

City of Wolverhampton Council – Decisions taken by the Cabinet on Wednesday, 19 July 2017

Agenda Item No	Topic	Decision
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Part A – Items considered in public

5	Treasury Management - Annual Report 2016-2017 and Activity Monitoring Quarter One 2017-2018	<p>That Council be recommended to:</p> <ol style="list-style-type: none"> 1. Approve the revised Minimum Revenue Provision (MRP) statement setting out the method used to calculate MRP for 2017-2018, in particular the change regarding investment assets which is being backdated to 1 April 2013, as set out in appendix F to the report. 2. Note that the Council operated within the approved Prudential and Treasury Management Indicators, and also within the requirements set out in the Council's approved Treasury Management Policy Statement during 2016-2017. 3. Note that revenue savings of £1.7 million for the General Fund and £2.5 million for the Housing Revenue Account were generated from treasury management activities in 2016-2017. 4. Note that revenue savings of £810,000 for the General Fund and £329,000 for the Housing Revenue Account are forecast from treasury management activities in 2017-2018. <p>1. That it be noted that the capital programme figures included in this report assumes that the updated requests for capital resources which were reported to Cabinet (Resources) Panel on 27 June 2017 and Council on 19 July 2017 are approved. If this were not to be the case revised figures would be provided to Council on 20 September 2017.</p>
6	EU Funded Projects - Payment of Grants to Delivery Partners	<p>That Council be recommended to:</p> <ol style="list-style-type: none"> 1. Approve a programme of reimbursement to pay grants to named Delivery Partners in reimbursement of costs associated with the delivery of European Union and Department of Business Energy and Industrial Strategy (BEIS) funded projects, in accordance with our Lead Authority role. 2. Delegate authority to Cabinet Member for City Economy, in consultation with the Director of Finance to use grant resources to reimburse delivery partner for all EU funded bids in line with their detailed project plans and financial profile to reimburse named delivery partners in line with Grant Agreements. The amounts could vary between years and partners. <p>1. That it be agreed to provide delegated authority for the Cabinet Member for City Economy in</p>

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		<p>consultation with the Service Director, City Economy, to agree grants to Small and Medium Size Enterprises of up to £50,000 through the ERDF funded Black Country Transformational Growth Opportunities Local Delivery (GOLD) project.</p> <p>2. That it be agreed to enter into Grant Agreements with Delivery Partners in relation to Black Country Blue Network and Black Country Advice Investment Market (AIM).</p>
7	Youth Justice Plan 2017/18	<p>That Council be recommended to:</p> <p>1. Formally approve the adoption of the Youth Justice Plan 2017-18.</p>
8	2018/19 Draft Budget Strategy and MTFS	<p>1. That it be approved that the budget reduction proposals amounting to £12.5 million in 2018-2019 be further developed, including the necessary equalities analyses, for inclusion in the Draft Budget and Medium Term Financial Strategy 2018-2019 – 2019-2020, to be reported to Cabinet in October 2017 for approval to proceed to the formal consultation and scrutiny stages of the budget process.</p> <p>2. That it be approved that work continues between July and October 2017 to further develop and identify additional budget reduction and income generation proposals totalling £2.3 million, in order to ensure that a balanced budget can be set in 2018-2019.</p> <p>3. That it be approved that work continues to identify additional recurring budget reduction opportunities that will work towards the remaining budget challenge to be delivered by 2019-2020. An update on progress will be incorporated into the October report to Cabinet.</p> <p>4. That it be noted that, of the total £12.5 million budget reduction proposals identified at this stage for 2018- 2019, £5.0 million are ongoing budget reduction proposals, as detailed in Appendix A to the report, whilst £7.5 million are one-off budget reduction proposals, as detailed in Appendix B to the report. Therefore, a significant element of the budget reduction proposals relate to one-off opportunities that can be achieved in 2018-2019. Taking this into account, the remaining cumulative budget challenge to be identified by 2019-20 stands at £15.5 million.</p> <p>5. That it be noted that the updated projected deficit assumes the achievement of budget reduction proposals amounting to £33.8 million over the three year period to 2019-2020. Over the last seven financial years the Council has identified budget reductions in excess</p>

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		<p>of £200.0 million. This continues to be the most significant financial challenge that the Council has ever faced.</p> <p>6. That it be noted that, due to external factors, budget assumptions remain subject to change. This could therefore result in alterations to the financial position faced by the Council.</p> <p>7. That it be noted that, while significant progress is being made towards identifying the projected budget deficit for 2018-2019; work continues to identify possibilities to deliver the remaining £2.3 million of budget reduction and income generation targets for 2018-2019.</p> <p>8. That it be noted that the General Fund revenue outturn position for 2016-2017 was a net underspend of £266,000 (-0.12%) against the net budget requirement of £217.4 million, after meeting the net cost of redundancy after the use of capital receipt flexibility and contributions to essential specific reserves, as reported to Cabinet at this meeting in the Revenue Budget Outturn 2016-2017 report.</p> <p>9. That it be noted that the positive General Fund outturn position for 2016-2017 will help to support the Council's short term financial position, enabling one-off investment to support transformation of the Council, however, it is important to note that it does not address the challenging financial position that the Council finds itself in over the medium term; as detailed in this report.</p> <p>10. That it be noted that an element of the underspend arising within the 2016-2017 General Fund outturn is already factored into the Council's Medium Term Financial Strategy (MTFS), including the early achievement of approved budget reductions.</p> <p>11. That it be noted that the Council's General Fund Balance remains at £10.0 million; the minimum balance as determined in the Council's approved Reserves and Balances Policy. Emphasis therefore continues to be placed on identifying budget reductions and income generation proposals to meet the projected budget deficit over the medium term.</p> <p>12. That it be noted that the 2018-2019 budget timetable will, as in previous years, include an updated report presented to Cabinet in October 2017 detailing budget reduction and income generation proposals that will be subject to formal budget consultation and scrutiny during October – December 2017. Further to this, an update on all budget assumptions and the Provisional Local Government Settlement will be presented to Cabinet by January</p>

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		2018, with the final budget report due to be approved by Full Council in March 2018.
9	Reserves, Provisions and Balances 2016-2017	<ol style="list-style-type: none"> 1. That the transfers (to)/from specific reserves, provisions and general balances as detailed in tables 2 and 3, Appendices A, B and C to the report be approved. 2. That expenditure from provisions for their purposes as set out in Appendix B to the report, up to the value held in each provision as at 31 March 2017, be approved. 3. That the continuation of delegation of authority to the Cabinet Member for Resources, in consultation with the Director of Finance, to allocate funds from the Budget Contingency Reserve, the Regeneration Reserve, the Efficiency Reserve, the Transformation Reserve, the Development Reserve, the Regional Work Reserve, the Enterprise Zone Business Rates Reserve, the Business Rates Equalisation Reserve, the Treasury Management Equalisation Reserve and the Budget Strategy Reserve, be approved. 4. That the delegation of authority to the Cabinet Member for Resources, in consultation with the Director of Finance, to allocate funds from the Pension Deficit Recovery Reserve be approved. 5. That the creation of seven new reserves as detailed in paragraph 5.4 of the report be approved. 6. That the level of the Council's specific reserves, provisions and general balances as at 31 March 2017 and the purposes for which they are being held, as detailed in Appendices A and B to the report, be noted. 7. That it be noted that relevance and adequacy of specific reserves and general balances will be reviewed as required by the Constitution during the 2018-2019 budget setting process. 8. That it be noted that allocation of funding from all specific reserves will be reported to Cabinet (Resources) Panel in the scheduled quarterly budget monitoring reports. 9. That it be noted that the Confident Capable Council Scrutiny Panel will scrutinise the use of reserves as part of the budget setting process as in previous years. 10. That it be noted that the Director of Finance considers that the overall level of all reserves, provisions and balances is sufficient to meet the likely level of obligations to be met from reserves, provisions and general balances in the short term.

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		<p>11. That it be noted that the positive General Fund outturn position during 2016-2017, and the resulting adjustments to reserves, will help to support the Council's short term financial position, enabling one-off investment to support transformation of the Council. However, it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying an additional £20.5 million of budget reduction and income generation proposals over the two-year period to 2019-2020. Cabinet will be presented with a report at this meeting detailing the progress towards identifying £14.8 million of budget reduction and income generation proposals for 2018-19.</p> <p>12. That the figures quoted in the report are still subject to statutory audit by Grant Thornton UK LLP as part of the 2016-2017 accounts closedown process.</p>
10	Revenue Budget Outturn 2016-2017	<p>1. That it be approved that the net surplus after taxation of £298,000 of Yoo Recruit Limited be retained by the company to enable further business development.</p> <p>2. That the write off of 7 non-domestic rates totalling £192,133.08 as detailed in Appendix G to the report be approved.</p> <p>3. That the write off of 2 housing benefit accounts totalling £14,662.89 as detailed in Appendix H to the report be approved.</p> <p>4. That the write off of 4 council tax accounts totalling £23,104.94 as detailed in Appendix I to the report be approved.</p> <p>5. That it be noted that the revenue outturn position for 2016-2017 for the General Fund; a net underspend of £266,000 (-0.12%) was achieved against the net budget requirement of £217.4 million, after meeting the net cost of redundancy and pension strain, after the use of capital receipt flexibility, and contributions to essential specific reserves.</p> <p>6. That it be noted that, whilst the positive General Fund outturn position during 2016-2017 and the resulting adjustments to reserves will help to support the Council's short term financial position, it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying an additional £20.5 million of budget reduction and income generation proposals over the two year period to 2019-2020. Cabinet were presented with a report at this meeting detailing the progress towards identifying £14.8 million of budget reduction and income generation proposals for 2018-2019.</p>

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		<p>7. That it be noted that a comprehensive review of all services will be undertaken following the positive 2016-2017 General Fund outturn position to identify any new budget reduction or income generation opportunities; Cabinet will be provided with an update on progress in the October 2017 budget report.</p> <p>8. That it be noted that the General Fund outturn position takes into account a number of proposed transfers to and from reserves and provisions for which approval is sought in the Reserves, Provisions and Balances 2016-2017 report presented at this meeting.</p> <p>9. That it be noted that approval is sought in the Reserves, Provisions and Balances 2016-2017 report presented at this meeting, to establish a Pension Deficit Recovery Reserve and to contribute £3.0 million from the General Fund revenue account during 2016-2017.</p> <p>10. That it be noted that schools under the control of the City of Wolverhampton Council drew down a net £3.4 million of their reserves during 2016-2017, taking the total accumulated reserves to £8.5 million at 31 March 2017.</p> <p>11. That it be noted that the Housing Revenue Account revenue outturn position for the year was a surplus before allocations of £19.3 million, compared to a budgeted surplus of £15.3 million.</p> <p>12. That it be noted that the draft financial statements of Yoo Recruit Limited will be subject to external audit.</p> <p>13. That it be noted that, as a result of recruitment through Yoo Recruit Limited, the Council has been able to avoid fees which would have otherwise have been incurred, including approximately £225,000 in relation to the permanent recruitment of individuals who had been previously employed on a temporary basis through the agency.</p> <p>14. That it be noted that the Collection Fund outturned with a £3.3 million deficit during 2016-2017; this resulted in an overall deficit of £13.2 million to be carried forward. In 2014-2015, as a result of the adverse outturn against the Collection Fund, primarily owing to the impact of appeals against Business Rates, over which the Council has no control, Cabinet approved the establishment of a Business Rates Equalisation reserve to equalise the impact of appeals on the Council. In the Reserves, Provisions and Balances report presented to Cabinet at this meeting, approval is sought to bolster that reserve in 2016-</p>

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		<p>2017 to support the Council over the medium term.</p> <p>15. That it be noted that 92 non-domestic rates accounts totalling £1,082,357.82 have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.</p> <p>16. That it be noted that 1,457 council tax accounts totalling £342,913.88 have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.</p> <p>17. That it be noted that 46 sundry debt accounts totalling £45,559.95 have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.</p> <p>18. That it be noted that 67 housing benefit debt accounts totalling £15,150.70 have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.</p>
11	Transforming Libraries Strategy 2017 – 2027	<p>1. That the 10 year Libraries Strategy (Appendix A to the report) be approved, having read and considered the appendices in full, including the feedback received in the twelve week consultation period (Appendix B to the report) and equalities analysis (Appendix C to the report).</p> <p>2. That it be agreed to review the location of Bilston Library and Gallery at a future Cabinet meeting, pending more detailed feasibility study.</p>
12	Review of current Gating Orders prior to transition to Public Spaces Protection Orders	<p>1. That the review findings in relation to the existing Gating Orders be noted.</p> <p>2. That the recommendations to convert existing Gating Orders to Public Spaces Protection Orders, subject to the mandatory six week legal challenge period allowed, be approved.</p>
13	Proposed Public Spaces Protection Order – Dog Control	<p>1. That it be approved that the appended proposed citywide public spaces protection order ("PSPO") – dog control – replace the three existing dog control orders.</p>
14	Change of Criteria to Affordable Warmth Grant Assistance	<p>1. That the changes to the Affordable Warmth Grant Criteria to refine the health conditions to complement NICE guidelines https://www.nice.org.uk/guidance/ng6, with some minor alterations to take into account local needs as set out in Appendix 2 to the report, be</p>

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		<p>approved.</p> <p>2. That the changes to the Affordable Warmth Grant Criteria to include applications from the private rented sector within the City, subject to specific conditions as set out in appendices 3 and 4 to the report, be approved.</p> <p>3. That the changes to the wording of the Affordable Warmth Grant Criteria be approved for the purpose of clarification and to ensure that the Council's outcomes are met.</p>
15	Confirmation of Small Houses in Multiple Occupation (HMO) Article 4 Direction	1. That the making of a Direction under Article 4(1) of the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended) be approved, to remove permitted development rights for changes of use from Use Class C3 to Use Class C4 (as defined in the Town and Country Planning [Use Classes] Order 1987, as amended) within the City of Wolverhampton which will commence on 14 September 2017.
16	Looked After Children Sufficiency Strategy 2017-20	1. That the Wolverhampton Looked After Children Sufficiency Strategy 2017-20 be approved.
17	Wolverhampton Ethical Care Charter	<p>1. That it be agreed that the Council should continue to work with care providers to implement a City of Wolverhampton Ethical Homecare Charter to reflect the local market.</p> <p>2. That it be agreed that the Council should adopt the City of Wolverhampton Ethical Homecare Charter including the Wolverhampton Wage for Homecare.</p>
18	Approval to Consult on Review of Non-residential Contributions to Adult Social Care	<p>1. That a period of public consultation on the review of the policy for Adult Social Care non-residential contributions towards care and support be approved.</p> <p>2. That the proposed model to take forward for public consultation as set out in the report be agreed.</p> <p>3. That it be agreed to receive a report on the outcome of public consultation and final proposals for a new policy at Cabinet (Resources) Panel on 14 November 2017.</p> <p>4. That it be agreed to maintain the provision of up to six weeks non-residential reablement support free of charge under the intermediate provisions of the Care Act 2014.</p>
19	Creation of a Regional Adoption	1. That the proposals for the establishment of the Adoption@Heart Regional Adoption Agency

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	Agency - Adoption@Heart	<p>(RAA) be approved as outlined in the report.</p> <p>2. That it be agreed that the RAA is established as a Local Authority Trading Company (LATC), an organisation wholly owned by the participating local authorities</p> <p>3. That it be agreed that such a company be constituted as a Community Interest Company (CIC) and a Company Limited by Shares (CLS).</p> <p>4. That it be agreed to consider a further report in October 2017 that presents finalised details of the LATC for approval.</p>
20	To provide a progress report on the work of the Principal Social Worker and outline priority areas of work to be undertaken 2017 /2018	1. That the main priorities for the Principal Social Worker identified for 2017-18 be endorsed.
21	Exclusion of press and public	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 relating to any individual, information which is likely to reveal the identity of an individual and/or information relating to the business affairs of any particular person (including the authority holding that information).
22	Housing Services Review	1. That the recommendations be approved as detailed in the exempt report.
23	Bilston Corridor AAP – site delivery	1. That the recommendations be approved as detailed in the exempt report.
24	Provision of support to partner to secure grant funding	1. That the recommendations be approved as detailed in the exempt report.