

## **CABINET**

**13th December 2016**

**Present:** Councillor Gregson in the Chair

Councillors Berry, L. Denham, J. Squires  
and G. Williams

**Also in Attendance:**

Councillors Agar, Bayliss, Johnson and  
Knight

### **63 Declarations of Interest**

None.

### **64 Public Participation**

None.

### **65 Minutes**

**RESOLVED: That the minutes of the meeting held on 25<sup>th</sup> October 2016 be approved as a correct record and signed by the Chairman.**

### **66 Draft Medium Term Plan 2017-2022 and Draft Budget and Council Tax 2017/18**

The Cabinet considered a report on the Medium Term Financial Plan (MTFP) 2017-2022 and the Draft Budget and Council Tax 2017/18. The Leader of the Council introduced the report and the Portfolio Holder for Performance and Resources summarised the main headlines. Reference was made to the change in approach taken by the administration this year in formulating the budget proposals.

In summary, the proposals would achieve a balanced budget for 2017/18 and for the following two years, dependent upon delivery of the transformation and efficiency plan. The preparation of a five-year MTFP was based on a number of working assumptions and the MTFP would be reviewed and updated on a continual basis.

The proposals would be taken forward through Performance Management and Budget Scrutiny Committee prior to Cabinet and Full Council consideration and approval in February 2017.

Other Cabinet Members spoke in support of the proposals. Other Members present also commented. In response to a question about the deadline for political groups and/or individual Members to identify any other savings opportunities, it was explained that this related to any high level proposals. The Performance Management and Budget Scrutiny Committee could exploring specific aspects of the budget in more detail at their meetings in January. For clarity, the Leader proposed that the words "no later than 31 December 2016" be removed from recommendation 5.

**RESOLVED: That the Cabinet:**

1. refer the Draft Medium Term Financial Plan 2017-2022, and the proposed Draft Budget & Council Tax for 2017/18, including the financial management priorities and key assumptions for the short term and medium term planning horizon to the Performance Management and Budget Scrutiny Committee for consideration at their meetings on 16th and 23 January 2017 (if required) and feedback to Cabinet on 14th February 2017;
2. approve, in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003 and the Local Authorities (Calculation of Council Tax Base) Regulations 2012, that the Council Tax Base calculation for the year 2017/18 will be 31,141 for Worcester City Council, including 3,934 for Warndon Parish Council and 2,175 for St Peter's Parish Council (as detailed in Appendix 5);
3. note that, other than a change to minimum revenue provision (see (iii) below), there have been no changes to the medium-term Treasury Management Policy, Treasury Management Procedure Notes, Treasury Management Disaster Recovery Plan or the operational Treasury Management Practices and recommend to Council that:-
  - (i) The Treasury Management Strategy at Appendix 5 be approved including the prudential indicators set out in 5.5 of the Strategy;
  - (ii) The borrowing limit be approved at:-

	Capital Financing Requirement	Operational Borrowing Boundary (not expected to be exceeded)	Authorised Limit (prohibited to exceed)
2017/18	£11.9m	£17.8m	£23.7m
2018/19	£11.6m	£17.3m	£23.1m
2019/20	£11.3m	£16.9m	£22.6m
2020/21	£11.2m	£16.8m	£22.4m
2021/22	£11.9m	£17.9m	£23.9m

- (iii) The Minimum Revenue Provision statement be approved as follows:-
  - a) For capital expenditure incurred before 1 April 2008 the MRP policy will be a straight line repayment starting from 2016/17 of £114,060 which will repay the borrowing in 2047/48;
  - b) From 1 April 2008 for all supported and unsupported borrowing the MRP policy will be based on the estimated life of the assets, in accordance with the regulations and with effect from 2016/17 the method of repayment will be through an annuity calculation (providing a consistent overall annual borrowing charge).

**(iv) Cabinet to request Performance Management and Budget Scrutiny Committee to review the Council's counter-party list to enable more flexibility when placing monies in the market;**

**4. note that the proposals will be updated for any agreed changes following budget consultation and consideration by Performance Management and Budget Scrutiny Committee (PMBS), and for any significant changes following the publication of the Local Government Finance Settlement. Formal adoption of the MTFP and the Budget & Council Tax 2017/18, will be recommended to Full Council for approval on 21st February 2017; and**

**5. invite all political groups and/or individual members to notify the Interim Corporate Director of Resources of any other savings opportunities they wish officers to explore and request the Corporate Director to include such savings plans in the reports for consideration by PMBS at their January meetings.**

#### **67 Sansome Walk Swimming Pool and Leisure Centre - Key Decision**

The Leader of the Council stated that he understood this report had been called in by the requisite number of Members for pre-decision scrutiny. The item was therefore deferred and would be considered by the Scrutiny Committee at its meeting on 4<sup>th</sup> January 2017.

In response to a question for clarification, the Cabinet were advised that appropriate steps would be taken to secure the site following the closure of the facility.

#### **68 Worcester City Housing Assistance Policy 2017 - Key Decision**

The Cabinet considered changes to the Policy that had been agreed in March 2015. The Portfolio Holder for Housing and Heritage presented the report and summarised the main changes.

Other Cabinet Members spoke in support of the proposals, which aimed to reduce bureaucracy, maximise flexibility within available funding streams and be more responsive to customer needs.

Other Members present also commented. In response, the Leader of the Council stated that he would ask Officers to consider the implications of the Armed Forces Community Covenant in applying the Policy.

**RESOLVED: That the Cabinet approve the changes to the Housing Assistance Policy 2017 (HAP), previously agreed in March 2015 to facilitate the better delivery of Government and local objectives within the private sector. The Policy will commence on the 1<sup>st</sup> January 2017.**

#### **69 Use of Service Improvement Reserve**

The Cabinet considered proposals for additional investment in Street Name Plate Renewal and Refurbishment, investment in CCTV infrastructure, and work to mitigate the effect of gulls in the City.

The Leader of the Council summarised the proposals, which had been developed in accordance with a notice of motion agreed by the Council at its meeting on 29<sup>th</sup> September 2016.

Other Cabinet Members spoke in support of the proposals, which would be funded from the Service Improvement Reserve.

Other Members present commented and in response the Leader of the Council explained that no commitment to additional funding for Gulls was proposed at this stage as the case for additional expenditure should be clearer following scrutiny of the issue.

**RESOLVED: That the Cabinet:**

- 1. approve an additional budget of £25k to replace and refurbish Street Name Plates;**
- 2. allocate an additional one off budget of £80k for investment in the City's CCTV infrastructure; and**
- 3. ask Scrutiny Committee to consider potential interventions and make recommendations for measures and investment to further mitigate adverse effects of Gulls in the City.**

**70 Quarter 2 Financial Monitoring Report - 2016/17**

The Cabinet considered the Quarter 2 Financial Monitoring report covering the period to 30<sup>th</sup> September 2016. The Portfolio Holder for Performance and Resources presented the report and highlighted the main points. Other Cabinet Members and other Members present also commented.

The Performance Management and Budget Scrutiny Committee had considered the report at their meeting on 12<sup>th</sup> December 2016 and had made the following specific comments to Cabinet:

- The Committee noted the position on income and the forecast surplus. The Committee suggested that more information on trends and benchmarking with other authorities would be useful in looking at income generation in the context of any budget proposals.
- The Committee recommended that the following issues be considered in developing next year's budget proposals:
  1. Introducing debit and credit card payment facilities at Council car parks.
  2. Using developer contributions to cover the cost of providing wheelie bins at new developments.
  3. Reducing or removing bereavement fees relating to children.

The Portfolio Holder stated that these points would be looked at in more detail. There were no recommendations of action that Cabinet wished to take as a result of that information.

**RESOLVED: That the Cabinet:**

1. **note the attached financial monitoring report and variances highlighted for the second quarter ended 30th September 2016; and**
2. **approve three write-offs for £91k (as highlighted in paragraph 9.3 of the report).**

#### **71 Quarter 2 Performance Report for 2016/17**

The Cabinet considered a summary by exception of performance for Quarter 2 (July - September 2016). The Portfolio Holder for Performance and Resources presented the report and highlighted the main points.

The Performance Management and Budget Scrutiny Committee had considered the report at their meeting on 12<sup>th</sup> December 2016. The Committee had made the following specific comments to Cabinet:

- The Committee highlighted the change in crime reporting methodology, which has resulted in an increase in the number of incidents of crime.
- The Committee suggested that more information on trends and benchmarking would be useful in future performance reports on key city information.
- Any proposals to develop self-serve transactions should be subject to a satisfactory business case. The Committee highlighted that not all people use online services.

It was explained that there would be workshops for Members on the new Performance Management Framework in the New Year.

**RESOLVED: That the Cabinet note the summary by exception of the Council's Quarter 2 performance for 2016/17.**

#### **72 Any Other Business**

The Portfolio Holder for Sustainable Communities made reference to the recently published draft of the Herefordshire and Worcestershire Health and Care Draft Sustainability and Transformation Plan and suggested that the Council should take the opportunity to join the conversation on the document. The Leader of the Council stated that this would be an appropriate matter to refer to the Scrutiny Committee. Other Cabinet Members supported this proposed way forward.

#### **73 Item Involving the Disclosure of Exempt Information**

None.

**Duration of the meeting: 7.00p.m. – 8.20p.m.**

Chairman at the meeting on  
17th January 2017