

<b>Time</b>	5.00 pm	<b>Public Meeting?</b>	YES	<b>Type of meeting</b>	Executive
<b>Venue</b>	Council Chamber - 4th Floor - Civic Centre, St. Peter's Square, Wolverhampton, WV1 1SH				

## Membership

<b>Chair</b>	Cllr Ian Brookfield (Lab)
<b>Vice-Chair</b>	Cllr Stephen Simkins (Lab)

## Labour

Cllr Obaida Ahmed  
Cllr Paula Brookfield  
Cllr Chris Burden  
Cllr Steve Evans  
Cllr Bhupinder Gakhal  
Cllr Jasbir Jaspal  
Cllr Linda Leach  
Cllr Beverley Momenabadi

Quorum for this meeting is three voting members.

## Information for the Public

If you have any queries about this meeting, please contact the Democratic Services team:

<b>Contact</b>	Dereck Francis
<b>Tel/Email</b>	Tel: 01902 555835 or <a href="mailto:dereck.francis@wolverhampton.gov.uk">dereck.francis@wolverhampton.gov.uk</a>
<b>Address</b>	Democratic Services, Civic Centre, 1st floor, St Peter's Square, Wolverhampton WV1 1RL

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<b>Tel</b>	01902 550320

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Some items are discussed in private because of their confidential or commercial nature. These reports are not available to the public.

# Agenda

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

*Item No.*    *Title*

### MEETING BUSINESS ITEMS

- 1            **Apologies for absence**
- 2            **Declaration of interests**
- 3            **Minutes of the previous meeting** (Pages 3 - 14)  
[For approval]

### DECISION ITEMS (AMBER - DELEGATED TO THE CABINET)

- 4            **Sandwell Local Plan Consultation Response** (Pages 15 - 24)  
[To approve the Council's response to consultation on Sandwell Local Plan Issues and Options Report]
- 5            **WV Living Business Plan 2023-2028** (Pages 25 - 46)  
[To approve the annual update of the WV Living Five Year Business Plan]
- 6            **Exclusion of press and public**  
[To pass the following resolution:

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 of business as it involves the likely disclosure of exempt information on the grounds shown below]

## Part 2 - exempt items, closed to press and public

- |   |   |   |     |
|---|---|---|-----|
| 7 | <b>WV Living Business Plan 2023-2028</b> (Pages 47 - 72)<br>[To approve the annual update of the WV Living Five Year Business Plan] | Information relating to the financial or business affairs of any particular person (including the authority holding that information) | (3) |
|---|---|---|-----|

<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Meeting of the Cabinet</b> <b>Minutes - 22 March 2023</b>
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## Attendance

### Members of the Cabinet

Cllr Stephen Simkins (Vice-Chair, in the Chair)  
Cllr Chris Burden  
Cllr Steve Evans  
Cllr Bhupinder Gakhal  
Cllr Jasbir Jaspal

### Employees

Mark Taylor	Deputy Chief Executive
Ian Fegan	Director of Communications and Visitor Experience
Richard Lawrence	Director of Regeneration
David Pattison	Chief Operating Officer
Laura Phillips	Deputy Director of People and Change
John Roseblade	Director of Resident Services
Andrew Wolverson	Deputy Director of Commissioning and Transformation of Children's Services
Alison Shannon	Chief Accountant
Dereck Francis	Democratic Services Officer
Jacob Stokes	Democratic Services Officer

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

- | <i>Item No.</i> | <i>Title</i>  |
|-----------------|---|
| 1               | <b>Apologies for absence</b><br>Apologies for absence were submitted on behalf of Councillors Obaida Ahmed, Ian Brookfield, Paula Brookfield, Linda Leach and Beverley Momenabadi.                          |
| 2               | <b>Declaration of interests</b><br>No declarations of interests were made.  |
| 3               | <b>Minutes of the previous meeting</b><br>Resolved:<br>That the minutes of the previous meeting held on 22 February 2023 be approved as a correct record and signed by the Chair.                           |
| 4               | <b>Pay Policy Statement 2023-2024</b><br>Councillor Stephen Simkins presented the Council's Pay Policy Statement 2023-2024 for recommendation to Full Council for approval and publication in line with the |

requirements of the Localism Act 2011. The Pay Policy Statement included data confirming the relationship between the pay of the Council's chief officers and employees who are not chief officers. The pay ratio between the Council's highest paid officers and its lowest had reduced from 9.28:1 to 8.5:1 since the publication of the 2022-2023 Pay Policy Statement. This maintained the Council's pledge to have a pay ratio below 10:1.

Resolved:

That Council be recommended to approve:

1. The Pay Policy Statement for 2023-2024.
2. The publication of the Pay Policy Statement in line with the requirements of the Localism Act 2011.

That Council be recommended to note:

1. That the national pay award for 2023-2024 has not been agreed, at the time of writing the Pay Policy Statement.

#### 5 **Wolverhampton Homes Delivery Plan 2023-2024**

Councillor Bhupinder Gakhil presented the report on Wolverhampton Homes Annual Delivery Plan 2023-2024 and its monitoring arrangements for recommendation to Full Council for approval. He delivered an overview of the achievements and work carried out by Wolverhampton Homes in its housing management and support to tenants during 2022-2023 and how this would continue throughout the coming year. Some of the highlights were the work of the Money Smart Team providing tenants with advice around budgeting and income maximisation, supporting them to access financial support available; the See It Report It scheme which enables staff and contractors to raise concerns about any customer in the homes Wolverhampton Homes manage, identifying safeguarding and support needs at the earliest opportunity; supporting the Council's priority to address youth unemployment in the city with their Early Careers Strategy; and the work of the Home Improvement Agency who had installed over 1100 disabled adaptations and Disabled Facilities Grants works into homes across the city.

Resolved:

That Council be recommended to approve:

1. The Wolverhampton Homes Delivery Plan 2023-2024.
2. The arrangements for monitoring the delivery of the Wolverhampton Homes Delivery Plan.

#### 6 **Gender Pay Gap Report - 2022**

Councillor Stephen Simkins presented the Gender Pay Gap Report - 2022 which met a statutory requirement on public sector employers to produce and publish a snapshot of various figures to demonstrate how large the gender pay gap is between their male and female employees. Since 2015 when the Council first began to analyse data on its gender pay gap and well before the legal requirement which started in 2017, the Council had reduced its mean gender pay gap from 9.43% to 4.00% in 2022 and the medium gender pay gap from 6.27% to 1.18%, with interventions having a positive impact.

Resolved:

1. That it be noted that the content of the report on the Gender Pay Gap is as of the snapshot date of 31 March 2022.
2. That it be noted that the median Gender Pay Gap for 31 March 2022 is 1.18% and the mean is 4.00%.
3. That the difference in comparison to March 2021 data – the median Gender Pay Gap was 0.64% and the mean was 4.04% be noted.
4. That the proportion of men and women in each quartile in our pay structure as of 31 March 2022 be noted.
5. That the actions the Council continues to take to improve equality, diversity and inclusion within the workplace (pages 14 – 17 within the appendix to the report) be noted.
6. That it be noted that the Equality Act 2010 (Specific Duties and Public Authorities) regulations 2017 only require organisations to report on the gender pay gap. In addition to this, the Council would report on the ethnicity, disability and sexual orientation pay gaps. These reports are currently in development.

7

### **Performance and Budget Monitoring 2022-2023**

Councillor Stephen Simkins presented the report on an integrated finance and performance update against the Our City: Our Plan priorities. Amongst the salient points highlighted were, of the current 56 key performance indicators (KPIs) in the Our City: Our Plan performance framework, 35 had shown improvement or seen similar performance, 11 had seen a decrease in performance and 11 were yet to be updated. On the financial performance against the budget, the General Fund was projected to be within budget for 2022-2023. Due to the favourable forecast outturn position on Adult Services, there was an opportunity to contribute £585,000 into Adults Social Care Reserve for Growth and Demand to support demand pressures going forward. In line with the Budget Strategy approved by Full Council on 1 March 2023, it was also proposed to contribute £2.5 million into the Future Budget Strategy Reserve to support the delivery of the efficiency targets held in 2023-2024.

Resolved:

1. That the establishment of supplementary expenditure budgets for 2022-2023 as detailed in section 7.0 of the report be approved.
2. That the use of £108,682 from the HRA Homelessness Reserve as detailed in paragraph 8.6 of the report and the establishment of associated supplementary budgets be approved.
3. That the use of £35,000 from the Building Control Service Reserve as detailed in paragraph 8.7 of the report and the establishment of associated supplementary budgets be approved.
4. That the use of £254,650.36 from the Our City Our Plan Reserve as detailed in paragraph 8.8 of the report and the establishment of associated supplementary budgets be approved.

5. That the contribution of £750,000 to the Licencing Reserve as detailed in paragraph 8.9 of the report and the establishment of associated budgets be approved.
6. That the use of £193,350 from the Regional Adoption Agency (RAA) Reserve as detailed in paragraph 8.10 of the report and the establishment of associated supplementary budgets be approved.
7. That the use of £120,000 from the Budget Contingency reserve as detailed in paragraph 8.11 of the report and the establishment of supplementary budgets be approved.
8. That the write-off of five Sundry debts totalling £88,681.99 as detailed in Appendix 8 to the report be approved.
9. That the write-off of one Council Tax debt totalling £6,144.95 as detailed in Appendix 9 to the report be approved.
10. That the write-off of one Non-Domestic Rates (NDR) debt totalling £6,571.51 as detailed in Appendix 10 to the report be approved.
11. That 47 virements totalling £45.9 million, for transfers within directorates, as detailed in Appendix 11 to the report be approved.
12. That the Strategic Risk Register which is shown at Appendix. 3 to the report be approved.
13. That authority be delegated to the Cabinet Member for Resources and Digital City in consultation with the Director of Finance to approve any necessary virements required to support the pay award, the allocation of the Efficiency target and Vacancy factor and any recharges required for 2022-2023.
14. That it be noted that the General Fund projected spend for 2022-2023 is currently forecast to be within budget.
15. That it be noted that the forecast outturn position for the year for the HRA shows a pressure against the approved budget of £1.2 million, as shown at Table 3 and in detail at Appendix 5 to the report.
16. That it be noted that it is anticipated that the cost of redundancies can be met from reserves.
17. That it be noted that 548 Council Tax accounts totalling £296,894.99, as detailed in Appendix 7 to the report, 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 22 Non-Domestic Rates (NDR) debts totalling £543,505.01, as detailed in Appendix 7 to the report, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.

19. That it be noted that 23 housing benefit overpayments totalling £7,009.42 as detailed in Appendix 7 to the report, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
20. That it be noted that 135 sundry debt account totalling £122,897.49, as detailed in Appendix 7 to the report, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
21. That the performance against the key indicators as set out in Appendix 1 to the report be noted.

## 8 **Customer Experience Strategy**

Councillor Stephen Simkins presented for approval a new City of Wolverhampton Council Customer Experience Strategy and Customer Promise. The strategy placed customers and residents at the heart of all the Council does and aligned to the Council's Our City: Our Plan, the Council's strategic framework for levelling up. The new strategy set out the key priorities for the Council to provide a seamless customer journey; design customer centre services; unlock the power of data and digital; deliver value for money; and provide inclusive and accessible services for all.

Resolved:

1. That the new City of Wolverhampton Council Customer Experience Strategy, setting out how we would work as one council to deliver first class customer services to our communities be approved.
2. That the new City of Wolverhampton Council Customer Promise, included on page 7 of the strategy which defines how we would work with all customers, whether they are residents, businesses, partners or suppliers be approved.
3. That it be noted that the Customer Experience Strategy and Customer Promise priorities have been developed following consultation with over 770 people and pre-decision scrutiny.

## 9 **Black Country Coroner collaboration agreement**

Councillor Steve Evans presented the report on a renewal of an existing collaboration agreement between the four Black Country Councils for the provision of coronial services across the region. The existing agreement was due to expire on 31 March 2023. No significant amendments were proposed as the existing arrangement had worked well over the last eight years. The cost of providing digital autopsy, toxicology, pathology and histology, previously paid separately by each council outside the collaboration agreement, would now be included in the agreement to deliver further efficiencies, providing sufficient certainty and robustness to manage the service but with enough flexibility for the Councils to work effectively with the Coroner in response to changes in legislation.

Resolved:

1. That it be agreed to enter into a new five-year agreement with other Black Country Councils to provide a regional Coronial service.
2. That it be agreed that Sandwell Metropolitan Borough Council should continue to act as lead council.

10

### **Wolverhampton Investment Prospectus – First Phase Delivery Plan**

Councillor Stephen Simkins presented the report on a first phase delivery plan that built on the new Investment Prospectus for Wolverhampton approved by Cabinet on 22 February 2023. The plan concentrated on three significant projects in the city referenced as key investment and development opportunities within the Investment Prospectus and forming an integral part of ongoing discussions with the Department for Levelling Up, Housing and Communities and Homes England. The projects were City Centre West (formerly referred to as Westside); St. Georges (the site of the former Sainsbury's) and Accelerated sites programme - a call for sites from the Department that demonstrate opportunities to accelerate delivery including hotel delivery subject to HMT Strategic Outline Cases. The detail on each of the schemes along with full business cases would be reported back to Cabinet for necessary approvals.

#### **Resolved:**

1. That the proposed approach towards development and implementation of three schemes: City Centre West, St George's and the Accelerated Sites Programme, as part of the first phase of the Investment Prospectus Delivery Plan as detailed in the body of the report be approved.
2. That authority be delegated to the Deputy Leader: Inclusive City Economy and the Cabinet Member for Resources and Digital City, in consultation with Director of Regeneration, Director of Finance and Chief Operating Officer to:
  - a. Declare sites as surplus to requirements (where necessary) to enable them to be brought forward for development.
  - b. Submit HMT Strategic Outline Cases (SOCs) for the Accelerated Sites Programme in accordance with specific requests received from Department for Levelling Up, Housing & Communities and in consultation with Homes England.
  - c. Progress outline business cases with prospective development partners that are subject to existing Memorandums of Understanding (MoU) agreements to enable the presentation of Full Business Cases to Cabinet for approval and delegations.
  - d. Approve and progress alternative marketing, disposal and delivery routes available, in the event that business cases with preferred development partners are unable to satisfy pre-requisite Local Government criteria and value-for-money tests.
3. That it be noted that the Wolverhampton Investment Prospectus has been prepared to highlight key regeneration and investment opportunities and has resulted in a strong market interest for key Council owned sites. This report focusses upon detailing preferred delivery routes for several of the key proposals contained within the Prospectus.
4. That it be noted that the schemes detailed in the body of the report as part of the 'Accelerated Sites Programme' follows the call for sites from the Department for Levelling Up, Housing and Communities.



5. That it be noted that further reports to Cabinet would present and seek approval for the full business cases for each project including details of any delivery mechanism and transaction with assurances on how Best Consideration has been achieved.
6. That it be noted that the sites referenced would be brought forward in line with the planning policy framework for the city centre and any site-specific guidance.
7. That it be noted that for each of the schemes detailed, the Council would undertake and assess a review of any existing legal agreements that are in place as part of continued due diligence that support delivery.
8. That it be noted that the existing delegated authority would be utilised to create supplementary budgets for development work. This would be funded through grant contributions and /or reserves where appropriate.

11

### **New Procurement Strategy**

Councillor Stephen Simkins presented the report on a refreshed Procurement Strategy which had been updated to reflect latest legislation and Council priorities and strategic aims, most importantly the Wolverhampton Pound.

Resolved:

1. That the Procurement Strategy as detailed at Appendix 1 to the report be approved.
2. That authority be delegated to the Cabinet Member for Resources and Digital City in consultation with the Director of Finance to annually refresh the Procurement Strategy and Procurement workplan in line with the annual refreshes of Our City: Our Plan. Any significant changes will be reported to Cabinet for approval.

12

### **Investing in the School Estate**

Councillor Chris Burden presented the report on investments in the school estate. It was proposed to replace temporary classrooms at Westacre Infant School and Christ Church CE Infant School and Nursery. The schemes would ensure that the pupils are taught in accommodation that is a suitable environment that is of a high standard. Expansion of Resource Base provision at Aldersley High School, and provision of additional school places at Penn Hall school were also proposed. These schemes would help ensure sufficiency of provision and enhance the local educational offer for children and young people with Special Educational Needs and/or Disabilities (SEND). Approval of the capital funding to support the schemes was requested.

Resolved:

1. That the allocation of £150,000 from the approved capital budget High Needs Capital Programme – Future Schemes to the Aldersley High School Resource Base project be approved.
2. That the allocation of £300,000 from the approved capital budget High Needs Capital Programme – Future Schemes to the Penn Hall School project be approved.

3. That authority be delegated to the Cabinet Member for Education, Skills and Work and Cabinet Member for Resources and Digital City, in consultation with the Executive Director of Families and the Director of Finance, to approve any future allocations and adjustments to existing budgets from the High Needs Capital Programme – Future Schemes to enable future schemes to be progressed in a timely manner.
4. That the allocation of £350,000 from the approved capital budget Primary School Expansion Programme to the Westacre Infant School project be approved.
5. That authority be delegated to the Cabinet Member for Education, Work and Skills in consultation with the Executive Director of Families to approve the details of all agreements authorised under recommendation 6 of the report.
6. That the Council be authorised to enter into all legal agreements in relation to the schemes.

13 **Young Opportunities (YO!) - Our vision for young people and families**

Councillor Chris Burden delivered an overview of the outcomes of the #YES (Youth Engagement Strategy) which had made a huge difference to young people and their families across the city. Some of the highlights were 10,000 young people in the city had taken part in Make Your Mark; young people had become front and centre in decision making and were involved in awarding £2.5 million of grants; launch of a new co-production hub providing a focal point for young people to come together. It was proposed that the outcomes be embedded into business as usual in the Council. The YO! (Young Opportunities) brand would also be developed to incorporate support for the whole family under five pillars of YO! Health, YO! Voice, YO! Learn, YO! Plus and YO! Connect.

Resolved:

1. That that the outcomes of the Youth Engagement Strategy (2020-2023 #YES) be embedded into business as usual.
2. That the principles for development of the Young Opportunities (YO!) brand which would support our vision for children, young people and their families to have access to a range of opportunities that build aspiration and resilience be approved.

14 **Investing in our Well-Connected Communities Transport Capital Programme 2023-2024**

Councillor Steve Evans presented for approval the report on a programme of capital projects to develop and maintain both the Wolverhampton transportation network and the wider Black Country transportation network where relevant for the financial year 2023-2024 and future years, subject to available resources and annual review. He informed Cabinet of £48.3 million expenditure and progress made in delivering extensive investment in the city's network between the financial years 2020-2021, 2021-2022 and 2022-2023. From the list of notable schemes already delivered he highlighted the Black Country Transport Team and Urban Traffic Control hosted by City of Wolverhampton Council; the LED street lighting replacement programme, commenced in 2019 which had resulted in a 30% reduction in energy consumption and contributed to the Council's Carbon Neutral aims saving 2000 tonnes of carbon; Active Travel schemes; and City Centre Public Realm schemes. He also reported

that he looked forward to seeing other projects being delivered across the city in the coming year, including but not exclusively carriageway resurfacing schemes; upgraded crossing and cycle link schemes; road safety improvement and congestion management schemes; localised road safety improvement schemes; improved Ring Road and city centre signage and continued roll out of mesh communication network.

Resolved:

1. That the list of projects for development and implementation as part of the Transportation Capital Programme 2023-2024 and future years, as set out in Appendices 3, 4, and 5 to the report be approved.
2. That the Head of Network Management and Head of Strategic Transport be authorised to proceed with development work for each project detailed in Appendices 3, 4, and 5 to the report including surveying, site investigation, options appraisal. Feasibility analysis, traffic modelling, detailed design, statutory advertising and public consultation, as appropriate.
3. That capital budgets for 2023-2024 for the projects marked 'Approve' in the 'Decision' column of Appendices 3 and 4 to the report be approved for implementation, subject to the confirmation of funding.
4. That a supplementary revenue budget of £400,000 in 2023-2024 be approved to support scheme development and management of the Black Country Transport Capital Programme fully funded from the £2.0 million Capacity Funding allocated in 2021-2022.
5. That the virement of existing approved budgets for 2023-2024 totalling £121,000 within the Transport Capital Programme to other projects as per table 3.4 of the report be authorised.
6. That the Cabinet Member for City Environment and Climate Change, in consultation with the Director of Resident Services and Director of Finance be authorised to approve the implementation of any development and delivery works on projects in appendices 3, 4 and 5 to the report, subject to the satisfactory outcome of public consultation, budget approval and any other relevant considerations.
7. That the Cabinet Member for City Environment and Climate Change and Cabinet Member for Resources and Digital City, in consultation with the Director of Resident Services and Director of Finance be authorised to approve appropriate virements between existing approved budgets within the transport capital programme, maximising use of resources.
8. That the Chief Operating Officer be authorised to serve all necessary notices in respect of the projects listed in Appendices 3 and 4 to the report and, subject to there being no unresolved objections, make traffic regulation orders as required.
9. That the Black Country Director of Transport be authorised to enter into funding agreements with Black Country Authorities to passport Black Country Transport scheme funding in accordance with the approved collaboration agreement.

10. That the expenditure and progress made in delivering £48.3 million worth of projects in the Transportation Capital programme during 2020-2021, 2021-2022 and forecast in 2022-2023 as set out in Appendix 2 to the report be noted.
11. That the Council's continuing success in bidding for additional funding and delivering new projects through the West Midlands Combined Authority, Active Travel Funding, City Region Sustainable Transport Settlement, Future High Street Fund and Towns Fund, and Office for Zero Emission Vehicles (OZEV) be noted.
12. That it be noted that the Cabinet Member for City Environment and Climate Change and Cabinet Member for Resources and Digital City, in consultation with the Director of Resident Services, Director of Finance and Chief Operating Officer would approve any new supplementary capital and revenue budgets for any projects from Appendix 3, 4 and 5 to the report, fully funded through either external resources or reserves, in accordance with supplementary budget procedures.
13. That the inclusion of revenue funding as part of the City Region Sustainable Transport Settlement (CRSTS) Development Funding package, Capacity Funding and the Local Authority Capability Fund to support the development of the programme and the wider Black Country Transport Programme be noted.
14. That it be noted that the Head of Network Management, Head of Strategic Transport and Black Country Director of Transport would make applications and bids for additional external funding noting that agreement ahead of submission would be obtained from the Director of Finance and appropriate governance would be followed to amend budgets on receipt of such funding.
15. That it be noted that the Director of Finance would approve the Council entering into funding agreements with the various funding bodies to receive both capital and revenue grant funding in respect of the delivery of projects included in this report including the development of schemes and management of the Black Country Transport Programme.

15

#### **Black Country Joint Committee Collaboration Agreement**

Councillor Stephen Simkins presented the report on an update to the existing legal agreement underpinning the Black Country ways of working, the Black Country Joint Committee Collaboration Agreement. The update set in place arrangements agreed by the four Black Country Local Authorities required to retain and continue the successful administration of legacy funding in the Black Country following the abolition of the Black Country Local Enterprise Partnership with effect from 31 March 2023.

Resolved:

1. That authority be delegated to the Cabinet Member for Resources and Digital City, in consultation with the Director of Finance and the Chief Operating Officer, to make any final amendments and authorise the sealing by the Council of the Collaboration Agreement.

2. That authority be delegated to the Cabinet Member for Resources and Digital City, in consultation with the Director of Finance and the Chief Operating Officer, to negotiate, approve and sign the Memorandum of Understanding for Enterprise Zones.
3. That the draft revised Collaboration Agreement detailed at Appendix 1 to the report be noted.

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<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Cabinet</b> <b>26 April 2023</b>
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<b>Report title</b>	Sandwell Local Plan Consultation Response	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Stephen Simkins Deputy Leader: Inclusive City Economy	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	Richard Lawrence, Director of Regeneration	
<b>Originating service</b>	City Planning	
<b>Accountable employee</b>	Michele Ross	Lead Planning Manager
	Tel	01902 554038
	Email	Michele.ross@wolverhampton.gov.uk
<b>Report has been considered by</b>	Regeneration Leadership Team    3 April 2023	

**Recommendation for decision:**

The Cabinet is recommended to:

1. Approve the City of Wolverhampton Council response to the Sandwell Local Plan Issues and Options consultation set out in Appendix 1 to this report.

## **1.0 Purpose**

- 1.1 To approve the interim City of Wolverhampton Council response to the Sandwell Local Plan Issues and Options consultation attached as Appendix 1 to this report, which was submitted in March 2023 to meet the consultation deadlines.

## **2.0 Background**

- 2.1 Following the end of work on the Black Country Plan in autumn 2022, Sandwell Council has moved forward quickly to produce a new Sandwell Local Plan. Consultation on an Issues and Options report took place during February and March 2023. Given that the Duty to Cooperate is still a key element of planning law and national policy, and that Councils will continue to be required to work together under anticipated future changes, it is important that City of Wolverhampton Council responds to the consultation. Council officers submitted an interim response to the consultation during March (attached as Appendix 1 to this report), subject to approval by Cabinet.

## **3.0 Sandwell Local Plan Issues and Options Consultation**

- 3.1 The Issues and Options consultation proposes the preparation of a Sandwell Local Plan which covers both strategic and non-strategic policies. The policies, spatial strategy and sites selected for allocation for housing and employment development would be broadly similar to those consulted on through the Draft Black Country Plan in 2021.
- 3.2 The consultation identifies a Sandwell Local Housing Need of 30,300 homes for the new Plan period up to 2041 and an anticipated housing land supply of 9,492 homes, resulting in a shortfall of 20,808 homes. This is broadly consistent with the work undertaken through the Black Country Plan. The document points to several options for dealing with this, including increased densities on new sites.
- 3.3 The consultation identifies an employment development land need of 205.5ha arising in Sandwell, and a forecast supply of 69.9ha, resulting in a shortfall of 135.5ha. This level of need and supply is based on the jointly commissioned Black Country Economic Development Needs Assessment (EDNA) update, published alongside the Issues and Options consultation.

### **Proposed Consultation Response**

- 3.4 The principles for a proposed consultation response are set out below. The detailed response is attached as Appendix 1 to this report.
- 3.5 It is welcome that good progress has been made with the new Local Plan, and that the document has been informed by work undertaken to prepare the Black Country Plan (BCP) – particularly the shared evidence base and associated policy development. It is also welcome that the programming of the Local Plan is broadly aligned to that for the Wolverhampton Local Plan as set out in the Wolverhampton Local Development Scheme 2023-2026. This is important given the need to progress a regional solution to



addressing strategic housing and employment land needs which form a key element of the consultation.

- 3.6 Sandwell Council should be encouraged to continue to fully explore all opportunities within the Borough to maximise development capacity, however there is a need to prevent the loss of viable employment land and premises, given the evidenced shortfall of land across the Black Country Functional Economic Area (FEMA). While further work may identify some additional capacity, it is accepted that it will not be possible to meet all needs within the Borough, and that it will be necessary for Sandwell to ask adjacent authorities if they are able to contribute towards meeting Sandwell needs through the allocation of land in their Local Plans.
- 3.7 For this reason, it is recommended that the Council continues to engage with the work of the Greater Birmingham and Black Country Housing Market Area (GBBCHMA) officer group and the programme of work contained within the Statement of Common Ground as circulated by South Staffordshire Council in 2022. Clearly, given the scale of the Sandwell shortfall, a regional approach is required, and the reference to approaching only adjacent Local Plan areas for assistance will be too limiting given acknowledged housing shortfalls arising across the Black Country as a whole and also in Birmingham. Any solution should be based on an understanding of the pattern of functional and physical relationships across the GBBCHMA including migration and travel to work data so that, where practicable, needs are addressed as close as is possible to where they arise.
- 3.8 In the case of Wolverhampton, our current position on housing and employment land need and supply is as set out in the Draft BCP, published for consultation in 2021. The Draft BCP identified a shortfall of some 28,000 homes to 2039 across the four Council areas. For Wolverhampton, the housing shortfall was substantial at some 7,700 homes to 2039. On the basis of the December 2022 consultation version of the National Planning Policy Framework, the Leader of the Council has committed to excluding any sites which are currently located within the green belt as development allocations within the emerging Wolverhampton Local Plan. This would further increase the City's housing shortfall up to 2039 to some 8,700 homes. The new Local Plan will also have a Plan period extending to 2041, which could further increase this shortfall. For this reason, Wolverhampton will not be in a position to provide land within the Local Plan to meet housing needs arising in Sandwell.
- 3.9 Turning to employment land, the document identifies an employment land need of 205.5ha arising in Sandwell and a corresponding forecast supply of 69.9ha, resulting in a shortfall of 135.5ha. This level of need and anticipated supply is recognised, given its basis in the jointly commissioned Black Country EDNA update, published alongside the Issues and Options consultation.
- 3.10 In the first instance, needs arising within the Black Country FEMA should be addressed within the FEMA itself. The EDNA update recommends that, collectively, the

employment development land 'need' across the FEMA is some 512ha and the shortfall is 22.4ha allowing for proposed contributions from neighbouring Local Plan areas – namely Shropshire and South Staffordshire. It is recommended that the closing of this gap should be addressed through ongoing Duty to Cooperate activity, with a focus on those areas having a strong or moderate functional economic relationship with the Black Country (as defined in the 2017 EDNA), and other areas where there is evidence of a functional relationship. In the case of Wolverhampton, the Report advises that employment land need and anticipated supply are finely balanced, and it is highly unlikely that additional land will be identified through the new Local Plan which could make significant headway into addressing the shortfall arising across the FEMA as a whole. Sandwell should therefore be supported to continue of Duty to Cooperate engagement with neighbouring Local Plan areas to address the shortfall, with a focus on the areas identified in the 2017 EDNA.

#### **4.0 Evaluation of alternative options**

4.1 The alternative option to making a response to the consultation would be to make no response. This would not be in accordance with the Duty to Cooperate responsibilities of the Council.

#### **5.0 Reasons for decisions**

5.1 It is important that the Council responds to consultations on Local Plans being progressed for neighbouring authorities, in line with the Duty to Cooperate.

#### **6.0 Financial implications**

6.1 There are no direct financial implications associated with the recommendation of the report.

[AI/28032023/F]

#### **7.0 Legal implications**

7.1 The Council has a duty to respond to consultations on Local Plans being progressed for neighbouring authorities in accordance with the Duty to Cooperate, which is a key element of planning law and national policy.

[TC/12042023/A]

#### **8.0 Equalities implications**

8.1 There are no equalities implications of this report.

#### **9.0 All other implications**

9.1 There are no other implications of this report.

## **10.0 Schedule of background papers**

- 10.1 Sandwell Local Plan Issues and Options Consultation, February 2023 ([Sandwell Local Plan - Issues & Options Consultation | Sandwell Council](#))
- 10.2 Wolverhampton Local Development Scheme 2023-26 ([Local Development Scheme | City Of Wolverhampton Council](#))

## **11.0 Appendices**

- 11.1 Appendix 1: City of Wolverhampton Council Response to Sandwell Local Plan Issues and Options Consultation

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**Appendix 1: City of Wolverhampton Council  
Response to Sandwell Local Plan  
Issues and Options Consultation**

The Planning Policy Team  
Sandwell Council  
PO Box 2374  
Oldbury  
B69 3DE

Dear Planning Policy Team,

**Sandwell Local Plan – Issues and Options consultation**

This letter contains the response of the City of Wolverhampton Council to the Issues and Options Consultation on the Sandwell Local Plan. This response was approved by the Councils Cabinet on 26 April 2023.

In summary, we welcome the progress made with the new Local Plan, and the way in which the document has been informed by the work undertaken as part of the Black Country Plan (BCP) – particularly the shared evidence base and associated policy development. We also note and welcome that the programming of the Local Plan is broadly aligned with the Wolverhampton Local Plan as set out in the Local Development Scheme approved by the Council in February 2023 <https://www.wolverhampton.gov.uk/planning/planning-policies/local-development-scheme-lds> . This is important given the need to progress a regional solution to addressing strategic housing and employment land needs which form a key element of the consultation.

At this stage, our comments are focussed on the assessment of housing and employment land need, and how these needs could be addressed. We look forward to further and ongoing engagement with Sandwell Council through the Duty to Cooperate as the Plan progresses, and the individual policies and site-specific proposals are further developed.

Strategic housing and employment land issues

Page 35 of the Issues and Options consultation document identifies a Sandwell Local Housing Need of 30,300 homes to 2041. The anticipated housing land supply is 9,492, resulting in a shortfall of 20,808 homes. This is broadly consistent with the work undertaken through the Black Country Plan and is recognised by the City of Wolverhampton Council.

The document points to several options in dealing with this, including increased densities on new sites. We encourage Sandwell Council to continue to fully explore all opportunities

within the Borough to maximise development capacity, but highlight the need to prevent the loss of viable employment land and premises given the evidenced shortfall of land across the Black Country Functional Economic Market Area (FEMA). While this work may identify some additional capacity, we accept the conclusion that it will not be possible to meet all needs within the Borough, and endorse the suggestion that it will be necessary to ask adjacent Councils if they are able to contribute towards meeting Sandwell needs through the allocation of land in their Local Plans.

For this reason, we recommend that Sandwell Council continues to engage with the work of the Greater Birmingham and Black Country Housing Market Area (GBBCHMA) officer group and the programme of work contained within the Statement of Common Ground as circulated by South Staffordshire Council in 2022. Clearly, given the scale of the Sandwell shortfall, a regional approach is required, and the reference to approaching only adjacent Local Plan areas for assistance will be too limiting given acknowledged housing shortfalls arising in and across the Black Country as a whole and in Birmingham. Any solution should be based on an understanding of the pattern of functional and physical relationships across the GBBCHMA including migration and travel to work data so that, where practicable, needs are addressed as close as is possible to where they arise.

In the case of Wolverhampton, our current position on housing and employment land need and supply is as set out in the Draft BCP, published for consultation in 2021. The Draft BCP identified a shortfall of some 28,000 homes to 2039 across the four Council areas. For Wolverhampton, the housing shortfall was substantial at some 7,700 homes to 2039.

On the basis of the December 2023 consultation version of the National Planning Policy Framework, the Leader of the City of Wolverhampton Council has committed to excluding any sites which are currently located within the green belt as development allocations within the emerging Wolverhampton Local Plan. This will further increase the 2039 City housing shortfall to some 8,700 homes. The new Local Plan will also have a Plan period extending to 2041, which could further increase this shortfall. For this reason, Wolverhampton will not be in a position to provide land within the Local Plan to meet needs arising in Sandwell.

Turning to employment land, the document identifies an employment land need of 205.5ha arising in Sandwell, and a corresponding forecast supply of 69.9ha, resulting in a shortfall of 135.5ha. Again, we recognise this level of need and anticipated supply given its basis in the jointly commissioned Black Country Economic Development Needs Assessment (EDNA) update, published alongside the Issues and Options consultation.

In the first instance, needs arising within the Black Country FEMA should be addressed within the FEMA itself. The EDNA update recommends that collectively, the employment land 'need' across the FEMA is some 512ha, and that the corresponding shortfall is some 22.4ha after taking into account current proposed contributions from neighbouring Local Plan areas – namely Shropshire and South Staffordshire. The Report recommends that the closing of this gap should be addressed through ongoing Duty to Cooperate activity with a focus on those areas having a strong or moderate functional economic relationship with the Black Country (as defined in the 2017 EDNA), and other areas where there is evidence of a functional relationship. In the case of Wolverhampton, the Report advises that employment land need and anticipated supply are finely balanced, and it is highly unlikely that additional land will be identified through the new Local Plan which could make

significant headway into addressing the shortfall arising across the FEMA as a whole. We therefore support the continuation of Duty to Cooperate engagement with neighbouring Local Plan areas to address the shortfall, with a focus on the areas identified in the 2017 EDNA.

We trust that these comments are helpful and will be considered by Sandwell Council as part of the preparation of the next stage of the Local Plan.

Yours sincerely,

**Ian Culley**

Lead Planning Manager (Regional Strategy)

Tel: 01902 555636

Email: [ian.culley@wolverhampton.gov.uk](mailto:ian.culley@wolverhampton.gov.uk)

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<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Cabinet</b> <b>27 April 2023</b>
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<b>Report title</b>	The WV Living Business Plan 2023 - 2028	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Bhupinder Gakhal City Assets and Housing	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	John Roseblade, Director of Resident Services	
<b>Originating service</b>	Housing	
<b>Accountable employee</b>	John Roseblade	Director of Resident Services
	Tel	01902 555755
	Email	John.Roseblade@Wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	WV Living Shareholder Board	12 April 2023

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**Recommendations for decision:**

The Cabinet is recommended to approve:

1. The updated business plan for WV Living 2023-2028.
2. That authority be delegated to the Cabinet Member for Resources and Digital City in consultation with the Chief Operating Officer and the Director of Finance to approve detailed loan agreements, amendments to any loan agreements and the execution of any loan agreements or other financial instruments between the Council and WV Living.
3. That the Council will continue to act as guarantor for contracts entered into by WV Living where appropriate and that authority be delegated to the Cabinet Member for Resources and Digital City in consultation with the Chief Operating Officer and the Director of Finance to authorise any such guarantees.

4. The establishment by WV Living of subsidiary companies to act as management companies for developments at The Marches and Hampton Park and the transfer of these management companies to homeowners upon completion of developments.
5. That authority be delegated to the Cabinet Member Resources and Digital City in consultation with the Chief Operating Officer and the Director of Finance to approve the establishment of additional subsidiary management companies for future developments and the transfer of these management companies to homeowners upon completion of developments.
6. Amendments to WV Living policies as detailed in the report.
7. That in the light of the new Business Plan the Council confirms that it has confidence that WV Living is a going concern for at least the next 12 months.

**Recommendation for noting:**

The Cabinet is asked to note that:

1. Updated business plans for WV Living will be brought to Cabinet for approval on an annual basis.

## **1.0 Purpose**

- 1.1 The purpose of this report is to provide the annual refresh of the WV Living Business Plan for approval by Cabinet. This report considers the purpose of WV Living as a vehicle to meet Council priorities for housing in the City. The financial implications for the company and for the Council are considered and recommendations are made for continued financial support as both a shareholder and lender to WV Living

## **2.0 Background and the Updated Business Plan**

- 2.1 WV Living has undertaken the annual update of the Company five year business plan. As the company strategy and operating model has remained unchanged from last year the only changes made are to the financial model. Going forward it is intended that whilst the financial model shall continue to be updated annually the full text of the business plan will be updated every three–five years unless there are significant changes to the strategy or operating model. The updated income and expenditure statements and balance sheets can be found in Appendix 1 to this report. The business plan was approved by the Board of Directors on 9 March 2023, endorsed by the Shareholder Board on 12 April 2023, and is now recommended for approval by Cabinet.
- 2.2 Since WV Living was established in 2016 it has developed 451 new homes in Wolverhampton with a further 178 homes under development giving a total of 629 which includes 135 affordable homes. WV Living has supported the Help to Own Scheme by the delivery of 100 new properties at The Marches.
- 2.3 Properties built by WV Living continue to be in demand and are forecast to deliver a profit of over £1.5 million in 2022-2023 after a record year in 2021-2022 with profit of £2.3 million. This performance demonstrates the progress made in WV Living becoming a sustainable business to deliver upon its four key objectives:
- Profit for Purpose
  - Creating desirable homes and communities
  - Creating local investment and employment
  - Delivering regeneration and neighbourhood improvements.
- 2.4 The foundation of WV Living is to provide choice and offer local people the opportunity to buy high-quality, good value homes. The Company aims to tackle new build sites deemed to be commercially unviable by other developers which historically has resulted in them remaining vacant and derelict for several years. Procurement processes target their contractors to create opportunities and apprenticeships for local people, and particularly young people, appointing local labour wherever possible.
- 2.5 In order to maintain the progress of the company a small core team of permanent staff was recruited in 2022-2023 to provide the resources to support delivery of the business plan.

2.6 The business plan will continue to be refreshed annually and brought to Cabinet for approval, The WV Living Shareholder Board will continue to meet quarterly to review performance against the business plan.

### 3.0 Company Financial Position

3.1 The business plan forecasts a profit of £1.5 million in 2022-2023 with profitable performance in each of the subsequent years as summarised in the Table 1. The financial assumptions remain broadly consistent with the previous plan although land prices, costs and margin expectations have been adjusted to current levels.

Table 1

Pre-Tax Profit (Loss)	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000	£000	£000
Previous Plan 2022 - 2027	1,468	274	1,604	2,521	3,575	3,921	0
Current Plan 2023 - 2028	2,319	1,472	668	1,491	2,532	2,314	3,313

3.2 Table 2 shows that the company is forecast to move into financial surplus (after taxation) in 2025-2026 with profits from that point being available for distribution to the Council as dividends or used for reinvestment in the business. For comparison the equivalent table from the Business Plan reported in April 2022 is shown in Table 3

Table 2 Forecast Retained Surplus

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Base Case	£000	£000	£000	£000	£000	£000
Annual surplus (deficit)	1,192	541	1,116	1,900	1,735	2,484
Retained surplus (deficit)	(2,686)	(2,145)	(1,029)	871	2,606	5,090

Table 3

Prior Year Base Case	2022/23	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000
Annual surplus (deficit)	223	1,202	1,890	2,680	2,938
Retained surplus (deficit)	(4,725)	(3,523)	(1,633)	1,047	3,985

3.3 The forecast retained deficit at the end of 2022-2023 of £2.7 million is a reduction of £3.4 million over the previous two years from a peak of £6.1 million. This is also an improvement of £4.7 million on the same projection from April 2022.

3.4 Sensitivity analysis has been undertaken on the business plan to identify risks associated with under-delivery and the impact on the business. Three key risk areas were identified:

- Reduced margins
- Reduced sales
- Increased interest rates

Sensitivity analysis was undertaken for a range of scenarios including, at the extreme, a combination of reduction in margin of 3% points, reduction in sales of 10% and increase in interest rate of 5%. The company remains profitable in every year at this scenario. A summary of the sensitivity analysis results is included at Appendix 2.

3.5 WV Living has been partly funded by loans from the Council made under the agreed Loan Facility. During 2022-2023 the company repaid all loans and future loan requirements are forecast to be substantially lower than historic levels as a result of improved management of development contracts and cash. Forecast loan levels and interest payments to the Council are shown in the Table 4.

Table 4

Funding	31/03/22	31/03/23	31/03/24	31/03/25	31/03/26	31/03/27	31/03/28
	£000	£000	£000	£000	£000	£000	£000
Year end Funding Requirement	5,000	0	0	4,000	3,000	6,000	1,000
Interest paid to CWC	1,974	114	0	41	309	205	134

3.6 Cabinet is recommended to approve that authority be delegated to the Cabinet Member for Resources and Digital City in consultation with the Chief Operating Officer and the Director of Finance to approve detailed loan agreements, amendments to any loan agreements and the execution of any loan agreements or other financial instruments between the Council and WV Living.

3.7 To provide ongoing support to WV Living, Cabinet is recommended to approve that the Council will continue act as guarantor for contracts entered into by WV Living where appropriate and that authority be delegated to the Cabinet Member for Resources and Digital City in consultation with the Chief Operating Officer and the Director of Finance to authorise any such guarantees.

3.8 The financial model supporting the business plan demonstrates WV Living as a sustainable business and Cabinet is recommended to confirm that the Council has confidence in WV Living as a going concern for at least the next 12 months.

#### **4.0 Risk Register**

- 4.1 The company risk register has been updated to identify risks and facilitate their management and mitigation. A copy of the risk register is attached at Appendix 3.
- 4.2 The largest risk to the company delivering their business plan is the identification of viable sites. WV Living has provided assurance to the Shareholder Board that appropriate, robust actions are being taken to identify and secure sites. A dedicated employee has been recruited to oversee this work.
- 4.3 As part of the mitigation to the risk, WV Living are, in line with the Business Plan, looking at urgent opportunities adjacent to the Council's area, but not within it, in order to supplement the existing limited pipeline. In line with the Business Plan such opportunities (ie outside the City of Wolverhampton) are only progressed where there is insufficient pipeline currently (which is the case). In the proposed scenario the level of profit, whilst not substantially greater than the normal rate of return is considered sufficient to help mitigate the risk of a lack of pipeline.

#### **5.0 Subsidiary Companies**

- 5.1 Modern housing developments contain areas of open space and other unadopted land for the benefit of residents that requires regular maintenance. This is paid for by residents by way of an estate management charge as included in their purchase documents. It is usual practice for an estate management company to be set up by the developer to control funds and management of the unadopted area for each development. A managing agent is appointed to undertake the maintenance. Once development is complete the unadopted areas of land are transferred to the management company and it becomes wholly jointly owned by the owners of the estate for them to appoint directors and a managing agent. This fosters community engagement in the estate and ensures that residents are in control of the maintenance service.
- 5.2 Creation and disposal of subsidiary companies is a matter requiring Council consent under the terms of the shareholder agreement dated 31 January 2017. Therefore, approval is requested from Cabinet for the establishment by WV Living of subsidiary companies to act as management companies for developments at The Marches and Hampton Park and the transfer of these management companies to homeowners upon completion of developments.
- 5.3 Additional management companies will be required to manage future developments by WV Living and approval is therefore sought for authority to be delegated to the Cabinet Member for Resources and Digital City in consultation with the Chief Operating Officer and the Director of Finance to approve the establishment of subsidiary management companies and the transfer of these management companies to homeowners upon completion of developments.

## **6.0 Policies**

- 6.1 Under to the terms of the Shareholder Agreement dated 31 January 2017 between the Council and City of Wolverhampton Housing Company Limited (WV Living), Council consent is required to amend any of the Policies as defined, being the Market Rent and Lettings Policy, Sales Policy, Debt Recovery Policy and Remuneration and Expenses Policy.
- 6.2 Since the initial business plan was approved by the Council and adopted by WV Living (as attached to the Shareholder's Agreement) the Council has approved subsequent Business Plans that have included amendments to the WV Living business model such that it no longer includes engaging in the letting of properties. In addition, WV Living has recruited permanent employees to run the business and completed sales of numerous developments. In the light of these factors WV Living has reviewed the Policies and the Board of Directors has, subject to approval by the Council, approved the following:
- Deletion of the Market Rent and Lettings Policy and of the Debt Recovery Policy as no longer being relevant to the company's business.
  - A revised Remuneration and Expenses Policy to include employees and consultants in addition to Directors (Appendix 4).
  - A revised Sales Policy to reflect the latest consumer code requirements and the experience gained from sales activity undertaken to date (Appendix 5).
- 6.3 It is recommended that the Council approves the changes to policies.

## **7.0 Evaluation of alternative options**

- 7.1 The alternative option is to not approve the updated business plan and to ask WV Living to conclude the development of sites already under construction. Whilst there are no loans outstanding to the Company the Council has £8 million of equity investment. Financial modelling indicates that under this scenario WV Living would not be in a position to fully repay the equity back to the Council. In addition to the financial impact, this option would not facilitate the development of much needed housing in Wolverhampton and the development of difficult brownfield sites.

## **8.0 Reasons for decision**

- 8.1 The principal driver for the approval of the business plan is to facilitate much needed housing in Wolverhampton and to unlock difficult brownfield sites.

## **9.0 Financial implications**

- 9.1 The financial implications of the business plan are detailed in the body of the report. Monitoring of the business plan will be overseen by the Shareholder Board.
- 9.2 The Council has an investment of £8 million in the company. The financial modelling and due diligence undertaken provides assurance that the company will have sufficient

retained surpluses in order that the Council can recover the investment either through dividends or repayment of equity in the future.

- 9.3 There are currently no loans outstanding to WV Living, however in the future it may be necessary to provide loans to the company to facilitate site purchase and development. Should loans be required then there will be a need to increase the capital programme accordingly. The expenditure in the capital programme will be offset by equivalent capital receipts from loan repayments. Interest would be chargeable at a commercial rate on any such loans.
- 9.4 The ongoing financial implications for the Council will be included in reports to members through the routine Budget monitoring, Capital Programme and Treasury Management reports where appropriate.  
[CN/14042023/A]

## **10.0 Legal implications**

- 10.1 WV Living was established as a trading company under the Local Government Act 2003 and as such the Council must comply with the requirements under that Act as well as the other detailed provisions that apply. The steps recommended in this report meet the Council's legal obligations.
- 10.2 The proposed decisions ensure that the requisite authority is in place for decisions proposed to be made by WV Living.  
[DP/17042023/A]

## **11.0 Equalities implications**

- 11.1 There are no specific equalities implications arising from this report, these have already been picked up in previous decisions made and in those relating to specific schemes.

## **12.0 All other implications**

- 12.1 WV Living which is committed to ensuring its new homes are energy efficient and support national and local efforts to reduce the production of greenhouse gases.
- 12.2 There are no immediate corporate landlord implications. It is possible that future developments undertaken by WV Living may include the acquisition and development of land currently owned by the Council. The sale of land will generate capital receipts for the Council.
- 12.3 By providing high quality attractive homes for sale and market rent, the project will, over the longer term, improve the quality of new homes in all areas of the City including areas with lower housing market values.
- 12.4 Improvement to the quality of housing in the City will contribute to increased health and wellbeing.



### **13.0 Schedule of background papers**

13.1 Cabinet 27 April 2022 – WV Living Business Plan

### **14.0 Appendices**

14.1 Appendix 1 - WV Living Business Plan 2023-2028 Financial Statements (in exempt report)

14.2 Appendix 2 - Sensitivity Analysis (included in exempt report)

14.3 Appendix 3 - Risk Register

14.4 Appendix 4 – Revised Remuneration and Expenses Policy

14.5 Appendix 5 - Revised Sales Policy

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Appendix 3

**Risk Register**

Risks are scored using a standard 5 x 5 grid as shown to the right based upon the likelihood of occurrence and their impact.

Risks are assigned a red-amber-green (RAG)

rating based on their scores and monitored

closely. Mitigations are identified and put in place to reduce risk where possible.

Likelihood	5	Yellow	Yellow	Red	Red	Red
	4	Yellow	Yellow	12	Red	Red
	3	Green	Yellow	Yellow	Yellow	Red
	2	Green	Green	Yellow	Yellow	Yellow
	1	Green	Green	Green	Yellow	Yellow
		1	2	3	4	5
		Impact				

One Red Risk Identified – “*Lack of sufficient land/development pipeline to support business plan*”. The Head of Land Acquisition & Planning is building a local network and positive progress is starting to be made.

Risk ref	Risk title and description	Score Mar 2023	RAG Rating
1	National shortages of building supplies and labour leading to construction delays and knock-on financial pressures including cash-flow and cost increases.	6	Yellow
2	Lack of sufficient land/development pipeline to support business plan.	15	Red
3	Environmental Legislation: Introduction of future building standards in 2025 to support net zero target by 2030.	9	Yellow
4	Health & Safety risks with potential for significant harm in the construction industry.	8	Yellow
5	Economic impacts on housing market.	12	Yellow
6	Cashflow/Liquidity.	4	Green
7	Defects Liability gap between contractor liability and our responsibility to customers on developments up to and including The Marches.	6	Yellow
8	Planning requirements.	8	Yellow
9	Construction quality issues.	4	Yellow
10	Interest Rate Increase.	8	Yellow
11	Increase in Construction Costs leading to a pressure on margins.	9	Yellow

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## Remuneration and Expenses Policy

1. Introduction
2. Remuneration and Expenses
3. Gifts and Hospitality

### 1.0 Introduction

- 1.1 It is a requirement of the Shareholder Agreement that WV Living has a Remuneration and Expenses Policy agreed by the City of Wolverhampton Council. This policy sets out how board members, employees and consultants will be compensated (including salary, bonus, benefits in kind, and expense reimbursement) in their roles.

### 2.0 Remuneration and Expenses

- 2.1 Board members who are employees of the council or any of its other wholly owned bodies will not be paid for their role as board members. Where an independent board member from outside the Council is appointed for a specific skill set they will be paid in line with industry average. Remuneration of independent board members must be approved by the Chair of the board.
- 2.2 Employees of the company will be paid at the salary as set for their assigned grade by the Council for its employees. Grades for employees will be set at recruitment in line with the council's job allocation process. Grades may be reassessed during employment in line with the company's Job Allocation Review Policy.
- 2.3 Employees will be eligible to join the West Midlands Pension Fund in line with the terms offered to employees of the Council. Board members will not be eligible to join the Company's pension scheme.
- 2.4 The company may, from time to time, make available additional benefits to employees on similar terms to those offered by the Council. All such benefit schemes must be approved in advance by the Board.
- 2.5 Consultants and/or interim staff may be engaged by the company to provide additional resource or specific skills where permanent employees are not appropriate or available. Use of such staff must be approved by the Managing Director if within the overall staffing costs identified in the business plan. If the appointment would cause staffing costs to exceed business plan levels the appointment must be approved by the Chair.

2.6 Reasonable expenses will be paid to Board members, employees and consultants for:

- (a) attending board meetings that are held away from the Civic Centre;
- (b) on official business of WV Living;
- (c) attending organised external training activities
- (d) attending conferences or other events in an official capacity

Expenses are not payable for travel from home to the City of Wolverhampton.

Reasonable expenses include, travel on public transport or car mileage, car parking, hotel accommodation and meals. Car mileage rates will be the rate in force for Council employees at the date of the claim. An expense claim form is attached at **Appendix 1**. Further copies are available from the Finance Director.

2.7 Expenses will be approved by the Chair on behalf of Board members and by the line manager in respect of employees and consultants.

2.8 Completed claim forms should be forwarded to the Finance Director, who will arrange for reimbursement.

2.9 A report on the total expenses claimed will be presented to board annually.

### 3.0 Gifts and Hospitality

3.1 In the course of work as a board member, employee or consultant, gifts (including money) or hospitality may be offered by contractors, consultants, and the public. The Bribery Act 2010 includes in this list charitable donations, political contributions and facilitation payments to other organisations. The offer of a gift or an invitation to an event can be meant as a sign of appreciation. However, the acceptance of these can leave board members, employees or consultants in a compromising position and open to allegations of corruption. If an allegation is made, it is for the individual to demonstrate that any such rewards have not been corruptly obtained.

3.2 The acceptance of gifts and hospitality, even on a modest scale, may arouse suspicion and needs to be capable of public justification.

3.3 **Where a gift or hospitality is offered Board members and employees should:**

- Inform the Finance Director/Company Secretary and seek their advice.
- Complete the register of gifts and hospitality maintained by the Finance Director (minor gifts, with a nominal value of up to ten pounds, such as inexpensive calendars, pens or small stationery items, or hospitality such as refreshments during a site visit or inexpensive working lunch need not be included).

3.4 **Matters to consider before accepting a gift or hospitality include:**

- The timing of decisions for letting contracts for which the provider may be bidding (under no circumstances should gifts or hospitality be accepted from a contractor during a tendering period).

- Whether the gift or hospitality is appropriate e.g., an inexpensive promotional pen or diary may be accepted but more expensive items, such as a bottle of whisky, must be declined. Similarly, lunch at on-site cafeterias or invitations to local events as a representative of WV Living may be appropriate whereas invitations to prestigious sporting events, theatre tickets or personal invitations where board members are not attending in an official capacity are not appropriate.
- Where an event is being attended in an official capacity for company purposes e.g., formal networking to promote and further the development of the WV Living business and is agreed by the Chair attendance is permitted. Expenses for the attendance at such events can also be claimed as detailed in section 2 Remuneration and Expenses, although any expenses of this nature should also be agreed in advance with the Chair, as far as is possible.

### 3.5 Visits and conferences/expenses

The participation in visits and conferences should be carefully regulated. If the visit/conference attendance is by invitation and accommodation, meals etc. are being offered (which may be seen as a gift or inducement), prior agreement should be sought from the chair or company secretary and the details entered into the register of gifts and hospitalities.

### 3.6 Register of Gifts and Hospitality

A record will be maintained by the Finance Director in relation to offers of gifts or hospitality (**See Appendix 2**). The following information will be recorded:

- The person or body making the offer
- The Board member to whom the offer was made
- The gift or hospitality offered
- The circumstances in which the offer was made
- All correspondence concerning the offer and action taken shall be retained in the register.

The Chair of WV Living and Finance Director will have access to the register. Every board member is entitled to see what is recorded in the register against their name.

- 3.7 The intention of this section is to protect individual members of the board, employees and consultants as well as WV Living.

Date Policy approved: 1 September 2022

Date of Council Consent: 26 April 2023

To be reviewed: 1 September 2025.





**APPENDIX 2**

<b>WV LIVING</b>	
<b>DECLARATION OF RECEIPT OF HOSPITALITY AND GIFTS</b>	
<b>Declaration</b>	
<b>Name</b>	
<b>Date of event/gift</b>	
<b>Provider of hospitality/Gift</b>	
<b>Description of hospitality/Gift</b>	
<b>Value of hospitality/gift</b>	
<b>Signature of recipient</b>	
<b>Chair Approval</b>	
<b>Name</b>	
<b>Date of approval</b>	
<b>Signature</b>	

To be forwarded to the Finance Director to add to the Gifts and Hospitality Register.

July 2022

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# WV Living Sales Policy

Accountable body: WV Living Company Board

Responsible individual: Managing Director

## 1. Policy Statement

1.1. WV Living builds high quality homes for sale. It will seek to follow best practice in its sales activity and will be open and transparent when marketing and selling properties.

1.2. Except for homes built for previously identified needs, or groups of individuals, (for example retirement apartments), WV Living will make its homes for sale available to all. It will ensure that its marketing and sales operations have a strong presence among Wolverhampton's diverse community.

1.3. WV Living will ensure that its agents and contractors adhere to the same standards of professionalism and behaviour as those followed by Company or Council staff. All agents are required to sign up to the Council's Code of Conduct which is included as a standard requirement in WV Living tender documentation. Appointed agents will also be required to sign up to the Council's Equality and Diversity Principles.

1.4. WV Living will guide buyers throughout the purchase of their home and for the required defect period under the Consumer Code for Housebuilders.

## 2. Background and Scope

2.1. Buying a home is the largest investment many people will make. It can also be one of the most stressful. Through its sales policy WV Living aims to reduce the anxiety and difficulties buyers face by offering an open, transparent, and supportive service throughout the purchase and after-sales period. WV Living will follow best practice and appropriate codes of practice to do this. This may be accessed via the web address below or opening this hyperlink. [Home - Consumer Code](https://consumercode.co.uk)

<https://consumercode.co.uk>

2.2. This policy covers WV Living's approach to sales and providing customer services to people wishing to buy one of our homes.

### 3. Sales and customer service practice

3.1. Apart from properties built for a specific group of people, for example retirement apartments, WV Living will welcome buyers from all groups and will treat all buyers equally and as individuals.

3.2. WV Living and its appointed agents and contractors will adopt and follow the requirements of the Consumer Code for Housebuilders. [Home - Consumer Code](https://consumercode.co.uk)

<https://consumercode.co.uk>

3.3. WV Living will work openly and professionally with the professional advisers appointed by buyers.

3.4. WV Living will keep customers informed throughout the sales process and will be transparent in its pricing and charges.

3.5. WV Living will seek to meet agreed construction timescales. Where this is not possible buyers will be informed of the delay along with reasons for it and a revised timetable for completion.

3.6. WV Living may provide to buyers, a list of individual solicitors or companies that have demonstrated they meet the high standards of conduct and customer care demanded by the Company. However, these are not recommendations nor is any sale dependent upon the use of these companies. WV Living and its agents will not enter into any contractual arrangements to formally introduce buyers to companies without the express agreement of the Board.

3.7. WV Living will provide a named contact for all buyers who will be available at designated times to respond to buyer queries, requests and visits.

3.8. WV Living will record, retain and process information from buyers in accordance with the requirements of GDPR and information security policies.

3.9. WV Living will ask customers to formally approve any changes in specification or design if this is appropriate and if the customer has entered into a full reservation agreement in respect of the property.

3.10. WV Living will ensure it complies fully with all HMRC requirements regarding anti money-laundering and proceeds of crime requirements.

3.11. WV Living aims to build homes for individuals and families to buy. Where any buyer wishes to acquire more than three market sale dwellings on a single site, Board approval of the sale will be required.

3.12. Where a buyer is dissatisfied with any aspect of WV Living's service they may complain. WV Living will respond constructively and quickly to all complaints and, will agree steps to resolve the complaint in line with the Company's complaints policies.

3.13. If the customer remains dissatisfied they may take their complaint to the Homes Warranty provider and/or the Consumer Code's Independent Dispute Resolution Service.

3.13. WV Living will endeavour to undertake regular surveys of buyers to understand how the Company can improve its services. All surveys and records kept will be carried out in accordance with GDPR.

3.14 WV Living will ask its customers to participate in the Home Builder's Federation National New Homes Customer Satisfaction survey.

#### **4. Accountability and Responsibility**

4.1. The Board of WV Living is accountable for the company's Sales Policy which requires approval by the Council. Responsibility for ensuring the policy is implemented and appropriately managed rests with the Managing Director. All employees and individuals working with or on behalf of the Company are responsible for adhering to the requirements of this policy.

4.2 This policy will be reviewed at least once every three years or at shorter intervals when the operating environment or services offered by WV Living change.

Date Policy approved: 1 September 2022

Date of Council Consent: 26 April 2023

To be reviewed: 1 September 2025

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