communications Team by 5 hours to create one 20 hour post and one 30 hour post to deliver a saving to reduce the savings required from Staff Terms and Conditions. To discontinue the team apprenticeship after March 2015 (no saving as not projected in base budget).	C R S	- 5,000 CR 0.14 CR	- 5,000 CR 0.14 CR	- 5,000 CR 0.14 CR	- 5,000 CR 0.14 CR

## WYRE FOREST DISTRICT COUNCIL

## LABOUR PROPOSALS 2014/2015 ONWARDS

Cost Centre	ACTIVITY AND DESCRIPTION OF CABINET PROPOSAL	KEY	CHANGE IN RESOURCES			
			2014/15 £	2015/16 £	2016/17 £	After 31/03/2017 £
R035	<b>Public Conveniences - Revised wording</b> To carry out the review approved by November Council, to cease or reduce revenue funding for the remaining toilets in the District in consultation with Members.	C R S	- - -	- - -	- - -	- - -
	<b>TOTALS</b>	C R S	- 675,450 CR 18.14 CR	5,000,000 1,156,780 CR 22.89 CR	- 1,441,250 CR 28.89 CR	- 1,459,320 CR 28.89 CR

**KEY - Changes in Resources**

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

**WYRE FOREST DISTRICT COUNCIL**

**COUNCIL 26<sup>TH</sup> FEBRUARY 2014**

**COUNCIL TAX 2014/15**

<b>OPEN</b>	
<b>SUSTAINABLE COMMUNITY STRATEGY THEME</b>	Stronger Communities
<b>CORPORATE PLAN PRIORITY:</b>	Delivering Together, With Less
<b>CABINET MEMBER:</b>	Councillor N J Desmond
<b>RESPONSIBLE OFFICER:</b>	Chief Financial Officer
<b>CONTACT OFFICERS:</b>	Tracey Southall - Ext. 2125 <a href="mailto:tracey.southall@wyreforestdc.gov.uk">tracey.southall@wyreforestdc.gov.uk</a> Lisa Hutchinson - Ext. 2120 <a href="mailto:lisa.hutchinson@wyreforestdc.gov.uk">lisa.hutchinson@wyreforestdc.gov.uk</a>
<b>APPENDICES:</b>	Appendix 1 - Council Tax Resolution 2014/15 Appendix 2 - Council Tax Schedule 2014/15 Appendix 3 - Parish and Town Council Precepts 2014/15 Appendix 4 – District Council Tax, including Parish/Town Council Precepts, 2014/15 Appendix 5 – Total Council Tax, including Major Precepting Authorities and Parish/Town Council Precepts, 2014/15

**1. PURPOSE OF REPORT**

- 1.1 The purpose of this report is to enable the Council to calculate and set the Council Tax for 2014/15.

**2. RECOMMENDATION**

**Council is asked to approve:**

- 2.1 **The formal Council Tax Resolution 2014/15 at Appendix 1, taking into account information contained in Appendices 2 to 5.**

**3. BACKGROUND**

- 3.1 The Local Government Finance Act 1992, as amended by The Localism Act 2011, requires the billing authority to calculate a Council Tax requirement for the year.

3.2 The Local Government Finance Act 1992, as amended by The Local Audit and Accountability Act 2014, includes specific guidance in relation to Council Tax referendums. The Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2014/15 is excessive and therefore the billing authority is not required to hold a referendum.

#### **4. WYRE FOREST DISTRICT COUNCIL'S COUNCIL TAX REQUIREMENT**

4.1 Cabinet, on 18<sup>th</sup> February 2014, approved and recommended to Council the 2014/15 revenue budget requirement.

4.2 Cabinet recommended that Wyre Forest District Council's element of the Council Tax 2014/15 be agreed at £201.45 for Band D properties. This represents an increase of 1.94% on the current rate.

4.3 In approving the District Council's element of the Council Tax, account has to be taken of:

- Government Support Grant
- Homelessness Prevention Grant
- Other non ring-fenced Government Grants
- Any surplus or deficit arising from the Collection Fund

The District Council's Council Tax requirement also has to reflect Parish and Town Council spending. The following table sets out the position:

<b>Council Tax Requirement 2014/15</b>	<b>£'000</b>	<b>£'000</b>
Wyre Forest District Council Budget Requirement 2014/15	11,637	
Add: Contribution to Balances	104	
	11,741	
Parish & Town Councils' Requirement (Appendix 3)	463	
		12,204
Less:		
Government Support Grant	(5,337)	
Homelessness Prevention Grant	(107)	
Community Right to Bid/Challenge Grant	(16)	
		(5,460)
Less: Surplus on Collection Fund		(50)
<b>Council Tax Requirement 2014/15</b>	<b>£'000</b>	<b>6,694</b>

- 4.4 Wyre Forest District Council's Council Tax at Band D for 2014/15 is £201.45, determined as follows:

Council Tax Requirement (as detailed in paragraph 4.3 above)	£6,693,635
Divided by Council Tax Base	30,930
Council Tax at Band D (including Parishes)	£216.41
Deduct Parish Element	(£14.96)
<b>Council Tax at Band D for Wyre Forest District Council</b>	<b>£201.45</b>

## 5. PRECEPT LEVELS

- 5.1 The Precept levels of other precepting bodies have been received, and are detailed below:

### 5.1.1 **Parish and Town Councils**

The Parish and Town Council Precepts for 2014/15 are detailed in Appendix 3 and total £462,784.92. The increase in the average Band D Council Tax for Parish and Town Councils is 1.99% and results in an average Band D Council Tax figure of £14.96 for 2014/15.

### 5.1.2 **Worcestershire County Council**

Worcestershire County Council has stated its precept for 2014/15 to be £32,761,700, adjusted by a Collection Fund contribution of £244,913. The increase in the Band D Council Tax is 1.94%, resulting in a Band D Council Tax of £1,059.22. Further details can be found in Appendix 1.

### 5.1.3 **The Office of the Police and Crime Commissioner for West Mercia**

The Office of the Police and Crime Commissioner for West Mercia has stated its precept for 2014/15 to be £5,637,829.34, adjusted by a Collection Fund contribution of £42,125. The increase in the Band D Council Tax is 1.99%, resulting in a Band D Council Tax of £182.28. Further details can be found in Appendix 1.

### 5.1.4 **Hereford and Worcester Fire and Rescue Authority**

Hereford and Worcester Fire and Rescue Authority has stated its precept for 2014/15 to be £2,321,610.60, adjusted by a Collection Fund contribution of £17,357. The increase in the Band D Council Tax is 1.93%, resulting in a Band D Council Tax of £75.06. Further details can be found in Appendix 1.

## 6. SPECIAL EXPENSES

- 6.1 Special Expenses are defined as those expenses incurred by the Council in performing, in part of the District, a function performed elsewhere by a Parish or Town Council. The Local Government Act 1992 allows the Council to treat any special expenses as general expenses, i.e. as part of its own budget requirement for Council Tax purposes, provided the Council resolved accordingly.

- 6.2 It is reasonable for the Council to continue to treat special expenses as general expenses, and for clarity it is considered sensible to reaffirm this position on an annual basis. For clarification this Council does not currently have any Special Expenses.

## **7. COUNCIL TAX LEVELS**

- 7.1 The formal resolution for setting the Council Tax is set out in Appendix 1.
- 7.2 The Council Tax Schedule 2014/15 is set out in Appendix 2.
- 7.3 The Parish & Town Council precepts 2014/15 are set out in Appendix 3.
- 7.4 The District Council Tax, including Parish/Town Council precepts, 2014/15 is set out in Appendix 4.
- 7.5 The Total Council Tax, including Major Precepting Authorities and Parish/Town Council precepts, 2014/15 is set out in Appendix 5.

## **8. KEY ISSUES**

- 8.1 That the formal Council Tax resolution presented in accordance with the requirements of the Local Government Finance Act 1992, as amended by the Localism Act, be approved.

## **9. FINANCIAL IMPLICATIONS**

- 9.1 The Financial Implications of this Council Tax report are included in the Council's Medium Term Financial Strategy and Three Year Budget and Policy Framework, as updated by the Proposed Decision, also on this Council agenda.

## **10. LEGAL AND POLICY IMPLICATIONS**

- 10.1 The Council must set its Council Tax for 2014/15 in accordance with all statutory requirements.
- 10.2 The Local Government Finance Act 1992, as amended by The Localism Act 2011, requires the billing authority to calculate a Council Tax requirement for the year.

## **11. RISK MANAGEMENT**

- 11.1 The Accounts and Audit (England) Regulations 2011, require Local Authorities to fully consider and manage Risk as part of the Budget process. This was fully set out in the Financial Strategy November Cabinet Report.
- 11.2 There is a greater future risk of a referendum requirement should Council Tax increases exceed the threshold as required in the Local Audit and Accountability Act 2014 and laid down in The Referendums Relating to Council Tax Increases (Principles) (England) Report 2014/15.

**12. EQUALITY IMPACT ASSESSMENT**

- 12.1 This is a financial report and there is no requirement to consider an Equality Impact Assessment.

**13. CONCLUSION**

See Recommendations.

**14. CONSULTEES**

Cabinet  
CLT

**15. BACKGROUND PAPERS**

- 15.1 Local Government Finance Act 1992, as amended by Localism Act 2011 and Local Audit and Accountability Act 2014
- 15.2 The Referendums Relating to Council Tax Increases (Principles) (England) Report 2014/15.

**COUNCIL TAX RESOLUTION 2014/15****The Council is recommended to resolve as follows:**

1. It be noted that the Council has calculated the Council Tax Base 2014/15:
  - (a) for the whole Council area as **30,930** [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended ("the Act")]; and
  - (b) for dwellings in those parts of its area to which a Parish precept relates as in column 5 of the attached Appendix 3.
  
2. To calculate that the Council Tax requirement for the Council's own purposes for 2014/15 (excluding Parish precepts) is **£6,230,850**.
  
3. That the following amounts be calculated for the year 2014/15 in accordance with Sections 30 to 36 of the Act:
  - (a) **£53,547,934.92** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
  - (b) **£46,854,300.00** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
  - (c) **£6,693,634.92** being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. [Item R in the formula in Section 31B of the Act]
  - (d) **£216.41** being the amount at 3(c) above (Item R), divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
  - (e) **£462,784.92** being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix 3).
  - (f) **£201.45** being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.



4. To note that for the year 2014/15 Worcestershire County Council, The Office of the Police and Crime Commissioner for West Mercia and Hereford and Worcester Fire and Rescue Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as shown below.

<b>WORCESTERSHIRE COUNTY COUNCIL</b>							
Valuation Bands							
A	B	C	D	E	F	G	H
£706.15	£823.84	£941.53	£1,059.22	£1,294.60	£1,529.99	£1,765.37	£2,118.44

<b>THE OFFICE OF THE POLICE AND CRIME COMMISSIONER FOR WEST MERCIA</b>							
Valuation Bands							
A	B	C	D	E	F	G	H
£121.52	£141.77	£162.02	£182.28	£222.78	£263.29	£303.80	£364.55

<b>HEREFORD AND WORCESTER FIRE AND RESCUE AUTHORITY</b>							
Valuation Bands							
A	B	C	D	E	F	G	H
£50.04	£58.38	£66.72	£75.06	£91.74	£108.42	£125.10	£150.12

5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in Appendix 5 as the amounts of Council Tax for 2014/15 for each part of its area and for each of the categories of dwellings.
6. To determine that the Council's basic amount of Council Tax for 2014/15 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.
7. To note that, as the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2014/15 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK of the Local Government Finance Act 1992, as amended by the Local Audit and Accountability Act 2014.

**COUNCIL TAX SCHEDULE 2014/15**

**APPENDIX 2**

<b><u>District Council and Major Precepting Authorities</u></b>	<b>Band A £</b>	<b>Band B £</b>	<b>Band C £</b>	<b>Band D £</b>	<b>Band E £</b>	<b>Band F £</b>	<b>Band G £</b>	<b>Band H £</b>
Wyre Forest District Council	134.30	156.68	179.07	201.45	246.22	290.98	335.75	402.90
Worcestershire County Council	706.15	823.84	941.53	1,059.22	1,294.60	1,529.99	1,765.37	2,118.44
The Office of the Police and Crime Commissioner for West Mercia	121.52	141.77	162.02	182.28	222.78	263.29	303.80	364.55
Hereford and Worcester Fire and Rescue Authority	50.04	58.38	66.72	75.06	91.74	108.42	125.10	150.12

<b><u>Parish &amp; Town Councils</u></b>	<b>Band A £</b>	<b>Band B £</b>	<b>Band C £</b>	<b>Band D £</b>	<b>Band E £</b>	<b>Band F £</b>	<b>Band G £</b>	<b>Band H £</b>
The Charter Trustees Town of Kidderminster	2.80	3.27	3.73	4.20	5.13	6.07	7.00	8.40
Upper Arley Parish Council	31.75	37.04	42.33	47.62	58.20	68.78	79.37	95.24
Bewdley Town Council	17.14	20.00	22.85	25.71	31.42	37.14	42.85	51.42
Broome Parish Council	8.61	10.05	11.48	12.92	15.79	18.66	21.53	25.84
Chaddesley Corbett Parish Council	21.81	25.44	29.08	32.71	39.98	47.25	54.52	65.42
Churchill & Blakedown Parish Council	21.07	24.58	28.09	31.60	38.62	45.64	52.67	63.20
Kidderminster Foreign Parish Council	15.05	17.55	20.06	22.57	27.59	32.60	37.62	45.14
Ribbesford Parish Council	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rock Parish Council	14.31	16.69	19.08	21.46	26.23	31.00	35.77	42.92
Rushock Parish Council	18.22	21.26	24.29	27.33	33.40	39.48	45.55	54.66
Stone Parish Council	17.01	19.85	22.68	25.52	31.19	36.86	42.53	51.04
Stourport on Severn Town Council	17.41	20.32	23.22	26.12	31.92	37.73	43.53	52.24
Wolverley & Cookley Parish Council	16.09	18.78	21.46	24.14	29.50	34.87	40.23	48.28

**PARISH AND TOWN COUNCIL PRECEPTS 2014/15**

**APPENDIX 3**

Parish & Town Councils	2013/14		2014/15		Council Tax Increase/ (Decrease) (£)	Council Tax Increase/ (Decrease) (%)
	Tax Base	Precept £	Council Tax Band D (£)	Precept £		
The Charter Trustees Town of Kidderminster	15,180	63,750	4.20	15,647	65,717	0.00
Upper Arley Parish Council	315	15,000	47.62	318	15,143	0.00
Bewdley Town Council	3,341	78,826	23.59	3,403	87,491	8.99
Broome Parish Council	182	2,225	12.23	178	2,300	5.64
Chaddesley Corbett Parish Council	666	21,783	32.71	690	22,570	0.00
Churchill & Blakedown Parish Council	688	21,740	31.60	738	23,321	0.00
Kidderminster Foreign Parish Council	365	8,307	22.76	368	8,307	(0.83)
Ribbesford Parish Council	158	0	0.00	151	0	0.00
Rock Parish Council	1,137	22,670	19.94	1,158	24,850	7.62
Rushock Parish Council	73	1,900	26.03	75	2,050	4.99
Stone Parish Council	246	6,500	26.42	241	6,150	(3.41)
Stourport on Severn Town Council	6,220	162,460	26.12	6,394	167,010	0.00
Wolverley & Cookley Parish Council	1,548	36,678	23.69	1,569	37,876	1.90
<b>TOTAL/AVERAGE</b>	<b>30,119</b>	<b>441,839</b>	<b>14.67</b>	<b>30,930</b>	<b>462,785</b>	<b>14.96</b>

**DISTRICT COUNCIL TAX (INCLUDING PARISH/TOWN COUNCIL PRECEPTS) 2014/15 APPENDIX 4**

<b><u>Part of the Council's Area</u></b>	<b>VALUATION BANDS 2014/2015</b>							
	<b>A £</b>	<b>B £</b>	<b>C £</b>	<b>D £</b>	<b>E £</b>	<b>F £</b>	<b>G £</b>	<b>H £</b>
The Charter Trustees Town of Kidderminster	137.10	159.95	182.80	205.65	251.35	297.05	342.75	411.30
<b>The Parish/Town Council of:</b>								
Upper Arley	166.05	193.72	221.40	249.07	304.42	359.76	415.12	498.14
Bewdley	151.44	176.68	201.92	227.16	277.64	328.12	378.60	454.32
Broome	142.91	166.73	190.55	214.37	262.01	309.64	357.28	428.74
Chaddesley Corbett	156.11	182.12	208.15	234.16	286.20	338.23	390.27	468.32
Churchill & Blakedown	155.37	181.26	207.16	233.05	284.84	336.62	388.42	466.10
Kidderminster Foreign	149.35	174.23	199.13	224.02	273.81	323.58	373.37	448.04
Ribbesford	134.30	156.68	179.07	201.45	246.22	290.98	335.75	402.90
Rock	148.61	173.37	198.15	222.91	272.45	321.98	371.52	445.82
Rushock	152.52	177.94	203.36	228.78	279.62	330.46	381.30	457.56
Stone	151.31	176.53	201.75	226.97	277.41	327.84	378.28	453.94
Stourport on Severn	151.71	177.00	202.29	227.57	278.14	328.71	379.28	455.14
Wolverley & Cookley	150.39	175.46	200.53	225.59	275.72	325.85	375.98	451.18

**TOTAL COUNCIL TAX 2014/15**

**APPENDIX 5**

<u>Parts of the Council's Area</u>	VALUATION BANDS 2014/2015								
	A £	B £	C £	D £	E £	F £	G £	H £	
The Charter Trustees Town of Kidderminster	1,014.81	1,183.94	1,353.07	1,522.21	1,860.47	2,198.75	2,537.02	3,044.41	
<b>The Parish/Town Council of:</b>									
Upper Arley	1,043.76	1,217.71	1,391.67	1,565.63	1,913.54	2,261.46	2,609.39	3,131.25	
Bewdley	1,029.15	1,200.67	1,372.19	1,543.72	1,886.76	2,229.82	2,572.87	3,087.43	
Broome	1,020.62	1,190.72	1,360.82	1,530.93	1,871.13	2,211.34	2,551.55	3,061.85	
Chaddesley Corbett	1,033.82	1,206.11	1,378.42	1,550.72	1,895.32	2,239.93	2,584.54	3,101.43	
Churchill & Blakedown	1,033.08	1,205.25	1,377.43	1,549.61	1,893.96	2,238.32	2,582.69	3,099.21	
Kidderminster Foreign	1,027.06	1,198.22	1,369.40	1,540.58	1,882.93	2,225.28	2,567.64	3,081.15	
Ribbesford	1,012.01	1,180.67	1,349.34	1,518.01	1,855.34	2,192.68	2,530.02	3,036.01	
Rock	1,026.32	1,197.36	1,368.42	1,539.47	1,881.57	2,223.68	2,565.79	3,078.93	
Rushock	1,030.23	1,201.93	1,373.63	1,545.34	1,888.74	2,232.16	2,575.57	3,090.67	
Stone	1,029.02	1,200.52	1,372.02	1,543.53	1,886.53	2,229.54	2,572.55	3,087.05	
Stourport on Severn	1,029.42	1,200.99	1,372.56	1,544.13	1,887.26	2,230.41	2,573.55	3,088.25	
Wolverley & Cookley	1,028.10	1,199.45	1,370.80	1,542.15	1,884.84	2,227.55	2,570.25	3,084.29	

**WYRE FOREST DISTRICT COUNCIL**

**COUNCIL**  
**26<sup>TH</sup> FEBRUARY 2014**

**FUTURE GOVERNANCE ARRANGEMENTS FOR KIDDERMINSTER – UPDATE REPORT**

1. This report provides Council with an update from the working group established by the Council resolution in July 2013 and proposed next steps.

**Background**

2. A Community Governance Review of Kidderminster was conducted in 2013 following receipt of a petition organised by the Charter Trustees and signed by over 5,000 electors in the town. The purpose of the petition was to call for the creation of a town council for Kidderminster. Following consultation, the results were reported to Council on 24<sup>th</sup> July 2013 and showed that, out of over 1,500 responses, 53% were against the proposal to create a town council. Council resolved as follows:

- “1. The second stage of consultation with the proposal to create the parish of Kidderminster (and for the parish to be called Kidderminster) should not be undertaken.
2. Delegated authority be granted to the [Solicitor to the Council] for the drafting and publishing of the results of the consultation review in accordance with The Local Government and Public Involvement Health Act 2007.
3. The Chief Executive be authorised to convene a working group of Members to consider future options.”

**Update**

3. A cross-party working group of 10 members from Kidderminster was convened accordingly and has met on 14<sup>th</sup> November 2013 and 31<sup>st</sup> January 2014. The working group is chaired by Councillor Graham Ballinger. Thus far, it has considered a wide range of options in respect of the future governance of Kidderminster, including:
  - Making no change to the current position i.e. retention of the Charter Trustees;
  - The Council making use of its powers to incur expenditure in section 137 of the Local Government Act 1972;
  - Changing the Council’s policy and introducing “special items” under sections 34 and 35 of the Local Government Finance Act 1992, so that the Council’s expenditure in Kidderminster on matters which are paid for elsewhere by parish councils would be charged solely on council tax payers in Kidderminster;
  - Creating a development trust for Kidderminster;
  - Creating an area planning committee for Kidderminster;
  - Initiating a community governance review in order to parish Kidderminster but without creating a town council. This is not legally possible as legislation requires the creation of a parish or town council where the parish has more than 1000 electors;

- Initiating a community governance review in order to create a town council for Kidderminster.
- 4. The working group is minded to recommend that the Council should commence a further community governance review to seek public endorsement for the creation of a town council for Kidderminster. Before finalising its recommendation to Council, further work needs to be done on the rationale for taking this step, the business case for change compared to the other options, and the one off costs that would arise in respect of consultation with electors. This work could not be satisfactorily completed before today's meeting of Council. The working group will therefore be meeting again on 13<sup>th</sup> March in order to finalise its advice to Council.

**Proposed next steps and recommendation**

- 5. This update report does not seek any decision from Council on the future governance arrangements for Kidderminster. However in order to ensure that momentum is not lost, an additional meeting of full Council would be required in order to consider the working group's recommendations. It is proposed that the meeting would be held on Wednesday 26<sup>th</sup> March 2014 and that this topic would be the sole item on the agenda.
- 6. **The Council is recommended to note the update in this report and to consider the proposal to hold an additional special meeting of Council on Wednesday 26<sup>th</sup> March 2014, when the working group's recommendations would be submitted.**

Chairman of the Working Group: Councillor Graham Ballinger  
Lead officer: Ian Miller, Chief Executive