



Cabinet (Resources) Panel

Minutes - 9 December 2014

Attendance

Members of the Cabinet (Resources) Panel

Cllr Peter Bilson
Cllr Steve Evans
Cllr Andrew Johnson (Chair)
Cllr Roger Lawrence (Vice-Chair)
Cllr Phil Page
Cllr John Reynolds
Cllr Paul Sweet

Other Councillors in Attendance

Cllr Val Gibson
Cllr Elias Mattu

Employees

Andrew Harvey	Graduate Management Trainee
Emma Bennett	Service Director - Children, Young People and Families
Andrew Harvey	Graduate Management Trainee
Keith Ireland	Managing Director
Ros Jervis	Service Director - Well Being
Haley Macmichael	Category Manager
Martyn Sargeant	Head of Democratic Services
Mark Taylor	Director of Finance

Part 1 – items open to the press and public

Item No. *Title*

- 1 Apologies for absence**
Apologies were received from Cllr Samuels.
- 2 Declarations of interest**
There were no declarations of interest
- 3 Minutes of the previous meeting**
Resolved:
That the minutes of the meeting on 11 November be approved as a correct record.
- 4 Matters arising**
There were no matters arising.
- 5 Redesignation of Director of Pensions post**
Cllr Sweet introduced the report, explaining the Director of Pensions role needed to be reviewed in line with other strategic director posts.

Resolved:

- (1) To recommend to Council the re-designation of the Director of Pensions post to become Strategic Director – Pensions.
- (2) To recommend to Council the assimilation of the Director of Pensions into the Strategic Director pay grade at pay point 303 (£130,000).

6 **Quarter two capital budget monitoring**

Cllr Johnson introduced the report. The report highlighted that this year's General Fund budget is slightly underspent for 2014/15 with £122.6 million projected compared with the approved spend of £124.2 million. The report sought further approval from Council for additional resources for six new projects and seventeen existing projects totalling £24.9 million pounds. These projects include the Primary schools expansion programme, Civic Halls improvements, and the Westside development.

Cllr Page stated that road improvement works on St Peter's/St Edmunds access road had been included from existing resources but that this only equated to a virement of £50,000. Cllr Page queried whether this would be sufficient.

Tim Johnson, the Strategic Director Education and Enterprise stated that the Council needed to review the contracts when works were agreed as it is obvious the work required will exceed the £50,000, the Council therefore needs to make sure who is designated to carry out the work to bring the road up to standard when the land deals were agreed.

Cllr Page also advised that there may be some additional funding works to improve the road in about six months' time. The Strategic Director for Education and Enterprise agreed and stated that there was no point doing the work just for it to be done again later in the year.

Resolved:

1. The Cabinet (Resources) Panel recommends that Council:

- a) Approves the revised medium term general fund capital programme of £219.7 million, an increase of £24.9 million from the previously approved programme (paragraph 2.3), reflecting the latest projected expenditure for the medium term.
- b) Approves additional resources for six new and seventeen existing projects totalling £24.9 million.
- c) Approves the revised medium term Housing Revenue Account (HRA) capital programme of £239.7 million, an increase of £2.0 million from the previously approved programme.
- d) Approves new capital projects for 'Heath Town estate redevelopment', the 'Installation and upgrade of Carelink alarm systems' and the programme for 'Garage demolitions' included within the revised HRA capital programme.

- e) Delegates authority to the Cabinet Member for Leisure and Communities and the Cabinet Member for Resources in consultation with the Strategic Director for Community and the Assistant Director Finance to award a grant from the Sports Investment Strategy.

2. The Cabinet (Resources) Panel agrees to:

- a) Approve six General Fund virements with a gross transfer value of £2.9 million detailed at Appendix B.
- b) Approve the updated schedules of works for the capital projects under the following directorates:
 - i) Community: Urban Parks Refurbishment, Sports Investment Strategy.
 - ii) Delivery: ICTS, Leisure Centres and Disposals.
 - iii) Education and Enterprise: BSF, Capital Maintenance and Expansion of Primary School Places.
- c) Delegate authority to the Cabinet Member for Resources in consultation with the Assistant Director Finance to approve the allocation of the provision of the 'Disposals Programme' to individual capital schemes.
- d) Approve the HRA virement of £100,000 from the External Works programme to facilitate a new programme for 'Garage demolitions', for which approval is also sought.

3. The Cabinet (Resources) Panel notes:

- a) The expenditure position for quarter two of 2014/15 which stands at 27.3% of the approved general fund capital budget.
- b) The expenditure position for quarter two of 2014/15 which stands at 23.8% of the approved Housing Revenue Account capital budget.

7 **Quarter two treasury management activity monitoring**

Cllr Johnson introduced the report, which outlined the Council's revised strategy, which included revising the approved ratio of long and short term borrowing. In addition he explained that the Council is to move away from its current method for minimum revenue provision (MRP) from straight line to an annuity basis. This revision has been approved with the external auditor and will save £4.4 million against the General Fund budget.

Cllr Johnson requested that his appreciation for the work of treasury management and other financial officers should be noted in the minutes.

Cllr Lawrence supported the proposal stating that although the cost of MRP would be higher, in the longer term the impact of inflation over that period would significantly reduce that impact.

Resolved:

1. That Cabinet (Resources) Panel recommends that Council approves:
 - a) The revised upper limits for treasury management indicator (TMI) 2 - upper and lower limits to the maturity structure of its borrowing.
 - b) The revised Annual Minimum Revenue Provision (MRP) Statement for 2014/15, the new method of calculating MRP being on an annuity basis.
2. That Cabinet (Resources) Panel notes the contents of the report, and particularly that:
 - a) A mid-year review of the Treasury Management Strategy Statement has been undertaken and the Council has operated within the limits and requirements approved in March 2014 except for temporarily exceeding TMI 2 - upper and lower limits to the maturity structure of its borrowing - until revised limits are approved by Council in order to generate savings by taking advantage of exceptionally low short term interest rates.
 - b) Savings of £4.4 million for the General Fund and £6.0 million for the Housing Revenue Account are forecast from treasury management activities in 2014/15.
 - c) Some of the credit ratings currently used in the Council's Annual Investment Strategy approved by Council in March 2014 will need to be amended in light of regulatory changes in the financial sector.

8 **Employee Benefits Package**

Cllr Sweet introduced the report as good news, with the launch of the new employee benefits packages taking place during January.

Resolved:

1. To approve the implementation of an employee benefits offer for Council employees which will go live in January 2015.
2. To approve that the Council's Efficiency Reserve be utilised (up to a maximum of £13,000) to support the scheme in its infancy, subject to the reserve being fully replenished once the scheme is established.

9 **Update on the Financial Sustainability of Authorities (NAO Report, November 2014)**

Cllr Johnson introduced the report, which analysed the national situation on the financial sustainability of local authorities. He explained extra work had been undertaken to see how Wolverhampton's situation compares with the national picture. The first part of the report indicated that the Department for Communities and Local Government (DCLG) is not in a position to understand if authorities are getting into difficulties, with no clear benchmarking in place.

The report was welcomed as it indicated the situation of the Council against the national picture and there was confirmation that the National Audit Office is concerned about all councils.

Resolved:

To note the information on the November 2014 NAO report on the financial sustainability of local authorities.

10

Council Fees and Charges 2015/16

Cllr Johnson introduced the report. He highlighted the fact that annually the Council is obliged to review its fees and charges and that these are impacted by a variety of factors such as inflation and changes in government policy. Employees were praised for their work with respective Cabinet members. Cllr Johnson stated that the fees and charges within the report were put forward with the best interest of the city and the economy at heart such as the freeze on car park charges to boost visitors and shoppers coming to the city.

Cllr Lawrence stated that the appendices clearly show that substantial charges have not been changed. The introduction of fees to employees for car parks would bring welcome income. Cllr Lawrence also highlighted increasing the amount of car parking spaces as a challenge for the Council.

Resolved:

1. To approve the fees and charges set out in appendices A to E of the report, to take effect from 1 January 2015 (or as soon as possible thereafter).
2. To approve in the following instances that authority be delegated to the responsible Head of Service to vary fees and charges during the financial year:
 - a) Where the cost of food (including frozen food) and drink procured for resale or onward supply increases, fees and charges may be increased in proportion with the increased costs, after consulting with the Assistant Director Finance or their representative.
 - b) Where an opportunity arises to secure an act or event at short notice and the projected net cost of the act or event is to break even or better, after consulting with the Assistant Director Finance or his representative.
 - c) Where an opportunity arises to secure an act or event at short notice and there is a projected net cost of the act or event, after consulting with the responsible Assistant Director and the Assistant Director Finance or his representative.
 - d) Where Strategic Executive Board agrees to a short-term change in fees and charges to ensure that a business opportunity can be pursued or secured; if the change is for a period or more than two months then the change to be referred to Cabinet (Resources) Panel for decision during the two month period.

- e) Where an opportunity arises to secure a sale by matching the price to that of an organisation the Council is in competition with, after consulting with the Assistant Director Finance or his representative, ensuring that satisfactory 'price match' documentation is maintained to evidence the one-off fee amendment.
- f) Where the Council wishes to subsidise a charitable event that may not break even that this be considered via an Individual Executive Decision Notice (IEDN) to be approved by the Cabinet Member for Leisure and Communities, the Cabinet Member for Resources and the Assistant Director Finance, using a standard template.
- g) Where market conditions dictate, leisure membership may be varied after consulting with the Assistant Director Finance or his representative, ensuring that satisfactory market information is maintained.
- h) Leisure centre activity prices may be varied in line with market conditions after consulting with the Assistant Director Finance or his representative, ensuring that satisfactory market information is maintained.
- i) Charges to partner organisations for support services may be varied after consulting with the Assistant Director Finance or his representative.
- j) Court summons costs charged to council tax and business rates payers may be varied following default on payments after consulting with the Assistant Director Finance or his representative.
- k) Where there is an opportunity to secure an act or event or utilise available rooms or halls for hire across the cultural estate and the projected net cost of the act, event or room hire generates a commercial return (including taking account of secondary spend from catering and sales), authority shall be delegated to the Head of Service Entertainments and Events to vary the fees and charges after consulting with the Assistant Director Finance or their representative. Any such variations will be recorded, along with the reason, as part of the normal audit process. Details of any variations should be reported to Strategic Financial Services in a format agreed by the Assistant Director Finance or his representative. This recommendation widens the scope of delegation of authority, which was approved by Cabinet (Resources) Panel on 15 October 2013, to cover all of the cultural estate.
- l) Where the Council wishes to generate income from advertising upon Council property the charges shall be agreed by the Cabinet Member for Resources in consultation with the Assistant Director Finance.
- m) Where the cost of poison procured for the purpose of pest control increases, pest control fees and charges may be increased in proportion with the increased costs, after consulting with the Assistant Director Finance or his representative.
- n) Where new Information Commissioner guidance on charging for property searches is clarified and a relevant decision of Court of Justice of the

European Union obtained, that this be considered via an Individual Executive Decision Notice to be approved by the Cabinet Member for Resources and the Assistant Director Finance, using a standard template.

- o) Where market conditions dictate, charges for commercial waste collection may be varied after consulting with the Assistant Director Finance or his representative, ensuring that satisfactory market information is maintained.
3. To approve that, should any amendment be made to the VAT treatment of specific fees and charges, authority to vary those fees and charges be delegated to the Cabinet Member for Resources together with the responsible Cabinet Member in consultation with the Assistant Director Finance and the responsible Strategic Director.
4. To approve that authority be delegated to the responsible Cabinet Member in consultation with the responsible Strategic Director and the Assistant Director Finance to vary charges for bars and catering.
5. To approve that any variation to fees and charges made under delegated authority must be documented and retained to ensure that there is a robust audit trail.
6. To approve that, in accordance with the requirements of the Financial Procedure Rules, any other variation to fees and charges during the financial year must be approved in advance at Cabinet (Resources) Panel, using the standard report template.
7. To note that the fees and charges for the following items are not reviewed as part of this report as they will be subject to separate arrangements for their approval:
 - a) Adult social care contributions to care packages will be the subject of a separate report to Cabinet.
 - b) Street trading, Hackney Carriage and private hire licensing and general licensing charges will be considered separately by the Licensing Committee on 21 January 2015.
 - c) Food and drink prices will be dealt with through delegations.

11

Queen Street Gateway Townscape Heritage Project

Cllr Bilson introduced the report seeking delegated authority to the Cabinet Member for Economic Regeneration and Prosperity, in consultation with the Strategic Director for Education and Enterprise, to approve the terms and conditions and administer the scheme. The report identified the use of £250,000 from the city centre capital budget to match fund the grant from the Heritage Lottery Fund, bringing the overall funding to £1 million. Cllr Bilson stated that this work will bring benefit to the city centre and the businesses situated on Queen's Street.

Resolved:

1. To delegate authority to the Cabinet Member for Economic Regeneration and Prosperity, in consultation with the Strategic Director of Education and Enterprise, to approve the terms and conditions to be applied to grants to property owners.
2. To note that, on 11 September 2013, Cabinet (Resources) Panel approved the use of £250,000 from the City Centre capital budget to match fund a grant from the Heritage Lottery Fund.
3. To note that, subject to a successful round two bid, the Queen Street Townscape Heritage Project Officer post will be extended for the duration of the project and a Queen Street Townscape Heritage Community Project Officer will be appointed on a part time basis for two years.
4. To note that the Constitution delegates authority to the Strategic Director of Education and Enterprise to administer heritage grants, including the making of grant offers and authorisation of grant payments made pursuant to such offers, in accordance with codes of practice and terms and conditions for grants as determined by the Cabinet (Resources) Panel.

12 **Provision of Additional Garden Waste Bins**

Cllr Reynolds introduced the report, explaining that residents have asked for extra bins but the Council can only charge for collection of these bins and not the disposal of waste. Cllr Reynolds stated that during the collection period, bins would be collected about 16 times a year which works out at around £2 per collection. The Council will charge residents £35 for a second bin. Cllr Reynolds stated that if residents request more than one additional bin then there will be a visit to the household to determine the reasons why.

Resolved:

To approve the introduction of an optional charge of £35 during the collection period to households that wish to have an extra garden waste bin.

13 **Operation Spring Clean Environmental Developments**

Cllr Reynolds introduced the report. Due to careful financial management £200,000 has been allocated for additional cleaning within the city. Money will also be used for a scheme to change attitudes to littering, particularly in the city centre. There will also be a scheme of work to recruit members of the public as community challengers, as well as a children's competition to get their pictures on the side of waste removal vehicles. Money will also be used to promote the healthy walking campaign in co-ordination with Public Health. Further to this the Express and Star is working with local businesses to try and keep the city centre clean.

Resolved:

To approve the allocation of £200,000 to provide:

- Extended hours for cleaning the city centre and arterial routes.
- Vehicle campaign banners.
- Community volunteers to assist in a deep clean of specific areas.
- In collaboration with Public Health, Healthy Walking Programmes to include litter picking.

13a Empty Property Strategy - 133 Mount Road, Penn, Wolverhampton - Property Identified for Action

The report was introduced by Cllr Johnson, who explained the property was in a poor condition, similar to other properties actioned under the empty property strategy.

Resolved:

1. To include 133 Mount Road under the Empty Property Strategy 2010-2015.
2. To authorise employees to enter into formal negotiations to acquire the property by agreement.
3. To approve, in principle, the use of compulsory purchase action if required.

14 Schedule of Individual Executive Decisions

Resolved:

To note the summary of open and exempt individual executive decision notices approved by the appropriate Cabinet Members following consultation with the relevant designated employees.

15 Exclusion of the Press and Public

Resolved:

That in accordance with Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business as they involve the likely disclosure of exempt information falling within the paragraphs of Schedule 12A of the Act set out below:]

Item No.	Title Applicable	Paragraph
16	Improving the city housing offer development of the former Tap Works, Fifth Avenue and Broome Road sites (Showell Road Housing Development)	3
17	Low Hill Residential Repairs (pods) Progress Report	3
18	Seeking approval to progress the Disposal Programme including the approach to Public Open Space	3
19	Public Health – Contracting Strategy	3
20	Strategic Procurement: Award of Contracts for Goods, Services and Work	3

16 **Improving the City Housing Offer - Development of the Former Tap Works And Fifth Avenue And Broome Road Sites**

Cllr Bilson introduced the report, which highlighted that the sites proposed will enable 150 properties to be built in total including affordable housing and specialised and supported housing through the CaSSH Scheme for those families who may have special needs. Cllr Bilson indicated this was the second development of this type following on from the Thompson Avenue development

Resolved:

1. On the three sites identified, to agree to support the development of the affordable housing as new Council housing, supported by Housing Revenue Account funds, as set out in the financial implications.
2. To agree to receive a further report on the outcome of the procurement process for the sites and approve the selection and appointment of a development partner, subject to signing of a development agreement and the grant of planning consent.
3. To agree to explore the possibility of using part of the development site(s) for delivery of new homes funded through the Care and Support Specialised Housing Scheme.

17 **Low Hill residential repairs programme (pods) - delivery progress report**

Cllr Bilson introduced the report highlighting progress made on the Low Hill residential repairs scheme and detailing further work to be carried out. He confirmed the cost of the works is included within existing budgets.

Resolved:

1. To approve the spend from the HRA capital programme for the Low Hill residential repairs scheme to bring the purchased properties up to meet the Decent Homes standard.
2. To note the progress made to date with the Low Hill residential Repairs (pods) programme for Council- owned (pod) properties (occupied and void).
3. To note the outcome of the consultation and continued negotiation with the private property owners with pods conjoined to Council-owned properties.

18 **Seeking approval to progress the Disposal Programme including the approach to Public Open Space**

Cllr Bilson introduced the report, which sought approval to declare land and property assets surplus to requirements and agree to their disposal.

Resolved:

To declare land and property assets surplus to requirements and to agree their disposal and any enabling works in accordance with the strategies set out in the report, specifically:

1. To dispose of land at Lower Horseley Fields, the Park Village Youth and Media Centre, Red Gables, 2/4 Cullwick Street, Lanesfield Community Centre, Corner House, Marsh Lane and property at Beldray Road.
2. To re-gear a lease and grant options to purchase relating to property at Strawberry Lane and the Social Care Offices at Alfred Squire Road.
3. To further progress the early disposal of the former St Luke's School, giving enhanced priority for the re-housing of two further caretakers occupying residential premises, should this be necessary in order to release these surplus assets for disposal.
4. To include the land at Grosvenor Street Heath Town in the Heath Town masterplan area.
5. To dispose of the following Council assets subject to the requirement that the purchaser/owner pays to the Council the sum specified for the provision or enhancement of public open space to meet the recreational needs of future residents of the development.
 - (a) Pennfields Special School and St. Luke's School sites subject to the loss of sports fields being mitigated by provision of sports pitches at Phoenix Rise.
 - (b) Wednesfield High and Danesmore School sites subject to the loss of sports fields being mitigated by provision of sports pitches at Coleman Avenue.
6. To approve the further detail around any agreed terms for the progression and disposal of the assets identified in the recommendations listed above by virtue of an individual executive decision delegated to the Cabinet Member for Economic Regeneration and Prosperity, in consultation with the Strategic Director for Education and Enterprise.

19 **Public Health Contracting Strategy**

The Director for Public Health introduced the report, which highlighted that a tendering process is now in place and that the contracting strategy covers services that were transferred from the NHS to the Council 18 months ago. The strategy will help the Council meet its outcomes for public health in the city, which have been divided into six workstreams. The Director for Public Health informed Councillors that approval of contracts let under the strategy will all come to Cabinet (Resources) Panel.

Resolved:

1. To approve the timetables and associated contract amendments to allow for the re procurement of the six public health commissioning programmes:
 - Sexual health.
 - Healthy lifestyles.
 - Primary care.
 - Health protection.
 - Programmes five and six are proposed for merger and include school nursing and health visiting services which are currently separate.

2. To extend the out of scope voluntary sector contracts to enable the development of exit or continuation strategies.
3. To extend or cease the additional out of scope contracts and service level agreements.
4. To approve the service development proposals 2015/16 to support the sexual health and healthy lifestyles programmes.

20

Strategic Procurement – award of contracts for goods, services and works.

Councillor Johnson presented the report on the award of contracts for works, goods and services.

Resolved:

1. To award a contract to One Voice, of Regent House, Bath Avenue, Wolverhampton, West Midlands, WV1 4EG for the provision of advocacy services.
2. To purchase mediation services via the Herefordshire County Council framework for independent disagreement resolution and mediation services, for the duration of the framework agreement.
3. To award a framework agreement to Innovative Interfaces of Dublin, Ireland to provide a Library Management System to Black Country local authorities.
4. To agree the variation of fees for residential and nursing placements for older people at the newly negotiated rates.
5. To waive the Contract Procedure Rules to facilitate the purchase of alternative school placements, as and when required, from providers approved by the Education Business Partnership in conjunction with Early Help 5 -18.
6. To waive the Contract Procedure Rules to enable the purchase of inter-agency adoption services.
7. To waive the Contract Procedure Rules to enable the formation of contracts, as appropriate, for the provision of independent education services for individual children with special educational needs.
8. To delegate authority to the Chief Legal Officer to execute contracts in respect of the above as required.