



Cabinet (Resources) Panel

10 February 2015

Time 5.00 pm **Public Meeting?** YES **Type of meeting** Executive
Venue Committee Room 4 - Civic Centre, St Peter's Square, Wolverhampton WV1 1SH

Membership

Chair Cllr Andrew Johnson (Lab)
Vice-chair Cllr Roger Lawrence (Lab)

Labour

Cllr Peter Bilson
Cllr Steve Evans
Cllr Phil Page
Cllr John Reynolds
Cllr Paul Sweet

Conservative

Liberal Democrat

Quorum for this meeting is two Councillors.

Information for the Public

If you have any queries about this meeting, please contact the democratic support team:

Contact Andrew Harvey
Tel/Email 01902 552752 or andrew.harvey@wolverhampton.gov.uk
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Wolverhampton WV1 1RL

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Some items are discussed in private because of their confidential or commercial nature. These reports are not available to the public.

Agenda

Part 1 – items open to the press and public

Item No. *Title*

MEETING BUSINESS ITEMS

- 1 **Apologies for absence**
- 2 **Declarations of interest**
- 3 **Minutes of the previous meeting** (Pages 5 - 10)
[To approve the minutes of the previous meeting as a correct record.]
- 4 **Matters arising**
[To consider any matters arising from the minutes.]

DECISION ITEMS (AMBER - DELEGATED TO THE CABINET)

- 5 **Treasury Management Activity Monitoring Quarter Three** (Pages 11 - 28)
[To review treasury management activity for the year to date.]
- 6 **Discretionary Rate Relief: additions, revisions and extensions to the local scheme** (Pages 29 - 34)
[To consider changes to the Council's discretionary rate relief scheme.]
- 7 **Empty Property Strategy - 14a Park Avenue** (Pages 35 - 40)
[To agree action in relation to an empty house under the Empty Property Strategy.]
- 8 **Schedule of Individual Executive Decisions** (Pages 41 - 44)
[To note the summary of open and exempt individual executive decisions approved by the appropriate Cabinet Members following consultation with the relevant employees.]
- 9 **Exclusion of press and public**

[To pass the following resolution:

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 on the grounds shown below.]

<i>Item No:</i>	<i>Title Applicable</i>	<i>Paragraph</i>
10	2015 Primary Expansion Programme	3
11	Discretionary disabled facilities grant	1, 2 & 3
12	Procurement of housing assistance measures	3
13	Procurement: Award of Contracts for Goods, Services and Works	3

PART 2 - EXEMPT ITEMS, CLOSED TO PRESS AND PUBLIC

10	2015 Primary Expansion Programme (Pages 45 - 56) [To approve a revised funding strategy for the 2015 Primary School Expansion Programme.]	Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3)
11	Discretionary Disabled Facilities Grant (Pages 57 - 62) [To consider an application for a discretionary grant.]	Information relating to any individual. Information which is likely to reveal the identity of an individual. Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (1, 2, 3)
12	Procurement of Housing Assistance measures (Pages 63 - 70) [To consider future arrangements for the delivery of private sector housing assistance.]	Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3)
13	Procurement (Pages 71 - 76) [To agree the award of a contract for lift maintenance	Information relating to the

and servicing.]

financial or business affairs of any particular person (including the authority holding that information) Para (3)



Cabinet (Resources) Panel

Minutes - 20 January 2015

Attendance

Members of the Cabinet (Resources) Panel

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

Other Cabinet Members in Attendance

Cllr Val Gibson
Cllr Sandra Samuels

Employees

Ian Fegan	Head of Communications
Keith Ireland	Managing Director
Tim Johnson	Strategic Director - Place
Andy Moran	Head of Procurement
Kevin O'Keefe	Director of Governance
Linda Sanders	Strategic Director - People
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 Roger Lawrence.
- 2 **Declarations of interest**
There were no declarations of interest.
- 3 **Minutes of the previous meeting**
Resolved:
 To approve the minutes of the meeting held on 9 December 2014 as a correct record.
- 4 **Matters arising**
There were no matters arising.
- 5 **External Funding Update**
Cllr Bilson introduced an update on external funding opportunities.

Resolved:
 (1) To agree to enter into service level agreements with delivery organisations of the Neighbourhood Employment Skills Services.

- (2) To agree to enter into a memorandum of understanding with the Big Lottery on behalf of the Black Country in order to attract match funding to employment and social inclusion priorities funded through the European Social Fund.

6 Civic Hall Improvements - Project Management

Cllr Bilson introduced an update on the Civic Halls project and explained a key next stage would be appointing a project manager to co-ordinate the works.

Resolved:

To delegate authority to the Cabinet Member for Economic Regeneration and Prosperity, in consultation with the Strategic Director for Place, to use the Eastern Shires Purchasing Organisation (ESPO) framework for selecting a Project Manager for the Civic Hall refurbishment scheme.

7 Business Rates Discretionary Relief Policy for Properties within the Black Country Enterprise Zone

Cllr Johnson introduced the report seeking to create a local policy of discretionary rate relief for newly-built premises in Wolverhampton within the Black Country Enterprise Zone.

Resolved:

To approve a local policy of discretionary rate relief in respect of newly built properties within the Black Country Enterprise Zone.

8 Invest to Save: Looked-After Children

Cllr Gibson introduced proposals to recruit additional social workers to support initiatives to reduce the number of looked-after children and improve the quality of support provided to children and their families.

Resolved:

- (1) To approve the establishment of three additional social work units to undertake intervention activities with the objective of reducing expenditure on looked after children and reducing caseloads.
- (2) To approve the use of £500,000 from the Looked After Children's service budget to fund this investment and achieve cost avoidance by continuing to reduce the numbers of looked after children.
- (3) To approve option 1 - peripatetic units as the preferred approach to maximising effectiveness of the additional resources.

9 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.

10 Exclusion of 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:

<i>Item No:</i>	<i>Title</i>	<i>Applicable paragraph</i>
11	Former Heath Town Baths and Library	3
12	Improving the City Housing Offer: New Build Council Housing Pilot Project	3
13	Care and Support Specialised Housing	3
14	Strategic Procurement: Award of Contracts for Goods, Services and Works	3

Part 2 – exempt items, closed to the press and public

11 Former Heath Town Baths and Library

Cllr Bilson introduced proposals to fund urgent maintenance and improvement works to the former Heath Town Baths and Library.

Resolved:

- (1) To agree the strategy for bringing this project forward, specifically to:
 - a. Enhance the security arrangements at the site.
 - b. Arrange for the building to be cleared to enable access to be gained to all parts of the building.
 - c. Undertake a strategic market appraisal of the site to help define viable options for the buildings and site.
- (2) To approve capital funding of £100,000 from the strategic disposals programme budget to enable the Council to carry out the required capital works to the building.
- (3) To approve expenditure of up to £20,000 from the feasibility reserve to meet the required revenue costs.

12 Improving the City Housing Offer: New Build Council Housing Pilot Project

Cllr Bilson introduced proposals to run a pilot project for delivery of newbuild houses in locations across the city

Resolved:

- (1) To agree to proceed with the pilot project for the delivery of newbuild Council housing using the Council's Strategic Construction Partnership on the sites identified below.
- (2) To agree that, following detailed site investigations and other pre-development reports, the following sites are developed by Wates Construction:
 - Redcotts Close, Fallings Park ward.
 - 5 and 7 Hughes Road, Bilston North ward.
 - Welbury Gardens, St Peter's ward.
- (3) To agree that, following detailed site investigations and other pre-development reports, the following site is developed by Bullock Construction:
 - Land at former 1-8 Sunset Place, Spring Vale ward.

- (4) To agree that the capital costs of the development are funded by Housing Revenue Account (HRA) capital, supported by Right to Buy receipts.

13 **Care and Support Specialised Housing**

Cllr Bilson introduced an update on the Care and Support Specialised Housing scheme and identified specific sites for progression.

Resolved:

- (1) To endorse the expenditure of £2.2 million included in the Housing Revenue Account (HRA) business plan for the Care and Support Specialised Housing (CaSSH) scheme to supplement grant funding of £900,000 awarded by the Homes and Communities Agency.
- (2) To approve the progression of sites at Lawnside Green, Stowlawn and Dale Street, Graiseley, for CaSSH schemes subject to satisfactory site investigations, appraisals and planning approval.
- (3) To delegate authority to approve the detail and progression of future sites to the Cabinet Member for Economic Regeneration and Prosperity in consultation with the Strategic Director for Place through Individual Executive Decision Notices.
- (4) To note progress made to date with the CaSSH scheme.
- (5) To note the signing of a delivery agreement with Heantun Housing Association.
- (6) To note that a further report will be taken to Cabinet (Resources) Panel if any HRA site is to be transferred to Heantun Housing Association at less than market value. This would only occur once a financial viability due diligence exercise had been undertaken.

14 **Strategic Procurement – Award of Contracts for Goods, Services and Works**

Cllr Johnson introduced the report proposing the letting of a number of contracts. He noted that the evaluation results in the report for lot two under the Day Support Services Framework were incorrect and circulated revised information.

Resolved:

- (1) To award a contract to J Freeley Ltd of 1 Portugal Street East, Manchester, M1 2WX for the demolition of 20/21 Cleveland Street.
- (2) To award a framework contract to eleven providers, on the Day Support Services Framework, for each of the lots as follows:

Lot 1: low needs

Creative Support
Heantun Housing Association
Harmony Care Homes
Beacon Centre for the Blind
Eden Limited Support
Headway Black Country
Progress Children's Services
Arcare

Lot 2: moderate needs

Voyage Care
Creative Support
Heantun Housing Association

Harmony Care Homes
Midland Heart
Eden Limited Support

Lot 3: high needs

Voyage Care
Creative Support
Heantun Housing Association
Harmony Care Homes
CareTech Communities Services
Midland Heart

- (3) To award a contract to Frontier Medical Group, of Newbridge Road, Blackwood, Gwent, for the provision of the supply of needle exchange packs.
- (4) To award a contract to Nu-Weld of Hereward Rise, Halesowen, West Midlands, B62 8AN for the Avenue Wall re-construction using the Wolverhampton City Council (Black Country Collaboration Agreement) Framework Contract for works on Highway Structures 2012-2015.
- (5) To delegate authority to the Cabinet Member for Economic Regeneration and Prosperity, in consultation with the Strategic Director of Place, to approve the award of a contract to Tyco Integrated Systems of Cambridge for the supply, installation and fully comprehensive maintenance of CCTV site-based systems.
- (6) To delegate authority to the Director of Governance and City Solicitor to execute contracts in respect of the above as required.

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Cabinet (Resources) Panel

10 February 2015

Report title	Quarter Three Treasury Management Activity Monitoring	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Andrew Johnson Resources	
Key decision	No	
In forward plan	Yes	
Wards affected	All	
Accountable director	Mark Taylor, Director of Finance	
Originating service	Strategic Finance	
Accountable employee(s)	Claire Nye	Chief Accountant
	Tel	01902 550478
	Email	Claire.Nye@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board	20 January 2015

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

1. The contents of this report and in particular that the Council is continuing to operate within the Prudential and Treasury Management Indicators approved by Council, and also within the requirements set out in the Council's approved Treasury Management Policy Statement.
2. Savings of £4.5 million for the General Fund and £6.0 million for the Housing Revenue Account are forecast from treasury management activities in 2014/15.

1.0 Purpose

- 1.1 This report provides a monitoring and progress report on treasury management activity for the third quarter of 2014/15, in line with the Prudential Indicators approved by Council in March 2014 and December 2014.

2.0 Background

- 2.1 The treasury management activities of the Council are underpinned by The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2011. The primary requirements of the Code are the:
- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the council's treasury management activities.
 - Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
 - Receipt by Cabinet / Council of an annual strategy report for the year ahead, a mid-year review report and an annual review report of the previous year.
 - Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
 - Nomination of the Confident, Capable Council Scrutiny Panel to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.
- 2.2 Treasury management in this context is defined as:
- “The management of the local authority's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”
- 2.3 The system of controls on local authority capital investment has been in place since 1 April 2004. This replaced the previous complex regulatory framework governing local authority capital expenditure. The current system is one based largely on self-regulation by local authorities themselves. At its heart is CIPFA's Prudential Code for Capital Finance.
- 2.4 Cabinet (Resources) Panel receives quarterly reports throughout the year to monitor performance against the strategy and Prudential Indicators that have previously been approved by Council.
- 2.5 The Council continues to use Capita Asset Services, previously known as Sector Treasury Services Limited, as its treasury management advisors throughout 2014/15. Capita provides market data and intelligence on which the Council can make decisions

regarding all aspects of treasury management activities and in particular, managing the risks associated with investing surplus cash. This service contract expired 31 December 2014 and following a re-tendering exercise, Capita have been awarded the contract for a further three years.

3.0 2014/15 forecast outturn

3.1 The forecast outturn for treasury management activities in 2014/15 compared to budget is shown in Table 1 below.

Table 1 – Treasury Management Budget and Forecast Outturn 2014/15

	Approved Budget £000	Forecast Outturn £000	Variance £000
General Fund	22,852	18,357	(4,495)
Housing Revenue Account	16,975	10,975	(6,000)
Total	39,827	29,332	(10,495)

3.2 Overall savings of £4.5 million for the General Fund and £6.0 million for the HRA are projected for the year 2014/15. The Council's strategy is to continue to use cash balances to finance capital expenditure rather than external borrowing. Borrowings are actively managed to achieve savings wherever possible.

3.3 As reported to Cabinet on 4 February 2015 further detailed work is being undertaken to identify additional savings by revisiting the approach to the provision for the redemption of debt (Minimum Revenue Provision), the outcome of which will be reported to Cabinet on 25 February 2015 and could have a significant impact on the projected figures included in this report.

3.4 Appendix A shows a comparison of the latest estimates of Prudential and Treasury Management Indicators over the medium term period with the equivalent figures which were approved by Council in March 2014.

4.0 Borrowing forecast for 2014/15

4.1 The Council's need to borrow and the rates available continue to be monitored in order to achieve optimum results. The Council's medium term forecast is regularly updated to reflect actual borrowing that takes place along with any revisions to future anticipated borrowing.

4.2 Table 2 shows the average rate of interest payable in 2013/14 and forecast for 2014/15.

Table 2 - Average interest rate payable in 2013/14 and 2014/15

	2013/14 Actual	2014/15 Forecast
Average Interest Rate Payable	3.97%	3.70%

- 4.3 The average rate of interest payable by the Council is estimated to fall from 3.97% to 3.70% for 2014/15.
- 4.4 Each year it is necessary to raise new loans to finance capital expenditure and to replace existing maturing debt. The Council's policy is to prioritise the use of capital receipts to finance capital expenditure. Balances which are set aside to meet credit liabilities (i.e. to repay debt) are used to reduce the external borrowing requirement. Decisions to take borrowing will be made by the Director of Finance when it is judged that rates are likely to be at their lowest levels, and probably about to rise according to market indications, and only when an inflow of funds is required to meet imminent cash flow commitments. This will keep overall surplus cash balances to a minimum, in line with the current strategy. Appendix B shows the maturity profile of external borrowing.
- 4.5 Any short term savings made by avoiding new long term external borrowing in 2014/15 and thereafter, will also need to be weighed against the potential for incurring additional long term extra costs by delaying unavoidable new external borrowing until later years, when Public Works Loan Board (PWLB) long term rates are forecast to be significantly higher. Appendix C includes the Capita commentary for quarter three 2014/15 and forecasts that interest rates for both short and long term borrowing will increase up to March 2018. The Director of Finance will continue to keep actual and forecast rates under close review.
- 4.6 In March 2014, Council approved a net borrowing requirement for 2014/15 of £168.3 million. The forecast net borrowing requirement for 2014/15 is £130.3 million, as shown in appendix F. Temporary borrowing of £29.2 million has been taken out during quarter three, and there have been no repayments. £35.2 million of existing borrowing is due to be repaid in quarter four. Appendix D shows a detailed breakdown of new loans and repayments made throughout the year.
- 4.7 Appendix E shows a graphical summary of current borrowing by type; fixed and variable as at 31 December 2014.
- 4.8 Appendix F shows details for the disclosure for certainty rate, which will enable the Council to submit a return for 2014/15 and thereby secure access to discounted borrowing at 0.20% below normal PWLB rates.

5.0 Investment forecast for 2014/15

- 5.1 The approach during the year is to continue to use cash balances to finance capital expenditure so as to keep cash balances low.
- 5.2 Table 3 shows the total amount of surplus funds invested as at 30 September 2014 and 31 December 2014.

Table 3 – Total amounts invested 2014/15

	30 September 2014 £000	31 December 2014 £000
Business Reserve Accounts	7	5,297
Money Market Funds	15,815	11,770
	15,822	17,067
Average cash balance for the year to date	46,301	35,497

- 5.3 Money Market Funds and Business Reserve Accounts are the main investments used as these have high credit ratings and instant access. This is based on the Council's low appetite for risk.
- 5.4 The Council's cash flow balance for the third quarter of the current financial year has moved between a low of £72,000 and a maximum of £25.0 million. The average cash balance for the quarter being £14.7 million.
- 5.5 Table 4 shows the budgeted average rate of interest receivable in 2014/15 and the forecast for the year.

Table 4 – Average interest rate receivable in 2014/15

	2014/15 Budget	2014/15 Forecast
Average Interest Rate Receivable	0.50%	0.44%

- 5.6 This reduction is due to the significantly reduced interest rates currently available and anticipated throughout the year.
- 5.7 The Council will avoid locking into longer term deals while investment rates are at historically low levels. Investment rates are expected to continue to be below long term borrowing rates, in which case, the Council can minimise its overall net treasury costs in the short term by continuing to avoid new external borrowing and by using internal cash balances to finance new capital expenditure or to replace maturing external debt (this is referred to as internal borrowing).

- 5.8 The Council manages its investments in-house and invests only in the institutions listed in the Council's approved lending list, which is reviewed each time a counterparty is subject to a credit rating amendment. The Council's strategy allows for investments for a range of periods from overnight to five years, depending on the Council's cash flows, its interest rate view and the interest rates on offer. However, in order to maintain sufficient liquidity whilst total investment levels are relatively low, most investments have been placed for shorter durations.
- 5.9 The approved Treasury Management Code of Practice sets out the criteria to be used for creating and managing approved counterparty lists and limits. As a result of any changes to credit criteria, the Director of Finance is authorised to make changes to the list of approved counterparties. In the event that any of these counterparties fall below the Council's minimum lending criteria, activity in that account will temporarily cease and any balance withdrawn immediately. Appendix G shows the Council's current specified investments lending list
- 5.10 In quarter three 2014/15 the Director of Finance has not been required to use his discretion to temporarily exceed any upper limits with approved counter-parties.

6.0 Financial implications

- 6.1 The financial implications are discussed in the body of this report.

[SH/23012015/P]

7.0 Legal implications

- 7.1 Treasury Management relates to the management of the Council's cash flow, borrowing and cash investments. This involves seeking the best rates of interest for borrowing, earning interest on investments, whilst managing risk in making financial decisions and adopting proper accounting practice.
- 7.2 The area is heavily regulated. The Local Government and Housing Act 1989 regulates the operation of the Housing Revenue Account. The 'CIPFA Code of Practice for Treasury Management in the Public Services', contains Treasury Management indicators and advice on Treasury Management Strategy. Investment strategy is regulated by 'DCLG Guidance on Local Government Investments' issued initially in 2004 and re-issued in 2010. Part 2 of this Guidance is statutory guidance.

[RB/27012015/L]

8.0 Equalities implications

- 8.1 This report has no equality implications.

9.0 Environmental implications

9.1 This report has no environmental implications.

10.0 Human resources implications

10.1 This report has no human resources implications.

11.0 Corporate landlord implications

11.1 This report has no corporate landlord implications.

12.0 Schedule of background papers

Treasury Management Strategy 2014/15, Report to Cabinet, 25 February 2014

Treasury Management – Annual Report 2013/14 and Activity Monitoring Quarter One 2014/15, Report to Cabinet, 23 July 2014

2015/16 Budget and Medium Term Financial Strategy 2015/16 – 2018/19, Report to Cabinet, 22 October 2014

Treasury Management Activity Monitoring – Mid Year Review 2014/15, Report to Cabinet (Resources) Panel, 9 December 2014

2015/16 Budget and Medium Term Financial Strategy 2015/16 – 2018/19, Report to Cabinet, 4 February 2015

13.0 Schedule of appendices

App	Title	Page
A	Prudential and Treasury Management Indicators	8
B	Maturity rate profile	12
C	Capita commentary Q3 2014/15	13
D	Borrowing and Repayments	15
E	Borrowing by type graphical summary	16
F	Certainty rate disclosure	17
G	Lending list	18

APPENDIX A

Debt and Treasury Management - Prudential and Treasury Management Indicators

Prudential Indicators (PI)

PI for Affordability - These indicators are used to ensure the total capital investment of the council is within a sustainable limit and the impact of these decisions are considered with regard to acceptable council tax and housing rent levels.

PI 1 - Estimates and Actual ratio of financing costs to net revenue stream.						
This represents the cost of financing capital expenditure as a % of net revenue for both the General Fund and HRA.						
	Approved by Council 5 March 2014			As at 31 December 2014		
	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
General Fund	10.3%	14.0%	15.6%	7.7%	9.9%	12.8%
HRA	12.3%	12.1%	12.6%	11.0%	10.9%	12.6%

PI 2 - Estimates of the incremental impact of capital investment decisions on the council tax and housing rents.						
The council could consider different options for its capital investment programme in relation to their different impact on the council tax and housing rents. Negatives reflect a reduction in total capital expenditure.						
	Approved by Council 5 March 2014			As at 31 December 2014		
	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£	£	£	£	£	£
For Band D council tax						
Implications of the Capital Programme for Year	201.41	236.60	243.92	109.28	212.62	247.29
Financial Year Impact	201.41	236.60	243.92	109.28	212.62	247.29
For average weekly housing rents						
Implications of the Capital Programme for Year	4.65	5.34	6.13	3.09	6.17	6.65
Financial Year Impact	4.65	5.34	6.13	3.09	6.17	6.65
For Band D council tax						
Implications of the Capital Programme for Year	2.02	(7.64)	(15.44)	(48.42)	(15.63)	(1.28)
Marginal Impact to Quarter Two	2.02	(7.64)	(15.44)	(48.42)	(15.63)	(1.28)
For average weekly housing rents						
Implications of the Capital Programme for Year	-	-	-	(0.19)	(0.15)	(0.87)
Marginal Impact to Quarter Two	-	-	-	(0.19)	(0.15)	(0.87)

PI 3 - Estimates and actual capital expenditure.						
Full details of capital expenditure plans and funding can be found in the Capital Quarter Three Monitoring 2014/15 report.						
	Approved by Council 5 March 2014			As at 31 December 2014		
	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000
General Fund	111,799	36,889	18,290	91,621	78,032	39,093
HRA	57,928	30,477	33,228	73,035	62,501	29,057
	169,727	67,366	51,518	164,656	140,533	68,150

Debt and Treasury Management - Prudential and Treasury Management Indicators

PI 4 - Estimates and actual capital financing requirement General Fund and HRA.

The capital financing requirement measures the authority's underlying need to borrow for a capital purpose.

	Approved by Council 5 March 2014			As at 31 December 2014		
	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000
General Fund	570,638	573,285	556,896	527,737	581,509	590,014
HRA	352,603	347,163	340,438	321,232	344,687	333,959
	923,241	920,448	897,334	848,969	926,196	923,973

PI 5 - Authorised limit for external debt.

These limits apply to the total external debt gross of investments and separately identify borrowing from other long term liabilities such as finance leases including Private Finance Initiatives (PFI).

	Approved by Council 5 March 2014		
	2014/15	2015/16	2016/17
	Limit £000	Limit £000	Limit £000
Borrowing	896,862	909,345	919,984
Other Long Term Liabilities	109,740	98,092	96,145
Total Authorised Limit	1,006,602	1,007,437	1,016,129
Forecast External Debt As at 31 December 2014	733,336	835,260	861,120
Variance (Under) / Over Authorised Limit	(273,266)	(172,177)	(155,009)

PI 6 - Operational boundary for external debt.

This is based on the same estimates as the authorised limit but directly reflects the Director of Finance's estimate of the most likely, prudent but not worst case scenario, without the additional headroom included.

	Approved by Council 5 March 2014		
	2014/15	2015/16	2016/17
	Limit £000	Limit £000	Limit £000
Borrowing	870,926	901,661	916,319
Other Long Term Liabilities	100,057	98,092	96,145
Total	970,983	999,753	1,012,464
Forecast External Debt As at 31 December 2014	733,336	835,260	861,120
Variance (Under) / Over Operational Boundary Limit	(237,647)	(164,493)	(151,344)

Debt and Treasury Management - Prudential and Treasury Management Indicators

PI 7 - HRA limit on indebtedness.

This maximum debt limit has been set by Government as part of the self-financing regime and is compared to the HRA capital financing requirement.

	Approved by Council 5 March 2014			As at 31 December 2014		
	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000
HRA Debt Limit	356,770	356,770	356,770	356,770	356,770	356,770
HRA Capital Financing Requirement	352,603	347,163	340,438	321,232	344,687	333,959
Headroom	4,167	9,607	16,332	35,538	12,083	22,811

PI for Prudence - Ensuring that external debt is sustainable and compliance with good professional practice are essential features of prudence.

PI 8a - Gross debt and the capital financing requirement.

"In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years". This replaced PI 8 net debt and the capital financing requirement from 2013/14 onwards.

	Approved by Council 5 March 2014			As at 31 December 2014		
	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000
Forecast Capital Financing Requirement at end of Second Year	920,448	923,241	920,448	926,197	926,197	926,197
Gross Debt	804,343	833,112	845,824	733,336	835,260	861,120
Capital Financing Requirement Greater than Gross Debt	Yes	Yes	Yes	Yes	Yes	Yes

PI 9 - Has the local authority adopted the CIPFA Treasury Management in the Public Services: Code of Practice. Yes

Debt and Treasury Management - Prudential and Treasury Management Indicators

Treasury Management Indicators (TMI)

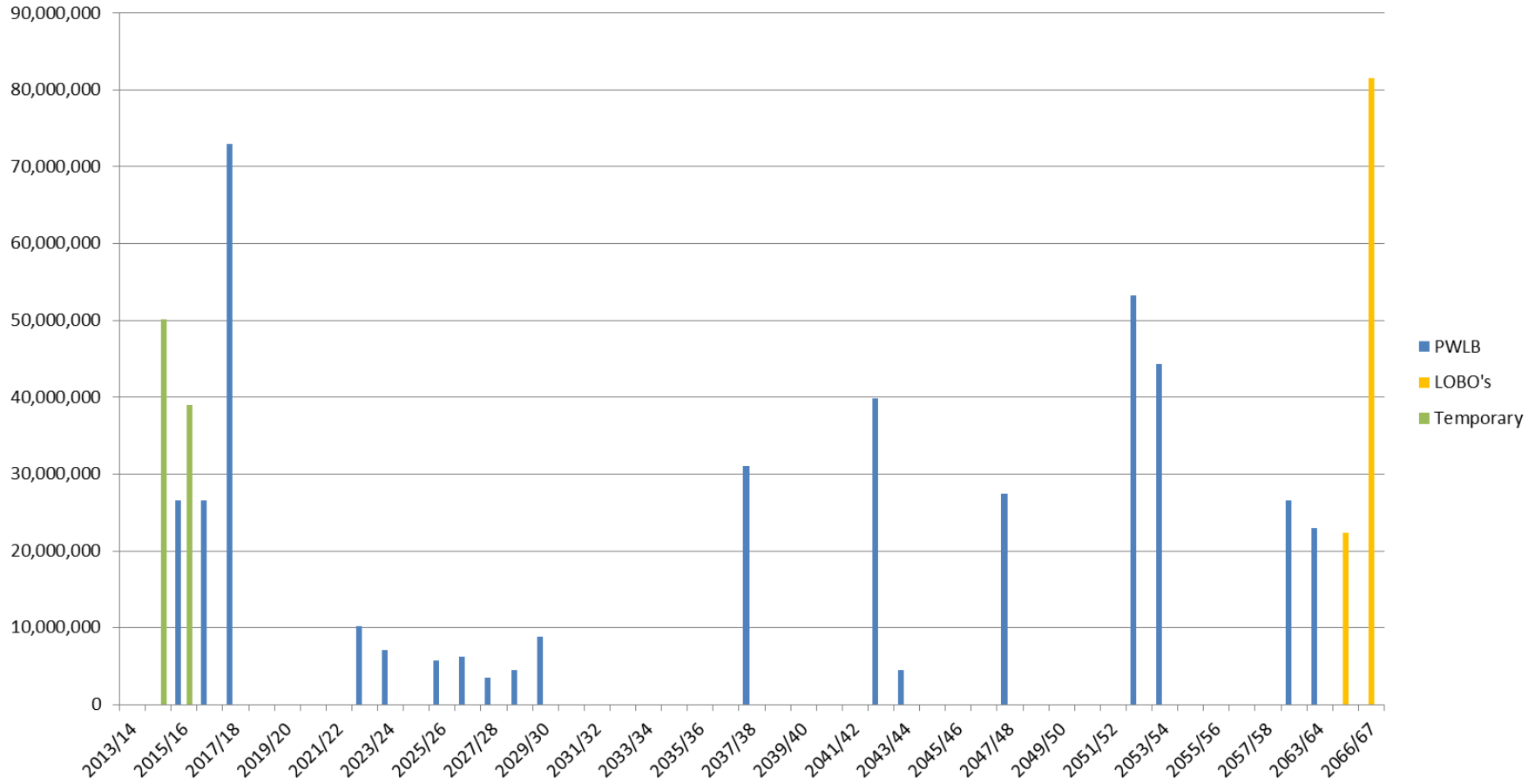
TMI 1 - Upper limits on fixed interest and variable interest exposures.						
These relate to the levels of net outstanding principal sums exposed to fixed and variable interest rates.						
	Approved by Council 5 March 2014			As at 31 December 2014		
	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
	Limit	Limit	Limit	Forecast	Forecast	Forecast
Upper limit for fixed rate	100%	100%	100%	84%	86%	86%
Upper limit for variable rate	20%	20%	20%	16%	14%	14%

TMI 2 - Upper and lower limits to the maturity structure of its borrowing.			
These limits relate to the % of fixed rate debt maturing.			
	Approved Council 17 December 14		As at 31 December 2014 2014/15 Forecast Borrowing
	Upper Limit	Lower Limit	
Under 12 months	25%	0%	17.72%
12 months and within 24 months	25%	0%	4.93%
24 months and within 5 years	40%	0%	13.53%
5 years and within 10 years	50%	0%	3.21%
10 years and above	90%	50%	60.61%

TMI 3 - Upper limits to the total of principal sums invested longer than 364 days.						
This details the maximum amount which can be invested for up to 5 years (as per paragraph 1.5 of the Annual Investment Strategy).						
	Approved by Council 5 March 2014			As at 31 December 2014		
	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
	Limit	Limit	Limit	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000
Upper limit for more than 364 days	35,000	35,000	35,000	35,000	35,000	35,000

External Borrowing: Maturity Profile

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Economic background

The following economic background has been provided by the Council's Treasury Advisors, Capita Asset Services.

After strong UK GDP growth in 2013 at an annual rate 2.7%, and then in 2014 0.7% in Q1, 0.9% in Q2 2014 (annual rate 3.2% in Q2), Q3 has seen growth fall back to 0.7% in the quarter and to an annual rate of 2.6%. It therefore appears that growth has eased since the surge in the first half of 2014 leading to a downward revision of forecasts for 2015 and 2016, albeit that growth will still remain strong by UK standards. For this recovery to become more balanced and sustainable in the longer term, the recovery needs to move away from dependence on consumer expenditure and the housing market to exporting, and particularly of manufactured goods, both of which need to substantially improve on their recent lacklustre performance. This overall strong growth has resulted in unemployment falling much faster than expected. The MPC is now focusing on how quickly slack in the economy is being used up. It is also particularly concerned that the squeeze on the disposable incomes of consumers should be reversed by wage inflation rising back significantly above the level of inflation in order to ensure that the recovery will be sustainable. There also needs to be a major improvement in labour productivity, which has languished at dismal levels since 2008, to support increases in pay rates. Unemployment is expected to keep on its downward trend and this is likely to eventually feed through into a return to significant increases in wage growth at some point during the next three years. However, just how much those future increases in pay rates will counteract the depressive effect of increases in Bank Rate on consumer confidence, the rate of growth in consumer expenditure and the buoyancy of the housing market, are areas that will need to be kept under regular review.

Also encouraging has been the sharp fall in inflation (CPI), reaching 1.0% in November, the lowest rate since September 2002. Forward indications are that inflation is likely to remain around or under 1% for the best part of a year. The return to strong growth has helped lower forecasts for the increase in Government debt over the last year but monthly public sector deficit figures during 2014 have disappointed until November. The autumn statement, therefore, had to revise the speed with which the deficit is forecast to be eliminated.

The U.S. Federal Reserve ended its monthly asset purchases in October 2014. GDP growth rates (annualised) for Q2 and Q3 of 4.6% and 5.0% have been stunning and hold great promise for strong growth going forward. It is therefore confidently predicted that the first increase in the Fed. rate will occur by the middle of 2015.

The Eurozone is facing an increasing threat from deflation. In November the inflation rate fell to 0.3%. However, this is an average for all EZ countries and includes some countries with negative rates of inflation. Accordingly, the ECB did take some rather limited action in June and September to loosen monetary policy in order to promote growth and is currently expected to embark on quantitative easing early in 2015 to counter this threat of deflation and to stimulate growth.

APPENDIX C

Interest rate forecast

The Council's treasury advisor, Capita Asset Services, has provided the following forecast:

	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
Bank rate	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.50%	1.75%	1.75%	2.00%
5yr PWLB rate	2.20%	2.20%	2.30%	2.50%	2.60%	2.80%	2.90%	3.00%	3.20%	3.30%	3.40%	3.50%	3.60%
10yr PWLB rate	2.80%	2.80%	3.00%	3.20%	3.30%	3.50%	3.60%	3.70%	3.80%	3.90%	4.00%	4.10%	4.20%
25yr PWLB rate	3.40%	3.50%	3.70%	3.80%	4.00%	4.20%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%
50yr PWLB rate	3.40%	3.50%	3.70%	3.80%	4.00%	4.20%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%

Capita Asset Services undertook a review of its interest rate forecasts on 5 January 2015 after a proliferation of fears in financial markets around the plunge in the price of oil had caused a flight from equities into bonds and from exposure to the debt and equities of emerging market oil producing countries to safe havens in western countries. These flows were compounded by further fears that Greece could be heading towards an exit from the Euro after the general election on January 25 and financial flows generated by the increasing likelihood that the ECB would soon be starting on full blown quantitative easing (QE) purchase of Eurozone government debt. In addition, there has been a sharp increase in confidence that the US will start increasing the Fed. rate by the middle of 2015 due to the stunning surge in GDP growth in quarters 2 and 3 of 2014. This indicated that the US is now headed towards making a full recovery from the financial crisis of 2008.

The result of the combination of the above factors is that we have seen bond yields plunging to phenomenally low levels, especially in long term yields. These falls are unsustainable in the longer term but just how quickly these falls will unwind is hard to predict. In addition, positive or negative developments on the world political scene could have a major impact in either keeping yields low or prompting them to recover back up again. We also have a UK general election coming up in May 2015; it is very hard to predict what its likely result will be and the consequent impact on the UK economy, and how financial markets will react to those developments.

This latest forecast includes a move in the timing of the first increase in Bank Rate from quarter 2 of 2015 to quarter 4 of 2015 as a result of the sharp fall in inflation due to the fall in the price of oil and the cooling of the rate of GDP growth in the UK, albeit, that growth will remain strong by UK standards, but not as strong as was previously forecast. The Governor of the Bank of England, Mark Carney, has repeatedly stated that increases in Bank Rate will be slow and gradual. The MPC is concerned about the impact of increases on many heavily indebted consumers, especially when average disposable income is only currently increasing marginally as a result of wage inflation now running slightly above the depressed rate of CPI inflation, though some consumers will not have seen that benefit come through for them. In addition, whatever party or coalition wins power in the next general election, will be faced with having to implement further major cuts in expenditure and / or increases in taxation in order to eradicate the annual public sector net borrowing deficit.

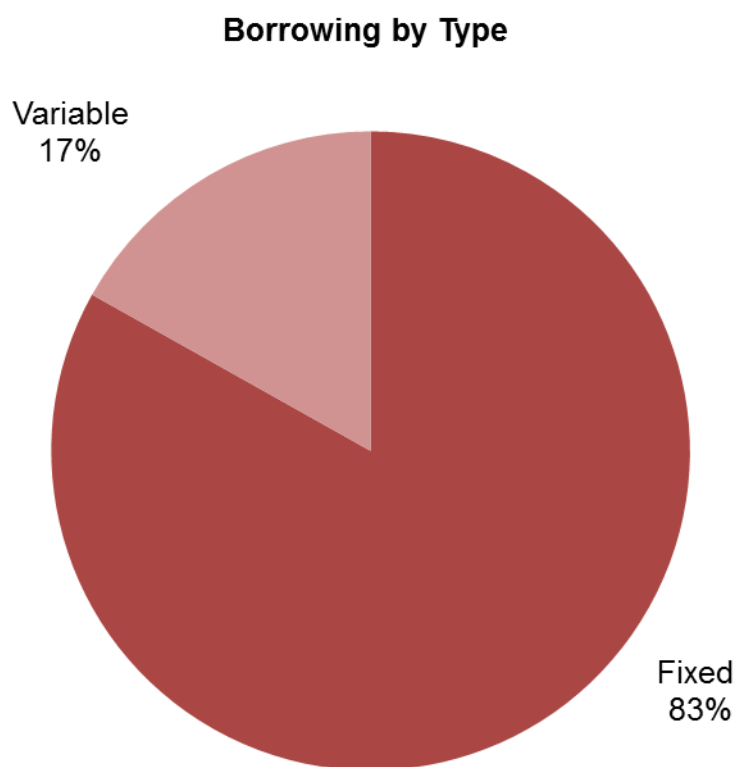
APPENDIX D

Borrowing and repayments in 2014/15

	Maturity Date	Amount £000	Length	Interest Rate	Full Year Interest £000
2014/15 Borrowing					
PWLB Fixed Maturity 503341	30/09/2017	23,000	years 3	2.05%	472
Temporary Loans					
			days		
Nottingham City Council	27/02/2015	2,200	119	0.55%	4
Welwyn Hatfield BC	27/02/2015	2,000	119	0.48%	3
Wirral Borough Council	27/02/2015	1,000	119	0.48%	2
West Midlands Police Authority	27/11/2015	5,000	364	0.65%	32
Bristol City Council	27/11/2015	6,000	364	0.70%	42
Milton Keynes Borough Council	21/12/2015	10,000	364	0.68%	68
Portsmouth City Council	22/12/2015	3,000	365	0.64%	19
		52,200		0.78%	642
2014/15 Repayments					
Temporary Loans					
			days		
Caerphilly BC	02/05/2014	5,000	86	0.35%	4
Portsmouth City Council	29/08/2014	6,000	182	0.43%	13
Derbyshire CC Super. Fund	29/08/2014	4,000	182	0.45%	9
		15,000		0.41%	26

Borrowing: Graphical Summary

As at 31 December 2014



Disclosure for Certainty Rate

Certainty Rate						
This table details the information that is required to enable the Council to submit a return for 2014/15.						
	As at 25 February 2014			As at 31 December 2014		
	2014/15 Forecast £000	2015/16 Forecast £000	2016/17 Forecast £000	2014/15 Forecast £000	2015/16 Forecast £000	2016/17 Forecast £000
Net Borrowing Requirement:						
Borrowing to Finance approved Capital Expenditure	103,742	30,735	14,658	71,714	103,832	27,746
Existing Maturity Loans to be Replaced During the Year	90,000	76,605	86,605	85,200	105,605	76,605
Less:						
Minimum Revenue Provision for Debt Repayment	(13,646)	(17,394)	(19,020)	(7,690)	(8,968)	(11,302)
Voluntary Debt Repayment	(11,804)	(14,169)	(16,805)	(18,911)	(15,729)	(16,781)
	(25,450)	(31,563)	(35,825)	(26,601)	(24,697)	(28,083)
Loans Replaced Less Debt Repayment	64,550	45,042	50,780	58,599	80,908	48,522
Net Advance Requirement	168,292	75,777	65,438	130,313	184,740	76,268

Wolverhampton City Council
2014/15 Specified Investments Lending List as at 31 December 2014

Institution	Country (Sovereign Rating)	Limit £000	Term Limit
Australia & New Zealand Banking Group Ltd	Australia (AAA)	10,000	6 mths
Bank Netherlandse Gemeenten	Netherlands (AAA)	20,000	12 mths
Bank of Montreal	Canada (AAA)	10,000	6 mths
Bank of New York Mellon, The	USA (AAA)	10,000	6 mths
Bank of Nova Scotia	Canada (AAA)	10,000	6 mths
Canadian Imperial Bank of Commerce	Canada (AAA)	10,000	6 mths
Clearstream Banking	Luxembourg (AAA)	20,000	12 mths
Commonwealth Bank of Australia	Australia (AAA)	10,000	6 mths
Cooperatieve Centrale Raiffeisen - Boerenleenbank BA	Netherlands (AAA)	5,000	3 mths
DBS Bank Ltd	Singapore (AAA)	10,000	6 mths
Hong Kong and Shanghai Banking Corporation Ltd	Hong Kong (AA+)	10,000	6 mths
HSBC Bank plc	UK (AA+)	10,000	6 mths
HSBC Bank USA	USA (AAA)	10,000	6 mths
National Australia Bank Ltd	Australia (AAA)	10,000	6 mths
Nordea Bank AB	Sweden (AAA)	10,000	6 mths
Nordea Bank Finland plc	Finland (AA+)	10,000	6 mths
Oversea Chinese Banking Corporation Ltd	Singapore (AAA)	10,000	6 mths
Royal Bank of Canada	Canada (AAA)	10,000	6 mths
Standard Chartered Bank	UK (AA+)	10,000	6 mths
Svenska Handelsbanken AB	Sweden (AAA)	10,000	6 mths
Toronto Dominion Bank	Canada (AAA)	10,000	6 mths
United Overseas Bank Ltd	Singapore (AAA)	10,000	6 mths
Wells Fargo Bank NA	USA (AAA)	10,000	6 mths
Westpac Banking Corporation	Australia (AAA)	10,000	6 mths
Nationalised Banks			
Lloyds Banking Group plc			
Bank of Scotland plc	UK (AA+)	10,000	3 mths
Lloyds Bank plc	UK (AA+)	10,000	3 mths
Royal Bank of Scotland Group plc			
National Westminster Bank plc	UK (AA+)	10,000	3 mths
The Royal Bank of Scotland plc	UK (AA+)	10,000	3 mths
Money Market Funds	Fund Rating		
Invesco STIC Account	Fitch AAmmf	20,000	Instant Access
Ignis Sterling Liquidity Fund	Fitch AAmmf	20,000	Instant Access
Federated Short-Term Sterling Prime Fund	Fitch AAmmf	20,000	Instant Access
Black Rock Sterling Liquidity Fund	Moody's Aaa-mf	20,000	Instant Access
Scottish Widows Sterling Liquidity Fund	Moody's Aaa-mf	20,000	Instant Access

Non-rated Institutions

County Councils, London Boroughs, Metropolitan Districts and Unitary Authorities - limits £6m and 12 months.
Shire District Councils, Fire and Civil Defence Authorities, Passenger Transport Authorities and Police
Authorities - limits £3m and 12 months.



Cabinet (Resources) Panel

10 February 2015

Report title	Discretionary Rate Relief – additions, revisions and extensions to the local scheme	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Andrew Johnson Delivery	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable director	Mark Taylor, Director of Finance	
Originating service	Revenues and Benefits	
Accountable employee(s)	Sue Martin	Head of Revenues and Benefits
	Tel	01902 554772
	Email	Sue.martin@wolverhampton.gov.uk
Report to be/has been considered by	None	

Recommendation(s) for action or decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve an addition to the local scheme for business rates discretionary relief to replace statutory transitional relief in line with government proposals.
2. Delegate authority to the Cabinet Member for Resources in consultation with the Director of Finance to finalise the policy detail on discretionary (transitional) relief after review of government guidance.
3. Delegate authority to the Head of Revenues and Benefits to award relief in respect of this addition to the scheme, noting that updates on the numbers and value of such awards will be reported to Cabinet (Resources) Panel for information on a quarterly basis
4. Approve a revision to the local scheme in relation to discretionary (retail discount) relief in line with government proposals.

5. Approve the extension of the scheme for discretionary rate relief for charitable and voluntary organisations for 2015/16.

1.0 Purpose

- 1.1 To seek approval to include a new category within the Council's local scheme for business rate discretionary relief for properties with a rateable value of £50,000 or less that qualified for transitional relief to 31 March 2015 under the statutory scheme.
- 1.2 To seek approval to revise the discretionary relief (retail discount) policy in line with government proposals announced in the Autumn Statement 2014.
- 1.3 To seek approval to extend the discretionary rate relief scheme (charitable and voluntary organisations) for 2015/16.

2.0 Background

- 2.1 Discretionary rate relief is granted under Section 47 of the Local Government Act 1988.
- 2.2 The local scheme consists of different categories of relief based on government guidance both longstanding, in the case of charitable and voluntary organisations and in response to more recent government initiatives.
- 2.3 In the Autumn Statement 2014 the government announced the following support for businesses:
 - Extend the transitional arrangements for smaller properties with a rateable value of £50,000 and below facing significant bill increases due to the ending of transitional rate relief from 1 April 2015 to 31 March 2017.
 - Increase the level of retail relief from £1,000 to £1,500 in respect of occupied retail premises with a rateable value of £50,000 or less for the financial year 2015/16.
- 2.4 The existing scheme relating to charities and voluntary organisations was approved on 11 March 2014 and expires 31 March 2015.

3.0 Proposal 1: create a new category of discretionary (transitional) relief

- 3.1 Transitional rate relief is a statutory scheme to ease increases in business rates as a result of a business rates revaluation. Each rating list lasts for five years and the existing rating list came into force on 1 April 2010.
- 3.2 The transitional relief scheme ends on 31 March 2015 however introduction of the new rating list has been deferred until 1 April 2017. As a result a small number of ratepayers will face a jump to their full rates bill from 1 April 2015. The government announced in the 2014 Autumn Statement that it will extend to March 2017 the current transitional relief scheme for properties with a rateable value up to and including £50,000.
- 3.3 As the new arrangements are temporary, the government has decided not to amend legislation but directed councils to use their discretionary powers through section 47 of the Local Government Act 1988 to grant relief.

- 3.4 The government has announced that it will fully reimburse councils for the cost of any relief granted, provided awards comply with official guidance.
- 3.5 Initial estimates are that relief will apply to less than 30 businesses in the City.
- 3.6 It is recommended that a new category of discretionary (transitional) relief is created with effect from 1 April 2015 and ending on 31 March 2017 and that detailed policy wording will be authorised by the Cabinet Member for Resources in consultation with the Director of Finance prior to any awards being made.
- 4.0 Proposal 2: revise the local scheme for discretionary (retail discount) relief**
- 4.1 Cabinet (Resources) Panel approved a new category of discretionary (retail discount) relief on 11 February 2014 following announcements in the 2013 Autumn Statement.
- 4.2 The current scheme awards an annual discount of £1,000 to occupied retail premises with a rateable value below £50,000. In the year to date 750 discounts totalling £466,000 have been awarded.
- 4.3 The cost of relief is fully reimbursed by government provided awards comply with official guidance.
- 4.4 Based on the announcement in the 2014 Autumn Statement an increase in the level of discount to £1,500 for 2015/16 is recommended.
- 5.0 Proposal 3: extend the local scheme for discretionary (charitable and voluntary organisations) relief**
- 5.1 The existing scheme was last revised and updated by Cabinet (Resources) Panel on 26 June 2013 and was approved for 2014/15 on 11 March 2014.
- 5.2 This category of relief provides either up to 20% of liability for registered charities (to top-up mandatory relief) or up to 100% of liability in the case of organisations that are not established or conducted for profit.
- 5.3 Relief for existing recipients is reviewed annually and awarded for the forthcoming financial year subject to there being no change in circumstances. Each organisation is required to certify that they continue to fulfil the conditions for relief to be granted.
- 5.4 The policy is based on government guidance and sets out clear eligibility criteria against which applications are assessed. Authority to approve awards is delegated to the Cabinet Member for Resources in consultation with the Head of Revenues and Benefits.
- 5.5 This report does not contain any proposal to revise eligibility under the scheme. It is recommended that approval be given to continue the scheme for 2015/16.

- 5.6 All organisations receiving an award will be given notice that the relief will end on 31 March 2016 and they will be notified of any new scheme developed to take effect from 1 April 2016

6.0 Financial implications

- 6.1 The proposals in relation to discretionary (transitional) relief and discretionary (retail discount) relief are fully funded by government through grant payments, section 31 Local Government Act 2003.

- 6.2 An estimate of the cost to the Council for discretionary (charitable and voluntary organisations) relief in 2015/16 is £326,155.

[CF/26012015/H]

7.0 Legal implications

- 7.1 Section 47 of the Local Government Finance Act 1988 gives discretionary power to billing authorities to grant partial or full relief to certain categories of non-domestic ratepayer. The Non-Domestic Rating (Discretionary Relief) Regulations 1989 allow for this relief to be restricted to a fixed period.

- 7.2 Section 69 of the Localism Act 2011 provides a new discretionary power to reduce business rates for any local ratepayer. It is this new power that the government is directing billing authorities to use to award the new categories of relief.

- 7.3 It will be for the Council to ensure that any relief granted does not transgress state aid rules.

[RB/27012015/K]

8.0 Equalities implications

- 8.1 A stage one equality analysis has been completed. No adverse impacts were identified and therefore a full equality analysis is not required.

9.0 Environmental implications

- 9.1 There are no environmental implications.

10.0 Human resources implications

- 10.1 There are no human resources implications.

11.0 Corporate landlord implications

- 11.1 There are no corporate landlord implications.

12.0 Schedule of background papers

- 12.1 Report to Cabinet (Resources) Panel 11 February 2014 (item 10)
<http://wolverhampton.moderngov.co.uk/CeListDocuments.aspx?Committeeld=143&MeetingId=3786&DF=11%2f02%2f2014&Ver=2>
- 12.2 Report to Cabinet (Resources) Panel 11 March 2014 (item 7)
<http://wolverhampton.moderngov.co.uk/CeListDocuments.aspx?Committeeld=143&MeetingId=3787&DF=11%2f03%2f2014&Ver=2>
- 12.3 Government guidance – transitional relief
<https://www.gov.uk/government/publications/business-rates-extension-of-transitional-relief-for-small-and-medium-properties>



Cabinet (Resources) Panel

10 February 2015

Report title	Empty Property Strategy – Corner House, 14a Park Avenue, Wolverhampton, WV1 4AH – Property Identified for Action	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Peter Bilson Economic Regeneration and Prosperity	
Key decision	No	
In forward plan	No	
Wards affected	St. Peter's	
Accountable director	Nick Edwards, Service Director – City Assets	
Originating service	Housing	
Accountable employee(s)	Natalie Healy Tel Email	Housing Improvement Officer 01902 550554 natalie.healy@wolverhampton.gov.uk
Report to be/has been considered by	N/A	

Recommendation(s) for action or decision:

The Cabinet (Resources) Panel is recommended:

1. To include Corner House, 14a Park Avenue 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.

1.0 Purpose

- 1.1 The purpose of this report is to request that Cabinet (Resources) Panel authorises employees to commence formal negotiations with the owner of Corner House, 14a Park Avenue with a view to acquiring the property by agreement.
- 1.2 This decision is in support of Wolverhampton City Council's Empty Property Strategy 2010-2015.

2.0 Background

- 2.1 The property, highlighted on the attached map, is a three bedroom detached house which falls within a conservation area and has been empty since 2010, according to council tax records. The property has been subject to a high level of anti-social behaviour and is detrimental to the amenity of the area.
- 2.2 Squatters have recently gained access by unauthorised entry to the property, which is causing a significant amount of concern to local residents and in particular the immediate neighbours.
- 2.3 The property has fallen into disrepair and visually is in a very poor condition, which has resulted in the Council's Empty Property team serving notice on the owner under Section 215 of the Town and Country Planning Act 1990. This has expired and to date the owner has failed to comply or undertake any remedial works.
- 2.4 As informal negotiations with the owner have not resolved the situation or brought about a voluntary solution, it is now considered necessary as a last resort to take further action under the Empty Property Strategy. Voluntary acquisition or compulsory purchase is likely to be the most practical option and best course of action to resolve the on-going situation.

3.0 Future use of the property

- 3.1 The property and land is visually detrimental to neighbouring properties and attracts high levels of anti-social behaviour. This continues to be an area of concern for the Council, Fire Service and Police. The recommended course of action is to open negotiations to acquire the property to enable refurbishment that will lead to owner occupation or private rental.
- 3.2 It is hoped that the possibility of compulsory purchase will bring forward an early resolution.

4.0 Financial implications

- 4.1 There are no direct financial implications arising from this report. Any financial

implications arising from the negotiations or the necessity to progress a Compulsory Purchase Order will be the subject of a further report to this Panel.

[CF/19012015/I]

5.0 Legal implications

5.1 The Director of Governance will undertake the statutory processes involved in the making and confirming of the Compulsory Purchase Order and subsequently making the General Vesting Declaration.

[EB/200115/A]

6.0 Equalities implications

6.1 Equalities implications have been considered throughout the process and in assessing the outcome. An initial screening has been completed and this does not indicate any adverse implications.

7.0 Environmental implications

7.1 This report has evidenced the neighbourhood sustainability impact and environmental blight that a long term dilapidated empty property can have in a locality. It will allow a long term empty property to be refurbished providing much needed sustainable accommodation as highlighted in the Housing Needs Survey (2007) and remove a potential magnet for anti-social behaviour and environmental blight. This will improve the appearance of the neighbourhood, enhancing property conditions and contribute to the regeneration of the City

8.0 Human resources implications

8.1 There are no human resources implications arising from this report.

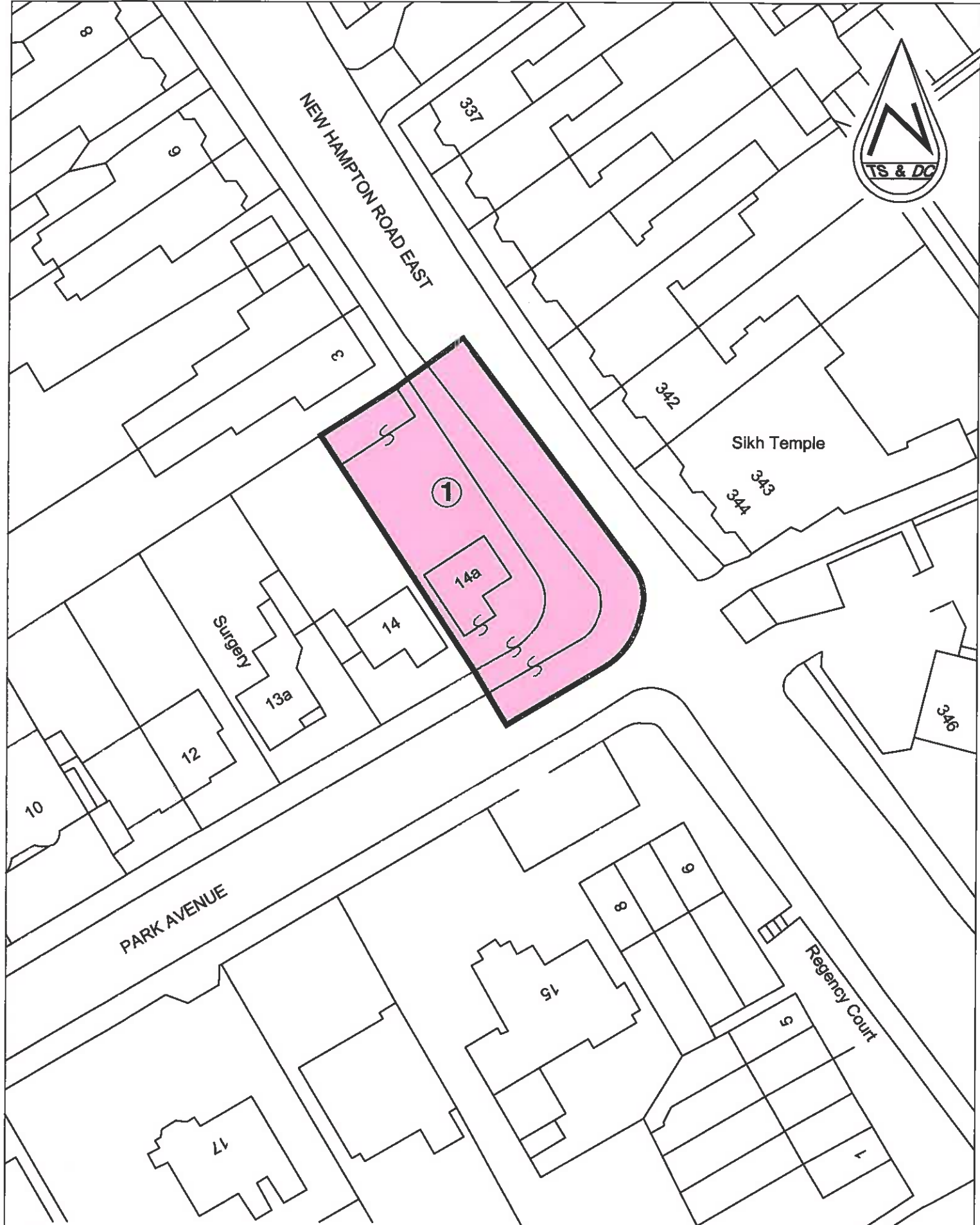
9.0 Corporate landlord implications

9.1 This property is within the private housing sector and if negotiations to acquire are successful it will be sold at auction for refurbishment and the property will remain in that sector. There are no Corporate Landlord implications.

10.0 Schedule of background papers

- An Action Plan to Deliver the Empty Property Strategy 11/01/06;
- Private Sector Empty Property Strategy 2010-2015;
- Wolverhampton Housing Needs Survey 2007.





① AREA COLOURED PINK = 665.3m² OR THEREABOUTS

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date	January 2015
scales	1:500
drawn by	AJP
dwg. no.	...

THE MAP REFERRED TO IN
 THE WOLVERHAMPTON CITY COUNCIL
 (14A Park Avenue)
Page 39
 COMPULSORY PURCHASE ORDER 2015

Wolverhampton City Council
 Strategic Director – Place
 Civic Centre, St. Peter's Square, Wolverhampton
 Tel. (01902) 556556

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Cabinet (Resources) Panel

10 February 2015

Report title	Schedule of Individual Executive Decision Notices	
Decision designation	AMBER	
Cabinet member with lead responsibility	All	
Key decision	No	
In forward plan	No	
Wards affected	All	
Accountable director	Keith Ireland, Managing Director	
Originating service	Democratic Services	
Accountable employee(s)	Laura Gilyead Tel Email	Graduate Management Trainee 01902 553219 Laura.gilyead@wolverhampton.gov.uk
Report to be/has been considered by	N/A	

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note the summary of open and exempt individual executive decisions approved by the appropriate Cabinet Members following consultation with the relevant employees.

Schedule of Individual Executive Decision Notices

Part 1 – Open Items

1. Corporate

Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Andrew Johnson	Director of Finance	29 January 2014	Claire Nye, 01902 550478
Title and Summary of Decision			
Business Rates (NDR) Net Rate Yield 2015/16 That the Cabinet Member for Resources, in consultation with the Director of Finance amends the Collection Fund Business Rates (NDR) Net Rate Yield for 2015/16 to £76.1 million, from £75.8 million as previously reported to Cabinet on 14 January 2015.			

2. People

None

3. Place

Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Phil Page	Director of Education	15 January 2014	Emma Balchin, 01902 555269
Title and Summary of Decision			
Instrument of Government That the Cabinet Member for Schools, Skills and Learning, in consultation with the Director of Education approves the proposed Instrument of Government for Hill Avenue Primary School.			
Decision maker			
Councillor Phil Page	Director of Education	15 January 2014	Emma Balchin, 01902 555269
Title and Summary of Decision			
Instrument of Government That the Cabinet Member for Schools, Skills and Learning, in consultation with the Director of Education approves the proposed Instrument of Government for St Andrew's (Church of England) Primary School.			
Decision maker			
Councillor Peter Bilson	Strategic Director, Place	28 January 2014	Jim Cunningham, 01902 550166
Title and Summary of Decision			
Black Country Growth Hub – Allocation of Grant That the Cabinet Member for Economic Regeneration and Prosperity, in consultation with the Strategic Director, Place, approves a grant of £40,800 to the University of Wolverhampton to deliver the Innovation Centre Support Grant programme and Business Support grants totalling £593,598.			

Part 2 – Exempt Items

1. Corporate

Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Andrew Johnson	Director of Finance	30 January 2014	Lisa Taylor, 01902 552742
Title and Summary of Decision			
Award of contract for Card Acquiring Services That the Cabinet Member for Resources, in consultation with the Director of Finance, approves the award of a contract for card acquiring services.			
Decision maker	In consultation with	Date Approved	Contact Officer
Councillors Phil Page and Andrew Johnson	Director of Education	30 January 2014	Nicola Boyes, 01902 550566
Title and Summary of Decision			
Deeds of Variation to the Building Schools for the Future (BSF) ICT Agreement That the Cabinet Members for Schools, Skills and Learning and Resources, in consultation with the Director for Education, Director of Finance, the Director of Governance and Solicitor to the Council,			
<ol style="list-style-type: none"> 1. Authorises the Council to enter into the Deeds of Variation for ANC 003 and ANC 004 to the ICT Agreement dated 30 April 2010 made between the Council and Inspiredspaces Wolverhampton Limited (“the LEP”) as referred to in previous reports by affixing the Council’s common seal in accordance with the Council’s Constitution and that the Council obtains satisfactory confirmation from the LEP that it will not object to the Council using the remaining unspent sums under the ICT Agreement as it sees fit and that the LEP will not seek to enforce any claim for exclusivity in respect of ICT equipment or services under the terms of the Strategic Partnering Agreement dated 30 April 2010. 2. Authorises the Council to enter into any Deeds of Variation to the ICT Governing Body Agreements with the Governing Bodies of the relevant schools or enter into new Governing Body Agreements should these be necessary to affect the changes made by ANC 003 and ANC 004. 3. Authorises the payment referred to in paragraph 3.1 to be made to the LEP. 			

2. People

None

3. Place

Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Peter Bilson	Strategic Director, Place	22 January 2014	Sheila Dixon, 01902 555584
Title and Summary of Decision			
Inward Investment Enquiry That the Cabinet Member for Economic Regeneration and Prosperity, in consultation with the Strategic Director, Place, agrees to enter into an Exclusivity Agreement with an occupier.			
Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Peter Bilson	Strategic Director, Place	26 January 2014	Simon Lucas,

			01902 555618
Title and Summary of Decision			
<p>Bilston Centre Regeneration: Waiving of procurement rules for the diversion of services owned by statutory utility companies That the Cabinet Member for Economic Regeneration and Prosperity, in consultation with the Strategic Director, Place, approves the waiving of procurement rules to enable the placing of orders to statutory undertakers for the diversion of underground and overground services to facilitate the approved regeneration proposals within the Bilston Centre regeneration area.</p>			
Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Peter Bilson	Strategic Director, Place	26 January 2014	Kevin Moore, 01902 555570
Title and Summary of Decision			
<p>Bilston Urban Village – Retaining wall adjoining a property That the Cabinet Member for Economic Regeneration and Prosperity, in consultation with the Strategic Director, Place,</p> <ol style="list-style-type: none"> 1. Approves the proposals for the replacement of the retaining wall on the boundary with a property. 2. Approves the sale of a two metre wide strip of land to the owners of a property for an agreed price. 			

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