



# Meeting of the Council

## Minutes - 4 March 2015

### Attendance

**Mayor** Cllr Michael Heap (LibDem)  
**Deputy Mayor** Cllr Ian Brookfield (Lab)

### Labour

Cllr Ian Angus  
Cllr Harbans Bagri  
Cllr Harman Banger  
Cllr Mary Bateman  
Cllr Philip Bateman  
Cllr Payal Bedi  
Cllr Peter Bilson  
Cllr Alan Bolshaw  
Cllr Greg Brackenridge  
Cllr Paula Brookfield  
Cllr Ian Claymore  
Cllr Craig Collingswood  
Cllr Susan Constable  
Cllr Claire Darke

Cllr Bishan Dass  
Cllr Jasbinder Dehar  
Cllr Steve Evans  
Cllr Val Evans  
Cllr Bhupinder Gakhal  
Cllr Val Gibson  
Cllr Dr Michael Hardacre  
Cllr Julie Hodgkiss  
Cllr Keith Inston  
Cllr Jasbir Jaspal  
Cllr Milkinderpal Jaspal  
Cllr Andrew Johnson  
Cllr Roger Lawrence  
Cllr Elias Mattu

Cllr Lorna McGregor  
Cllr Peter O'Neill  
Cllr Phil Page  
Cllr Rita Potter  
Cllr John Reynolds  
Cllr John Rowley  
Cllr Sandra Samuels  
Cllr Caroline Siarkiewicz  
Cllr Stephen Simkins  
Cllr Tersaim Singh  
Cllr Paul Sweet  
Cllr Bert Turner  
Cllr Martin Waite  
Cllr Daniel Warren

### Conservative

Cllr Barry Findlay  
Cllr Christopher Haynes  
Cllr Christine Mills  
Cllr Patricia Patten  
Cllr Arun Photay

Cllr Zahid Shah  
Cllr Wendy Thompson  
Cllr Andrew Wynne  
Cllr Jonathan Yardley

### Liberal Democrat

Cllr Richard Whitehouse

### UKIP

Cllr Malcolm Gwinnett

### Employees

Linda Banbury  
Ian Fegan  
Keith Ireland  
Tim Johnson  
Kevin O'Keefe  
Laura Phillips  
Linda Sanders  
Mark Taylor

Democratic Support Officer  
Head of Communications  
Managing Director  
Strategic Director - Place  
Director of Governance  
Business Support Manager  
Strategic Director - People  
Director of Finance

[NOT PROTECTIVELY MARKED]

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The proceedings opened with Prayers

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*Item No.*    *Title*

**1        Apologies for absence**

Apologies for absence were submitted on behalf of Councillors Mark Evans, Linda Leach, Judith Rowley, Paul Singh and Jacqueline Sweetman.

**2        Declarations of interest**

There were no declarations of interest.

**3        Minutes of previous meeting**

The minutes of the meeting held on 28 January 2015 were approved as a correct record.

**4        Communications**

The Mayor referred to the recent tragic death of Stewart Mills who acted as Mayor's consort to Councillor Christine Mills on two occasions.

The meeting stood for a minutes silence in his memory.

**5        Budget**

It was moved by Councillor Lawrence and seconded by Councillor Johnson that

1. The revised medium term General Fund capital programme of £221.2 million, an increase of £1.5 million from the previously approved programme, reflecting the latest projected expenditure for the medium term be approved
2. The projected changes in expenditure for ten existing projects totalling £1.5 million be approved
3. The authorised borrowing limit for 2015/16 as required under Section 3(1) of the Local Government Act 2003 be set at £1,003.5 million
4. The Treasury Management Strategy Statement 2015/16 as set out in appendix A to the report be approved.
5. The Annual Investment Strategy 2015/16 as set out in appendix B to the report be approved .
6. The Prudential and Treasury Management Indicators as set out in appendix C to the report.
7. The Annual Minimum Revenue Provision (MRP) Statement setting out the method used to calculate MRP for 2015/16 onwards as set out in appendix D to the report be approved.

8. The method used to calculate MRP for 2014/15 as set out in the Annual Minimum Revenue Provision (MRP) Statement approved by Council on 17 December 2014 be amended to the method as set out in appendix D to the report be approved .
9. The Treasury Management Policy Statement and Treasury Management Practices as set out in appendix F to the report be approved .
10. That authority continues to be delegated to the Director of Finance to amend the Treasury Management Policy and Practices and any corresponding changes required to the Treasury Management Strategy, the Prudential and Treasury Management Indicators, the Investment Strategy and the Annual MRP Statement to ensure they remain aligned. Any amendments will be reported to the Cabinet Member for Resources and Cabinet (Resources) Panel as appropriate.
11. The net budget requirement for 2015/16 of £224.9 million for General Fund services.
12. The Medium Term Financial Strategy 2015/16 to 2018/19 as detailed in Table 6 of the report be approved.
13. A Council Tax for Council services in 2015/16 of £1,369.64 for a Band D property, being an increase of 1.99% on 2014/15 levels be approved.
- 14 That £20 million of additional savings for 2016/17 should be identified and reported to Cabinet in June 2015, in order to demonstrate that a balanced budget can be achieved in 2016/17.
- 15 That it be noted that the Council Tax base for the year 2015/16 is calculated at £59,103.95 (Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act"), as reported to Cabinet on 14 January 2015.
- 16 That the Council Tax requirement for the Council's own purposes for 2015/16 is £80,951,000.
- 17 That the following amounts be calculated for the year 2015/16 in accordance with Sections 30 to 36 of the Local Government Finance Act 1992 as amended:
  - (a) £697,783,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
  - (b) £616,832,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.

- (c) £80,951,000 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
- (d) £1,369.64 being the amount at 3(c) above (Item R), all divided by Item T (section 1 above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £0 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act.
- (f) £1,369.64 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

18. To note that West Midlands Police and Fire Authorities have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

Precepting Authority	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
West Midlands Fire Authority	36.62	42.73	48.83	54.94	67.14	79.35	91.56	109.87
West Midlands Police	71.03	82.87	94.71	106.55	130.23	153.91	177.58	213.10
<b>Total Precepts</b>	<b>107.65</b>	<b>125.60</b>	<b>143.54</b>	<b>161.49</b>	<b>197.37</b>	<b>233.26</b>	<b>269.14</b>	<b>322.97</b>

19 That the Council, in accordance with Sections 30 to 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables as the amounts of Council Tax for 2015/16 for each part of its area and for each of the categories of dwellings.

Billing Authority	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Wolverhampton City Council	913.10	1,065.28	1,217.46	1,369.64	1,674.01	1,978.37	2,282.74	2,739.29
<b>Total Billing</b>	<b>913.10</b>	<b>1,065.28</b>	<b>1,217.46</b>	<b>1,369.64</b>	<b>1,674.01</b>	<b>1,978.37</b>	<b>2,282.74</b>	<b>2,739.29</b>

20 That, having calculated the aggregate in each case of the amounts at (3) (f) and (4) above, the City Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the

amounts of the Council Tax for the year 2015/16 for each of the categories of dwellings shown below:

Authority	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Total Precepts	107.65	125.60	143.54	161.49	197.37	233.26	269.14	322.97
Total Billing	913.10	1,065.28	1,217.46	1,369.64	1,674.01	1,978.37	2,282.74	2,739.29
<b>Total Council Tax</b>	1,020.75	1,190.88	1,361.00	1,531.13	1,871.38	2,211.63	2,551.88	3,062.26

21. That a notice of the amounts payable in respect of chargeable dwellings in each valuation band for the year commencing on 1 April 2015 be published in at least one local newspaper and that in accordance with Section 3(2) of the Local Government Finance Act 1992, this notice shall also make reference to the National Non-Domestic Rating Multiplier set by the Secretary of State, and specify that the Council Tax and the non-domestic rate demands are annual demands which cover the full financial year.
22. The Council has determined that its relevant basic amount of Council for 2015/16 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.
23. As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2015/16 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.
- 24 It be noted that as a result of the revised MRP calculations, the MRP charge for financial years 2014/15 to 2017/18 will be zero increasing to £9.7 million in 2018/19, subject to annual review.
- 25 It be noted that that Cabinet (Resources) Panel and Council will receive regular Treasury Management reports during 2015/16 on performance against the key targets and Prudential and Treasury Management Indicators in the Treasury Management Strategy and Investment Strategy as set out in appendices B and C to the report.
- 26 It be noted that that legal advice has been sought from leading Counsel on the revised MRP policy and the conclusion was that the proposal is a permissible, reasonable and lawful exercise.
- 27 It be noted that that the Director of Finance (Section 151 Officer) considers that this revised approach to MRP is prudent and therefore complies with the Council's statutory duties in respect of MRP.

- 28 It be noted that that the Council's external auditor has referred the revised MRP policy to the Audit Commission's Technical Team for an opinion and at the time of writing this report a response is awaited.
- 29 It be noted that that recasting the projected budget challenge to include pressures that we have become aware of during the last year has resulted in the budget challenge increasing from £123 million to £134 million over the period 2014/15 to 2018/19. The increase is largely due to the rising costs of Looked After Children, pay and pension costs, and continuing Government grant cuts. However, savings totalling £87.8 million have been identified during the 2014/15 and 2015/16 budget setting processes, therefore the remaining projected budget challenge stands at £46.3 million up to 2018/19.
- 30 It be noted that that the budget for 2015/16 is in balance without the use of general reserves.
- 31 It be noted that that all other aspects of the draft 2015/16 Budget and Medium Term Financial Strategy, previously approved by Cabinet on 22 October 2014, 14 January 2015 and 4 February 2015, remain unchanged.
- 32 It be noted that that, in the opinion of the Director of Finance (Section 151 Officer); the 2015/16 budget estimates are robust.
- 33 It be noted that that, in the opinion of the Director of Finance (Section 151 Officer), the proposed levels of reserves, provisions and balances is adequate in respect of the forthcoming financial year.
- 34 It be noted that that Leading Counsel's opinion on the revised MRP Policy was that it is lawful and that the Director of Finance considers that the revised approach is prudent. At the time of writing, the Council's external auditor has referred the revised policy to the Audit Commission's Technical Team for an opinion; a response is awaited.
- 35 It be noted that that after taking account of the £20 million savings target for 2016/17, a further £26 million needs to be identified over the period 2017/18 to 2018/19, in order to address the projected budget deficit over the medium term to 2018/19.
- 36 It be noted that that due to the uncertainty surrounding the future of public finances in 2016/17 and beyond, and the existing assumptions concerning the successful delivery of prior year savings amounting to £46 million, the projected additional savings requirement of £46 million over the medium term could change significantly over the coming years as more information becomes available.
- 37 It be noted that that having identified significant savings over the last five financial years, the extent of the financial challenge over the medium term continues to represent the most significant that the council has ever faced.

38 It be noted that that authority to agree a composite employer's contribution rate with the West Midlands Pension Fund was delegated to the Director of Finance (Section 151 Officer) on 4 February 2015.

39 It be noted that that councillors must have due regard to the public sector equality duty (Section 149 of the Equality Act 2010) when making budget decisions.

Upon being put to the meeting, and a division having been demanded and taken voting thereon was as follows

**For 44**

Councillors

Angus	Darke	McGregor
Bagri	Dass	O'Neill
Banger	Dehar	Page
Bateman (M)	Evans (S)	Potter
Bateman (P)	Evans (V)	Reynolds
Bedi	Gakhal	Rowley (John)
Bilson	Gibson	Samuels
Bolshaw	Hardacre	Siarkiewicz
Brackenridge	Hodgkiss	Simkins
Brookfield (I)	Inston	Singh (T)
Brookfield (P)	Jaspal (J)	Sweet
Claymore	Jaspal (M)	Sweetman
Collingswood	Johnson	Turner
Constable	Lawrence	Waite
	Mattu	Warren

**Against 11**

Councillors

Findlay	Patten	Whitehouse
Gwinnett	Photay	Wynne
Haynes	Shah	Yardley
Mills	Thompson	

**Abstain 1**

Councillor

Heap

Resolved:

1. The revised medium term General Fund capital programme of £221.2 million, an increase of £1.5 million from the previously approved programme, reflecting the latest projected expenditure for the medium term be approved



2. The projected changes in expenditure for ten existing projects totalling £1.5 million be approved
3. The authorised borrowing limit for 2015/16 as required under Section 3(1) of the Local Government Act 2003 be set at £1,003.5 million
4. The Treasury Management Strategy Statement 2015/16 as set out in appendix A to the report be approved.
5. The Annual Investment Strategy 2015/16 as set out in appendix B to the report be approved .
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7. The Annual Minimum Revenue Provision (MRP) Statement setting out the method used to calculate MRP for 2015/16 onwards as set out in appendix D to the report be approved.
8. The method used to calculate MRP for 2014/15 as set out in the Annual Minimum Revenue Provision (MRP) Statement approved by Council on 17 December 2014 be amended to the method as set out in appendix D to the report be approved .
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- 10 That authority continues to be delegated to the Director of Finance to amend the Treasury Management Policy and Practices and any corresponding changes required to the Treasury Management Strategy, the Prudential and Treasury Management Indicators, the Investment Strategy and the Annual MRP Statement to ensure they remain aligned. Any amendments will be reported to the Cabinet Member for Resources and Cabinet (Resources) Panel as appropriate.
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Midlands Police								
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