

RECOMMENDATIONS OF THE BUDGET 2017-18 TASK AND FINISH GROUP – PHASE 1 RECOMMENDATIONS FOR INCLUSION IN BUDGET.

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What is the Commission being asked to do?

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- i) To consider the recommendations of the 'Budget 2017-18 Phase 1' Task and Finish Group as outlined below;
- ii) To decide whether to endorse, amend or reject these recommendations for referral onto the Cabinet Meeting of 14 November 2016; and
- iii) To note that the Budget Task and Finish Group will now move onto its second phase of work, that of 'Scrutiny of the Emerging Budget'.

Task and Finish Group Phase 1 Recommendations:

1. In respect of Business Rates; Members supported the suggestion submitted by officers via the consultations; that Central Government retain a top slice of the overall national funding to cover all appeal losses. Cabinet to re-iterate this submission.

Reason for Recommendation.

To minimise each local authority's risk.

2. The Group encouraged the Cabinet member to pursue Central Government to make the final decision in respect of all outstanding aspects of funding as soon as possible, so that the financial landscape could be established and the 2017-18 Budget worked on and finalised.

Reason for Recommendation.

For prompt resolution of the 2017-18 Budget.

3. To lobby Central Government in respect of the storing up of planning permissions by developers, which further increased the value of their landholdings with attached permission, waiting to develop at the highest house prices.

Reason for Recommendation.

All these counted against the actual delivery of housing units and the collection of attached CIL (Community Infrastructure Levy) and Section 106 monies.

4. To use contingency funds to cover shortfall in Planning Service income.

Reason for Recommendation.

The Group had concerns regarding the shortfall in Planning Service income in respect of Service Delivery and in particular delivery of the Local Plan.

5. To transfer costs from the general council tax payer to the user in respect of green waste and car parking. These to be explored in the Second Phase of the Budget Task & Finish Group's work.

Reason for Recommendation.

The Green Waste & Car Parking services were seen as overdue for a review of charges.

Further income being possible in respect of Car Park users from outside the District with care having to be exercised that this was not at further expense to the residents.

The imposition of green waste charges as imposed by many other authorities was seen as a 'quick win' in respect of increased income.

6. (in reference to 5 above) The dynamics of on street / off street parking to perhaps be looked at in a future Commission / Task and Finish Group work or as part of the Second Phase of the Budget Task & Finish Group's work.
7. To consider the wider budgetary implications of the Business Rates Revaluation and the intention to reflect this in the 17-18 budget and MTFP (Medium Term Financial Plan).

Reason for Recommendation.

The influence on the Council's Budget position of Business Rates Revaluation and the repercussions of any settlements in respect of such, was considerable.

8. To reset the anticipated savings since stock transfer featured in previous Budgets in respect of the Housing Service for 2017-18 and to re-cost the entire homelessness budget.

Reason for Recommendation.

These savings anticipated had not been achieved, a realistic approach in respect to the 2017-18 Housing Budget to be adopted.

Task & Finish Group members were concerned about increasing pressure on the housing budget related to possible forthcoming legislation and a ruling on HMOs, both which may mean another budget reset or virement would be required

Background and Issues

The annual Budget Task and Finish Group was set up by the Improvement & Review Commission on 13 June 2016 to be carried out in two stages as per the previous year, with reports to Cabinet In November for the input of recommendations for consideration for inclusion in the evolving 2017-18 budget, then again in February with recommendations as a result of the scrutiny of the proposed budget.

The Group Membership was as follows:

Chairman: Councillor Alex Collingwood

Vice-Chairman: Councillor David Knights

Membership:

Councillor Ms Suzanne Brown

Councillor Harry Bull

Councillor Mrs Lesley Clarke OBE

Councillor Carl Etholen

Councillor Matt Knight

Councillor Tony Lee (withdrew from Group on appointment as Deputy Cabinet Member for Housing)

Councillor Rafiq Raja

Councillor Chris Whitehead

The following meetings were held by the Group:

Tuesday 20 September 2016

- Presentation by Steve Richardson (Head of Finance & Commercial Services) on:
 - Local Government Finance – an Introduction
 - Business Rates Consultations
 - Mid – Term Financial Plan & Efficiency Plan (also dealt with at 4 October meeting).

At this meeting the Group also considered the Fair Funding Review, Financial Projections and the New Homes Bonus.

Tuesday 4 October 2016

Items considered:

- Revenue Budgets for 2016-17 as at 31 August 2016 (including key forecast variances). Key Risks and Opportunities identified by officers were considered.
- Major Projects Programme as at 31 August 2016.
- Following on from the Business Rates Consultations update at the previous meeting, the resultant Business Rates Revaluation, and its impact on Wycombe was discussed.
- More detail on the Efficiency Plan submitted to the DCLG (Department of Community and Local Government) by WDC (Wycombe District Council) was considered.

Thursday 20 October 2016

- From the consideration of the key forecast variances at the previous meeting, Group members had requested the attendance of the **Housing Portfolio-holder** and officers having identified the significant negative variances in respect of homelessness, temporary accommodation costs and housing salaries; a considerable risk given that homelessness was demand led. The Group also wished to ask about a re-set of the anticipated savings since stock transfer for 2017-18.
- Similarly the **Planning Portfolio-holder** and officers were invited. The possible need to transfer further funds for planning appeals was noted, what level of support was needed prior to Local Plan acceptance?

At this final phase meeting, the work of the Group in respect of its second phase that of 'scrutinising the emerging budget' was discussed, consideration of the Joint Waste Contract, Green Waste charges, Car Parks, Section 106 and CIL (Community Infrastructure Levy) monies and the provision of Affordable Housing was to be scheduled.

The Second Phase's consideration of Car Parking, specifically income generation (importantly not at the expense of residents) along with the analysis of the dynamics of on street and off street parking, being featured in recommendations 5 & 6.

Similarly the exploration of green waste charges by the Second Phase featured in recommendation 5.

Phase 2 meetings to be scheduled shortly.

Conclusions/ Recommendations

The Group having taken evidence from a considerable number of sources and identifying a number of opportunities arrived at the recommendations featured at the head of this report.

The recommendations made in respect of Central Government Funding settlements and Business Rates Revaluation were imperative in order to establish next year's budget, whilst the inclusion of recommendations in respect of Green Waste and Car Parks were seen as key income drivers for the future.

Removal of risk in respect of Business Rates appeals was seen as key for future budget preparation, whilst a need to encourage implementation of existing planning permissions, with resultant CIL and Section 106 income, would also ensure regeneration.

Next Steps

Referral to Improvement & Review Commission Wednesday 9 November 2016 for onward referral, with endorsement, amendment or rejection, to Cabinet 14 November 2016.

Background Papers

Held in Democratic Services.