

## CABINET - 8 November 2018

### MINUTES

Present: Councillors: R Sleigh OBE, I Courts, T Diccico, R Hulland, K Meeson, T Richards OBE, A Rolf, J Tildesley, J Burn and G Slater

Officers:

Apologies: Councillors: K Grinsell

#### 1. APOLOGIES

Apologies were received from Cllr K Grinsell.

#### 2. DECLARATION OF INTEREST

With regard to item 9 Cllr Diccico reminded Members he worked for Energy Systems Catapult.

#### 3. QUESTIONS AND DEPUTATIONS

None were received.

#### 4. MINUTES

The minutes of the meeting held on 11 October 2018 were submitted for information only including those in private.

##### **RESOLVED:**

That the minutes of the meeting held on 11 October 2018 be received for information only.

#### 5. COUNCIL TAX REDUCTION SCHEME 2019/20

The Cabinet was provided with information on the proposed Council Tax Reduction Scheme from April 2019.

The Head of Income and Awards introduced the report and reminded Members that the current scheme had been approved by Council in 2017. The Cabinet Member for Resources and Delivering Value had agreed a 12 week consultation on the proposal for 2019/20 that no changes be made to the current scheme. This meant from April 2019 customers of working age would still be required to pay a minimum of 15% towards their Council Tax.

The report detailed the depth of the consultation, with some 13,200 CTR recipients, both working age and pensioners being written to. A total of 213 people responded to the consultation with 82% of responders agreeing with the proposals. The report also detailed comments and alternative options which had been received.

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Members were also reminded of the support measures which the Council had put in place to support CTR customers following the introduction of the minimum 15% payments, which included the creation of a one off hardship fund, as detailed in the report.

In summary the reasons for recommending the preferred option included:

- The support for customers was based on each individual's ability to pay and this means tested approach was fair and equitable;
- Those of pensionable age continued to be protected under the original scheme rules;
- The Council continued to work with the DWP and partners to assist customers to access the support available to them including applications to the hardship reserve;
- The current approved MTFFS did not require the scheme to be changed in 2019/20 – the assumed level of Council Tax included within the Council's Medium Term Financial Strategy did not assume any change to the CTR scheme in 2019/20; and
- The majority of responders to the consultation supported the proposal not make any changes to the current CTR scheme for 2019/20.

### **RESOLVED:**

That Full Council be **recommended** to approve the Council's Council Tax Reduction Scheme for 2019/20.

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### **RESOLVED:**

That Full Council be **recommended** to approve the Council's Council Tax Reduction Scheme for 2019/20.

## **6. REVENUE AND CAPITAL FINANCIAL MONITORING REPORT FOR THE PERIOD UP TO 30TH SEPTEMBER 2018 (PERIOD 6)**

The Director of Resources and Deputy Chief Executive advised Members that the purpose of the report was to:

- Inform Full Cabinet of the financial position as at 30th September 2018 (Period 6) against Revenue and Capital budgets and the latest Red, Amber, Green (RAG) ratings for the delivery of the current Medium Term Financial Strategy (MTFS) savings 2018/19 to 2020/21. Detailed in Appendix A;
- Inform Full Cabinet with a summary of the individual Cabinet portfolio holder pressures and mitigations for the period of the current MTFs 2018/19 to 2020/21 with headlines for any key emerging pressures and proposed mitigations. Detailed in Appendix C;
- Provide a summary of the reports to the individual Cabinet portfolio meetings during November 2018;
- Provide details of the inter-cabinet budget virements which had taken place up to Period 6 of this financial year, as required by Financial Regulations and the revised budget resulting from those virements, which Members were asked to approve. Detailed in Appendix B; and
- Seek approval to delegate responsibility to the Cabinet Member for Adult Social Care and Health in conjunction with the Director for Adult Care and Support to determine the allocation of the £0.870 million one-off grant funding within the portfolio for 2018/19 as detailed in paragraphs 3.8-3.9 of the report.

The Director of Resources and Deputy Chief Executive advised Members that in relation to the revenue budget – forecast out-turn position there was an adverse variance for the Core Council of £0.127m, and an adverse variance of £1.464m for the Dedicated Schools Grant (DSG), which resulted in an overall adverse variance of £1.591m. Given the adverse variance position further work would be undertaken to mitigate the situation.

The Director advised that the Government had just announced that the Council would receive an additional one-off funding of £870,000 for the Adult Social Care and Health portfolio to meet winter pressure costs for the current financial year (2018/19). The full

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terms and conditions for this funding had not yet been received, however the information currently available indicated that the expectation was that this would be used to deliver additional care capacity in reablement, homecare and / or residential care in order to support timely hospital discharges. Officers were currently looking at opportunities to maximise the use of this one-off funding without creating recurrent pressures.

With regard to the Capital Budget the total Capital Programme budget was currently £49.285 million for 2018/19 (excluding the HRA capital programme). Actual expenditure to the end of September was £9.701 million. There was a forecast favourable variance of (£6.7 million) which was summarised by Cabinet Portfolio in Appendix A (Table 3). There were no red risks to report.

The report detailed the progress made with the Medium Term Financial Strategy (MTFS) Rag status of savings 2018/19 to 2020/21. The overall RAG delivery status compared to the same point last year was less positive for year 1 but better overall for years 2 and 3.

On receiving the report Members commented that although there was an adverse variance at this point, they felt the situation was manageable.

The Cabinet Portfolio for Children, Education and Skills commented that the position with regard to the DSG was down to the increased number of referrals for pupils with high levels of need, that out of Borough placements were expensive and the Council's special schools were full. Work was ongoing to try and reduce the number of out of Borough placements, and a bid for a specialist autistic school had been made. Discussions with Head teachers to make provision for pupils with increased needs were also taking place.

### **RESOLVED:**

- (i) That the current financial position be noted and that the current actions to address the budget variances be endorsed;
- (ii) That the budget virements made up to Period 6 of 2018/19 summarised in Appendix B be approved; and
- (iii) That delegated responsibility be approved to the Cabinet Member for Adult Social Care and Health in conjunction with the Director for Adult Care and Support to determine the allocation of the £0.870 million one-off grant funding within the portfolio for 2018/19 as outlined in paragraphs 3.8-3.9. of the report.

## **7. GOVERNANCE REVIEW AND SCHEME FOR THE TRANSFER OF THE POLICE AND CRIME COMMISSIONER FUNCTIONS TO THE MAYORAL WEST MIDLANDS COMBINED AUTHORITY**

The Cabinet was invited to receive the recommendations from the Resources and Delivering Value Scrutiny Board on the proposed Mayoral WMCA PCC governance model. The WMCA Board had asked Constituent Authorities to consider the proposals and provide feedback prior to the commencement of a public consultation exercise.

The Leader reminded Members that as part of the second Devolution Deal for the West Midlands "the government, the CA and PCC would work together to agree a

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detailed governance model and legislative timetable for incorporating the role and power of the Police and Crime Commissioner into the Mayoralty, with a view to electing the first Mayor with these powers in 2020". Work on this had been progressed and the WMCA Board on 20 July agreed to "the development of a Governance Review and Scheme to enable the proposed amalgamation of the functions of the West Midlands Police and Crime Commissioner into the Mayoralty for the elections to be held in 2020".

The CA had developed a governance review and scheme identifying the rationale for the transfer of the PCC function into the CA, which they were seeking Constituent Authorities views on, prior to a period of public consultation. The report before Members set out the rationale, the proposal and the next steps, which included a timetable.

At this stage the Council was not being asked to provide formal consent to the transfer of PCC functions into the CA, but were being provided with an opportunity to comment on the proposals and timescales.

Cabinet was advised that the Resources and Delivering Value Scrutiny Board on the 1 November had made the following recommendation:

*The Resources and Delivering Value Scrutiny Board endorsed the Governance Review and Scheme for the proposed Mayoral WMCA PCC governance model and requested for the following observations and recommendations to be made to Full Cabinet*

- (i) The clear accountability provided by the proposed shift to a Mayoral PCC model is welcomed, as it offers the public one clear role accountable for a wide range of functions currently covered by both the Mayor and PCC.*
- (ii) The potential for collaboration across a range of services to the public, currently covered by the separate Mayoral and PCC roles, is also welcomed. Members also requested for existing examples of good practice to be progressed further under a Mayoral PCC model, in particular the focus upon Mental Health support and the reform of the criminal justice system.*
- (iii) That the digital opportunities, offered through the role-out of 5G Technology, continue to be actively pursued under any Mayoral PCC model, to enable on-going improvement of public service delivery.*
- (iv) That an existing resident of the West Midlands, with clear connections to the local area, be appointed to the proposed role of Deputy Mayor for Police and Crime.*
- (v) That guarantees are provided that key PCC functions in regards to finance, assets, borrowing and contracts remained ring-fenced and distinct from wider WMCA activities.*

**RESOLVED:**

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That the recommendations from the Resources and Delivering Value Scrutiny Board be noted, as well as the proposals for a Mayoral WMCA PCC Governance model as detailed in the report.

### **8. SPENDING MECHANISM FOR THE NEIGHBOURHOOD ALLOCATION OF THE COMMUNITY INFRASTRUCTURE LEVY**

The Cabinet was provided with an update of monies received via the Community Infrastructure Levy (CIL) and their approval was sought for the publication of the CIL Annual Monitoring Report. Additionally, the report set out the legislation regarding the neighbourhood allocation of the Community Infrastructure Levy and proposed a spending mechanism to allow for communities to bid for access to funding.

The Cabinet Portfolio Holder for Managed Growth advised Members that the history of CIL was set out in the report and Members were reminded that the Council's levy rates were set out in an adopted Charging Schedule, which full Council approved in 2016, with the levy being applied to liable planning approvals from 4 July 2016.

The CIL Regulations also required charging authorities to prepare a CIL Annual Monitoring Report (AMR), for publication by 31 December following the reporting year. The CIL AMR was presented to Members and covered the period 1 April 2017 to 31 March 2018.

Members were advised that the total receipts received during this period totalled £872,794. This equated to £698,236 added to the Strategic CIL fund, £130,919 to the Neighbourhood CIL fund and £43,639 was allocated against the budgetary expenditure of the administration of the fund.

Regulation 59A of the CIL regulations required 15% of the levy to be passed directly to the Parish or Town Council where the liable development had taken place. This could be increased to 25% following the adoption of a Neighbourhood Development Plan. Parish Councils had authority under the regulations to distribute the funds without further involvement from the Charging Authority i.e. the Council.

Where the Levy was collected in areas without a Parish, monies were held within a Ward allocation, with the responsibility for spending held with the Charging Authority.

Members were advised that legislation prescribed what Neighbourhood allocations could be spent on as set out in the report. Detailed in paragraph 4.3 of the report was the preferred option regarding CIL spending methods. Officers were of the view this approach used the existing links within the Stronger Communities team with local neighbourhood groups and Ward Members and allowed for effective engagement and consultation when determining spending of projects. The assessment of projects against both the CIL regulations requirements and the Councils Priorities would ensure funds were distributed

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fairly and openly. The reporting of projects for approval to CPH for Stronger Communities and Partnerships would ensure a transparent and proportionate level of decision making.

Proposed projects would be assessed to ensure they complied with CIL spending regulations and scored against a number of criteria, including benefits of the project, how the outcomes of the scheme aligned with the Councils priorities and level of public support. A Member consultation was taking place to gather feedback on the proposed scoring matrix, with the final version being reported to the Cabinet Member for Stronger Communities for approval.

On receiving the report Members appreciated the different approach required for parished and non parished areas. Given the Council had good working relationships with Parish Councils Members were confident that the parties could work together for the benefit of the local communities with regard to the development of infrastructure for example improving the village centre via the public realm.

With regard to non parished areas Members appreciated the importance of establishing a fair and transparent mechanism for the allocation of CIL monies which would benefit the local community and be aligned to the Councils priorities.

Members also noted that a Members consultation was ongoing with regard to the mechanism of the allocation of funds. Members felt it was important to emphasise the need to consider what impact the allocation of funds would have on the local community and in particular social inclusion. The Leader suggested that there was a role for Scrutiny to play in reviewing the impact of CIL with specific regard to the review and evaluation of impact, focussing on the issue of delivering benefits which were measurable and encouraged social inclusion. The Leader also felt the proposal could be refined once the Members consultation had concluded.

Members recognised that issues would arise but it was important to establish a set of rules which were clear and transparent and which could be further reviewed. Members also recognised it was important that local communities if experiencing increased development could also access additional benefits through CIL monies and this would also help advance local democracy.

### **RESOLVED**

- (i) That the publication of the Community Infrastructure Levy Annual Monitoring Report (2017/2018) be approved; and
- (ii) That a spending mechanism where bids are received via the Stronger Communities network, assessed against a published scoring matrix and reported to CPH for Stronger Communities and Partnerships decision session for approval be agreed in principle subject to the conclusion of the Member consultation being incorporated into the scoring matrix; and

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- (iii) That provision for the relevant Scrutiny Board be established to review the impact of CIL monies on local communities with specific focus on social inclusion.

### 9. WEST MIDLANDS INDUSTRIAL STRATEGY CONSULTATION

The Cabinet was invited to consider the consultation on the West Midlands Industrial Strategy (WMIS) being led by West Midlands Combined Authority (WMCA).

The Cabinet Portfolio Holder for Managed Growth advised Members that the national Industrial Strategy White Paper, published in November 2017, announced the Government's intention to work with the Mayoral Combined Authorities (CAs) and Local Enterprise Partnerships (LEPs) to develop Local Industrial Strategies. These strategies would aim to 'boost productivity, earning power and competitiveness' by identifying 'priorities to improve skills, increase innovation and enhance infrastructure and business growth'. Three "trailblazer" areas were identified to lead the development of Local Industrial Strategies – WMCA, Greater Manchester and Oxford-Milton-Keynes corridor – with the commitment to producing a WMIS set out in the second West Midlands Devolution Deal.

Members were advised that the WMIS was intended to influence investment and action in the region, setting out ten proposed commitments intended to guide the work of public, private and voluntary partners, and a range of detailed actions intended to deliver on the commitments and deliver the vision for the WMCA area - driving economic growth in way that enabled a healthier, happier better connected and more prosperous population – with a strong focus on inclusive growth.

On commenting on the report further, the Cabinet Portfolio Holder for Managed Growth suggested further work was required to strength the response which covered:

- The name of the Strategy being Business Strategy;
- The need to highlight the role of HS2 and UKC;
- Welcome Connectivity and Digital but this required strengthening regarding infrastructure and inclusion;
- Emphasis the need for inclusive growth;
- Highlight further natural capital and the need to retain a strong environment; and
- Further promote the image of the West Midlands so creating a sense of place.

In welcoming the report other Members commented on:

- Energy capital and the benefits of low carbon growth needed to be given greater emphasis;
- The Strategy did not address the fact that the employment rate in the West Midlands for black and ethnic minorities was 15% lower and the



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gap between what women earned compared to men was £6,500 less in the West Midlands compared to other regions in the UK; and

- The Chief Executive commented that it would be helpful if Cabinet Members drew out linkages from their portfolios via the Council Plan which fed into this and through Public Health and Adult Social Care, the STP and the LEP plan.

### **RESOLVED:**

- (i) That Solihull's response to the West Midlands Industrial Strategy be approved having taken on board the comments made above; and
- (ii) That delegated authority be given to the Cabinet Portfolio Holder for Managed Growth to agree the final response for submission to WMCA.

## **10. EXCLUSION OF THE PUBLIC AND PRESS**

## **11. PRIVATE MINUTES**

7.05 pm