



Meeting of the Cabinet

Minutes - 23 July 2014

Attendance

Members of the Cabinet

Cllr Roger Lawrence (Chair)
Cllr Peter Bilson (Vice-Chair)
Cllr Steve Evans
Cllr Val Gibson
Cllr Andrew Johnson
Cllr Elias Mattu
Cllr Phil Page
Cllr Sandra Samuels
Cllr Paul Sweet

Employees

Dereck Francis	Democratic Support Officer
Keith Ireland	Strategic Director, Delivery
Tony Ivko	Assistant Director - Older People and Personalisation
Tim Johnson	Strategic Director, Education and Enterprise
Kevin O'Keefe	Chief Legal Officer
Mark Taylor	Assistant Director, Finance

Part 1 – items open to the press and public

Item No. *Title*

MEETING BUSINESS ITEMS

- 1 Apologies for absence**
Apologies for absence were submitted on behalf of Cllr John Reynolds.
- 2 Declaration of interests**
No declarations of interests were made.
- 3 Minutes of the previous meeting (25 June 2014)**
Resolved:
That the minutes of the previous meeting held on 25 June 2014 be approved as a correct record and signed by the Chair.
- 4 Matters arising**
There were no matters arising from the minutes of the previous meeting.

DECISION ITEMS (RED - for decision by the Council)

5 Treasury Management - Annual Report 2013/14 and Activity Monitoring Quarter One 2014/15

Cllr Andrew Johnson presented the report on the results of treasury management activities carried out in 2013/14, together with performance against the prudential indicators previously approved by Council. The report also provided monitoring and progress information on treasury management activity for the first quarter of 2014/15, in line with the prudential indicators approved by Council in March 2014.

Cllr Johnson placed on record his thanks to the Council's Treasury Management team whose activities contribute to the Council finances.

Resolved:

That Full Council be recommended to:

1. Delegate authority to the Cabinet Member for Resources in consultation with the Assistant Director Finance to amend the Treasury Management Strategy to take advantage of opportunities to increase investment returns.
2. Note the contents of the report, and particularly that:
 - a. 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 2013/14.
 - b. The Council is forecast to marginally exceed the self-determined upper limit on debt maturing within one year for part of 2014/15. This is as a result of taking advantage of the low interest rates available for short term borrowing. This position would be rectified by the end of the year.
 - c. Revenue savings of £10.7 million for the General Fund and £2.4 million for the Housing Revenue Account were generated from treasury management activities in 2013/14.
 - d. Revenue savings of £214,000 for the General Fund and £5.9 million for the Housing Revenue Account are forecast from treasury management activities in 2014/15.

6 Housing Revenue Account (HRA) Business Plan Update Quarter One 2014/15

Cllr Peter Bilson presented a report on an updated HRA business plan for approval by full Council. In moving the recommendations contained in the report Cllr Bilson made a correction by substituting the figure '£18.5 million' for the first figure of '£11.9 million' referred to in recommendation 3 and to an equivalent adjustment to the figures referred to in paragraph 2.6 of the report.

He also commended the Council's Treasury Management team for the effective job they have delivered on the Council's behalf. Their efforts had meant that the Council borrowed less than anticipated and paid down some of the debt on the revenue account, putting the Council in a better position.

Resolved:

That full Council be recommended to:

1. Adopt the business plan set out at appendix A to the report as the approved Housing Revenue Account business plan, including the capital programme for 2014/15 to 2018/19 set out in the plan.
2. Note the outturn against the 2013/14 revenue budget was a surplus before allocations of £14.5 million compared to a budgeted surplus of £10.6 million, and total capital expenditure for the year was £43.1 million.
3. Note the forecast outturn against the 2014/15 revenue budget is a surplus before allocations of £18.5 million compared to a budgeted surplus of £11.9 million.

7 Black Country Growth Hub: Grants to Third Parties

Cllr Peter Bilson sought approval to increase previously approved grants to the University of Wolverhampton and the Black Country Consortium to manage the Regional Growth Fund funded Black Country Growth Hub.

Resolved:

That full Council be recommended to:

1. Approve an increase of a grant from £130,000 to £325,000 to the University of Wolverhampton, a third party provider for the management of the externally funded Black Country Growth Hub for them to act as employer for the Growth Hub team.
2. Approve the payment of a grant of £73,806 to the Black Country Consortium to fund an Access to Finance Project Manager and contribute towards one day a week of an Economic Development Co-ordinator and Administration and Finance Support together with recruitment costs for the Access to Finance Project Manager as part of the externally funded Black Country Growth.
3. Authorise the Chief Legal Officer to approve the execution of the contracts.

DECISION ITEMS (AMBER - delegated to the Cabinet)

8 Reserves, Provisions and Balances 2013/14

Cllr Andrew Johnson presented the report which detailed the resources currently held as specific reserves, provisions and general balances by the Council as at 31 March 2014, taking account of the outturn position for 2013/14.

He informed Cabinet that the General Fund balance as at year end was £27 million. Looking forward, £10 million of this would be used during 2014/15 and £5 million would be used for redundancy costs leaving approximately £12 million. This would be above the minimum General Fund Balance of £10 million that the Council had set itself.

Resolved:

1. That the transfers to/(from) specific reserves, provisions and general balances as detailed in tables 1, 2 and 3 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 2014 be approved.
3. That the continuation of the delegated authority to the Cabinet Member for Resources, in consultation with the Assistant Director Finance, to allocate funds from the Budget Contingency Reserve, the Professional Support and Advice Reserve, the Regeneration Reserve, the Southside Reserve (previously termed the City Centre Reserve) and the Efficiency Reserve during 2014/15 be approved.
4. That authority be delegated to the Cabinet Member for Resources, in consultation with the Assistant Director Finance, to allocate funds from the Looked After Children Transformation Reserve and the Transformation Reserve during 2014/15.
5. That the level of the Council's specific reserves, provisions and general balances as at 31 March 2014 and the purposes for which they are being held, as detailed in Appendix A to the report be noted.
6. That it be noted that the relevance and adequacy of specific reserves and general balances would be reviewed as required by the Constitution during the 2015/16 budget setting process.
7. That it be noted that the allocation of funding from the Budget Contingency Reserve, the Professional Support and Advice Reserve, the Regeneration Reserve, the Southside Reserve, the Efficiency Reserve, the Looked After Children Reserve and the Transformation Reserves, would be reported to Cabinet (Resources) Panel in the scheduled quarterly budget monitoring reports.
8. That it be noted that the Confident, Capable Council Scrutiny Panel would scrutinise the use of reserves as part of the budget setting process as in previous years.
9. That it be noted that the Assistant Director 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. Work continues to identify budget savings to address the projected budget deficit faced by the council over the medium term.

9

Revenue Budget Outturn 2013/14

Cllr Andrew Johnson presented the report on the Council's revenue outturn position for 2013/14 compared with approved budgets and targets. He placed on record his thanks and congratulations to the Council's employees for responding to the Cabinet's decision to freeze all non-essential expenditure in the last quarter of the 2013/14 financial year. This one off initiative had meant that the projected net

overspend against the General Fund could be reduced from £5 million to £2.3 million and that redundancy payments during the year had been increased from £2 million to £4.6 million. There was now an overall improved position of £7.3 million on the Council's reserves which was welcomed news and better than could have been hoped had Cabinet not taken the decision to freeze all non-essential expenditure.

Resolved:

1. That the revenue outturn position for 2013/14 for the General Fund, which is a net overspend of £2.3 million after taking account of redundancy costs amounting to £4.6 million be noted.
2. That it be noted that this 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 2013/14 report to be presented at this meeting.
3. That it be noted that the outturn against the Collection Fund for 2013/14 is a £1.3 million surplus.
4. That it be noted that schools' balances reduced by £1.4 million during 2013/14.

10

Local Council Tax Reduction Scheme 2015/16 Onwards

Cllr Andrew Johnson sought approval to consult on changes to the Council's local scheme for council tax support. He reported that if implemented, the proposal would mean that for a Band A property the increase would be less than £2 per week. He also informed Cabinet that the Council's approach to the introduction of a local council tax reduction scheme differed from some council's. The Council had determined not to pass on in one instalment the cut in Government grant funding for the scheme but to phase it in over time. It was felt that this was a more equitable approach that gave residents time to plan for the increase and would mean that the impact on the poorest families was staged and more manageable.

Resolved:

1. That the publication of a draft scheme in respect of working age claimants for consultation containing the following revisions be approved:
 - a. The basis on which support is calculated is revised from 88% to 78% of gross council tax liability.
 - b. Within the draft scheme, households with the following characteristics would be protected and would continue to have their entitlement calculated on 88% of gross liability.
 - where the claimant or their partner is severely disabled
 - where there is a severely disabled child
 - a single person under 25 years of age without dependents.
2. That authority be delegated to the Cabinet Member for Resources, in consultation with the Head of Revenues and Benefits, to approve the documents to be issued for public consultation.

- 3 That the options for revisions to the local council tax support scheme for working age claimants that are needed in order to further offset the cut in government grant for funding the scheme be noted.
4. That it be noted that following the outcome of public consultation a further report would be submitted to Cabinet on 10 December 2014 to enable a final scheme to be recommended to Council on 28 January 2015.

11 **2014 Housing Allocations Policy Review Part 1**

Cllr Peter Bilson presented a report on proposed modest changes to the Council's housing allocations policy which was last reviewed 15 months ago. The changes incorporated new legislation and best practice relating to Welfare Reform, the Localism Act 2011 and making best use of stock.

Resolved:

1. That changes to the allocations policy in response to local housing need, making best use of stock and best practice relating to Welfare Reform and the Localism Act 2011 be approved to:
 - Relax the of policy regarding allocation of three bedroom houses
 - Change the residency qualification to two years
 - Ensure that single parents are not required to share a bedroom with children
 - Withhold or refuse a successful bidder on exceptional circumstances
2. That it be noted that consultation on further proposed amendments to the allocations policy is under way and that a further report would be brought to Cabinet in September 2014.

12 **Scrutiny Review of Private Rented Sector Housing**

The Cabinet received a report on the findings and recommendations of the scrutiny review of Private Rented Sector Housing and the executive response to the report.

Cllr Wendy Thompson, Chair of the scrutiny review group was in attendance for this item. She briefly highlighted some of the areas that the review had focused on and some of its recommendations, including the use of the Selective Licensing Scheme and action to tackle landlords providing poor quality private sector housing. She also reported that the Private Sector Housing team was small in number but were working well, however funding for the team was of concern. In concluding she commended the review group's recommendations to Cabinet

Councillor Peter Bilson thanked Cllr Wendy Thompson and the review group for its work. He reported that Cabinet supported the recommendations in the main and referred to the detailed executive action plan attached to the report.

Resolved:

1. That the report of the Private Rented Sector Housing Scrutiny Review Group be received and the following recommendations from the review be noted:
 - R1 (a) That Cabinet approve in principle the draft 'Rent with Confidence' (RwC) campaign (appendix 1 to the review report) as a positive way forward to encourage a more professional private rented sector and allow potential tenants to exercise choice when

selecting property and a reliable landlord or agent and ask employees to consult in greater detail.

- (b) That consideration is given to the future resources required to move forward with the 'Rent with Confidence' (RwC) campaign and agree the need to implement RwC when resources become available for effective enforcement to help drive improvement in PRS housing in the city.
- R2 That a review of the current PRS enforcement policy is carried out with the aspiration to strengthen the processes, make them fairer across the range of landlords, to improve the quality of accommodation in the city, to promote processes and to identify where resources need to be re-aligned or strengthened.
- R3 That Cabinet approves Additional Licensing as a mechanism to licence and regulate Houses of Multiple Occupation (HMOs) locally and across the city as an alternative and more cost effective way of addressing problems with HMOs.
- R4 That Cabinet gives consideration to tackling problems associated with poor housing standards and overcrowding in inner areas of the City, and to consider the use of Selective Licensing, such as the All Saints Selective Licensing scheme, in other priority areas as identified by the Police and the Housing Standards Team.
- R5 That Cabinet recommend to the Local Government Association that there is a need to regulate letting agencies and to highlight the need to the Housing Minister, Shadow Housing Minister and Parliamentary Select Committee.
- R6 That Cabinet note that a response has been submitted to the parliamentary consultation paper relating to property standards in the PRS and the need to consider a reformed approach, taking into account the evidence and findings of this review with regard.
- R7 That a Councillor Working Group is established to monitor and review all housing matters, which would give a holistic view of Housing and an early indication of pressures in the City.
- R8 That a review of the current Private Sector Leasing (PSL) Scheme is carried out in light of rising demand for PRS housing in the City and consider financial incentives, such as Homes and Communities Agency funding, for encouraging landlords with empty properties to join the scheme.
- R9 That Cabinet and Welfare Reform Programme Board agree that the Council and Wolverhampton Homes should work together with landlords to keep people in their homes during the introduction of Universal Credit.

- R10 That Cabinet note that DCLG funding for the Housing Options Homelessness Prevention Team ends March 2015 and give consideration of funding options for a five year period to embed changes to benefits.
- R11 That Cabinet give consideration to other funding sources to improve PRS Housing in Wolverhampton in relation to the impact of poor housing on children, educational attainment and anti-social behaviour, and that Cabinet further consider the wider impact that not meeting decent home standards has on the most vulnerable residents, mental and environmental health issues, overcrowding, the impact on communities and the financial burden of these implications on the Council.
- R12 That Cabinet note that displacement of homeless people was raised as a concern by the Review Group. More evidence is needed to establish the number of cases and the impact on the City more statistical evidence and data.

2. That the executive response to the review recommendations be approved.
3. That the Cabinet response be referred to Scrutiny Board to monitor the implementation of actions arising as a result of the recommendations.

13 **Refreshed Joint Dementia Strategy and Implementation Plan 2014-2016**

Cllr Steve Evans submitted for approval a refreshed 'joint dementia strategy and implementation plan 2014-2016'. The strategy and implementation plan incorporated and aimed to go beyond a Government challenge of ensuring that diagnosis, treatment and care of people with dementia in England should be among the best in Europe. Cllr Evans anticipated that in March 2015 when the Council was assessed it would have reached that milestone. He placed on record his thanks to employees Steve Brotherton (Head of Older People Commissioning Group) and Santosh Kumari (Commissioning Officer, Older People) who had led the way regarding development to dementia services for Wolverhampton. He also highlighted some of the actions that had been completed from the current strategy.

Resolved:

That the refreshed Joint Dementia Strategy and Implementation Plan 2014 - 2016 be approved.

14 **Residential Short Breaks Service for Disabled Children and Young People**

Cllr Val Gibson presented the report on a proposed revised short breaks service for disabled children, developed following further involvement of families of disabled children. The report also described the work undertaken to test the capacity and competency of the external market to deliver the new more flexible and responsive service.

Resolved:

1. That the decommissioning of short breaks services for disabled children at Windmill Lane and Stowheath House and the commissioning of a six bed short breaks residential unit, with outreach and domiciliary care be approved.

2. That it be noted that this service model takes into account the outcome of further consultation with families, an analysis of the social care market's capacity to deliver the new model, and is the most cost effective option being deliverable within the available resources of £863,000.

15 **West Midlands Employers Organisation**

Cllr Roger Lawrence proposed a revision to the Council's representative on the West Midlands Employers organisation (formerly the West Midlands Leaders Board).

Resolved:

That Cllr Paul Sweet replace Cllr Roger Lawrence as the Council's representative on the West Midlands Employers organisation (formerly West Midlands Leaders Board) for the remainder of the Municipal Year 2014/15.

16 **Exclusion of public and press**

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 item(s) 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>
17.	Southside Delivery Strategy	3

Part 2 - exempt items, closed to press and public

17 **Southside Delivery Strategy**

Cllr Peter Bilson presented an update report on progress with the Southside Intervention Plan and on a proposed delivery strategy for taking forward the regeneration of Southside.

With reference to the proposed arrangements to meet the revenue resources for taking forward the delivery strategy, it was proposed that the Cabinet Member for Resources and the Assistant Director, Finance be included in the recommended delegation to the Cabinet Member for Economic Regeneration and Prosperity as referred to in the report.

Resolved

1. That the proposed strategy for taking forward the regeneration of Southside and the associated timeline be endorsed.
2. That the reallocation of capital resources set aside for strategic acquisitions within Southside to support the proposed forward strategy and the Capital Programme be supported.
3. That the release of unallocated funds from the Southside budget to the Re-allocation of Resources for Regeneration Priorities budget be approved.

4. That authority be delegate to the Cabinet Member for Economic Regeneration and Prosperity and the Cabinet Member for Resources in consultation with the Strategic Director for Education and Enterprise and the Assistant Director Finance to approve the funding for the proposed demolition works and the allocation of revenue costs subject to the identification of the funding through the review of the revenue resources.
5. That the progress made with the Southside intervention plan be noted.