

WYRE FOREST DISTRICT COUNCIL

COUNCIL

COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY,
KIDDERMINSTER

21ST FEBRUARY 2018 (6PM)

Present:

Councillors: D Little (Chairman), J-P Champion (Vice-Chairman), J Aston, J Baker, S J Chambers, J R Desmond, N J Desmond, H E Dyke, P Dyke, N Gale, I Hardiman, J A Hart, M J Hart, K Henderson, V Higgs, A T Hingley, N Knowles, N Martin, S Miah, F M Oborski MBE, T L Onslow, M Rayner, C Rogers, J A Shaw, J D Smith, R J Vale, S J Walker, H S Williams and S J Williams.

C.64 Prayers

Prayers were said by Rev. Mark Turner from St Bartholomew's Parish Church, Areley Kings, Stourport-on-Severn.

C.65 Apologies for Absence

Apologies for absence were received from Councillors: R Bishop, S J M Clee, R Wilson and G C Yarranton.

C.66 Declarations of Interests by Members

Councillor T L Onslow declared a Disclosable Pecuniary Interest (DPI) in Agenda Item 15 – Council Tax 2018-19, as she was the Deputy Police and Crime Commissioner for West Mercia and would leave the room whilst the agenda item was discussed.

Councillor J-P Champion declared a DPI in Agenda Item 15 – Council Tax 2018-19, as he was the Police and Crime Commissioner for West Mercia and the request from that Office was in his name. He would leave the room whilst the agenda item was discussed.

C.67 Minutes

Decision: The minutes of the meeting held on 13th December 2017 be confirmed as a correct record and signed by the Chairman.

C.68 Public Participation

There was no public participation.

Questions

Two questions had been submitted in accordance with Standing Order A5 by Members of the Council.

Question from Councillor N Knowles to the Cabinet Member for Resources

Given that Wyre Forest District Council still have £1.6million to take off its budget (which could likely reduce services), and that the Conservative Government will change the method of funding Local Authorities by instigating the ending of Revenue Support Grant and the introduction of 75% retention of Business Rates, is it likely that the new system might close the gap between the financial figure that is required by Wyre Forest District Council for services and expenditure thereby lessening the likelihood of further service cuts?

Answer from the Cabinet Member for Resources

I do not believe the changes to business rates in 2020-21 will solve our financial landscape. As an authority we collect circa £27million in business rates across the Wyre Forest of which we get to keep £2.6m which is our baseline figure. Any growth in business rates over that baseline figure is divided up by a formula and we receive 26p in every £1 of growth. In 2016-17 we received just under £300,000 in growth above the baseline. Even if we were part of a Worcestershire pool which could keep 100% of business rates we are only predicting to get a further £200,000 above our growth figure. You are correct that the Government is currently out to consultation on its Fair Funding Review, which might have 75% retention of business rates but we do not know that. My guess is that the quantum of funding across local governments will not increase, there will be winners and losers; it will be increased in one area and reduced in another. To answer your question directly I do not think it will be the silver bullet. I suspect it will close the gap a little but not 100%. I believe the only way to close the gap is to continue on our strategic journey by balancing the budget in a number of different ways by reducing our cost base, growing our income and making sure that we are as lean as possible.

Supplementary question from Councillor N Knowles

We will still have £1.6m that will be cut from the budget and I wonder if you would agree to seek further information from the Government about the real timing of the new business rates system and the likelihood of implementation before the next general election that is before 2022; I believe we need to know these things. Are businesses in Wyre Forest likely to benefit from the change and are we as a Council content to lose the revenue support grant?

Supplementary answer from the Cabinet Member for Resources

In terms of timing the Government are out for their Fair Funding Review and my interpretation of that is the new system will come in circa 2020-21 which will be before the next general election. In the meantime we do not have any further figures to go on. I still stand by my earlier premise that the quantum of

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public sector funding, particularly for local government, will not increase. I think it will be shifted around; growth in one part and reductions in another. In terms of your second point, we have already budgeted that the revenue support grant which stood close to £7m back in 2007-08 is going down to nothing and there is potential that there will be negative revenue support grant. As part of the autumn statement the Government held back on that and is out for consultation. We know we are going to lose revenue support grant and the key to balancing the books is a multifaceted approach; we need to cut our costs accordingly, be lean and efficient as an operating model and at the same time we need to do all we can to grow our income. It is going to be a challenge and the administration will continue to work with opposition groups to work across this difficult time.

Question from Councillor N Knowles to the Leader of the Council

Given the future funding of the Council is reliant on borrowing money to invest and get good financial returns and all of our 33 Councillors are involved in Council's financial well-being, why is it that no opposition Councillors are to sit on the new Commercial Activity Programme Board? Are opposition Councillors considered as financially competent as the administration particularly given that many of us regularly attend the Treasury Management Training?

Answer from the Leader of the Council

The financial sustainability and future of this Council is not solely reliant on borrowing money to invest to get good financial returns, it is multifaceted – growing our income, reducing our costs and becoming more efficient. In terms of when we do borrow money to invest in projects to get financial returns that is slightly different to the work of the Commercial Activity Board. Council tonight at agenda item 14 is being asked to approve the capital funding pot this year of £250,000. If it is any conciliation I am not sitting on this Commercial Activity Board either, neither is the Deputy Leader. If Council support the administration's proposals to set up the capital pot, Council the ultimate sovereign body having made that decision, it is then an executive function and I am proposing that Councillor Vale, Councillor Smith and Councillor Desmond as the three Cabinet Members who are closest aligned to how the money is likely to be spent, together with Officers make decisions on how small capital items are purchased. In my view it is not really a matter that needs to be made heavy weather of; it is not a committee of Council and therefore it is not necessary or appropriate for opposition Members to sit on the Commercial Activity Programme Board.

Supplementary question from Councillor N Knowles

The answer to this question is: isn't it just that the administration is Tory and the rest of us are not?

Supplementary answer from the Leader of the Council

Might I respectfully suggest that if you want to take decisions of an executive

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nature then you need to swell your numbers substantially and over recent times you seem to be going in the opposite direction.

C.70 Chairman's Communications

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

The Chairman announced that he was having a charity event supper on Friday 23rd March 2018. All Members were invited to attend.

C.71 Leader of the Council Announcements

The Leader of the Council referred Members to his tabled report.

C.72 Motions Submitted under Standing Orders

No motions had been received in accordance with Standing Orders (Section 7,4.1).

C.73 Urgent Motions submitted under Standing Orders

There were no urgent motions.

C.74 Political and Constitutional Structures

The Leader of the Council presented a report from the Solicitor to the Council which set out a revised political balance following a change in membership of political groups. He formally moved the recommendation which were seconded by the Deputy Leader.

Decision: The revised chart of political balance as set out in Appendix 1 of the report be approved.

C.75 Policy And Budget Framework – Matters which require a decision by Council

a. Recommendation from the Overview and Scrutiny Committee – 1st February 2018

- **Treasury Management Strategy 2018-19**

Councillor H Dyke presented the recommendations and assured Members that the items had been fully debated by the Treasury Management Review Panel and the Overview and Scrutiny Committee before coming to Council.

The Chair of the Treasury Management Review Panel, Councillor F Oborski, thanked those who attended the Treasury Management training session, and urged other Members to attend. She thanked the Corporate Director:

Resources and her team for their hard work and professional advice.

Decision:

- 1. The restated Prudential Indicators and Limits for the financial years 2018-19 to 2020-21 included in Appendix 3 of the report to the Overview and Scrutiny Committee be approved. These have been revised for the February 2018 Council meeting, as per paragraph 7.3 of the report, following changes to the Capital Programme brought about as part of the budget process other than those proposed by Cabinet on 19th December 2017.**
 - 2. The updated Treasury Management and Investment Policy and Strategy Statements for the period 1st April 2018 to 31st March 2019 (the associated Prudential Indicators are included in Appendix 3 of the report and the detailed criteria is included in Section 10 and Appendix 5) be approved.**
 - 3. The Minimum Revenue Provision (MRP) Statement that sets out the Council's policy on MRP included in Appendix 1 of the report be approved.**
 - 4. The Authorised Limit Prudential Indicator included in Appendix 3 of the report be approved.**
 - 5. The adoption of the policy statement at section 10.2 covering non-treasury investments be approved**
- b. Recommendation from Cabinet – 7th February 2018**
- Establishing a Group Structure of Local Authority Trading Companies**

The Leader of the Council moved the recommendations for approval, which were seconded by the Cabinet Member for Planning and Economic Regeneration.

Decision: The allocation of Right to Buy receipts identified at paragraph 2.6 in the report to Cabinet be agreed for use through the Evergreen Investment Fund to support investments and new residential developments undertaken by the Council or through its companies.

C.76 Pay Policy Statement

A report was considered from the Chief Executive which sought approval to update the Council's Pay Policy Statement under the Localism Act 2011, to reflect the agreement on local pay arrangements for the period 2018-2021.

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The Cabinet Member for Resources led Members through the report. He was pleased to announce that the authority pays female staff 10% more on average than male staff. He added that this figure reflected the make-up of the workforce. He said there was a higher proportion of men who filled front-line posts which tended to be less well paid, and the higher proportion of women who filled middle and senior management roles.

Decision: The updated pay policy statement attached as Appendix 1 of the report to Council, for the financial year 2018-19 and each subsequent financial year (until it is amended by Council) be adopted.

C.77 Medium Term Financial Strategy 2018-2021

A report was considered from the Corporate Director: Resources which updated Council on the Medium Term Financial Strategy 2018-2021, having considered the proposed decision and budget reports recommended to Council by Cabinet on 7th February 2018 including:

- Base Budget Projections 2018-21 including Cabinet Proposals
- Capital Programme
- Fees and Charges
- Report of the Chief Financial Officer in respect of Sections 25-28 Local Government Act 2003

The Cabinet Member for Resources led Members through the report and explained that it set out a clear strategic vision to take the Council forward and provide a balanced budget for the 3 years. He said it was a budget for growth and investment with bold ideas to grow income for the Council.

He added that the financial challenge ahead would be met with a mixture of internal savings, transforming how services are delivered and by growing our income. He said the transformation of the Council over the last few years made a strong position going forward of having a budget where expenditure was matched by income.

He acknowledged that Local Government finance would remain a challenge in the years to come with the pressures of growing demand for services with ever shrinking budgets. He said the Council's net expenditure was due to fall by a further 5% from the current position of £12.3m to just under £11.7m by 2021.

He added that the budget continued on a journey of investing to save in order to make the Council efficient and as streamlined as possible, and highlighted the Council's excellent track record in generating income and protecting front-line services. He was pleased to report that the authority had successfully generated income of c£4.5m which equated to 33% of net revenue budget.

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He said it was planned to invest a further £1.75m in upgrading and modernising the ICT infrastructure to enable the Council to work more efficiently with fewer processes. There would also be investment in the website making it more user friendly with greater self service.

The Cabinet Member for Resources continued that by commissioning expert advice around the whole commercial approach, it was hoped to grow income by a further £215,000 over the next 3 years. He explained that it was proposed to create a one-off capital funding pot of £250,000 for 2018/19 to support commercial activity. The process for how the money would be spent would be through a new Commercial Activity Programme Board to be Chaired by the Corporate Director: Community Well-being and Environment.

He said that compared to previous years some fees and charges had been frozen or increased by less than the average 5%, and car parking charges would be increased by CPI+2% from October 2018, as opposed to the 5% previously assumed. The new methodology of calculating would be subject to a 5% maximum cap. In relation to Council Tax, he said this had been frozen for 5 out of the last 7 years and it was proposed to be increased by 1.94% for each of the next 3 years which would generate a further £133,000 for front line services.

Councillor N Knowles presented an amendment to the Budget Proposals on behalf of the Labour Party. The proposed amendment was moved with 2 options to fund the overall additional net cost over the Medium Term Financial Strategy:

Funding Option 1 – fund from reserves

Funding Option 2 – from a small increase in Council Tax in 2018-19 of 2.25% rather than the Cabinet's proposed 1.94%;

to provide capital funding for the construction of new public conveniences at the Bridge Street Site of the former Lloyds garage with running costs to be part funded by Stourport Town Council; and the Council commits itself to consistent advocacy for the construction of housing at 'social', not 'affordable', rent levels and will actively seek a partner, or partners, with whom to construct such housing, using funds from the £10m development loans and/or £25m capital portfolio funds.

Councillor N Gale left the meeting at 7.40pm and returned at 7.42pm.

A lengthy debate ensued. Several Members spoke about the importance of retaining the Community Leadership Fund and how much good it does across the District. The Leader of the Council said that it was an aspiration of the Council to develop the whole of the former Lloyds garage site to improve the outlook of Bridge Street.

Named votes on the Labour Party proposals was recorded as follows and the amendments were defeated:

Funding Option 1

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For (5)

Councillors: V Higgs, N Knowles, N Martin, M Rayner and J A Shaw

Against (24)

Councillors: J Aston, J Baker, J-P Champion, S J Chambers, J R Desmond, N J Desmond, H E Dyke, P Dyke, N Gale, I Hardiman, J A Hart, M J Hart, K Henderson, A T Hingley, D Little, S Miah, F M Oborski MBE, T L Onslow, C Rogers, J D Smith, R J Vale, S J Walker, H S Williams and S J Williams.

Funding Option 2

For (5)

Councillors: V Higgs, N Knowles, N Martin, M Rayner, J A Shaw

Against (24)

Councillors: J Aston, J Baker, J-P Champion, S J Chambers, J R Desmond, N J Desmond, H E Dyke, P Dyke, N Gale, I Hardiman, J A Hart, M J Hart, K Henderson, A T Hingley, D Little, S Miah, F M Oborski MBE, T L Onslow, C Rogers, J D Smith, R J Vale, S J Walker, H S Williams and S J Williams.

Councillor F M Oborski MBE presented an amendment to the Budget Proposals on behalf of the Independent and Liberal Democrat Group which sought approval to; increase staffing resources for the Civil Enforcement team by 1.5FTE; the introduction of free leisure passes for local “looked after children” within Worcestershire fostered within the Wyre Forest area and also for care leavers; to undertake a review to ensure the Housing team had sufficient capacity to make appropriate use of legislative powers including Empty Dwelling Management Orders (DMOs); to prioritise use of funding from the £25m Capital Portfolio Fund to facilitate bringing into use undeveloped sites allocated for housing development.

Councillor P Dyke left the meeting at 8.13pm and returned at 8.15pm.

Councillor S Chambers left the meeting at 8.37pm and returned at 8.39pm

The Cabinet Member for Resources thanked the Group for their proposals and acknowledged that there were not too many differences between the proposals of the administration and those of the Independent and Liberal Democrat Group. He acknowledged the Corporate Parenting responsibilities of the District Council and said that the proposal for the free leisure passes was a well meaning idea. He said the Leisure Centre did offer a passport to Leisure which offered a 50% discount for families with looked after children and care leavers, and added that this would be kept under review.

A named vote on the Independent and Liberal Democrat Group proposals was recorded as follows and the amendment was

defeated:

For (5)

Councillors: J Aston, H E Dyke, P Dyke, S Miah and F M Oborski MBE.

Against (19)

Councillors: J Baker, J-P Campion, S J Chambers, J R Desmond, N J Desmond, N Gale, I Hardiman, J A Hart, M J Hart, K Henderson, A T Hingley, D Little, T L Onslow, C Rogers, J D Smith, R J Vale, S J Walker, H S Williams and S J Williams.

Abstained (5)

Councillors: V Higgs, N Knowles, N Martin, M Rayner and J A Shaw

The Leader of the Council said that the administration will continue to do their best with the financial envelope that they had and would continue to manage the finances prudently, reducing costs and increasing income wherever possible and give all who live, work and visit Wyre Forest the best services that they possibly could.

A named vote on the substantive budget proposal was recorded as follows and was agreed:

For (19)

Councillors: J Baker, J-P Campion, S J Chambers, J R Desmond, N J Desmond, N Gale, I Hardiman, J A Hart, M J Hart, K Henderson, A T Hingley, D Little, T L Onslow, C Rogers, J D Smith, R J Vale, S J Walker, H S Williams and S J Williams.

Against (7)

Councillors: V Higgs, N Knowles, N Martin, S Miah, F M Oborski MBE, M Rayner and J A Shaw

Abstained (3)

Councillors: J Aston, H E Dyke and P Dyke

Decision:

1.1 THREE YEAR BUDGET, CAPITAL PROGRAMME AND POLICY FRAMEWORK 2018-21

1.1.1 The updated Medium Term Financial Strategy 2018-21 be approved;

1.1.2 The Cabinet Proposals – taking into account the impact on the Council’s Capital and Revenue Budgets for 2018-21 as shown in paragraph 3.18 of the report to Council be approved, including:

a) Approval of a further tranche of £1.757m capital investment required for the refreshed ICT Strategy to be added to the capital programme as set out in Appendix 3 of the December report;

b) Approval of the Community Leadership Fund for 2018-19 of £33k;

c) Approval of a further Localism Fund allocation of £50k in 2018-19.

d) Approval of funding to allow the current level of Community Safety staffing to be maintained for 2018-19 while a review of all options is undertaken taking into account the Police and Crime Commissioner’s (PCC) position regarding future funding strategies.

e) Approval of a further tranche of Wyre Forest Forward Efficiency Savings of £50k in 2018-19, £175k in 2019-20 and £400k in 2020-21.

f) Approval of additional income generation targets of £50k in 2018-19, £75k in 2019-20 and £100k in 2020-21.

g) Approval of capital funding of £38k for the replacement of the Spennells Valley Boardwalk funded from the unused Leisure Centre contingency.

h) Approval of capital funding of £250k in 2018-19 to support a more commercial approach for income generation.

1.1.3 The fees and charges in line with this Strategy and the impact on the Council’s Revenue Budget for 2018-21, as shown in Appendix 3 be approved;

1.1.4 The Capital Programme and Vehicle, Equipment and Systems Renewal Schedule as set out in Appendix 2, Parts 1 and 2 be approved;

1.1.5 Any Final Accounts savings arising from 2017-21 over and above the target allowed for in the Council’s Financial Strategy, together with surplus Earmarked Reserves, be allocated by the Corporate Director: Resources in consultation

with the Leader be approved;

1.1.6 Approval that allocations from the Commercialism Capital Fund proposed at 1.1.2 (h) above is DELEGATED to Corporate Director: Community Well- Being and Environment in consultation with the Commercial Activity Programme Board and the Section 151 Officer to agree the viability of each business case;

1.1.7 The General Fund Revenue Budget be APPROVED including all updates from the position in December 2017 as set out in the report.

2.1 COUNCIL TAX

2.1.1 The Council Tax for Wyre Forest District Council on a Band D Property at £209.34 for 2018-19 (£205.36 2017-18) which represents an increase of 1.94% on Council Tax from 2017-18 be set.

2.1.2 The provisional Council Tax on a Band D Property in 2019-20 of £213.40 and £217.54 in 2020-21, being an increase of 1.94 % in both years be endorsed.

2.1.3 The proposal to increase Council Tax charge for dwellings empty for more than 2 years from 100% to 150% with effect from 1st April 2018 as per paragraph 5.3 be approved;

2.1.4 The opinion of the Corporate Director: Resources (as Chief Financial Officer) on the budget proposals, recommended by the Cabinet in the report, as detailed in Appendix 4 of the report be noted.

Councillors J-P Champion and T L Onslow left the meeting at this point, (8.49pm).

C.78 Council Tax 2018-19

Council considered the formal resolution for setting the Council Tax for 2018-19. The amount of Council Tax depends on the budget proposal recommendations from Cabinet to Council on 7th February 2018 which includes the precepts by Worcestershire County Council, The Office of the Police and Crime Commissioner for West Mercia, and Hereford and Worcester Fire Authority.

A named vote on the Council Tax resolution was recorded as follows and was agreed:

For: (27)

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Councillors: J Aston, J Baker, S J Chambers, J R Desmond, N J Desmond, H E Dyke, P Dyke, N Gale, I Hardiman, J A Hart, M J Hart, K Henderson, V Higgs, A T Hingley, N Knowles, D Little, N Martin, S Miah, F M Oborski MBE, M Rayner, C Rogers, J A Shaw, J D Smith, R J Vale, S J Walker, H S Williams and S J Williams

Decision: The formal Council Tax Resolution 2018-19 at Appendix 1 of the report to Council, taking into account information contained in Appendices 2 to 5 be approved.

There being no further business, the meeting ended at 8.51pm.