

# Meeting of the Cabinet

## Minutes - 19 July 2017

### Attendance

#### Members of the Cabinet

Cllr Roger Lawrence (Chair)  
Cllr Peter Bilson (Vice-Chair)  
Cllr Claire Darke  
Cllr Steve Evans  
Cllr Val Gibson  
Cllr Milkinderpal Jaspal  
Cllr Andrew Johnson  
Cllr John Reynolds  
Cllr Sandra Samuels OBE  
Cllr Paul Sweet

#### Employees

Tim Johnson	Deputy Managing Director
Linda Sanders	Strategic Director for People
Kevin O'Keefe	Director of Governance
Claire Nye	Director of Finance
Shelley Jones	Communications Manager
Jaswinder Kaur	Democratic Services Manager
Philippa Salmon	Democratic Services Officer

### Part 1 – items open to the press and public

- | <i>Item No.</i> | <i>Title</i>  |
|-----------------|---|
| 1               | <b>Apologies for absence</b><br>No apologies for absence were received.   |
| 2               | <b>Declaration of interests</b><br>Councillor Sandra Samuels declared a non-pecuniary interest in connection with Item 11 'Libraries Transformation Strategy 2017 – 2027', as a Director of Gazebo Theatre. |
| 3               | <b>Minutes of the previous meeting</b><br>That the minutes of the previous meeting held on 27 June 2017 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.

5 **Treasury Management - Annual Report 2016-2017 and Activity Monitoring Quarter One 2017-2018**

Councillor Andrew Johnson presented the Treasury Management - Annual Report 2016-17 and Activity Monitoring Quarter One 2017-18 for recommendation to Council. The report set out the results of treasury management activities carried out in 2016-17 and illustrated the performance against the agreed Prudential Indicators. The report also outlined the treasury management monitoring and progress for the first quarter of 2017-18. The revised Minimum Revenue Provision (MRP) statement set out the method used to calculate MRP for 2017-18, in particular, the change regarding investment assets which was being backdated to 1 April 2013, as set out in appendix F to the report.

Resolved:

That Council be recommended to:

1. Approve the revised Minimum Revenue Provision (MRP) statement setting out the method used to calculate MRP for 2017-18, 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 2016-17.
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 2016-17.
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 2017-18.
5. 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.

6 **EU Funded Projects - Payment of Grants to Delivery Partners**

Councillor John Reynolds presented the EU Funded Projects - Payment of Grants to Delivery Partners report and requested that Cabinet recommend to Full Council to 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 funded projects.

Resolved:

That Council be recommended to:

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.
3. That authority be delegated to the Cabinet Member for City Economy in 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.
4. 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).

7 **Youth Justice Plan 2017/18**

Councillor Val Gibson presented the Wolverhampton Youth Justice Plan for 2017-18 for recommendation to Council for approval. The Plan related to the work of the Youth Offending Team partnership under the oversight of the Youth Offending Team Management Board and the Safer Wolverhampton Partnership. The work to implement the Plan would continue to be regularly reviewed by the Management Board, which was a multi-agency meeting.

Resolved:

That Council be recommended to:

1. Formally approve the adoption of the Youth Justice Plan 2017-18.

8 **2018/19 Draft Budget Strategy and MTFs**

Councillor Andrew Johnson presented the Draft Budget and Medium Term Financial Strategy 2018-19 to 2019-20 for approval. The report provided an update on the progress made towards identifying additional budget reductions proposals in order to address the projected budget deficit for 2018-19. The report was also the first of the financial year on the budget and Medium Term Financial Strategy, providing an update on key factors, the timetable for the budget process and the risks in relation to them.

Resolved:

1. That it be approved that the budget reduction proposals amounting to £12.5 million in 2018-19 be further developed, including the necessary equalities analyses, for inclusion in the Draft Budget and Medium Term Financial Strategy 2018-19 – 2019-20, to be reported to Cabinet in October 2017 for approval to proceed to the formal consultation and scrutiny stages of the budget process.
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 2018-19.
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 2019-20. An update on progress will be incorporated into the October report to Cabinet.
  4. That it be noted that, of the total £12.5 million budget reduction proposals identified at this stage for 2018-19, £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 2018-19. Taking this into account, the remaining cumulative budget challenge to be identified by 2019-20 stands at £15.5 million.
  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 2019-20. Over the last seven financial years the Council has identified budget reductions in excess of £200.0 million. This continues to be the most significant financial challenge that the Council has ever faced.
  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.
  7. That it be noted that, while significant progress is being made towards identifying the projected budget deficit for 2018-19; work continues to identify possibilities to deliver the remaining £2.3 million of budget reduction and income generation targets for 2018-19.
  8. That it be noted that the General Fund revenue outturn position for 2016-17 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 2016-17 report.
  9. That it be noted that the positive General Fund outturn position for 2016-17 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.
  10. That it be noted that an element of the underspend arising within the 2016-17 General Fund outturn is already factored into the Council's Medium Term Financial Strategy (MTFS), including the early achievement of approved budget reductions.
  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.
  12. That it be noted that the 2018-19 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 2018, with the final budget report due to be approved by Full Council in March 2018.

9 **Reserves, Provisions and Balances 2016-2017**

Councillor Andrew Johnson presented the report detailing the reserves, provisions and balances for 2016-17. The report informed of the Council's resources held as specific reserves, provisions and general balances as at 31 March 2017, taking account of the outturn position for 2016-17. The report was agreed subject to an amendment to the first recommendation to include reference to Appendices A, B and C to the report.

Resolved:

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 authority be delegated 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 2018-19 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.
11. That it be noted that the positive General Fund outturn position during 2016-17, 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 2019-20. 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.

12. That the figures quoted in the report are still subject to statutory audit by Grant Thornton UK LLP as part of the 2016-17 accounts closedown process.

10

### **Revenue Budget Outturn 2016-2017**

Councillor Andrew Johnson presented the Revenue Budget Outturn for 2016-17 for approval and to inform Cabinet of the Council's revenue outturn position for 2016-17 compared with approved budgets and targets. Overall, a net underspend of £266,000 had been achieved against the General Fund 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. It was agreed that the Council therefore make a contribution of £266,000 to the Efficiency Reserve as a result of this underspend. Councillor Johnson thanked the Director of Finance and her team for their efficient and timely production of the report.

Resolved:

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.
2. That the write off of 7 non-domestic rates totalling £192,133.08 as detailed in Appendix G to the report be approved.
3. That the write off of 2 housing benefit accounts totalling £14,662.89 as detailed in Appendix H to the report be approved.
4. That the write off of 4 council tax accounts totalling £23,104.94 as detailed in Appendix I to the report be approved.
5. That it be noted that the revenue outturn position for 2016-17 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.
6. That it be noted that, whilst the positive General Fund outturn position during 2016-17 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 2019-20. 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 2018-19.
7. That it be noted that a comprehensive review of all services will be undertaken following the positive 2016-17 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.
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 2016-17 report presented at this meeting.

8. That it be noted that approval is sought in the Reserves, Provisions and Balances 2016-17 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 2016-17.
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 2016-17, taking the total accumulated reserves to £8.5 million at 31 March 2017.
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.
12. That it be noted that the draft financial statements of Yoo Recruit Limited will be subject to external audit.
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 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.
14. That it be noted that the Collection Fund outturned with a £3.3 million deficit during 2016-17; this resulted in an overall deficit of £13.2 million to be carried forward. In 2014-15, 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 2016-17 to support the Council over the medium term.
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.
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.
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.
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.

11

### **Transforming Libraries Strategy 2017 – 2027**

Councillor John Reynolds presented the 10 year libraries strategy for approval, following the 12 week public consultation that had been held from 27 February to 21 May 2017. Over 800 people had participated in the consultation through various mediums including public events. Public opinion had been sought regarding the location of Bilston Library, response had been mixed and more information was requested by the public. In order to explore these issues more fully and provide this information to the public for consideration, Cabinet would be asked to consider the findings of a more detailed feasibility study at a future meeting.

Resolved:

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).
2. That it be agreed to review the location of Bilston Library and Gallery at a future Cabinet meeting, pending more detailed feasibility study.

12 **Review of current Gating Orders prior to transition to Public Spaces Protection Orders**

Councillor Steve Evans presented the Review of current Gating Orders prior to transition to Public Spaces Protection Orders report and sought approval for the conversion of existing Gating Orders to Public Spaces Protection Orders, subject to the mandatory six week legal challenge period. This was following a change in tools and powers that had been introduced in the Anti-social Behaviour, Police and Crime Act 2014 and a recent review of the existing Gating Orders, the findings of which were detailed in the report.

Resolved:

1. That the review findings in relation to the existing Gating Orders be noted.
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.

13 **Proposed Public Spaces Protection Order – Dog Control**

Councillor Steve Evans presented the Proposed Public Spaces Protection Order – Dog Control report and sought approval for the proposed Public Spaces Protection Order, pursuant to the Anti-social Behaviour, Crime and Policing Act 2014, to replace the existing dog control orders in place in the city, following a change in tools and powers introduced in the aforementioned Act. The change was in line with legislation and discharged the Council's environmental health and dog management duties.

Resolved:

1. That it be approved that the appended proposed citywide public spaces protection order ("PSPO") – dog control – replace the three existing dog control orders.

14 **Change of Criteria to Affordable Warmth Grant Assistance**

Councillor Peter Bilson presented the report to seek approval to change the criteria for the Affordable Warmth Grant Assistance to refine the qualifying health criteria to complement National Institute for Health and Care Excellence guidelines, to extend the service to include applications from the private rented sector within the City and to clarify the wording of the qualifying criteria with regards to income to ensure that it would be inclusive of the target groups. The proposed amendments to the Affordable Warmth approval criteria could be accommodated within the existing capital allocation.

Resolved:

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 approved.
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.
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 Councils outcomes are met.

- 15 **Confirmation of Small Houses in Multiple Occupation (HMO) Article 4 Direction**  
Councillor John Reynolds presented the report to confirm the making of an Article 4 (1) Direction to cover the whole of the City of Wolverhampton which would mean that a planning application would be required to convert a dwelling to a small house in multiple occupation (HMO) accommodating three to six people.

Resolved:

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**  
Councillor Val Gibson presented the Looked After Children Sufficiency Strategy 2017-2020 for approval. The Sufficiency Strategy set out what steps had, and would be, taken to secure sufficient services and accommodation to meet the needs of children that it was looking after and children whose circumstances are such that it would be consistent with their welfare for them to be provided with accommodation.

Resolved:

1. That the Wolverhampton Looked After Children Sufficiency Strategy 2017-20 be approved.

- 17 **Wolverhampton Ethical Care Charter**  
Councillor Sandra Samuels presented the City of Wolverhampton Ethical Homecare Charter for approval. The objective of the charter was to establish a baseline for the safety, quality and dignity of care. It would achieve this by recommending employment conditions that facilitate a high-quality service to clients, and ensuring the recruitment and retention of a more stable workforce. It was planned that the Wolverhampton Wage from Homecare would be set using the methodology that providers would always pay care workers a rate that was no less than 110% per of the legally required regulatory Living Wage per hour.

Resolved:

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.
2. That it be agreed that the Council should adopt the City of Wolverhampton Ethical Homecare Charter including the Wolverhampton Wage for Homecare.

18 **Approval to Consult on Review of Non-residential Contributions to Adult Social Care**

Councillor Sandra Samuels presented the proposal to undertake public consultation from 24 July to 15 October 2017 as part of the current year's review of non-residential contributions. It was proposed that the Council change from a banded contributions scheme to a system of full financial assessment of individuals in receipt of non-residential Council support under the provisions of the Care Act 2014. The outcome of the consultation with recommendations for the new scheme would be presented to Cabinet (Resources) Panel on 14 November 2017.

Resolved:

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.
2. That the proposed model to take forward for public consultation as set out in the report be agreed.
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.
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.

19 **Creation of a Regional Adoption Agency - Adoption@Heart**

Councillor Val Gibson presented the proposal to create a new Regional Adoption Agency to be named *Adoption@Heart* by combining the adoption services for the local authority areas of Dudley Metropolitan Borough Council, Sandwell Metropolitan Borough Council, Walsall Metropolitan Borough Council and City of Wolverhampton Council. Establishing a single agency would allow the four authorities to achieve a more efficient and effective use of resources and improve outcomes for children, adopters and others gaining from adoption services. Approval at the current stage would secure agreement that the Regional Adoption Agency was established as a Local Authority Trading Company, constituted as a Community Interest Company and a Company Limited by Shares.

Resolved:

1. That the proposals for the establishment of the Adoption@Heart Regional Adoption Agency (RAA) be approved as outlined in the report.
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

3. That it be agreed that such a company be constituted as a Community Interest Company (CIC) and a Company Limited by Shares (CLS).
4. That it be agreed to consider a further report in October 2017 that presents finalised details of the LATC for approval.

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**

Councillors Val Gibson and Sandra Samuels presented the Principal Social Worker Annual Report that promoted and improved the quality of social work practice and outlined priority areas of work to be undertaken in 2017-2018. The decision to appoint one Principal Social Worker for Adult's and Children's Services was informed by a commitment to promote and embed a whole family approach in Wolverhampton. A key function of the PSW role was to promote a "think whole family approach" that would enable better working together across services, inspire greater aspirations for children, families and adult's with additional needs as well as ensuring the concept of wellbeing features in all of the work undertaken by Social Care.

Resolved:

1. That the main priorities for the Principal Social Worker identified for 2017-18 be endorsed.

21

**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 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**

Councillor Peter Bilson presented the report that was exempt as it contained information relating to the financial or business affairs of any particular person (including the authority holding that information).

Resolved:

1. That the recommendations be approved as detailed in the exempt report.

23

**Bilston Corridor AAP – site delivery**

Councillor John Reynolds presented the report that was exempt as it contained information relating to the financial or business affairs of any particular person (including the authority holding that information).

Resolved:

1. That the recommendations be approved as detailed in the exempt report.

24

**Provision of support to partner to secure grant funding**

Councillor Andrew Johnson presented the report that was exempt as it contained information relating to the financial or business affairs of any particular person (including the authority holding that information).

Resolved:

1. That the recommendations be approved as detailed in the exempt report.